GENERAL CORPORATE RISK MANAGEMENT POLICY

Updated April 18, 2024

Neoenergia's Board of Directors is responsible for designing, assessing and permanently reviewing the Governance and Sustainability System and, specifically, for approving, updating and supervising corporate and business policies, which contain guidelines relating to corporate governance and compliance regulations, risks and sustainable development that govern the Company's operations.

Among risk policies, the *General Corporate Risk Management Policy* (“Policy”) identifies the main risks of Neoenergia group’s companies and organizes adequate internal control and information systems, as well as their monitoring.

1. Purpose

The purpose of the Policy is to establish the basic principles and the general framework of action for the control and management of all types of risks to which the Neoenergia group is exposed and which must be applied in compliance with the provisions of *Purpose and Values* of the group.

This Policy unfolds and is complemented by specific *policies* risks related to certain risks, stakeholders, corporate functions and group business.

The group companies are responsible for adopting the Group's Risk Policies, specifying their application and approving the guidelines on specific risk limits, according to the characteristics and singularities of their businesses.

The management bodies of these companies must approve the specific risk limits applicable to each of them and put in place the necessary control systems to ensure compliance.

2. Application

The *General Corporate Risk Management Policy* applies to all companies in the group, and must be reproduced by its subsidiaries, subject to their respective bylaws and applicable legislation.

In subsidiary companies in which it is not a controlling shareholder, Neoenergia group recommends the promotion of principles, guidelines and risk limits consistent with its *General Corporate Risk Management Policy*, in addition to maintaining adequate information channels to ensure knowledge and monitoring of risks.

3. Risk Factors - Definitions

In general, a risk is considered any threat in which an event, action or omission could prevent the group from reaching its objectives and successfully executing its strategies.

The risk factors to which the group is exposed are, in general, those listed below:

a) **Market risks**: understood as the exposure of the group's results and equity to price fluctuations and other market variables, for example:

- **Financial**: exchange, interest rates, solvency, liquidity, inflation and the value of financial assets and liabilities.

- **Prices of energy and other raw materials**: prices of energy, gas and other fuels, CO2 emission rights and/or limits, green hydrogen and other mechanisms to support renewable energies, as well as prices of other raw materials (steel, aluminum, copper, others).

b) **Credit risks**: defined as the possibility of non-compliance with financial and contractual obligations of counterparties, including the risk of bankruptcy and replacement cost, such as default or 'non-performance', resulting in an economic, financial or non-financial loss for the group's companies. Counterparties may include end customers, counterparties in the financial market or energy market, partners, suppliers, financial entities and insurance companies, among others.

c) **Business risks**: established as the uncertainty regarding the behavior of key variables intrinsic to the group's businesses, such as the balance of supply/demand for electricity, quality of supply, hydrology and the strategy of other agents.

d) **Regulatory and political risks:** risks coming from the creation or change of the rules issued by regulatory agencies over which the electric sector supports its operations, such as changes in the level of control of regulated activities and supply conditions, or also relating to environmental regulation or tax, including risks of political change that may affect legal certainty and the legal framework applicable to business in each jurisdiction, nationalization or expropriation of assets, cancellation of licenses, partial or total contractual breach and legal risk of fraud.

e) **Operational, technological, environmental, social and legal risks**: these are the risks related to the occurrence of economic or financial losses, direct or indirect, resulting from external events or inadequate internal processes, including those arising from:

- technological failures, human errors and technological obsolescence;
- operation and construction of facilities;
- sabotage and/or terrorism;
- associated with market operations;
- purchases and supply chains;
- cybersecurity and information systems, including the risks associated with non-compliance with the General Data Protection Law 13.709/18;
- health and safety of employees, third parties and the community, whether directly or indirectly by Neoenergia;
- environmental licensing;
- land issues;
- violation of human rights;
- regulatory compliance;
- reliability of financial and non-financial information;
- fraud and corruption; and
- litigation, arbitration and tax contingencies.

f) **Reputational risks**: potential negative impact on Neoenergia group value due to conduct, behavior and positioning from the company disagreeing with the expectations created by the various stakeholders, as defined in Stakeholder Relations Policy, including behaviors or conduct related to corruption.

