



5. Appendix 2: Biodiversity Policy

5.1. Background: Biodiversity lies at the heart of the company's challenges

The planet has been facing an unprecedented erosion of biodiversity since the arrival of humanity. Human activities are the cause of this sixth mass extinction that has been predicted. The fact is that all human activity is dependent on nature which contributes directly and indirectly to quality of life by supplying material goods and regulating environmental conditions, and through non-material contributions. To respond to this challenge to the planet, each public or private player can act at their own level based on the biodiversity impact and dependencies associated with their activities.

The Group's activities are constantly working with biodiversity: on the one hand, they benefit from some of the services provided by nature (biomass, watercourses, climate regulation), whereas on the other, the soil footprints of industrial sites have an impact on ecosystems.

Whether it is in cities or in the countryside, ENGIE's sites can contribute to the restoring ecological continuity and the preserving normal biodiversity. Similarly, as impacts are spread across the value chain, the Group is also striving to identify challenges and reduce risks within the supply chain.

In line with its environmental policy, the Group works to avoid having a direct or indirect impact on biodiversity and, failing that, to reduce it or even to offset it as a last resort.

ENGIE has been committed to preserving biodiversity since 2011, first through its commitments under the National Biodiversity Strategy, then by signing the Cancún pledge in 2016, and finally through its commitments within the international act4nature and "Entreprises engagées pour la nature – act4nature France" initiative in 2020.

For more than 10 years, ENGIE has benefited from the expertise of two partners: the IUCN French Committee and France Nature Environnement. Some of the Group's subsidiaries also have partnerships with France's National Museum of Natural History, the French Bird Protection League (LPO), or Birdlife.

5.2. From managing the biodiversity footprint to positive impacts

The Group analyzes its impact and dependencies on biodiversity against **the five main pressures** weighing on biodiversity (the change in land use, resource depletion, climate, pollution and invasive exotic species) to identify the actions that will allow it to **contribute to reducing this impact and keep its dependencies under control** while complying with the **ten joint commitments** of the **act4nature** programs.

To reduce its soil footprint, contribute to the restoration of ecological corridors and reduce the presence of invasive exotic species, the Group:

- implements an **ecological site management** system wherever possible, i.e., at the very least, no use of chemical crop protection products and differentiated management of green spaces;
- identifies the **protected areas near its sites** and **works with stakeholders to determine actions** to either reduce the impact as far as possible or transform them into positive impacts. The protected areas currently under consideration are the Natura 2000 sites, the Ramsar sites, the UNESCO sites (both natural and mixed), and IUCN categories I to IV. From 2021, these categories will also include IUCN categories V and VI, as well as areas of importance for birds and key biodiversity areas;
- undertakes to **apply the sequential principle "prevent, reduce, offset"** throughout the world.

In order to help reduce climate pressure, the Group has put in place a climate policy not only aimed at substantially reducing greenhouse gas emissions from its own activities, but also from those of its customers and suppliers. As part of adapting to climate change, ENGIE is committed, where possible, to implementing **nature-based solutions** that make it possible to restore biodiversity while also adapting to the impacts of climate change.

The Group addresses biodiversity in its exchanges with stakeholders:

- **an in-depth study of the impacts and dependencies in the value chain** and discussions with its main suppliers and subcontractors;
- maintenance and development of **partnerships with biodiversity players**.

As part of its commitment to the fight against the loss of global biodiversity, the Group also undertakes to:

- helping to **develop knowledge** of biodiversity at the regional level;
- improve **awareness and training** among its employees.

5.3. Goals and commitments:

In accordance with the above guidelines and commitments, a number of goals have now been achieved, such as:

- the provision of a tool making it possible to identify the protected areas close to sites and projects;
- the identification of priority sites in Europe and around the world, and the establishment of action plans drawn up in consultation with stakeholders;
- the creation and coordination of an internal network of biodiversity experts;
- the publication of a brochure to raise awareness among employees.

The new goals and commitments have been defined for the period 2020-2030. These are reiterated in the Group's commitments under the act4nature programs.

	<i>Target</i>
Implementation of a system for the ecological management of industrial sites	50% of sites by 2025 100% of sites by 2030
Implementation of environmental plans for industrial activities (including action plans for sites located in or near a protected area)	80% of sites by 2025 100% of sites by 2030
	<i>Target</i>
Application of the "prevent, reduce, offset" sequence to development projects around the world in consultation with stakeholders	2022: 100% of cases submitted to the Group Commitments Committee 2025: gradual extension to cases that do not go through the Group Commitments Committee
Contribution to the implementation of nature-based solutions (SfN) in local communities	2022: ten nature-based solution opportunity/action sheets
Conducting an in-depth analysis of the impacts and dependencies for the Group's main activities throughout the value chain	At least two activities per year by 2025
Provision of modules for raising biodiversity awareness among employees	Two modules per year by 2025
Creation of a platform for sharing good practices	Operational by late 2022