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Reporting – Global Compact Principle 10
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ANTI- CORRUPTION

With regard to ethics, ENGIE's goal is to act in accordance with its values and commitments, always and everywhere, observing all applicable laws and regulations in force.

PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery.

Fighting corruption is one of the Group's major commitments, reflected in its organization and modes of governance. ENGIE policy is based on the principle of "maintaining a culture of integrity, trust and honesty, including a zero tolerance policy on fraud and corruption, both inside and outside the company when it deals with third parties".

In 2012 the Group started reporting on the 10th principle against corruption for the Global Compact which comprises about 22 indicators. The reporting is made in accordance with the guidelines provided by UNGC and Transparency International.

N°	Actions	Basic Reporting Element	Desired Reporting Element
I	Commitment and Policy	B1-B2	D1-D5
II	Implementation	B3-B6	D6-D11
III	Monitoring	B7	D12-D15

This action is part of a broader program of voluntary initiatives taken by the Group to contribute improving Integrity, as ENGIE "is committed to developing the highest standards of ethical practice and transparency" (cf. corporate web site) and supports multilateral international Initiatives to fight corruption.

"**Acting with Integrity**" is one of the 4 fundamental ethical principles guiding ENGIE, according to the Group Ethics Charter, approved in 2009 by the Board of Directors, published in 20 languages and distributed to all employees.

ENGIE, which employs 152,000 people on five continents, understands the need for inviolable ethics rules, the respect for integrity, and for adequate means of continuously raising the awareness of every employee on ethics.

ENGIE is implementing a scheme to fight against corruption, which has been developed with regard to the UK Bribery Act and the US Foreign Corrupt Practices Act (FCPA) and which follows the guidelines of the Central Service for the Prevention of Corruption (French SCPC).

A commitment at the highest Group level

- *The Group's executives, particularly the CEO and the General Secretary, Executive Vice-President and the Group Ethics Officer, drive and supervise the ethics policy and ensure its effective implementation;*
- *A strong "zero tolerance" approach to ethics is part of the ethical standards and is regularly expressed by the CEO:*

« On the(...) point relating to the risk of fraud and corruption, I want to be very clear: it is zero tolerance. We cannot accept any missteps when it comes to ethics. This message must be brought to the attention of everyone, through you, our ethics officers and through our senior executives who have all received dedicated training. »..... Gérard MESTRALLET, 16 october 2014 – 2014 Ethics Convention
- *The Group's external commitments are made with organisations like EITI, Global Compact, Transparency International France and with our suppliers and partners.*

Risk assessment

- *An assessment of ethical risks that takes into account the specific characteristics of our activities is integrated into the Group's risk analysis process. The results are presented to the Group's Steering Committee and to the Board of Directors' Ethics, Environment and Sustainable Development Committee;*

Establishing an anti-corruption compliance program

- *A dedicated organisation supervised by the Ethics, Environment and Sustainable Development Committee, a specialised Board of Directors committee, has been established. This organisation is managed by the Group Ethics Officer, the Executive Vice-President and the General Secretary. The Ethics Officers Steering Committee and the Compliance Committee preside over it in order to drive the implementation of ethical action plans and compliance monitoring. As a dedicated division, the Ethics & Compliance Division develops policies and ensures the availability of tools and the implementation of ethical policies, coordinating a line of over 150 ethics officers in the Business Units;*
- *Responsibilities are defined at all levels of the managerial line;*
- *The Group's ethics charter together with the "Ethics in Practice" guidelines is published on the Group's website. These reference documents forbid bribery and corruption. The ethics charter and the "Ethics in Practice" guidelines are distributed to all employees who commit to respect the ethics principles;*

- *Specific policies are implemented relating to*
 - *Business Consultants,*
 - *gifts and hospitality and patronage and sponsorship,*
 - *carrying out due diligence on partners involved in investment projects,*
 - *the integration of an ethical, environmental and societal responsibility clause into contracts with the Group's suppliers;*
- *All major Group investments are assessed using criteria concerning the risk of corruption.*
- *Ethics is integrated into the annual appraisal process of management and employees;*
- *A confidential whistle-blowing system (ethics@qdfsuez.com) is open to Group employees;*
- *Managerial notification of ethics incidents is done via the INFORM'ethics tool;*
- *Ethics incidents are subject to systematic processing and implementation of corrective and preventive measures.*

Communication, manager training and employee awareness

- *The convention that brings together ethics officers and operational and functional Group managers provides an opportunity to affirm and reaffirm the Group's ethical commitments;*
- *The Group carries out a series of awareness and training activities including an awareness seminar about the risk of fraud and corruption for senior executives, specific training for ethics officers, managers and the procurement line;*
- *E-learning is accessible to all employees.*

