

April 2024

Ethics compliance referential

Compliance is one of the 5 principles on which ENGIE has based its ethics and compliance policy.

Ensuring ethics compliance allows to determine Group efficiency level in terms of ethics, by measuring results and performances improvement.

The ethics compliance referential serves as a framework for implementing the principle that laws and regulations apply to each of us (ENGIE Ethics code of conduct, p.8).

It outlines how the Group is organized to help implement the Group ethics and compliance program and to measure compliance. It gathers the Group's policies, procedures and activities to ensure the effective implementation of the Group's ethics and compliance policies and procedures.

1. Main parties involved in ethics compliance

ENGIE's ethical commitment is managed at the highest level of the Group, under the impetus of the Group's Board of Directors and general management.

1.1. The EESDC

The ENGIE Board of Directors, via its Ethics, Environment and Sustainable Development Committee ("EESDC"), oversees the ethics and compliance organization and monitors respect of the individual and collective values underlying the Group's action, and of the rules of conduct to be followed by every employee. It ensures that the Group has adequate means to apply these values and rules.

1.2. The management

The Group's senior executives, particularly the Chief Executive Officer and all other members of the Executive Committee, including the General Secretary, drive and oversee the ENGIE ethics and compliance policy and ensure that it is properly applied. They are the primary promoters of Group ethics and compliance principles and commitments. Their responsibilities in these fields are cascaded at all levels of the managerial line.

A strong message of zero tolerance with respect to ethics, and especially in the fight against fraud and corruption, runs throughout the Group's ethics and compliance framework. This message is regularly communicated by the Chief Executive Officer and passed on by managers at all Group levels.

1.3. The Compliance Committee

The Compliance Committee supports ENGIE's ethics and compliance actions. Chaired by the Group's General Secretary, it is made up of the Group Human Resources Director, the Group Internal Audit Director, the Group Internal Control Director, the Group Legal Director and the Group Ethics, Compliance & Privacy Director.

The committee evaluates the handling of ethical incidents and monitors the process for updating the Group's Ethics & Compliance program.

1.4. The Group Ethics, Compliance & Privacy Department

Within the General Secretariat, the Group Ethics, Compliance & Privacy department manages the integration of ethics into the Group's strategy, management and practices. It proposes the policies and procedures in terms of ethics and compliance and in terms of data privacy, and drives their implementation by GBUs, Regional Hubs, entities and departments at Corporate.

It provides managers and employees with the required tools: ethics training, documentation, reporting tools, solutions for raising alerts in case of potential ethics breaches, etc.

The Group Ethics, Compliance & Privacy department coordinates the implementation of the Group's vigilance plan and monitors ethics incident declarations and their handling within the Group.

It consolidates the various elements in the Group's ethics risk analysis, manages the annual ethics compliance process and, in collaboration with the Internal Audit Department, evaluates the effective implementation of the ethics and compliance policies defined by the Group.

1.5. The Ethics & Compliance network

Led by the Group's Ethics, Compliance & Privacy department, the Ethics & Compliance network comprises end of 2023 more than 240 people actively involved in the operational implementation of the Group's ethical commitments. It is composed of members of the Ethics & Compliance line, as well as ethics correspondents.

Members of the Ethics & Compliance line include the GBU, Regional Hub and entity Ethics & Compliance Officers. Most members also carry out other missions (legal, health & safety, HR, etc.). In Ethics & Compliance matters, they report to the Ethics & Compliance line, so called authoritative. Ethics & Compliance line members are responsible for relaying the Group Ethics, Compliance & Privacy department's missions throughout their respective entities.

The Ethics & Compliance network also relies on ethics correspondents, who relay the missions of the Group Ethics, Compliance & Privacy department within the departments at ENGIE's headquarters.

Mobilizing all of these parties contributes to the Group's exemplary practices in ethics and compliance.

1.6. The Data Privacy Managers network

Led by the Group Ethics, Compliance & Privacy department, the Group's Data Privacy Managers (DPM) network had, at the end of 2023, around 130 people actively involved in the operational implementation of the Group's commitments in the field of Data Privacy.

