

# INDUSTRY ASSOCIATIONS CLIMATE REVIEW 2023



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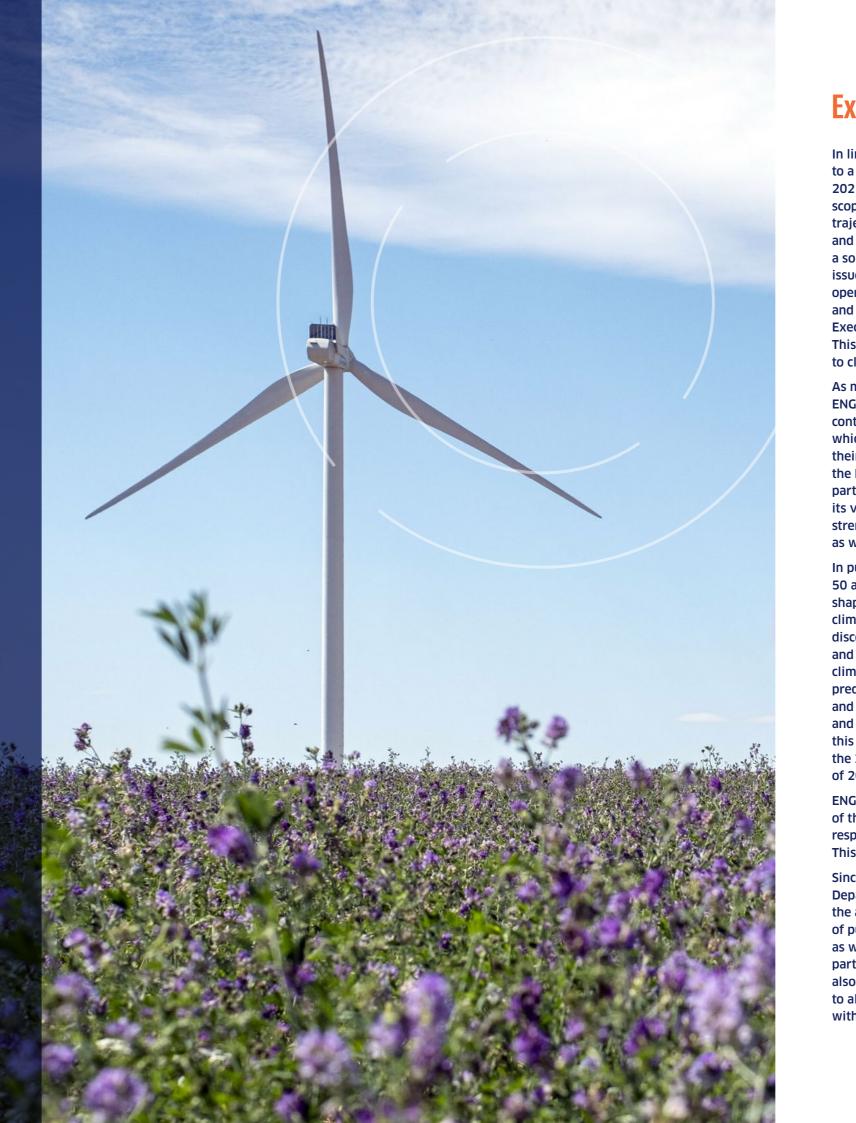
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# **Executive Summary**

In line with its purpose of acting to accelerate the transition to a carbon-neutral economy, ENGIE made a commitment in 2021 to be Net Zero Carbon by 2045 on its three emissions scopes. To achieve this, the Group has adopted an ambitious trajectory, certified as "well below 2°C" by 2030 by SBTi and rated NZ-2 by Moody's, with a trajectory of 1.5°C and a solid level of implementation. ENGIE integrates climate issues into all of the Group's governance chains, from the operational management of its activities to the executive and strategic decision-making bodies (Board of Directors, Executive Management and Executive Committee). This governance covers both mitigation and adaptation to climate change.

As mentioned in the regularly reviewed Code of Conduct, ENGIE acts directly with its institutional contacts and/or contributes to the work of professional associations which also carry out lobbying activities, ensuring that their positions are aligned with those of ENGIE and the Paris Climate Agreement. ENGIE aims to ensure its participation in industry associations is consistent with its views on climate action and that these memberships strengthen the defense of the Paris Agreement objectives as well as ENGIE's climate-related policy positions.

In pursuit of these objectives, the Group has chosen 50 associations based on their substantial influence in shaping the energy sector, their significant impact on climate change issues, their active participation in political discourse at both national and supranational levels, and their expressed commitment to contributing to climate-related public policies. These associations predominantly operate on an international, European, and French scale, aligning with ENGIE's substantial business and commercial presence in these regions. Consequently, this third edition builds upon the foundation laid by the 2022 Review, which was published at the outset of 2023 with a view to continuous improvement.

