

# 03

## ENVIRONMENTAL, SOCIAL & GOVERNANCE



# ENGIE'S PURPOSE ALIGNING FINANCIAL AND NON FINANCIAL PERFORMANCE

Planet Respecting planetary limits by acting in particular for the Paris Agreement	Tier 1 objectives	2020	2021*	2022*	Objective 2030
	GHG emissions related to energy production (Scope 1 and 3) (MtCO <sub>2</sub> eq)	67.5	65.2	59.5	43
GHG emissions from the use of sold products (MtCO <sub>2</sub> eq)	61.5	65.6	61.3	52	
Share of renewable electricity capacities (%)	31%	34%	38%	58%	
Avoided GHG emissions by our products and services (MtCO <sub>2</sub> eq)	21	26.5	28.2	45	
Share of top 250 preferred suppliers (excluding energy purchase) certified or aligned SBT (%)	15%	20%	23%	100%	



People Building a new and more inclusive world of energy together	Tier 1 objectives	2020	2021*	2022*	Objective 2030
	Lost time injury frequency rate for Group employees and subcontractor employees on controlled-access sites	2.7	2.5	2.0	2.3
Percentage of women in Group management (%)	24%	29%	30%	40%-60%	
W/M pay equity	-	-	1.73%	<2%	



Profit Ensuring responsible performance shared between employees, shareholders and stakeholders		2020	2021	2022	Objective
	Economic net debt to EBITDA ratio	4.0x	3.6x	2.8x <sup>1</sup>	below or equal to 4.0x
Dividend policy payout ratio	75%	66%	65%	65-75%	
Guidance NRIs (€bn)	Achieved	Achieved	Achieved	objective per year	



<sup>1</sup> As published in February 2023

\*EQUANS excluded

## ENGIE's contribution to the Sustainable Development Goals:

■ Key contribution

■ Relevant contribution via Tier 2 objectives

# DECARBONATION AT THE CORE OF GROUP'S PURPOSE AND LEVERAGED BY STRONG CLIMATE COMMITMENTS

## Net Zero by 2045,

across all scopes, and following a “well below 2°C” trajectory certified by SBTi

A 2030 trajectory clearly defined supporting long term decarbonation commitment

- ✓ **Reduce GHG emissions linked to energy production** to a maximum of **43 Mt CO<sub>2</sub> eq.** in 2030 (compared to 107 Mt CO<sub>2</sub> eq. in 2017)
- ✓ **Reduce GHG emissions linked to sold products** to a maximum of **52 Mt CO<sub>2</sub> eq.** in 2030 (compared to 79 Mt CO<sub>2</sub> eq. in 2017)
- ✓ **Reduce carbon intensity of energy production** (scope 1) and energy consumption (scope 2) by **66%** between 2017 and 2030 to reach **110gCO<sub>2</sub>/KWh** in 2030
- ✓ **Reduce carbon intensity related to energy sales** by **56%** between 2017 and 2030

## Decarbonation objectives embarking employees, clients, suppliers

- ✓ **Reach Net-zero carbon by 2030** on the emissions related to the ways of working
- ✓ Have **100% of the TOP 250 preferred suppliers** (excluding energy purchase) certified or aligned SBT by 2030
- ✓ Support customers in avoiding **45 mt of CO<sub>2</sub> eq.** emissions by 2030

**4 countries**  
**Net zero by 2030**

### A GOVERNANCE ADAPTED TO DELIVER CLIMATE COMMITMENTS

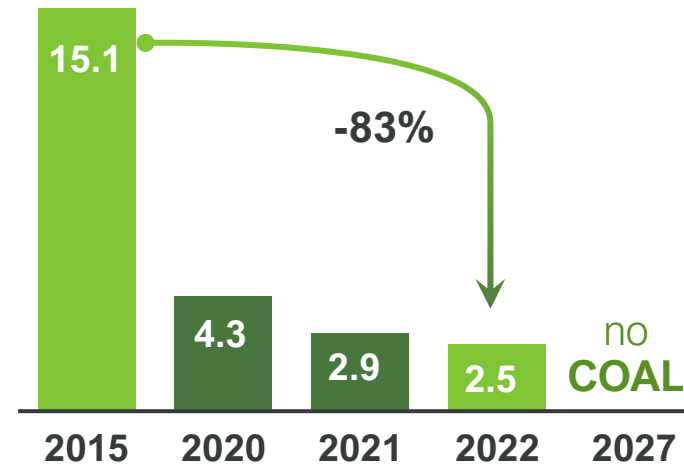
- ✓ CO<sub>2</sub> Medium term Plan (MTP) aligned with financial MTP
- ✓ CO<sub>2</sub> Budget allocated to all activities
- ✓ A dedicated governance process for climate assessment of new investments :
  - Analysis of carbon prices impact on new investment and long-term energy prices forecasts
  - Bi-monthly reporting to ExCom on GHG emissions budget for new investments

