



JUST TRANSITION

Action plan

As part of the Just Transition policy



Just Transition

Action plan

2024-2030

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1. Introduction

The Paris Climate Agreement introduces the Just Transition as a fundamental and ambitious concept that aims to ensure that the transition to a sustainable, low-carbon economy is achieved in an equitable manner, with respect for nature. This process is not limited to economic considerations; it also incorporates consideration of the social and environmental impacts on all stakeholders, including workers, communities, customers and the territories concerned. It also covers the value chain. By taking these multiple dimensions into account, Just Transition aspires to leave no one behind, ensuring that the benefits of this transformation are shared fairly and inclusively.

The Agreement's preamble clearly underlines this need. It states that it is imperative to take into account the challenges of a Just Transition for the working population, while promoting the creation of decent, quality jobs, in line with development priorities established at national level. This international commitment reflects a growing awareness of the socio-economic consequences of environmental change, and highlights the importance of balancing climate objectives with labor market realities.

The International Labour Organization (ILO) reinforces this vision by stating that it is essential to "green the economy in a way that is as equitable and inclusive as possible for all concerned". This implies not only putting in place decent working conditions, but also ensuring that the most vulnerable groups, often the hardest hit by economic and environmental change, benefit from this transition. The ILO thus calls for an approach that respects workers' rights and promotes dignified working conditions for all. This perspective highlights the need to adopt active policies to support workers affected by the transition, in order to facilitate their reconversion to sectors of the future.

In this context, the ENGIE Group is committed to acting responsibly and proactively. In line with its "raison d'être", ENGIE has adopted a policy in favor of a Just Transition, integrated into its societal commitments. Thus, every initiative and project undertaken by the Group takes into account its social and economic repercussions, to ensure that the energy transition is beneficial for all stakeholders. This action plan is an operational expression of this policy, articulating categories of concrete measures designed to support workers in their retraining, to support territories and communities in their adaptation to the new economic realities, guide consumers in their own energy transition, and foster an inclusive dialogue on the challenges of the transition and work with the entire value chain.

This Just Transition action plan aims to build a future where energy transition is synonymous with social progress, equity and respect for the environment. By joining forces and adopting a collaborative and inclusive approach, we can meet the challenges of transition while seizing the opportunities it offers to build a more sustainable and resilient society. ENGIE's commitment to the Just Transition is a model of social responsibility, seeking to create a harmonious balance between economic development, social justice and the preservation of our planet.



"Committed to fair and responsible transitions, this is what the Commitment Forum advocates, an ambition in which ENGIE fully recognizes itself."

Jean-Pierre CLAMADIEU, Chairman

March 2nd, 2023

"We can collectively make a success of the energy transition, a transition that is affordable and a source of employment in our territories".

Catherine MacGREGOR, Chief Executive Officer

June 23th, 2024

"The energy transition will only be possible if it is humanly acceptable. Based on this conviction, we have identified four pillars to ensure that this transition is fair: employees, customers, affected communities and our suppliers."

Julia MARIS, Vice President ESG

May 17th, 2023



2. Context

ENGIE is a global leader in the energy sector: renewable energy production, centralized energy networks, decentralized energy networks and energy services, low-carbon power generation, gas and electricity supply and energy management.

The Group's key areas of expertise allow it to offer its customers competitive, high value-added solutions that enable them to achieve their carbon neutrality objectives. Thanks to these skills, ENGIE acts in various fields to decarbonize electricity production, set up efficient urban networks, and offer energy management, decarbonization efficiency and low-carbon energy supply services.

These actions are part of ENGIE's ambitious strategy: to be Net Zero Carbon by 2045. Indeed, ENGIE is committed to achieving Net Zero Carbon by 2045 for all its direct and indirect greenhouse gas (GHG) emissions, following a "well below 2°C" trajectory. The Group is also already NZ-2 certified by Moody's for its Net Zero Carbon trajectory.

