



2012

Annual Report of Corporate Governance

Enovos International S.A.

Edited: May 2013



Enovos International S.A.

Registered as a société anonyme
(public limited company)
under Luxembourg law with a capital of
EUR 90,962,900
Registered office: Esch-sur-Alzette
Luxembourg Trade and Companies' Register
B11723

**Annual Report of
Corporate Governance 2012**

**Enovos International S.A.
May 2013**

This Report refers to the Corporate Governance
Charter

The Corporate Governance represents a major
concern to Enovos Group and the latest adopted
Charter, as well as the Annual Reports, may be
downloaded at www.enovos.eu

Index

Enovos International S.A.

Corporate Governance Bodies	4
General Meeting of Shareholders	4
Board of Directors	5
Committees	6
Executive Board	8
Compliance	9
External Audit	9
Internal Audit	9
Risk Management	10

Enovos Luxembourg S.A.

Corporate Governance Bodies	12
General Meeting of Shareholders	12
Board of Directors	12
Executive Management	13

Creos Luxembourg S.A.

Corporate Governance Bodies	14
General Meeting of Shareholders	14
Board of Directors	15
Executive Management	16

Enovos International S.A.

Corporate Governance Bodies

General Meeting of Shareholders

The shareholders of Enovos International S.A. met three times in 2012.

1) March 29th 2012: Extraordinary General Meeting of Shareholders

The attendance list showed that all shareholders representing the full amount of share capital were present, or validly represented, at this extraordinary meeting that was held in the context of the **transfer of the registered office** of the Company from L-2449 Luxembourg, 19, boulevard Royal to L-4221 Esch-sur-Alzette, 66 rue de Luxembourg, Bâtiment 9, Domaine Schlassgoart.

Accordingly, the article 4.1 of the Company's articles of association was amended.

Both Resolutions were approved by 836,859 votes in favour, zero votes against, and 72,770 abstentions.

The meeting was held before Maître Joëlle Baden, and the deed was duly recorded and published. Copies of the deed and of the amended articles of association are held at disposal, on demand, at the secretariat general of the Board of Directors.

2) May 8th 2012: Ordinary General Meeting of Shareholders

In execution of Article 15.3 of the articles of association, the shareholders met on the second Tuesday of May to hold the annual general meeting of shareholders. All shareholders were present or validly represented.

The shareholders acknowledged the Director's Reports and the Statutory Auditor's Reports on Enovos International S.A. and Enovos Group consolidated for the fiscal year 2011, and then passed the following resolutions, all by unanimous votes:

- Approval of the Annual Reports of Enovos International S.A. and Enovos Group consolidated.
- Allocation of year end result 2011 of Enovos International S.A. and determination of the dividend at 53.00 €/share, in total 48.2 Mio €.
- Discharge of the Directors on behalf of their office during the fiscal year 2011.
- Ratification of the appointment of Mrs Patrizia Luchetta and Mr Tom Theves, and appointment of Mr Erik Von Scholz as board members of Enovos International S.A.
- Appointment of the Statutory Auditor for the fiscal years 2012, 2013 and 2014: PwC (PricewaterhouseCoopers) Luxembourg.

As of 31st December 2012, the Shareholder's Register presents as follows, each share supporting an equal voting right: see Table 1

On July 17th 2012, the shareholding changed while ArcelorMittal Luxembourg S.A. sold its 213,600 shares of Enovos International S.A., representing 23.48% of the share capital, to AXA Redilion ManagementCo SCA ("AXA Private Equity").

3) July 17th 2012: Extraordinary General Meeting of Shareholders

The extraordinary meeting of the shareholders was held in the context of the sale of the share capital held by ArcelorMittal Luxembourg S.A. to AXA Redilion ManagementCo SCA "AXA Private Equity").

The meeting was held before Maître Joëlle Baden, and the deed was duly recorded and published. Copies of the deed and of the

Table 1

State of the Grand-Duchy of Luxembourg	231,405 shares	25.44 %
AXA Redilion ManagementCo S.C.A.	213,600 shares	23.48 %
RWE Energy Beteiligungsverwaltung GmbH	167,000 shares	18.36 %
SNCI (Société Nationale de Crédit et d'Investissement)	91,054 shares	10.01 %
E.ON Ruhrgas International GmbH	91,000 shares	10.00 %
Administration communale de la Ville de (City of) Luxembourg	72,770 shares	8.00 %
Electrabel S.A.	42,800 shares	4.71 %
TOTAL	909,629 shares	100.00 %

amended articles of association are held at disposal, on demand, at the secretariat general of the Board of Directors.

