



# CHANGING TOMORROW NOW

EDP BRASIL  
ESG BOOK  
ANNUAL REPORT 2021



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# 01 – ABOUT THE REPORT

## ABOUT THE REPORT

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## 1.1 — About the Report

GRI 102-45 | 102-50 | 102-53 | 102-56

The ESG Book is an integral part of EDP Brasil's Annual Sustainability Report, and provides qualitative and quantitative information related to the Company's economic-financial, environmental, social and corporate governance performance between January 1 and December 31, 2021.

The document was built interactively with the Main Book, in which we discussed the most relevant facts and achievements in the different areas of the business during the year, available at the [link](#). Together, the two

publications show how we generate value together our stakeholders and we seek to make our business increasingly sustainable.

The publication covers all EDP Brasil units and assets in joint ventures with other companies, with the exception of minority interest activities, such as Celesc (Electric Centrals of Santa Catarina).

The report was prepared in accordance with the Global Reporting Initiative (GRI) Standards: Essential option, and based on the guidelines of the International Integrated Reporting Council (IIRC) and the Sustainability Accounting Standards Board (SASB). The information presented was assured by KPMG, an external and independent company, and validated by the senior management of EDP Brasil and the Company's Board of Directors.

### INFORMATION ABOUT THE REPORT

Any questions, suggestions or requests for information about the Report can be sent to [sustentabilidade.edp@edpbr.com.br](mailto:edp@edpbr.com.br).

### 1.1.1 Materiality matrix

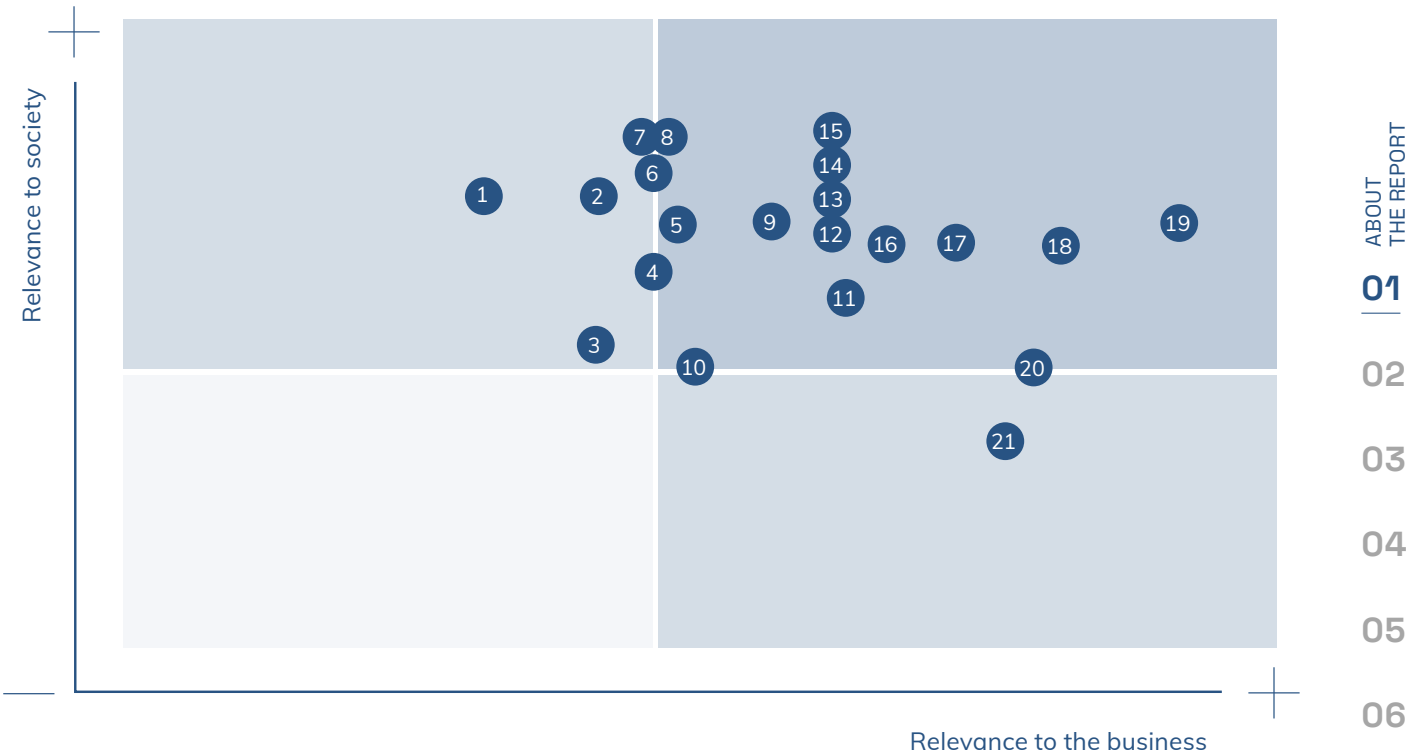
GRI 102-46 | 102-47 |102-49 |

The report’s content was defined based on EDP Brasil’s materiality matrix, which considers the most important topics for the Company’s stakeholders and follows the guidelines established by the Global Reporting Initiative (GRI) and the AccountAbility AA1000 standard.

The matrix’s preparation was supported by an internal tool of the EDP Group, analysis of relationship channels, interviews with stakeholders and sectoral studies, in order to identify relevant issues for society. Our internal scenario was also considered, based on the analysis of Company documents, such as strategic objectives, goals and corporate risk matrix, in addition to the Executive Board’s vision.

The limits of each material topic considers EDP’s business segments and the most relevant external and internal audiences in the interface between the Company and society.

The process of preparing our materiality matrix is carried out every two years. For the construction of this report, we based ourselves on the process carried out in 2020, which allowed us to identify the topics that have the greatest power to influence our ability to generate value for the business and society, presented in the matrix below:



#### Audiences consulted:

- Shareholders and investors
- Local authorities
- Customers
- Collaborators
- Scientific community
- Local communities
- Competition
- Suppliers
- Government
- Public agencies
- Regulatory bodies
- International institutions
- Media
- Opinion Leaders
- NGOs
- Financial Institutions.

LEGEND:		4. Corporate Governance	7. Renewable Energy Promotion	10. People Management	14. Environmental Management	19. Financial Sustainability
1. Sustainable Mobility	5. Involvement and Development of Community	6. Energy Infrastructures	8. Communication and Transparency	11. Crisis Management	15. Vulnerable Customers	20. Suppliers Management
2. Energy Efficiency			9. Innovation and Investigation	12. Customer Satisfaction and Service	16. Climate Change	21. Responsible Social Investment
3. Digital Transformation				13. Human Rights	17. Corporate Ethics	
					18. Safety	

THEME	LIMITS DESCRIPTION	
	EXTERNAL LIMITS	INTERNAL LIMITS
CLIMATE CHANGE	Shareholders and investors, Government	All business units
COMMUNICATION AND TRANSPARENCY	Shareholders and Investors, Customers, Communities, Government Financial Institutions	All business units
VULNERABLE CUSTOMERS	Customers	Distribution
HUMAN RIGHTS	Communities, Suppliers, Government	All business units
COMMUNITY INVOLVEMENT AND DEVELOPMENT	Communities	All business units
CORPORATE ETHICS	Shareholders and investors, Communities, Customers, Government	Collaborators, All business units
ENVIRONMENTAL MANAGEMENT	Shareholders and investors, Communities, Customers, Government	All business units
CRISIS MANAGEMENT	All audiences	All business units
SUPPLIERS MANAGEMENT	Suppliers	All business units
PEOPLE MANAGEMENT	Government	Collaborators, All business units
CORPORATE GOVERNANCE	Shareholders and investors, Government	Collaborators, All business units
ENERGY INFRASTRUCTURES	Communities, Suppliers, Customers, Government	All business units
INNOVATION AND RESEARCH	Scientific community, Competition	All business units
RENEWABLE ENERGY PROMOTION	Suppliers, Customers, Government	All business units
CUSTOMER SATISFACTION AND SERVICE	Shareholders and investors, Communities, Suppliers, Customers, Government	Collaborators, All business units
SAFETY	Government, Customers	Collaborators, All business units
FINANCIAL SUSTAINABILITY	Shareholders and investors, Suppliers, Customers	Collaborators, All business units

## 1.1.2 How to read the Report

The references used throughout the publication unfold in different ways of reading the document. In addition to linear reading, it is possible to navigate between the contents according to the adopted reporting guidelines and complementary information from the Main Book:

### GRI AND SASB INDICATORS

Based on our material themes, we chose GRI and SASB indicators to be reported in the Report. At the beginning of each chapter, we point out which indicators are being addressed. In the GRI Content Index and the SASB Index (page 127), we explain the content of each indicator and point to the page where they are reported.

### MAIN BOOK

In addition to the ESG Book, the Main Book features a series of relevant news and actions related to material topics developed by the Company in 2021. Throughout this notebook, the themes of the Main Book are referenced through hyperlinks, which direct the reader to learn more about the initiatives.

### CAPITALS

Based on the Integrated Report, we designed our Value Generation Model (page 12) and pointed out which chapters are dealt with in each chapter.

At the end of the Report, on the Capitals Map (page 141), we present the pages in which each capital is covered.



**Capital**  
NATURAL



**Capital**  
SOCIAL AND  
RELATIONSHIP



**Capital**  
FINANCIAL



**Capital**  
INTELLECTUAL



**Capital**  
MANUFACTURED



**Capital**  
HUMAN

### SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Taking into account our adherence to the SDGs, we point out throughout the Report whenever a topic addresses a business contribution to one of the goals.

In the SDG Map (page 142), we describe the page where each SDG is addressed.



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## 2.1 — Who We Are

GRI 102-1 | 102-2 | 102-3 | 102-4 | 102-5

EDP – Energias do Brasil S.A is an integrated electric energy Company, which operates in the areas of generation, transmission, distribution, commercialization and solutions aimed at the B2C\* and B2B\*\*. Present in Brazil since 1996, we are controlled by EDP Energias de Portugal, the largest Portuguese industrial group and one of the largest European operators in the electricity sector, operating in 20 countries.

Headquartered in São Paulo, our assets, with the exception of distributed generation projects, are distributed in 13 states: Acre, Amapá, Ceará, Espírito Santo, Goiás, Maranhão, Mato Grosso, Minas Gerais, Pará, São Paulo, Santa Catarina, Rio Grande do Sul and Tocantins. In the Commercialization and Energy Solutions businesses, we operate throughout the national territory.

The details and location of our assets can be found on [page 13 of the Main Book](#).

\* Acronym for "Business to Consumer", an expression that refers to the business model in which a company makes direct sales to final consumers.

\*\* SAcronym for "Business to Business", expression used to refer to companies that sell products and services to other companies, a business model in which one is the supplier and the other is the customer.



Power transmission tower.

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## 2.2 — EDP in the World



GRI 102-4 | 102-6

The Map of EDP's operations in Brazil is detailed in the Main Book, where there is also information on all the Company's operating segments.

Belgium		
Brazil	    	 3,191*
Canada		 6
Chile		 7
Colombia		 29
South Korea		 3
Spain	   	 2,013

USA			887
France			110
Greece			28
Hungary			7
Italy			94
Macao			
Mexico			16

Peru		 1
Poland		 75
Portugal	   	 5,716
United Kingdom		 6
Romania		 38
Vietnam		 9

	Conventional generation		Renewable generation
	Transmission		Distribution
	Marketing		Employees

\*This page reflects the performance of the EDP Group in the world. The total considers only the companies controlled by EDP (own employees), as well as the employees of EDP Renováveis operating in Brazil.

# 03 – EXCELLENCE IN ESG

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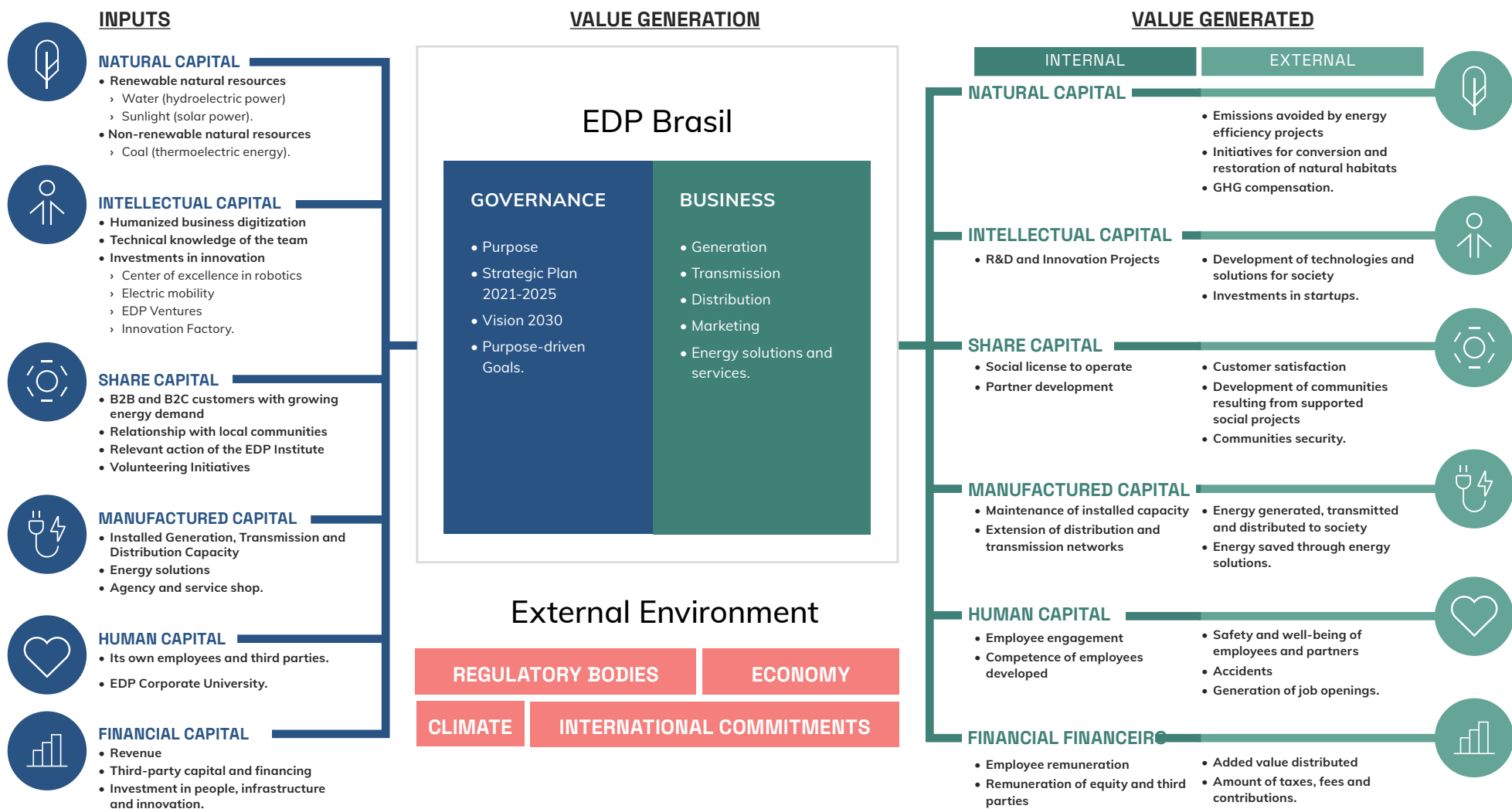
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## 3.1 — How we generated value in 2021

Below we present our business model, in line with the Integrated IIRC Report, which is based on our continuity and the generation of value to our stakeholders



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### 3.1.1 ESG strategy and performance as part of results

Strategy management encompasses planning, execution and monitoring activities. The achievement of strategic objectives is monitored through a performance management system created in 2016 and called "Purpose-driven Goals." This management system seeks to combine the Company's purpose with indicators and goals, internalizing our current and future challenges.

