



CORPORATE GOVERNANCE CHARTER

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PRELIMINARY DECLARATION

ENGIE S.A. holds, directly and indirectly, 100% of the shares of Electrabel S.A. (hereinafter, the “Company”) and exercises a decisive influence over the appointment of the Company’s directors and management.

In this context ENGIE applies the best practices of corporate governance in Electrabel, as described below and without prejudice to compliance with its applicable internal procedures and policies.

The purpose of this Charter is to specify the modus operandi of the Company’s decision making bodies, as a supplement to legal and regulatory provisions and the Company’s Articles of Association.

These Internal Regulations may be revised from time to time as and when considered necessary by the Board of Directors (hereinafter, the “Board”).

March 25, 2022

SHAREHOLDING

I. SHAREHOLDING STRUCTURE

1. Shareholding

Electrabel's capital is currently held as follows:

- ENGIE, a public limited company set up under French law, with its registered office at 1 place Samuel de Champlain F-92400 Courbevoie (France), holds 120,752,485 shares, or 99.13% of the capital;
- GENFINA, a public limited liability company (société à responsabilité limitée / besloten vennootschap) set up under Belgian law, held by ENGIE and with its registered office at 36, Boulevard Simon Bolivar, 1000 Brussels (Belgium), holds 1,059,769 shares, or 0.87% of the capital.

2. Shares

As indicated in art. 5 of the Articles of Association¹, the total number of shares since March 28, 2014 was 121,812,254.

The shares are fully paid-up registered shares.

3. Capital

Subscribed capital is currently set at €5,789,721,779.04.

Capital increases are decided by the General Meeting of Shareholders under the same conditions required for amending the Articles of Association.

⁽¹⁾ available on the [website](#)

II. THE GENERAL MEETING OF SHAREHOLDERS

1. Principles

The General Meeting of Shareholders represents all the shareholders. The shareholders can, unanimously and in writing, take any decisions falling within its remit, apart from decisions that have to be passed via an official deed.

The Annual General Meeting hears the Director's report and the Auditor's report, approves the accounts, gives discharge (*quitus*) to the Directors and the Auditor and, where necessary, appoints Directors and the Auditor. The shareholders meet in extraordinary or special sessions in other cases.

2. Convening

Except in case of urgency and/or when they waive the applicable formalities, the shareholders, Directors and Auditor are convened- at least 15 days prior to the date of the meeting -to attend the General Meetings of Shareholders.

3. Proceedings

Dates and venue

The Annual General Meeting is held, in accordance with the Articles of Association, on the fourth Tuesday of April, at 2 p.m. If that day is a public holiday, the Meeting shall take place on the following working day.

General Meetings of Shareholders are either held at the registered office or at another venue indicated in the convening notice.

Officers of the meeting

The General Meeting of Shareholders is chaired by the Chairman of the Board or, in his absence, by one of the Directors. The officers also include a secretary appointed by the Chairman and two scrutineers chosen by the General Meeting of Shareholders from among the shareholders in attendance, or their representatives.

4. Minutes

During the session, decisions taken are recorded in the minutes, which are signed by the officers of the meeting and by the shareholders or their representatives.

THE BOARD OF DIRECTORS

I. THE BOARD

1. Principles

According to the Articles of Association, the Company is administered by a Board made up of at least five Members (monistic structure).

The Board is the final decision-making body of the Company, except for matters reserved for the General Meeting of Shareholders by law or the Articles of Association. The Board is given authority by the shareholders to lead and control the Company's operations. The Board collectively and the Directors individually have the duty to act in the best interests of the Company as a whole.

The Board's primary aim is to ensure the long-term success of the Company while at the same time respecting the interests of all third-party stakeholders who are essential to attaining that objective, i.e. the shareholders, the personnel, the customers, the suppliers and other creditors and, in addition, the public service obligations that the Company is required to assume.

The Board defines the values of the Company, its strategy, the level of risk that it can accept and its key policies in connection with those of ENGIE.