All shareholders were registered as present in the attendance list, and all of the following resolutions were taken by unanimous votes:

Articles of association:

- Amendment of articles 5.4, 8.5 and 10.1.6
- Article 10.4.2 being deleted, the text of the renumbered articles 10.4.2 and 10.4.3. have also been amended
- Amendment of articles 11, 13, 16.4.3.
- Deletion of article 19.5.
- Amendment of articles 20.4, 20.5, 20.6, 20.7 and 21.1. Introduction of a new article 33 under section H named "Grid Company", while article 33 was renumbered article 34, and sections H and I renamed sections I and J respectively.
- Section J "Definitions" was amended and completed.

Board members:

- The shareholders acknowledged the Resignation of the following directors of the Company: Messrs Fernand Felzinger, Claude Seywert and Nico Wietor.
- The shareholders appointed the following New board members as directors of the Company: Messrs Benoît Gaillochet, Fernand Felzinger and Stephan Illenberger.

It is noted that the shareholders agreement, originally dated December 18th 2008, has been amended and restated on the same day.

Board of Directors

The Board of Directors met 7 times in 2012: on 27th January, 9th March, 20th April, 28th June, 28th September, 30th November, and 14th December.

The January meeting was chaired by Mr Etienne SCHNEIDER while all following meetings were chaired by Mr Marco HOFFMANN.

The average attendance of Board members, either physically or by phone-conference, to all meetings reached 80% (proxy not included). The members of the Executive Committee and the Secretary General of the Board were present

at all meetings. The Board was also supported, on demand, by the presence of several members of the senior management of the Company, who provided detailed information on the subjects of the agenda.

The debates have been recorded in minutes, all approved and signed in the following meeting.

The Board of Directors discussed and resolved on all relevant subjects, and in particular on those stipulated in Article 20 of the articles of association of the company.

The Board of Directors heard reports and advice on specific subjects that have been dressed by the committees and resolved in particular on: Annual accounts and midterm business plans Major investments submitted to singular votes Strategic developments.

Most of the resolutions of the Board of Directors, and in particular the resolutions concerning the Annual Accounts and the Annual Report, as well as the Annual Budget and midterm business plan, were taken by unanimous votes. Several other resolutions were taken by majority votes with abstention(s). No single vote had been registered against a resolution text put at the Board's appreciation.

Notification in respect of article 25.8 of the Articles of association (conflict of interest).

Board director Mr Peter Frankenberg informed the board of directors that he was involved in a capital deal in the context of other professional commitments and that he would like to prevent any potential conflict of interest in restrain from his Enovos' office in the context of said transaction. Accordingly, Mr Peter Frankenberg did not receive any information regarding the specific subject and he left all meeting rooms when the subject was put at the agenda.

Board directors, Mr Tim Hartmann and Mr Peter Pichl, informed the board of directors that they would restrain from participating at the board discussions and decisions concerning an investment project, and asked not be addressed any document related to this project. Accordingly, both directors did not receive any information regarding the specific subject and were not present in the meeting rooms when the subject was put at the agenda.

As of December 31st, 2012, the Board of Directors was composed as follows:

- Directors elected under the terms of the first paragraph of Article 19.2 of the articles of association:

Marco HOFFMANN	Chairman *)
Jean-Claude KNEBELER	Director
Patrizia LUCHETTA	Director
Geneviève SCHLINK **)	Director
Tom THEVES	2 nd Vice-Chairman

*) Director and Chairman Etienne SCHNEIDER resigned from office on 2nd February 2012, when Mr Marco HOFFMANN took over the Chairmanship of the Company.

**) Mrs Geneviève SCHLINK has been co-opted by the Board of Directors on 30th November 2012, the date of resignation from office of Mr Gaston REINESCH. The appointment of Mrs Geneviève SCHLINK is subject to ratification by the next general meeting of shareholders.

- Directors elected under the terms of the second paragraph of Article 19.2 of the articles of association:

Fernand FELZINGER	Director
Benoît GAILLOCHET	1 st Vice-Chairman
Stephan ILLENBERGER	3 rd Vice-Chairman

- Directors elected under the terms of the third paragraph of Article 19.2 of the articles of association:

André GILBERTZ	Director
Charles HUTMACHER	Director
Arnold NEUDECK	Director

- Directors elected under the terms of the fourth paragraph of Article 19.2 of the articles of association:

Peter FRANKENBERG	Director
Tim HARTMANN	Director
Uwe LEPRICH *)	Director
Peter PICHL	Director
Erik VON SCHOLZ	Director

*) Mr Uwe LEPRICH is the permanent representative of the director "Administration communale de la Ville de (City of) Luxembourg"

Biographical Note on Mr Marco HOFFMANN, Chairman of the Board of Directors:

Marco Hoffmann was born on 11th January 1966 in Luxembourg.

He passed his primary and high school in Luxembourg and graduated in electrotechnical engineering from the University of Kaiserslautern

(Germany). Marco Hoffmann started his career in 1992 at General Motors Luxembourg before entering the Ministry of Economics and Energy in 1996, where he currently acts as Senior Advisor to the Luxembourgish Government. In 2007, he was appointed Chairman and Executive Director of SOTEG S.A. and, in 2002, he was appointed to the same positions at Luxgaz Distribution S.A. Subsequent to the constitution of Enovos Group, Marco Hoffmann was appointed Chairman and Executive Director of Enovos Luxembourg S.A.

