

# Environmental Policy

Updated May 29<sup>th</sup>, 2024

The Board of Directors of NEOENERGIA S.A. (the “**Society**”) is vested with the powers to prepare, assess and review the Society’s Governance and Sustainability System on an on-going basis and, specifically, to approve and update, the corporate policies, which contain the guidelines governing the conduct of the Society and of the societies that comprise the Group, for which the Company is the controlling entity, within the meaning established by law (the “Group”).

In exercising these powers and aware that leadership in the development of sustainable energy and respect for the environment are pillars of the Group’s energy production model and axes of the *Purpose and Values of the Neoenergia Group*, the Board of Directors approves this *Environmental Policy* (the “*Policy*”).

## 1. Purpose

The purpose of this *Policy* is to establish a benchmark for integrating the protection of nature and the environment into the Group’s strategy, investments and operations established within the scope of the Group, as well as defining the operating principles for the management of the environment and natural capital.

The Company understands that the respect for the environment is a central element for achieving the vision of building an energy model in harmony with nature and human beings.

Therefore, the companies of the Group are committed to continue taking a leadership position in the development of a sustainable energy model, based on the use of renewable energy sources, smart grids, efficiency, reduction of emissions and digital transformation, integrating respect and the protection of the environment in all its activities and processes. In addition, the companies of the Group are committed to complying with environmental laws and the best international practices established in this area.

Based on its business model and supported by a policy of transparent information and a strategy of continuous dialogue, the companies of the Group respond to the expectations of their interest groups, in the territories where the Group’s companies are present, and in relation to preservation of the environment, the increasingly stringent regulatory requirements, and constant scrutiny of management by analysts, assessors and various agents of society.

The companies of the Group’s leadership commitment to sustainable energy development is in line with the contribution of the achievement of the sixth, seventh, twelfth, thirteenth, fourteenth, fifteenth and seventeenth Sustainable Development Goals (SDGs), recently approved by the United Nations (UN).

## 2. Scope

Within the limits established by law, this *Policy* is applicable to all companies comprising the Group and investees not comprising the Group, over which the Company has management influence.

For investees in which this *Policy* is not applicable, the Company shall promote, through its representatives on the management bodies of such companies, the alignment of their own policies with those of the Company.

This *Policy* shall also apply, as appropriate, to the joint ventures, temporary joint ventures, and other equivalent associations, when the Company is responsible for the management thereof.

### 3. Main principles of conduct

All companies of the group are committed to protecting the environment, preventing contamination, and promoting environmental sustainability. To fulfill these commitments, the Group's companies define the following basic operating principles, which apply to all of its activities and businesses and are integrated into internal decision-making processes:

- a) Develop a sustainable business model that respects nature, biodiversity, and the historic, artistic and cultural heritage.
- b) Comply with legislation and adapt to current environmental standards.
- c) Apply the mitigation hierarchy principle (avoid, minimize, repair and, ultimately, offset the impacts) in all activities.
- d) Promote innovation through research and support for the development of new technologies and best environmental practices.
- e) Make sustainable use of natural capital, particularly:
  - i. Make rational and sustainable use of water, managing the risks related to its scarcity and ensuring that the water used returns to the environment in the desired conditions;
  - ii. Improve the circularity of its activity and your supply chain integrating a life cycle and circular economy approach into management. To this end, the calculation of the corporate environmental footprint, the eco-design of its infrastructures and analyzes of the life cycle of technologies will be used, as well as the promotion of the use of recycled materials; It is; and
  - iii. Integrate the protection and promotion of biodiversity into the Group's strategy and develop a more sustainable and nature-positive business model.
- f) Conserve, protect and promote the expansion of natural heritage.
- g) Implement a common environmental management model that applies the principles of precaution, pollution prevention continuous improvement and positioning the environment at the center of decision-making by:
  - i. assessment of the environmental risks of activities, facilities and products and services, on a regular basis, in order to improve and update the mechanisms designed to prevent, mitigate and eradicate them;
  - ii. continuous identification, assessment and mitigation of the environmental impacts of the activities, facilities, products and services of the companies of the Group;

- iii. management of risks and impacts, aiming to set goals, programs and plans capable of fostering the continuous improvement of the companies of the Group's processes and practices in environmental matters and establish monitoring, control and auditing mechanisms;
- iv. environmental training of the companies of the Group's professionals; and
- v. the establishment and periodic review of environmental objectives that reduce the environmental impact of the activities of the companies of the group.

The different environmental management systems of the Group's companies are based on this common model and allow to coordinate environmental management in a decentralized manner within the Group, according to the principle of subsidiarity and respect for the autonomy of the different companies.

- h) Promote the involvement interest groups in the business project of the Group's companies as provided for in *Policy on Relations with Stakeholders*, which includes, the creation of sustainable value recognized by all of them.
- i) Sensitize, train and inform the companies of the Group's professionals, as well as members of the supply chain and other interest groups about the commitments and principles of this Policy.
- j) Share the results of its environmental actions with transparency.

#### 4. Priority action lines

For achieving its commitment to nature and the environment and fostering environmental sustainability and respect for nature, the companies of the Group's work in three priority action lines, to which the basic principles of action included in previous item shall be applied:

- a) climate action;
- b) protection of biodiversity; and
- c) circular economy.

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This Policy was initially approved by the Board of Directors on July 19<sup>th</sup>, 2018 and last updated at the Board of Directors' Meeting held on May 29<sup>th</sup>, 2024.