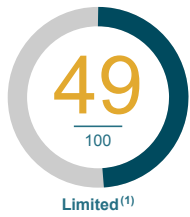


Company and Sector Performance

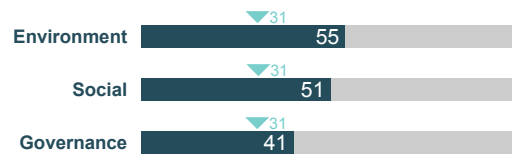
Company performance Sector average performance Sector performance

ESG OVERALL SCORE

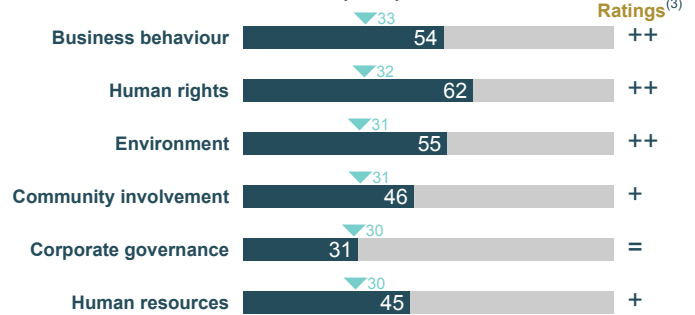


Information rate	80%
sector average	62%
Cooperation level ⁽²⁾	Responsive
High severity controversies	No
Rank in Sector	2/60
Rank in Region	18/890
Rank in Universe	289/4453

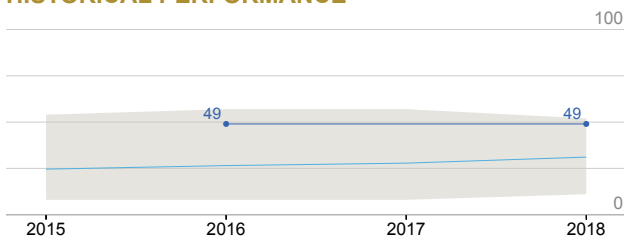
ESG PERFORMANCE (/100)



6 DOMAINS PERFORMANCE (/100)



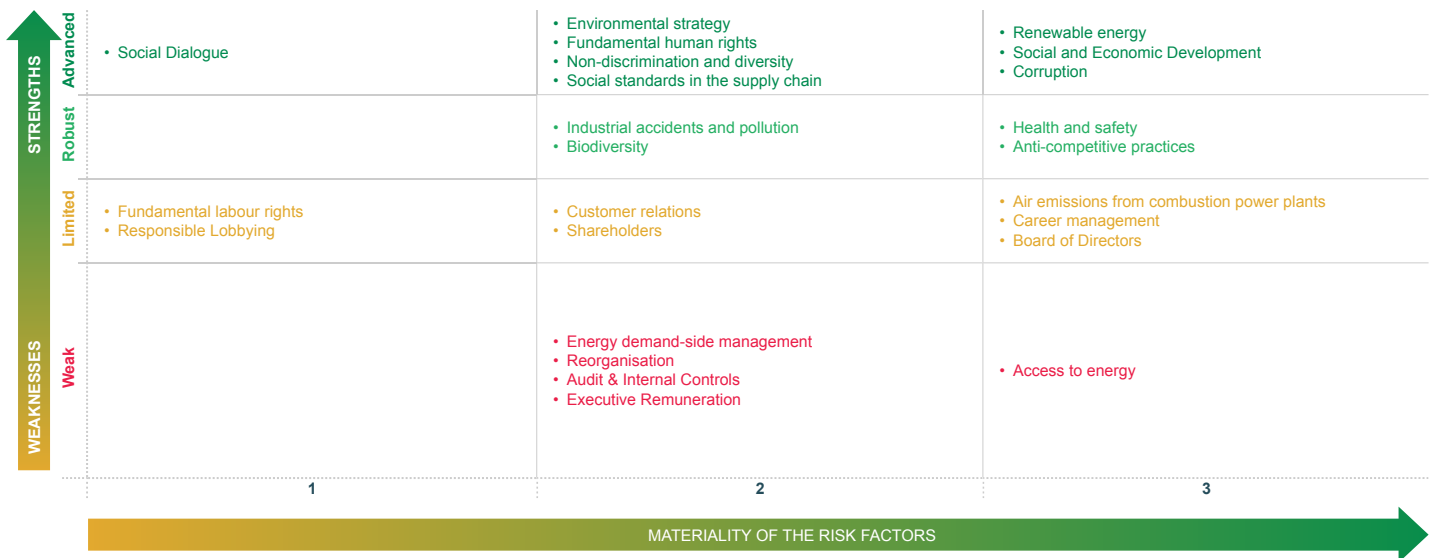
HISTORICAL PERFORMANCE



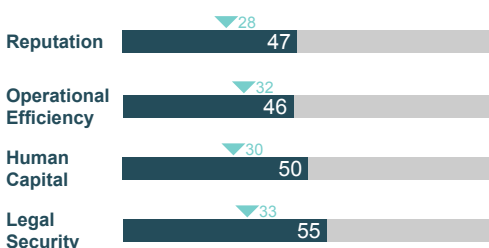
Company inclusion in Vigeo Eiris indices⁽⁴⁾: No

Management of risks and opportunities

MATERIALITY & PERFORMANCE MATRIX



RISK MITIGATION INDEX (/100)



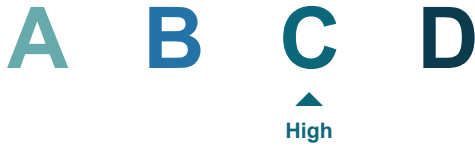
ANALYST FOCUS

TOPIC	COMMENT	TREND
Health and Safety	An OHSAS 18001 health & safety certified system is in place. Moreover, the Company reports that it provides incentives for some employees and managers based on H&S performance. Although accident frequency indicators improved between 2014 and 2016 at contractors' and employees' level, extensive indicators are now undisclosed.	↘
Climate Change	Engie, jointly with the Chilean government, committed to stopping the development of new coal projects that do not have carbon capture and storage systems. In line with its parent company's strategy, Engie Brasil Energia's share of coal generation is limited. Moreover, the share of renewables generation increased and stood at 90.5% in 2016.	↗
Biodiversity	The Company has implemented measures to limit the impacts of its operations on biodiversity near hydroelectric plants. Engie Brasil Energia monitors the indigenous fishes and promotes periodic release of fish into the reservoir with a view to restocking them with native species.	→

Carbon Footprint and Energy Transition*

"The Carbon Footprint & Energy Transition research provides an assessment of a company's carbon footprint combined with the strategy to manage risks and opportunities related to the transition to a low carbon economy. NI (No Info) is used to indicate that the information is not available."

CARBON FOOTPRINT



SCALE	EMISSIONS (T CO2 EQ)	CATEGORIES
A	<100 000	Moderate
B	>= 100 000 and <1 000 000	Significant
C	>= 1 000 000 and <10 000 000	High
D	>= 10 000 000	Intense

ENERGY TRANSITION SCORE



ENERGY TRANSITION SCORE	CATEGORIES
60-100	Advanced
50-59	Robust
30-49	Limited
0-29	Weak

Goods and services contributing to sustainable development*

"Sustainable Goods & Services research provides a positive screening on companies to identify business activities devoted to sustainable solutions."



INVOLVEMENT	CATEGORIES
>=50%	Major
20-49%	Significant
0-19%	Minor
0%	None

Involvement in controversial activities*

"The Controversial Activities research provides screening on companies to identify involvement in business activities that are subject to philosophical or moral beliefs."

Involvement in controversial activities: Not available in this version

Screened Areas:

- Alcohol
- Animal welfare
- Chemicals of concern
- Civilian firearms
- Fossil fuels
- Gambling
- Genetic engineering
- High interest rate lending
- Military
- Nuclear power
- Pornography
- Reproductive medicine
- Tobacco

For more information please contact us at customer.service@vigeo-eiris.com

(1) Performance level: weak (0-29/100), limited (30-49/100), robust (50-59/100), advanced (60-100/100)
 (2) Cooperation level on a 4-level scale: proactive, responsive, partially responsive, not responsive
 (3) Ratings outline companies' benchmarked domain performance within a sector, on a 5-level scale: "-", "=", "+", "+", "+"
 (4) Indices: based on the most recent indices at the date of publication. More details on vigeo-eiris.com.

Company performance in all the Sustainability Drivers

		Weight	Overall score 49/100		Trend	Score	Leadership	Implementation	Results
			Environment		→	55	52	59	43
E	ENV1.3	3	Renewable energy		↗	86	65	93	100
E	ENV2.4	3	Air emissions from combustion power plants		→	33	30	33	36
E	ENV1.1	2	Environmental strategy		↘	71	93	49	N/A
E	ENV1.2	2	Industrial accidents and pollution		↗	51	30	58	65
E	ENV1.4	2	Biodiversity		→	59	65	76	35
E	ENV3.1	2	Energy demand-side management		↗	24	30	41	0
			Human Resources		→	45	62	42	32
S	HRS2.4	3	Career management		→	49	79	49	18
S	HRS3.2	3	Health and safety		↘	56	88	56	24
S	HRS2.3	2	Reorganisation		↘	12	0	0	35
S	HRS1.1	1	Social Dialogue		↗	70	58	65	88
			Human Rights		↗	62	79	49	60
S	HRT1.1	2	Fundamental human rights		↗	67	79	58	65
S	HRT2.4	2	Non-discrimination and diversity		↗	65	79	65	52
S	HRT2.1	1	Fundamental labour rights		→	48	79	0	65
			Community Involvement		→	46	51	42	46
S	CIN1.1	3	Social and Economic Development		↗	72	76	83	56
S	CIN2.1	3	Access to energy		↘	20	25	0	35
			Business Behaviour (C&S)		↘	54	70	36	56
G	C&S3.1	3	Corruption		→	65	65	53	77
G	C&S3.2	3	Anti-competitive practices		↘	50	65	42	43
S	C&S1.3	2	Customer relations		↗	45	90	9	36
S	C&S2.4	2	Social standards in the supply chain		↗	65	74	43	77
G	C&S3.3	1	Responsible Lobbying			34	55	11	35
			Corporate Governance		→	31	29	25	38
G	CGV1.1	3	Board of Directors		↗	40	29	36	55
G	CGV2.1	2	Audit & Internal Controls		↗	22	12	15	39
G	CGV3.1	2	Shareholders		↘	47	77	39	26
G	CGV4.1	2	Executive Remuneration		→	9	0	6	22

■ Weak (0-29/100) ■ Limited (30-49/100) ■ Robust (50-59/100) ■ Advanced (60-100/100)



Involvement in allegations



Involvement in allegations with evidence of corrective measures

Benchmark Position versus sector peers

Position versus sector peers		Environment	Human resources	Human rights	Community involvement	Business behaviour (C&S)	Corporate governance	Overall Score
BRENBRACNOR2	EDP-Energias do Brasil	++	++	++	++	++	+	52
CL0002266774	Enel Chile	++	+	++	+	++	+	49
BRTBLEACNOR2	Engie Brasil Energia	++	+	++	+	++	=	49
BRCMIGACNOR6	Cia Energetica de Minas Gerais	++	++	+	++	+	=	47
CLP371861061	Enel Americas	+	++	++	+	++	+	47
CLP3710M1090	Enel Generacion Chile	++	++	+	+	+	=	45
MA0000011439	Lydec	+	++	+	+	+	=	44
BRELPLDBS0S2	AES Brasil	++	=	+	++	=	-	42
PEP700511004	Enel Generacion Peru	+	++	+	+	+	-	42
BRGNANACNOR8	Neoenergia	=	+	+	=	++	+	42
PEP701011004	Enel Distribucion Peru	+	+	+	+	+	=	39
TH0834010R10	Glow Energy	=	+	+	++	+	=	39
PHY2292T1026	Energy Development Corporation	++	=	=	+	=	=	38
COE15PA00026	Interconexion Electrica SA ESP	+	+	+	=	+	=	36
RU000A0JPKH7	RusHydro	+	+	=	=	=	+	36
CL0001880955	AES Gener	+	+	+	=	+	=	35
BRTIETCDAM15	AES Tiete	+	+	=	=	=	=	34
CLP3615W1037	Colbun	=	+	=	=	=	+	34
KR7015760002	Kepco	=	+	+	=	=	=	34
BRTRPLACNOR4	CTEEP	=	=	+	=	=	=	33
VIGEIRIS0387	Enel Brasil	=	=	+	+	+	-	33
PLENERG00022	Energia	+	+	=	=	=	=	33
KR7036460004	Korea Gas	=	+	+	+	=	-	33
INE245A01021	Tata Power	=	=	+	=	+	+	33
RU000A0JPNM1	INTER RAO EES	=	=	=	+	=	++	32
BRCPLEACNOR8	Companhia Paranaense de Energia-COPEL	=	=	=	=	=	+	31
INE129A01019	Gail India	=	+	+	=	=	=	31
CL0001583070	Engie Energia Chile	=	+	+	=	=	-	30
BRELETACNOR6	Eletrobras	=	=	+	=	+	=	30
ID1000111602	Perusahaan Gas Negara	=	=	=	=	=	=	30
MYL5347OO009	Tenaga Nasional	=	=	-	+	=	++	30
PHY0001Z1040	Aboitiz Equity Ventures	=	=	-	=	=	+	29

