



FOURTH COMMUNICATION ON PROGRESS – ADVANCED LEVEL

CEO RENEWED COMMITMENT TO THE TEN PRINCIPLES



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

I am happy and proud to reaffirm the commitment of EDF Luminus to the ten United Nations Global Compact Principles that we endorsed in 2013.

We reported every year on our progress since then, reaching Advanced level as early as 2015. Our yearly GRI4-compliant Sustainability report and advanced Ecovadis rating (81/100, compared to a worldwide average of 42/100 among the 31 000 companies evaluated by Ecovadis) demonstrate our commitment to go beyond applicable laws and regulations and to inform stakeholders about our progress.

Out of the four topics highlighted in the Global Compact, I must say Environment is both a challenge and our key achievement.

After 2015, 2016 was the warmest year on record. In the face of this unprecedented climatic challenge, our first priority is to help our customers reduce their energy consumption, ecological footprint and bill. For the remaining consumption, we aim to offer our customers CO₂-free electricity solutions. In 2016, many projects were undertaken in this area.

Our subsidiary EDF Luminus Solutions has already won two tenders for energy performance contracts. We will thus refurbish the heating systems for the 2500 flats of the Foyer Anderlechtois – an investment which guarantees an energy bill reduction of 20%. We will also renovate the energy systems of 14 school premises in the Province of Liege, as part of a RenoWatt project. In this case, we guarantee a reduction in consumption of more than 30%. We have also begun work to transform the KRC Genk football stadium, renamed Luminus Arena, as the first CO₂-neutral Belgian stadium. Many other companies now benefit from our large energy services range, including Spa, AB InBeV, Recibois, etc.

In the residential sector, sales of energy services have also experienced a big success, in particular for the installation and maintenance of high-performance boilers. We had more than 150,000 customers for this activity by the end of 2016. We can also offer our customers a 100% green, 100%

Belgian energy, thanks to our #BeGreen product. Furthermore, our customers can participate directly in the development of our wind energy park by purchasing shares in the EDF Luminus Wind Together cooperative.

In 2016, EDF Luminus invested a record 82 million euro in renewable energy only. Increasing our wind installed capacities represented 56% of our total investments in 2016. Our teams worked very hard to maintain our leadership in onshore wind energy, with 292MW installed, and we can rely on a well filled project portfolio to continue our growth. We have also continued to invest in our hydroelectric plants, in order to increase their lifecycle, and in our thermal units, to reduce their emissions and increase their flexibility. And we continued to extend the surfaces dedicated to biodiversity on our own sites, both on a voluntary and mandatory basis.

Along with this, we are extremely pleased to report that there were no lost-time accidents in 2016 and none so far in 2017; that is a total of 3 years without LTIs. No formal grievances relating to human rights, discrimination, environment or corruption have been recorded in 2016. On March 2016, the Executive committee of EDF Luminus committed formally to promote managerial diversity and specific training actions have been implemented for HR teams and middle management since October 2016.

Thus, both our strategy and our practices allow us to contribute to the UN Sustainable Development Goals, especially goals 3 (good health & well-being), 5 (gender equality), 7 (affordable and clean energy), 11 (sustainable cities and communities) 12 (responsible consumption and production), 13 (climate action), 14 and 15 (protection of life below water and on land).

With our strong commitment to transparency and accountability, we commit to remaining keen participants to the Global Compact and publish our 2017 COP in line with the requested guidelines. This fourth COP includes, directly or via a reference to our 2016 Sustainable Development report:

- the current statement expressing continued support for the Global Compact Principles,
- a description of the practical actions the company has taken to implement the Principles in each of the four issue areas (human rights, labor, environment, anti-corruption),
- and a measurement of the outcomes.

[See signature on separate document]

Grégoire Dallemagne

CEO

On behalf of LMAS sprl

FOURTH COMMUNICATION ON PROGRESS AND SELF-ASSESSMENT

REGARDING THE 10 PRINCIPLES OF THE GLOBAL COMPACT

November 2017

GC Advanced COP Self-Assessment – General information

EDF Luminus is reaffirming its commitment to the United Nations Global Compact Principles through publishing our fourth Communication on Progress for the period of 1 January 2016 until 31 December 2016.

The structure of this document follows the self-assessment format used by companies pursuing the Global Compact “advanced level”. Using this format will help readers understand that EDF Luminus is complying with all the criteria needed to reach the “advanced level”. Progress registered in 2016 specifically appears in green print.

The report is written with regards to EDF Luminus SA/NV activities. We do not operate in any high-risk and/or conflicted areas.

This Communication on Progress uses quantitative and qualitative measures to assess the outcomes for 2016 which are further elaborated in our 2016 Sustainability Report. We are pleased that we have fully conformed to the GRI4 Sustainability Reporting Guidelines as a basis of our 2015 and 2016 CSR Reports and we will continue formalizing our reports using this method.

This COP is shared internally with the employees and with external stakeholders through the EDF Luminus website.

