

Non-Financial Statement 2021

Extract from 2021 URD



3

Non-Financial Statement and CSR information

3.1 Corporate Social Responsibility	70	3.6 Societal information	113
3.1.1 CSR policy and governance	70	3.6.1 Dialog with stakeholders and partnerships	113
3.1.2 2030 CSR objectives	70	3.6.2 Combating fuel poverty	113
3.1.3 Climate trajectory (related to the recommendations of the TCFD: Task Force on Climate-related Financial Disclosures)	71	3.6.3 Just transition	114
3.1.4 Science Based Targets certification	72	3.7 Purchasing, subcontracting and suppliers	115
3.1.5 European taxonomy	72	3.8 Ethics and compliance	116
3.2 Business model	75	3.8.1 Ethics and compliance governance	116
3.3 Analysis of main CSR risks and challenges	77	3.8.2 Risk assessment	116
3.3.1 Main environmental risks	82	3.8.3 Reference texts	117
3.3.2 Main societal risks	83	3.8.4 Whistleblowing and reporting of ethics incidents	118
3.3.3 Main social risks	85	3.8.5 Training	118
3.3.4 Main governance risks	87	3.8.6 Controls and certifications	118
3.4 Social information	88	3.9 Vigilance Plan	119
3.4.1 Social data	88	3.9.1 Identification and management of the risks of serious harm to individuals and the environment	119
3.4.2 The development of talent	90	3.9.2 Third-party assessment	121
3.4.3 Hiring and retention	93	3.9.3 Whistleblowing and collection of alerts	122
3.4.4 Diversity and inclusion	95	3.9.4 Steering, governance and follow-up of the deployment of the plan	122
3.4.5 Remuneration, social protection, employee savings plans, and employee shareholding	98	3.9.5 Duty of vigilance correlation table	122
3.4.6 Social dialog	99	3.10 Report by one of the Statutory Auditors, appointed as independent third party, on the consolidate non financial statement	123
3.4.7 Note on the calculation method for social indicators	99	3.11 Statutory auditors' reasonable assurance report on selected social, environmental and governance information	126
3.4.8 Health and safety policy	100		
3.5 Environmental information	104		
3.5.1 Legal and regulatory framework	104		
3.5.2 Environmental management	104		
3.5.3 Performance control and measurement systems, a prerequisite for environmental responsibility	105		
3.5.4 Group actions	107		

French ordinance 2017-1180 dated July 19, 2017 and French Decree 2017-1265 dated August 9, 2017 transposed European Directive 2014/95/EU, also called the non-financial reporting Directive (NFRD), as regards disclosure of CSR information by companies via the Non-Financial Statement (NFS).

Pursuant to this legislation, the ENGIE Group's NFS comprises the following elements:

- a presentation of the governance of CSR performance in Section 3.1 "Corporate Social Responsibility," together with: the Board of Directors' diversity policy, described in Section 4 "Corporate Governance," the Vigilance Plan described in Section 3.9 "Vigilance Plan," and the rules of ethics described in Section 3.8 "Ethics and compliance";

- a description of the Group's activities presented in a summary form by major business segment in Section 3.2 "Business model", and in a detailed form in Section 1.6 "Description of the Group's activities";
- an analysis of the CSR risks relating to the areas referred to in the NFRD Directive, detailed in Section 3.3 "Analysis of the main CSR risks and challenges".

3.1 Corporate Social Responsibility

The fundamental principles of Corporate Social Responsibility are elaborated on in the Group's purpose statement and enshrined in the Group's bylaws.

Rethinking the global energy landscape has today become a necessity in the face of global warming.

The urgent need to reduce environmental impacts means that we have to establish a lower-carbon, more decentralized, more digitized and more pared-back energy system. The Group's societal approach is fueled by its quest for positive impacts on the planet.

3.1.1 CSR policy and governance

ENGIE's Corporate Social Responsibility (CSR) policy sets out the Group's CSR priorities and commitments to bring together everyone's skills, create shared value for all its stakeholders and contribute to the achievement of the Sustainable Development Goals defined by the United Nations. By acting for a positive impact on people and the planet, the Group contributes to ensuring its leadership, over the long term, as a benchmark player in energy transition and related services beyond energy. This policy is detailed in Section 1.5.1.

The Corporate Social Responsibility (CSR) Department relies on a network of designated coordinators in the business units (GBU, GEMS and Nuclear) and geographical entities (national and regional Hubs). To engage employees as widely as possible on these subjects, the CSR Department also uses an internal network of global CSR ambassadors.

The CSR Department provides regular presentations to the Board of Directors' Ethics, Environment and Sustainable Development Committee (EESDC) on the latest CSR topics (science-based targets, task force on climate-related financial disclosures, tracking CSR objectives and commitments, discussions with civil society) and an annual report (CSR ratings, CSR objectives, the environmental and societal actions of the Group).

The CSR Department takes joint leadership with the Finance Department of the Green Financing Committee, overseeing projects likely to be financed by green bonds regularly issued on the market by the Group.

The CSR Department has leadership of the SBT Committee, in which the Finance Department and the relevant GBU participate. This committee is charged with overseeing the decarbonization commitments, particularly those made as part of the science-based targets initiative.

And lastly, the CSR Department takes joint leadership with the Finance Department of the Adaptation & TCFD Committee, charged with overseeing the achievement of financial transparency commitments made in the TCFD initiative (Task Force on Climate related Financial Disclosures) and to monitor the Group's plans to adapt its assets to climate change.

The CSR Department takes joint leadership with the Ethics and Compliance Department of the Duty of Vigilance Committee, charged with overseeing measures to prevent serious violations relating to human rights and fundamental freedoms, the health and safety of individuals and the environment that might arise from the activities of the Group and the subsidiaries it controls.

The CSR Department regularly meets with a range of stakeholders (NGOs, investors, rating agencies, clients, opinion leaders, and experts), and organizes panels and discussion forums to work on the sustainability of offerings and projects related to the Group's operational teams. Employees receive regular training on themes related to sustainable development and stakeholder engagement.

Each year, at its Shareholders' Meeting, ENGIE publishes an integrated report on its overall financial, environmental, social and societal performance. Which, to ensure its relevance, it discusses in advance with its main stakeholders.

3.1.2 2030 CSR objectives

In 2020, the Group has set itself 19 CSR 2030 objectives in line with its purpose and its new strategic orientations.

Each objective has an Executive Committee member as a sponsor and a manager who works in partnership with the functional line concerned to take the necessary action to

achieve it. The CSR Department coordinates and monitors these CSR objectives for senior management, the EESDC and the Board of Directors.

The 2021 results of the eight key CSR objectives (referred to as Tier 1) are presented in Section 1.5.2 of this document.

3.1.3 Climate trajectory (related to the recommendations of the TCFD: Task Force on Climate-related Financial Disclosures)

3.1.3.1 Governance

The Board of Directors sets the climate transition strategy and its associated objectives. This subject is central to its work, particularly when the Board holds its strategy seminar and makes investment decisions, which are researched by the Strategy, Investment and Technology Committee (SITC).

Regarding climate, the Board relies on the work of the Ethics, Environment and Sustainable Development Committee (EESDC), which is specially charged with reviewing the risks and opportunities connected with climate change and making its recommendations to the Board.

The Ethics, Environment and Sustainable Development Committee (EESDC) studies and decides on climate-related issues in particular points concerning the implementation of TCFD recommendations, decarbonization objectives and climate policy. This role was confirmed by its inclusion in the Internal Regulations of the Board of Directors in 2019.

In order to fulfill this mission, the EESDC relies on an annual climate assessment, an analysis of climate-related risks and

opportunities, as well as other more specific elements (e.g. progress on the adaptation plan). Climate risk is one of the seven primary risks reviewed by the Board of Directors on an annual basis. These reports are prepared by the CSR Department, which also includes a chapter dedicated to climate change in its CSR reporting to the EESDC.

The CSR Department leads the SBT committee in monitoring and managing the Group's decarbonization objectives, and the TCFD & Adaptation committee in monitoring and implementing the TCFD recommendations.

The Group has also set up training modules for directors so that they can ensure that they have sufficient skills to fulfill their roles. The climate is one of the training topics.

The CSR Department also makes proposals to the Appointments, Compensation and Governance Committee on the criteria for compensating the Chief Executive Officer in relation to ENGIE's main non-financial challenges. The Group's energy-related GHG emission performance is one of these.

3.1.3.2 Strategy

In line with its purpose, contributing to the decarbonation of the economy is at the heart of the Group's strategy. This also takes the form of long-term commitments for carbon neutrality (Scopes 1, 2 and 3) by 2045 and of medium to long term commitments that project GHG emissions on a path compatible with the Paris Agreement (see Section 3.1.4).

In order to define its commitments, the Group has studied the resilience of its business model by comparing it to different decarbonization scenarios and by varying the assumptions for the development of its activities.

These commitments are already reflected in the Group's processes: for example via the allocation of 2025 and 2030 carbon budgets to the main businesses and bi-monthly reporting of the consumption of these budgets within the context of new investments.

The impact of climate change on the Group's strategy is being studied as well. An in-depth process is currently under way,

with the issue being approached by country or by major climate region where ENGIE has an interest. The study covers four areas: the impact of climate change on country risk; the value of existing assets; the strategic objectives out to 2030, and the strategic issues specific to the countries in question. This study, which is based primarily on three IPCC climate scenarios, will be completed in the second half of 2022.

Moreover, climate change can also bring new opportunities: it encourages the development of new technologies and solutions, which also are opportunities for the Group, particularly in terms of:

- development of renewable energy for electricity ;
- development of green gas (biomethane and hydrogen) ;
- more offers of decarbonization support and solutions for our customers.

3.1.3.3 Risk management

Climate change entails structural risks for the Group.

The transition risks to which the Group is exposed mainly result from the strengthening of emissions regulations and decarbonization policies, changes in market and consumer behavior, and technological developments. The Group has been setting itself greenhouse gas emissions targets since 2012. Since the signing of the Paris Climate Agreement in 2017, the Group has reduced its direct emissions by 53% and total emissions by 30%. It is set to achieve ambitious objectives by 2030 (certified by SBTi) and carbon neutrality in 2045. As well as the emissions of its own industrial assets, the Group acts throughout its value chain, including suppliers, work practices, and support for customers as they decarbonize their footprint.

Physical risks are inherent in the assets and activities of the Group that might be exposed to the impacts of climate change. The collaboration of the CSR Department with the Group's operating entities has made it possible to identify the climate indicators that affect our activities (rising temperatures, floods, droughts, wind, and heat waves). The Group has also forged a partnership with the Pierre Simon Laplace Institute to obtain climate change data for the periods to 2030 and 2050.

With these items, the Group is able to make a list of priority operating sites whose local resilience to climate change is being studied. Analyses of all ENGIE production facilities are under way, evaluating the financial impact of climate change on the Group's business activities. In addition to risk management, insurance coverage and short-term continuity plans, a plan to adapt our high-risk assets for 2030 and 2050 is being drafted.

3.1.3.4 Indicators and targets

ENGIE has a robust panel of key performance indicators (KPI) that enable it to measure its carbon footprint with all the desired level of detail. These indicators allow it to precisely control changes in its GHG emissions. The results of the decarbonization targets are shown in Section 1.5.2.

3.1.4 Science Based Targets certification

The Science Based Targets (SBT) initiative aims to encourage companies to take ambitious climate action by validating the compliance of their forecast chronicles of CO₂ eq emissions with the commitments of the Paris Agreement.

Mindful of its environmental responsibility, ENGIE obtained SBTi “2°C trajectory” certification in February 2020.

For this, the Group is committed to reducing:

- the carbon intensity of its electricity production (scopes 1 and 3) by 52% by 2030 compared to 2017;
- emissions from the use of products sold (scope 3) by 34% by 2030 compared to 2017.

This certification demonstrates ENGIE's aim of becoming a major player in the energy transition to a carbon neutral world.

In May 2021, the Group went a step further by committing to a “well-below 2°C” trajectory by 2030, with a view to being net zero-carbon by 2045;

In this context, ENGIE is committed to ending its coal activity in 2025 for Europe and in 2027 for the rest of the world for all its coal assets.

This exit from coal will be achieved, in order of priority, through closures, conversions and disposals of power plants. If the closure of a coal-fired power plant is indeed preferable to its disposal from an environmental point of view alone, its implementation faces two limits: ENGIE is almost never the sole decision-maker in this matter and closure may not be possible if the coal plant contributes to the energy security of a State or a region.

Whenever ENGIE determines to sell a coal-fired power plant, it weighs CSR considerations in choosing a buyer. The proceeds from the sale also enable the Group to finance the development of renewable capacities that are beneficial to the climate.

Concerning natural gas, the Group's ambition is to gradually replace fossil gas by green gas through the development of biomethane and green hydrogen. These measures complement the Group's commitment to the strong development of renewable energy for electricity, in its ambition to transition to a low-carbon society.

3.1.5 European taxonomy

In order to orient European capital expenditures toward sustainable operations and to reach carbon neutrality by 2050, the European Union has adopted Regulation 2020/852 of June 18, 2020 and a delegated act dated June 4, 2021 to create a European taxonomy listing the economic activities deemed environmentally sustainable.

Regulation 2021/2078 dated July 6, 2021, requires this Non-financial statement (NFS) to publish the percentage of eligibility (but not alignment rates) of 2021 business activities for listing in this taxonomy using three indicators defined by said taxonomy:

- Revenues;
- Capital expenditure (CAPEX); and
- Operating expenses (OPEX).

Revenues and CAPEX indicators used for these eligibility rate calculations are strictly in line with the taxonomy definitions.

Revenues is the Group's published revenues, i.e. it excludes revenues from entities consolidated using the equity method (like Ocean Winds, partnership with EDPR in offshore wind), and revenues from discontinued operations (like EQUANS).

The CAPEX indicator defined by the taxonomy is different from the one used by ENGIE in its management dialogue and in its financial communication to the market. In particular, the taxonomy does not include financial investments in entities consolidated using the equity method, as well as disposals of DBSO/DBOO *Partnerships*.

In 2021, ENGIE invested nearly €370 million in entities consolidated using the equity method, including €350 million in sustainable activities within the meaning of the taxonomy (primarily Ocean Winds).

ENGIE CAPEX and taxonomy CAPEX can be reconciled as follows:

Data at December 31, 2021, in millions of euros	Capital expenditure (CAPEX) ⁽¹⁾	Taxonomy CAPEX
Tangible and intangible investments	5,990	5,990
(-) <i>Change in tangible and intangible investment liabilities</i>	0	316
Entry into scope of tangible and intangible investments arising from "Business combinations"	0	44
Takeover of subsidiaries net of cash and cash equivalents acquired	392	0
(+) <i>Cash and cash equivalents acquired</i>	6	0
Acquisitions of interests in entities consolidated by the equity method and joint arrangements	369	0
Acquisitions of equity and debt instruments	1,548	0
Change in loans and receivables issued by the Group and others	-121	0
(+) <i>Others</i>	3	0
Changes in ownership interest in controlled entities	36	0
(-) Impact of DBSO activity-related disposals	-270	0
Right of use assets (IFRS16)	0	493
TOTAL	7,954	6,843

(1) see Note 6.6 of Section 6.2 Consolidated financial statements

On the other hand, the definition used for **the OPEX indicator** is wider than the taxonomy's strict definition, for reasons of information availability and relevance.

Eligible operating expenses (taxonomy OPEX) are "day-to-day servicing of assets" OPEX (strict definition) comprising maintenance, upkeep and repair of tangible assets including R&D expenditure or associated leases. The different reporting methods that exist within the ENGIE Group mean that it is not possible to calculate taxonomy OPEX within the strict meaning of its definition.

ENGIE has used a wider definition of OPEX by adding OPEX relating to "day-to-day operating of assets" (wider definition), comprising, in particular, energy purchases for the operation of assets and personnel costs relating to operations.

The results of this work are given in the three tables below, with a breakdown of the results by segment.

2021 revenues used by the taxonomy

Segment	Eligible Revenue (€ million): A	Total Revenue (€ million): B	Percentage of eligibility of revenues: (A/B)
Renewables	3,661	3,661	100%
Networks	483	6,700	7%
Energy Solutions	5,732	9,939	58%
Thermal	482	4,089	12%
Supply	999	13,238	8%
Nuclear	0	56	0%
Others	19	20,183	0%
TOTAL	11,375	57,866	20%

2021 Capital expenditure (CAPEX) used by the taxonomy

Segment	Eligible CAPEX (€ million): A	Total CAPEX (€ million): B	Percentage of eligibility of CAPEX: (A/B)
Renewables	2,414	2,417	100%
Networks	129	2,285	6%
Energy Solutions	610	754	81%
Thermal	64	351	18%
Supply	44	287	15%
Nuclear	0	196	0%
Others	44	554	8%
TOTAL	3,305	6,843	48%

2021 Operating expenses (OPEX) used by the taxonomy

Segment	Eligible OPEX (€ million): A	Total OPEX (€ million): B	Percentage of eligibility of OPEX: (A/B)
Renewables	797	797	100%
Networks	24	2,398	1%
Energy Solutions	4,081	7,685	53%
Thermal	45	2,659	2%
Supply	1,023	2,592	39%
Nuclear	0	1,206	0%
Others	30	23,743	0%
TOTAL	6,001	41,080	15%

In 2021 ENGIE recognized taxonomy-eligible revenues of 20%, taxonomy-eligible CAPEX of 48% and taxonomy-eligible OPEX of 15%.

These Group figures (excluding EQUANS) mask great disparities from one business line to another.

All the activities of the Renewables GBU are eligible (100%).

Energy Solutions GBU activities are mostly eligible (58% for revenues, 81% for CAPEX and 53% for OPEX) whereas only a minority of Thermal & Supply and Networks GBU activities are taxonomy-eligible.

On the other hand, the three gas network activities (transport, distribution and storage) will gradually become eligible as they are converted to renewable gas and hydrogen storage.

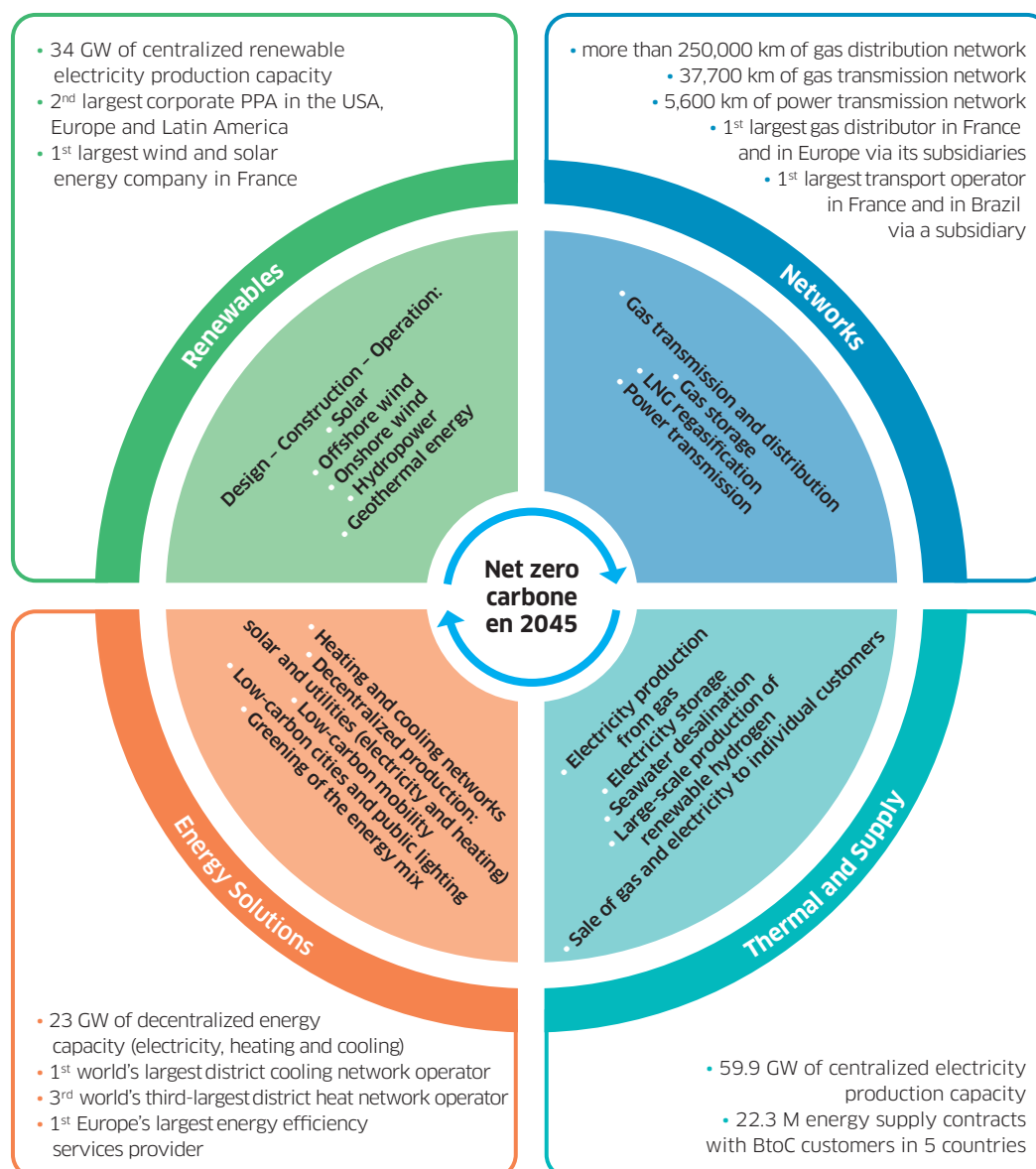
Lastly, Other activities (including GEMS) and Nuclear are not taxonomy-eligible.

It should be noted that 75% of growth CAPEX for 2021 are eligible, which is significantly higher than the 48% for all CAPEX (growth and maintenance).

3.2 Business model

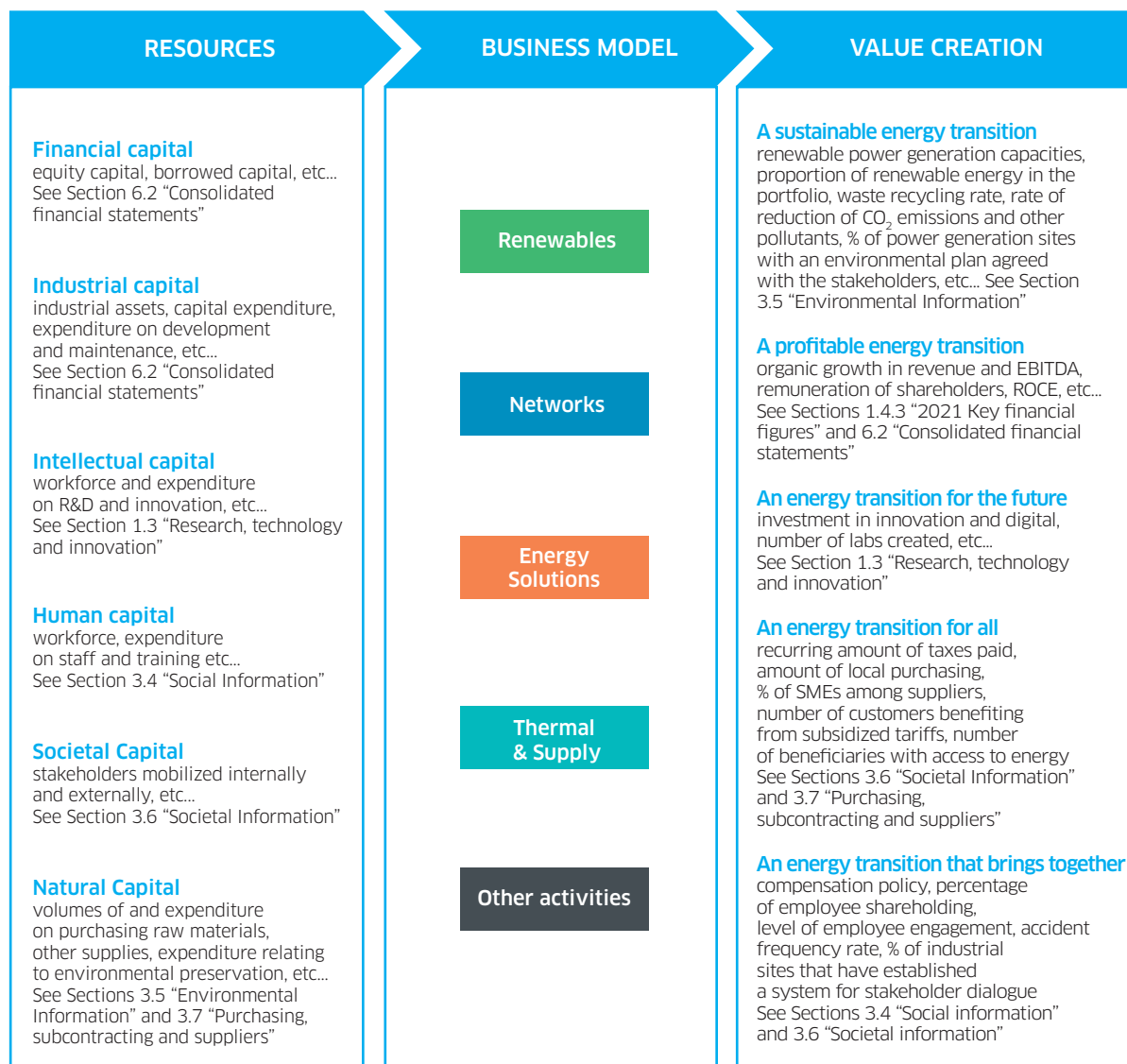
The acceleration of the energy transition is shifting the sector's value towards more environmentally-friendly activities and services that are closer to the end customer. It has also created a need to provide responses tailored to each region, incorporating a good understanding of local situations and resources. ENGIE is involved in raising awareness of, and co-constructing, the energy transition with its stakeholders.

The Group's activities, detailed in Section 1.6 "Description of the Group's activities", can be represented as follows:



The Group's four business segments (Renewables, Networks, Energy Solutions, and Thermal & Supply) and Other Activities utilize capital or resources of different kinds and create value according to five areas, as shown below. This presentation covers the International Integrated Reporting Council (IIRC) principles.