The Purpose-driven Goals program consists of a scorecard with 6 dimensions, each with specific indicators and goals to assess the performance of the Company's management and leadership.

The goals also cover topics related to the ESG agenda, such as: safety with its own and third-party workforce, environment, supplier development, diversity, inclusion, climate change, socio-environmental actions, compliance and risk management, expanding the concept of excellence beyond financial performance. The results of Purpose-driven Goals are linked to the performance of all employees, including senior management, also impacting Profit Sharing (PLR).

During 2021, after the global direction of the new strategy of the EDP Group, the management system will consider a scorecard with 3 dimensions from 2022, namely:

- **Added Value:** Financial indicators that reveal the company's financial situation based on its accounting results, representing 16% of indicators and targets.
- **People and organization prepared for the future:** monitors employee indicators, namely, well-being, diversity, inclusion, safety and also monitors the development of new skills to increase productivity and innovation initiatives. The function of these indicators is to ensure that members are treated equitably within the processes in which they are involved and that their needs are aligned with those of the business, representing 33% of the indicators and targets.
- **ESG Excellence:** monitor environmental indicators, supplier development, climate change, socio-environmental actions, compliance and risk management. EDP understands the importance of environmental preservation and climate change and, in its strategic planning, seeks to insert effective actions, seeking more sustainable solutions through practices that promote corporate sustainability, in practice we control these actions through indicators and goals that represent 51% of our total performance management system.

The results the goals will continue to be linked to the performance of all employees, including senior management, also impacting Profit Sharing (PLR).

The monitoring and governance of goals has two important rituals, the monthly critical review of the indicators and an annual review, both carried out with the leadership and the Board.

Any suggestions or directions are returned to the teams, thus establishing a virtuous cycle of improvement and learning.

EDP understands the importance of environmental preservation and climate change and in its strategic planning seeks to insert effective actions, seeking more sustainable solutions through practices that promote corporate sustainability, in practice we control these actions through indicators goals that represent up to 51% of our total performance management system.









## 3.2 Commitments

### 3.2.1 Goals for 2022

EDP Brasil believes that the Company's growth is only viable if it is sustainable. That is why we are committed to being 100% green by 2030, guided by accelerating the energy transition in a clean, affordable and reliable way (learn more on [page 17 of the Main Book](#)).

As leaders of this transition, we want to be a reference in a sector where renewable energy makes up the vast majority of production and where there is neutrality\* in terms of carbon emissions. We understand that this is the commitment that the world needs right now and the great challenge that society must face globally. Therefore, we want to continue creating superior value by taking the forefront of this change.

Our 2022 commitments support the achievement of this ambition:

SDGS	GOAL	2022   EDP BRASIL	PERFORMANCE 2021
	● Maintain renewable installed power.	75%	75%
	● Increase installed solar power (centralized and decentralized).	135.5 MWp	85.92 MWp**
	● Reduce specific CO2eq emissions.	21%	-51.72%
	● Reinforce the number of customers with electric mobility solutions.	4.4 mil	2,345
	● Promote the acquisition of electric fleet for light vehicles.	11%	2%
	● Increase customer energy efficiency.	318.7 GWh	114.3 GWh
	● Achieve carbon neutrality in EDP administrative buildings.	100%	100%***
	● Maintain the average waste recovery rate.	75%	75%
	● Eliminate fatal accidents of employees and service providers.	0	5
	● Maintain the level of investment in the community (accumulated value from 2015).	R\$ 52MM	R\$ 103 MM

\* **Emissions Neutrality:** the concept of neutrality can involve eliminating emissions, offsetting them or a combination of both. Emissions can be offset through carbon credits, where the credit for an emission avoided outside the company's border is acquired by the company.

\*\* With 10.89 MWp corresponding to Blue Sol, a company in which EDP has a shareholding.

\*\*\* A From the compensation of emissions associated with the consumption of electricity

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SDGS		GOAL	2022   EDP BRASIL	PERFORMANCE 2021
	●	Increase the rate of female employees	30%	23%
	●	Internalize the recommendations of the (TCFD).	100%	100%
	●	Eliminate single-use plastics.	100%	Removal of plastic cups from the Company's administrative offices and launch of the Circular Economy Program.
	●	Eliminate accidents and environmental penalties.	0	0
	●	Implement Climate Change Adaptation Plans.	100%	20%
	●	Improve customer satisfaction index.	75%	EDP SP: 69.5 EDP ES: 72.6 EDP Smart: 89.2
	●	Ensure a high level of participation in volunteer activities.	20%	46%

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## 3.2.2 Strategic Plan 2021-2025

2021 was a year of many transformations at EDP. The Group, at a global level, has published

the new Strategic Plan for 2021-2025, including accelerating the Company's growth in renewable energy and leading the energy transition.

In addition to business transformations and investments, EDP updated its sustainability commitments in order to continue with

the goals and objectives for 2022.

To support our goal of becoming a 100% green company by 2030, in 2021 we set new ESG goals for EDP Brasil. Find out the details of the Strategic Plan 2021-2025 in our [Main Book](#).

AXIS	GOALS 2025
<b>ENERGY TRANSITION LEADERSHIP</b> <div>    </div>	<p><b>Reducing greenhouse gas (GHG) emissions</b></p> <ul style="list-style-type: none"> <li>• 20% reduction in the intensity * of Scope 1 emissions compared to 2017 **</li> <li>• 25% reduction in the intensity * of Scope 1+2 emissions compared to 2017 **</li> <li>• 30% reduction in the intensity * of Scope 1+2+3 emissions compared to 2017 *</li> </ul> <p><b>Increase renewable capacity</b></p> <ul style="list-style-type: none"> <li>• 1 GWp of installed solar photovoltaic (PV) capacity;</li> </ul> <p><b>Increase the internal electric fleet</b></p> <ul style="list-style-type: none"> <li>• 30% share of EDP's light electric fleet in the total fleet;</li> </ul> <p><b>Strengthen innovation</b></p> <ul style="list-style-type: none"> <li>• 2.5% annual investment in innovation in relation to Net Operating Revenue (NOR);</li> </ul> <p><b>Improve resiliency in IT infrastructure</b></p> <ul style="list-style-type: none"> <li>• BitSight Rating &gt; 740 (Advanced level)</li> </ul>
<b>COMMITMENT TO THE PROTECTION OF THE ENVIRONMENT</b> <div>   </div>	<p><b>Maintain high recycling rates</b></p> <ul style="list-style-type: none"> <li>• 85% of operational waste sent for recovery at TPP Pecém – Ash sent for co-processing;</li> <li>• 95% of operational waste sent for recovery in Distribution – Operational waste (with the exception of pruning);</li> </ul> <p><b>All business units with climate adaptation plans in place</b></p> <ul style="list-style-type: none"> <li>• 100% implementation and dissemination of action plans in each business unit;</li> </ul> <p><b>Establishment of ecological ceiling</b></p> <ul style="list-style-type: none"> <li>• Develop an economic valuation tool for biodiversity to promote the ecological ceiling of the main aspects that directly impact EDP Brasil's activities.</li> </ul>

\*Considering (a) 100% of EDP Brasil's interest in TPP Pecém (b) Unfavorable water scenario where Pecém will ship 75% of the year; (c) Grid Emission Factor, the average being 2017-2020 and (d) fulfillment of specific goals

\*Emission intensity is measured in tCO<sub>2</sub>e/MWh. For intensity considering Scope 1 or 1+2, the denominator used was the net centralized energy generated in MWh for our subsidiaries. For Scope 1+2+3, the denominator starts to add commercialized energy (including solar and the free market) and distributed energy;

\*\*Base year for our Science Based Target (SBT).

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POSITIVE IMPACT ON SOCIETY



**Increase gender diversity**

- 30% ratio between female employees and the total number of employees;
- 30% ratio between female employees and the total number of employees in leadership positions and the total number of leadership positions;

**Improve health and safety**

- Zero fatal accidents;

**Purchasing with sustainable criteria**

- 40% of purchase volume from suppliers with sustainability goals;
- 40% of purchase volume from suppliers with gender diversity goals;
- 40% of purchase volume from suppliers with decarbonization goals;

**ESG compliant suppliers**

- 100% of compliant suppliers and the total number of contracted suppliers;
- 100% of key suppliers that are assessed and audited and the total number of key suppliers;

**Investing in communities in line with the SDGs**

- R\$ 100 of accumulated investment in the period (21-25);
- R\$ 8.2 MM in social return from social inclusion projects;
- R\$ 3.6 MM in income;
- R\$ 6.2 MM in resources leveraged by qualified organizations (access to credit and funding);
- 5.7 IDEB average of the schools participating in the Schools EDP;

**Investing in a just energy transition**

- R\$ 4 MM investment in energy solutions for vulnerable customers;

**Reduce carbon emissions on customers**

- 162,260 tCO<sub>2</sub>eq. of CO<sub>2</sub>eq. emissions. accumulated avoided (2021-2025);

**Maintain high levels of satisfaction with our services**

- > 75% customer satisfaction rate.

STRONG GOVERNANCE STRUCTURE

**Leadership in ESG performance**

- Top quartile in ESG rating performance: ISE and CDP – Keep advanced

## 3.2.3 External Commitments

### GRI 102-12

In addition to the commitments and goals assumed internally, we also integrate external commitments, such as working towards the achievement of the Sustainable Development Goals (SDGs), an agreement established by the United Nations (UN) to face major challenges such as poverty, social inequality and climate changes.

In recent years, we have also joined other initiatives and participated in external groups that demonstrate our commitment to environmental, social and corporate governance issues, and which attest to our ambition to continue to be a reference in ESG:

- **Recover Better:** commitment to the establishment of emission reduction targets, fair energy transition and action in the face of climate policies, at the time of the post-crisis recovery brought about by Covid-19;
- **Business Ambition for 1.5°C:** Global Compact initiative, made up of a group of more than 9 thousand companies that are committed to reducing emissions to ensure that global warming does not exceed 1.5°C. As part of the commitment, EDP Brasil has committed to guarantee that, by 2030, 100% of the energy generated by the Company will come from renewable sources;

- **Science Based Targets Initiative** (learn more on [page 66 of the Main Book](#));
- **Brazilian Business Commitment to Biodiversity:** proposed by the Brazilian Business Council for Sustainable Development (CEBDS), it aims to emphasize the importance of biodiversity and ecosystem services for businesses, as well as the fundamental role they can play in their conservation and sustainable use;
- **Carbon Disclosure Project (CDP)**, a non-profit organization with the objective of creating a relationship between shareholders and companies focused on climate change policies;
- **Business Coalition for Racial and Gender Equality**, from the Ethos Institute, Center for the Study of Labor Relations and Inequalities (CEERT) and the Institute for Human Rights and Business (IHRB);
- **Commitment Letter from the Business Movement for Integrity and Transparency**, from the Ethos Institute;
- **Coordination of the Climate Action Platform**, of the Global Compact Brazil Network;
- **Business Pact for Integrity and Against Corruption**, by the Ethos Institute;
- **UN Women Women's Empowerment Principles**;
- **Brazilian GHG Protocol Program**, initiative for the accounting of Greenhouse Gases (GHG);
- **United Nations Global Compact Brazil Network**;
- **Women On Board**, which aims to recognize organizations with at least two women on the Board of Directors;
- **Woman 360 Movement**.

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### 3.3 — ESG Highlights

In 2021, we took another important step towards the Company's transparency by reporting our ESG performance on a quarterly basis, through reports that highlight the management of environmental, social and corporate governance indicators. Learn more on [page 64 of Main Book](#).

The indicators included in the report are selected based on their relevance to the investor communities, as well as to the Company's other stakeholders. Below are the indicators highlighted in the ESG Quarterly Report, and the other indicators are on [page 99](#) of the Attachment.

ENVIRONMENTAL						
INDICATOR	UNIT	2021	2020	VARIATION	GOAL 2025	GOAL 2030
EBITDA in Renewables*	%	68	66	3.2%	–	100
Scope 1 & 2 Emissions	tCO <sub>2</sub> /MWh	0.39	0.23	71%	-25%	-85**
Renewable Generation	%	75	75	0%	–	100

SOCIAL						
INDICATOR	UNIT	2021	2020	VARIATION	GOAL 2025	GOAL 2030
Women in the collaborative framework	%	23.0%	22.4%	2.4%	30	35
Accident frequency rate ***	Fr	1.31	1.11	18%	0	0

CORPORATE GOVERNANCE						
INDICATOR	UNIT	2021	2020	VARIATION	GOAL 2025	GOAL 2030
Women in leadership positions	%	19%	13.4%	39%	30	35
Cybersecurity	%	790	800	-1%	> 740	"Keep Advanced"

\* Proportion calculated in relation to the EBITDA of the Generation segment.

\*\* Goal approved by the Science Based Targets (SBTi) initiative with a 2032 horizon, the goal value refers to the performance compared to 2017.

\*\*\* Its own employees + third parties.

## 3.4 Performance in ESG Indexes

In 2021, we continued to maintain our good performance in the main sustainability indexes, which attests to the excellence of EDP Brasil and the EDP Group in ESG:

BUSINESS SUSTAINABILITY INDEX (ISE) B3 2021



DOWN JONES SUSTAINABILITY INDEX 2021\*



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## 4.1 Sector Scenario

### 4.1.1 Macroeconomic scenario

Although the vaccination campaign against Covid-19 accelerated Brazilian economic activity throughout the year, in December 2021, the GDP was at the level observed at the end of 2019 and beginning of 2020, pre-pandemic period, and 3.4% below the highest point of economic activity in the historical series. The services sector was the only one to present a positive result in comparison with the second quarter, already discounting the seasonal effects.

Household consumption in the third semester registered an increase of 0.9% in the comparison, showing a recovery from the drop observed in the first quarter. Despite that, the financial market forecast for the Broad Consumer Price Index (IPCA), considered the country's official inflation, rose from 10.15% to 10.18% in 2021. Industry posted negative results, in part due to the same supply shocks that affect inflation, such as raw material shortages and energy costs.

In view of the inflation behavior, there was an increase in the cost of inputs, reflected in the basic cost of construction. In addition, considering the high foreign currency scenario, the cost of imported inputs also increased throughout 2021.

### 4.1.2 Hydrological scenario

The year 2021 was marked by the worst drought in Brazil in the last 91 years, which triggered a water crisis scenario in the country. In the third quarter, the lack of rain resulted in low levels of reservoirs, mainly in the Southeast/Midwest regions, requiring the Federal Government to adopt exceptional measures to contain the effects of the water crisis on the electricity sector.

At the same time, there was a greater consumption of energy in view of the resumption of economic activities. As a result, EDP Brasil maintained its portfolio protection strategy, through the purchase of additional energy to mitigate the risks related to the GSF and the PLD fluctuation, with a 32% hedge position in the third quarter, considering the mitigation measures arising from the renegotiation of hydrological risk in the Regulated Contracting Environment ("ACR"), purchase of energy and seasonality of the physical guarantee.

At the end of the third quarter, the reservoirs reached a critical level of 30% of the National Interconnected System (SIN). After recovery actions carried out by the Government and with the improvement of inflows in the fourth quarter, caused by the low intensity La Niña climatic event, which favored the occurrence of rains in the region of the Southeast main basins, we started to monitor the relationship of the Rio Grande and Paranaíba basins' storage. The hydrometeorological scenario has not yet fully recovered, but it already indicates, at least for the beginning of 2022, a more comfortable operation.

The water scarcity scenario required the expansion of TPP Pecém's dispatch, responding to the Federal Government's policies in the face of the crisis faced by the electricity sector.

#### WORST WATER CRISIS IN THE PAST 91 YEARS

At the end of the third quarter, the reservoirs reached a critical level of 30% of the National Interconnected System (SIN).

