

# CORPORATE GOVERNANCE

## SHAREHOLDER STRUCTURE

SES has been listed on the Luxembourg Stock Exchange since 1998 and on the Euronext Paris Stock Exchange since 2004.

### Shareholder Structure as of 31 December 2022

SES Shareholders	Number of Shares	Voting participation	Economic Participation
Registered shares	3,633,881	0.65%	0.82%
FDRs (free float)	361,258,166	66.015%	81.04%
FDRs held by SES	6,565,553	0.00%	1.68% <sup>1</sup>
<b>Total A Shares</b>	<b>371,457,600</b>	<b>66.67%</b>	<b>83.33%</b>
BCEE	60,614,724	10.88%	5.44%
SNCI	60,607,161	10.88%	5.44%
Etat du Luxembourg	64,506,915	11.58%	5.79%
<b>Total B Shares</b>	<b>185,728,800</b>	<b>33.33%</b>	<b>16.67%</b>
<b>Total shares (actual)<sup>2</sup></b>	<b>557,186,400</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Total shares (economic)<sup>2</sup></b>	<b>445,749,120</b>		

<sup>1</sup> At 31 December 2022, SES held 6,565,553 FDRs for the purpose of its employee option programme. SES does not exercise voting rights.

<sup>2</sup> On 28 September 2022, SES proceeded to a reduction of the share capital by voiding 12,000,000 Class A shares/FDRs and 6,000,000 Class B Shares.

The Company has issued two classes of shares: A-shares and B-shares. Each share is entitled to one vote. One B-share carries 40% of the economic rights of an A-share.

The ratio of A-shares to B-shares must be maintained at 2:1 as required by the Articles of Incorporation.

### A-SHARES

A-shares are held by private and institutional investors.

The listed security is the Fiduciary Depositary Receipt ("FDR"), listed on the Luxembourg and Euronext Paris Stock Exchanges. Each of these is backed by one A-share and has all the rights attached to that share, except the right of attending the general meetings of shareholders.

In order to attend a general meeting, at least one registered share must be held. Voting rights may be exercised by notifying the Fiduciary (Banque et Caisse d'Epargne de l'Etat) of the voting intention.

### B-SHARES

The State of Luxembourg holds a direct 11.58% voting interest in the company. Banque et Caisse d'Epargne de l'Etat and Société Nationale de Crédit et d'Investissement each hold a direct 10.88% voting interest in the Company. These shares constitute the Company's B-shares. A B-share has 40% of the economic rights of an A-share or, in case the Company is dissolved, is entitled to 40% of the net liquidation proceeds paid to A-shareholders. The B-shares are not listed on any exchange and do not back a tradable security.

## RESTRICTIONS ON OWNERSHIP

No A-shareholder may hold, directly or indirectly, more than 20%, 33% or 50% of the Company's shares unless he has obtained prior approval from the meeting of shareholders in accordance with the procedure described here below. Such limit shall be calculated by taking into account all the shares held by the A-shareholder.

A shareholder or a potential shareholder who envisages to acquire by whatever means, directly or indirectly, more than 20%, 33% or 50% of the shares of the Company (a 'demanding party') must inform the Chairperson of the Board of the Company of such intention.

The Chairperson of the Board will inform the government of Luxembourg of the envisaged acquisition. The government may oppose the acquisition within three months from such information if it determines that such acquisition would be against the general public interest.

In case of no opposition from the government of Luxembourg, the Board shall convene an extraordinary meeting of shareholders which may decide at a majority provided for in article 450-3 of the law of 10 August 1915, as amended, regarding commercial companies, to authorise the demanding party to acquire more than 20%, 33% or 50% of the shares. If the demanding party is a shareholder of the Company, it may attend the general meeting and will be included in the count for the quorum but may not take part in the vote.

## INFORMATION EXCHANGE IN REGARD TO CORPORATE GOVERNANCE

The Company communicates transparently with its shareholders via the [corporate governance section](#) of its website and through the dedicated e-mail address [shareholders@ses.com](mailto:shareholders@ses.com). In line with Luxembourg law, the Company allows shareholders to receive all corporate documentation, including the documents for shareholder meetings, in electronic format.

In this context, the SES website contains a regularly updated stream of information, such as the latest version of the Company's main governance documents, including the articles of incorporation, the corporate governance charter (including the charters of the various committees set up by the Board) and the separate sections on the composition and the mission of the Board, the Board's committees and the Executive Committee<sup>1</sup>.

The SES website also contains the SES Code of Conduct and Ethics, the SES Dealing Code, the financial calendar and any other information that may be of interest to the company's shareholders.

## INVESTOR RELATIONS

SES' dedicated Investor Relations function reports to the Chief Financial Officer and works closely with the CEO. Its purpose is to develop and coordinate the group's external financial communications and interactions with equity and debt investors, investment analysts, credit rating agencies, financial journalists and other external audiences, to monitor stock market developments, and to provide feedback and recommendations to the SES SLT.

The Head of Investor Relations is responsible for the definition and execution of SES' active Investor Relations programme and participation in investor conferences and similar events. Investor Relations also works closely with the Chief Legal Officer to ensure that the group's external communications are compliant with all applicable legal and regulatory requirements.

The SES Investor Relations team will be pleased to assist existing or potential shareholders with any questions they may have in relation to SES. Further, the SES [IR Website](#) contains information on all recent financials, analyst coverage, financial calendar and Company news, and is updated on a regular basis.

## CHAIRPERSON'S REPORT ON CORPORATE GOVERNANCE

The Company follows the 'Ten Principles of Corporate Governance' adopted by the [Luxembourg Stock Exchange](#) (its home market), as last revised in December 2017. SES meets all the recommendations made by the 'Ten Principles'.

SES also complies with the governance rules for companies listed in Paris, where the majority of the trading in SES FDRs takes place. In the instance of conflicting compliance requirements, SES follows the rules of the home market.

## ORGANISATION PRINCIPLES

Created on 16 March 2001 under the name of SES GLOBAL, SES was incorporated in Luxembourg. On 9 November 2001, SES became the parent company of SES ASTRA, originally created in 1985. A copy of SES' articles of incorporation, in its latest version, is available in the [corporate governance section](#) of the Company's website.

## THE ANNUAL GENERAL MEETING OF SHARE- HOLDERS

Under Luxembourg company law, the Company's annual and/or extraordinary general meetings represent the entire body of shareholders of the Company. They have the widest powers, and resolutions passed at such meetings are binding upon all shareholders, whether absent, abstaining from voting or voting against the resolutions.

The meetings are presided over by the Chairperson of the Board or, in his absence, by one of the Vice Chairpersons of the Board or, in their absence, by any other person appointed by the meeting. Any

<sup>1</sup> The Executive Committee is internally called the Senior Leadership Team (SLT). Therefore, going forward the term SLT will be used instead of Executive Committee.

shareholder who is recorded in the company's shareholder register 14 days before the meeting is authorised to attend and to vote at the meeting. An A-shareholder may act at any meeting by appointing a proxy (who does not need to be an A-shareholder).

The annual general meeting ('AGM') is held on the first Thursday in April at 10:30 am CET. Each registered shareholder receives written notice of the AGM, including the time of the meeting and the agenda, at least 30 days prior to the meeting. Holders of the company's FDRs are represented at the meeting by Banque et Caisse d'Epargne de l'Etat acting as fiduciary. Each FDR represents one A-share. If a holder of FDRs wishes to attend the AGM of shareholders in person, that shareholder needs to convert at least one FDR into an A-share prior to the AGM.

Notice of the meeting and of the proposed agenda is also published in the international press. The fiduciary circulates the draft resolutions to both international clearing systems, Clearstream and Euroclear, allowing FDR holders to give their voting instructions to the fiduciary in time for the meeting. At the same time, the draft resolutions are made available on the Company's and on the fiduciary's website. Unless the fiduciary has received specific instructions from the FDR holder, the fiduciary votes in favour of the proposals submitted by the Board. One or more shareholders owning together at least 5% of the shares of SES have the right to add items on the agenda of the AGM and may deposit draft resolutions regarding items listed in the agenda or proposed to be added to the agenda. This request

needs to be made in writing (via mail or e-mail) and received no later than the twenty-second day preceding the AGM and needs to include a justification or draft resolution to be adopted at the AGM. The written request must include a contact address to which the Company can confirm receipt within 48 hours from the receipt of the request.

No later than fifteen days preceding the AGM, the Company then publishes a revised agenda.

The meeting may deliberate validly only if at least half of the A-shares and at least half of the B-shares are represented. In the event that the required quorum is not reached, the meeting will be reconvened in accordance with the form prescribed by the articles of incorporation. It may then validly deliberate without consideration of the number of represented shares.

The proceedings are mostly held in English, but a French translation is provided by the Company. Interventions in English retranslated into French. An English and a French version of the AGM minutes and the results of the shareholders' votes published on the SES website within 15 days after the AGM.