ENGIE reaffirms its commitment to the annual publication of this report, in line with last year's publication, in direct response to stakeholders' demands for greater transparency. This decision underlines ENGIE's commitment to openness.

Since its creation in 2022, the ENGIE Group's Public Affairs Department has increasingly focused on coordinating the activities of the national representatives in charge of public and regulatory affairs in ENGIE's geographies as well as exchanging with these teams regarding their participation in associations. In that respect, this report also demonstrates ENGIE's unwavering commitment to aligning its initiatives and those of its subsidiaries with the objectives set out in the Paris Agreement.

# Introduction

For the ENGIE Group, publishing an annual lobbying report not only promotes transparency, but also provides a window on the company's lobbying activities and the values defended by the teams in the countries where the Group operates.

As part of ongoing and constructive discussions with institutional investor representatives, and after publishing reports in 2021 and in 2022, ENGIE conducted an updated analysis of its main memberships in order to publish this Industry Associations Climate Review 2023 where the climate-related positions were assessed to ensure that the participation in these industry associations are consistent with ENGIE's views on climate action.

ENGIE is a global reference in low-carbon energy supply and related services. The Group is convinced of the climate emergency and is fully aware of the importance of its role in the energy transition. The Group's purpose, as set out under its statutes, is to act to accelerate the transition to a carbon-neutral economy, through low-carbon solutions.

This is why ENGIE integrates climate issues into all of the Group's governance chains, from the operational management of its activities to the executive and strategic decision-making bodies (Board of Directors, Executive Management and Executive Committee). This governance covers both mitigation and adaptation.

In 2021, ENGIE committed to achieving net-zero carbon emissions by 2045 across its three emissions scopes, in line with its *raison d'être* to act to accelerate the transition to a carbon-neutral economy. To achieve this, the Group has adopted an ambitious transition plan to mitigate climate change which aims to ensure, through our best efforts, that our strategy is compatible with the energy transition limiting the global warming to 1.5°C in line with the Paris Agreement. The Group has set itself quantified targets for 2030 based on three pillars: (1) reducing emissions generated by ENGIE, (2) helping customers to avoid emissions and (3) absorbing carbon from the atmosphere by helping to increase carbon sinks.

It is worth adding that, to limit the impact on stakeholders during the transition to a net zero carbon economy, and in particular to minimise the impact of,

for example, the closure of a coal-fired power plant, ENGIE has implemented a just transition plan that focuses on four main areas. For customers, ENGIE supports access to energy and consumption management, helping more than one million individual customers and developing Power Purchase Agreements and Energy Performance Contracts for businesses, achieving high satisfaction rates. In the regions, ENGIE promotes partnerships that contribute to GDP and employment, with initiatives that include social and environmental plans. For its employees, ENGIE prioritises quality dialogue, social protection and extensive training, with the aim of upskilling all employees by 2025. For suppliers, ENGIE's procurement policy emphasises health, safety, ethics and sustainability, with targets for responsible procurement and support for decarbonisation, with the aim of having all key suppliers meet CSR standards by 2030.

To reach these objectives in the various geographies where the Group operates, ENGIE is committed to establishing and maintaining trustworthy, reliable and transparent relationships with all stakeholders, i.e. public bodies at local, regional, national or international level, regulatory authorities, public and private investors, industrial peers, customers, and civil society. These relationships are established either directly or through professional associations to which the Group belongs and indirectly through thematic alliances or coalitions to which ENGIE contributes.

The Group's lobbying actions are in line with its code of conduct, which was updated in March 2023 and which explicitly include reference to the objectives of the Paris Agreement. These actions are based on the Group's organisational structure, in particular the functions of the Global Public Affairs Department, which is responsible for French, European and international affairs, regulatory issues and coordinating with the Public Affairs teams in the countries where ENGLE operates. By communicating these positions and encouraging industry associations to be more transparent, the Group will play a role in the collective effort to achieve the climate objectives as recently reiterated by the Alliance of CEO Climate Leaders at COP28, of which ENGIE Group is a member.

# Raison d'être

"ENGIE's purpose is to act to accelerate the transition towards a carbon-neutral economy, through reduced energy consumption and more environmentally friendly solutions.

The purpose brings together the company, its employees, its clients and its shareholders, and reconciles economic performance with a positive impact on people and the planet. **ENGIE's actions are assessed** in their entirety and over time."



With this purpose, ENGIE is committing to a long-term strategy and the transition towards carbon neutrality.

Accordingly, ENGIE is committed to ensuring that its lobbying activities and the industry associations the Group is a member of, are aligned with the objectives of the Paris Agreement and the company's climate strategy.