# COMMITMENT TO PHASE OUT COAL BY 2025 IN CONTINENTAL EUROPE AND 2027 GLOBALLY

Merit order for a **'just transition'** that benefits all stakeholders

1. Closing
2. Conversion
3. Disposal

Coal power generation (GW@100%)



## 2022 achievements

### 3 coal power plant units closed

- **Chile - Tocopilla unit 14**  
0.1 GW – closed
- **Chile - Tocopilla unit 15**  
0.1 GW – closed
- **Peru- ILO 21**  
0.1 GW – closed

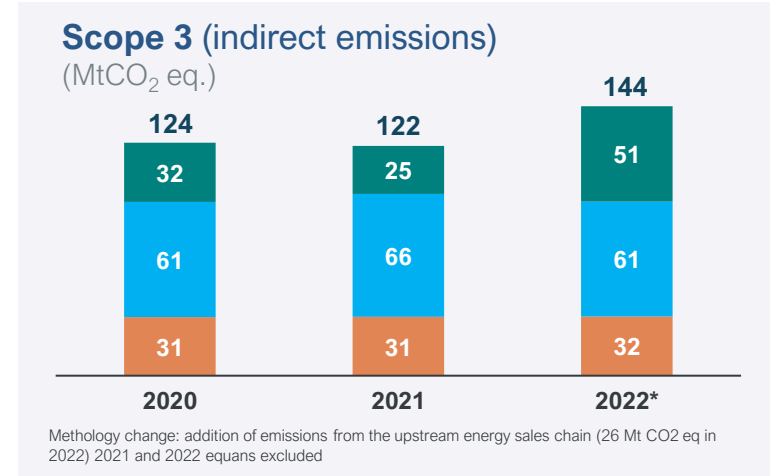
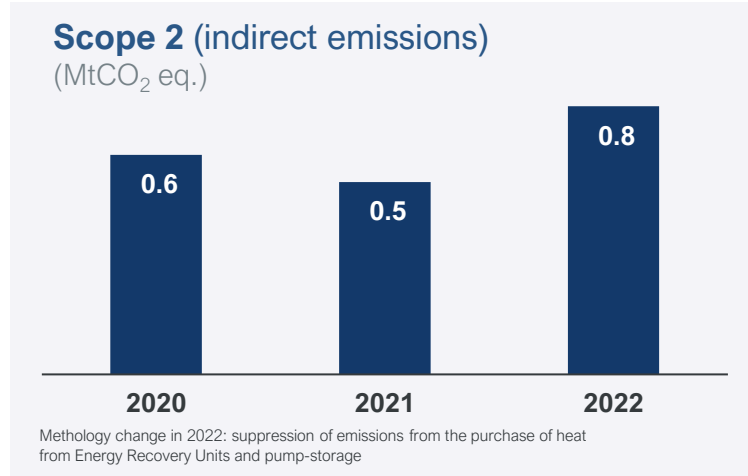
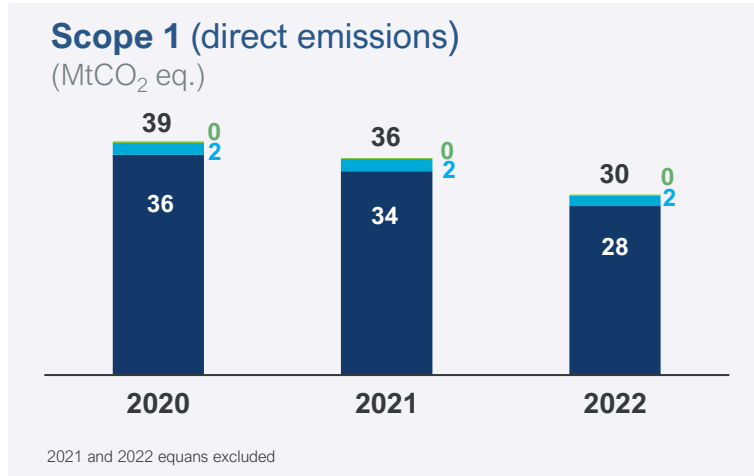
### 1 coal power plant exited

- **Brazil – Pampa Sul**  
0.3 GW sold (process to be completed in 2023)

Sale of the asset conducive to ensuring the gradual transition of the regional economy, reducing potential local socioeconomic impacts when compared to a process of operational decommissioning