To achieve this goal, ENGIE aims to make a massive transition to decarbonized energy production and the supply of low-carbon energy, with the aim of limiting as far as possible the residual emissions to be offset. This trajectory is based on intermediate targets for greenhouse gas (GHG) emissions from energy production and GHG emissions from the use of products sold.

Two key levers have been implemented to ensure this trajectory:

- coal phase-out by 2025 in Europe and 2027 in the rest of the world: in line with its coal phase-out plan, the Group will give priority to closing sites, then converting them to less carbon-intensive energy, and finally selling them if they cannot be closed or converted due to local constraints,
- accelerated development of renewable energy production and green or low-carbon gas: this will be achieved by an average of 4 GW of additional production capacity up to 2025 and 6 GW per year between 2026 and 2030, as well as by the development of renewable gases based on increased production and use of biomethane and green hydrogen.

The Group's low-carbon trajectory includes the nature dimension as a whole. Indeed, reducing impacts on biodiversity, water, oceans and soil is part of the Just Transition concept and of the ESG strategy, which encompasses all dimensions.

For ENGIE, a fair and affordable transition for all is the challenge of the coming years. All our teams are fully committed to our collective success.



3. Impact analysis

The Just Transition relies on ENGIE's interaction with its stakeholders: employees, customers, suppliers, as well as communities and territories. This transformation towards a carbon-neutral economy, while essential to the fight against climate change, can have varied and significant effects on each of these groups, depending on the projects and business changes that are put in place.

For employees, the implications of this transition are both numerous and complex. On the one hand, the decommissioning of fossil fuel assets, particularly coal, often entails job reallocations, and sometimes even redundancies. These changes can create professional uncertainty for many workers, who then have to reorient themselves towards new sectors or functions. The need for professional mobility, sometimes geographically, raises additional challenges: employees may be forced to leave their home region for job opportunities in booming sectors such as renewable energies. This dynamic can give rise to significant social issues, including the loss of community ties and the displacement of families.

At the same time, this transition requires a significant adaptation of skills. New technologies and practices require adapted training, creating greater needs for professional development. Companies need to invest in continuous training programs to enable their employees to adapt to new market challenges. However, this process can also raise issues of diversity and inclusion, as workers from traditional sectors may be underrepresented in new industries. Constructive social dialogue is therefore essential to managing these transitions, ensuring that the voices of all employees are heard and taken into account.

The occupational health and safety dimension also deserves close attention in the context of the energy transition. With the emergence of new energy projects, it is crucial to ensure that safety standards are met, while taking into account the anxiety and stress generated by rapid and potentially disruptive changes in the workplace. Psychological support and stress management programs can be beneficial in helping employees cope with these transitions.

As far as territories are concerned, the closure of former industrial assets, such as coal-fired power plants, can have considerable consequences for the economic and social resilience of the regions concerned. These closures often lead to a reduction in local wealth, with a direct impact on the attractiveness of the territories, particularly for local suppliers and young people seeking employment opportunities. While new renewable energy projects can generate jobs at various levels of the value chain, it is essential to consider the potentially negative effects on biodiversity and local communities. For example, the installation of wind farms or solar panels can affect surrounding ecosystems and lead to conflicts of use with local populations, who must be involved in decisions that affect them.



Customers, both residential and industrial, often express concerns about post-transition energy costs. The perception that energy, while more climate and environmentally friendly, could become less affordable is common. Costs associated with infrastructure and network upgrades can impact consumer bills, raising concerns about the fairness of this transition. In addition, the issue of security of supply is paramount, especially given the intermittency of some renewable energy sources, such as wind and solar. Customers are also wondering about the social and environmental impact of these new energy sources, as well as the costs of adapting their facilities to the new energy models. These questions highlight the need for a transition that is both fair and equitable, taking into account the economic realities of consumers.

Finally, the value chain must adapt in depth to new energy models. This transformation implies an evolution in suppliers, who must meet the demands of sustainability, innovation and resilience in the face of change. Collaboration between the various economic players becomes crucial to ensure that the transition is smooth and beneficial for all. This includes promoting sustainable and local purchasing, which can strengthen regional economies while reducing the carbon footprint associated with transport.