Value creation for ENGIE



3.3 Analysis of main CSR risks and challenges

In order to identify the main CSR risks, ENGIE relied on the most recent version (2020) of its matrix of challenges, called the “materiality matrix” which was created to better reflect the expectations and priorities of its stakeholders and its management and to target its strategy and actions more effectively.

This results in 20 challenges, divided into four categories, namely: four fundamental, seven material, two major, and seven decisive.

The fundamental challenges are long-lasting issues that form the founding basis for the responsible conduct of the Group's industrial and commercial activities. Therefore, they were not ranked or compared with other challenges. The other challenges were assessed and classified according to three categories of increasing materiality:

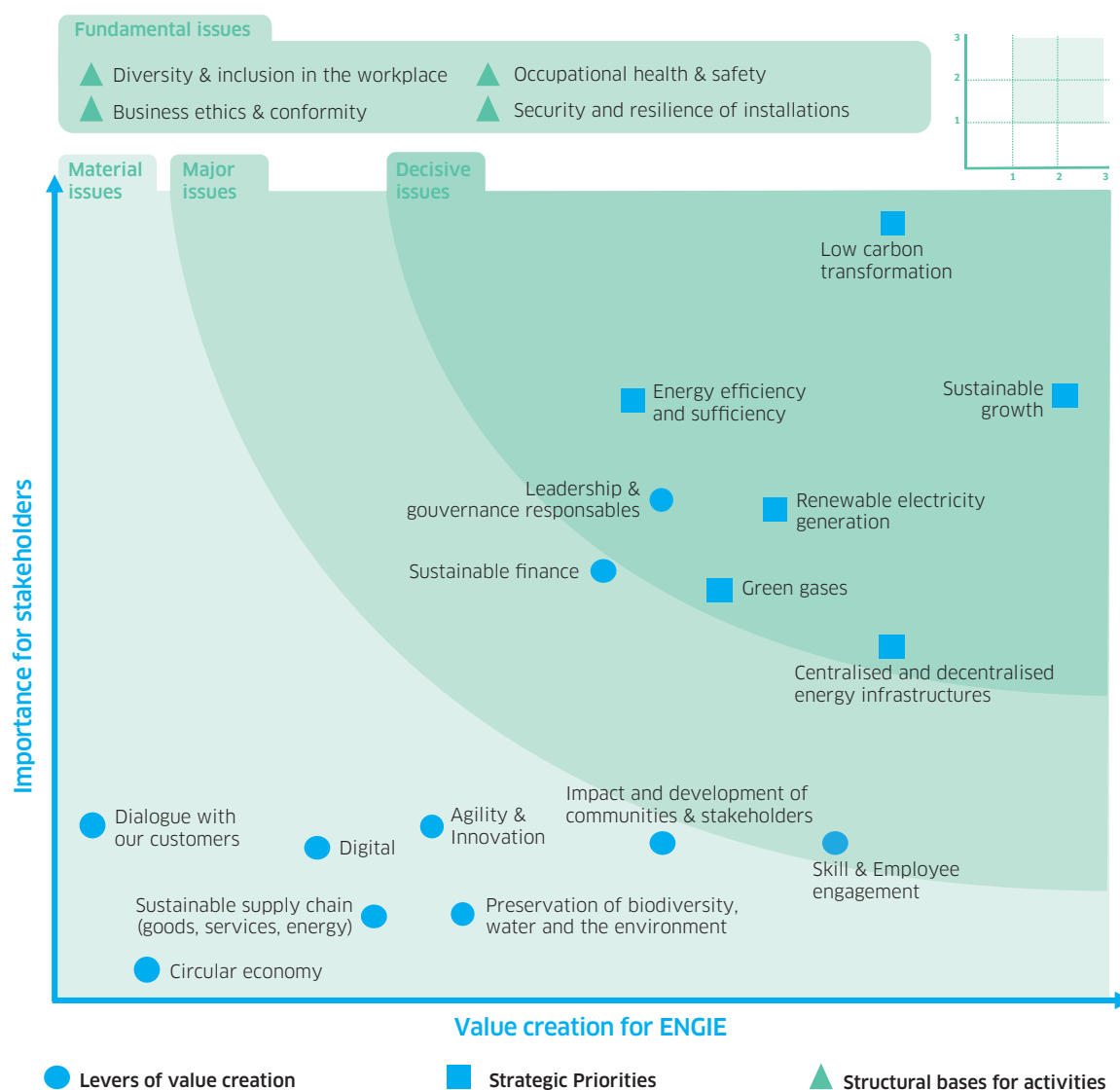
- the material challenges that create value for the Group;

- the major issues that make a significant contribution to this value creation;
- and the decisive issues that make an essential contribution to it, six of which constitute the Group's strategic priorities.

The challenges are positioned on the matrix:

- according to their importance for stakeholders (vertical axis);
- according to the impact in terms of value creation for ENGIE (horizontal axis).

The method used to construct the matrix can be found on the Group's website (Corporate Social Responsibility area).



The definitions of the 2021 challenges are provided in the following tables:

Challenge	Definition
1. Responsible leadership & governance	Ensure exemplary and transparent leadership and governance, adapted to the strategic challenges; ensure transparency and integrity of information through reliable communication, effective management of potential controversies and ENGIE's brand image; ensure the clarity of the Group's objectives; ensure that the Group's actions are consistent with its purpose.
2. Digital	Put our digital expertise at the service of the energy transition by offering our customers innovative and differentiating solutions and services; leverage these technologies to improve the Group's operational efficiency and to strengthen cohesion between our employees through new collaborative tools.
3. Sustainable growth	Ensure the resilience of the Group's business model as well as the growth of financial results over the long term; guarantee value sharing with all stakeholders (incentive-based compensation for senior management and all employees; ensure shareholder attractiveness and loyalty); limit the risk of stranded assets; ensure stability in terms of financial and CSR ratings.
4. Safety and resilience of installations	Ensure the operating safety of facilities and business continuity by guaranteeing: the security and surveillance of the Group's sensitive sites (nuclear and industrial), the resilience and adaptation of facilities to climatic risks, the cybersecurity of industrial systems, the confidentiality and protection of the personal data of our employees and clients; ensure the dismantling of nuclear sites under the required security conditions.
5. Employees' skills and commitment	Encourage employees to take ownership of ENGIE's purpose, strategy and values by making them actors in their deployment; strengthen the relationship of trust between management and employees; explore and develop new ways of working adapted to employees' needs; ensure quality social dialog within the Group; to capitalize on employees' skills and support them in their professional development; attract and develop talent; strengthen intrapreneurship in our practices.
6. Occupational health & safety	Guarantee safety and optimal working conditions for our employees, contractors and subcontractors in all geographic areas where the Group operates.
7. Diversity & inclusion in the workplace	Promote equal opportunities and make equal treatment a reality; ensure non-discrimination with respect to both our employees and our candidates; promote diversity of profiles and experience at all levels of the company.
8. Circular economy	Encourage circularity throughout the value chain by guaranteeing the recycling, reuse and recovery of resources in operations; control the consumption of resources (responsible consumption); ensure efficient use of raw materials.
9. Preservation of biodiversity, water & the environment	Prevent and control the impact of the Group's operations on biodiversity, water and the environment (noise pollution, soil pollution, water and air pollution); be a player and driving force in environmental protection and contribute to the restoration of natural habitats through targeted and concrete commitments.
10. Low-carbon transformation	Acting positively for the environment and the climate by ensuring a clear and ambitious shift towards low-carbon activities, by withdrawing from carbon activities, by developing offers aimed at reducing the carbon footprint of the Group's customers, by controlling the carbon footprint of our supply chains and our working practices (ways of working).
11. Renewable electricity production	Strengthen our investment in a competitive and sustainable portfolio of renewable energy power generation activities and ensure their local acceptability; anticipate new renewable energy sources and be a player in their deployment.
12. Green gases	Sustainably develop the entire green gas value chain (biomethane, hydrogen); raise awareness among our clients and stakeholders of the role of green gases as levers for resilience and performance in the energy transition.
13. Centralized and decentralized energy infrastructures	Pursue the development of gas and electricity energy infrastructures as well as decentralized infrastructures (heating and cooling networks, networks of charging stations for electric vehicles, urban public lighting networks, etc.); take advantage of new technologies for the intelligent and connected management of networks and infrastructures.

Challenge	Definition
14. Agility & innovation	Change the corporate culture towards greater agility and openness to innovation; strengthen our ability to evolve (adaptation of business models and group organization, transformation of working methods, development of intrapreneurship, etc.) in the face of changes in the Group's environment (expectations, uses, etc.).
15. Dialog with our customers	Engage in a strategic dialog with our current and historical clients in order to best support them in their low-carbon transformation; make all our clients aware of our values and commitments; develop a quality partnership relationship and adapt to the specificities of our geographical locations; commit to long-term performance (energy, carbon, etc.) with our clients.
16. Business ethics & conformity	Ensure responsible business conduct through robust and transparent ethical practices in operational activities (e.g. anti-corruption, taxation).
17. Impact & development of communities and stakeholders	Work for the respect of human rights throughout our value chain; maintain a continuous and quality dialog with stakeholders; develop new partnership dynamics; contribute positively to territorial development, while respecting local communities and taking into account changing needs; contribute to a fair and efficient energy transition; encourage a more inclusive and equitable economy.
18. Sustainable finance	Work towards sustainable finance through: promoting responsible financial instruments (green bonds, etc.), integrating ESG issues into the investment process in order to encourage the development of sustainable activities; demonstrate the alignment of ENGIE's actions with the growing expectations of investors and CSR rating agencies; anticipating and adapting to regulatory changes in this area.
19. Sustainable supply chain (goods, services, energy)	Promote ENGIE's CSR practices throughout its supply chains; foster quality dialog with its suppliers; forge strategic partnerships for sustainable development; control the social and environmental risks related to the activity and geographic location of suppliers of goods, services and energy; favor a diversified panel of suppliers in order to guarantee business continuity.
20. Energy efficiency & sufficiency	Support an individual and collective approach to technical changes, uses, practices and organizational methods aimed at reducing energy consumption; at all levels of the Group: daily work practices, operations, supply chain and at our clients' sites through our offers as well as at the level of our infrastructures.

These 20 challenges generate CSR risks and opportunities. These CSR risks are classified in accordance with the regulations into the following categories:

- environmental;
- societal;
- social;
- and governance.

The main United Nations Sustainable Development Goals (SDGs) that could be impacted by these risks are also indicated.

The risk analysis included in Chapter 2 "Risk factors and control" is different from the analysis of these CSR risks. In Chapter 2, risks referred to as "net specific material risks" are

assessed and ranked. They are specific to ENGIE's activities and could have a financial impact in the short or medium term in the context of investment decisions concerning ENGIE. They are classified as "net" considering their potential residual impact once the measures taken by the Group to reduce them have been taken into account.

The risks included in this Section are CSR-related, not necessarily specific to ENGIE's activities, and may have a medium- or long-term impact. These are gross risks not mitigated by ENGIE's management measures.

These different approaches explain the differences between the list of risks presented in Chapter 2 and those presented in this Section.

ENVIRONMENTAL RISKS

Challenge 2: Digital

Challenge 4: Security and resilience of installations

Challenge 8: Circular economy

Challenge 9: Preservation of biodiversity, water and the environment

Challenge 10: Low-carbon transformation

Challenge 11: Renewable electricity generation

Challenge 12: Green gases

Challenge 13: Centralized and decentralized energy infrastructures

Challenge 20: Energy efficiency & sufficiency

Associated CSR risks	Associated opportunities	Associated SDGs
A <i>Process safety</i>: corresponds to the risk of harm to the integrity of persons or property due to the Group's operational activities. B <i>Nuclear safety</i>: corresponds to specific risks in the event of accidents that might result in radioactive releases from the Group's nuclear plants. C <i>Cyber attack on industrial systems</i>: corresponds to the risk of an attack on industrial command systems. D <i>Malicious damage to tangible and intangible assets</i>: corresponds to malicious acts affecting the Group's industrial or tertiary sites and facilities, which make up its tangible assets, as well as those affecting information, which is part of the Group's intangible assets, whether conveyed on computerized or physical media or even verbally.	Sales of services: digitization, robotization, security and monitoring of sensitive sites, help with adapting customer facilities to climate change, and help with the decarbonization of customer portfolios	 
E <i>Contribution to climate change</i> F <i>Impact of climate change</i> G <i>Biodiversity</i> H <i>Water stress</i> I <i>Waste management</i> J <i>Atmospheric pollution</i> K <i>Pollution of the surrounding environment</i>	Service sales: reducing the carbon footprint of industrial sites, environment management plans Program to restore flora and fauna Mobilization of stakeholders: customers, employees, regions and NGOs	    

SOCIAL RISKS

Challenge 3: Sustainable growth

Challenge 15: Dialog with our customers

Challenge 17: Impact and development of communities and stakeholders

Challenge 18: Sustainable finance

Challenge 19: Sustainable supply chain

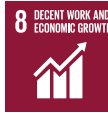
Associated CSR risks	Associated opportunities	Associated SDGs
L <i>Societal acceptance</i>: the Group's activities involve the holding of various permits and authorizations, the obtaining or renewal of which with the competent regulatory authorities may involve long and costly procedures. The Group may face opposition from the local population or associations during the installation or operation of certain equipment. M <i>Management of major projects</i>: particularly including dialog with stakeholders, non-compliance with costs and construction deadlines and the operational performance of large-scale industrial projects. N <i>Reputation</i>: inability of the company to establish and maintain the trust of stakeholders and to obtain the benefits associated with this, inability to maintain the values and social standards of the company, including with its suppliers or subcontractors, inability of the company and the project to build and protect its brand image, and inability of projects aimed at improving access to energy to reach their targets.	Co-construction of offers with stakeholders Continuation of industrial activities Development of the access to energy offer in unserved regions Tackling fuel poverty with adapted offers Group's societal role beneficial to its internal and external reputation	     

SOCIAL RISKS

Challenge 1: Responsible leadership and governance

Challenge 5: Employees' skills and commitment

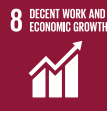
Challenge 14: Agility and innovation

Associated CSR risks	Associated opportunities	Associated SDGs
O <i>Skills</i> : i.e. a shortage of qualified people, unavailability of resources that are flexible according to needs, the loss of key knowledge in the event of departure due to lack of succession plans or due to more attractive conditions in the same geographical area.	Adapting to changes in occupational sectors Appeal of the Group to young people aware of carbon neutrality	 
P <i>Employee commitment</i> : in the context of the Group's transformation, the lack of engagement could result in social movements.	Digitization improving work efficiency	

Challenge 7: Diversity & inclusion in the workplace

Associated CSR risks	Associated opportunities	Associated SDGs
Q <i>Diversity</i> : the non-representativity of the working population with respect to the society in which the Group operates.	Group's societal role beneficial to its internal and external reputation Inclusivity of the company Reflection of society Attractiveness of the Group	 
R <i>Inequality</i> : discriminatory treatment of employees or job applicants.		

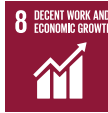
Challenge 6: Health and safety at work

Associated CSR risks	Associated opportunities	Associated SDGs
S <i>Health and safety at work</i> for employees, contractors and subcontractors.	Improvement of operational performance	 
T <i>Safe travel</i>	Occupational well-being Employee motivation	

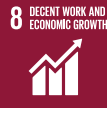
GOVERNANCE RISKS

Challenge 1: Responsible leadership and governance

Challenge 16: Business ethics & conformity

Associated risks	Associated opportunities	Associated SDGs
U <i>Corruption</i> : the risk of criminal wrongdoing by which a person solicits or accepts a benefit with a view to carrying out an act within the scope of his or her duties.	Group setting an example as a good citizen Employee motivation	 
V <i>Tax</i> : the risk of non-compliance with tax regulations, reporting obligations and their development.		

Challenge 17: Impact and development of communities and stakeholders

Associated risks	Associated opportunities	Associated SDGs
W <i>Human rights violations</i>	Group's societal role beneficial to its internal and external reputation	 

In accordance with the regulations, these risks are analyzed, on the following pages, by means of:

- a summary of the policies or action plans implemented to limit them;
- indicators established to monitor them, sometimes with targets set;
- and the results of these indicators over three years.

Furthermore, pursuant to the French Act of March 27, 2017, ENGIE has drawn up a vigilance plan to monitor risks associated with human rights in the broadest sense, including aspects related to health and safety, responsible purchasing and the environment. This vigilance plan covers all of ENGIE's activities and its controlled subsidiaries world-wide, as well as those of its main suppliers. The vigilance plan is described in Section 3.9 "Vigilance plan."

3.3.1 Main environmental risks

Policies or action plans established to cover or remedy risks	Steering resources or KPIs, objectives	2021 results	2020 results	2019 results
Risk A: Process safety (see Section 2.2.5.1)				
ENGIE's health and safety policy incorporating process safety Process safety policies specific to the different activities conducted by Group subsidiaries Action plans implemented by the subsidiaries that integrate feedback as part of a continuous improvement approach	Monitoring of incidents and accidents related to process safety at subsidiary level Assessment of the level of risk control achieved through dedicated internal control standards (IND 2 & 3)	No significant incident at industrial facilities	No significant incident at industrial facilities	No significant incident at industrial facilities
Risk B: Nuclear safety (see Section 2.2.5.4)				
Nuclear Safety and Radiation Protection Policy Independent supervision of nuclear safety 2016-2020 Global Nuclear Safety Plan Minimum requirements for systems of management of nuclear actors	Monitoring of significant incidents	No significant incident	No significant incident	No significant incident
Risk C: Cyber attack on industrial control systems (see Section 2.2.6.1)				
The Group policy review on Security of Industrial Control Systems Technical security standard assessment Qualitative assessment of the maturity level of the cybersecurity culture on the entities	Monitoring of the security rate of priority sites to be secured (critical and sensitive sites) Assessment of the level of risk control achieved through dedicated internal control standards (IND 4)	Maintaining the security of existing sites and securing new sites in accordance with objectives	Maintaining the security of existing sites and securing new sites in accordance with objectives	Maintaining the security of existing sites and securing new sites in accordance with objectives
Risk D: Malicious damage to assets (see Section 2.2.6.5)				
Group policy to protect individuals and tangible and intangible assets Prevention and protection measures implemented on the basis of the criticality of the geographic location Group Information Security Committee	Monitoring of threats to the Group, particularly from terrorists Monitoring of damage to assets	No significant damage to assets	No significant damage to assets	No significant damage to assets
Risk E: Contribution to climate change (see Section 2.2.2)				
The Group's environmental policy, which specifies: - the environmental challenges faced by the Group, including climate change; - the resources used by the Group to meet these challenges and improve its performance; - the governance elements that contribute to the implementation of the Group's environmental policy.	2030 targets:			
	43 Mt of GHG emissions (scopes 1 and 3) from energy production, in line with the SBT commitments	67	68	75
	52 Mt of GHG emissions from use of sold product, in line with the SBT commitments	66	62	61
	0 Mt of GHG emissions from our working practices (after offsetting)	0.6	0.5	0.7
	58% of power capacity from renewables, in accordance with SBT commitments	34%	31%	28%
Risk F: Impact of climate change (see Section 2.2.2)				
The Group's environmental policy	2030 target: 100% of activities, projects and sites that are being decommissioned with an environmental plan in consultation with stakeholders	37%	21%	Not communicated

Policies or action plans established to cover or remedy risks	Steering resources or KPIs, objectives	2021 results	2020 results	2019 results
Risk G: Biodiversity				
The Group's biodiversity policy which aims to:	2030 target:			
- 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.	100% of industrial activities with ecological site management plans	28%	0%	Not communicated
Risk H: Water stress				
The Group's water policy, which focuses in particular on the management of water used in energy generation and wastewater treatment processes	2030 target:			
	35% reduction in the water consumption of industrial activities compared with 2019	+1.8%	-19%	0%
Risk I: Waste management				
The Group's circular economy policy, which aims to ensure that each site or activity works on the recovery and/or recycling of its waste	% of non-hazardous waste recovered	84%	76%	68%
	% of hazardous waste recovered	15%	30%	31%
Risks J and K: Air pollution and pollution of the surrounding environment				
The Group's environmental policy	NO _x (t)	49,819	49,022	52,799
	SO ₂ (t)	106,028	119,584	124,276
	Fine particles (t)	5,820	6,312	4,662
	Mercury (kg)	198	305	312

3.3.2 Main societal risks

Policies or action plans established to cover or remedy risks	Steering resources or KPIs, objectives	2021 results	2020 results	2019 results
Risk L: Societal acceptance				
The Group's societal policy, which specifies:	2030 target:			
- the Group's societal challenges; - the resources it uses to meet these challenges; - the governance elements that contribute to implementation of the policy.	100% of its activities, projects and sites that are being decommissioned with an environmental plan in consultation with stakeholders	37%	21%	Not communicated
	Number of training sessions on the "stakeholder engagement" tool, which is a self-assessment framework based on standard AA1000 – Stakeholder management, produced by the Accountability NGO	14	6	9
Risk M: Management of major projects (see Section 2.2.6.2)				
Investment procedure for projects passing through the Group Investment Committee which provides for a risk analysis and a self-assessment matrix of 9 CSR criteria based on information from the EIA (Environmental Impact Assessment) and ESIA (Environmental Social Impact Assessment)	Risks analysis 9 CSR criteria matrix			No indicator

Policies or action plans established to cover or remedy risks	Steering resources or KPIs, objectives	2021 results	2020 results	2019 results
Risk N: Reputation				
Protection of the brand	NPS satisfaction rate of B2C customers (Net promoter Score between -100 and + 100 inclusive) based on the difference between promoters (respondents giving a score of 9 or 10) and detractors (respondents giving a score of 0 to 6)			
	France (13,288,000 contracts in 2021)	+19	+19	+4
	Belgium (4,182,000 contracts in 2021)	+2	-1	-9
	Italy (840,000 contracts in 2021)	+29	+19	Not communicated
	Romania (2,765,000 contracts in 2021)	+49	+50	+38
	Australia (735,000 contracts in 2021)	+5	Not communicated	Not communicated
	2030 target: • 45 Mt CO ₂ avoided by our customers through ENGIE's offerings and services	28	21	Not communicated
Environmental policy	Number of environmental complaints and convictions	13 complaints and 2 convictions	6 complaints and 2 convictions	10 complaints and 1 conviction
Ethics Charter Code of conduct for business relations Code of conduct for relations with suppliers	Ethical malfunctions monitored using the INFORM'ethics reporting tool	277 incidents, proven or non-proven	283 incidents, proven or non-proven	282 incidents, proven or non-proven
Group Purchasing Charter that sets out the obligations and commitments applicable to ENGIE in terms of its relations with suppliers	2030 targets: • 100% of preferred suppliers (excluding energy purchasing) SBT certified or aligned • Ratio of 100 on responsible purchasing (excluding energy): CSR assessment and inclusive purchasing	20% 40	15% 25	Not communicated Not communicated
Promotion of access to energy for populations living far away from networks, including in Africa	2030 target: • 30 million recipients with access to affordable, reliable, and clean energy from 2018 (excluding the Rassembleurs d'Énergies fund)	7 M	6 M	4 M
Vigilance Plan (see Section 3.9)				

3.3.3 Main social risks

Policies or action plans established to cover or remedy risks	Steering resources or KPIs, objectives	2021 results	2020 results	2019 results
Risk O: Skills				
The Group's mobility development policy, which is based around: • ENGIE Skills, which is aimed at developing skills early to prepare for the future; • ENGIE Mobility, which fosters internal mobility; • and is supported by ENGIE University.	2030 target:			
	• 100% of employees trained during the year	82%	70%	69%
	Monitoring of number of hires (permanent and fixed-term)	33,806	29,481	37,182
	Monitoring of voluntary turnover rate	7.4%	5.4%	7.1%
The Group's innovation policy, which is based on: • the ENGIE Fab entity to implement new businesses; • the ENGIE New Ventures investment fund to support start-ups. The Group's research & technology policy that relies on the ENGIE Research entity, which brings together several Labs and centers of expertise and engineering	R&D expenditure	€138 M	€190 M	€189 M
Risk P: Commitment				
The Leadership Way, which defines four key behaviors: caring – demanding – open – bold. These behaviors enable us to meet five objectives: Prepare the future – Cultivate and give responsibility – Act and challenge the status quo – Deliver results – Adopt inspiring behavior on a daily basis.	Employee engagement rate through the worldwide annual "ENGIE&Me" survey	83%	83%	80%
Privileged forums for consultation between management and employee representatives: The European Works Council and the French Group Works Council	These bodies monitor and sign Group collective bargaining agreements	Global agreement on fundamental rights and social responsibility signed in January 2022	No new agreement	No new agreement
Risk Q: Diversity				
Group diversity policy	Percentage of female employees	21.8%	21.4%	20.8%
Diversity label	2030 target:			
	• 50% female managers	24.6%	24.1%	23.5%
Employment of young people	2030 target:			
	• 10% of European workforce are apprentices	4.6%	4.3%	3.9%
Risk R: Inequality				
Professional equality policy	2030 target:			
	• Equity ratio of women to men of 100			
	France	89	87	72
	Rest of world	82	80	72

Policies or action plans established to cover or remedy risks	Steering resources or KPIs, objectives	2021 results	2020 results	2019 results
Risk S: Health and safety at work				
Group health and safety policy that sets out the fundamental principles that have to be met for all the ENGIE entities, in order to respect the integrity of people and assets. It constitutes, for every person, a reference point to ensure that health and safety are incorporated within all the actions of the Group.	2030 target: • Total lost time injury frequency rate for employees and subcontractors on sites with controlled access ≤ 2.3	2.9 on a 2021 objective of 3.1 or less	2.7 on a 2020 objective of 3.3 or less	3.3
2021-2025 Health and safety action plan, divided into three programs: "no life at risk," "no mind at risk" and "no asset at risk."	2030 target: • Prevention rate ⁽¹⁾ ≥ 0.75 Monitoring of health and safety results by the Executive Committee, the EESDC and the Board of Directors	0.58 for a minimum value of 0.50	0.59 for a minimum value of 0.42	0.42
European agreement on the improvement of working conditions				
Annual communication campaign	Deployed throughout the health and safety functional line	Communication focused on preventing Covid-19	Communication campaigns focused on Covid-19 and on maintaining vigilance in terms of health and safety	Communication campaign on last-minute risk analysis
Risk T: Safe travel				
Safety rules for international trips Employee access to the ISOS international medical and health portal Employee access to the analyses and reports of the Control Risks Group site on country risks and to e-learning on personal security when traveling abroad	Reinforcement of event-detection mechanisms "Travel Tracker" tool to monitor individuals traveling in high-risk areas Alert system for office-based personnel which supplementing the alert system for international personnel mobility	No significant event	No significant event	No significant event

(1) The prevention rate is the ratio between the number of events and situations with high potential of severity (HiPo), and the sum of the numbers of HiPos and lost-time injury accidents, including fatal occupational accidents, for Group employees and their subcontractors on controlled access sites

3.3.4 Main governance risks

Policies or action plans established to cover or remedy risks	Steering resources or KPIs, objectives	2021 results	2020 results	2019 results
Risk U: Corruption				
Anti-corruption policy based on: - the Ethics Charter; - the Practical Guide to Ethics; - the integrity reference system; - the Ethics Compliance reference system; - specific policies: Third party assessments, business consultants, gifts, invitations, conflicts of interest, lobbying in particular and supplier relations; - ethics and CSR clause in the general terms of sales.	System for whistleblowing and reporting ethics incidents Control process Annual compliance procedure by means of a specific reporting system INCOME COR 4 internal control program Internal audits and external audits including the ISO 37001 certification audit (certification received in 2018, confirmed in 2019 and 2020 and renewed in 2021) Annual publication of the communication on the progress of UN Global Compact Principle 10	277 proven or unproven incidents reported in My Ethics Incident, including 25 cases of alleged corruption	283 proven or unproven incidents reported in My Ethics Incident, including 20 cases of alleged corruption	282 incidents (proven or unproven) declared in INFORM'ethics including 9 cases of alleged corruption
	Alert system: ethics@engie.com	187 incidents including 51 concerning business ethics cases	201 incidents including 20 concerning business ethics cases	183 incidents including 17 concerning business ethics cases
	The Group is committed to training its senior managers, expanding its commitment for 2019 to Group managed roles (GMRs) and anti-corruption in 2025	96% of GMRs	86% of GMR	91% of senior managers and 86% of executive managers
	2030 target: 100% of employees most exposed to corruption risk trained	51%	21%	25%
Risk V: Tax				
Tax policy that sets out the rules and principles for the payment of taxes in the countries in which the Group operates	Tax reporting by country Adherence to the principles of the United Nations BTeam initiative	See website	See website	See website
Risk W: Human rights violations				
Human Rights referential and policy Vigilance Plan Ethics due diligence policy (suppliers, subcontractors, and commercial partners)	Checklist on the risk of violating human rights (annual risk review, see Sections 2.2.7 and 3.8.2) Annual ethics compliance report (quantitative and qualitative indicators, see Section 3.8.6) System for whistleblowing and reporting ethics incidents (see Section 3.8.4) Monitoring of the Group Vigilance Plan (see Section 3.9.3)	277 incidents in My Ethics Incident (alleged or unsubstantiated), including 26 allegations relating to human rights and environmental law (excluding allegations relating to sexual harassment and moral harassment)	283 incidents in My Ethics Incident (alleged or unsubstantiated), including 6 allegations relating to human rights and environmental law (excluding allegations relating to sexual harassment and moral harassment)	282 incidents (proven or non-proven) declared in INFORM'ethics, including no case concerning human rights

3.4 Social information

ENGIE's Human Resources (HR) strategy supports and contributes to the Group's strategy. Listening to its stakeholders, the role of the HR function is to constantly reconcile economic performance, human progress and contributions to society. It is a necessary and complex responsibility which calls for a strong and agile HR function.