Marco Hoffmann may be joined at marco.hoffmann@eco.etat.lu.

Committees

In order to ensure group-wide convenient corporate governance, the Board of Directors of Enovos International S.A. formed several committees, whose mandates are described in the Corporate Governance Charter of the Group.

The Audit Committee

The Audit Committee met 6 times in 2012, on 28th February, 4th April, 16th May, 19th September, 23rd October and 23rd November.

The three first meetings were chaired by Mr Claude Seywert, who resigned from office as of 17th July 2012. Subsequently, Mr Marco Hoffmann acted as intermediate Chairman.

In its meeting of 30th November, the Board of Directors unanimously approved the proposal to appoint Mr Stefano Fedrigo as new member and Chairman of the audit committee. Mr Stefano Fedrigo took over the office of Mr Benoît Gaillochet, who was part of the committee from July to November 2012.

The average physical attendance of committee members at all meetings reached 88%, either by physical presence or by phone- and video-conference. The committee was supported by the presence of the members of the Executive Committee and several members of the senior management of the company, who provided detailed information on the subjects of the agenda.

All meetings were held in the presence of the Head of Internal Audit, in charge of the minutes of the Committee.

The agenda of its meetings as well as the recommendations expressed by the Committee to the Board of Directors are not commented and not published.

As of 31st December 2012, the Audit Committee was composed as follows:

Stefano FEDRIGO	Chairman
Peter FRANKENBERG	Member
Marco HOFFMANN	Member
Uwe LEPRICH	Member
Arnold NEUDECK	Member
Geneviève SCHLINK *)	Member
Erik VON SCHOLZ	Member

*) On 15th March 2013, Mrs Geneviève SCHLINK will take over the office from Mr Gaston REINESCH, who resigned on 30th November 2012.

The Group Strategy Committee

The Group Strategy Committee met 3 times in 2012: on 28th June, 26th September, and 16th November. All meetings were chaired by Mr Marco Hoffmann.

The average physical attendance of non-executive committee members at all meetings reached 87%. The committee was supported by the presence of several members of the senior management of the company, who provided detailed information on the subjects of the agenda. All meetings were held in the presence of the Head of Corporate Development & Strategy, in charge of the minutes of the Committee.

The agenda of its meetings as well as the recommendations expressed by the Committee to the Board of Directors are not commented and not published.

As of 31st December 2012, the Group Strategy Committee was composed as follows:

Marco HOFFMANN	Chairman
Romain BECKER	Member
Fernand FELZINGER	Member
Peter FRANKENBERG	Member
Benoît GAILLOCHET	Member
Tim HARTMANN	Member
Uwe LEPRICH	Member
Jean LUCIUS	Member
Geneviève SCHLINK *)	Member
Michel SCHAUS	Member

Tom THEVES	Member
Erik VON SCHOLZ	Member
Guy WEICHERDING	Member

*) On 15th March 2013, Mrs Geneviève SCHLINK will take over the office from Mr Gaston REINESCH, who resigned on 30th November 2012.

The Remuneration and Nomination Committee

The Remuneration and Nomination Committee met 6 times in 2012: on 27th January, 20th April, 8th May, 20th June, 19th September and 29th November. All meetings were chaired by Mr Marco Hoffmann.

The average physical attendance of committee members at all meetings reached 96%. The committee was supported by an external counsel, KPMG, who provided expertise and was in charge of the minutes of the Committee.

The agenda of its meetings as well as the recommendations expressed by the Committee to the Board of Directors are not commented and not published.

As of 31st December 2012, the Remuneration and Nomination Committee was composed as follows:

Marco HOFFMANN	Chairman
Peter FRANKENBERG	Member
Mario GROTZ	Member
Tim HARTMANN	Member
Stephan ILLENBERGER	Member

Executive Board

In principle, the meetings are held on a weekly basis, usually on Mondays, and are attended by the four Executive Directors as well as, depending on the agenda, a wide range of senior managers, convened as necessitated by the topic at hand.

The minutes of the meetings are written by the Secretary of the Executive Committee and excerpts of the decisions are transmitted to the concerned management lines in order to ensure execution and follow-up of the decisions.

Members of the Executive Board in 2012 were:

Romain BECKER, Co-Chairman of the Executive Board and CEO of Creos Luxembourg S.A., Managing Director of Creos Deutschland GmbH

Romain Becker was born on 6th July 1954 in Bettembourg (Luxembourg).

He attended primary and high school in Luxembourg and graduated in electro-technical engineering at the Eidgenössische Technische Hochschule (ETH) in Zürich (Switzerland). Romain Becker started his career in 1978 acting as Advisor of the Luxembourgish Government and as Government Energy Commissioner and was appointed member of senior management in 1996 and Chief Executive Officer (CEO) of Cegedel S.A. in 1997.