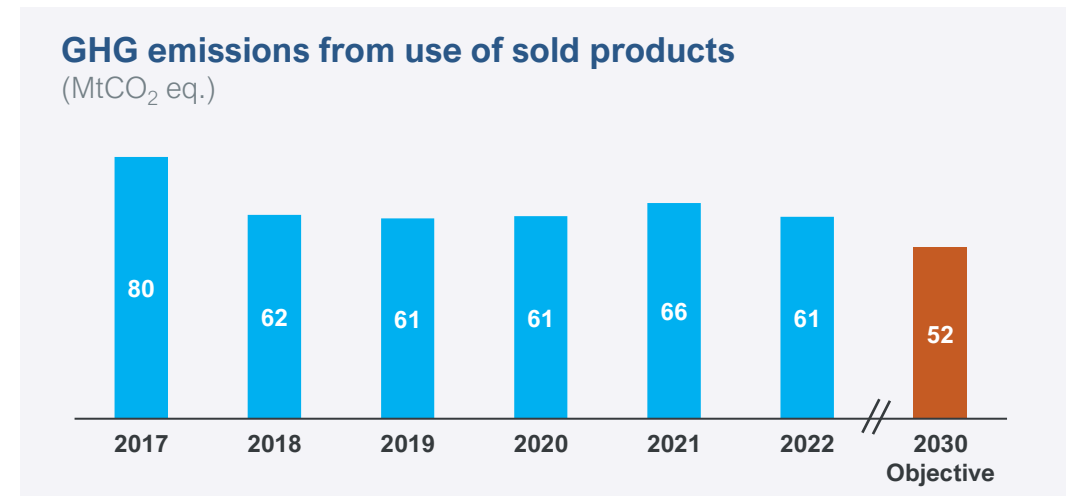
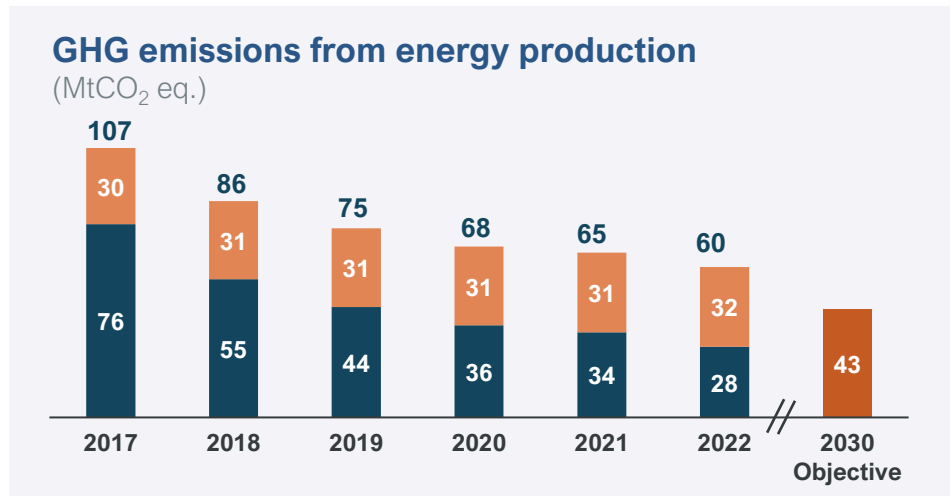
# -25% OF TOTAL GHG EMISSIONS SINCE 2017



- Energy production (controlled assets)
- Gas networks
- Other Scope 1 categories

- Consumption of electricity, steam, heating or cooling

- Energy production (non controlled assets)
- Use of sold products
- Other Scope 3 categories