(as voted at the General Meeting of Shareholders held on May 14th, 2020)

# **ENGIE's commitment to climate policies and energy scenario**

#### Commitment to Accelerate the Transition to a Carbon-Neutral Economy

With a clear focus, ENGIE is striving to achieve net-zero carbon emissions in all three emission scopes by 2045. To this end, the group has adopted an ambitious trajectory certified well below 2 by SBTI for 2030 and rated NZ-2 by Moody's with a trajectory of 1.5 C and a solid level on the implementation of its objectives. ENGIE's decarbonisation levers are based on three quantified medium- and long-term objectives:

# 1 Reduce ENGIE's induced emissions by 2030

- 43 Mt CO<sub>2</sub>e linked to energy generation
- 52 Mt CO<sub>2</sub>e linked to the use of products sold (gas sales)
- 99% of carbon footprint covered by public 2030 targets

The levers of Pillar 1 are:

- **Coal:** phasing out coal in continental Europe by 2025 and worldwide by 2027. End of coal sales in 2018.
- **Renewable electricity:** 50 GW of renewable capacity by 2025 and 80 GW by 2030.
- Renewable gases: changes in the use of gas: minimum 30% reduction in the use of natural gas for energy production and

fuel sales in 2030 compared with 2017, at least 10% renewable gases in the Group's gas sales by 2030, setting of dedicated objectives for gas infrastructures, production, and consumption.

#### 2 Reduce emissions from ENGIE customers (avoided emissions)

 45 Mt CO<sub>2</sub>e of emissions avoided by ENGIE offers and services per year

3 Absorb carbon from the atmosphere up to the level of residual emissions from ENGIE's activities in four countries (including Brazil) and from the working practices of the Group as a whole.

Engie is committed to being zero-carbon by 2045 in all its scopes (1.2.3).

Reduce ENGIE's direct and indirect GHG emissions by at least 90% compared to 2017. Increase carbon sinks to neutralise the Group's residual emissions within its entire value chain. The comprehensive view of ENGIE's climate-related strategy can be consulted in the Climate Notebook-TCFD report 2024.



### CLIMATE NOTEBOOK 2024 TCFD REPORT

engie

In 2023, ENGIE unveiled its group energy scenario, leveraging its international presence and expertise in decarbonization strategies to develop bespoke solutions. In Europe, it emphasizes the necessity of combining renewable energy sources to ensure energy system resilience and economic competitiveness. Key findings include the need for diverse technological approaches for achieving Net Zero Emissions, a significant increase in energy efficiency, and a massive expansion of renewable energy capacity, particularly wind and solar power. Flexibility technologies like battery storage and pumped storage are deemed essential. ENGIE also highlights the importance of the alliance of electrons and molecules, including decarbonized hydrogen and its derivatives, which will be crucial for transportation and industry. Investment in electricity infrastructure will be substantial but cost-effective, supporting the transition towards a sustainable energy future.

Find out more about ENGIE's 2050 energy transition scenario for Europe: https://www.engie.com/en/ decarbonization-engie-scenario

In order to support the development of this strategy, ENGIE conducts its direct lobbying actions, as well as through the professional associations the Group, in accordance with the objectives of the Paris Agreement.

## + ENGLE climate-related policy and advocacy position

#### **Paris Agreement**

ENGLE supports the Paris Agreement's objective of limiting average global temperature increases. For ENGLE, this trajectory relies on 3 objectives for 2030 on GHG emissions reduction, relating to energy production and the use of sold products. ENGLE's climate strategy includes a commitment to reach Net Zero GHG emissions, by 2045, across all 3 scopes.

The Group has implemented an ambitious transition plan to mitigate climate change, aiming to ensure that our strategy is aligned with the energy transition, limiting global warming to 1.5°C in accordance with the Paris Agreement, through our best efforts.

#### Climate science

ENGLE recognizes the relationship between human activity and climate change as a fact, and the Intergovernmental Panel on Climate Change (IPCC) as the primary source of information on climate change.

#### Reliable and affordable energy

ENGIE supports an affordable and resilient approach of decarbonization, without compromising on targets. ENGIE supports the access-to- energy industry framing and standards in terms of quality and customer protection.

#### Development of renewable energies

ENGLE is strongly committed to developing renewable energies (electricity and gases) and invest to increase their share in the energy mix to facilitate the transition towards low-carbon economies. A very significant acceleration in the growth of renewable energies, primarily electric (wind and solar power) is essential to reach (European) climate targets and limit costs. ENGLE strongly advocates for the development of biogas, green and low carbon hydrogen to accelerate the path to net-zero carbon and decarbonize gas assets. ENGIE supports investments in energy infrastructures that facilitate the transportation and distribution of biogas and hydrogen, and natural gas as a "transition fuel" needed to achieve climate and energy objectives.

#### Energy system integration

ENGIE recognizes energy system integration as a key element for energy systems optimization and decarbonization. ENGIE strongly supports the homogenization of cross-industry technical standards to unlock the full potential of energy system integration. ENGIE believes that the alliance between the electron and the molecule is the answer for an affordable and reliable energy transition. ENGIE recognizes natural gas as a "transition fuel" and a key enabler in the transition to a lower greenhouse gas future. ENGIE believes that natural gas has a critical role to play in ensuring the affordability, flexibility and security of the energy transition. It supports the integration of renewable electricity and helps high-carbon countries to quickly and significantly reduce their CO, emissions through a transition from coal to gas.

