

ENGIE North America

# 2020 Sustainability Report



# TOWARD NET ZERO CARBON



NET ZERO BY 2045

ENGIE is strengthening its commitment to decarbonization with the ambitious target to reach Net Zero Carbon on all three scopes by 2045, following a “well below 2°C” trajectory.

2027



## COAL EXIT

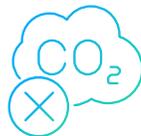
A WITHDRAWAL FROM ALL COAL IN EUROPE BY 2025 AND GLOBALLY BY 2027

2030



## ENERGY PRODUCTION ACTIVITIES

REDUCING THE CARBON INTENSITY OF OUR POWER GENERATION TO 158G/KWH IN 2030 FROM 348G/KWH IN 2017, IN LINE WITH THE SCIENCE BASED TARGETS OBJECTIVES



## DECARBONIZATION OF CUSTOMER EMISSIONS

AVOIDING 45 MILLION METRIC TONS OF CO<sub>2</sub> EQUIVALENT EACH YEAR FROM ENGIE PRODUCTS AND SERVICES BY 2030 FROM 20 MILLION METRIC TONS AVOIDED CO<sub>2</sub> EQUIVALENT IN 2020

Leadership incentives are tied to sustainability performance through the following five criteria: CO<sub>2</sub> emissions, renewables growth, gender diversity, injury rate and corporate social responsibility ratings.

## ENGIE GROUP 2020 CORPORATE SOCIAL RESPONSIBILITY RATINGS

81/100  
ROBECOSAM

65/100  
VIGEO EIRIS

A  
CDP CLIMATE

A-  
CDP WATER

A  
MSCI

75/100  
ECOVADIS

21 on 55  
SUSTAINALYTICS RANKING WITHIN  
THE MULTI-UTILITIES SECTOR

## Simultaneously confronting the crises of COVID-19 and the crisis of our climate was a considerable undertaking.

However – despite all the challenges that were presented to us throughout the year – ENGIE North America performed incredibly well.

Working together, we accelerated the pace of change and have come away with many things to celebrate. Among them is the addition of nearly 2 GW of renewable generation, which – in addition to the divestiture of thermal generation resources – increased the share of zero-carbon generation in our portfolio to 72%.

With a total of 60 renewable projects in 2020, ENGIE North America funded the creation of nearly 3,000 construction jobs in 40 counties in 12 states and created 150 jobs in rural communities. Responsible actions benefit everyone, and this is a great example of the many advantages that come with our focus on accelerating the transition toward a carbon-neutral economy.

Today, 80% of our customer offerings contribute to the decarbonization of our planet, and some of those solutions are earning considerable recognition. A nine-year, multi phase project with Hartnell Community College District that is expected to save more than \$26 million recently won an energy and sustainability award. Our work with The Ohio State University also led to a referral and the close of a 20-year partnership with Howard University to design, build, operate and maintain a new, modernized combined heat and power plant.

These markers of distinction are just a few instances illustrating our strong performance in 2020. Our tenacity and discipline have enabled us to build the foundation required to set our sights even higher for 2021.

As we look to expand the footprint of customer offerings and further increase renewable capacity, I want to thank the countless number of individuals who have contributed to where we are today. Only with your ongoing support can we continue to shape a sustainable future for our employees, our customers and our communities.



SINCERELY,  
Bill Collins

Interim Chief Executive Officer,  
Chief Financial Officer  
ENGIE North America

## During the times when our employees, customers and communities needed us most in 2020, I'm proud to say that ENGIE North America was there – and we continue to be today.

When COVID-19 shuttered businesses worldwide, we amplified health and safety measures to ensure 24/7 operations and deliver critical resources and supplies to many in need on the frontlines. We provided lifesaving infrastructure, equipment and services to hospitals and communities in North America, and we proactively took several steps to support academic institutions with important education curricula for remote learning environments. Examples of these stories are featured in the pages of this report.

ENGIE North America took a firm stand against racism in our industry. As leaders in clean energy, we take great pride in our mission to make the world a better place to live. We recognize that this can only happen with the eradication of racism and a strong commitment to ensuring a diverse, equitable and inclusive work environment.

ENGIE North America is dedicated to taking meaningful action for lasting change. It is in that spirit that we remain focused on these social efforts as we continue to tackle the important long-term challenges of climate action.

We are proud to pledge to achieve Net Zero Carbon on all three scopes by 2045 while sharing measurable advancement toward our objectives for 2030. The pandemic prompted us to develop and measure new ways of working and consider how even the smallest universal changes in behavior can produce large-scale impacts.

As you read more about ENGIE North America's 2020 accomplishments in this report, I invite you all to consider how we can bring new unity, purpose and innovation behind the collective action to global challenges. By working together, we can build a more promising future, where we continue to explore opportunities for creating new value for our people and the planet.



**SINCERELY,**  
Paula Sacks

Chief HR, Marketing & Communications,  
CSR Officer  
ENGIE North America

# Our 2020 CSR Performance | Planet

The planet needs our urgency. With objectives for 2030 - and a first route point set for 2025 - ENGIE employs inventive technologies that convert natural elements into energy and initiates business activities in favor of a carbon-neutral world.

