



6. Appendix 3: Water Policy

6.1. Background: a local challenge

Water is essential for life. But it is also a highly important resource for industrial activities, including energy production. In the face of the risk of water scarcity in a number of countries in terms of both quantity and quality, and in the face of the risks associated with conflicts of use, ENGIE aims to continuously improve its commitment to water management throughout the world.

ENGIE has been closely involved in improving water management for more than ten years. This process relies on ENGIE's membership of the CEO Water Mandate (a United Nations initiative) since it was founded in 2007, and on its contribution to the CDP Water Security questionnaire since it was initiated in 2011. The Group is also involved in the BAFWAC (Business Alliance for Water and Climate) initiative and supports the work of the OECD on water governance.

Each year, the Group publishes a progress report on its participation in the CEO Water Mandate and completes the CDP Water Security questionnaire.

6.2. From water management to having a positive impact

Significant work has now been carried out in the area of water management: measuring the water footprint of the Group's main activities, overhauling the indicators, assessing the water risk and setting up action plans, contributing to international work such as WULCA, the Water for Energy Framework, or the OECD Water Governance Initiative.

With the changes in the Group's portfolio of assets and increased stakeholder expectations, the problems of water management are evolving. While water consumption in hydroelectric plants remains the same, new commitment areas must be taken into account, particularly in terms of the water used in urban heating and cooling systems, hydrogen production, questions relating to water consumption in the supply chain (for the production of biomass resources, for example), or access to water for ENGIE's employees (WASH: Water, Sanitation and Hygiene).

Based on these developments and in accordance with the commitment areas of the CEO Water Mandate (Global Compact), the Group focuses on:

- identifying the industrial sites that are subject to water stress and drawing up action plans for all the sites located in areas of high and very high water stress;
- analyzing the risks and opportunities associated with water in the projects and putting the appropriate actions in place;
- contributing to the improvement of water management and governance in local communities and working on implementing actions in consultation with stakeholders at the watershed level;
- implementation of all available technologies to reduce its impact on waste (physical and chemical changes, disruptions to ecosystems);
- identifying the suppliers that pose a challenge to water, particularly on the basis of work conducted on the water footprint in previous years, and encouraging them to develop action plans;
- incorporating sustainable water management into the services offered to customers;
- initiating a procedure to provide access to water, sanitation and hygiene in the workplace.

6.3. Goals and commitments

Over the last ten years, various actions and objectives have been deployed within the Group:

- the water footprint of activities has been measured;
- the goal of reducing water extraction for energy production has been achieved;
- implementation of action plans for sites in areas of extreme and high water stress have been put in place in consultation with stakeholders;
- an internal water network has been created and coordinated;
- contributions have been made to the work of the CEO Water Mandate, the OECD and the CDP.



Environmental Policy

New goals and commitments have been defined for the period 2020-2030.

	<i>Targets</i>
Reduction of industrial water consumption for all the Group's industrial activities	-15% in 2025 -30% in 2030
Implementation of environmental plans for all industrial activities (including action plans for sites located in areas of extreme or high water stress)	80% of sites by 2025 100% of sites by 2030