At the time of the merger of Cegedel into Enovos Group, Romain Becker was appointed to his current positions in July 2009.

Romain Becker may be reached at Romain.becker@creos.net

Jean LUCIUS, Co-Chairman of the Executive Board and CEO of Enovos Luxembourg S.A.

Jean Lucius was born on 23rd February 1956 in Luxembourg.

He attended primary and high school in Luxembourg and holds a Masters degree in Metallurgical Engineering from "Université de Liège" (Belgium). From 1989 to 1998, Jean Lucius held several senior manager positions in Arbed steel group (currently ArcelorMittal). In 1998, he entered the energy industry as Chief Executive Officer (CEO) of Soteg S.A. At the time of the merger of Soteg into the Enovos Group, Jean Lucius was appointed to his current positions in July 2009.

Jean Lucius may be reached at Jean.lucius@enovos.eu

Michel SCHAUS, Chief of Operational Support and General Counsel of Enovos International S.A.

Michel SCHAUS was born on 30th August 1968 in Luxembourg.

He attended primary and high school in Luxembourg, studied for a Master's in Law (LLM) at the London School of Economics in London (UK), and holds a "Maîtrise en Droit International" of the University of Aix-Marseille III (France).

Mr. Schaus started his career in 1995 as attorney with Allen & Overy. In 1998 he took up employment with Cargolux Airlines International S.A. as General Counsel and Head of Legal Affairs. In March 2008 he started work with Soteg S.A. (later merging into the Enovos group). He is Member of the Executive Committee and as General Counsel and COS (Chief of Operational Support) he is in charge of Facility Management, Human Resources, Internal Audit, as well as Legal and Compliance.

Michel SCHAUS may be reached at Michel.schaus@enovos.eu

Guy WEICHERDING, CFO of Enovos International S.A. Guy Weicherding was born on 25th September 1961 in Luxembourg.

He passed his primary and high school in Luxembourg and graduated as commercial engineer at the "Université Catholique de Louvain" in Belgium.

Guy Weicherding started his professional career in 1985 in the Finance department of the steel industry group ARBED (today ArcelorMittal) in Luxembourg. Between 1989 and 2006, he held various senior positions in the financial management of the wire drawing division and of the long carbon sector within the ARBED/Arcelor Group. In July 2006, Guy Weicherding joined the tooling and machine manufacturer Husky Injection Molding Systems S.A. in Luxembourg as Director Finance Europe. Finally, he joined the Enovos Group in August 2010 as Deputy CFO of Enovos International S.A. before being named to his current position in July 2012 as Chief Financial Officer (CFO) and Member of the Executive Committee, in charge of finance and tax, accounting, controlling, information technologies and risk management.

Guy Weicherding may be reached at: guy.weicherding@enovos.eu

Compliance

Among the key principles of corporate governance of the Enovos Group, compliance with laws, regulation and high ethical standards is paramount.

A Code of Business Conduct, encompassing a whistleblowing system and various policies incorporated by reference have been issued and attended to during 2012 in close cooperation between the Corporate Legal Department of Enovos International S.A., the Internal Audit and the Risk management Department: IT Security Policy, Travel Policy and Credit Card Policy, Insider Dealing Guidelines.

The General Counsel of Enovos Group has been entrusted with the role of Group Compliance Officer, with a mission of:

- identifying, assessing, advising, monitoring and reporting compliance risks,
- managing and controlling for compliance with laws, regulatory framework and contractual requirements, including the organization's communication with external relevant bodies (regulator, government supervisory entities...).

The General Counsel is also responsible for the legal function within Enovos Group, and is supported in its activities by a team of in-house lawyers in Luxembourg and Germany, who are closely advising and assisting the management of Enovos Group in their day-to-day business regarding legal requirements and compliance issues.

In 2012, these activities encompassed, besides general legal counselling, among others: setting up or reviewing of delegation of powers and signatures, trading authorization policies, standard contract forms (trading agreements, energy sales conditions and contracts, confidentiality agreements ...), keeping informed on developments in energy law or related issues (implementation of 3rd energy package in Luxembourg, changes in EC regulation regarding trading – i.a. MiFID, REMIT-, German EEGNovelle, French loi NOME...), as well as all legal and compliance issues linked to the issue of the corporate finance bond in July 2012.

As of January 2013, Enovos Group's legal department complied with the unbundling principles when two lawyers were integrated into the staff of Creos Luxembourg.

External Audit

Enovos Group companies and Enovos International strictly respect legal and regulatory requirements related to external audit proceedings.

For the fiscal years 2012, 2013 and 2014, the Statutory Auditor was appointed by the Annual General Meeting of Shareholders of 8th May 2012. The mandate was attributed to PwC (PricewaterhouseCoopers) Luxembourg.