The Data Privacy Managers ensure in particular the implementation of the Group's Data Privacy framework at the level of their entities.

Responsibilities in ethics and compliance are exercised at all levels of the management line. Ethics & Compliance Officers and ethics correspondents and Data Privacy Managers at each level of the organization advise and support their manager who guarantees that Group ethics is applied.

2. Ethics risks analysis

The Group ensures to know precisely and in detail the ethics risks it may face, whether in its daily activities or as part of its development projects. These analyses allow the mapping of ethics risks, which is updated annually and presented to the Ethics, Environment and Sustainable Development Committee (EESDC) of ENGIE Board of Directors, as well as the establishment of specific action plans.

2.1. An ethics risks analysis integrated in the Group ERM process

The assessment of ethics risks, taking into account specificities of ENGIE activities, is included in the Group's annual risk analysis process (ERM).

Five Group ethics risks are identified for analysis within the ERM process: corruption, infringement on human rights, breach of competition law, breach of embargo rules or export control rules, and fraud. The risk analysis that is part of the Group's ERM process also includes the Data Privacy risk.

Group entities are subject to a mandatory annual analysis of their exposure to all these ethics risks. Two risks are considered as priorities for ENGIE: corruption risk and infringement on human rights risks. These 2 risks are subject of an evaluation methodology common to all Group entities, based on specific check-lists. These check-lists allow to evaluate all the components of the risk and thus to determine the probability of their occurrence and the level of impact. For the corruption risk and the infringement on human rights risks, all Group entities must compile their analyzes, be these risks major or not for the entity, in the Group ERM reporting tool.

The Group Ethics, Compliance & Privacy Department consolidates the ethical risk analyzes and annually updates the Group's ethical risk mapping, including the elements to be deduced for inclusion in the Group's ethics and compliance action plan. These elements are reported annually to the Ethics, Environment and Sustainable Development Committee (EESDC) of ENGIE Board of Directors.

2.2. The analysis of ethics risks in projects

The Group's investment projects and major contracts are also subject to ethics risk analysis prior to any commitment decision.

The due diligence policy on partners related to investment projects, applicable to the whole Group, in particular requires entities to analyze the corruption risk and the infringement on human rights risk for any new project. The entities must carry out the analysis of the ethical risks of the investment project or of the contract concerned in the context of setting up the file for a decision.

3. ENGIE reference texts

ENGIE's ethics and compliance action is based on 3 levels of reference texts:

1. **The Group Ethics Code of conduct**, which sets out the general framework within which each employee's professional behavior must fit, presents the ENGIE five fundamental ethics principles, describes the Group's ethics and compliance organization and sets forth the implementation of ethics in everyday life by presenting concrete examples by theme. This document, available in 10 languages, is applicable to all Group employees and shared with external stakeholders.
2. **The referentials**, which unify the policies and procedures used by ENGIE for the concrete implementation and development of ethical culture within the Group: integrity referential, human rights referential/human rights policy and ethics compliance referential.
3. **The Professional Codes of Conduct**, which set out the implications of the Group's ethical commitments for specific professional categories.

To date, the following policies and procedures (*see the architecture of ENGIE ethics and compliance reference documents, and presentations of the below policies and procedures on ENGIE's website and Ethics & Compliance pages on the Group intranet*) are gathered in the ethics compliance referential:

- The Group whistleblowing system
- The My Ethics Incident process and tool (managerial reporting of ethics incidents)
- Internal Inquiry Guide
- The Group Ethics & Compliance training plan
- The practical guide on mapping of populations most at risk of corruption
- The My Ethics Report procedure and tool (annual ethics compliance reporting)
- The embargo policy
- The policy on incorporation of ethics into HR processes
- The guidelines for managing early warning signs
- The policy on personal data protection

For any information or details relating to these different themes, refer directly to the policies and procedures mentioned above, available via My Ethics Compliance & Privacy site and the pages of the Group intranet. Policies and procedures not covered by specific documents available to all employees are presented below.

