

act4nature

statement of the 2018 commitments

RESTREINT

INTERNE

SECRET

Edito

Committed to the French National Biodiversity Strategy since 2011, ENGIE renewed and reinforced its commitment to the preservation of biodiversity by supporting act4nature in 2018, and by extending the scope of NBS commitments to all the Group's activities throughout the Group worldwide.

The activities of ENGIE are in constant interaction with biodiversity: on the one hand by the services provided by nature (biomass, water, climate) and on the other hand by the footprint of industrial sites and therefore their impact on ecosystems.

Through these commitments, we aimed to encourage all the Group entities to perceive biodiversity as an opportunity to anchor their activities in the territories and to engage more strongly with their stakeholders in more sustainable approaches.

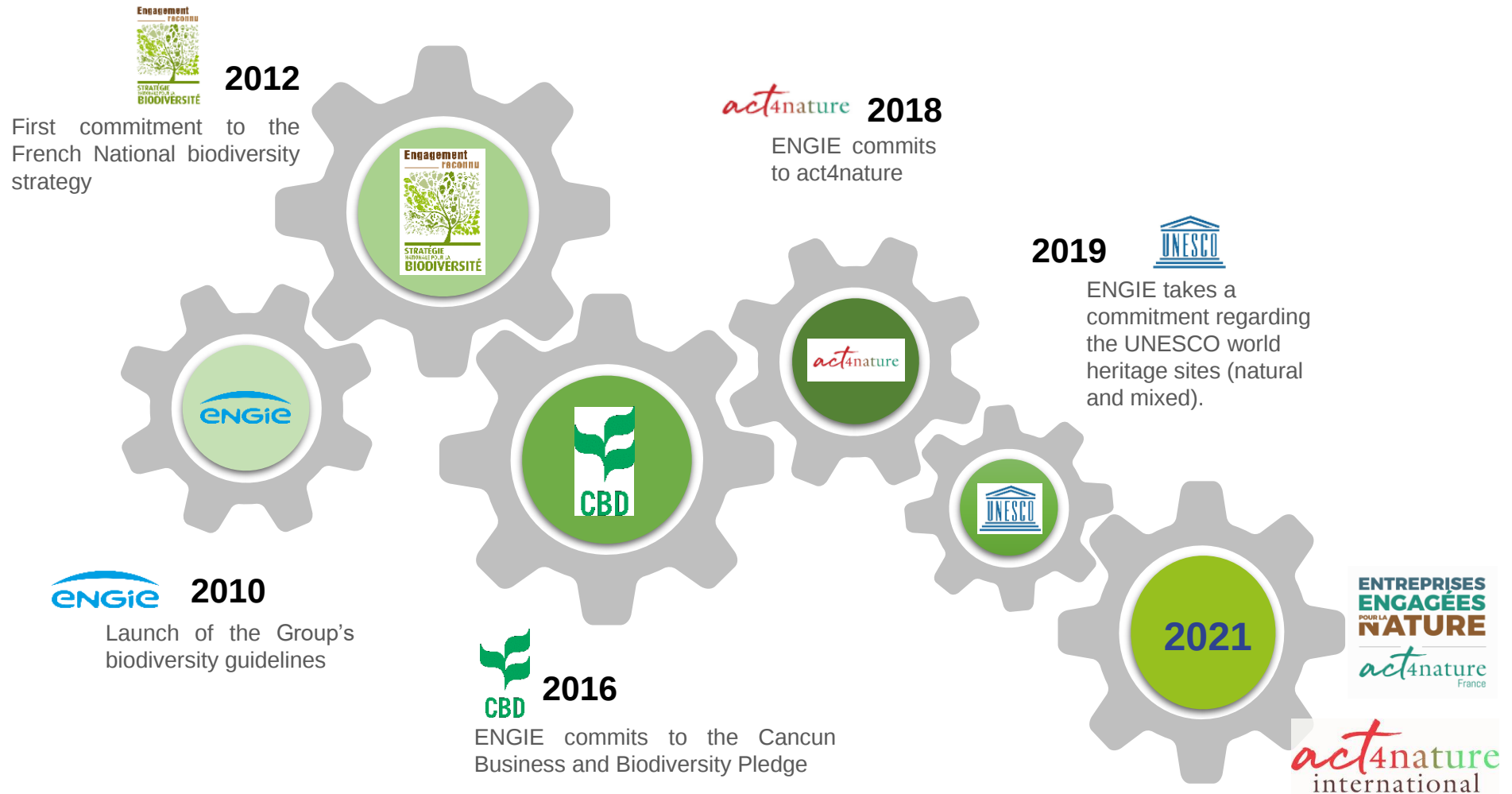
The 2018 Group's commitments on biodiversity were based on three ambitions for which actions have already been implemented in the context of the SNB on 2016-2018, and which we wanted to extend to the entire Group by setting targets for the Group at a global scale to 2020.