Position versus sector peers		Environment	Human resources	Human rights	Community involvement	Business behaviour (C&S)	Corporate governance	Overall Score
HK0836012952	China Resources Power Holdings	=	=	=	=	=	+	29
PLPGER000010	Polska Grupa Energetyczna	=	=	=	-	+	+	29
MA0000012205	Taqa Morocco	=	=	=	=	=	=	29
PLTAURN00011	Tauron Polska Energia	=	=	=	+	=	+	29
KYG8972T1067	Towngas China	=	=	-	=	+	=	29
MYL4677OO000	YTL Corp	=	=	+	=	=	=	29
PHY0005M1090	Aboitiz Power	=	=	=	=	=	+	28
CNE100000HD4	China Longyuan Power Group	+	=	-	=	-	+	28
CNE100000WS1	Huaneng Renewables	+	=	-	=	=	=	28
BRTAEECDAM10	Transmissora Alianca de Energia Eletrica	=	=	+	=	=	-	28
MYL6742OO000	YTL Power International	=	=	+	=	=	=	28
HK2380027329	China Power International Development	=	=	-	=	=	+	27
INE733E01010	NTPC	=	=	=	=	=	=	27
BRALUPCDAM15	Alupar Investimento	=	-	=	=	=	-	26
CNE100001T80	CGN Power	=	=	-	=	-	=	25
BMG2109G1033	CHINA GAS HOLDINGS	-	=	=	=	=	=	25
PEP702521001	Luz Del Sur	=	-	=	=	=	-	25
CND000000BC2	State Grid Corporation of China	=	=	=	=	=	--	24
CNE1000006Z4	Huaneng Power International	-	=	-	=	-	=	23
XS1117296894	China Three Gorges	=	-	--	=	=	-	22
KYG3066L1014	ENN Energy Holdings	-	=	-	=	=	=	22
HK0392044647	Beijing Enterprises Holdings	-	=	-	=	=	=	21
BMG2113B1081	China Resources Gas Group	-	=	-	=	=	=	21
XS0953958641	Slovensky Plynarensky Priemysel	-	=	-	=	=	-	19
QA0006929812	Qatar Electricity & Water	-	-	-	=	-	=	16
BREQTLACNOR0	Equatorial Energia	-	-	-	-	-	-	14
XS0989152573	Bulgarian Energy Holding	-	-	-	-	-	-	11
BRSTGDDBS000	StateGrid Brazil Holding	-	--	-	-	-	--	11

General information

Engie Brasil Energia, formerly Tractebel Energia, is engaged in the generation and commercialisation of electrical energy. The Company develops and operates

hydroelectric, biomass and photovoltaic power plants. The parent company (Engie) is also assessed by Vigeo Eiris.

Selected financial data

Key data	Revenues	EBIT	Employees
2016	BRL 6,442m	BRL 2,421m	1,044
2015	BRL 6,512m	BRL 2,504m	1,135
2014	BRL 6,472m	BRL 2,303m	1,134
2013	BRL 5,569m	BRL 2,387m	1,125
2012	BRL 4,912m	BRL 2,547m	1,082

Main shareholders	2017
ENGIE SA	68.7%
Banco Clássico SA	10%

Geographical Breakdown	Turnover 2016	Employees
Brazil	100%	100%

Main economic segment	Turnover 2016
Electricity Generation and Commercialisation	99.4%

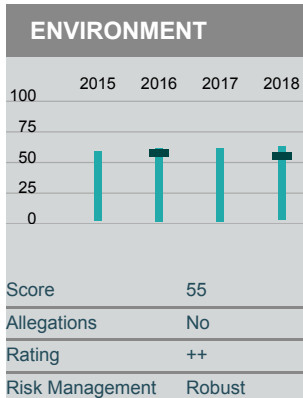
Main economic segment	Turnover 2016
Other	0.6%

Selected ESG Indicators

	2017	2016
Non-executive Board member(s) responsible for CSR issues	No	No
Executive remuneration linked to CSR performance	No Info	No
Percentage of independent Board members	10	13
Percentage of women on Board	0	0
Percentage of women in Executive team	N/A	0
Percentage of women in workforce	N/A	16.6
Transparency on lobbying budget	No	N/A
Percentage of employees covered by collective agreements on working conditions	N/A	100
3 year trend for safety at work	N/A	↘
Involvement in armament	No	No
Management of social risks in supply chain	Advanced	Robust
Carbon factor (3-year trend)	N/A	↘

CSR performance per domain

■ Sector performance
■ Company performance
Rating : min- / max ++

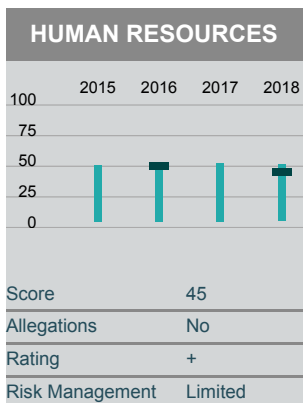


Key issues

The Electric & Gas Utilities sector has a major role to play with regard to climate change and energy efficiency through the promotion of renewable energy sources and a reduction in greenhouse gas emissions of power plants. Companies are expected to set ambitious climate change strategies, backed by relevant targets and widespread environmental management systems.

Company performance

- The Company's performance in the Environment domain is robust in absolute terms which is consistent compared to the previous review.ed
- The Company displays an advanced Environmental strategy that addresses all its responsibilities. Also, the low carbon factor that stood at 191 KgCO₂/MWh in 2016 and the overall share of renewables generation which represented 90.5 % maintained the Company's robust performance. The Company also reports on significant measures to protect biodiversity such as vegetation management programmes and biotope management plans. Room for improvement remains as the company does not report comprehensively on initiatives allocated to pollution prevention and control.

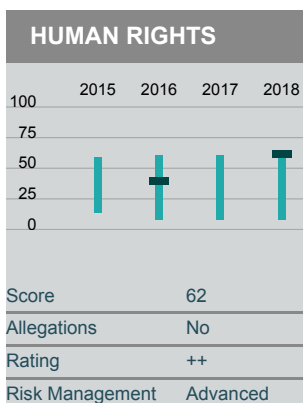


Key issues

Safeguarding the safety and health of employees and contractors remains a key risk factor in the sector. Similarly, anticipating the ageing workforce and retirement of highly skilled workers through the development of career management and promotion of employability represents a major sector challenge. Anticipating and managing reorganisations represent a key challenge, notably following phase-out and optimisation operations after the Fukushima incident. Implementing and maintaining sound systems to guarantee social dialogue is important to the Electric & Gas Utilities sector, that traditionally benefits from strong well-established industrial relations.

Company performance

- The Company's performance in the Human Resources domain remains robust in absolute terms.
- In terms of health and safety issues, several tools are in place including H&S training, risk assessment, OHSAS 18001 certifications and remuneration based on H&S performance. Besides, employees' and contractors' recordable injury frequency rate decreased. Regarding career management, employees seem to have regular performance assessment, but the number of training hours per employee decreased. A relative weakness lies with the management of reorganisations, with limited transparency on programmes in place to help employee transitions.



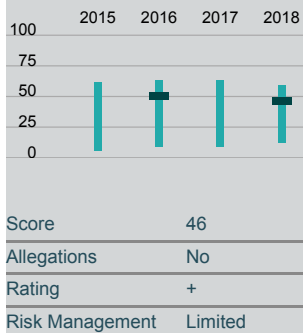
Key issues

Companies with operations in weak governance zones and which are involved in large-hydro projects, mining activities, or gas exploration, tend to be more exposed than others to violations of stakeholders' fundamental human rights. Electric & Gas Utilities are expected to also have policies and management systems in place, e.g. information, training, risk-mapping, to deal with labour rights issues in their countries of operation and guarantee freedom of association and the right to collective bargaining. Finally, the industry remaining largely male dominated, discrimination need to be banned and diversity promoted if companies want to increase their competitiveness as well as attract and retain talents.

Company performance

- The Company's performance in the Human Rights domain is considered to be advanced in absolute terms which is an improvement compared to the previous review.
- This improvement is mainly due to comprehensive commitments to respect fundamental human and labour rights. Engie Brasil Energia's non-discrimination policy is exhaustive and monitoring, training, and reporting systems are in place. Moreover, the share of disabled employees in the total workforce increased continuously between 2014 and 2016.

COMMUNITY INVOLVEMENT



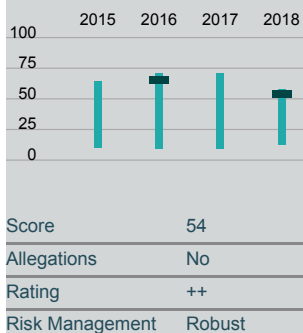
Key issues

Power generation companies' main responsibility in terms of Community Involvement is promoting access to energy in developing countries through collaborative projects with relevant stakeholders, capacity building. In their regions of operations, the companies are expected to address the disruptive impacts of their operations through their evaluation and monitoring, and promote the local social and economic development through social programmes and the reinforcement of the local content of operations. Finally, it is fundamental that companies implement relevant measures to avoid disconnections for poor households through initiatives that include raising awareness on energy consumption and energy efficiency among their customers.

Company performance

- The Company's performance in the Community Involvement domain remains robust in absolute terms.
- Engie Brasil Energia issued a formalised commitment toward the promotion of the local development, backed by significant means such as capacity building programmes. Furthermore, the Company's community investments increased. However, the Company has not reported significant efforts to promote access to energy in developing countries and to prevent fuel poverty.

BUSINESS BEHAVIOUR (C&S)



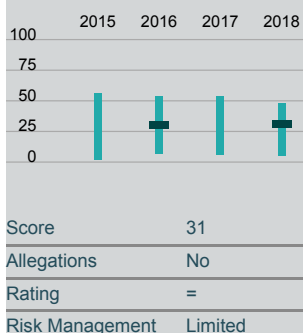
Key issues

Electric & Gas Utilities and Transmission companies operate in regulated markets where risks and opportunities are shaped by fiscal and regulatory frameworks and reforms. Thus, they are frequently involved in the political processes and government relations, highlighting the importance of prevention of corruption and of conflicts of interest. With the increasing competition, companies may be tempted to violate competition rules. Companies with end-use customers need to maintain transparent and responsible customer relations to improve customer satisfaction and their attractiveness in the market. Finally, as sector companies rely extensively on suppliers for coal, natural gas and uranium, social and human rights factors in the supply chain are of major importance.

Company performance

- The Company's performance in the Business Behaviour domain is robust which is a deterioration compared to the previous review.
- Engie Brasil Energia reports to include social issues into contractual clauses with its suppliers and perform evaluations on aspects related to occupational safety and environment issues. The Company appears to have set reporting systems and internal controls to monitor compliance in terms of its commitments to prevent corruption and anti-competitive practices.

