



2013

Annual Report of Corporate Governance

Enovos International S.A.

Edited: May 2014



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 2013**

**Enovos International S.A.
May 2014**

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

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Enovos International S.A.

Corporate Governance Bodies

General Meeting of Shareholders

The shareholders of Enovos International S.A. met once in 2013.

14th May 2013: 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.

In respect of Article 25.8 of the articles of association, the Chairman informed the shareholders about two potential conflicts of interest that were notified by three board members over the course of the year 2012.

Furthermore, the shareholders acknowledged the Management Reports and the Independent Statutory Auditor's Reports of Enovos International S.A. and Enovos Group consolidated regarding the financial year 2012, and passed the following resolutions, all by unanimous votes:

- Ratification of the appointment of Mrs Geneviève Schlink as board member of Enovos International S.A.
- Approval of the Annual Accounts 2012, and of their Notes, of Enovos International S.A. and Enovos Group consolidated
- Appropriation of the Net Profit 2012 of Enovos International S.A., reversal of blocked wealth reserve, and determination of the dividend at 54.00 €/share, totalling 49,119,966 €.
- Unrestricted discharge to the Directors on behalf of their office during the financial year 2012.

As of 31st December 2013, the Shareholder's Register presents as follows, each share supporting an equal voting right: see Table 1

Board of Directors

The Board of Directors met 4 times in 2013: on 15th March, 26th April, 27th September, 19th November.

The average attendance of Board members, either physically or by phone-conference, to all meetings reached 88% (proxy not accounted). The members of the Executive Committee and the Secretary General were present at all meetings.

The Chairman of the Audit Committee was also present at all meetings, as a guest to report on the committee's agenda and business. In addition, the Board was 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 particularly 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 addressed by the committees and resolved in particular on:

- Annual accounts and midterm business plans
- Major investments submitted to singular votes
- Strategic developments.

Table 1

State of the Grand-Duchy of Luxembourg	231,405 shares	25.44%
ARDIAN (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%

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 the acknowledgment of the midterm business plan, were taken by unanimous votes. Several other resolutions were taken by majority votes with abstention(s). There had been registered no single vote against a resolution text put at the Board's appreciation.

One Resolution, taken by the Board in its meeting of 26th April, had been amended in June by a Resolution In Writing in accordance with Article 25.7 of the Articles of association.

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 had been 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 the follow-up 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 Peter Pichl informed the board of directors that he would restrain from participating in the board discussions and decisions concerning an investment project, and asked not be addressed any related document. Accordingly, Mr Peter Pichl 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.

The only subject concerned was the approval of the Minutes of the Board of Directors meeting of 14th December 2012.

As of 31st December 2013, 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
Patrizia LUCHETTA	Director
Geneviève SCHLINK	Director*)
Tom THEVES	2 nd Vice-Chairman

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
Uwe LEPRICH**)	Director
Peter PICHL	Director
Werner ROOS***)	Director
Erik VON SCHOLZ	Director

**) The nomination of Mrs Genevieve Schlink was unanimously ratified in the Annual General Meeting dated 14th May 2013*

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

****) Mr Werner Roos has been co-opted by the Board of Directors on 27th September 2013*

Resigned from their office on 27th September 2013:

Mr Tim HARTMANN
Mr Jean-Claude KNEBELER

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 5 times in 2013 on 1st March, 12th April, 18th June, 17th September and 12th November.

All meetings were chaired by Mr Stefano Fedrigo.

The average physical attendance of committee members at all meetings reached 80%, 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 2013, 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

The Group Strategy Committee

The Group Strategy Committee met 6 times in 2013: on 26th February, 11th April, 4th July, 5th July, 26th September and 12th November.

All meetings were chaired by Mr Marco Hoffmann.

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 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 2013, 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
Werner ROOS*)	Member
Geneviève SCHLINK	Member
Michel SCHAUS	Member
Tom THEVES	Member
Erik VON SCHOLZ	Member
Guy WEICHERDING	Member

*) with the Meeting of 12th November 2013, Mr Werner Roos took the office of Mr Tim Hartmann

The Remuneration and Nomination Committee

The Remuneration and Nomination Committee met 5 times in 2013: on 31st January, 13th March, 14th March, 27th June and 2nd December. All meetings were chaired by Mr Marco Hoffmann.