It is essential to note that, despite these potential negative impacts, the legitimacy and validity of the energy transition are not in question. Indeed, the need to act in the face of climate change and to foster a more sustainable future is imperative. With this in mind, ENGIE is committed to carrying out this transformation responsibly. In line with its compliance plan and its environmental, social and governance (ESG) policies, the Group aims to ensure a transition that is fair and accessible to all, throughout the territories where it operates. This involves setting up support programs for affected employees, initiatives to raise awareness, reassure and best meet customer expectations on the challenges of transition, as well as an active collaboration with territories to co-build projects that respect the environment and communities. By mobilizing all stakeholders, ENGIE seeks to minimize the adverse effects while maximizing the benefits of a transition to a sustainable and inclusive energy future that enables optimal appropriation of activities by the territories.



4. Objectives

In response to the major impacts identified and as part of its dedicated policy, ENGIE has set strategic priorities for the four categories of stakeholders involved in the Just Transition.

4.1. Preserving social guarantees during business transformations and developing employability

For its employees, ENGIE has always been committed to supporting them as closely as possible in its transformations, while preparing for the industrial future. ENGIE is committed to systematically seeking to preserve collective social guarantees during the transformation of its organizations within the framework of a high-quality social dialogue.

As part of its "retain & retrain" approach, which focuses above all on training and retraining, ENGIE offers training programs to adapt to changes in the business and enable employees to improve their qualifications, acquire new skills and develop their employability throughout their careers. As part of the strategic review, ENGIE may consider that an activity is no longer at the heart of its business or geographic strategy, and that a new shareholder would be better placed to develop the divested activity and its employees. In this case, ENGIE will endeavor to negotiate appropriate social clauses.

4.2. Embarking our customers on the path to the green transition

For customers who could be impacted by the restrictive nature of certain climate policies, notably the price of carbon, or by geopolitical crises. ENGIE wants them to benefit from affordable energy, i.e. at a cost that is acceptable to individuals and businesses, which is essential to limit the impact on household purchasing power and business competitiveness. This is why ENGIE is developing flexible solutions to help people consume less, by providing energy management services that enable them to act on their energy consumption, and to consume better by developing green energy offers. ENGIE is also very active in the fight against fuel poverty.

4.3. Ensuring regional development by helping to create jobs

For territories, renewable energies and decentralized, low-carbon infrastructures can be an important driver of regional socio-economic development. It is an opportunity to advance economic and social development not only through job creation and tax payments, but also through the establishment of competitive local supply chains and territorial dynamism. Thus, in order to reconcile the contribution to the reduction of greenhouse gas emissions and the positive impacts on the territory, ENGIE wishes to strongly involve its stakeholders in the projects, with the guarantee of the preservation of nature and the optimization of their contribution to the fight against climate change.

4.4. Committing to inclusive and socially responsible purchasing policies

For suppliers, ENGIE integrates labor and human rights criteria into procurement processes to ensure that they respect labor and other human rights, offer fair remuneration and a living wage, and guarantee a safe and healthy working environment. ENGIE carries out due diligence and oversight, and guarantees access to effective means of redress. ENGIE also positions itself as a recognized partner in



the field of integration through economic activity and the use of the sheltered employment sector to provide a socially innovative solution.



5. Actions

The actions implemented by ENGIE cover the four pillars of the Just Transition: employees, customers, territories and suppliers, in line with the impacts and objectives identified.

5.1. Employee axis

ENGIE is committed to quality social dialogue at all levels of the Group, and undertakes to systematically preserve collective social guarantees when transforming its organizations. In the event of any reorganizations and transformations, ENGIE undertakes to seek to secure jobs under the best possible social conditions. Employability, anticipation and the development of skills for all employees are at the heart of ENGIE's human resources policy, which is linked to the preservation of health and safety in the workplace and the quality of job offers.

5.1.1. Quality social dialogue

Social dialogue at ENGIE is transparent and includes consultation and co-design practices, to give employees and their representatives the opportunity to influence decisions at every stage of the process. It is also conducted at local level, involving local union representatives, as well as regional and local public authorities.

