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A Publicly Held Company - CVM Registration 1732-9

MINUTES OF THE ONE HUNDRED AND SEVENTY-THIRD MEETING OF THE BOARD OF DIRECTORS OF ENGIE BRASIL ENERGIA S.A.

On the 11th day of May 2018 at 1:00 p.m. at Av. Presidente Wilson, 231, 22nd floor, Center, in the city and state of Rio de Janeiro, following its regular convening, a meeting of the Board of Directors of ENGIE Brasil Energia S.A. was held, the following Effective Members being present: Maurício Stolle Bähr, Manoel Arlindo Zaroni Torres, Roberto Henrique Tejada Vencato, José Pais Rangel and Paulo de Resende Salgado and in the light of the justified absences of the directors Paulo Jorge Tavares Almirante, Pierre Jean Bernard Guiollot, Dirk Achiel Marc Beeuwsaer and Claude Emile Jean Turbet, their alternates Simone Cristina De Paola Barbieri, Gil de Methodio Maranhão Neto and Leonardo Augusto Serpa. The following were also present: Eduardo Antonio Gori Sattamini, Chief Executive Officer, Carlos Henrique Boquimpani de Freitas, Chief Financial and Investor Relations Officer and Gustavo Henrique Labanca Novo, Chief Business Development Officer. The meeting was presided by the Director, Maurício Stolle Bähr, who proposed that I, Manoella Vieira Emerick Mattozo, should act as the meeting's secretary, the proposal being duly seconded by the other Directors present. Welcoming those present, the Chair called the meeting to order, placing the matters on the Agenda of the Day in discussion in accordance with convening notice CA-0004/2018 of May 4, 2018 as follows: 1 – Matters for Resolution: Item 1.1 – To approve the issue of debentures by the controlled companies, Companhia Energética Jaguara and Companhia Energética Miranda; Item 1.2 – To approve the engagement of third party services; and 2 – General Matters. RESOLUTIONS: Following discussion of the matters on the agenda, the Chair put the items on the Day's Agenda to the vote, the Directors deciding as follows: Item 1.1 – Pursuant to ADE-687-0002 of May 04, 2018 and the presentation made, documents for which are filed with the Company, and after the requested clarifications, the directors unanimously approved, **(A)** the public offering with restricted placement efforts pursuant to CVM Instruction 476 and other legal provisions and applicable regulations, of 1,117,000 (one million, one hundred and seventeen thousand) simple, non-convertible debentures of the secured type, in 2 (two) series, the 1st (first) issuance of Jaguara, being 483,000 (four hundred and eighty-three thousand) debentures allocated in the first series ("Jaguara First Series Debentures") and 634,000 (six hundred and thirty-four thousand) debentures allocated in the second series ("Jaguara Second Series Debentures" and when jointly with the Jaguara First Series Debentures, "Jaguara Debentures"), making a total of R$ 1,117,000,000,00 (one billion, one hundred and seventeen million reais) on the respective dates of issuance ("Issuance of Jaguara Debentures"), it being noted that in relation to Jaguara Second Series Debentures (as defined below), the Issuance will be executed in the form of Article 2, Law 12.431 of June 24, 2011, as amended ("Law 12.431") and Decree 8.874 of October 11, 2016 ("Decree 8.874"), among other applicable rules, in view of the classification of the Jaguara Project (as defined below) as a priority project by the Ministry of Mines and Energy ("MME") through Ordinance 71 of the MME's Energy Development and Planning Secretariat of March 9, 2018, published in the Federal Gazette of the Union (*Diário Oficial da União*) on March 12, 2018. The net resources raised by Jaguara through the Jaguara First Series Debentures shall be used to refinance the debt of the said company, including through the