Internal Audit

The mission of the Group Internal Audit is to provide independent, objective assurance and consulting services designed to add value and improve the organization's operations. It helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal Audit function also assists management with regard to the identification, assessment and mitigation of risks.

Internal Audit functionally reports the COS of Enovos International S.A. but also addresses its conclusions to the Audit Committee. The Head of Internal Audit is also the secretary of the Audit Committee. The activities of the Internal Audit function are executed in accordance with an annual audit plan, which is reviewed and approved by the Audit Committee.

The annual audit plan is derived from an annual risk assessment. Internal Audit works in close relation with the Group Head of Risk Management.

The Internal Audit function monitors the implementation of its internal control recommendations and regularly reports on effective compliance to the Audit and Committee.

The Group Internal Audit function was staffed by one person until the end of September. One larger audit was done in co-sourcing with external companies (PWC) for a total cost of approximately 70,000 Euros. An external company was selected (E&Y) to perform 3 audits during the transition phase

(recruitment/start of the new Head of Internal Audit).

In 2012 following areas had been audited: Portfolio Management, IT and Human Resources. For each audit, a list with recommendations was made and agreed upon with the management to be implemented within a short time frame. There were also 5 follow-up audits performed to assess to which extent the management had implemented the planned actions from previous year internal audits. Internal Audit also established an enterprise business model that split the Enovos Group processes into 14 main processes and 52 sub-processes and performed a risk assessment for each of the main processes. The outcome was a 5-year risk-based audit plan and a detailed audit plan for 2012. The external company (E&Y) received the mission to perform the audits of the Asset Management and Regulation, Invoicing & Billing & Credit & Collection processes and finally the financial reporting process.

The Internal Audit function conforms to the standards and the code of ethics defined by the Institute of Internal Auditors (IIA).

Risk Management

The Risk Management function has been re-organized by the various companies executive management over the course of the year 2012, in collaboration with the Head of Group Risk Management.

2012 has been the first year of operations of the newly created Enovos risk management tool EAGLE. EAGLE establishes a common and harmonized risk assessment, risk allocation, risk mitigation actions, and provides a consolidated or specific risk mapping and survey. In the global risk concept at Enovos, the risk Management concerns as well security and environmental subjects, operational risks of any kind (technical, human, commercial, external, and other), specific energy market risks, as well as legal, regulation, governance and strategic risks. All managers and employees of the group should have the means to report a risk to a risk owner to share the supervision and possible mitigation of such risk. An appropriate risk reporting needs the establishment and promotion of a lively risk culture in the various departments of all Group

companies and, in particular, the practice of formal assessing and reporting of identified potential risks. On this behalf, the Group Risk management has started a programme of workshops in 2011/2012 to introduce senior and middle management to the practice of risk management and the use of EAGLE.

As of the end of 2012, about 200 risks were identified and reported in the risk management system EAGLE.

This shows that the risk awareness at Enovos and Creos companies was and is present and that the risk culture has already been improved. A high number of reported risks would be a good indicator for a high quality of risk detection and surveillance.

While the main objective of the risk management would be to help prevent and reduce the number and impact of incidents, the appreciation of success of such a mission is difficult to establish. In the areas of the grid companies CREOS, the risk management had been assured in Luxembourg through workshops and assisted use of EAGLE. Creos Germany continued its own risk reporting system while EAGLE may not be available for IT reasons. Group Risk Management coordinated, evaluated and supervised the various efforts.

Enovos Luxembourg S.A. established a risk committee Markets that includes the Head of Group Risk Management of Enovos International S.A. This committee established a Risk Policy in April 2012 to define principles of risk management, the charter of the risk committee markets, as well as guidelines and technical provisions. Furthermore, the committee approved an Internal Limits and procedures document applicable to the trading activities and holds an Incident Register.

Starting in 2012, and continuing in 2013, the executive management analysed and restructured the provisions for proprietary trading activities and portfolio management activities. This exercise was accompanied by external advisors and will insure improved control and report of the related business and the energy asset management in order to promote the global performance of the energy supply chain. The Group Risk Management acted as competent advisor to the Group management, without taking active participation in the operations.

In the areas of commercial activities and companies (Enovos Luxembourg S.A. and subsidiaries), the risk management department has been positioned under the direct responsibility of the CEO and the COO of Enovos Luxembourg. This department is in progressive development, and ensures:

- the secretariat of the risk committee markets
- the establishment of common rules of risk evaluation methods, limits and risk management procedures in the commercial environment
- the follow-up and appropriate report of operational risks in the various commercial companies, including those located abroad
- the appropriate reporting of the activities provided by the Trading and the Portfolio-Management Departments through their Middle Office services
- the evaluation of the commercial counterpart and credit risk for upstream wholesale market contracts and positions as well as for downstream major customer contracts
- the supervision of accurate implementation and reporting to the executive management.

Enovos Luxembourg S.A.