CORPORATE GOVERNANCE



Key issues

Sound corporate governance is required to oversee a company's strategic direction, including the CSR strategy. Vigeo Eiris' framework has been adapted to capture the level of integration of CSR topics at Board-level, supplementing traditional signals on efficient governance practices. Directors are notably evaluated on their level of diversity and experience with operational, financial, and CSR topics. The audit and internal controls system is examined regarding the efficiency and reach of its risk management. Shareholders are expected to have fair voting rights and access to all relevant information on emerging ESG risks. Executive remuneration is assessed for transparency and alignment with balanced stakeholder interests.

Company performance

- The Company's performance in the Corporate Governance domain remains stable and limited in absolute terms.
- The low independence rate of the Board of directors and the apparent lack of inclusion of CSR issues in internal control systems and management processes explain this limited performance. In addition, no specific committee seems to be in charge of nominating directors, remuneration or audit. Although no major voting rights restrictions have been identified, not all major items are voted upon at AGM. At last, limited transparency is displayed with regard to executive remuneration.

CSR performance per criterion

Detailed Analysis

Environment	11
ENV1.1 Environmental strategy	11
ENV1.2 Pollution prevention and control (soil, accident, industrial safety, nuclear)	13
ENV1.3 Development of renewable energy	14
ENV1.4 Protection of biodiversity	15
ENV2.2 Management of energy consumption and GHG from Transmission & Distribution activities	17
ENV2.4 Management of energy consumption and air emissions from fossil-based Generation activities	18
ENV3.1 Energy demand-side management	20
Human resources	22
HRS1.1 Promotion of labour relations	22
HRS2.3 Responsible management of reorganisations	24
HRS2.4 Career management and promotion of employability	25
HRS3.2 Improvement of health and safety conditions	27
Human rights	30
HRT1.1 Respect for human rights standards and prevention of violations	30
HRT2.1 Respect for freedom of association and the right to collective bargaining	32
HRT2.4 Non-discrimination	34
Community involvement	36
CIN1.1 Promotion of the local social and economic development	36
CIN2.1 Promotion of access to energy and prevention of fuel poverty	39
Business behaviour (C&S)	41
C&S1.3 Responsible Customer Relations	41
C&S2.4 Integration of social factors in the supply chain	43
C&S3.1 Prevention of corruption	46
C&S3.2 Prevention of anti-competitive practices	48
C&S3.3 Transparency and integrity of influence strategies and practices	50
Corporate governance	52

CGV1.1	Board of Directors	52
CGV2.1	Audit & Internal Controls	54
CGV3.1	Shareholders	56
CGV4.1	Executive Remuneration	57

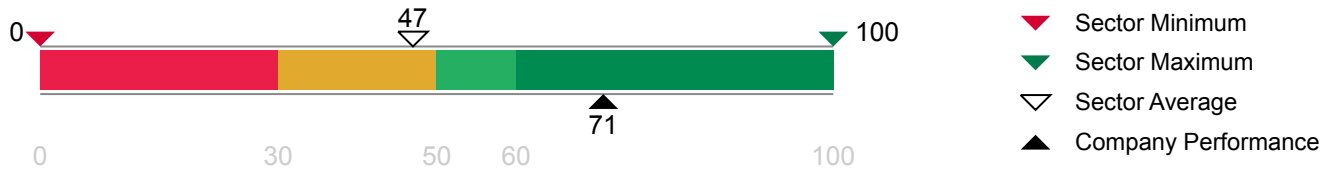
 Involvement in allegations  Involvement in allegations with evidence of corrective measures

Environment

Score: 55

ENV1.1 Environmental strategy

(score: 71, weight: 2)



Visibility of commitment to environmental issues

The parent company (Engie) has issued a formalised commitment to environmental protection in its Environmental Charter, and Environmental policy.

Relevance of environmental strategy

The company commits to all its responsibilities in terms of environmental protection:
 - Pollution prevention and control (soil, accident)
 - Protection of biodiversity

Relevance of climate change strategy

The company commits to all its responsibilities in terms of climate change:
 - Development of renewable energy
 - Management of greenhouse gas emissions from Generation activities
 - Energy demand-side management and promotion of customers' energy savings

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, there is a dedicated structure responsible for this issue, and other stakeholders are involved.

Environmental and societal responsibility issues are coordinated by the following bodies:
 - The Board of Directors' Ethics, Environment and Sustainable Development Committee (EESDC): its work entails all the Group policies, action plans, balance-sheet analyses and advising on future actions.
 - The Group Executive Committee, which must approve all major decisions and action: the Excom holds two meetings a year fully dedicated to environmental and societal responsibility.
 - The Environmental and Societal Responsibility Direction reports to Group Executive Committee through an Executive Vice President appointed to that effect.
 - The Environmental and Societal Responsibility Executive Committee, which meets monthly and is chaired by the Corporate Environmental and Social Responsibility Director.

The environmental and societal responsibility is managed as a Functional Line as far as coordination, training and monitoring career development are concerned. The Environment entity checks that the policy is being implemented by means of environmental reporting, for which it is responsible.

Moreover, Engie has forged partnerships with environmental NGOs whose expertise and ability to engage in dialogue will help the Group to further improve its performance.
 Engie is also behind the Terrawatt Initiative, a non-profit organization that aims to put in place the conditions required to ensure the provision of 1,000 gigawatts of solar power capacity worldwide by 2030. To achieve this goal, the Terrawatt Initiative is cooperating with the International Renewable Energy Agency (IRENA) to identify the conditions required for a massive rollout of competitive solar power generation.

Means allocated to environmental management

The company has allocated significant resources to environmental management.

- Environmental manual specifying procedures and responsibilities
- Internal audits that assess the effectiveness of the EMS
- Management review of the EMS (at Executive Level)
- Environmental performance measured against targets
- External verification of reporting on environmental performance

The Company reports that 48.3% of its plants have obtained ISO 14001 Environmental Management System certification. Targets set and monitored by the company include consumption of natural resources, disposal of waste and greenhouse gas emissions. The reporting on environmental performance is audited by an external independent party.

Coverage of certified environmental management systems

Between 25% and 49% of the company's sites/offices have a certified environmental management system.

48.3% of the Company's plants are certified under the ISO 14001 standard and maintain Emergency Response Plans. In addition, the Company reports that 95.3% its plants are covered by its internal Environmental Management System.

Carbon factor

The company's carbon factor stands below the sector average

The company's carbon factor stood at 191 Kg CO2/MWh in 2016.

Leadership	93
Visibility	65
Relevance	100
Ownership	100

Implementation	49
Means & resources	65
Coverage	30

ENV1.2 Pollution prevention and control (soil, accident, industrial safety, nuclear)

(score: 51, weight: 2)



Relevance of commitments on pollution prevention and control

The company's commitments take into account accidental pollution prevention during its operations.

Means allocated to pollution prevention and control

Basic resources are allocated to pollution prevention and control:

- risk assessment/ identification studies
- training (including contractors)
- pollution control audits
- implementation of risk prevention procedures (emergency plans, simulation exercises)

- Implementation of risk prevention procedures: all the Company's plants are certified under the ISO 14001 standard and maintain Emergency Response Plans, which provide for specific responses to a range of different emergency contingencies according to the reality and nature of each plant operation.

Coverage

The share of the company's production sites that have a certified environmental management system is at 100%.

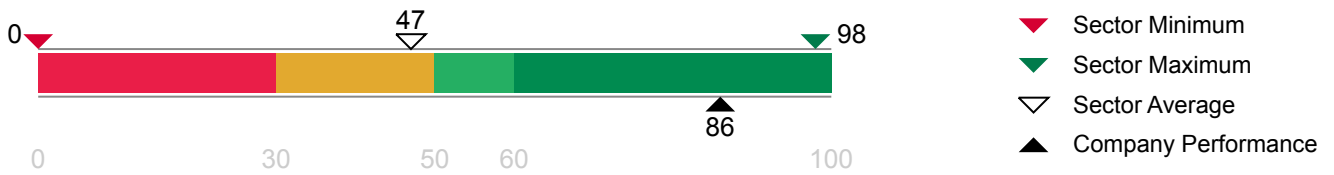
Existence of accidental pollution

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

Leadership	30	Implementation	58	Results	65
Relevance	30	Means & resources	30	Trends	65
		Coverage	100		

ENV1.3 Development of renewable energy

(score: 86, weight: 3)



The company has set quantified targets in terms of developing renewable energy.

Relevance of the company's commitment in terms of renewable energy.

Engie commits to implement new renewable sources of energy in its Environmental Policy. In addition, the Company has set the following objectives:

- 25% share of renewable energy in the generating capacity mix in 2020
- Projects with work in progress in Brazil, include wind, solar, hydroelectric, and thermometric power plants with an estimated installed capacity of 4,040 MW.

Installed capacity in renewable energy sources

The company's installed capacity in renewable sources represented 5,952 MW in 2016 which corresponds to 85 % of the company's total installed capacity.

Resources allocated cover the main technologies:

- Hydro
- Wind
- Solar
- Biomass
- Geothermal
- R&D on emerging technologies (wave, tidal, etc)

Scope of development of renewable energy sources

- Hydro: Hydropower units accounted for a total installed capacity of 5,631.6 MW which made up 80.46% of its total installed capacity in 2016.
- Wind: Wind power units accounted for a total installed capacity of 188 MW which made up for 2.7% of its total installed capacity in 2016
- Solar: Photovoltaic units accounted for a total installed capacity of 2.8 MW which made up for 0.04% of its total installed capacity in 2016.
- Biomass: The integrated capacity of biomass technology represented 141.5 MW in 2016 which accounted for 1.9% of the total installed capacity.

Performance

Energy generation from renewable sources stood at 90.5 % in 2016.

Leadership	65	Implementation	93	Results	100
Relevance	65	Means & resources	100	Performance	100
		Scope	65		

ENV1.4 Protection of biodiversity

(score: 59, weight: 2)



Relevance of the commitment

The company's commitment towards biodiversity protection covers the main impacts of its activities:

- Loss and fragmentation of ecosystem and habitats on operation sites due to exploration and extraction work (digging, drilling..)
- Effects on population's dynamic (breeding, feeding and reproduction behaviour), due to noise, habitats degradation or fragmentation
- Effects on sensitive or migratory species (due to noise, habitat degradation)
- Soil erosion (due to draining, use of pesticide, cut of trees)
- Loss of vegetal species due to use of chemicals
- Effects on aquatic's flora dynamic
- Effect on sediments transfer
- Effect of habitat fragmentation and ecosystems

Managerial tools allocated to integrate biodiversity in the management of operations

The company has implemented relevant measures to identify the impacts of its operations on biodiversity, including:

- Environmental impact assessments
- Training relevant managers or employees on biodiversity
- Relevant biodiversity management guidelines
- Monitoring of biodiversity indicators

- Environmental impact assessments: In 2016, Engie Brasil Energia launched a project for ascertaining adequate identification of the influence of its activities on biodiversity.

- Monitoring of biodiversity indicators: the Company has been monitoring the ichthyofauna in regions near hydroelectric plants. The Company also promotes the periodic release of fish fries (newly hatched fish) into the reservoirs with a view to restocking them with native species.

Local measures taken to protect biodiversity on operation sites

The company has implemented relevant measures to limit the impacts of its operations on biodiversity, including:

- bird protection programmes (feeding stations, nest boxes, bird diverters on flight paths, etc)
- vegetation management programmes (decreased use of pesticides/herbicides)
- biotope management plans
- fish protection programmes (fish ladders, fishstock monitoring, fish restocking campaigns, improvement of fish habitats, etc)
- diversion dams and/or flood management and/or minimal flow rates
- land remediation/restoration
- pollutant monitoring during mining activities
- digging mining sites underground
- water heating/withdrawal management/monitoring

- *Vegetation management programmes: Five environmental programmes are in operation in the region for the recovery of fauna, replanting riparian margins, reforestation and the control of invasive species of vegetation;*
 - *Biotope management plans: In 2015, the Company introduced its Vegetal Germplasm Recovery Subprogramme for preserving the regional biome through the recovery of species on the Critically Endangered Species of Flora List in the state of Rio Grande do Sul;*
 - *Land remediation/restoration: The Company conducts special programmes for restoring degraded areas following the installation of generator operations. These programmes include the planting of native species and other measures for returning the local habitat to as close as possible to the situation found prior to construction work.*

Coverage of local measures allocated to protect biodiversity on operation sites

All the company's relevant sites or operations are covered by these measures.
The company's measures are applied in all production units reservoirs.