## Aligning our strategy with the United Nations Sustainable Development Goals



		ENGIE 2030 Target	ENGIE 2020 Performance	ENGIE North America 2020 Contribution
<b>GHG Emissions</b>	GHG emissions from power, heat and cold generation	43 MMT <sup>1</sup>	68 MMT	2.04 MMT
	GHG emissions from gas and other fossil fuels	52 MMT	61.5 MMT	2.4 MMT
	GHG emissions from our ways of working	0 MMT <sup>2</sup>	0.49 MMT	.025 MMT
<b>Decarbonization</b>	Offerings that incorporate an alternative that contributes to decarbonization (indicator replaced in 2021 by the indicator below)	100%	51%	80%
	Emissions avoided by using ENGIE's products and services	45 MMT	21 MMT	3.2 MMT
	Preferred suppliers certified by SBT (excludes energy purchases)	100%	15%	Group Level
	Share of renewable energy in the electric capacity mix	58%	31%	72%
<b>Environmental Plan</b>	Industrial sites with an ecological management plan	100%	0%	Not applicable <sup>3</sup>
	Water consumption from industrial activities compared to 2019	-35%	-19%	-69%
	Activities, projects and sites being dismantled with an environmental plan	100%	21%	19%

<sup>1</sup>1 Million metric tons; 1 metric ton is equivalent to 1,000 kg

<sup>2</sup>Compensation no more than 200 KT CO<sub>2</sub>

<sup>3</sup>Ecological management plan is a new area of measurement

# Our 2020 CSR Performance | People

A positive climate impact means a positive world for all humankind. With energy transition as the focus of our expertise and passion, ENGIE brings together citizens of the world who, like us, are on the move for the common good, forging new paths together to make a positive impact on a grand scale.

## Aligning our strategy with the United Nations Sustainable Development Goals



		ENGIE 2030 Target	ENGIE 2020 Performance	ENGIE North America 2020 Contribution
<b>Health &amp; Safety</b>	Frequency rate of accidents, including suppliers on closed sites	2.9	3.3	0.98
	Health and safety prevention rate	0.75	0.59	0.8
<b>Training</b>	Share of employees with annual training	100%	70%	27%
	Training of the staff most exposed to the risk of corruption	100%	21%	11%
<b>Gender Diversity</b>	Share of women in management	50%	24%	25%
	Gender equity index score <sup>1</sup>	100	FR: 87 Intl: 80	57
<b>Stakeholders</b>	Number of beneficiaries with access to affordable, reliable and clean energy since 2018	30M	6M	Not applicable in North America
	Activities, projects, and dismantling sites with a societal plan	100%	10%	Not applicable <sup>2</sup>
	Major suppliers rated by EcoVadis with a score above 45/100 (excludes energy purchases)	100%	20%	50%
	Overdue invoices (excludes energy purchases)	-90%	Not available <sup>3</sup>	Not applicable in North America
	Procurement process alignment on 5 recommendations <sup>4</sup> (excludes energy purchases)	100%	30%	80%

<sup>1</sup>Based on the Pénicaud law on pay gap equity.

<sup>2</sup>Societal plans are a new area of measurement.

<sup>3</sup>ENGIE is also taking actions to reduce payment delays by rolling out P2P initiatives and ensuring regular monitoring

<sup>4</sup>1) Appoint a Comex sponsor to promote inclusive purchasing in the company

2) Include a clause on inclusive purchases in all tenders for which this is possible

3) Set up simplified purchasing and contracting processes for companies eligible for the inclusive purchasing criteria

4) When possible, include in all RFP a bidder selection criteria to assess their commitment to inclusion

5) Measure progress annually

# Our 2020 Carbon Footprint

ENGIE North America experienced a shift in how we worked in 2020. The impact of COVID-19 was felt most strongly in our Scope 1 and 2 emissions, which fell by 47% and 23% respectively. Throughout the year, as we continued to supply our customers with energy, we experienced growth in electricity and gas sales as well as spend, which contributed to the increase in Scope 3 emissions over the prior year. These increases in Scope 3 emissions accounted for an increase of 1.5% in our overall carbon footprint.

	2019 GHG Emissions METRIC TONS CO <sub>2</sub>		2020 GHG Emissions METRIC TONS CO <sub>2</sub>	
<b>Scope 1 - Direct emissions</b>				
Stationary Combustion	574,693	} 584,915 TOTAL	298,504	} 307,485 TOTAL
Fugitive Emissions	766		344	
Fleet Vehicles	9,456		8,637	
<b>Scope 2 - Emissions from purchased electricity</b>				
Offices	6,852	} 10,928 TOTAL	5,487	} 8,420 TOTAL
Industrial Assets	3,909		2,746	
Digital Devices	167		187	
<b>Scope 3 - Upstream and downstream value chain emissions<sup>1</sup></b>				
Upstream emissions from fuels consumed	134,779	} 5,729,538 TOTAL	70,476	} 6,104,722 TOTAL
Upstream emissions from electricity consumed	3,749		2,829	
Stationary Combustion (Equity Investments %)	1,936,190		1,397,112	
Gas sales	2,041,188		2,384,783	
Upstream emissions from sold gas	442,592		517,094	
Procurement	1,157,625		1,723,810	
Air Business Travels	2,257		564	
Cloud Storage and Digital	337		363	
Commuting	10,821		7,691	
<b>GRAND TOTAL</b>				
	<b>6,325,381</b>		<b>6,420,627</b>	

<sup>1</sup>Electricity sales emissions are not consolidated at Group level

# 2020 Sustainability Report

# PLANET



# Avoiding Carbon Emissions

Eleven renewable projects were under construction in 2020. Eight of the 11 renewable sites were put into service by the end of the year. In January 2021, ENGIE North America announced the addition of nearly 2 GW in renewable energy generation in the U.S. with the development and build of six grid-scale wind projects and two grid-scale solar projects. Our total renewable capacity in North America is now 3 GW, enough to power 1.3 million homes.

## Renewables

The renewable assets owned and operated by ENGIE North America in 2020 helped avoid over 3.2 million metric tons of CO<sub>2</sub> equivalent<sup>1</sup> in 2020. This is a 251% increase from 2019 as the company increased the renewable generation in its portfolio to 72%, with projects located in regions with high carbon intensity. The most notable increase occurred in wind avoided emissions, which increased from roughly 560,000 metric tons of CO<sub>2</sub> equivalent in 2019 to 2.7 million metric tons of CO<sub>2</sub> equivalent in 2020.