With the exception of the procedure described above regarding whenever an A-shareholder intends to hold more than 20%, 33% or 50%, all the resolutions of the meeting are adopted by a simple majority vote except if otherwise provided for by Luxembourg company law.

In 2022, the AGM was held on 7 April. Still taking a prudent approach and following the recommendations from the government in the context of the COVID-19 pandemic, shareholders who had expressed an interest to attend the meeting were asked to give a proxy to the Chairperson of the Board and/or the Company's outside legal counsel, and to vote on the resolutions ahead of the meeting. The AGM itself was transmitted via Webex. Shareholders were further invited to send their questions ahead of the meeting, although additional questions were asked during the meeting. The AGM was attended by 95.34% of the Company's shareholders, excluding the 7,281,652 FDRs held by SES as well as the 12,000,000 FDRs and the 6,000,000 Class B Shares held by SES Astra on behalf of SES. All resolutions submitted to the shareholders were approved by comfortable majority votes. The detailed results of the shareholders' votes are available on the [!\[\]\(28f72b996fc97883dfd9d4e8b1b16b4e\_img.jpg\) SES website Shareholder information.](#)

In 2022, an EGM was also held on 7 April 2022, immediately following the AGM with the purpose to authorise a share capital reduction and avoidance of the 12,000,000 FDRs and 6,000,000 Class B Shares held by SES Astra on behalf of SES. The EGM was attended by 95.27% of the company's shareholders, excluding the 7,281,652 FDRs held by SES as well as the 12,000,000 FDRs and the 6,000,000 Class B Shares held by SES Astra on behalf of SES. All resolutions submitted to the shareholders were approved by comfortable majority votes. The detailed results of the shareholders' votes are available on the [!\[\]\(5d954b3e270654ad8ab0d5913161c03c\_img.jpg\) SES website Shareholder Information.](#)

# BOARD OF DIRECTORS & COMMITTEES

AS OF 31 DECEMBER 2022



**FRANK ESSER**  
Chair of the Board



**PETER VAN BOMMEL**  
Chair of the  
Audit and Risk Committee &  
Vice-Chair of the Board



**ANNE-CATHERINE RIES**  
Chair of the Nomination  
Committee & Vice-Chair  
of the Board



**JACQUES THILL**  
Director



**RAMU POTARAZU**  
Director



**KAJ-ERIK RELANDER**  
Director



**CARLO FASSBINDER**  
Director



**FRANÇOISE THOMA**  
Chair of the Remuneration  
Committee



**KATRIN WEHR-SEITER**  
Director



**DR JENNIFER BYRNE**  
Director



## BOARD OF DIRECTORS & COMMITTEES

The Board of Directors is responsible for:

- Defining the Company's strategic objectives as well as its overall corporate plan;
- Approval, upon proposal from the Senior Leadership Team of the annual consolidated accounts of the Company and the appropriation of results, the group's medium-term business plan, the consolidated annual budget of the Company and the management report to be submitted to the meeting of shareholders; approval of major investments and responsible vis-à-vis shareholders approval third parties for the management of the Company, management which it delegates to the SLT in accordance with the company's internal regulations.
- As of 31 December 2022, the Board is comprised of 10 members of which 6 are considered independent.<sup>1</sup>

### MEMBERS OF THE BOARD AS OF 31 DECEMBER 2022

#### Frank Esser

##### Chair of the Board

- Frank Esser became a director on 11 February 2020. He was elected as Chair of the Board for the first time on 2 April 2020.
- He is the former Chair and CEO of SFR, the leading private French Telecom Operator. In this function he also served as Board Member of Vivendi Group. Prior to joining SFR, Mr Esser held several managerial positions with Mannesmann group. He also serves as Vice-Chair of Swisscom.
- He is a member of the Nomination Committee and of the Remuneration Committee of SES.
- Mr Esser holds a PhD in Managerial Economics and an MS in Economics both from the University of Cologne.
- Mr Esser is a German national. He is an independent director.

#### Anne-Catherine Ries

##### Vice-Chair of the Board

##### Chair of the Nomination Committee

- Mrs Ries became a director on 1 January 2015 and was elected as Vice-Chair of the Board for the first time on 4 April 2019.
- Mrs Ries is currently First Government Advisor to the Prime Minister and Minister for Media and Telecommunications in Luxembourg, in charge of media, telecom and digital policy. Prior to this appointment in 2019, her focus over the last two decades has consistently been on developing the tech and digital innovation ecosystem in Luxembourg, i.a. through the launch of the "Digital Luxembourg" initiative in 2014. She joined the Luxembourg civil service after starting her professional career at an American law firm in Paris.
- Mrs Ries holds a law degree from the University of Paris II and the University of Oxford, and a postgraduate LL.M degree from the London School of Economics.
- Mrs Ries is the Chair of the Nomination Committee and a member of the Remuneration Committee of SES.
- Mrs Ries is a Luxembourg and French national. She is not an independent director because she represents an important shareholder.

#### Peter van Bommel

##### Vice-Chair of the Board

##### Chair of the Audit and Risk Committee

- Mr van Bommel became a director on 2 April 2020 and was elected as Vice-Chair of the Board for the first time on 7 April 2022.
- Mr van Bommel was Chief Financial Officer and member of the Board of Management of ASM International from August 2010 until May 2021.
- He has more than twenty years of experience in the electronics and semiconductor industry. He spent most of his career at Philips, which he joined in 1979.

- He sits on the Board of Aalberts, Nedap, Bernhoven Foundation and the Amsterdam Business School, where he is the Chair of the EMFC Curatorium. In the past he was also a Director of several other listed companies a.o. KPN in the Netherlands.
- Mr van Bommel holds an MSc in Economics from Erasmus University in Rotterdam.
- Mr van Bommel is the Chair of the Audit and Risk Committee, and a member of the Remuneration Committee of SES.
- Mr van Bommel is a Dutch national. He is an independent director.

#### Dr Jennifer Byrne

- Dr Jennifer Byrne became a director on 7 April 2022.
- Dr Byrne enjoyed a successful 25-year career at Lockheed Martin from 1993 to 2018. In her final role with Lockheed Martin as VP, Space and Missile Systems, she managed a team of 8,000 people. She had responsibility for leading the design, development, operation and sustainment of Civil Space, Military Space, Commercial Space, Strategic Missile Defence and Special Programs platforms. Dr Jennifer Byrne moved to London in 2018 to take up her current role as COO of G-Research, which is a quantitative research and technology business.
- She has a B.S. in Mathematics and Biochemistry from the University of Dallas, an M.S.E. in Computer Applications in Systems Engineering from Temple University and holds a Ph.D. in Systems Engineering from George Washington University.
- Dr Byrne is a member of the Nomination Committee of SES.
- Dr Jennifer Byrne is a US national. She is an independent director.

<sup>1</sup> Serge Allegrezza and Tsega Gebreyes were Board members up to the AGM on 7 April 2022, Béatrice de Clermont-Tonnere was a Board member until 24 October 2022.

**Carlo Fassbinder**

- Mr. Carlo Fassbinder became a director on 7 April 2022. Mr Fassbinder has 25 years of experience in the field of taxation, finance and accounting and is Director of tax at the Ministry of Finance since 2017. He advises the finance minister on tax policies and tax treaties, and assists in the preparation of the Council meeting (ECOFIN). From 1997 to 2017 he worked in the tax department of BGL BNP Paribas where he was Head of Tax Retail & Corporate Banking since 2011. Mr. Fassbinder is also a board member of Société Electrique de l'Our. He holds a Maîtrise en droit des affaires from Robert Schuman University in Strasbourg and a Magister Legum (LL.M.) in tax law from Ludwig Maximilians University in Munich.
- Mr Fassbinder is a member of the Audit and Risk Committee of SES.
- Mr. Fassbinder is a Luxembourg national. He is not an independent director because he represents an important shareholder.

**Ramu Potarazu**

- Mr Potarazu became a director on 20 February 2014.
- He was the CEO of Binary Fountain. He is the Founder and former CEO of Vubiquity.
- Prior to founding Vubiquity, Mr Potarazu spent 15 years in various positions at Intelsat (1991–2006). He became Intelsat's Vice President of Operations and CIO in 1996 and its Vice President, Commercial Restructuring in 2000. In 2001 Mr Potarazu became President of Intelsat Global Service Corporation and from 2002 to 2006 he was President and Chief Operating Officer of Intelsat Ltd. Prior to joining Intelsat, Mr Potarazu held several engineering positions.
- Mr Potarazu graduated with a BS in Computer Science and in Mathematics from the Oklahoma Christian University. He also holds an MSc in Electrical Engineering from the John Hopkins University and was a member of the Stanford Executive Program.
- He is a member of the Remuneration Committee of SES.
- Mr Potarazu is a US national. He is an independent director.

