

Societal Reporting 2021

Extract from 2021 URD



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.