### 3.2 million MT<sup>2</sup>

AVOIDED CO<sub>2</sub>e IN 2020

### 4.1 million MT

CUMULATIVE AVOIDED EMISSIONS SINCE 2019

### 2.7 million MT CO<sub>2</sub>e

AVOIDED EMISSIONS FROM WIND ASSETS IN 2020

### 507k MT CO<sub>2</sub>e

AVOIDED EMISSIONS FROM SOLAR ASSETS IN 2020

## Energy Services with Performance Contracts

ENGIE North America analyzes data from energy efficiency contracts with monitoring and guaranteed energy savings. These contracts are associated with energy efficiency projects, such as lighting upgrades, building control system upgrades, and HVAC replacements and modifications. In 2020, the data demonstrated a 42,658 MWh reduction, corresponding to over 25,000 metric tons of CO<sub>2</sub> equivalent.<sup>1</sup>

### 42,658 MWh

REDUCTION

### 25.2k MT

AVOIDED CO<sub>2</sub>e in 2020

### 48.7k MT

CUMULATIVE AVOIDED EMISSIONS SINCE 2019

<sup>1</sup>Based on eGRID 2019 sub-regional, annual non-baseload output emissions rates; Canada assets based on 2019 Canada National Inventory Report generation intensity factors  
<sup>2</sup>Metric tons; equivalent to 1,000 kg

# Delivering Low-Carbon Solutions

ENGIE North America strengthened efforts to decarbonize energy strategies for customers in 2020, further enabling climate action and supporting businesses in more sustainable solutions.



## ENGIE × Amazon

### MOVING CLOSER TO 100% RENEWABLE ENERGY BY 2030

Amazon moves closer to its goal of powering operations with 100% renewable energy by 2030 and reaching net zero by 2040, teaming with ENGIE in several energy offtake contracts for a global renewable energy portfolio totaling 650 MW in wind and solar projects. These projects align with Amazon's goal to power its operations with 100% renewable energy by 2030 and reach net zero carbon by 2040.



## ENGIE North America × Hartnell College

### REDUCING ANNUAL ENERGY CONSUMPTION BY 93%

On the heels of completing a four-phase, seven-year project with ENGIE North America, The Hartnell Community College District earned a 2020 Excellence in Energy and Sustainability Award from the California Community Colleges Board of Governors. The solar power generation and other energy-reducing steps initiated by ENGIE North America have reduced annual consumption by 93% and are expected to save the school over \$26 million.



## ENGIE North America × QTS Data Centers

### EXPANDING RENEWABLE ENERGY COMMITMENTS TO FURTHER CARBON REDUCTIONS

QTS Data Centers – a member of the RE100 – turned to ENGIE North America in 2018 for an innovative wind energy solution facilitated through a traditional retail supply contract to power its Irving, Texas mega data center campus. In 2020, the company expanded its renewable commitments, leveraging a similar construct to power its Fort Worth location and further reduce its carbon footprint. The total contracted 20 MW of renewable volume further strengthens the commitments of QTS, moving the company one step closer to achieving its target of 100% renewable energy consumption by 2025.

# Sustainability at the Core of Our Development

As part of our purpose to shape a sustainable future, ENGIE is committed to ensuring viable, just and balanced development of zero-carbon generation assets. ENGIE North America leverages the Corporate Social Responsibility Matrix to evaluate investment opportunities and help guide future projects based on Group guidelines.

The matrix provides 12 criteria to gauge a broad range of items, including environmental management, stakeholder engagement, and ethics and human rights. This process has been applied to many different types of projects already, including renewable generation, cogeneration, and district heating and cooling systems, among others.

## Estimating Life Cycle Emissions for Renewable Projects

As more renewable projects were brought online in 2020, ENGIE North America developed a carbon neutrality estimator tool<sup>1</sup> to heighten its focus on assessing the carbon impact of wind and solar generation assets. The tool uses available industry data to gain a better understanding of the total life cycle emissions to estimate the time for a project to become net positive.

Net positive occurs when the emissions that will be avoided from the electricity generated by the asset are greater than the greenhouse gases emitted during the manufacturing, transportation and construction phases of the project.

Using a breakout approach, ENGIE North America evaluated several renewable projects, including Anson.



<sup>1</sup>Results generated by an ENGIE North America internal tool and not currently verified by any third-party standards.

### Anson

Anson is a solar project located in Jones County, Texas. With over 750,000 modules in the solar array, the project will have a useful life of 35 years and is projected to generate 545,000 MWh annually.



**35-Year**  
PROJECT LIFE



**381k MT**  
AVOIDED CO<sub>2</sub>e PER YEAR



**11 Months**  
TO CARBON NEUTRALITY



**545k MWh**  
ANNUAL SOLAR GENERATION

# Transforming Our Energy Generation

ENGIE North America's generation portfolio shifted significantly in 2020 with the addition of nearly 2 GW of renewable capacity and the divestiture of all biomass assets as well as several fossil fuel sites. With those divestitures in mind, our net thermal electricity capacity installed decreased by 24% and net thermal energy generated decreased by 61%. At the same time, our net electricity capacity installed and net electricity generated increased by 22% and 30%, respectively, with the commissioning of new renewable energy facilities. Today, renewable generation represents 72% of ENGIE North America's generation portfolio, up from 37% in 2019.

In addition to amplifying our avoided emissions, this increased focus on renewable energy resulted in a 48% year-over-year reduction in Scope 1 direct greenhouse gas emissions. Emissions from air pollutants also decreased significantly in 2020 with total NO<sub>x</sub> emissions reduced by 60% and total SO<sub>x</sub> emissions reduced by 79%. Waste also changed throughout the year as the recovery rate for waste and byproducts increased from 60% to 84%, and the total quantity of nonhazardous waste and byproducts was reduced by 71%.