Control system

- *A self-evaluation questionnaire dealing with key ethical themes has been implemented within the framework of Internal Control;*
- *The roll-out and implementation of the anti-bribery system within the Group's entities is undertaken through a procedure called the "annual ethics compliance procedure";*
- *Audits are conducted across the field of ethics and compliance policies;*
- *The Group has launched processes for certification by external agencies. Thus, the Business Consultant Policy of Tractebel Engineering (a subsidiary 100% owned by the Group) was certified in December 2014 by Ethic Intelligence.*

1.COMMITMENT AND POLICY

B1-Publicly stated commitments to work against corruption in all its forms, including bribery and extortion

ENGIE asserts its culture of integrity and compliance by corporate communications with its commitment to bar any act of corruption (which is translated in a zero tolerance policy on fraud and corruption).

This commitment is publicly stated in statements made by the CEO & Chairman and the Board of Directors, and embodied in principles provided in the ethics codes and external ENGIE reports. Expression of this commitment can also be found on the corporate ENGIE's internet and intranet sites: <http://www.gdfsuez.com/en/analysts/governance-and-ethics/ethics/actions/external-stakeholders/>.

PUBLICLY STATED COMMITMENT AND DECLARATIONS

The commitment to work against corruption is also published in: the "Ethics Charter"; "Ethics in Practice" guidelines; the "Global Agreement on fundamental rights, social dialogue and sustainable development" signed with Trade Unions ; the "Business Consultants Policy" validated by the Executive Committee in 2012, and in the "Ethics of Business Relationships: Governing Principles" , validated by the Group's Management Committee in May 2013, with an important section dedicated to principles to gifts and hospitality; the Global Compact Communication on Progress and specific report about the 10th principle; the CEO & Chairman's Letter on the UN Convention against Corruption; and the annual Declaration to the Extractive Industries Transparency Initiative (EITI).

On 16 and 17 October 2014, The Ethics and Compliance Convention that brought together Group ethics officers and managers on the theme: "Ethics: from strategy to practice". The event was an opportunity to reaffirm the Group's ethics commitments.

« On the(...) point relating to the risk of fraud and corruption, I want to be very clear: it is zero tolerance. We cannot accept any missteps when it comes to ethics. This message must be brought to the attention of everyone, through you, our ethics officers and through our senior executives who have all received dedicated training. »..... Gérard MESTRALLET, 16 october 2014 – 2014 Ethics Convention

The Group's Ethics Charter (p 9), translated into 20 languages and sent to all employees everywhere in the world, includes the following:

Developing a culture of Integrity

"The Group accepts no compromise in the matter of integrity, which must govern all its day-to-day business relationships and professional practices. This being the case, the Group attaches the greatest importance to the moral qualities of its employees.

We must all be aware of the fact that our reputation depends on our actions. It is therefore imperative that each of us should act in a morally correct manner in all circumstances and permanently foster a culture of integrity.

In practice, integrity demands that we should avoid any situation likely to create a conflict between our personal interests and those of the Group. Acting with integrity also means we always maintain our

fundamental values, which helps to establish a climate of trust and acts as a shield against corrupt practices, which are a serious risk to the commercial survival of any business.”

The “Ethics in Practice” Guidelines (p 12) includes the following:

“The Group adheres to the highest ethical standards. The Group’s principles of action are rooted in international reference models, in particular:

- The Universal Declaration of Human Rights and Additional Protocols
- The standards of the International Labor Organization (ILO)
- The Guidelines for Multinational Enterprises laid down by the Organization for Economic Co-Operation and Development (OECD)
- The United Nations Convention against Corruption”.

The Global Agreement on fundamental rights, social dialogue and sustainable development

The Agreement, signed in 2011, applies to all the Group entities worldwide. It includes the following ethics principle: *“the maintenance of a culture of integrity, trust and honesty, including a zero tolerance policy on fraud and corruption, inside the company as well as with others”.*

The **“Ethics of Business Relationships: Governing Principles”**, adopted by the Group’s Management Committee on May 6, 2013 aims at:

- ensuring that business relationships with all external stakeholders (customers, public authorities, competitors, suppliers, commercial partners, and corporate patronage and sponsorship partners, etc.) are subject to high ethical standards;
- adapting our principles to make sure that they are compliant with applicable laws in the sensitive areas of business relationships, and to make them enforceable;
- increasing our customer satisfaction and service quality, as well as ensuring relevant standards for the protection of local populations;
- protecting the Group’s reputation.