On January 20th, 2022, ENGIE renewed its agreement on fundamental social rights and social responsibility with the international trade union federations IBB (building and wood sector), IndustriAll (industry sector) and ISP (public services sector), as well as with the representative trade unions at Group level in France (CFDT, CFE-CGC, CGT and FO), following an initial agreement signed in 2010. ENGIE and its subsidiaries reaffirm their commitment to respecting internationally recognized standards of human rights, labor rights and trade union rights in all their activities.

In addition, ENGIE's vigilance plan is the subject of a strengthened social dialogue within the framework of the global agreement: working groups have been set up with the international trade union federations and the representative trade union organizations at Group level, and a regular update is given at the annual meeting (Global Forum).

As health and safety is an absolute priority for the Group, the system is completed by a global agreement on this topic signed on May 13rd, 2014. At European level, five agreements are in force: professional equality (November 22, 2017), European works council (June 22, 2017) social agreement (April 8th, 2016), improving quality of life at work (November 27th, 2014) and forward-looking management of jobs and skills (February 23rd, 2010).

Our ambition is to bring these agreements to life, complementing those already in place within the Group's companies.

Finally, every other year, ENGIE&Me, an internal engagement survey, is launched among all employees to gather their opinions on the Group, its development and its strategy. The response rate to this survey reveals how committed employees are to the future of their company.



Indicators

- *Number of existing agreements worldwide*
- *Number of existing agreements at European level*
- *Employee commitment rate*

5.1.2. Guarantee base for restructuring

In the context of coal phase-out – where ENGIE prioritizes the closure of the site concerned, its conversion or, as a last resort, its sale –, if it is impossible to close or convert the plant due to local constraints or for a site undergoing conversion, for example from coal to gas, ENGIE is also committed to its employees.

All employees affected by the closure or conversion of a site are offered a solution (internal redeployment, training, external redeployment, personal project assistance, including outside the Group).

In addition, attention is also paid to employees in the value chain, where local actions are implemented (training in renewable energies, support for personal projects or business start-ups, etc.).

Indicators

- *100% of entities affected by transformations offer a solution to employees*
- *Percentage of employees concerned*

5.1.3. Diversity and inclusion

Promoting diversity, inclusion and equal access between men and women is a key focus of the ENGIE Group's human resources policy. The Group's Diversity, Equity and Inclusion (DEI) policy is based on five pillars:

- equality between men and women: achieving parity in the workplace is a key objective for ENGIE, by increasing the number of women in the Group, and by feminizing the technical professions, which are currently in short supply,
- origins: develop diversity within ENGIE and value the richness of each person's origins in terms of culture, ethnicity, nationality, religion, social background and educational background,
- LGBTQ+: developing the inclusion of LGBTQ+ people so that they feel included and respected, regardless of their sexual orientation or gender identity,
- skills: adapting the organization and working conditions to welcome and include people with any type of disability,
- generations: drawing on the talent and energy of all generations, promoting the employability of young and senior alike, and sharing knowledge and skills between generations.



This policy is also supported by a guide dedicated to the fight against sexual harassment and sexist harassment, and a guide against all forms of discrimination against LGBTQ+ people complemented by the signature of L'Autre Cercle's LGBTQ+ Commitment Charter, the introduction of the Allodiscrim reporting platform and the launch of the 'Friends by ENGIE' internal network for the LGBTQ+ community. Last but not least, actions in favor of employees who help others have also been deployed. It should be noted that some national legislation prohibits the collection of personal data linked to DEI criteria.

Indicators

- *Percentage of women in workforce and management*
- *Number of permanent and fixed-term hires*

5.1.4. Decent, green jobs

ENGIE's ambition for its employees is first and foremost to ensure their health and safety at all times, by offering them decent remuneration conditions, a good level of social protection and training plans to ensure their employability.