Results with regard to biodiversity protection

Information obtained from the company and public sources regarding biodiversity indicators on its sites of operations is insufficient
The Company reports that it monitors biodiversity indicators specific to each plant. However, it does not provide historic data to assess a trend.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

Leadership	65
Relevance	65

Implementation	76
Means & resources	65
Coverage	100

Results	35
Performance	65
Trends	0

ENV2.2

Management of energy consumption and GHG from Transmission & Distribution activities

(deactivated)

This driver is only active for companies in the Generation segment without transmission and Distribution activities. Thus, this sustainability driver is deactivated for the Company.

ENV2.4

Management of energy consumption and air emissions from fossil-based Generation activities

(score: 33, weight: 3)



Relevance of the company's commitment on improving thermal power plants efficiency and reducing related air emissions

The company discloses a general commitment to improving thermal power plants' efficiency and reducing related air emissions.

Means allocated to improve thermal power plants' efficiency (e.g. CCGT, CHP)

The installed capacity from CHP normalised to the total thermal installed capacity stood at 1.12% in 2016.

Means and technologies allocated to reduce SOx, NOx, PM and Mercury emissions

The company has invested in all relevant technologies developed to reduce air emissions (SOx, NOx, Particulates, Mercury):

- Sourcing of low sulphur fuels (eg: natural gas)
- Low NOx combustion technologies
- Flue gas cleaning systems (NOx and SO2)
- Mercury emissions capture technologies
- Particulate Matter capture technologies
- Other

- Particulate matter capture technologies: Engie Brasil Energia has electrostatic precipitators which retain over 98.5% of particulate matter emissions.
- Flue gas cleaning systems (NOx and SO2): Engie Brasil Energia has bag filters and a desulfurisation system at the Charqueadas Thermoelectric Power Plant, which reduces the emissions of sulfur dioxide.
- Sourcing of low sulphur fuels: Engie Brasil Energia has a natural gas combined cycle plant located at a site in the municipal district of Garuva.
- Other: the company allocated 100% of fly ash from burning coal to cement production, minimised the use of limestone in this process and in turn reducing emissions. Also, the company allocated 100% of ash produced in biomass plants to forestry and farming, replaced artificial fertilisers and thereby reduced related emissions.

Share of the company's thermal plants covered by means and technologies to reduce SOx, NOx, PM and Mercury emissions

The company has taken such measures in a majority of its thermal power plants.

Measures to develop innovative technologies such as carbon capture and storage and associated new combustion techniques

The company does not appear to be involved in the development of carbon capture and storage.

Carbon Factor of thermal facilities (fossil-based power generation, excluding nuclear)

The company does not disclose quantitative data on its thermal carbon factor.

Emissions of substances responsible for acid rain (SO₂, NO_x)

SO₂ emissions normalised to production decreased but not continuously by 5% between 2014 and 2016. They stood at 2.3 (g SO₂/kWh) in 2016.
NO_x emissions normalised to production decreased continuously by 17% between 2014 and 2016. They stood at 0.3 (gNO_x/kWh) in 2016.

Other emissions: Particulates, Mercury emissions

The company's Particulates emissions, normalised to production, have decreased continuously by 19% between 2014 and 2016, from 0.08 (gP/kWh) to 0.065 (gP/kWh).

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

Leadership	30
Relevance	30

Implementation	33
Means & resources	0
Scope	100
Coverage	65

Results	36
Performance	36

ENV3.1 Energy demand-side management

(score: 24, weight: 2)



Relevance of commitment related to Energy demand-side management

The company's commitment to Energy demand-side management is general.

In its Environmental Policy, Engie commits to educating its customers about rational use of energy, and offering comprehensive energy efficiency solutions to all its customer segments. As a world leader in energy services, the Group targets its R&D and invests in solutions for the energy system of the future such as smart grids and the city of tomorrow.

Means dedicated to Energy demand-side management programmes

The company has allocated limited means to address Energy demand-side management:

- awareness raising activities on energy efficiency (campaigns, leaflets, energy tips)
- promotion of energy-efficient appliances (boilers, heating systems, heat pumps, insulation, compact fluorescent light bulbs)
- consumption monitoring (diagnostics of energy installations, load curve advice, energy counselling/audit)
- tailor-made rates according to consumption patterns (day/night)
- energy service contracts (the energy supplier commits to reduce its customer's energy consumption)
- training of sales staff
- smart metering
- new tariffs and better billing
- promotion of renewable energy

- awareness raising activities on energy efficiency (campaigns, leaflets, energy tips): the Company introduced "the Engie Brasil Energia Energy Efficiency Diagnosis" programme in which it promotes the rational use of electric energy. In addition the company has suggested to its clients actions such as changes in equipment and modifications to manufacturing processes and the organizational culture. In 2016, the Company carried out a diagnosis at three clients and potential electric energy savings of 8,385 MWh were identified.

Scope of means dedicated to Energy demand-side management

Energy demand-side management programmes cover only some types of customers:

- Households
- Local authorities / municipalities
- Industrial clients
- Small businesses

- Industrial clients: Engie has launched " Engie Brasil Energia Energy Efficiency Diagnosis", a programme in which the Company promotes the rational use of electric energy for companies in the industrial sector. In 2016, Engie carried out a diagnosis at three clients. Potential electric energy savings of 8,385 MWh were identified.

Coverage of measures allocated to Energy demand-side management

The company has taken measures in several places that represent a minor share of its concerned operations.

There is no evidence that the Company has taken these measures in a major share of its operations.

Outcomes of Energy demand-side management measures

The company does not disclose data on energy saved by customers and/or on the number of Energy demand-side management measures.

Leadership	30
Relevance	30

Implementation	41
Means & resources	30
Scope	30
Coverage	65

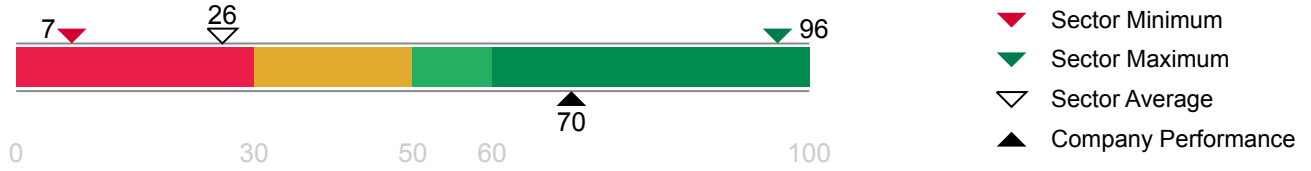
Results	0
Trends	0

Human resources

Score: 45

HRS1.1 Promotion of labour relations

(score: 70, weight: 1)



Visibility of commitment on the promotion of labour relations

ENGIE has issued a formalised commitment to promote labour relations in its Ethics Charter, Environmental and Societal Responsibility policy.

Relevance of commitment on the promotion of labour relations

The company's commitment to promote labour relations is general.

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, there is a joint monitoring of its implementation together with employee representatives.

The application of ENGIE's agreements is jointly monitored with employee representatives.

Coverage of employee representative bodies

Local employee representative bodies have been set up in the majority of company sites.

Subjects covered by collective bargaining

Collective bargaining between the company and employee representatives deals with subjects related to the employment conditions, including:

- health & safety
- CSR issues
- remuneration
- working hours
- training
- career development
- work time flexibility
- employability/life long learning
- stress management
- equal opportunities

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

Coverage of collective agreements on working conditions

In 2016, 100% of the workforce was covered by collective bargaining agreements.

Engie Brasil Energia

ISIN CODE: BRTBLEACNOR2 Electric & Gas Utilities Emerging Market

Leadership	58
Visibility	65
Relevance	30
Ownership	100

Implementation	65
Scope	65
Coverage	65

Results	88
Performance	88

HRS2.3 Responsible management of reorganisations

(score: 12, weight: 2)



Relevance of commitment to manage reorganisations responsibly

The company does not disclose any commitment to manage reorganisations responsibly.

Relevance of commitment to involve employee representatives in the process

The company does not disclose any commitment to inform and consult employee representatives on reorganisations.

Means allocated to prevent and manage reorganisations

Information obtained from the company and public sources regarding measures allocated to prevent and manage reorganisations is insufficient.

- significant financial compensation
- early retirement
- reduction of labour time
- internal mobility programme
- outplacement services
- individualised follow-up of employees
- re-training

Coverage

Information obtained from the company and public sources regarding the percentage of sites where such measures are taken is insufficient.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

Result of the company's commitment to manage reorganisations responsibly

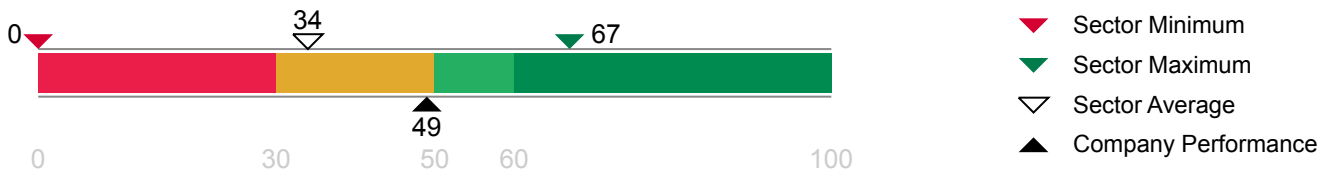
The company does not provide any information on the impacts of reorganisations on employment.

The information on measures implemented to limit the impacts of reorganisations recently conducted is insufficient. Moreover, its workforce decreased between 2014 and 2016 by 7%, from 1,134 employees to 1,044 employees.

Leadership	0	Implementation	0	Results	35
Relevance	0	Means & resources	0	Performance	35
Ownership	0	Coverage	0		

HRS2.4 Career management and promotion of employability

(score: 49, weight: 3)



Visibility of commitment

The parent company (Engie) has issued a largely publicised, formal commitment to promote career management and training which is publicly available in its Human Resources Development and Health and Safety policies.

Relevance of commitment

The company's commitment to promoting career management and training addresses all of its responsibilities:

- Anticipate short and long-term employment needs and skill requirements
- Adapt employees' skill sets to their career paths
- Enable the progressive improvement in employees' qualification levels
- Put in place a concerted career management framework, which is transparent and individualized

Ownership of commitment

The Head of HR is part of the company's Executive Committee and line managers are evaluated on their performance in terms of human resources management. The parent company (Engie) stated that 20% of its senior managers evaluation is based on how the manager applies the Group's values, detailed in the Management Way policy.

Career management systems

The company has set up an internal job opportunity marketplace and/or has formalised the skill requirements for the various job positions. Moreover employees have regular performance assessment interviews.

The Company offers career self-management tools, such as evaluations and feedback that give employees opportunities for reflection and improvement, in addition to highlighting each employee's strengths. Each year, employees are evaluated on their individual performance and every three years, according to 360° Skill Mapping that includes self-evaluation and the evaluation of colleagues, subordinates (as the case may be), supervisors, and internal clients. This process results in the Individual Development Plan (PDI).

Coverage of career management systems

These career management systems cover all of the company's employees.

In 2016, the percentage of employees receiving regular performance and career development reviews was at 100%.

Types of training provided to non-managers

The training programmes are mostly aimed at adapting employees' skills to the requirements of their current position.

In its answers to Vigeo Eiris, the Company reports that it provides language courses and other types of training, such as leadership and communication to its

employees.

Means allocated to training for all employees

The number of training hours per employee decreased by 38% from 66.5 Hours/Employee in 2014 to 41.4 Hours/Employee in 2016.

Mobility / turnover

The Company's employee turnover increased by 11.2 percentage points between 2014 and 2016. It stood at 15.04% in 2016.