This COP is not formally reviewed and certified by third-parties. However:

- Most of the information contained in the COP is already published in the EDF Luminus Sustainable Development report, which includes data that is partly assessed by external parties.
- Parts of the SDR are extracts of the Annual Report submitted to the National Bank of Belgium, which is certified by KPMG Company Auditors and Boes & Co Company Auditors. This is especially the case for most of the graphs and figures published on pages 38-40 (English version)

extracted from the Sustainability report, i.e. SDR). It is also the case for the social balance sheets extracts published on pages 61. The Annual report is available on the NBB website which allows third-party checks.

- The GHG emissions inventory presented in the SDR report has been realized by Climact, a recognized consulting firm, in accordance with the GHG Protocol international standard. Some of the emission figures published on page 49 of the report are audited and approved by external firms (VBBV for Flanders and Vincotte for Wallonia). A selection of CSR indicators were audited by the auditors of the EDF Group, Deloitte, within the framework of the French Grenelle 2 law, among which around 15 environmental indicators and 30 social indicators. Regarding environment, a single non-significant error was identified during the audit, regarding non dangerous industrial waste traceability. A point “to follow” concerns the air conditioning use, to be included in the carbon footprint. Regarding human resources and outflows, one fill-in error was corrected on the day of the audit.
- EDF Luminus is a certified Top Employer since 2013, an HR-oriented label which includes working conditions among its criteria and involves random audits on site.
- We are aware of the impact our activities have on our communities and ensure we work with stakeholders to discuss our CSR reporting. Our GRI4 materiality grid was first published in 2015. We modified it slightly in 2016 (two topics involving Human Resources, Quality of life at Work and Employee Diversity were added to the list of “disclosures on management approach”, due to their influence on engagement, innovation and overall performance of the company). In 2016, we received feedback from Louvain-La-Neuve University students on the 2015 Sustainability Report. The format of the 2016 report was modified taking this feedback into account.

This COP refers to the 2016 EDF Luminus Sustainable Development Report (SDR: English version extract or RDD: French complete version in the tables below) or to other documents/texts already posted on EDF Luminus corporate website with links available.

For your convenience, you can find the 2016 report following those links:

French version: https://edfluminus.edf.com/sites/default/files/Lot%203/EDF%20LUMINUS/ENGAGEMENTS/RDD/RDD_2016.pdf

Dutch version:

https://edfluminus.edf.com/sites/default/files/Lot%203/EDF%20LUMINUS/ENGAGEMENTS/RDD/v2rapport_luminus_2017_nl_interactif.pdf

English version (extract):

https://edfluminus.edf.com/sites/default/files/Lot%203/EDF%20LUMINUS/ENGAGEMENTS/RDD/rapport_luminus_2017_en_web.pdf

<i>Implementing the Ten Principles into Strategies & Operations</i>		
Criteria for GC Advanced Level	Our Approach	More information
<p>Criterion 1: The COP describes mainstreaming into corporate functions and business units</p>	<p><i>Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives.</i></p> <p>At EDF Luminus, the CSR policy is endorsed by the CEO and is advertised on all sites.</p> <p>The CSR department reports to the Chief Strategy, Innovation and Business Development Officer. The sustainability policy and action plan is therefore reviewed regularly by the executive committee. Departments represented in the CSR Committee include Purchasing, Production, HSE, Marketing, Corporate Affairs, Human Resources, Internal Audit, etc.</p> <p>In 2016, a CSR initiative was launched as part of the Transformation plan of the company. It included 5 tracks : Safety, Environment and Biodiversity, Purchasing, Diversity and Dialogue with stakeholders. Progress regarding the action plan was monitored at the Executive Committee level.</p> <p>In 2017, the CSR policy has been updated to be in line with the progress of EDF Luminus and its new challenges. Compared to the previous policy, several points have been updated.</p> <ul style="list-style-type: none"> (1) Our ethical commitment is in line with GRI4 international standards and we can affirm that: <ul style="list-style-type: none"> - We have identified our main social and environmental challenges; - Our commitments go beyond the law in terms of wind turbines buildings or in terms of LTIs; - We evaluate our CSR performance on a regular basis; - Each year, we report our progress. (2) Innovation became an entire topic and is not anymore a sub-category of our environmental commitments. Indeed, it is the key of our future competitiveness. (3) Our commitments regarding customer satisfaction are more precise and ambitious because our range of services has been expanding since 2012. (4) Our commitments regarding human resources include well-being at work. 	<p>Pages 4-8 of Sustainable Development Report 2016 (SDR).</p> <p>CSR Policy: https://one-edfluminus.edf.com/sites/default/files/importPresse/2017-csr_policy_uk.pdf</p> <p>Page 17 SDR</p>