2. Mission

The Board meets at regular intervals at least four times a year, under the supervision of the Chairman to :

- Study and determine:
 - the Company strategy;
 - the Company's financial objectives, in particular in terms of risk profile and allocation of resources;
- Oversee internal control systems and ensure that they are functioning effectively, including the identification and management of risks as required to highlight, evaluate and manage the main risks encountered, in particular the financial ones and those in connection with regulatory compliance;
- Ensure that all necessary measures are taken to guarantee the quality and reliability of the Company's financial information, including monitoring the process for drafting financial information, the methods used to post the main transactions to the accounts, and approving accounting and assessment rules, where necessary by inviting the internal audit, the internal control manager and/or the Auditor to its duties;
- Supervise the quality of the services provided by the external and the internal audit;

- Submit a proposal to the Annual General Meeting concerning the appointment of the auditor and his/her emoluments in respect of certifying the Company's accounts and consolidated financial information; it shall also verify at regular intervals that the Auditor is acting independently;
- Appoint the CEO (Chief Executive Officer), the Nuclear Officer and the CFO (Chief Financial Officer), and, where necessary, dismiss them from office;
- Delegate day-to-day management and sufficient special authority to the CEO, under article 16 of the Articles of Association, to enable him to oversee the Company's operational management;
- Authorise the CEO to delegate or sub-delegate authority granted to him in compliance with the double signature principle;
- Examine and evaluate:
 - on a regular basis, his own efficiency and that of the Company's governance structure, in particular the size and the composition of the Board as well as the role and the mission of the eventual committees;
 - the budget and medium term plan;
 - every year, the performance of the key executives;
 - every quarter, the performance of the BUs;
 - on a regular basis, the regulatory and public affairs activities.
- Take decisions in the areas reserved for the Board, in particular those relating to the following:
 - the proposals to be submitted for approval to the General Meeting of Shareholders concerning amendments to the Articles of Association, appointments of Directors and the Auditor, the accounts and the dividends;
 - the appointment of the Chairman and one or more Vice-Chairmen of the Board;
 - the composition, missions and operations of the Board' committee(s), where appropriate;
 - the running of the Company's activities when major decisions must be taken, such as examining and entering into significant commitments.

Significant commitments are defined as:

- Acquisitions or industrial projects involving capex representing a Group exposure (net debt impact + guarantees provided) in excess of EUR 250 million;
- Disposals of assets, or group of assets, representing a book value or a fair value in excess of EUR 250 million;
- Services contracts, representing cumulated revenues in excess of EUR 400 million;
- Electricity/gas purchase/sale contracts, for a total volume over their duration in excess of 20 TWh (electricity) or 30 TWh (gas);and

- the examination of any commitment that the CEO wishes to submit to the Board owing to its nature or the importance of the risks incurred;
- Be informed about all capex decisions between EUR 50 million and EUR 250 million (a posteriori);
- Ensure that Company's interests are respected by assessing the pros and cons of all relations between the parent company and its subsidiary, which will have to be balanced in the medium and long term.

The Directors, in carrying out their duties, shall be independent in their judgment and shall ensure that they have received complete and precise information that they will use only for the fulfilment of their office. They may call upon external expert opinion at the cost of the company, after consulting with the CEO.

3. Composition

Without prejudice to the authority that the law confers upon the General Meeting of Shareholders, the Board is composed of a majority of non-executive Directors and at least one executive Director, the CEO.

The Board must make sure that, via its diversified composition, it has the necessary skills and experience to fulfil its missions.

Outside Directors are chosen to complement the skills and experience represented and to add value to the Board's collective decisions by bringing a different range of objective judgment, particularly in situations where a conflict of interest might arise between different groups of stakeholders.

The Board submits its appointment or re-election proposals for Directors to the General Meeting of Shareholders. The General Meeting of Shareholders appoints and removes from office the Directors by a majority of votes cast.

4. Terms of office and age limits

Terms of office run for a maximum of four years for all appointments or renewals.

Directors step down on the date of the Annual General Meeting that follows the date on which they reach the age of 70 years. The Board may issue a dispensation to this rule when it submits its proposal to the Annual General Meeting.