#### SCENARIO IMPROVEMENT IN THE FOURTH QUARTER

The low intensity La Niña climatic event favored rainfall in the region of the main Southeast basins and the increase in the reservoirs levels of the Rio Grande and Paranaíba basins.

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## 4.1.3 Regulatory scenario

### GSF renegotiation completion

In August, the National Electric Energy Agency (ANEEL) finalized the GSF renegotiation, with the approval of concession extensions for more than 300 hydroelectric plants. In September, a Normative Resolution was approved granting the generating agents that adhered to the first renegotiation, in 2015, the right to the retroactive effects of the new agreement. As a result, another 144 plants had their concession extension approved. The topic, which had already been debated in recent years, was discussed by ANEEL with society through Public Consultations 53 and 54/2021, with the contribution of several agents – including EDP Brasil.

### Tariff review

In October, ANEEL set the average effect of the tariff readjustment of EDP São Paulo (SP) at 12.39%. For high voltage consumers, the impact was 4.41%, while for low voltage consumers the impact was 16.74%.

In August, ANEEL approved an average adjustment of 9.75% for EDP Espírito Santo, 6.89% for high voltage consumers and 10.96% for low voltage consumers.

### UNDERSTANDING GSF

GSF is the acronym for the term “Generation Scaling Factor,” a measure of hydrological risk. It's a rebalancing factor that determines how much energy each plant will receive, regardless of how much it has produced, as it considers the production capacity of the entire system.

Due to the hydrological risk, there is the possibility that certain hydroelectric plants will not be dispatched, due to the insufficient volume of water needed to generate energy. In view of this, the Energy Reallocation Mechanism (MRE) is activated, with the objective of avoiding losses to plants that were not dispatched, considering that they had already committed to selling that contracted energy.

The rebalancing includes hydroelectric plants across the country belonging to the National Interconnected System (SIN).

Thus, SIN plants that generated more energy than what was foreseen in their physical guarantees redistribute the surplus to those that did not reach the previously agreed generation amount.





## 4.2 Operational Development

GRI 103-1 | 103-2 | 103-3

### 4.2.1 Generation

GRI EU1 | EU2 | SASB IF-EU-000.D

Our generation portfolio comprises 6 hydroelectric plants and a thermoelectric plant, with a total of 2,870.78 MW of installed capacity (considering the participation in joint venture assets) and 2,347.80 MW of average physical guarantee. All plants are centrally dispatched by the National System Operator (ONS).

In Hydro Generation, the accumulated availability reached the historical value of 93.9%, 2.5% above the equivalent reference availability foreseen by the regulator.

Among the historical results of the year, the highest accumulated availability of HPP Peixe Angical stands out, of 98.6%, a value 6.8% above the reference, as well as the mark of zero equipment failures at HPP Lajeado, resulting in the lowest rate failure rate of the plants in the group with 0.0 failures/year.

The Cachoeira Caldeirão, Santo Antônio do Jari and São Manoel HPPs showed a significant performance evolution plan in relation to the previous year, with a reduction of 57%, 18% and 13% in the failure rate, respectively.

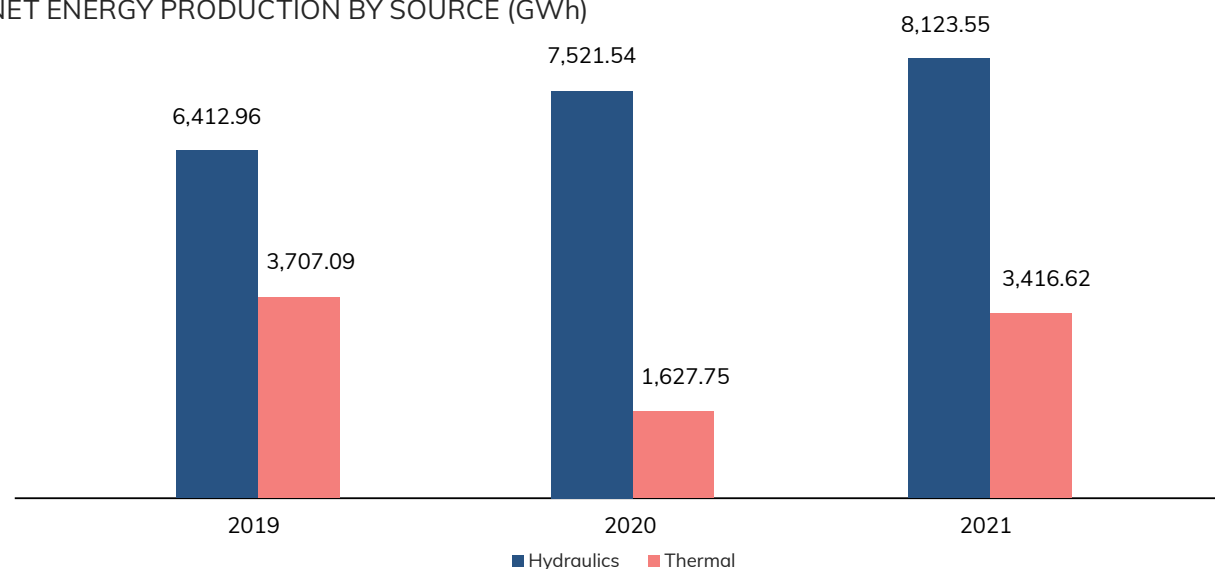
In Thermal Generation, the highlight during the year was the availability of 94.0% of TPP Pecém, generating an accumulated availability (60 months) of 88.3%, above the reference of 83.7%, which represents a FID (availability factor) of 105.4%.

Among the historical results for the year, the failure rate of 6.9 failures/year can be highlighted, below the recommended reference by the regulator at 42.5%.

INSTALLED CAPACITY				
PLANT	UNIT	2019	2020	2021
TPP Pecém	MW	720.27	720.27	720.27
HPP Mascarenhas	MW	198.00	198.00	198.00
HPP Peixe Angical	MW	498.75	498.75	498.75
HPP Luís Eduardo Magalhães	MW	902.50	902.50	902.50
HPP Cachoeira Caldeirão	MW	109.50	109.50	109.50
HPP São Manoel	MW	245.28	245.28	245.28
HPP Santo Antônio do Jari	MW	196.48	196.48	196.48
<b>Total EDP Brasil</b>	<b>MW</b>	<b>2870.78</b>	<b>2870.78</b>	<b>2870.78</b>

The installed capacity of the joint venture plants considers only the equity interest of EDP, of the other plants, the installed capacity is being fully considered. The same premise is applied to net energy production.

### NET ENERGY PRODUCTION BY SOURCE (GWh)



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## THIS SEGMENT CONTRIBUTES TO THE GOAL

### 9.1 SDG

Develop quality, reliable, sustainable and robust infrastructure, including regional and cross-border infrastructure, to support economic development and human well-being, with a focus on equitable and affordable access for all.

In line with the “Integration of SDGs in the Brazilian Electricity Sector: indicators and targets” study, by the Global Compact Brazil Network.

[Learn more.](#)

## 4.2.2 Transmission

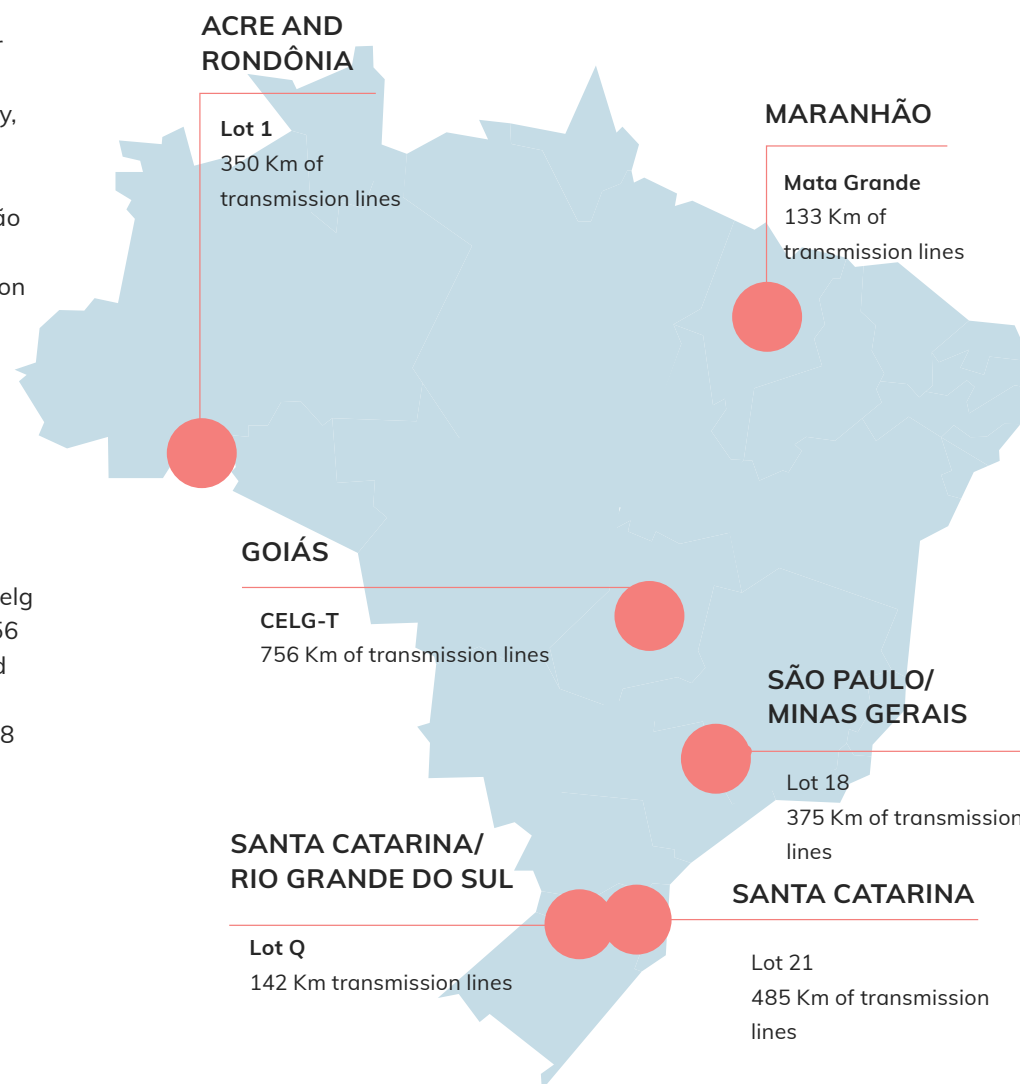
GRI 102-10 | SASB IF-EU-000.C

In 2021, in line with our strategy of rotating assets in the transmission segment, in which we are recognized for our ability to execute works within the estimated budget and with early delivery, we sold 100% of the capital of three projects that total 439 kilometers: EDP Transmissão S.A. (Lot 24), EDP Maranhão I S.A. (Lot 7) and EDP Maranhão II S.A. (Lot 11). The completion of the transaction allowed EDP Brasil to crystallize value with the rotation of transmission assets, fulfilling a priority goal of the strategy defined for the year 2021.

Within this strategy, the year was also marked by the acquisition, in an auction organized by ANEEL, of 100% of the shares of the state-owned from Goiás Celg Transmissão S.A. (Celg-T), which has 756 kilometers of transmission networks and 14 substations. We also acquired Lot 1, located in Acre and Rondônia, and Lot 18 (Mata Grande), in Maranhão, at auction.

With the sale of lots 7, 11 and 24 and the acquisition of Celg T and lots 1 and 18, EDP now has six transmission projects in its portfolio which, when operational, will total 2,241 km.

\* Map transmission lots consider sales and acquisitions made in 2021..



### 4.2.3 Distribution

In the Distribution sector, we have full control of EDP São Paulo, which supplies energy to 2.0 million customers in 28 municipalities in Alto Tietê, Vale do Paraíba and Litoral Norte, and of EDP Espírito Santo, which supplies energy to 1.7 million customers in 70 of the 78 cities in the state. In 2021, the two concessionaires distributed 26,016 GWh of energy to their consumers, of which 15,808 GWh at EDP São Paulo and 10,208 GWh at EDP Espírito Santo. In total, the volume of energy distributed increased by 5.5% in the year.

EU4 | SASB IF-EU-000.C

LENGTH OF DISTRIBUTION LINES			
TYPE OF DISTRIBUTION LINE	UNIT	EDP SP	EDP ES
Low-voltage Lines (less than 1kV) – Aerial	Km	12,633.83	9,873.67
Medium-voltage Lines (greater than 1kV and less than 69 kV) – Aerial	Km	15,097.75	52,934.64
High-voltage Lines (greater than or equal to 69 kV) – Aerial	Km	1,019.02	3,149.44
Total aerial distribution network in the rural area	Km	8,422.55	47,095.73
Total aerial distribution network in the urban area	Km	19,309.02	15,712.59
Low-voltage Lines (less than 1kV) – Underground	Km	91.15	1.57
Medium-voltage Lines (greater than 1kV and less than 69 kV) – Underground	Km	130.91	47.42
High-voltage Lines (greater than or equal to 69 kV) – Underground	Km	6.32	0
Total underground distribution network in the rural area	Km	3.39	1.59
Total underground distribution network in the urban area	Km	218.66	47.40

NUMBER OF RESIDENTIAL DISCONNECTIONS FOR NON-PAYMENT AND RESIDENTIAL RECONNECTIONS AFTER PAYMENT OF UNPAID BILLS		
DISCONNECTIONS	EDP SP	EDP ES
Less than 48 hours	58,835	12,551
From 48 hours to one week	42,550	45,105
From one week to a month	29,223	39,969
From one month to a year	4,760	8,550
Over a year	0	0
RESIDENTIAL RECONNECTIONS	EDP SP	EDP ES
Less than 24 hours	87,601	26,528
From 24 hours to one week	11,021	26,564
Over a week	487	23,262
Up to 30 days	0	0

## Quality in supply

GRI 102-48 | EU28 | EU29 | SASB IF-EU-550a.2

In 2021, the indicators of both distributors remained below the regulatory limits established by ANEEL, mainly due to our improvement actions and preventive maintenance – the DEC Down Project. It promotes treatment of repeat offender disconnections, improvement of internal processes and acquisition of new technologies.

The indicators' good performance is also related to the use of digital platforms for the field teams, with speed in the flow of information, as well as agility and efficiency of attendance. In addition, we developed the "De Olho no DEC" initiative, strengthening the teams' multidisciplinary approach, restructuring the Integrated Operation Center (COI), a plan to expand the number of reconnectors in the network and centralizing the dispatch of teams by COI.