Corporate Governance Bodies

General Meeting of Shareholders

The shareholder of Enovos Luxembourg S.A. held two meetings in 2012.

1) 8th May 2012: Ordinary General Meeting of Shareholders

In execution of Article 10.3 of the articles of association, the shareholder met on the second Tuesday of May to hold the annual general meeting of shareholders.

The shareholder acknowledged the Director's Reports and the Statutory Auditor's Reports for the fiscal year 2011, and then passed the following resolutions:

- Approval of the Annual Accounts
- Approval of the Annual Reports
- Acknowledgement of the Statutory Auditor's Report
- Allocation of year end result 2011: transfer to legal reserve and decision to pay out a dividend of 5.95 €/share
- Discharge of the Directors on behalf of their service during the fiscal year 2011
- Appointment of PWC as Statutory Auditor for the fiscal years 2012, 2013 and 2014
- Acknowledgment of the resignation of Mr Georges Reuter as member of the board of directors, and appointment of Mrs Pia Fortunaso as new member of the board of directors with office ending at the annual general meeting of shareholders stating on the accounts for the financial year ending on 31st December 2013.

2) 17th July 2012: Extraordinary General Meeting of Shareholders

The extraordinary meeting was held in the context of the change in shareholding of Enovos International S.A..

The shareholders acknowledged the resignation of Messrs Fernand Felzinger, Claude Seywert and Nico Wietor as members of the board of directors, with effect on 17th July 2012.

Furthermore, the shareholders appointed as new members of the board of directors, with effect on the same day, Messrs Fernand Felzinger, Benoît Gaillochet and Stephan Illenberger. Their term

of office will be the annual general meeting of shareholders stating on the accounts for the financial year ending on 31st December 2013.

As of 31st December 2011, the shareholder list presents itself as follows, each share supporting an equal voting right:

Enovos International S.A.
4,768,964 shares 100.00 %

Board of Directors

The Board of Directors met 6 times in 2012: on 27th January, 9th March, 20th April, 28th June, 28th September and on 30th November. All meetings were chaired by Mr Marco HOFFMANN.

The average physical attendance of Board members at all meetings reached 90 % (proxy not accounted). The Board was also supported by the presence of several members of the senior management of the company who provided detailed information on the subjects of the agenda.

The debates have been recorded in minutes, all approved unanimously and signed in the following meeting.

The Board of Directors heard reports and advice on specific subjects that have been dressed by the committees and resolved in particular on:

- Annual accounts and midterm business plan
- Major investments submitted to individual votes.

All resolutions of the Board of Directors have been taken by unanimous votes or by majority votes with abstention(s).

Notification in respect of article 20.7 of the Articles of association (conflict of interest).

Board director Mr Peter Frankenberg informed the board of directors that he was involved in a capital deal in the context of other professional commitments and that he would like to prevent any potential conflict of interest in restrain from his Enovos' office in the context of said transaction. Accordingly, Mr Peter Frankenberg did not receive any information regarding the specific subject and he left all meeting rooms when the subject was put on the agenda.

Board director Mr Tim Hartmann informed the board of directors that he would refrain from participating in the board discussions and decisions concerning an investment project, and asked not be addressed any document related to this project. Accordingly, he did not receive any information regarding the specific subject and was not present in the meeting rooms when the subject was put on the agenda.

As of 31st December 2012, the Board of Directors was composed as follows:

- Directors proposed to election by the shareholder holding the highest number of shares (the State and SNCI being counted as one shareholder) in Enovos International S.A.:

Marco HOFFMANN	Chairman
Henri HAINE	Director
François KNAFF *)	Director
Guy LENTZ	Director
Geneviève SCHLINK **)	Director

**) Mr François KNAFF has been co-opted by the Board of Directors on 28th September 2012. The appointment is subject to ratification by the next general meeting of shareholders.*

****) Mrs Geneviève SCHLINK has been co-opted by the Board of Directors on 30th November 2012. The appointment is subject to ratification by the next general meeting of shareholders.*

- Directors proposed to election by the shareholder holding the second highest number of shares (the State and SNCI being counted as one shareholder) in Enovos International S.A.:

Benoît GAILLOCHET	Vice-Chairman
Fernand FELZINGER	Director
Stephan ILLENBERGER	Director
- Directors proposed to election by shareholders of Enovos International S.A. other than those shareholders holding the highest or second highest number of shares (the State and SNCI being counted as one shareholder):

Peter FRANKENBERG	Director
Tim HARTMANN	Director
Marc REDING	Director
Johan VAN BRAGT	Director

- Directors representing the Executive Management:

Jean LUCIUS	CEO & Director
-------------	----------------
- Directors representing the employees:

Luc DISWISCOUR	Director
Pia FORTUNASO	Director

Executive Management

In accordance with Article 15.3 of the articles of association, the daily management is delegated to one or several executive director(s).