5. Remuneration

Remuneration of executive and non-executive Directors is set globally by the General Meeting of Shareholders on the proposal of the Board.

Remuneration granted to the Members of the Committee(s) and the Directors for the fulfilment of specific missions are set by the Board.

In principle, and without prejudice to the powers granted to the Company's bodies, Directors perform their duties free of charge.

6. Organisation

Article 14 of the Articles of Association sets the arrangements for convening the Board and its operations.

The Directors must regularly attend the meetings and devote the time necessary for the fulfilment of their office. Such meetings, including deliberations and votes, may be held via any means of specifically oral or visual telecommunication that enables debates between geographically separated participants.

Except in the event of emergency or necessity, the documents and information required by the Directors to fully perform their duties will be sent to them at least five (5) calendar days prior to the holding of each meeting.

The Board appoints a Secretary who may be assisted, if necessary, by a corporate lawyer from the Group. He acts as Secretary of the Board. He also organises the General Meeting of Shareholders and is available to the Directors to handle any matter relating to their responsibilities.



II. THE CHAIRMAN

The Board appoints the Chairman from among the non-executive Directors.

The Chairman:

- sets, along with the CEO and/or the Vice-Chairman, the schedule of meetings of the Board as well as their agenda;
- prepares, chairs and directs the meetings of the Board;
- sees to it that the documents submitted to the Board contain pertinent and concise information and that they are sent out in time;
- makes sure that the new Directors and committee Members receive an initial training programme that prepares them to make a prompt contribution to the work of the Board.

The Chairman initiates and directs the following activities:

- the process to ensure that the Board has, via its composition, sufficient skill and experience to carry out its duties;
- the procedures for appointment and re-election of the Members of the Board and, if such is the case, its Committee(s);
- the examination and evaluation by the Board of its own efficiency and that of the Company's governance structure;
- the performance evaluation of the CEO, the Nuclear Officer and, on proposal of the CEO, that of the other key executives.

The Chairman coordinates with the CEO, who is responsible for the operational management of the Company and when needed, with the Nuclear Officer in charge of the operational management of the Company's nuclear activities in Belgium.

The Chairman may be consulted by the CEO on any matter relating to the eall bodies and institutions in the Company's interest.

The Chairman briefs Board members between meetings as and when necessary.

The Chairman of the Board and the CEO shall consult each other, before every Board meeting, to discuss management issues that should be submitted to the Board for approval and other items that should be on the agenda of the Board meeting, as well as any documents and information that must be provided to the Board in order to ensure that the latter has sufficient information. At the invitation of the CEO, the Chairman may attend internal meetings with the Company's executives and teams in order to give his insight on strategic issues.

Moreover, the CEO shall without delay consult with the Chairman of the Board on any major merger project or similar operation, investment, disinvestment or any other major transaction.

If the Chairman is unavailable, he shall be replaced by the oldest Vice-Chairman or, if the latter is also unavailable, by a Director, in his duties as Chairman of the Board.

The Board may entrust the Chairman with information and consultation tasks on specific issues falling within the Board's powers.

The Chairman chairs the General Meeting of Shareholders and ensures that it runs smoothly. In fulfilling his duties, the Chairman is assisted by the Secretary of the Board.

III. BOARD COMMITTEES

The Board may decide to set up, within its membership, permanent and temporary committees (hereinafter the "Committees"), intended to facilitate the smooth operation of the Board and make an effective contribution to the preparation of its decisions.

Upon recommendation of its Chairman and after consultation, the Board appoints the Committee members, their Chairman, and if required permanent Guest(s), taking into account their expertise, experience and availability.

A Committee's role consists in studying the topics and projects that the Board or the Chairman submits for its approval, preparing the work and decisions of the Board relating to these topics and projects, and reporting their conclusions to the Board in the form of minutes, proposals, opinions, information or recommendations.

The Committees carry out their duties under the Board's responsibility. No Committee can take the initiative to handle issues outside its remit. Committees do not have decision-making powers.

The composition, duties and modus operandi of the Committees set up at the date of this Charter are described below.