**Kaj-Erik Relander**

- Mr Relander became a director on 6 April 2017.
- Mr Relander worked for the Finnish National Fund for Research and Development prior to joining Sonera Corporation where he held several management positions, including the position of CEO. He left Sonera in 2001 to join Accel Partners, a private equity and venture capital group before joining the Emirates Investment Authority in 2009 where he was a member of its Investment and Management Committee. Since 2014, he has been a private investor and board director.
- Mr Relander graduated from the Helsinki School of Economics with an MSC in Economics. He also holds an MBA from the Helsinki School of Economics having completed part of it at the Wharton School, University of Pennsylvania (USA), and studied also for a PhD at the Wharton School and the Aalto University, Helsinki.
- Mr Relander is a board member of the sovereign wealth fund of ADQ and ADGM, Abu Dhabi Global Markets, Louis Dreyfuss Company and Acino. He is Chair of the Investment Committee at the private equity fund Apis.pe and a board director of Starzplay Arabia.
- He is a member of the Audit and Risk Committee and of the Nomination Committee of SES.
- Mr Relander is a Finnish national. He is an independent director.

**Jacques Thill**

- Mr Thill became a director on 2 December 2021.
- Mr Thill currently serves as First Government Advisor to the Prime Minister and Coordinator at the Luxembourg Prime Minister's Office. Since 2018 he is also the Government Delegate to the State Intelligence Service. Mr Thill joined the Luxembourg diplomatic service in 2004 and has represented Luxembourg in numerous bi- and multi-lateral negotiations. His diplomatic career includes postings to the Luxembourg Permanent Representation to the United Nations in New York and to the Luxembourg Embassy in Moscow, as well as to the EU High Representative for the Common Foreign and Security Policy at the Council of the European Union in Brussels. From 2009 to 2013, Mr Thill served as diplomatic advisor to the Prime Minister. In 2013, he was appointed Deputy Secretary General of the Luxembourg Government, before becoming Secretary General of the Luxembourg Government until June 2020. From 2015 until 2021, Mr. Thill served as member of the Board of Directors of LUXGOVSAT S.A.
- Mr Thill holds a Master in European and International Law from the Paris 1 Panthéon-Sorbonne University and an MA in European Political and Administrative Studies from the College of Europe in Bruges where he specialised in European Competition Law and European Foreign Policy.
- Mr Thill is a member of the Nomination Committee of SES.
- Mr Thill is a Luxembourg national. He is not an independent director because he represents an important shareholder.

**Françoise Thoma****Chair of the Remuneration Committee**

- Ms Thoma became a director on 16 June 2016.
- Ms Thoma is President and Chief Executive Officer of Banque et Caisse d'Épargne de l'État, and a member of the Boards of Directors of Cargolux International Airlines S.A., Luxair S.A., the Luxembourg Stock Exchange and of Enovos Luxembourg S.A.
- She was a member of the Luxembourg Council of State from 2000–2015 and holds a PhD in Law from the Université de Paris II Panthéon-Assas and an LL.M. from Harvard Law School.
- Ms Thoma is the Chair of the Remuneration Committee and a member of the Audit and Risk Committee of SES.
- Ms Thoma is a Luxembourg national. She is not an independent director because she represents an important shareholder.

**Katrin Wehr-Seiter**

- Mrs Wehr-Seiter became a director on 1 January 2015.
- She is a Managing Director of BIP Investment Partners SA and a Managing Director/Partner of BIP Capital Partners.
- Prior to joining BIP, she served as a Principal at global investment firm Permira and worked also as an independent strategy consultant as well as a Senior Advisor to international private equity group Bridgepoint. She started her professional career at Siemens AG where she held various positions in strategy consulting and engineering. She serves as a director of Bellevue Group, Meyer Burger Technology and several non-listed corporations.
- Mrs Wehr-Seiter holds an MBA from INSEAD and an MSc in Mechanical Engineering from the Technical University of Chemnitz.
- Mrs Wehr-Seiter is a member of the Audit and Risk Committee and of the Remuneration Committee of SES.
- Mrs Wehr-Seiter is a German national. She is an independent director.

**MISSION AND COMPOSITION**

As of 31 December 2022, the Board of SES is composed of 10 non-executive directors, four of them female.

In accordance with the Company's articles of association, two-thirds of the board members represent the holders of A-shares and one-third of the board members represent the holders of B-shares.

The mandates of the current directors will expire at the AGM of shareholders in April 2023, 2024 and 2025 respectively.

In the event of a vacancy on the Board, the remaining directors may, upon a proposal from the Nomination Committee and on a temporary basis, fill such a vacancy by a majority vote. In this case, the next AGM of shareholders will definitively elect the new director, who will complete the term of the director whose seat became vacant.

In accordance with internal regulations adopted by the Board, at least one-third of the board members must be independent directors. A board member is considered independent if he or she has no relationship of any kind with the company or management that may impact his or her judgment.

Independence for these purposes is defined as:

1. not having been an employee or officer of the company over the previous five years;
2. not having had a material business relationship with the company over the last three years; and
3. not representing a significant shareholder holding more than 5% of the voting shares directly or indirectly.

As of 31 December 2022, six of the board members are considered independent: Jennifer Byrne, Katrin Wehr-Seiter, Frank Esser, Ramu Potarazu, Kaj-Erik Relander and Peter van Bommel.

The four current directors proposed by the B-shareholders are not considered independent as they represent a significant shareholder owning more than 5% of the company's shares.

Thai Rubin, Chief Legal Officer, is the Board Secretary. He is supported by Mathis Prost, Senior Manager, Legal Services Corporate and Finance, as Assistant Secretary to the Board of Directors.

In the context of the Board composition, the SES Nomination Committee will consider a diverse Board as adding value to the Company, not limiting diversity to gender diversity, but also considering, as far as possible, professional background, experience and age diversity.

**RULES OF GOVERNANCE**

The Board of Directors meets when required by the Company's business, and at least once per quarter. It can only validly deliberate if a majority of the directors are present or represented. The resolutions of the Board are passed by a simple majority of the votes of the voting directors present or represented, not considering abstentions. The Chairperson does not have a casting vote.

Any material contract that is proposed to be signed by the Company or any of its wholly controlled operating subsidiaries with a shareholder owning at least 5% of the shares of the Company, directly or indirectly, is subject to a prior authorisation by the Board.

In 2022, there were no transactions between the Company and a shareholder owning at least 5% of the company's shares, nor were there any other transactions involving a conflict of interest for any of the directors.



## ACTIVITIES OF THE BOARD OF DIRECTORS IN 2022

The Board of Directors held six physical meetings and four extraordinary Board calls in 2022, with an attendance rate of more than 95%. In accordance with the sanitary measures related to the COVID-19 pandemic, meetings were held under relevant sanitary control measures, allowing virtual attendance for Board members unable to attend in person. After endorsement by the Audit and Risk Committee, the Board approved the 2021 audited accounts, the dividend and the financial results for the first half of 2022.

The Board approved the final version of the 2023 Budget and the 2023–2027 Business Plan. It also reviewed the Strategic Plan and held a detailed Strategic Session in June 2022. On that occasion and throughout the year, Management briefed the Board on the latest industry trends and the resulting strategic implications for SES.

The Board approved the investment in a replacement satellite on orbital position 57 degrees East thus ensuring continuity of service on an important position for SES. The Board also approved the acquisition of DRS Global Enterprise Services, a leading provider of integrated satcom solutions for the US Government, followed by the combination with the existing and SES Government Solutions business resulting in a best-in-class and scaled solutions provider to the US Government.

With regard to the Company's corporate governance, the Board dissolved the Strategic Committee, of which only one meeting was held in 2022. A Strategic Taskforce is set up each year on a temporary basis, composed of several board and management members, in order to assist with the preparation of the Board's yearly strategy discussion day.

During 2022, the Board also decided to enter into a new liquidity agreement with a service provider to be implemented in 2023 and executed on the Euronext Paris based on the decision taken during the AGM of shareholder on 7 April 2022.

The Board was regularly updated on the development of the major projects and it noted updates on the company's risk management report. The Senior Leadership Team (SLT) regularly informed the Board about the group's activities and financial situation. The Board noted updates on: (i) the execution of the Strategic Plan; (ii) the 2022 Business Objectives; (iii) the impact of COVID-19 on the Company's business as well as its staff; and (iv) the Company's continued corporate simplification program which resulted in an important further reduction of the corporate footprint in 2022.

At each meeting, directors receive a report on ongoing matters and the Chairpersons of the committees set up by the Board present a report on the latest developments discussed in these respective committees. In addition, a business report is distributed to the members of the Board on a regular basis.

As a result of the last Board evaluation exercise and in-keeping with best practice, each Board meeting concludes with a restricted session, without the presence of Management.

## BOARD GOVERNANCE STRUCTURE & COMMITTEES

The Board agenda is prepared in close cooperation between the Chairperson, the Vice-Chairpersons and the CEO. The committees consist of five to six members, at least a third of whom are independent board members in line with SES' internal regulations.