GENERATION IN OPERATION:  
**4,632 MW**

GENERATION IN DEVELOPMENT:  
**11,114 MW**



## Reducing Water Use in Energy Generation

ENGIE North America monitors water use as part of its environmental management strategy. In 2020, several strategies were implemented to reduce water demand. The divestiture of facilities that use water for power generation also supported our reduction efforts as well as the increase in renewable development, which requires no water to generate. These actions, in addition to other measures that were taken in previous years, have resulted in a 46% decrease – or 29 million cubic meters (m<sup>3</sup>) – in total fresh water use since 2017. Total water consumed (fresh water and non-fresh water) has also declined by 1.8 million cubic meters at a rate of 75%.

**34.03 million m<sup>3</sup>**

FRESH WATER TOTAL  
WITHDRAWAL

**38%**

YEAR-OVER-YEAR  
REDUCTION IN FRESH  
WATER WITHDRAWALS

**149,710 m<sup>3</sup>**

NON-FRESH WATER  
TOTAL WITHDRAWAL

**51%**

YEAR-OVER-YEAR  
REDUCTION IN NON-FRESH  
WATER WITHDRAWALS

<sup>1</sup>Includes utility-scale solar (501 MW) and distributed solar (181 MW)

# Adapting Our Energy Supply

ENGIE North America is an Energy Greentailer™ at the forefront of a new business model that applies the synergies of integrating retail supply with renewable generation. The Energy Greentailer™ model addresses customer sentiment, which is trending away from thermal generation. In fact, ENGIE North America is the only top five commercial and industrial supplier in North America without significant merchant thermal generation.

We help commercial, industrial and institutional customers better understand the risks that come with buying energy in deregulated markets, providing fixed price products with flexible volumes and contract lengths. By offering both natural gas and electricity, ENGIE North America simplifies procurement, streamlines contracting and reduces supplier management costs while helping to lower carbon footprints.

To further support our efforts to decarbonize customer solutions, ENGIE North America explored new options for supplying green gas in 2020 and is now working to make product offerings available in several markets. We also continued to supply customers with retail renewable solutions, providing more than 7 million MWh of physical green supply and renewable energy certificates to commercial and industrial customers.



**7,273 GWh**  
TOTAL RETAIL RENEWABLE  
ELECTRICITY SOLD<sup>1</sup>

**6,338 GWh**  
RENEWABLE ENERGY  
CERTIFICATES

**935 GWh**  
PHYSICAL GREEN SUPPLY

**21,783**  
COMMERCIAL  
AND INDUSTRIAL  
GAS CUSTOMERS

**44,108 GWh<sup>e2</sup>**  
TOTAL RETAIL  
GAS SOLD

**41,000**  
COMMERCIAL AND  
INDUSTRIAL ELECTRICITY  
CUSTOMERS

**41,927 GWh**  
TOTAL RETAIL  
ELECTRICITY SOLD

<sup>1</sup>Includes physical green supply and renewable energy certificates  
<sup>2</sup>Gigawatt hour equivalent

# Leading in Biodiversity

ENGIE North America engages in a number of activities to take action against the global erosion of biodiversity. We align our strategies to the United Nations Sustainable Development Goals in the sequential steps of mitigation hierarchy to avoid, reduce and compensate at every opportunity.



## Mt. Tom Wildlife Study

ENGIE North America conducted a study of Mt. Tom, the largest utility-scale storage and community solar farm in Massachusetts, to assess whether fencing and arrays deter wildlife use. From September 2, 2020 to February 21, 2021, six cameras were deployed and monitored, three located within the array and three facing the perimeter area.

With 1,036 total wildlife sightings during that time, a determination was made that fencing and arrays do not cause dramatic differences in the species composition found inside the farm compared to outside. Future studies that compare species diversity before and after will be an important next step to better understand how solar arrays may impact biological communities.



## Solar Pollinators Program

Critical declines in natural habitats have caused pollinator populations to rapidly decline, putting 40% of insect pollinators and more than 300 species of North American birds at risk. ENGIE North America is helping to combat these environmental challenges with a nationwide initiative launched in 2015 to create restorative habitats beneath and surrounding ground-mounted solar. Through this program, ENGIE North America now manages more than 600 acres of native vegetation at over 50 small-scale solar sites.

Plans are underway to expand the program to utility-scale sites in 2021. Construction will begin on two grid-scale solar sites located in Halifax County, Virginia, this year, which is expected to double the current acreage of pollinator vegetation.



## Bird and Bat Mitigation

All renewable projects undergo thorough environmental evaluations to consider possible effects and identify appropriate setbacks associated with wildlife, such as nests, hibernacula and other habitat features; valley breaks; wetlands; watercourses; and areas of cultural and archaeological significance.

Bird and bat conservation strategies are also developed for all wind projects, and post-construction monitoring programs are initiated at all facilities after they begin commercial operation. ENGIE North America began this program in 2020 at five wind facilities, and five more will follow in 2021.

# Improving Our Ways of Working

ENGIE has made a bold commitment in the decarbonization of our activities, setting an objective to achieve net zero emissions in our ways of working by 2030. In 2020, ENGIE North America made great strides toward that goal, procuring renewable energy for our Houston headquarters and continuing to advance activities to increase awareness, measure and reduce impact in our ways of working.

## Buildings

Although closures and usage declines stemming from COVID-19 played a considerable role in reducing the total emissions from our building footprint, ENGIE North America also led several key initiatives to further strengthen our sustainable and socially responsible commitments.

After relocating our corporate headquarters at the first part of 2020 to Four Oaks Place, ENGIE North America decommissioned the bulk of the furniture used at its previous location at Post Oak Central. Decommissioning ensures environmental responsibility while supporting those in need locally. ENGIE North America partnered with Green Standards to turn 469 tons of waste into \$81,586 in charitable contributions, responsibly redistributing the no-longer-needed workplace items. Other existing furniture, such as ergonomic chairs and filing cabinets, were repurposed and relocated to Four Oaks Place to be both cost-effective and sustainable.

