



DECISION ENGIE

Date: June 17, 2020

Reference: ENGIE 2020-003

Issuer: CSR Department

Contact person: Anne Chassagnette **Email:** anne.chassagnette@engie.com **Tel.:** +33 (0)1 44 22 67 59

Corporate Social Responsibility Policy

Summary

In keeping with the Group's purpose ("raison d'être") as agreed in its bylaws, ENGIE's Corporate Social Responsibility (CSR) Policy sets out the Group's CSR priorities and commitments with a view to bringing together everyone's skills, generating shared value for all its stakeholders, as well as helping to achieve the UN's Sustainable Development Goals.

By striving to ensure that ENGIE has a positive impact on people and the planet, the Group works to secure its long-term position as a leading player in the energy transition and associated services beyond energy.

This decision will take effect on June 17, 2020 and will apply to activities carried out by ENGIE on its own behalf and by its controlled subsidiaries worldwide. This policy has been developed taking into account the CSR standards and commitments from bodies such as the United Nations, the ILO or the OECD to which the Group adheres. It is applicable within the limits of the laws and regulations that apply to regulated companies.

Superseded or amended document(s): 2017 CSR Policy no. 2017-010

Attachment(s): none

Distribution: external

ENGIE

1, place Samuel de Champlain – Faubourg de l'Arche
92930 Paris La Défense cedex, France
Tel. +33 (0)1 44 22 00 00

engie.com

ENGIE – SA with share capital of EUR 2,435,285,011 – RCS Nanterre 542 107 651



Table of Contents

Preamble

1. The Group's commitments	4
1.1. Responsible consumption: <i>"Get our customers actively involved in the energy transition"</i>	4
1.2. Sustainable purchasing: <i>"Extend the scope of our commitments to our suppliers"</i>	4
1.3. Stakeholders: <i>"Commit to creating shared value"</i>	5
1.4. Social influence: <i>"Actively contribute to public debate"</i>	5
1.5. Environment: <i>"Minimize our carbon footprint and ecological impact"</i>	5
1.6. Responsible investment: <i>"Provide meaning and clarity in the long term"</i>	6
1.7. Business ethics: <i>"Always act in line with our ethical principles"</i>	6
1.8. Human capital: <i>"Foster diverse talents and skills"</i>	6
1.9. Global care/health and safety, and security: <i>"Make everyone's safety a top priority"</i>	7
1.10. Human rights: <i>"Always ensure respect for fundamental rights"</i>	7
1.11. Access to energy: <i>"Promote universal access to energy"</i>	7
2. Breakdown by policy and objective	8
3. CSR governance	9
4. References	9

Preamble

The choices that our company makes affect its economic performance, the communities in which it operates, the environment and, more generally, society as a whole. That is why, in keeping with the Group's purpose ("raison d'être"), we all need to focus on taking into account and involving in our policies, decisions and actions, all stakeholders with whom the Group interacts, such as customers, communities, employees, stockholders, suppliers, public authorities, and voluntary organizations.

Society expects more and more of companies, particularly in times of crisis. The French "Devoir de vigilance" regulation on the corporate duty of vigilance has strengthened the legal framework around Corporate Social Responsibility (CSR). Our approach needs to be ambitious and part of a wider commitment to continuously innovate and progress. The Group's radical transformation requires a robust CSR policy that is embedded in the company's DNA and tailored to the challenges of a constantly evolving society. This policy sets out the Group's CSR priorities and commitments with a view to bringing together everyone's skills, generating shared value, and helping to achieve the UN's Sustainable Development Goals. The sincerity of our commitments and our dedication to meeting them are now key factors contributing to the company's performance.

We encourage all Group employees to embody these commitments in their work. By striving to have a positive impact on people and the planet, the Group will help make the world a more equal place and secure its long-term position as a leading player in the energy transition and the associated services beyond energy.

1. The Group's commitments

To provide an even more secure energy supply that is consumed more efficiently, accessible to as many people as possible, and respects both society and the planet.

1.1. Responsible consumption: *"Get our customers actively involved in the energy transition"*

The expectations of consumers are changing radically in all sectors of the economy. Customers are increasingly playing a role in managing their own energy consumption, sometimes even generating green energy themselves.

ENGIE is committed to educating its customers about future solutions to help them manage their energy use, introduce new technologies, and move toward using green mobility or renewable energies to meet their needs.