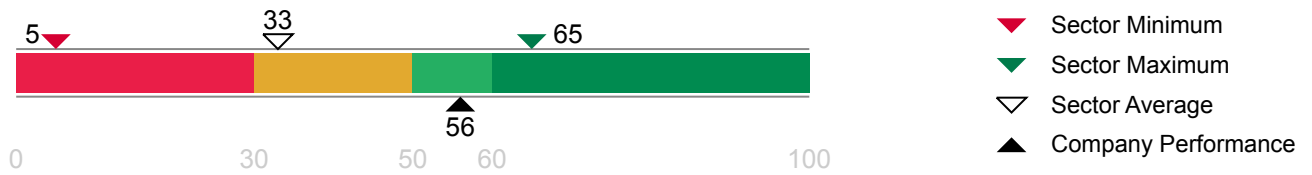
Training delivered during the year under review

It is assumed that at least a minority of the company's employees received training during the year under review, 2016. The exact percentage is not disclosed.

Leadership	79	Implementation	49	Results	18
Visibility	100	Means & resources	32	Performance	18
Relevance	100	Scope	30		
Ownership	30	Coverage	100		

HRS3.2 Improvement of health and safety conditions

(score: 56, weight: 3)



Visibility of health & safety commitments

The company has made a formalised commitment to health and safety issues, which covers both its own employees and sub-contracted workforce, in its Policy on Health and Safety.

Relevance of commitment on the improvement of health and safety conditions

The company's commitment addresses all of its responsibilities:

- ensure awareness about health and safety issues
- reduce the number of work accidents and their severity
- reduce the number of driving accidents
- reduce stress/promote well-being
- prevent occupational disease

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, employee representatives are involved at group level.

Managers, Health and Safety officers, doctors, and personnel representatives were all involved in the development of the Health and Safety policy. The areas of progress and their impact on the Group's occupational and industrial health and safety performance are monitored by the Board of Directors, the Ethics, Environment and Sustainable Development Committee, the Executive Committee and the Health and Safety Steering Committee (which includes employee representatives). At Group level, an "Extended Reference Group on health and safety Committee" will be composed of management representatives, not more than eight, and of eight worker representatives, if possible from Engie subsidiaries. Moreover, directors of companies in which Engie does not exercise operational control must also promote the guidelines set out in the global health and safety agreement.

Means allocated to health and safety

The company has allocated means to address these issues, including a certified health and safety system and employee incentives:

- training/awareness raising programmes
- internal monitoring
- risk assessments
- internal H&S audits
- H&S competitions
- remuneration based on H&S performance
- OHSAS 18001 certifications

- Training/awareness raising programmes: In its reporting, the Company indicates that specific training and activities directed toward the accident prevention are conducted. In addition, in 2016, the Company ran campaigns for occupational accident prevention.

- *Internal monitoring: the company monitors indicators on frequency and severity for both employees and sub-contracted workforce.*
- *Risk assessments: the company identifies and controls dangers and risks inherent to processes, equipment and workplaces. All groups are oriented regarding these dangers and risks, as well as respective measures for prevention and control.*
- *Internal H&S audits: the Company reported that it conducts internal H&S audits as a requirement for the OHSAS 18001 certification.*
- *remuneration based on H&S performance: the Company reports that it provides incentives for some employees and managers based on H&S performance.*
- *OHSAS 18001 certifications: the Company has obtained OHSAS 18001 certification for some of its business units.*

Coverage of health and safety system

The health and safety measures cover a minority of the company's employees.

There is no evidence that health and safety measures cover the majority of the company's employees. The OHSAS 18001 certifications covers 48.3% of the installed capacity as of 2016.

Means allocated to reduce stress at work

The company has allocated basic means to address stress at work, including:

- monitoring of absenteeism/rate of occupational disease
- job redesign (work organisation)
- assessment of stress through analysis of internal H&S data
- monitoring of stress through opinion surveys
- awareness raising for employees
- identification of stress sources
- stress support instruments (hotline, counselling service, employee assistance programme, etc)
- training on stress for employees
- training on stress for managers
- measures to improve ergonomics/ ergonomic design of workplaces

- *Monitoring of absenteeism: it is done for both employees and contractors.*
- *Awareness raising for employees: the company organizes awareness campaigns on different topics related to wellness of its employees. Moreover, Engie is involved in the promotion of sports and physical activity in general, on-the-job exercise, healthy eating, stress management, treatment and prevention of addictions and service to people with special needs.*

Coverage of means allocated to reduce stress at work

The measures allocated to address stress at work cover the majority of the company's employees.

All employees are covered by measures on promotion of well-being.

Accident frequency rate

Total recordable injury frequency rate (TRIFR) decreased but not continuously by 66% between 2014 and 2016. It stood at 0.49 in 2016.

Accident severity rate

Information disclosed on the company's accident severity rate is insufficient.

Occupational diseases

Information disclosed on absenteeism and/or the rate of occupational disease is insufficient.

Data is only provided until 2014.

Accident frequency rate at contractors'

Total recordable injury frequency rate (TRIFR) for contractors has decreased but not continuously by 27% from 1.42 in 2014 to 1.03 in 2016.

Accident severity rate at contractors'

The company does not disclose quantitative data on subcontracted labour accident severity rates.

Absenteeism and/or Occupational diseases at contractors'

The company does not disclose quantitative data on its subcontracted labour absenteeism and/or occupational disease rates.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

Leadership	88
Visibility	65
Relevance	100
Ownership	100

Implementation	56
Means & resources	65
Coverage	48

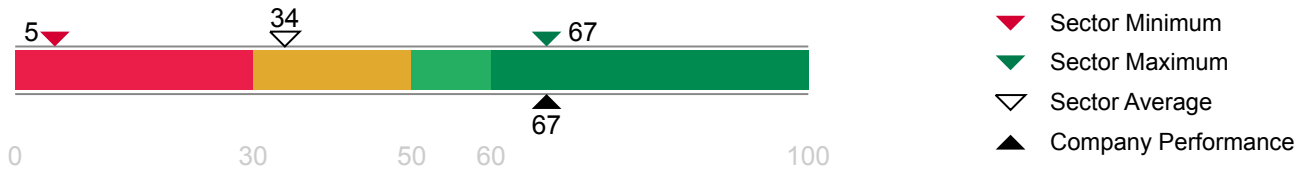
Results	24
Performance	24

Human rights

Score: 62

HRT1.1 Respect for human rights standards and prevention of violations

(score: 67, weight: 2)



Visibility of commitment on the respect for human rights standards and the prevention of violations

The company has issued a formalised commitment to respect and promote human rights in society in its Environmental and Societal Responsibility Policy, and Principles of Business Relationships. Engie's commitments to respect human rights can also be found in its Ethics Charter and Ethics in practice guidelines. Moreover, a dedicated human rights referential based on the UN Guiding Principles on Business and Human Rights was approved in May 2014.

Relevance of commitment on the respect for human rights standards and the prevention of violations

The company's commitment addresses to respect and promote human rights in society all of its responsibilities:

- respect the right to privacy
- respect the right to personal security
- respect property rights
- prevent cruel, inhuman, or degrading treatment
- respect freedom of expression
- prevent complicity in human rights violations

Ownership of commitment

The Referential is included into the Group's ethical approach, which is led and managed at the highest corporate level by the Group CEO and by the Group General Secretary who is also the Group Ethics & Compliance Officer. Within the General Secretary's office, the Ethics and Compliance Department manages the implementation of the Human Rights Referential with the support of a global network of Ethics & Compliance officers.

Means allocated to the commitment on the respect for human rights standards and the prevention of violations

The company has set up a basic system to ensure the respect and promotion of human rights in society that includes:

- awareness-raising programmes for employees
- external investigation of allegations
- resources dedicated to relocating population
- training programmes for employees
- grievance mechanisms
- human rights impact assessments
- internal audits
- consult local independent and representative stakeholders
- facilitate free, prior and informed consent (FPIC)
- human rights capacity building for local communities
- external audits/verification

- Awareness-raising programmes for employees: the Company promotes and disseminates human rights in business relationships with its employees, suppliers,

service providers, subcontractors and customers.

Coverage

The company has set up such systems throughout the company.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

Leadership	79	Implementation	58	Results	65
Visibility	65	Means & resources	30	Performance	65
Relevance	100	Coverage	100		
Ownership	65				

HRT2.1 Respect for freedom of association and the right to collective bargaining

(score: 48, weight: 1)



Visibility of commitment

A dedicated human rights referential based on the UN Guiding Principles on Business and Human Rights was approved in May 2014. This referential lays down provisions on freedom of association and the right to collective bargaining. The company has also issued a formalised commitment to freedom of association and the right to collective bargaining in its Environmental and Societal Responsibility Policy.

Relevance of commitment

The company's commitment is detailed and addresses most of its responsibilities:

- protection of freedom of association and the right to organise
- respect of the right to collective bargaining
- respect and protection of workers' representatives
- explicit support for ILO Conventions C87, C98, C135 ,or similar international texts on union rights
- prevent employee representative discrimination
- guarantee the effective exercise of the trade unions rights in the workplace

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, other employees are directly involved.

The Referential is included into the Group's ethical approach, which is led and managed at the highest corporate level by the Group CEO and by the Group General Secretary who is also the Group Ethics & Compliance Officer. Within the General Secretary's office, the Ethics and Compliance Department manages the implementation of the Human Rights Referential with the support of a global network of Ethics & Compliance officers.

Monitoring

It is not clear what steps the company takes to ensure that freedom of association is respected throughout the company's operations (e.g.: through external verification, risk mapping, audits, etc.)

- occasional risk mapping
- occasional internal audits
- on-going monitoring of labour rights risks
- regular internal audits
- external audits/verification
- external investigation of allegations
- cooperation with unions: joint audits, joint grievance procedures etc.

Promotion of collective bargaining

Information obtained from the company and public sources regarding measures in place to inform employees about their trade union rights is insufficient.

Of note, the Company reports that the participation of trade unions in collective bargaining is mandatory by the constitution in Brazil.

Coverage

Information obtained from the company and public sources the percentage of the company where such labour rights systems and programmes are in place is insufficient.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

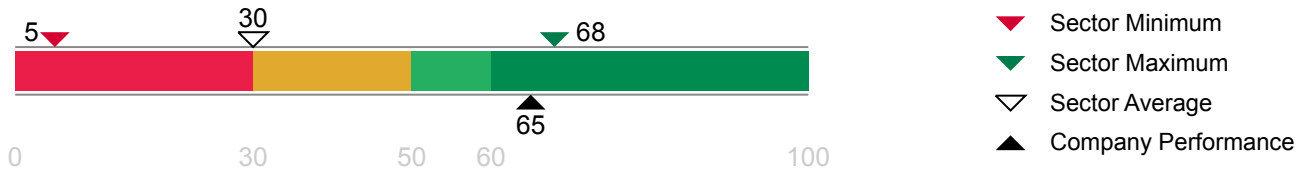
Leadership	79
Visibility	65
Relevance	100
Ownership	65

Implementation	0
Means & resources	0
Coverage	0

Results	65
Performance	65

HRT2.4 Non-discrimination

(score: 65, weight: 2)



Visibility of commitment on non-discrimination

The company has issued a formalised commitment to non-discrimination in its Social Responsibility Policy.

Relevance of commitment on non-discrimination

The company's commitment to non-discrimination explicitly defines most of the categories and the management processes to which these apply:

- gender
- sensitive medical conditions
- trade union membership or activities
- discrimination in employment decisions (hiring / promoting / redundancies)
- discrimination in working conditions (working hours / training / remuneration / social security)
- race / ethnicity / nationality
- social background
- religion
- sexual orientation
- family responsibilities (including pregnancy)
- disabilities
- political opinion
- age

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, other employees are directly involved.

At group level, the Director of Corporate Citizenship, is in charge of non-discrimination issues along with the network of ethics offices. Moreover, the CSR Committee brings together the HRDs/CSRSDs from each Group BU. In addition, a regulatory framework and benchmarks have been circulated throughout the HR department, as well as among managers, to ensure pragmatic and dispassionate management of situations that may arise within teams.