#### Distributed energy infrastructure and related energy efficient services

ENGLE promotes the role of sustainable district heating and cooling, distributed generation, low-carbon mobility, low-carbon cities, and public lighting in order to foster reductions in energy consumption, energy efficiency and the greening of customers' energy consumption.

#### **Carbon pricing**

ENGLE advocates for robust carbon pricing policies and mechanisms that would allow investments in low-emissions technology, reduction of energy consumption and energy efficiency.

## **BUSINESS CASES**

#### HAZELWOOD BATTERY

#### ENGIE Hazelwood is rehabilitating the former Hazelwood Mine and Power station to deliver a safe, stable, sustainable and non-polluting site that enables productive future uses.

Situated near the former site of Hazelwood Coal Power Station in the Latrobe Valley, Australia, the Hazelwood Battery forms part of ENGIE's commitment to repurposing the site, which ENGIE has been rehabilitating since 2017. The battery's innovative design and the site's unique location provides the potential to scale up storage capacity quickly and cost-effectively in order to respond to network and market demand.

Battery storage serves a key role in accelerating the build-out of solar and wind resources, capturing excess power during periods of high energy generation while discharging to meet peak demand. The Hazelwood Battery will also participate in frequency control ancillary service markets, delivering critical stability to a grid increasingly comprised of intermittent renewable sources.

The Hazelwood Battery Energy Storage System (HBESS) is a 150MW/150MWh utility-scale battery that delivers further electricity grid stability for Victoria.

It has the capacity to store the energy equivalent of an hour of energy generation from the rooftop solar systems of 30,000 Victorian homes, playing a critical role in increasing the state's energy capacity and delivering further grid stability. As an established power generation site with access to 1,600MW of dormant transmission capacity, Hazelwood is uniquely placed to accommodate battery infrastructure.

#### **+** KEY INFORMATION

**150 MW/150 MWh** utility-scale battery-based energy storage system - intended as a grid stability and peak power asset. This means the battery will be able to send extra electricity into the grid in times of peak demand, or store electricity that is not being used in times of low demand.

**The project is funded by ENGIE and Eku Energy,** and will be built, operated, and maintained over a 20-year period by Fluence, a global market leader in energy storage products and services and digital applications for renewables and storage.

The battery uses Fluence's latest-generation Gridstack technology platform - made of 342 modular, standardised factory-built Fluence Cubes - providing industry-leading reliability and safety at all levels of the system.

The battery has an expected lifespan of **20 years.** 



## NEW COALITIONS AND PARTNERSHIPS IN 2023

ENGIE's strategy includes partnering with other stakeholders. Alongside its participation in industry associations, ENGIE is involved in several partnerships and coalitions that allows the Group to broaden its impact and promote positions in favor of accelerating decarbonization.

## **Alliance of CEO Climate Leaders**



Ahead of COP28, Catherine MacGregor has joined more than 100 CEOs and senior executives from the Alliance of CEO Climate Leaders in signing an open letter stressing that every fraction of a degree counts in the race to net zero and calling for transformative policies and actions to have a chance of winning.

The letter underscores the urgency of scaling up efforts to limit the global temperature increase to 1.5°C and emphasises the need for rapid action and public-private collaboration. Despite significant commitments to emission reduction targets by Alliance members, challenges remain, including regulatory barriers, inadequate grid infrastructure and technological constraints. Governments are urged to increase investment in renewable energy, streamline permitting processes, and lead by example in sustainable procurement practices. Accelerating carbon removal efforts and harmonising climate disclosure standards are also essential. Companies are also called upon to increase transparency in emissions reporting and invest in sustainable solutions. Closer collaboration between business and government is critical to achieving net zero goals and driving sustainable value, and the Alliance stands ready to advocate for policy change at COP28 and beyond.

See the letter here: https://www.weforum.org/ agenda/2023/10/alliance-of-ceo-climate-leaders-openletter-cop28/

## **European Wind Charter**



**European Wind Charter** 

ENGIE has signed the European Wind Charter launched by the European Commission in December 2023. This commitment, signed by 26 national energy ministers and supported by companies in the wind sector, includes a set of voluntary commitments to support the development of the EU wind sector.

## **BIP Europe & ESIA**





We are still active in <u>BIP Europe</u> (Biomethane Industrial Partnership), the <u>Renewable and Low carbon fuels alliance</u> and ESIA (<u>the European Solar PV Industry Alliance</u>).

# The approach

ENGIE, as a leader of the energy transition, believes it holds a duty to be proactive in public decision-making processes in the regions and countries where it operates. The Group is committed to carrying out its lobbying activities in accordance with its fundamental principles: act responsibly and according to the law and regulations, promote a culture of integrity, and respect the opinions of others.