ENGIE North America also worked closely with the property management company of Four Oaks Place, the home of its newly-leased office space, to convert the building's energy supply to an 84-month renewable agreement. Four Oaks Place is now being powered by Live Oak – ENGIE North America's 200 MW, 76-turbine wind farm near San Angelo, Texas – representing 5,747 annual MWh of renewable consumption.

**5,487 MT CO<sub>2</sub>**  
EMISSIONS FROM ELECTRICITY  
PURCHASED FOR OUR OFFICE BUILDINGS

**20%**  
REDUCTION FROM  
2019 EMISSIONS

**By 2030 > -35%**  
REDUCING THE ELECTRICITY  
CONSUMPTION OF BUILDINGS

## Commuting

With the onset of COVID-19, ENGIE North America offices around the country were closed. Later in the year, as local restrictions allowed, offices began to slowly reopen on a volunteer basis. This resulted in a considerable decline in commuting emissions, moving the company from 10,821 metric tons of CO<sub>2</sub> emissions in 2019 to 7,691 metric tons of CO<sub>2</sub> emissions in 2020.

Although many employees continue to work in remote environments due to COVID-19, ENGIE North America is taking several steps now to support carbon-reduction efforts in a post-pandemic environment. With the introduction of a revised flexible work program, employees have the opportunity to work three days a week in the office and two days at home. This will help to further decarbonize our commuting footprint under normal operating conditions.

**7,691 MT CO<sub>2</sub>e**  
IN 2020

**29%**  
REDUCTION FROM  
2019 EMISSIONS

# Improving Our Ways of Working

## Business Travel

COVID-19 had a dramatic impact on emissions from business travel. Shutdowns and company restrictions moved ENGIE North America from 2,257 metric tons of CO<sub>2</sub> emissions from business travel in 2019 to just 564 metric tons of CO<sub>2</sub> in 2020, representing a 75% year-over-year reduction.

564 MT CO<sub>2</sub>

TOTAL BUSINESS TRAVEL EMISSIONS

0.89 MT CO<sub>2</sub>

AVERAGE BUSINESS TRAVEL EMISSIONS<sup>1</sup>

## Fleet

ENGIE North America established benchmark data in 2019 to gain a better understanding of our fleet emissions and explore opportunities for reductions. In 2020, the divestiture of MultiTech, Ltd., a Canadian mechanical and electrical contractor, contributed to a decline in fleet vehicle emissions. This resulted in an 8.7% year-over-year reduction in Scope 1 emissions.

10.1k MT CO<sub>2</sub>

TOTAL FLEET VEHICLE EMISSIONS

9.3 MT CO<sub>2</sub>

AVERAGE EMISSIONS PER FLEET VEHICLE

By 2030 > 100%

SHARE OF GREEN VEHICLES IN THE VEHICLE FLEET

## Digital

In 2020, ENGIE North America continued its centralized cloud computing strategy, Cloud First, by providing economies of scale with higher power usage effectiveness. Microsoft Azure and Amazon Web Services now provide over 50% of our computing services. Like ENGIE North America, both companies are committed to achieving carbon-neutrality in their operations, which further contributes to our emissions reduction strategy. However, the transition to working from home in light of COVID-19 brought an increased demand for data transfer, which caused emissions from cloud services to increase slightly from our 2019 performance.

In addition to these efforts, ENGIE North America completed a digital carbon footprint assessment in 2020. This includes tracking materials emissions from equipment such as laptops, smartphones, screens and printers, and measuring data transfer via emails, video conferencing and cloud storage. ENGIE North America's total digital footprint accounted for 550 metric tons of CO<sub>2</sub> equivalent. This includes 187 metric tons of CO<sub>2</sub> equivalent of Scope 2 emissions, and 363 metric tons of CO<sub>2</sub> equivalent of Scope 3 emissions.

<sup>1</sup>Per ENGIE North America employee

## Work from Home

The onset of COVID-19 presented ENGIE with the opportunity to introduce Work from Home as a new category of activities to measure and reduce impact. We conducted a baseline assessment of these emissions in 2020 to better understand how we could improve performance. Based on that evaluation, we determined our annual emissions from working from home was 882 metric tons of CO<sub>2</sub> equivalent. This is an area of emissions that will naturally decline as more renewable generation is introduced to the grid.

# 2020 Sustainability Report

# PEOPLE



# Responding to COVID-19

As a leader in climate action with operations across North America, ENGIE North America took swift action to respond to the COVID-19 pandemic in 2020. Today, we continue to monitor conditions with guidance from the World Health Organization, the U.S. Centers for Disease Control and Prevention, and elected officials.

## Our employees

During the initial onset of COVID-19, a response team was formed and met daily, taking immediate action across all areas of the business to adjust and meet employee and customer needs. Town halls, led by the CEO of ENGIE North America, were initiated to communicate key messages and connect employees to information about COVID-19, the organization, financial progress, achievements and critical news.

Concerned about employee well-being and productivity, ENGIE North America introduced a Pulse Survey to provide a lens into sentiments regarding remote working, promote connection and drive engagement. Throughout 2020, the 12 assessments evolved with each iteration to focus on identified areas of concern regarding employee health, well-being and empowerment.

Furthermore, COVID-19 guidebooks were created as a single-source document to address any questions on company-wide topics, with details on health and safety, legal, human resources, information technology, communications and operational issues. A remote work library was also established with tips on working remotely, maintaining productivity, building technical skills, and ensuring health and well-being.

## Our customers

As businesses were shuttered around the world in response to the pandemic, ENGIE North America took great steps to contribute to local efforts to fight the spread of COVID-19. From New York City to Detroit to Boston, we united with local organizations to bring hope to our health care heroes and communities throughout the crisis.

