

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 2021

SES Shareholders	Number of Shares	Voting participation	Economic Participation
Registered shares	4,616,730	0.81%	1.00%
FDRs (free float)	359,092,441	65.86%	78.04%
FDRs held by SES	7,748,429	0.00%	1.68% ¹
FDRs held by SES Astra for SES	12,000,000	0.00%	2.61% ²
Total A Shares	383,457,600	66.67%	83.33%
BCEE	60,614,724	10.88%	5.27%
SNCI	60,607,161	10.88%	5.27%
Etat du Luxembourg	64,506,915	11.58%	5.61%
B Shares held by SES Astra for SES	6,000,000	0.00%	0.52% ³
Total B Shares	191,728,800	33.33%	16.67%
Total shares (actual)⁴	575,186,400	100.00%	100.00%
Total shares (economic)⁴	460,149,120		

1 At 31 December 2021, SES held 7,748,429 FDRs for the purpose of its employee option program. SES does not exercise voting rights.

2 At 31 December 2021, SES Astra on the basis of article 415-23 of the Luxembourg companies' law, held 12,000,000 FDRs, to be cancelled in accordance with the programme of 6 May 2021. SES Astra does not exercise voting rights.

3 At 31 December 2021, SES Astra on the basis of article 415-23 of the Luxembourg companies' law, held 6,000,000 B Shares, to be cancelled in accordance with the programme of 6 May 2021. SES Astra does not exercise voting rights.

4 Pro forma number of total shares (actual) will be 557,186,400 and total shares (economic) will be 445,749,120 post cancellation of shares held by SES Astra in accordance with the programme of 6 May 2021.

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. 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 Committee¹.

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.

CHAIRMAN'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 SHAREHOLDERS

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

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

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**OPERATIONAL
& STRATEGIC
REPORT**

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 will receive 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 will be represented at the meeting by Banque et Caisse d'Epargne de l'Etat acting as fiduciary. Each FDR will represent one A-share. If a holder of FDRs wishes to attend the AGM of shareholders in person, that shareholder will need to convert at least one FDR into an A-share.

Notice of the meeting and of the proposed agenda will also be published in the international press. The fiduciary will circulate 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 will be 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 will vote 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

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**ENVIRONMENTAL,
SOCIAL & GOVERNANCE
(ESG) REPORT**

3
**CORPORATE
GOVERNANCE &
REMUNERATION**

listed in the agenda or proposed to be added to the agenda. This request will need to be made in writing (via mail or e-mail) and received no later than the twenty-second day preceding the AGM and will need 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 will then publish 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 French, but an English translation is provided by the Company. Interventions in English will be translated into French. A French version of the AGM minutes and the results of the shareholders' votes will be published on the SES website within 15 days after the AGM.

4
**CONSOLIDATED
FINANCIAL
STATEMENTS**

5
**SES S.A.
ANNUAL
ACCOUNTS**

With the exception of the procedure described above regarding when-ever 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 2021, the AGM was held on 1st April. 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 98.21% of the Company's shareholders, excluding the 5,459,979 FDRs held by the Company. All resolutions submitted to the shareholders were approved by comfortable majority votes. The detailed results of the shareholders' votes are available on the [company's website](#).

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**ADDITIONAL
INFORMATION**

BOARD OF DIRECTORS & COMMITTEES



FRANK ESSER
Chairman of the Board



TSEGA GEBREYES
Vice-Chairperson of the Board



ANNE-CATHERINE RIES
Chairperson of the Nomination
Committee & Vice-Chairperson
of the Board



SERGE ALLEGREZZA
Director



PETER VAN BOMMEL
Chairman of the
Audit and Risk Committee



**BÉATRICE DE CLERMONT-
TONNERRE**
Director



PAUL KONSBRUCK
Director
(until 1st December 2021)



RAMU POTARAZU
Director



KAJ-ERIK RELANDER
Director



JACQUES THILL
Director



FRANÇOISE THOMA
Chairperson of the Remuneration
Committee



KATRIN WEHR-SEITER
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 2021, the Board was comprised of 11 members of which 7 were considered independent.

