

CORPORATE SOCIAL
RESPONSIBILITY POLICY

**Opening
new
Opportunities**

Our CSR ambition



ENGIE

EDITORIAL

CORPORATE SOCIAL RESPONSIBILITY POLICY



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The choices made by our company affect its economic results, the communities in which it operates, the environment and, more generally, society as a whole. That's why we must all focus on taking into account and involving in our policies, decisions and actions, all stakeholders with whom the Group interacts, as customers, communities, employees, shareholders, suppliers, public authorities and non governmental organisations.

We must adopt an ambitious approach and strive for innovation and continuous progress. The Group's extensive transformation calls for strong Corporate Social Responsibility (CSR) tailored to the new challenges facing society. This Group policy sets out the CSR priorities and commitments with a view to uniting all skills, generating shared value and helping to achieve the UN's Sustainable Development Goals.

We encourage all Group employees to live these commitments in their work. Opening up new opportunities will enable the Group to contribute to a more harmonious world and to secure its role as a leading stakeholder of the energy transition and associated services beyond energy.

This decision shall take effect by November 23, 2017. This policy applies to all activities conducted by ENGIE on its behalf, as well as by its controlled subsidiaries around the world. It has been devised taking into account CSR standards and the commitments made by organisations such as the UN, ILO and OECD to which the Group adheres. The policy applies within the limits of the laws and regulations governing regulated companies.

Isabelle KOCHER

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Paulo ALMIRANTE

A handwritten signature in black ink, appearing to be 'Paulo'.

01.

THE GROUP'S COMMITMENTS

To provide secure energy that is better consumed, accessible to as many people as possible and respects both society and the environment.

→ RESPONSIBLE CONSUMPTION: **"Get our customers involved in the energy transition"**

The expectations of consumers are changing radically in all sectors of the economy. Customers are playing a growing role in managing their own energy consumption, sometimes even generating green energy themselves. ENGIE is committed to raising its customers' awareness of innovative solutions able to help them to get to grips with their consumption, incorporate new technologies, move towards green mobility, or towards renewables to fulfil their expectations.



— Borne de recharge de voiture électrique (France)

→ SUSTAINABLE PURCHASING: **"Expand the scope of our commitments to our suppliers"**

The Group relies on thousands of suppliers, ranging from large international groups to local SMEs. The fundamentals of ENGIE's supplier relationships are intended to establish a balanced, sustainable relationship with all of its suppliers.

The Purchasing Policy sets out ENGIE's commitments (e.g. fair treatment, prompt payments, data confidentiality) and requirements with regard to competitiveness, health and safety, ethics and social issues, and the environment vis-à-vis its suppliers. All of the Group's Purchasing contracts incorporate an ethics and CSR clause. An account manager is appointed for those preferred suppliers selected under

the category strategy. The account managers are tasked with continuously improving operational performance and securing compliance with the Group's accountability requirements.

ENGIE strives to seek ways to amicably resolve any disputes that may arise and, failing that, turns to the ENGIE Mediator in charge of resolving protracted disputes with any person or organisation affected by the Group's activities. All Group employees in general, and buyers in particular, are required to comply with all seven principles of the Code of Conduct in Supplier Relations.

→ STAKEHOLDERS: **"Commit to generating shared value"**

ENGIE's activities require the Group to be active on the ground alongside multiple stakeholders such as communities, associations, local authorities and non governmental organisations.

Stakeholder exchanges are vital to sharing the creation of long-term value with regard to the Group's projects. They contribute to the longevity of the Group's activities intended to provide essential services and further energise job pools.

The Group is committed to raising its managers' awareness of the ways in which stakeholder dialogue can benefit the Group's activities : training employees in dialogue tailored to the situation, needs and limitations of a site, and devising action and dialogue plans with stakeholders, specifically with regard to the launch of new offers or projects.

The Group keeps track of and strives to respond to all questions and any public controversies. It seeks to maintain regular contact with communities affected by its activities as well as with NGOs. It integrates the new regulatory frameworks such as the French law Sapin 2, the French law on the duty of care or CSR Directive.

The Group is committed to making it easier for shareholders to exercise their rights, and strives to forge a lasting bond to

secure their loyalty and long-term adherence to the Group's strategy by providing them with clear, relevant information.

As such, the Group was the first CAC 40 company in France to publish an Integrated Report disseminated every year at the General Meeting. This report incorporates the various aspects of the Group's performance that generate value for ENGIE and society as a whole. It helps to improve the accessibility and transparency of the information supplied by the Group.

