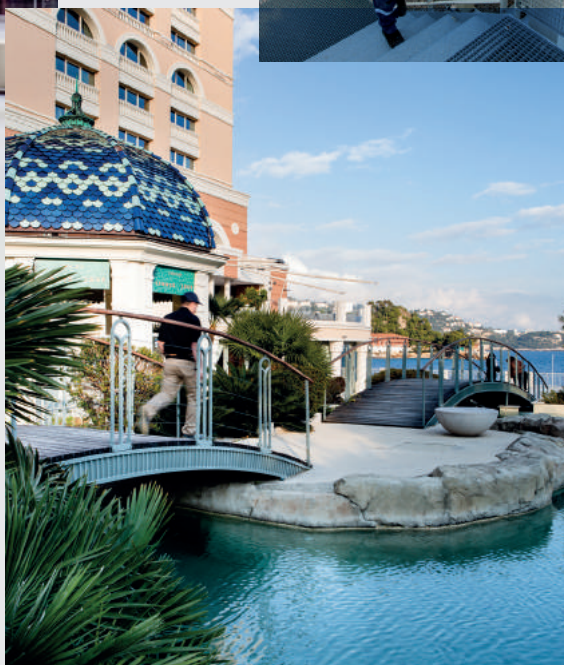


Corporate Social Responsibility

Report



Our sustainability commitments
in 2018

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energy standard"
with our **clients**

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"CSR and strategy are two sides of the same coin at Dalkia"

Dalkia is by no means new to the concept of corporate social responsibility. CSR has been an integral part of our business for the past 80 years.

Dalkia now has over 16,000 employees in France and around the world, all focused on two key goals: developing locally sourced renewable energy and reducing energy consumption for our clients. This makes us a cornerstone of the energy transition.

Our CSR policy upholds commitments and values that directly reflect these goals, in line with the expectations of our clients, partners, suppliers and employees. Hence our pledge to increase the share of renewables to 50% of our energy mix by 2022. Our CO₂ emission-prevention figures, meanwhile, reflect our drive to actively tackle climate change.

Dalkia's approach to CSR is also a human endeavour that aims to improve health and safety—as underpinned by our zero-harm goal—while also developing employee skills and promoting diversity within the company. I also believe innovation is key to this approach, spearheaded by our digital transformation.

CSR and strategy are clearly two sides of the same coin at Dalkia, a stance I firmly believe inspires confidence in our clients and our employees.



Sylvie Jéhanno,
Dalkia Chairwoman
& CEO

Dalkia around the world

Dalkia posted revenue of €4.2 billion in 2018 and is the leading provider of energy services in France. We offer innovative solutions to help companies and communities implement the energy transition on a local level.

In 2018, we continued our international expansion, notably through ZEC and Matex Controls in Poland and Fenice Rus in Russia, which also switched to the Dalkia brand name.

In the United States, where we already have an established presence with Dalkia Energy Solutions, we acquired Aegis Energy Services, a specialist in small-scale gas-fired CHP systems in the northeastern US.

€4.2 bn

in revenue

> 330

district heating and cooling networks

16,000

employees

> 2

million multi-dwelling units heated

31,000

clients*

> 2,300

client industrial sites

> 80,000

installations

> 3,400

client healthcare facilities (409,000 beds)