In May 2021, the Group presented its strategic road map. The new organization established on July 1, 2021 combines the sector and geographic dimensions. This new organization was marked by the creation of EQUANS, an entity structured as a true world leader in services and multi-technical installation and maintenance activities.

With this outlook, the HR function truly supports the business, as an efficient and effective aid in the organization's growth. HR has to be able to provide practical responses on three strategic objectives: attracting and retaining all talent, while developing skills and leadership and building ENGIE's culture. ENGIE's success relies on the women and men who make up the Group and represent its biggest performance driver.

To support this new organization, ENGIE has rolled out a specific program to assist with the change, called "ENGIE WOW" (Ways Of Working) as a supplement to Leadership Way. ENGIE WOW is divided into five principles: COLLABORATE, PRIORITIZE, ENGAGE, COMMIT TO DELIVER and FOCUS ON BUSINESS, which are designed to:

- enable all employees to understand the meaning and practical consequences of the new organization;

- disseminate the reasons behind and understanding of the new structure and the matrix-based organization;
- strengthen the coordination of initiatives and activities between the various entities of the Group by pooling resources;
- translate generic principles into practical actions and behaviors to achieve the required performance.

Lastly, the Group has maintained its social commitments as they were defined: 50% female managers by 2030, professional and pay equity between women and men, professional integration with a target of 10% of staff consisting of students on work-study programs in 2021 in France and in 2030 in Europe, and 100% of staff trained each year by 2030. The pandemic resulted in an acceleration of the ENGIE Care worldwide social protection program (see Section 3.4.5.2). This program protects employees against the vagaries of life all over the world. It contributes to the attractiveness of the Group, employee retention and the strengthening of ENGIE's CSR policy. HR has to continue its actions to support its employees and the business. It shares and adapts the practices put in place within its regions to ensure the safety and health of employees, their well-being at work and their development.

3.4.1 Social data

3.4.1.1 Workforce

ENGIE was present in around 60 countries in 2021, with 171,474 employees. The workforce decreased by 1,229 employees, or -0.7%, compared with 2020. This trend was due to the disposal of entities under the new development strategy.

GRI 102-7 /405-1	France	Europe (excl. France)	Latin America	USA & Canada	Middle East, Asia & Africa	2021	2020	2019
Renewables	2,752	258	1,282	221	369	4,882	4,878	4,550
Networks	17,415	3,061	797	1,269	-	22,542	19,624	19,496
Client Solutions	45,897	48,929	9,925	3,911	8839	117,501	117,291	117,723
Energy Solutions	19,744	15,544	2,278	2,103	7,862	47,531	47,716	47,651
EQUANS	26,153	33,385	7,647	1,808	977	69,970	69,575	70,072
Supply	7,109	3,707	53	-	1,960	12,829	16,495	15,521
Thermal	175	1,205	1442	3	1,437	4,262	2,819	3,129
Nuclear	-	2,135	-	-	-	2,135	2,190	2,160
Others	4,368	2,059	-	768	128	7,323	9,406	8,524
TOTAL	77,716	61,354	13,499	6,172	12,733	171,474	172,703	171,103
% reporting	100%	100%	100%	100%	100%	100%	100%	100%

	2021									2020	2019	
GRI 102-7 / 405-1	Client solutions											
	Rene- wables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others	Group	%	Group	Group
Managers	2,536	5,727	12,563	15,178	2,659	1,410	503	5,243	45,819	26.7%	45,280	42,963
Men	1,802	3,869	9,659	12,753	1,615	1,177	407	3,260	34,542	75.3%	34,361	32,856
Women	734	1,858	2,904	2,425	1,044	233	96	1,983	11,277	24.6%	10,919	10,106
Non-managers	2,346	16,815	34,968	54,792	10,170	2,852	1,632	2,080	125,655	73.2%	127,423	128,141
Men	1,798	12,478	28,599	45,417	6,529	2,559	1,429	818	99,627	79.2%	101,281	102,527
Women	548	4,338	6,369	9,375	3,641	293	203	1,262	26,029	20.7%	26,142	25,614
TOTAL	4,882	22,542	47,531	69,970	12,829	4,262	2,135	7,323	171,474	100%	172,703	171,103
Men	3,600	16,347	38,258	58,170	8,144	3,736	1,836	4,078	134,169	78.2%	135,642	135,383
Women	1,282	6,195	9,273	11,800	4,685	526	299	3,245	37,305	21.7%	37,061	35,720
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

As of December 31, 2021, the workforce comprises 45,819 managerial staff, i.e. 26.7%, and 125,655 non-managerial staff, i.e. 73.2%. The proportion of managerial staff increased

slightly, from 26.2% to 26.7%. The proportion of women in the workforce increased from 21.5% to 21.7% and represented 24.6% of managers (see Section 3.4.4.1).

3.4.1.2 Contract types and trends

At the end of December 2021, 154,364 employees were on permanent contracts, making up 90% of the workforce. 10,783 employees were on fixed-term contracts, mainly in Latin America, Asia and the United Kingdom.

Furthermore, with 6,327 young people on work-study programs (5,961 in 2020), ENGIE has confirmed its commitment to young people. Work-study programs combine practice with the teaching provided at their training centers. They are also an important source of recruitment (see Section 3.4.3.1.2).

	2021									2020	2019
GRI 102-8	Client solutions										
	Rene-wables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others	Group	Group	Group
Permanent	91.1%	93.9%	90.3%	87.9%	86.7%	96.8%	99.9%	93.8%	90.0%	90.4%	90.3%
Fixed-term	4.4%	1.0%	6.3%	8.4%	9.1%	2.7%	0.0%	1.4%	6.2%	6.1%	6.5%
Work-study contract	4.4%	5.0%	3.3%	3.5%	4.1%	0.4%	0.0%	4.7%	3.6%	3.5%	3.2%
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

3.4.1.3 Workforce by age bracket

The average age of employees on permanent contracts is 43, unchanged compared with 2020.

	2021									2020	2019
GRI 405-1	Client solutions										
	Rene-wables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others	Group	Group	Group
< 25 yrs old	2.0%	2.3%	3.3%	4.2%	3.9%	1.1%	1.1%	1.0%	3.3%	3.4%	3.7%
25-34 yrs old	26.4%	22.9%	24.1%	21.4%	23.6%	20.8%	16.2%	19.0%	22.5%	23.0%	23.4%
35-44 yrs old	38.7%	31.2%	28.7%	25.8%	34.5%	32.9%	33.1%	32.9%	28.9%	28.8%	28.6%
45-54 yrs old	22.6%	30.1%	25.9%	26.1%	26.4%	28.8%	22.5%	31.1%	26.8%	27.3%	27.4%
> 55 yrs old	10.1%	13.3%	17.8%	22.2%	11.4%	16.2%	26.9%	15.7%	18.2%	17.5%	16.7%
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

3.4.2 The development of talent

3.4.2.1 The talent policy

The development of the Group's talent is guided by the Talent Department within the Group Human Resources Department. The Talent Department contributes to ENGIE's performance by developing its human capital. It anticipates requirements in terms of skills and expertise. It supports the development of leaders and experts within their current remit and identifies potential successors to help them be as prepared as possible for tomorrow's challenges. In order to fulfill this mission, the Talent Department develops:

- a bottom up approach to identifying high-potential talent, from the entities up to the Group management bodies;
- personalized career paths that incorporate the aspirations of employees and draw on the diversity of the Group's occupations and geographic areas;
- development tools and specific courses delivered over the long term.

ENGIE has developed an ambitious talent policy in recent years. It aims to build knowledge, strengthen loyalty and prepare for the future. The health crisis has impacted ways of working, working relationships and drivers of motivation and engagement. In order to tackle this, ENGIE is drawing on the quality of the "talent experience" of employees, starting as soon as they are hired. The policy of attracting future talents is based on a meaningful brand that reflects the Group's values. It is accompanied by ambitious goals in terms of apprenticeships and relationships with major academic partners. The promotion of our technical professions by our employee ambassadors is also a major asset in attracting talented individuals.

To retain them, ENGIE relies on its development policy. It offers employees various professional courses within its main occupations. Since 2016, this department has managed the measurement of the engagement of all its employees through the ENGIE&ME survey (see Section 3.4.3.2.1). Each year, ENGIE&ME implements action plans that are defined and rolled out at all levels of the company.

3.4.2.1.1 ENGIE Boost

ENGIE Boost is a system for identifying, developing and retaining high-potential talent at all levels of the organization in order to prepare these individuals to occupy strategic roles at the Group. It comprises two programs: Rise! and Pulse! Over a 24-month period, they prepare leaders who are likely to rapidly take strategic responsibility within ENGIE. A third program, called Up!, is designed for High-Potential local talent. Inclusion in the Rise! or Pulse! programs is managed by the Talent Department teams. They ensure a consistent, pertinent approach by implementing People Reviews with the GBU and the support functions. In 2021, a total of 264 talented individuals were on the Pulse! program and 179 were on the Rise! program. Inclusion in the Up! programs

is managed locally, through the People Reviews of the GBU. In this way, 1,541 talented individuals have joined the Up! programs of the GBU. This initiative is not intended to reward performance or to be used as a recognition tool; it is an opportunity offered to employees in order to develop their potential and to ensure that they are in the best position for future development toward a key role. It is also an opportunity to create an active and diverse community of leaders who are able to engage their teams in the service of the Group's strategy.

3.4.2.1.2 The communities

ENGIE also promotes and develops the creation of communities that add value to the employee experience.

The Communau'Tech

The Communau'Tech is a community of men and women acting as Technical Ambassadors with the task of promoting the technical sector, both internally and externally. This system creates value from the men and women who are our technicians, builds their loyalty, and disseminates an attractive image of hard-to-fill positions. The Communau'Tech takes part in events for specific occupations, jobs forums and trade fairs organized by the Group in order to explain the occupations and promote the technical sector. It contributes to Group debates and takes part in reports and testimonials, webinars and experiments. The Ambassadors and Technicians work with schools. They make young people aware of environmental and climate issues and the importance of our occupations in the transition to carbon neutrality. Lastly, they help to recruit young people to the Academy of Energy and Climate Transition Occupations, an ENGIE Apprentice Training Center. They explain their occupations to generate interest in them. The goal is to build a community of 500 Ambassadors and Technicians at the European level by the end of 2022. The Communau'Tech now has 400 Technical Ambassadors (300 in France and 100 in the European subsidiaries) including 20 women.

The Experts

ENGIE implemented the ExpAND program in 2020. It is designed to identify and recognize the Group's experts. It develops communities of expertise and makes the ExpANDers ambassadors for ENGIE both inside and outside the Group. It is also a development program based on co-option. It allows experts to develop their "soft skills", such as leadership and communication. All expertise is aligned with the Group's strategy, whether technical, technological or functional. Three levels of experts have been established - Global, Key and Local - according to their impact scope and their exposure. At the end of the first campaigns, 787 ExpANDers had been identified: 58 Global, 457 Key and 272 Local.

3.4.2.2 Human resources development policies

The Group offers its employees opportunities for a range of career paths thanks to ongoing skills development programs. This helps develop employability by adapting skills to changes in occupations and technologies. The transition to carbon neutrality and technological accelerations due to digitization and artificial intelligence are transforming the professions of employees and creating shortages of qualified personnel in the Group's many businesses, whether traditional or newly emerging. To tackle this, ENGIE is implementing a social strategy to increase the skills and

mobility of its employees in three areas: advance skills management to prepare for the future; enhanced internal mobility to serve the transformation of the company and its four main businesses; and, lastly, professional training objectives for all employees. They are being implemented in order to favor the enrichment of tasks, the renewal of experiences, and the consideration of employee initiatives and empowerment, which strengthen their engagement and foster their development and employability, serving the sustainability of the Group's activities.

3.4.2.2.1 ENGIE Skills, the jobs and expertise advance management system

Skills are guided via a process of provisional management of jobs and skills called ENGIE Skills. In relation to industrial and financial forecasts, it provides a three-year mapping of the quantitative and qualitative skills that each Group entity must acquire. This vision is organized around the ENGIE reference system, which lists 200 reference professions, allowing:

- better knowledge of how our resources are distributed between the businesses, functions GBU, regional Hubs, countries and entities;
- improvement of HR performance and skills management by the GBU, regional Hubs, functions and entities.

These data are consolidated at Group level. They enable the construction of a general overview of the evolution of occupations and skills. Employee support, development and mobility plans are associated with this.

In a context of strategic transformation and digitization of processes, the evolution of skills is reflected at three levels:

- technical skills to be strengthened to enable the Group to become the leader in the energy transition by emphasizing operational excellence and industrial know-how;
- digital skills to be developed in order to offer new services;
- organizational and managerial adaptations requiring strong support.

3.4.2.2.2 ENGIE Mobility

Mobility practices are strongly encouraged and promoted within ENGIE. The fluidity of resources and employees' ability to evolve are a measure of how their employability is being maintained. They are also a necessary condition for Group's transformation and agility. More than 6,170 movements between and changes in positions took place in 2021. More than 90% of key posts in the new organization were filled internally.

ENGIE Mobility is a system to support career mobility. Since its creation in 2017, ENGIE Mobility has individually supported close to 1,500 employees in their career plans. The system was also used to support organizations with their employment issues. It contributes its expertise and its services offering tailored to projected changes. In 2021, ENGIE Mobility acted in support of major transformation projects.

In France, a digital space called "Mymobility," dedicated to building career plans, was made available to all employees. About 30 occupation-related meetings, job forums and remote events were held. Lastly, the "Regional Mobility Employment Committees" network is coordinated on a monthly basis. These Committees, which are assigned to five Regions across the country (Ile-de-France; West; South West; Center East and South East; North East) work to promote local internal employment.

3.4.2.2.3 Skill'Lib

The development and acquisition of skills play a key role in the competitiveness and performance challenges of the company.

Beyond training, which remains the preferred lever for learning, ENGIE has set up an effective, innovative, win-win system for employees and managers: Skill'Lib. This is a skills marketplace that promotes learning through experience for employees. At the same time, it enables managers to quickly access relevant skills that meet their business needs.

This system was recognized and rewarded in November 2021 with the winning of the HR Prize for Innovation of the Victoires des Leaders du Capital Humain (Victories of Leaders of Human Capital) awards.

3.4.2.2.4 Training

Developing skills and maintaining employability are crucial areas for the company's competitiveness and performance and for its ability to roll out the Group's strategy. In February 2020, ENGIE defined a non-financial goal of training 100% of employees each year by 2030. To achieve this, ENGIE favors a skills development approach of multiplying learning opportunities and diversifying its training methods. The wider use of digital technology allows training courses to be personalized.

3.4.2.2.5 ENGIE Schools

Since 2019, ENGIE Schools has been boosting the skills development of employees with technical profiles. They represent 70% of the workforce and more than 100,000 employees worldwide. Based on peer-to-peer training, ENGIE Schools has asserted itself as the international internal network of the Group's occupational schools. It is made up of 32 internal training centers, with a tailor-made technical training offer adapted to the requirements of our businesses. It is the driving force behind a dynamic of cross-functional projects on energy transition subjects. It is the driving force behind the implementation of awareness-raising and shared Group training projects, capitalizing on experience, internal skills and inter-entity cooperation. This dynamic resulted in an inter-entity course on the skill of "Preventing low-voltage electrical risk" and the corresponding accreditation in 2019. All technical training resources are shared between the Group's entities on a dedicated digital portal. In 2021, ENGIE Schools adapted in order to support the new organization. It is based on the network of existing schools and develops specific training courses and Schools by GBU.

3.4.2.2.6 ENGIE University

In 2021, ENGIE University stepped up the implementation of programs enabling every employee to learn about the Group's strategy. These programs focus on issues related to carbon neutrality, customer orientation and the organizational agility of managers and executives. To fulfill the Group's diversity aims, the University has launched an Inclusive Leadership program for all managers. This year saw a marked rise in hybrid modes of working. This had significant effects on training, in terms of both course content and format. Programs have been developed on hybrid management, leadership in uncertain times, new business models and competitiveness factors.

Since 2016, the University has been increasing learning opportunities by rolling out new modalities. For example, the number of hours of digital training quadrupled between 2016 and 2021. In this context, and in response to training needs, the University organized the Learning Festival in March 2021. This event, which was planned and delivered in 100% digital format, consisted of a week of training for all the Group's employees. It is a key driver for ENGIE's culture of engagement, belonging and ownership of strategy. It involved the development of key skills, a need that goes hand in hand with the crisis and which required a readjustment of our know-how. It also responded to the need to change perceptions of virtual training. The Learning Festival brought together more than 3,000 employees from 40 different countries, representing all the Group's entities on 100 different programs. It involved 50 internal stakeholders and 40 external teachers. Every day, more than 1,000 employees took part in one of the programs.

As the transformation of the Group also entails the evolution of occupations, ENGIE University is developing programs so that employees can upskill on the energy transition. 2021 saw the launch of the Sustainability Academy, a driver of employee engagement and skills development. This Academy provides courses on the Group's mission. It enables the professionalization of the occupations and the technical and

leadership skills necessary for the roll-out of the strategy. It showcases the Group's expertise and commitment to taking into account the sustainability challenges of its businesses. It is open to the company and to its ecosystem.

As a result of the implementation of all these systems, ENGIE trained 81.9% of its employees in 2021.

Proportion of employees trained

	2021								2020	2019
			Client solutions							
GRI 404-2	Rene-wables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others	Group	Group
Proportion of women trained	86.6%	80.0%	74.9%	82.3%	88.9%	89.3%	101.5%	77.7%	80.9%	69.2%
Proportion of men trained	100.3%	86.0%	79.9%	81.6%	79.8%	88.7%	100.4%	71.0%	82.1%	71.1%
Proportion of employees trained	96.7%	84.4%	78.9%	81.7%	83.0%	88.8%	100.5%	73.8%	81.9%	69.2%
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	98.7%

Training hours

	2021								2020	2019
			Client solutions							
GRI 404-1	Rene-wables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others	Group	Group
Total nb. of training hours	156,354	794,924	731,757	1,214,884	216,378	104,060	143,951	106,599	3,468,907	2,963,242
Average nb. of hours per person trained	34	43	20	22	21	28	68	19	25	28
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	98.7%

Breakdown of training hours by topic

	2021								2020	2019
			Client solutions							
GRI 404-1	Rene-wables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others	Group	Group
Business techniques	24.8%	45.5%	35.4%	31.7%	37.9%	38.3%	75.2%	32.1%	38.1%	35.9%
Quality, safety and environment	49.6%	17.3%	49.1%	50.5%	20.8%	46.7%	19.6%	7.0%	37.9%	33.7%
Languages	4.0%	1.2%	1.8%	0.9%	3.5%	1.2%	0.2%	12.7%	1.8%	3%
Management, personnel development	12.4%	30.5%	9.0%	11.8%	13.0%	10.3%	0.3%	31.6%	15.6%	13.1%
Others	9.2%	4.5%	4.8%	5.1%	3.6%	3.6%	4.7%	16.5%	6.6%	14.2%
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	98.7%

3.4.3 Hiring and retention

3.4.3.1 Hiring and employer brand

The Group's main challenge is to develop an attractive employer brand that is consistent with its locations and its hiring needs. In 2021, the employer brand thus enabled ENGIE's position in the rankings to be maintained or improved.

- ENGIE had more than 675,000 subscribers to LinkedIn in 2021. It therefore rose from 7th to 5th place in the LinkedIn "Top Companies" ranking;
- the Group is the 2nd most committed CAC 40 company in terms of CSR in France, according to the new CSR index published by Universum in December 2021;
- ENGIE is the 15th most popular company among students at engineering schools in France (compared with 17th in 2020). The Group has moved up 10 places in the Universum ranking of business school students (from 70th to 60th place).

The talent recruitment strategy is aligned with ENGIE's purpose and the transition to a carbon-neutral economy. It has to deal with a highly competitive job market, changing occupations and constantly evolving candidate expectations. This strategy stands out. It favors an approach that places the candidate at the center of the recruitment process in the service of the occupations and the business. The Talent Acquisition Policy, which was launched in 2020 based on five key principles, spearheads this strategy. ENGIE has thus developed its methods, strengthened the professionalization of its HR teams and cultivated its agility. The Group has developed strategic partnerships with LinkedIn, Indeed, Glassdoor and Pole Emploi en France. The HR sector thus identifies, supports and develops the skills and resources needed by the Group. It anticipates and responds to the challenges of today and tomorrow. ENGIE has initiated an active policy of developing its employer brand to attract the best talent and roll out its strategy. Multiple communication actions take place on networks and recruiting sites to publicize ENGIE's occupations. They make it possible to attract priority targets: technicians, digital occupations, women and young people.

3.4.3.1.1 Academic relationships

In order to recruit the best young talents and to maintain its leadership position, ENGIE relies on its academic relationships. These make it possible to publicize ENGIE to students in higher education (engineering schools, business schools and universities). As a real driver of attractiveness for the young people who represent ENGIE's future, the strategy of the academic relationships is aligned with that of the Group. They strengthen its employer brand, making it more attractive. They confirm its priorities in terms of diversity, inclusion and equal opportunities. They meet its recruitment needs in business and leadership skills.

ENGIE adopts a proactive attitude in order to meet strategic objectives and to get ahead of its needs by carrying out these actions:

- developing suitable partnership tools and criteria;
- establishing and coordinating communities of Ambassadors and Alumni;
- adopting a distinctive approach to the ecosystem;
- rolling out a communication and innovative formats.

The academic relationships are being redesigned in a more qualitative way, with associated returns on investment. Clear and relevant performance KPIs (presence, attractiveness, influence and recruitment) ensure the effectiveness of these initiatives.

ENGIE enters into privileged relationships with numerous target schools: Polytechnique, Centrale Supélec, MINES ParisTech, Télécom ParisTech, ESTP, IFP, KEDGE, EDHEC, ESSEC, HEC, NEOMA, EM Lyon, GEM, the École 42, Paris Dauphine University, Sciences Po and Paris 1 Sorbonne. In the Renewables occupations, the Group has embarked on numerous partnerships with laboratories and engineering schools (Telecom Paris, Mines, Centrale Supélec and IMT Lille Douai). They give their students the opportunity to take part in the ENGIE adventure through work-study programs, internships and the hosting of PhD students and students researching specific areas. Lastly, partnerships have also been established in digital occupations (EPITHEC, École 42, ESSEC, GEM, ENSIMAG and EPITA) and with the major French business schools (GEM, HEC, ESSEC, EDHEC, KEDGE and Sciences Po).