Chairman Mr Marco HOFFMANN was appointed Executive Director and Mr Jean LUCIUS was selected as Chief Executive Officer (CEO).

Biographical Note on Mr Marco HOFFMANN, Chairman and Executive Director:

Marco Hoffmann was born on 11th January 1966 in Luxembourg.

He passed his primary and high school in Luxembourg and graduated in electrotechnical engineering from the University of Kaiserslautern (Germany). Marco Hoffmann started his career in 1992 at General Motors Luxembourg before entering the Ministry of Economics and Energy in 1996, where he currently acts as Senior Advisor to the Luxembourgish Government. In 2007, he was appointed Chairman and Executive Director of SOTEG S.A. and, in 2002, was appointed to the same positions at Luxgaz Distribution S.A. Subsequent to the constitution of Enovos Group, Marco Hoffmann was appointed Chairman and Executive Director of Enovos Luxembourg S.A. and Vice-Chairman of the Board of Enovos International S.A. Since 2nd February 2012, he also chairs the board of directors of Enovos International S.A.

Marco Hoffmann may be joined at marco.hoffmann@eco.etat.lu.

Creos Luxembourg S.A.

Corporate Governance Bodies

General Meeting of Shareholders

The shareholders of Creos Luxembourg S.A. met twice in 2012.

1) Ordinary General Meeting of Shareholders held on 8th May 2012 at 9.30 a.m.

In execution of Article 14.3 of the articles of association, the shareholders met on the second Tuesday of May to hold the annual general meeting of shareholders. 22 shareholders holding 9,816,438 shares (98.7 %) were present or validly represented.

The shareholders acknowledged the Board of Directors' report on the activities in 2011 as well as the Auditors' report on the annual accounts for the year ended on 31st December 2011 and then passed the following resolutions, all by unanimous votes:

- Approval of the annual accounts as at 31st December 2011
- Approval of the appropriation of profit
- Discharge of the Directors regarding their service during the fiscal year 2011
- Statutory nominations
Mr Etienne SCHNEIDER having resigned from his office as of 2nd February 2012, the co-optation of Mr Mario GROTZ as Director had been made by the Board of Directors, on a provisional basis, on 19th April 2012. This co-optation was ratified by the General Meeting.
- Mr Marco VALENTINY was appointed to the Board of Directors, one position as Director having been vacant following Article 20.1 of the articles of association.
- Determination of the remuneration of the Members of the Board of Directors
- Appointment of PriceWaterhouseCoopers s.à r.l. as Statutory Auditor for the fiscal years 2012-2014
- Authorization for the company to acquire its own shares.

Furthermore, the shareholders noted that Mr René REITER, personnel representative, had resigned from his mandate as Director with effect on 8th May 2012. According to article 1 of the agreement of 18th December 2008 regarding the representation of employees within the Boards of Directors of Enovos Group, Mr Georges REUTER took over the mandate of Mr REITER on 8th May 2012.

2) Ordinary General Meeting of Shareholders held extraordinarily on 17th July 2012 at 3.00 p.m.

The ordinary general meeting was held in the context of the acquisition by AXA Redilion ManagementCo SCA of the 23.48 % stake held by ArcelorMittal in Enovos International. 21 shareholders holding 9,811,393 shares were present or validly represented and passed the following resolutions, all by unanimous votes:

- Acknowledgement of the resignation of Mr Nico WIETOR, Mr Claude SEYWERT and Mr Fernand FELZINGER as Directors of the company effective on the date thereof
- Decision to appoint Mr Benoît GAILLOCHET, Mr Alain NICOLAI and Mr Fernand FELZINGER as Directors of the company effective on the date thereof and determination of the duration of their mandate
- Authorization of Mr Romain BECKER, member of the Board of Directors, or Mr Michel SCHAUS, General Counsel of Enovos International S.A., or Dr Peter HAMACHER, Head of Corporate Development and Strategy of Enovos International S.A., each acting individually, to undertake all necessary actions to file and register the resignations and appointments resulting from the above resolutions with the Luxembourg Registry of Trade and Companies.

As of 31st December 2012, the shareholder list presents itself as follows, each share supporting an equal voting right except those held by Creos Luxembourg (see table 2):

Table 2

Enovos International S.A.	7,500,000 shares	75.43 %
Administration communale de la Ville de Luxembourg	1,988,513 shares	20.00 %
State of the Grand-Duchy of Luxembourg	227,025 shares	2.28 %
Fédération des Installateurs Sanitaires et Climatiques	10,090 shares	0.10 %
42 Communal Public Administrations (municipalities) ¹ , in total	211,890 shares	2.13 %
	9,937,518 shares	
Shares held by Creos Luxembourg (without voting right) ²	5,045 shares	0.05 %
TOTAL	9,942,563 shares	100.00 %

¹ Each of the following 42 Communal Public Administrations (municipalities) holds 5,045 shares (0.05 %):