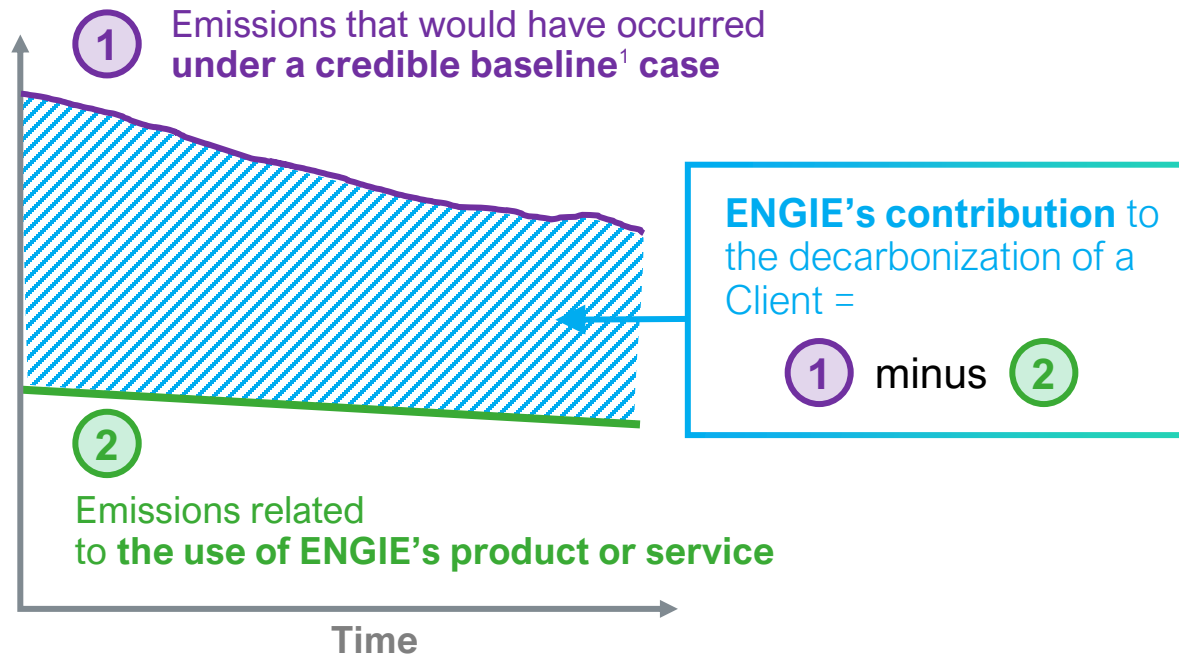


# DECARBONISATION OF CLIENTS EMISSIONS THROUGH ENGIE PRODUCTS AND SERVICES

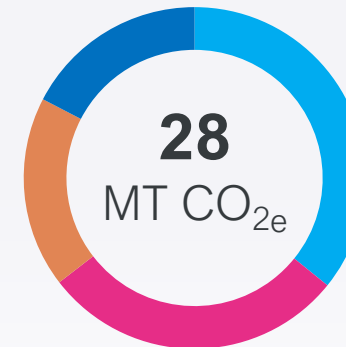
Helping clients incrementally reduce their carbon emissions with a robust methodology

## GHG emissions

(ton CO<sub>2e</sub>)



**~28 Mt CO<sub>2e</sub>**  
**avoided for clients in 2022**  
(26.5 Mt CO<sub>2e</sub> in 2021 – *equans excluded*)



- Production of green energy
- Commercialization of energy savings & carbon certificate
- Purchase & resell of green energy
- Decentralized energy infrastructures & associated services

**~45 Mt CO<sub>2e</sub>**  
**avoided / year by 2030**

1. The baseline is the most likely alternative in the absence of the product or service provided by ENGIE

# ADAPTING TO CLIMATE CHANGE

## Scenario Analysis

Partnership with IPSL (Institut Pierre Simon Laplace) to modelize 2030 and 2050 climatic events

Analysis performed on medium and high global warming trajectories (RCP4.5 and RCP8.5)

Study based on our main production technologies and mapping of the evolution of their performance due to climate change

## Impact assessment

Assessment of the impact of climate change on production of energy, demand of energy as well as the integrity of assets and employees due to extreme climate events.

3 new risks to be studied in 2023 in addition to the 4 initial ones studied in 2022 :