4. Managerial reporting (My Ethics Incident) and treatment of ethics incidents

The Group GBUs, Regional Hubs, entities and departments at Corporate must report any suspected ethics incidents as soon as they come to their knowledge, whether they are allegations or proven incidents, and regardless of the monetary value concerned.

To do this, My Ethics Incident, which has been declared to the CNIL (the French National Data Protection Commission), is the Group managerial tool for reporting ethics incidents. It allows the reporting and handling of ethics incidents in seven areas: accounting and financial integrity, conflict of interests, social responsibility and human rights, business ethics, confidential information, the protection of intangible assets and data privacy. Furthermore, whistleblowing reports notified under the Group's whistleblowing system are also monitored through the My Ethics Incident tool. Access to My Ethics Incident is subject to prior authorization. No whistleblower identity or identity of any potentially accused person is entered in the tool.

Each reported matter is reviewed and/or investigated. ENGIE is committed to the diligent, independent and objective conduct of its internal inquiries and investigations in accordance with the provisions of the Group internal enquiry guide. Every substantiated matter shall be adequately treated by an individual

measure. For every substantiated matter it is assessed which measures are required to prevent repetition in the future.

The My Ethics Incident tool makes it possible to track the handling of each incident until it is closed. Thorough knowledge of ethics incidents and their handling helps to prevent ethics risks and implement corrective measures. Except for duly justified cases, the handling of ethics incidents is the responsibility of the concerned entity, i.e. its managers and managers in charge of the field(s) concerned by these incidents. The ENGIE compliance committee evaluates the handling of ethics incidents and monitors the process for updating the Group's Ethics & Compliance program.

This topic is reported on an annual basis to the Ethics, Environment and Sustainable Development Committee (EESDC) of ENGIE Board of Directors. The most significant incidents are also discussed by / presented to this committee.

Detailed information on the My Ethics Incident procedure is made available to authorized persons in the My Ethics Incident tool.

5. Control system

The ethics and compliance efficiency is based on the ability to always adapt the practices of the entities and the Group in these areas to the level of the encountered risk, based on the assessment of the effective implementation of the ethics and compliance program and on the identification of situations which favor cases of non-application of this program.

The various topics listed below are reported on an annual basis to the Ethics, Environment and Sustainable Development Committee (EESDC) of ENGIE Board of Directors.

5.1. The annual compliance procedure

The monitoring of the implementation of the Group's ethics and compliance policy is especially based on an annual compliance procedure (including indicators, e.g. distribution of ethics documentation, training, implementation of ethics policies, etc.), certifying the ethics and compliance practices within the entities.

Every year, the compliance procedure assesses in detail the implementation of the ethics policy within the Group entities. At each organizational level, Ethics & Compliance Officers have to produce an annual report on the work and progress accomplished by their entity in this area, as required by ENGIE rules and procedures and by any specific provisions or actions taken by the entity itself and the resulting action plans. This report is submitted to the relevant supervising entity and accompanied by a compliance letter from the manager certifying his or her commitment to the application of the ethics and compliance program within the organization for which he or she is responsible.

At Corporate, the internal control and ethical compliance certificate provided by each director (process managed by Internal Control Department in partnership with the Ethics, Compliance & Privacy Department) is considered as the respective Corporate department's compliance report. This process is complemented by input from Ethics & Compliance Officers and ethics correspondents at Corporate to the Group Ethics, Compliance & Privacy Department, on quantitative data adapted to the activities and stakes of each department (indicators selected from the annual compliance report). All of this information enables the Group to strengthen its control activities on the effective implementation of the ethics and compliance program at Corporate.

The guidelines to prepare the compliance report are updated annually by the Group Ethics, Compliance & Privacy Department through the document "Annual Ethics Compliance Reporting Methodology".