1.2. Sustainable purchasing: *"Extend the scope of our commitments to our suppliers"*

Excluding energy purchases, the Group relies on thousands of suppliers, ranging from large international groups to local small and medium-sized enterprises. ENGIE's key principles in supplier relations aim to create a balanced and sustainable relationship with all its suppliers.

The Purchasing Policy sets out ENGIE's commitments (e.g., fair treatment, prompt payments, data privacy, etc.) and the requirements that its suppliers must meet in terms of competitiveness, health and safety, ethics and social responsibility, and the environment. All of the Group's purchasing contracts contain a clause on ethics and CSR. A dedicated account manager is appointed for those preferred suppliers selected under the category strategy. The account manager's role is to continuously improve operational performance and ensure that the suppliers comply with the Group's accountability requirements. The Group encourages its preferred suppliers to become certified by the Science-Based Targets initiative, encouraging them to meet the commitments of the Paris Climate Agreement.

ENGIE strives to seek ways to amicably resolve any disputes that may arise and, failing that, makes recourse to the ENGIE Mediator in charge of resolving protracted disputes with any person or organization affected by the



Corporate Social Responsibility Policy

Group's activities. All Group employees and purchasers specifically are required to comply with all seven principles of the Code of Conduct in Supplier Relations.

1.3. Stakeholders: *“Commit to creating shared value”*

ENGIE's activities require the Group to operate in different regions alongside multiple stakeholders, such as communities, associations, local authorities and non-governmental organizations (NGOs).

Stakeholder dialogue is crucial to sharing the long-term value created by the Group's projects. These stakeholders contribute to the sustainability of Group activities that aim to provide essential services and further stimulate employment areas.

The Group is committed to educating its managers about how stakeholder dialogue can benefit the Group's activities; to training employees in how to engage in dialogue tailored to the situation, needs and limitations of a region; and to devising action and dialogue plans with stakeholders, specifically as part of launching new services or projects.

The Group monitors and strives to respond to all questions and any public controversies. It seeks to maintain regular contact with NGOs and the communities impacted by its activities. It operates in line with the latest regulatory frameworks such as the French Sapin 2 Law, the French corporate duty of vigilance regulation and the European CSR Directive. As a result, the Group established a due diligence policy for its suppliers and subcontractors as a means of ensuring that they can be held accountable. The Group also put in place a specific policy stipulating that its subcontractors must incorporate health and safety requirements into all the services that they supply to the Group.

The Group is committed to making it easier for its stockholders to exercise their rights and to forging lasting relationships to retain their involvement, giving them clear, relevant information to ensure that they agree with the Group's strategy in the long term.

As such, the Group was the first CAC 40-listed company in France to publish an Integrated Report, released every year ahead of its General Shareholders' Meeting. Each issue of this report aims to address feedback from the previous year. It incorporates the various aspects of the Group's performance that generate value for ENGIE and society as whole, and it helps make the information provided by the Group more accessible and more transparent.

1.4. Social influence: *“Actively contribute to public debate”*

ENGIE is, by and large, an international group involved in a wide variety of activities. Drawing on its strong status and culture, ENGIE wants to shore up its position on social and economic issues.

ENGIE has embarked on an ambitious gender equality policy. It promotes a low-carbon economy by supporting the concept of a minimum carbon price, for example.

ENGIE plans to continue shoring up its position and contributing to public decision-making and regulatory developments by engaging in constructive dialogue with public authorities in partnership with its peers. The Group lobbies in France and Belgium primarily and more specifically as part of professional associations of which it is a member. ENGIE works to align the positions of these associations with its own which may still differ despite it being a member.

1.5. Environment: *“Minimize our carbon footprint and ecological impact”*

ENGIE is developing its operations in a world where environmental challenges are multiplying. The risks associated with climate change, the overexploitation of natural resources (including water), air pollution and the destruction of biodiversity are key concerns for the Company and the resilience of its activities.

Through its environmental policy, ENGIE pledges to gauge its environmental impact within the scope of the activities under its control and to introduce action plans to prevent, reduce, and, if necessary, offset such impacts,

while managing available resources as efficiently as possible. This is supported by an environmental report audited by the statutory auditors.

The Group is committed to moving away from coal-fired power generation and strives to expand its portfolio of power-generating assets, aiming to be compatible with the 2°C target of the Paris Agreement. That is why the Group has sought certification from the Science-Based Targets initiative. Lastly, the Group helps its operational entities to comply with local environmental norms and meet internationally recognized environmental standards. If the Group considers the local environmental standards to be inadequate, it will strive to make the impacts of the assets under its control acceptable.