> 19,900

tertiary and commercial facilities managed

* In France

Americas

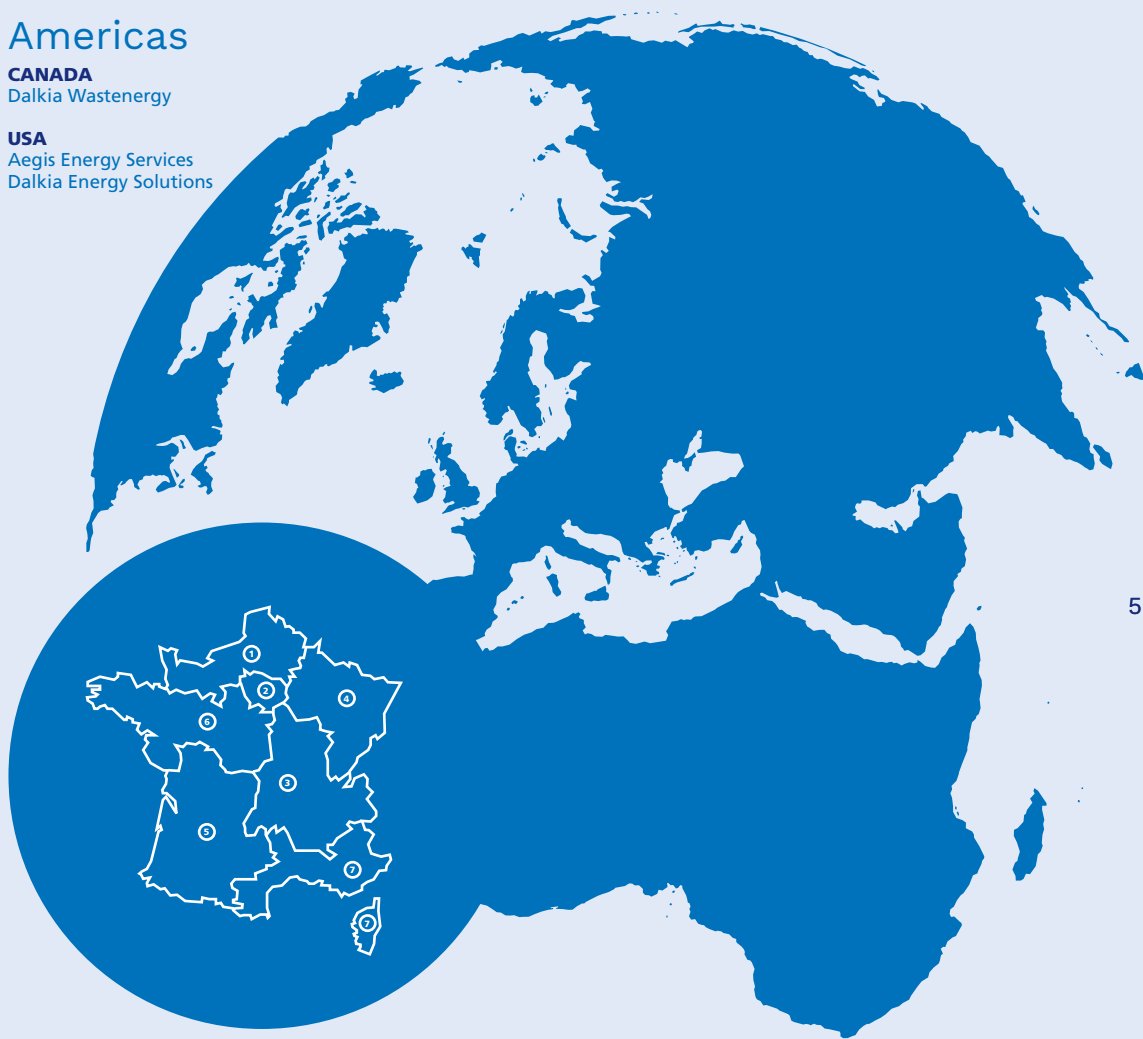
CANADA

Dalkia Wastenergy

USA

Aegis Energy Services

Dalkia Energy Solutions



France

7 REGIONS

- 1 / Northern France
- 2 / Île-de-France (Paris region)
- 3 / Central-Eastern France
- 4 / Eastern France
- 5 / South-Western France
- 6 / Central-Western France
- 7 / Mediterranean Region

FRENCH SUBSIDIARIES

AsterIoT
Cram
Dalkia Air Solutions
Dalkia Biogaz
Dalkia Froid Solutions
Dalkia Smart Building
Dalkia Wastenergy

Europe

IRELAND

Imtech (SUIR)