<p>Criterion 2: The COP describes value chain implementation</p>	<p><i>Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts.</i></p> <p>The segmentation of the value chain is analyzed on page 9 of the Sustainable Development report (SDR) with a specific examination of the upstream influence. All the components of the value chain, both upstream and downstream, are mapped and sorted depending on their level of control by EDF Luminus. Those components were adjusted at the beginning of 2017 to take into account the evolution of the energy sector and the transformation of EDF Luminus into an energy services provider.</p> <p><i>Communicate policies and expectations to suppliers and other relevant business partners.</i></p> <p>Our General Purchasing Conditions are sent to suppliers and contractors at the start of each tender and for each contract. Our purchasing conditions include expectations regarding Safety and CSR among extra-financial criteria.</p> <p><i>Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence</i></p> <p>The key supplier mapping relating to social responsibility created in 2013 was updated in 2016.</p>	<p>Pages 9-10 SDR</p> <p>https://edfluminus.edf.com/en/edf-luminus/our-commitments/ethics-and-good-governance</p> <p>Page 19 SDR</p>
<p><i>Robust Human Rights Management Policies & Procedures</i></p> <p><u>Principle 1</u>: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p><u>Principle 2</u>: make sure that they are not complicit in human rights abuses.</p>		
<p>Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights</p>	<p><i>Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates.</i></p> <p>In 2011, EDF Luminus affirmed its respect for human rights by endorsing the EDF Group CSR Agreement. We established our own CSR Policy in 2012 and updated our Code of Conduct in 2013. All three documents refer to international laws and regulations including implicitly the Universal Declaration of Human Rights.</p> <p><i>Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company.</i></p> <p>See our CSR Policy and Code of Conduct on EDF Luminus website (Ethics and Governance section).</p>	<p>https://edfluminus.edf.com/en/edf-luminus/our-commitments/ethics-and-good-governance</p>

	<p><i>Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services.</i></p> <p>Our CSR policy makes specific CSR commitments beyond applicable laws and standards. We ensure that our suppliers also respect our values by including a CSR social clause in our General Purchasing conditions. The EDF Luminus Legal Compliance policy was updated in 2016 to take into account the new EDF Group Ethical and Legal Compliance policy.</p> <p><i>Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties.</i></p> <p>The Code of Conduct of EDF Luminus is available both on the intranet, to all employees, and on the internet and includes the 10 UN Global Compact principles.</p>	<p>See Clause 29.2 of General Purchasing Conditions: https://edfluminus.edf.com/sites/default/files/Lot%203/EDF%20LUMINUS/ENGAGEMENTS/ethique%20et%20gouvernance/social clause edf luminus.pdf</p> <p>Page 16 SDR</p>
<p>Criterion 4: The COP describes effective management systems to integrate the human rights principles</p>	<p><i>On-going due diligence process that includes an assessment of actual and potential human rights impacts.</i></p> <p>Since 2014, mandatory reporting to the EDF Group includes a specific document which is to include all significant ethics-related incidents.</p> <p><i>Internal awareness-raising and training on human rights for management and employees.</i></p> <p>In September 2015, as part of the CSR initiative included the 2014 Transformation plan, we launched a new e-learning module to help employees understand desired behaviors regarding Ethics and our Code of Conduct. At the end of 2016, 40% of the employees (372) had volunteered to complete the module (compared to 20% in 2015).</p> <p><i>Allocation of responsibilities and accountability for addressing human rights impacts.</i></p> <p>Each manager is in charge of making sure human rights are respected and breaches addressed. The EDF Luminus Code of Conduct highlights the role of managers as the first alert level in case of irregularities. The Belgian law also makes it mandatory for companies to appoint “confidential counsellors” in order to prevent psychosocial incidents, especially discrimination or harassment.</p> <p><i>Operational-level grievance mechanisms for those potentially impacted by the company’s activities</i></p> <p>Regarding ethical issues, an alert system is in place. Since 2014, reporting for the EDF Group has included a document specifically for declaring any significant ethics incidents.</p>	<p>Page 16 SDR</p> <p>Page 19 SDR</p> <p>https://edfluminus.edf.com/sites/default/files/EDF%20Luminus/engagements/ethique%20et%20gouvernance/codedecouverte fr 20 01.pdf</p> <p>Page 63 SDR</p> <p>Page 19 SDR</p>

<p>Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration</p>	<p><i>System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain.</i> <i>Monitoring drawn from internal and external feedback, including affected stakeholders.</i></p> <p>Our alert system is advertised in our general purchasing conditions and on internet. Regarding responsible purchasing, the supplier mapping including social responsibility criteria created in 2013 and was updated in 2016. Five significant suppliers were evaluated in 2016 from a CSR point of view, via the EDF Group platform (see results page 19 SDR). Our action plan regarding our suppliers was established following the evaluation.</p> <p><i>Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue.</i></p> <p>A special email address was created in 2012 to allow suppliers to report any violation of the rules of law (non-compliance with labor legislation being one of those): ethics@edfluminus.be. The internal alert system of EDF Luminus is described in the Code of Conduct. It includes confidentiality counsellors, whose role is described in the SD report page 63.</p> <p><i>Outcomes of integration of the human rights principles.</i></p> <p>No formal grievances relating to human rights have been recorded in 2016. No alerts were received locally regarding purchasing. A single ethical alert was recorded by the EDF Group's Ethics Commission in 2016, coming from Belgium in the context of a call for tender project. With a close collaboration of EDF Luminus, the EDF Group's Ethics Commission conducted an inquiry that did not result in concrete evidence. No formal complaint was therefore made following the alert. However, it was a good opportunity to give a general reminder about the rules linked to the calls for tender.</p>	<p>Page 19 SDR</p> <p>Page 63 SDR</p> <p>Page 19 SDR</p>
<p><i>Robust Labor Management Policies & Procedures</i></p> <p><u>Principle 3</u>: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p><u>Principle 4</u>: the elimination of all forms of forced and compulsory labor;</p> <p><u>Principle 5</u>: the effective abolition of child labor; and</p> <p><u>Principle 6</u>: the elimination of discrimination in respect of employment and occupation.</p>		

