



**EUTELSAT COMMUNICATIONS SA  
INTERNAL RULES  
AND  
CORPORATE GOVERNANCE PRINCIPLES  
OF  
THE BOARD OF DIRECTORS**

APPROVED BY THE DECISION OF THE BOARD OF DIRECTORS  
ADOPTED ON SEPTEMBER 28, 2023

## Introduction

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The Board of Directors (the “**Board**”) of Eutelsat Communications SA (the “**Company**”), in a meeting held on September 21, 2005, resolved to adopt a first set of rules governing its internal affairs, which was then successively amended by the Board in its meetings held on December 22, 2005, December 18, 2007, November 10, 2009, November 10, 2010, July 30, 2012, November 7, 2013, February 16, 2016, November 8, 2017, June 25, 2019, June 18, 2020, January 14, 2021, September 9, 2022 and September 28, 2023 with effect on September 28, 2023.

The Board, each of its members, and in case they are legal entities, their permanent representative to the Board, shall observe and comply with applicable law and regulations (together the “**Applicable Law**”), the articles of association of the Company adopted on August 31, 2005 and amended from time to time (the “**Articles**”), this set of rules adopted on September 21, 2005 and amended from time to time (the “**Internal Rules**”) and the decisions regularly adopted by the Board. At the time of his/her appointment, each Director shall accept in writing to abide by the rules provided herein.

The Internal Rules are published on the Company's website.

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### 1. **MISSION OF THE BOARD**

The Board performs the tasks conferred by law and acts at all time in the corporate interest.

The Board endeavours to promote long-term value creation by the Company by considering the social and environmental aspects of its activities.

The Board determines the guiding principles of the Company's activities and operations as well as those of the entities owned or controlled by the Company (the “**Group**”) and oversees their implementation in accordance with Applicable Law and the Articles.

Without prejudice to the powers expressly invested in meetings of the shareholders, in accordance with the corporate purpose of the Company, and insofar as the Articles permit, the Board deals with all matters relating to the conduct of the business of the Company (including all matters concerning the overall industrial, commercial, financial, economic and strategic activities and operations) and of each entity owned or controlled, directly or indirectly, by the Company. The Board regularly reviews, in relation to the strategy it has defined, the opportunities and risks, such as financial, legal, operational, social and environmental risks, as well as the measures taken accordingly. To this end, the Board receives all of the information needed to carry out its task, notably from the executive officers.

The Board ensures the implementation of a mechanism to prevent and detect corruption and influence peddling. It receives all of the information needed for this purpose.

The Board also ensures that the executive officers implement a policy of non-discrimination and diversity, notably with regard to the balanced representation of men and women in the Company's governing bodies.

The Board decides all appropriate issues through its deliberations. It shall carry out the inspections and verifications which it considers appropriate.

The Board must be informed of the market developments, competitive environment and main issues, including in the area of social and environmental responsibility of the Company.

The Board leads the activities and operations of the Company and the Group in compliance with the terms and content of the letter agreement dated September 2, 2005 between the Company and the EUTELSAT IGO (the “**Letter Agreement**”).

The Chief Executive Officer (the “**CEO**”), the Deputy Chief Executive Officer(s) (the “**Deputy CEO(s)**”) or any empowered manager of the Company shall not enter into any transaction or take any decision listed in Annex A to these Internal Rules, unless the Board has approved such transaction or decision.

The CEO represents the Company in its dealings with third parties. She/he shall be vested with the most extensive powers to act on behalf of the Company in all circumstances (subject to the limitation in the Applicable Law, in the Articles and Annex A to these Internal Rules). The CEO shall exercise her/his powers subject to those expressly invested in meetings of the shareholders and the Board.

The Company shall be bound even by those acts of the CEO not covered by the corporate purpose of the Company unless it is able to prove that the third party was aware that the act exceeded this purpose could not ignore it in the light of the circumstances, the simple publication of the Articles being excluded from constituting this proof.

Provisions in the Articles and decisions of the Board limiting the powers of the CEO shall not be enforceable with respect to third parties.

In agreement with the CEO, the Board shall determine the scope and the term of the powers conferred upon the Deputy CEO(s). The Deputy CEO(s) shall have the same powers as the CEO with respect to third parties.

A director alone has no power or authority to represent the Company *vis-à-vis* third parties or to represent the Board.

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## 2. DIRECTORS' DUTIES

### 2.1. Qualifications

The Board collectively desires that each of its members be selected among professionals who have demonstrated a high level of skills and expertise from which the Company may benefit.

Each member of the Board (each a "Director") shall receive a "Welcome Book" which shall include at least a copy of the Articles, these Internal Rules, the *Corporate governance code of listed corporations* issued by AFEP and MEDEF last amended in December 2022 (the "**Afep-Medef Code**") and the *Guide d'application du Code Afep-Medef* as updated in June 2022 and shall acknowledge her/his full awareness of Applicable Law and the provisions contained in the foregoing.

Each Director shall have the following essential qualities:

- She/he should act in the corporate interest;
- She/he should have the ability to judge, in particular, situations, strategies and people, notably based on experience;
- She/he should have the capacity to anticipate, enabling the identification of risks and the strategic issues;
- She/he should be honest, attend regularly, be active and involved.

Regardless of personal qualities or abilities, each Director must act in the corporate interest of the Company; failure to do so may give rise to personal liability.

Accordingly, each Director shall be provided with information and, if she/he considers it to be necessary, training relating to the Company's specific features, its businesses and its business sector including as relates to the social and environmental aspects of its activities.

Each Director (and its permanent representative if such Director is a legal entity) shall not be (i) targeted by, or subject to Sanctions Regulations or (ii) involved in any activity that would be prohibited by Sanctions Regulations.

"**Sanctions Regulations**" means any economic or financial sanctions or trade embargoes or restrictive measures enacted, adopted, administered, imposed or enforced by the United States, the United Nations Security Council, the European Union, any European Union member state, the United Kingdom, the respective governmental institutions of any of the foregoing including but not limited to the French Republic through the Direction Générale du Trésor (DGT) or the US government through the Office of Foreign Assets Control of the US Department of Treasury (OFAC) or the Bureau of Industry and Security (BIS) of the US Department of Commerce or the United Kingdom through Her Majesty's Treasury (HMT) or any other similar authority enacting such measures, to the extent applicable.

## **2.2. Diligence**

Each Director must devote the necessary time, care and attention to her/his duties, and must consider when she/he accepts any new position or office whether she/he will still be able to fulfil this obligation. Unless she/he is genuinely unable to do so, she/he must attend all meetings of the Board and of any committees of which she/he is a member.

Each Director shall make her/himself available to become significantly involved through active participation in the Board's work and, as the case may be, membership of Board committees (see Clause 4 below).

Each Director is bound to request the appropriate information that she/he considers as necessary to perform her/his duties. Any information, other than routine or minor information, administrative inquiries and information provided in the context of the functioning of the Committees, received in this context by a Director will be promptly communicated by the Company to all other Directors.

Each Director shall attend the shareholders' meetings unless prevented from doing so due to illness or an international public travel ban.

Each Director shall have the opportunity to meet with the Company's top management, even in the absence of the executive officers; in such case, prior notice shall be given to the CEO and the other Directors who may also attend such meeting, including by video-conference or telecommunication. For the avoidance of doubt, the possibility for Directors to attend meetings with the Company's top management shall not apply to meetings held in the context of the functioning of the Committees.

## **2.3. Confidentiality**

In accordance with Applicable Law and Clause 15.5 of the Articles, each Director has a duty of confidentiality.

An individual, who sits on the Board as permanent representative ("*représentant permanent*") of a legal entity which is a Director, shall be bound by the same duty of confidentiality as if such individual were herself/himself a Director.

To the extent permitted by Applicable Law and the Afep-Medef Code, a permanent representative of a legal entity which is a Director may provide information he/she received during or outside the meetings of the Board or its Committees to such legal entity provided that:

- access to such information shall be permitted only for the purpose of the accomplishment of its duty of Director, in the Company's corporate interest;
- communication shall be limited to that portion of the information which is necessary for the purposes set out above;
- distribution shall be limited to the chief executive officer of such legal entity and to other individuals within the legal entity Director who strictly need to know such portion of information for the purposes set out above, provided that such entity (i) takes all useful measures (including the entering into confidentiality agreement) to ensure that strict confidentiality is maintained by all such persons and (ii) maintains a list of such persons and procures that such persons comply with Applicable Law relating to disclosure and use of inside information, as well as in particular Clause 10.3.