1.6. Responsible investment: “Provide meaning and clarity in the long term”

As part of the energy transition, the Group engages in dialogue with all investors to help them to understand ENGIE’s vision and strategic choices. The Group’s investment decisions are based on CSR criteria that aim to limit the negative impacts of its activities on the climate, the environment and people. These criteria are derived from its CSR policy and factor in regional carbon price trends.

As a supporter of green finance, the Group is committed to financing its sustainable investments with green bonds, thus demonstrating the responsible nature of these projects and their positive environmental impact. It encourages the development of new sustainable financing instruments in line with the changes and expectations of the financial markets.

1.7. Business ethics: “Always act in line with our ethical principles”

When it comes to business ethics, the Group operates according to four basic principles: to act in accordance with laws and regulations, behave honestly and promote a culture of integrity, be loyal and respect others. The Group’s ethics and compliance standards send the strong message that ENGIE takes a zero-tolerance approach to fraud and corruption. These principles apply to all Group employees and partners who receive training on such matters, including anti-fraud and anti-corruption training.

A confidential whistleblowing scheme (*ethics@engie.com*) provided by a certified external service provider (ADIT) is open to all Group employees and all external stakeholders.

A second tool (Inform’ ethics) managed by Group management allows ENGIE to monitor all ethics-related incidents in house; these incidents are reported regularly to the Board of Directors’ Ethics, Environment and Sustainable Development Committee.

ENGIE pledges to respect, with honesty and integrity, the applicable tax laws and regulations in the countries in which it operates and strives to communicate proactively as regards tax matters. ENGIE adheres to the responsible tax principles championed by UN’s The B Team initiative.

1.8. Human capital: “Foster diverse talents and skills”

Developing employees in a way that is specific to them and respecting their diversity are key drivers of the Group’s performance and its Human Resources policy.

ENGIE calls for firm commitments to respecting the principles of fairness and non-discrimination in recruitment; supporting a gender equality policy in promotion processes; managing jobs and skills in a forward-looking way, guiding employees towards roles that fulfil the Group’s future needs and improving their employability; supporting employees’ careers through training or internal mobility; and taking on apprentices to help them integrate into the world of work.

Furthermore, the Group encourages continual social dialogue, striving to ensure well-being at work; securing the commitment and motivation of its employees; ensuring gender equality in the workplace; preventing psychosocial risks; and ensuring economic growth and social development.

1.9. Global care/health and safety, and security: *“Make everyone’s safety a top priority”*

Ensuring everyone’s health, safety and security as well as the industrial safety of our facilities, is an ongoing priority for the Group wherever it operates, regardless of country or activity.

The Global Care policy is centered on three major commitments: protecting the integrity of people and property; promoting quality of life in the workplace; and improving health, safety and security through professional development for all. These commitments aim to cultivate a “no life at risk” safety culture that is shared by all Group employees and subcontractors.

To this end, ENGIE has pledged to eliminate fatal and major accidents, and to provide everyone with a high degree of health, safety and security. The Group particularly ensures that its employees and service providers comply with its nine “life-saving rules”, which are practical rules based on feedback.

The Group has a Data Protection and Information Systems Security Policy. It adheres to the EU General Data Protection Regulation to ensure that personal data belonging to its employees, suppliers and customers is kept safe.

1.10. Human rights: *“Always ensure respect for fundamental rights”*

In addition to holding dialogues and consultations to ensure that its activities do not infringe the rights of local communities, ENGIE is committed to conducting its activities in line with its employees’ fundamental rights and the International Labor Organization conventions.

ENGIE rejects all forms of forced or compulsory labor, child labor, discrimination, modern slavery, and workplace harassment and violence. It encourages the freedom of association and the right to collective bargaining. If the Group considers local labor standards to be inadequate, it will commit to ensuring that work conditions uphold everyone’s dignity.

1.11. Access to energy: *“Promote universal access to energy”*

More than 2 billion people currently have no access to an adequate electricity supply or clean cooking facilities. ENGIE is committed to tackling disparities in access to energy to remedy this situation.

As a result, the Group set up an impact investment fund in 2011 called ENGIE Rassembleurs d’Energies (Energy Gatherers). One of its tasks is to promote universal access to sustainable energy through minority investments in local, high-impact companies.

Through its Energy Volunteer Program, the Group also encourages its workforce to join employee volunteering associations involved in humanitarian initiatives.

ENGIE is also committed to tackling fuel poverty by establishing suitable tariffs; helping prevent unpaid bills; helping improve housing conditions; raising awareness of ways to conserve energy; and maintaining ongoing contact with local authorities and associations to provide personalized support to the most disadvantaged customers.