The average physical attendance of committee members at all meetings reached 88%. 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, 2013, the Remuneration and Nomination Committee was composed as follows:

Marco HOFFMANN	Chairman
Peter FRANKENBERG	Member
Tim HARTMANN*)	Member
Stephan ILLENBERGER	Member
Werner ROOS*)	Member

*) with the Meeting of 2nd December 2013, Mr Werner Roos took the office of Mr Tim Hartmann

Executive Board

The Executive Board of Enovos International S.A. met 47 times in 2013.

In principle, the meetings are held on a weekly basis, either on Tuesdays or at the beginning of the week, and gather its four members as well as, depending on the agenda, a wide range of senior managers, convened by due notice. The Minutes of the meetings are drafted by the Secretary General 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 2013 were:

Romain **BECKER**, Co-Chairman
CEO Creos Luxembourg S.A.
Managing Director of Creos Deutschland GmbH

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

He passed his primary and high school in Luxembourg and graduated in electrotechnical engineering from the Eidgenössische Technische Hochschule (ETH) in Zürich (Switzerland). Romain Becker started his career in 1978 as Advisor to the Luxembourgish Government and as Government energy commissioner and, in 1996, was appointed first as member of senior management, then since 1997 as Chief Executive Officer (CEO) of Cegedel S.A. 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 joined at
romain.becker@creos.net.

Jean **LUCIUS**, Co-Chairman
CEO Enovos Luxembourg S.A.

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

He passed his primary and high school in Luxembourg and graduated in civil engineering in metallurgy from "Université de Liège" (Belgium). From 1989 to 1998, Jean Lucius held several senior manager positions in the steel industry group ARBED (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 Enovos Group, Jean Lucius was appointed to his current positions in July 2009.

Jean Lucius may be joined at
jean.lucius@enovos.eu.

Michel **SCHAUS**, Chief of Operational Support

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" from the University of Aix-Marseille III (France). Mr Schaus started his career in 1995 as an 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 Enovos Group). He is a 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 a commercial engineer from 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 of Finance Europe. Finally, he joined 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 Enovos Group, compliance with laws, regulation and high ethical standards is paramount.

A Code of Business Conduct, encompassing a whistleblowing system has been issued and updated, and submitted for signature to all employees of the core group companies. Besides, various policies have been issued and attended to in close cooperation between the Corporate Legal Department, the Internal Audit and the Risk Management Department of Enovos International S.A.: IT Security Policy, Travel Policy and Credit Card Policy, Insider Dealing Guidelines.

The Secretary General of Enovos Group has been entrusted with the role of Group Compliance Officer. His mission consists of:

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

For regulatory affairs in particular, Creos Luxembourg appointed a legal department also acting as compliance officer in charge of the "programme d'engagements" that monitors the actions of the grid operator in the context of unbundling principles.

The Group Compliance Officer is supported in his activities by a team of in-house lawyers, advising and assisting the management of the Enovos Group closely across day-to-day business on legal requirements and compliance issues. In this respect, in 2013, these activities encompassed 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 EEG-Novelle, French "loi NOME"...), as well as all legal and compliance issues linked to the issue of the corporate finance bond in July 2012.

The corporate legal department of Enovos International S.A. provides active support to the Group Compliance Officer on corporate law questions and compliance in general. This support consists i.a. in the review and update of internal policies, corporate documentation, code of ethics. In 2013, the corporate legal department performed a thorough analysis of the REMIT and EMIR regulation and its consequences for Enovos, contributed to the setting up of an implementation plan with the business units (Trading, Business IT, Risk Management) and provides strong support in the various implementation measures. In 2013, besides advising and assisting the Management of Enovos Group on legal matters in their day-to-day business, the corporate legal department has been involved in all major transactions of the Group like for instance the restructuring of the German supply entities' activities, M&A activities (in Luxembourg, Germany, Italy and Portugal), financing transactions (a 102 Mio EUR "German Schuldschein" and a 180 Mio EUR Revolving Credit Facility).

In addition to the corporate legal department of Enovos International S.A., legal advice is ensured at Enovos Deutschland SE level by a team of 4 in house lawyers, and independently for grid regulated activities at Creos level by in total 3 in house lawyers for Luxembourg and Germany.

External Audit

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

For the financial/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 organisation's operations. It helps the organisation 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 Group 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 plan is derived from an annual risk assessment. Internal Audit works in close relation with the Head of Group Risk Management.

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

The Group Internal Audit function was staffed by one person until the end of April. A second internal Auditor joined the team in May.

In 2013, the following areas have been audited in accordance with the annual audit plan: Asset Management, Sales and Marketing, Financial Management, Production and Exploration, Risk Management and Treasury and Cash Management.