In 2021, ENGIE took part in 18 trade fairs, forums and conferences attended by 1,296 French students. Eleven events and media actions organized by ENGIE resulted in a visibility level of 555,075 views on social media. They involved 3,033 students.

3.4.3.1.2 Apprenticeships

To tackle the skills shortage and guarantee the Group's performance, ENGIE relies on young people and apprenticeships as a path of excellence toward its future occupations.

In 2020 the Group set itself two strategic targets:

- the proportion of apprentices in the Group's workforce to reach 10% in France by the end of 2021 and 10% in Europe by the end of 2030;
- a level of transformation into permanent or fixed-term contracts in the technical or digital sectors in France of 50% by the end of 2021.

The Group recently saw its efforts and commitment in relation to young people recognized when it won the Grand Prize for Youth Employment awarded by the HUMPACT ratings agency. This prize acknowledges the engagement of the Group's employees, as close as possible to local needs. Within three years, ENGIE has doubled the number of work-study program participants in France and has boosted a long-lasting European dynamic. The transformation level in Europe, in the technical or digital occupational sectors, where positions are very hard to fill, is more than 50%. Working for the employability of young people also involves proposing a more inclusive model of society and proving that technical occupations have a future and are accessible to all, especially women.

Representativity of apprentices compared to permanent and fixed-term contracts

FRANCE	EUROPE	OTHERS	Group
7.4%	1.1%	0.6%	3.8%

At the end of 2021, ENGIE had 6,327 apprentices, representing an increase of 14.5% since 2019. In France, the percentage of staff undertaking work-study programs compared to permanent and fixed-term contracts is 7.4%. For several years, the Group has been developing its academic relationships and is working in particular with the Apprentice Training Centers (*Centres de Formation d'Apprentis* or CFA) throughout France. They support the Group in the design of its training courses and in the search for skills, for the benefit of a countrywide network. Developing the skills of tomorrow to serve the transition to carbon neutrality is more than ever a priority for the Group. It carries the promise of making a positive impact on people and the planet. In November 2020, ENGIE opened its own CFA in France: the "Academy of Energy

and Climate Transition Occupations.” This human-scaled Academy will welcome several hundreds of students by the end of 2024. The CFA offers the vocational Baccalaureate Diploma and higher technician's license (brevet de technicien supérieur or BTS) for young people aged 16 to 29, in close partnership with well-known educational establishments. The aim is to meet the changing needs of the Group and to attract more young people, particularly women, to its occupations. The “Academy of Energy and Climate Transition Occupations” is helping to achieve ENGIE's aim of work-study students accounting for 10% of its employees in France. The Group also aims to hire 50% of its work-study students into technical occupations at the end of their training. This represents more than two-thirds of its overall hiring needs. Each year, the Group organizes “le mercato” of work-study students to share this pool of young talent among all of the Group's companies. In addition, the partnership with “Engagement Jeunes” provides them with external opportunities. The launch of the Young Talent Community in January 2020 has brought together the Group's work-study students, interns and VIEs (Volunteers for International Experience), in order to unite them further and to support them in their professional integration.

The Group has also taken action to identify, train and promote tutors, who are key players in the successful integration of work-study students. The 2021 external recruitment campaign also demonstrates this aim.

3.4.3.1.3 Hiring

33,806 employees were hired. They are suited to our future skills requirements and will support the transformation undertaken by the Group. 70% of them relate to occupations in the technical, engineering and business development areas. The profile of these hires is shifting towards increased expertise, particularly in the digital occupations. These hires reflect different situations in terms of activities and countries. 11,770 hires took place in France, including 6,632 on permanent contracts and 5,138 on fixed-term contracts (11,393 in 2020). Internationally, there were 22,036 hires in 2021 (18,088 in 2020) of which 10,644 were permanent and 11,392 fixed-term, up by 3,948 or 22%, driven by fixed-term hirings in Latin America. 21.1% of hires were women. In addition to these hires, 6,170 employees benefited from the internal mobility selection procedures.

	2021									2020	2019
	Client solutions										
GRI 401-1	Renewables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others	Group	Group	Group
Permanent hires	328	1,185	5,990	7,836	1,229	227	40	441	17,276	16,540	20,388
Women	78	370	1,306	1,540	351	43	8	167	3,863	3,611	4,477
Men	250	816	4,684	6,296	878	184	32	274	13,414	12,929	15,911
Fixed-term hires*	337	906	3,113	10,448	1,189	81	1	455	16,530	12,941	16,794
Women	133	337	794	1,350	415	18	1	231	3,279	2,723	3,296
Men	204	569	2,319	9,098	774	63		224	13,251	10,218	13,498
TOTAL	665	2,091	9,103	18,284	2,418	308	41	896	33,806	29,481	37,182
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

* Including work-study students

3.4.3.1.4 Departures

The Group registered an increase in departures in 2021: 21,612, compared with 19,537 in 2020. In 2020, the specific context of the health crisis resulted in a decrease in resignations worldwide. The economic recovery created new

work opportunities and prompted an increase in departures in the international subsidiaries in Latin America of 18.2%, in North America of 12.5% and in the United Kingdom of 13.7%. In France the resignation rate remained moderate at 4.5%.

	2021									2020	2019
	Client solutions										
GRI 401-1	Rene- wables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others	Group	Group	Group
Departures	268	852	6,660	11,729	1,172	311	88	531	21,612	19,537	21,545
Retirements	55	428	566	855	116	35	59	66	2,180	2,248	2,196
Resignations	161	237	3,706	7,355	716	156	23	602	12,656	9,444	12,120
Dismissals	36	128	1,530	2,561	245	44	3	86	4,633	6,166	5,691
Contractual terminations	16	60	858	958	95	76	3	77	2,143	1,677	1,537
Levels of resignations	3.2%	1.1%	7.8%	10.5%	5.6%	3.8%	1.1%	3.9%	7.4%	5.4%	7.1%
Turnover rate*	4.3%	1.9%	12.8%	15.5%	8.2%	6.6%	1.3%	6.1%	11.3%	10%	11.3%
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

* excluding retirements

3.4.3.2 Retention

3.4.3.2.1 The employees' commitment to the Group's strategy

ENGIE&Me

In October 2021, the Group carried out its "ENGIE&Me" engagement survey for the 6th consecutive year. Addressed to employees on permanent contracts all over the world, it allows them to express themselves on the key dimensions of engagement: adherence to the Group's strategy, working conditions, relations within the team, quality of management, prospects for development and mobility, recognition, etc. In 2021, the diversity and inclusion dimension was strengthened with the incorporation of a questionnaire used for the EDGE certification on good practice in terms of gender equality. The results measure the progress made from one year to the next. Action plans tailored to all levels of the organization: Team, Department, Entity and GBU/Group – are rolled out. They are a key management tool, used by managers at all levels of the company.

In 2021, 52% of employees responded to the survey (53% in the previous year) i.e. more than 65,000 employees. ENGIE&Me has registered a positive change again this year, continuing its track record since 2017, with a sustainable engagement level of 83%. On questions related to vision and

strategy, employees showed increasing confidence. Communications on strategy should be continued to help individuals to see more clearly how they contribute to ENGIE's aims. Employees reported their satisfaction in terms of their degree of autonomy, their ability to innovate and their work-life balance. The improvement principally concerned the effectiveness of our internal processes.

The 2021 results were presented to all employees and appropriate action plans were identified.

3.4.3.2.2 Organization of work

In France, most of the Group's entities have signed an agreement to implement regular remote working, on the basis of two to three days a week. Before the lockdown in March 2020, fewer than 30% of ENGIE employees worked from home. The level is now 40% on average. With the advent of the health crisis, negotiations to renew expiring agreements will be an opportunity to take feedback on generalized remote working into account. Some entities have also signed agreements on the right to disconnect.

These various arrangements for working time and improvements to working conditions help to limit absenteeism.

	2021								2020	2019	
	Client solutions										
GRI 403-2	Renewables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others	Group	Group	Group
Absenteeism	3.4%	6.4%	5.2%	5.7%	6.4%	2.9%	5.1%	4.3%	5.5%	6%	5.5%
Absence due to sickness	1.3%	3.0%	3.3%	4.3%	4.7%	2.2%	4.3%	1.9%	3.6%	3.8%	3.4%
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	99.1%

3.4.4 Diversity and inclusion

For many years, the Group has implemented a corporate social responsibility (CSR) policy that is proactive, ambitious and innovative to combat discrimination and promote equal opportunity and treatment. ENGIE's diversity policy was rewarded by the four-year renewal of its Diversity label in October 2017 for all Group activities in France. A follow-up

audit in September 2020 confirmed the Group's commitment to promoting diversity and equal opportunities. It praised the many initiatives taken by all the entities. Lastly, ENGIE has renewed its commitment to professional equality by signing up in September 2019 to the Women's Empowerment Principles defined by the United Nations.

3.4.4.1 Diversity

3.4.4.1.1 Gender diversity

ENGIE aims to become a benchmark for professional and pay equality. In February 2020, two new Tier 1 non-financial targets were set and approved by the Board of Directors:

- the Group's consolidated gender equality index to reach 100 out of 100 points by the end of 2030;
- women to make up 50% of the Group's managerial staff in 2030.

For ENGIE, diversity, professional equality and inclusion are innovation and performance drivers. In order to achieve this ENGIE has launched and is rolling out the Fifty-Fifty program. This international program is based on a systematic approach to creating the conditions needed to achieve gender equality.

This project came in response to demand not only from the entire Company and ENGIE's customers, but also investors. Its road map is based on six pillars: structuring and governance, diagnostics, awareness and communication, organizational adaptation, employee development and external partnerships. For ENGIE, it means becoming a benchmark player in this area and attracting the best talent.

In 2021, each entity benefited from a "Fifty-Fifty toolbox," tailored to the occupations and cultural environments of each region. Our main points of action are focused on:

- **Training employees**

- three "Diversity, Professional Equality and Inclusion" programs were rolled out between May and July 2021: one online program for all employees and two mixed programs for the Group's managers and senior managers;
- in January 2021, a personal development program "Wo+Men to Lead" was introduced for women and in September 2021 for men;
- in November 2020, a partnership was entered into with the Women Initiative Foundation in training for inclusive leadership.

- **Communication and awareness-raising**

- a "Diversity, Professional Equality and Inclusion" masterclass has been offered since February 2020. Its target audience is various hierarchical levels of the company;
- Fifty-Fifty events are scheduled for all employees on certain key dates, particularly Women's Day;
- executive committee awareness-raising workshops were held in March 2021, on privilege and how to manage unconscious bias.

- **Diagnostics and certification**

- in February 2021, ENGIE's initial scope obtained EDGE certification in Diversity and Inclusion;
- in October 2021, 22 Diversity, professional equality and inclusion questions were included in the ENGIE&Me survey;
- the findings of the audit of the processes used to assess our talent, in order to make them more inclusive, were reported in May 2021.

- **Sharing of good practice and external resonance**

- in November 2021, the 1st edition of the Fifty-Fifty Award, a competition open to everybody, was launched. It rewards the teams that are most invested in gender diversity;
- in November 2021, a virtual media library containing the resources in the Fifty-Fifty toolbox, was created on the ULearn platform: videos, statements, articles, good practice, etc.;
- as part of the Fifty-Fifty program, the Change Drivers network was created in November 2019, as well as the *ChangeMakHers* network in May 2021.

In 2021, women made up 21.8% of the Group's workforce. The proportion of women in management was 24.6%. The proportion of women on the Operational Committee is 27.3% (15 women and 40 men) in 2021. The proportion of women on the Group Executive Committee is 27.3% (three women and eight men).

In addition, to promote gender diversity in the occupations, ENGIE is raising awareness among young female audiences through the "*Elles Bougent*" association, which promotes the role of women in technical sectors in France. Lastly, as part of its partnership with *Le Laboratoire de l'Égalité*, ENGIE has been helping since September 2019 to develop an artificial intelligence pact. This ensures that new technologies underlying HR processes that incorporate AI are not discriminatory in terms of gender.

As part of its commitment to the apprenticeship foundation, *Fondation Innovations Pour les Apprentissages* (FIPA), ENGIE has undertaken to start a class dedicated exclusively to young women: "*les Ingénieuses*." In September 2021, four young women from ENGIE joined this promotion. The aim is to help them become engineers.

	2021								2020	2019	
GRI 405-1	Client solutions								Group	Group	Group
	Renewables	Networks	Energy Solutions	EQUANS	Supply	Thermal	Nuclear	Others			
Proportion of women in workforce	26.2%	27.4%	19.5%	16.8%	36.5%	12.3%	14.0%	44.3%	21.8%	21.4%	20.8%
Proportion of women in management	28.9%	32.4%	23.1%	15.9%	39.2%	16.5%	19.0%	37.8%	24.6%	24.1%	23.5%
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Proportion of women in permanent hires	23.7%	31.1%	21.8%	19.6%	28.5%	18.9%	20.0%	37.8%	22.3%	21.8%	21.9%
Proportion of women in permanent management hires	30.6%	35.1%	24.7%	18.7%	42.1%	14.4%	40.0%	32.9%	24.5%	27.0%	25.4%
% reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

3.4.4.1.2 Professional and pay equity

As part of its CSR policy and to support its purpose, ENGIE has extended the French obligation to calculate the professional and pay equity index to all of its companies abroad with more than 250 employees. This index is based on several criteria: the gender pay gap, the difference in the distribution of promotions and individual pay raises, the number of employees who received a pay rise on returning from maternity leave and the number of women among the ten highest-paid employees. All the companies use a decision-making tool called EQUIDIV, developed by the Group HRD. The tool enables automatic calculation of the index from individual data and provides priority remedial actions to progress professional and pay equality between women and men.

The effort has continued, maintaining the result of the Group's consolidated gender equality index at 85 out of 100

points in 2021. In the France the 2021 score was 89 points (identical with 2020) and internationally, 82 points (up two for the year).

On November 22, 2017, ENGIE signed a European Agreement for an indefinite period on professional equality between women and men, the fight against discrimination and violence, and the prevention of sexual harassment. Sexist behavior was the subject of a specific article.

Management is committed to developing awareness campaigns to combat sexism. Campaigns will be put in place in the 1st half of 2022 as soon as the international guide has been published. ENGIE is committed to taking all necessary measures to prevent incidents of sexual harassment. Reporting tools have been put in place to enable any deviant behavior to be flagged. In early 2021, ENGIE took part in the "BVA/#StOpE" au Sexisme scale for the first time. This

identified the priority actions to be taken across France.

In addition, on the basis of an international benchmark of legislation in force, the Group has defined a common international reference framework designed to eradicate

sexual harassment. ENGIE launched a global information and awareness campaign on domestic violence on the occasion of the International Day for the Elimination of Violence against Women. A note will be distributed internationally in the 1st quarter of 2022.

3.4.4.2 Inclusion and job-seeking support

3.4.4.2.1 The social and professional inclusion of young people

ENGIE is a major, engaged and active player. The Group develops many innovative initiatives in partnership with its ecosystem to promote learning.

A founding member of the *Collectif des entreprises pour une économie plus inclusive* ("Group of companies for a more inclusive economy"), since 2018, the Group has been taking action countrywide, alongside 34 large companies and public authorities, to promote the inclusion of young people, particularly those who have been distanced from employment or come from the most disadvantaged areas. In particular, ENGIE has undertaken to host 3,000 young people from priority neighborhoods for a period of three years, from the third grade until they start their working lives.

The Group is committed to the social and professional inclusion of people in severe difficulty or in a situation of exclusion via the *Parcours Emploi - Mobilité - Sport* (PEMS) program. This program helps young people aged 17 to 26 from priority neighborhoods, or young isolated minors supported by child welfare or charities, to sign up to a work-study contract. More than 400 young people have been supported by the initiative since 2016, with a positive exit rate above 60%. For this initiative, ENGIE relies on a network of volunteer employee sponsors, who help the young people find work-study contracts and a host company while providing them with moral support.

ENGIE has been a partner in the Alliance for Youth movement since December 2015. This is an opportunity to implement collective actions to improve the employability of young people all over the world. In this context, ENGIE has launched the "Apprenti Swap" program with Nestlé. In 2020, this enabled four young people hired as apprentices to take part in a two-year master's 2 in Digital Marketing. They are spending one year as an apprentice at each of the two partner companies. In September 2021, four new work-study students were hired simultaneously by ENGIE and Nestlé in the Compensation & Benefits and HR Performance occupations.

Since 2020, ENGIE has chaired the French GAN (Global Apprenticeship Network), the aim of which is to:

- encourage corporate initiatives;
- act on factors hindering the development of work-study programs;
- connect these initiatives with real career opportunities for young people;
- use professional training as a springboard for accessing the world of work.

3.4.4.2.2 Employees with disabilities

ENGIE is fully committed to the area of disability, including at the highest levels of the Group. In France, it is mainly involved in recruitment, integration, support and job retention, awareness-raising, communication and collaboration with the sheltered sector. In 2019, the Group reaffirmed the need for collective corporate action by signing, alongside 130 large companies, the "Manifesto for the Inclusion of People with Disabilities in Economic Life."

Through this charter of operational commitments, ENGIE is taking action, with the other signatories, that includes bringing the world of education and the world of work closer together. It helps young people discover occupations and access the labor market through work-study programs.

ENGIE has around 2,620 employees with disabilities in France. The direct employment rate was 3.4% in 2021.

ENGIE sees work-study programs as a lever for recruiting young people with disabilities. The Group has undertaken to make a substantial effort to recruit people with disabilities for work-study programs each year.

The collaboration with the protected and adapted work sector makes the inclusive vision of the Group's CSR commitments a reality. It aims to ensure the viability of indirect jobs, promote the local economy and encourage professional integration. In France, ENGIE is a partner of the GESAT network. It puts ENGIE in economic contact with service providers in the protected and adapted work sector. The services provided represented around €9 million in 2020.

3.4.4.2.3 Religious diversity

One of the 25 legal criteria of the principle of non-discrimination applies to the actual or perceived adherence to a religion. ENGIE is committed to ensuring that no employee or applicant is treated unfavorably because of their religious beliefs. In 2015 the Group prepared some points of reference on religious diversity in the company to help managers in this regard. This guide was updated in 2019 and provided to the entities, along with an interactive version and a meeting coordination kit.

3.4.4.2.4 LGBT+ (Lesbian, Gay, Bisexual, Transgender/Transsexual plus)

ENGIE signed the L'Autre Cercle's LGBT+ commitment charter on December 6, 2017. In October 2020, in France, ENGIE published the practical guide "LGBT+, understanding to act together" in order to raise awareness of the question of LGBT+ in the workplace. ENGIE participated in the 2020 edition of L'Autre Cercle's 95 LGBT+ & Allié.e.s au Travail Role Models in France. Two employees were designated in the LGBT+ Leaders and Allié.e.s Dirigeant.e.s Role Models category. In 2021, ENGIE stepped up its actions to boost diversity and combat discrimination, with:

- the launch of "Friends," the Group's network of LGBT+ and Straight Allies employees;
- the worldwide publication of a new guide, "Understand each other to better act together";
- the training of 150 HR staff in France;
- the provision of a training/awareness-raising catalog for management committees, managers, employee representative bodies and all employees;
- participation for the second time in the "Role Models" of L'Autre Cercle, with two candidates presented.

In 2022, ENGIE North America was awarded for the 2nd year running by the Human Rights Campaign (score 95/100). Actions taken in the United States to improve equal treatment for LGBT+ employees were recognized.

3.4.5 Remuneration, social protection, employee savings plans, and employee shareholding

3.4.5.1 Principles of the remuneration policy

Group policy is to offer everyone remuneration that is personalized, fair and competitive on the market, which reflects the performance and level of responsibility of each person. The Group uses external information provided by specialized firms to establish its positioning in relation to the local reference market. It also ensures compliance with the minimum wages applicable in the different countries in which

it operates. Particular attention is paid to equal pay, with the calculation of the index (see Section 3.4.4.1.2). The overall compensation structure consists of a base salary and, depending on the level of responsibility and the country, variable compensation schemes to reward collective and individual performance.

3.4.5.2 Social protection and pensions

ENGIE ensures that it adheres to the best practices of major international groups. The Group ensures the competitiveness of its entities' systems in relation to local practices in terms of social protection and pensions. In 2020, ENGIE rolled out the ENGIE Care social protection program worldwide. This program allows each employee to benefit from health coverage, guaranteeing reimbursement of at least 75% of costs in the event of hospitalization. It also protects the employees' family or loved ones in the event of their death by paying a benefit equal to at least 12 months' salary. The signing of the new global agreement is meant to guarantee protection of every employee by 2024. A lump sum equal to 12 months' wages will be paid. At least 14 weeks of

maternity leave and at least 4 weeks of paternity leave will be paid at full wages. This parenting pillar strengthens the work/life balance and equal opportunities between men and women. ENGIE Care thus adds to the attractiveness of the Group, helps employee retention and strengthens ENGIE's CSR policy. ENGIE Care is accelerating the Group's performance in terms of social benefits (including retirement) by mapping them to its various entities.

This facilitates the pooling, and therefore optimization, of its plans. The entities also have access to a pool of international insurance companies. It provides optimized subscription options, with the potential to share local and global surpluses.

3.4.5.3 Group employee savings plans policy

3.4.5.3.1 Savings plans

In France, since the end of 2009, the Group's employees have had access to a Group Savings Plan (*Plan d'Épargne Groupe – PEG*). The plan includes employee shareholding funds as well as a large range of diversified savings options. It totaled close to €2 billion in assets at the end of 2021. Outside France, measures have also been put in place in some countries that allow employees to save under terms adapted to local laws.

3.4.5.3.2 Retirement savings plans

In France, since 2010, all employees may, at their own pace, build funds for retirement by paying into the Collective Retirement Plan (*Plan d'Épargne pour la Retraite Collectif – PERCO*). In 2021, ENGIE began transforming its PERCO plan, within the framework of the Pacte law. Outside France, products exist in some countries that allow employees to supplement their pensions by making voluntary contributions on favorable terms.

3.4.5.3.3 Principles of non-financial management

As part of these plans, in France, ENGIE selects management companies whose management policies take environmental, social and governance (ESG) criteria into account. As such, most of them are signatories to the United Nations Principles for Responsible Investment. In addition, a specific ESG policy has been implemented for part of the range by the fund governance. They include representatives of management and social partners.

3.4.5.3.4 Solidarity funds

In France, the ENGIE solidarity employee mutual Fund (FCPE) called "*Rassembleurs d'Énergies Flexible*" is one of the largest dedicated solidarity funds in the French market. This fund is classed as an impact fund and has supplemented the range of Groups Savings Plan and Retirement Savings Plan investment products since 2012. It enables employees to take part in a social initiative that is consistent with their occupations.

3.4.5.4 Profit-sharing and incentive plans

Due to the existence of legally separate companies, there is no common collective profit-sharing and incentive plan for the Group. Collective variable compensation systems are widely developed in the subsidiaries. In 2021, the overall volume of employee profit-sharing and incentive plans at the various French subsidiaries reached close to €150 million.

At the ENGIE SA level, a profit-sharing agreement was signed with all the representative trade unions on June 30, 2021. This agreement provides for the payment of an envelope of

7.5% of the principal remuneration in the event that financial (4.5%) and non-financial (3%) targets are exceeded. The new agreement notably includes a non-financial criterion related to the reduction of the carbon footprint of employees. The amount paid out in 2021 for 2020 profit-sharing was €15,694,453. The agreement setting up the employee profit-sharing system for ENGIE SA was signed on June 26, 2009. Application of the statutory profit-sharing formula for 2020 resulted in no payment being made to employees in 2021.

3.4.5.5 Employee shareholding

With an employee shareholding level of 3.2%, ENGIE has a particularly dynamic and innovative shareholding policy. ENGIE periodically organizes the global employee shareholding operation known as "Link". ENGIE carried out the largest employee shareholding operation of 2018 with a volume of €340 million. This operation was subscribed by more than 40,000 employees worldwide at attractive conditions in terms of discount and employer contribution.

ENGIE is also particularly innovative as it is the only issuer to offer a "Link +" structured product. Its 10-year lock-up period in return for a discount and a specific employer contribution enabled the largest number possible to subscribe by offering payment terms spread over time. Given the resources employed and the length of the lock-up period, this type of worldwide operation does not take place every year.

3.4.5.6 Performance shares/Long-term incentives

ENGIE grants performance shares, which are described in detail in Section 4.4.3. These shares, which have a minimum maturity of three years, are subject to internal and external

performance conditions. This plan is not reserved for senior managers and ENGIE has a particularly wide allotment policy. Around 7,000 employees worldwide benefit from the plan.

3.4.6 Social dialog

The development and maintenance of high-quality social dialog is considered essential to successfully support ENGIE's new organization. To this end, the work of the HR teams, in close collaboration with the social organizations, has resulted in the establishment of an innovative process of social dialog. The project for creation and evolution of the shareholding structure of EQUANS ended with a memorandum between ENGIE and the European Works Council (EWC). Potential investors submitted their business and social plans to the

secretariat of the EWC, enabling it to make a comparative analysis of the bids and issue an opinion.

Within national and European representative bodies and through national, European and global collective bargaining agreements, ENGIE involves its social partners in the implementation of its Social Ambition, which has been opened and broadened to take into account environmental and societal challenges.

3.4.6.1 Representative bodies

At Group level, social dialog is organized around two representative bodies that are privileged forums for consultation between management and employee representatives:

- **The EWC:** comprising 41 full members representing the Group's 139,070 employees throughout Europe. The European Works Council (EWC) aims to develop and strengthen European social dialog, ensure balanced representation between the Group's countries and main business activities, and develop social dialog within these main businesses. A secretariat with 13 members representing eight countries meets every two months. In 2021, the EWC held eight plenary meetings, six of them extraordinary, along with ten EWC secretariat meetings and

nine meetings of the working groups. The high number of meetings is due to the various EWC consultation processes that began in 2021 (creation of EQUANS in the first half-year, changes to the Group's organization in Europe and changes to the shareholding structure of EQUANS in the second half-year). It should be noted that face-to-face meetings were resumed from mid-June, when Covid-19 related health restrictions were lifted.