MEMBERS OF THE BOARD AS OF 31 DECEMBER 2021

Frank Esser

Chairman of the Board

Chairperson of the Strategic Committee

- Frank Esser became a director on 11 February 2020.
- He is the former Chairman 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 was re-elected as Chairman of the Board on 1 April 2021. He is the Chairperson of the Strategic Committee and 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.

Tsega Gebreyes

Vice-Chairperson of the Board

- Mrs Tsega Gebreyes became a director on 4 April 2013.
- She is the Founding Director of Satya Capital Limited. She served as Chief Business Development and Strategy Officer of Celtel International BV and Senior Advisor to Zain.
- She was also Founding Partner of the NAOF, LLP and has worked with McKinsey and Citicorp.
- Mrs Gebreyes is a director of Satya Capital Limited, LSEG and Airtel Plc and was a director of Sonae. She is a Senior Advisor to TPG Growth.
- She is Vice-Chairperson of the Board and a member of the Nomination Committee of SES.
- She has a double major in Economics and International Studies from Rhodes College and holds an M.B.A. from Harvard Business School.
- Mrs Gebreyes is an Ethiopian national. She is an independent director.

Anne-Catherine Ries

Vice-Chairperson of the Board

Chairperson of the Nomination Committee

- Mrs Ries became a director on 1 January 2015.
- 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 Chairperson of the Nomination Committee of SES.
- Mrs Ries is a Luxembourg and French national. She is not an independent director because she represents an important shareholder.

Serge Allegrezza

- Mr Allegrezza became a director on 11 February 2010.
- He is currently the Director General of Stateg, the Luxembourg Institute for Statistics and Economic Studies, a post he has held since April 2003. He is a certified IDP (INSEAD).
- He was Conseiller de Gouvernement 1ère classe at the Ministry of Economics, responsible for internal market policy, and is the Chairman of the Observatory for Competitiveness. He is also the Chairman of the Board of Directors of POST Luxembourg and of the Board of LuxTrust i.n.c and former president of the Conseil Economique et Social.
- Mr Allegrezza, was a part-time lecturer at the IAE/University of Nancy 2, has a Master in economics and a PhD. in applied economics.
- Mr Allegrezza is a member of the Audit and Risk Committee and of the Remuneration Committee of SES.
- Mr Allegrezza is a Luxembourg national. He is not an independent director because he represents an important shareholder.

Peter van Bommel

Chairman of the Audit and Risk Committee since 2 August 2021

- Mr van Bommel became a director on 2 April 2020.
- 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.
- Mr van Bommel holds an MSc in Economics from Erasmus University in Rotterdam.
- Mr van Bommel is the Chairperson of the Audit and Risk Committee, a member of the Remuneration Committee and of the Strategic Committee of SES.
- Mr van Bommel is a Dutch national. He is an independent director.

Béatrice de Clermont-Tonnerre

- Mrs Béatrice de Clermont-Tonnerre has held several executive positions at Google including Director AI Partnerships EMEA and Southern Europe Monetisation Director for six years until Q3 2019.
- Before that, Mrs de Clermont-Tonnerre worked 15 years for Groupe Lagardère in different Executive roles including Senior VP for Corporate Development. She previously worked at Groupe Canal Plus, having started her career with Matra Marconi Space. She is the Lead Director of Grupo Prisa (Spain) and a member of the Board of Directors of Klépierre (France). She is an Investor and Executive Committee Member of Kayrros, a climatetech company pioneering pollutant emissions quantification along the energy supply chain.
- Mrs de Clermont-Tonnerre holds a Master's degree in Politics and Economics from the Institut d'Etudes Politiques in Paris and an MBA from ESSEC Business School, France.
- Mrs de Clermont-Tonnerre is a member of the Nomination Committee and of the Strategic Committee of SES.
- Mrs de Clermont-Tonnerre is a French national. She is an independent director.