<p>Criterion 6: The COP describes robust commitments, strategies or policies in the area of labor</p>	<p><i>Reference to principles of relevant international labor standards (ILO Conventions) and other normative international instruments in company policies.</i></p> <p><i>Reflection on the relevance of the labor principles for the company.</i></p> <p><i>Written company policy to obey national labor law, respect principles of the relevant international labor standards in company operations worldwide, and engage in dialogue with representative organization of the workers (international, sectorial, national). Inclusion of reference to the principles contained in the relevant international labor standards in contracts with suppliers and other relevant business partners.</i></p> <p>EDF Luminus supports the principles concerning fundamental rights set out by the International Labor Organization's - this is mentioned explicitly in the EDF Group CSR agreement endorsed by EDF Luminus in 2011. Freedom to associate, negotiate, and collective bargaining is guaranteed by Belgian law and the specific rules of the Belgian energy sector (FEBEG).</p> <p>In line with our values, we strive to promote diversity and gender equality in our workforce in different ways:</p> <ul style="list-style-type: none"> • Women comprise 41% of our employees, which is exceptionally high in the energy sector. Since 2012, we bring women working in the highest ranks together once a year to identify their concerns in the workplace. • Our workforce included nine different nationalities end of 2016. <p>On March 2016, the Executive committee of EDF Luminus committed formally to promote managerial diversity and specific training actions have been implemented for HR teams and middle management since October 2016.</p> <p><i>Structural engagement with a global union, possibly via a Global Framework Agreement</i></p> <p>The EDF Group CSR Agreement has been signed by three Global Unions in 2009. It still applies and updates on progress and best practices are discussed with unions each year.</p> <p><i>Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation.</i></p> <p>In September 2016, Grégoire Dallemagne, EDF Luminus CEO, signed the Charter “Decent Work for All” proposed by The Shift with the objective to promote sustainable employment for all, including vulnerable people.</p>	<p>Page 74 Rapport Développement Durable (RDD)</p> <p>EDF Group CSR Agreement: http://about-us.edf.com/fichiers/fckeditor/Commun/RH/Publications/Annee/2009/EDF Accord RSE09_va.pdf</p> <p>Page 82 RDD</p>
<p>Criterion 7: The COP describes effective management systems to integrate the labor</p>	<p><i>Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labor standards.</i></p> <p>All of the EDF Luminus workforce is represented by elected employees who participate in collective bargaining.</p>	

<p>principles</p>	<p><i>Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organization of workers. Internal awareness-raising and training on the labor principles for management and employees.</i></p> <p>Confidentiality counsellors, whose appointment must be approved by the social partners, play an important preventive and curative role. They can be called upon by simple request, by employees as well as managers, in case of psychosocial difficulties: harassment, violence, stress and burn-out. This has led to the creation of a dedicated post for the prevention of psychosocial risks with the Health, Security, Environment department as of April 1st, 2016. The EDF Luminus network of confidentiality counsellors is diversified in terms of gender, language, hierarchic level and geographic location. The network exceeds regulatory requirements (eight people instead of one). The names of the confidentiality counsellors are regularly communicated to personnel via several internal communication channels.</p>	<p>Page 63 SDR</p>
<p>Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labor principles integration</p>	<p><i>System to track and measure performance based on standardized performance metrics.</i></p> <p>The number of cases reported to confidentiality counsellors is part of the yearly Health & Safety report sent to Belgian authorities. See page 63 of our Sustainability report.</p> <p>In 2016, a total number of 5579 hours were dedicated to safety.</p> <p><i>Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future.</i></p> <p>Dialogue with unions takes place in several instances at EDF Luminus. Among them are monthly works councils and Health and Safety committees.</p> <p><i>Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labor standards.</i></p> <p>Evaluations were carried out on five major suppliers in 2016, using the EDF Group platform. Key suppliers involved in renovation and building works are pre-qualified before tenders. This includes checking the LTI rate which must be below Belgian average.</p> <p>Any incidents are recorded and thoroughly analyzed to identify the main causes and prevent similar incidents in the future.</p>	<p>Page 63 SDR</p> <p>Page 62 SDR</p> <p>Page 19 SDR</p>