Heatwave



Water stress



Flood



Extreme wind event

### New



Landslides



Wildfires



River Temperatures

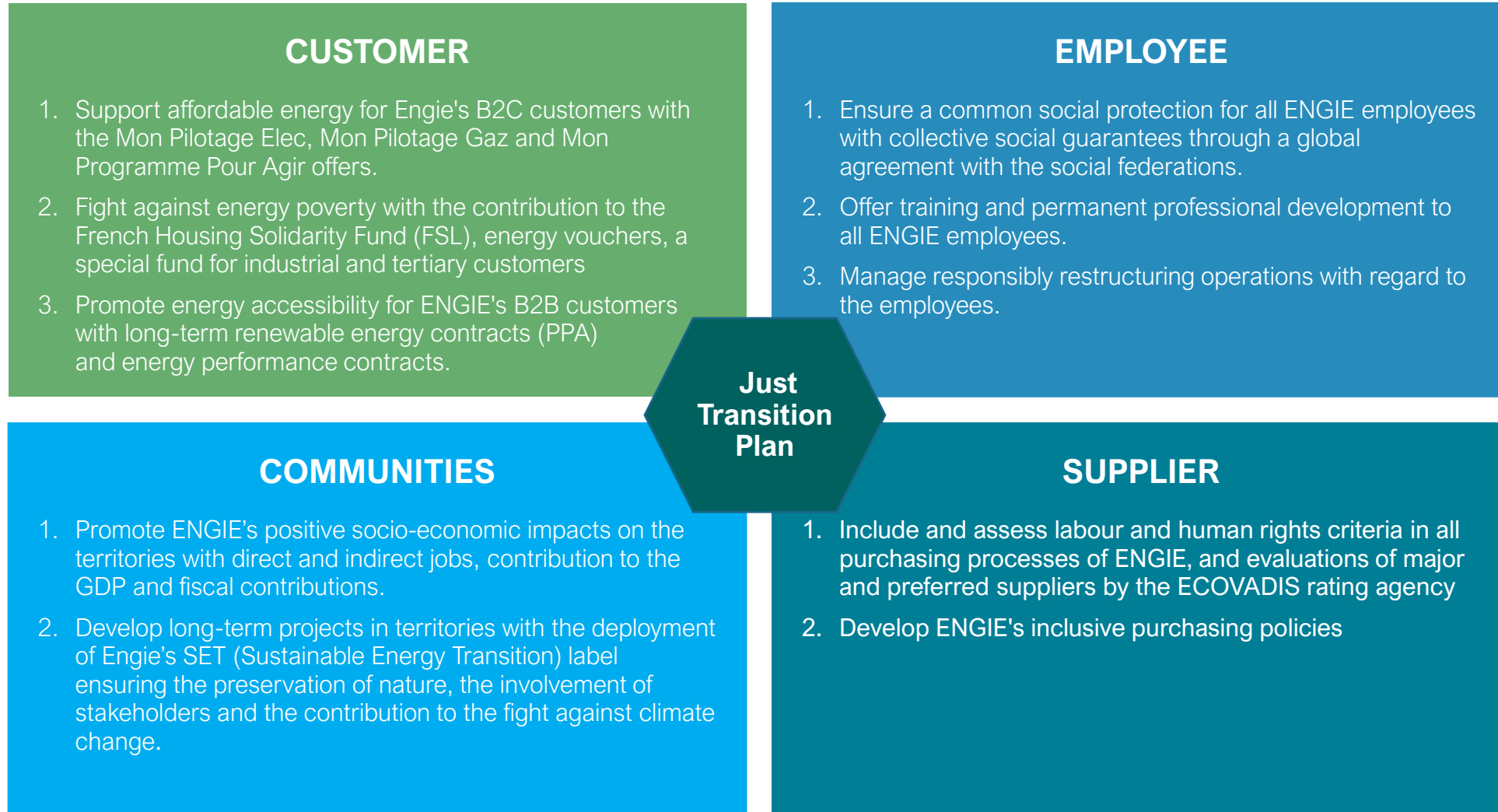
## Operational Preparedness

Identification of ENGIE sites with high vulnerability to climate change

Current build up of Group adaptation plans to reduce vulnerability to climate change



# ENGIE'S COMMITMENT FOR A JUST TRANSITION





# STRONG COMMITMENT AND CONCRETE ACTIONS IN FAVOR OF SOCIAL IMPROVEMENT

## Diversity

### Maintain vigilance on gender pay equity

- Groupe ENGIE : 1,7 %
- Target 2030: < 2 %

### Strong commitment on gender Diversity

- 30%<sup>1</sup> of women in management (vs 29% in 2021)
- 31% women managers recruited
- Target 2030: between 40 and 60% of women in management

Engie is recognized among the largest companies in France, Europe and the world in terms of efforts on gender diversity, as shown by the results below :

- 10th in the list of Women in Leadership Led by the Ministry Responsible for Equality between Women and Men (out of 120 SBF companies).
- Nominated at the 2023 Bloomberg Gender Equality index for the second consecutive year among 484 internationally recognized companies.
- 47<sup>th</sup> in the European Gender Diversity Index Report 2021 issued by European Women on Boards- EWOB (out of 668 European companies evaluated) and 7<sup>th</sup> among French companies

### Afnor diversity label



## Hiring, Training, Engagement

### Apprenticeship

- ~ 7,7% of apprentices in France
- Target 2030: 10% of apprentices in workforce in France
- ENGIE's "Apprenticeship training center" dedicated to energy transition and climate businesses, count more than 200 young trainees since its creation.

### Training

- ~84%<sup>1</sup> of employees trained
- Target 2030: 100%

### Employee commitment<sup>2</sup>

- 86%<sup>1</sup> would recommend ENGIE as a good place to work (+3pts vs. 2021)
- 86% fully committed (+1pt vs.2021)

1. 2022 figures

2. ENGIE INTERNAL SURVEY



# ENGIE COMMITTED TO HEALTH & SAFETY

## Health & Safety

### Safety

- **Our ambition: 0 serious or fatal injuries**
- **Assessment** by an external expert company of the Group Health & Safety management and culture in particular for prevention of serious and fatal accidents
- Definition of « **ENGIE One Safety** » **holistic transformation plan** based on its recommendations and return of experience
- **Lost Time Injury Frequency Rate = 2.0** compared to 2.5 in 2021 (2030 target: 2.3)

### Well-being at work

- “No mind at risk” program
- Deployment of 9 commitments for wellbeing at work

## ENGIE One Safety

### Domains covered by the new transformation plan

- Strengthening the **culture** of all people working for ENGIE
- Adaptation of Health & Safety **governance** and organization
- Revision of **ENGIE rules**
- Reorganization of internal **Health & Safety audits**
- Strengthening of the **Health & Safety functional line**
- Strengthening the management of **subcontractors** and the management of **construction or dismantling projects**
- Launching of a **communication and change management** plan