The Integrity Referential “Combating fraud and corruption” in a nutshell (published on internet)

“Integrity is a major challenge for the Group, especially within the current situation of economic and financial crisis and increasing regulation. In this context, the Group’s Executive Committee has adopted a document called The Integrity Referential, with one goal: zero tolerance.”

Other corporate publicly stated commitments against corruption are published **on the ENGIE website – CSR Expert:**

<http://www.gdfsuez.com/en/analysts/governance-and-ethics/ethics/promoting-ethical-behavior/>

<http://www.gdfsuez.com/en/analysts/governance-and-ethics/ethics/actions/>

VOLUNTARY INITIATIVES AND MEMBERSHIPS FOR WORKING AGAINST CORRUPTION

ENGIE has chosen to support multilateral initiatives from international organizations to fight corruption. The Group believes that a **global framework** is needed in order to combat **global corruption**. In this respect, the Group's initiatives and memberships are listed below:

- In 2009, the Group's CEO & Chairman Gerard Mestrallet, at the invitation of the International Chamber of Commerce, Transparency International, The United Nations Global Compact, and the World Economic Forum Partnering Against Corruption Initiative (PACI), signed a **Letter " to support the United Nation Convention against Corruption (UNCAC)"**.

- ENGIE committed to the **United Nations Global Compact (UNGC)** since 2000, chose in 2011 to complete the specific report on the 10th principle against corruption (by reporting on 22 points) ; our President and Chief Executive officer, Gérard Mestrallet, chaired the French Network of the Global Compact between 2007 and 2013.

- ENGIE supports the OCDE Initiative against Corruption;

- ENGIE is a member of:

- **EITI (Extractive Industries Transparency Initiative)**: since 2009 ; through this membership, ENGIE has chosen to commit itself every year to publishing payment information concerning certain countries where the Group has Exploration and Production activities.

- **Transparency International, French section**, a non-profit organization that fights corruption.

B2- Commitment to be in compliance with all relevant laws, including anti-corruption laws

"Acting in accordance with Laws and Regulations" is the first of the Group's four fundamental ethics principles, published in the Ethics Charter (p 5).

According to this principle: *"as a general rule and in all circumstances, Group employees must observe international, federal, national, local regulations and ethical and professional codes of practice applicable to their activities. The same is true of unilateral decisions and other regulations issued by the Group"*.

This commitment is regularly reiterated in public statements made by the Chairman and Chief Executive Officer and the Board of Directors, as well as in the company's annual reports" and is published on the corporate website.

Business partners and stakeholders can read on the Group's Internet site: "Acting in accordance with laws and regulations" is the first of the Group's four fundamental principles outlined in its Ethics Charter". This commitment was regularly reiterated in public statements made by the Chairman and Chief Executive Officer and the Board of Directors, as well as in the company's annual reports.

The ENGIE Ethics & Compliance Division follows-up on relevant laws and regulations in the jurisdictions where the Group operates. It distributes them within the Group via the "Ethics and Compliance Newsletter", regular meetings, training sessions, e-learning, Ethics Referential documents, and internet and intranet sites.

Among its activities, the Legal Division is responsible for ensuring that the Group complies with legal requirements and for advising entities on how to comply with the relevant legal requirements.

D1- Publicly stated formal policy of zero tolerance of corruption

The Global Agreement on fundamental rights, social dialogue and sustainable development signed in 2011 applies to all ENGIE entities worldwide. The ethics principles of the Agreement include: “the maintenance of a culture of integrity, trust and honesty, including a zero tolerance policy on fraud and corruption, inside and outside the company (when dealing with third parties)”.

This position is published on ENGIE’s internet web site :

[\(http://www.gdfsuez.com/en/analysts/governance-and-ethics/ethics/actions/external-stakeholders/\)](http://www.gdfsuez.com/en/analysts/governance-and-ethics/ethics/actions/external-stakeholders/).

In order to give employees and business partners a better understanding of the Group’s position against corruption as well as of procedures, the ENGIE Ethics & Compliance Division published a specific anti-corruption program approved by the Executive Committee in 2010, “**The Integrity Referential**”.

The Integrity Referential is published on the Group’s intranet site, and distributed to the ENGIE Ethics Officers’ line for implementation in entities worldwide. It has also been distributed to Executive Managers. Its summary is accessible on the corporate internet website for business partners and stakeholders.

The Group has also established Business Codes of conduct published on its website, presenting principles about integrity in business relationships such as the Ethics Guidelines in the relationship with Suppliers, the “Business Consultants Policy” and the “Ethics of Business Relationships: Governing Principles”.

D2- Statement of support for international and regional legal frameworks

ENGIE aligns itself with the global anti-corruption movement across industries and multilateral organizations, as well as with international and regional legal frameworks, to contribute to the promotion of level playing-fields within industries.