- **The French Group Works Council:** this body, which represents more than 77,716 employees in France, has 30 full members. The French Group Work Council is an information body with representatives of institutions representing the employees of French companies. In 2021, four meetings were held, two of which were extraordinary.

3.4.6.2 Group collective bargaining agreements

In line with its commitments, ENGIE opened negotiations with the international union federations toward a worldwide agreement on fundamental rights and social responsibility. It was signed in January 2022 with the three global union federations most representative of our business lines, and

with the four representative labor organizations at the Group level. This agreement reaffirms ENGIE's intention to be recognized as a responsible employer that intends to attain a level of excellence socially that is commensurate with our environmental standards.

3.4.7 Note on the calculation method for social indicators

3.4.7.1 Scope of reporting

The indicators published in this report relate to fully consolidated companies, whose capital and management are under the control of ENGIE. The social indicators are fully consolidated, regardless of the percentage of the company's capital owned. The reporting scope is the same as that of the Finance Department.

The data are submitted by the GBU created as part of the new organization established on July 1, 2021. EQUANS was presented separately within the Client Solutions GBU (see Section 1.6). A reporting level is attached to each indicator, according to the employees

3.4.7.2 Consolidation methods

The content of the report is based on indicators selected to reflect the main social and societal impacts of the Group's activities. The indicators are chosen in accordance with the Global Reporting Initiative (GRI) standards.

3.4.7.3 Tool

The social indicators are derived from Group social reporting (GSR). These are set out in a shared Group database that may be viewed on request. The collection, processing and

The indicators for this report are consolidated using defined procedures and criteria. Data on the organization's structure, employee turnover, working conditions, training and safety were consolidated by aggregation.

3.4.7.4 Control

The social data are successively consolidated and verified by each operational entity before verification at the Group HRD level. ENGIE's statutory auditors then verify the social information collected in order to issue a reasonable assurance

reporting of data entered by the local entities, subsidiaries of the ENGIE Group, is carried out in the SyGMA consolidation tool, in accordance with the IFRS financial scope.

report. This work is carried out at the same time as the work of the independent third party responsible for verifying the non-financial performance statement published in ENGIE's management report.

3.4.7.5 Additional information on some indicators

3.4.7.5.1 Employment

Administrative employees are recognized under "senior technicians and supervisors". The Belgian entities in the energy sector do not declare "manual workers, clerical staff and technicians" (Electrabel).

Contractually, unskilled or low-skilled workers have employee status. This might cause an underestimation of this category. The French concept of cadres (managerial staff) (≥ 300 points on the Hay Guide Chart, the universal job classification and evaluation system) is sometimes difficult to understand in other countries. This can lead to a slight underestimation because some entities may take only their senior management into account.

3.4.7.5.2 Employee flows

Indicators in this Section have been calculated on a current scope basis, i.e. the fully consolidated reporting entities included in the scope of consolidation at 12/31/Y. The lay-offs indicator does not include contractual terminations.

3.4.7.5.3 Diversity and equal opportunity

The declared percentage of people with disabilities provides the best possible information on the inclusion of people with

disabilities. The Group does not consider it relevant to provide a reporting percentage for this indicator, since some entities are unable to gather the relevant information due to local regulatory restrictions.

3.4.7.5.4 Career development

When all data cannot be provided within the timelines, the most recent are provided as well as a forecast of the missing data at year-end.

Training: the definition of the indicator was changed in 2020 to ensure that it included face-to-face and e-learning training courses. The format and duration of a training may vary but must include a description of educational content. The breakdown of training hours by topic does not include e-learning hours.

3.4.7.5.5 Organization of working time

The working hours of personnel within the Group companies are organized within the legal framework for working time, which varies from country to country.

Days of absence per person are calculated according to the Group convention of eight hours of work per day.

3.4.8 Health and safety policy

3.4.8.1 Performance

The Group's performance in terms of health and safety is as follows:

- a total frequency rate of lost-time accidents for employees and subcontractors operating on site with controlled access of 2.9, which is below the maximum target for the year of 3.1;
- a severity rate of lost-time accidents for employees of 0.11 in 2021 (level with 2020);
- a prevention rate of 0.58, higher than the minimum target for the year of 0.50.

The number of fatalities arising from the exercise of a professional activity among Group employees, temporary workers and subcontractors was 16 in 2021 – 4 employees and 12 subcontractors.

Of the 16 fatalities, 7 were due to the same accident at the construction site for a high-voltage power transmission line in Brazil, when a pylon fell over due to a fault in construction quality. In response to these accidents, the Executive Committee decided to implement a decisive action plan (see Section 3.4.8.2.4).

In the field of occupational health, the number of new cases of recognized occupational illness was 52 in 2021, marking a decrease compared with 2020 (106).

3.4.8.2 The health and safety management system

The Group's health and safety policy sets out the key principles for the management of health and safety. This policy was subject to an agreement with the representative bodies of European personnel and the representatives of the global federations.

To implement these principles, the Group's Health and Safety Rules set out the minimum standards and requirements that apply within the Group.

3.4.8.2.1 Performance reporting

The Group's performance in terms of health and safety in the workplace and process safety are monitored by:

- the Executive Committee;
- the Ethics, Environment and Sustainable Development Committee (EESDC) for health and safety at work;
- the Audit Committee for process safety;
- the Board of Directors.

In 2021, all in-depth analyses of fatal workplace accidents were presented to the Executive Committee in the presence of the operating manager involved and to the EESDC. Regular updates were also provided at meetings of the Board of Directors and the Operational Committee, which comprises the Group's main operational managers.

The health and safety performance is shared with managers and the Group's health and safety functional line. They are distributed within the entities via managers and made available to all employees on the Group intranet.

Periodic updates are carried out with each GBU in order to assess the effectiveness of the measures implemented. These also serve to evaluate the entities' capacity to prevent serious and fatal accidents involving employees and subcontractors.

3.4.8.2.2 The management of risks arising from the Covid-19 pandemic

At the start of the crisis, the Group set up a dedicated communications system to support the roll out of the various personal protection measures. The measures defined and implemented in early 2020 were continued in 2021. The Group enlisted a service provider specialized in managing health risks to help guide its decision making. Measures to prevent the infection of employees, subcontractors and customers were applied which took into account the contamination level of countries and the prevention systems set up locally by the authorities.

The specific reporting on the numbers of employees infected, which began in 2020, continued in 2021. The infection rate within the Group (based on the number of infections) remains lower overall than the rate in the country.

Managers were made aware of the need to reinforce communication and listening time with both employees working from home and those active at their usual places of work. Given the length of the pandemic, particular attention was paid to detecting weak signals that are markers of potential psychological discomfort. The various entities carried out regular surveys of their employees to assess their well-being at work. These made it possible to qualify their feelings, in particular regarding the support provided to them, and to identify any needs they might have.

The system put in place was part of a continuous improvement cycle. Feedback from entities expressing their needs and sharing any difficulties helped adapt the prevention system.

3.4.8.2.3 Definition of the new 2021-2025 action plan

The Group's objectives in terms of health and safety at work, which are reflected in its policy, are set out in multi annual action plans. The new 2021-2025 action plan covers three areas of prevention:

- "No life at risk," the management of risks relating to the direct execution of activities;
- "No mind at risk," well-being at work, vigilance, the management of risks relating to the context of activities being executed;
- "No asset at risk," management of the risks associated with the Group's industrial activities.

The main measures relating to "No life at risk" implemented in 2021 are described in Section 3.4.8.2.4 "The management of risks relating to health and safety at work." The main actions implemented by the Group relating to "No mind at risk" in 2021 are described in Section 3.4.8.2.5 "Improving well-being at work." The actions implemented in 2021 relating to "No asset at risk" are described in Section 2.2.5.1 "Industrial accident risks."

3.4.8.2.4 The management risks relating to health and safety at work

The prevention of serious and fatal accidents is based on the identification of risks and the implementation of measures aimed primarily at eliminating exposure to risks, or at implementing appropriate collective and individual protection measures, particularly by means of the safety rules imposed by the Group. Specifically, the Group has defined nine "Life-Saving Rules," covering the major risks identified, which constitute the last individual barrier of prevention before a serious or fatal accident, if all other barriers have not worked.

The entities pursued a systematic approach to identifying, analyzing and handling events with high potential of severity (HiPo) that are precursors to serious accidents. These HiPos are identified by the operating entities, which draw up an action plan for each of them to prevent their recurrence and in particular to eliminate risk exposure. The HiPos are collected by the Group, which shares them with the entities through its health and safety network.

Moreover, operators are asked to stop working if safety conditions are not met (the "Stop the work" approach). Operators must also implement "the life-saving minute", which consists of carrying out a new on-site review of risks to ensure that these are correctly under control.

Lessons were specifically shared after each serious accident analysis and specific preventive measures were then implemented.

As a result of the fatal accidents experienced by the Group in 2021, a number of specific actions were taken:

- the organization of a "safety stand down," which was a dedicated opportunity for discussion, when all the Group's activities were suspended and the teams invited to reflect on what measures to take to strengthen safety at work within the Group. The various proposals made by the entities have been analyzed and incorporated into the Group's health and safety action plan;
- in-depth health and safety reviews were carried out at certain construction sites deemed to be particularly at risk. Within the Group, construction sites have faced higher risks, with deaths on these sites accounting for three-quarters of all deaths in 2021;

- the action plan to ensure the safety of the Group's subcontractors was strengthened, with the number of subcontractor fatalities in 2021 accounting for three-quarters of all fatalities;
- a specialist external provider was charged with carrying out a full assessment of health and safety maturity and organization. The actions resulting from recommendations made by the service provider will be incorporated into the Group's health and safety action plan.

Finally, in 2021, a specific action plan was put in place to strengthen the prevention of electricity-related accidents, particularly the most serious accidents. In this context, it was requested that safety visits by management be focused in particular on the prevention of electrical accidents. All Group employees and subcontractors have been reminded that it is essential to check that there is no voltage when working on a facility. In addition, all the GBU and entities have been asked to strengthen their electrical risk action plans.

3.4.8.3 Strengthening the health and safety culture

Various tools were used to strengthen the health and safety culture among the Group's employees and subcontractors.

The health and safety functional line animation makes extensive use of digital tools, with a great deal of work going into dissemination of information to the various entities. This work is notably supported by the organization of thematic monthly webinars, presentations of the analysis of fatal accidents and the provision of various technical support.

3.4.8.4 Dialog with social partners

In 2021, dialog with employee representatives continued at all levels of the Group and particularly with global and European bodies. A permanent health and safety at work working group is active within the European Works Council.

3.4.8.2.5 Improving well-being at work

For several years, the Group and its subsidiaries have been implementing specific measures to improve the well-being of their employees at work. In 2021, the Group continued to coordinate a network of contacts for well-being at work representing all of its entities, aiming in particular to share existing tools and resources, design new tools and share feedback and good practices between the entities.

In order to strengthen the culture of health and well-being at work and to implement an effective governance system to manage them, a Group-level body – the “No Mind At Risk” Group Committee – was established to carry out a critical, collective examination of the planned measures, with the aim of sharing and challenging them.

Nine commitments for well-being at work were rolled out during 2021, designed to improve the working conditions of all. Each Group employee has undertaken to comply with these commitments.

An e-learning was also developed and provided to all Group managers in order to raise their awareness of the most effective managerial conduct to adopt to ensure that these commitments become a reality within each working group.

A weekly newsletter, “Prevention News,” covering most of the exchanges with the GBU and entities, was sent out to the entire health and safety functional line. This document enables information on all accidents, significant hazardous situations and events with high potential of severity (HiPo) to be shared Group-wide.

Each half year, it reviewed the performance and actions taken in terms of health and safety and well-being at work.

With regards to the management of the pandemic, the representative bodies were regularly informed and consulted regarding new provisions to be implemented.

Health and safety data

Additional information regarding the health and safety indicators

The analyses carried out in this document concern the entities and activities in which ENGIE has operational management, regardless of the method of financial consolidation.

The health and safety at work reporting scope includes the data of entities sold during the year up to their date of transfer.

Concerning the indicator relating to the number of new cases of occupational illness, we do not consider it relevant to provide a refund rate since some companies cannot collect this indicator due to local regulatory constraints.

	Number of deaths (employees)	Frequency rate (employees)	Severity rate ⁽²⁾ (French framework)	Severity rate ⁽²⁾ (ILO framework)	Number of new cases of occupational illness
GROUP ⁽¹⁾					
2021	4	3.2	0.18	0.11	52
% reporting	100%	100%	100%	100%	
2020	3	3	0.19	0.11	106
% reporting	100%	100%	100%	100%	
2019	2	3.7	0.21	0.14	120
% reporting	100%	100%	100%	100%	
NORTH AMERICA					
2021	0	1.46	0.03	0.03	0
% reporting	100%	100%	100%	100%	
2020	0	1.03	0.08	0.05	1
% reporting	100%	100%	100%	100%	
2019	0	1.73	0.11	0.09	0
% reporting	100%	100%	100%	100%	
FRANCE EXCLUDING INFRASTRUCTURE					
2021	1	4.24	0.36	0.18	49
% reporting	100%	100%	100%	100%	
2020	1	4.47	0.36	0.19	4
% reporting	100%	100%	100%	100%	
2019	1	5.25	0.36	0.21	108
% reporting	100%	100%	100%	100%	
FRANCE INFRASTRUCTURE					
2021	0	3.07	0.16	0.12	0
% reporting	100%	100%	100%	100%	
2020	0	2.02	0.07	0.07	0
% reporting	100%	100%	100%	100%	
2019	0	2.1	0.10	0.08	0
% reporting	i				
REST OF EUROPE					
2021	1	3.96	0.14	0.10	0
% reporting	100%	100%	100%	100%	
2020	1	3.27	0.19	0.12	1
% reporting	100%	100%	100%	100%	
2019	0	3.60	0.23	0.17	5
% reporting	100%	100%	100%	100%	
LATIN AMERICA					
2021	0	1.78	0.06	0.04	0
% reporting	100%	100%	100%	100%	
2020	1	2.83	0.07	0.06	84
% reporting	100%	100%	100%	100%	
2019	0	5.28	0.12	0.09	6
% reporting	100%	100%	100%	100%	
MIDDLE EAST/AFRICA/ASIA					
2021	2	0.57	0.01	0.01	0
% reporting	100%	100%	100%	100%	
2020	0	1.26	0.02	0.02	0
% reporting	100%	100%	100%	100%	
2019	1	1.09	0.02	0.01	0
% reporting	100%	100%	100%	100%	

	Number of deaths (employees)	Frequency rate (employees)	Severity rate ⁽²⁾ (French framework)	Severity rate ⁽²⁾ (ILO framework)	Number of new cases of occupational illness
OTHERS					
2021	0	0.72	0.03	0.02	3
% reporting	100%	100%	100%	100%	
2020	0	0.68	0.02	0.02	16
% reporting	100%	100%	100%	100%	
2019	0	1.64	0.03	0.03	1
% reporting	100%	100%	100%	100%	

(1) Groupe covers the ENGIE 7 sectors

(2) The evolution of severity rates does not include fatalities

3.5 Environmental information

ENGIE faces the main environmental challenges: climate change, the quality and availability of natural resources (air, water, soil and energy) and the protection of biodiversity and ecosystems. Although its activities sometimes have an impact on ecosystems and natural resources, the Group seeks to measure and reduce this via the environmental management of its activities.

ENGIE's challenges and ambitions in this area are reflected in the Group's environmental policy (available on the ENGIE website) and in the performance indicators deployed across all its activities. The challenges also include the risks identified in the environmental vigilance plan. A team in charge of analysis and coordination is specifically dedicated

to environmental responsibility and reports to the Group CSR Department. It has environmental coordinators in each region or country who lead their own networks of coordinators, organize actions, supplement corporate expertise with their knowledge of operations, and implement environmental reporting.

The Corporate Social Responsibility Department produces an annual report which is sent to the Executive Committee and then presented to the Board of Directors' Ethics, Environment and Sustainable Development Committee. This report is supplemented by regional Hubs' own reports and letters of environmental compliance, as well as the results of environmental audits ordered by the Executive Committee.

3.5.1 Legal and regulatory framework

The Group actively monitors regulatory developments (set out in Chapter 2 "Risk factors and controls"), stating its positions while they are being prepared and applying the new rules as soon as they are published. In particular, the Group has been calling for the harmonization of international regulations and greater integration between the various environmental and energy policies. In the run-up to COP21, the Group strongly pledged to support an ambitious

international climate agreement to limit the global temperature rise to 2°C. It also pledged to support the more widespread application of regulations on carbon pricing, which would be a strong signal for investment in low-carbon technologies and an incentive to reduce greenhouse gas emissions. To this end, the Group plays an active role in the CPLC (Carbon Pricing Leadership Coalition).

3.5.2 Environmental management

At the end of 2021, the entities that had implemented an Environmental Management System (EMS) accounted for 75.6% of relevant revenue ⁽¹⁾. The need to obtain external EMS certification is assessed locally with regard to local economic conditions and benefits.

(1) Revenue generated after excluding activities not considered pertinent in terms of environmental impact: services, trading, sales, activities, etc

Percentage of relevant revenue covered

Indicator title	2021			
	ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
By an EMAS certification	5.00%	7.30%	3.72%	3.06%
By an ISO 14001 (non-EMAS) certification	56.94%	57.71%	57.26%	58.46%
By another external EMS certification	2.40%	0.78%	2.81%	2.87%
TOTAL EXTERNAL CERTIFICATIONS	64.34%	65.80%	63.79%	64.39%
By an internal certification (but not by a certified EMS)	11.23%	9.38%	11.92%	8.33%
TOTAL INTERNAL AND EXTERNAL EMS	75.58%	75.18%	75.71%	72.73%

When the implementation of a certified or registered management system is not economically justified, entities are encouraged to define an internal management system ensuring concern for the environment in carrying out their activities. As a result, some Group entities have defined their own

management system standard. When an internal or external EMS is implemented, employees take part in awareness and training sessions relating to the environmental issues they encounter at their sites so that they adopt the EMS methodology and make it their own.

3.5.3 Performance control and measurement systems, a prerequisite for environmental responsibility

To monitor the implementation of its environmental policy, control environmental risks and encourage the communication of its environmental performance to stakeholders, ENGIE implements a specific reporting system that goes beyond the requirements of French law and which takes into account the Global Reporting Initiative (GRI) recommendations.

Environmental reporting is closely tied to operational performance reporting, thus becoming a management tool. The Group's Executive Committee transmits this goal of making environmental concerns an integral part of management responsibilities.

A system of letters for environmental compliance ensures operational management involvement.

Methodological elements

ENGIE conducts its environmental reporting using a dedicated tool that allows data to be reported following a defined methodology. This tool, called EARTH, is an environmental reporting IT solution used to manage the network of environmental correspondents and coordinators; to handle the management and documentation of the scope of environmental reporting; to manage data entry, monitoring and consolidation of indicators; to draft reports; and to provide the documentation necessary for producing and collecting data (reporting procedures and instructions).

EARTH is deployed in each regional Hub and thus covers the entire ENGIE organization.

The legal entities included in the reporting scope are those whose operations are relevant in terms of environmental impact and that are consolidated fully or proportionately under the rules of financial consolidation (IFRS). Legal entities whose sole business is energy trading, financial activity or engineering are therefore excluded from the scope, as are legal entities consolidated using the equity method. The entities included in the reporting report on the performance and impacts of the industrial facilities over which they have technical operational control, including facilities operated on behalf of third parties.

Thus, in accordance with the rules of financial consolidation, 100% of the impact data collected is consolidated when the entities are fully consolidated. For entities proportionately consolidated, the environmental impact data are consolidated in proportion to the Group's consolidation rate provided that it has 100% technical operational control or that, as a minimum, this is shared with other shareholders.

For disposals occurring during the year, the entities concerned complete the environmental questionnaire with the data available as of the last day of the month preceding the disposal. If it is not possible to collect all the environmental indicators, they are extrapolated on the basis of the main

activity (e.g. energy production for a power plant) and historical data. For acquisitions made during the year, it may happen that their environmental management system is not sufficiently mature to meet all the environmental indicators. In this case, the missing indicators are extrapolated on the basis of the main activity and indicators available in entities with a similar technical profile. A correction of these extrapolated values can be made *a posteriori* the following year, at the end of the first full fiscal year.

To calculate environmental management indicators such as the "share of relevant revenue covered by an environmental certification, an environmental crisis management plan, etc.," the relevant revenue is estimated for each legal entity. To obtain the relevant revenue, operations regarded as "not relevant in terms of environmental impact" (e.g. trading, finance and engineering) are stripped out of the consolidated revenue figure for each legal entity.

Procedures and guidelines are rolled out Group-wide via a network of duly mandated environmental contacts and coordinators. These procedures and guidelines at Group and regional or country level describe in detail the environmental data collection, control, consolidation, validation and transmission phases at the different levels of the organization, as well as the rules for defining the scope of consolidation. They include technical documents that provide methodological guidelines for the calculation of some specific indicators. Depending on its activities, each entity is assigned a profile that determines the indicators to answer. The list of the entities included in the scope of environmental reporting is approved by each region or country.

The definitions of the indicators used to measure the environmental performance of Group businesses have been revised based on comments made by the Statutory Auditors. They also take into account the comments by line managers represented in dedicated work groups. All the documentation is available from the Group upon request (CSR Department).

Until 2016, ENGIE would provide a “coverage rate” for each indicator published, corresponding to the response rate obtained from all the entities surveyed. Since 2017, thanks to the implementation of the new EARTH reporting tool, the coverage rate has been 100% for all indicators.

The following points should be noted with regard to the data published in this report:

- the reliability of the scope of environmental reporting is a priority for ENGIE, which is evolving in an international context of business disposals and acquisitions. Before every reporting campaign, the financial scope for consolidation is compared against the information fed back by each regional hub's environmental managers in order to check which industrial entities contributing to EARTH report to which financial entities;
- for facilities burning natural gas that do not have automated measurement systems, default emission factors for SO_x and fine particle emissions have been set up (factors recommended by the EMEP, the European Monitoring and Evaluation Programme);
- since 2007, ENGIE has been a signatory to the CEO Water Mandate, thus demonstrating its commitment to the preservation of water resources. The water indicators are consistent with the GRI indicators in 2011 and fall into four categories: withdrawal, discharge, consumption, reuse/recycling. Since 2015, the materiality of the water indicators published has been reviewed and the Statutory Auditors verify the inputs, outputs and consumption of fresh and non-fresh water;
- as it is concerned about what becomes of the waste generated by its activities, the Group has indicators on the production and recovery of the waste generated by its activities. These are based on definitions of waste and recovery established by local regulations. To avoid erroneous data about stock, only the tonnages taken away and weighed on site are reported as disposed of. The tonnages that must be reported are wet or dry, depending on the way they are disposed of: if the waste disposed of was wet, the reported tonnages are wet and the converse for dry waste. As an exception, if the waste is permanently stored on site, the associated dry tonnages must also be reported as disposed of. In the latter case, the waste is never recovered. Waste generated by the construction or dismantling of plant and equipment, by the repowering or upgrading of facilities, and by soil rehabilitation, are not covered by the indicators for waste generated by activities;
- CO₂ emissions from the combustion of fossil fuels were calculated based on the most recent emission factors published by the IPCC (*IPCC Guidelines for National GHG Inventories, Vol. 2 Energy – 2006*). However, the emission factors for coal can vary greatly depending on the provenance. For this reason, each reporting entity consuming coal provides a locally calculated emissions factor. This also holds for alternative fuels for which it is not possible to use standard emission factors;
- the biomass and biogas consumed by ENGIE in its facilities generates energy that is counted as ENGIE production and, in accordance with conventions in this area, ENGIE does not count CO₂ emissions associated with their combustion when they are used to produce energy;
- the global warming potential (GWP) compares the warming capacity of the various greenhouse gases to CO₂. The GWP used to convert the Group's greenhouse gas (GHG) emissions to CO₂ equivalent are the latest GWP published by the IPCC (5th IPCC Assessment Report – 2014), considered on a 100-year scale. In 2021, the GWP of methane was increased from 34 to 36 to take into consideration CO₂ from the oxidation of methane in the atmosphere (note b of table 8.7 of the 5th IPCC Assessment Report);
- specific GHG emissions from energy generation in kg CO₂ eq./MWh are calculated for the regional hubs and GBU where this is a main activity: Generation Europe, North America, Latin America, Brazil, Asia Pacific, Middle East, South and Central Asia, and Turkey, Benelux, North, South and Eastern Europe, UK, France BtoB, France Networks, and France Renewable Energy;
- for the sake of consistency, the factor for converting thermal energy produced (GWh_{th}) into electric power (GWh_e) is set at 0.44 for all Group power generation businesses and at 0.25 for incinerators;
- significant environmental impacts resulting from subcontractors during services performed at one of the Group's facilities must be included in the Group's impacts except when a specific contractual clause provides that a subcontractor is liable for impacts generated at the site while providing the service. Data provided by subcontractors is not subject to systematic internal verification before being included in Group data and is the responsibility of the subcontractors alone. Regulations and legal obligations related to the environment may differ from one country to another, and certain data may thus be sometimes more difficult to gather;
- the energy efficiency indicator covers fossil fuel and biofuel power plants. It also includes heat supplied by third parties;
- ENGIE operates hydraulic installations, some of which have water tanks. Given the difficulties in modeling the evaporation of each site, the evaporated water is not yet included in environmental reporting;
- NO_x, SO_x and fine particulate matters emissions are calculated locally on the basis of measurements. As of this year, if discontinuous measurements are carried out on a site, an average of the measurements over the last five years is taken where possible. This methodological change, which avoids inconsistencies due to one-off measurements, has notably led to a 3% increase in NO_x emissions in 2019. When it is not possible to measure these emissions, a calculation method is provided for NO_x emissions and standard emission factors based on fuel consumption are used for SO_x and fine particles. These emission factors are taken from the US Environmental Protection Agency (US EPA) standards;
- ENGIE carries out residual gas recovery services for its steel producing customer ArcelorMittal. This service allows ArcelorMittal to meet the majority of its electricity needs and thus reduce its GHG emissions by avoiding a high level of energy use by the network. When analyzing the GHG emissions relating to these services, ENGIE has noted that 100% of the emissions relate to the steel manufacturing process. At the end of this process, regulations require that steel producers burn residual gases, generally through flaring. ENGIE only intervenes in this process to extract energy that would otherwise have been lost to flaring, by taking over for ArcelorMittal in the burning of the residual gases, but without generating additional GHG emissions. This is why ArcelorMittal's reporting methodology includes direct emissions from the external plants to which the residual gases are delivered for recovery. This state of affairs is confirmed by the 2019 French law on climate and energy and the related decrees which set the greenhouse gas emissions ceiling for fossil-fueled power plants. Decree No. 2019-1467 of December 26, 2019 states that “Emissions from waste gases used in electricity generation facilities are not recognized.” As a result, ENGIE now excludes these GHG emissions from its Scope 1 (-6.7 Mt in 2020) and has restated data for 2018 and 2019 for consistency purposes (-8.5 Mt in 2018 and -8.9 Mt in 2019). As these are residual gases and not fuel with a supply chain, ENGIE does not include emissions from an upstream fuel chain in its Scope 3. With the exception of GHG emissions related to the combustion of steel gases, all environmental indicators for these entities are included in the consolidated data, as well as their energy production;

- in 2018, Glow's power plants in Thailand were sold to Global Power Synergy Public Company Ltd. (GPSC). These power plants were initially set to exit the scope by the end of 2018, but remained within ENGIE's scope until March 18, 2019 for administrative reasons. For the sake of consistency, 2019 values were corrected to take this activity into account. This mainly included fuel consumption, 1.8 Mt of direct GHG emissions and energy production. Other indicators (management, waste, air, water) were estimated based on 2019 production and data collected in 2018. Two other smaller entities, Viking Energy of Lincoln and Viking Energy of McBain, were reintegrated in 2020 for the same reason in the same manner;
- the methodology for calculating the "Purchased products and services" indirect emissions category in "Other indirect GHG emissions" was reviewed in 2021. On the one hand, a calculation formula taking inflation into consideration was corrected. On the other, double entries were identified and

deducted from expenditure volumes. In addition, the volume of expenditures not yet categorized has been taken into account by extrapolating the nature of these expenditures on the basis of the volume already categorized. This extrapolation made it possible to estimate the GHG emissions associated with this volume of expenses not yet categorized. As a result of this methodological review, the 2020 and 2019 data have been restated for consistency. For 2020, the "Purchased products and services" fell from 18.6 Mt CO₂ to 9.5 Mt CO₂. For 2019, this item fell from 17.8 Mt CO₂ to 8.3 Mt CO₂;

- in the "Use of sold products (fuels sold to end-consumers, off market)" indirect emissions category, the term "end-consumer" refers to customers who use the natural gas purchased themselves. Volumes sold to trading platforms, resellers, Local Distribution Companies or other intermediaries not owned by ENGIE are, therefore, excluded.