POLAND

Dalkia Polska

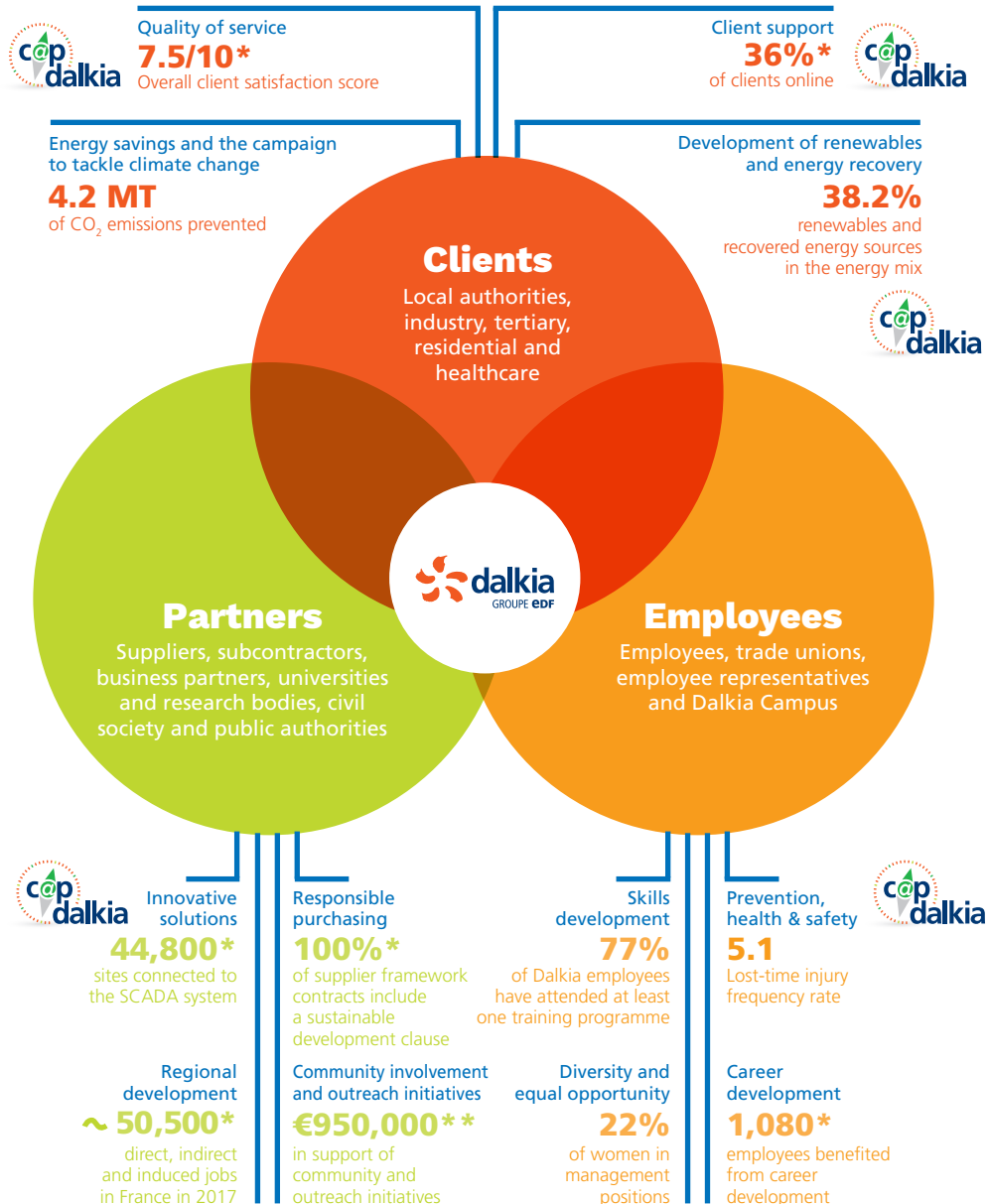
UK

Dalkia Wastenergy
Imtech

Russia

Dalkia Rus

Dalkia's 12 sustainability commitments alongside its stakeholders



* Dalkia in France, excl. French subsidiaries. ** Dalkia in France, incl. French subsidiaries.

Doing more with less!



Toulon naval base

With our clients 1

Energy savings and the campaign to tackle climate change: from individual buildings to smart cities



TANGIBLE RESULTS IN TACKLING CLIMATE CHANGE

6.3 TWh

of energy savings,
equivalent to the annual
heating consumption of
around 600,000 housing
units

4.2 MT

of CO₂ prevented,
equivalent to taking
over two million cars off
the road every year

ENERGY PERFORMANCE CONTRACT FOR SAINT-ETIENNE UNIVERSITY HOSPITAL

In May 2018, Dalkia marked Paris Healthcare Week by signing a 15-year energy performance contract with Saint-Etienne University Hospital to reduce thermal energy consumption by 28% at its Bellevue site (390 beds). Bellevue is one of three sites run by Saint-Etienne University Hospital, which has been pursuing a sustainable development strategy for several years now.

To achieve its targets, the hospital has made plans to optimise its energy management. Under its contract with Dalkia, the company will install a condensing boiler, oversee remote management of the various facilities, and connect the system to the Dalkia Energy Savings Center (DESC).

A 1 MWe CHP plant will provide an efficient local supply of heating and electricity. The "waste" heat from engine cooling and flue gases will be used to supply the hospital with heating and domestic hot water.

The resulting savings will pay for all improvements and investments. What's more, the hospital will benefit from an additional 25% reduction on the site's baseline thermal budget.

➔ **Reducing consumption**
Dalkia is well aware that the cleanest energy is that which is never used.

➔ **DESC**
A central hub used to monitor the energy performance of client sites in real time.

➔ **Energy performance contract**
A contract that gives clients a guarantee of long-term savings.

➔ **Smart Grid**
Combining technical expertise with artificial intelligence to power ecodistricts.

millions of tonnes of CO₂ prevented



Dalkia reduces its clients' greenhouse gas emissions by targeting three key areas: • Developing renewables and recovered energy sources • Combined Heat and Power • Energy efficiency.