Bertrange, Bettendorf, Betzdorf, Bissen, Biwer, Bous, Colmar-Berg, Contern, Dalheim, Diekirch, Erpeldange, Ettelbruck, Feulen, Frisange, Grevenmacher, Grosbous, Heiderscheid, Hobscheid, Kehlen, Koerich, Kopstal, Leudelange, Lintgen, Lorentzweiler, Mamer, Mersch, Mertert, Mertzig, Mondorf-les-Bains, Niederanven, Remich, Sandweiler, Schengen, Schieren, Schuttrange, Steinfort, Steinsel, Waldbredimus, Walferdange, Weiler-la-Tour, Wiltz, Winseler

In accordance with Article 28 of the articles of association, the 42 shareholding municipalities organize their representation in Creos Luxembourg S.A. by the Coordination Committee of Municipalities.

² Pursuant to Article 9.5 of the articles of association, none of the Luxembourg municipalities (other than Ville de Luxembourg) may hold more than 5,045 shares in Creos Luxembourg S.A. However, as the municipalities of Schengen and Wellenstein, both shareholders of the company, had merged with the municipality of Burmerange in May 2011, the new Commune de Schengen owned 10,090 shares and had to sell 5,045 shares in accordance with the afore-mentioned article of association. At its meeting on 24th November 2011, the Board of Directors approved the shares repurchase and decided to submit a proposal to the annual general meeting on 8th May 2012. With effect as of 6th June 2012, Creos Luxembourg acquired the 5,045 shares held by the municipality of Schengen.

Board of Directors

The Board of Directors met four times in 2012: on 8th March, 19th April, 27th September and 29th November. The first meeting was chaired by Mr Nico WIETOR and the others by Mr Mario GROTZ.

According to the law, the "Commissaire du Gouvernement à l'Energie" is invited to attend, without voting right, the meetings of the Board of Directors of Creos Luxembourg S.A. that has been granted the legal concessions as grid operator in Luxembourg. Appointed by Grand-Ducal Decree, Mr Tom EISCHEN held this post in 2012.

The average physical attendance of Board Members at all meetings reached 93.5 % (proxy not accounted). The Secretary of the Board was present at all meetings. The Board was also supported, when necessary, by the presence of several members of the senior management of the company, who provided detailed information on the subjects of the agenda.

The debates were recorded in minutes, all approved unanimously and signed at the following meeting.

The Board of Directors heard reports and advice on specific subjects that had been prepared by the committees (audit committee, strategic committee, remuneration committee, etc.) and resolved in particular on:

- the annual accounts as well as the budget and the 5-year plan;
- the annual investment programme.

All resolutions of the Board of Directors were taken by unanimous votes or by majority votes with abstention(s). There was no conflict of interest stated by any Director in accordance with Article 19.5 of the articles of association.

As of 31st December 2012, the Board of Directors was composed as follows:

- Directors proposed to election by the shareholder holding the highest number of shares in Enovos International S.A. (the State and SNCI being counted as one shareholder):

Mario GROTZ	Chairman
Guy AREND	Director
Marc LEONHARD	Director
Roland MICHEL	Director
Georges MOLITOR	Director
Marco WALENTINY	Director

- Directors proposed to election by the shareholder holding the second highest number of shares in Enovos International S.A. (the State and SNCI being counted as one shareholder):

Benoît GAILLOCHET	Vice-Chairman*
Fernand FELZINGER	Director
Alain NICOLAI	Director

** At its meeting on 27th September 2012, the Board of Directors appointed Mr Benoît GAILLOCHET as its Vice-Chairman.*

- Directors proposed to election by other shareholders of Enovos International S.A. than those shareholders holding the highest or second highest number of shares (the State and SNCI being counted as one shareholder):

Manfred FESS	Director
Stephan KAMPHUES	Director
François THOUMSIN	Director

- Directors proposed to election by the shareholder holding the second largest number of shares in Creos Luxembourg S.A.:

Thierry KUFFER	Director
Christiane SCHAUL	Director
Jean SCHILTZ	Director

- Director proposed to election by the Coordination Committee of Municipalities in accordance with Article 28 of the articles of association:

Fernand SCHILTZ	Director
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- Director representing the Executive Management:

Romain BECKER	CEO & Director
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- Directors representing the employees:

Patrick COLLING	Director
Georges REUTER	Director
Patrick THEIN	Director

Executive Management

In accordance with Article 19.3 of the articles of association, the daily management is delegated to Executive Directors, whereby the Chairman is appointed as Executive Director.

In 2009, Chairman Mr Etienne SCHNEIDER was appointed Executive Director and Mr Romain BECKER was designated Chief Executive Officer (CEO).

As of 2nd February 2012, Mr Etienne SCHNEIDER resigned from his office and, as of 19th April 2012, Mr Mario GROTZ was appointed Executive Director.

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Energy for today.
Caring for tomorrow.

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