For nearly 10 years, we have supported the biodiversity approach on two partnerships, one with the IUCN French Committee and the other with France Nature Environnement. Hence the work done on the act4nature commitments and targets has been made in dialogue with those partners.

The implementation of the actions has been led by the CSR department and coordinated through the biodiversity network and the environmental officers worldwide. Most of the targets have been achieved by the end of 2020. For those with unachieved actions, the targets have been redefined in the new act4nature international commitments.

The commitments has been renewed in 2021 both for act4nature international and EEN-act4nature France.

Overview of ENGIE's commitments



July 2018 commitments

ENGIE's individual commitments – act4nature 2018

- Identify and make known internally all the benefits and opportunities related to actions for biodiversity

In 2017, the Group's entities shared their experiences, notably on the differentiated management of green spaces, the contribution to the implementation of the green and blue weave, and the results of studies carried out by IUCN. The exchanges within the network are now facilitated by setting up a specific internal social network.

2020: Animate an international network of internal experts and develop the sharing of good practices

Target: at least 3 network meetings per year and network animation over time on the dedicated internal social network

2018-2020: Maintain and update a tool for locating and sharing knowledge on protected areas around the world

Target: an up-to-date tool available for everyone in September 2019

ENGIE's individual commitments – act4nature 2018

- Set up on the Group's sites voluntary and concerted approaches with stakeholders

The France Renewables Business Unit works with local stakeholders on each wind or solar project to identify biodiversity risks and define the most appropriate solutions to preserve fauna and flora. For example, in 2017, as part of the construction of the Hangest-sur-Somme wind farm, several actions were carried out, including the installation of bat shelters.

2018: Drafting, in liaison with the internal and external stakeholders concerned, a guide on the ecological management of sites

Target: finalized guide in December 2018

2018-2020: Track the achievement of the target “100% target sites with an integrated environmental management plan developed in collaboration with their stakeholders”, including sites identified as a priority for biodiversity.

Target: 100% of Biodiversity target sites across the Group have a concerted action plan by December 2020 (level of progress available on the website)

ENGIE's individual commitments – act4nature 2018

- Anchoring biodiversity as an integral dimension of the Group's performance

Since 2010, the Group has a goal to improve the management of biodiversity at sites 100% of priority sites in Europe are implementing an action plan by the end of 2015. At the end of 2015, 99% of the sites identified as priorities for biodiversity in Europe had action plans in place. This objective is now included in a more comprehensive approach such as an integrated and concerted environmental management for sites.

2020: Systematically evaluate the development projects in the Group's investment committee in terms of the integration of stakes and consultation with stakeholders, and deploy a proactive action plan on each sensitive project, respecting the sequence “avoid, reduce, offset” all over the world.

Target: As of 2018, 100% of the files submitted to the Group's investment committee are the subject of a concerted analysis of the biodiversity issue.