Given the multidimensional nature of the risks, the taxonomy defined in the system includes additional classification variables for better monitoring, control and reporting thereof, through monitoring tools. Among these additional categories, the following stand out:

- Classification of risks into structural, current (“*Hot Topics*”) and emerging, with the latter being understood as possible new threats, with an uncertain impact and indefinite probability, but with an upward trend and the possibility of becoming relevant to the group.
- Inclusion of secondary risk factors, such as financial, environmental, sustainability, governance (“ESG+F”), those related to fraud and corruption, tax, health and safety, cybersecurity and those related to third parties.

g) **ESG+F risks (*Environmental, Social, Governance and Financial Materiality*):** Set of risks related to environmental, social and corporate governance aspects with potential impact on economic-financial performance and/or reputation. This assessment will encompass - but is not limited to these aspects - the engagement of stakeholders, dual materiality matrix, value chain sustainability, assessments and action plans related to the risk of climate change, loss of biodiversity, environmental degradation, neglect of social responsibility and violation of human rights, as well as the risk of non-compliance with regulatory obligations established by CVM, B3 and other applicable relevant bodies.

- **Environmental Risk:** possibility of losses caused by events associated with the effects and transformations caused by the Company's actions in the physical environment and degradation of the environment, including the excessive use of natural resources, which are reflected, through interaction, in the environmental conditions that involve human life.
- **Social Risk**: possibility of losses caused by events associated with the violation of human rights and fundamental guarantees or acts harmful to the common interest.
- **Governance risk**: the main governance risks derive from possible non-compliance with (i) the applicable legislation, (ii) the provisions of the Governance and Sustainability System, (iii) good market practices and recommendations issued by its regulatory bodies, and/or (iv) international governance-related standards.

  Potential consequences include: (i) legal challenges, which may include corporate agreements, (ii) disputes between shareholders, (iii) the receipt of notifications from regulatory bodies, minority shareholders and other affected stakeholders, (iv) the divestment or depreciation of shares issued by Neoenergia, (v) broadcast/dissemination of negative news and (vi) low customer satisfaction ratings.
- **Financial Materiality**: are ESG factors that can have a significant impact - either positive or negative - on a company's business model and value drivers, such as revenues, margins, required capital and risk.
- **Risk of non-compliance with ESG+F Goals**: risk associated with the potential non-achievement of ESG+F Goals disclosed to the market. From a Risk Management point of view, risk sub-indicators (KRIs - Key Risk Indicators) to monitor progress over time, in order to check deviations in achieving goals and, if necessary, propose, together with the areas involved, an action plan. For some indicators, it will also be necessary to provide qualitative details on how the achievement of a given ESG+F target is being achieved. Risk Management Superintendence will monitor compliance with KRIs, in order to verify potential deviations in achieving the goals. Monitoring will be carried out in accordance with Neoenergia's Procedure for Monitoring Risks Associated with ESG+F Goals.

  Specifically, Neoenergia's governance will play an important role in supporting the long-term strategy of monitoring the risk of non-compliance with ESG+F commitments disclosed to the market, as well as the risk of non-compliance with regulatory and contractual obligations, in addition to good practices in force in the energy market and sector, linked to the company's ESG theme.

h) **Climate Risk**: risk associated with climate change and extreme natural phenomena, defined in two aspects:

- Climate transition risk: refers to the negative economic and financial impacts and the possibility of losses resulting from the transition to a low-carbon economy and adaptation to climate change. These include: stricter regulations, changes in energy policies, carbon pricing, emerging technologies, among others; and

- **Physical climate risk**: possibility of losses caused by events associated with frequent and severe weather or long-term environmental changes.

4. Basic Principles:

Neoenergia's group companies are subject to several risks of the different businesses and the activities performed, which may prevent them from achieving their goals and successfully executing their strategies.

