Sustainable Procurement Policy

Reference	POL-ENGIE-008 ed 2 rev 0 22.04.2026
Release and applicability	The policy is applicable to all activities carried out by ENGIE Romania Group legal entities (hereafter „the Group"), meaning ENGIE Romania SA, Distrigaz Sud Retele SRL, ENGIE Servicii SRL, ENGIE Building Solutions SRL, Alizeu Eolian SA, Braila Winds SRL but also any other legal entity that would be part of the Group. This policy is communicated to all employees and to all external stakeholders, including our suppliers/ contractors and interested bidders in order to ensure consistency and agreement throughout the implementation process and it is made available to the public through selected media (on ENGIE Romania website).

Summary

This policy has been developed taking into account the ENGIE Group policies, but also commitments from bodies such as the United Nations Global Compact to which ENGIE Romania Group adheres. It is applicable within the limits of the laws and regulations that apply to regulated companies.
This policy has been developed in line with other interconnected policies: Health and Safety, Human Resources, Ethics, Human Rights, Environment, Industrial safety, etc. Together, these policies allow the Group to ensure the operational implementation of its purpose statement, ambition and strategy.
This policy summarizes the basic principles applicable in the field of procurement within the ENGIE Romania Group, in the following key sustainability topics:

- Supplier carbon neutrality;
- Supplier environmental practices;
- Supplier social practices, including human rights;
- Supplier Health & Safety practices

Reviewers and approvers

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Sustainable Procurement Policy

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INTERN

Sustainable Procurement Policy

1. Scope, purpose and governance in terms of responsibility

This policy applies to all companies in the ENGIE Romania Group. The sustainable procurement policy is an integral part of the ENGIE Romania Group governance, and is supported by each of its entities. Within the ENGIE Romania Group, the Procurement Department supports management in implementing the sustainable procurement policy.

The mission of Procurement is to contribute to the Group commitment to the net zero transition. This policy outlines our commitments to sustainable procurement and sets guidelines for:

- Decarbonization of main suppliers;
- CSR assessment of suppliers;
- Inclusive procurement.

The principles guiding sustainable procurement within the ENGIE Romania Group are: transparency and ethical conduct in all interactions, fair opportunity for suppliers, respect for human rights, encouragement of innovation and sustainable solutions, a focus on needs (we purchase only what is necessary), integration of sustainability requirements across all stages of the procurement process, to achieve true long-term value, and continual improvement through monitoring, evaluation, and corrective actions.

2. Review Mechanism.

The policy is reviewed annually for relevance to ensure it remains up-to-date, effective, and aligned with organizational objectives/legal requirements.

The frequency of reviews can vary depending on factors such as:

- Legal and regulatory requirements: Compliance with environmental laws and regulations may require regular reviews to ensure ongoing adherence and to incorporate any updates or changes in legislation;
- Organizational changes: Changes in the organization's structure, operations, or objectives may warrant a review of the environmental policy to align with new priorities and strategies;
- Environmental performance: Monitoring and assessing environmental performance indicators can help identify areas for improvement and the need for policy adjustments;
- Technological advancements: Advances in technology may offer new opportunities for environmental management and sustainability initiatives, prompting a review of the policy to incorporate relevant innovations;
- Stakeholder expectations: Input from stakeholders, including customers, investors, employees, and communities, may influence the need for revisions to the Sustainability Policy to address emerging concerns or meet evolving expectations;
- External factors: Changes in the external environment, such as shifts in market conditions, emerging environmental risks, or societal trends, may necessitate a review of the policy to ensure continued relevance and effectiveness.