To the extent permitted by Applicable Law and the Afep-Medef Code, a Director who has been appointed upon the proposal of a shareholder pursuant to a shareholder's agreement in relation to the Company, and who is not an independent director may share information received in his/her capacity as a Director with such shareholder, provided that the relevant shareholder enters into a specific confidentiality agreement with the Company, satisfactory to the Company and reflecting the principles described in the paragraphs above, and provided that such communication complies with the rules relating to the communication and use of inside information, in particular Article 10.1 of Market abuse regulation n°596/2014, subject in any event to any situation of conflict of interest.

All matters addressed by the Board shall be considered as strictly confidential.

Subject to the above, the minutes and working documents of the Board shall remain strictly confidential and shall not be disseminated by any of its recipients to any third party or outside the Company. However,

extracts of the minutes or decisions of the Board may be released within the Company or outside on a strict need-to-know basis by the secretary to the Board (the “**Secretary**”).

#### **2.4. Conflicts of interest and related party agreements**

Directors may not pursue personal interests or advantages in business decisions. They shall disclose any personal interests, whether direct or indirect, in transactions or matters affecting the Company.

Conflicts of interests shall be avoided and, where unavoidable, shall be disclosed to the Company and managed transparently.

Each Director must inform the Board as soon as she/he becomes aware of any conflict of interests and must refrain from taking part in discussions and voting on any related resolutions. She/he must resign in the event of a permanent conflict of interests.

No one may be a Director if she/he has any direct or indirect relationship with any direct or indirect competitor of (i) the Company or (ii) any entity directly or indirectly controlled by the Company (the term “control” having the meaning ascribed to it by Article L. 233-3 of the French Commercial Code).

A Director in a situation of conflict of interests shall abstain from participating in the debate and shall abstain from voting on any matter relating directly or indirectly to any agreement or any matter in which she/he has a direct or indirect interest which conflicts or may conflict with the interests of the Company. Furthermore, such Director shall not be taken into account for the purpose of meeting the quorum and majority requirements.

#### **2.5. Limitation of the number of corporate positions**

Applicable Law and the Afep-Medef Code forbid individuals from simultaneously holding more than a certain number of positions on supervisory boards, boards of directors, management boards, or as chief executive officer of French or foreign companies.

In summary, the current limitations contained in the Afep-Medef Code are the following:

- any executive officer may not hold more than two (2) other directorships in listed companies (whether in France or abroad), unless within the same Group; such executive Director shall seek the Board prior approval before accepting any new directorship in a listed company;
- any Director may not hold more than four (4) other directorships in listed companies (whether in France or abroad), unless within the same Group.

It is reminded that the current limitations provided by Applicable Law are the following:

- the CEO may not hold any other office of CEO in French companies (whether listed or not), save that she/he can hold one (1) additional office in a company (whether listed or not) which is controlled by the Company;
- any non-executive officer may not hold more than five (5) non-executive directorships in French companies (whether listed or not), save that she/he can hold additional offices in other companies (whether listed or not) which are controlled by the Company, and it being stated that five (5) non-executive directorships in non-listed sister companies account for only (1) non-executive directorship;
- any individual may not hold more than five (5) corporate positions (*mandat social*) in French companies (whether listed or not), save that he/she can hold additional positions in other companies (whether listed or not) which are controlled by the Company, and it being stated that the position of CEO and director in the same company counts for one (1) corporate position.

Upon appointment, each Director shall disclose all then current board positions or other corporate positions (including in board committees) in France and abroad and shall keep the Board informed by notifying the Chairman and the Secretary of any changes and co-operating with Chairman and the Secretary (as such terms are defined below) in the preparation of the Board’s annual report on its activities, as envisioned under Applicable Law. All Directors have the duty to keep themselves informed of any regulatory changes in this respect. The Secretary (see Clause 6 below) is available to provide the Directors with any information they may need in this regard.

## **2.6. Termination of employment in case of appointment as Chairman or CEO**

When the appointment of a senior executive within the Group as Chairman and/or CEO of the Company is contemplated, she/he shall terminate her/his employment contract before appointment, whether through contractual termination or resignation.

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## **3. COMPOSITION OF THE BOARD**

### **3.1. Guiding principles**

The Board shall consider what would be the desirable balance within its membership and within the membership of its committees. It shall take the appropriate actions to comply with the recommendations contained in the Afep-Medef Code in relation thereto.

### **3.2. Independent Directors**

At least fifty (50) percent of the Directors on the Board shall be independent.

A Director is considered independent when she/he is not in a position likely to raise a risk of conflict of interest, that might affect her/his business judgment. To evaluate the independence of a Director, the Board will take in consideration the following points:

- she/he is not and has not been during the last five (5) years:
  - an employee or executive officer (*dirigeant mandataire social exécutif*) of the Company, or
  - an employee, executive officer (*dirigeant mandataire social exécutif*) or director (*administrateur*) of a company that it consolidates, or
  - an employee, executive officer (*dirigeant mandataire social exécutif*) or director (*administrateur*) of its parent company or of a company that its parent company consolidates;
- she/he is not an executive officer of a company in which the Company holds a directorship, either directly or indirectly, or in which an employee appointed as such, or an executive officer of the Company (current or former during the last five (5) years) is a director;
- she/he is not or is not bound, either directly or indirectly, to a customer, supplier, investment / commercial banker or consultant, that is material for the Company or the Group, or for which the Company or the Group represents a significant part of its activity;
- she/he is not related by close family ties to a company officer;
- she/he has not been a statutory auditor of the Company during the last five (5) years;
- she/he has not been a Director of the Company for more than twelve (12) years. The loss of the independence occurs on the date of the twelve (12) years.

The Chairman who is not an executive officer may not be considered as independent if he/she receives variable remuneration in cash or securities or any other remuneration based on the performance of the Company or its group.

The Board may consider that, although a particular Director meets all the above criteria, she/he is not independent owing to specific circumstances; and conversely, the Board may consider that a Director who does not meet the criteria is nevertheless independent.

The Board must, upon the motion of the NGC review, each year, individually the position of each Director on the basis of the above independence criteria. The Board must communicate its conclusions to shareholders in the report on corporate governance (including the analysis related to the material or significant character of the relationship contemplated in the third item above and the qualitative and quantitative criteria analysed – continuity, economic dependence, exclusivity, etc.) and to the Shareholders' meeting when the Directors are appointed.

### **3.3. Gender Parity**

With regard to gender parity, the proportion of both female and male Directors shall be at least 40% of the Directors.

### 3.4. Nationalities

The membership of the Board shall reflect a diversity of nationalities among its members.

### 3.5. Age limit

No individual may be appointed Director if he/she is over the age of 70 and her/his appointment would cause the number of Directors who have attained the individual age limit to represent at least one third of the total number of Directors. If this proportion is reached, the term of office of the oldest Director shall automatically terminate at the time of the shareholders' annual ordinary general meeting convened to approve the financial statements of the Company, taking place after the date on which such oldest Director shall have reached the age limit.

### 3.6. "Censeur"

In accordance with Clause 16.3 of the Articles and Annex I of the Letter Agreement mentioned above, the *Censeur* is the Executive Secretary of the IGO.

The *Censeur* is to be called and may attend any Board meeting and express her/his views on any item in the agenda but shall not take part in the vote of any decisions. The provisions of Clause 2.4 (*Conflicts of interest*) shall apply *mutatis mutandis* to the *Censeur*.

The *Censeur* is not taken into account in determining the quorum of a given meeting of the Board.

The *Censeur* shall have the same information and the same documentation as the Directors for preparation of the Board meetings, as said information and documentation shall be sent concurrently to the Directors and the *Censeur*.

In case of vacancy or resignation of the *Censeur*, her/his replacement shall be made pursuant to Clause 16.3 of the Articles.

### 3.7. Observer(s) ("Observateur(s)")

Pursuant to an agreement dated July 9, 2018 relating to employee representation of the Eutelsat SA Workers' Council (*comité social et économique* – "CSE") on the Board which superseded the prior agreement dated November 8, 2007, a maximum of two (2) individuals, designated by the said Workers' Council in accordance with its rules and procedures, may attend any Board meeting and express views on any item in the agenda (the "**CSE Observer(s)**"). The CSE Observer(s) shall be designated from among the following categories, namely one from the category "*cadres*" and the other from the category "*non cadres*".

Pursuant to a shareholder agreement, dated 18 August 2023 (the "**Shareholders' Agreement**"), entered into amongst others, between, the Company, UK Government and Bpifrance Participations, and in their capacity of public or publicly held entities instrumental in the combination with OneWeb, each of Bpifrance Participations and the UK Government shall benefit from the following.

