

Electricite de France SA ANNUAL MEETING OF SHAREHOLDERS  
**MAY 12, 2022**  
QUESTIONS FROM DWS INVESTMENT GMBH

Dear Mr Lévy,  
Dear Members of the Board,

As one of the largest asset managers in Europe, ahead of your 2022 Annual Shareholders' Meeting, we would like to share our questions with you. As a responsible investor and shareholder in Electricite de France SA, it is part of our fiduciary duty at DWS to express our expectations on sustainability in the best interest of our clients. Our commitment to responsible environmental and social practices and sound governance and (ESG) is not only a crucial element of our responsibilities but also forms an integral part of our investment process.

We appreciate the constructive dialogue we have had to date and would like to ask you some questions ahead of your annual meeting of shareholders this year. Thank you for your consideration and answers in advance. We would highly appreciate if we could receive your answers in written form. Please note that we will be also sharing our questions on our [www.dws.com](http://www.dws.com) website on the day of your AGM.

## **Independence**

Qualified, experienced and independent directors are essential for competent and efficient decision-making processes at board level. Having a majority of independent members serving on boards and committees, as well as respective independent Chairs, is important for us to ensure objective-driven decision making and challenging discussions within the Board. In the case where one person assumes a combined CEO and Chair role or the Chair is considered not independent due to our Policy (for example, due to a tenure of more than ten years), a qualified and strong lead independent director should be in place as an independent representation of shareholder interests.

In this context, DWS identified several issues with regard to the independence of the Board. Mr Jean-Bernard Lévy serves as the CEO/Chair of the Board and at the same time there is no lead independent director in place.

**QUESTION 1: Can we expect the roles of Chair and CEO to be separated in future and if not, when will you appoint a lead independent director to counterbalance the combined roles of Chair and CEO?**

Moreover, according to the DWS policy, the Board independence is less than 50%, mainly due to the significant shareholder representation.

**QUESTION 2: Do you have plans to raise the independence of the Board and if so, when?**

DWS expects audit committees to be led by an independent chair and be majority independent. According to our Corporate Governance and Proxy Voting Policy, neither is currently the case.

**QUESTION 3: When can we expect the appointment of an independent chair of the audit committee?**

**QUESTION 4: When will you restructure the audit committee in order to enhance the independence?**

## **CVs**

In order to assess not only the qualification of directors but also a potential overboarding, DWS expects that the resume/CV of each executive and non-executive director is permanently published on the Investee Company's website and states the year the individual was first appointed, information about the qualification, the year of birth and any mandates (including external listed companies, internal mandates, mandates also related to other than commercially oriented organizations).

DWS observed that the CVs of the members of the Board of directors on the company's homepage are incomplete. Some CVs do not indicate that the respective director also serves on other boards and that these external mandates are listed companies. This lack of information makes it difficult for investors to assess the qualifications and mandates of the Board members.

**QUESTION 5: When can we expect you to update the CVs of the Board members so that investors can fully assess the qualifications and mandate situation of the directors?**

## **Executive remuneration**

Executive pay is one of the most important aspects of good corporate governance as it is one of the signals for a well-operated and supervised business. Our expectation is that the board ensures full transparency, clear and plausible key performance indicators for investors, the structure of the incentives encourages the achievement of corporate financial, social and environmental objectives, and the amount ultimately granted is in line with performance. With regard to sustainability, DWS expects investee companies to integrate material ESG factors into their daily business and strategy as well as to establish and disclose a clear link between their stated ESG targets/non-financial KPIs and their remuneration systems.

We recognise that the company has enhanced the executive remuneration with climate-related KPIs in 2020. However, we expect additional non-financial KPIs to be included and in total a higher weighting of ESG-factors in the variable remuneration.

**QUESTION 6: Could you please point out on which non-financial KPIs you are currently working to further increase the ESG print into the variable executive remuneration and when can we expect to see results?**

## **Sustainability: climate change**

Climate change is one of the greatest environmental challenges. Therefore, corporations and investors, as owners and lenders, have a key role to play towards the need for emissions to be reduced in the mutual goal of coping with the impacts of global warming. In this regard, we support the Climate Action 100+ and the Net Zero Asset Managers initiatives with the aim to enhance the governance of climate change risk and opportunities, curb emissions and strengthen climate-related financial disclosures.

In this context, we recognise your contributions to limit global warming below 2°C by 2050, which is verified by the SBTi.

**QUESTION 7: On the basis of a global need to accelerate efforts and to avoid the risk of global warming exceeding 1.5°C as well as on the basis of your favorable energy mix, are you currently working on measures to accelerate your efforts to set emission targets of being conform with a global warming of 1.5°C by 2050? When can we expect to see the outcomes of your additional efforts?**

## **Sustainability: social (health and safety)**

As a responsible investor in Electricite de France SA, DWS expects Boards to not only take sufficient actions against climate change but also to strengthen social sustainability. In this context, the company has a health and safety policy in place that aims to reach zero accidents and zero impact on health.

**QUESTION 8: What kind of initiatives are underway to reach reach zero accidents and zero impact on health? How will you ensure that you achieve these targets?**

To conclude, we would like to thank all members of the Board and all the Electricite de France SA employees cordially on their commitment and dedication over the past year.

A special thank you in advance for your answers.