In May 2014, ENGIE adopted a dedicated Human Rights policy detailing the Group's commitments, and it pursues a policy of excellence to ensure the best possible working conditions worldwide. The Group's health and safety policy aims to make every individual, whether executive, manager or employee, a committed player in health and safety, as emphasized in the 2014 global agreement, because the first justice is that every employee goes home safe and sound every day.

In line with its previous commitments, the Group has drawn up a health and safety action plan for 2021-2025, structured around three axes (No life at risk, No mind at risk, No asset at risk) and complemented by two cross-functional levers: digital to standardize and accelerate the implementation of priority actions, and communication to strengthen the health and safety culture and everyone's commitment.

ENGIE pays decent wages and respects the minimum wages and social guarantees of each country, in particular the payment of social security contributions in accordance with the minimum conditions of the countries where its activities are located.

In addition, ENGIE has set up the CARE program, which aims to establish a minimum level of social protection for all its employees, whatever their status, employer or country of employment. It comprises four pillars of social protection:

- health cover guaranteeing reimbursement of at least 75% of costs in the event of hospitalization,
- protection for family and loved ones in the event of death, through the payment of a lump sum equivalent to at least twelve months' salary,
- four weeks' paid paternity leave,
- fourteen weeks' paid maternity leave.



Maintaining and developing skills, adapting to the new demands of the energy sector, training in renewable energies conditioning the employability of the personnel, based on an ambitious training program: 100% of employees trained each year by 2030.

Indicators

- *Number of fatal accidents (employees and subcontractors)*
- *Lost-time accident frequency rate for employees, temporary workers and subcontractors*
- *Coverage rate of the ENGIE CARE program*
- *Number of training hours and number of employees trained*
- *Employees mobility rate*

5.2. Customer focus

Selling energy at an acceptable cost is essential to limit the impact on household purchasing power and business competitiveness. This is why ENGIE supports its customers in their own energy transition, helping them both to consume less thanks to control solutions that enable them to act on their energy consumption, and to consume better by offering them green and decarbonized energy.

5.2.1. Individual customers

For individual customers, the Just Transition means sustainable energy and services at an affordable price, thanks to innovative offerings. It also means considering access to energy when they don't have it.

5.2.1.1. Energy and services

Consumers demand clear, transparent information on energy transition, energy savings and energy efficiency, and ENGIE is committed to providing this on a daily basis.

To help them with their own energy transition, ENGIE has set up concrete actions and is developing a range of offers and services for consumers and end users such as:

- green electricity or green gas offers,
- services that enable them to understand their energy consumption and take action on it, for example with digital tools (apps) that enable them to monitor their consumption in real time and control their heating equipment remotely,
- energy-saving awareness campaigns,
- individual or group challenges to reward reduced consumption,
- tariff optimization offers to consume when electricity is cheapest.

Indicators

- *Individual customer satisfaction rate*
- *Number of green electricity contracts in the portfolio*



5.2.1.2. Fighting energy poverty

ENGIE has a portfolio of around 20 million energy contracts in the countries in which it operates, including around 1 million customers considered to be in precarious or fuel poverty situations. The definition of a precarious customer may differ from one country to another, depending on national legislation.

ENGIE attaches particular importance to helping its customers in situations of energy poverty, and not only applies the measures taken by local public authorities, but also carries out its own initiatives.

ENGIE is pursuing a series of actions to provide better support for customers in energy poverty, such as the implementation of national aid programs for these customers, energy-saving awareness campaigns, collaboration with associations, social mediation partners or social workers, the provision of specific tools free of charge for monitoring consumption, dedicated telephone lines, payment deferrals, aid for the purchase of efficient equipment, etc.).

Indicator

- *Number of customers helped*

5.2.1.3. Access to energy

Thanks to the combined actions of Energy Assistance, an internal Group NGO, the ENGIE Foundation and the subsidiary Energy Access, every year many households around the world have access to energy, mainly from renewable sources.