To the extent that the UK Government is the legal and beneficial owner of the B ordinary share in OneWeb, in the event that the number of shares held in the Company by the UK Government and its affiliates falls below a number of shares equal to 7.5% of the total number of shares in issue immediately following the shareholders' meeting of the Company held on 28 September 2023 (rounded down to the nearest whole share, such percentage of shares being adjusted from time to time to take account of any (x) reduction in the number of shares held by the UK Government as a result of any reorganization of the share capital of the Company, whether by way of a share consolidation, a reduction in the share capital following a capital reduction or otherwise and (y) increase in the number of shares held by the UK Government as a result of any stock split, allocation of free shares), the Board shall authorize one nominee designated by the UK Government to attend any Board meeting (the "**UK Government Observer**") until the earlier of (i) the expiry of a period of three years from the first date on which the number of shares in the Company held by the UK Government falls below the above number (the potential renewal of such UK Government Observer to be discussed in good faith between the UK Government and the Board at least six (6) months before the end of such term) and (ii) the date on which the UK Government is no longer the legal and beneficial owner of the B ordinary share in OneWeb.

In the event that the number of shares held in the Company by Bpifrance Participations and its affiliates falls below 7.5% of the share capital of the Company, the Board shall authorize one nominee designated by Bpifrance Participations to attend any Board meeting (the “**BPI Observer**”) until the expiry of a period of three years from the first date on which the number of shares in the Company held by Bpifrance Participations and its affiliates falls below the above percentage (the potential renewal of such BPI Observer to be discussed in good faith between Bpifrance Participations and the Board at least six (6) months before the end of such term).

During his/her term of office, each of the UK Government Observer and the BPI Observer will be allowed to express his/her views on any item on the agenda. By exception, each of the UK Government Observer and BPI Observer shall abstain from participating in the debate relating to any matter for which there would be a conflict between the interest of the UK Government or Bpifrance Participations (as applicable) or his/her own interest on the one hand and the interest of the Company on the other hand. In addition, each of the UK Government Observer and the BPI Observer may only be Observers if:

- he/she does not have any direct or indirect relationship with any direct or indirect competitor of (i) the Company or (ii) any entity directly or indirectly controlled by the Company (the term “control” having the meaning ascribed to it by Article L. 233-3 of the French Commercial Code) and
- is not (i) targeted by, or subject to Sanctions Regulations or (ii) involved in any activity that would be prohibited by Sanctions Regulations.

The CSE Observers, the UK Government Observer and the BPI Observer are hereinafter referred to as the “**Observers**”. Observers are not taken into account in determining the quorum of a given meeting of the Board.

Subject to the exceptions above, Observers shall be called to and may attend meetings of the Board of Directors and express his/her/their point of view on any item on the agenda but may not take part in the voting.

Observers may not be represented at a meeting of the Board of Directors, unless, in case of an impossibility to attend a meeting, with the approval of the Chairman.

The Observers shall have the same information and the same documentation as the Directors for preparation of the Board meetings, as said information and documentation shall be sent concurrently to the Directors and the Observers.

All the information brought to the attention of the Observer(s) in connection with their duties shall be considered strictly confidential and each shall be bound to the same obligations as the Directors (unless such information has fallen into the public domain, other than as a breach by any such Observer of its confidentiality obligations; for the avoidance of doubt, the Observers will not benefit from the rights offered by the third and fourth paragraphs of Clause 2.3 (*confidentiality*) which are offered to Directors only). Each Observer shall so accept in writing prior to attending its first Board meeting. It is acknowledged that the CSE Observers may communicate such information to the Workers’ Council of Eutelsat SA for the purpose of an information/ consultation process envisioned by Applicable Law: in these circumstances, the duty of strict confidentiality shall be waived only to the extent necessary for the consultation process.

No confidential information may be disclosed to a third party by the Observers without first having been authorized by the Chairman or the CEO.

For the application of this clause, any person who does not belong to the Company’s Board shall be considered a third party.

In case of vacancy or resignation of (i) a CSE Observer, her/his replacement shall be made by the Eutelsat SA Workers’ Council in accordance with its rules and procedures and (ii) the UK Government Observer or the BPI Observer during his/her term of office as described above, her/his replacement shall be made by the Company’s Board upon proposition of the UK Government with respect to the UK Government Observer or Bpifrance Participations with respect to the BPI Observer.



### 3.8. **Permanent Invitee (“Invité permanent”)**

For the purposes of the success of the integration of OneWeb and the achievement of the associated synergies and as long as OneWeb is an entity of the Group, the chief executive officer of OneWeb (the “**Permanent Invitee**”) is a permanent invitee to all meetings of the Board and shall be convened to such meetings at the same time as the Directors.

The Permanent Invitee shall have the same information and the same documentation as the Directors for preparation of the Board meetings, as said information and documentation shall be sent concurrently to the Directors and the Permanent Invitee.

The Permanent Invitee shall be bound by the confidentiality provisions provided for under these rules as if he/she was a Director (for the avoidance of doubt, he will not benefit from the rights offered by the third and fourth paragraphs of Clause 2.3 (*confidentiality*) which are offered to Directors only), and shall so accept in writing prior to attending its first Board meeting.

The Permanent Invitee may attend any Board meeting and express her/his views on any item in the agenda but shall not take part in the vote of any decisions.

By exception to the preceding paragraphs:

- the Permanent Invitee shall neither attend nor participate in the parts of (i) any Board meetings which relate to the governance of the Group and/or the determination of the compensation of the Chairman, CEO, Deputy CEO and/or Board members and (ii) to any Non-Executive Session ; and
- if the Board determines that the Permanent Invitee is in an actual or potential situation of conflict of interests, the Permanent Invitee shall not (i) attend and participate in the debate relating to any such matters for which there would be a potential or actual conflict of interest as determined by the Board and (ii) receive the information and documentation sent to the Directors in relation to such matters.

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## 4. **BOARD COMMITTEES**

### 4.1. **Creation of Committees by the Board**

The Board may create from time to time, on an *ad hoc* or permanent basis, internal committees (the “**Committee(s)**”) and shall define their chairperson, membership, duties and operations. In particular, there shall be an Audit, Risk and Compliance Committee (“**ARCC**”), a Nomination & Governance Committee (“**NGC**”), a Compensation Committee (“**CC**”), a Strategy Committee (“**SC**”) and a Corporate Social Responsibility Committee (“**CSRC**”). The role of any such Committee shall be to examine and prepare matters to be put to the Board, and to present their opinions, proposals and recommendations for the matters within their scope of competence.

The Board may not transfer or allocate its supervision and its decision-making powers to a Committee. A Committee may not have any responsibility over the day-to-day business of the Company.

Neither the creation of a Committee, nor its deliberations or observations may release or negate the liability of the Board members with respect to its duties and tasks as defined by Applicable Law or in the Articles or in Annex A of these Internal Rules.

The Board shall appoint the chairperson of each Committee, on the recommendation of the NGC, and such chairperson shall be, for each Committee, an independent Director. Each Committee shall appoint its secretary or the secretary of the Board as its secretary.

#### **4.2. Duties of the Committees**

The general scope of duties of the ARCC, the NGC, the CC, the SC and the CSRC are described respectively in Annexes B, C, D, E and F, as adopted at the time of the creation of these Committees and amended from time to time.

#### **4.3. Operation of the Committees**

In the performance of their duties, and after informing the Chairman and the Vice-Chairman, the Committees may conduct or commission at the Company's expense any studies that may be useful for Board decisions and may also interview Group executive officers and the auditors, after informing the Chairman, if she/he is not an executive officer, and the executive directors. They shall report back to the Board on the opinions obtained.

The chairperson of each Committee may invite persons deemed relevant to attend its meetings.

In the event of Committees requesting the services offered by external consultants, they must ensure that the consultant concerned is objective.

Each Committee shall draw up internal rules defining its responsibilities and powers and the method of operation, which shall be approved by the Board.

The chairperson of each Committee shall report to the Board on its work, opinions, proposals and recommendations so that the Board is duly informed. A description of the Committees' activities shall be included each year in the report on corporate governance.

#### **4.4. Membership**

Committees shall be composed only of Directors, designated by the Board.

(i) As concerns the ARCC:

The proportion of independent Directors shall be at least equal to two thirds (66.66%) and shall not include any executive officer;

The ARCC members shall be qualified in finance and/or accounting, and at the time of their appointment, they shall be provided with information relating to the Company's specific accounting, financial and operational features;

The chairperson of the ARCC shall be an independent Director;

The appointment and extension of the term of the chairperson of the ARCC is proposed by the NGC committee and approved by the Board.

(ii) As concerns the NGC:

The NGC shall have a majority of independent Directors and shall not include any executive officer;

The chairperson of the NGC shall be an independent Director;

The CEO (*directeur général*) shall be involved with the work of the NGC. If the Chairman is not the CEO, the Chairman can be a member of the NGC.

(iii) As concerns the CC:

The CC shall have a majority of independent Directors and shall not include any executive officer;

The chairperson of the CC shall be an independent Director.