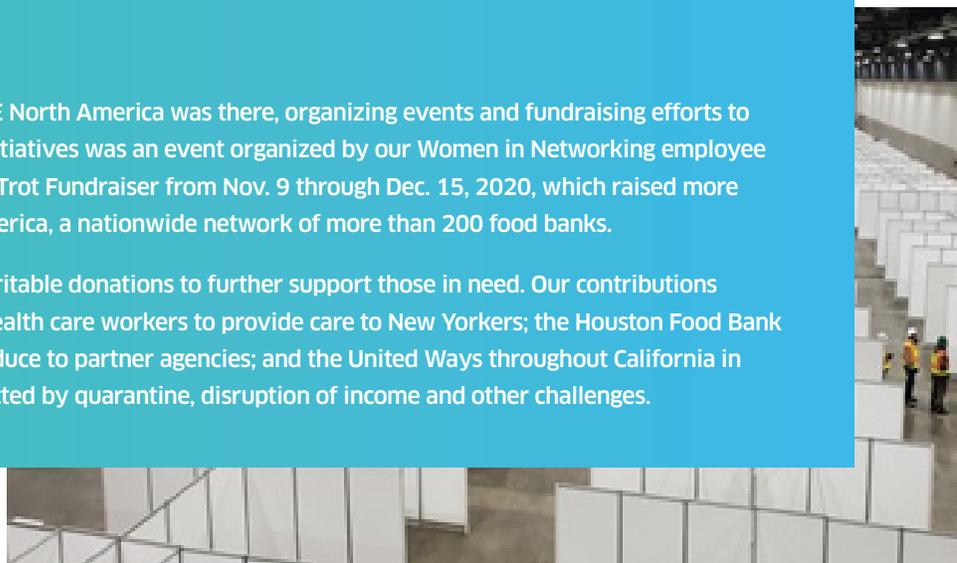
The contributions included powering new spaces for ICU patient care, installing oxygen lines to hospital beds, completing electrical configuration to expand hospital space, transforming buildings into field hospitals, providing engineering and communication solutions to convert facilities into ventilator manufacturing spaces and installing high-efficiency air particulate units in hospital rooms.

To help the many schools that closed in-person learning, ENGIE North America leveraged its academic collaboration teams to produce science-related video content to augment at-home learning.

## Our communities

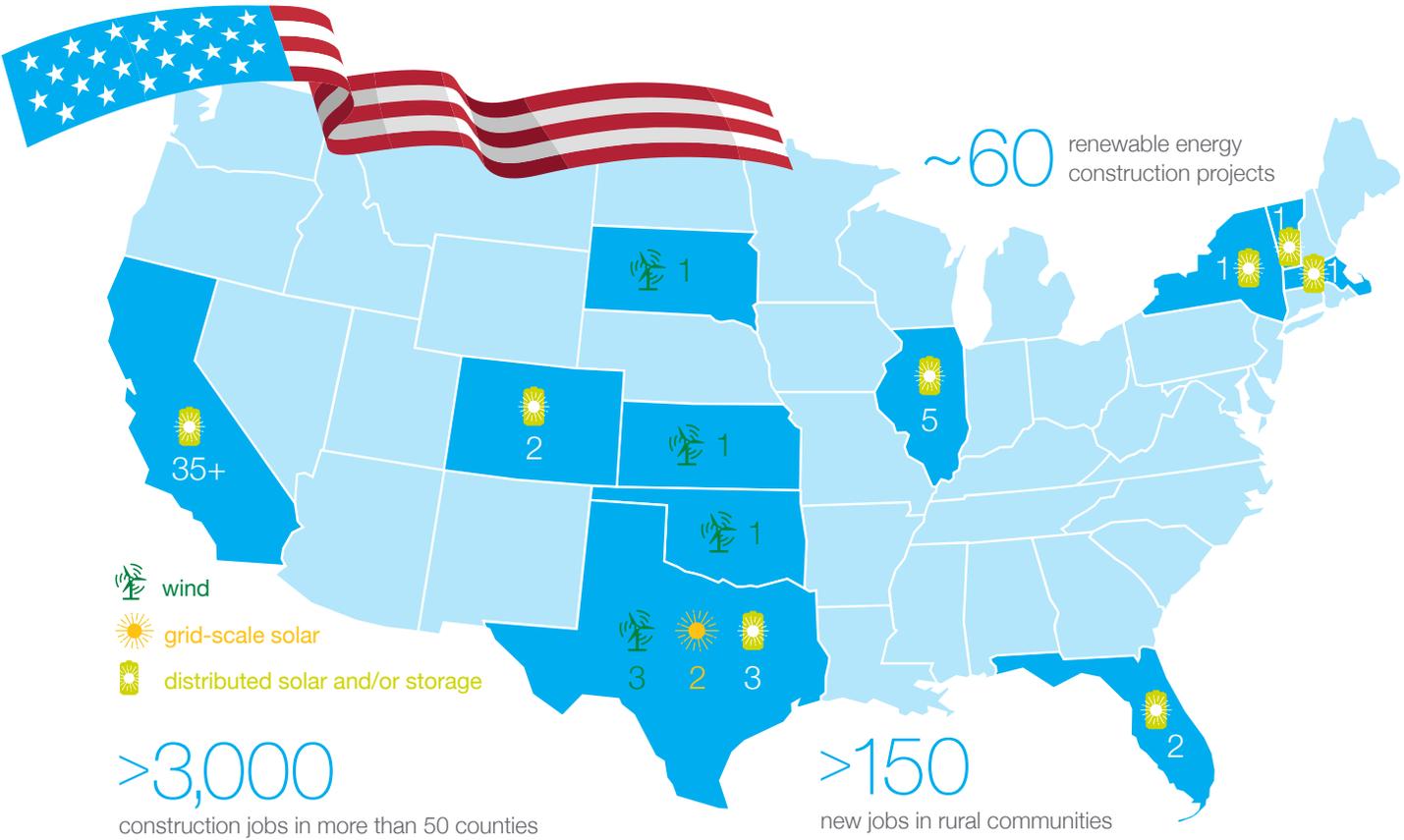
When our communities needed us most, ENGIE North America was there, organizing events and fundraising efforts to provide additional assistance. Among those initiatives was an event organized by our Women in Networking employee resources group. They led a Virtual 5K Turkey Trot Fundraiser from Nov. 9 through Dec. 15, 2020, which raised more than \$6,000. All proceeds went to Feeding America, a nationwide network of more than 200 food banks.