3.5.4 Group actions

3.5.4.1 Climate change

Direct emissions

Information presented in this Section and in Section 2.2.2 "Climate change" reflects the financial risks associated with the effects of climate change and the measures taken by the company to mitigate them by implementing a low carbon strategy in all areas of its business as required by Article L.225-37 of the French Commercial Code.

By developing a low carbon ⁽¹⁾ energy mix and through its energy efficiency activities, the Group has put energy transition and the fight against climate change at the heart of its strategic focus. Thus the carbon intensity of energy production in 2021 was 187.3 gCO₂eq./kWh, down 11.8% from 2020 and 57.7% from 2012. The Group's absolute direct CO₂eq. emissions, known as "Scope 1 emissions", fell by more than 1.07 million tons in one year, from 38.6 tons to 37.5 million tons, a 3% reduction.

These results reflect the Group's desire to follow an emissions trajectory compatible with the Paris Agreement's objective of not exceeding +2°C by 2050, which corresponds to an 85% reduction in its direct emissions by 2050 compared to 2012, total disengagement from coal, and growth in green energy (renewable electricity and biogas).

In addition, the Group supports TCFD's (Task Force on Climate-related Financial Disclosures) recommendations for greater transparency on the risks and opportunities related to the impacts of climate change, monitors issuer-investor work and, for the first year, will produce a TCFD report when it publishes its Climate Notebook. In the following year, this TCFD report will be amended to incorporate the results of the ongoing financial assessment work, as required by the TCFD. The Group publishes its Scope 1, 2 and 3 (main items) emissions and answers the CDP (formerly Carbon Disclosure Project) questionnaire each year.

Indicator title	Unit	2021			
		ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
Total direct GHG emissions – Scope 1 □□	t CO ₂ eq.	37,528,756	35,846,799	38,597,694	46,191,405
of which emissions from energy production	t CO ₂ eq.	35,221,682	33,702,530	36,396,877	43,724,817
of which CH ₄ emissions	t CO ₂ eq.	1,624,082	1,624,082	1,516,355	1,726,874
- share of Gas Distribution	t CO ₂ eq.	1,197,204	1,197,204	1,123,286	1,278,578
- share of Gas Transmission	t CO ₂ eq.	247,550	247,550	237,814	305,097
- share of Gas Storage	t CO ₂ eq.	92,691	92,691	78,678	80,678
- share of LNG Terminals	t CO ₂ eq.	86,637	86,637	76,577	62,521
Incl. other emissions (vehicles, fluorinated gases, etc.)	t CO ₂ eq.	682,992	520,186	684,462	739,714
Carbon intensity from energy production □□	kg CO ₂ eq./MWh eq.	187.3	180.6	212.4	220.0

□□ Verified by the Statutory Auditors with "reasonable" assurance for 2021

Adaptation through anticipation of the negative impacts of climate change is key to making ENGIE's infrastructure and activities more resistant to natural hazards (more extreme events such as floods and droughts, etc. and other more progressive phenomena such as rising sea levels, rising temperatures, etc.). The risks generated by climate change are varied and include physical risks, risks of disruption to value chains, reputational risks and regulatory risks.

ENGIE is implementing practical measures to guard against this set of risks, including, for example, the construction of a perimeter wall to tackle the risk of exceptionally heavy flooding at the Tihange site in Belgium, a vegetation project to prevent soil erosion in the event of storms in Mexico, the digging of ditches and a reservoir to deal with the risk of flooding at the Capel Grange solar park (United Kingdom).

(1) The share of energy production from non-fossil sources has increased by 87.5% in seven years, from 30.6% in 2015 to 57.4% in 2021

The Group has also established methods to help its various sites to draw up adaptation action plans. The use of tools, such as Aqeduct software for managing and analyzing water risks and areas of water stress, helps the Group to identify local-scale risks and enables it to identify adaptation strategies tailored to the problems and features of each site.

Adapting to climate brings multiple beneficial effects for ENGIE: anticipating risks enables it to manage its assets better, cut costs and expand its market to new products and services.

Indirect emissions

The Group's approach to GHG emissions accounting and reporting is based on the GHG Protocol Corporate Standards (for companies) and the ISO 14064 standard (supplemented by ISO 14069). These standards constitute an internationally recognized reference framework.

ENGIE has analyzed the various categories of emissions in order to identify and quantify the most pertinent categories. The following categories have been identified and quantified to date.

Indicator title	Unit	2021			
		ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
Indirect emissions related to energy ("Scope 2") □□	t CO₂ eq.	1,922,614	1,903,934	2,330,625	2,534,464
Indirect emissions related to power consumption	t CO ₂ eq.	1,253,861	1,238,105	1,215,892	1,454,795
Indirect emissions related to the consumption of steam, heating or cooling	t CO ₂ eq.	668,753	665,829	1,114,733	1,079,669
Other indirect GHG emissions ("Scope 3")	t CO₂ eq.	126,904,619	121,806,153	124,679,358	124,319,451
Upstream fuel chain (Energy-related emissions not included in the "direct GHG emissions" and "indirect energy-related GHG emissions" categories)	t CO ₂ eq.	17,908,003	17,765,961	19,343,594	20,467,749
Investments (GHG emissions from power plants consolidated under the equity method)	t CO ₂ eq.	31,465,816	31,465,816	31,150,692	31,127,157
Use of sold products (fuels sold to end-consumers, off market)	t CO ₂ eq.	65,548,797	65,548,797	61,496,829	60,882,185
Purchased products and services	t CO ₂ eq.	8,473,633	5,076,127	9,529,278	8,257,876
Capital equipment	t CO ₂ eq.	3,508,370	1,949,452	3,158,965	3,584,484

□□ Verified by the Statutory Auditors with "reasonable" assurance for 2021

3.5.4.2 Renewable energy

The strengthening of the Group's capacity in renewable energy has continued, for both electricity and heat generation and, in the case of biogas, for transportation. In 2021, the renewable energy capacities of facilities controlled by ENGIE, excluding equity-accounted companies and unconsolidated operations, represented 20.07 GW equivalent of installed energy (GWeq).

Indicator title	Unit	2021			
		ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
Renewable – Net installed power (electric and thermal) □□	MWeeq.	20,069	20,008	17,289	16,315
Renewable – Electricity and Heat produced □□	GWheeq.	63,074	62,841	55,480	61,556
Energy produced – share of large hydropower	Percentage	61.0%	61.2%	64.0%	71.8%
Energy produced – share of small hydropower	Percentage	1.3%	1.3%	1.7%	1.4%
Energy produced – share of wind	Percentage	23.7%	23.8%	18.0%	12.3%
Energy produced – share of geothermal	Percentage	0.3%	0.3%	0.3%	0.2%
Energy produced – share of solar	Percentage	4.8%	4.8%	5.1%	3.2%
Energy produced – share of biomass and biogas	Percentage	8.9%	8.6%	10.9%	11.1%
Renewable and Non-Renewable – Electricity and Heat produced	GWheeq.	188,052	186,577	171,343	198,785
Renewable share of total electricity and heat produced	Percentage	33.5%	33.7%	32.4%	31.0%

□□ Verified by the Statutory Auditors with "reasonable" assurance for 2021

3.5.4.3 Energy efficiency

For electricity-generating facilities, energy performance is directly connected to the site's efficiency which influences its profitability. Measures taken to improve the generation fleet, and which are compliant with environmental regulations and the constraints of the electricity market, have helped

optimize its energy efficiency and, hence, consumption of raw materials. For example, the replacement of older turbines or boilers with recent models has an immediate positive impact on a facility's energy efficiency.

Indicator title	Unit	2021			
		ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
Primary energy consumption - total (excluding own consumption) □□	GWheeq.	318,311	313,840	284,606	342,573
Share of coal/lignite	Percentage	10.04%	10.18%	10.12%	12.05%
Share of natural gas	Percentage	36.56%	36.32%	46.19%	42.31%
Share of fuel oil (heavy and light)	Percentage	0.76%	0.73%	0.71%	0.70%
Share of uranium	Percentage	44.72%	45.36%	33.59%	35.85%
Share of biomass and biogas	Percentage	4.34%	4.23%	5.68%	5.57%
Share of other fuels	Percentage	3.25%	3.05%	3.37%	3.22%
Share of fuel in transport	Percentage	0.33%	0.13%	0.33%	0.30%
Electricity and thermal energy consumption (excluding own consumption) □□	GWheeq.	8,846	8,781	8,697	9,244
Energy efficiency of fossil fuel plants (including biomass/biogas) □□	Percentage	44.5%	44.7%	45.1%	45.0%

□□ Verified by the Statutory Auditors with "reasonable" assurance for 2021 (see Section 3.11)

3.5.4.4 Nuclear energy

Maintaining a very high level of safety at the seven nuclear reactors operated by ENGIE is a key priority for the Group. ENGIE also attaches great importance to limiting the environmental impact of these facilities (e.g. waste, emissions). Each plant publishes an annual environmental on the Electrabel website.

Waste from nuclear power plants, particularly radioactive waste, is monitored by Electrabel, but also by ONDRAF (the national body for radioactive waste and enriched fissile materials) and its subsidiary Belgoprocess, which is responsible for the management of radioactive waste from

nuclear power plants. The detailed information to be published about volumes of fuel or of high-level radioactive waste is specified by the Belgian Royal Decree of October 17, 2011 titled "Royal Decree regarding the physical protection of nuclear materials and nuclear installations."

Provisions for the downstream portion of the nuclear fuel cycle (operations relating to fuel after its use in a nuclear reactor) and for the costs of decommissioning nuclear power plants after they are shut down, are shown in Note 20 to Section 6.2.2 "Notes to the consolidated financial statements".

Indicator title	Unit	2021			
		ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
Radioactive gas emissions					
Rare gases	TBq	36.12	36.12	47.35	35.09
Iodines	GBq	0.03	0.03	0.04	0.02
Aerosols	GBq	0.27	0.27	0.25	0.26
Radioactive nuclear waste (low and medium level)	m ³	186	186	225	149
Radioactive liquid wastes					
Beta and Gamma emitters	GBq	11.46	11.46	16.50	17.21
Tritium	GBq	83.49	83.49	86.50	65.07

The risk factors relating to nuclear power are presented in Section 2.2.5 "Industrial Risks".

3.5.4.5 Water

As a committed player in water management, ENGIE is taking part in the current debate over corporate risk disclosure and water stewardship, alongside organizations such as the CEO Water Mandate of the UN Global Compact and the OECD. These initiatives have led to a homogenization of the definition and implementation of water stewardship. The Group has set itself the target of reducing water consumption by 2030 and is continuing to implement action plans for sites facing high or extreme water stress. In 2021, ENGIE was awarded an A- rating by the CDP Water Disclosure program.

Each year, as part of the optimization of its energy production, ENGIE assesses the risk of water stress for the Group's industrial sites using the Baseline Water Stress Index and the Aqueduct tool (World Resource Institute) which maps different water-related risks. In 2021, 37 sites were located in areas with extremely high water stress, i.e. 4.7% of sites (excluding solar and wind), for which action plans have been finalized and are being implemented. The impact of water stress is relative, however, as it depends on the site's activity and fresh water needs. Only 6 out of the 37 sites have

substantial freshwater requirements (more than 100,000 m³/year). For the others, the challenge is rather how to indirectly help to preserve water resources, for example by proposing the reuse of the water by other entities in the drainage basin. As of 2013, the Group has calculated the water footprint in

the life cycle analysis of 1 kWh of electricity, and of 1 kWh of gas in 2016. All of the Group's initiatives have resulted in a 71.5% reduction in freshwater withdrawals from its power generation business since 2012.

Indicator title	Unit	2021			
		ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
Fresh water					
Total withdrawal	Mm ³	2,406	2,402	2,088	2,814
Total discharge	Mm ³	2,340	2,336	2,039	2,746
Non-fresh water					
Total withdrawal	Mm ³	5,249	5,249	5,195	6,003
Total discharge	Mm ³	5,218	5,218	5,167	5,976
Total consumption	Mm ³	96	96	77	94

3.5.4.6 Waste

In January 2014, ENGIE took the recommendations of an internal audit on waste management and incorporated them into its environmental policy released in 2017. Its chief aim was to reduce the quantities of waste it produces and to increase its rate of waste recovery.

These efforts have led to a recovery rate of 84.2% for non-hazardous waste and 15.3% for hazardous waste in 2021. The Group's industrial sites actively seek local waste recovery

solutions, even though some of these channels remain dependent on market opportunities governed by the laws of supply and demand.

Food waste and associated waste only relate to group catering for employees. In this area, ENGIE selects subcontractors that include missing space measures against food waste in their specifications.

Indicator title	Unit	2021			
		ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
Total quantity of non-hazardous waste and by-products discharged (including sludge)	t	2,881,300	2,849,189	2,857,579	3,440,457
Fly ash, refioms (residues from the purification of incineration fumes from household waste)	t	1,674,129	1,673,325	1,583,111	1,719,517
Ash, bottom ash	t	703,776	703,412	804,701	1,047,170
Desulfurization by-products	t	69,841	69,841	66,332	120,365
Sludge	t	21,269	16,237	25,221	21,360
Driftwood	t	11,508	11,508	12,970	5,305
Total quantity of non-hazardous waste and by-products recovered (including sludge)	t	2,425,380	2,411,640	2,464,614	2,352,567
Total quantity of hazardous waste and by products discharged (including sludge and excluding radioactive waste) □□	t	33,787	30,426	38,139	52,524
Total quantity of hazardous waste and by products recovered (including sludge and excluding radioactive waste) □□	t	5,180	4,933	11,511	16,291

□□ Verified by the Statutory Auditors with "reasonable" assurance for 2021

3.5.4.7 Atmospheric pollutants

ENGIE uses a wide range of techniques to further reduce its emissions: reduction at the source using a tailored energy mix; optimization of combustion and treatment of fumes; filters or water injection to reduce fine particle emissions; installation of low-NO_x burners or use of urea injection (secondary

treatment) to control nitrogen oxides; and choosing fuels with very low sulfur content to reduce sulfur dioxide emissions. A strong improvement was observed in 2019, in particular, thanks to the reorientation of ENGIE's production assets portfolio.

Indicator title	Unit	2021			
		ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
NO _x emissions	t	49,819	48,831	49,022	52,799
Incl. energy production	t	49,574	48,586	48,752	52,469
SO ₂ emissions	t	106,028	105,984	119,584	124,276
Incl. energy production	t	106,007	105,962	119,568	124,218
Fine particle emissions	t	5,820	5,693	6,312	4,662
Incl. energy production	t	5,815	5,688	6,305	4,654
Mercury emissions	kg	198.02	194.21	304.73	312.14
Incl. energy production	kg	197.90	194.09	304.63	312.01

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 (hedges, 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*.

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. Sites are identified in terms of biodiversity based on their proximity to a protected area.

In 2018, the Group also strengthened its international commitments by joining the "act4nature" initiative. The individual commitments made in this area were largely achieved. This effort could be seen in the increased 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*."

At the end of 2021, all the objectives were introduced and put into action plans, and a progress report is updated yearly (see <https://www.engie.com/en/group/social-responsibility/csr-goals/biodiversity>).

3.5.4.9 Managing risk and environmental complaints

The management of environmental risks has two components: risk prevention and crisis management.

Indicator title	2021			
	ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
% of relevant revenue covered by an environmental risk prevention plan	84.2%	95.8%	82.7%	80.4%
% of relevant revenue covered by an environmental crisis management plan	89.9%	95.1%	88.4%	85.2%

The Group handles any environmental complaints. A summary is given below:

Indicator title	2021			
	ENGIE 2021	excl. EQUANS	ENGIE 2020	ENGIE 2019
Environment-related complaints	13	11	6	10
Environment-related convictions	2	2	2	1
Amount of compensation (in € thousands)	697	697	14	13
Environmental expenditure (in € thousands)	632,836	529,243	553,019	466,365

Complaints received by ENGIE subsidiaries were as follows:

- on 11/26/21, the legal person, INEO AQUITAINE, was summoned to appear before the French Biodiversity Office (OFB) for “inert” (stones and soil) waste stored temporarily on land classed as “protected species habitat” while awaiting their transportation to landfill or their use as backfill. INEO AQUITAINE was not aware of this land classification;
- on a piece of land belonging to the Ffestiniog pumped-storage site in the United Kingdom, a decking board broke when someone walked on it;
- noise pollution was reported by a resident living near the Dinorwig pumped-storage site in the United Kingdom;
- ammonia (NH3) spreading was reported during an ENGIE Refrigeration operation in the Netherlands;
- in Belgium, wind farm managers received two complaints for noise pollution, two for oil leaks, two relating to disturbances associated with the strobe effect of the wind turbines and one for falls of ice concretions;

3.5.4.10 Noise pollution

Any industrial activity is a source of noise pollution. In order to reduce these impacts, Group entities conduct regular soundproofing work (acoustic cladding, noise barriers, containment, etc.). For more recent projects, reducing this potential form of noise pollution is directly integrated into the design.

For its renewable energy projects, particularly onshore wind and solar power, ENGIE conducts impact studies and offers support measures to prevent, reduce or offset any noise or visual impact. Examples of such actions include defining and implementing turbine restrictions (stoppage or reduced power at key times and/or under certain wind conditions), conducting specific actions with builders to reduce the sound

- two complaints were made in the United States for noise pollution relating to two wind farms;

Assessments have been, or are being, carried out for all these complaints and talks with stakeholders are underway.

Please also note a fine paid by the Leini site in Italy following the inspection of a homogenization tank, a water sample from which revealed a higher percentage of sulphates than that required by current regulations. The tank was brought into compliance within the required timescale.

Lastly, on February 1, GRTgaz was ordered to pay a €650 thousand fine and to make good for a lack of reforestation along a section of the “Arc de Dierrey” gas pipeline in France.

In 2021, environmental expenses (investments and current operating expenses related to environmental preservation) amounted to around €633 million.

3.5.4.11 Land use

Protection of soil and groundwater is an integral part of the Group's environmental policy. The environmental consequences of soil pollution can be significant, as can the costs of subsequent remedial measures. It is therefore important to prevent this risk and to hedge it with financial provisions. These amounted to €1.176 billion in 2021 and concerned site rehabilitation, decommissioning of non-nuclear facilities and scheduled product elimination. In this area, ENGIE complies with the regulations in each of the countries in which the Group operates.

For example, a soil pollution survey was carried out at several power plant sites in Belgium. Risks were assessed in conjunction with the appropriate environmental authorities and a remediation program was implemented.

ENGIE owns a number of former gasworks. These sites may be affected by oil, heavy metals and other volatile substances that can adversely affect health. As a result, they must be repaired before reuse. In 1996, a ten-year plan was agreed via a memorandum between Gaz de France and the French government to rehabilitate these sites, which have been compatible with their use from a health perspective since 2007. When these former sites are sold, ENGIE is committed to ensuring that the buyer's project is compatible with the environmental and industrial liabilities of the site and that the risk to the environment and residents is effectively managed. At all its sites, the Group monitors the soil and groundwater, in accordance with its operating permits, in order to prevent pollution.

Moreover, in order to more firmly anchor its presence in the regions, ENGIE has established a structured system of dialog with its stakeholders, pursuant to the main international standards (AA1000, ISO 26000, the Global Compact principles, and OECD guidelines). This system is based on regular meetings with NGOs and non-profit associations, and

power of machines, seeking better harmonization with the landscape during the design and, after construction, initiating planting and vegetation schemes on sites or for neighbors if there is an obvious visual impact. By way of illustration, in France, ENGIE has partnered with the “Respect” project launched as part of the offshore wind project in the city of Tréport and on the islands of Yeu and Noirmoutier. The aim is to improve understanding of the biological impact related to the noise footprint of projects and reduce this by developing appropriate technology. The results were integrated into the impact studies and made it possible to obtain prefectural authorization in October 2018.

on the development of long-term partnerships in connection with ENGIE's activities. The dialog is defined at Group level and then rolled out to each regional hub according to specific local requirements in terms of issues, activities and regulations. As part of these new 2030 CSR objectives, ENGIE aims to cover 100% of its industrial activities in 2020 with a structured stakeholder dialog and consultation mechanism.

Gas pipelines account for the largest amount of land use by ENGIE. As the gas lines are buried, they do not break up natural habitats, but may nevertheless generate land-use conflicts. GRTgaz has therefore established amicable easement agreements in France with all the owners of the land crossed, following consultation periods (the signing rate for amicable agreements is regularly >90% for projects). These agreements define land usage restrictions for the owners (prohibition on building in pipeline locations and planting vegetation higher than 2.70 m) in exchange for compensation. More specific work is carried out with the agricultural industry to preserve land use for farmers as part of their professional activity.

For the development of new wind and photovoltaic renewable energy production sites, the choice of the site is paramount. The arable nature of the land is an essential element taken into account very early in the project to avoid any subsequent conflict. In France, calls for tenders for photovoltaic power plants are made under the aegis of the French Energy Regulatory Commission. Proposing a site on arable land causes valuable points to be lost in tenders and this is another reason for selecting other types of land. For wind farms, development on arable land is possible provided that an assessment is carried out before and after the project by an independent agricultural expert. This allows for fair compensation to be paid to owners or farmers for the use of these lands.

3.6 Societal information

The responsible growth model devised by ENGIE is based on structured dialog tailored to all the stakeholders in the Group's business activities.

3.6.1 Dialog with stakeholders and partnerships

ENGIE maintains an ongoing and proactive dialog with all stakeholders around its industrial activities. Based on existing approaches, the Group supports its operating entities in deepening and structuring their practices, from the implementation of dialog strategies to their operational deployment in the project teams.

The goal is to optimize performance and increase value creation by giving precedence to the expectations and needs of the territories and deepening the ownership of the Group's activities by its beneficiaries.

This assistance puts industrial activities in line with the new objective of creating plans for discussion in all the Group's business activities by 2030.

The support is based on a Group methodology which is adapted to the strategic, technical and geographical specificities of the operational activities. It is based on international standards such as ISO 26000, AA1000, IFC (International Finance Corporation, World Bank) and the Equator Principles.

On the one hand, it consists of raising awareness and training of employees in the structuring of dialog with stakeholders in connection with the Group's training entity, ENGIE University. On the other hand, the methodology consists of technical support for the implementation of dialog action plans adapted to the challenges and expectations of the territories.

In 2021 structuring dialog with the stakeholders was integrated in various training programs of ENGIE University. This training was conducted with a variety of audiences and concerning a very broad spectrum of business lines, such as optimization of sales performance, managing gas storage and geothermal energy projects, centralized functions and general training about sustainability.

The different dialog spaces hosted discussions about ENGIE's climate trajectory, as part of the Stakeholders Committee meeting held by the Group on this topic during the first half of the year, and as part of the access space, about various issues that operating people encounter in their territories.

This culture of listening and dialog is extended through societal and environmental partnerships with, in particular, *France Nature Environnement*, Emmaüs and the ONE (Ocean Nature and Environment) Foundation.

At the international level, ENGIE is a member of the United Nations Global Compact in the Global Compact Advanced category.

3.6.2 Combating fuel poverty

3.6.2.1 Fuel poverty of individual customers

In 2021, ENGIE contributed €6 million to the *Fonds de Solidarité pour le Logement* (French solidarity housing fund). Around 63,900 families received support as a result of this fund which is managed by departments and/or metropolitan areas. The aid granted averaged €230.