### DEC

Average reduction  
of the two  
distributors by

7.7%

### FEC

Average reduction  
of the two  
distributors by

6.4%

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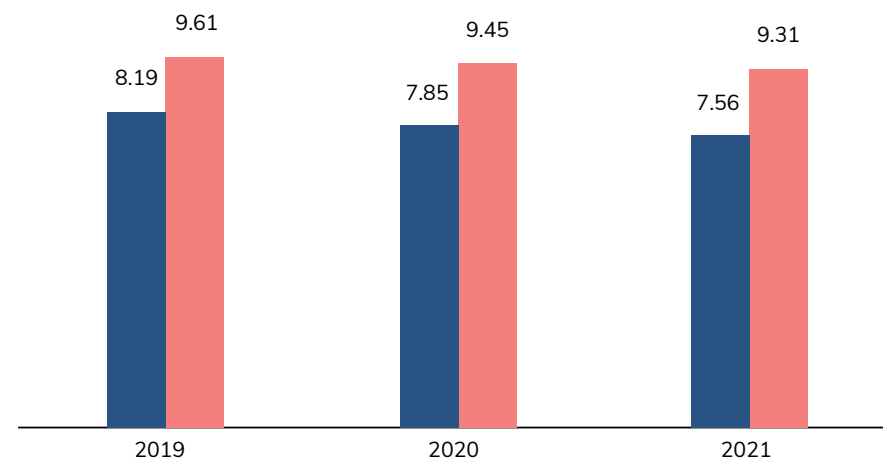
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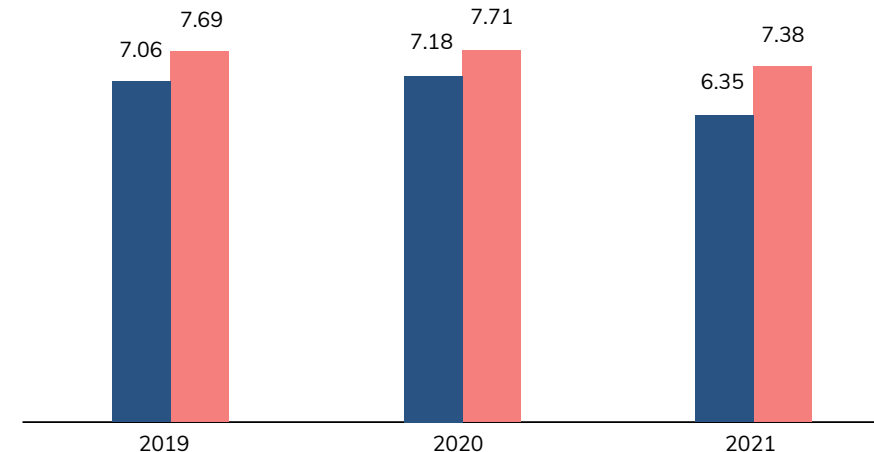
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## Average duration of power supply interruptions (hours)

EDP ESPÍRITO SANTO



EDP SÃO PAULO

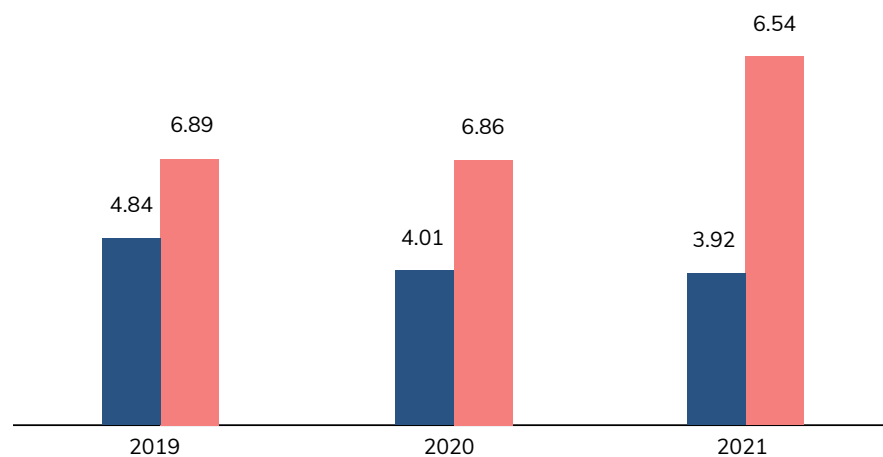


\*The 2019 data were changed due to Aneel's determination by technical note 53/2021.

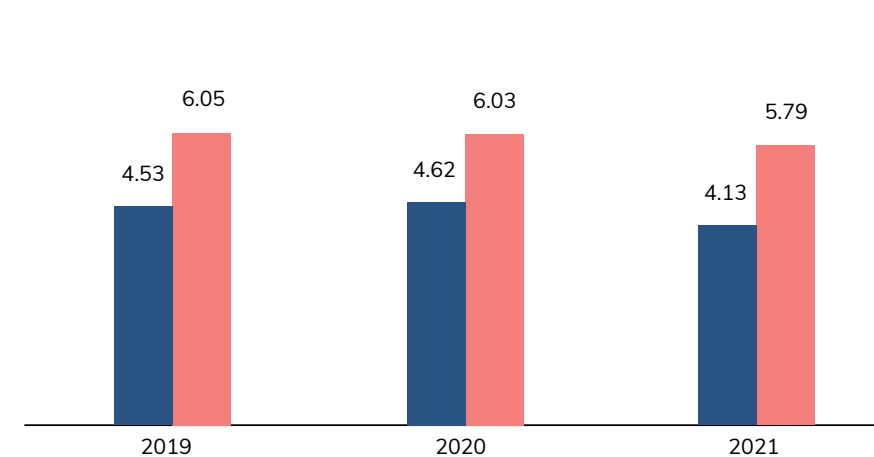
■ DEC - Calculated Value ■ DEC - ANEEL target limit

## Frequency of power supply interruptions

EDP ESPÍRITO SANTO



EDP SÃO PAULO



\*The 2019 data were changed due to Aneel's determination by technical note 53/2021.

■ FEC - Calculated Value ■ FEC - ANEEL target limit

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## 4.2.4 Total losses

### GRI 102-48 | EU12

With the objective of combating fraud and irregular energy consumption and reducing losses, we carry out actions such as the installation of armored networks with anti-theft devices, remote measurement of consumption through telemetering, registration regularizations, updating of public

lighting and measurement inspections. In 2021, distribution losses decreased by 0.29 p.p. at EDP São Paulo and by 0.92 p.p. at EDP Espírito Santo when compared to the previous year.

EDP SÃO PAULO			
	2019	2020	2021
Transmission losses	1.92%	2.14%	2.07%
Distribution losses	8.11%	8.59%*	8.30%
Technical losses	5.64%	5.54%	5.76%
Non-technical losses	2.47%	3.05%*	2.54%

EDP ESPÍRITO SANTO			
	2019	2020	2021
Transmission losses	1.90%	1.49%	1.48%
Distribution losses	12.45%	13.36%*	12.45%
Technical losses	7.86%	8.19%*	7.78%
Non-technical losses	4.59%	5.17%*	4.67%

\* The year 2020 was rectified due to a conceptual change in data consolidation for the closing.

### DISTRIBUTION TRANSFORMATION PROJECT SUPPORTS LOSS REDUCTION

In 2020, EDP Brasil launched the Distribution Transformation Project, which seeks to promote continuous improvements with a focus on efficiency in operating costs, profitability and reduction of delinquency and total losses. This is the most important project in the area in the coming years, with the ambition for EDP Distribution to reach the Top 3 in the Sector in these indicators.

The project works on different fronts, such as Capex, Field Teams, Customer Service, Collection, Delinquency and Losses. Each category has a group of managers and employees who will be responsible for the Project's objectives. To accompany the Project, the Transformation Office was created, which supports the entire journey to improve indicators.

In 2021, the Distribution Transformation helped the Company to reduce total losses by 0.29 p.p at EDP SP and 0.92 p.p at EDP ES.



## 4.2.5 EDP Smart

Created in 2019, aiming to accelerate growth in the distributed solar generation business, in addition to preparing the energy trading business for the expected opening of the free market in the country and structuring the electric mobility business, EDP Smart is a brand that brings together our entire portfolio of services and solutions for customers (B2B). Its focus is to offer integrated solutions in the areas of energy commercialization in the free market, including retail commercialization, solar energy, electric mobility, energy efficiency and other services for the final consumer.

In 2021, with the creation of VP Customers (learn more on page 21 of the Main Notebook), EDP Smart benefited from ensuring a single look at the customer pillar, considered essential for the implementation of business strategies. This vision includes the main products offered – such as solar energy in all its modalities, the commercialization of energy in the free market and electric mobility. Thus, VP Customers fulfills the role of being a vehicle for growth in these products and businesses in the coming years.

Throughout the year, EDP Smart's main highlight was the high execution of Capex in solar energy, which is directly related to sustainability in a scenario where customers have increasingly sought clean energy. Learn about some of the projects and outstanding deliveries on [page 21 of the Main Book](#).

Currently, EDP Smart offers solar products to all business customer segments, including SMEs and large customers, demonstrating our ambition to cover the entire solar energy chain.

During 2021, EDP Smart also strengthened its position in the electric mobility market in Brazil (learn more on page 21 of the Main Book), with private solutions for the business public. This way, the brand has expanded its portfolio of chargers, strategic partnerships, technical service partners and solutions available to the B2B public, managing to develop new offers and commercial solutions that promote the energy transition.

**52,214**  
tCO<sub>2</sub>eq

**AVOIDED**

with energy efficiency  
and solar energy  
projects.

**51.21**  
MWp

**OF SOLAR  
CAPACITY**

installed  
in 2021.



**THIS SEGMENT  
CONTRIBUTES  
TO THE GOAL**

**7.2 SDG**

By 2030, maintain a high share of renewable energy in the national energy matrix.

In line with the "Integration of SDGs in the Brazilian Electricity Sector: indicators and targets" study, by the Global Compact Brazil Network.

[Learn more.](#)

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## 4.3 — Financial Economic Performance

GRI 102-7 | 103-1 | 103-2 | 103-3 | 201-4

Our financial sustainability is essential both to guarantee the Company's solvency, investments and financial management, and to maintain value generation for stakeholders. As a publicly traded company, we follow the guidelines of the Brazilian Securities and Exchange Commission (CVM) and publish our financial statements. We have a series of policies that aim to ensure the continuity of the business, including the Dividend Policy, Related Party Relationship Policy, Business Management Policy, Business Risk Policy, Sustainable Procurement Policy, Financial Risk Management Standard and Internal Controls Matrix linked to the Financial Statements. Financial indicators are monitored by several areas, such as Finance, Planning and Control, Internal Audit, among others.

The year 2021 was marked by record results in all of EDP Brasil's business lines, revealing the Company's good moment after the challenges presented in 2020 due to the pandemic. Our economic-financial performance during the year showed the consistency of investments in line with the 2021-2025 Business Plan, which enabled the implementation of the strategy defined for the period.

The announcement of the goals contemplated in the 2021-2025 Business Plan focused on increasing Capex in distribution, solar energy and strengthening the transmission and distribution networks. In the case of transmission, the highlight was the rotation strategy, guided by our ability to invest and divest assets.

These moves were important and demonstrate the Company's commitment to implementing a strategy aimed at creating additional value for our shareholders by increasing our investment levels, with a focus on energy transition, solar generation and risk exposure reduction.

Regarding costs, throughout the year we observed a high inflation scenario, both in Brazil and globally, which has severely affected the Country and the Company, since contracts are adjusted for inflation. Added to this was the unfavorable exchange rate, which had an impact on the IGPM, affecting new investments and the purchase of imported materials for operations, which required increased storage.

As a result, our performance was above expectations initially for the year and showed a good recovery in 2021 when compared to the previous year. The year 2021 revealed the constant evolution of our results, closing the period with an EBITDA of R\$ 4.3 billion and Net Income of R\$ 2.2 billion, representing a growth of 27.5% and 43.2%, respectively, even with the effects of the pandemic still evident.

### GROSS MARGIN

Distribution:  
**2.8 billion**

Transmission:  
**693.3 million**

Pecém:  
**634.8 million**

Marketing:  
**146.9 million**

Hydro:  
**1.2 billion**

EBITDA:  
**4.3 billion**

Financial result:  
**-801.6 million**

Gross Debt:  
**10.6 billion**

Capital market  
performance:  
market value  
**12.2 billion**

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### 4.3.1 Dividend Policy

In line with the objective of creating value for its shareholders, in 2020 EDP Brasil launched a new Dividend Policy, which guarantees a minimum dividend of R\$ 1.00 of adjusted net income and a leverage target with a payout greater than 50% of the ratio between Net Debt and Adjusted EBITDA from 2.5 to 3.0x.

In the absence of attractive new investments, EDP undertakes to pay extraordinary dividends or carry out a new buyback program. In 2021, the Company's Board of Directors also approved the cancellation of shares currently held in treasury and the launch of a new share buyback program for its common shares.

INCOME STATEMENT (R\$ THOUSANDS)			
	2020	2021	VARIATION (%)
Net revenue	13,207,684	16,672,486	26.2%
Construction revenue	1,772,682	2,150,806	21.3%
Transmitter construction revenue margin	3,434	50,862	1,381.1%
Unmanageable expenses	(8,381,609)	(11,262,320)	34.4%
Gross margin	4,829,509	5,461,028	13.1%
Manageable expenses	(3,868,880)	(4,357,812)	12.6%
PMSO	(1,353,798)	(1,395,217)	3.1%
Gains and losses on deactivation and disposal of assets	(93,850)	(73,295)	-21.9%
EBITDA	3,381,861	4,313,072	27.5%
Depreciation and amortization	(648,550)	(738,494)	13.9%
Result of equity interests	79,960	242,416	203.2%
Net financial result	(451,260)	(801,582)	77.6%
Net income before minority shareholders	1,713,920	2,367,545	38.1%
Minority interests	(205,902)	(207,707)	0.9%
Net income for the fiscal year	1,508,018	2,159,838	43.2%

#### GRI 201-4

FINANCIAL AID RECEIVED FROM THE GOVERNMENT (R\$ THOUSANDS)			
	2019	2020	2021
Tax benefits and credits	75,229	91,619	83,212
Subsidies	0	0	0
Incentive investments	0	0	0
Cultural Incentive/Rouanet Law	5,489	7,459	7,669
Sports Incentive	1,385	1,806	1,921
Childhood and Adolescence Fund	1,258	1,807	1,921
Cultural Action Program	0	0	0
PRONON – National Support Program for Oncology Care	0	0	1,632
Others	1,728	1,398	1,910

# 05 – INNOVATION AND ENERGY TRANSITION

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## 5.1 — Innovation for transformation

Believing in innovation as the great catalyst for the Company's transformation, in 2021 we implemented a new Innovation Journey, with clear and business-aligned direction, and dedicated resources for strategic projects.

Prioritizing Clean Energies, Customer Solutions, Smart Grids, Digital Innovation, Energy Storage and Support Areas, in 2021 our innovation management model started to be guided by two strategic axes and four macro initiatives that make up the area's Innovation performance:

With this, we intend to take a leap of innovation inside and outside the Company through an umbrella platform where all initiatives, programs and actions are contemplated and connected to each other, always guided by the company's strategic pillars.

\*Learn more about the Innovation Factory on [page 24 of the Main Book](#).

## Strategic axes

In 2021, we defined two strategic axes for the Innovation Board:



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INNOVATION AND ENERGY TRANSITION

## 5.2 — Innovation Culture

Because we believe that EDP Brasil's innovation can come from anywhere and from anyone, in 2021 we rethink the way we promote the topic among employees and other stakeholders, with the primary objective of fostering a Culture of Innovation.

Our investments have been directed towards creating a great innovation journey, driven by the desire to promote new ways of thinking and doing to transform the energy sector in Brazil. For this, we created Somos Play, a new innovation journey that embraces the internal ecosystem with all employees, ranging from training in innovation to the development of intrapreneurial projects.



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## ONBOARDING & TRAINING

**Onboarding:** Initiation of EDP innovation with access to digital materials on EDP's internal channels.

**Training:** Innovation course and presentation of concepts and techniques of innovation and entrepreneurship.

## INTERNAL JOURNEY

### INTRAEPRENEURSHIP

**Free ideation platform:** submission of ideas to solve EDP Brasil's challenges, with selection of the Top 10.

**Development of the idea/project:** duration of three months, with support from internal and external experts, a channel for doubts and innovation support. Offering free time to develop the idea.

### RECOGNITION

**Presentation of projects to the Innovation Council:** selection of potential projects for further development with participation of the creator himself.

**Go Innovation:** recognition of projects and people at an event, and of the Innovators of the Month who applied innovation in their daily lives and in projects at EDP.

## EXTERNAL JOURNEY

### ENTREPRENEURSHIP

**Public calls** for the ecosystem that solve EDP's challenges.

**Partnership with startups** with solutions to address the pains and opportunities prioritized by the BUs.

### NEW BUSINESS

**Showcase** for invested **startups** and EDP partnerships.

**More active presence** in innovation hubs.

## 5.3 — Research and Development

### GRI EU8

In line with our commitment to fostering innovation throughout the value chain, in 2021 we continue to invest in initiatives related to electricity and the promotion of sustainable development through investment in Research & Development.

