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A Publicly Listed Company - CVM Registration 1732-9

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

On December 13, 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, 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, Manoel Arlindo Zaroni Torres, and Roberto Henrique Tejada Vencato, their respective alternates, Gustavo Henrique Labanca Novo, Simone Cristina De Paola Barbieri, José Luiz Jansson Laydner and Luiz Antônio Barbosa. 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-0011/2017 of December 07, 2017 as follows: 1 – Matters for Resolution: Item 1.1 – To approve the participation in the ANEEL 02/2017 Transmission Line Auction; and A-4/2017 and A-6/2017, both New Energy auctions; Item 1.2 – To approve the increase in capital of the controlled company, Diamante Geração de Energia Ltda.; Item 1.3 – To approve the signature by Usina Termoelétrica Pampa Sul S.A. (Miroel Wolowski TPP) of the terms of the addenda to the agreements for execution of owner's engineering services for the onshore and offshore portions; and the contracting of limestone supplies; Item 1.4 – To confirm the supply of coal to the Jorge Lacerda Complex for 2018; Item 1.5 – To approve the ash purchase and sale agreement for the Jorge Lacerda Complex; Item 1.6 – To approve the contracting of operations for the postponement of payments and/or anticipation of receivables; 2 – Matters for Cognizance: Item 2.1 – To take cognizance of the negotiations for contracting finance for the Campo Largo and Assú V projects; 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 ADE 675-0001, ADE 675-0003 and ADE 675-0002, all dated December 4, 2017 and the presentations delivered, documents for which are filed at the Company, and following clarifications requested, the Directors decided unanimously the following: *i)* to approve the participation of the Company, directly or through the intermediary of any of its controlled companies, including through a company consortium, in the Transmission Auction – ANEEL Auction 02/2017, the Executive Board of the Company and/or the executive boards of the controlled companies which are indicated to take part in the authorized auction(s), being authorized to: *a)* negotiate all the sureties necessary to take part in the auction; *b)* sign the principal Commitment and Conditions Instruments to guarantee the price of the following agreements: *1)* of the EPC for the Substations with the supplier selected for each Lot; *2)* of the EPC-M for the Transmission Lines with the supplier selected for each Lot; *3)* for the supply of cables in order to fix the price indexed to the LME and US Dollars; and *4)* the hedge operation for the portion of the cables supply in US Dollars; and *c)* in the event of success in the auction to: *i)* to proceed

with the investments for each one of the Lots for which successful bids were made; and *b)* provide all the necessary guarantees required by ANEEL, including the Performance Bond; *ii)* approve the participation of the Company, directly or through any one of its controlled companies, components of the Campo Largo Wind Complex, including through a company consortium, in the New Energy Auction – ANEEL Auction A-6/2017, the executive boards of the Company and/or controlled companies being authorized: *a)* to arrange all sureties necessary to take part in the auction; *b)* for the effective participation in the auction and sale of energy; *c)* in the event of successful bids, to undertake the necessary investment in eleven projects which comprise the second phase of Campo Largo, amounting to approximately 360 MW of installed capacity; *d)* if necessary, to contract the hedge operation for the portion in foreign currency in alignment with the price of the wind turbine and its refurbishments during the period for implementing the project; *e)* to present all the sureties necessary for the implementation of the project including the corporate surety rendered by the Company on behalf of its controlled companies in favor of the principal suppliers; and *f)* to develop all the activities necessary to obtain the CER – (Certified Emissions Reduction – CO2); and *iii)* with respect to the New Energy Auction – ANEEL A-4/2017 Auction, initially informed, that the members of the Special Independent Committee for Transactions with Related Parties, installed to analyze the partnership with Engie Solar ("ES"), the current corporate denomination of Solairedirect, a corporation and member of the ENGIE group, on the basis of information and documents made available by the Company's management and considering: (i) the impossibility of the Company participating in the A-4 2017 Auction with its solar energy projects; (ii) the qualification of ES's effective solar energy projects apt for participation in the auction; and (iii) the competitive conditions reported by ES for participation in the auction, have recommended the partnership with ES whereby the Company acquires all the rights to the installation of the Solar Projects, the ownership of ES, including but not limited to the acquisition of the corporate participations in the SPEs linked to these projects, pursuant to the presented conditions. In view of the Committee's recommendation, unanimous approval was given to the terms of the partnership with ES, pursuant to the presented conditions. In the light of the foregoing, approval was given for the participation of the Company, directly or through the intermediary of any of its controlled companies, including through a company consortium, in the New Energy Auction – ANEEL A-4/2017 Auction, the executive boards of the Company and/or the controlled companies being authorized to: *a)* arrange all sureties necessary to take part in the auction; *b)* effective participation in the auction and the sale of energy through the A-4/2017 Auction; *c)* in the event of successful bid(s) at the Auction, to undertake the investments necessary for the installation of approximately 350 MWp of installed capacity; *d)* contract a hedge operation for the supply of solar paneling and other imported components, considering that a Term Sheet will be signed with ES prior to the auction; *e)* present all the sureties necessary for the project, including the corporate guarantee in favor of the principal suppliers; and *f)* authorize the implementation of all activities necessary for obtaining the CER (Certified Emissions Reduction – CO2), considered in the financial model. All the agreements necessary for the implementation of the Projects successfully bid in the auctions should be presented to this Board, the amounts of these agreements being the responsibility of this Board, all acts already practiced within the scope of this decision being ratified; Item 1.2 – Pursuant to ADE-676-0001 of December 8, 2017 and the presentation delivered, documents for which are filed at the Company and following clarifications requested by the Directors, unanimous approval was