	<p><i>Outcome of integration of labor principles.</i></p> <p>We are pleased that these measures have led to three years with no lost time accident at the end of October 2017. No issues were found amongst any of the suppliers that would provide any reason to cease our collaboration. Only one of the suppliers was rated below the average for its sector of activity. A specific action plan is thus being put in place to improve the better access and mitigate social and environmental risks.</p> <p>Our latest CSR rating by Ecovadis, on November 2016, grants us a 80/100 score regarding labor practices.</p>	<p>Page 19 & 76 SDR</p>
<p><i>Robust Environmental Management Policies & Procedures</i></p> <p><u>Principle 7</u>: Businesses should support a precautionary approach to environmental challenges; <u>Principle 8</u>: undertake initiatives to promote greater environmental responsibility; and <u>Principle 9</u>: encourage the development and diffusion of environmentally friendly technologies.</p>		
<p>Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship</p>	<p><i>Written company policy on environmental stewardship.</i></p> <p>Our Health, Safety and Environment policy is available on EDF Luminus website.</p> <p><i>Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners.</i></p> <p>We have implemented a Health, Safety & Environment policy (updated in 2017), an HSE management system and we are ISO 14001 certified globally, i.e. for all our activities. The Health, Safety and Environment policy and the ISO 14001 certification are advertised on EDF Luminus internet site. Our CSR policy also includes Environment and Biodiversity as one of the 6 key topics to be addressed.</p> <p>Our General Purchasing Conditions include a specific clause regarding Environment.</p> <p>In June 2016, we received the ISO 50 001 certification which focuses on “energy management”. It is awarded following the external audit to companies that can demonstrate a systematic approach to improve energy efficiency. The external auditors confirmed that the Environmental Management system of EDF Luminus includes an action plan specifically focused on energy savings from the start-up procedures for thermal plants to the daily behavior of staff.</p>	<p>https://edfluminus.edf.com/en/edf-luminus/our-commitments/health-safety-and-environment</p> <p>Clause 24.2 of General Purchasing Conditions https://edfluminus.edf.com/en/edf-luminus/our-commitments/ethics-and-good-governance</p> <p>Page 41 SDR</p>

	<p><i>Specific commitments and goals for specified years.</i></p> <p>As explained on “The Shift” website, we committed to invest 600 million euros between 2015 and 2018, most of it in windmills and energy services. In 2016, EDF Luminus invested 82,6 million euro in renewable energies.</p>	<p>https://theshift.be/fr/our-members/edf-luminus Page 2 SDR</p>
<p>Criterion 10: The COP describes effective <i>management systems</i> to integrate the environmental principles</p>	<p><i>Environmental risk and impact assessments.</i></p> <p>EDF Luminus does integrate environmental risk evaluation in its Health, Safety & Environment risk analysis for all industrial sites. Risks are classified in 4 categories for all production sites. All risks above a certain threshold have to be reduced. Also, impact on environment has to be assessed prior to each new production asset building (as part of the permitting process). This analysis is carried out during the development, with the commissioning, and every 5 years or when there are any changes made to the site.</p> <p><i>Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts.</i></p> <p>All alert systems (purchasing, ethical) can also be used for environmental impacts.</p> <p>We are required to report any incidents impacting our installations or potentially damaging the environment to the public authorities.</p> <p><i>Allocation of responsibilities and accountability within the organization.</i></p> <p>Allocation of responsibilities and accountability within the organization is part of the Health, Safety & Environment (HSE) management system. HSE and Production organizations are available to employees via the intranet.</p> <p><i>Internal awareness-raising and training on environmental stewardship for management and employees.</i></p> <p>The HSE department of EDF Luminus prepares weekly messages dedicated to Safety and Environment. These are highlighted each week on the intranet, and at the beginning of each meeting. Specific presentations are also prepared for specific topics and have to be shared every quarter during “toolbox meetings” which are mandatory and tracked.</p>	<p>Page 54 SDR</p> <p>Pages 43-46 SDR</p> <p>Page 54 SDR</p>

