

Green Bond / Green Bond Programme Information Template

Issuer name: GDF SUEZ SA (now denominated ENGIE SA)

Date of completion or of latest update: 08/22/2016

GBP component 1: Use of proceeds

As mentioned in the Green bond documentation of the Issuer, the net proceeds of the issuance of the Notes will be used to fund - in whole or in part - Eligible Green Projects (as defined below). Eligible Green Projects include Renewable Energy Projects (as defined below) and Energy Efficiency Projects (as defined below).

Renewable Energy Projects include financing of, or investments in the conception, construction and installation of renewable energy production units (i.e. energy produced from renewable non-fossil sources including hydro, geothermal, wind, solar or from any other renewable source of energy). Such projects may include acquisition of companies specialized in the conception, construction, installation and production of such renewables energies.

Energy Efficiency Projects include financing of, or investments in projects that contribute to a reduction of the energy consumption per unit of output, such as – for instance – heating and cooling network (which recover heat sources that would otherwise be lost), cogeneration, optimization of building or plant efficiency, systems for energy management (Smart Grids, Smart Metering), etc. Such projects may include acquisition of companies specialized in such energy efficiency activities.

The above mentioned categories are amongst those recognized and listed by the GBP as eligible for Green Projects financings.

The use of proceeds are included in the documentation, on page 6 and 7 of the Final Terms of each tranche :
<https://www.engie.com/wp-content/uploads/2012/04/eur-12-mds-2020-green-fts.pdf>
<https://www.engie.com/wp-content/uploads/2012/04/eur-13-mds-2026-green-fts.pdf>

GBP component 2: Process for project evaluation & selection

Eligible Green Projects must meet a set of 10 environmental, social and societal criteria drawn up in conjunction with the non-financial ratings agency Vigeo (independent consultant expert in responsible performance), covering 5 domains:

1. Protecting the environment: curbing environmental impact and combating climate change;
2. Involving local communities: contributing to local development and to the well-being of local communities;
3. Ethics and entrepreneurial behaviour: promoting ethical practices throughout the supply chain and sustainable relations with suppliers;
4. Human resources: ensuring responsible working conditions and relations;
5. Project governance: making sure that projects are subjected to an internal ESG assessment (environmental, social/societal and governance).

The project selection procedure is clear and simple : Eligible Green Projects are evaluated each year on the above-mentioned set of criteria and the results are subject to a specific audit performed by the ESG team of Deloitte, one of the joint independent statutory auditors of the Issuer. The audit report is released with the Green Bond report in the annual Registration Document available on the website of the Issuer.

Despite the fact that the GDF SUEZ Green Bond was one of the first Corporate Issuer of a Green Bond, the list of Eligibility criteria is relatively extensive and includes not only environmental but also social, ethic and corporate Governance criteria, giving this bond a high level of non-financial performance measure.

Please refer to the following pages for online information on this topic :

http://library.engie.com/uid_75ee14f2-7c97-41be-82ed-8578be0e7487/beevirtua/beevirtua.html?#app=3d20&adf3-lang=en&9557-source=xmlConfs/init.xml&ccb3-pageld=162
<http://www.engie.com/en/investors/fixed-income/green-bond-fight-climate-change/>

GBP component 3: Management of proceeds

Until the net proceeds are allocated in full to Eligible Green Projects (and later in the case of any material change in the list of Eligible Green Projects), the issuer is expected to communicate annually on the list of Eligible Green Projects in its Registration Document.

Therefore, one of the joint independent statutory auditors of the Issuer is expected to issue a report on (i) the compliance, in all material respects, of the Eligible Green Projects with the set of environmental and social criteria set and approved both by GDF SUEZ and Vigeo, (ii) whether the amount of the Green bond proceeds allocated to Eligible projects is consistent with data underlying the accounting records and (iii) whether the balance of cash, cash equivalent and/or money market instruments held by the Group as shown in the audited consolidated financial statements at year end is higher than the remaining balance of net proceeds not allocated to Eligible Green Projects.

Until the full allocation to Eligible Green Projects, the Issuer will hold the balance of net proceeds not already allocated to Eligible Green Projects within the treasury of the Group, invested in cash, cash equivalent and/or money market instruments. The Issuer will establish systems to monitor and account for the allocation of the proceeds.