given to the increase in capital stock of the controlled company, Diamante Geração de Energia Ltda., a controlled company of the Company, with the transfer of fixed assets and inventory pertaining to the Jorge Lacerda Thermoelectric Complex in the amount valued at R$ 568,111,276.00 (five hundred and sixty-eight million, one hundred and eleven thousand, two hundred and seventy-six Reais), at the book value position of November 30, 2017. The corresponding change in the articles of association of the said controlled company is scheduled to take place on January 1, 2018. The executive boards of the Company and the controlled company are hereby authorized to practice all acts necessary for the execution of this resolution, including but not limited to the transfer of the licenses and authorizations, the transfer of ownership of the fixed and movable assets and the substitution of all supply agreements for inputs, materials and equipment and of service agreements pertaining to the Jorge Lacerda Thermoelectric Complex; Item 1.3 – Pursuant to ADE-676-0004 of December 08, 2017, and the presentations delivered, documents for which are filed at the Company and following clarifications requested by the Directors, with the abstention of the Directors nominated by the Controlling Company with respect to subitem "*ii*", unanimous approval was given to: the signing by the controlled company Usina Termelétrica Pampa Sul S.A. (Miroel Wolowski TPP) of the following addenda to the agreements for: *i)* execution of owner's engineering services for the offshore portion, signed with Black and Veatch, limited to the amount shown; and *ii)* execution of owner's engineering services for the onshore portion, signed with LEME Engenharia Ltda., currently known as Tractebel Engineering Ltda., limited to the amount shown. Considering: *a)* that Tractebel Engineering is owned by the ENGIE group, already rendering some of the engineering services for the Complementary Works and that it is contractually responsible for the Design Review with respect to the civil project and for the tropicalization of the electro-mechanical project; *b)* the need to mobilize additional professionals in the light of the delays in developing EPC projects by the company responsible, SDEPCI; *c)* delays which have occurred in complementary works and additional scopes for undertaking complementary studies and field revision analysis of the projects; and *d)* based on the result of the pricing process undertaken at the beginning of the Project, the independent directors believe there is no necessity to install the Special Independent Committee for Transactions with Related Parties, concluding that the transaction complies with conditions of a strictly arm's length nature. As to the contracting of limestone supplies for Pampa Sul TPP, the matter was removed from the agenda and to be submitted to this Board in due course; Item 1.4 – Pursuant to ADE-676-0003 of December 8, 2017, and the presentation made, documents for which are held on file with the Company, and pursuant to the decision adopted in the 145th meeting of this Board held on November 6, 2015, the Directors unanimously confirmed the supply of coal to the Jorge Lacerda Complex for 2018; Item 1.5 – Matter removed from the agenda to be submitted for the appreciation of the Board in due course; Item 1.6 – Pursuant to ADE-676-0002 of December 8, 2017, and the presentation delivered, documents for which are filed at the Company, the Directors approved unanimously the contracting of working capital operations up to the amount of R$ 180,000,000.00 (one hundred and eighty million Reais), from first class financial institutions for postponing payment to suppliers and/or anticipating receivables of the Company or its controlled companies, the Executive Board of the Company being authorized to negotiate, discuss and sign all and any agreements and other documents necessary for the formalization of this operation including rendering of sureties should the operation be contracted by any controlled company of the Company; 2. Matters for Cognizance – Item 2.1 – Pursuant to the presentations proffered,

documents for which have been filed with the Company, the Directors took cognizance as to the conditions negotiated with the: *i)* the Brazilian Development Bank - Banco Nacional de Desenvolvimento Econômico e Social – BNDES for financing the Project for Installation of the Campo Largo Wind Complex; and *ii)* Banco do Nordeste do Brasil – BNB for financing the Project for Installation of the Assú V Photovoltaic Plant, these operations to be submitted for the approval of the Board of Directors in due course, once the internal authorization of the said financial institutions has been obtained, particularly the approval of the board of the BNDES; and 3. General Matters – There was no other matter on the agenda to be discussed. **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, December 13, 2017.

Maurício Stolle Bähr
Chairman of the Board and Chair

Osmar Osmarino Bento
Secretary

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

José Luiz Jasson Laydner
Alternate Director