With our clients 2

Developing local renewables and recovered energy sources with a focus on biomass, geothermal energy and biogas



DALKIA, A KEY CONTRIBUTOR TO THE CIRCULAR ECONOMY

No. 1

operator in the wood-fuel industry, with 563 biomass units

Dalkia Wastenergy treats

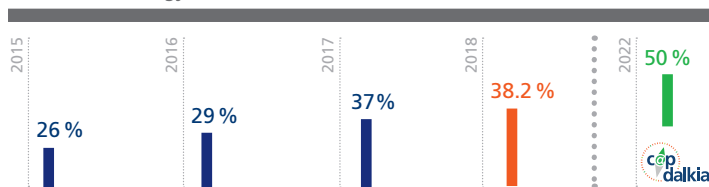
3 MT of waste

HARNESSING RENEWABLES FOR A HEATING NETWORK IN THE CATALAN REGION

For the past few years, Sydetom 66—the local authority overseeing the transport, processing and recovery of domestic and related waste for the Pyrénées Orientales (Eastern Pyrenees) area—has been pursuing a campaign to transform the region's economy and energy management. On 9 March 2018, Sydetom 66 signed a contract with Dalkia for its new heating network, which will draw 90% of its energy from the Calce domestic waste disposal facility, run by Dalkia Wastenergy.

The facility opened in 2003 and is a cornerstone of the project, with a nominal capacity of 240,000 tonnes. The state-of-the-art site was paired with an innovative landscape-friendly sorting centre, and was already generating electricity for local residents in the Eastern Pyrenees. These latest improvements will allow the facility to step up its energy performance to provide more heating for the Catalan network from the same amount of waste.

Percentage of renewables and recovered energy sources in the Dalkia energy mix



By developing renewable and decentralised solutions, we help companies and local authorities make the most of their local energy potential: • biomass • anaerobic digestion • geothermal energy • recovered energy • household waste to energy.

➔ **Harnessing available energy sources**

Dalkia focuses on harnessing local energy sources to promote employment in the cities and regions in which it operates.

➔ **Making recovered energy sources a cornerstone of the energy transition**

Dalkia strives to recover "waste" energy as an alternative to fossil fuels to decarbonise networks and systems.

➔ **Giving resources a new lease of life**

Recycled wood, household waste, agricultural waste: Dalkia actively promotes a circular economy using by-products from other economic players.

With our clients 3

**Quality of service that builds
client confidence**

"Setting the energy standard"
with our clients



A few keywords from our client satisfaction survey

JEAN-CHRISTOPHE GENTIL
Property manager, Icade Foncière Tertiaire

**How is Dalkia involved
with Icade?**

Dalkia is a key facility management partner for Icade, with 100,000 m² of property under management at the Pont-de-Flandre site.

**How does it help to have a
hospitality manager at the site?**

Dalkia's hospitality management solutions monitor all of our tenants to ensure we meet their every need.

**How would you sum up 2018,
and how would you describe
your level of satisfaction?**

We were able to better meet the expectations of our client. We even conducted satisfaction surveys and arranged information meetings that led to various action plans. We have seen a real change in client perception of Icade. This has allowed us to better promote our quality of service.

OVERALL
SATISFACTION
SCORE

7.5/10



Target: 8/10

**OUR CLIENT
SATISFACTION**

Recommendation
rate of

86%

HOW THEY RATE US

- Dalkia's attention to safety

8.5/10

- Relations with Dalkia contacts

8.1/10

➔ **Client focus**

A priority for Dalkia, this permeates an array of touchpoints: website, phone, email and social media.

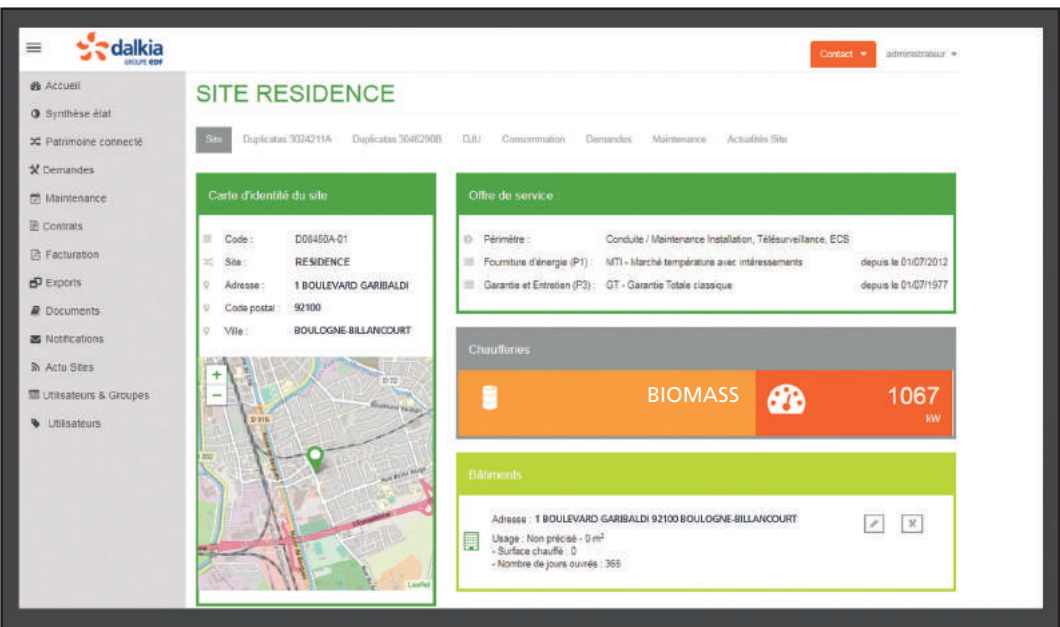
➔ **Client culture**

The "Talk Clients" campaign is an in-house initiative to help employees improve client satisfaction.