All data gathered through the annual compliance procedure, combined with those extracted from ERM / ethics risk analysis process, the My Ethics Incident managerial reporting and the Group's Whistleblowing system, enable the Group Ethics, Compliance & Privacy Department to establish the **Group consolidated annual compliance report**, including indicators on progress of the ethics and compliance actions in the Group, which is presented to the Group Executive Committee and to the Ethics, Environment and Sustainable Development Committee (EESDC) of ENGIE Board of Directors.

5.2. Internal control program INCOME, COR4 and COR7 sub-processes

Key controls aimed at detecting cases of potential non-application of Group ethics and compliance policies and procedures are incorporated into the INCOME internal control program, managed by the Internal Control Department, with a COR4 sub-process fully dedicated to ethics and compliance and a COR7 sub-process dedicated to the protection of personal data. The respect of ethics principles, including especially prevention of corruption, influence peddling and fraud risks, risk of violation of the embargo policy, risk of lack of protection of personal data, risk of infringement on human rights and risk of lack of deployment of the Group's vigilance plan, is integrated into the INCOME internal control program. These controls are determined in coordination with the Group Ethics, Compliance & Privacy department and the Internal Control Department. Their results are monitored together by the Internal Audit Department and the Group Ethics, Compliance & Privacy Department. All these controls aim at giving reasonable assurance that the Group is organized in a manner that achieves its ethics and compliance objectives and its data privacy objectives. They facilitate the detection of causes that have made possible the occurrence of incidents and the identification of solutions to remedy them.

For details on the COR4 and COR7 sub-processes of INCOME program, refer to the referentials available on Internal Control SharePoint.

5.3. Ethics and compliance “deep dives” – Ethics and compliance internal and external audits

On a case-by-case basis, at the request of the Compliance Committee, the Internal Control Department, in association with the Ethics, Compliance & Privacy Department, conducts “deep dive” analyzes of incidents reported in My Ethics Incident. The “deep dive” approach makes it possible to verify whether incidents reveal a more significant internal control failure and whether Group policies and procedures are correctly implemented in the entities concerned. In addition, this approach complies with the COSO framework, which aims to identify areas for reflection to optimize, improve and strengthen internal control on an ongoing basis.

Internal and external audits are performed to assess the effective implementation of ethics and compliance policies and procedures and, where applicable, define areas of improvement.

Accordingly, the Group's annual audit program includes “entity audits” on the implementation of the ethics and compliance program. These audit assignments systematically include topics on corruption prevention and on “Management's tone at the top”. They also cover, on a case-by-case basis depending on the specific risks of the entity, other subjects related to the management of ethics and compliance risks and the prevention of fraud. Audit findings and related recommendations are integrated in compliance management.

The Internal Audit Department also conducts audits on specific topics. In addition, it conducts, in conjunction with Ethics, Compliance & Privacy Department, investigation audits on ethics incidents.

Finally, when appropriate, the Group and its entities use the services of external law and audit firms to conduct investigation audits on ethics incidents.

5.4. External certification

In support of its continuous improvement policy, the Group has decided to have an external assessment of the design and the implementation of its anti-corruption program, through a certification process.

In 2015 the Group anti-corruption system was awarded certification by Mazars, an accounting and auditing firm, and ADIT, a business intelligence firm.

In 2018, ENGIE was awarded ISO 37001 certification in respect of its anti-bribery management systems by ETHIC Intelligence, a certification agency specialized in the certification of corruption prevention programs. This certification was renewed in 2019 and 2020 following surveillance audits.

In 2021 ENGIE launched its second ISO 37001 certification audit campaign with the support of EuroCompliance, a certification agency specialized in the certification of corruption prevention programs. As a result, the Group was awarded a new ISO 37001 certificate in 2021. This certification was renewed in 2022 and 2023 following surveillance audits.

A new ISO 37001 certification audit campaign will be launched by ENGIE in the course of 2024.

All these certification audits were carried out at ENGIE group level as well as in several operational entities, this scope representing, taken as a whole, the Group's activities, both geographically and in terms of businesses.