(iv) As concerns the SC:

The chairperson of the SC shall be an independent Director.

The SC will include at least 50% of independent Directors.

The CEO shall be involved in the work of the SC.

(v) As concerns the CSRC:

The CSRC shall have a majority of independent Directors and shall not include any executive officer;

The chairperson of the CSRC shall be an independent Director;

The CEO shall be involved in the work of the CSRC.

Any member of any Committee shall be automatically dismissed or shall automatically resign in case of dismissal or resignation from her/his membership of the Board. Any member of a Committee who resigns or is dismissed from her/his membership from a Committee may be replaced by another Director (who shall have declared herself/himself a candidate) designated by the Board.

The Board shall define the number of independent Directors who shall sit on each Committee, provided that the minimum number of independent Directors to sit therein (as mentioned above) is satisfied. The renewal or extension of the term of office of the chairperson of each committee is proposed by the NGC and approved by the Board.

The existence of cross-directorships in the Committees should be avoided. The term cross-directorships refers to a situation where a Company officer (*dirigeant mandataire social*) is appointed to a committee of the board of another company and, conversely an officer (*dirigeant mandataire social*) of this other company sits at the corresponding Committee of the Company.

The members of a Committee may be dismissed or replaced at any time by a decision of the Board. The Board may dissolve any Committee at any time by a simple majority decision.

Each of the Chairman of the Board and the Vice-Chairman may attend any Committee meeting without any voting right for the Committee(s) where he/she is not member thereof, except with respect to the ARCC and CC, if she/he is also an executive officer, in which case he/she may only attend any such meetings upon invitation by the relevant chairperson.

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## **5. THE CHAIRMAN OF THE BOARD – VICE-CHAIRMAN OF THE BOARD**

### **5.1. Appointment, dismissal and resignation of the Chairman**

The Board shall appoint a chairman (“**Chairman**”) from among its independent members (except in the context of a succession plan where it is contemplated that the CEO leaves his/her position as a CEO and becomes Chairman), by a simple majority. The term of office of the Chairman shall be as provided in Clause 17.1 of the Articles.

The Chairman may submit her/his resignation to, or may be dismissed as Chairman by, the Board at any time. The appointment of the Chairman shall be immediately terminated if the Chairman resigns or is dismissed or is not renewed to her/his Board membership.

In case of resignation or dismissal of the Chairman, the Board shall appoint a new Chairman, no later than at its next meeting following such resignation, dismissal or renewal.

### **5.2. Duties of the Chairman**

The Chairman shall chair the meetings of the Board. She/he shall exercise the powers of her/his office in accordance with Applicable Law, the Articles and these Internal Rules.

The Chairman is more specifically in charge of:

#### **Leadership of the Board**

- Lead the Board and conduct of the Board's function, including briefing of all Directors in relation to issues arising at Board meetings;
- Together with the Board and the Committees Chairs, enable the Company to fulfil its governance function;
- Plan Board meetings for the two following years and prepare agendas of Board meetings, in coordination with the CEO and the Vice-Chairman (the Chairman making the final decisions on those aspects), ensuring that all relevant issues are on the agenda and that all Directors (and the *Censeur*,

the Permanent Invitee and the Observers) receive timely, relevant information to enable them to effectively participate in the Board (and Committee) meetings;

#### Convene Board meetings

- May convene Board meetings as deemed necessary;
- Preside each Board meeting and make sure all Directors can voice their opinion; solve differences between Directors, facilitate the decision process;
- Ensure that each Director fully participates in the Board's activities — facilitating the effective contribution of all Directors and promoting constructive and respectful relations between Board members and Management;

#### Organize strategic discussions

- Submit decisions to the vote of the Board;
- Recommend to the Board for consideration the membership and functions of Committees of the Board, in liaison with the Chairperson of the NGC;
- Ensure robust communication between Board Committee chairs and as needed with individual Directors;
- Conduct assessment of the Board and, if decided by the Chairman and the Board, have a third-party review, meet with all the Board members to get their input on this review, in liaison with the Chairperson of the NGC;
- Add credibility and weight to the Board of Directors.

#### Succession of the CEO

- Lead the Board during an unexpected or forced CEO transition;
- Supervise the CEO succession.

#### Support of the CEO for external contacts and strategy

- Organize strategic sessions in coordination with the CEO;
- Serve as a mentor and sounding Board for the CEO on issues to be presented to the Board, on feedback from the executive sessions of the independent Directors, and on issues facing the Company;
- Be available to connect with the shareholders who wish to have a direct contact with the Chairman;
- Be entrusted with shareholder relations as relates to the Board, particularly with regard to corporate governance topics;
- Support the CEO with external parties, where appropriate.

### **5.3. Absence of the Chairman from meetings**

In the absence of the Chairman, the Board shall be chaired by the Vice-Chairman. In the absence of the Vice-Chairman or if no Vice-Chairman has been appointed the Board shall appoint any attending Director to be chairman for the duration of that meeting only. Such appointment shall be made by a simple majority vote.

### **5.4. Vice-Chairman**

The Board may appoint a Vice-Chairman from among its members by a simple majority (the “**Vice-Chairman**”). The Vice-Chairman shall chair the Board in the Chairman's absence.

The Vice-Chairman assists and supports the Chairman, upon the Chairman's request, in performing the Chairman's missions, with a view to promoting the good functioning of the Board.

The Vice-Chairman is consulted by the Chairman to set the agenda of the Board meetings. He/she may also be consulted on any other item the Chairman thinks fit.

The Vice-Chairman may submit his/her resignation from his/her function of Vice-Chairman to the Board, or may be dismissed as Vice-Chairman by the Board at any time. The appointment as Vice-Chairman shall be immediately terminated if the Vice-Chairman resigns or is dismissed or is not renewed to her/his Board membership.

In case of resignation or dismissal of the Vice-Chairman, the Board may appoint a new Vice-Chairman, as early as its next meeting following any resignation, dismissal or renewal.

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**6. MEETINGS OF THE BOARD**

**6.1. Frequency and convening of the Board meetings**

The Board shall normally meet at least every three (3) months, to review the activities of the Company and to consider any matters on the agenda.

The Board may hold additional meetings at any time upon due notice pursuant to Clause 15.1 of the Articles.

Board meetings are convened by the Chairman.

Upon request of one third of the Directors (the “**Requesting Directors**”), or upon request of the CEO, the Chairman shall convene a Board meeting on a specific agenda proposed by the Requesting Directors or the CEO (as applicable). If the Chairman has not convened a Board meeting within 15 days following the request made by one third of the Directors, such Requesting Directors may together directly convene a Board meeting on the specific agenda they initially requested.

The convening notice may be made in any form, including through electronic means or orally and shall specify the date, time, place and agenda of the meeting within a five (5) day notice period (inclusive of the day on which the notice is made and the day on which the meeting is to be held), except in case of exceptional circumstances. By exception, where the Requesting Directors directly convene the Board in accordance with the preceding paragraph, the convening notice may only be made in writing (including through electronic means), and shall otherwise comply with the preceding sentence.

**6.2. Inclusion of items on the agenda**

The agenda of the meeting is determined, in consultation with the Vice-Chairman, by the Chairman (or the Requesting Directors in accordance with and subject to the provisions of Clause 6.1).

Any Director may request the Chairman to include additional items on the agenda; all Directors will be promptly notified of the addition of any such new item(s).

All such requests must normally reach the Chairman and the Secretary no later than two (2) days before the meeting, must be accurately entitled and must state concisely the nature of the proposal and the reason why it should be considered at the meeting.

**6.3. Documentation for the meetings**

The Secretary shall provide the Board members with any information which is relevant to the agenda of such meeting, including any documentation (whether in final or draft form) to be submitted to the Board and, by any means (including dematerialized documents).

Documentation for the meeting shall normally be provided with the relevant convening notice.

The Secretary is specifically in charge of providing the Board members with any relevant documentation to prepare the meeting in due time.

In addition, the Company may provide the Board members with IT devices (including hardware and software) in order for them to receive convening notices and documentation and prepare the meeting through electronic means. The Board members undertake to return the device to the Secretary, at the time they cease their functions for any reason whatsoever.

Directors must request and are entitled to receive from the Chairman or the CEO, (or the Requesting Directors in case a Board meeting is convened in accordance with and subject to the provisions of Clause 6.1, to the extent such information or document concern such Requesting Directors) any additional information or document which they consider useful or necessary for the carrying out of their duties. Any additional information or document provided as a result of such request must be received by all Directors.

Directors may be entitled to meet the main managers of the Company, including without the presence of the executive officer. In such a case, such executive officer must be informed in advance.