3. Management System

The implemented management system compliant with legal requirements is transposed in two governing documents:

A Procurement Charter (Commitment and Risk management), provided by the Group: this public document which emphasizes ENGIE’s decarbonation ambitions, is shared with suppliers. It specifies the Group’s requirements in terms of:

- the suppliers’ health and safety commitments,
- a commitment from suppliers to engage in ethical business relationships and take into account social responsibility, ethics, embargoes and anti-corruption,
- the search for competitive bids and sustainable and innovative solutions;

A procurement procedure that includes both the Requirements of the ENGIE Group Procurement Governance and the ones of the Public Procurement Legislation (Law 99/2916) and puts forward the CSR Evaluation and the Due Diligence Process that is applied in all tenders depinding on the thresholds set out in the Procurement Procedure.
The process described in the procurement procedure is compliant with the ENGIE Group Requirements:

- The Ethics Charter
- The Code of Conduct for Relations with Suppliers
- The Due Diligence Policy for Direct Suppliers and Subcontractors

The proper implementation of procurement processes is verified via the INCOME Internal Control Program. With 28 encompassing controls, the INCOME Procurement reference system covers all purchasing processes.

4. Procurement at ENGIE Romania Group– KPIs

KPI	Definition / Notes	Period / Reference
Total number of suppliers with EcoVadis >45	Cumulative number “since 2019”	Since 2019
Total number of suppliers with EcoVadis	Cumulative number “since 2019”	Since 2019
EcoVadis certification status – major suppliers	Valid certificate (scores >45 only)	1 year
Major suppliers SPEND covered by EcoVadis	Major suppliers spend covered by EcoVadis	1 year
SPEND with Due Diligence	Suppliers’ spend with Due Diligence	1 year
SPEND with Local Suppliers	Total procurement spend (SPEND) with suppliers classified as “Local Suppliers”	1 year
Inclusive procurement / inclusive criteria	% SPEND with inclusive procurement criteria	1 year
Sustainable Procurement training	% of buyers trained in sustainable procurement	1 year
Sustainable procurement objectives	% of buyers with integrated sustainable procurement objectives	1 year
Procurement Charter – Targeted Suppliers	% of targeted suppliers who signed the sustainable procurement charter	1 year
Environmental, HR, H&S contractual clauses	% of targeted suppliers with E/L/HR clauses in contracts	1 year
Targeted supplier CSR assessment	Number and % of targeted suppliers for CSR assessment	1 year
Targeted supplier ISO 14001 certified	% of targeted suppliers certified to ISO 14001	1 year
Targeted supplier ISO 45001 certified	% of targeted suppliers certified to ISO 45001	1 year

5. Engaging with suppliers for a sustainable business

Suppliers and subcontractors represent key stakeholders in ENGIE Romania's value chain. The ENGIE Group Procurement function has defined a vision organized around the following goals, that have been cascaded to the Procurement function of ENGIE Romania:

- to contribute to the Group's operational performance by putting forward a panel of competitive and differentiated suppliers to the operational teams
- to uphold the Group's commitments to its suppliers;
- to contribute to the Group's CSR approach and carbon neutrality;
- to develop expertise within the Procurement Department.

To achieve this ambition the Procurement Department relies on a management system serving CSR.

6. Supplier onboarding

Supplier CSR Assessment

The Procurement Department is relying on an external provider (ECOVADIS) to evaluate major suppliers over four themes (Environment, Work and Human Rights, Ethics and Sustainable Purchasing). Over 45/100 score, EcoVadis considers that the supplier is engaged in major CSR topics, therefore risks are limited. The Supplier embraces continuous performance improvements on CSR and should be considered for a long-term business relationship. The progress of the evaluation is both monitored through ECOVADIS' platform and internally by the Group Procurement Department.

To tackle these challenges all buyers have been trained on CSR key principles and the Procurement Excellance Office, included in the Procurement Department is in charge of promoting the evaluation of the suppliers and giving guidance on embarking on the Ecovadis assessment process.

In addition, the "Ethics" clause included in all contracts, now allows the buyers to ask the supplier to be assessed, at his expense, by a third party appointed by ENGIE. The exercise of this option will be systematic for Major suppliers. Non-compliance with this clause is a cause of contract termination.