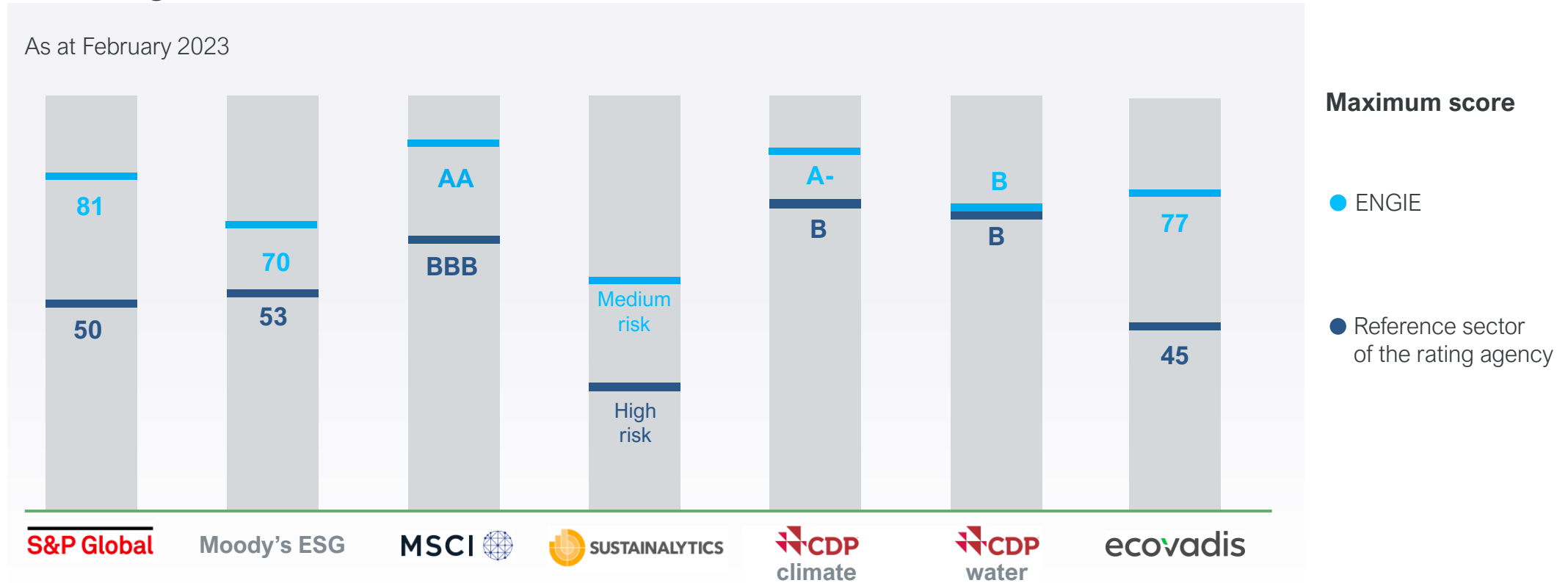
## Some major Achievements

- Adaptation of Health & Safety **governance**, up to Group Executive Committee
- Definition of a **new set of indicators** to monitor more closely the prevention of serious and fatal accidents
- Testing at 7 pilot sites of a **new training and coaching program** for all operational managers (deployment to other Group entities in 2023)
- **Strengthening of ENGIE rules** on management of serious and potentially serious accidents, on compliance with Life Saving Rules, on promotion of a just and fair culture
- Revision of the **internal Health & Safety audit system**, now focused on the prevention of serious and fatal accidents
- Deployment of a **new communication campaign** "Never compromise on safety"

# ENGIE INDEXES AND CSR RATINGS

The Group is listed on the Paris and Brussels stock exchanges (ENGI) and is represented in the main financial indices (CAC 40, Euronext 100, FTSE Euro 100, MSCI Europe) and non-financial indices (DJSI World, Euronext Vigeo Eiris - Europe 120/ France 20, MSCI EMU ESG screened, MSCI EUROPE ESG Universal Select, Stoxx Europe 600 ESG-X)

## CSR ratings





# COMMITTED TO INCREASE GROUP FINANCING THROUGH SUSTAINABLE FINANCE INSTRUMENTS

A pioneer & leader  
on the Green Bond market

with **€17.65bn<sup>1</sup>**  
of green bonds issued since 2014

ESG related bonds' share of outstanding bond  
financing expected to climb further **over the next  
10 years to reach more than 70%**

**€9bn**

of Sustainability-linked Revolving Credit Facility.  
Margin indexed on two climate KPIs

**€3bn**

of Green Project Finance  
(not financed by the Group's Green bonds)

**21,100**

employees invested in solidarity fund  
*Rassembleurs d'énergies*

**~80%**

of assets funding pension liability  
invested with asset managers  
signatories of UN PRI

