

**Corporate Governance Guidelines  
of the Boards of Managers of Cleco Group LLC,  
Cleco Corporate Holdings LLC and Cleco Power LLC  
Adopted by the Boards of Managers on December 18, 2020**

**These Corporate Governance Guidelines, as adopted by the Boards of Managers of Cleco Group LLC (“Cleco Group”), Cleco Corporate Holdings LLC (“Cleco Corporate Holdings”) and Cleco Power LLC (“Cleco Power”)(collectively, the “Companies”), are intended to complement the operating agreements and organizational documents of the Companies and are not intended to alter their intents, purposes or provisions. The specifications of these Guidelines may change from time to time as the Boards may determine.**

**1. General Role of the Boards of Managers**

The Boards of Managers oversee the business and affairs of the Companies, including appointing and overseeing senior management, for the benefit of the Companies’ owners and other constituencies. The Companies’ management is responsible for conducting the day-to-day operations of the Companies pursuant to appropriate delegations of authority and oversight by the Boards. The Boards recognize that being a good corporate citizen, taking a broad view of the interests of the region, and maintaining positive relationships with the various stakeholders in the communities served by the Companies will ultimately contribute to the success of the business.

**2. Board Membership**

**a. Size**

The Board of Managers of each of Cleco Group and Cleco Holdings will be comprised of up to seventeen (17) managers. The Board of Managers of Cleco Power will be comprised of up to eighteen (18) managers. For the avoidance of doubt, nothing in these Guidelines will be interpreted to limit or otherwise alter the respective rights and obligations of Board observers or Board alternates, whose ability to vote or otherwise take actions are set forth in the Companies’ operating agreements.

**b. Designated Managers**

The owners of the Companies shall have the right to designate managers to serve on the Boards in accordance with the operating agreements of the Companies (“designated managers”). Designated managers are not required to satisfy the independence requirements outlined below.

**c. Independent Managers**

In accordance with the operating agreements of the Companies, an “independent manager” means an individual who (i) is not a director, manager, officer, employee or general partner of Cleco Group, Cleco Holdings, Cleco Power, MIP Cleco Partners, L.P., bcIMC Como GP Inc. or JH Como Investments, LLC, or any of their affiliates; (ii) has not been an employee of Cleco Group, Cleco Corporate Holdings or Cleco Power, or any of their affiliates within the last three years; and (iii) has no ownership interest in any of the above entities or any of their affiliates.

In making a determination of independence, the following relationship will not be considered to be a material relationship: if a manager or an immediate family member of a manager, or a company for which a manager or an immediate family member of a manager works, makes payments to Cleco Power for power at rates fixed in conformity with law or governmental authority.

The Boards will periodically review the independence of each of the managers.

A minimum of four managers will have their principal places of residence in Louisiana, with one of those four being the chair and one of those four being the Chief Executive Officer (“CEO”). Each of the resident managers, other than the CEO, will be an independent manager, as defined above. Generally, no more than one employee of the Companies should sit on each of the Boards.

**d. Chair of the Boards.**

The chair of the Boards will be an independent manager, as defined above, appointed in the manner set forth in the Companies’ operating agreements. The chair will be responsible for the specific duties set forth in these Guidelines, as well as those as may be set forth in the Companies’ organizational documents, those required under law or those assigned from time to time by the Boards. The chair, in addition to any other obligations required by law, shall:

- Stay regularly informed on the strategy of the Companies and their evolution;
- Stay regularly informed about critical issues and performance of the Companies;
- Work with the chair of the Governance and Public Affairs Committee on Board composition, structure, performance and any additional governance matters;
- Work with the chair of the Leadership Development and Compensation Committee on performance reviews, compensation and succession planning for the CEO;
- Approve Board meeting schedules to ensure there is sufficient time for discussion of all agenda items;
- Work with the Board members to set the agenda for Board meetings;
- Know the senior leadership of the Companies and be a point of contact for their concerns, where such concerns cannot be adequately expressed through the CEO;
- Be available to consult with the CEO about concerns of the Boards; and
- Serve as a point of contact for concerns from the Companies’ various constituents.