Supplier Due diligence

In line with the Procurement Charter and the Due Diligence Policy set out in the Local Procurement Policy, due diligence assessments are required prior to contract award. This applies to works suppliers (Networks and Renewables GBU) participating in tenders with an estimated value above 25 kEUR, as well as to services/materials suppliers and works suppliers (LEI GBU) participating in tenders with an estimated value above 500 kE

These due diligence procedures are complemented by robust contractual provisions that clearly define ENGIE Romania's expectations regarding the protection of human rights. To further mitigate corruption-related risks across the supply chain, ENGIE Romania has implemented an ISO 37001 Anti-Bribery Management System, which includes a risk-based due diligence approach designed to identify suppliers with the highest exposure to corruption allegations.

All major suppliers will be subject to a due diligence assessment

Supplier contracts and suppliers capacity building

Our contracts include mandatory clauses that grant ENGIE Romania Group the right to verify suppliers' compliance with our requirements on CSR, Environment, Ethics, Human Rights and Health & Safety (H&S).

To reduce the risk of supply disruptions and costly disputes, we actively promote the integration of human rights, human capital management and business ethics commitments across our supply chain. Our supply

chain risk management approach prioritizes respect for fundamental human rights for both internal and external stakeholders, appropriate working conditions, and fair business practices.

The provision of services, treatment materials, equipment and machinery may generate significant environmental impacts across the value chain. ENGIE Romania Group addresses these impacts through partner engagement, awareness-raising and capability building. We prioritize the selection of products and suppliers that meet environmental specifications, including, where applicable, ISO 14001 certification, life-cycle assessments and related evaluation mechanisms (e.g., EcoVadis). When relevant, we may also perform supplier environmental assessments and audits.

To support continuous improvement and encourage the adoption of best practices, we organize one-to-one sessions, Contractor Days and Supplier Days, strengthening suppliers' capabilities and accelerating sustainable progress throughout the supply chain.

7. Procurement Organization

In order to engage with suppliers of a sustainable business, a dedicated training program has been deployed at ENGIE Group level for procurement employees focusing on:

- the implementation of a due diligence policy for suppliers and subcontractors within the entities;
- ethics and supplier relations;
- Environmental aspects, with topics covering GHG emissions (Scope 3) and pollutants from transport in the supply/distribution network.
- three mandatory online training modules for the entire procurement function: "Fraud and Corruption, zero tolerance", "Our Group, our Ethics" and "Competition Law", „Sustainable Procurement-Sustainability Academy;
- four videos: "Prevention of corruption", "Gifts and invitations... What to do", "Prevention of conflicts of interest" and "ENGIE whistleblowing system".

8. Focus on decarbonization (Scope 3)

Focusing on the decarbonization of major suppliers is key in meeting ENGIE Romania's net zero targets. The supply of services, treatment materials, equipment and machinery can have significant environmental impacts within the value chain. Some issues include GHG emissions (Scope 3) and pollutants from transport in the supply/distribution network. The first step to address environmental issues along the supply chain is by educating and raising awareness among buyers and suppliers. In this respect, starting with 2023 a Decarbonization questionnaire was sent to our major suppliers.

The selection of products and suppliers is also based on environmental specifications where possible (for example, compliance with ISO 14001 certification, lifecycle assessments and others). Environmental assessments and audits of the suppliers are included in the targets of buyers. Finally, capacity building of suppliers is essential in order to drive sustainable change in the supply chain and encourage the adoption of best practices.

9. Inclusive Procurement

After evaluating the local context and the capacity to create robust procurement requirements from supplier on inclusive procurement areas, ENGIE Romania decided to target the following 3 social groups:

- People with disabilities
- Unemployment
- FTEs above the age of 55, and

SPEND with small entities is also monitored reflecting the effort of ENGIE Romania to boost local economies.