ENGIE North America also gave a range of charitable donations to further support those in need. Our contributions fueled NYC Health & Hospitals in supporting health care workers to provide care to New Yorkers; the Houston Food Bank in distributing emergency food boxes and produce to partner agencies; and the United Ways throughout California in establishing statewide relief for families impacted by quarantine, disruption of income and other challenges.



# Social Impact of Our Renewable Projects

ENGIE North America is proud to work with customers, partners and communities throughout the U.S. and Canada to build a path to a carbon-neutral future while assisting in the economic recovery of our rural communities.



### Enough clean energy to:

#### Power

More than **1.3 million** homes

#### Offset

**2.1+ million** metric tons of carbon

#### Conserve

Nearly **1 billion gallons** of water when compared to other energy sources

**3.0 GW** of grid-scale renewable energy capacity now in operation across North America

# Evaluating Our Supply Chain

## CSR Assessment<sup>1</sup>

ENGIE North America performs an annual analysis of suppliers to better understand the CO<sub>2</sub> emissions of our supply chain. Purchase records from ENGIE's global procurement system are utilized as well as CO<sub>2</sub> conversion factors, which are based on the average emissions associated with different categories of products and services. Through this analysis, ENGIE North America estimated that 2020 purchases were associated with roughly 1.7 million metric tons of CO<sub>2</sub>.

In 2020, ENGIE North America began an assessment process to evaluate suppliers every two years through the EcoVadis platform. This helps us ensure alignment with priorities established by ENGIE.

EcoVadis produces a sustainability score for each supplier by collecting and evaluating information regarding environmental activities, ethics, sustainable procurement, and labor and human rights performance. This gives suppliers a benchmark to help identify opportunities to reduce risk, drive performance, and improve environmental and social outcomes. An initial assessment by EcoVadis demonstrated that 50% of our major suppliers<sup>1</sup> scored 45% or higher. Our objective is for 100% of all major suppliers<sup>1</sup> to meet this threshold by 2030.

## Human Rights

ENGIE North America is committed to ensuring that the people who support our value chain are treated with dignity. We want the products and services we provide to be created in a way that respects human rights.

In 2020, we co-signed the Solar Energy Industry Association (SEIA) pledge, to publicly oppose forced labor within the solar supply chain and raise awareness of this critical issue within the industry. To assist in these efforts and continuously reinforce the fight against forced labor, we contribute to the development of an industry-led solar supply chain traceability protocol as a tool to better identify where the primary raw materials of manufactured materials are sourced.

## Supplier Diversity

ENGIE North America tracks procurement from minority-, women-, LGBTQ- and veteran-owned enterprises as well as certified small businesses as part of our Supplier Diversity Program. This information gives us a better picture of the total spend with minority-owned businesses, while delivering insights into opportunities for improvement to ensure inclusivity in procurement decisions. As of early 2021, 330 suppliers have self-identified, representing a total contracted amount of \$67 million. The number of self-identified suppliers increased nearly 200% from 2019. Efforts are now underway to verify these self-identifications to validate our diverse supplier network.

330

SUPPLIERS SELF-IDENTIFIED<sup>2</sup>  
WITHIN A DIVERSITY CATEGORY

\$67 million

SPEND ON SELF-IDENTIFIED<sup>2</sup>  
SUPPLIERS

<sup>1</sup>Excluding energy purchases

<sup>2</sup>Suppliers requested to file EcoVadis CSR assessments

# Diversity and Inclusion

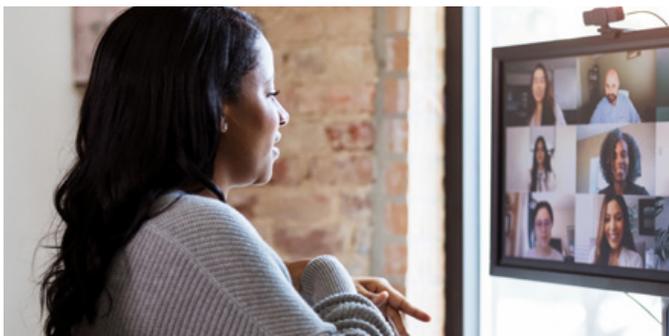
ENGIE North America strives to be an energy company for everyone, employing a work force that is reflective of the people we serve. We are proud of our diverse, equitable and inclusive culture, and the activities we undertook in 2020 to strengthen our commitments in this regard.

## Taking a stand against racism

The death of George Floyd ignited the Black Lives Matter movement in 2020, prompting a heightened focus on the racism and injustice that prevails throughout society. ENGIE North America – inspired by employees who shared feedback and opinions on racial injustice and equality – led an effort among the clean energy sector to take a stand on the issue. Together, along with 29 other industry leaders, ENGIE North America pledged to stand in solidarity for racial justice and equality, committing to listening, learning and working together to take meaningful action for lasting change.

The Black ENGIE Employee Network (B.E.E.N) creates and supports an inclusive, equitable and nurturing work culture to influence and support ENGIE North America's commitment to diversity and inclusion and help others gain a greater understanding of the issues confronting the Black community. This group is part of our employee resources group network and helps advance networking, professional development and recruiting efforts to foster greater diversity, equity and inclusion within our work environment.

In an effort to further best practices and better address challenges and opportunities, ENGIE North America hosted a Diversity and Inclusion Roundtable at the start of 2021, bringing together 27 organizations to discuss diversity, equity and inclusion.