The Audit and Risk Committee assists the Board in carrying out its oversight responsibilities in relation to corporate policies, risk management, internal control, internal and external audit and financial and regulatory reporting practices. It further proceeds to the evaluation of potential deals, including financial due diligence, risk assessment and financing options before submission to the Board. It has an oversight function and provides a link between the internal and external auditors and the Board. It determines the ESG Targets of the Company and monitors progress towards the accomplishment of the ESG Targets.

The Remuneration Committee assists the Board on the determination of the remuneration of the members of the Senior Leadership Team (SLT) and advises on the overall remuneration policies applied throughout the Company. It acts as administrator of the Company's long-term equity plans.

The Nomination Committee identifies and proposes suitable candidates for the Board of Directors, for election by the AGM of shareholders. Proposals are based on submissions from shareholders for a number of candidates at least equal to the number of posts to be filled for each class of shareholders. It also identifies and proposes suitable candidates for the SLT.



# COMMITTEES OF THE BOARD

as of 31 December 2022

CHAIR OF THE BOARD: <b>FRANK ESSER</b>			
VICE-CHAIRS OF THE BOARD: <b>PETER VAN BOMMEL, ANNE-CATHERINE RIES</b>			
<b>AUDIT AND RISK COMMITTEE</b> <hr/> <ul style="list-style-type: none"> <li>• <b>Chair:</b> <b>Peter van Bommel</b></li> <li>• Carlo Fassbinder</li> <li>• Kaj-Erik Relander</li> <li>• Françoise Thoma</li> <li>• Katrin Wehr-Seiter</li> </ul>	<b>REMUNERATION COMMITTEE</b> <hr/> <ul style="list-style-type: none"> <li>• <b>Chair:</b> <b>Françoise Thoma</b></li> <li>• Anne-Catherine Ries</li> <li>• Peter van Bommel</li> <li>• Frank Esser</li> <li>• Ramu Potarazu</li> <li>• Katrin Wehr-Seiter</li> </ul>	<b>NOMINATION COMMITTEE</b> <hr/> <ul style="list-style-type: none"> <li>• <b>Chair:</b> <b>Anne-Catherine Ries</b></li> <li>• Jennifer Byrne</li> <li>• Frank Esser</li> <li>• Kaj-Erik Relander</li> <li>• Jacques Thill</li> </ul>	<b>SECRETARY OF THE BOARD OF DIRECTORS</b> <hr/> <ul style="list-style-type: none"> <li>• Thai Rubin</li> </ul>
MEETINGS AND ATTENDANCE RATE IN %			
4 meetings <b>90%</b>	3 meetings and 3 calls <b>94%</b>	4 meetings and 2 calls <b>91%</b>	

# ACTIVITIES OF THE COMMITTEES IN 2022

## THE AUDIT AND RISK COMMITTEE

- Reviewed the 2021 financial results before their submission to the Board and their subsequent approval by the shareholders at the statutory AGM.
- Reviewed the H1 2022 financial results of the Company.
- Reviewed the Company's statement on internal control systems prior to its inclusion in the annual report, approved the Internal Audit plan, and received bi-annual updates on the Internal Audit activities and on the follow-up of the major recommendations. It also reviewed the 2021 PwC Management letter.
- Proposed to the Board and to the shareholders to appoint PwC as external auditor for 2022 including its proposed compensation.
- Received quarterly updates on risk management from the SES risk management committee and was briefed on ongoing compliance matters.
- Reviewed WACC parameters for remuneration purposes, customer credit risk and collection and of the Treasury Roadmap.
- After each meeting, the Board is briefed in writing about the work of the Audit and Risk Committee.
- Received updates on ESG targets and implementation plan.
- Reviewed the Company's Budget and Business Plan
- Evaluated the DRS Global Enterprise Services acquisition project, including financial due diligence, risk assessment and financing options.

## THE REMUNERATION COMMITTEE

- Matters addressed related to the determination of the bonuses and the vesting of performance shares allocated to the members of the SLT for their performance in 2021.
- Adoption of the 2022 corporate business objectives, which are used as one element in the determination of 2022 bonuses for SLT members.
- Review and proposal of the remuneration packages for new SLT members.
- Review and proposal of the 2022 long term equity grants for SLT members.
- Inclusion of ESG targets as a metric to determine vesting of Performance Shares for SLT members.
- Proposed to review and adjust the Remuneration Policy. The proposal has been approved by the Board and by the Ordinary Shareholder Meeting.
- After each meeting, the Board is briefed in writing about the work of the Remuneration Committee.

## THE NOMINATION COMMITTEE

- Discussed the size and the composition of the Board.
- It also discussed the renewal of existing directors and the appointment of new directors, conducted interviews and proposed to the Board a list of candidates for election by the shareholders in April 2022.
- Discussed the future structure of the Executive Committee and was involved in its implementation in close cooperation with the CEO.
- Instigated a deep dive on Talent Management and reviewed Executive Committee Succession Planning.
- After each meeting, the Board is briefed in writing about the work of the Nomination Committee.

# SENIOR LEADERSHIP TEAM (SLT)



## STEVE COLLAR

Chief Executive Officer,  
Chair of the SLT



## CHRISTOPHE DE HAUWER

Chief Development Officer



## SANDEEP JALAN

Chief Financial Officer



## RUY PINTO

Chief Technology Officer



## PANOREA MACDONALD

Chief People Officer



## JOHN BAUGHN

Chief Services Officer



## JOHN-PAUL HEMINGWAY

Chief Strategy and Product Officer



## THAI RUBIN

Chief Legal Officer



## SENIOR LEADERSHIP TEAM (SLT)

The SES Executive Committee is known as the Senior Leadership Team (SLT):

- It is in charge of the daily management of the group.
- It functions as a collegial body.
- It is mandated to prepare and plan the overall policies and strategies of the company for approval by the Board.
- It may approve intra-group transactions, irrespective of the amount, provided that they are consistent with the consolidated annual budget of the company, as well as specific transactions with third parties provided that the cost to SES does not exceed €10 million per transaction.
- It informs the Board at its next meeting of each such transaction, it being understood that the aggregate amount for all such transactions can at no time be higher than €30 million. Members of the SLT are appointed by the Board of Directors upon a proposal from the Nomination Committee.

### Steve Collar

#### Chief Executive Officer, Chair of the SLT

- Appointed in April 2018.
- From 2017 to 2018 he was CEO of SES Networks.
- Prior to SES, he was CEO of O3b Networks, and has profound experience in a variety of commercial, business development and technical roles at SES WORLD SKIES, New Skies Satellites, Astrium and Matra Marconi Space (now Airbus).
- Holds a degree in Mechanical Engineering from Brunel University in London.
- Mr Collar is a British national.

### Sandeep Jalan

#### Chief Financial Officer

- Appointed in May 2020.
- He has 30 years of experience in financial and operational leadership roles across Asia and Europe. He was until most recently the CFO of Aperam, a global leader in the stainless, electrical and specialty steel industry, a role he held since 2014. Previously, he worked for the ArcelorMittal Group since 1999 where he held various roles including the CFO of ArcelorMittal Long Carbon Europe and was part of the M&A team responsible for numerous acquisitions in both steel and mining. He was also the CFO & Company Secretary for Ispat Alloys Ltd from 1993 to 1999.
- He is a Commerce Graduate from Banaras Hindu University (BHU), Chartered Accountant (equivalent to CPA) and Company Secretary from the respective Institutes in India. He has also completed an Executive Education Programme on Leadership at the London Business School and an Executive Education program on Strategic Finance at IMD, Lausanne.
- Mr Jalan is an Indian national.

### Panorea Macdonald

#### Chief People Officer

- Appointed in July 2022.
- Prior to SES, she worked in senior HR leadership roles for technology companies such as Sun Microsystems, Hewlett, Motorola and GE in the US, Canada, UK, Africa, Dubai, Saudi Arabia, Greece and Singapore.
- Holds an MBA from York University in Canada, numerous HR and coaching qualifications.
- Mrs Macdonald is a Greek and Canadian national.

### John-Paul Hemingway

#### Chief Strategy and Product Officer

- Appointed on 1st January 2022 as Chief Strategy and Product Officer.
- Prior to that he served as CEO of SES Networks and prior to that, he served as the Executive Vice President, Product, Marketing and Strategy of SES Networks where he led Product Management, Marketing, Business Development and Corporate Strategy.
- Before SES acquired O3b and formed SES Networks, he was Chief Marketing Officer for O3b Networks.
- Prior to that, he held a variety of senior management roles in the networking industry within Ciena, Corning Cables, and Netscient.
- Holds a PhD in Optical Communications and a BSc (Hons) from Manchester Metropolitan University, UK.
- Mr Hemingway is a British national.