Indicator

- *Number of impacted people benefiting from energy access*

5.2.2. Business customers

Businesses are key players in local life, and supplying them with cleaner, affordable energy is also part of the Just Transition. That's why ENGIE is offering them new power purchase agreements. By making long-term investments in power purchase agreements, our customers are true partners in the development of new renewable energies. These power purchase agreements (PPAs) aim to develop and operate renewable energy projects for companies seeking predictable energy costs, mitigated risks and economies of scale, thus supporting their decarbonization efforts.

ENGIE is also developing energy performance contracts for the private and public tertiary sectors, social landlords and industrial companies. The idea is to define consumption targets and guarantee that results will be achieved over the long term. If the results of the work are lower than the agreed savings target, the operator must pay a compensation to the client. If the results exceed the agreed savings target, the operator and the client share the savings.



Indicators

- *Corporate customer satisfaction rate*
- *PPA volume*

5.3. Territories and local communities

The Just Transition for territories and local communities is based on a structured dialogue that underpins all of ENGIE's activities. These activities thus contribute not only to the objective of combating global warming, but also to territorial resilience, which can be measured by a socio-economic footprint study.

5.3.1. Structured dialogue with territories

As part of its policy of engagement with stakeholders and the specific application note for affected communities, ENGIE attaches the utmost importance to structuring dialogue with territories to better understand their concerns and needs and to best meet their expectations. Ensuring that the transition is right for a territory necessarily requires regular and effective exchanges with its stakeholders.

To this end, each project is subjected to an ESG analysis using in-house tools made available to project owners or site managers, and a societal plan is drawn up listing the actions implemented. Preserving the environment is also essential to the quality of life. The environmental angle is therefore taken into account through an environmental plan dedicated to each site. ENGIE aims to have 100% of its sites covered by a corporate social responsibility plan and an environmental plan by 2030.

In line with ENGIE's ambition to develop renewable energies, ENGIE is also deploying a specific method, formalized by the "SET" (Sustainable Energy Transition) label, developed with Bureau Veritas. This label is based on the strong involvement of stakeholders in the projects, the guarantee of the preservation of nature in the vicinity of the installations and the optimization of their contribution to the fight against climate change.

It comprises a total of nine concrete commitments, which go beyond regulatory requirements, and which ENGIE is committed to deploying systematically. TED is the foundation on which ENGIE builds tailor-made renewable energy projects, adapted to the territories in which they are implemented.

Indicators

- *Percentage of sites covered by a societal plan*
- *Percentage of sites covered by an environmental plan*
- *Number of countries covered by the TED label*

5.3.2. Contributing to regional resilience

The development of activities in renewable energies, and even in natural gas as a transitional energy, contributes to the resilience of territories. Indeed, numerous ecosystems can then be set up, with positive impacts in terms of territorial dynamics and industrial excellence. ENGIE is strongly committed



to providing support for sites undergoing conversion, in order to ensure a future for the region and its people, in conjunction with local public authorities.

The taxes paid by the Group contribute to the running of public services and administration in the countries where it operates, which also contributes to local resilience.

Indicators

- *Number of employees worldwide*
- *Taxes paid*

5.3.3. Community involvement

As part of the dialogue with communities, social initiatives, crowdfunding or shared governance actions can be set up, as well as training programs for these communities in dialogue with companies. It's not only a question of mitigating the potentially negative effects of activities, but also a way of involving citizens in the energy transition.

Indicator

- *Examples published on the ENGIE website for certain countries in the considered year*

5.3.4. Socio-economic footprint

After an initial edition in 2019, the Group updated its global socio-economic footprint study in 2023 for publication in 2024, with a focus on the countries in which it operates. Based on the Group's purchases, including energy purchases, salaries and expenses paid, and taxes paid to public authorities, the model developed by Utopies, and regularly audited by INSEE and the firms EY and KPMG, has enabled us to assess the contributions in terms of jobs created and contribution to gross domestic product of the various countries. The study also identifies the different types of impact (direct, indirect, induced by consumption or taxation) and by sector of activity. Local anchoring (percentage of jobs supported locally) and local investment (percentage of expenditure reinvested locally) can thus be assessed, illustrating ENGIE's contribution to the life and resilience of territories.

