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A Publicly Listed Company - CVM Registration 1732-9

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

On October 26, 2017, at 2:00 p.m. at Av. Almirante Barroso, 52, 14th floor, room 1401 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, Dirk Achiel Marc Beeuwsaert, José Pais Rangel, Antonio Alberto Gouvêa Vieira and, in the light of the justified absences of the directors Paulo Jorge Tavares Almirante, Pierre Jean Bernard Guiollot and Roberto Henrique Tejada Vencato, their respective alternates Gustavo Henrique Labanca Novo, Simone Cristina De Paola Barbieri and Luiz Antônio Barbosa. The following officers of the Company were also present: Eduardo Antonio Gori Sattamini, Chief Executive Officer; Carlos Henrique Boquimpani de Freitas, Chief Financial and Investor Relations Officer; and José Luiz Jasson Laydner, Chief Generation Officer and Paulo de Resende Salgado, President of the Company's Fiscal Council. The meeting was presided by the Director, Maurício Stolle Bähr, who proposed that I, Osmar Osmarino Bento, 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-0010/2017 of October 19, 2017 as follows: 1 – Matters for Resolution: Item 1.1 - To approve the Account Statements for the Third Quarter 2017; Item 1.2 - To approve the credit of interest on shareholders' equity for the period from January 1 to December 31, 2017; Item 1.3 - To authorize the issue of promissory notes by the controlled subsidiaries, Companhia Energética Jaguara and Companhia Energética Miranda and approve the granting of guarantees; Item 1.4 - To approve the engagement of bank loans; Item 1.5 - To approve a new benefits agreement for food and meal vouchers; Item 1.6 - To approve the addendum to the civil works agreement of the Campo Largo Complex – Phase I; Item 1.7 - To approve the addendum to the agreement for the installation of a transmission line, connection bay and collector substation for the Assú Project; Item 1.8 - To approve the engagement of a company for the modernization of the Salto Osório Hydroelectric Power Plant; Item 1.9 - To ratify the agreement signed by Pampa Sul with Pavsolo for closing the contract for the installation of the reservoir dam; Item 1.10 - To approve investment for the installation of Umburanas Project; Item 1.11 - To approve the R&D Wind Project; Item 1.12 - To elect a new member to the Strategy Committee; 2 – Matters for Cognizance: Item 2.1 - To take cognizance of power purchasing agreements; and 3 - General Matters. RESOLUTIONS: Following discussion of the matters, the Chair put the items on the Agenda of the Day to the vote, the Directors deciding as follows: 1. Matters for Resolution – Item 1.1 – Pursuant to DD-670-0004 of October 23, 2017 and the presentation effected, documents for which are filed at the Company and following clarifications requested, the directors approved unanimously the results for the 3rd Quarter 2017, understanding that they adequately represent the numbers and results of the Company in the period; Item 1.2 - Unanimously approved, pursuant to DD-670-0005 of October 23, 2017, and the presentation made, documents for which are filed at the Company, the proposal of the