#### **6.4. Place of the meetings**

The place of the meeting of the Board shall be specified in the convening notice. The meetings of the Board shall take place at the registered office of the Company, unless specified otherwise in the convening notice.

#### **6.5. Video-conference and telecommunication attendance at meetings**

If requested by one or more Directors, the *Censeur*, one or more Observers and/or the Permanent Invitee, the Chairman shall make available attendance by video-conference or telecommunication enabling identification. Directors, the *Censeur*, the Observers or the Permanent Invitee must submit any such request early enough to allow the arrangements to be made.

In such case, the Directors, the *Censeur*, the Observers and/or the Permanent Invitee wishing to make use of a video-conference or telecommunication connection shall be given special, individual notice with the relevant information.

For the calculation of the quorum and the majority and in accordance with Applicable Law, Directors who participate in a Board meeting by video-conference or telecommunication are taken into account and considered present.

Any Director attending a meeting via video-conference or telecommunication may represent another Director provided the Chairman has received the proxy form from the Director being represented by the date of the meeting.

Unless otherwise permitted by Applicable Law, attendance by video-conference or telecommunication is not applicable for the adoption of the resolutions of the Board as set forth in Articles L. 232-1 and L. 233-16 of the French Commercial Code, relating to:

- The closing of the annual accounts and the Board report;
- The closing of the consolidated accounts and the Board report on the consolidated accounts.

When the meeting is not held at the registered office of the Company, the Chairman shall take the necessary measures to ensure that the Directors, the Permanent Invitee, the Observers and the *Censeur* wishing to attend that Board meeting may do so by means of video-conferencing or telecommunication.

Any Board attendee who attends a Board meeting by video-conference or telecommunication agrees to inform the participants at the beginning of the meeting of the presence of any person in her/his surroundings who could hear or see the deliberations of the Board. This provision applies also to telephone calls made or received by each of the participants by video-conference or telecommunication.

An attendance register shall be kept, which shall be signed by all Board members participating in the meeting, and it shall mention, if applicable, the participation of Board members by video-conference or telecommunication.

If applicable, the Secretary shall record the name of Board members attending by video-conference or telecommunication and indicate next to their names the comment "in attendance by video-conference/telecommunication" (as appropriate).

Board members who have participated in one or more Board of Directors' meetings via video-conference or telecommunication must, at least once a year, sign the attendance register for the Board meeting next to the comment "in attendance by video-conference/telecommunication (as appropriate)" that the Secretary has indicated next to their names.

In the event of failure of the video-conferencing or telecommunication facilities, duly recorded by the Chairman, the Board may validly transact business and the meeting may proceed with the members who are physically present in the meeting room only, provided the quorum requirements are still satisfied. The occurrence of any technical problem that disturbs the smooth running of the meeting shall be noted in the minutes, as shall the suspension and resumption of participation via video-conference or telecommunication.

Any Director or the *Censeur*, or any of the Observers and or the Permanent Invitee attending via video-conference or telecommunication who is no longer considered present at the meeting because of a technical failure may authorize a Director physically present in the meeting room to represent her/him, provided

she/he informs the Chairman of such delegation. She/he may also give prior notice of delegation, stipulating that this shall only take effect if a technical failure prevents her/him from being considered present at the meeting.

#### **6.6. Quorum and representation**

The Board may validly meet provided that at least half of the Directors in office are present (in person or by video-conference or telecommunication, with the exception of the resolutions related to the accounts as defined in Clause 6.5 above).

Any Director may authorize any other Director to represent her/him at a Board meeting and to vote on her/his behalf on the items set forth in the agenda of the meeting.

Such authorization shall be in writing and a copy shall be sent to the Secretary.

A Director shall not represent more than one other Director.

#### **6.7. Deliberations**

The deliberations and decisions to be taken shall normally be strictly limited to the items put on the agenda of the meeting by the Chairman, the Requesting Directors in accordance with and subject to the provisions of Clause 6.1, or requested by any Director no later than two (2) days before the meeting, as specified in Clause 6.2 above.

However, under exceptional circumstances and following agreement of the Chairman or the majority of the Directors, the Board may examine any other items or issues raised during the meeting by any Director, including the Chairman and the Vice-Chairman.

#### **6.8. Prior opinion and/or information of the Security Committee**

- (i) The Company has established a Security Committee ("**Security Committee**") which role is to ensure that the Company complies with its obligations relating to certain sensitive activities of the Company (in particular in the defense and telecoms sectors and also including some that are conducted for the benefit of the European Union), the protection of sensitive information in relation thereto and provide the Board with opinions in this respect.
- (ii) The scope of duties of the Security Committee as well as the rules regarding its composition and functioning are described in the internal regulations of the Security Committee to be approved by the Board. Any amendment to the internal rules of the Security Committee is subject to the Board's prior approval.

#### **6.9. Voting**

Each Director shall have one vote, except when a Director is entitled in writing to represent and vote on behalf of another Director, or when a Director is deprived of her/his voting right or shall abstain from voting because of a conflict of interest, as detailed above.

Decisions of the Board shall normally be taken with a simple majority of vote of the Directors present or represented (except when specifically provided otherwise). In the event that there is no majority, the Chairman shall cast the deciding vote.

Votes shall be taken by a show of hands.

#### **6.10. Written consultation**

Pursuant to Article 15.1 of the Articles, the Chairman (or the Requesting Directors in accordance with and subject to the provisions of Clause 6.1) may opt for decisions of the Board to be taken by written consultation in specific instances as provided for by law, which at this time are as follows:

- the co-optation of Directors;

- authorizations related to issuing securities, endorsements and guarantees (*cautions, avals et garanties*) referred to in Article L. 225-35 of the French Commercial Code;
- modifications to the Articles to bring them into conformity with legal and regulatory provisions;
- the convening of the shareholders' meeting; and
- the transfer the Company's registered office within the same department.

In such instance, the Chairman (or the Requesting Directors in accordance with and subject to the provisions of Clause 6.1) shall send to each director, by registered letter with acknowledgement of receipt, by hand-delivered letter with acknowledgement of receipt or by e-mail with request for acknowledgement of receipt, the text of the decisions submitted to their vote, a voting form as well as all the documents necessary for their information (the "**Consultation Notice**"). The date of receipt of the Consultation Notice shall be the date of first presentation in case of registered letter, the date of hand delivery or the date of acknowledgement of receipt of the e-mail (a delivery receipt generated by the IT systems will be deemed an acknowledgment of receipt of the email for the purposes hereof).

The written consultation procedure shall be terminated if at least one third of the Directors requests the Chairman (or the Requesting Directors in accordance with and subject to the provisions of Clause 6.1), within three (3) calendar days of receipt of the Consultation Notice, that the Board deliberates in a meeting on these draft decisions.

Directors have seven (7) calendar days as from the receipt of the Consultation Notice to express their vote and send back their voting form by registered letter with acknowledgement of receipt, by hand-delivered letter with acknowledgement of receipt or by e-mail with request for acknowledgement of receipt. A Director who has not expressed his/her vote within seven (7) calendar days following the date of receipt of the Consultation Notice shall be deemed to have abstained from voting.

Decisions shall be recorded in minutes drawn up in accordance with Clause 6.12 below. The voting forms shall remain attached to the minutes.

#### **6.11. Working language**

All meetings of the Board shall be conducted in English (or in French if all of the Directors who are present at the Board meeting are French speakers) and documents relating to such meetings shall be prepared in English, unless Applicable Law requires otherwise.

#### **6.12. Minutes of the meetings**

Minutes of the Board's deliberations and decisions shall be drafted by the Secretary and issued to all Directors for review.

They shall be submitted for approval by the Board at its next meeting.

The minutes shall be written in French and in English. However, in case of conflict, the French version shall prevail.

The French version of the approved minutes shall then be recorded on the official books of the Company.

#### **6.13. Attendance by non-members of the Board**

The Deputy CEO(s) and the Chief Financial Officer shall normally attend and participate in all meetings, unless the Chairman requests otherwise.

Upon request of the Chairman, either the Group's expert staff or external participants may attend parts of the meetings of the Board in order to make presentations to the Board or otherwise to assist the Board in specific matters.

Upon request of the chairman of each Committee, either the Group's expert staff or external participants may attend parts of the meetings of the respective Board Committees in order to make presentations to the respective Board Committees or otherwise to assist in the respective Board Committees on specific matters.



#### **6.14. Secretary to the Board**

Upon proposal of the Chairman, after consultation with the Vice-Chairman, the Board shall nominate a Secretary. The Secretary may be dismissed at any time by the Board. The Secretary need not be a Director.