Lastly, the ENGIE Foundation in charge of corporate patronage initiatives has set out its approach and activities as an extension of the Group’s commitment to environmental, social and community issues.

2. Breakdown by policy and objective







The Group's CSR performance is based on this policy and supplemented by policies on the main aspects of CSR, including environmental and social policies, a due diligence plan and various due diligence policies. A global union agreement was also signed with international trade union federations to agree on a basic level of social protections for all of the Group's companies worldwide.

These policies are based on the performance monitoring indicators and 19 CSR objectives to be achieved by 2030 agreed by the Board of Directors in 2020. These objectives cover the Group's main impacts on people and the planet and draw on data from an analysis of the main challenges facing Group management and its stakeholders (materiality matrix). These goals are tracked annually through CSR performance reviews with every Business Unit. These reviews are an opportunity to gauge how the company has progressed.

As part of efforts to continually improve its processes, the Group conducts an annual risk assessment, and all Group employees and external stakeholders are given the opportunity to bring any points needing particular analysis to the Management's attention.

An annual CSR report is submitted to the Group's Executive Committee and the Board of Directors' Ethics, Environment and Sustainable Development Committee to report on the progress made in implementing the CSR policy and achieving the Group's 2030 CSR objectives.

Seven of these 19 CSR objectives are tier 1 objectives. Three CSR objectives are routinely included when the Group's results are presented. They demonstrate the Group's commitment to CSR and its contribution to the Sustainable Development Goals (SDGs) set by the UN for 2030.

Topic	2030 tier 1 CSR objective
<p>Decarbonizing the Group</p>  	<p>43 Mt of CO₂e emitted by generating power as per the trajectory certified by Science-Based Targets</p> <p>52 Mt of CO₂e emitted by using products sold in compliance with the trajectory certified by Science-Based Targets</p>
<p>Decarbonizing our customers</p>  	<p>100% of the services we offer customers, including an alternative offer that helps them to decarbonize</p> <p>100% of our preferred suppliers (excluding energy purchases) certified by Science-Based Targets</p>
<p>Gender diversity</p> 	<p>50% of Group senior management are women</p> <p>100/100 gender-equality index at Group level</p>
<p>Health and safety</p> 	<p>Lost time injury frequency rate (including Group employees and subcontractors on closed sites) less than 2.9</p>

3. CSR governance

The Board of Directors' Ethics, Environment and Sustainable Development Committee manages CSR at the highest level of the company, approving the scope of the policies introduced, as well as CSR-related opportunities and action plans. In 2019, the Committee was put in charge of the Group's efforts to tackle climate change.

The Group's Executive Committee approves the proposed guidelines in this area in advance.

The CSR Department monitors the Group's CSR performance. It heads up a network of Business Unit CSR officers; regularly reviews the Group's material issues; prepares annual action plans; tracks their implementation through annual CSR performance reviews; manages responses to non-financial ratings agencies; and monitors the 2030 CSR objectives with the support of the other Departments involved. It also engages focus groups and particular networks to work on more specific CSR topics.

The CSR Department teams up with the Finance Department to lead an interdepartmental Green Financing Committee which is responsible for approving projects that may be financed by green bonds issued by the Group, or approving sustainable performance indicators linked to other green financing instruments that the Group uses.

Every Business Unit ensures that the Group's CSR commitments are complied with at local level. As such, CSR officers in the Business Units are responsible for conducting the annual analysis of CSR risks and opportunities; implementing CSR action plans to help achieve the Group's CSR objectives, which may include local CSR targets; and ensuring that CSR criteria are correctly applied in investment projects.

Every employee is able to become a Group CSR ambassador by taking part in CSR debates and contributing to the Group's CSR initiatives. The CSR Department holds joint workshops with external stakeholders, focusing on pressing CSR issues.

4. References

External references

- Universal Declaration of Human Rights
- UN Global Compact
- OECD guidelines for multi-national companies
- UN Sustainable Development Goals
- International Labor Organization (ILO) conventions
- Global Reporting Initiative (GRI) reporting standards
- International Integrated Reporting Council (IIRC) framework
- ISO 14000 – Environmental Management
- ISO 26000 – Social Responsibility
- ISO 37001 – Anti-Bribery Management Systems
- EU Eco-Management and Audit Scheme (EMAS)

ENGIE references

You can view our references here: <https://www.engie.com/en/group/social-responsibility>