Some of the R&D projects developed by EDP Brasil are in the [Main Book, starting on page 24](#).

INVESTMENTS (R\$ THOUSANDS)	
Alternative sources of electricity generation	2,923.48
Thermoelectric Generation	617.32
Management of Basins and Reservoirs	0
Environment	13.78
Safety	3,244.72
Energy Efficiency	0
Electric Power Systems Planning	1,186.16
Operation of Electric Power Systems	2,831.98
Supervision, Control and Protection of Electric Power Systems	2,453.96
Quality and Reliability of Electric Power Services	1,118.85
Measuring, billing and combating commercial losses	4.67
Others	21,089.46
<b>TOTAL</b>	<b>35,484.41</b>

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## 6.1 — Environmental Management

### GRI 103-1 | 103-2

Mitigating the environmental impacts associated with our activities is central to our work. Therefore, we comply with all applicable legal requirements and those foreseen in the licensing processes, in all its phases, including planning, implementation and operation, in addition to other initiatives to reduce this impact.

All our businesses have some kind of interface with the environment, but the greatest impacts are associated with the operation of TPP Pecém and the process of implementing new assets, such as hydroelectric plants and transmission lines. To manage the issue, we have a Policy on Management and Sustainability Systems and Environmental Management Systems (EMS), in line with the ISO 14001 Standard, with activities conducted by the local Environment areas of the business units.

Our plants have Environmental Management Systems (EMS) certified by a third party at their facilities, with the exception of HPP São Manoel, which will receive an external audit in 2022. Certification in the ISO 14001:2015 standard ensures that the company considers the expectations of the stakeholders involved in its operations, respects applicable legal requirements, identifies the aspects and impacts of its operation and identifies and manages risks to the environment.

In 2021, we made progress with the objective of achieving the certification of all our assets, with certification of 100% of Distribution substations of Espírito Santo in the ISO 14001 and 45001 Standards (learn more on [page 29 of the Main Book](#)). The Company's Board of Directors has attributions and is directly involved in the definition of the environmental strategy and accountability in relation to our performance, directly monitoring the EMS and initiatives. Environmental themes are presented and discussed in the Sustainability Committee on a regular basis.

Purpose-driven Goals, which direct and measure EDP's strategic performance, include Environmental Management, with the objective of integrating business performance with the management of aspects and mitigation of environmental impacts, promoting an integrated strategy. EDP Brasil's leadership has access to the Company's environmental indicators and goals at the Monthly Forum meetings, including water consumption, volume of waste produced and environmental occurrences. More information on this topic can be found on [page 12](#) of this Notebook.

# 100%

**CERTIFIED  
DISTRIBUTION  
SUBSTATIONS**

in the ISO 14.001 and  
45.001 Standards.

**SUSTAINABILITY  
CHANNEL**

To register complaints,  
reports, doubts or  
comments on the topic:

[sustentabilidade.edp@  
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## 6.2 — Water and effluents

GRI 103-2 | 103-3 | 303-1 | 303-2 |  
SASB IF-EU-140a.1 | IF-EU-140a.3

The main means of capturing water in our business occur in hydro and thermal generation activities. In hydroelectric plants, the non-consumptive capture of water from the water takes place upstream of the plant and full restitution is carried out downstream of the project.

At TPP Pecém, water is supplied by the local concessionaire, upon payment of the consumption fee. The project is located in a region of water stress, which causes competition for water consumption between the Plant and other local uses, such as supplying the population. Due to this fact, the government of Ceará established that, in the event of drought events in the state, the projects must pay a supplementary fee called Emergency Water Charge (EHE), an extra amount charged for each m<sup>3</sup> consumed by the plant in these periods.

In addition to the impacts caused by the disposal of effluents, TPP Pecém has an Effluent Treatment Station with efficient control mechanisms that guarantee compliance with legislation regarding the emission limits of pollutants, respecting what is permitted in their licensing process, under penalty of

finances and stoppage of activities in the event of non-compliance with these conditions.

Hydroelectric plants, on the other hand, do not emit pollutants. However, the water quality parameters are continuously monitored, considering that the dams can contribute to the aggravation of problems resulting from the accumulation of effluents in the reservoir, such as the variation in the water oxygenation level, the presence of high levels heavy metals, among others. In this sense, we act proactively, monitoring the water quality of the reservoirs where there are plants in operation.

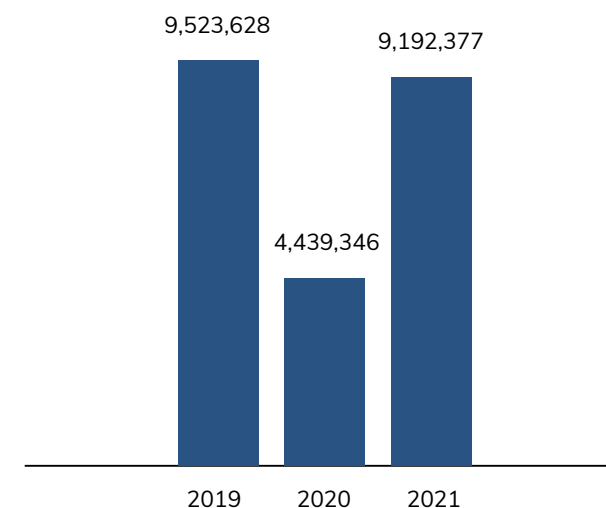
In all EDP activities, to prevent contamination of water bodies with possible accidental leaks of chemicals and oils, such as lubricating oils, we have facilities that comply with applicable legal requirements and emergency response programs. Such as the installation of containment basins in transformers and chemical and oil storage places, water and oil separator boxes, and containment and absorption material kits in case of accidental leaks.

To measure our progress in the water consumption management, we have defined water-related objectives and targets within the scope of the commitments assumed in the Group's Environmental Policy. These objectives and targets cover all our Business Units and are monitored both locally and by the company's corporate body.

GRI 303-5

TOTAL WATER CONSUMPTION AT EDP BRASIL

\*



Note: the increase in gross water consumption is associated with the higher dispatch from TPP Pecém compared to 2020.

GRI 303-3

We used the World Resources Institute's (WRI) Aqueduct Water Risk Atlas to identify areas of water stress. The only plant currently operating in an area classified as high risk for water stress is TPP Pecém, which corresponds to 100% of the value reported in the table within this classification.

WATER CAPTURE BY SOURCE (MEGALITRES)		
	ALL AREAS	AREAS WITH WATER STRESS
Surface water (total)	39.09	0
Fresh water (total dissolved solids ≤1.000 mg/L)	39.09	0
Other types of water (total dissolved solids >1.000 mg/L)	0	0
Groundwater (total)	54.17	0
Fresh water (total dissolved solids ≤1.000 mg/L)	54.17	0
Other types of water (total dissolved solids >1.000 mg/L)	0	0
Sea water (total)	0	0
Fresh water (total dissolved solids ≤1,000 mg/L)	0	0
Other types of water (total dissolved solids >1,000 mg/L)	0	0
Produced water (total)	0	0
Fresh water (total dissolved solids ≤1,000 mg/L)	0	0
Other types of water (total dissolved solids >1,000 mg/L)	0	0
Third-party water (total)	9,099.12	9,042.34
Fresh water (total dissolved solids ≤1,000 mg/L)	9,099.12	9,042.34
Other types of water (total dissolved solids >1,000 mg/L)	0	0
Total water capture (Surface water (total) + groundwater (total) + sea water (total) + produced water (total) + third-party water (total))	9,192.38	9,042.34

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## GRI 303-5

WATER CONSUMPTION AT EDP BRASIL (m³)			
	2019	2020	2021
Consumption of surface water, including wetlands, rivers, lakes and oceans	44,974.94	67,092.64	39,091.89
Groundwater consumption	0	54,543.76	54,168.06
Consumption of rainwater directly collected and stored	0	762.4	0
Consumption of wastewater from another organization	0	0	0
Consumption of water from municipal supply or other supply companies	9,478,707.63	4,316,947.50	9,099,117.53

VOLUME AND PERCENTAGE OF RECYCLED AND REUSED WATER			
	2019	2020	2021
Total volume of recycled and reused water (including reuse) – m³	254,196.00	101,562.40	131,830.90
Percentage of recycled and reused water of total water withdrawn	2.7%	2.4%	1.4%

WATER DISPOSAL (m³)			
	2019	2020	2021
Total volume of water discharges	672,329.73	418,015.29	998,238.58
Effluent treated and discharged into the ocean	67,232.97	41,801.52	99,823.86
Returned cooling water	605,096.76	376,213.77	898,414.72
Rejected effluents that do not need treatment	0	0	0
Domestic effluent sent to municipal treatment	ND	ND	ND

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LIQUID EFFLUENT REPORT (MG/L)			
	2019	2020	2021
Amount of total residual Chlorine	0.00	0.00	0.00
Amount of Total Suspended Solids (SST) in discharged effluents	Virtually Absent	97.63	91.82
Amount of Nitrogen in the discharged effluents (total ammoniacal – mg/l)	1.75	1.31	1.15
Iron amount in discharged effluents	0.01	0.15	0.06
Copper amount in discharged effluents	<0.002	0.014	0.02
Zinc amount in discharged effluents	0.04	0.064	0.07
Nickel amount in discharged effluents	0.01	<0.01	< 0.01
Chromium amount in discharged effluents	<0.02	<0.01	< 0.01
Oils and fats amount in discharged effluents	11.31	8.6	< 10

AVERAGE PH VALUE OF REJECTED WASTE WATER			
	2019	2020	2021
pH	7.07	9.05	7.83

## 6.3 — Waste

GRI 103-2 | 103-3 | 301-1 | 301-2 | 306-1 | 306-2 | 306-3

At EDP Brasil, we seek to segregate, store, treat and dispose of waste in an environmentally appropriate manner. To this end, all the company's business units have the Solid Waste Management Program updated and in compliance with applicable legal requirements, most of which are ISO 14001 certified.

Hazardous waste undergoes temporary storage in locations that meet the applicable legal requirements, being disposed of in licensed locations as required by current legislation, in order to reduce as much as possible the probability of environmental impacts. To date, there is no record of environmental accidents related to the generation of waste at EDP Brasil.

### THERMOELECTRIC GENERATION

The main types of waste generated at TPP Pecém are related to ash generated in the coal combustion process, in addition to lubricating oil, wood and scrap. For the purchase of coal, we select only suppliers that are signatories of the BetterCoal initiative, which guarantees their commitment to 12 principles that include the management of emissions and waste.

### HYDROELECTRIC GENERATION

The waste generated with the greatest volume is oil, contaminated materials (by oil and other chemicals), light bulbs (fluorescent and sodium vapour), metal and wood scrap.

### TRANSMISSION

The waste generated with the greatest volume and frequency is civil construction waste (RCC), lubricating oil and contaminated with oil (workshop waste) and wood waste.

### DISTRIBUTION

The main waste is light bulbs, contaminated with paints and solvents, contaminated with insulating mineral oil (crushed stone, towels, blankets and PPEs (personal protection equipment) and CPEs (collective protection equipment), equipment containing insulating mineral oil (oil reconnector, voltage regulator, transformer, capacitor, oil switch, circuit breakers), herbicide and pesticide waste, lead-acid batteries, insulating mineral oil, equipment (transformer, meter, reconnector), glass and porcelain insulators, tree pruning, wood and scrap waste.

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To reduce the environmental impact of our operations, we developed a circular economy program, based on a systemic approach to conserve the circular flow of materials and resources (learn more on [page 29 of the Main Book](#)).

In this sense, we carry out equipment renovations to prolong their useful life, sell scrap to recycling companies and properly dispose of other waste in accordance with current legislation.

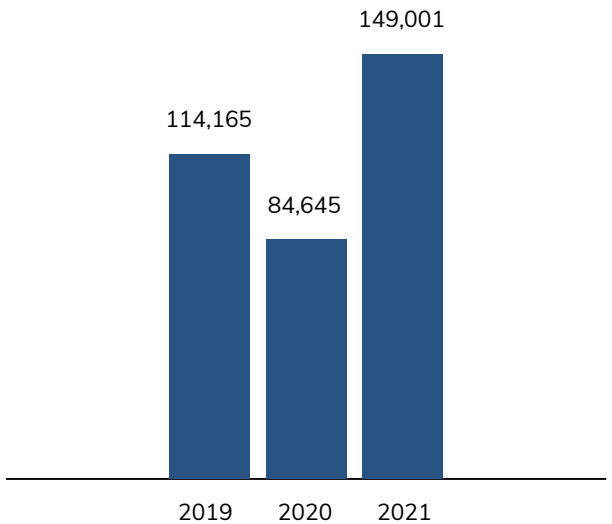
In Distribution, we have a contract for the recovery of used transformers and we use vegetable oil transformers (learn more on [page 32 of the Main Book](#)), which increases their lifespan. At TPP Pecém, we carry out the revaluation of the ash, sending it to be used as raw material in the local cement industry process.

PERCENTAGE OF MATERIALS USED IN OPERATIONS FROM RECYCLING AND/OR REUSE			
	2019	2020	2021
Transformers	32%	45%	17%

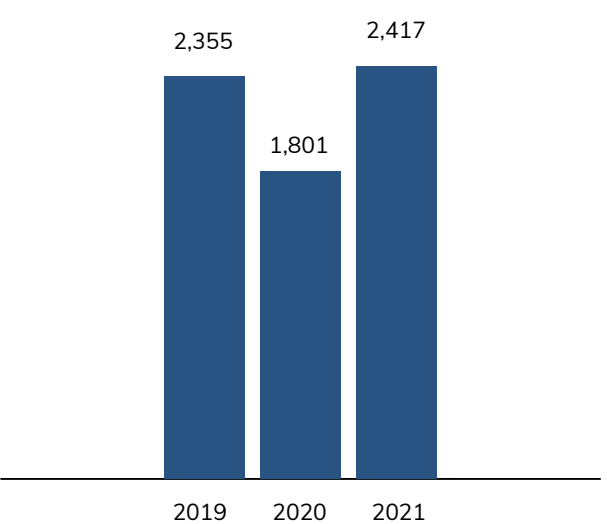
The volume increase of non-hazardous waste is associated with the greater dispatch of TPP Pecém in 2021, which results in an increase in the generation and disposal of ash.

The increase in the volume of hazardous waste, on the other hand, is associated with greater replacement and consequent allocation of energy transformers in distribution.

TOTAL NON-HAZARDOUS WASTE (METRIC TONS)



TOTAL HAZARDOUS WASTE (METRIC TONS)



OVER

116 thousand

METRIC TONS OF WASTE

sent for recovery, recycling or other types of valuation.

30 thousand

METRIC TONS OF WASTE

sent to the landfill.

## GRI 306-4

WASTE NOT INTENDED FOR DISPOSAL BY RECOVERY OPERATION, IN METRIC TONS (T)			
	WITHIN THE ORGANIZATION	OUTSIDE THE ORGANIZATION	TOTAL
<b>Hazardous waste</b>			
Preparation for reuse	0	285.41	285.41
Recycling	0	1,611.45	1,611.45
Other recovery operations	0	8.98	8.98
<b>Total</b>			<b>1,905.84</b>
<b>Non-hazardous waste</b>			
Preparation for reuse	0	0	0
Recycling	0	16,154.01	16,154.01
Other recovery operations	10.00	100,649.95	100,659.95
<b>Total</b>			<b>116,813.96</b>

## GRI 306-5

WASTE INTENDED FOR DISPOSAL IN METRIC TONS (T)			
	WITHIN THE ORGANIZATION	OUTSIDE THE ORGANIZATION	TOTAL
<b>Hazardous waste</b>			
Incineration (with energy recovery)	0	0	0
Incineration (without energy recovery)	0	0.27	0.27
Landfill confinement	0	8.08	8.08
Other disposal operations	0	502.88	502.88
<b>Total</b>			<b>511.23</b>
<b>Non-hazardous waste</b>			
Incineration (with energy recovery)	0	0	0.00
Incineration (without energy recovery)	0	0	0.00
Landfill confinement	29,823.08	915.33	30,738.41
Other disposal operations	0	1,448.18	1,448.18
<b>Total</b>			<b>32,186.59</b>

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## 6.4 — Biodiversity

GRI 103-2 | 304-2 | 304-3

We know that our operations have the potential to impact the biodiversity of the places where we operate and, therefore, we seek to engage our business in order to recognize and protect ecological limits.