Executive Board for crediting interest on shareholders' equity for the period from January 1 to December 31, 2017 pursuant to Article 9 of Law 9.249/95 and CVM Resolution 683/2012, in the following amounts and conditions: a) The total gross amount of the credit will be R$ 424,500,000.00 (four hundred and twenty-four million and five hundred thousand Reais), corresponding to R$ 0.6503333249 per share; b) Date of the accounting registration of the credit – The registration of the credit to the accounts in the Company's books shall take place on December 31, 2017, based on the shareholding position of November 09, 2017; c) Trading of the shares - The Company's shares shall be traded ex-interest on shareholders' equity as from November 10, 2017; d) Income tax withheld at source - income tax at source shall be withheld on the amount of the credit at a rate of 15%, except for shareholders substantiating exemption or immunity, such shareholders to provide proof of this condition by December 05, 2017. In relation to those shareholders resident or domiciled in a country which does not tax income or which does so at a maximum rate of less than twenty percent as per Article 24 of Law 9.430 of December 27, 1996, the rate of tax withheld at source shall be 25%; e) Substantiation of exemption or immunity - The Shareholders either exempt or immune from income tax shall, pursuant to the fiscal legislation in effect, present proof of exemption or immunity by December 5, 2017 at the head offices of the Company at Rua Paschoal Apóstolo Pítsica, 5064, Bairro Agronômica, CEP 88025-255, Florianópolis/SC, C/O Departamento de Governança Tributária – GTR; f) Incorporation of interest to the dividends – the amount of the interest on shareholders' equity, net of income tax at source, shall be incorporated as part of the mandatory dividend for the fiscal year 2017 pursuant to Paragraph 7, Article 9 of Law 9.249/95 and CVM Resolution 683/2012; g) Payments of interest on shareholders' equity - Interest on shareholders' equity shall be paid on the basis of the existing registration data held by Itaú Unibanco Banco Múltiplo S.A., on a date to be decided in due course by the Executive Board and announced through a Notice to Shareholders; Item 1.3.– Pursuant to DD-670-0007 of October 23, 2017 and the presentation effected, documents for which are filed at the Company, unanimous approval was given to the 1st (first) issue of Commercial Promissory Notes by Companhia Energética Jaguara and Companhia Energética Miranda, the Company's controlled subsidiaries, in the following amounts and characteristics: *i)* Promissory Notes to be issued by Companhia Energética Jaguara - In the amount of up to R$ 1.350 billion (one billion, three hundred and fifty million Reais), single series, ("Issue – Jaguara"), pursuant to Brazilian Securities and Exchange Commission ("CVM") Instruction number 566 of July 31, 2015 ("CVM Instruction 566"), which shall be the object of a public distribution, with restricted placement efforts, pursuant to Law n 6.385 of December 7, 1976 ("Securities Market Law"), CVM Instruction number 476 of January 16, 2009, as amended ("CVM Instruction 476") and other legal provisions and applicable regulations ("Offering – Jaguara"), resources of which shall be used in the settlement of the grant bonus corresponding to the Jaguara Hydroelectric Power Plant Concession pursuant to the rules of Concession Grant Auction of Hydroelectric Power Plants – ANEEL Auction 01/2017 ("Auction"); and *ii)* Promissory Notes to be issued by Companhia Energética Miranda - in the amount of up to R$ 800 million (eight hundred million Reais), in a single series, ("Issue – Miranda" and jointly with the Issue – Jaguara, "Issues"), pursuant to CVM Instruction 566, which shall be the object of a public distribution, with restricted placement efforts, pursuant to the Securities' Market Law, CVM Instruction 476, and other legal provisions and applicable regulations ("Offering – Miranda" and jointly with the Offering – Jaguara, "Offerings"), resources of which shall be used in payment of a portion of the grant bonus

corresponding to the Miranda Hydroelectric Power Plant concession, pursuant to the rules of the Auction. Furthermore, the concession of a Surety was also unanimously approved as a guarantee to the holders of the Promissory Notes, in such a way that the Company shall respond in full as a joint and several debtor and principal payer of the Promissory Notes as decided above until their full settlement. The Company's Executive Board and that of the controlled subsidiaries are hereby authorized to negotiate, discuss and sign, including eventual addenda and rectifications in the name of the Company and the controlled subsidiaries, as the case may be, all and any agreements and other documents necessary for the formalization of the decisions adopted above, necessary for the execution of the Issues and Offerings and the concession of the Surety, all acts practiced for the execution of these decisions being duly ratified; Item 1.4 – Pursuant to DD-670-0006 of October 23, 2017 and the presentation effected, documents for which are filed at the Company, unanimous approval was given to the negotiation with and engaging of a first class bank(s), for: *i)* one or more foreign currency credit operations under Law 4.131/62 and respective swap operations for CDI, at a cost deemed adequate by Management, of up to USD 530 million (five hundred and thirty million US Dollars), equivalent to approximately R$ 1.7 billion (one billion and seven hundred million Reais) for financing the implementation of the Company's business plan; and *ii)* derivative instruments for the purposes of hedging a long-term debt indexer of the Company from CDI to IPCA for up to R$ 800 million (eight hundred million Reais). The Executive Board is hereby authorized to negotiate, discuss and sign in the Company's name, all and any agreements and other documents necessary for the formalization of this operation, acts already practiced within the scope of these decisions being ratified; Item 1.5 – Pursuant to DD-669-0002 of October 9, 2017 and the presentation effected, documents for which are filed at the Company, unanimous approval was given to the engagement of the company Alelo – Companhia Brasileira de Soluções e Serviços for the supply of Food and Meal Vouchers. In view of the negotiations with the new supplier, the extension of the contractual term with the current supplier, Ticket Serviços S.A., was ratified for 3 (three) months; Item 1.6 – Pursuant to DD-669-0006 of October 09, 2017 and the presentation effected, documents for which are filed at the Company, unanimous approval was given to the 2nd Addendum Instrument to the Fixed Price Agreement for Civil Work signed between Cortez Engenharia Ltda. and the Company's controlled subsidiaries, parties to the Campo Largo Project; Item 1.7 – Pursuant to DD-670-0002 of October 23, 2017 and the presentation effected, documents for which are filed at the Company, unanimous approval was given to the 1st Addendum Instrument to the Fixed Price Agreement for Project, Supply, Transportation, Assembly, Installation and Commissioning of Electromechanical Equipment signed by the controlled subsidiary of the Company, Central Fotovoltaica Assú V Ltda. and the companies ABB Ltda. and Santa Rita Comércio e Instalações Ltda.. Item 1.8 – Pursuant to DD-669-0007 of October 9, 2017 and the presentation effected, documents for which are filed at the Company, unanimous approval was given to the negotiation with the company, GE Energias Renováveis for modernization of the Generator Units of the Salto Osório Hydroelectric Power Plant and the replacement of the turbine rotors in the Generator Units 5 and 6, the Executive Board being hereby authorized to negotiate, discuss and sign the agreement and other necessary documentation for execution of this decision. Item 1.9 – Pursuant to the presentation effected, documents for which are filed at the Company, unanimous ratification was given to the agreement signed for closing the agreement for installation of the reservoir dam to Pampa Sul TPP, signed between the controlled subsidiary of the Company, Usina Termelétrica Pampa Sul