ENGIE’s principles of action are rooted in the international reference models mentioned below, for which statements of support have been made.

ENGIE supports the following multilateral initiatives, and international and regional legal frameworks:

- The United Nations Convention against corruption, UNCAC (2003)
- The 1997 OECD “Convention on combating bribery of foreign public officials in international business transactions”, ratified in France in 2000
- The Guidelines for Multinational Enterprises laid down by the Organization for Economic Co-Operation and Development

- ICC (International Chamber of Commerce) Principles
- The Council of Europe's Civil Law and Criminal law Conventions on corruption (1999)
- The French Law of November 13, 2007, the Bribery Act, the FCPA, Sarbane Oxley, Dodd Frank Act, etc.

D3- Carrying out risk assessment of potential areas of corruption

ENGIE is aware that **Oil & Gas, Energy and Utilities sectors** are internationally considered as being at greater risk of exposure to corruption. Equally, companies of all sectors involved in public **procurement contracts** in some countries of the world are also considered as being in situation of greater risk.

To implement its ethics policy and anti-corruption policy, the Group carries out **risk assessment** procedures through its ERM (Enterprise Risk Management) Process.

To address the identified risks, policies have been implemented on the following topics : Business Consultants, Gifts and Hospitality, investment projects.

The Group uses tools such as Maplecroft in order to evaluate the level of the risk of corruption in the countries in which it operates or wants to develop.

In 2014, the Purchase Division and the Ethics and Compliance Division worked together to better analyze the **corruption risk inherent to supply and procurement activities**. This risk is listed as a priority risk which must be closely monitored and managed and a specific Action Plan has been implemented.

D4 – Detailed policies for high risk areas of corruption

Some professional activities, relationships with specific business partners, business areas, and other situations can be conducive to the risk of corruption, such as: procurement and relationships with suppliers, business in the extractive industry, the use of business consultants, sponsorship/partnership deals, political funding, gifts, hospitality and travel invitations.

The following policies have been adopted:

- the Business Consultant Policy and the "Ethics of Business Relationships : Governing Principles" have been elaborated and can be consulted on ENGIE's internet and intranet website. **"The Business Consultants Policy"** deals with Business Consultants and aims at monitoring the risk of corruption that can result from the use of business consultants. It was put into force on January 1, 2013 ; **"Ethics for Business Relationship: Governing Principles"** aims in particular at monitoring the same risk of corruption in the context of gifts and hospitality. Gift and Hospitalities policies have been progressively implemented between January 2013 and January 2015 in all Group Business lines and Corporate Center. These policies have been drafted taking into account the international framework and national reglementation such as the principles of the US Foreign Corrupt Practices Act ("FCPA") and the UK Bribery Act. They are accessible on ENGIE website.

- The Group has put in place a new policy on analysis of the ethical risk related to investment projects adopted by the Group's Management Committee on March, 16th 2015.
Within the policy on analysis of the ethical risk related to investment projects, stakeholders in its investment projects are subject to an in-depth and integrated due diligence procedure. The intensity of the due diligence measures to be taken varies with the level of the Group's exposure and the country in which the project is to take place. The policy also requires a special analysis of the country when the project is to be carried out in a high-risk country where the Group is not yet present.

Moreover, **specific initiatives** have been taken to monitor and reduce the risk of corruption: for instance, ENGIE's participation in EITI (Extractive Industries Transparency Initiatives) since 2009.

D5 – Policy on anti-corruption regarding business partners

ENGIE involves its business partners, especially the **suppliers, intermediates and public sector partners** in the application of anti-corruption principles.

According to the Ethics Charter (p 17) on the corporate intranet site: “ENGIE employees are required, insofar as it is necessary, to inform the people they deal with, particularly their suppliers, service providers and subcontractors, of the existence of the Group's Ethics Charter by, for instance, providing them with a copy of this document”.

Relationship with suppliers

The Group's Guide to Ethics in Supplier Relations (translated into 16 languages, distributed to all Group purchasing entities and published on the corporate website) requires employees **to disseminate ethical principles and to screen suppliers** on ethical principles such as anti corruption and human rights (p 11):

A new ethics, environment and societal responsibility clause has been put into force in 2014 to implement Ethics in suppliers activities and relationships.

Business Consultants

Principles are presented in the Guidelines documents “Ethics in Practice”, “Ethics of Business Relationships: Governing Principles”, and “Business Consultants Policy”, the new policy for the selection of commercial consultants worldwide based on external assessment.