The impacts on biodiversity related to our activities are concentrated in the generation, transmission and distribution segments, all of which are individually mapped and mitigated from the planning stage of all projects.

The greatest risks occur in the flooded areas of the plants – with no generation unit currently under construction – and in Transmission and Distribution, with the opening of accesses and cleaning of the line strips. In distribution, there are also impacts associated with medium and low voltage electricity networks, which involve the need to manage trees to maintain the energy supply.

In this sense, all EDP Brasil projects follow the guidelines set out in the Environmental Policy, which includes the management of biodiversity in all activities and business segments. The aerial and river monitoring of the dams of the plants and the monitoring of the fauna and flora of the areas where the Company operates are continuous activities and include the plants in operation, as well as the right-of-way of the Transmission and Distribution lines and networks.

In addition to complying with all applicable local legislation, at the EDP Group level, there is a commitment to the No Net Loss (NNL) approach, which proposes that the losses of biodiversity related to the project are balanced by the gains obtained with the mitigation measures. Our goal is to apply this approach to all new projects with potential residual impacts by 2030.

Within the Generation segment, EDP has a joint venture asset, HPP São Manoel, which currently maintains a Forest Recomposition Program, which provides for the planting of 1,174.85 hectares in Permanent Preservation Areas (PPA) in the Teles Pires River basin. This value corresponds to the amount foreseen for forest replacement and to the area of compensation for intervention in PPA. By the end of 2021, 609.98 hectares had been restored and the expectation is that the entire restoration will be completed by 2026.

In Distribution, we carry out analyzes during project planning, based on geoprocessing and field visits, in order to assess the presence of conservation units, legal reserves, permanent preservation areas and native vegetation in the process of implementing lines.

The analyzes aim to find alternatives with the least possible impact or solutions to mitigate them, including the use of higher structures than the conventional ones and the use of drones to carry out the launching of conductor cables in areas of native vegetation and legal reserve, without the need for vegetation suppression.



HPP Peixe Angical.

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In the case of urban afforestation and maintenance of pruning, since 2020 we have implemented the use of penetrographs that perform tree analysis and determine the health and quality of the wood, factors that influence the risk of falling. With the

diagnosis offered by the technology, it was possible to evaluate trees at risk of falling and plan which ones were suitable for coexistence with the electrical grid, avoiding power interruptions, accidents with the population, pruning and constant suppression.

Find out about the pillars of our sustainability strategy on [page 14 of the Main Book](#).

Owned, leased or managed operating units within or adjacent to environmental protection areas and areas of high biodiversity value located outside environmental protection areas

GRI 304-1

LOCATION AND SIZE OF OPERATING UNITS IN PROTECTED AREAS WITH HIGH VALUE FOR BIODIVERSITY						
NAME OF OPERATION	GEOGRAPHIC LOCATION	LOCATION IN AREA PROTECTED	SIZE OF THE AFFECTED AREA (Km²)	SIZE OF FLOODED AREA WITHIN AN PROTECTED AREA (Km²)	SIZE OF THE CLASSIFIED AREA LIKE APP (Km²)	TYPE OF AREA PROTECTED/ VALUE FOR BIODIVERSITY
EDP SÃO PAULO						
ESD Mirim	SP	Partially	0.00040	Not applicable	–	Region with endemic vegetation
ESD Amazonas			0.00200			
ETD Biritiba			0.00479			
ETD Ussu			0.00133			
ETD Santa Branca			0.00336			
ETD Barra do Una			0.00200			
ETD César de Souza			0.00767			
ETD Skol			0.00427			

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LOCATION AND SIZE OF OPERATING UNITS IN PROTECTED AREAS WITH HIGH VALUE FOR BIODIVERSITY						
NAME OF OPERATION	GEOGRAPHIC LOCATION	LOCATION IN AREA PROTECTED	SIZE OF THE AFFECTED AREA (Km²)	SIZE OF FLOODED AREA WITHIN AN PROTECTED AREA (Km²)	SIZE OF THE CLASSIFIED AREA LIKE APP (Km²)	TYPE OF AREA PROTECTED/ VALUE FOR BIODIVERSITY
EDP ESPÍRITO SANTO						
SD Bento Ferreira	ES	Partially within	0.00206	Not applicable	–	Special Green Area of Morro Bento Ferreira
SD Conceição da Barra			0.00470			Buffer Zone Itaúnas State Park
SD Goiabeiras			0.00004			Mata de Goiabeiras Ecological Reserve
SD Industrial			0.00050			Environmental Protection Zone – PDM Serra
SD Itapemirim			0.00223			Center Environmental Protection Area – Lagoa do Belvederes
SD Pitanga		Inside	0.00213			PDM Serra Environmental Protection Zone
SD Xuri			0.00391			Buffer Zone Paulo César Vinha State Park
EDP SMART						
UFV ITAI e ITAII	MG	Inside	0.24000	Not applicable	–	National Park Buffer Zone.
ENERGEST						
–	–	–	–	–	–	–
INVESTCO						
–	–	–	–	–	–	–
ENERPEIXE						
HPP Peixe Angical	TO	Partially	294.10	ND	97.23	Permanent Protection Area with high value for biodiversity
PECÉM						
–	–	–	–	–	–	–
STO ANTONIO DO JARI						

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LOCATION AND SIZE OF OPERATING UNITS IN PROTECTED AREAS WITH HIGH VALUE FOR BIODIVERSITY						
NAME OF OPERATION	GEOGRAPHIC LOCATION	LOCATION IN AREA PROTECTED	SIZE OF THE AFFECTED AREA (Km²)	SIZE OF FLOODED AREA WITHIN AN PROTECTED AREA (Km²)	SIZE OF THE CLASSIFIED AREA LIKE APP (Km²)	TYPE OF AREA PROTECTED/ VALUE FOR BIODIVERSITY
HPP Santo Antônio do Jari	AP/PA	Partially	53.49	0	17.1876	Priority area for conservation
CACHOEIRA CALDEIRÃO						
HPP Cachoeira Caldeirão	AP	Partially/ Adjacent	45.51	0	ND	FLOTA, priority area for conservation, RPPN Seringal Triunfo
SÃO MANOEL						
HPP São Manoel	MT/PA	Inside	63.96	0	40.96	Priority area for conservation
EDP TRANSMISSÃO						

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LOCATION AND SIZE OF OPERATING UNITS IN PROTECTED AREAS WITH HIGH VALUE FOR BIODIVERSITY						
NAME OF OPERATION	GEOGRAPHIC LOCATION	LOCATION IN AREA PROTECTED	SIZE OF THE AFFECTED AREA (Km²)	SIZE OF FLOODED AREA WITHIN AN PROTECTED AREA (Km²)	SIZE OF THE CLASSIFIED AREA LIKE APP (Km²)	TYPE OF AREA PROTECTED/ VALUE FOR BIODIVERSITY
EDP Transmissão S.A. – Lot 24*	ES	The project does not intersect or is located in the buffer zone of Nature Conservation Units (SNUC). Ref: MMA and state secretariat] database – Environmental study	0.00	Not applicable	0.36	Areas considered of high priority for conservation in the state of Espírito Santo (IPEMA, 2005), “Complexo Lagunar” located in the initial stretch of the project, between the municipalities of Linhares and Rio Bananal, and “Nascentes do Barra Seca,” in the intermediate portion of the outline, in the municipalities of Vila Valério and Jaguaré.
EDP Transmissão MA I S.A. – Lot 07*	MA	Partially within	0.14	Not applicable	0.00	The analysis of land use and land cover in APA Rancho Papouco, carried out in the study by Souza et al. (2016), revealed that the predominant class is the floodplain, a characteristic landscape unit of the municipality of Bacabeira. In 2010, this class occupied 99.74% of the total area. These areas are periodically flooded, being important for the maintenance of the mangrove’s biodiversity, fulfilling fundamental ecological functions, as regulator of the hydrological regimes and the cycling of nutrients. They are also among the wetlands of international importance in the context of the RAMSAR Convention (1971), although Brazil does not have specific legislation to protect them.
EDP Transmissão MA II S.A. – Lot 11*	MA	Partially within	23.45	Not applicable	0.00	“The APA of Morros Garapenses was created through State Decree No. 25,087, of December 31, 2008 (27), with a total area of 234,767.9097 ha. It is a State Conservation Unit for Sustainable Use, whose manager is the State Secretariat for the Environment and Natural Resources of Maranhão (SEMA-MA). Among the reasons for creating this UC, there is the need to protect transition zones and contact between North Maranhão Cerrados and Matas dos Cocais (mostly carnauba and babassu trees) in the eastern part of the state, as well as associated fauna; and protection of one of the largest Paleobotanical Sites in Brazil existing in the Municipalities of Buriti, Duque Bacelar and Coelho Neto.”

\* The lots were sold in 2021.

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LOCATION AND SIZE OF OPERATING UNITS IN PROTECTED AREAS WITH HIGH VALUE FOR BIODIVERSITY						
NAME OF OPERATION	GEOGRAPHIC LOCATION	LOCATION IN AREA PROTECTED	SIZE OF THE AFFECTED AREA (Km²)	SIZE OF FLOODED AREA WITHIN AN PROTECTED AREA (Km²)	SIZE OF THE CLASSIFIED AREA LIKE APP (Km²)	TYPE OF AREA PROTECTED/ VALUE FOR BIODIVERSITY
EDP Transmissão SP-MG S.A. – Lot 18	SP/MG	Partially within	10.05400	Not applicable	0.84	<p>“The Machado River Basin Environmental Protection Area, a state conservation unit for sustainable use, created on September 30, 1999 through State Law 13.373/1999, has its limits defined by the perimeter of the Machado River watershed, with an area of 101,600 hectares, covering 11 municipalities in the state of Minas Gerais. The EPA does not yet have a management plan. A 55.9 km stretch of the LT crosses this UC in the municipalities of Espírito Santo Dourado, Ipuiúna and Poço Fundo, in a region characterized by the predominance of agricultural crops, pastures and forestry.</p> <p>The Serra da Mantiqueira Environmental Protection Area, a federal conservation unit for sustainable use, created on June 3, 1985 by Federal Decree No. 91.304/1985, has 431,040.73 hectares, covering 27 municipalities in the states of Minas Gerais, São Paulo and Rio de Janeiro. The Management Plan for the Serra da Mantiqueira EPA is under preparation, in accordance with the precepts established in the SNUC – Law No. 9.985/2000 and Decree 4.340/2002. A 25.6 km stretch of the LT cuts through this UC in the municipalities of Delfim Moreira, MG and Wenceslau Braz, MG, in a region of highly busy terrain with escarpments and elevations that exceed 1,900 m in altitude, in the midst of areas with the predominance of Dense and Mixed Ombrophilous Forest.</p> <p>The Environmental Protection Area of the Paraíba do Sul River Basin, a federal conservation unit for sustainable use, created on September 13, 1982 by Federal Decree nº 87.561/1982, with the objective of helping to protect important sources of the homonymous river basin.</p> <p>According to Article 6 of the Creation Decree, the EPA also includes the watershed protection areas defined in the maps mentioned in art. 1, as well as the slopes, ridges and valleys of the Paraíba valley slope of Serra da Mantiqueira, forming a set of isolated areas along the São Paulo stretch of the Paraíba do Sul Basin, some of them overlapping with other conservation units.</p> <p>A 2.3 km stretch of the LT cuts one of the areas of this UC that overlaps with the EPA Serra da Mantiqueira, in the municipality of Guaratinguetá, SP, in a region occupied by Dense Ombrophilous Forest.”</p>

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LOCATION AND SIZE OF OPERATING UNITS IN PROTECTED AREAS WITH HIGH VALUE FOR BIODIVERSITY						
NAME OF OPERATION	GEOGRAPHIC LOCATION	LOCATION IN AREA PROTECTED	SIZE OF THE AFFECTED AREA (Km²)	SIZE OF FLOODED AREA WITHIN AN PROTECTED AREA (Km²)	SIZE OF THE CLASSIFIED AREA LIKE APP (Km²)	TYPE OF AREA PROTECTED/ VALUE FOR BIODIVERSITY
EDP Transmissão Aliança S.A. – Lot 21	SC	Adjacent	NA	Not applicable	0	Not applicable
EDP Transmissão Litoral Sul	SC/RS	–	–	Not applicable	–	Not applicable

## GRI 304-3

PROTECTED OR RESTORED HABITATS				
	SIZE OF PROTECTED OR RESTORED HABITATS (Km²)	GEOGRAPHIC LOCATION (CITY)	MEASURES TAKEN TO PROTECT OR RESTORE HABITATS AND METHODOLOGY USED	RESULTS ACHIEVED
EDP SÃO PAULO	0.04	SP	The relevant Legislations – SMA 32/2014, SMA 07/2017 and municipal requirements were followed, which establish guidelines and criteria on ecological restoration. Three types of actions were carried out to protect and restore habitats, (i) planting of native and exotic seedlings, (ii) registration of vegetated area in enrollment and (iii) donation of seedlings of arboreal individuals, aiming to increase the municipalities' biodiversity.	Soil restoration, future contribution to the restoration of local biodiversity with the planting/donation of native species, generation of greater protection of water courses, CO2 sequestration and conservation of standing forest.
EDP ESPÍRITO SANTO	0.09	ES	Followed by IN IDAF No. 27/07 and IN IEMA No. 17/06, which establish a Term of Reference for the elaboration of Reforestation and Area Recovery Projects. Followed by IN IDAF 10/2016, which establishes the Ecological Compensation.	Soil recovery and restoration, preservation and recovery of springs and water courses, provide an environment for fauna habitat.
EDP SMART	0.10	MG	Guidelines given by Normative Deliberation COPAM no. 114, of April 10, 2008, were followed, carrying out Reconstitution of the Flora of the Legal Reserve of the properties, through the planting of native seedlings and their adequate monitoring and maintenance.	Restoration of vegetation cover, creation of habitats for wild animals in the region.
ENERPEIXE	97.23	TO	Survey inspections and execution of administrative procedures; recovery and stabilization of marginal slopes of the reservoir through bioengineering. The patrimonial and environmental inspection of the APP area of the reservoir is carried out with the company's own team and with the support of the Environmental Military Police Battalion.	To curb the invasion of APP areas and the cutting of native vegetation. Stabilization of the reservoir's marginal slopes.