➔ **Service culture**

Dalkia has held a range of certifications including ISO 9001, 14001, 50001 and OHSAS 18001 for a number of years, reflecting its commitment to operational excellence for its clients.

With our clients 4
Providing long-term support to our clients through increasingly
digital solutions tailored to the challenges they face



A NEW, MORE USER-FRIENDLY, COMPREHENSIVE AND RESPONSIBLE CLIENT SPACE

Dalkia has given its online Client Space a facelift. New features include a site map and profile that shows clients a snapshot of their contract details, financial information and technical specifications for each installation. The Client Space also lets them view their consumption levels on each meter, submit call-out requests, and communicate directly with occupants using QR codes. The "Site News" section provides updates and tips on how to go green, with an option to leave feedback.



Stay up to date

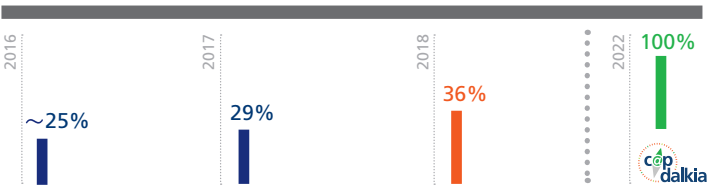


Go green



Give feedback

Connected clients*



* Clients with an active account in the Dalkia Client Space.

➔ Doing more with less

Dalkia provides a diverse range of solutions tailored to the individual energy challenges faced by its clients, in both the public and private sectors: heating, cooling, compressed air, biomass, waste recovery, engineering, etc.

➔ EnergyLive online service

With EnergyLive, Dalkia clients can tell their users about the energy performance and environmental benefits of their facilities.

"Setting the energy standard"
with our employees



La Cité du Vin
in Bordeaux

A people-centric
approach to
business performance

With our employees 1
Ensuring the health and safety of employees and subcontractors by significantly reducing the number of workplace accidents

NOT STICKING TO THE PROCEDURES COULD GET YOU STUCK IN A CHAIR

GOAL ZERHARM 12 fellow workers suffered major injuries following near-fatal falls from height last year.*
PUTTING OFF SAFETY UNTIL LATER IS ALWAYS TOO LATE.

groom energy GROUPE EDF

*Figure compiled by the Dalkia Group

SAFETY INITIATIVES
IN FIGURES:

~ 7,000
toolbox talks

~ 2,000
executive safety visits

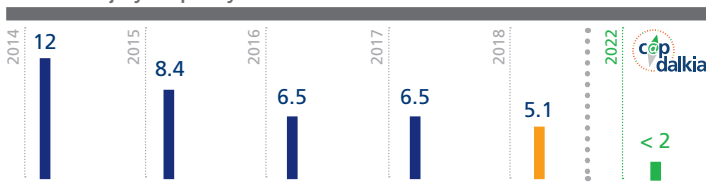
A HARD-HITTING CAMPAIGN TO MAKE AN IMPRESSION

To educate Dalkia employees about the different risks related to our business activities—and to drive home the importance of safe practices—we launched a new communication campaign to promote safety in July 2018. This initiative is part of the "Goal: Zero Harm" approach, which aims to make safety an integral part of our values and foster a culture of safety. The campaign also seeks to step up our other communication initiatives on the subject, with a new slogan, new logo and specific visual identity guidelines.

➔ "Goal: Zero Harm"

- Manage critical risks.
- Target the most common accidents.
- Develop skills and job practices.
- Make safety an integral part of our values.

Lost-time injury frequency rate*



* (Number of lost-time injuries / number of hours worked) x 1,000,000

Dalkia entities in action

- **Dalkia Wastenergy:** organised a management safety day.
- **Dalkia Froid Solutions:** organised a safety day.
- **Imtech:** developed specific resources for use in the field.
- **Russia:** introduced alarm systems for isolated workers.
- **Île-de-France:** launched a "Tackling Addiction Together" campaign.
- **Central-Western France:** put out a safety film for subcontractors.

➔ Quality of work life

First "quality of work life" agreement signed with social partners, including the introduction of tele-commuting.