<p>Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship</p>	<p><i>System to track and measure performance based on standardized performance metrics.</i></p> <p>EDF Luminus is ISO 14001 certified globally for all its activities. Compliance checks with the ISO 14000 norm are conducted regularly. Periodic environmental audits are performed by external companies.</p> <p>Since June 2016, thanks to an external audit, we have been ISO 50 001 certified for all our installations and activities.</p> <p>To identify the principal components and better target the reduction effort, we measure our total environmental carbon footprint since 2011 following the Greenhouse Gas Protocol (GHG).</p> <p><i>Leadership review of monitoring and improvement results</i></p> <p>This is done at the level of the Executive Committee on a quarterly basis. Detailed review takes place once a year.</p> <p><i>Process to deal with incidents</i></p> <p>The planned actions to reduce risks are reported on a monthly basis in accordance with the methodology of OHSAS 18001.</p> <p><i>Audits or other steps to monitor and improve the environmental performance of companies in the supply chain</i></p> <p>Five suppliers were evaluated in 2016 using the EDF Group Platform. Environment is one of the topic covered by the evaluation. No cause for concern emerged from the five evaluations regarding environment.</p> <p><i>Outcomes of integration of the environmental principles</i></p> <p>Environmental incidents have to be reported to the Belgian authorities. The environment management system of EDF Luminus includes a systematic analysis of incidents and a list of corrective actions to be implemented.</p> <p>In November 2016, an incident was reported to the authorities. An oil-leak was detected in a cooler installed on the lubrication circuit of one of the gas-fueled turbines of the Seraing plant. This cooler was immediately isolated and the reserve cooler was put into service. After this incident, a detailed analysis of the incident has been done and preventive measures were defined to avoid similar incidents in Seraing or in any other hydraulic or thermal sites.</p>	<p>Pages 41, 43-46 SDR</p> <p>Page 54 SDR</p>
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	<p>We have achieved the following in 2016:</p> <ul style="list-style-type: none"> • Investing 82,6 million euros in renewable energy. • Remaining leader in onshore wind energy with a total of 292 MW installed, an increase of 15%. Twenty wind turbines were built in 2016. • Supporting our client's efforts to develop renewable energy sources, , i.e. we install windmills on industrial zones, or PV on industrial roofs. • Increasing the wind energy output by 12% due to the increase in the number of wind turbines operating. • Collecting 2,8 million euro to develop EDF Luminus Wind Together Cooperative with 1100 members. • Selling Energy Performance contracts to B2B customers (social houses, schools, etc.) to reduce their energy consumption and emissions. This includes: renovating boilers, heating management systems and lighting. • Selling energy efficiency services to B2C customers (new boilers, PVs, green electricity, gas, whose CO2 emissions are compensated, etc.) • Reducing 77% of paper consumption at EDF Luminus (compared to 2014) • Achieving 60% of electronic bills to minimize negative environmental impact <p>The global CO2 footprint of EDF Luminus is measured and published each year since 2013. The methodology is constantly updated to take into account the latest GHG protocol changes. In 2016, we achieved a 44,5% reduction of electricity consumption in our buildings (according to GHG Protocol market approach ; -8,5% based on geographical approach).</p> <p>Our CSR rating by Ecovadis, on November 2016, grants us a 90/100 score regarding environmental practices.</p>	<p>See DDR for details on those achievements (complete French version of the SD report)</p> <p>Page 44 SDR</p> <p>Page 18 SDR</p>
<p><i>Robust Anti-Corruption Management Policies & Procedures</i></p> <p><u>Principle 10</u>: Businesses should work against corruption in all its forms, including extortion and bribery.</p>		
<p>Criterion 12: The COP describes robust commitments, strategies or policies in the area of</p>	<p><i>Publicly stated formal policy of zero-tolerance of corruption.</i></p> <p>The 2013 version of the EDF Luminus Ethical Code of Conduct includes a clear statement by the CEO regarding ethics, values and respect for stakeholders and, in particular, the “fight against</p>	<p>Pages 15-16 and 20 SDR.</p> <p>https://edfluminus.edf.c</p>

<p>anti-corruption</p>	<p>fraud and corruption in all its forms”. This Code of Conduct is being updated to be in line with the evolution of law and regulations and the transformation of the company.</p> <p><i>Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes.</i></p> <p>We monitor law evolution to make sure we are in line with all relevant anti-corruption laws. This commitment is part of the Ethics and Legal Compliance policy of EDF Luminus updated in 2016.</p> <p><i>Policy on anti-corruption regarding business partners.</i></p> <p>The Code of Conduct also contains anti-corruption rules regarding business partners. These rules are presented to all new employees who then take our e-learning module for more knowledge of the company policies, including raising awareness on fraud.</p> <p>End of 2013, we became a party to consumer protection laws for the energy industry. We also ensure our clients are protected from cases of fraud, especially regarding door-to-door sales techniques. We have a specific Code of Conduct that all salespersons must abide to.</p>	<p>om/sites/default/files/EDF%20Luminus/engagements/ethique%20et%20gouvernance/codedecoduite_fr_20_01.pdf</p> <p>Page 16 SDR</p>
<p>Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle</p>	<p><i>Support by the organization's leadership for anti-corruption.</i></p> <p>This is included in the Code of Conduct (see criteria 12).</p> <p><i>Carrying out risk assessment of potential areas of corruption.</i></p> <p>Five suppliers were evaluated in 2016 using the EDF Group Platform. It came out that no issues were found amongst any supplier that would give a reason to stop our collaboration. Only one supplier scored below the average so a specific action plan was put in place.</p> <p><i>Management responsibility and accountability for implementation of the anti-corruption commitment or policy.</i></p> <p>Management is indeed accountable for implementing the anti-corruption policy. The anti-fraud policy is accessible to all employees on the company's intranet.</p> <p><i>Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees.</i></p> <p>Human Resources procedures supporting anti-corruption policy include the company rules and</p>	<p>Page 16 SDR</p> <p>Page 19 SDR</p>