The “**Business Consultants Policy**”, adopted by the Group's Executive Committee on July 23, 2012 and put into force on January 1, 2013 has a three-fold purpose: (i) to submit all business consultants considered for appointment to a full due diligence process; (ii) to strictly monitor the remunerations paid; and (iii) to ensure traceability of the entire selection process.

Partners in investment projects

The Group has developed a specific policy of analysis of the ethical risk related to investment projects validated by the Group's Management Committee on March 16th, 2015, under which

stakeholders in its investment projects are subject to an in-depth and integrated due diligence procedure (entry into force on April 1, 2015)

Public-sector partners

The principle of transparency concerning payments via the publication of data in the framework of EITI helps encourage business partners to implement anti-corruption commitments in this sector.

II. IMPLEMENTATION

B3-Translation of an anti-corruption commitment into actions

EBGIE has identified corruption risks within the Group's operations, developed guidelines and detailed procedures, and appointed management and the organization to implement, monitor and improve actions.

The areas particularly conducive to fraud and corruption have been catalogued and illustrated in the **"Ethics in Practice" Guidelines** document, which provides key information needed to understand the topic, and issues relating to specific professional practices, whether associated with a particular business (buyer) or with cross-discipline activities (relationship with suppliers), or with sensitive fields such as the use of business consultants.

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Establishing an anti-corruption compliance program

- *A dedicated organisation supervised by the Ethics, Environment and Sustainable Development Committee, a specialised Board of Directors committee, has been established. This organisation is managed by the Group Ethics Officer, the Executive Vice-President and the General Secretary. The Ethics Officers Steering Committee and the Compliance Committee preside over it in order to drive the implementation of ethical action plans and compliance monitoring. As a dedicated division, the Ethics & Compliance Division develops policies and ensures the availability of tools and the implementation of ethical policies, coordinating a line of over 150 ethics officers in the Business Units;*
- *Responsibilities are defined at all levels of the managerial line;*
- *The Group's ethical charter together with the "Ethics in Practice" is published on the Group's website. These reference documents forbid bribery and corruption. The ethics charter and the "Ethics in Practice" guidelines are distributed to all new employees who commit to respect the ethics principles;*

- *Specific policies are implemented relating to*
 - *Business Consultants,*
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 - *carrying out due diligence on all partners involved in investment projects,*
 - *the integration of an ethical, environmental and societal responsibility clause into contracts with the Group's suppliers;*
- *All major Group investments are assessed using criteria concerning the risk of corruption.*
- *Ethics is integrated into the annual appraisal process of management and employees;*
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- *Managerial notification of ethics incidents is done via the INFORM'ethics tool;*
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Communication, manager training and employee awareness

- *The convention that brings together ethics officers and operational and functional Group managers provides an opportunity to affirm and reaffirm the Group's ethical commitments;*
- *The Group carries out a series of awareness and training activities including an awareness seminar about the risk of fraud and corruption for senior executives, specific training for ethics officers, managers and the procurement line;*
- *E-learning are available for employees.*

B4- Support by the organization's leadership for anti-corruption

Leadership's messages and commitment and supports to collaborators' action are on Group's intranet site.

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"We will not tolerate any breaches in Ethics", Gérard Mestrallet, Annual Ethics Conference, 2011.

- "A sustainable company is an ethical company. For me, this is a core belief. It needs to be our focus for the Group." Gérard Mestrallet (intranet website)

- "Acting in accordance with laws and regulations, establishing a culture of integrity, behaving fairly and honestly, and respecting others. These are the watchwords that apply **in all of our professional actions and in the world as a whole.**" Gérard Mestrallet, November 10, 2009 (The Integrity Referential, intranet).

A governance system involving the entire Group managerial chain

The managerial coordination system is organised as follows:

- The CEO and the members of CODIR support the Group's ethical aims and decide upon the corresponding strategic choices.
- The Group Ethics Officer is the General Secretary, Executive Vice President Member of the Group's Management Committee.
- The Ethics and Compliance Division, organised within the General Secretariat, drives the integration of ethics into the Group's strategy, management and practices.
- The Compliance Committee, chaired by the Group Ethics Officer, drives the compliance policy. Responsibilities in terms of ethics and compliance are deployed at all levels of the managerial line.
- The Group managers - and first and foremost all the Business units managers - are the first guarantors of the application of ethics. They must have the tools necessary to deploy the ethics policy and detect any violation of these rules and establish a system to control the application of the ethics and compliance systems.

Each year, the Business Unit Manager submits a letter of compliance certifying their commitment to the application of the ethical and compliance system within their Business Unit accompanied by a report prepared by the ethics officer, the Executive Vice-President responsible for the supervision of the Business Unit concerned and the Group Ethics Officer.