The Secretary shall, notably:

- prepare, from a legal and logistic point of view, all the meetings of the Board and in particular, hold the register of attendance for the meetings;
- draft the minutes of the meeting;
- certify any extracts or decisions of the Board, upon delegation;
- propose a yearly meeting schedule to the Board, for the Board and for Committees;
- ensure the implementation of these Internal Rules;
- organize the payment of the Board members' compensation and the repayment of attendance costs, in accordance with the appropriate decision of the Board.

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### **7. THE CHIEF EXECUTIVE OFFICER**

#### **7.1. General management**

The general management of the Company shall be assumed, under her/his responsibility, either by the Chairman, or by another individual appointed by the Board and bearing the title of CEO.

The Board shall choose between the two methods of exercise of the general management at any time and, at least, at each expiry of the term in office of the CEO or the Chairman when she/he also assumes the general management of the Company.

The resolution of the Board as to the choice of the method of exercising the general management shall be made by a majority of vote; the Chairman's vote shall not be decisive.

#### **7.2. Mission and powers**

The mission of the CEO is to manage the Company and to implement the Board's decisions, under the supervision and control of the Board.

The CEO is the legal representative of the Company *vis-à-vis* third parties and acts in the name and on behalf of the Company in all circumstances.

The CEO is vested with overall management power over the Company, subject to the limitations set forth in Applicable Law, in the Articles and Annex A to these Internal Rules (these limitations being however not enforceable *vis-à-vis* third parties).

The CEO may delegate her/his powers under Applicable Law or the Articles or those delegated to her/him by the Board or the shareholders (provided, in such case, that she/he has been expressly so authorized by the Board or the shareholders, as the case may be).

#### **7.3. Resignation and dismissal of the CEO**

The duration of the corporate office of the CEO is determined by the Board.

The CEO may be dismissed at any time by the Board by a simple majority of vote: the CEO, if she/he is a Director, shall not take part in such a vote.

In case of resignation or dismissal of the CEO, the Board shall immediately appoint a new CEO.

If the CEO is chosen among the Directors, her/his resignation or dismissal from her/his membership of Board shall automatically terminate her/his office as CEO. On the other hand, the resignation or dismissal of the CEO from her/his mandate as CEO does not in itself terminate her/his mandate as Director.

#### **7.4. Remuneration of the CEO**

The remuneration, including bonus and incentive, of the CEO is determined by the Board, following recommendation in the matter from the CC, in accordance with Applicable Law and the Afep-Medef Code, and in compliance with the recommendations contained therein.

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## **8. DEPUTY CEO(S)**

### **8.1. Appointment, dismissal and powers of the Deputy CEO(s)**

Upon proposal of the CEO, the Board may appoint one or more individuals as Deputy CEO(s) to assist the CEO. A Deputy CEO may be dismissed at any time by the Board upon proposal of the CEO.

In the event of termination of the office of the CEO, for any reason whatsoever, the Deputy CEO(s) shall normally remain in place until a new CEO is appointed, who shall either propose to the Board to renew the Deputy CEO(s) or appoint (a) new Deputy CEO(s), or not propose anyone to the Board, in which case the office of Deputy CEO(s) will be vacant.

In agreement with the CEO, the Board determines the extent and duration of the powers vested to the Deputy CEO(s).

With respect to third parties, the Deputy CEO(s) has/have the same powers as the CEO herself/himself; the Deputy CEO(s) specifically have the power to take part in court proceedings.

### **8.2. Remuneration of the Deputy CEO(s)**

The remuneration, including bonus and incentive of the Deputy CEO(s) is determined by the Board, following recommendation from the CC in accordance with Applicable Law and the Afep-Medef Code, and in compliance with the recommendations contained therein.

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## **9. DIRECTOR COMPENSATION AND COSTS**

The Directors shall be entitled to receive compensation in relation to the meetings of the Board and its Committees (the "Director Compensation"); the total amount of such Director Compensation shall be decided by the shareholders in a general meeting (the "Director Compensation Envelope").

The Board shall decide the allocation of such Director Compensation Envelope amongst the Directors, taking into account attendance to Board meetings and participation in the work of the Committees.

Directors may receive additional reasonable compensation for their participation in specialized committees, their chairmanship or the performance of special assignments such as vice-chairmanship (*vice-présidence*) or lead director, as the Board may decide.

The performance of specific mission entrusted to a director may give rise to the payment of reasonable compensation, as the Board may decide and subject to the regime of regulated agreements.

The compensation of the Directors (including in their capacity as Chairman, Vice-Chairman and members of the committees as applicable) will be determined in accordance with applicable compensation policy proposed by the Board to the annual general meeting of shareholders.

The Director Compensation will be paid once a year after the close of the financial year. Pursuant to Article L. 22-10-34-II of the French Commercial Code, the payment of Director compensation for that financial year is subject to approval by the Annual General Meeting of the compensation policy.

The annual fixed part (applicable to the Board and committees) will be prorated based on the duration of the mandate during the financial year considered. In addition, in the event that the number of meetings held mechanically leads to exceeding the Director Compensation Envelope decided by the annual general meeting, the variable part will be proportionally reduced in order to stay within the limit of the Director Compensation Envelope.

The Directors shall be entitled to repayment of reasonable travel expenses incurred in attending meetings of the Board.

Repayment of travel expenses shall be made in accordance with equivalent business class air travel, first class by train; reasonable hotel, meal and other expenses also shall be reimbursed at the request of the member upon a procedure defined by the Company and consistent with the Company's internal rules and procedures for such matters.

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## **10. DIRECTORS' DUTIES IN RELATION WITH SHARES**

### **10.1. Directors' shareholdings**

Each Director (but not the permanent representative of a legal entity Director) shall hold two thousand (2,000) shares of the Company; if this is not the case at the time of her/his appointment, the concerned Director shall use the proceeds of her/his Director Compensation to acquire these shares,.

In accordance with Article L. 225-109 of the French Commercial Code, the shares held by Directors (as well as by their permanent representatives if they are legal entities, should those permanent representatives hold shares notwithstanding the previous paragraph), the CEO, the Deputy CEO(s) and some members of their family (their non-emancipated minor children and spouses, unless judicially separated) must be in the form of registered shares ("*actions au nominatif*"). Failure to do so will give rise to a suspension of the voting rights attached to those shares until regularization. Such shares may only be converted into bearer shares immediately before sale.

### **10.2. Declaration of transactions over the Company's shares**

In compliance with Applicable Law<sup>1</sup>, each Director, the Chairman, the Vice-Chairman, the CEO, the Deputy CEO(s) and the persons closely related to them shall declare to the French Stock Market Authority ("*Autorité des marchés financiers*" or "**AMF**"), all transactions over the Company's shares, including sale, purchase, subscription or exchange, by means of exercise of rights giving right to the subscription of shares, either by themselves or the persons closely related to them.

Such declaration shall be made within three (3) business days.

In addition, such person shall send a copy of the declaration made to the AMF to the Secretary.

### **10.3. Abstention requirements in relation with inside information**

Article 7 of Regulation (EU) No 596/2014 of the European parliament and of the council of 16 April 2014 on market abuse ("**MAR**") defines inside information as any information of a precise nature that has not been made public, relating directly or indirectly to the Company and which, if it were made public, would be likely to have a significant effect on the prices of the Company's financial instruments or on the prices of related financial instruments. Information is deemed to be precise if it indicates a set of circumstances which exists or which may reasonably be expected to come to existence or event that has occurred or may reasonably be expected to occur, which is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the Company's financial instruments or related financial instruments.

The members of the Board, as well as persons regularly attending the Board meetings (such as the permanent representative of any legal entity, the *Censeur*, the Permanent Invitee and the Observers), may have access to inside information about the Company.

As such, they shall not use any inside information by buying or selling, trying to buy or to sell, endeavouring to buy or sell the Company's financial instruments, for their own account or for the account of a third party, either directly or indirectly. They shall further abstain from (i) disclosing such inside information out of the normal framework or function designed to it, or (ii) advising another person to buy or sell the Company's financial instruments.

These abstention requirements are strengthened during the black-out periods. Such black-out-periods start, thirty (30) calendar days before the publication of the half-year or annual results and fifteen (15) days before the publication of the quarter revenues. During such black-out periods, Directors shall not trade the Company's financial instruments, even in the absence of any inside information in their possession (unless exceptional circumstances and prior written approval of the Chairman). This abstention requirement remains in effect until the time of closing of the Paris stock exchange ("*Euronext*") following the publication (i.e. in the event the publication is released after closing of Euronext, the abstention requirement will remain

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<sup>1</sup> Article L. 621-18-2 of the French Monetary and Financial Code, Articles 223-22 A and 223-23 of the General Regulation of the French Stock Market Authority ("*Autorité des marchés financiers*" or "**AMF**"), and Article 19 of Regulation (EU) No 596/2014 of the European parliament and of the council of 16 April 2014 on market abuse ("**MAR**")

in effect until the closing of Euronext the following day; in the event the publication is released before the opening of Euronext, the abstention requirement will remain in effect until the closing of Euronext the same day).