2018-2020: Provide Group employees with training dedicated to biodiversity

Target: a training program offered to all employees by the end of 2018 for deployment as early as 2019

December 2020 achievements

ENGIE's commitments review

based on the 10 common commitments of act4nature and the individual ones

1

Integrate biodiversity into our corporate strategy, basing our action on available scientific knowledge

- Regular reporting on biodiversity to the ExCom and the Board (at each board meeting)

2

Engage in dialogue with all our stakeholders regarding their expectations and our impacts, actions and progress

- Development of a guidance for Ecological Management: document completed in 2019.
Review ongoing due to the definition of the new biodiversity target for 2020-2030.
- Investment files: biodiversity is one of the CSR criteria applied to projects presented to the Group's investment committee.
For the moment, the involvement of external stakeholders is not systematic at this stage of the projects. Reporting to be improved.
(linked with the common commitment n°5)



TEMPLATE

CSR Criteria Matrix		Risks (-1)	Standard (0)	Opportunities (+1)	Comments or elements of proof (name of the report or action plan file) or justification if not applicable
1	Climate change mitigation				
2	Climate change adaptation				
3	Environmental Management				
4	Water Stress				
5	Protection of biodiversity ¹				
6	Social License to Operate				
7	Stakeholder Engagement				
8	Community Involvement and Human Development				
9	Ethics and Human Rights ²				
10	Responsible procurement				
11	Global protection of people, tangible and intangible assets				
12	Quality of employment conditions				

¹ For projects in or near protected areas or affecting endangered species
² Respect of international standards (the Universal Declaration of Human Rights, its associated Covenants and Conventions of the International Labor Organization) and ENGIE standards (Ethics Charter and Practical Guide to Ethics)

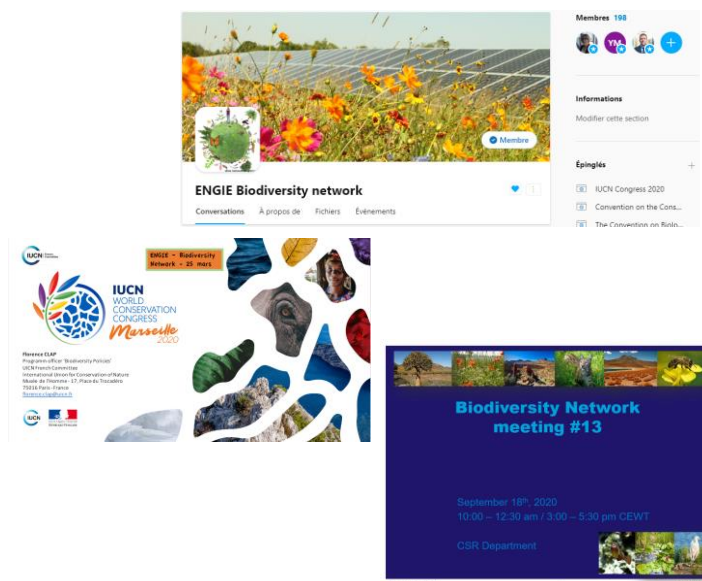
ENGIE's commitments review

based on the 10 common commitments of act4nature and the individual ones

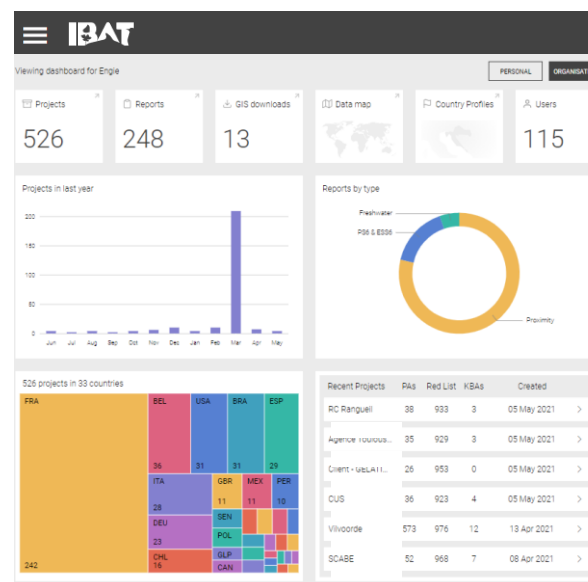
3

Assess the various components of biodiversity that affect us using direct and indirect impact studies, risk analysis and performance indicators and, for decision making purposes, measure our impacts in economic terms as well as our reliance on smoothly functioning ecosystems