ENGIE defines lobbying activity as promoting and defending the interests of its entities by informing relevant stakeholders in technical, economic, environmental, and social fields. ENGIE wishes to share its vision of the energy system and its technical expertise with institutional bodies, in particular with members of governments and parliaments, central administrations and local authorities, to inform them about the Group's activities and positions. These positions aim to inform the various decision-makers. To this end, ENGIE acts directly with its institutional contacts and/or contributes to the work of professional associations which also carry out lobbying activities.

#### Participation in the climate debate

ENGIE intends to take part in open and well-informed discussions and actively contributes to the public debate, being part of a constructive dialogue with public authorities and in partnership with its peers. The Group is committed to fostering a good level of dialogue with all its stakeholders including governments, regulators, investors, academic institutions, international institutions, non-governmental associations, other companies, think tanks and local communities.

Industry associations exist as a way for businesses to elaborate common positions, share best practices, develop standards and new technologies, and inform policy debate.

Through its participation, ENGIE aims to share its knowledge, expertise, and best practice with others, define industry standards, stay aware of the latest developments and up-to-date views on debates within the industry, and provide input to regulatory authorities on different aspects of sustainable development. These include climate change, decarbonization, preservation of the environment, safety, innovation, responsible taxation, and people. In this context, and as an example, we have recently published our priorities for the next European legislative cycle, encouraging the pursuit of the European decarbonization efforts.

The Group values the relationship with its industry associations and seeks to reinforce the positive role that these associations play in respect to fostering commitments and transparency. ENGIE cooperates in these associations or coalitions to promote a sustainable, affordable, and secure pathway to achieve decarbonization goals by participating and contributing to the working groups and events they organize.

#### **Transparency & ethics**

ENGIE is committed to ensuring transparency and integrity of information through reliable communication, and that the Group's actions are consistent with its purpose.

Before joining an association, ENGIE rigorously checks that the association respects ethics, its business interests, and the alignment of the association's positions with those of ENGIE, especially regarding climate matters. ENGIE gives itself the means to put in place a high standard of ethical criteria to govern association- related activities so that they are fully in line with the Group's global policy on ethics, environmental and social responsibility. This is placed under the responsibility of the Board of Directors, through its Committee on Ethics, Environment and Sustainable Development.

These principles have been set in the **Ethics Code** of Conduct, ENGIE condemns influence peddling and corruption in all its forms. The Group also refuses to fund political activities, including in countries where these donations are legally allowed. ENGIE is also strongly committed to upholding internationally agreed human rights in all its relations with public authorities.

#### **Compliance & lobby register**

Each lobbyist acting for ENGIE is committed to carrying out his/her lobbying activities in accordance with ENGIE's fundamental ethical principles stated in its **Code of conduct on Lobbying as reviewed** in March 2023. He/she shall appear on a lobbyists' register of national and international organizations where he/she carries out lobbying activities and shall abide by the codes of conduct and regulations of these same organizations.

In France, ENGIE publishes its annual report of its lobbying actions and performs the registration of its lobbying activities carried out during the year on the digital **register of Haute Autorité pour la Transparence de la Vie Publique (HATVP)** in accordance with the Sapin 2 Law in order to provide transparent information and fight against corruption. Moreover, during its specific ethics and compliance annual reporting campaign, the Group's Ethics Compliance and Privacy Department assesses yearly the correct application by all ENGIE's entities of these principles and relevant code of conduct on lobbying.



In Europe, lobbying means deployed by ENGIE are registered in the **European Transparency Register** (n°: 90947457424-20). The transparency number is pointed out in all exchanges/communication with the European institutions. All contributions to European public consultations are made public and mention its transparency number. Meetings with officials are also made public by the European Commission or the Members of the European Parliament.

At international level, ENGIE follows the same rules. For instance:

- In accordance with the Lobbying Disclosure Act (LDA) of 1995, ENGIE is registered as a lobbyist with the US Senate and Congress.
- The Group operates in Australia, where it also complies with the Lobbying Code of Conduct approved in 2008. ENGIE declares its direct or indirect lobbying activities on the register with the Australian government.

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# **Assessment methodology**



#### DISCLOSURE

This report has been prepared during the first quarter of 2024 and is based on the Climate Action 100+ methodology applicable by December 2023.

#### Assessment methodology

#### Identifications of the associations

ENGIE is member of hundreds of industry associations around the World. Our understanding of a trade association is an organisation in which we hold a corporate membership, which requires the payment of an annual subscription. These associations include general or multi-sector trade associations, sector-specific associations and organisations focused on specific issues. They may operate on a global, regional, national or local basis.

The most important initiatives and associations we are involved in are identified, based on:

- their relationship with the energy sector,
- their relevance in relation to climate change,
- their active involvement in policy discussions and/or their influence on climate-related public policy,
- their scope of action at international level or in Europe and France where ENGIE has significant business and commercial operations.