In case of non-compliance with the abstention obligations mentioned above, Article L. 465-1 of the French Monetary and Financial Code provides criminal penalties of 5 years in prison and a fine of €100 million (that can be increased to 10 times the benefit derived from the non-compliance, without being below such benefit).

Each Director, the CEO or each Deputy CEO shall inform the Compliance Committee of any problems she/he may encounter in complying with the above.

#### **10.4. Evaluation of the Board**

At least once a year, the Board shall deliberate on its ability to meet the expectations of the shareholders, by reviewing its membership, organisation and functioning. The result of this evaluation and the measures implemented as a result of the evaluation shall be communicated to the shareholders in the report on corporate governance.

Every three (3) years, an independent Board member as per the criteria established by the Board set forth in Clause 2 above, shall conduct a formal evaluation, which may be with the assistance of an external consultant.

Each year at least one meeting of the Board shall take place without the presence of the executive officers (*dirigeants mandataires sociaux exécutifs*), the *Censeur*, the Permanent Invitee and the Observers ("**Non-Executive Session**").

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#### **11. AMENDMENTS TO INTERNAL RULES**

Any Director may request the amendment of these Internal Rules. Amendments shall be implemented if approved by the Board, by simple majority vote.

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#### **12. CONFLICTING PROVISIONS**

In case of conflict between these Internal Rules and the Articles, the latter shall prevail.

## ANNEX A

### MATTERS FOR WHICH THE PRIOR APPROVAL OF THE BOARD OF DIRECTORS IS REQUIRED

#### a) Legal and Stock Exchange matters

- ❑ Significant changes to the capital structure of the Company;
- ❑ Proposed changes to the Articles of the Company;
- ❑ Any prospectus, listing documents, offering memorandum or issuing prospectus to be issued to investors (actual or potential), except where stock exchange regulations require shareholder approval for the same;
- ❑ Approval of proposed resolutions to the general meeting of shareholders including allocation of profits and dividend policies;
- ❑ Any takeover offer for another company which is subject to AMF (or equivalent) regulations and where the consideration is in Eutelsat Communications shares;
- ❑ Use of Company shares in any acquisition;
- ❑ The response to any approach the Company may receive for a takeover.

#### b) Strategy, M&A and Investment

- ❑ Approval of the five (5) year strategic plan (the “**Strategic Plan**”) and any modifications thereto;
- ❑ Approval of any transactions and mergers which materially affect the corporate structure or the corporate strategy or result in a major change in the corporate development and any determination to change materially the overall strategy or the nature of the core business activities, considered as a whole, including by opening new lines of business or discontinuing existing core business activities;
- ❑ Approval of any take-over or investment in, or disposal of, the share capital of a third party above fifty (50) million euros included in the then current Board approved Strategic Plan or in the then current Board approved yearly investment plan (the “**Investment Plan**”);
- ❑ Approval of any take-over or investment or disposal in the share capital of a third party above twenty-five (25) million euros (individually or cumulatively in any fiscal year) not included in the then current Board approved Strategic Plan or in the then current Board approved Investment Plan;
- ❑ Approval of a contemplated disposal, whether in one or more transactions, concerning at least half of the company’s assets over the past two financial years, and assessment of the strategic merits of the transaction. The Board shall ensure that the process takes place in accordance with the corporate interest, in particular by putting in place resources and procedures permitting the identification and management of any conflicts of interest. To this end, the Board may seek external opinions, in particular concerning the merits of the transaction, its valuation and the contemplated arrangements. The Board may also decide to set up an ad hoc committee, at least two-thirds of which is made up of independent Directors and from which executive officers are excluded. The Board shall prepare a report to be submitted to the Shareholders meeting prior to the execution of the disposal.

#### c) Finance and Budget

- ❑ Approval of the annual consolidated budget of the Company (including CAPEX/investment/finance & employment plans) and any modification thereto;
- ❑ Approval of any capital expenditure or investments exceeding fifty (50) million euros already provided for either in the then current Board approved Strategic Plan or in the then current Board approved annual consolidated budget;
- ❑ Approval of any capital expenditures or investments, not specifically included in the then current Board approved Strategic Plan or in the then current Board approved annual consolidated budget, exceeding twenty-five (25) million euros (individually or cumulatively in any fiscal year);
- ❑ Approval of any disposal, transfer, or loan of any assets by the Company (other than capacity lease contracts entered into by the Company with its clients) or other form of divestiture of any assets, not specifically included

in the then current Board approved annual consolidated budget, with a value in excess of fifty (50) million euros per item or associated group of items in any fiscal year;

- ❑ Approval of the entering into of any loan, credit agreement, financing or refinancing facility or other agreement relating to indebtedness, not specifically included in the then current Board approved annual consolidated budget. This approval will not be required for any transaction or group of transactions below one hundred (100) million euros per fiscal year and this faculty is limited to two (2) transaction(s) and/or group(s) of transactions per fiscal year;
- ❑ Approval of the issue of any guarantees;
- ❑ Approval of any pledge or other charge or encumbrance over the Company's assets or shares.

**d) Forecast, interim and year end accounts**

- ❑ Closing the forecast accounts and drafting the associated reports in accordance with Article L. 232-2 of the French Commercial Code;
- ❑ Closing the half year consolidated accounts and drafting of the associated reports;
- ❑ Closing of the year end annual and consolidated accounts as well as drafting the associated legal reports with respect to the closing of the business year;
- ❑ Selection process and proposal to the general meeting of shareholders regarding the appointment or renewal of the statutory auditors.

**e) Management**

- ❑ Appointment of the Chairman, the Vice-Chairman and/or CEO and approval of associated remuneration package (including retirement scheme, incentive plans) and yearly objectives;
- ❑ Appointment of any Deputy CEO(s) upon proposal of the CEO and approval of associated remuneration package (including retirement scheme, incentive plans) and yearly objectives;
- ❑ Approval of any recommendation of the NGC regarding the selection and or co-optation of a new Board member;
- ❑ Definition of the independence criteria and selection of the independent members of the Board;
- ❑ Allocation of Director Compensation among the Directors;
- ❑ Creation of any permanent or *ad hoc* Board committee of the Board;
- ❑ Appointment of any members of any permanent or *ad hoc* committee of the Board;
- ❑ Granting of stock options, of free shares or other comparable incentive schemes.

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## ANNEX B

### AUDIT, RISK & COMPLIANCE COMMITTEE ("ARCC") Terms of reference

The role of ARCC shall be to examine and prepare matters to be put to the Board, and to present its opinions, proposals and recommendations for the matters within its scope of competence.

The ARCC shall be mainly in charge of taking care of the questions related to the preparation and control of accounting, financial information and extra-financial information, preparing the review by the Board of the Company's accounts, of maintaining an appropriate relationship with the auditors of the Group and of reviewing the risk management and internal control policies of the Company. The ARCC shall provide the Board with its recommendation in such fields.

In particular it shall provide the Board with its recommendations with respect to:

#### □ Relationship with the statutory auditors

- Consideration of the independence<sup>2</sup> and cost effectiveness of the Company's statutory auditors;
- Consideration and supervision of the selection, appointment or renewal of the Company's statutory auditors. In particular, recommendation to the Board regarding the Company's statutory auditors to be appointed or renewed. Except when it concerns a renewal, such recommendation shall include a justification and 2 choices, ordered by preference. Such a recommendation being prepared following a selection procedure respecting the criteria set out in Article 16 of the Regulation (EU) 537/2014 of April 16, 2014;
- Collection of the certificate of independence of the statutory auditors and review of the statement of independence sent annually to the ARCC by the Company's statutory auditors; Collection of the complementary report to the audit report to be prepared annually by Company's statutory auditors;
- Collection of information relating to (i) the amount of the fees paid to the statutory auditors by the Company or the Group, in respect of services not directly related to the statutory auditors' assignment, and (ii) the services supplied in respect of tasks directly related to the statutory auditors' assignment;
- Approval of the services contemplated by Article L.822-11-2 of the French Commercial Code;
- Ensure the compliance by the Company's statutory auditors of their mission, by taking into account the statements and conclusions of the *Haut Conseil du Commissariat aux Comptes* in relation to the control of quality assurance;
- Review with the statutory auditors of the risks weighing on their independence and of the protection measures adopted in order to mitigate these risks (in particular, when the total fees received from the Company in each of the last 3 consecutive FY are more than 15% of the total fees received by the statutory auditor);
- Interview of the statutory auditors (i) regularly, and including without the executive management being present, and (ii) during each ARCC meeting dealing with evaluation of the process for preparing financial information and review of the accounts.