PROTECTED OR RESTORED HABITATS				
	SIZE OF PROTECTED OR RESTORED HABITATS (Km²)	GEOGRAPHIC LOCATION (CITY)	MEASURES TAKEN TO PROTECT OR RESTORE HABITATS AND METHODOLOGY USED	RESULTS ACHIEVED
STO ANTONIO DO JARI	17.19	AP/PA	Planting of native seedlings, using the technique of densely packed seedlings in spaced groups to protect water resources.	Following current PRAD
CACHOEIRA CALDEIRÃO	54.88	AP	Recovery of Degraded areas through seeding and planting of natives.	Planting completed.
SÃO MANOEL	46.32	MT/PA	Implementation of the Permanent Preservation Area (APP of the Teles Pires River Basin).	Acquisition of 100% of the future APP area
EDP TRANSMISSÃO S.A. – LOTE 24	0.26	ES	Enrichment of vegetation with tree-shrub species that are attractive to fauna and resistant to adverse conditions at the planting site. Planting of seedlings in a quincunx system, using 28,466 seedlings, including soil preparation measures, ant control, replanting and monitoring.	The project is in the implementation process.
EDP TRANSMISSÃO SP-MG S.A. – LOTE 18	ND	SP/MG	The Program for the Recovery of degraded areas is being carried out, which includes actions such as Identification and Mapping of all areas subject to recovery within the scope of the program; Monitoring, prevention and control of erosion processes in 100% of the areas that suffered direct interference from the enterprise; and Revegetation of 100% of the areas that suffered direct interference from the project in which the need for intervention was identified and that will no longer be used after the implementation phase.	So far, recovery measures have been implemented (topographic reconfiguration, installation of drainage systems, planting of vegetation cover and/or natural regeneration) in 98% of the identified areas that could be recovered.
EDP TRANSMISSÃO ALIANÇA S.A. – LOTE 21	0.02	SC	“Demobilization of access, conformation of slopes, landscape restoration and natural regeneration. Landscape recomposition with top soil spreading. Recomposition through manual sowing of seed mix and natural regeneration. Installation of drainage devices.”	Recovery of areas used in the works is part of PRAD, which is one of the PBA programs for Lot 21. These activities are in progress, with delivery expected by 02/15/22 and monitoring and correction actions will continue for five years.
EDP TRANSMISSÃO LITORAL SUL	ND	SC/RS	The implementation of actions for the recovery of degraded areas was carried out, with vegetation fixation on the slopes of the earthworks area, in addition to the sowing of grass species in an area adjacent to the aforementioned location. And later, progress was made with the fixation of grass plates in a flat area bordering the plateau.	–

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SPECIES INCLUDED IN THE IUCN RED LIST AND IN NATIONAL CONSERVATION LISTS WITH HABITATS LOCATED IN AREAS AFFECTED BY THE ORGANIZATION'S OPERATIONS					
	VULNERABLE	IN DANGER	IN CRITICAL DANGER	ALMOST THREATENED	OF LITTLE CONCERN
EDP São Paulo	0	0	0	0	0
EDP Espírito santo	0	0	0	0	0
EDP Smart	0	0	0	0	0
Energest	0	0	0	0	0
Investco	0	0	0	0	0
Enerpeixe	1	1	0	0	0
Pecém	0	0	0	0	0
Sto Antônio do Jari	12	1	0	9	378
Cachoeira caldeirão	2	ND	ND	7	ND
São Manoel	22	5	1	15	454
EDP Transmissão S.A. – Lot 24	1	4	0	10	203
EDP Transmissão MA I S.A. – Lot 07	8	3	1	12	453
EDP Transmissão MA II S.A. – Lot 11	1	0	0	2	310
EDP Transmissão SP-MG S.A. – Lot 18	36	23	10	33	0
EDP Transmissão Aliança S.A. – Lot 21	16	3	1	3	45
EDP Transmissão Litoral Sul	7	0	0	17	470
Mata Grande	ND	ND	ND	ND	ND



## 6.5 — Climate Change

GRI 103-1 | 103-2 | 103-3 | 305-5  
| SASB IF-EU-110a.3 | SASB IF-EU-110a.3

At EDP Brasil, we are aware of the risks that climate change brings, both for the well-being of humanity and for the continuity of our business. Therefore, we have a series of measures to mitigate these risks, adapting our business model and reducing our emissions.

Therefore, as part of the EDP Group's goals to lead the energy transition, we seek to bring our installed coal capacity to zero and reduce Scope 1 and 2 CO<sub>2</sub> emissions by 70%.

In order to meet new market demands and face the challenges of this scenario, we have developed our Strategic Climate Plan 2020-2021, based on three strategic pillars: Mitigation, Adaptation and Transition to a low carbon economy (learn more about the Plan on [page 20 of the Main Book](#)).

The Mitigation pillar encompasses all activities related to the reduction or compensation of Greenhouse Gas (GHG) emissions generated directly or indirectly by the company, with actions:

- Control and set GHG reduction targets
- Partially offset GHG emissions through the purchase of carbon credits

- Foster mitigation criteria in the development and choice of critical suppliers
- Promote, through ANEEL's R&D, projects aimed at reducing GHG emissions and energy efficiency

In the adaptation pillar, we investigate the opportunities and risks associated with changing weather patterns and the transition to a low-carbon economy, in order to adapt to predicted changes in different future scenarios. It has actions such as:

- Assess impacts of Carbon Pricing in Brazil
- Identify the vulnerabilities of the company's operations in the face of Climate Changes
- Management of Risks and Opportunities Associated with Climate Emergencies (GROEC)
- Development of the Adaptation Plan Climatic.

The Transition to a low-carbon economy pillar aims to maximize opportunities, reduce risks and follow global trends in decarbonization, incorporating this process into our strategic planning. It brings actions such as:

- Internalize the domestic carbon price to anticipate carbon pricing in the Brazilian market
- Value the ecosystem services of production units and communicate emissions in a more tangible form (monetization of GHG emissions) in order to subsidize reduction of GHG emissions

- Through EDP Smart, produce energy (thermal and electrical) through renewable sources for our customers
- Stimulating business models, such as electric mobility, that aim to provide low-GHG emission products and services
- Encourage, with remunerated targets, the reduction of emissions in customers through EDP Smart projects.

In 2021, we started the creation of the Strategic Climate Plan 2021-2025 (PEC 21-25). This plan aims to provide greater clarity on the mitigation actions that will be taken to meet our climate goals, a deepening of climate and strategic scenarios for managing climate risks and opportunities and action plans to improve performance in sustainability indexes related to the theme.

### EDP BRASIL INTEGRATES THE EFFICIENT CARBON INDEX

In 2021, the Company was included for the first time in the Carbon Efficient Index ("ICO<sup>2</sup>") of B3 – Brasil, Bolsa, Balcão. ICO<sup>2</sup> was created in 2010 with the purpose of being an instrument inducing discussions on climate change in Brazil. EDP Brasil's adherence to the index reinforces the commitments assumed by the Company and our objective of reducing the emission of gases that cause the greenhouse effect.

## 6.5.1 GHG emission

GRI 305-1 | 305-2 | 305-3 | 305-4 | SASB IF-EU-110a.1

GHG EMISSIONS (tCO <sub>2</sub> e)			
	2019	2020	2021
Direct emissions – Scope 1	4,383,914.95	1,957,991.88	4,088,755.30
Biogenic emissions – Scope 1	96,914.55	99,931.30	211,567.84
Indirect emissions – Scope 2	170.01	153.51	407,046.25
Other indirect emissions – Scope 3	241,180.91	188,300.40	4,083,882.93

INTENSITY OF GHG EMISSIONS BY ENERGY (tCO <sub>2</sub> e/GWh)			
	2019	2020	2021
GHG emissions from generated hydropower	0.05	0.05	0.05
GHG emissions from generated thermal energy	1,162.46	1,127.72	1,182.04
GHG emissions from distributed energy	15.27	14.63	30.44

GRI 305-7

NO <sub>x</sub> , SO <sub>x</sub> AND OTHER SIGNIFICANT ATMOSPHERIC EMISSIONS				
	UNIT	2019	2020	2021
SF <sub>6</sub> emissions	Kg	139.75	217.2	165.7
CFC emissions	Kg	0	0	0
CO <sub>2</sub> emissions	Ton	4,453,230.98	1,817,371.20	4,013,420.78
CO emissions	Ton	ND	ND	ND
NO <sub>x</sub> emissions	Ton	3,987.04	1,502.85	4,668.66
SO <sub>2</sub> emissions	Ton	12,884.66	5,953.92	10,518.57
Particulate Matter Emissions (PM)	Ton	1,482.18	808.52	1,100.01

Atmospheric emissions of NO<sub>x</sub>, SO<sub>2</sub> and PM increased due to the higher dispatch of TPP Pecém in 2021 compared to 2020, when the pandemic was a major factor.

Learn more about our climate change initiatives in the [Main Book](#).



**PERFORMANCE  
ON THIS THEME  
HAS IMPACT ON**

**SDG GOAL 13.2**

Integrate climate change measures into national policies, strategies and plans.

In line with the “Integration of SDGs in the Brazilian Electricity Sector: indicators and targets” study, by the Global Compact Brazil Network.

[Learn more.](#)

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# 6.5.2 Risks and opportunities presented by climate change

## GRI 201-2

In our risk map, the risks related to the Climate Emergency were characterized as being strategic, from an Environment perspective ([learn more about the risk map on page 96](#)). In 2021, a new category was also included in the strategic group, called ESG, which also includes aspects related to Climate Change.

The two categories together assess how climate change affects our business (or our stakeholders) considering physical risks and the transition to a low carbon economy. These factors are periodically discussed by the Board.

We annually disclose our main climate risks and opportunities at CDP, as follows:

## Risks

- Water scarcity in the Pecém region
- Increase in the frequency and intensity of storms in the Distribution
- Carbon Pricing.

## Opportunities

- Expansion of the solar portfolio
- Construction of Transmission Lines
- New Business: Electric Mobility
- New Business: Green Hydrogen.

Among the risks mentioned above, only the pricing risk was latent in the criticality ruler of our risk matrix. In our 2021-2025 Business Plan, we present three response measures, which are the Science Based Targets ([learn more on page 66 of the Main Book](#)), commitment to carbon neutrality by 2030 ([page 17 of the Main Book](#)) and deconsolidation of Pecém TPP by 2025 ([page 19 of the Main Book](#)). As a response measure, approximately R\$ 43 million will be earmarked for the coming years.

In our Strategic Climate Plan, we established GROEC (Management of Risks and Opportunities associated with the Climate Emergency) to assess our exposure to risks from the perspective of Climate Change, which has five stages:

- 1. Division of Risks and Opportunities:**  
Division of risks between Physical (chronic and extreme) and Transition (market, legal, regulatory and technological), verifying how these impact or have impacted EDP Brasil.
- 2. Mapping and prioritization of Risks and Opportunities:** in 2021 our climate risk matrix

was simplified and updated, resulting in 152 risks, 22 of which are considered critical, undergoing a more detailed assessment process.

- 3. Financial Valuation of risks and opportunities:**  
Based on the risks and opportunities mapped as critical, we measure the financial impact on the business areas (Climate).
- 4. Risk management and response:** by 2022 we must implement a Climate Adaptation Plan so that operational units can develop measures to reduce the physical impacts of Climate Change. This stage began in 2021, with the preparation of the Plan being a target set by the EDP Group.
- 5. Communication and Transparency:** we must include critical risks in EDP Brasil's global matrix and publicly communicate them to employees and the external public.

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## 7.1 Valuing Diversity

GRI 102-7 | 102-8 | 103-1 | 103-2 | 103-3

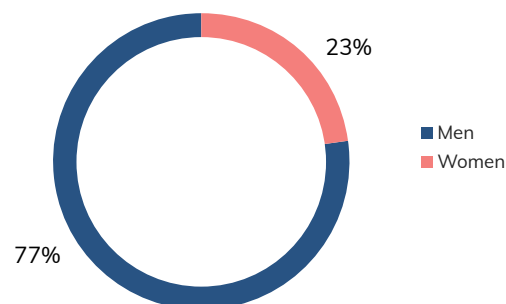
We consider employees to be the essential point to fulfill our purpose of always taking better care. We are proud of the trajectory we have followed in recent years, with the strengthening of our internal culture and valuing diversity, driving innovation and business.

Our Inclusion and Diversity Program completed 2 years in 2021, with many initiatives to improve our performance on this topic (more information about our Program and the diversity projects of 2021 can be found on [page 39 of the Main Book](#)).

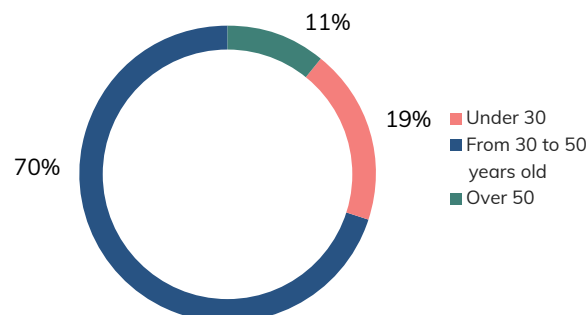
We are already reaping some fruits of this process in the improvement of our internal indicators. We increased female participation in leadership positions to 16% (the figure was 10% in 2020), and increased the presence of people with disabilities in the general staff by 25%. In addition, we achieved the goals of the 2021 Internship Program, with 48% of those approved being women and 51% black and mixed race (learn more on [page 41](#)).

The commitment to a workplace that respects people and their particularities is also reflected in the result of our latest Organizational Climate survey, where we reached 84% in the engagement level, with the participation of 96% of employees.

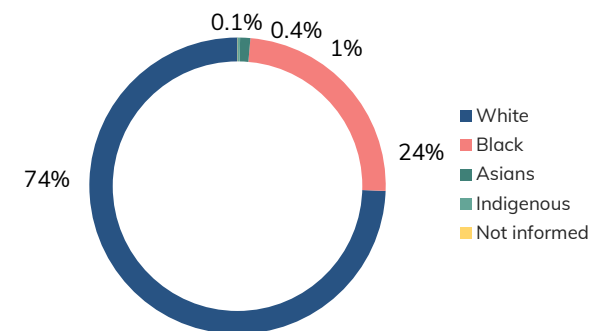
EMPLOYEES BY GENDER



EMPLOYEES BY AGE GROUP



EMPLOYEES BY RACE/ETHNICITY



GRI 405-1

EMPLOYEES COMPOSITION BY GENDER AND FUNCTIONAL CATEGORY						
	2019		2020		2021	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Board of Directors	1	7	1	7	3	6
High Management	0	4	0	4	1	4
Direction	3	23	3	27	5	24

EMPLOYEES COMPOSITION BY GENDER AND FUNCTIONAL CATEGORY						
	2019		2020		2021	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Management	24	174	26	189	31	133
Specialists	417	603	442	611	456	668
Administrative	191	116	181	108	153	83
Operational	92	1,636	95	1,645	106	1,610
Interns	63	78	45	57	78	68
Apprentices	24	25	12	14	35	33

\*For the segmentation by functional category, until 2020, supervisors were considered in the "Management" category, however, for purposes of alignment between the reports made by the Company, in 2021, this group was reallocated to the "Specialists" category, therefore, no longer integrating the group used for leadership calculations.

NUMBER OF THIRD-PARTY EMPLOYEES			
	2019	2020	2021
Outsourced workers	12,794	14,862	13,588

EMPLOYEES BY RACE/ETHNICITY						
	2019		2020		2021	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
White	591	1,899	604	1,923	598	1,833
Black*	122	613	130	617	142	647
Yellow	12	25	11	26	11	25
Indigenous	1	4	1	3	1	3
Not informed	1	15	1	15	0	14

\* Following the IBGE criteria, we consider all black and brown employees to be black.

EMPLOYEES BY GENDER			
	2019	2020	2021
Male	29	28	34
Female	25	25	32

EMPLOYEES COMPOSITION BY GENDER AND AGE GROUP					
	2020		2021		
	MALE	FEMALE	MALE	FEMALE	MALE
Under 30	484	183	460	117	614
From 30 to 50	1,735	503	1,807	513	2,306
Over 50	337	61	317	62	354

EMPLOYEES BY STATE	
STATE	NUMBER
São Paulo	1,731
Espírito Santo	970
Amapá	40
Bahia	12
Ceará	303
Maranhão	13
Mato Grosso	4
Minas Gerais	13
Pará	38
Rio Grande do Sul	42
Santa Catarina	21
Tocantins	83
Teletrabalho	4
<b>Total</b>	<b>3,274</b>

DIVERSITY IN MANAGEMENT POSITIONS			
	2019	2020	2021
Number of black people	21	23	24
Number of people with disabilities	0	0	0
Number of foreigners	7	7	7

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# GRI 406-1

CASES OF DISCRIMINATION AND CORRECTIVE MEASURES TAKEN				
	2019	2020	2021	CORRECTIVE MEASURES TAKEN IN 2021
Total number of discrimination cases	0	1	4*	–
Number of cases evaluated	0	1	4	–
Number of originating cases	0	1	1	–
Total number of corrective actions for discrimination cases	0	1	2	100% of the corrective actions foreseen in the repair plans have already been implemented and had their results analyzed.