S.A. and Pavsolo. On this occasion, the Board was informed that following the closing of the agreement with Pavsolo, a technical survey by experts was undertaken on work already executed up to that time and the integrity of the work executed was verified. Item 1.10 – Pursuant to DD-669-0005 of October 9, 2017 and the presentation effected, documents for which are filed at the Company, unanimous approval was given to the investment for installing the wind farms of the Umburanas Project, conditional on the conclusion of the operation for acquisition of the SPCs and the development rights associated with the project. In the light of this decision, the Executive Boards of the Company and its controlled subsidiary, ENGIE Brasil Energias Complementares Participações Ltda. and the SPCs of the Umburanas Project are authorized to adopt all measures and practice all the acts deemed necessary, especially the signature (i) of the agreements for Supply of the Wind Turbines, Civil Work and the Electromechanical scope necessary for the implementation of the wind projects; (ii) where necessary, the currency hedge for the percentage in foreign currency; and (iii) the Incentivized Power Agreements in the Free Contracting Environment to be signed between the controlled subsidiary of the Company, ENGIE Brasil Energia Comercializadora Ltda. and (a) CEMIG Geração e Transmissão S.A., Lightcom Comercializadora de Energia S.A.; and (b) Votener Votorantim Comercializadora. The Company or any of its controlling subsidiaries is hereby authorized to present and render the guarantees necessary for the implementation of the project, particularly, but not limited to, the guarantees requested by ANEEL and those negotiated in the agreements for supply and power purchases approved above. Item 1.11 – Pursuant to DD-670-0008 of October 23, 2017 and the presentation effected, documents for which are filed at the Company, the Directors approved unanimously the resumption and injection of resources in the Wind R&D project developed in partnership with WEG within the ambit of the ANEEL R&D program in the amount of R$ 12 million and negotiations for the entry of a new partner for the project; Item 1.12 – Unanimous approval was given to the election of Claude Emile Jean Turbet, French, married, engineer, bearer of passport number 16AI14529, issued by the Government of France, resident and domiciled in Paris, France, with professional domicile at 1 Place Samuel de Champlain, 92930 Paris La Défense cedex, France, to sit on the Company's Strategic Committee replacing Willem Frans Alfons Van Twembeke who resigned from the position as recorded in the minutes of the 165th Meeting of this Board of Directors held on July 27,2017; 2. Matters for Cognizance – Item 2.1 – Pursuant to the sole paragraph to Article 19 of the Company Bylaws and in line with the presentation made, filed with the Company, and after clarification of inquiries, the Directors took cognizance of the power purchasing agreements signed by the Company and its controlled subsidiary, ENGIE Brasil Energia Comercializadora Ltda.; and 3. General Matters – The Chair advised the need to hold an extraordinary meeting of this Board to decide on the participation in ANEEL auction of electric energy, scheduled for December 2017. As the Company is examining the possibility of participation in partnership with SolaireDirect ("SD"), a corporation which is a member of the ENGIE group, the Special Independent Committee for Transactions with Related Parties ("Committee") was installed in December 2016 and by virtue of the decease of Luiz Leonardo Cantidiano Varnieri Ribeiro, the Director Antonio Alberto Gouvêa Vieira has been elected to fill the vacancy. **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, October 26, 2017.

Maurício Stolle Bähr
Chairman of the Board and Chair

Osmar Osmarino Bento
Secretary

Dirk Achiel Marc Beeuwsaert
Director

Manoel Arlindo Zaroni Torres
Director

José Pais Rangel
Director

Antonio Alberto Gouvêa Vieira
Director

Gustavo Henrique Labanca Novo
Alternate Director

Simone Cristina de Paola Barbieri
Alternate Director

Luiz Antônio Barbosa
Alternate Director

Paulo de Resende Salgado
President of the Fiscal Council

Eduardo Antonio Gori Sattamini
Chief Executive Officer

José Luiz Jasson Laydner
Chief Generation Officer

Carlos Henrique Boquimpani de Freitas
Chief Financial and Investor Relations Officer