Committee meetings may be called by any means, including orally, in accordance with the conditions laid down for each of the Committees. The Chairman of the Committee or a Committee member designated for this purpose gives the Committee's opinion at the plenary Board meeting to which the topic or project examined by the Committee is submitted. Committees must be in a position to fully perform their role. For this purpose, the information and documents relating to the agenda for Committee meetings are sent, except in the event of emergency or necessity, at least five (5) calendar days prior to each meeting. In carrying out their tasks, after informing the Chairman of the Board and subject to reporting back to the Board thereon, Board Committees may hear the principal managers of the Company and the Group and/or request external technical studies relating to matters within their competence, at the Company's expense, after consulting with the CEO. In the event of Committees having recourse to external consultants, the Committees must ensure that the consultant concerned is objective.

The Committee's tasks are fulfilled by devoting the time and energy that is reasonably possible to the meetings and their preparation. Committee members may not be represented at meetings. Committee meetings are in principle held at the Company's headquarters. They may nevertheless be held by any means, including, at the discretion of the Chairman of the Committee and on an exceptional basis, by videoconference or other means of telecommunication. After each meeting of a Committee its Chairman reports to the Board on how the committee has carried out its tasks. The Chairman of the Board can always attend committee meetings. The Committees appoint their Secretary who may be assisted, if necessary.

1. THE AUDIT COMMITTEE

1. Mission

An Audit Committee is set up within the Board under its authority. The Audit Committee carries out its mission in the following five areas:

- **Financial information (for shareholders and third parties) – Monitoring of reporting process**

The Audit Committee examines, assisted on request by the Chief Financial Officer, the corporate and consolidated semi-annual (and quarterly financial statements when such statements are published); the corporate and consolidated annual reports; and the prospectuses and other financial information prior to their submission to the Board. The Committee's examination focuses on the quality and reliability of the information, which must be complete and consistent with the Group's accounting standards and policies.

The Audit Committee examines, with a view to issuing an opinion to the Board, any changes made to the accounting standards and policies, in particular from the standpoint of their impact on the financial statements.

The CEO and the members of the general management shall inform the Audit Committee of the methods used to recognise the significant and unusual operations for which accountancy treatment is open to several approaches, as well as of the existence and justification of activities carried out by offshore centres and/or via specific structures.

- **Internal control and risk management**

The Audit Committee shall examine, at least once yearly, the systems for internal control and risk management set up by the management in order to ensure that the main risks², including those relating to prevailing legislation and rules, are correctly identified, managed and communicated.

The Audit Committee shall examine information relating to internal control and risk management published in the Directors' report.

² With the exception of health and safety risks, which will be the subject of a report which the officers concerned will submit directly to the Board of Directors each year.

- **Internal audit**

The Audit Committee shall be informed by the internal audit staff of its areas of intervention, the planning of its missions and the conclusions of its work. The Audit Committee may ask the internal audit staff to carry out certain tasks and/or alter its planning, and receives on a regular basis a summary of reports from the internal audit on the completion of these tasks.

The Audit Committee evaluates on a regular basis the efficiency of the internal audit. The Committee is consulted by the CEO concerning the appointment and removal from office of the internal audit manager and the budget allocated to the internal audit.

The Audit Committee assesses the internal control system with one or several members of the general management, the internal audit manager and/or the Auditor.

- **External audit**

The Audit Committee reads the reports drawn up by the Auditor.

The Audit Committee examines the nature, the quality and scope of their work, the coordination of missions in the Electrabel group as well as the conclusions, in particular the “management letters” resulting from their work.

The Audit Committee submits proposals to the Board for the appointment and renewal, as well as the remuneration, of the Auditor and their duty of certifying the Company accounts and consolidated accounts. The Committee verifies their independence as stipulated in the Companies Act.

Any non-audit duty performed by the auditors or by persons associated with them, must be submitted to authorisation by the ENGIE Audit Committee.

- **Compliance**

The Audit Committee is in charge of overseeing legal and regulatory compliance.

The authority of the Audit Committee extends to the Company and to the subsidiaries it controls, with the exception of companies listed on the stock exchange.

The Audit Committee is not an organ of the Company and as such assumes no responsibility for the Company's management.