Paul Konsbruck

(director until 1 December 2021)

- Mr. Konsbruck became a director on 13th June 2019. He resigned on 1st December 2021. He was First Government Councillor at the Ministry of State and Chief of Staff to the Prime Minister and Minister for Media and Communications in Luxembourg as of 1 January 2016. He now is CEO of LuxConnect S.A.. Paul Konsbruck holds a Master degree in Literature and Linguistics from the University of Heidelberg, and participated in the Senior Executive Fellow Programme at the Harvard Kennedy School. He was a Director of ENCEVO SA and is the government commissioner to CLT-UFA/RTL Luxembourg.
- He was a member of the Nomination Committee and of the Strategic Committee of SES.
- Mr. Konsbruck is a Luxembourg national. He was not an independent director because he represented 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 and of the Strategic 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.
- 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. He is Chairman 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 was co-opted as director of SES on 2 December 2021 as replacement for Mr Paul Konsbruck.
- 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 multilateral 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.
- 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 specialized in European Competition Law and European Foreign Policy.
- From 2015 until 2021, Mr. Thill has been a member of the Board of Directors of LUXGOVSAT S.A.
- Mr Thill is a member of the Nomination Committee and of the Strategic Committee.
- Mr Thill is a Luxembourg national. He is not an independent director because he represents an important shareholder.

Françoise Thoma

Chairperson 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'Epargne de l'Etat, 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 Chairperson 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

Chairperson of the Audit and Risk Committee until 2 August 2021

- 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 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

The Board of SES is composed of 11 non-executive directors, five 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 2022, 2023 and 2024, 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. Mr Paul Konsbruck having resigned with effect from 1st December 2021, the Board of SES co-opted Mr Jacques Thill with effect from 2 December 2021.

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 2021, seven of the board members are considered independent: Béatrice de Clermont-Tonnerre, Tsega Gebreyes, 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 Chairman 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 2021, 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 2021

The Board of Directors held three physical meetings and seven Board calls in 2021, with an attendance rate of more than 95%. In accordance with the sanitary measures related to the COVID-19 pandemic, imposed on the company as of March 2020, a number of board meetings were held via video conference calls. The three physical meetings were held under strict 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 2020 audited accounts, the dividend and the financial results for the first half of 2021.

The Board approved the final version of the 2022 Budget and the 2022–2026 Business Plan. It also reviewed the Strategic Plan and held a detailed Strategic Session in June 2021. 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 fleet of two satellites for 19.2°E thus ensuring continuity of service on an important position for SES.

With regard to the Company's corporate governance, the Board reviewed the decision powers of the Committees and resolved that all decision powers should revert from those Committees to the Board. The Board approved the charter of the Strategic Committee.

During 2021, the Board also decided to launch a new share buyback programme, implemented through the filing of a 'notice d'information' on 6 May 2021 a decision taken by the shareholders during the AGM of 1 April 2021. The 2021 programme executed on Euronext Paris is limited to the objective of purchasing FDRs and shares of SES, through its subsidiary SES Astra, for cancellation by 2023.

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 2021 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 number of entities of the group in 2021.

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 monthly 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 Chairman, 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 has an oversight function and provides a link between the internal and external auditors and the Board.

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.

The Strategic Committee reviews, analyses and discusses market trends, market opportunities, risks and the competitive landscape. The Committee prepares Board discussions on strategic matters and supports Management in planning and preparing the annual Strategic Plan for approval by the Board as well as in the preparation of any investment or divestment decision for approval by the Board. The Strategic Committee discusses and reviews important industry and company developments as presented by Management and reviews with Management the implementation of strategic and investment decisions approved by the Board.