**e. Conflicts**

Each manager should immediately advise the chair of the Boards and the chair of the Governance and Public Affairs Committee of any proposed or current affiliation, relationship or transaction with any entity (including nonprofits or governmental agencies) or individual that may create a potential conflict of interest or be inconsistent with the Companies' policies or values. The Companies have adopted the Conflicts of Interest and Related Policies ("Policies") applicable to the Boards. All managers shall abide by the Policies. The Policies prohibit certain conduct and reflect the expectation of the Boards that managers engage in and promote honest and ethical conduct in carrying out their duties and responsibilities, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships and corporate opportunities.

**f. Manager qualification and selection**

Managers shall have such qualifications and shall be selected in the manner provided for in the operating agreements of the Companies and as may be provided for in the charter of the Governance and Public Affairs Committee.

**g. Independent manager changing employment status**

Any independent manager (i) whose principal occupation changes significantly from the occupation held at the time of election or re-election to the Boards, (ii) whose state of primary residence changes, or (iii) whose circumstance prevents active participation on the Boards, is expected to submit a letter offering to resign from the Boards. The Governance and Public Affairs Committee shall determine the appropriateness of that individual's continuing as a member of the Boards and shall make a recommendation to the Boards whether to accept the resignation.

**h. Other boards and committees**

Any manager considering an invitation to join the board of directors of another for-profit company should first notify the CEO prior to accepting the invitation. The CEO promptly will confer, if he/she deems it appropriate, with legal counsel to determine whether any potential conflict of interest could result from acceptance of the invitation. Without specific approval from the Boards, no manager may serve on more than five (5) public company boards, and no member of the Audit Committee may serve on more than three (3) public company audit committees or their equivalents. In calculating service on a public company board or audit committee, service on a board or audit committee of a substantially owned subsidiary will not be counted in the calculation so long as the manager also serves on the board or audit committee of the subsidiary's parent.

**i. Terms**

Each manager shall continue to hold office until his or her successor is elected and qualified. The Boards do not believe in limiting the number of terms a manager may serve. However, with respect to independent managers, the Governance and Public Affairs Committee will review, taking tenure into account, each manager prior to recommending a manager for renomination.

**j. Retirement**

Independent managers are expected to tender their resignation prior to the next Board meeting following their 72<sup>nd</sup> birthday, with such resignation effective upon the conclusion of the Board meeting. Independent managers may stand for reelection even though this retirement policy would prevent them from completing a full term.

**3. Board meetings and other communications**

**a. Frequency of Board meetings**

The Boards generally have at least four (4) regularly scheduled meetings per year and hold special meetings and planning retreats as necessary. In addition, each committee holds regularly scheduled meetings and special meetings as necessary. It is the responsibility of each manager to attend both scheduled and special meetings, except if unusual circumstances make attendance impracticable.

**b. Action by the Boards**

The quorum and manager approvals required for the transaction of business by the Boards is outlined in the operating agreements of the Companies. The affirmative vote of at least one independent manager is required for any action by the Boards.

**c. Non-management executive sessions**

Non-management managers meet in executive session on a regular basis, generally at each scheduled Board meeting. The chair of the Boards presides over the executive sessions. The independent managers will meet in executive session at least once a year.

**d. Access to management and employees and outside advisors**

Board members will have complete access to the Companies' management and employees. Any particular contact a manager wishes to initiate with management or other employees will generally be arranged through the CEO, corporate secretary, general counsel, chair of the Boards, or appropriate committee chair. Under unusual circumstances, management or employee contact may be made directly by the manager. A manager should ensure that any such contact is not unnecessarily disruptive to the affairs of the Companies and should, unless inappropriate due to the particular circumstances, copy the chair or the CEO on any written communications or brief the chair or the CEO on any material oral communications the manager has with a member of management or other employee.

Requests for action by the Companies, as opposed to information, should generally be made only to the CEO.

The Boards have complete access to the assistance of outside advisors of their choosing, including counsel, with respect to any issues relating to Board function. No approval is required from management for engagement of outside advisors, although management should be informed with respect to any such engagement, as appropriate.

**e. Meeting agendas**

The chair of the Boards, in consultation with the CEO (and with appropriate input from the chairs of the Audit, Leadership Development and Compensation, Governance and Public Affairs, Asset Management and Business Planning and Budget Review committees), is

responsible for establishing the agenda for each Board meeting. Managers are encouraged to suggest, as appropriate, the inclusion of additional items on the agendas. At any Board meeting, managers may raise matters for discussion that are not on the meeting's formal agenda.