Means allocated to non-discrimination

The company has set up significant measures to prevent discrimination and promote diversity:

- awareness raising
- maternity pay (greater than the statutory requirement)
- paternity pay (greater than the statutory requirement)
- job sharing initiatives
- monitoring of salary disparities
- training
- monitoring
- confidential reporting system / grievance procedures

- disciplinary procedures / corrective measures
- affirmative action programmes
- flexitime initiatives
- child care facilities/child care subsidies
- career break opportunities

- training: the Company offers training modules in both classroom and e-learning formats. These training courses aim to raise awareness among employees and managers about the group's ethical principles and practices.

- monitoring: the company monitors the share of women in its workforce and in management positions.

- confidential reporting system / grievance procedures: the company has a communication channel so that anyone can contact it anonymously and confidentially to report any violation or non-compliance with its code of ethics;

- child care facilities: Child daycare facilities are included in the comprehensive benefits plan provided by the Company.

Coverage

The company has set up programmes to promote diversity (eg: training, awareness-raising, etc.) in a majority of its operations.

The Company has set up monitoring, training and reporting systems throughout the Company. However, the coverage of child care facilities remains unclear.

Results in terms of gender distribution

The share of women in middle management positions has remained stable and equal to 14% between 2014 and 2016.

Results in terms of employment of disabled persons

The share of disabled employees in the total workforce has increased continuously by 0.9 percentage point between 2014 and 2016. It stood at 3.4% in 2016.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

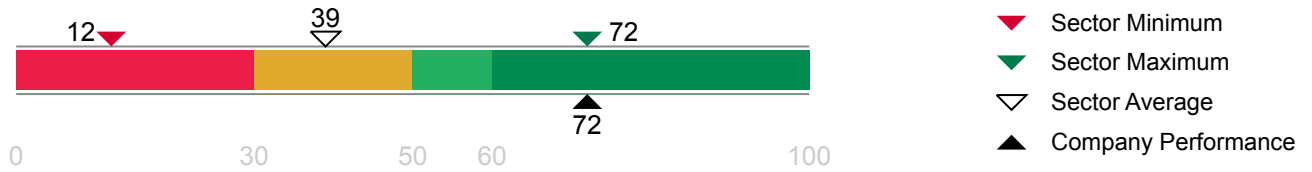
Leadership	79	Implementation	65	Results	52
Visibility	65	Means & resources	65	Performance	65
Relevance	100	Coverage	65	Trends	48
Ownership	65				

Community involvement

Score: 46

CIN1.1 Promotion of the local social and economic development

(score: 72, weight: 3)



Visibility of the policy

The company has issued a formalized and accessible commitment to promote local social and economic development in its:

Environmental and Societal Responsibility Policy.

Relevance of commitment

The company's commitment to promote local social and economic development addresses its main responsibilities:

- Optimise the impact of operations on the local economy
- Promote the creation and development of local businesses
- Promote the transfer of technology and skills to developing countries
- Promote the employment and training of local personnel
- Reduce the social impacts related to site closures, openings, and restructuring
- Implement a responsible tax strategy

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, other stakeholders are involved.

The Environmental and Societal Responsibility Direction is in charge of the Societal Policy. It launched two key programs to enhance the deployment across the Group of the concept of professional stakeholder engagement:

- *A corporate process of dialogue engaging the General Management Committee to meet twice a year with a selected sample of high level, influent and strategic stakeholders in order to exchange ideas and explore possible solutions to Societal challenges faced by Engie and more in general by the energy sector.*
- *Dedicated support to foster professional stakeholder engagement at local and operational level. A Community of Practices (CoP) gathers practitioners from the HQs, the BUs, the métiers and operational companies, to build methodologies and tools as well as to offer technical support.*

The Human Resources Division is in charge of the Social Responsibility Policy. The CSR Committee brings together the HRDs/CSRDs from each Group BU.

Means allocated

The company has allocated significant means to address social and economic development, including:

- Social development programmes
- Capacity building programmes
- Infrastructure development programmes
- Social impact assessments
- Grievance mechanisms

- *Social development programmes: the Company reports to have made*

investments in the areas of health, safety, leisure and sanitation. Other initiatives are taken to assist local government in structuring its actions such as the preparation of master and waste management plans. Besides, Engie supports the installation of the Sustainability and Cultural Centers which make significant contribution to the sustainable development of small population centers.

- Capacity building programmes: The Company launched the Capacitar Program in 2016, its focus being on socio-cultural exchanges for improving the quality of life of the communities surrounding the plants. The program provides skills upgrading for leaders and community agents involving the management of projects made feasible through tax breaks granted under federal government schemes such as the Culture Incentive Law (Lei Rouanet), the Sport Incentive Law, the Infancy and Adolescence Fund, the Fund for the Elderly, the National Support Program for Oncological Care (Pronon) and the National Health Care Support Program for People with Special Needs (Pronas/PCD).

- Social impact assessment of new projects: In 2016, the Company conducted 7 social impact evaluation programmes and mapped the stakeholders in the communities where it operates. This mapping including analyses of positive and negative effects of the Company's activities on the communities and areas of influence of the projects and can be updated as needed. Some of these assessments are maintained during the entire plant operation life. Moreover, the impact on the historical and archeological heritage of areas affected by the installation of access roads and transmission is also evaluated by the Company.

Geographical coverage

These means are allocated throughout the company.

Engie has conducted these programmes in Brazil.

Performance trend

Engie's community investments normalised to EBIT have increased by 64% between 2014 and 2016. They stood at 7.82 in 2016.

Transparency of tax reporting

The Company reports partially on taxes paid. Reporting covers:

- taxes paid in some countries of operations
- taxes paid in some regions of operations
- taxes paid in key regions of operations
- taxes paid in key countries of operations
- sales per zone
- operating profit per zone
- number of employees per zone
- ratio between tax paid and headline corporate tax rate per zone
- explanation for significant differences between tax rate actually paid and expected tax rate

the Company reports on taxes paid in Brazil. In addition, the Company provides information on number of employees, sales, and EBIT.

Presence in IMF 'offshore financial centers' and/ or in jurisdictions considered by the OECD as not compliant enough with tax transparency rules The Company does not operate in any location considered by the IMF as 'offshore financial centres' and/ or in jurisdictions considered by the OECD as not compliant enough on tax transparency rules

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

Engie Brasil Energia

ISIN CODE: BRTBLEACNOR2 Electric & Gas Utilities Emerging Market

Leadership	76	Implementation	83	Results	56
Visibility	65	Means & resources	65	Performance	65
Relevance	65	Coverage	100	Trends	30
Ownership	100				

CIN2.1 Promotion of access to energy and prevention of fuel poverty

(score: 20, weight: 3)



Visibility of the commitment on the promotion of access to energy

The company refers to addressing the access to energy in developing countries in its Sustainability Report.

Relevance of the company's commitment on the promotion of access to energy

The company's commitment to address the access to electricity in developing countries is general

- Establish collaborative projects (with governments, UN agencies, NGOs, businesses)
- Foster transfer of technology/capacity building (educational support, promotion of devices, building of dedicated infrastructure)
- Support renewable energy projects (renewable energy, LPG...)

Visibility of the commitment on the prevention of fuel poverty

The company does not disclose any commitment with regard to addressing fuel poverty.

Relevance of the commitment on the prevention of fuel poverty

The company does not disclose any commitment to address fuel poverty

- Vulnerable customer assistance
- Financial support
- Energy demand-side management

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, other employees are directly involved.

The Sustainability Committee is responsible for access to electricity in developing countries.

Measures implemented to promote the access to energy

Information obtained from the company and public sources regarding measures allocated to the access to energy in developing countries is insufficient.

- Rural electrification projects/Extending electricity grids – direct operational involvement
- Provide access to electricity/gas through off-grid solutions (micro/mini grid) - direct operational involvement
- Provide capacity building/technology transfer
- Provide financial support to promote access to energy (renewable energy, LPG networks and cooking gas devices funding through micro-credits)
- Innovative partnerships with stakeholders

Coverage of the measures implemented to address access to energy

Information obtained from the company and public sources regarding the percentage of the company covered by such efforts is insufficient.

Measures implemented to reduce fuel poverty

Information obtained from the company and public sources regarding measures allocated to address the fuel poverty issue is insufficient.

- Financial support
- Innovative (non-obligatory) tariff schemes
- Energy demand-side management (energy efficiency) for vulnerable customers
- Customer assistance (e.i. energy ombudsman)

Coverage of the measures implemented to address fuel poverty

Information obtained from the company and public sources regarding the percentage of the company covered by such efforts is insufficient.

Performance trend - Access to energy

The company does not disclose indicators on access to energy.

Performance trend - Fuel poverty

The company does not disclose indicators on fuel poverty.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

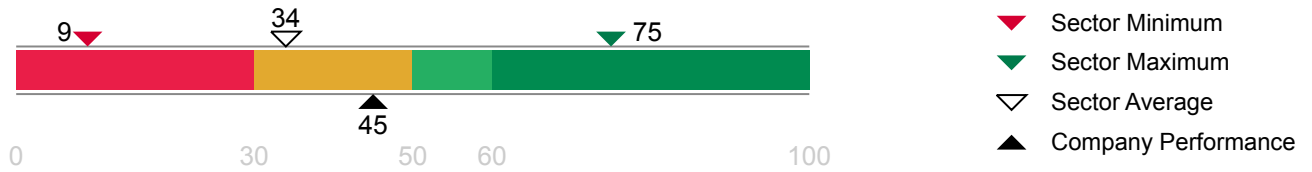
Leadership		Implementation		Results	
Leadership	25	Implementation	0	Results	35
Visibility	15	Means & resources	0	Performance	46
Relevance	15	Coverage	0	Trends	0
Ownership	65				

Business behaviour (C&S)

Score: 54

C&S1.3 Responsible Customer Relations

(score: 45, weight: 2)



Visibility of commitment on responsible customer relations

The company has issued a formalised commitment on responsible contractual agreements (customer service, service continuity, etc.) in its:

The company's commitment is to be found in its Environmental and Societal Responsibility policy and Governing Principles of Business Relationships.

Relevance of commitment on responsible customer relations

The company commits to the large majority of its responsibilities in terms of responsible contractual agreements:

- fair treatment of customers
- procedure for handling complaints
- transparent price/billing policy
- timely/complete communication with customers
- flexible and easy termination
- service continuity

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, other employees and stakeholders are involved.

Customer sales departments are in charge of the qualitative and quantitative follow-up of clients satisfaction and complaints and to identify the steps to take to improve customer relations. The group has also set up a Customer Satisfaction committee in charge of supervising action plans that aim at improving customer satisfaction.

Finally, the company reports on its active involvement with stakeholders. Engie Group Mediator meets consumer associations three times a year in order to take into account their expectations about the mediation, the types of proceedings, the proposed solutions.

Means allocated to ensure responsible customer relations and respect contractual agreements

The company has implemented a few measures:

- Training of sales staff
- Sales evaluation based on client satisfaction indicators
- Information on customer rights (and company duties towards customers)
- Compliance with a relevant industry code (e.g. Code of Practice for the Face to Face Marketing and Selling of Energy)
- Monitoring of service quality indicators (customer satisfaction, service continuity, complaints, etc.)
- Service interruptions prevention measures (and contingency plans)

Monitoring of service quality indicators: the Company reports that it collates clients opinions on its activities through periodic satisfaction surveys - the last of which

was run in 2016 recorded a ratio of 94.8%.

Coverage of the means allocated to ensure responsible customer relations and respect contractual agreements

Information obtained from the company and public sources regarding the percentage of sites covered by such customer service procedures is insufficient.

Complaints management system

Information obtained from the company and public sources regarding complaints management system is insufficient.

Customer satisfaction

The rate of customer satisfaction stood at 95% for the past three years.

Results on service continuity on electricity networks

The company does not disclose quantitative data on performance indicators regarding service continuity.