COMMITTEES OF THE BOARD

as of 31 December 2021

CHAIRMAN OF THE BOARD: FRANK ESSER				
VICE-CHAIRPERSONS OF THE BOARD: TSEGA GEBREYES, ANNE-CATHERINE RIES				
<p>AUDIT AND RISK COMMITTEE</p> <hr/> <ul style="list-style-type: none"> • Chair: Peter van Bommel • Serge Allegrezza • Kaj-Erik Relander • Françoise Thoma • Katrin Wehr-Seiter 	<p>REMUNERATION COMMITTEE</p> <hr/> <ul style="list-style-type: none"> • Chair: Françoise Thoma • Serge Allegrezza • Peter van Bommel • Frank Esser • Ramu Potarazu • Katrin Wehr-Seiter 	<p>NOMINATION COMMITTEE</p> <hr/> <ul style="list-style-type: none"> • Chair: Anne-Catherine Ries • Béatrice de Clermont-Tonnerre • Frank Esser • Tsega Gebreyes • Paul Konsbruck (until 1st December 2021) • Kaj-Erik Relander • Jacques Thill (as of 2nd December 2021) 	<p>STRATEGIC COMMITTEE</p> <hr/> <ul style="list-style-type: none"> • Chair: Frank Esser • Peter van Bommel • Béatrice de Clermont-Tonnerre • Ramu Potarazu • Paul Konsbruck (until 1st December 2021) • Jacques Thill (as of 2nd December 2021) 	<p>SECRETARY OF THE BOARD OF DIRECTORS</p> <hr/> <ul style="list-style-type: none"> • Thai Rubin
MEETINGS AND ATTENDANCE RATE IN %				
2 Hybrid meetings and 3 calls 100%	2 Hybrid meetings and 4 calls 100%	2 Hybrid meetings and 2 calls 100%	9 Calls 98%	

ACTIVITIES OF THE COMMITTEES IN 2021

THE AUDIT AND RISK COMMITTEE

- Reviewed the 2020 financial results before their submission to the Board and their subsequent approval by the shareholders at the statutory AGM.
- Reviewed the H1 2021 financial results of the Company. Members had the opportunity to communicate any comments they had on the Company's quarterly results prior to the publication of these results.
- 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 2020 PwC Management letter.
- Proposed to the Board and to the shareholders to appoint PwC as external auditor for 2021 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.
- PwC briefed the Audit and Risk Committee on upcoming regulatory changes. 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.

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 2020.
- Adoption of the 2021 corporate business objectives, which are used as one element in the determination of 2021 bonuses for SLT members.
- Review and proposal of the remuneration packages for new SLT members.
- Review and proposal of the 2021 long term equity grants 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, conducted interviews and proposed to the Board a list of candidates for election by the shareholders in April 2021.
- 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.

THE STRATEGIC COMMITTEE

- Discussed strategic industry trends, market opportunities, risks and competition and the disruption underway in satellite industry.
- Included input from outside consultants.
- Regularly reviewed progress on various strategic opportunities.
- Reviewed and discussed the company strategy and strategic options.
- After each meeting, the Board is briefed in writing about the work of the Strategic Committee.

SENIOR LEADERSHIP TEAM (SLT)



STEVE COLLAR
CEO, SES Group,
Chairman of the SLT



CHRISTOPHE DE HAUWER
Chief Development Officer



SANDEEP JALAN
Chief Financial Officer



RUY PINTO
Chief Technology Officer



EVIE ROOS
Chief Human Resources 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

CEO, SES Group, Chairman 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.

Evie Roos

Chief Human Capital Officer

- Appointed in February 2017.
- Prior she held the position of Executive Vice-President Human Resources of SES and is a member of the Board of SES ASTRA, as well as an elected member of the Luxembourg Chamber of Commerce.
- Before joining SES, she held various management positions at ArcelorMittal.
- She holds two degrees in Law and European Studies from the University of Leuven in Belgium and the Europa Institut in Saarbrücken in Germany.
- Mrs Roos is a Belgian, Luxembourg and US national.