As recommended in the GBP, the allocation of proceeds is thus fully transparent and verified by the auditor. Considering the relatively short term nature of the cash held until allocation (compared to the maturity of each bond tranche) and for some practical and economic reasons, the documentation does not provide for specific ESG requirements associated to treasury investments.

Please provide related online information if available:

See Use of Proceeds online references

GBP component 4: Reporting

The Bond documentation provides that until the net proceeds are allocated in full to Eligible Green Projects (and later in the case of any material change in the list of Eligible Green Projects), the issuer is expected to communicate on the list of Eligible Green Projects in its Registration Document. Report for the years 2014 and 2015 were published and are available in the Registration Documents 2014 and 2015 (see below). Reporting include the amount allocated and the list of the Eligible Green Projects for the period, each project type of technology/efficiency, each project region, total capacity, and year of expected start of operation. For confidentiality reasons yearly allocation amounts are given on a consolidated basis per category of project (Renewable or Efficiency).

In terms of impact reporting and specifically CO2 emission avoidance, the Issuer opted for presenting for certain projects only reliable estimations based on protocols established and approved by a third party organisations. Therefore, in Renewable Energy Projects, the main estimated CO2 avoidance figures are given for Eligible Green Projects adopted under the Clean Development Mechanism (UNFCC), such protocol being

elected and approved by the United Nations. For Energy Efficiency projects, reliable figures were provided for a US project for which methodology applied is the one used by the US regulator.

Although only partial and therefore conservative, the impact figures provided in the 2014 and 2015 are significant and provide already a strong degree of comfort on the real efforts deployed by the Group to improve its GHG emissions.

In May 2016, ENGIE committed to a 20% reduction in the ratio of CO2 emissions for each source of energy production, as compared with 2012; as a consequence, ENGIE will report on this objective on a yearly basis. This has to be compared to a previous objective of -10% (set in 2014), as a result of the Group's decision, in October 2015, to concentrate solely on low-carbon projects using renewable energy and natural gas, and no longer to launch new coal-based projects

As a reminder the GDF SUEZ Green Bond has been issued in 2014, at the inception of the Green Bond market for the Corporate sector.

Recently initiatives were brought to the market to provide for a common base for an impact reporting, however the subject is not yet fully mature and one cannot affirm that a globally accepted methodology has emerged. As ENGIE is willing to provide a high degree of transparency, it will definitely continue to improve its reporting where necessary and therefore in the future it may opt to use any reference methodology or framework commonly adopted on the markets and considered as sufficiently reliable (subject to confidentiality/competitiveness issues).

Please consult the Green Bond report 2015 on page 160 of the Registration Document 2015:

http://library.engie.com/uid_75ee14f2-7c97-41be-82ed-8578be0e7487/beevirtua/beevirtua.html?%20-%20app=3d20&adf3-lang=en&9557-source=xmlConfs/init.xml&ccb3-pageld=162#app=3d20&9557-source=xmlConfs/init.xml&adf3-lang=en&ccb3-pageld=162

GBP recommendation: External review

The external review of the bond is twofold :

- A second party opinion given by Vigeo at the launch of the Green Bond. Such opinion was granted on the framework established by the Issuer for selecting the future Eligible Green Projects.
- Verification of the allocation : the yearly allocation process is submitted to a verification of the alignment of the internal standards and actual Eligible Green Project particulars with each the eligibility criteria (as defined in the framework mentioned above). Such verification is made through an audit performed by Deloitte, one of the statutory auditors of the Issuer. For this mission Deloitte dedicates a team of ESG experts who have authority to ask the Issuer any evidence it may deem necessary to establish and comfort its opinion. At the end of such verification, an audit report is produced by the auditors, a copy of which is released in the Registration Document.

The set of external reviews included in the bond provides sufficient comfort to the investors and are totally in line with the guidance provided in the GBP regarding the external review.

To consult the Vigeo opinion, please refer to the following address :

<http://www.engie.com/en/investors/fixed-income/green-bond-fight-climate-change/>

To consult the Audit report 2015, please refer to page 164 of the Registration Document 2015 available at the following address :

http://library.engie.com/uid_75ee14f2-7c97-41be-82ed-8578be0e7487/beevirtua/beevirtua.html?#app=3d20&adf3-lang=en&9557-source=xmlConfs/init.xml&ccb3-pageld=166