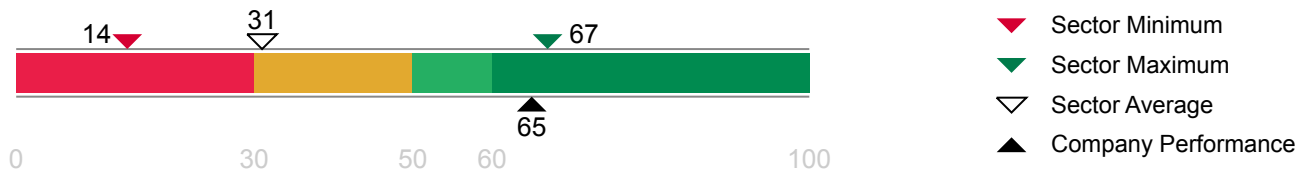
Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

Leadership	90	Implementation	9	Results	36
Visibility	65	Means & resources	13	Performance	36
Relevance	100	Coverage	0		
Ownership	100				

C&S2.4 Integration of social factors in the supply chain

(score: 65, weight: 2)



Visibility of commitment

The company has issued a formalised commitment to including social factors in supply chain management in its:

Environmental and Societal Responsibility Policy, Procurement policy, Governing Principles of Business Relationships and Guide to Ethics in Supplier Relations. Moreover, a dedicated human rights referential based on the UN Guiding Principles on Business and Human Rights was approved in 2014. The Referential describes the procedure for implementing the ethical principle "Respecting others", reaffirms the Group's commitments and expands on the guidelines presented in the Group's ethical documents. One of the Company's commitments, according to the document, states the following: the Group includes in its contracts with its suppliers, contractors and partners a provision requiring the respect by them of the Group's human rights commitments.

Relevance of commitment

The company's social requirements for suppliers address the main relevant issues in the sector:

- Freedom of association and right to collective bargaining
- Abolition of child labour
- Abolition of forced labour
- Non-discrimination
- Health and Safety
- Decent wages
- Working hours
- Other rights (e.g. prevention of cruel, degrading and inhuman behaviour, etc.)

Ownership of commitment

The commitment applies throughout the company, supported by senior management and other employees are directly involved. In addition, stakeholders are involved.

These issues are coordinated by the following bodies:
 - *The Board of Directors' Ethics, Environment and Sustainable Development Committee (EESDC): its work entails all the Group policies, action plans, balance-sheet analyses and advising on future actions,*
 - *The Group Executive Committee, which must approve all major decisions and action: the Excom holds two meetings a year fully dedicated to Environmental and Societal Responsibility.*
In addition, the Group Procurement Division is directly involved. The Chief Procurement Officers are responsible for driving the implementation of ESG objectives. In particular, their remunerations depend partly on the achievement of CSR objectives (risk mapping, suppliers qualification criteria, CSR compliance). Moreover, Engie is a member of the Better Coal initiative which aims to promote a coal supply chain that protects the environment, respects the rights of people and contributes positively to the quality of life of workers and communities, and the sustainability of producers. Finally, Engie is also a member of the Sustainable Biomass Partnership, a certification scheme designed for woody biomass.

Means allocated

The company has set up two measures to include social factors in supply chain management:

- integration of social issues into contractual clauses
- supplier questionnaires
- supplier support (training, technical assistance, etc.)
- training/awareness raising of employees in charge of purchasing
- non-compliance procedures for suppliers (re-auditing, re-training, eventual ending of contracts)
- risk assessments for suppliers

- *Integration of social issues into contractual clauses: the Company has reported the integration of contract requirements concerning human rights and occupational health and safety.*

- *risk assessments for suppliers: the Company performs periodic evaluations of suppliers on aspects relating to quality of services; occupational safety, medicine and hygiene; the environment and legal and administrative issues.*

Audits of suppliers/contractors

The company includes social aspects in its on-site quality audits of suppliers/ subcontractors.

the Company performs periodic evaluations of aspects related to quality of services; occupational safety, medicine and hygiene; the environment and legal and administrative issues. In 2016, 12 suppliers (0.6% of the total) reported non-compliance with labor practices and Engie agreed on adjustment and improvement of these aspects.

Coverage of the means allocated

All service agreements with suppliers contain clauses on Occupational Health and Safety issues. The Company has taken these measures in the most important units of the Company, which represent more than 95% of OPEX expenditures, and the energy generated by the Company (units with ISO 9001, 14001 and OSHAS 18001 certification).

Coverage of the social audits

The audits covered a very limited share of/ less than 20% of the company' s suppliers/contractors.

The Company reported that 0.6 % of its suppliers were audited in 2016.

Transparency on social compliance in the supply chain

Suppliers are selected with a focus on ensuring legal compliance and execution of the socio-environmental commitments that are assumed. In this respect, the Company performs periodic evaluations of suppliers to plants already in operation. Evaluations consider aspects relating to quality of services; occupational safety, medicine and hygiene; the environment and legal and administrative issues. In 2016, 12 suppliers (0.6% of the total) reported non-compliance with labor practices. With all the companies evaluated, Engie agreed various aspects for adjustment and improvement, in no case contractual rescission being necessary.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

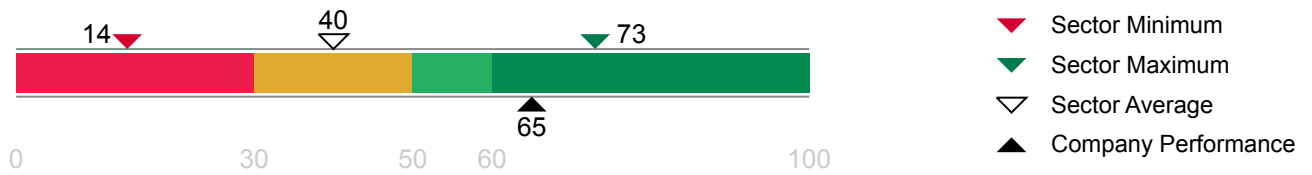
Engie Brasil Energia

ISIN CODE: BRTBLEACNOR2 Electric & Gas Utilities Emerging Market

Leadership	74	Implementation	43	Results	77
Visibility	65	Means & resources	48	Performance	77
Relevance	65	Coverage	32		
Ownership	100				

C&S3.1 Prevention of corruption

(score: 65, weight: 3)



Visibility of commitment on the prevention of corruption

The company has issued a formalised commitment to preventing corruption in its Ethics Charter, Environmental and Societal Responsibility policy, Governing Principles of Business Relationships, "Ethics in practice" guidelines, and Business Consultants Policy.

Relevance of commitment on the prevention of corruption

The company's commitment to preventing corruption addresses its main responsibilities:

- giving / receiving bribes
- restriction of facilitation payments
- gifts and invitations
- extortion
- fraud
- embezzlement
- money laundering
- conflicts of interest
- illegal financing of political parties
- prohibition of facilitation payments

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, other employees are directly involved.

A dedicated organisation (set out by the Ethical Compliance Management Referential) monitored at the highest level of management, which involves (i) the Ethics, Environment and Sustainable Development Committee of the Board of Directors, which advises and reports to the Board; (ii) the Compliance Committee (monitoring all ethics incidents reported); (iii) the Ethics Officers Steering Committee (advising on the elaboration of ethics policies and following-up on their implementation); (iv) the Ethics & Compliance Department performing all tasks assigned to it and supervising the system's efficiency; and (v) a worldwide decentralised line of more than 200 ethics officers handling ethics on a day-to-day basis.

The Group's external commitments are made with organisations like EITI (Extractive Industries Transparency Initiative) which promotes transparency in the extracting investments made in certain countries), Global Compact with the publication of the reporting on the 10th principle against corruption, Transparency International France and with its suppliers and partners.

Involvement of employees in the prevention of corruption

The company has instituted formal training programmes for relevant employees on corruption prevention.

The Ethics Committee, with help from the company managers, organises the implementation, training and awareness initiatives concerning ethical practices.

Moreover, the Committee must help and advise employees with questions or concerns regarding ethical matters.
Training programmes cover topics such as: Ethical, operating and control aspects included in the Anti-Corruption Law, Small gifts and amenities, Anti-Corruption Law.

Means allocated to the prevention of corruption

The company has set up internal controls to prevent corruption that include:

- approval procedures for gifts, etc. by an independent department
- external audits (by an independent, external specialised organisation)
- the possibility to contact internal audit, legal or compliance departments directly & confidentially
- a dedicated confidential hotline or email address
- internal audits (internal verification of compliance with the company's code of conduct etc.)
- risk assessment of company vulnerability

- the possibility to contact internal audit, legal or compliance departments directly & confidentially: All parties involved in Engie may report any breach or suspected violation of the Ethics Code to the ethics & compliance officer. The confidentiality of the identity of the person indicating the violation is guaranteed;

- a dedicated confidential hotline or email address: the company has a communication channel so that anyone can contact it anonymously and confidentially related to any non-compliance with its code of ethics;

- internal audits: the Company reports that it performs auditing to ensure compliance with its Code of Ethics.

Coverage of the means allocated to the prevention of corruption

The measures implemented cover all significant parts of the company as well as sales agents.

Engie Brasil Energia complies with its mother company's policy that established a mandatory internal procedure for commitments with commercial middlemen.

Transparency on corruption suspicions raised through the employee reporting system

The company explicitly states that there were no corruption incidents reported internally during the period under review.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

Leadership	65
Visibility	65
Relevance	65
Ownership	65

Implementation	53
Means & resources	48
Coverage	65

Results	77
Performance	77

C&S3.2 Prevention of anti-competitive practices

(score: 50, weight: 3)



Visibility of commitment on the prevention of anti-competitive practices

Environmental and Societal Responsibility policy and its Governing Principles of Business Relationships.

Relevance of commitment on the prevention of anti-competitive practices

The company's commitment to preventing anti-competitive practices addresses its main responsibilities:

- Abuse of dominant position
- Price-fixing
- Transparency on the market
- Industrial espionage

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, other employees are directly involved.

A dedicated organization (set out by the Ethical Compliance Management Referential) monitored at the highest level of management which involves (i) the Ethics, Environment and Sustainable Development Committee of the Board of Directors, which advises and reports to the Board on ethics issues; (ii) the Compliance Committee (monitoring all ethics incidents reported); (iii) the Ethics Officers Steering Committee (advising on the elaboration of ethics policies and following-up on their implementation); (iv) the Ethics & Compliance Department performing all tasks assigned to it and supervising the system's efficiency; and (v) a worldwide decentralized line of more than 200 ethics officers handling ethics on a day-to-day basis.

Involvement of employees in the prevention of anti-competitive practices

The company has instituted awareness-raising programmes for relevant employees on the prevention of anti-competitive practices.

The Ethics Committee, with help from the company managers, organises the implementation, training and awareness initiatives concerning ethical practices, which include anti-competitive practices. Moreover, the Committee must help and advise employees with questions or concerns regarding ethical matters.

Means allocated to the prevention of anti-competitive practices

The company has set up internal controls to prevent anti-competitive practices that include:

- approval procedures for contract prices etc. by an independent department
- the possibility to contact internal audit, legal or compliance departments directly & confidentially
- a dedicated confidential hotline or email address
- risk assessment of vulnerability areas within the company
- internal audits (internal verification of compliance with the company's code of conduct etc.)

external audits (by an independent, external specialised organisation)

- *The possibility to contact internal audit, legal or compliance departments directly & confidentially: All parties involved in Engie may report any breach or suspected violation of the Ethics Code to the ethics & compliance officer. The confidentiality of the identity of the person indicating the violation is guaranteed;*

- *A dedicated confidential hotline or email address: Engie makes available to all employees and stakeholders an address e-mail that allows to report case of suspect any breach of the ethics and compliance rules;*

- *Internal audits: the Company reports that it performs auditing to ensure compliance with its Code of Ethics, which covers anti-competitive practices issues.*

Coverage of the means allocated to the prevention of anti-competitive practices

The measures implemented cover all significant parts of the company as well as sales agents.

Engie complies with the mother company's policy that established a mandatory internal procedure for commitments with commercial middlemen.