Upon request of the Audit Committee, Internal Audit also performed an ad hoc audit on Customer Events and, on request of the Executive Committee, an ad hoc audit on Photovoltaic Plants in Italy and an ad hoc audit on Financial, Contractual and Organisational Management in Germany

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 quarterly follow-up audits performed to assess to which extent the management had implemented the planned actions from previous year internal audits. The Internal Audit function conforms to the standards and the code of ethics defined by the Institute of Internal Auditors (IIA).

Risk Management

Risk Management is defined as a systematic and transparent approach to give Senior Management a complete overview of the Group risks in order to improve the decision making process.

The risk management tool EAGLE, introduced in 2012, has further been developed and deployed. EAGLE establishes a common and harmonised risk assessment, allocation and mitigation. Moreover, it provides a consolidated and specific risk mapping and survey. Every manager and employee of the Group should have at his disposal an instrument to report a risk that he is aware of to a specific person, called the risk owner. The risk reporter and the risk owner should share the supervision and a possible mitigation action to the risk. In the global risk concept at Enovos, the risk Management includes security and environmental subjects, operational risks of any kind (technical, human, commercial, external, and other), specific energy market risks, as well as legal, regulatory and strategic risks. An appropriate risk reporting requires 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.

This objective is achieved through workshops organised by the Group Risk Management to introduce senior and middle management to the concepts of risk management and the use of EAGLE.

As of the end of 2013, about 250 risks were identified and reported in the risk management system.

This shows that the risk awareness at Enovos and Creos companies is present and that the risk culture has already been improved. A high number of reported risks is a good indicator for a high quality of risk detection and surveillance. While the main objective of the risk management is to help preventing and reducing the number and possible impact of incidents, the appreciation of success of such a mission reveals very difficult to establish.

In the area of the grid companies Creos, the risk management has been assured locally in Luxembourg and Germany by dedicated reporting processes. Group Risk Management coordinated, evaluated and supervised the various efforts and compiled all risks in the corporate risk management tool.

Enovos Luxembourg S.A. holds a monthly 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, regularly updated in 2013, 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 continued in 2013, the executive management analysed and restructured the provisions for proprietary trading and portfolio management activities. This exercise was accompanied by external advisors and will ensure 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 a 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, inclusive those situated abroad;
- the appropriate reporting of the activities performed by the Trading and the Portfolio-Management Departments, provided through their Middle Office services;
- the evaluation of the commercial counterpart and credit risks for upstream wholesale market contracts and positions, as well as for downstream major customer contracts;
- supervision of accurate implementation and reporting to the executive management.



Enovos Luxembourg S.A.

Corporate Governance Bodies

General Meeting of Shareholders

The shareholders of Enovos Luxembourg S.A. met once in 2013.

14th May 2013: 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.

In respect of Article 25.8 of the articles of association, the Chairman informed the shareholders about two potential conflicts of interest that were notified by two board members over the course of the year 2012.

Furthermore, the shareholders acknowledged the Management Reports and the Independent Statutory Auditor's Reports regarding the financial year 2012 and passed the following resolutions, all by unanimous votes:

- Ratification of the appointments of Mr Georges Reding and Mrs Geneviève Schlink as board member of Enovos Luxembourg S.A.
- Approval of the Annual Accounts 2012 and of their Notes
- Appropriation of the Net Profit 2012 and determination of the dividend at 2.10 €/share, totalling 10,014,824 €.
- Unrestricted discharge to the Directors on behalf of their office during the financial year 2012.

As of 31st December 2013, the shareholder list presents 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 4 times in 2013: on 15th March, 26th April, 27th September, and 29th November. All meetings were chaired by Mr Marco Hoffmann.

The average physical attendance of Board members at all meetings reached 88% (proxy not accounted).

The Secretary of the Board was present at all meetings. 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 addressed 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). There has been no conflict of interest stated by any Director in accordance with Article 15.5 of the articles of association.

As of 31st December 2013, 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
Guy LENTZ	Director
François KNAFF*)	Director
Geneviève SCHLINK*)	Director
- 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
Marc REDING	Director
Werner ROOS**)	Director
Johan VAN BRAGT	Director

Directors representing the Executive Management:

Jean LUCIUS	CEO & Director
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Directors representing the employees:

Luc DISWISCOUR	Director
Georges REUTER	Director

*) The nominations of Mr François Knaff and Mrs Geneviève Schlink were unanimously ratified in the Annual General Meeting dated 14th May 2013

**) Mr Werner Roos has been co-opted by the Board of Directors on 27th September 2013

Resigned from his office on 27th September 2013: Mr Tim Hartmann

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 and Chief Executive Officer (CEO) Mr Jean Lucius were appointed Executive Directors.