partial, obligatory, early redemption of the commercial promissory notes of its 1st issue ("Jaguara 1st Promissory Note Issuance"), and (2) the net resources raised by the Issuance through the Jaguara Second Series Debentures shall be used exclusively for reimbursing part of the costs with the payment of the concession grant bonus of the Jaguara HPP ("Jaguara Project") through the partial, obligatory early redemption of the Jaguara 1st Promissory Note Issuance (the resources of which were used in full for the implementation of the Jaguara Project), pursuant to Paragraph 1, Article 2 of Law 12.431, of Decree 8.874 and other applicable rules, and **(B)** the public offering with restricted placement efforts pursuant to CVM Instruction 476 and other legal provisions and applicable regulations, of 685,000 (six hundred and eighty-five thousand) simple, non-convertible debentures of the secured type, in 2 (two) series, the 1st (first) issue of Miranda, being 299,000 (two hundred and ninety-nine thousand) Debentures allocated in the first series ("Miranda First Series Debentures") and 386,000 (three hundred and eighty-six thousand) Debentures allocated in the second series ("Miranda Second Series Debentures" and when jointly with the Miranda First Series Debentures, "Miranda Debentures"), making a total of R$ 685,000,000.00 (six hundred and eighty-five million reais) on the respective date of issuance ("Issuance of Miranda Debentures"), it being noted that in relation to the Miranda Second Series Debentures (as defined below), the Issuance will be executed in the form of Article 2, Law 12.431 and Decree 8.874, among other applicable rules, in view of the classification of the Miranda Project (as defined below) as a priority project by the MME through Ordinance 68 of the MME's Energy Development and Planning Secretariat of March 8, 2018, published in the Federal Gazette of the Union (*Diário Oficial da União*) on March 9, 2018. The net resources raised by Miranda through the Miranda First Series Debentures shall be used to refinance the debt of the said company, including through the partial, obligatory, early redemption of the commercial promissory notes of its 1st issuance ("Miranda 1st Promissory Note Issuance"), and (2) the net resources raised by the Issuance through the Miranda Second Series Debentures shall be used exclusively for reimbursing part of the costs with the payment of the concession grant bonus of the Miranda HPP ("Miranda Project") through the partial, obligatory early redemption of the Miranda 1st Promissory Note Issuance (the resources of which were used in full for the implementation of the Miranda Project), pursuant to Paragraph 1, Article 2 of Law 12.431, of Decree 8.874 and other applicable rules. Also unanimously approved, pursuant to ADE-687-0002 of May 04, 2018, the rendering by the Company of the following guarantees: (A) within the scope of the Issuance of Jaguara Debentures, (A.1), fiduciary alienation in guarantee of the total current and future shares, the ownership of the Company and the issuance of Jaguara, as well as any other securities representing the capital stock of Jaguara which may be subscribed, paid in, received, verified, purchased or in any other manner acquired by the Company, and further, all accessory rights to the property previously mentioned, including the fruit, income, remuneration, bonification or reimbursement of capital, pertaining to the Company ("Fiduciary Alienation of Shares of Jaguara"), and (A.2) fidejussory guarantee through a corporate guarantee, to be formalized by one or more letters of guarantee issued by the Company, each letter of guarantee in an amount corresponding to an expiring installment of the remuneration of the respective series of the Issuance of Jaguara Debentures, as well as, if the case, of the installment of amortization of the balance of the nominal unit value of the Debentures of each series of the Issuance of Jaguara Debentures, in addition to, where applicable, of the monetary restatement due and eventual default charges on the amounts indicated in this item A.2, pursuant to the issuance indenture of the Jaguara Debentures and (B) within the scope of the Issuance of Miranda

