

GROUP SOCIETAL POLICY

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ENGIE

EDITORIAL



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The Group's development strategy with its commitment to social responsibility demonstrates a desire to support changes in society and behaviour.

The current context is characterised by regulatory advances that encourage citizens to ask companies for explanations about their activities, by an increasingly structured and organised civil society and by strong community demand for information. We are also seeing a significant rise in responsible consumption, a genuine striving for meaningful consumption habits and high expectations among employees when it comes to social responsibility. These contextual factors are all reasons why ENGIE needs to adapt its activities to today's climate and expectations.

While our projects undeniably have a big impact on communities, it is also increasingly clear that citizens are demanding full stakeholder status and more consultation

and involvement in projects that affect them. In response to this twofold observation, ENGIE took the proactive decision, in advance of recent regulatory changes, to place social responsibility at the heart of its business model.

Thanks to a comprehensive Corporate Social Responsibility (CSR) Policy, the Group has been able to move forward while gradually incorporating the social responsibility component into its commercial strategy.

Accordingly, this CSR Policy sets out:

1. the Group's CSR challenges;
2. the measures implemented to address these challenges;
3. governance aspects supporting the implementation of the Group CSR Policy.

01.

THE GROUP'S CSR CHALLENGES

ENGIE now faces growing CSR demands reflecting changes in what civil society and the authorities expect from businesses. Companies today are seen as actors that are deeply embedded in society through their activities and must therefore play their part in improving society.

REGULATORY CHANGES AND CHANGING EXPECTATIONS IN SOCIETY

The regulatory changes that have taken place over the past decade represent a clear shift from soft law to hard law. These new regulations therefore reflect the engagement and increasing professionalism of organised civil society on CSR issues. NGOs dealing with these topics have also been able to develop a range of action and advocacy strategies based in particular on dedicated international multi-expert platforms and on the use of digital tools. While even the most engaged stakeholders do not, for the most part, demand immediate perfection and can appreciate the operational constraints that businesses are under, their cooperation is nonetheless conditional upon their expectations being taken into account. ENGIE must therefore maintain continuous dialogue with these actors.

CSR INNOVATION

Innovating in order to address the challenges facing society and the expectations of its own stakeholders is an approach that ENGIE has successfully adopted. This innovation includes using new technologies and tools such as digital, one example being the PowerZee app which educates and encourages students and employees on a campus to play an active role in reducing their environmental footprint. These new tools help to raise awareness, inform and involve consumers more effectively in the choice of technological solutions and energy-saving practices. The Group's CSR innovation also involves the use of open innovation platforms. These instruments seek to ensure that ENGIE acts collaboratively, remains open to the wider world while also bolstering its links with local communities – all vital elements in our objective of harmonious development.

ACCESS TO ENERGY

As attested by the United Nations Sustainable Development Goals (SDGs), access to energy is a fundamental challenge and ENGIE's ambitious responses to this issue set it apart. The Rassembleurs d'Energie impact investment fund is a prime example: this unique and innovative initiative is open to Group employees, with a business model based on 'cross-fertilisation' whereby ENGIE and local businesses help each other to promote access to sustainable energy. Another notable ENGIE access-to-energy initiative is the ENGIE Volunteers Programme (EVP). EVP is the Group's flagship skills sponsorship scheme, allowing employees to leverage the Group's energy expertise for the benefit of humanitarian projects.

RESPONSIBLE CONSUMPTION

With civil society increasingly aware and informed about major environmental and societal issues, the rise of 'responsible' consumption is now an incontrovertible fact, in sectors as varied as food, cosmetics, clothing and energy. Some consumers are now seeking to base their consumption on sustainable development criteria, i.e. environmentally friendly, beneficial for the economy (especially the local

economy), good for health and also positive for society. Sustainable consumption and production encourage the efficient use of resources and energy, the development of sustainable infrastructure and access to basic services, decent jobs and a better quality of life for all. It is therefore essential for companies to take a stance on this issue: while responsible consumption is increasingly demanded by users, it is up to companies to educate consumers by incorporating sustainability into their products and services, activities and customer advice.

02.

MEASURES IMPLEMENTED BY THE GROUP TO ADDRESS THESE CHALLENGES

With CSR issues climbing the agenda, ENGIE has deployed a range of measures to support the changes taking place in our society and to address the challenges of today's world.