- Biodiversity network: good growth (>100 members)
4 meetings organized in 2019

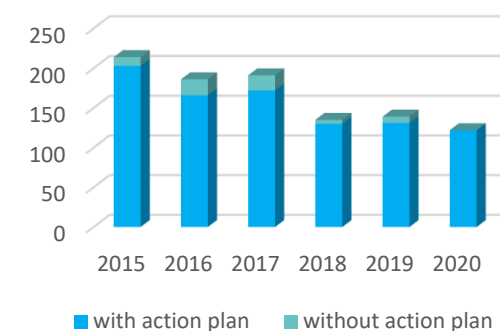


- Protected areas analysis tool: since 2018, ENGIE has signed a contract with IBAT. Everyone in the Group can have access to the tool, on request.



- Environmental Integrated and Concerted Management: end 2020, 100% of the priority sites regarding biodiversity have established an action plan in concertation with relevant stakeholders

Priority sites regarding biodiversity



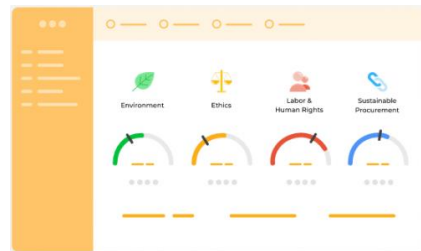
ENGIE's commitments review

based on the 10 common commitments of act4nature and the individual ones

4

Promote the gradual integration of biological diversity into decisions throughout our value, from the production of natural raw materials to the final stage of our products life cycle after use by consumers

- In 2019, assessment of the suppliers with Ecovadis / First step to integrate the biodiversity issue in the purchasing
- For biomass, development of CSR recommendations based on the Sustainable Biomass Partnership standards



5

Primarily avoid, reduce and ultimately offset our impacts, by seeking on a case-by-case basis no net loss as a bottom line and even a net gain of biodiversity in our activities and geographical areas of influence, and by factoring in the need of ecosystems to adapt to climate change

- Investment files: biodiversity is one of the CSR criteria applied to projects presented to the Group's commitments committee. For the time being, the involvement of external stakeholders is not systematic at this stage of the projects. Reporting to be improved. *(linked with the common commitment n°2)*

ENGIE's commitments review

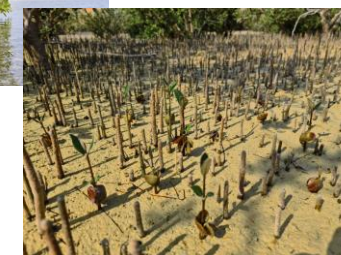
based on the 10 common commitments of act4nature and the individual ones

6

Prioritize the development of heterogeneous nature-based solutions, ensuring that they are implemented in a scientifically sound and biodiversity-friendly manner

- Sensitization of the Business Units on this opportunities during the biodiversity network meetings
- Partnership in Middle East to contribute to the preservation/restoration of the mangroves

Two presentations done by IUCN French Committee at the biodiversity network meeting (December 2017, September 2018)



7

Incorporate biodiversity into our dialogue with policymakers so that this issue becomes an integral part of public policy. When invited to do so, contribute to the national biodiversity strategies of countries where we operate

- Participation to the working groups of French federations (MEDEF, AFEP and AFNOR)

ENGIE's commitments review

based on the 10 common commitments of act4nature and the individual ones

8

Raise awareness of and train our employees in biodiversity and its relation to their jobs. Promote and encourage nature-friendly initiatives by them and offer rewards in recognition of such actions and practices

- Launch of a leaflet on biodiversity end of 2019, for an internal use and to help to answer to tenders
- Training program under development

9

Mobilise resources and establish appropriate partnerships to support and monitor our actions taken in the field

- Partnerships at Group level with the IUCN French Committee and with France Nature Environnement