**Christophe De Hauwer****Chief Development Officer**

- Appointed as Chief Development Officer on 1st January 2022.
- Prior to that he served as Chief Strategy and Development Officer.
- Member of the Board of SES ASTRA.
- Having joined SES in 2003, he held several positions of responsibility in the areas of Strategic Marketing, Strategic and Business Planning and Corporate Development, as well as Fleet Development and Yield Management.
- Prior to joining SES, he worked in the Strategy Consulting practice of the European Telecommunication and Media Industry with Arthur Andersen.
- Holds an Engineering and a PhD Degree from the Université Libre de Bruxelles.
- Mr De Hauwer is a Belgian national.

**Ruy Pinto****Chief Technology Officer**

- Appointed in January 2019.
- Since 2017, he had been the Deputy Technology Officer and took on the additional role of Chief Information Officer (CIO) at SES in 2018.
- Between 1990 to 2016 he was working for Inmarsat where he covered various technical and managerial roles, such as CTO and Group Chief Operations Officer (COO).
- Prior to that he was Chair of UKSpace, and Director and VP of Space for the Association of Defence, Security and Aerospace Companies (ADS) and Non-Executive Director of the Space Application Catapult.
- Holds a degree in Electronics Engineering and completed post-graduate studies in Digital Telecommunications Systems, both from the Rio de Janeiro Catholic University (PUC-RJ).
- Mr Pinto is a dual British and Brazilian national.

**John Baughn****Chief Services Officer**

- Appointed in January 2019.
- Since 2017, he had been Executive Vice President, Global Services at SES Networks.
- He joined SES Networks from O3b Networks, where he led the Global Services team, driving service strategy.
- Between 2008 and 2015, he was VP Global Services at Ciena, and has a vast Telco experience included leadership roles in Motorola.
- Holds an MBA from the University of Warwick.
- Mr Baughn is a British national.

**Thai Rubin****Chief Legal Officer**

- Appointed in July 2020.
- Prior to that, he was the General Counsel of O3b Networks where he was as a key member of the leadership team, guiding the company to its successful commercialisation before it was acquired by SES in 2016.
- In addition to holding multiple senior leadership roles within SES, he served as General Counsel at New Skies Satellites, guiding it to a public listing on the NYSE in 2005 and its acquisition by SES in 2006.
- Before joining SES, Mr Rubin worked at PanAmSat Corporation.
- Holds a Bachelor of Science degree from the University of Wisconsin, Madison and a Juris Doctor from Howard University School of Law in Washington, D.C.
- Mr Rubin is a US national.

**RESPONSIBILITIES OF THE SENIOR LEADERSHIP TEAM**

- The SLT may approve any external credit facilities or external guarantees, pledges, mortgages and any other encumbrances of the Company, or any wholly-owned affiliate, for as long as the Company will not lose its investment grade rating as a result of such facility or guarantee.
- It may approve increases of up to 5% in the capital expenditure budget for a satellite procurement already approved by the Board, it being understood that the Internal Rate of Return will need to comply with certain specific thresholds defined by the Board. The SLT informs the Board at its next meeting of each such increase.
- The SLT submits those measures to the Board that it deems necessary to be taken in order to meet the purposes of the Company. Prior to the beginning of each fiscal year, the SLT submits to the Board a consolidated budget for approval.
- The SLT is in charge of implementing all decisions taken by the Board and by the committees specially mandated by the Board. The SLT may, in the interests of the Company, sub-delegate part of its powers and duties to its members acting individually or jointly.
- The CEO organises the work of the SLT and coordinates the activities of its members, who report directly to him. In order to facilitate the implementation by the Board of its overall duty to supervise the affairs of the Company, the CEO informs the Chair of the Board on a regular basis of the Company's activities. The latter receives the minutes of all meetings of the SLT in due time.

## INTERNAL CONTROL PROCEDURES

### OBJECTIVES AND PRINCIPLES

The Board of Directors has the overall responsibility for ensuring that SES maintains a sound system of internal controls, including financial, operational and compliance controls. Such a system is an integral part of the corporate governance strategy of SES S.A. ('the Company') together with its subsidiaries and affiliates ('the Group').

Internal control procedures help to ensure the proper management of risks and provide reasonable assurance that the business objectives of the Company can be achieved.

The internal control procedures are defined and implemented by the Company to ensure the following objectives in the table below:

#### Internal Control Objectives

OBJECTIVES	Compliance of actions and decisions with applicable laws, regulations, standards, internal rules, and contracts
	Safeguarding efficiency and effectiveness of operations and the optimal use of the Company's resources
	Correct implementation of the Company's internal processes, notably those to ensure the safeguarding of assets
	Integrity and reliability of financial and operational information, both for internal and external use
	Ensuring that management's instructions and directions are properly applied
	Ensuring that material risks are properly identified, assessed, mitigated, and reported

Like all control systems, internal controls cannot provide an absolute guarantee that all risks have been totally mitigated or eliminated.

### CONTROL ENVIRONMENT

SES has adopted a robust internal control framework based on a set of guidelines prepared by the Committee of Sponsoring Organisations of the Treadway Commission ('COSO'). This framework applies to both the Group's regular satellite business activities as well as to the specific and dedicated C-band spectrum clearing activities taking place in connection with the FCC Report & Order dated 3 March 2020. The framework provides reasonable assurance that the internal control objectives are being achieved; it is also consistent with the reference framework proposed by the French securities regulator, the Autorité des Marchés Financiers ('AMF').

The Board has delegated the design, implementation, and maintenance of a rigorous and effective system of internal controls to the Company's Senior Leadership Team, which in turn works closely with the other levels of management in establishing control policies and procedures.

SES has implemented an organisational structure with defined responsibilities, competencies and reporting lines that provide the framework in which internal controls are being executed and controlled to meet the Company's objectives.

Policies and procedures are regularly reviewed and are updated when required. These policies and procedures apply to all employees and officers of the Group, and where appropriate, to its directors as well as to other groups. A Delegation of Authority Policy is in place, and is regularly updated, providing the rules for the internal approvals and external execution that are required to authorise any external commitment of the Company.

The main SES functions and processes are electronically documented using a centralised Business Process Management software to ensure

information is designed collaboratively and shared across the company. To improve operations, SES is standardising its process mapping using an end-to-end business process framework. This framework is designed to ensure control and strategic alignment across the business, while capitalising on the standards of the telecom industry.

The internal control procedures described here are complemented by information concerning employee matters, mandatory trainings and ethics provided in the ESG Report.

## RISK MANAGEMENT

SES adopted a risk management framework based on principles proposed by COSO and ISO31000. A Risk Management Group is in place representing SES key functions which is responsible for the adequate reporting of the Company's risks and the implementation of the risk management policy and procedures.

A dedicated Risk Management Team facilitates and coordinates the reporting process and assists the Risk Management Group with the assessment of risks. The Risk Management Group reports to the Senior Leadership Team which in turn reports to the Board, which has the ultimate responsibility for oversight of the Company's risks and for ensuring that an effective risk management system is in place. The risk management policy is regularly reviewed and updated by the Risk Management Team.

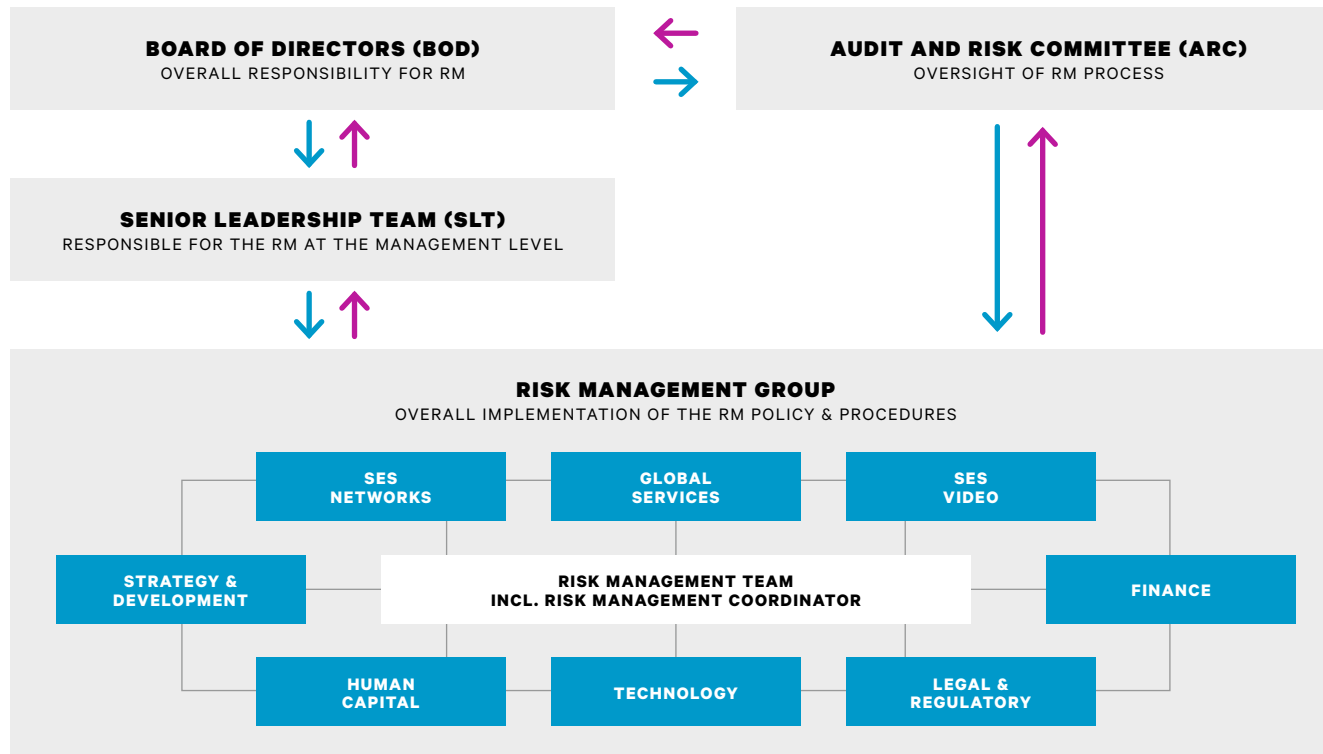
Each reported risk is categorised, assessed by the risk owners, and reviewed by the Risk Management Group. Key risk developments are periodically reported to the Senior Leadership Team, the Audit and Risk Committee and the Board.