B5- Communication and training on the anti-corruption commitment for all employees

All the documents and publications about integrity (such as the referential, guidelines) are on the Group's intranet and extranet websites, available to every Group entity.

An Ethics Newsletter is published quarterly by the Ethics and Compliance Division with information on new guidelines and reference documents, relevant laws, best practices taken by entities regarding ethics, and the training schedule.

In compliance with the principles set forth in the US Federal Corrupt Practices Act and the UK Bribery Act, ENGIE set up the following actions in terms of raising awareness and training for 13 000 attendees in 2014:

- **A highly specialized training ("Understanding and anticipating the risk of fraud and corruption")** launched in 2012 and designed for ENGIE senior executives.

As of today, 82% of ENGIE's senior executives attended the seminar. Since 2014, employees working in sensitive functions such as ethics officers, legal directors, business developpers can attend this training.

- A training seminar on “Business Ethics” dedicated to managers has also been launched in 2009. This seminar aims at discussing the various aspects of (i) being ethic in the decision making process and the management of a company and (ii) monitoring and mitigating the risk of fraud and corruption. Since its creation, 1,230 managers attended it.
- A training seminar dedicated to purchase line, discussing ethics issues (including fraud and corruption) in the supply and purchase chain has been launched in the beginning of 2014 and tailored to meet the specific issues which can be faced by the managers involved in the supply and purchase chain (Purchase Division).
- Five modules of training, e-learning type, focusing on various ethics issues are accessible in 5 different languages to all employees. The trainings discuss the following topics: Module 1: “To Make an ethic decision”; Module 2: “Competition rules within the European Union”; Module 3: “Being ethic in the context of public procurements”; Module 4: “To prevent the risk of corruption” (this module specifically addresses issues of corruption); Module 5: Ethics in Business Relationships (this module specifically addresses issues of gift and hospitalities).

Moreover, webconferences are regularly organised to help employees and specially the ethics officers to implement the specific policies such as the policy on the analysis of the ethical risk related to investment projects (May 2015), the gift and hospitalities policies (May 2014), the integration of ethics in HR process (annual appraisal) (may 2015).

On 16 and 17 October 2014, The Ethics and Compliance Convention that brought together Group ethics officers and managers on the theme: "Ethics: from strategy to practice" and was structured around two axis the prevention of corruption and Human rigths. The event was an opportunity to reaffirm the Group's ethics commitments. It has been underlined that the Group’s strategy requires strengthening ethical practices. The development of a strong culture of integrity and ethics in daily business practice and in all Group business lines and entities has been encouraged.

<p>B6- Internal checks and balances to ensure consistency with the anti-corruption commitment</p>
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The Group decided to ensure consistency with the anti-corruption commitment in the sensitive field of business consultants. The inherent risk of using the services of a business consultant must be assessed by a mandatory due diligence, taking into account his/her reputation, technical, financial and commercial references, clean criminal record and professionalism.

The Group has developed a specific policy of analysis of the ethical risk related to investment projects validated by the Group’s Management Committee on March 16th, 2015, under which all stakeholders in its investment projects are subject to an in-depth and integrated due diligence procedure (entry into force on April 1, 2015)

Due diligence may also be applied in the field of business, supplier, and corporate patronage and sponsorship partnerships.

The implementation of the various policies are evaluated through the internal control system and the audits.

D6-Actions taken to encourage business partners to implement an anti-corruption commitment

ENGIE business partners are: customers, joint-venture partners, suppliers, external commercial employees, external commercial partners, business consultants, partner companies in public initiatives, public officers, etc.

Special attention is paid to the relationship with suppliers and business consultants: policies, codes of conduct, action plans, and tools aimed at preventing incidents with these business partners.

A new policy is being elaborated and will be finalized by the end of 2014. This policy will aim at extending in an appropriate way the principles set out in the Business Consultants Policy to joint-ventures partners and main suppliers.

a) Suppliers

Entities are required to use an ethics, environment and societal responsibility clause (updated in 2014) in contracts with suppliers and subcontractors, which states that suppliers must proscribe any form of corruption whatsoever during the performance of the contract and undertake to ensure the respect and enforcement of rules by its principal subcontractors and/or suppliers.

ENGIE requires its commercial partners, subcontractors and suppliers to establish their own ethical, environmental and social rules, if they have not already done so, and to maintain practices that are compatible with the Group's values.

b) Business consultants

The Group has adopted a specific policy on Business Consultants which requires specific procedures to be implemented, in particular due diligence investigation aiming at checking the reputation and integrity of the Business Consultants. This policy was approved by the Group Executive Committee in 2012 and put into force in January 2013.

c) Partners

The Group has developed a specific policy of analysis of the ethical risk related to investment projects validated by the Group's Management Committee on March 16th, 2015, under which all stakeholders in its investment projects are subject to an in-depth and integrated due diligence procedure (entry into force on April 1, 2015).