John-Paul Hemingway

Chief Strategy and Product Officer

- Appointed in April 2018 as CEO of SES Networks.
- 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 in August 2015 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 Chairman 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 Chairman 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 Order dated 3rd 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.

Policies and procedures are regularly reviewed and are updated when required. The 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 Approval and External Execution that are required to authorise any external commitment of the Company.

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.

A Compliance Committee composed of designated Compliance Officers in each main corporate location, is tasked with raising the employees' awareness of the Code and ensures a consistent roll-out and training programme for the Code. The Compliance Committee meets regularly to discuss important topics or issues.

SES has a whistleblowing hotline, managed by a third-party provider, which allows its employees to file any compliance complaints in full confidence.

SES has implemented a comprehensive compliance training programme with mandatory trainings related to cybersecurity, GDPR, anti-bribery, sanctions & export controls, the Code of Conduct, and harassment.

To ensure better compliance with data protection laws and regulations, SES has a Data Protection Officer. SES has implemented a variety of measures, has reviewed and updated relevant procedures and processes, and continuously strives to comply with the General Data Protection Regulation ('GDPR').

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.

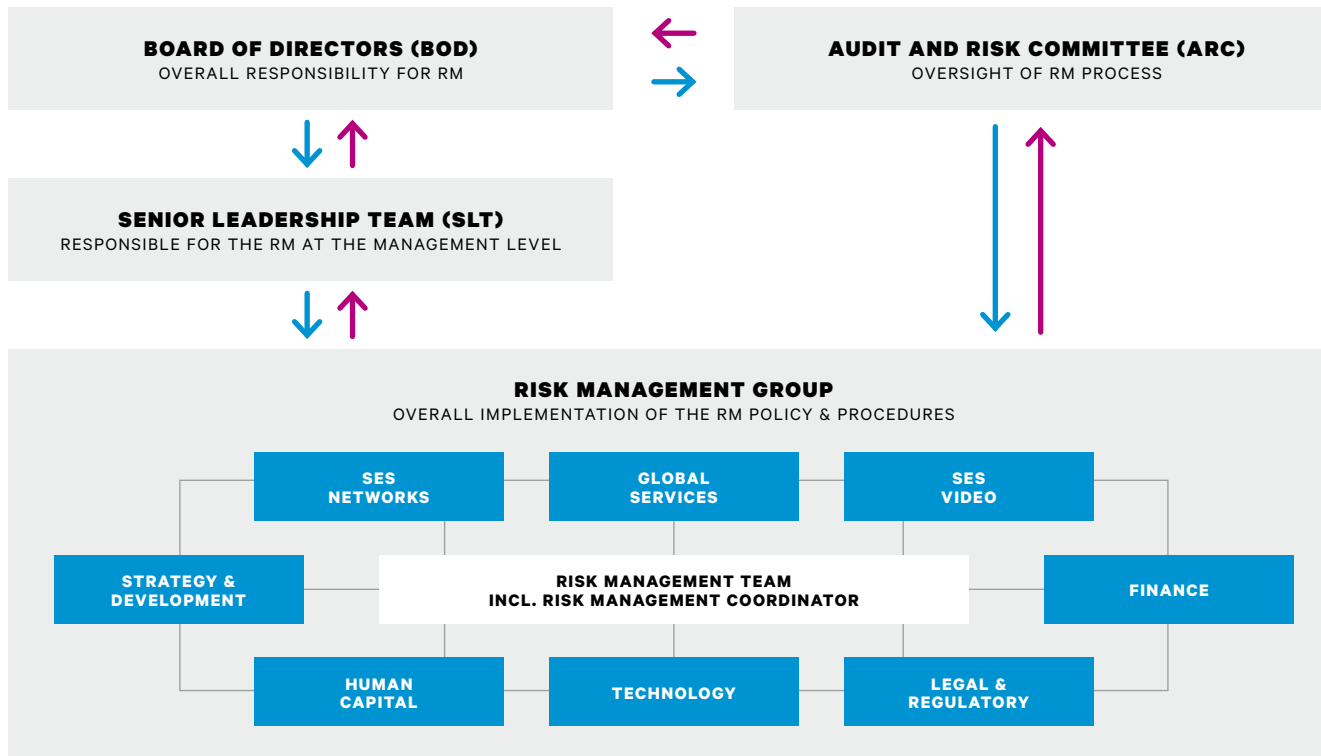
RISK MANAGEMENT

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 and being 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 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 being 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.

Risk Management Structure



← Delegation / Monitoring ← Risk Report ■ Designated Risk Representatives of key SES functions

INTERNAL CONTROL ACTIVITIES

Accounting, Consolidation and Reporting

In the area of accounting, consolidation and reporting, the following should be noted:

- Staff involved in the Group's accounting, consolidation and reporting are appropriately qualified, trained and are kept up to date with relevant changes in International Financial Reporting Standards ('IFRS').
- Appropriate accounting and financial reporting policies and procedures are in place, regularly reviewed and updated for business developments and regulatory changes.
- Controls have been established in the processing of accounting transactions to ensure appropriate authorisations, an effective segregation of duties, and the complete and accurate recording of financial information. This control framework continues to be enhanced through the implementation of additional workflow-based controls and validations.
- A Business Process Management function within the Finance team reviews key financial operations and identifies areas for further enhancement of the efficiency of the processes and for reinforcing the segregation of duties and internal controls.