## INTERNAL CONTROL ACTIVITIES

### Satellite operations

- The operational procedures for satellite control and payload management cover manoeuvres and configuration changes required in nominal situations as well as in the case of technical emergencies. The controllers are trained and certified in the execution of such procedures which are periodically reviewed and updated. Satellite control software is being used and fully validated electronic procedures for station-keeping and other regular operations are being applied across the entire SES fleet.
- SES has designed satellite contingency and emergency response process, crisis management systems, supporting infrastructure and tools to address satellite in-orbit anomaly situations at an appropriate management level. SES applies industry-standard incident management, escalation, and reporting processes to provide effective and timely support to customers.
- SES has adequate satellite control primary and backup capabilities utilising the European and US-based Satellite Operations Centres ('SOCs'). SOCs can take over the operations of the other in an emergency with the fail-over procedure being tested regularly. SOCs can also be controlled remotely from any other dedicated location via secure internet connection if the situation would require it.
- A corporate policy dealing with satellite insurance is in place and regularly updated reflecting the SES Board approved insurance structure and approval framework. Most of the launch and in-orbit insurance activities of the group are managed through SES' insurance and reinsurance captive companies based in Luxembourg. Both companies are regulated and managed in accordance with the European Solvency II directive and are therefore subject to strict supervision and governance rules detailed in the companies'

### Risk Management Structure



← Delegation / Monitoring

← Risk Report

■ Designated Risk Representatives of key SES functions



governance manuals. 'In-orbit Third Party Liability' insurance is placed directly to the market, i.e., not using the captives. Such insurance covers all SES in-orbit satellites in compliance with licencing and other regulatory requirements in the various jurisdictions where SES operates.

- For SES infrastructure redundancy, adequate backup capabilities are implemented.

### Global services operations

- Global Services is responsible for the operation and management of the customer-facing network, video services and content operations including the maintenance and oversight of systems and network components supporting SES customer traffic and video services.
- The monitoring and operational procedures address static state as well as anomalous states of network operations. All engineers are trained in the execution of such procedures which are periodically reviewed and updated. SES uses multiple tools and software to manage and monitor the network and these tools have redundancy enabled in the event of a systemic anomaly.
- Network operations and payload management is performed in Network Operations Centres ('NOCs') mainly located in US and Europe. Video operations centres are in Israel and Europe. SES has instituted disaster recovery procedures and handover to other sites is possible and regularly tested.
- SES applies industry-standard incident management, escalation, and reporting processes to provide effective and timely support to customers.

### Commercial operations

- A Master Service Agreement ('MSA') forms the basis for the contractual relationship with our customers. Deal specifications and commercial terms and conditions are outlined in a Service Order ('SO') which will be subject to the general terms and conditions of the underlying MSA.

- Most SES customer contracts follow this MSA-SO structure for which standard templates exist. Any negotiation of the terms and conditions of the MSA or SO are subject to commercial legal review.
- Customer contract and order management follows predefined workflows which are embedded in a customer relationship management ('CRM') tool. Appropriate segregation of duties is ensured while individual workflow steps and tasks are subject to approval from the various sales, finance, legal operations, and service representatives.
- Deal pricing for satellite capacity as well as for Network and Video products generally bases on approved rate cards which are linked to the product catalogue and solution configuration tool of CRM. Pricing deviations from approved rate card are governed by an approval matrix with internal hierarchy.
- The Group's Credit & Collections policy defines the rules and principles related to customer credit risk management and cash collection and related revenue recognition as well as deposit and payments terms for a deal.

### Procurement operations

- SES' Technology Space Programmes department is responsible for the Space Infrastructure procurement including satellites and launch vehicles.
- A Space Infrastructure procurement process, strategy and policy are in place to govern appropriate procedures such as the creation of Requests for Information and Requests for Proposal generation, satellite manufacturer selection, technical and commercial evaluations as well as legal review.
- Detailed business plans are refined based on RFP responses and the endorsement of the SLT is required before the procurement proposal is presented to the Board for approval.
- Procurement of Space Infrastructure (satellites and launch vehicles) is approved by the Board as a significant investment activity, and contracts are signed in accordance with delegation of authority.
- Payments are made on the complete fulfilment of milestone requirements in accordance with the Milestone Payment Plan defined in the contract Terms and Conditions.

- The Vendor Management & Procurement ('VMP') function supports the business for non-satellite procurement, governed by a dedicated policy that sets the framework for an appropriate level of internal controls over purchasing. SAP is used to support the purchasing process with appropriate workflow rules for approvals and the segregation of duties. Contracting with a vendor can be done either by a Purchase Order ("PO") incorporating SES's General Purchasing Terms and Conditions or a separate contract which is subject to legal review prior to the issuance of a PO. Each PO needs workflow approval in line with SES' Delegation of Authority Policy. The requester must ensure that the purchase is within the approved budget. Certain types of purchases – such as capital expenditure and major cost of sales projects – require dedicated budget controls to ensure that sufficient budget is allocated and available before finalising the purchase.
- The supply chain function within VMP optimises and streamlines the exchange of goods or services covering demand planning, logistics and warehouse management. Controls are in place to ensure effective workflows, an efficient use of resources, and compliance with regulatory obligations such as shipment and customs documentation.

### Financial operations and reporting

- Appropriate accounting and financial reporting policies and procedures are in place, regularly reviewed and updated for business developments and regulatory changes.
- Staff involved in the Group's accounting, consolidation and reporting are appropriately qualified, trained and are kept up to date with relevant changes in both national requirements and in International Financial Reporting Standards ('IFRS').
- Controls have been established in the processing of accounting transactions to ensure appropriate authorisations, an effective segregation of duties, and the complete, timely and accurate recording of financial information. This control framework continues to be enhanced through the implementation of additional workflow-based controls and validations. Risk-based monitoring controls are implemented for key SAP control configurations and transac-

tions. Specific controls are in place, such as monthly reviews and data validation procedures, to ensure the correct and timely recognition of revenues.

- Treasury activities are centrally managed within a framework approved by the Board, and which reflects the Group's current Treasury Policy. Appropriate segregation of duties, including the assignment of bank mandates between members of SES management, Treasury, and accounting departments, is in place. Specialist software helps ensure the efficiency and control of foreign exchange transactions, interest and liquidity management, and the implementation of SES' hedging strategy for interest rate and foreigncurrency fluctuations. Furthermore, to ensure enhanced security and efficiency of the bank payments process, the Company uses a banking payments system which ensures secure authorisation and transfer of payment instructions from SAP to banks.
- The main principles of SES' tax risk management are laid down in the SES Tax Charter. Tax positions are analysed based on the most appropriate authoritative interpretations and reported in internal tax technical memos or tax opinions from external tax consultancy firms. Current and deferred tax liabilities are recorded in the Group's accounts based on a key control framework that ensures full transparency and understanding of all underlying data and reconciliation between the important sources of information within the Tax and Accounting departments. A detailed tax accounting policy is in place. Transfer pricing documentation is continuously updated and improved including a master file, local files, and annual country-by-country reporting.

### Compliance operations

- The Legal & Regulatory function provides legal support to all SES operational areas and is an integral part of corporate governance and supports all customer contracting activities and processes, procurement and vendor management activities as herein before mentioned.