The ENGIE Solidarity portal, created in April 2018 and specifically designed for social workers to support our vulnerable customers, was well used in 2021: 265,000 interactions between departmental and regional social services and ENGIE solidarity teams compared with 220,435 in 2020 (+20%).

ENGIE has created a network of mediation partners with over 120 customer assistance centers throughout the country as of the end of 2021. Mediators at these associations, who are trained by ENGIE, talk to customers facing payment difficulties, help them to understand their bills, give them advice on their energy spending and can help them to set up structured payment plans or direct them towards social services to apply for assistance.

In 2021, the Group continued its initiatives to raise awareness of domestic gas appliance safety and saving energy. These initiatives include the CIVIGAZ scheme, a civic service mission created and operated with the *Fondation Agir Contre l'Exclusion* (Act Against Exclusion Foundation), which in 2021 mobilized 72 young civic service volunteers, making over 6,100 home visits. In addition to detecting and resolving dangerous gas-related situations, some households in fuel poverty were signposted to energy and social housing welfare organizations. The partnership between GRDF and Soliha (Housing Support), intended to support households with plans to renovate their homes and to ensure that their domestic gas appliances are safe, was rolled out in 2021 across 16 regions, making it possible to support 500 families with their home-improvement plans.

3.6.2.2 The environmental and social fund “ENGIE Rassembleurs d'Énergies”

The Group supports social enterprise and disadvantaged populations through the social and environmental fund, ENGIE Rassembleurs d'Énergies. ENGIE invests in social enterprises promoting shared and sustainable growth for all based on clean, affordable energy and on innovative, sustainable business models.

The fund is utilized for various themes which combine financial performance and a strong social and environmental impact: individual or collective decentralized solar electrification in Latin America, sub-Saharan Africa and India; clean, secure cooking solutions, particularly biogas solutions in emerging economies or concentrated solar; energy efficiency, mainly in social housing in Europe; the circular economy and more recently, sustainable and inclusive mobility.

At December 31, 2021 the portfolio companies had provided access to clean, sustainable energy to over 6.5 million beneficiaries worldwide. The companies also generated more

than 27,000 direct and indirect jobs, 50% of which were for women. 20,000 Group employees invested part of their savings in the ENGIE Rassembleurs d'Énergies solidarity mutual fund (FCPE), thus giving meaning to their savings with a direct connection to their occupation.

The 22 active companies in the portfolio operate on four continents (Europe, Africa, Asia and Latin America) and in around 20 countries. These companies cover 11 sustainable development goals through a wide range of technologies that respond to the issue of inclusive growth, in particular through access to sustainable energy and the reduction of fuel poverty. Through them, Rassembleurs d'Énergies provides solutions for at-risk populations. In 2021, the fund strove to support its portfolio companies affected by the economic crisis and completed the sale of its interest in a company it had assisted since 2013. At year end 2021 ENGIE Rassembleurs d'Énergies had committed a total of €38 million.

3.6.2.3 ENGIE Corporate Foundation

ENGIE Foundation's three main priorities are:

- Child welfare – education;
- access for all to energy – the protection of biodiversity;
- employment and the fight against poverty.

Created 30 years ago, in 1992, the purpose of the ENGIE Foundation is to give a chance to those who do not have one – isolated or vulnerable populations – to demonstrate ENGIE's societal commitment in the field of mutual aid, to bring the Group's value and purpose to life. The ENGIE Foundation renewed its mandate for five years in October 2020, with an annual endowment of €7.8 million.

To respond to major challenges, the ENGIE Foundation relies on the commitment of its employees, and in particular ENGIE's internal NGOs (Energy assistance) (France, Belgium, Italy and Monaco)), with three priorities:

- acting with impact;
- contributing to a response to social issues, being present at the heart of the regions, and

- giving “*l'énergie des possibles*” (energy of all possibilities), to help projects happen in areas such as children and young people, community and the environment.

Taking care of life and our planet has been the ENGIE Foundation's mantra for almost 30 years. With 30% of projects in 2021 dedicated to access to renewable and sustainable energy and biodiversity, the Foundation is committed to the environment on an ongoing basis. Its aim is to take part in projects that are ambitious and have impact, and contribute to the collective effort of the 2030 Agenda via the achievement of Sustainable Development Goals (SDGs).

In terms of biodiversity and the climate, the ENGIE Foundation supported, in particular, the Great Bubble Barrier project to clean a river in Porto, Portugal, as well as the launch of a Biodiversity and Oceans platform with the Respect Ocean organization.

In 2021, the ENGIE Foundation supported more than 110 projects worldwide with more than 400,000 beneficiaries.

3.6.3 Just transition

In keeping with its mission, ENGIE factors into its decisions the social impacts of the energy transition.

While the transition to a net zero economy brings with it numerous positive externalities, it also includes major social challenges, especially in the energy sector: the loss of jobs in such industries as fossil fuel extraction and production, and rising energy prices, with a particular impact on low-income households.

It is important therefore to focus on the creation of new supply chains, with opportunities both for the existing workforce and for new arrivals.

The International Labor Organization (ILO) has accordingly defined the concept of “fair transition” as a strategy aimed at attenuating the negative social consequences of the transition to sustainable economic models and at maximizing the positive aspects of transitioning to a low-carbon emission economy.

In accordance with the Paris Climate Agreement, ENGIE is committed to transitioning to net zero by 2045, while keeping an eye on the consequences for its workforce and the creation of decent work and quality jobs, in keeping with the development priorities set nationally.

In this respect, ENGIE is implementing principles of fair transition for the benefit of its workers, consumers, communities and suppliers.

The principles of fair transition for workers consist of attracting and developing talent, including workers and their representatives in the fair transition process, assisting and training workers, and providing social services.

ENGIE University has launched its Sustainability Academy. One of the purposes of this initiative is to highlight the expertise and commitment of the Group's employees in taking sustainability into account in their business occupations. Another purpose is to share this expertise with the entire company and its ecosystem. The Sustainability Academy offers several levels of training, from acculturation to expertise, and will employ a variety of formats.

In November 2020, ENGIE also opened an apprenticeship training center dedicated to energy transition and climate-related occupations. Because of its partnerships with the Lycée Raspail and the AFORP apprenticeship training center, the new center aims to make work-study programs the pre-eminent pathway to the future occupations of the Group and to accelerate its strategy to net zero-carbon.

The Group also provides worker protections with the launch of a global “ENGIE Care” program of social coverage, covering four key areas worldwide. This program, which was created with international trade unions, aims to provide every employee, anywhere in the world, with social protection in four key areas: hospitalization, death benefits, disability (permanent and total) and parental leave (for mothers and fathers).

As to consumers, efforts consist of steps to promote affordable energy.

ENGIE offers free, or nearly free, ways for consumers to track their energy usage, to receive personalized advice, and to manage their usage and their comfort on a target budget or by remote readings.

ENGIE promotes with its customers by rewarding them for saving energy. One such initiative is My Program to Act, which compensates them for green actions in the form of “kilo-acts.” These kilo-acts can then be re-invested by customers in CSR actions.

As to communities, efforts relate to creating local, sustainable value, developing new industrial value chains having a positive fallout on the territories and adding to their

resilience, to a robust process of consulting with stakeholders and entering into partnerships.

The Aumallerie biogas plant, commissioned in 2020, is a typical regional project developed by ENGIE Bioz. Based in Fougères in Brittany, this plant treats a mix of livestock effluents and crop residues in partnership with farmers and local businesses, with a production capacity of 20 Gwh/year, or the equivalent of the yearly consumption of 2,000 households. It provides nearly 20% of the gas locally consumed. Three people keep the site running. 150 people participated in financing the project, raising €500,000. The funding objective was reached in only a few weeks, a sign of the attractiveness of the project.

The PV farm in La Tieule, Drôme (EG) is also a means of inclusion, with social and economic repercussions for the territory: multiple joint businesses (hives, honey-bearing plants), collaboration with an ESAT to produce organic honey and aromatic bushes, eco-pasturing.

Finally, ENGIE encourages our “preferred” suppliers to commit to a trajectory of decarbonization aligned with or certified by SBTi.

3.7 Purchasing, subcontracting and suppliers

Suppliers and subcontractors represent key stakeholders in the Group's value chain.

The Group's Purchasing function has defined a clear vision organized around the following goals:

- to contribute to the Group's operational performance by putting forward a panel of competitive and differentiated suppliers to the operational teams;
- to uphold the Group's commitments to its suppliers;
- to contribute to the Group's CSR approach and carbon neutrality and
- to develop key talent and expertise within the Purchasing sector and promote Purchasing within the Group's career paths.

In order to achieve this ambition, the Purchasing function relies on a management system structured around:

- a **Purchasing Charter**: this public document (https://www.engie.com/sites/default/files/assets/documents/2022-02/ProcurementCharter_ENGIE_2021-007_EN.pdf), which is shared with suppliers, outlines ENGIE's strategy. In particular, it specifies the Group's requirements in terms of:
 - the suppliers' health and safety commitments,
 - a commitment from suppliers to engage in ethical business relationships and take into account social responsibility, ethics, embargoes and anti-corruption,

- the search for competitive bids and sustainable and innovative solutions;

- a **Purchasing Governance**: document defining Group-wide principles for the management of external expenditure and setting out the operating rules for Purchasing. It aims to reinforce the separation of tasks between buyers and purchasing advisers, while encouraging their cooperation when selecting the best offerings.

The requirements of these two documents, as well as the Group's more general requirements, are set out in the operational processes. These processes cover the management of purchasing categories and supplier panels as well as the stages of purchasing and procurement. They include the ethical requirements of: the Ethics Charter, the Corporate Social Responsibility Policy Global Care, the Code of Conduct for Relations with Suppliers, and the Due Diligence Policy for Direct Suppliers and Subcontractors.

The Purchasing function is helping the Group to achieve its 2030 goals through a sustainable purchasing process driven by actions with equipment suppliers in all business segments. These goals constitute a milestone and are part of the Group's ambition to become carbon neutral by 2045.

In 2020, the Group Purchasing Department set two CSR goals, which will later be rolled out throughout its management system.

Objective title	Criterion	2025 objective	2030 objective
1. Decarbonization of the main suppliers	250 preferred suppliers aligned with or certified by the SBT	25%	100%
2. Developing responsible purchasing	CSR assessment of suppliers measured by the percentage of preferred suppliers and major suppliers with an ECOVADIS rating higher than “managed CSR risk”	70%	100%
	Promotion of inclusive purchasing measured by the share of inclusive purchasing aligned with the GT3 recommendations. A working group made up of French companies (BnpParibas, Accor, Crédit Agricole, Danone, etc.)	60%	100%

To achieve these goals, the Purchasing function implements operational processes by following key steps, using a Plan-Do-Check-Act method:

- analysis of risks and opportunities by purchasing category prioritized by country, based on a risk matrix developed in partnership with EcoVadis;
- definition of mitigation plans and supplier selection criteria using the analysis above. The CSR commitment of suppliers is assessed across four dimensions: ethics, human rights, environment and sustainable purchasing. These plans may include document audits or on-site audits;
- establishment of specific contract clauses to strengthen our requirements. These may include the application of penalties in the event of non-compliance;
- the performance delivered by the suppliers, measured periodically in the context of the business reviews and the review of the associated improvement plans.

These four steps are verified through the internal control and audit processes in order to ensure the continuous improvement of the approach.

The actions of the Purchasing Department focus primarily on the Group's preferred suppliers (250), followed by the major suppliers of each Group GBU (1,350), which represents around 20% of total expenditure. It is the goal of the Procurement

Department to gradually broaden these two panels of suppliers till they account for about 80% of total spending.

The achievement of these ambitious goals is supported by a progressive program of ongoing training within the Purchasing function and at the heart of the Group's entities.

In 2021, the training plan focused on:

- the implementation of a due diligence policy for suppliers and subcontractors within the entities;
- ethics and supplier relations;
- online training with three modules, mandatory for the entire purchasing staff:
 - fraud and Corruption, zero tolerance,
 - our Group, our Ethics,
 - Competition Law.

Given the health context, these training courses were delivered via video conferencing and the Ulearn online training platform. This learning method was a way of reaching a wider audience.

In addition, these CSR topics are regularly included in the management routines of the Purchasing function, and in meetings organized with technical experts and operational counterpart involved in the Purchasing process.

3.8 Ethics and compliance

The Group's senior executives drive and oversee the Group's ethics and compliance policy and ensure that it is properly applied. A message of "zero tolerance" with respect to all ethical shortcomings and particularly forms of fraud and corruption is regularly communicated by the Chief Executive Officer. All managers at all levels of the Group convey the same message.

ENGIE's principles of action are based on international standards. All the Group's measures to prevent and combat

corruption comply with these. The same is true for the Group's strategy on human rights and its personal data protection program.

The Group has made voluntary anti-corruption commitments. ENGIE adheres to the United Nations Global Compact, the tenth principle of which relates to combating corruption. ENGIE also adheres to the French chapter of the Transparency International NGO.

3.8.1 Ethics and compliance governance

Ethics and compliance within the Group are overseen by the Board of Directors via its Ethics, Environment and Sustainable Development Committee (EESDC).

The Compliance Committee assesses the handling of ethical incidents and monitors the process for updating the Group's ethics and compliance framework. At Group level, it brings together the General Secretariat, the Director of Human Resources and the directors of the following departments: Ethics, Compliance & Privacy, Internal Audit, Internal Control and Legal.

The Ethics, Compliance & Privacy Department (ECPD) is functionally attached to the Group General Secretariat, to which it reports. The ECPD oversees the incorporation of ethics into the Group's strategy, management and practices. It proposes ethics and compliance policies and procedures for the Group. It supports their implementation at all levels of the Group. It coordinates the implementation of the Group's vigilance plan (see Section 3.9) and deals with whistleblower reports arising

under the Group procedure which it manages. The ECPD coordinates the network of Ethics & Compliance Officers (more than 230 people in 2021) and Data Privacy Managers (more than 130 people in 2021) across the entire Group.

The Ethics & Compliance Officers and Data Privacy Managers mainly ensure that the Group's Ethics & Compliance and Data Privacy framework are implemented at the level of their entities. Their activities are within the scope of responsibility of the CEO or manager of the entities for which they act.

Since 2018, the Group Ethics, Compliance & Privacy Department has been the competent department for all matters requiring the establishment of a compliance procedure, and most importantly, a procedure to prevent and combat fraud and corruption. It is also charged with personal data protection, with export controls and embargoes and with interest representation.

3.8.2 Risk assessment

The assessment of ethical risks is included in the Group's risk analysis process (Enterprise Risk Management or ERM) (see Section 2.1.1). Five ethical risks have been identified: corruption; human rights violation; failure to take account of competition law and/or embargoes; fraud; and lack of ethics

management. The Group's risk analysis approach also includes data privacy risk. It covers in particular the risk of personal data breaches and the risk of non-compliance with the General Data Protection Regulation (GDPR).

The process for assessing corruption risks, human rights violation risks and data privacy risks uses a common analysis methodology for all the Group GBU. In particular, the Group has developed a self-diagnostic scorecard on corruption risk

and a checklist regarding human rights violations risk. It has also issued guidelines on the assessment of the risk of personal data breaches.

3.8.3 Reference texts

ENGIE's ethics and compliance policy aims to develop an ethics culture and practice based on:

3.8.3.1 The ENGIE Code: the Ethics Charter and the Practical Guide to Ethics

The Ethics Charter establishes the general framework for the professional conduct of every employee. It specifies ENGIE's four fundamental ethical principles. It also describes the Group's ethics and compliance organization.

The Practical Guide to Ethics determines the day-to-day application of ethics. It includes the Group's decision to refrain from any financing of political activities.

These two documents constitute our Code of Ethics and apply to all Group employees. They are shared with external stakeholders.

Work to overhaul the Ethics Charter began in 2021 and the new Ethics Charter will be presented in 2022.

3.8.3.2 The Integrity reference system

The "Integrity" reference system is a collection of policies and procedures for preventing fraud, corruption and influence peddling. All of the ethical assessment procedures were reviewed in 2018 and 2019. Thus, the stakeholders of investment projects, beneficiaries of corporate sponsorship and patronage, suppliers and business consultants are the subject of enhanced preventive action.

As from the end of 2021, new hires to the positions most exposed to corruption risk are also subject to ethical checks.

In 2020, the Group overhauled its gifts and invitations policy. It also rolled out a new register of business consultants. Lastly, the Group has created a new gifts and invitations register that was rolled out in 2021. These registers are fully digitized, shared by all the Group's entities and designed as management and monitoring tools.

3.8.3.3 The Human Rights reference system and policy

The "Human Rights" reference system and policy comprise ENGIE's commitments to respect internationally recognized human rights. The system specifies the operational processes for analyzing and managing risks. It thus enables the Group to

be vigilant about the impact of its activities on the human rights of all individuals. The reference system and policy are the cornerstones of the human rights component of the Group's vigilance plan (see also Section 3.9).

3.8.3.4 The Ethics Compliance reference system

The "Ethics Compliance" reference system sets out how the Group implements its ethics and compliance system and measures compliance. It also includes the Group's procedures for complying with rules on embargoes, export controls, and competition law.

Since 2017, the Group has had a specific compliance system in place to monitor interest representation actions. In accordance with the law of December 9, 2016, this system enables Group entities to comply with their obligation to report to the French High Authority for the Transparency of Public Life (*Haute Autorité pour la Transparence de la Vie Publique* or HATVP).

Since 2017, furthermore, the Group's reference system has also aimed to ensure compliance in terms of personal data protection, in accordance with the requirements of European Regulation 2016/679 on personal data protection. In this context, the Group defined procedures and reviews in 2019 and completed them in 2020.

Lastly, guidelines for identifying early warning signs in ethical matters were rolled out in the Group in 2019.

3.8.3.5 Codes of conduct

Codes of conduct are used to apply ENGIE's ethics commitments to business practices and operations. These codes of conduct include the "Code of conduct in supplier relations," and the "Code of conduct on lobbying".

These documents are available on ENGIE's website via the following link: <https://www.engie.com/en/group/ethics-and-compliance>.

3.8.4 Whistleblowing and reporting of ethics incidents

The Group's new whistleblowing policy was defined in 2017. It includes the legal requirements of the Sapin 2 law and those of the law on the duty of vigilance. On July 1, 2018, a new procedure for collecting alerts via the email address ethics@engie.com and a dedicated telephone number, was set up at the Group level. Both channels are outsourced to an external service provider, which is responsible for receiving the alerts. This new procedure was opened to all of the Group's staff worldwide on January 1, 2019. Alerts may be received in several languages and the service is available 24/7.

The system is described on the Group's website via the following link: <https://www.engie.com/en/ethics-and-compliance/whistleblowing-system>. It is an addition to the Group's other reporting routes, which can be accessed by any employee and any person outside the Group.

Alerts and managerial reports of ethical failures are monitored via the My Ethics Incident digital tool for collecting ethical incidents, which has been rolled out to all the Group's entities. It covers seven areas: accounting and financial integrity, conflicts of interest, social responsibility and human rights, business ethics, confidential information, the protection of intangible assets, and personal data. In 2021, 187 alerts were input as part of the Group's whistleblowing procedure (201 in 2020, 183 in 2019) and 277 managerial reports of ethical incidents were made to the Group's Ethics, Compliance & Privacy Department (283 in 2020, 282 in 2019 and 218 in 2018). The Group provides more detailed information on the relevant areas of ethics and the sanctions applied on the web page <https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures/ethical-compliance-referential>.

3.8.5 Training

The Group has implemented a mandatory ethics and compliance training plan for all of its employees. The training plan is tailored to the roles and activities of the employees concerned. It is supported by a guide for mapping the populations most exposed to corruption risk. In 2020, the Group rolled out a new digital tool to monitor the progress at all levels of the digital training provided to Group employees (videos and e-learning).

All Group employees are required to complete a training path comprising training videos on subjects involving significant ethical issues: gifts, invitations, corruption, whistleblowing and conflicts of interest. The employees who are most exposed to corruption risk, are required to complete a training path specifically for them. This training path is based on the Group's e-learning modules which provide in-depth knowledge of the Group's ethical issues, particularly in

relation to fraud, corruption and competition law. In addition thereto, the managers ("GMRs") also have to take part in the seminar on the prevention of fraud and corruption (96% of GMRs took part in 2021). Members of the ethics and compliance line are also required to take the same training.

In addition, purchasers are specifically trained in topics related to fraud and corruption risk and duties of vigilance in a dedicated training course (see Section 3.7). In 2021, the focus was placed on the implementation of a due diligence policy for suppliers and subcontractors within the entities. Face-to-face training courses on competition law increased in 2020 and 2021. Training courses on the prevention of fraud and corruption risk for individuals in charge of institutional relations in France and training for Data Privacy Managers continued in 2021. The same was true for training on human rights (see Section 3.9.1.1).

3.8.6 Controls and certifications

The monitoring of the implementation of the ethics and compliance policy is based on an annual compliance procedure. In this context, the Ethics & Compliance Officers produce a report on the work and progress accomplished by their entity in this area. This report is submitted to the relevant supervising entity. It is accompanied by a compliance letter from the manager certifying their commitment to the application of the ethics and compliance program within the organization for which they are responsible. At the start of the year, a bilateral assessment of the activities and risks of each organizational entity attached to a GBU is carried out by the Ethics, Compliance & Privacy Director. The consolidated annual report resulting from this process is submitted to the Group's Executive Committee and to the Ethics, Environment and Sustainable Development Committee.

This compliance procedure is part of a broader control procedure. This is based in particular on the annual internal

control campaigns which assess the level of implementation of ethics, embargo and personal data policies. It is also based on policy controls that are built into the internal audit campaigns.

The Group is also engaged in external audits of its ethics and compliance framework. It obtained anti-corruption certification from Mazars and ADIT in 2015. In 2018, ENGIE obtained ISO 37001 (anti-corruption management systems) certification from ETHIC'Intelligence, an accredited certification body. This certification was renewed in 2019 and 2020 following supervisory audits. In 2021, ENGIE launched its 2nd ISO 37001 certification audit campaign with the support of Euro Compliance, an accredited certification body. The Group thus obtained its 2nd ISO 37001 in 2021. All of these audits were carried out at Group level and in several operating entities that are representative of the Group's activities.

3.9 Vigilance Plan

In accordance with Law 2017-399 of March 27, 2017, this section summarizes the broad strokes of the Group's vigilance plan. A developed version of the vigilance plan, its progress report, as well as details of the policies and actions are available on the Group's website: <https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures>.

The plan covers all the measures established by ENGIE SA to prevent risks related to its activities and those of its controlled

subsidiaries. It covers serious violations relating to human rights and fundamental freedoms, the health and safety of individuals and the environment. The Group's adherence to international standards is the minimum basis for commitments that the Group intends to apply wherever it operates.

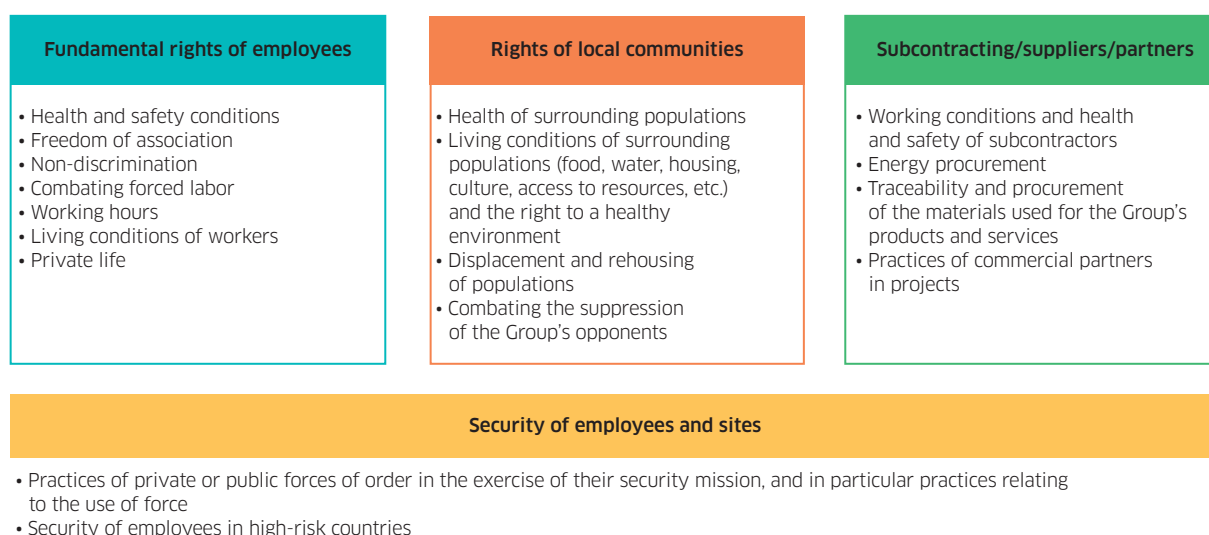
These approaches and the common whistleblowing system have already been in use for several years. Completely integrated to the ethics organization, it benefits from steering, governance and dedicated monitoring.

3.9.1 Identification and management of the risks of serious harm to individuals and the environment

The Group exercises vigilance through policies that cover all issues and procedures relating to the identification and assessment of risks. Goals and follow-up and assessment processes are put in place on the basis of these procedures.

3.9.1.1 Prevent and manage the risks related to human rights

The major risks of negative impacts on the human rights of any individual due to the Group's activities are related to the fundamental rights of workers. The following risks are targeted: details of the risks can be accessed via <https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures>.



The Group's human rights policy, adopted in 2014 and constantly evolving, specifies the Group's commitments and provides for regular processes to identify and manage risks. In particular, every year, the entities must assess their activities with regard to their impact on human rights, via a dedicated self-diagnostic scorecard (see Section 3.8.2). They must also assess any new business activity via a dedicated scorecard designed to identify the risk factors specific to the planned activity.

The risks are assessed according to the country, the activity, the presence of vulnerable populations, the products/services used, and the type of business relationship. Some partners (see Section 3.9.2) are also subject to ethical due diligence procedures, explicitly including human rights.