→ SOCIAL INFLUENCE: **"Actively contribute to social debate"**

ENGIE is an international group found in 70 countries and involved in a wide range of activities. Drawing on its status and culture, ENGIE wants to shore up its position in the economic and social sphere.

ENGIE has committed to an ambitious gender diversity policy. It fosters a low-carbon economy by promoting, for example, a price floor for carbon and the large-scale use of solar energy through the Terrawatt global initiative.

ENGIE plans to continue shoring up its position and contributing to public decision-making and the development of regulations by engaging in constructive dialogue with public authorities and in partnership with its peers.

By means of its environment policy, ENGIE pledges to gauge its impact on the environment and introduce action plans to avoid, minimise or, if necessary, offset any impact while best managing the resources at its disposal.

The Group is committed to moving away from coal-fired generation and strives to expand its portfolio of assets on a path compatible with the 2°C objective of the Paris agreement. Lastly, the Group helps its operational entities to meet recognised international environmental standards.

→ RESPONSIBLE INVESTMENT: **"Provide meaning and clarity in the long term"**

As part of the energy transition, the Group engages in dialogue with all investors to help them to understand ENGIE's vision and strategic choices. The Group's investment decisions are based on the CSR criteria derived from its policy and take into account regional price curves for carbon.

As a promoter of green finance, the Group is committed to financing its sustainable investments with green bonds, thus demonstrating the responsible nature of these projects and their positive impact on environment.

→ BUSINESS ETHICS: **"Always act in line with our ethical principles"**

When it comes to business ethics, the Group operates according to four basic principles: act in accordance with laws and regulations, behave honestly and promote a culture of integrity, be loyal, and respect others. The Group's ethics and compliance standards convey a strong message of zero tolerance for unethical conduct, fraud and corruption. These principles apply to all Group employees and partners.

A confidential ethics warning system (ethics@engie.com) is open to all Group employees and external stakeholders.

ENGIE pledges to respect, with honesty and integrity, the applicable tax laws and regulations in the countries in which it is active and strives to enhance communication on tax matters.

→ HUMAN CAPITAL: **"Foster diverse talents and competencies"**

The individual development of employees and respect for their diversity are key drivers of the Group's performance and its HR policy. ENGIE requires considerable commitment: respect for the principles of fairness and non-discrimination



— Isabelle Kocher - Presentation of Terrawatt, New York (2016)

→ THE ENVIRONMENT: **"Minimise our carbon and ecological footprint"**

ENGIE is evolving in a world of multiplying environmental issues. The risks posed by climate change, the over-exploitation of natural resources (including water), the erosion of biodiversity, and air pollution are major concerns for society and its longevity.



— Group employees in Rio de Janeiro, Brazil

in recruitment; support for a gender diversity policy when it comes to promotions; the introduction of forward-looking management of jobs and competencies to guide employees towards roles that fulfil the Group's future needs and boost their employability; and support for employees' careers through training or internal mobility.

Furthermore, the Group prioritises constant social dialogue, striving to guarantee well-being at work, secure the commitment and motivation of its employees, prevent psycho-social risks and ensure economic development.

→ GLOBAL CARE / HEALTH, SAFETY AND SECURITY: **"Make everyone's safety a priority"**

Guaranteeing everyone's health, safety and security, as well as the industrial safety of facilities, is a permanent priority for the Group wherever it is active, regardless of country or activity.

The Global Care policy is centred on three major commitments: protect the integrity of people and property, promote quality of life in the workplace, and improve health, safety and security through professional development for all. These commitments are intended to cultivate a 'no life at risk' culture of security shared by all Group employees and subcontractors.

To this end, ENGIE has pledged to eliminate fatal and the most serious accidents and to provide everyone with a high degree of health, safety and security. More specifically, the Group ensures that its employees and service providers respect its nine Life-Saving Rules, which are tangible rules derived from operating experience.

The Group has adopted a Data Protection and Security Policy for its information systems.

→ HUMAN RIGHTS: **"Guarantee constant respect for fundamental rights"**

In addition to its dialogue and consultation intended to ensure that its activities do not infringe the rights of local communities, ENGIE is committed to conducting its activities in line with its employees' fundamental rights and International Labour Organization conventions.

ENGIE rejects all forms of forced or compulsory labour, child labour, discrimination, modern slavery and workplace harassment and violence. It encourages the freedom of association and the right to collective bargaining.