**f. Board materials**

Each manager should receive materials important to understanding the agenda items, as well as the presentations, discussions and issues to be covered at each Board meeting in writing and sufficiently in advance of the meeting to permit appropriate review and preparation, unless distribution of such materials prior to the applicable meeting might compromise confidential information. The chair of the Boards, in consultation with the CEO and other applicable senior management, is responsible for providing such materials to each manager. Managers are responsible for adequately reviewing these materials and otherwise preparing for each committee meeting.

**g. Board communication to outside parties**

The CEO, as well as other applicable senior management, is responsible for speaking for the Companies, including establishing effective communications with each of the Companies' constituencies. The chair of the Boards is the spokesperson for the Boards. On occasion, however, individual managers may meet or otherwise communicate with various constituencies regarding the Companies after consultation with senior management or the chair of the Boards.

**h. Communications to the Boards**

In order for customers, employees and other interested parties to make their concerns known to non-management members of the Boards, the Companies have established a procedure for communications with the Boards through the chair of the Boards. The procedure is intended to provide a method for confidential communication while at the same time protecting the privacy of the managers. Any interested person wishing to communicate with the Boards or the independent managers may do so by addressing such communication as follows:

Chair of the Boards of Managers  
c/o Corporate Secretary  
Cleco Corporate Holdings LLC  
P.O. Box 5000  
Pineville, LA 71361-5000

Upon receipt, the corporate secretary will forward the communication, unopened, to the chair of the Boards. The chair of the Boards will, upon review of the communication, make a determination of whether it should be brought to the attention of the other managers and whether any response should be made to the person sending the communication, unless the communication was made anonymously.

#### **4. Board committees**

##### **a. Number and types of committees**

The Companies must have at all times a standing Audit Committee, Leadership Development and Compensation Committee, Governance and Public Affairs Committee, Asset Management Committee and Business Planning and Budget Review Committee. The responsibilities and duties of each of these committees must be outlined in their respective committee charters. The Boards may form or disband other committees as they deem necessary. A committee does not have the authority to act on behalf of the Boards, absent specific delegation of authority from the Boards.

##### **b. Appointment of committee members**

The Governance and Public Affairs Committee will annually recommend to the Boards appointment of Board members to committees after consulting with the chair of the Boards and subject, in all cases, to the provisions of the charter of each committee, as applicable. After reviewing the Governance and Public Affairs Committee's recommendations, the Boards are responsible for the appointment of members to the committees on an annual basis, subject in all cases to the provisions of the charter of each committee, as applicable. The members of each committee will select one member to serve as the chair of the committee.

##### **c. Rotation of committee members**

When the Governance and Public Affairs Committee annually reviews committee appointments, it must consider whether the rotation of committee chairs and members is appropriate with a view towards balancing the benefits derived from the continuity of committee membership with the benefits derived from bringing diversity of experience and viewpoints in the form of new member appointments to the committee. The Governance and Public Affairs Committee shall evaluate rotation of each committee chair at least once every five (5) years.

##### **d. Frequency and length of committee meetings**

Each committee meets as frequently and for such length of time as may be required to carry out its assigned duties and responsibilities or as otherwise required by its charter. An annual schedule for regular meetings for each standing committee is submitted and approved by the Boards in advance. In addition, the committee may hold special meetings, as appropriate. It is the responsibility of each committee member to attend both scheduled and special committee meetings, except if unusual circumstances make attendance impracticable.

##### **e. Committee meeting agendas**

The chair of each committee, in consultation with the chair of the Boards and the CEO or other applicable senior management, is responsible for establishing the agenda for each committee meeting. Committee members are encouraged to suggest, as appropriate, the inclusion of additional items on the agendas. Committee members may raise at any committee meeting matters for discussion that are not on the meeting's formal agenda. In addition, the chair of each committee, in consultation with the chair of the Boards and the CEO or other applicable senior management, is responsible for preparing an annual agenda. This annual agenda should set forth a general agenda of items to be considered by the

committee at each of its scheduled meetings for the forthcoming year. Upon completion of a draft of the annual agenda, it should be provided to each of the committee members for review. Committee members should feel free to suggest inclusion of additional items on the annual agenda before it is finalized.

