



**Jean-Pierre Clamadieu**

Président du Conseil d'Administration

To:

APG	Candriam	Church of England
Ecofi	EGAMO	ERAFF
Ircantec	La Banque Postale AM	La Financière de l'Échiquier
La Française AM	MAIF	Mandarine Gestion
MM Hottinguer & Cie Gestion Privée	Meeschaert AM	Mirova
MN	OFI Invest AM	PGGM
Sycomore AM	Vida Caixa	

Paris La Défense, March 22<sup>d</sup>, 2023

**Subject : Your letter dated March 20<sup>th</sup> regarding ENGIE climate plan**

Dear Madam, dear Sir,

We have had these last weeks intense discussions regarding Engie's climate strategy and the way it is being implemented. I had the opportunity to remind you that for Engie, which has made acting "to accelerate the transition towards a carbon-neutral economy, through reduced energy consumption and more environmentally-friendly solutions" its "raison d'être", this climate strategy is inseparable from the Group's strategic orientations.

The major transformation undertaken by Engie over the past three years is aiming at ensuring the rapid and effective implementation of these orientations and to put the Group on an ambitious trajectory to reduce our greenhouse gas emissions. An impactful consequence of this commitment is the announcement made a few weeks ago by Catherine MacGregor to increase the growth Capex planned between 2023 and 2025 in our Renewables and Energy Solutions businesses by 50%, which represents an amount of about €16 billion.

With this letter, I would like to assure you once again of the commitment of ENGIE and its teams, of its Board of Directors and of my personal commitment to this matter. This commitment led us last year to consult our shareholders on our climate strategy at the Annual General Meeting, making us one of the first CAC 40 companies to initiate such an approach. This strategy was massively approved by our shareholders (over 96%). We also committed to reporting on our progress in implementing this strategy, and we have just published a TCFD report that represents a very significant improvement in the quality and transparency of the information made available to our shareholders.

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I understand from our discussions that you want us to step up our efforts, and this is in line with my own conviction that continuous improvement is necessary in this area. We discussed these issues at a Board meeting held today and I am ready to commit to consulting our shareholders every three years on our climate strategy, as we did at the 2022 AGM. Like you, I believe it is necessary to present and discuss every year at the General Meeting a detailed progress report on our strategy every year, based on the data we publish, so that all shareholders can measure the impact of our actions and the progress we need to make. As a consequence, we have decided to include such an item on the agenda of our next General Meeting on April 26 followed by a debate with our shareholders.

You have also asked that we amend our articles of association in order to allow the Board to present Engie's climate strategy to a consultation vote of our shareholders every three years and the implementation of this strategy every year.

We are by nature cautious about the possibility of modifying our articles of association in an opportunistic manner, and last year's decision to consult shows that a modification of those articles is not necessary. Furthermore, I think it is not wise to go down this road while French stakeholders including AMF have started to work to define a framework for such consultations.

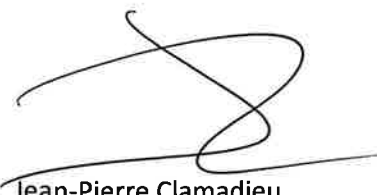
Finally, as I indicated during our discussions, I am skeptical about the idea of an annual vote because it is only over time that the effects of an emissions reduction strategy can be measured, as changes from one year to the next can be strongly affected by external factors. I would add that some of our major shareholders have expressed reservations, considering that they are neither able nor willing to vote on this issue every year.

You have sent us a list of indicators that you have asked us to publish annually. Some of them are included in our TCFD report, others can be deduced from various elements that already appear in the abundant documentation produced by the Group, and others seem difficult to establish in a short timeframe. However, our teams undertake to prepare an addendum to our TCFD report before the next General Meeting, which will complete our disclosures and allow to better assess ENGIE's climate plan.

I would like to draw your attention to the fact that there are still many questions about the frameworks that will be used for our carbon reporting once the CSRD directive is in force, in particular the method that we will have to use to position our trajectory against a 1.5°C scenario, according to standards that will have to be comparable for all issuers. Even if we want to provide you with the most accurate analysis possible, it is impossible to carry out this exercise in a rigorous, standardized and reproducible manner before a consensus is reached in the bodies responsible for defining these benchmarks. I would add that the choice we made to seek certification of our trajectory by SBTi, which was obtained a few weeks ago, is precisely to give you the comfort of an external assessment.

We hope to have convinced you of the strength of our commitment,

Yours sincerely,



Jean-Pierre Clamadieu  
Chairman of the Board of ENGIE SA