The Board of Directors of Neoenergia, aware of the importance of this aspect, undertakes to develop all its capabilities so that the relevant risks of all activities and businesses of the Neoenergia group are properly identified, measured, managed and controlled, in addition to establishing, through this Policy, the mechanisms and basic principles for an adequate risk-opportunity management, with a level of risk that allows:

a) to achieve the strategic goals of the Neoenergia group with controlled volatility;

b) to provide maximum level of security and guarantees to shareholders;

c) to defend the interests of shareholders, customers and other stakeholders of the group's companies;

d) to contribute to the fulfillment of the Sustainable Development Goals (SDGs) approved by the United Nations (UN), with emphasis on the seventh (Clean and Accessible Energy) and the thirteenth (Action Against Global Climate Change);

e) to protect the results and reputation of the Neoenergia group and the human rights;

f) to ensure corporate stability and financial strength in a sustainable manner over time; and

g) to spread the risk culture among Neoenergia group employees, through communication and training

Aiming to maintain the commitment expressed in the basic principles, the Board of Directors relies on the collaboration of the Audit Committee and the Executive Board, supported by the supervision of the Risk Management Superintendence which, as an advisory body, monitors and reports on compliance with controls and management of significant risks, together with Neoenergia's Internal Audit and Internal Controls Superintendence.

All risk control and mitigation actions shall comply with the following basic principles:

a) **Integrate** the risk-opportunity view in the group's management, through the definition of strategy and risk appetite, as well as including this variable in strategic and operational decisions;

b) **Segregate**, at the operational level, the functions between the risk-taking areas and the areas responsible for their analysis, control and supervision, ensuring an adequate level of independence;

c) **Ensure** the correct use of risk mitigation instruments and their registration in accordance with the requirements of applicable rules and regulations;

d) **Inform** regulatory bodies and main external stakeholders, in a transparent manner, on the risks faced by the group and on the functioning of the risk management systems, maintaining adequate channels to favor communication;

e) **Ensure** proper compliance with corporate governance rules through a Governance and Sustainability System and the continuous updating and improvement of this system, observing and implementing the best market practices in relation to transparency and good governance and implementing its monitoring and measurement; and

f) **Act** permanently in accordance with the values and standards of conduct reflected in the *Code of Ethics* and in the group's integrity policies, with the “zero tolerance” principle for illicit acts and situations of fraud, according to the *Anti-Corruption Policy*.

5. Integrated Risk Control and Management Model

The *General Corporate Risk Management Policy* and its basic principles are implemented through an integrated risk control and management model, supported by the Global Risks Committee and supported by an adequate definition and establishment of functions and responsibilities at different levels (operational and control), and in procedures, methodologies and support tools appropriate to the different stages and activities of the model, which include:

a) The establishment of a **framework of policies, guidelines, limits and risk indicators**, as well as the respective mechanisms for their approval and development, reviewing and establishing the risk appetite assumed annually on a qualitative and quantitative basis, according to the goals established in the multi-annual plan and in the annual budgets.

b) The **continuous identification of relevant risks and threats**, taking into account their possible impact on corporate objectives and results (including contingency liabilities and other off-balance sheet risks);

c) The **analysis of these risks**, both in each of the businesses or corporate functions, and in a consolidated manner within the Neoenergia group;

d) The **measurement and control of risks following homogeneous procedures and standards, common to Neoenergia group**;

e) The **Analysis of the risks associated with new investments**, as a key element in decision-making, assessing their risk-return, including the risks of integrality of assets and associated with climate change and proper disposal of waste.

f) The **maintenance of a system of internal controls to comply with policies, guidelines and limits**, through appropriate procedures and systems, including the contingency plans necessary to mitigate the impact of the materialization of risks.

g) The **continuous assessment of the suitability and efficiency** of the application of a system of best practices and recommendations in relation to risks, for their potential inclusion into the management model; and

h) The audit of the integrated risk control and management model by the Internal Audit Superintendence.

6. Risk Policies and Limits

The *General Corporate Risk Management Policy* unfolds and is complemented by *corporate risk policies* and by *specific risk policies for businesses* group, also approved by the Board of Directors:

- *Corporate risk policies*:
  - *Financial Risk Policy*
  - *Credit Risk Policy*
  - *Insurance Policy*
  - *Purchase Policy*
  - *Investment Policy*
  - *Information Technology Policy*
  - *Cybersecurity Risk Policy*
  - *Reputational Risk Policy*
  - *Treasury Shares Policy*
  - *Occupational Health and Safety Policy.*
- *Business-specific risk policies:*
  - *Network Business Risk Policy*
  - *Liberalized Business Risk Policy*
  - *Renewables Business Risk Policy*

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This Policy was approved at Neoenergia's Board of Directors Meeting held on 01/12/2017 and last amended on April 18, 2024.