Debentures, (B.1) fiduciary alienation in guarantee of the total current and future shares, the ownership of the Company and the issuance of Miranda, as well as any other securities representing the capital stock of Miranda which may be subscribed, paid in, received, verified, purchased or in any other manner acquired by the Company, and further, all accessory rights to the property previously mentioned, including the fruit, income, remuneration, bonification or reimbursement of capital, pertaining to the Company ("Fiduciary Alienation of Shares of Miranda"), and (B.2) fidejussory guarantee through a corporate guarantee, to be formalized by one or more letters of guarantee issued by the Company, each letter of guarantee in an amount corresponding to an expiring installment of the remuneration of the respective series of the Issuance of Miranda Debentures, as well as, if the case, of the installment of amortization of the balance of the nominal unit value of the Debentures of each series of the Issuance of Miranda Debentures, plus, where applicable, the monetary restatement due and eventual default charges on the amounts indicated in this item B.2, pursuant to the issuance indenture of the Miranda Debentures. The Management Board of the Company and the Controlled Companies are authorized to negotiate, discuss and sign all and any agreements and other necessary documents for the formalization of the decisions taken above with respect to the issuance of debentures of the Controlled Companies, of the concession of the real guarantees and corporate guarantees by the Company, including eventual proxy instruments, addenda, rectifications and novations in the terms decided herein in the name of the Company and the Controlled Companies, as the case may be, all acts practiced for the execution of these decisions be ratified; Item 1.2 – Pursuant to ADE-687-0004 of May 4, 2018, and the presentation effected, documents for which are held on file with the Company, following due clarifications rendered, including in the context that the Company will exert best efforts in order that employees, whose activities are affected, have the opportunity to be reallocated internally wherever possible and in line with the evolution and modernization of the Company, unanimous approval was given to the engagement by the Company of third party services related to transactional indirect financial and supply activities, as per timelines and prices negotiated by the Company, the Management Board being authorized to practice all acts arising from this decision; 2 – General Matters – In line with the Company's reply to CVM Official Letter 190, published on May 08, 2018, the Chair informed that the Company's controlling shareholder, ENGIE Brasil Participações Ltda. ("EBP"), in partnership with third parties, is negotiating with Petróleo Brasileiro S.A. – Petrobras ("Petrobras") a potential acquisition of a shareholding stake in the company Transportadora Associada de Gás ("TAG"), having introduced the Company to the possibility of a stake in the said opportunity as co-investor, this is, with EBP and third parties forming the investor group. It is worth pointing out that at the current time there is no effective definition on the conditions and amounts of the operation. The Directors have given their approval to further pursuing this opportunity which is in accordance with the strategic interests of the Company. Given that the potential investment would be conducted jointly with a group of investors led by EBP, unanimous approval was given to the installation of the Special Independent Committee for Transactions with Related Parties ("Committee") in order that it may examine and monitor eventual agreements on the relationship between them. The Committee will be made up of the Independent Directors, José Pais Rangel and Paulo de Resende Salgado and by the Company's Chief Business Development Officer, Gustavo Henrique Labanca Novo. The members of the Committee shall present a report to the Board with the results of its work and recommendations with the celerity that the matter requires. In the light of the matter involving negotiations in progress, the importance of commitment to confidentiality assumed by the

parties and care in the handling of information was placed on record as well as the damage its divulging prior to the definition of the final conditions might cause. Pursuant to item 2 of the regulations of the Committee, the Board of Directors delegates to the Company's Management Board, the powers to approve an aggregate amount for the operations of the Committee to be installed, a remuneration being established equivalent to the monthly remuneration of the Company for each Director for the execution of the work of this Committee, pursuant to the rules applicable to the operation. No further matters were raised for discussion and deliberation. **Conclusion:** The floor being given to the Directors present and in addition to the discussions conducted with respect to the matters on the agenda, and no other issues being raised, the time and themes discussed at this meeting being monitored by me, the Secretary, pursuant to the Monitoring of Time and Themes Report, this document being initialed by the members of the chair and placed on record at the registered offices of the Company, the President proceeded to declare the work of the meeting concluded, requesting that I, as Secretary, draft these minutes. The said minutes, having been subsequently read and found correct, were duly signed by the members of the Board of Directors present, including the Chair, and by myself as Secretary. Rio de Janeiro/RJ, May 11, 2018.

Maurício Stolle Bähr
Chairman of the Board of Directors and Chair

Manoella Vieira Emerick Mattozo
Secretary

Manoel Arlindo Zaroni Torres
Director

Roberto Henrique Tejada Vencato
Director

José Pais Rangel
Director

Paulo de Resende Salgado
Director

Simone Cristina de Paola Barbieri
Alternate Director

Gil de Methodio Maranhão Neto
Alternate Director

Leonardo Serpa
Alternate Director

(signatures continue on the next page)

Continuation page of the signatures to the 173rd Meeting of the Board of Directors

Others present:

Eduardo Antonio Gori Sattamini
Chief Executive Officer

Carlos Henrique Boquimpani de Freitas
Chief Financial and
Investor Relations Officer

Gustavo Henrique Labanca Novo
Chief Business Development Officer