- Adequate procedures and controls are in place, such as monthly reviews and data validation procedures, to ensure the correct and timely recognition of revenues.
- The Group is currently replacing different legacy systems used for processing order-to-cash transactions, and associated accounting activities such as revenue recognition, with a common platform covering nearly all the group's operations. This implementation is expected to be completed in 2022.

- Risk-based monitoring controls are implemented for key SAP configurations and transactions
- The completeness 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.
- 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 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. The Board receives monthly financial reports setting out the Company's financial performance in comparison to the approved budget and prior year figures.
- Any material weaknesses in the system of internal controls identified by either internal or external auditors are promptly and fully addressed.
- The external auditors perform a limited review of the Group's interim condensed consolidated financial statements and a full audit of the annual consolidated financial statements.

Space Related insurance

In the area of space-related insurance, the following should be noted:

- 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' governance manuals. The governance structure of the companies is comprised of both companies' Boards of Directors, two committees (Investment and Underwriting) and

four key functions (Risk Management, Compliance, Actuarial and Internal Audit).

- A Satellite Insurance Policy is in place and regularly updated reflecting the SES Board-approved insurance structure and approval framework.
- '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 licensing and other regulatory requirements in the various jurisdictions where SES operates.

Treasury Management

In the area of treasury management, the following should be noted:

- Treasury activities take place within a framework approved by the Board. This framework reflects the Group's Treasury Policy which is being regularly reviewed and updated.
- A clear segregation of duties, and assignment of bank mandates, between members of SES management, Treasury and accounting departments has been implemented.
- The Treasury function uses specific software that helps to ensure the efficiency and control of foreign exchange ('FX') matters, interest and liquidity management, and the implementation of SES' hedging strategy for interest rate and foreign currency fluctuations. To ensure enhanced security and efficiency of the bank payments process, the Company uses a banking payments system allowing for secured authorisation and transfer of payments from SAP directly to the bank.
- Treasury activities are monitored with the monthly Group Finance Report. The report is issued to the SES Board and highlights key performance indicators such as cash balance, leverage, and debt maturity profile.
- A Treasury Roadmap, based on SES' strategic and business plans, is prepared, and presented to the CFO on an annual basis.