	<p>Code of Conduct. In order to help employees with following the rules, we created in 2015 an e-learning module which is mandatory for all new employees, and warmly recommended to all. This module includes practical situations involving nepotism, conversations with competitors, IT security, etc.</p> <p><i>Internal checks and balances to ensure consistency with the anti-corruption.</i></p> <p>We update regularly our DOA (Delegation of authorities) documents to make sure they are in line with the latest organizational changes. Purchasing rules are embedded in the IT system and cannot be overruled – purchasing orders issued without the involvement of Purchasing are blocked.</p> <p><i>Internal accounting and auditing procedures related to anticorruption.</i></p> <p>Our external auditor KPMG Réviseurs d’entreprises includes internal control processes in the annual accounts certification process.</p> <p>Internal controls occur regularly, performed by the Audit department. There is also an overall annual risk assessment, which regularly includes fraud & corruption topics.</p> <p><i>Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice.</i></p> <p>Suppliers can use a specific mailbox (ethics@edfluminus.be) to report non-ethical conduct relating to current or future contracts, which is published on the corporate web site. Also, EDF Luminus has an anti-fraud plan with a specific alert system which warrants the anonymity of whistle blowers.</p>	
<p>Criterion 14: The COP describes effective <i>monitoring and evaluation mechanisms</i> for the integration of anti-corruption</p>	<p><i>Leadership review of monitoring and improvement results.</i></p> <p>An internal assessment of all alert systems is done each year.</p> <p><i>Process to deal with incidents.</i></p> <p>The anti-fraud plan includes a process to deal with incidents which is briefly described in EDF Luminus Code of conduct page 26. All incidents reported are investigated and generate corrective measures if needed.</p> <p><i>Public legal cases regarding corruption.</i></p>	

	<p>There are no public legal cases regarding corruption registered at EDF Luminus in 2016.</p> <p><i>Outcomes of integration of the anti-corruption principle.</i></p> <p>Ethical incidents are published every year in EDF Luminus SD report. Our latest CSR rating by Ecovadis, on November 2016, grants us a 70/100 score regarding ethics.</p>	<p>Page 19 SDR</p> <p>Page 19 SDR</p>
<p><i>Taking Action in Support of Broader UN Goals and Issues</i></p>		
<p>Criterion 15: The COP describes core business contributions to UN goals and issues</p>	<p><i>Align core business strategy with one or more relevant UN goals/issues.</i> <i>Adopt and modify operating procedures to maximize contribution to UN goals/issues.</i></p> <p>EDF Luminus strives to include in its targets & action plans all of the relevant SDG goals, with a special focus on the following goals:</p> <ul style="list-style-type: none"> - Goal 3: Good health and well-being of our employees: three years with zero LTI. Safety is the non-negotiable principle included in all policies and procedures. - Goal 5 : Gender equality: Commitment for diverse management. - Goal 7: Affordable and clean energy - through 600 million euro investment in renewable energy sources from 2015-2018. - Goal 8: Decent work and economic growth: By our commitment to the Charter ‘Decent Work for All’, we recognize the unique skills and talent every person can offer, regardless their gender, age, sexual orientation, cultural or social background, disability, or personal situation. - Goal 9 : Industry, innovation and infrastructure : an important technical upgrade was performed at the Ringvaart plant; the accomplishment of the first phase in the electrical renovation at the hydraulic plant in Ampsin. - Goal 11 : Sustainable cities and communities -We aim to increase the number of partnerships with sustainable cities. Current actions already include energy monitoring, electric mobility, public lighting, etc. - Goal 12 : Responsible production and consumption: Energy efficiency services. - Goal 13: Climate action: EDF Luminus participated to The Shift initiative to support COP 21 agreement). - Goal 14 : Life below water : Preliminary study for the Life 4 Fish program. - Goal 15 : Life on land : compensatory measures to support fauna next to the Heron wind farm site; Partnership with Beeodiversity to fight honeybee mortality; creation of green 	<p>https://theshift.be/fr/our-members/edf-luminus</p> <p>Pages 21 to 23 regarding energy efficiency Pages 42 - 51 regarding renewables Page 48 and 53 regarding innovations and infrastructure Pages 62-63 regarding health, safety and well-being Pages 34-51 SDR regarding clean energy Pages 25-26 SDR regarding partnership with cities Pages 43 SDR regarding climate action Page 52 regarding the Life 4 Fish Program Page 59-60 regarding the life on land</p>