Reporting

The company does not disclose any quantitative data on the number or nature of antitrust incidents reported internally.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

Leadership	65	Implementation	42	Results	43
Visibility	65	Means & resources	32	Performance	43
Relevance	65	Coverage	65		
Ownership	65				

C&S3.3 Transparency and integrity of influence strategies and practices

(score: 34, weight: 1)



Visibility of the commitment on transparency and integrity of influence strategies and practices

The company has issued a formalised commitment to ensuring transparency and integrity of lobbying practices but its accessibility is limited.

Engie informed Vigeo Eiris that New Ethics & Compliance policies has been prepared and finalized in 2016, including a code of conduct for lobbying (for internal and external lobbyists, and designed to ensure full transparency for the Group's lobbying and ensuring ethical conduct on their part).

Relevance of the commitment on transparency and integrity of influence strategies and practices

The company's commitment addresses most of its responsibilities towards ensuring transparency and integrity of lobbying practices:

- to prevent any contrast with public international conventions (UN, ILO, OECD)
- not obtain or try to obtain information, or any decision, dishonestly
- not to misrepresent themselves to mislead third parties and/or staff of public authorities
- openly declare the company's business interests
- ensure that information provided is up-to-date, complete and not misleading
- not induce staff of PA to contravene rules of behaviour applicable to them
- if the company employs former staff of PA, to respect their obligation of confidentiality
- to be transparent on the amounts of donations to political parties/organisations

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, a dedicated structure is responsible for this issue or relevant staff are held accountable.

Ethics Committee, supervised by Board of Directors and the Director of Ethics and Compliance of the Controller in Brazil are responsible for the oversight of the policy on Lobbying. In addition, the Company's strategies in terms of lobbying activities are discussed at board levels.

Involvement of employees

The company has instituted awareness-raising programmes for relevant employees on transparency and integrity of lobbying practices, however it is not clear if formal training is provided to them.

In its answers to Vigeo Eiris, the Company reports that training on Code of Ethics is provided to employees.

Measures allocated towards transparency and integrity of influence strategies and practices

Information regarding measure allocated to ensure transparency and integrity of lobbying practices is insufficient.

- publication of detailed information on lobbying activities
- approval procedures for gifts, travel or other privilege by an independent

department

- a dedicated confidential hotline or email address
- internal monitoring for lobbying budget
- internal audits for lobbying activities
- independent party for monitoring lobbying budget/external audit
- disclosure of the positions in the period of preparation of a debate and during the debate

Coverage of the measures allocated towards transparency and integrity of influence strategies and practices

Information regarding the percentage of the company covered by such controls and measures is insufficient.

Reporting

The company does not disclose direct and indirect expenses dedicated to lobbying practices.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

Leadership	55
Visibility	30
Relevance	65
Ownership	65

Implementation	11
Means & resources	15
Coverage	0

Results	35
Performance	35

Corporate governance

Score: 31

CGV1.1 Board of Directors

(score: 40, weight: 3)



[LISTED COMPANIES] Existence and independence of Nomination Committee No specific committee is in charge of director nomination, which might raise concerns.

Independence of the Board Chairman

The roles of Chairman and CEO are separated, but the chairman is not considered independent.

Responsibility allocated over CSR issues

The Head of CSR department/functions reports directly to the CEO/Board.
In its answers to Vigeo Eiris, the Company reveals that the administration officer is the one in charge of CSR issues, and reports directly to the CEO. Furthermore, there is a Sustainability Committee which contributes to consolidating sustainability as part of the Company's organizational culture, proposing goals and actions for sustainable development to the Board.

Share of independent shareholder-elected Board members

The Board is between 0 and 20% independent, which might raise concerns. One member of the 10-member Board are considered independent.

Diversity of the skills and backgrounds of the Board

The Board of Directors diversity appears to be robust:

- At least 30% of directors are women
- At least 40% of directors are women
- Employee representative(s) sitting on the Board
- Board members with demonstrated professional experience in the company's sector of activities
- Board members with demonstrated expertise on CSR issues

Training and expertise provided to board members

Information obtained from the company and public sources regarding training provided to board members is insufficient.

Regular election of Board members

Board members are elected at least every three years and these elections are not staggered. Board members are eligible for re-election following two-year terms.

Evaluation of Board's functioning and performance

Performance is evaluated regularly, but with no disclosure on the results.

The Company reported that self-evaluation by Board members is undertaken annually. However, the actual results are not publicly disclosed.

Review of CSR issues at Board meeting

Some of the relevant CSR issues are discussed at Board level.

- Health & safety
- Climate change
- Pollution prevention
- Anti-competitive practices
- Corruption
- Community relations

On a regular basis, CSR issues are discussed on two occasions: Corporate Risk Matrix assessment, where CSR, climate change, health and safety, community acceptance are evaluated and measured, and Sustainability Reporting presentation, where a summary of its contents is displayed. In addition to these regular presentations, other approaches may occur, depending on the specificity or need, for example, business development or a considerable investment in operating plants. In addition, the Company states that there is a presentation of internal controls programme to the Board that covers issues such as corruption and anti competitive practices.

Regularity of and attendance at Board meetings

Regular meetings are held, but no attendance rates are disclosed.

9 Board meetings were held in 2016.

Name of Board member	Role	Executive	Non executive	Employee representative	Nomination	Audit	Remuneration	Former executive	> 9 years on Board	Stock options	Paid > 1/2 executive salary	Represent > 3% company's shares	Other	Independency
Maurício Stolle Bähr	Chairman	X							X			X	Represents GDF SUEZ in Brazil	
Manoel Arlindo Zaron	Vice Chairman		X					X	X					
Roberto Henrique Tej				X										X
José Pais Rangel			X									X	Represents minority shareholders.	
Paulo Jorge Tavares		X						X						
Pierre Jean Bernard			X											
Dirk Achiel Marc Bee			X										Not considered independent by the company	
José Carlos Cauduro			X											
Eduardo Antonio Gori	CEO	X												
Carlos Henrique Boqu	CFO	X											Not considered independent by the company	
Antonio Alberto Gouv			X									X	Represents minority shareholders.	

CGV2.1 Audit & Internal Controls

(score: 22, weight: 2)



No specific committee is in charge of audit issues, which might raise concerns.

[LISTED COMPANIES] Existence and independence of Audit Committee *The Company has a permanent Fiscal Council, with some attributions that would usually be attributed to an Audit Committee, such as evaluating the risk management and internal control systems. In its answers to Vigeo Eiris, the Company reported that an Audit Committee is in process of establishment.*

Skills and backgrounds of Audit Committee members There is no Audit Committee in place.

Operational and CSR risks covered by the company's internal controls system The system covers the standard issues related to financial, operational, and legal risks.

- Health & safety
- Climate change
- Pollution prevention
- Anti-competitive practices
- Corruption
- Community relations

Role of the Audit Committee in overseeing internal and external controls There is no Audit Committee in place.

- Oversee internal audit and internal controls
- Review accounting policies and be responsible for updates
- Nominate the statutory auditor
- Oversee the work of the external auditor
- Approve the type of audit and non-audit services provided and fees paid to the external auditor

Management of the CSR risks Limited processes dedicated to management of CSR risks appear to be in place:

- Balanced scorecard
- Risk-related training
- Monitoring of key risk indicators
- Reporting system to the Board
- Risk mapping/materiality assessment
- A Board Risk Committee with no executive part of it

- Risk mapping/materiality assessment: In its sustainability Report, the Company has presented " The Relevance Matrix". It contains CSR themes deemed as relevant and which break down into material aspects, topics and indicators.

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Independence of the firm's external auditors

Information obtained from the company and public sources regarding the independence of the firm's external auditors is insufficient.

Inclusion of CSR issues in the company's reporting

The Company publishes an annual Sustainability Report on key material issues, with an independent assessment from Ernst & Young based on the International Standard on Assurance Engagements 3000 (ISAE 3000), with a limited level of assurance.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

CGV3.1 Shareholders

(score: 47, weight: 2)



Nonexistence of voting rights restrictions

The company respects the "one share - one vote" principle.

Safeguards on transactions with major shareholder(s)

Less than half of the board is independent. However, there are other safeguards in place to monitor transactions between the company and its major shareholder(s).

The Company has the Special Independent Committee for Transactions with Related Parties that is composed of members from the board of directors.

Ability to add items to the agenda of the AGM and to convene an EGM

Major restrictions have been identified to convene an EGM.

5% share ownership is required to convene an EGM.

Access to voting at General Meetings

There are no major restrictions on shareholders' ability to vote, and it is possible to vote using online services.

Ability to vote on relevant issues in separate resolutions at AGM

Not all major items are put to a shareholder vote.

The following items are not put to a vote at the 2017 AGM:
- Board fees
- Executive remuneration

Presentation of CSR strategy to shareholders and investors

Information disclosed from the entity and public sources regarding the presentation of CSR strategy to shareholders and investors is insufficient.

- Climate change
- Pollution prevention
- Corruption
- Health & safety
- Community relations
- Anti-competitive practices

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

CGV4.1 Executive Remuneration

(score: 9, weight: 2)



[LISTED COMPANIES] Existence and independence of Remuneration Committee Information disclosed on this subject is insufficient or not relevant.

Disclosure of senior executives' individual remuneration Executive remuneration is disclosed, but on a collective rather than on an individual basis.

Link between Short Term Incentive Plans and the performance of the company Bonuses are linked to predetermined and disclosed economic and/or operational performance indicators. However the actual quantified targets are not disclosed.
 Bonus amounts vary from 25% to 90% of the fixed annual compensation, in line with the executive's position, his or her challenges and established targets. This variable installment considers:
 - Financial indicators, such as the company's EBITDA growth, free cash flow and net income, as well as consolidation within the Controller, among others, which represent, on average, 40% of the annual bonus.
 - Individual and operating indicators, such as fulfillment of targets, operating and financial results, including matters relating to sustainability, which represent, on average, 40% of the bonus.
 - Behavioral and managerial issues that represent, on average, 20% of the annual bonus.

Link between the main Long Term Incentive Plan and the performance of the company Information on the rules and performance conditions guiding the allocation of long-term incentives to senior executives is insufficient.

Link between variable remuneration and CSR performance of the company Variable remuneration is said to be linked to CSR performance objectives, but these are not disclosed.

- Health & Safety
- Climate Change
- Pollution Prevention
- Customer Satisfaction
- Other

Severance pay for senior executives Information obtained from the company and public sources regarding severance pay for senior executives is insufficient.

Evolution of CEO-to-employee compensation ratio Information obtained from the company and public sources regarding the compensation of CEO and the average employee salary is insufficient.
 CEO compensation and average employee salary are not disclosed by the

Company.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

Detailed Scores and Ratings

CURRENT AND PREVIOUS RATINGS

Period	Environment	Human resources	Human rights	Community involvement	Business behaviour (C&S)	Corporate governance
2018/03	++	+	++	+	++	=
2016/03	++	++	+	++	++	=
2014/12	+	++	+	+	++	+

SCORES PER DOMAIN

Domain	Average Score	Leadership	Implementation	Results
Environment	55	52	59	43
Human resources	45	62	42	32
Human rights	62	79	49	60
Community involvement	46	51	42	46
Business behaviour (C&S)	54	70	36	56
Corporate governance	31	29	25	38

SCORES PER CRITERIA

Sub-domain	Criterion	Score
Environment 1	1	71
	2	51
	3	86
	4	59

Environment 2	2	N/A
	4	33
Environment 3	1	24

Sub-domain	Criterion	Score
Human resources 1	1	70
Human resources 2	3	12
	4	49
Human resources 3	2	56

Sub-domain	Criterion	Score
Human rights 1	1	67
Human rights 2	1	48
	4	65

Sub-domain	Criterion	Score
Community involvement 1	1	72
Community involvement 2	1	20

Sub-domain	Criterion	Score
Business behaviour (C&S) 1	3	45
Business behaviour (C&S) 2	4	65
Business behaviour (C&S) 3	1	65
	2	50
	3	34

Sub-domain	Criterion	Score
Corporate governance 1	1	40
Corporate governance 2	1	22
Corporate governance 3	1	47
Corporate governance 4	1	9

Contacts

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Overview of the latest updates

Date of the latest update	Information updated
2018/07	Carbon & Energy Transition
2018/03	Controversial Activities Screening
2018/03	Full ESG profile