COMMUNIQUE FROM ENGIE's EUROPEAN WORKS COUNCIL
11 September 2020

On Wednesday, 9 September 2020, ENGIE's European Works Council met with Jean-Pierre Clamadieu, Chair of the Board of Directors, and the interim Group CEO, Claire Waysand.

The meeting was highly anticipated by committee members as it allowed direct discussions to be held regarding the Board's plans, of which several versions have appeared in the press.

EWC staff representatives had, until this point, knowledge of only two press releases issued by the ENGIE Group dated 12 May and 31 July 2020.

They had also participated in an earlier meeting with Jean-Pierre Clamadieu via videoconference at the end of May, despite the context of the health crisis.

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Group management presented to the EWC the "strategic considerations" that arose from discussions held by the Board. The Group's executive committee will use these as a roadmap to set out a new strategic plan before the end of 2020, identify modifications to be made and prepare to implement any subsequent restructures.

It has escaped the attention of no one that the transitional status of the management team in place since February 2020 has added to the complexity of undertaking and implementing this roadmap.

Following the presentation of the "strategic considerations" and discussions with the Chair, Jean-Pierre Clamadieu, EWC representatives noted an abrupt and deep departure from the ENGIE Group's strategy in place since 2016, and for which teams have to date completed considerable work towards.

At this point, the EWC considers there will be significant consequences for the internal organisation of the Group, as well as external consequences similar to the attempted takeover by VEOLIA of the SUEZ Group following the ENGIE Group's decision to sell several of its shares in various businesses.

Internally, the direction announced is on a collision course with the sought after complementarity between the various Group activities and between the countries in which it operates.

The wish for "simplification" expressed by Board members leaves room for a complete restructure of the Group seeking to split it into two, independent entities.

The strategy announced aims in particular to strengthen acquisitions and the presence of renewables, activities linked with the energy transition and network and infrastructure activities. The shift in focus of ENGIE's Customer Solutions activities towards decentralised infrastructures (asset-based activities) may lead to Customer Solutions activities being separated along with asset light, multi-technical activities, in the form of an independent entity.

To achieve this, the ENGIE Group's board has requested a strategic review of Customer Solutions activities which would cover 2/3 of the activity's turnover. In terms of employment, this involves no

less than 60% of the Customer Solutions activity's workforce globally, the equivalent of 70,000 workers.

Management has indicated that a team will quickly be established to lead this project with a deadline of end 2020 for undertaking the strategic review. Staff representatives on the EWC have requested that a monitoring arrangement be set up as soon as possible without a waiting for the next EWC meeting scheduled for late November.

In particular, the representatives wish to be made aware of the applicable criteria, the processes put in place in the BUs and subsidiaries, and how arbitration will take place. Management was reminded of the need to prioritise regular discussions between staff representatives and various levels of Group management (BU and country) to ensure a good level of information on how the strategic review is conducted.

The desire expressed by representatives to the EWC is to be involved from an early stage in order to share their observations on the strategic directions and in particular the process for the strategic review of Customer Solutions.

They also wish for more details to be provided regarding the "focus" on renewable energy and infrastructures and the stated intention of increasing control over assets held by the Group. Further, in this new context, they ask to be kept up to date on the Group's stance on the future of nuclear in Belgium and the schedule of shutdowns planned to take place relatively soon, for which the consequences on employment must be anticipated.

Significant impacts on employment are expected as a result of restructures due to the number of employees potentially involved, in particular in Customer Solutions activities which currently employ the largest number of staff in the Group (almost 110,000 people globally).

The Group's corporate social responsibility must be enacted and outcomes anticipated by engaging in labour relations at this stage to obtain a minimum of guaranties irrespective of future developments.

Commitments must be made and the economic viability of the Group's future structure should not lead to a reduction in worker's rights and employment conditions.

The principle of holding three meetings has already been decided on for between now and the end of November - the date of the next EWC meeting - to continue these discussions.

EWC staff representatives will monitor the various developments at their level and will guarantee the necessary discussions with local representatives in business and countries within the European scope to react to alarms that could arise and convey their support and solidarity.

At the end of this EWC meeting, the representatives do not agree with the significant departure from the Group's strategic direction. They fear a break up of activities in the medium term which will call into question the current integrity of the business and have strong consequences on employment.

Paris, 11 September 2020