Since 2008



Since 2009

ENGIE's commitments review

based on the 10 common commitments of act4nature and the individual ones

10

Publicly report on the implementation of these commitments and of the individual commitments set out below

- Communication in the Universal Registration Document, the integrated report and on the website

Non-Financial Statement and CSR information

3.3 Analysis of main CSR risks and challenges

Risk G: Biodiversity				
The Group's biodiversity policy which aims to:				
• avoid the direct or indirect impacts of its activities and those of its value chain on biodiversity; • failing this to reduce them; • or even to offset them as a last resort.	2020 target:	100%	94%	94%
	100% of the priority sites (i.e. those likely to affect biodiversity due to their proximity to a protected natural area) with an action plan to respond to the challenges of preserving biodiversity			
	2030 target:			
	100% of industrial activities with ecological site management plans	0%	Not communicated	Not communicated

3 Non-Financial Statement and CSR information

3.5 Environmental information

3.5.4.8 Management of biodiversity

Biodiversity (fauna, flora) is a natural heritage essential to human health and well-being. ENGIE depends on it, also depends on it through its use of biomass resources and water and climate regulation provided by biodiversity.

Biodiversity is threatened by climate change, pollution, habitat modification, invasion of exotic species and overexploitation of resources. Fragmentation and disturbance of habitats caused by the territorial of our sites and soil sealing are the main impact of the main impact of ENGIE's activities on biodiversity.

In order to contribute to biodiversity protection and to mitigate its impact under the "prevent, reduce, offset" process, the Group has been committed since 2010 to integrating biodiversity into its strategy and activities.

Examples of objectives and actions carried out by the Group include the restoration of natural habitat (hedgerows, grassy strips, wetlands), the reduction of the impact of wind turbines on wildlife, the installation of fish ladders at dams, ensuring that gas-grid easements contribute to ecological continuity, and applying differentiated landscaping to green spaces.

In pursuit of its commitment to biodiversity, the Group relies on the skills and expertise of its two partners: the French committee of the IUCN (International Union for Conservation of Nature) and France Nature Environnement.

As part of a voluntary initiative, which was recognized at the end of 2012 by the French government as part of the National biodiversity strategy, the Group has defined a targeted action plan⁽¹⁾ for each of its priority sites in Europe designed to address the biodiversity protection issues identified at the site and/or by local stakeholders, based on the site's activity.

Since 2016, biodiversity action plans have been incorporated into a more comprehensive approach to integrated and concerted environmental management at site level for all the Group entities, but the method of identifying sites for biodiversity remains unchanged.

In 2018, the Group also strengthened its international commitments by joining the "act4nature" initiative. The individual commitments made in this area were largely achieved. Among the measures completed it is worth noting: the constant increase in the number of participants in the network of experts, the introduction of an integrated biodiversity assessment tool (IBAT), and the publication of an internal brochure covering biodiversity. Further information is available on the website.

In 2020, the Group renewed its two commitments in terms of biodiversity via the "act4nature international initiative" and "Entreprises engagées pour la nature-act4nature France".

Extracts from
ENGIE's URD 2020

Committed to biodiversity:
act4nature, UNESCO

act4nature

Starting in 2010, the Group set itself the target of developing a biodiversity conservation action plan for each of its priority sites in order to respond to local challenges identified together with stakeholders. In July 2018, ENGIE strengthened its commitments by supporting act4nature and by broadening the scope of its biodiversity targets to cover all its activities. Since February 2019, ENGIE has also been committed to assessing the potential impact of new projects on UNESCO World Heritage sites (natural or mixed) and to avoiding the development of projects with negative impacts.

- ▶ 98% of European sites have been covered by a biodiversity action plan since the end of 2015
- ▶ deployment of the Integrated Biodiversity Assessment Tool (IBAT), a tool for locating and sharing information on the biodiversity of protected areas around the world
- ▶ drafting of a guide to best practices worldwide for the ecological management of sites
- ▶ implementation of biodiversity awareness modules
- ▶ ecological management of sites, bird and bat conservation near wind-farms, eco-grazing on solar and wind farms

Source: ENGIE's integrated report 2020