- The Legal & Regulatory function is also responsible for maintaining and improving SES's compliance program. A Group-wide 'Code of Conduct and Ethics' ('Code of Conduct') was implemented to enable all employees, officers, and directors as well as other groups to take a consistent approach to integrity issues and to make sure that the Group conducts its business in compliance with all applicable laws and regulations and observes the highest standards of business ethics.
- SES implemented a Sales Agent Policy and developed a comprehensive process and dedicated controls for ensuring SES representatives act with integrity. A dedicated team within the Legal Department conducts due diligence into and approves agent appointments. A Gift and Entertainment Policy is in place to provide rules and guidance for giving and receiving gifts and entertainment.
- SES is committed to full compliance with competition laws. An Antitrust Compliance Policy and Guidelines have been implemented to inform employees of the scope of competition laws and how to do the best work for SES whilst complying with the law.
- Regulatory leads the export control and sanctions compliance with laws, regulations, and policies. Controls and workflows have been established to interface with commercial and technical teams to ensure continued compliance with the growing needs associated with new products and services.
- Dedicated training programmes are mandatory for employees (depending on the nature of their work) to ensure an appropriate understanding and awareness of compliance related matters.

### Information Technology

- Management is committed to ensuring that SES' data, infrastructure, and information technology systems in the cloud and on SES premises are as secure as is reasonably and commercially practicable. Security controls, policies and procedures are in place to prevent unauthorised access to premises, computer systems, networks, and data. Policies and procedures are continuously being reviewed and updated.

- SES applies an Information Security Management System ('ISMS') in line with the ISO 27001 standard which is subject to regular ISO 27001:2013 certification for the scope of data services delivered through high-throughput GEO satellites.
- The SES Azure Cloud Platform has been put in place with an adequately designed control environment, leading to an improved level of standardisation and harmonisation of the SES IT landscape. The Cloud Centre of Excellence programme with Microsoft has been completed and is fully operational and is facilitating standards setting and development of new products and platforms in the Cloud. The Cloud solution provides state-of-the-art backup facilities to ensure enhanced continuity of all Cloud-based systems.
- All SES' main trading operations operate on a centrally managed, Cloud-based SAP ERP platform, applying consistent processes, controls, and backup. A comprehensive SAP security policy has been defined and implemented. Appropriate SAP access management is in place and is continually monitored and enhanced. Segregation of duty principles and approval limits are defined and embedded in SAP workflows.
- SES has disaster recovery plans for its business-critical infrastructure. The regular testing of these activities confirms that SES is in a good position to recover all mission critical back-office applications within its recovery time objectives. Electronic information is regularly backed up and tested.
- A digital workflow process for managing information technology incidents and service requests is in place on a ServiceNow platform further enhancing the level of automation. Relevant key performance indicators are regularly reviewed. Information technology projects are managed and executed using agile methodology based on features and capabilities of Azure Development Operations.
- SES ensures adequate and secure VPN connectivity and redundancy to cater for users working remotely. More applications continue to be progressively added onto our MS Multi-Factor authentication to protect against unauthorised access due to password theft or password guessing attacks.

- A dedicated cybersecurity team is in place to help and guide SES management and business stakeholders to adequately secure SES systems, information assets and customer services. The cybersecurity team follows a holistic approach towards cybersecurity by implementing a wide range of security control mechanisms and practices based on industry-leading standards, as well as cultivating a culture of awareness and caution throughout our organisation.

#### **INFORMATION AND MONITORING ACTIVITIES**

- The SES Internal Communication function ensures the effective circulation of information across the organisation and supports the implementation of internal control and risk management by communicating business and functional objectives, instructions and information pertinent to SES's business activities. Timely and transparent information flow across all levels and functions of SES is managed via a wide array of internal communications channels ensuring that SES employees around the world have access to all information required to do their job most effectively and to take informed business decisions that are aligned with SES's business priorities and strategic direction as well as with our identity and aspirational culture.
- The Company relies on a comprehensive system of financial information and oversight. Strategic plans, business plans, budgets and the interim and full-year consolidated accounts of the Group are drawn up and brought to the Board for approval.

- The Board also approves all significant investments and receives monthly financial reports setting out the Group's financial performance in comparison to the approved budget and prior year figures.
- In accordance with IFRS requirements, SES discloses detailed information on the market, credit, and foreign exchange risks to which it is exposed, as well as its strategy for managing those risks.
- The Audit and Risk Committee ('ARC') is regularly updated on significant accounting and financial reporting, treasury, tax, and legal issues.
- The complete and timely recording of financial information is ensured through regular reviews, the monitoring of specific key performance indicators, validation procedures by functional leaders and, as an additional check, the process of internal and external audit.
- The external auditor performs a limited review of the Group's interim condensed consolidated financial statements and a full audit of the annual consolidated financial statements.
- SES' Internal Audit function performs specific analyses of the relevance of, and compliance with, Company policies and internal control procedures in accordance with general accepted Internal Audit Standards issued by the Institute of Internal Audit ('IIA'). The activities of the Internal Audit function are executed in accordance with an annual audit plan, which is reviewed and approved by the ARC. This plan is prepared in close cooperation with the company's Risk Management Team to dynamically link it to risks and exposures that may affect the organisation and its operations.

- Any material weaknesses in the system of internal controls identified by either internal or external auditors are promptly and fully addressed. Regular reports are provided to the Senior Leadership Team and to the ARC summarising conclusions regarding internal control effectiveness and compliance.
- The proxy structure of the SES Government Solutions Inc. entity (a wholly-owned indirect subsidiary of SES S.A.) and its subsidiaries and affiliates (together, 'the SES Government Solutions group'), in line with common practice for businesses serving certain segments of the US Government, imposes various restrictions on the SES Group Board and executive management in directly supervising the maintenance of an internal control system and imposing an internal audit structure. Hence the Group's own Internal Audit function does not perform direct internal control reviews of the SES Government Solutions group, but rather has an agreement with the SES Government Solutions group's management as to required levels of risk management and internal control. In recent years these procedures have been subject to evaluation and compliance testing by a third-party audit services provider, although this activity will likely be suspended for a period to allow the full integration of business operations of the original SES Government Services business and the DRS Global Enterprise Solutions business acquired on 1st August 2022. The Group's external auditor is also engaged for the audit of the financial information provided by the SES Government Solutions group in the framework of the audit of the SES Group's consolidated financial statements.

## PRINCIPAL RISKS

SES identified the following potential risks, which could have a material and adverse effect on its business, financial condition and results of operation. This section does not purport to be exhaustive, but rather contains a summary of the main risks that SES may face during the normal course of its business. Where mitigations are mentioned in this

section, there is no guarantee that such mitigations will be effective (in whole or in part) to remove or reduce the effect of a risk. SES defines risk as the possibility of a potential event, condition, action or inaction occurring and adversely affecting SES' ability to achieve its business objectives..

### STRATEGIC RISKS

<b>Competition</b>	The satellite communications business is increasingly competitive. SES competes with national, regional and international geostationary (GEO), non-geostationary (NGSO) and fixed and wireless terrestrial operators. The competition from NGSO systems is potentially the most disruptive trend facing SES. With strong financial backing, vertical integration and technological advancements, such competitors are planning to enter multiple markets targeted by SES. In addition, the trend towards horizontal and vertical consolidation poses the risk of leaving SES behind with a smaller, less powerful relative market position towards customers as well as suppliers. SES regularly evaluates potential partner or merger targets that fit with its strategy.
<b>Technology</b>	The satellite communications industry is subject to rapid technological change. As a result, the technology used by SES could become less suitable for customer requirements leading to a reduced service demand and a negative revenue impact. SES monitors such changes and regularly evaluates opportunities to invest into new technologies.
<b>Emerging Markets</b>	SES' targets new geographical areas and emerging markets and is developing commercial arrangements with local communications, media and other businesses in these areas. SES may be exposed to political and other risks associated with such business. SES regularly evaluates and monitors conditions for conducting business in such areas and markets to ensure that such risks are identified and mitigated.
<b>Investment</b>	SES' desired strategic investments may not yield expected benefits due to a number of factors including uncertain or changing market conditions, financing costs and legal and regulatory issues.
<b>ESG</b>	We recognise the effect ESG matters have on the company's everyday activities and the importance of having a sound risk management approach around those matters. SES is committed to conduct its business in accordance with highest standard governance processes and in a sustainable and environmentally friendly way. Failure to do so may have an adverse effect on the company's operation, financial results and reputation. SES is in a process of identifying and evaluating relevant ESG related risks and opportunities (including those related to climate) in order to ensure that necessary mitigating actions are in place. In view of complexity, and developing nature, of ESG related issues to be considered by the company, the above process includes engaging all relevant stakeholders and consulting external professional advisors. A number of such risks are closely linked to other areas covered in this section and are already being mitigated, for example, risks relating to in-orbit failures and cybersecurity. Details of company's >> <a href="#">ESG strategy</a> are provided in the Annual Report.