Those associations only focusing on technical standards or the sharing of best practices for industrial security for instance i.e. without significant activities to influence climate-related public policies, are excluded.

#### Changes in scope from 2022 review

For the first time, we have decided to include 10 industry associations of which we are members in this report, even though they were not previously included. This is because our reporting evolves and expands each year to cover a broader range of our global activities. As part of the review carried out by CA 100+ and Influence Map, we felt it appropriate to include them in this version of the report. We do this primarily in the interests of transparency and openness, and also with the aim of a continually improving our reporting. The content is designed to be as relevant as possible and in line with our priorities. This dynamic allows us to promote the work of the associations of which we are a member, to highlight their efforts to drive forward the energy transition and to strengthen the partnerships we value.

In 2023, we also withdrew from a number of associations for various reasons, as explained below.

#### Out-of-scope associations

The Natural Gas Vehicle Association – **NGVA Europe** has merged with Eurogas in 2023. It has therefore been de facto withdrawn from the report. No ENGIE representative holds a position on the Board of Directors as indicated in their remaining website. ENGLE officially ceased its activities within the **CSR Europe** association in 2024, but were no longer active at all in 2023. It is thus withdrawn from the 2023 review.

ENGLE ceased to be a member of the **Edison Electric Institute** in 2023 and withdrew from its activities a long time ago.

Following completion of the sale of EQUANS (former ENGIE subsidiary operating as a multi-technical services company) to Bouygues in October 2022, our representation at **SMMT** (Society of Motor Manufacturers and Traders) has been changed accordingly and we are no longer a member of this association.

#### New associations in scope

We decided this year to integrate new relevant associations. We wanted to adapt the scope of the associations assessed to ENGIE's activities, global presence and to the priorities of our strategy. It seemed appropriate to include the American, Australian and Brazilian associations with which we work most closely.

ENGIE, through its subsidiary EvBOX, is a member of **ZETA** (Zero Emission Transport Association) in the United States. It was considered useful to take this association into account in the 2023 report.

The main associations we work with in Australia are now included in the report. They are: Australian Hydrogen Council, Clean Energy Council, Electric Vehicle Council, Energy Efficiency Energy Council.

The ENGIE Group is very active in Brazil, so our collaboration with Brazilian associations, in addition to the Instituto Acende, has been underlined by the inclusion of the **Confederaçao Nacional da Industria** (CNI), **Abeeolica Brazil** and the **IHA** (Hydropower Association).

In France, we thought it would be appropriate to add the association **Entreprises pour l'Environnement (EPE)**, which is also the French partner of the **WBCSD**. In addition to being a member of the association's board, on which our CEO Catherine MacGregor represents ENGIE, we are very active in the working groups and chair the one on public affairs, which dedicates an important part of its activities to lobbying reporting.

In 2021, the Group was reorganised to support its strategic ambition and performance, based on its main business lines, with the aim of achieving an effective commitment to the energy transition. The reorganisation of international activities started on 1 July 2021 and has resulted in ENGIE concentrating its activities in a limited number of countries. The Group no longer has activities in China comparable to those of the past. However, ENGIE's former representative in China is still an intuitu personae member of the EU Chamber of Commerce in China. In another part of Asia, ENGIE is a member of the **Malaysian Gas Association,** whose position assessment is included for the first time in this year's report.

The **Consumer Goods Forum**, of which we are a member through our subsidiary ENGIE Impact, was also included as an international organisation. On this basis, 50 associations have been assessed in this review, following an objective and rigorous process.

#### **Process for review**

Having been identified, the review was carried out in the first semester of 2024 according to the following process A questionnaire assessing the associations' positions with respect to both the Paris Agreement and ENGIE's climate positions as described above in the report has been drafted.

ENGIE's representatives with in-scope associations gathered publicly available data such as publications, websites, public statements, and observations about the associations. The timeframe taken into consideration for data collection is the year 2023.

On this basis, ENGIE teams have filled out the questionnaire. When the industry associations' positions were unclear or ambiguous, it was decided to conduct further investigations through direct discussions with the associations, asking for relevant information regarding their level of alignment with the Paris Agreement and ENGIE's climate positions.

The assessment of alignment has been realized by a core project team using the available information and detailed findings.

Once the assessment was completed, the output was used to discuss the appropriate follow-up actions with the concerned associations.

The assessment was carried out internally within the Group and involved the collaboration of several corporate departments (Public Affairs, Regulation, International Affairs, CSR and Strategy), as well as different Global Business Units.

#### Assessment of alignment

After an in-depth analysis of the information collected, the associations were categorized as follows:

- Aligned: the association has a proven commitment to support - or a proven alignment with - the goals of the Paris Agreement and ENGIE's climate positions.
- **Partially aligned:** the association does not explicitly or implicitly - support all the goals of the Paris Agreement or does not express proven alignment with three or more ENGIE's main climate positions.
- **Misaligned:** the association has public climate positions that are contrary to the goals of the Paris Agreement and/or ENGIE's climate positions.