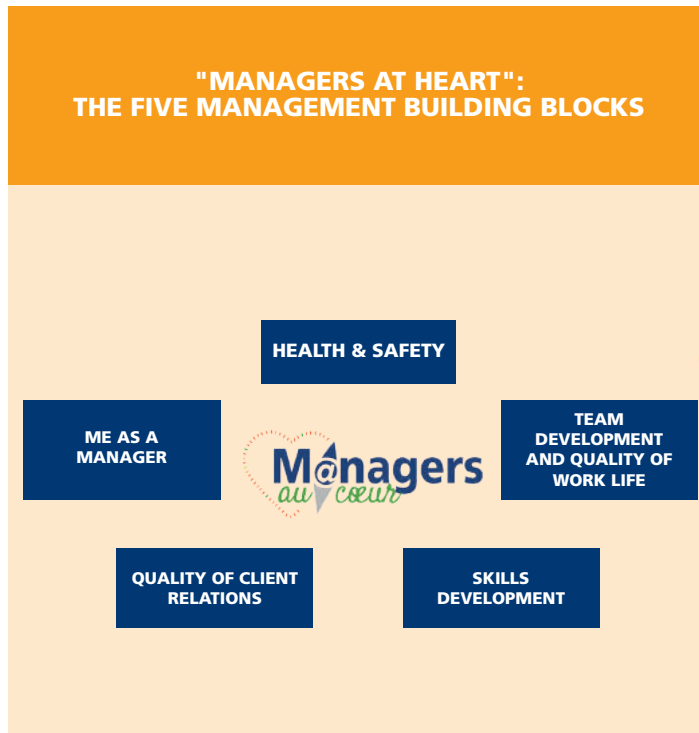
➔ Health & Safety charter

A proactive approach with a health and safety charter, through which Dalkia subcontractors voluntarily commit to upholding the company's health and safety standards.

"Setting the energy standard"
with our employees

With our employees 2

**Making skills development a cornerstone
of our human resources policy**



77%
of Dalkia employees
took part in at
least one training
programme

EMPLOYEE
TRAINING
IN FRANCE

~ 324,000
hours of training
provided

~ 3,000
hours of online
training provided

MAKING MANAGERS A LINCHPIN IN THE COMPANY ORGANISATION

At Dalkia, we strive to ensure that managers make staff development a central part of their approach, as we believe it is key to our overall success. Management support and innovation (new processes, working methods and tools, a health and safety culture, the digital transition, etc.) are vital to the company's transformation. They reflect the changing expectations of our clients (who are better informed and more demanding) and our employees (who shoulder more responsibility and are more empowered). To accomplish this, and thereby improve overall company performance and employee quality of life, Dalkia has based its approach on five key management building blocks: "Health & Safety", "Team Development and Quality of Work Life", "Skills Development", "Quality of Client Relations" and "Me as a Manager". The corresponding action plan targets three areas:

- Helping managers implement these five building blocks.
- Reviewing key management processes.
- Communicating on the issue and arranging roll-out on the ground.

➔ Skills development

Dalkia is committed to securing the skills needed to pursue its business and anticipate future job roles.

➔ Leveraging performance and the digital transition

Dalkia cultivates a multifaceted approach to learning and assists in the development of digital tools.

➔ Helping business units develop employee skills

The Dalkia campus provides vocational training and work-study programmes designed and run by teams of instructors and experts in the energy business.

With our employees 3

Supporting development by providing promotion and mobility opportunities throughout employees' careers.



WHEN YOU JOIN DALKIA, YOU JOIN MORE THAN JUST A COMPANY!

Dalkia launched its new employer branding campaign under the banner: "When you join Dalkia, you join more than just a company!" In 2018, we hired more than 2,000 people through this campaign, which was designed to promote Dalkia to more potential candidates and highlight its four key pillars: more meaningful, more employable, more skills, more people-centric. Together, these pillars form Dalkia's "DNA", which we seek to convey across social media, with all employees empowered to be ambassadors for the company.

➔ **Tools to promote internal mobility and promotion**
Dalkia draws on a range of online resources to offer a rich and varied array of career opportunities, including the "Parcours Passerelles" (Career Bridges) initiative.

➔ **My D-Day, a workshop to help new employees settle in**
A hundred new employees meet every year at an executive induction workshop called My D-Day, at the Dalkia campus.

➔ **Enhanced presence on social media**
Dalkia cultivates its presence on LinkedIn, Facebook and Twitter to foster contact with potential candidates.



1,080*
employees benefited from career development

DEVELOPING DALKIA'S BUSINESS

2,190
hires

35,030
applications received via the Dalkia website

More human
82% of employees proud to work for Dalkia

A more promising future for all
5 renewable energies harnessed by Dalkia

More skills
324,000 hours of training provided in 2018

More pride
86% of clients satisfied

With our employees 4

Working daily to promote diversity, equal opportunity and non-discrimination

"Setting the energy standard" with our employees



22%
women in
management
positions

DIVERSITY
BY THE NUMBERS

639
apprentices

2,030
employees over 56

359
employees with disabilities

3.7%
direct and indirect jobs
(through sheltered
workshops programs) for
people with disabilities

Dalkia entities in action

- **Joint initiative by several entities:** raising disability awareness among employees with the association "OSE Le Sport Solidaire" through sensory activities.
- **Eastern France:** "Elles Construisent la Ville de Demain" smart city event, in partnership with EPF École d'Ingénieur-e-s and the association "Elles Bougent".
- **Central-Eastern France:** race to support Fondation Richard.
- **Central-Western France:** support for and integration of an Iraqi refugee.
- **Mediterranean Region:** conferences and forums showcasing technical careers for girls in secondary school and women looking to change careers.
- **Northern France:** integration of three work-study programmes, in partnership with La Maison des Compétences de Lillebonne and Cap Emploi.