Tax Management

Regarding the internal controls in tax management, the following should be noted:

- The tax arrangements of the group are driven by its operational requirements and the geographical location of its business activities. The Tax department works closely with the business to provide clear, timely and relevant advice, as well as to mitigate tax risks.
- 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.
- Tax positions are recorded in the Group's financial statements applying a key control hierarchy to ensure that all the relevant information and data is properly understood and reconciled.
- Transfer pricing documentation is continuously updated and improved underpinning all significant cross-border intercompany transactions through functional and economic analyses including benchmarking studies.
- A policy is in place concerning the mandatory automatic disclosure in the field of taxation on reportable cross-border arrangements as part of the SES Tax Control Framework.

Satellite Operations

Regarding the internal controls in satellite operations, the following should be noted:

- SES' Technology department is responsible for the procurement of satellites and launch vehicles, the procurement and maintenance of satellite-related ground infrastructure and the administration, control, and operations of the satellite fleet.
- 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 proce-

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**OPERATIONAL
& STRATEGIC
REPORT**

- dures 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.
 - For SES Infrastructure Redundancy, adequate backup capabilities are implemented.
 - The COVID-19 situation did not require changes to the existing satellite operations, procedures and preventive measures that have been implemented to ensure continuous and safe satellite operations continued to be applied during 2021.

Global Services

Regarding the internal controls in the area of Global Services, the following should be noted:

- SES' 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

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**ENVIRONMENTAL,
SOCIAL & GOVERNANCE
(ESG) REPORT**

3
**CORPORATE
GOVERNANCE &
REMUNERATION**

- 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.
 - Under COVID-19 restrictions, NOCs can be completely controlled remotely, accessing the relevant monitoring systems via secure internet connections.
 - The Vendor Management & Procurement ('VMP') function supports the business for the non-satellite procurement, governed by a dedicated policy that sets the frame for a sound level of internal control when purchasing. 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, efficient use of resources and safeguard legal constraints (e.g., inventory tracking, shipment and custom documentation, US export controls).

Information Technology

Regarding the internal controls in the area of information technology, the following should be noted:

- Management is committed to ensuring that SES' data, infrastructure, and information technology systems are as secure as is reasonably 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.

4
**CONSOLIDATED
FINANCIAL
STATEMENTS**

5
**SES S.A.
ANNUAL
ACCOUNTS**

6
**ADDITIONAL
INFORMATION**

- The SES Azure Cloud Platform has been put in place and, most of its features have been added to the SES environment. The Cloud Centre of Excellence program with Microsoft has been completed and is fully operational.
- All SES' main trading operations operate on a common SAP ERP platform, applying consistent processes and controls. In 2021 the SAP platform was moved into the Cloud. The process further continues to mature in various areas including data privacy, data encryption and intrusion detection. The Cloud solution provides state-of-the-art backup facilities to ensure enhanced continuity of the SAP system. A comprehensive SAP security policy has been defined and implemented. Appropriate SAP access management is in place and is continually monitored and enhanced.
- SES has disaster recovery plans for its business applications. 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 regularly tested.
- A digital workflow process for managing information technology development projects is in place on a ServiceNow platform further enhancing the level of automation. Relevant key performance indicators are regularly reviewed.
- SES ensures adequate and secure VPN connectivity and redundancy to cater for users to work remotely. More applications continue to be progressively added onto our Multi-Factor authentication to protect against unauthorised access due to password theft or password guessing attacks.
- A dedicated cybersecurity team is in place to provide SES management and customers with the assurance that our services are adequately secured. We follow 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 COMMUNICATION

Internal communication 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 across all levels and functions of SES via a wide array of communications channels.

To effectively manage the COVID-19 pandemic, multi-stage pandemic plans with procedures and measures have been implemented to ensure health and safety of all SES employees worldwide as well as to protect our operations and to ensure continuity of services for our customers and partners.

A dedicated and cross-functional internal taskforce coordinates the Company's response to the varying COVID-19 needs. The taskforce ensures comprehensive communications to the SES community on Company's guidelines, decisions and safety measures taken in line with guidance received from national governments, public health agencies and the World Health Organisation.