# **Results of the review**

## **GENERAL OVERVIEW**

ASSESSMENT STATUS	ASSOCIATION			
ALIGNED	Abeeolica Brasil American Clean Power Association Association Française des Entreprises Privées (AFEP) Association Française du Gaz (AFG) Australian Energy Council Bioenergy Europe Brazilian National Confederation of Industry (CNI) Business Europe Business for nature Cedigaz CEOE Clean Energy Council Australia COCEN Europe Comité Stratégique de Filière Nouveaux Systèmes Énergétiques Consumer Goods Forum Electric Vehicle Council Energy Efficiency Council Australia Energy UK Entreprises pour l'environnement (EPE) European Association for Storage of Energy (EASE) European Biogas Association (EBA) European Biogas Association (EBA) European Rodort Thermal Electricity Association (ESTELA) European Of Intelligent Energy Efficiency Services (EFIEES) European Golds Thermal Electricity Association (ESTELA) European Of Intelligent Energy Efficiency Services (EFIEES) European Golds Thermal Electricity Association (ESTELA) European Union Chamber of Commerce in China EVOLEN France Hydrogène France Industrie France Industrie France Industrie Gas infrastructure Europe (GIE) Global Gas Centre (GCC) Hydrogen Council Hydrogen Council Hydrogen Europe Syndicat des Energies Renouvelables (SER) Union Prançaise de l'Électricité (UFE) Union Prançaise de l'Électricité (UFE) Curicité (UFE) Curicité Business Council (For Sustainable Development (WBCSD) Zero Emission Transportation Association (ZETA)			
PARTIALLY ALIGNED	International Gas Union (IGU) Malaysian Gas Association			
MISALIGNED	None			

## **DETAILED OVERVIEW**

Abeeolica Brasil
American Clean Power Association
Association Française des Entreprises Privées (AFEP)
Association Française du Gaz (AFG)
Australian Energy Council
Australian Hydrogen Council
Bioenergy Europe
Brazilian National Confederation of Industry (CNI)
Business Europe
Business for nature
Cedigaz
CEOE
Clean Energy Council (Australia)
COGEN Europe
Comité Stratégique de Filière Nouveaux Systèmes Énergétiques
Consumer Goods Forum
Electric Vehicle Council (Australia)
Energy Efficiency Council (Australia)
Energy UK
Entreprises pour l'environnement (EPE)
Eurelectric
Eurogas
Euroheat & Power (EHP)
European Association for Storage of Energy (EASE)
European Biogas Association (EBA)
European Federation of Intelligent Energy Efficiency Services (EFIEES)
European Geothermal Energy Council (EGEC)
European Round Table (ERT)
European Solar Thermal Electricity Association (ESTELA)
European Union Chamber of Commerce in China
EVOLEN
France Hydrogène
France Industrie
France Mobilité Gaz
Gas Infrastructure Europe (GIE)
Global Gas Centre (GGC)
Hydrogen Council
Hydrogen Europe
Hydropower Association Brasil (IHA)
Instituto Acende Brasil
International Gas Union (IGU)
Malaysian Gas Association
SolarPower Europe
Syndicat des Énergies Renouvelables (SER)
Union Francaise de l'Électricité (UFE)
Union Professionnelle des Industries Privées du Gaz (UPRIGAZ)
WindEurope
World Biogas Association (WBA)
World Business Council for Sustainable Development (WBCSD)

Aligned Partially Aligned Misaligned



#### INDUSTRY ASSOCIATIONS CLIMATE REVIEW 2023 - 13



It should be noted that almost all associations assessed in this review respect the Paris Agreement

#### COMMENTS FOR PARTIALLY ALIGNED ASSOCIATIONS

#### International Gas Union (IGU)

The IGU has stated its overall support for climate change mitigation. However, it has strongly advocated policies in favour of fossil gas, promoting it as an effective tool for decarbonisation - with no clear date set for gas phase-out. It is worth noting that biomethane, CCUS and hydrogen are now systematically mentioned in their main publications, as renewable gas becomes more of a focus for the association (...zero/low-carbon gas technologies play a critical role for the world to reach climate change mitigation ambitions - GGR 2022).

#### Example of ENGIE's actions to reach the alignments

ENGLE will continue to work with the IGU to promote alignment, particularly in Europe where our influence is greatest. As a proof of improvement we noted that the IGU Global Gas Report now includes hydrogen, renewable, and decarbonised gas with CCUS, along with natural gas, as permanent features of the overall global gas market development assessment. The latest 2023 report explores future pathways for natural gas, low-carbon, and renewable gases to drive the energy transiton, in conjunction with the increasing share of renewable energy and storage technologies. Amongst the pathways, it underscores the critical

importance of energy conservation and efficiency to minimise demand, with numerous readily available opportunities to reduce gas consumption pragmatically without hurting the economy.