WOMEN ENERGY IN TRANSITION AWARD

Dalkia derives its positive energy from a current of competencies powered by diversity and gender equality. On 8 March 2018, we unveiled our Women Energy in Transition award, designed to encourage young women to pursue a career in science and technology, irrespective of their level of education, while showcasing the careers of exemplary women in professions related to the energy transition.

The first ceremony was a resounding success, with 115 applicants and some outstanding events. Sixteen women received awards for their remarkable, inspiring achievements, including one Dalkia technician.

Dalkia hosted the second round of awards in 2019, underscoring its commitment to women in the energy transition.

➡ Four priority pledges

- Promote diversity and gender equality.
- Support the career development of older employees.
- Use work-study programmes to build career skills.
- Increase the number of initiatives for people with disabilities.

➡ French Diversity Label holder since 2011

This distinction recognises Dalkia's commitment to combatting discrimination and promoting equal opportunity.

Working together to shape the future of cities and regions

17

With our partners 1

Working with our partners to develop responsible purchasing



Dalkia entities in action

- **Joint nationwide initiative:** collecting proof of beneficiaries from sheltered workshops for mandatory declaration of disabled workers.
- **Central-Eastern France:** a satisfaction survey conducted among suppliers.
- **Central-Western France:** a campaign to collect small debts outstanding through the Handicall platform.
- **Eastern France:** partnership agreement signed with La Maison de l'Emploi du Grand Nancy to "facilitate social clauses" in our contracts.

SHELTERED
WORKSHOPS AND
DISABILITY-FRIENDLY
COMPANIES SUPPORTED
BY DALKIA:

**37 individual
beneficiaries***

from €740,000 invested

136
listed suppliers

100%
of framework
contracts with suppliers
include a sustainable
development clause

DALKIA ÎLE-DE-FRANCE AND LE RÉSEAU GESAT SUPPORT DISABILITY-FRIENDLY COMPANIES



Let's promote responsible purchasing!

Le Réseau GESAT is an independent association established in 1982 that works nationwide in France to put public- and private-sector entities in contact with sheltered workshop programmes and disability-friendly companies, drawing on its network of 2,250 service providers. Its main goals include promoting and supporting the work of these providers, while structuring and developing services to meet the needs of companies in line with their responsible purchasing and CSR policies.

Dalkia Île-de-France began working with Le Réseau GESAT two years ago. Together, they have introduced a system to assess the potential for transferring certain product categories to the network's service providers, and have conducted a benchmark analysis on sheltered workshops and disability-friendly companies related to Dalkia's business lines. Every year, Dalkia Île-de-France works with its disability-friendly partners to deliver a range of services, including the delivery of small bags of salt to treat water, and the issuance of notifications for the election of employee representatives.

* Each person with a disability that is hired or kept in employment is considered to be one individual.

➔ A win-win partnership with our suppliers

Dalkia encourages its suppliers to focus on environmental, social and societal issues.

➔ On-site health and safety of our subcontractors

Safety requirements are clearly explained and audited by operatives on site.

With our partners 2
Contributing to regional
development by promoting local
initiatives and employment



A BIOMASS CHP FACILITY IN THE MARNE REGION, DESIGNED TO DELIVER HEAT TO THE FIRST PLANT TO PRODUCE STEAM-EXPLODED HPCI® BLACK PELLETS

Dalkia has stepped up its operations in the Bazancourt agro-industrial area, located in the Marne region, France, by signing a contract with Cogécab to design, deliver and operate a 12 MW turnkey biomass CHP plant. The facility is due to be commissioned in October 2020 and will provide heat all year long to the first biofuel production plant in France (FICAP), a joint initiative by Européenne de Biomasse, La Caisse des Dépôts et Consignations and Meridiam. ADM Chamtor, an industrial company in the region and a Dalkia customer since 2000, will also receive heat from this plant. Dalkia will operate the site under an 18.5-year contract with a team of 15 employees. A shining example of the way in which Dalkia promotes local jobs and economic development.

DALKIA: A COMPANY THAT CONTRIBUTES TO THE LOCAL COMMUNITY

> 90%

of revenue from Dalkia's business is redistributed among its main stakeholders: employees, suppliers, external contractors and tax authorities.

~ €1.1 bn

in purchases supporting Dalkia suppliers and subcontractors.