In 2021, the entities in two major regions, South America (SOUTHAM) and Asia - Middle East - Africa (AMEA), along with GEMS and Tractebel, were assessed as being at risk in terms of human rights, either because of their country of activity or the sector in which they do business. At the operational level, the specific risks identified are the subject of specific action plans described on the aforementioned website. A face-to-face training course on the Group's human rights approach was developed in 2019 and targets operational collaborators and managers directly concerned by this topic. An e-learning module on human rights for all employees has been also in use for several years now.

The monitoring of the application of these processes is incorporated into the ethics compliance report (quantitative indicators) and into the internal control system (see Section 3.8.6).

2021 results	634 employees trained in person on human rights, 64% of whom were operational functions, and half of these from at-risk entities, and 21,178 employees trained by e-learning.
Internal control (Section 2.3)	71.2% of the Group's entities assessed the roll-out of the vigilance plan at their level as effective ⁽¹⁾ . 88.3% of the entities that assessed the roll-out of the human rights policy considered it to be effective ⁽¹⁾ .
Ethics compliance report	95%: Coverage of the annual human rights risk sheet. 100%: Number of due diligence procedures (with human rights risk) on partners in the context of the Group's investment committees

(1) Maximum level 4 according to the internal control standards

3.9.1.2 Prevent and manage risks related to health and safety and to personal security

The mapping of personal health and safety risks includes both risks of harm to the health and safety of people working for the Group (employees, temporary workers and subcontractors) and risks relating to industrial facilities that are owned by the Group or maintained and/or operated by the Group for customers, which could generate risks for people working for the Group or for neighbors of these industrial facilities.

With regard to serious and fatal accidents, the Group aims, in decreasing order of priority, to first eliminate the exposure of people to risks and then to establish collective and then individual prevention measures. The prevention system implemented by the Group includes the following measures:

- compliance with the Life-Saving Rules by everybody in all circumstances;
- identification and handling of "HiPos": events and situations with high potential of severity, which are precursors to serious accidents;
- work stoppages if safety conditions are not met ("Stop the work" approach);
- shared vigilance, consisting of also overseeing the safety of others;
- a last-minute risk analysis just before starting work, to take into account any changes in the working environment (the "life-saving minute" approach).

In addition, an action plan specifically designed to prevent serious and fatal electricity-related accidents has been rolled out to all Group entities. Other measures to prevent serious and fatal accidents are described in Section 3.4.8.2.4 "The management of risks relating to health and safety at work."

These various measures must be implemented, not only by the Group's employees, but also by the employees of subcontracting companies working on behalf of the Group.

The monitoring of the measures implemented and the assessment of their effectiveness takes place by means of management safety visits and inspections, internal audits and peer reviews.

As well as these specific measures to prevent serious and fatal accidents, the Group has launched its new health and safety action plan for the period 2021-2025, which is based on the following three areas:

- "No Life at Risk" (prevention of risks directly related to the execution of activities);
- "No Mind at Risk" (prevention of risks related to the context of execution of activities);
- "No Asset at Risk" (prevention of risks related to industrial processes).

As a result of the fatal accidents experienced by the Group in 2021, a number of specific actions were taken:

- a "safety stand down" was held with all teams to discuss safety at work;
- in-depth health and safety reviews at certain construction sites deemed to be particularly at risk;
- strengthening of safety, quality assurance and control standards;
- assessment of the Group's health and safety maturity and organization by a specialist provider to identify improvements to be made.

With regard to well-being at work, the Group has defined and disseminated to employees its "nine commitments for well-being at work."

With regard to the prevention of Covid-19, the Group guidelines, both general and by subject, have been implemented in all of the entities, accompanied by a specific announcement. A summary of the anti-Covid-19 measures implemented is available in Section 3.4.8.2.2 "The management of risks arising from the Covid-19 pandemic."

The other measures intended to ensure the health and safety of individuals working for the Group are presented in Section 2.2.7.5 "Health and safety at work" and in Section 3.4.8 "Health and safety policy." Details of the measures are provided on the Group's website: <https://www.engie.com/engagements/global-care>

The measures put in place by the Group to ensure the security of individuals are described in Section 2.2.7.4.

3.9.1.3 Prevent and manage environmental and societal risks

From an environmental perspective, the major risk for the Group is climate risk, followed by biodiversity, water and pollution risks. These global and local environmental risks are identified annually at both Group and local level in order to establish a list of "at risk" sites. From a societal point of view, the risks analyzed are the impact of activities on local communities and their social consequences.

The Group's CSR Policy guides the vigilance process with regard to environmental and social matters (see Section 3.1.1). Environmental and societal risks are analyzed periodically at every level of the company. This policy is deployed in each GBU, subsidiary, and site. Its implementation is monitored through goals and action plans

that are reviewed every year. This review process enables us to make sure our obligations, with respect to environmental and societal vigilance, are properly satisfied.

The environmental policy fully incorporates this risk analysis. The control of its CO₂ emissions is a major issue for the Group, causing it to establish a specific action plan. This plan is supplemented by non-financial targets and international commitments such as SBTi, which are described in detail in the integrated report. The environmental policy also aims to institute action plans at various levels to avoid, reduce, and if necessary, offset the environmental impacts of the Group's activities.

The societal policy is focused on stakeholder engagement. Its implementation includes a toolbox, training programs and a center of expertise.

In addition, since 2021, the Group has taken nine CSR criteria into account for its major investment projects, assessed using risk and opportunity analyses. These criteria mainly relate to:

reducing GHG emissions, adaptation to climate change, biodiversity, water, pollution, the circular economy, ethics, health and safety, collaboration with stakeholders and sustainable purchasing. These criteria are described in detail on the website at <https://www.engie.com/en/analysts/governance/duty-of-vigilance-environmental-societal-risks>.

3.9.1.4 Prevent and manage risks related to energy supply

The risks related to the Group's energy supply (biomass, natural gas, LNG, etc.) have been identified as a specific issue of vigilance for the Group. These are subject to the Group's reporting rules and governance and managed directly by the responsible entities, which identify the specific risks of each activity by energy source and at the country and energy supplier level. If necessary, mitigation measures are included in the contracts with the related suppliers.

A CSR strategy was formalized to meet these challenges, with specific action plans per energy source.

The governance structure was strengthened to ensure that the duty of vigilance is included in decision-making processes. The supply chain risk assessment approach has been systematized, based on the 3P (People, Planet and Profit) approach.

3.9.1.5 Prevent and manage risks related to non-energy purchases

The Group's Purchasing management system is designed to supervise and reduce the risks associated with purchasing. It includes:

- a Purchasing Charter that specifies ENGIE's commitments and requirements vis-à-vis its suppliers;
- purchasing governance that describes the methods of implementation through 12 key rules. To these rules is added, for each entity, the obligation to carry out an analysis of ethical risks. This analysis takes into account the occupations, purchasing categories and amounts, and organizations and projects. It encourages the rotation of actors in the purchasing function engaged in supplier relationships;
- operational processes dealing with the management of purchasing categories, supplier panels and the stages of sourcing process;
- a code of conduct in supplier relation, which was revised in 2021 to ensure the implementation of the principles throughout the supply chain.

The purchasing processes are implemented through the following key stages:

- the assessment of new preferred (Group level) and major (entity level) suppliers;
- the analysis of risks and opportunities by purchasing category and by country, based on a risk matrix developed in partnership with EcoVadis. Three purchasing categories are considered high risk: engineering/turnkey installation, chemicals and batteries;

- the implementation of an associated management plan taking into account the eligibility criteria of suppliers. These plans may include, for example, audits, specific contractual provisions to limit the risk, an ethics clause, etc. A risk reduction plan is automatically implemented for suppliers with an EcoVadis score below 45/100;
- the measurement of the performance delivered by the suppliers and related improvement plans;
- the implementation, in 2021, of a specific enhanced vigilance plan to identify and manage the risks of forced labor practices in the Group's Chinese supply chains. The principal measures taken to identify and manage these risks are presented in Section 2.2.6.4.

The proper implementation of these processes is verified via the INCOME internal control program (see Section 2.3). With 28 different controls, the INCOME PRO reference system covers all purchasing processes.

Lastly, the Purchasing management system is facilitated by a continuous training plan for the entire Purchasing sector. Face-to-face and videoconferencing sessions are supplemented by the delivery of online modules via Ulearn, the Group's training intranet. In 2021, around 500 purchasers took part in the "Ethics and supplier relations" training course through face-to-face sessions and videoconferencing. Three Ulearn training modules were mandatory for the entire purchasing function: Fraud and Corruption, Zero Tolerance; Our Group, Our Ethics; and Competition Law.

3.9.2 Third-party assessment

In 2021, 100% of the partners in the Group's investment projects were subject to due diligence, including a systematic study of "vigilance" topics.

In addition, the Group's new preferred and major suppliers are automatically assessed via due diligence (by the category managers and chief procurement officers) before contracting takes place. Since 2019 this rule has been gradually extended to cover our panel of 1,600 recurring suppliers. To date,

995 have been evaluated in terms of ethics by EcoVadis, including, in 2021, 591 new or re-evaluated suppliers.

Directly or indirectly, 100% of the Ethics Officers have access to a specialist due diligence tool. As an illustration, over 5,000 first-level due diligence searches were performed by the Ethics, Compliance & Privacy Department in 2021 using our due diligence tools.

3.9.3 Whistleblowing and collection of alerts

The whistleblowing system has been open to all employees, permanent or temporary, and to all external stakeholders, since January 2019. An external service provider forwards the anonymous report to ENGIE for processing (see Section 3.8.4). In 2021, 187 alerts were received via the

system, 46 of which concern subjects related to the duty of vigilance. Details of the alerts are provided on the website at <https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures>. They can be summarized as follows:

Allegations of bullying and sexual harassment	Interpersonal relationships between employees	Allegations of discrimination	Questions related to the environment and the rights of communities
29	9	7	1

All allegations of discrimination and harassment were dealt with in 2021 and action plans and disciplinary sanctions are automatically adopted whenever such facts emerge.

3.9.4 Steering, governance and follow-up of the deployment of the plan

3.9.4.1 Steering and follow-up at the highest corporate level

The Group has set up monitoring and global coordination at the highest level to meet the law's objectives in an effective way. The plan was approved by the Group's Executive Committee, which entrusted its management to the Ethics, Compliance & Privacy Department (ECPD), under the responsibility of the General Secretariat. A report on the

effective implementation of the plan is presented annually to the EESDC of the Board of Directors.

A specific committee is responsible for the operational implementation of the plan. Its aim is to ensure that the plan is distributed and that information can be fed back easily. The members are:

Department	ECPD	CSR	Group Purchasing Department	Global Care	Internal control	Risk
Regions	SOUTHAM	NORTHAM	France	Europe	AMEA	EQUANS

In addition, each entity must ensure that the vigilance plan has been effectively rolled out within its scope. The monitoring of these actions by the entities is included in the annual compliance report (see Section 3.8.6).

3.9.4.2 Stakeholder relations

The plan and the progress made in its implementation are presented and regularly discussed with the employee representative bodies. It has been implemented via the existing committees at Group level, as well as the European Works Council, the EESDC, and the Board of Directors. The entities were also asked to present the vigilance plan to their employee representative organizations.

In addition, since 2021, societal risks have been mapped at the level of industrial activities, services and decommissioning project through a process of dialog with stakeholders deployed in the Group's entities. This six-stage process (see Section 3.6.1) allows for the construction and follow-up of tailor-made action plans. Details of the methodology are provided on the website at <https://www.engie.com/en/analysts/governance/duty-of-vigilance-environmental-societal-risks>

3.9.5 Duty of vigilance correlation table

Risk categories covered by the Vigilance Plan	Location in the URD	Page
Risks related to human rights	Section 3.8.1 "Ethics and compliance governance"	118
Risks related to health and safety and to personal security	Section 3.4.8.2 "The health and safety management system"	101
Environmental and societal risks	Section 3.1.1 "CSR policy and governance"	70
Risks related to non-energy purchasing	Section 3.7 "Purchasing, outsourcing and suppliers"	115
The four risks above	Section 2.2 "Risk factors"	41

Details of the categories above are provided on the Group's website: : <https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures>

3.10 Report by one of the Statutory Auditors, appointed as independent third party, on the consolidate non financial statement

This is a translation into English of the original report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France

Year ended the December 31, 2021

Independent third party's report on the consolidated non-financial statement presented in the management report To the Annual General Meeting,

In our capacity as an independent third party, accredited by the COFRAC under number n° 3-1681 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the statutory auditors of ENGIE (hereinafter "entity"), we conducted our work aiming at providing a conclusion expressing a limited level of assurance on the compliance of the consolidated non-financial statement for the year ended December 31, 2021 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code (*Code de commerce*) and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), included in the management report pursuant to the requirements of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Conclusion

Based on the procedures performed, as described in "Nature and scope of the work" section, and on the elements we have collected, we did not identify any material misstatements that would call into question the fact that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used framework or developed practices to rely on for the assessment and measurement of information allows the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Therefore, the Information should be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement.

The entity's responsibility

It is the responsibility of ENGIE's Board of Directors to:

- select or set appropriate criteria for the preparation of the Information;

- prepare a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- and to implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared in accordance with the entity's procedures, the main elements of which are presented in the Statement.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code (*Code de commerce*);
- the fairness of the information provided in accordance with Article R. 225-105 I, 3° and II of the French Commercial Code (*Code de commerce*), i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not allowed to be involved in the preparation of the Information, as this could compromise our independence.

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory requirements, in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax avoidance legislation;
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with the applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code (*Code de commerce*), as well as with the professional guidance of the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagements and with ISAE 3000 ⁽¹⁾.

(1) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

Independence and quality control

Our independence is defined by the requirements of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de Déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Means and resources

Our work mobilized the skills of twelve people and took place between September 2021 and March 2022 on a total duration of thirty weeks.

In carrying out those procedures, we obtained assistance from our specialists in the fields of sustainable development and social responsibility. We conducted about ten interviews with the persons responsible for the preparation of the Statement including, in particular, representatives from Human Resources, Health and Safety, and environment.

Nature and scope of the work

We planned and performed our work taking into account the risks of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a limited level of assurance conclusion:

- we obtained an understanding of all the consolidated entities' activities comprised in the consolidation scope and the description of the main risks;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in Article L. 225-102-1 III of the French Commercial Code (*Code de commerce*) as well as compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under Article R. 225-105 II of the French

Commercial Code (*Code de commerce*), where relevant with respect to the main risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code (*Code de commerce*);

- we verified that the Statement presents the business model and a description of the main risks associated with all the consolidated entities' activities, including, where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;
- we referred to documentary sources and conducted interviews to
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important ⁽¹⁾; concerning certain risks ("Climate change contribution", "Impact of climate change", "Biodiversity", "Diversity", "Corruption"), our work was carried out on the consolidating entity level, for the others risks, our work was carried out on the consolidating entity and on a selection of entities;
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code (*Code de commerce*);
- we obtained an understanding of internal control and risk management procedures the entity has implemented and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important ⁽²⁾, we implemented:
 - analytical procedures to verify that the consolidation of the data collected was appropriate and the consistency of any changes in those data;

(1) **Social information** : results of the policies related to Diversity and Employment of young people

Environmental information : Climate change (main sources of GHG emissions related to operations, reduction of GHG emissions objectives, adaptation measures), water management action plans for sites facing high or extreme water stress, biodiversity protection

Societal information : fight against corruption

(2) **Social information**: Total workforce, Total workforce – Breakdown by SPC, Total workforce – Breakdown by type of contract, Proportion of women in workforce, Proportion of women in management, Proportion of staff consisting of students on work-study programs, Average monthly personnel, Average monthly personnel in FTE, Proportion of declared disabled employees, Number of hires on permanent contract, Number of hires on fixed-term contract, Number of arrivals for miscellaneous reasons, Number of resignations, Number of dismissals including contractual termination, Number of retirements, number of departures for miscellaneous reasons, Number of ends of fixed-term contract, Turnover, Voluntary turnover, Number of mobilities between BU, Number of mobilities between entities of the same BU, Number of hours worked, Proportion of employees trained, Training hours including e-learning, Gross salaries – Breakdown by SPC, Percentage of female senior managers

Health and safety information: Number of fatal accidents (employees), Number of work accidents among staff with at least one day off, Number of hours worked (employees), Frequency rate (employees), Severity rate French framework (employees), Severity rate ILO framework (employees), Number of work accidents with at least one day off (contractors and temporary workers on sites with controlled access), Hours worked (subcontractors and temporary workers on sites with controlled access), Frequency rate for employees and subcontractors on sites with controlled access

Environmental information : Percentage of relevant revenue covered by an EMAS certification, Percentage of relevant revenue covered by an ISO 14001 (non-EMAS) certification, Renewable – Net installed power (electric and thermal), Renewable – Electricity and heat produced, Primary energy consumption – total (excluding own consumption), Electricity and thermal energy consumption (excluding own consumption), Energy efficiency of fossil fuel plants (including biomass/biogas), Percentage of power capacity from renewables, Total direct GHG emissions – Scope 1, Indirect emissions related to energy ("Scope 2"), Carbon intensity of energy production, Total GHG emissions ("Scope 1 and Scope 3") related to energy production, Fresh water – Total withdrawal and total discharge, Non-fresh water – Total withdrawal and total discharge, Total consumption (fresh water and non-fresh water), Percentage of fresh water withdrawals per MWh of energy generation, Total quantity of non-hazardous waste and by-products discharged (including sludge), Total quantity of non-hazardous waste and by-products recovered (including sludge), Total quantity of hazardous waste and by-products discharged (including sludge and excluding radioactive waste), Total quantity of hazardous waste and by-products recovered (including sludge and excluding radioactive waste), NOx emissions, SO2 emissions, Fine particle emissions

- tests of details, using sampling techniques, in order to verify that the application of the definitions and procedures is appropriate and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities ⁽¹⁾ and covers between 3% and 73% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (40% of the workforce, 48% of work accidents among staff, 30% of hours worked and between 3% and 73% of environmental data);

- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures carried out in a limited assurance engagement are less extensive in scope than those that would be required for a reasonable assurance engagement conducted in accordance with professional standards; a higher level of assurance would have required us to perform more extensive verification procedures.

Paris-La Défense, March 4, 2022

The Independent Third Party

French original signed by

EY & Associés

Alexis Gazzo

Partner, Sustainable Development

(1) **Environmental information:** *Compagnie Nationale du Rhône (CNR), CN'AIR, Cofely Installation in West-North Territory, ENGIE energy production and distribution subsidiaries – West-North Territory, Compagnie Parisienne de Chauffage Urbain (CPCU), Valaxion, DK6 (Dunkirk), EEMS, Maxima, Rosignano, SPEM (Montoir), Vilvoorde, Tihange, Dinorwig power plants, ENGIE Servizi, Termoeléctrica Andina, Termica Red Dragon, Tocopilla (unit 16) and Inversiones Hornitos power plants (ENGIE Energia Chile), Itá Energética, Ferrari and Salto Santiago power plants (ENGIE Brasil Energia), Pelican Point power plant, GRTgaz, Chémery storage site, Bio*

Social information :

Audits performed at intermediary consolidation level: Germany, Italy, Romania, Asia, Australia, Middle-East, South America, Tractebel

Audits performed at sites' level: INEO, ENGIE Services Chile, Cofely Services (Belgium), MCI, ENGIE Servizi, ENGIE Insight Services, Cofely Besix FM LLC (United Arab Emirates), Munich Building Technologies Topco GmbH, Tractebel Engineering Pvt Ltd (India), GRDF, Electrabel – Nuke, Electrabel M&S Belgium, DGP, DCP, ENGIE Home Services

Health & Safety information :

Audits performed at intermediary consolidation level: Energy Solutions

Audits performed at sites' level: ENGIE Soluções, ENGIE Services Chile, GRDF, Electrabel – Nuke, ENGIE Home Services, GRTgaz

3.11 Statutory auditors' reasonable assurance report on selected social, environmental and governance information

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Year ended December 31, 2021

Pursuant to your request and in our capacity as Statutory Auditors of ENGIE (the "Company"), we performed a review in the aim of providing reasonable assurance on the environmental and social indicators selected by ENGIE and identified by the symbols □ in sections 3.4 and 3.5 of the Universal Registration Document (the "Information" ⁽¹⁾) for fiscal year 2021.

Conclusion

In our opinion, the Information selected by the Company and identified by the symbols □ in sections 3.4 and 3.5 of the Universal Registration Document has been prepared, in all material aspects, in accordance with the criteria used by the company (hereinafter the "Reporting Criteria").

Information preparation

The absence of a generally accepted and commonly used reference framework or established practices on which to base the assessment and measurement of the Information enables the use of different but acceptable measurement techniques that may impact comparability between entities and over time.

Accordingly, the Information must be read and interpreted with reference to the Guidelines, summarized the Universal Registration Document in the section "Methodological elements" and "Note on the methodology of social indicators", available upon request at the Company's headquarters from the Group Environmental and Social Responsibility Department, the Group Health and Safety Department and the Group Human Resources Department.

Limits inherent in the preparation of the Information

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions and/or estimates used for its preparation and presented in section 3 of the Universal Reference Document.

Responsibility of the Company

The Information has been prepared under the responsibility of ENGIE executive management, in accordance with the Reporting Criteria for social and environmental reporting data, a summary of which appears in the Universal Registration Document in the section "Methodological elements" and "Note on the methodology of social indicators", available upon request at the Company's headquarters from the Group Environmental and Social Responsibility Department, the Group Health and Safety Department and the Group Human Resources Department.

Responsibility of the Statutory Auditors

Based on our work, our responsibility is to express reasonable assurance on the fact that the Information has been prepared, in all material respects, in accordance with the Reporting Criteria. The conclusions expressed here below cover only this Information and not all of the information set forth in section 3.4 and 3.5 of the Universal Registration Document.

As it is our responsibility to issue an independent conclusion on the Information prepared by the executive management, we are not authorized to participate in the preparation of the Information, as this could compromise our independence.

Applicable regulatory provisions and professional

The work described below was performed in accordance with the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement and with the international standard ISAE 3000 (revised).

Independence and quality control

Our independence is defined by regulatory texts, the French Code of Ethics for Statutory Auditors (Code de Déontologie) and the requirements of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with ethical requirements, French professional standards and applicable legal and regulatory requirements.

(1) **Social, health and safety information:** Total workforce, Total workforce - Breakdown by SPC, Total workforce - Breakdown by type of contract, Proportion of women in workforce, Proportion of women in management, Proportion of employees trained, Number of hours worked, Number of work accidents among staff with at least one day off, Frequency rate (employees)

Environmental information: Primary energy consumption - total (excluding own consumption), Electricity and thermal energy consumption (excluding own consumption), Energy efficiency of fossil fuel plants (including biomass/biogas), Renewable - Net installed power (electric and thermal), Renewable - Electricity and heat produced, Total quantity of hazardous waste and by-products discharged (including sludge and excluding radioactive waste), Total quantity of hazardous waste and by-products recovered (including sludge and excluding radioactive waste), Total direct GHG emissions - Scope 1, Indirect emissions related to energy ("Scope 2"), Carbon intensity of energy production

3.11 Statutory auditors' reasonable assurance report on selected social, environmental and governance information

Nature and scope of procedures

We planned and performed our work taking account of the risk of material misstatement of the Information.

- We have assessed the appropriateness of the Reporting Criteria with respect to its relevance, completeness, reliability, neutrality and clarity, by taking into consideration, when relevant, the sector's best practices;
- We have verified the set-up of a process to collect, compile, process, and check the completeness and consistency of the Information;
- We have consulted the documentary sources and have interviewed the relevant staff from the Group Environmental and Social Responsibility Department, the Group Health and Safety Department and the Group Human Resources Department in order to analyze the deployment and application of the Reporting Criteria;
- We have set up analytical procedures on the Information and verified, using sampling techniques, the calculations as well as the consolidation of Information;

- We have tested the Information for a representative sample of entities that we selected⁽¹⁾ based on their activity, their contribution to the consolidated Information, their location and a risk analysis. We have conducted interviews to verify the proper application of procedures and conducted substantive tests, using sampling techniques, to verify the calculations performed and reconcile data with supporting evidence. The selected sample represented between 23% and 50% of the key performance indicators and results selected for these tests.

We consider that the sampling techniques and sample sizes we have used in exercising our professional judgement enable us to express a reasonable assurance conclusion. Due to the use of sampling techniques and the other limits inherent to the operation of any information and internal control system, the risk that a material anomaly would not be identified in the Information cannot be totally eliminated.

Paris-La Défense, March 4, 2022

The Statutory Auditors

French original signed by

DELOITTE & ASSOCIES

Patrick E. Suissa

Nadia Laadouli

ERNST & YOUNG et Autres

Charles-Emmanuel
Chosson

Guillaume Rouger

(1) **Environmental information:** *Compagnie Nationale du Rhône (CNR), CN'AIR, Cofely Installation in West-North Territory, ENGIE energy production and distribution subsidiaries – West-North Territory, Compagnie Parisienne de Chauffage Urbain (CPCU), Valaxion, DK6 (Dunkirk), EEMS, Maxima, Rosignano, SPEM (Montoir), Vilvoorde, Tihange, Dinorwig power plants, ENGIE Servizi, Termoeléctrica Andina, Termica Red Dragon, Tocopilla (unit 16) and Inversiones Hornitos power plants (ENGIE Energia Chile), Itá Energética, Ferrari and Salto Santiago power plants (ENGIE Brasil Energia), Pelican Point power plant, GRTgaz, Chémery storage site, Bioz*

Social information:

Audits performed at intermediary consolidation level: Germany, Italy, Romania, Asia, Australia, Middle-East, South America, Tractebel

Audits performed at entity level: INEO, ENGIE Services Chile, Cofely Services (Belgium), MCI, ENGIE Servizi, ENGIE Insight Services, Cofely Besix FM LLC (United Arab Emirates), Munich Building Technologies Topco GmbH, Tractebel Engineering Pvt Ltd (India), GRDF, Electrabel – Nuke, Electrabel M&S Belgium, DGP, DCP, ENGIE Home Services

Health and Safety information:

Audits performed at intermediary consolidation level: Energy Solutions

Audits performed at entity level: ENGIE Soluções, ENGIE Services Chile, GRDF, Electrabel – Nuke, ENGIE Home Services, GRTgaz