### OPERATIONAL RISKS

<b>Dependency on key supplier(s)</b>	<p>Dependency on a small number of satellite manufacturers may reduce SES' negotiating power and access to advanced technologies and result in increased satellite procurement risk (e.g., due to technical difficulties and design problems with a particular model of satellite). SES mitigates these risks by maintaining a full level physical presence and oversight at manufacturer facilities throughout the spacecraft design, construction and acceptance. SES monitors manufacturers' supplier base and procurement sources and develops relationships with new suppliers where possible.</p> <p>SES is dependent on a limited number of launch service providers. As such, delays may be incurred in launching satellites in the event of a prolonged unavailability of service from a launch service provider. SES monitors developments on the launcher market, including those in respect to new launch service providers and new launch vehicles.</p>
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1 OPERATIONAL & STRATEGIC REPORT	2 ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) REPORT	3 CORPORATE GOVERNANCE & REMUNERATION	4 CONSOLIDATED FINANCIAL STATEMENTS	5 SES S.A. ANNUAL ACCOUNTS	6 ADDITIONAL INFORMATION
<b>Launch delay(s) and launch failure(s)</b>		Launch delays are a possibility. Satellite launch and in-orbit insurance policies do not compensate for lost revenues and other consequential losses. SES attempts to mitigate the risk of delays by ensuring adequate margins in satellite procurement schedules.			
<b>In-orbit failure(s)</b>		There is always a small but inherent risk of launch or early-orbit failure, resulting in a reduced satellite lifetime and/or functionality or the total loss of a satellite. SES mitigates such risks in several ways, including by technical risk management of each launch vehicle programme and asset insurance for each launch.			
<b>Cybersecurity</b>		A satellite may suffer in-orbit failures ranging from a partial impairment of its commercial capabilities to a total loss of the asset. Such failure may result in SES not being able to continue to provide service to some of its customers. SES attempts to mitigate this risk by careful vendor selection and high quality in-orbit operations. For some services, SES is able to offer an in-orbit backup strategy in which customers using an impaired satellite may be transferred to another satellite. In addition, in respect of its GEO satellites, SES has restoration agreements with other satellite operators whereby customers on an impaired GEO satellite may be transferred to a GEO satellite of another operator in order to protect continuity of service.			
<b>Space insurance coverage and availability</b>		SES' operations may be subject to hacking, malware and other forms of cyber-attack. Due to the high sophistication of certain attackers and an increasing number of cyber-attacks, it may not always be possible to prevent every such event. SES has protections in place to help protect its systems and networks and continues to work to implement additional protective measures intended to limit the risks associated with such attacks.			
<b>Personnel</b>		SES maintains pre-launch, launch and initial in-orbit insurances, in-orbit insurance, and third-party liability insurance. These policies generally contain customary market exclusions and are subject to limitations. The insurance market has been seeing a reduced availability and significantly increased rates. This results in increased insurance premiums for SES. In order to mitigate these risks and optimise the coverage and premiums, SES maintains a policy of limited self-insurance through its captive entities.			
<b>Global Pandemic or other health emergency</b>		SES is competing for talent with satellite operators as well as large and well-known companies. In the context of low unemployment rates and a shortage of qualified candidates, SES may have difficulties in hiring competent talent. If SES is unable to source and retain key talent this could have a negative impact on SES' ability to deliver its business objectives. To mitigate this risk SES uses a dedicated Talent Acquisition function to source high-quality candidates.			
<b>REGULATORY RISKS</b>		SES is subject to the risk of a global pandemic or other health emergency such as COVID-19. A material health emergency could affect availability of our employees and impact various areas of SES' business including procurement and launch of satellites, entry into service of new satellites, procurement of ground infrastructure and provision of services to customers. SES has procedures and measures in place to respond to health risks and to secure business continuity during such situations.			
<b>Legal and Regulatory</b>		SES' operations and business are subject to compliance with the laws, regulations (e.g., communications, export control, sanctions, competition) and political will of the governmental authorities of the countries in which SES operates, uses radio spectrum, offers satellite capacity and services. Violations of any of the applicable laws and regulations could expose SES to penalties and other enforcement actions and may negatively affect commercial operations.			
<b>Spectrum</b>		SES may need to obtain and maintain approvals from authorities or other entities to operate its satellites and to offer satellite capacity and services. Failure to obtain the necessary approvals could lead to loss of revenues and compliance actions against SES.			
		SES works to ensure that adequate compliance staff is in place and that all teams have the necessary technical and human resources to enable the company to comply with applicable laws and regulations.			
		The International Telecommunication Union (ITU) and national administrations may reallocate satellite spectrum to other uses. In addition, national administrations are increasingly charging for access to spectrum through the use of fees and auctions. This may affect SES' access to orbital locations and frequencies required for it to develop and maintain its satellite fleet and services.			
		In addition, SES must coordinate the operation of its satellites with other satellite operators so as to prevent or reduce interference. As a result of such coordination, SES may be required to modify the proposed coverage areas or satellite design or transmission plans which may materially restrict satellite use. Similarly, the performance of SES' satellites in some areas could be adversely affected by harmful interference caused by other operators to SES' satellites.			
		Operational issues such as satellite launch failure, launch delay or in-orbit failure might compromise access to the spectrum or orbital locations. SES' large fleet may enable the relocation of in-orbit satellites to satisfy regulatory and spectrum requirements.			

## FINANCE RISKS

<b>Credit rating</b>	SES' credit rating can be affected by a number of factors, including a change in its financial policy, a deterioration of its financial credit metrics, a downgrade in the rating agencies' assessment of the business risk profile or a change in rating methodology. A change in SES' credit rating could affect the cost and terms of its newly issued debt, as well as its ability to raise financing. SES' policy is to attain and retain a stable investment grade rating with two of the international reputable credit rating agencies (currently Fitch and Moody's).
<b>Tax</b>	SES is subject to taxation in multiple jurisdictions and may become subject to unforeseen material tax claims, including late payment interest and /or penalties, and in some cases retroactive tax assessments. SES has implemented a tax risk mitigation charter based on, among other things, a framework of tax opinions for the financially material positions taken, transfer pricing policies, and procedures for accurate tax compliance in all jurisdictions.
<b>Asset impairment</b>	SES' intangible assets, satellites and ground segment assets are valued at historic cost less amortisation, depreciation and accumulated impairment charges. The resulting carrying values are validated each year through impairment testing procedures where they are compared to the discounted present value of the future cash flows expected to be derived from the asset. Where future assumptions for a specific asset, as set out in the approved Business Plan, become less favourable, or the discount rates – or perpetual growth rate assumptions – applied to the future cash flows change, then this may result in the need for material asset impairment charges.
<b>Foreign exchange</b>	SES' reported financial performance can be impacted by movements in the Euro /U.S. dollar exchange rate, as SES has significant operations, cash flows, assets and liabilities that are denominated in the U.S. dollar whereby the Group's reporting currency is the Euro.  To mitigate this exposure, SES may enter into forward foreign exchange or similar derivative contracts to hedge underlying foreign exchange exposures. Further details are provided in <a href="#">&gt;&gt; Note 19</a> to the consolidated financial statements.
<b>Interest rate</b>	SES' exposure to the risk of changes in market interest rates relates primarily to SES' floating rate borrowings as well as the renewal of its fixed rate borrowings. SES carefully monitors and adjusts the mix between fixed and floating rate debt from time to time, responding to market conditions. Interest rate derivatives may be used to manage the interest rate risk. Further details are provided in <a href="#">&gt;&gt; Note 19</a> to the consolidated financial statements.
<b>Key customer loss</b>	Bankruptcy and customer consolidation, amongst other reasons, can potentially result in loss of customers, non-renewals or reduction in the demand for services. SES aims for long contract terms with key customers based on strong relationships.
<b>Customer credit</b>	Failure by customers to fulfil payment obligations is a possibility. Credit risk may increase as SES and /or its customers increase dependency on revenues in emerging markets where credit risk may be higher. This risk is mitigated through a customer credit policy including credit checks, deposits or other forms of security, payment monitoring and credit insurance where possible. Further details are provided in <a href="#">&gt;&gt; Note 19</a> to the consolidated financial statements.

## RESPONSIBILITY STATEMENT

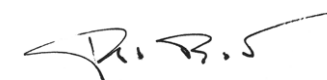
The Board of Directors and the Executive Committee of the company reaffirm their responsibility to ensure the maintenance of proper accounting records disclosing the financial position of the group with reasonable accuracy at any time and ensure that an appropriate system of internal controls is in place to ensure the group's business operations are carried out efficiently and transparently.

In accordance with Article 3 of the Luxembourg law of 11 January 2008, as subsequently amended, on transparency requirements in relation to information about issuers whose securities are admitted to trading

on a regulated market, we declare that, to the best of our knowledge, the annual statutory accounts as of and for the year ended 31 December 2022, prepared in accordance with Luxembourg legal and regulatory requirements, and the consolidated financial statements as of end for the year ended 31 December 2022, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the year of SES taken individually, and of SES and its consolidated subsidiaries taken as a whole, respectively. In addition, the management report includes a fair review of the development and performance of the business and the position of SES taken individually, and of SES and its consolidated subsidiaries taken

as a whole, together with a description of the principal risks and uncertainties that they face.

24 February 2023



**Frank Esser**  
Chair of the Board of Directors



**Steve Collar**  
CEO

# IMPRINT

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## PHOTO CREDITS

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