**€4.4bn**

of assets financing  
French pension and nuclear liabilities  
are managed with **ESG exclusion criteria**

Adherence to the  
B Team principles

**THE B TEAM**

Responsible taxation recognized by the  
World Benchmarking Alliance

**100%**

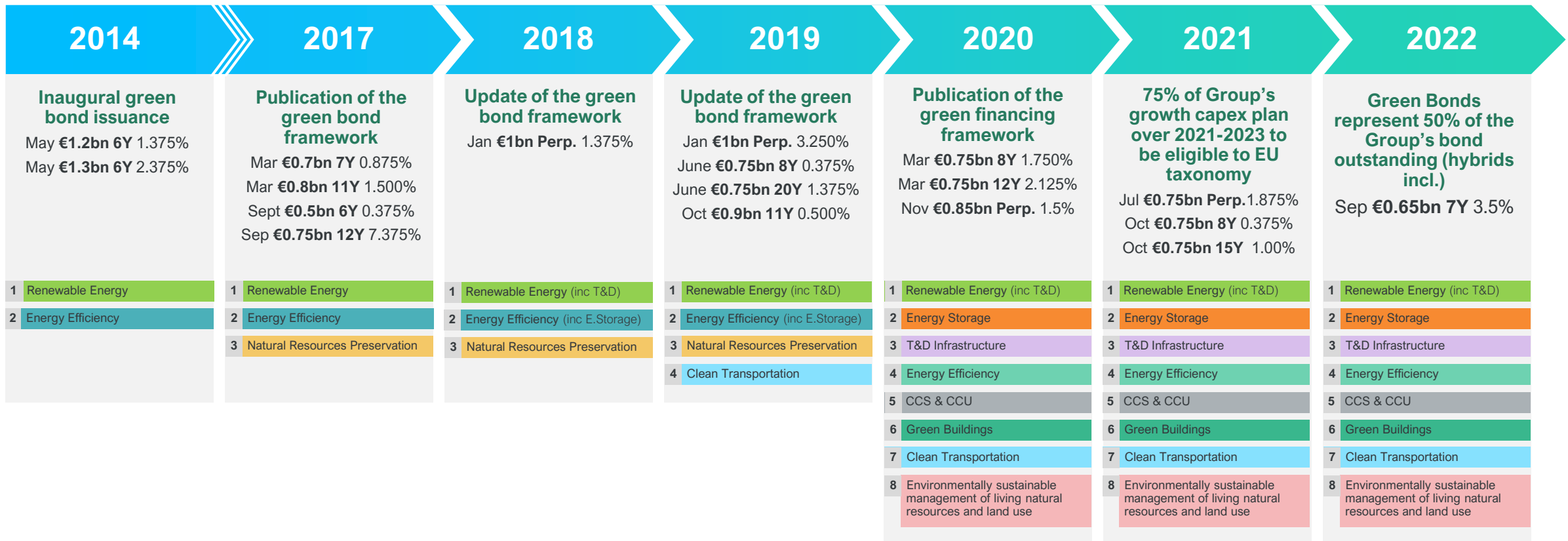
of Money Market funds invested  
by Group's treasury with ESG  
investment screening

<sup>1</sup> Feb 2023



# ENGIE'S COMMITMENT TO THE GREEN BOND MARKET (1/2)

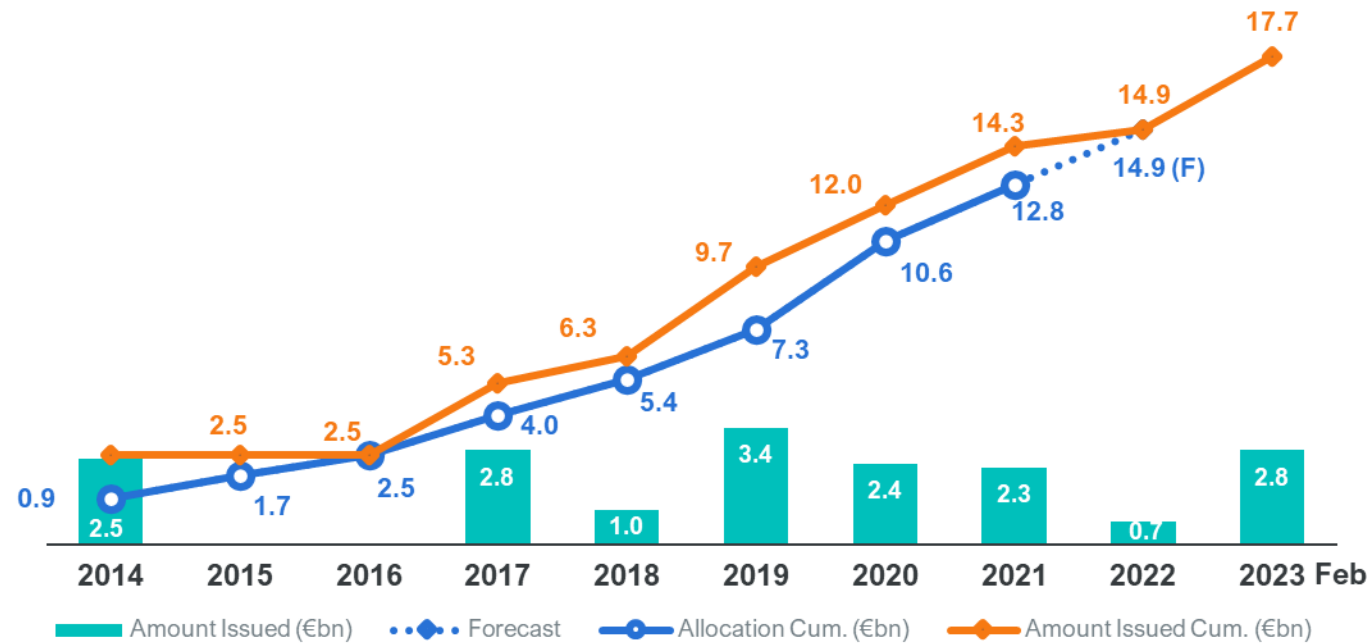
ENGIE is one of the world's top issuers in green bonds with €17.65bn issued since 2014, of which €0.65bn in 2022 **and € 2.75 bn in January 2023**