2. Composition

The Audit Committee comprises at least three (3) members chosen from among the Directors; at least one of them must be an outside Director.

The Chairman of the Board cannot be elected Chairman of the Audit Committee.

3. Meetings

The Audit Committee meets at least twice a year and is convened by its Chairman. No quorum is set for these meetings.

Two meetings are held, mainly devoted to the annual and semi-annual financial statements. The Auditor may be invited to these meetings to report on the results of their work.

The Chairman of the Audit Committee, or two of its members, may convene a meeting whenever they deem it useful. The Audit Committee may instruct the Auditor or other experts in particular fields, to submit a report of the meeting.

The Chairman of the Audit Committee may, depending on the agenda items to be dealt with, call upon the following:

- the CEO and/or any member of the key-management,
- the managers of the internal audit and of risk management,
- the Auditor.

The aforementioned persons are the Committee's natural interlocutors and are received by the Audit Committee at their request without the need for any prior justification. Where necessary, these persons may be accompanied by an operational manager.

4. Reports

The minutes of the meetings of the Audit Committee are kept on file at the Company's secretariat and are available to the members of the Audit Committee, the members of the Board and the Auditor.

IV. RULES OF CONDUCT

1. The Directors undertake to comply with and follow the Company's **Governance Charter**. They shall bear in mind at all times both the letter and the spirit of the charter in carrying out their office as Directors.

The Directors shall read the **ENGIE Ethics Charter**³ adopted by the Company. They shall bear in mind both the letter and the spirit of the Charter in carrying out their duties as Directors. This ethics policy is to apply to all the Group's relations with its stakeholders.

Before accepting the office entrusted to them by the Company, each Director shall ensure that he or she has the necessary **skills** and **available time** to carry out his related duties. The Directors shall inform themselves of their duties as defined in the Companies Act and other regulations relating to the **responsibilities** of Directors.

2. Directors must be attentive to their legal and ethical obligations in the area of **conflicts of interest**, in particular as described in the Code of Companies and Association.

Directors shall organise their affairs in such a way as to avoid, to the extent possible, placing themselves in situations where there may be a personal conflict of interest with the Company.

If a Director has any doubt in his or her mind about a possible conflict of interest, he or she should consult with the Chairman of the Board.

In the event of any personal conflicts of interest, the Director must take the initiative to withdraw from the Board meeting during the time the matter is discussed and he must not take part in any related vote, whether in person or by proxy. Justification must be given for any abstention, under the terms of the Companies Act.

Any transactions or other contractual relations between a Director and the Company or its subsidiaries that do not fall under the scope of the Law shall be handled as provided for in paragraph 4 of this chapter. In any event, they shall be at arm's length.

If it has been established that a conflict of interest does exist, the purpose and conditions of the transaction shall be transmitted to the Board, which may approve them or refer them to the Board of the subsidiary concerned, if the amount of the operation, or the combined amounts of operations over a 3-month period, is greater than 25,000 Euros.

³ Available on the [website](#)

3. Directors are duty-bound to act with **discretion**.

The Directors may not make other use of information to which they have access exclusively for the purpose of fulfilling their duties, in particular:

- they must not use such information in their private activities or in any professional business they may have outside the Group;
 - they must not in any case transmit such information to any third parties, without prejudice to legal exceptions and, in these latter cases, only after having consulted with the Chairman of the Board.
4. The Directors must not provide **any paid services** to the Company other than those defined by specific contracts relating to duties entrusted by the Company.

Acting by a majority vote, the Board can make an exception to this rule in the interests of the Company.

The Directors must inform the Board of the mandates they hold or that they may in future hold in other companies, whether listed or not, that are not members of the group to which the Company belongs.

The Directors may not hold more than three directorships in listed companies, unless they have been granted a dispensation by the Board.

Directors cannot accept, be it from the Company, related companies or third-party companies, any kind of benefit that could compromise – or seem to compromise – the independence of their power of discernment or of judgement.

5. A Director is bound to a duty of **loyalty** and respect the inherent **collegiality** in the work and initiatives of the Board.