#### □ Recommendations regarding the accounts

- Review the scope of the consolidation;
- Follow the financial reporting process and, if necessary, make recommendation to ensure its integrity;
- Review of the interim and year-end financial statements referred from the management before their submission to the Board, focusing in particular on:
  - Any change in major accounting standards, policies and practices and their consequences;
  - Major judgmental areas;
  - Significant adjustments arising from the audit;

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<sup>2</sup> Including vis-à-vis Article 6 of Regulation (EU) n°537/2014 of 16 April 2014

- The "going concern" statement;
  - Off balance sheet items;
  - Accounts of the major consolidated subsidiaries, when in the opinion of the ARCC it is relevant
  - Analysis of the perimeter of the consolidation and reasons for exclusion of certain subsidiaries;
- Discussion (in the absence of the executive officers, if appropriate) of any problems or reservations which the statutory auditors may have arising from final audits and any interim audits or otherwise.
- **Recommendations regarding the internal Group policies to ensure appropriate risk mitigation**
  - Review of the internal audit program for each financial year and proposed add-on and adequacy of resources available;
  - Review of the yearly Group risk management program as presented by the relevant risk manager (e.g. the Chief Compliance Officer and the Chief Financial Officer):
    - Annual review of detailed risk map and major risks identification and assessment;
    - Review and assessment of mitigation actions related to the major risks identified as proposed by the relevant risk manager including financial or operational consequences of said mitigation actions;
  - Review of the Group's system of internal control (including financial, extra-financial, operational, compliance, risk assessment and management controls) with management;
  - Review of the relevant sections of the report on corporate governance (as per Article L. 225-37 of the French Commercial Code);
  - Review of the Group's system of internal audit;
  - Upon request, examination of any internal audit report and major findings of any other internal investigations and related management's response, including any difficulty encountered by the internal auditors to carry out their duties;
  - Annual review of the ordinary agreements entered into throughout the year pursuant to the Ordinary Agreements Procedure approved by the Board at its April 9, 2020 meeting and recommend to the Board revisions to such procedure as needed <sup>3</sup>.
- **Recommendations regarding financial communication**
  - Review of consensus and market feedback or research following roadshows or publication as prepared by the Finance department;
  - Review of any proposed major modification to key financial metrics or ratios to ensure reliable and proper disclosure;
  - Review of half year and full year presentation and disclosure;
  - Review of proposed policies to improve stock perception and awareness of the Company on the financial markets.
- **Recommendations regarding the annual budget**
  - Review of the proposed annual budget, especially regarding main figures of revenue, costs, capex, financial resources and need trends, as well as major value driver.
- **Other matters**
  - Consideration of any other matter specifically referred to the ARCC by the Board;
  - Any financial matter which the ARCC considers relevant to be brought to the attention of the Board;
  - Any matter which the ARCC feels to be of significance within the overall context of the scope of the ARCC;
  - Interview the director of finance, accountants, directors of treasury and internal audit (including without the presence of the executive management).

The ARCC shall report regularly to the Board. Such reports shall relate to the performance of its duties, the results of the audit of the accounts, the way such duties have contributed to the integrity of the financial information and its role in the process. It shall inform the Board without delay of any difficulties encountered.

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<sup>3</sup> Pursuant to the PACTE law of May 22, 2019 - law n°2019-486 relating to the growth and transformation of companies, which amended Articles L225-38 and following of the Commercial Code



## **ANNEX C**

### **NOMINATION & GOVERNANCE COMMITTEE ("NGC") Terms of Reference**

The role of NGC shall be to examine and prepare matters to be put to the Board, and to present its opinions, proposals and recommendations for the matters within its scope of competence.

The NGC shall consider matters submitted by the Board or its Chairman and, in particular, will provide the Board with its recommendation related to:

**❑ Selection and appointment of Directors**

- ❑ Selection process of candidates to be co-opted by the Board or proposed to the vote of the general meeting of shareholders as Directors in case of vacancy, resignation, dismissal or renewal in accordance with Clause 14 of the Articles, with an objective to reach a balanced composition.

**❑ Selection and appointment of the CEO, Deputy CEO(s), the Chairman and the Vice-Chairman**

- ❑ Selection process of the Chairman, the Vice-Chairman, the CEO and, upon proposal of the CEO, the proposed Deputy CEO(s), and dismissal of the Chairman, Vice-Chairman, CEO and, upon proposal of the CEO, the Deputy CEO(s);
- ❑ Succession plan of the CEO and Deputy CEO(s).

**❑ Corporate governance**

- ❑ Review of the implementation of the Afep-Medef Code within the Company including any associated modification or amendment considering the nature and size of the Group;
- ❑ Review of the general policy to be followed regarding the appointments in the Group subsidiaries corporate bodies and on its specific implementation proposals;
- ❑ Recommendation on the definition of the independence criteria to be required from the independent Board members and assessment of compliance with such independence criteria;
- ❑ Recommendation on the composition of the committees of the Board.

**❑ Other matters**

- ❑ Review of the overall succession plan for the Company;
- ❑ Review of the composition of the ExCom and termination or appointment of any of its members upon proposal of the CEO, for Board consultation.
- ❑ Consideration of any other matter specifically referred to the NGC by the Board;
- ❑ Any governance or human resources matter which the NGC considers relevant to be brought to the attention of the Board;
- ❑ Any matter which the NGC feels to be of significance within the overall context of its scope.

## **ANNEX D**

### **COMPENSATION COMMITTEE ("CC") Terms of Reference**

The role of CC shall be to examine and prepare matters to be put to the Board, and to present its opinions, proposals and recommendations for the matters within its scope of competence

1/ The CC shall consider matters submitted by the Board or its Chairman and, in particular, will provide the Board with its recommendation related to the Compensation of the CEO, and Deputy CEO(s):

- ❑ overall remuneration package of the CEO, and Deputy CEO(s), including variable remuneration, incentive and retirement plans as well as any modification thereof;
- ❑ yearly objectives and associated criteria to be used to determine the yearly variable remuneration of the CEO and Deputy CEO(s);
- ❑ yearly CEO and Deputy CEO(s)' performance and associated proposal for bonus and incentive.

2/ The CC shall provide to the Board information and recommendation on:

- ❑ Company's short term and long term incentive policy;
- ❑ any proposed stock options, performance share plans or other comparable incentive schemes including associated performance criteria and the allocation among the top management beneficiaries of the considered plans including CEO and Deputy CEO(s);
- ❑ any compensation matter which the CC considers relevant to be brought to the attention of the Board;
- ❑ the amount and allocation of the Director Compensation among the Board members.

3/ The CC shall review;

- ❑ CEO direct report performance and associated proposals for bonus and incentive;
- ❑ any human resources matter which the CC considers relevant to be brought to the attention of the Board;
- ❑ Upon request of the CC, the CEO will provide the CC with information on the compensation package of any key manager or officer whose remuneration would be (in the event of a hiring) or is (in the event of a dismissal) among the ten highest amounts of remuneration in the Group formed by the Company and the entities it controls.

**ANNEX E**

**STRATEGY COMMITTEE (“SC”)  
Terms of Reference**

The role of SC shall be to examine and prepare matters to be put to the Board, and to present its opinions, proposals and recommendations for the matters within its scope of competence

The SC shall consider matters submitted by the Board or its Chairman and, in particular, will provide the Board with its recommendation related to:

- **Strategic matters following within the scope of Annex A b) of these Internal Rules including:**
  - Significant acquisitions;
  - Significant disposals;
  - Valuations and governance structure of the foregoing contemplated transactions;
  - Other significant strategic matters that may be relevant..

## **ANNEX F**

### **Corporate social responsibility ("CSRC") Terms of Reference**

The role of CSRC shall be to examine and prepare matters to be put to the Board, and to present its opinions, proposals and recommendations for the matters within its scope of competence,

The CRSC shall consider matters submitted by the Board or its Chairman related to corporate social responsibility ("CSR") matters and the way in which the Group strives to promote the creation of long-term value while taking into account the CSR aspects and imperatives of its business.

In particular, it will provide the Board with its recommendation related to:

- ❑ **The environment, the space ecosystem and social responsibility**
  - ❑ Examine the Group's risks and opportunities related to CSR generally;
  - ❑ Review the Company's CSR initiatives and practices and CSR ratings;
  - ❑ Review the satellite industry CSR practices;
  - ❑ Review social responsibility CSR initiatives and practices (including digital divide, HR and diversity, ethics & loyalty);
  - ❑ Review and dialogue with management on the Company's environmental policy, CSR priorities and objectives.
  
- ❑ **Other matters**
  - ❑ Provide support, where relevant, to the Compensation Committee in relation to CSR KPIs in the compensation structure of the Executive Officers.