

## Engie SA (ENGI.PA)

### Annual General Meeting: Thursday 21 April 2022

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*Resolutions are being highlighted by a Climate Action 100+ initiative signatory for the attention of other signatories.*

#### Organization requesting a 'flag' on a resolution:

[Tim Balemans](#), MN

Investor statement available (in Dutch) [here](#) and supporting assessment from Carbon Tracker [here](#).

#### Resolution text:

The member is flagging two resolutions and stating they are intending to vote AGAINST them:

Resolution #1: Approval of transactions and annual financial statements for fiscal year 2021

Resolution #2: Approval of the consolidated financial statements for fiscal year 2021

[Notice of Meeting](#)

#### Summary of why the resolution is being flagged

- Engie's 2021 Financial statements contain no disclosure in line with their net zero commitment. Besides, Engie does not have targets that are in line 1.5 degrees.
- MN will be voting as follows at the 2022 AGM, with the stated rationale: Financial Statements: Against: We cannot support approval of Engie's financial statements, as per the 1st and 2nd resolutions, where there remain questions as to how it aligns with their net zero commitment, and where they fail to provide the requested visibility for a 1.5C pathway.

#### Background

Further detail on the investor expectations is provided in this IIGCC briefing paper: [Investor Expectations for Paris-aligned Accounts](#).

#### Rationale details

The background on the Company's specific Benchmark Indicator related to the resolution are that none of the alignment assessment indicators have been met as per the report on the Carbon Tracker website [here](#).

And an extract is provided below:

| Climate Action 100+ ASSESSMENT METRICS AND SCORES <sup>2</sup> |  |   |  |  |  |  |  |
|--|--|---|--|--|--|--|--|
|  | Sub-indicator 1:<br>Financial statements (f/s):                                  |   |  | Sub-indicator 2:<br>Audit report identified:   |  | Sub-indicator 3:<br>Drive to net zero by 2050<br>(or sooner) <sup>3</sup>                      |  |
| CAAA metrics   | Metric 1a:<br>incorporated<br>the effects of<br>material<br>climate-<br>matters. | Metric 1b:<br>disclosed<br>quantitative<br>climate-<br>related<br>inputs. | Metric 1c:<br>were<br>consistent<br>with other<br>reporting. | Metric 2a:<br>how the auditor<br>assessed<br>impacts of<br>climate-related<br>matters. | Metric 2b:<br>inconsistencies<br>in the<br>company's<br>reporting. | Metric 3a:<br>The f/s used<br>inputs that<br>were<br>aligned with<br>this drive <sup>4</sup> . | Metric 3b:<br>Audit report<br>identified that<br>the inputs used<br>were aligned<br>with this drive <sup>5</sup> . |
| Mapping to<br>2021 AGM<br>topics                               | Judgements   | Visibility in<br>accounts   | Consistency<br>w/other<br>reporting                          | Visibility in Key<br>audit matters   | Consistency<br>check   | Paris<br>alignment   | Comments on<br>Paris alignment   |
| <b>FY2021:</b>   | <b>The alignment assessment was not met</b>                                      |   |  |  |  |  |  |
| <b>Overall score</b>   | <b>The alignment assessment was not met</b>                                      |   |  |  |  |  |  |
| <b>Were sub-<br/>indicators met?</b>                           | N  |   |  | N  |  | N  |  |
| <b>Were metrics<br/>met?</b>                                   | No   | No  | No   | No   | No   | No   | No   |
| <b>PRIOR YEAR SCORES (2020)</b>                                |  |   |  |  |  |  |  |
| <b>Overall score</b>   | <b>The alignment assessment was not met</b>                                      |   |  |  |  |  |  |
| <b>Sub-indicators?</b>   | N  |   |  | N  |  | N  |  |
| <b>Metrics met?</b>  | No   | No  | No   | No   | No   | No   | No   |

- The analysis that supports our stance is in the sections: ‘Consideration of climate-related matters (Metric 1a)’ on page 3; ‘Disclosure of quantitative assumptions and estimates used (Metric 1b) on page 4; Consideration of climate in the audit report (metric 2a) on page 5, all of which score a ‘No’ meaning the assessment criteria have not been met.
- The company is open to dialogue and engagement with Climate Action 100+.

## Conclusion

Engie’s 2021 Financial statements contain no disclosure in line with their net zero commitment. Besides, Engie does not have targets that are in line 1.5 degrees.

MN will be voting as follows at the 2022 AGM, with the stated rationale: Financial Statements: Against: We cannot support approval of Engie’s financial statements, as per the 1st and 2nd resolutions, where there remain questions as to how it aligns with their net zero commitment, and where they fail to provide the requested visibility for a 1.5°C pathway.