## Advancing efforts on gender equality

ENGIE North America held several gender-related events and piloted a mentoring program for women through the Women in Networking employee resource group in 2020. We also hosted all-hands training sessions with accomplished external speakers Lois Frankel and Liz Ngonzi to address gender issues.



On a global level, ENGIE is accelerating the integration of women through its Fifty-Fifty project, launched in 2020, to create the necessary conditions to achieve managerial parity by 2030 and to strengthen cultural anchoring and managerial practices over the long-term. In North America, we measure and monitor three key areas to ensure progress in this regard. As of early 2021, women make up 23.96% of our workforce, 25.17% of management positions and 30% of the ENGIE North America Executive Committee.

## Empowering the LGBTQ community

ENGIE North America proudly demonstrated its commitment to the lesbian, gay, bisexual, transgender and queer (LGBTQ) community by participating in the 2020 Human Rights Campaign Foundation's Corporate Equality Index, a national measure of LGBTQ equality in the workplace. ENGIE North America earned a score of 90, illustrating how we promote an LGBTQ-friendly work environment.

# Diversity and Inclusion

## Broadening resources available to employees

In an effort to increase the resources for employees to contribute to the success of the business, ENGIE North America established a Diversity and Inclusion Committee in 2020 with the goal of creating more opportunities to maximize the unique perspectives of our people and partners.

We expanded our employee resource groups (ERGs), which are all sponsored by a member of our executive team. In 2020 three new ERGs were formed, the Asian and Pacific Islanders, Black ENGIE Employee Network, and Veterans ERG. All ERGs, which also include the Young Professionals Network, ENGIE Pride and Women in Networking, now meet in quarterly roundtables to collaborate, inspire and empower work across the organization to promote an inclusive culture.

ENGIE North America also introduced several new learning programs focused on diversity and inclusion in 2020 to reinforce shared values, positively promote key behaviors and raise awareness of unconscious bias that may occur in the workplace.

## A focus on Asian and Pacific Islanders

The explosion of hate crimes against the Asian and Pacific Islander community triggered deep-seated emotions and memories. ENGIE North America shared in the devastation of many of our employees, thinking about the lives that were destroyed from the events over the last year.

With the introduction of the Asian and Pacific Islanders employee resource group in 2020, several activities have taken shape to help bring more awareness to the important cultural contributions of this minority group and to provide a greater voice for this marginalized segment. Among those activities included participating in an ENGIE Group-led event, Origami for Life, a global fundraising effort and art exhibition. For every origami bird that was created, ENGIE Foundation donated 1 euro to help provide food to those in need.



# Growth, Training and Development

Providing meaningful, consistent opportunities for employees to grow and develop is a key priority for ENGIE North America. We believe that learning and development are essential for optimizing individual and business performance.

## Enhancing virtual training

Last year, ENGIE North America offered 67% of its training programs in a non-online format. With closures brought on by the pandemic, ENGIE North America adapted quickly by exploring a wide range of online, self-paced courses that would ensure business continuity and provide ongoing professional development offerings for employees.

As part of those efforts, a pilot of eCornell was conducted from April to December of 2020, offering an on-demand library of 45 learning modules, which included topics ranging from change management to diversity and inclusion. Approximately 11% of the employee population participated in the pilot, which contributed to the increase in the related employee engagement survey items.

In all, more than 58% of our employees completed at least one documented training course in 2020. Until recently, ENGIE North America only tracked the total number of training hours for in-person courses. Since the onset of the pandemic and a shift to virtual learning, ENGIE North America is now exploring ways to track and measure the number of hours from participation across all training platforms.

## Creating a festival for learning

ENGIE hosted its first-ever Learning Festival in 2020, a five-day virtual event for managers and above to develop essential skills. Over 2,000 participants connected from around the world to learn more about leadership, managerial, sustainable and technical topics.

ENGIE North America supplemented the Group's Learning Festival by expanding the target audience and encouraging networking opportunities, engaging employees with creative and relevant learning opportunities. The focus on personal and professional growth benefited more than 2,500 attendees, who reported an 88% overall satisfaction rate.

### Employee Training

2,124

FULL-TIME EMPLOYEES TRAINED<sup>1</sup>

18,063

TRAINING HOURS<sup>1</sup>

#### TRAININGS BY COURSE TOPICS<sup>1</sup>

41%

PROFESSIONAL TECHNIQUES

25%

MANAGEMENT AND PROFESSIONAL DEVELOPMENT

17%

QUALITY, SAFETY, ENVIRONMENTAL

17%

OTHER

<sup>1</sup>Full-time employees only; excluding contractors and union employees



Jose Alvarez

Pricing and Portfolio Analyst

“My career at ENGIE was kickstarted as a Pricing and Structuring Intern in 2019. ENGIE immediately challenged me as any other full-time employee on the team. I was glad to be oriented to my interests in programming and analytics while continuously learning the ins and outs of the energy business. Upon graduation in Spring 2020, I was hired as a Pricing and Portfolio Analyst. ENGIE continues to open opportunities to help me reach my goals!”



Flynn Hibbs

Undergraduate Wildlife  
Conservation Researcher

“I connected with ENGIE during the summer of 2019, when I inquired about conducting research at a utility-scale solar array in New England. ENGIE supported me through every step of the process as I worked with many people within the company – both on- and off-site – to learn more about how ecological communities are impacted by utility-scale solar. As an undergraduate researcher, I feel incredibly grateful for ENGIE's commitment and willingness to support my research.”



Christopher Biancianiello

Portfolio Performance Engineer

“I started my career at ENGIE in May 2018 as an intern helping with Canadian wind projects and eventually joined the renewables performance and diagnostics team full-time in April 2020. As both an intern and an employee, ENGIE has provided tremendous opportunity to work on unique projects and participate in various employee groups, including the Young Professionals Network. I am extremely grateful for my experiences and could not be happier with what ENGIE has been able to provide.”