Following many changes over the past 3 years in its Secretariat, IGU is lagging behind in terms of website and publication of position. Nevertheless it publishes several formal reports each year, and a quarterly magazine, called "the global Voice of Gas" in which biogas, H2, CCUS are common topics.

#### **Malaysian Gas Association**

The association defends a continued role of natural gas, but without placing clear conditions on the need for CCS or methane emission abatement on the use of gas, and without clearly specifying timelines for this transition that are in line with IPCC guidance. ENGIE is a member of the co-generation taskforce to discuss about promotion of combined heat and power (CHP) to the industry and is not really involved in the other interests of the association. The influence of the Group is minimal, but our presence in this single taskforce is consistent with the best way to achieve energy efficiency and in line with our decarbonisation strategy.

## FOR ALIGNED ASSOCIATIONS, THE POLICY WITH THESE ASSOCIATIONS IS AS FOLLOWS:

- ENGLE will continue to engage with these associations and maintain its membership.
- ENGIE will work constructively with them on climate-related policies that support the goals of the Paris Agreement.
- ENGLE might even wish to reinforce its engagement with these associations in order to further strengthen their impact.
- ENGIE will continue to track alignment of its positions on climate-related policy and if misalignment in the future is found, the Group will report on the differences.

### FOR PARTIALLY ALIGNED ASSOCIATIONS, THE POLICY WITH THESE ASSOCIATIONS IS AS FOLLOWS:

- ENGIE will continue to engage with these associations and maintain its membership.
- ENGLE might also increase the scale of its involvement in order to reinforce its position of internal leverage.
- In a case where the association does not explicitly or implicitly support the goals of the Paris Agreement, ENGIE will ask for an explicit commitment from their part.
- In a case where the association is aligned with the goals of the Paris Agreement but not with all ENGIE's climate-related positions, ENGIE will maintain an open and constructive dialogue to ensure that their actions show greater engagement and collaboration.
- ENGLE will re-assess the alignment status of the concerned associations.

## FOR NON-ALIGNED ASSOCIATIONS, THE POLICY WITH THESE ASSOCIATIONS IS AS FOLLOWS:

- ENGIE will terminate its memberships with these associations.
- However, the Group will leave the opportunity to renew its collaboration in the future should these associations change their climate-related policy positions.
- Between the time of ENGIE's decision and the date of exit, the Group aims to monitor possible developments in the association's positions while reaffirming ENGIE's own with the objective of applying influence to change.

# **Membership fees**

The annual membership fees are listed for each association according to four categories.

	Membership fee 2022				
Association	0-24 k€	25-49 k€	50k€-99 k€	> 100 k€	
Abeeolica Brasil					
American Clean Power Association					
Association Française des Entreprises Privées (AFEP)					
Association Française du Gaz (AFG)					
Australian Energy Council					
Australian Hydrogen Council					
Bioenergy Europe					
Brazilian National Confederation of Industry (CNI)					
Business Europe					
Business for nature					
Cedigaz					
CEOE					
Clean Energy Council (Australia)					
COGEN Europe					
Comité Stratégique de Filière Nouveaux Systèmes Énergétiques					
Consumer Goods Forum					
Electric Vehicle Council (Australia)					
Energy Efficiency Council (Australia)					
Energy UK					
Entreprises pour l'environnement					
Eurelectric					
Eurogas					
Euroheat & Power (EHP)					
European Association for Storage of Energy (EASE)					
European Biogas Association (EBA)					
European Federation of Intelligent Energy Efficiency Services (EFIEES)					
European Geothermal Energy Council (EGEC)					
European Round Table (ERT)					
European Solar Thermal Electricity Association (ESTELA)					
European Union Chamber of Commerce in China					
EVOLEN					
France Hydrogène					
France Industrie					
France Mobilité Gaz					
Gas Infrastructure Europe (GIE)					
Global Gas Centre (GGC)					
Hydrogen Council					
Hydrogen Europe					
Hydropower association Brasil (IHA)					
Instituto Acende Brasil					
International Gas Union (IGU)					
Malaysian Gas Association					
SolarPower Europe					
Syndicat des Énergies Renouvelables (SER)					
Union Française de l'Électricité (UFE)					
Union Professionnelle des Industries Privées du Gaz (UPRIGAZ)					
WindEurope	_				
World Biogas Association (WBA)					
World Biogas Association (WBA) World Business Council for Sustainable Development (WBCSD)					
Zero Emission Transportation Association (ZETA)					

Next steps

ENGIE will continue to perform this assessment on an annual basis and will publish an updated version on its corporate website each year, or sooner in the event of changes that would justify earlier publication.

This review will cover the initiatives and associations identified in this report, as well as others in the portfolio of associations to which ENGIE is a member that may become more relevant, and any new ones that the Group may join.

The report is available on ENGIE's website: www.engie.com

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