~ 2,200

jobs created by Dalkia activities in the biomass industry.

➔ Creating local jobs by developing renewables and energy recovery

Dalkia helps to create secure local jobs by developing waste energy, biomass and biogas.

➔ French subsidiaries support the local economy

Dalkia covers a wide range of expertise through its French subsidiaries: industrial and commercial cooling, production of compressed air, breathable air and nitrogen, energy optimisation of buildings via connected devices, etc.

~ 50,500

direct, indirect and induced jobs in France in 2017

Dalkia measures its socio-economic footprint by calculating its indirect impact on a regional and national level using the Local Footprint® model.

With our partners 3

Devising, developing and implementing solutions for the future



Dalkia entities in action

- **Île-de-France:** subhorizontal drilling, a world-first geothermal solution in Cachan.
- **Eastern France:** heating for the equivalent of 30,000 households, accomplished by recovering furnace heat from the PSA plant in Charleville-Mézières.
- **Matex Controls:** smart energy management for movie theatres using artificial intelligence.

44,800

sites connected to
the SCADA system



DALKIA ANALYTICS POWERED BY METRON: A DIGITAL SOLUTION FOR INDUSTRIES

Dalkia has signed an innovative partnership with Metron, an agile, dynamic company that has developed a smart-energy solution already tested by over 100 industrial clients. This collaboration gave rise to Dalkia Analytics Powered by Metron, a service designed to manage the energy and environmental performance of industrial sites more effectively. It combines digital tools (data science and big data) with artificial intelligence and Dalkia expertise to enhance the energy performance of sites by analysing their production and energy data. The solution guarantees:

- Savings of up to 15% a year.
- Scalability for all industrial sites.
- A reduced carbon footprint.

**Dalkia digital workshops transform working methods
and deliver effective, innovative digital tools for clients
and employees.**



Let's **step up** our efforts to create a **more** sustainable world

➔ A three-pronged approach to innovation

- New renewables and recovered energy sources.
- Data and artificial intelligence.
- Comfort and well-being.

➔ An efficient partnership ecosystem

- Dalkia-Ethera: development of a sensor to improve air quality in swimming pools.
- Dalkia-Trésorio: creation of a "digital boiler" to recover the heat from cloud-computing servers.

With our partners 4 Supporting community involvement and outreach initiatives on a local level



**DALKIA EMPLOYEES
PLAY THEIR PART**

€19,500

in donations to "Fonds
Agir Pour l'Emploi EDF"

€3,000

collected for the Téléthon
through a fundraising event,
a "musical soup kitchen", in
conjunction with PikPik
Environnement

8 kg

of cigarette ends picked up by the
Dalkia team at the foot of the
main arch in the Paris business
district (La Défense) during
World CleanUp Day

PROBONO FACTORY UNDERWAY AT DALKIA

All forms of civic engagement stem from regional initiatives designed to address shortcomings in their local ecosystems. The collective commitment of all stakeholders is vital to overcome the key, complex social challenges involved.

The Probono Factory is a large-scale public benefit programme, the flagship of the various regional initiatives introduced by Pro Bono Lab. The programme is used to identify the most pressing causes and enlist local stakeholders (citizens, companies, local authorities, government departments, charities, public institutions, schools, universities, etc.) to support projects and associations with a proven impact.

With financial backing from the EDF Foundation, Dalkia has been working with the Probono Factory since 2015 in the Paris business district (La Défense), as well as in Marseille, Reims and Lyon. In 2018, a team from Dalkia's Sharing Energy Potential (SHERPA) management programme helped Caire 13, an association that helps entrepreneurs suffering from cancer, to hone its strategic positioning, clarify its role and better promote its initiatives and results.

➔ **Dalkia outreach initiatives through the EDF Foundation**

In 2018, Dalkia sponsored and supported two outreach initiatives in Lyon that were selected by the EDF Foundation:

- Social integration initiatives for disabled youth, in conjunction with Fondation Fourvière.
- Innovative, personalised mentoring from school to work, in conjunction with AS Duchère football club.

➔ **Dalkia: supporting local communities**

Dalkia provides local support for cultural initiatives, outreach campaigns and sustainable development programmes.

€950,000

in support of
community and
outreach initiatives

This report was compiled and created at Dalkia's CSR Department by:
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Thank you to everyone who contributed to this report:

Raoul Alfani, Judith Barret-Chevrel, Thierry Baure, François Béard,
Catherine Clergeot Tomasini, Yves Chagnier, Eric Devilliers, Véronique Donnard,
Laurent Garbay, Nicolas Halvik, Patrice Hut, Stéphane Jalon, Jean-Yves Lépine,
Nebojsa Maksimovic, Elise Paquet, Gloria Philippe, Didier Roustan,
Françoise Vialatte and Rachida Youss.

As well as our client Jean-Christophe Gentil.



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Energy is our future, don't let it go to waste!