→ ACCESS TO ENERGY: **"Promote universal access to energy"**

More than 2 billion people do not currently have access to sufficient electricity or to clean cooking facilities. With a view to remedying this situation, ENGIE is committed to tackling disparities in access to energy.

As such, in 2011 the Group established an impact investment fund, ENGIE Rassembleurs d'Energies, tasked with promoting universal access to sustainable energy through minority investments in local, high-impact companies.

Through its Energy Volunteer Program, the Group also encourages its workforce to join other employees who volunteer to aid humanitarian initiatives.

In addition, ENGIE is committed to tackling fuel poverty: establishing suitable tariffs; preventing unpaid bills; helping to improve homes; raising awareness of ways to save energy; and maintaining constant contact with local authorities and associations to provide personalised support to the most disadvantaged customers.

Lastly, the ENGIE Foundation, which is in charge of sponsoring initiatives, has set out its philosophy and activities as an extension of the Group's commitment to environmental and social matters.

02.

BREAKDOWN BY OBJECTIVES

The Group's CSR performance is based on achieving 17 objectives by 2020. These objectives were selected based on an analysis of the main challenges facing the Group and its stakeholders (materiality matrix). These objectives are tracked annually through CSR performance reviews with every Business Unit. These reviews are an opportunity to gauge the company's progress.

A CSR assessment detailing these 17 indicators and the action taken by the Business Units and Corporate is sub-

mitted every year to the Group's Executive Committee and the Board of Directors' Ethics, Environment and Sustainable Development Committee with a view to reporting on the progress made in implementing the policy and achieving the Group's CSR objectives for 2020.

Six of these CSR objectives are disclosed externally during the presentation of the annual accounts. They demonstrate the Group's commitment to CSR and its contribution to the United Nations Sustainable Development Goals for 2030.

TOPIC	CSR objective	2020 Target	Main UN SDG concerned
Supporting customers	B2C customer satisfaction rate in 2020	85%	Responsible consumption and production 
Renewables	Share of renewable energy in the generation capacity mix in 2020	25%	Affordable and clean energy 
GHG emissions	% of reduction in ratio of CO2 emissions to energy generation in 2020 compared to 2012	-20%	Climate action 
Stakeholder dialogue	% of industrial activities covered by an appropriate dialogue and consultation mechanism in 2020	100%	Sustainable cities and communities 
Gender diversity	% of women in the Group's workforce in 2020	25%	Gender equality 
Health and safety	Internal occupational accident frequency rate in 2020	3	Good health and well-being 

03.

CSR GOVERNANCE

The Board of Directors' Ethics, Environment and Sustainable Development Committee manages CSR at the highest level of the company, approving the scope of the policies introduced, as well as outlook and action plans.



— Members of the Board of Directors meet in Marseille (France)

The Group's Executive Committee approves in advance the proposed aims in this area.

The CSR Division monitors the CSR performance of the Group. It heads up a network of Business Unit CSR officers;

regularly reviews the Group's tangible challenges; prepares annual action plans; tracks their application through annual CSR performance reviews with each Business Unit; handles responses to extra-financial ratings agencies; monitors the CSR 2020 objectives with the support of the other Divisions involved; and is responsible for preparing the strategy and CSR objectives beyond 2020.

The CSR Division teams up with the Finance Division to lead a cross-sectoral Green Bond Committee, which is responsible for approving projects that may be financed by green bonds issued by the Group.

Every Business Unit ensures that the Group's CSR commitments are respected at local level. As such, the Business Unit CSR officers are responsible for conducting the annual analysis of CSR risks and opportunities, introducing CSR action plans that may include local CSR objectives, and ensuring that CSR criteria are correctly applied in investment projects.

Every employee can become a Group CSR ambassador by taking part in CSR debates and contributing to the Group's CSR initiatives.

The CSR Division holds collaborative workshops with external stakeholders, focusing on pressing CSR issues.

External references

Universal Declaration of Human Rights

Global Compact

OECD Guidelines for Multinational Enterprises

The UN Sustainable Development Goals

International Labour Organisation (ILO) conventions

Global Reporting Initiative (GRI) Reporting Standards

International Integrated Reporting Council (IIRC) framework

ISO 14000 Environmental Management

ISO 26000 Social Responsibility

ISO 37001 Anti-Bribery Management Systems

EU Eco-Management and Audit Scheme (EMAS)

ENGIE references

Visit the Group's website to find out more:

www.engie.com/csr