ENGAGING WITH CIVIL SOCIETY

ENGIE's response to the major societal challenges of our time cannot succeed without continuous engagement with the various stakeholders making up civil society, both at Business Unit level and within the Group's central services. This engagement is primarily exercised through strong links with NGOs, allowing us to benefit from their local, subject-specific expertise, which is key to creating shared value in our projects and activities.

PROVIDING OPERATIONAL STAFF WITH A CSR TOOLKIT

Designed with and for the business entities, this toolkit uses a six-step dialogue process known as 'stakeholder engagement'. This entails conducting a context analysis, identifying all relevant stakeholders on specific issues, drawing up an action plan, and monitoring and evaluating the plan's impact. The toolkit also includes resources to guide operational teams in their engagement activities such as holding community meetings and using participatory tools. A rigorous self-assessment system has also been rolled out to coordinate evaluation of the system, which has been introduced in all Group entities. This evaluation, developed with the support of AA1000, an internationally recognised CSR body, ensures that the approach implemented is effective. The CSR Division oversees data compilation and supports the BUs in achieving our dialogue objective.

ORGANISING TRAINING PROGRAMMES AND SUPPORT FOR BUSINESS UNITS

For the Group, company-wide training in the management of CSR issues is a vital task because consideration of these issues must be at the core of everything we do.

The programmes are tailored to each professional or cultural context and comprise a mix of interactive activities and academic presentations.

The department also assists with specific projects, providing support to operational staff on CSR issues in the territory concerned.

ESTABLISHING A CSR MARKETING APPROACH

The products and brands of the future will need to address the concerns and expectations of society. In response to the rise in responsible consumption, ENGIE is working to gradually integrate sustainability into its products and services for individuals, local authorities and industrial customers.

We are incorporating sustainability into our products and services and exploring new ways to achieve the harmonious development objectives that we have set for ourselves.

03.

CSR GOVERNANCE

The Corporate Social Responsibility Policy is implemented within the Group via a CSR functional line within the BUs, a number of committees, a community of practice and the CSR Division's Societal Department.

This department comprises a specialist team with specific expertise in CSR issues, which is able to think about these issues coherently at Group level. Its expertise is intended to complement the more local actions implemented within the BUs, including cross-cutting initiatives such as the Working Group on the Post-Coal Transition.

The Societal Department engages in four types of activity:

01. Structuring the Group's dialogue (engagement) process to provide the BUs with clear standards and a pre-structured approach to stakeholder dialogue. The aim is to help BUs get to grips with the dialogue component quickly and efficiently.
02. Supporting operational staff on specific projects to provide practical assistance tailored to local operations. This involves using the CSR tools already developed by the Department (mapping, self-assessment, watch) to respond to calls for tenders or meet the specific needs of a Group project.
03. Anticipating controversies in order to limit their impacts.
04. Supporting Group policy through strategic partnerships designed to preserve and/or strengthen ties between ENGIE and organised civil society. These partnerships are essential as they ensure that the Group's decisions are aligned with the concerns of society and thus create new opportunities and anticipate possible future controversies.

ANNEX 1 DIALOGUE OBJECTIVE

Indicator	Group target 2020
% of industrial activities covered by an appropriate dialogue and consultation mechanism	100 %

ANNEX 2 SATISFACTION OBJECTIVE

Indicator	Group target 2020
Satisfaction rate among our BtoC customers	85 %

ANNEX 3 NGO PARTNERSHIPS

One ambition: to forge a relationship with civil society based on a 'shared interests' approach
To achieve this, the following conditions must be achieved:

01. Balance between 'operational' NGOs ('project facilitators') and 'institutional' NGOs ('opinion influencers and image promoters') for:
 - Local integration
 - Balance between alliances with different types of NGOs
 - NGOs not substitutes for

authorities: strengthen their legitimacy through a role of technical assistance to communities to help them in decision-making

02. Deepening of these partnerships:
 - Extend 'operational on-the-ground' dialogue between NGO and company to all NGOs (especially 'institutional' NGOs) in order to boost shared value creation by ensuring community ownership of our projects
 - And conversely, to give substance to and strengthen our messages vis-à-vis those NGOs (an increasingly small number) that are inclined to be dogmatic

03. Promote cooperation between actors
Rather than just working independently, the aim is to make a genuine transition towards collective action. Central to this transition is the need for a change of company model, particularly in terms of its relations with civil society. However, a number of conditions are required for this change to take place:
 - A more trusting relationship between actors
 - Une relative flexibilité
 - Une exemplarité du corporate et du top management



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