D7- Management responsibility and accountability for implementation of the anti-corruption commitment or policy

ENGIE identifies management as its priority target for implementing its anti-corruption program and as having prime responsibility for applying and communicating on ethics principles.

Tools for implementing this strategy include mandatory training sessions for senior managers about anti-corruption, and training sessions by the Group, the Business Line and the BUs for newly appointed managers.

Senior executives are involved by including ethics in their annual appraisal process.

ENGIE's annual Compliance Procedure (please see D12) presented to the CEO & Chairman and carried out under the responsibility of the Group Ethics Officer, requires compliance and commitment letters from the top management of each Business Lines and Business Units.

D8- Human Resources procedures supporting the anti-corruption commitment or policy

Human Resources develop the ethics and anti-corruption policy in their own policies and procedures:

-The Ethics Charter and "Ethics in Practice" Guidelines are distributed to all new arrivals to Group entities, and since the end of 2014, the given of the reference documents is coupled with ensuring that employees are aware of these principles and are committed to following them.

- The Human Resources managers' behavior reference document "Management Way", as well as the reference document concerning "high potential employees", formally include two points concerning ethics and integrity as required behavior for managers:

- The ambition to act with integrity and
- The capacity to make equitable decisions.

- Ethics is included in the annual appraisal process for senior executives. Since the end of 2014, the Group calls for the widespread inclusion of ethics in all annual evaluations. This involves on one hand ensuring that all employees are aware of the Group's ethical principles, and on the other hand, creating a compulsory discussion between employees and their managers on how ethical practices have been implemented in day-to-day business.

D9-Communications (whistle blowing) channels and follow-up mechanisms for reporting concerns or seeking advice

A whistle-blowing system allows Group employees to ask questions, express their doubts or even report ethical violations in confidence. It is under the responsibility of the Group Ethics Officer assisted by the Director in charge of Group Ethics and Compliance.

D10-Internal accounting and auditing procedures related to anti-corruption

Cooperation between the Ethics and Legal Division (legal compliance) and the Audit and Risk Management Division ensures that specific items concerning corruption are included in the Group's audit program.

Internal Audits are carried out annually on implementation of ethics policies.

The Internal Control Department (INCOME procedure) participates to the implementation of ethics policy and to compliance by establishing points of mandatory control.

D11-Participation in voluntary anti-corruption initiatives

ENGIE decided to participate in four voluntary external initiatives fighting against corruption:

- **ENGIE supports the Global Compact**

The Group aims at increasing the quality of internal procedures and reporting practices.

The Group reports to the Global Compact (since 2012) on the 10th principle against corruption on 22 indicators in the framework of COP (Communication on Progress). ENGIE carries out initiatives for promoting the Global Compact with respect to its business partners.

- **ENGIE is a member of EITI – Extractive Industries Transparency Initiative**

ENGIE has been a member of EITI since 2009, recognizing the importance of supporting improved governance in resource-rich countries through the publication of payments to governments from oil, natural gas and mining. In this respect the Group:

- Publishes EITI principles on its website

- Financially contributes to EITI

- Shares contacts with multi-stakeholder groups in other countries and participates in working groups in countries where the Group is present

- Reports annually to EITI for the following countries: Germany, United Kingdom, Netherlands, Azerbaijan, Norway.

- **Participation in Transparency International (TI), French Section**

ENGIE is a Company Member of the French section of Transparency International, the non-profit organization that is extremely active in the fight against corruption. ENGIE agrees with TI values, its object of raising awareness and reducing apathy towards, and tolerance of, corruption, and devises and implements practical actions to address it.

Commitments of ENGIE in relation to TI:

- not to participate in actions for corruption

- to fight corruption by participating in TI France's actions

- to implement actions for preventing corruption in the Group directly or through business partners

- to implement actions for identifying guilty partners and punishing them.