**f. Committee materials**

Each committee member should receive materials important to understanding the agenda items, as well as the presentations, discussions and issues, to be covered at each committee meeting, in writing and sufficiently in advance of the meeting to permit appropriate review and preparation, unless distribution of such materials prior to the applicable meeting might compromise confidential information. The chair of each committee, in consultation with the CEO and other applicable senior management, is responsible for providing such materials to each committee member. Committee members are responsible for adequately reviewing the materials and otherwise preparing for each committee meeting.

**g. Manager access to committee meetings**

In order to promote transparency, all managers are provided notice of and the agendas to all committee meetings. Any manager may attend any committee meeting, whether or not a member of that particular committee.

**h. Access to outside advisors**

Each committee has complete access to the assistance of outside advisors of its choosing, including counsel, with respect to any issues relating to committee functions. No approval is required from the full Boards or management for engagement of outside advisors, although the Boards should be consulted and management should be informed with respect to any such engagement, as appropriate.

**i. Committee reports**

Each committee chair reports on the committee meetings to the extent appropriate to the full Boards. All managers are furnished copies of each committee's minutes as and when appropriate.

**5. Board compensation**

**a. Manager compensation**

Each independent manager shall be paid annual compensation at a level approved by the Boards. The Governance and Public Affairs Committee is responsible for reviewing manager compensation practices biennially. Any changes to manager compensation practices must be recommended by the Governance and Public Affairs Committee for approval by the full Boards.

**b. Manager orientation and continuing education**

New managers are required to attend an orientation program. The orientation program includes: (i) informative materials and presentations by appropriate officers to familiarize new managers with the Companies' strategic plans, their significant financial, accounting and risk management issues, their compliance programs, the codes of business conduct and ethics and the Guidelines; and (ii) meetings with senior management and the Companies' internal and independent auditors. The orientation program also includes visits to

Company headquarters and, to the extent practical, some of the Companies' significant facilities. All managers are invited to attend the orientation program.

In addition, the Boards are periodically provided with presentations by outside advisors regarding current issues and trends, including accounting and legal, affecting the Companies' business affairs and industry. Managers are reimbursed reasonable costs associated with participation in educational programs relating to their service on the Boards and the committees.

Managers also routinely receive materials from the Companies relating to their business affairs and industry, such as financial reports, press releases and analyst reports. Managers are responsible for reviewing these materials and generally staying current with the Companies' business affairs and industry.

## **6. Board and management evaluation and succession planning**

### **a. Annual Board evaluation**

Each Board annually conducts an evaluation to assess whether the Board and its committees are functioning effectively. The Governance and Public Affairs Committee is responsible for coordinating with the chair of the Boards and the CEO to establish the evaluation criteria and implement the process for any such evaluation. The evaluation should focus on the contributions of each Board and its committees as a whole and on any areas where the Board or management believes the Board and its committees could make larger contributions. The full Boards are responsible for discussing the results of the evaluation. Any manager may make suggestions on Board or committee practices and communicate them to the chair of the Boards or the chair of the Governance and Public Affairs Committee.

### **b. Annual committee evaluations**

Each committee annually conducts an evaluation to assess whether it is functioning effectively. The Governance and Public Affairs Committee is responsible for separately coordinating with each committee chair to establish the evaluation criteria and implement the process for any such evaluation. Each committee is responsible for discussing the results of its evaluation. Any committee member may make suggestions on committee practices and communicate them to the applicable committee chair or the chair of the Governance and Public Affairs Committee.

### **c. Management assessment and succession planning**

The Boards are responsible for succession planning for the CEO position as well as for other senior management positions. To assist the Boards in this planning, the Leadership Development and Compensation Committee provides the Boards with an evaluation of the current senior management and the leadership potential of senior management and other appropriate employees. The CEO should continually make available to the Boards and the Leadership Development and Compensation Committee recommendations for potential successors to the CEO position and also for certain other senior management positions. In addition, the CEO, in consultation with and with the assistance of the chair of the Boards and the chair of the Leadership Development and Compensation Committee, should make available a short-term succession plan which delineates temporary delegations of authority



to certain officers of the Companies in the event all or a portion of senior management unexpectedly become unable to perform their duties. The short-term succession plan would be in effect only until the Boards have the opportunity to consider the situation and take appropriate action.

**7. Annual review of corporate governance guidelines**

The Governance and Public Affairs Committee annually reviews these Guidelines and recommends appropriate revisions to the Boards for consideration.