# ENGIE'S COMMITMENT TO THE GREEN BOND MARKET (2/2)

ENGIE is one of the world's top issuers in green bonds with close to €17.65bn issued since 2014, of which €0.65bn in 2022 and € 2.75 bn in January 2023

## Historical issuance and allocation €bn as at Feb 2023



A green bond (GB) is a bond that is specifically earmarked to raise financing for climate and environmental projects. Allocations to green projects are verified and reported annually (in the URD). These bonds carry the same credit rating as the issuers' other debt obligations.

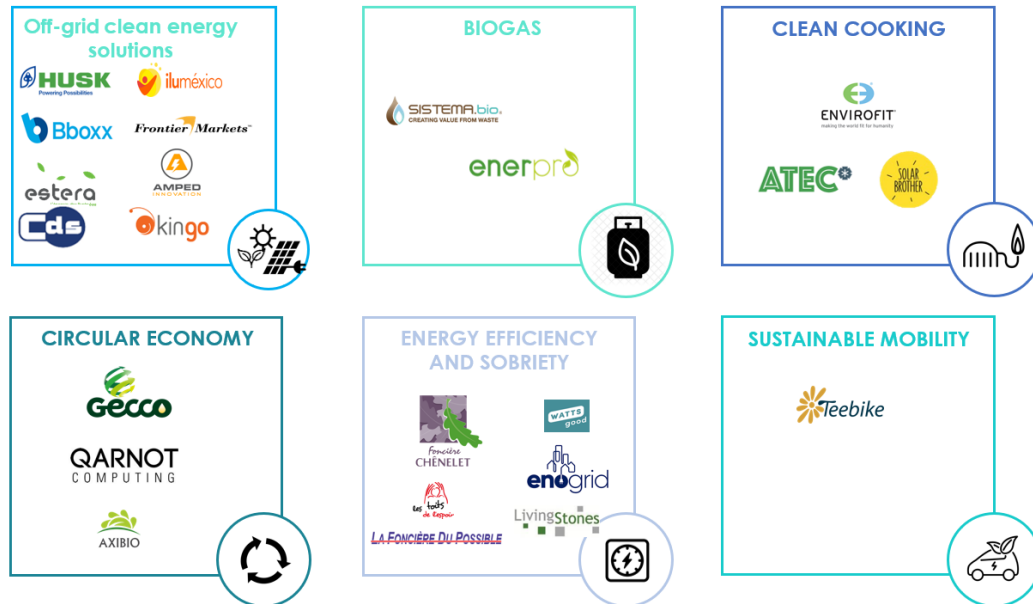
# ENGIE RASSEMBLEURS D'ENERGIES

A robust track record with highest standards



## A GLOBAL & DIVERSIFIED PORTFOLIO

- 22 active investments
- €38,3m invested as of end of 2022



## SOCIAL LEADERSHIP



B.Corp  
2019 Certification  
Renewed in 2023



French  
'Société à Mission'  
status

## HIGH SOCIAL & ENVIRONMENTAL IMPACT

- 7.8 million beneficiaries for energy access
- 33,000 jobs created of which 60% women
- 4 women CEOs, a gender equality focus
- 2,1 MtCO<sub>2</sub> eq avoided per year

## EMPLOYEE ENGAGEMENT

**21,100 employees**  
invested in Rassembleurs d'énergies solidarity fund