III. MONITORING

B7-Monitoring and Improvement processes

The Group's *monitoring and improvement process* for Ethics and Integrity is based on four focus areas:

- a) Guidance
- b) Risk management, audits and controls
- c) Annual Compliance Procedure
- d) Process dealing with incidents

a) Managerial guidance involving the Group's entire management chain

The managerial coordination system is organised as follows:

- The CEO and the members of CODIR support the Group's ethical aims and decide upon the corresponding strategic choices.
- The Group Ethics Officer is the General Secretary, Executive Vice President Member of the Group's Management Committee.
- The Ethics and Compliance Division, organised within the General Secretariat, drives the integration of ethics into the Group's strategy, management and practices.
- The Compliance Committee, chaired by the Group Ethics Officer, drives the compliance policy and ensures compliance of its implementation. Responsibilities in terms of ethics and compliance are deployed at all levels of the managerial line.
- The Group managers - and first and foremost all the Business units managers - are the first guarantors of the application of ethics. They must have the tools necessary to deploy the ethics policy and detect any violation of these rules and establish a system to control the application of the ethics and compliance systems.

Each year, the Business Unit Manager submits a letter of compliance certifying their commitment to the application of the ethical and compliance system within their Business Unit accompanied by a report prepared by the ethics officer, the Executive Vice-President responsible for the supervision of the Business Unit concerned and the Group Ethics Officer.

b) Risk, audit and control management

The Internal Control Department periodically assesses the implementation of Ethics Policy. Audits are also carried out. Areas are identified by the Ethics and Compliance, Legal, and Audit and Risks Divisions.

c) Annual Compliance Procedure

A detailed **Annual Compliance Procedure** for monitoring the deployment of the Group's ethics policy in the Business lines and entities has been established. Its description is given in detail in D12.

d) Process dealing with incidents

The ethics incidents are monitored by the Compliance Committee. A detailed description of procedures for dealing with incidents is given in D13.

D12-Annual Compliance Procedure

Overseen by the Chief Executive Officer, a compliance procedure monitors the implementation of the Group's ethical policy in the entities: the Ethics Officers produce an annual report on the work and progress of their entity's ethics and compliance organisation, in applying ENGIE's rules and procedures as well as any specific measures or actions taken by the entity itself.

This report, delivered to the entity which it belongs to, is accompanied by a compliance letter from the manager certifying their commitment to the application of the ethics and compliance system within the organisation for which he is responsible.

Each year, every Business Unit Manager will therefore submit a letter of compliance to accompany the Business Unit's report to the Executive Vice-President in charge of the managerial supervision of the Business Unit. They can make one of the BUs responsible for ensuring the consolidation of the quantitative and qualitative elements within its perimeter.

Each Executive Vice-President then sends a letter of compliance, accompanied by the consolidated elements and the Business Unit's reports to the CEO, the Chief Operating Officer, in charge of Operations and the Group Ethics Officer.

On this basis, the Group Ethics Officer establishes the Group annual compliance report, presented to the Group's Management Committee, then to the Board of Directors' Committee for Ethics, Environment and Sustainable Development.

D13- Dealing with incidents

ENGIE has developed a system for dealing with incidents, whose aim is to: put a stop to any unethical behavior, ascertain precisely what occurred and determine the ramifications, propose compensation for the damage caused, punish the individuals responsible, and suggest measures for improvement.

To this end, INFORM'ethics, a confidential internal management reporting computer system for ethical incidents, contributes to the prevention of associated risks, the Company's protection and is an integral part of the Group's operational governance.

The INFORM'ethics system responds to the principle of mandatory reporting of ethics incidents identified in one of 6 areas defined by the Group (Accounting and Financial Integrity, Conflict of Interest, Social Responsibility and Human Rights, Business Ethics, Confidential Information, Protection of Intangible Property).

It is deployed in all the Business units and Group Functional Divisions and is placed under the responsibility of the Compliance Committee.

For each identified entity and Business Unit, the reporting of incidents within INFORM'ethics falls to the General Manager, the Financial Director, the Chief Legal Officer, the Director of Human Resources, the Director of Safety/Security and the Ethics Officers. The entity under the responsibility of the Business Unit is responsible for handling the incident.

Besides the reporting of ethical incidents, INFORM'ethics enables preventive and corrective measures to be launched at the instigation of the Compliance Committee. It is part of a process of continuous improvement to enable the implementation of preventive measures in the Group.

D14-Public legal cases regarding corruption

Every year ENGIE publishes “**The Registration Document**”, the corporate official document about activities, organizations and key facts.

Important pending or closed cases on the last 12 months with a significant impact on the Group are mentioned in that document.

D15-Use of independent external assurance of anti-corruption programs

The Ethics & Compliance Division and the Sustainable Development Division reply each year to assessments carried out by extra-financial ratings agencies.

The Group has initiated a certification process of the anti-bribery procedure in one of its entities; to this end, the TRACTEBEL ENGINEERING Company was chosen to be certified with specific regard to the implementation of the Business Consultant Policy. Following an audit, TRACTEBEL ENGINEERING therefore obtained its certification from ETHIC Intelligence - a certification body commissioned by the Group - at the end of 2014.

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