A Director cannot speak on behalf of the Company unless he has received specific authorisation regarding a precise matter.

Without prejudice to compliance with their legal obligations, a Director must refrain from speaking, in particular to the media or the public authorities, in a critical manner about the Company, its Group, its strategy or those who belong to it, or of its business in general.

MANAGEMENT

I. THE MANAGEMENT OF THE COMPANY

- The executive management is entrusted to the Chief Executive Officer (CEO). The Board of Directors delegates to him day-to-day management powers and sufficient special authority, by virtue of article 16 of the Articles of Association, to enable him to carry out this management.

The CEO is appointed by the Board on the proposal of the Chairman of the Board.

- The CEO is assisted by Members of the management. As the management is not an organ of the Company, it has no powers of its own. However, it does deal with the Company's important operational management issues in order to guide the CEO in his decision-making, and it is where the various managements are coordinated.
- The CEO regularly reports on the managerial structure and its adaptation to the requirements of the Company's activities.
- The Board and, insofar as authority has been delegated to him, the CEO, may delegate or sub-delegate appropriate authority to the Members involved, in compliance with the double signature principle.
- The CEO, the Chairman of the Board of Directors, and the Chairmen of (the) Committee(s) shall consult each other before every Board meeting to discuss management issues that should be submitted to the Board for approval and other items that should be on the agenda of the Board meeting, as well as any documents and information that must be provided to the Board in order to ensure that the latter has sufficient information.

In particular, the CEO consults with the Chairman of the Board on any major merger project or similar operation concerning investment, disinvestment or any other major transaction.

- The CEO (or the person appointed by him) shall report to the Board on the Company's operational management and the main decisions taken in that area.

The following items shall be submitted to the Board for approval:

- the accounts and proposals for dividends;
- the significant commitments, being defined as:
 - Acquisitions or industrial projects involving CAPEX representing a Group exposure (net debt impact + guarantees provided) in excess of EUR 250 million;
 - Disposals of assets, or group of assets, representing a book value or a fair value in excess of EUR 250 million;
 - Services contracts, representing cumulated revenues in excess of EUR 400 million;
 - Electricity/gas purchase/sale contracts, for a total volume over their duration in excess of 20 TWh (electricity) or 30 TWh (gas);

All capex decisions between EUR 50 million and EUR 250 million (a posteriori) as well as the budget and medium term plan shall be submitted to the Board.

- The CEO shall oversee the introduction and maintenance of adequate internal control and risk management systems in order to identify, measure and manage the main risks, including financial risks and those relating to regulatory compliance.
He informs the Board of the procedures and methods used to account for large and/or unusual transactions.

II. RULES OF CONDUCT

Measures are in place to ensure that all employees adhere to rules of procedure that are similar to those foreseen for the Members of the Board in the Governance Charter. Accordingly, reference should be made to the procedures and policies applicable within the ENGIE group, including in particular the **provisions concerning ethics⁴**.

The members are duty-bound to maintain discretion.

The members make use of information to which they have exclusive access for purposes of fulfilling their tasks in the best interests of the Company.

The members shall not make use of that information in their private matters or in professional activities that they may conduct outside the Group.

The members shall not communicate to any third party whomsoever, without prejudice to legal exceptions and, in these latter cases, only after consulting with the CEO, except in absolutely urgent cases.

The members shall not carry out any other remunerated service for the Company, except those defined by specific contracts relating to management duties that are entrusted to them by the Company.

They may obtain a dispensation to this rule in the interest of the Company from the Board via a majority decision with a report from the CEO.

The members may only accept another position in another Company after authorization from the CEO, given after consulting the Chairman of the Board, who shall examine compatibility with applicable contractual and ethical obligations..

The members shall not accept any benefit that could compromise, or create the impression of compromising, his or her independent judgment.

The members shall not speak in the name of the Company without having been mandated for that purpose on a particular subject.

Without prejudice to compliance with legal obligations, the members shall abstain from expressing themselves, in particular to the mass media and the authorities, in a way that is critical of the Company, its Group, its strategy or people belonging to it or of its business in general.

⁴ Available on the [website](#)