With focus still on emergency preparedness and response, safeguarding Company's employees (e.g., working from home, limited travel), business continuity and other implications (e.g., tax, cross-border workers, testing) to best manage the ongoing pandemic, the team started in 2021 to develop and implement a safe exit strategy with an iterative back to office plan that has been implemented in line with relevant local regulations.

MONITORING ACTIVITIES

Monitoring of business policies and procedures is done through continuous assessments or through a specific analysis.

Continuous assessments are performed by management as routine operations, built into business processes, and are performed on a real-time basis, reacting to changing conditions.

The SES Internal Audit function performs specific analyses of the relevance of, and compliance with, Company policies and internal control procedures.

The objectives, authority, and responsibilities of the Internal Audit function are set out in the Internal Audit Policy which is regularly reviewed and updated.

To ensure an appropriate level of independence and communication, the Internal Audit function has a direct reporting line into the Audit and Risk Committee ('ARC') while reporting functionally to the President and CEO of SES.

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.

Internal Audit reports its observations and mitigation proposals to management and monitors the implementation of the recommendations. Regular reports are provided to the Senior Leadership Team and to the ARC summarising Internal Audit's conclusions regarding internal control effectiveness and compliance.

Internal Audit also regularly coordinates audit planning, and exchanges relevant information with, the Company's external auditor PwC.

The proxy structure of the SES Government Solutions Inc. entity, a wholly-owned indirect subsidiary of SES S.A., in line with common practice for businesses serving certain segments of the US Government, imposes various restrictions on the 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 this subsidiary. An agreement about required risk management and internal control framework for that entity is in place which is subject to evaluation and testing by a third-party audit function.

The Group's external auditor is also engaged for the audit of the financial statements of SES Government Solutions.

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.

Risks relating to procurement

Dependency on key supplier(s)

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.

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.

Launch delay(s) and / or launch failure(s)

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.

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.

Risks relating to satellites

In-orbit failure(s)

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 geostationary ('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.

Risks relating to space insurance

Insurance coverage and availability

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.

Risks relating to customers

Key customer loss

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.

Customer credit

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 >> [Note 18](#) to the consolidated financial statements.

Risks relating to the satellite communications market

Competition

The satellite communications business is increasingly competitive. SES competes with national, regional and international 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.

Technology

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.

Risks relating to strategic development

Emerging market

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.

Investment

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.

Risks relating to legal, regulatory, spectrum, and corporate

Legal & Regulatory	<p>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.</p> <p>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.</p>
Spectrum	<p>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.</p> <p>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.</p> <p>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.</p>
Cybersecurity	<p>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.</p> <p>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.</p>
Personnel	<p>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.</p> <p>To mitigate this risk SES uses a dedicated Talent Acquisition function to source high-quality candidates.</p>
Global pandemic or other health emergency	<p>SES is subject to the risk of a global pandemic or other health emergency such as COVID-19. Worsening of COVID-19 or appearance of another 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 to respond to health risks and to secure business continuity during such situations.</p>

Risks relating to finance

Credit rating

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 reputed Credit Rating Agencies (currently Standard & Poor's and Moody's).

Tax

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.

Asset impairment

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 applied to the future cash flows increase, then this may result in the need for material asset impairment charges.

Foreign exchange

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 >> [Note 18](#) to the consolidated financial statements.

Interest rate

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 >> [Note 18](#) to the consolidated financial statements.

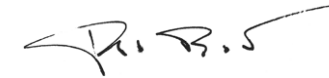
RESPONSIBILITY STATEMENT

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 all times 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 2021, prepared in accordance with Luxembourg legal and regulatory requirements, and the consolidated financial statements as of and for the year ended 31 December 2021, 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.

23 February 2022



Frank Esser
Chairman of the Board of Directors



Steve Collar
CEO

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SES 