

# Neoenergia Group's Financial Information Preparation Policy

Updated July 15, 2021

The Board of Directors of NEOENERGIA, S.A. (the “Company”) is vested with the powers to prepare, assess and review the Company’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 Company and of the companies that comprise the Group, for which the Company is the controlling entity, within the meaning established by law (the “Group”).

In exercising these powers, recognizing the permanent attention to the transparency of financial information provided to the markets as a strategic goal and aware that the excellent management of all the Group's processes and resources is a critical lever for the sustainable creation of value for all its Stakeholders and to comply with the provisions of the Purpose and Values of Neoenergia Group, the Board of Directors approves this *Neoenergia Group's Financial Information Preparation Policy* (the “Policy”).

## 1. Purpose

This Policy seeks to define an orderly process for preparing the consolidated financial information applicable to all companies belonging to the Group, and consistent with the principles of decentralized management that govern the Group's corporate structure and governance model, so as to ensure that the Company's consolidated financial information is published on the various channels provided for by law and further channels deemed appropriate, is prepared based on information provided by the various companies of the Group, and that clearly describes the responsibility of its management bodies in such process.

The main purpose of this process is to ensure that the consolidated financial information published by the Company reflects, in all material aspects, a true and fair view of the equity, financial position, results and cash flows of the group comprised by the companies included in the consolidation.

A similar process defined by the strategic shareholder shall also be applied to ensure that the consolidated financial information in euros that the Company shall provide for its consolidation also reflects the true and fair view of the Group's equity, financial situation, results and cash flows on the basis of criteria defined in this process.

This *Policy* shall apply to all subsidiaries and shall affect the process of preparing the annual financial statements corresponding to the consolidated results of the Company and the subsidiaries. It shall also affect the interim financial statements of the first, second and third quarters corresponding to the consolidated results of Company and its publicly-held subsidiaries (only publicly-held companies are subject to quarterly reviews by the external auditor) (the “Consolidated Financial Information”).

## 2. Main principles of conduct

The basic principles of conduct underpinning this Policy are described below:

- a) The preparation of the individual financial statements of each of the Group's companies as required by the applicable law, in each case, is the responsibility of the management bodies of each company;
- b) Without prejudice to the legal provisions, the management body of each company shall also be responsible for the preparation of any financial information relating to its respective company that may be required to prepare the Consolidated Financial Information within the framework of the accounting consolidation process according to the models and scopes defined by the Asset Control and Planning Executive Office (the "Financial Information for Consolidation");
- c) The management bodies of subsidiaries that have a subgroup shall also be responsible for approving the Financial Information for Consolidation integrating the company itself and its subsidiaries that are part of its subgroup;
- d) The Company's management body shall approve the financial information in Euros that shall be provided to the strategic shareholder for its consolidation process;
- e) The Financial Information for Consolidation shall be prepared in compliance with the accounting criteria established by the Brazilian Corporate Law and the Accounting Policies Handbook approved by Neoenergia's Asset Control and Planning Executive Office;
- f) Without prejudice to the principles set forth above, the management teams responsible for preparing the Financial Information for Consolidation of each of the Group's companies shall coordinate with the Company's Asset Control and Planning Executive Office the interpretive accounting criteria to be adopted when preparing such information. Any disagreement in this regard shall be reflected in writing when submitting the Financial Information for Consolidation to the Asset Control and Planning Executive Office; and
- g) Companies with financial information for consolidation within the scope of the examination procedures of the Company's external auditors in the context of the preparation of the consolidated financial information shall ensure that the financial information for consolidation has been previously examined by its external auditor before submission to Neoenergia's Asset Control and Planning Executive Office, according to the process described in the next section.

### **3. Process for the preparation of the Consolidated Financial information**

Before the beginning of each fiscal year, the Secretary of the Company's Board of Directors shall inform the Asset Control and Planning Executive Office the expected date for the adoption of the formulation or approval agreement, as the case may be, of the Consolidated Financial Information.

The Asset Control and Planning Executive Office shall communicate to the management bodies of the Group's companies the deadlines for submitting the Financial Information for Consolidation for each company.

This communication shall be made in coordination with the requirements for information defined by the chairman of the Company's Audit Committee for the issuance of the mandatory reports.

#### **4. Powers vested in the Company's Audit Committee and the Audit Committees of the other Group's Companies**

The provisions of this Policy shall be understood without prejudice to the powers vested in the Company's Audit Committee and Audit Committees of the other Group's companies relating to the financial information of their respective companies.

Particularly, the Financial Information for Consolidation of companies having their own Audit Committee shall be reported on by said committee before being submitted for the approval of the management body of the company in concern.

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This Policy was initially approved by the Board of Directors on September 06, 2018 and last updated at the Board of Directors' Meeting held on July 15, 2021.