Indicator

- *Socio-economic footprint*

5.4. Suppliers

ENGIE is actively committed to integrating environmental, social and governance (ESG) criteria into its procurement processes, while promoting inclusive, sustainable and local purchasing. By implementing rigorous policies and due diligence practices, ENGIE ensures that its suppliers respect human rights and environmental standards. At the same time, the Group supports local initiatives and partnerships aimed at strengthening social inclusion and promoting a just energy transition, particularly for small businesses and local communities.



5.4.1. Integrating the ESG dimension into procurement

ENGIE integrates labor and human rights criteria into its procurement processes, including for the supply of renewable energy. These aim to ensure that suppliers respect human rights, offer fair remuneration and a living wage, and provide a safe and healthy working environment. ENGIE carries out due diligence and oversight, and guarantees access to effective means of redress.

The commitment between ENGIE and its suppliers is supported by the Group's procurement policy and involves the application of the following elements:

- a procurement charter,
- social, environmental and human rights clauses,
- a sourcing risk matrix based on geography, sourcing category and ESG criteria; for markets considered "at risk", additional measures are implemented: due diligence, request for supply chain information,
- a code of conduct in supplier relations: all ENGIE suppliers must comply with seven key principles,
- an active participation in industry initiatives (e.g. Solar Stewardship Initiative, RECOSI, Sustainable Biomass Program),
- a blacklisting procedure: as a last resort and in response to repeated and uncorrected breaches of their commitments as defined in the Purchasing Charter; before awarding a contract, buyers check the blacklist,
- training: ethics and supplier relations, due diligence policies for direct suppliers and subcontractors.

To monitor preferred and major suppliers, assessments are carried out via the EcoVadis platform (audited supplier questionnaires, environment, health and safety, working hours, forced labor, child labor, etc.): suppliers with a score below 45 points must implement a corrective action plan, which is monitored via the EcoVadis platform. The aim is to have 100% of the top 250 suppliers with a score above 45 by 2030.

ENGIE also supports its suppliers in their fair energy transition, especially smaller companies that have fewer opportunities and resources to transform.

Indicators

- *Percentage of suppliers evaluated (Preferred & Major) with a score above 45*

5.4.2. Inclusive, sustainable and local purchasing

The notion of inclusive purchasing is a geographically marked concept, most often at national level, as it is strongly linked to regulations on the one hand, and cultural references on the other. As a result, inclusive or responsible purchasing varies from country to country.

These commitments and the Group's expertise in social clauses have led to the professionalization of actions and partnerships in favor of people who are far from employment, vulnerable people and



people undergoing retraining, as close as possible to the regions and in partnership with local structures specializing in integration or sheltered and adapted work. ENGIE is extending this responsible sourcing approach to the other countries in which it operates.

As part of the projects carried out by the Group, local purchases may be required by national legislation or desired after dialogue with stakeholders. These local purchases, sometimes after training local suppliers, help to create a resilient economic fabric and secure the Group's supply chain.

Indicators

- *Responsible Purchasing Index*



6. Governance

ENGIE's Executive Committee validates the Group's policies covering environmental and social issues. It supports each of the associated ESG objectives, ensures their implementation and monitors performance.

ENGIE's Board of Directors, supported by the Ethics, Environment and Sustainable Development Committee (CEEDD), is responsible for examining the risks and opportunities associated with societal challenges, including the Just Transition, and making recommendations to the Board of Directors. It is responsible for validating ESG objectives and regularly reviewing progress.

ENGIE's Board of Directors ensures that ESG issues, including stakeholder impacts, risks and opportunities, are properly integrated into the Group's strategic investment projects.

The Group's ESG Department steers the transition plan in conjunction with the GBU Sustainability Officers and Country Sustainability Officers responsible for its operational deployment.

7. Follow-up

Monitoring is carried out by the ESG Department. Indicators are included in the Sustainability Statement and/or the Universal Registration Document, in accordance with applicable regulations.

A follow-up document is prepared annually after publication of the Group's official documents.