	<p>areas to support plant and animal biodiversity in the surroundings of the hydroelectric plant in Lixhe.</p> <p><i>Develop relevant products and services or design business models that contribute to UN goals/issues.</i></p> <p>EDF Luminus products and services contribute to climate change mitigation and adaptation. We offer various environmental-friendly products to B2C & B2B customers and sustainable cities (i.e. paperless bills, guaranteed green electricity contracts, CO2 compensated gas contracts, boiler installation and maintenance, discounts on LEDs, PVs installation, energy performance contracts, energy monitoring, lighting renovation, e-mobility charging installations, HVAC automatization for buildings, etc.).</p>	<p>Page 25 RDD Page 22 SDR</p>
<p>Criterion 16: The COP describes strategic social investments and philanthropy</p>	<p><i>Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy.</i></p> <p>Several solidarity actions took place in 2016 within EDF Luminus:</p> <ul style="list-style-type: none"> - as part of the “Globetrotters” program, the efforts of 503 employees have created the opportunity to offer four bikes to the “Belgian Cardiologic League”; - On June 25th, 20 members of the marketing department went to the Kringwinkel Hageland to help with daily activities as part of their team building; - In December 2016, six collect points for “Les Petits Riens” were installed permanently on five sites of EDF Luminus. Close to 500 kilos of clothes were collected in one year; - Thanks to EDF Luminus, four seriously ill children supported by “Make A Wish” had the opportunity to meet the Red Devils for one day. <p><i>Coordinate efforts with other organizations and initiatives to amplify- and not negate or unnecessarily duplicate- the efforts of other contribution</i></p> <p>In one of the part of the Charter “Decent work for all”, EDF Luminus committed to promote sustainable employment by forming partnership with other organizations. One concrete action is the project RenoWatt with a significant social component of work-based training.</p>	<p>Pages 84 to 87 RDD</p> <p>Page 82 RDD</p>
<p>Criterion 17: The COP describes advocacy and public policy engagement</p>	<p><i>Publicly advocate the importance of action in relation to one or more UN goals/issues. Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues.</i></p> <p>EDF Luminus was one of the first members of The Shift to publish its commitment to Goals 3, 7, 11, and 13. Our CEO, Grégoire Dallemagne, attended the SDG Voices event in September 2016 to</p>	

	<p>further advocate our commitment to the goals. Some pages of the last two Sustainability report refer to the SGD goals :</p> <ul style="list-style-type: none"> - Goal 3 on page 76 RDD - Goal 7 on pages 46-64 RDD - Goal 11 on pages 37-38 RDD - Goal 13 on page 56 RDD <p>EDF Luminus is a member of the Global Compact since 2013. The 2015 and 2016 Communication on Progress are accessible on our corporate website.</p>	<p>https://edfluminus.edf.com/en/edf-luminus/our-commitments/ethics-and-good-governance</p>
<p>Criterion 18: The COP describes partnerships and collective action</p>	<p><i>Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy.</i></p> <p>Sport and Solidarity: our employees have taken collective action in partnership with various organizations, such as Run for Parkinson and Belgian Cardiology Liga to promote a healthy lifestyle in the work place while donating to a charitable cause.</p> <p>We continued our partnerships with Faune & Biotopes and Beeodiversity to protect biodiversity on some of our sites (Angleur, Lixhe, Seraing, Ringvaart, Grands-Malades, Floriffoux).</p> <p>In December 2016, new studies regarding the impact of hydroelectric plants on two fish species were started, in collaboration with the Walloon and European authorities.</p>	<p>Page 57 to 59 SDR</p> <p>Page 58 SDR</p>
<p><i>Corporate Sustainability Governance and Leadership</i></p>		
<p>Criterion 19: The COP describes CEO commitment and leadership</p>	<p><i>CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact. Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team. CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation.</i></p> <p>See Letter from CEO above. The bonus system for the executive committee includes SDG goals related criteria, especially LTIs.</p>	<p>Page 6 SDR</p>
<p>Criterion 20: The COP describes Board</p>	<p><i>Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance.</i></p>	

adoption and oversight	<p>Sustainable development is at the heart of the strategic plan of EDF Luminus. In 2016, we invested an amount of 82,6 million euro in renewable energy sources. EDF Luminus is thus the number one in onshore wind farms in Belgium, with an installed capacity of 292MW. Investing in energy services is another way to help customers improve energy efficiency, which enables them to reduce both their ecological footprint and their invoice.</p> <p>Accordingly, all acquisitions since 2014 were all approved by the Board of Directors. In 2016, EDF Luminus acquired a subsidiary, Vanparijs Engineers. EDF Luminus Solutions, specialized in energy performance contracts, was also created and approved by the Board.</p>	Pages 8 and 11 SDR
Criterion 21: The COP describes stakeholder engagement	<p><i>Publicly recognize responsibility for the company's impacts on internal and external stakeholders. Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'.</i></p> <p>In 2015, stakeholders were formally consulted to produce a materiality grid, a mandatory step to publish a GRI4-compliant report. In 2016, the consultation with the stakeholders continued to further improve the report. Six students from the University of Louvain-la-Neuve analyzed the report content and interviewed several potential readers. Their comments and remarks are published on page 11 of the SDR. Changes brought to the 2016 report are detailed on page 12. In particular, dialogue with HR department lead to the inclusion of two additional topics in the list of "Disclosures on Management Approached".</p> <p>An e-mail address is available to all employees and stakeholders to share their ideas and concerns : csr@edfluminus.be.</p>	Page 11-12 SDR