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). In 1992, Marco Hoffmann started his career 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. and Vice-Chairman of the Board 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. held one meeting in 2013.

Ordinary General Meeting of Shareholders held on 14th May 2013 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. 20 shareholders holding 9,801,303 shares (98.6%) were present or validly represented.

The shareholders acknowledged the Board of Directors' report on the activities in 2012 as well as the Auditors' report on the annual accounts for the year ended 31st December 2012 and then passed the following resolutions, all by unanimous votes:

- Approval of the annual accounts as at 31st December 2012
- Approval of the appropriation of profit
- Discharge of the Directors regarding their service during the fiscal year 2012
- Statutory nominations
Further to the proposal made by the Coordination Committee of Municipalities, Mr Jean Schiltz was appointed to the Board of Directors for the remaining term of office of his predecessor, Mr Fernand Schiltz.
- Determination of the remuneration of the Members of the Board of Directors
- Authorization for the company to acquire its own shares.

As of 31st December 2013, the shareholder list presents as follows, each share supporting an equal voting right except those held by Creos Luxembourg: see Table 2.

Table2

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)	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, Esch-sur-Sûre, Ettelbruck, Feulen, Frisange, Grevenmacher, Grosbous, 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.

Board of Directors

The Board of Directors met five times in 2013: on 14th March, 25th April, 24th July, 26th September and 28th November. The meetings were chaired by Mr Mario Grotz.

According to the law, the "Commissaire du Gouvernement à l'Energie" has the right to

attend, without voting right, the meetings of the Board of Directors of Creos Luxembourg S.A. that had been granted legal concessions as grid operator in Luxembourg. In 2013, Mr Tom Eischen attended the Board meetings in his capacity as Commissaire du Gouvernement à l'Energie.

The average physical attendance of Board Members at all meetings reached 83.0% (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 2013, 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
Marc LEONHARD	Director
Roland MICHEL	Director
Georges MOLITOR	Director
Anne VAN GOETHEM	Director*
Marco VALENTINY	Director

** At its meeting on 28th November 2013, the Board of Directors unanimously approved the co-optation of Mrs Anne VAN GOETHEM as Director of the company, in replacement of Mr Guy AREND, for the remaining term of office. The co-optation of Mrs VAN GOETHEM will be submitted to the shareholders for ratification at the next general meeting in accordance with Article 22.1 of the articles of association.*

- 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

- 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):

Manfred FESS	Director
Stephan KAMPHUES	Director
Mark LAUWERS	Director*

** At its meeting on 28th November 2013, the Board of Directors unanimously approved the co-optation of Mr Mark LAUWERS as Director of the company, in replacement of Mr François THOUMSIN, for the remaining term of office. The co-optation of Mr LAUWERS will be submitted to the shareholders for ratification at the next general meeting in accordance with Article 22.1 of the articles of association.*

- 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:

Jean SCHILTZ	Director*
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** At the ordinary general meeting of shareholders held on 14th May 2013, Mr Jean Schiltz was appointed to the Board of Directors for the remaining term of office of his predecessor, Mr Fernand Schiltz, further to a proposal made by the Coordination Committee of Municipalities.*

- 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 one or several Executive Director(s), whereby the Chairman is appointed as Executive Director.

Chairman Mr Mario Grotz and Chief Executive Officer (CEO) Mr Romain Becker were appointed Executive Directors.

Biographical Note on Mr Mario **GROTZ**,
Chairman of Creos Luxembourg S.A.:

Mario Grotz was born on October, 5th 1969
in Luxembourg.

Mario holds a master degree in Economies with
a special emphasize on Applied Statistics
(Université de Liège).

He started his career working for the Chamber of
Commerce and the Chamber of Craft, where he
acted as an advisor to SME's in areas concerning
business creation and business management.

In 2001, he joined the Ministry of Economy where
his main focus was on the evaluation of R&D
projects or programs implemented by the private
sector. From 2009-2012, he was appointed Head of
Directorate for Infrastructures and Technology.

Since 2012, he is the Director General for Research,
Intellectual Property and New Technologies,
responsible in particular for the development of
the technology based sectors in Luxembourg that
means, the cleantech sector, the biotech sector and
the ICT sector (including the space sector).

Additionally to his main task, he represents the
State of Luxembourg in different boards of private
companies. Since 2012, he is appointed President
of Board of Directors of the company CREOS.

Mario Grotz may be joined at
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Caring for tomorrow.

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