\* In 2021, there was a change in EDP's Code of Ethics, which now has a specific category related to diversity and inclusion, which more objectively corresponds to discrimination cases.

# GRI 405-2

To calculate this indicator, considering “important operating units,” all companies consolidated by the EDP Brasil group were included.

Regarding the salary equity dimension, the Personnel Management area structured a multidisciplinary committee dedicated to the construction of a diagnosis and an action plan to address the main gaps in this topic. Based on an in-depth study including specialized literature, consultations with other companies and best market practices, this committee is developing a panel to monitor base salary and compensation KPIs, contemplating gender and race perspectives.

Through this tool, it will be possible to carry out comparisons in real time, segmented by areas and positions, which will increase agility in the evaluation of the scenario and unfolding in concrete measures. Complementarily, we reaffirm our commitment to equity through affirmative actions that value professionals from underrepresented groups in career development programs, internal transfers and promotions.

RATIO BETWEEN REMUNERATION FOR WOMEN AND MEN (W/M)			
	2019	2020	2021
High Management	NA	NA	85%
Direction	71%	100%	103%
Management	95%	89%	96%
Specialists	80%	71%	79%
Administrative	112%	81%	88%
Operational	78%	67%	78%

RATIO BETWEEN BASE SALARY FOR WOMEN AND MEN (W/M)			
	2019	2020	2021
High Management	NA	NA	85%
Direction	71%	100%	103%
Management	101%	96%	100%
Specialists	84%	76%	85%
Administrative	118%	86%	91%
Operational	82%	68%	88%



## 7.2 — Health and Safety

### GRI 103-2 | 103-3

The lives and well-being of our employees have always been treated as a value at EDP Brasil and occupy a central place in the Company's culture, a stance that has gained even more strength when we adopt the New Business Ethics. Therefore, we have our own area and programs designed to preserve the health and safety of our teams.

In order to reinforce our safety culture, we implemented the VIVA – Life always in the first place program, which focused on seeking cultural transformation among the workforce. In 2021, the program was transformed to “Somos Segurança,” promoting more connection with EDP values.

The Occupational Health and Safety guidelines are contained in the Management and Sustainability Systems Policy, approved by the Board of Directors. The area responsible for managing the topic is the Risk and Security Management Department, linked to the People and ESG Vice-Presidency.

Complaints and denunciations on the subject can be made via the Ethics Channel (learn more on page [https:// www.edp.com.br/canal-de-etica-edp](https://www.edp.com.br/canal-de-etica-edp)) or the Sustainability Channel.

### MAIN OBJECTIVES OF SOMOS SEGURANÇA:

Understand the effectiveness of the Safety program and the current maturity level of the Safety Culture at EDP Brasil.

Elevate the Safety maturity of EDP Service Providers – Containment.

Present level of adherence and recommendations for adjustments to Occupational Safety processes and initiatives regarding ESG requirements and structures.

Consolidate or improve the Safety Program practices necessary for Safety Culture advancement.

### RULES THAT SAVE LIVES

We chose the eight Rules that Save Lives at EDP Brasil, which are related to our critical risks, in which failures can cause serious or fatal accidents. In addition to the eight rules, we chose two others that are specific to distribution units:

1. Electricity safety.
2. PPE against shock and arc.
3. Work at height.
4. Cargo handling and lifting.
5. Blocking and grounding.
6. Machine protection.
7. Traffic safety.
8. Confined space.
9. Live Line: Safety Distance.
10. Live Line: Installation of Posts.

The definition of rules led to the formation of Working Groups (WGs) to develop related activities and the inclusion of roles and responsibilities for employees involved in the investigation and definition of consequences.

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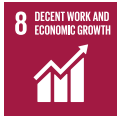
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PERFORMANCE  
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HAS IMPACT ON

SDG GOAL 8.3

Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services.

In line with the “Integration of SDGs in the Brazilian Electricity Sector: indicators and targets” study, by the Global Compact Brazil Network.

[Learn more.](#)

7.2.1 Security performance

GRI 403-9 | SASB IF-EU-320a.1

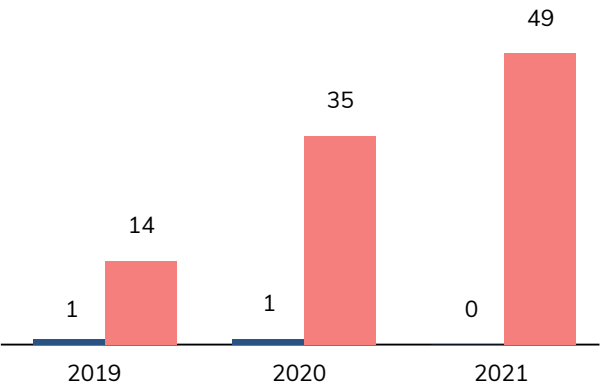
In 2021, we had no accidents with leave of absence in our workforce, which represents a positive evolution compared to 2020.

In relation to our partner companies, there was a decrease in the number of accidents without leave of absence, and an increase in the number of accidents with leave of absence. This was due to the 50% growth in the workforce of the partner companies in the transmission works, compared to 2020, which was reflected in the increase in Men’s Hours Worked (MHW) of professionals exposed to critical activities in the construction works of transmission lines.

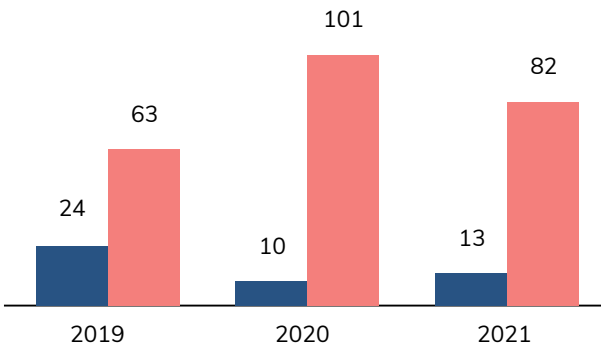
As a mitigating action focused on the security of our partner companies, a company specialized in audits and security controls was hired, comprised of specialized professionals to monitor compliance in carrying out critical activities within our transmission processes.

In addition, we have the “Secure Partner” project, which aims to increase the maturity of service providers in search of a match with the results of EDP’s own staff. In this way, we seek to ensure in 2022 and 2023 adherence to the initiatives of the “Somos Segurança” program (further information about the Safe Partner can be found on [page 47 of the Main Book](#)).

NUMBER OF ACCIDENTS WITH LEAVE OF ABSENCE

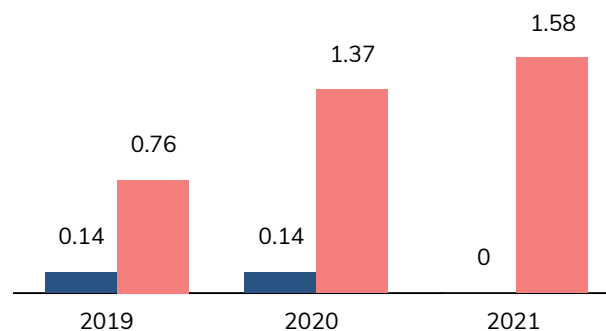


NUMBER OF ACCIDENTS WITHOUT LEAVE OF ABSENCE

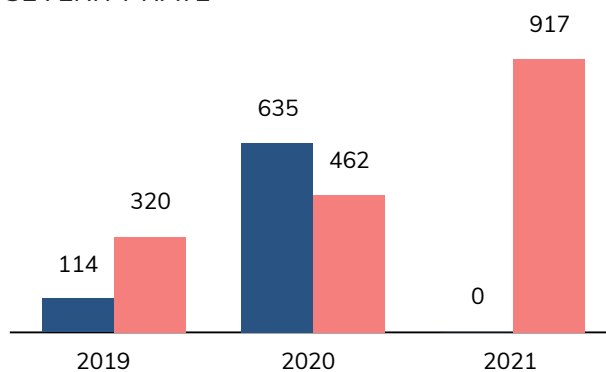


■ its own employees ■ Third-party employees

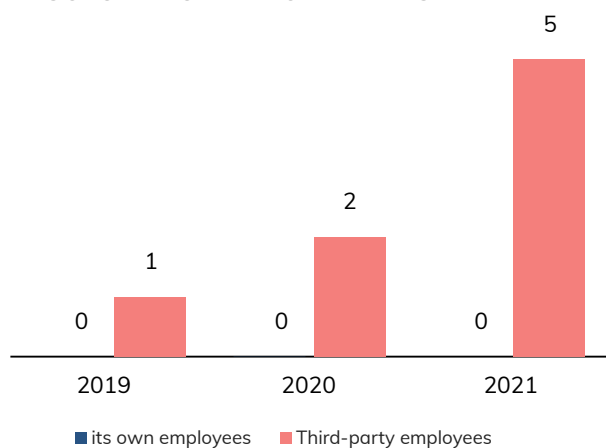
## FREQUENCY RATE



## SEVERITY RATE



## ABSOLUTE NUMBER OF DEATHS



### OCCUPATIONAL DISEASE RATE

	2019	2020	2021
Its own employees	0	0	0
Third-party employees	0	0	0

### LOST DAYS RATE

	2019	2020	2021
Its own employees	1.14	0	0
Third-party employees	18.06	18.04	39.42

### ABSENTEEISM RATE

	2019	2020	2021
Its own employees	ND	2.8	2.0
Third-party employees	ND	ND	ND

### GRI 403-8

#### EMPLOYEES WHOSE WORK AND/OR WORKPLACE IS COVERED BY A SAFETY MANAGEMENT SYSTEM BASED ON LEGAL REQUIREMENTS AND/OR RECOGNIZED STANDARDS/ GUIDELINES

Its own employees	100%
Outsourced employees	100%

#### EMPLOYEES WHOSE WORK AND/OR WORKPLACE IS COVERED BY AUDITED OR CERTIFIED SAFETY MANAGEMENT SYSTEM

Its own employees	57.74%
Outsourced employees	49.63%

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## 7.3 Career

### GRI 103-2 | 103-3

We believe that developing our human capital is essential for business growth, continuity and long-term value creation. Therefore, we provide employees with spaces for continuous learning and development, with tools and content that encourage autonomy, innovation and protagonism.

### 7.3.1 Attraction and retention

#### GRI 401-1

In our process of attracting and selecting new employees, we use Artificial Intelligence tools, such as Kenoby, which help us to map candidates and find the ideal profile for our vacancies. In this way, we reduce the screening time and mitigate the unconscious biases that can occur during the selection process.

Since the beginning of the pandemic in 2020, we have carried out our onboarding process remotely — which remained in 2021 with the hybrid work model. This process is carried out entirely online, from cultural

adaptation and training activities to the Company's institutional presentation.

Another feature developed during the social distancing period and which remained with the hybrid model was the videobot, which allows new employees to access materials produced by EDP Brasil even before their first day at the Company. In this way, he can already know his benefits, the organizational culture, the communication channels and other important points for his adaptation to the Company.

With regard to attraction and selection, we also have an Internship Program, which had 167 participants in 2021.

ADMISSIONS BY GENDER AND AGE GROUP			
UNDER 30	2019	2020	2021
Men	149	96	121
Women	69	38	60
DE 30 A 50 ANOS	2019	2020	2021
Men	175	142	155
Women	49	44	66
ACIMA DE 50 ANOS	2019	2020	2021
Men	9	10	5
Women	1	1	3
DISMISSALS BY GENDER AND AGE GROUP			
UNDER 30	2019	2020	2021
Men	43	29	51

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DISMISSALS BY GENDER AND AGE GROUP			
Women	22	16	33
FROM 30 TO 50	2019	2020	2021
Men	145	117	220
Women	43	36	82
OVER 50	2019	2020	2021
Men	69	70	65
Women	13	14	8

TURNOVER BY GENDER AND AGE GROUP			
ABAIXO DE 30 ANOS	2019	2020	2021
Men	19%	13%	19%
Women	24%	14%	25%
FROM 30 TO 50	2019	2020	2021
Men	9%	7%	11%
Women	10%	8%	15%
OVER 50	2019	2020	2021
Men	13%	12%	12%
Women	12%	12%	9%

#### GRI 401-3

PATERNITY LEAVE			
	2019	2020	2021
Return rate of employees who returned to work after the end of the leave	NA	94%	97%
Retention rate of employees who returned to work and remained for 12 months after the end of the leave	NA	ND	87%
Number of employees who were entitled to leave	NA	54	115
Number of employees who were on leave	NA	54	115

PATERNITY LEAVE			
	2019	2020	2021
Number of employees who returned to work after the end of the leave	NA	51	114
Number of employees who were still in the company 12 months after their return to work leave	NA	ND	47

#### GRI 401-3

MATERNITY LEAVE			
	2019	2020	2021
Return rate of employees who returned to work after the end of the leave	100%	92%	94%
Retention rate of employees who returned to work and remained for 12 months after the end of the leave	100%	100%	74%
Number of employees who were entitled to leave	47	27	44
Number of employees who were on leave	33	30	44
Number of employees who returned to work after the end of the leave	47	24	34
Number of employees who were still in the company 12 months after their return to work leave	22	47	14

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## 7.3.2 Development

GRI 103-2 | 103-3 | 404-1 | 404-2

The employee development theme is incorporated into our culture, in order to generate value for both the business and the employees. In order to decide which courses or learning initiatives will be offered, we carry out a needs diagnosis phase, which assesses the needs of the business and people in relation to solutions for the development and strengthening of competences.

The Company's training is carried out in a fully digital environment through Campus Online,

Online, our proprietary learning platform, our own learning platform, which offers a wide range of content focused on the business.

We also rely on Degreed, an intelligent learning platform that supports us in long-term assessment and development. Through it, we provide greater autonomy to the employee and deliver strategic and in-depth content for the business demands. Among the platform features are the availability of content from more than 30,000 suppliers, use of artificial intelligence, selection and self-assessment of skills and a manager's view, to monitor and assess skills by position and team.

In addition to formal initiatives, we also have a network of internal multipliers, formed by every employee who has knowledge, whether technical or not, who is able and willing to pass this knowledge on to other people in the organization. We also offer employees the payment courses and external events, which aim to train them in topics related to the company's strategy. These courses are promoted by educational institutions or external organizations and include congresses, workshops, lectures, seminars and even extension courses. They can be chosen independently by the client, respecting some of the Company's prerogatives.

AVERAGE TRAINING HOURS BY GENDER AND FUNCTIONAL CATEGORY						
	2019		2020		2021	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
High Management	NA	6.0	NA	8.9	60	12.8
Direction	22.7	58.7	1.4	9.4	34.7	19.4
Management	48.2	53.8	11.7	23.0	25.0	26.3
Specialists	14	27.5	2.5	10.6	8.6	14.2
Administrative	33.3	48.9	7.7	21.1	8.1	26.9
Operational	48.7	72.1	22.8	2.2	20.7	38.5
TOTAL (hours)	17,889.00	150,898.00	4,970.20	56,399.30	9,026.32	83,465.73



## 7.3.3 Leadership development

### GRI 404-2

Our leadership development programs are continually reviewed based on our strategy and internal needs. In 2021, the main programs were:

### Remote Management and Wellness

Designed to support leadership in better adapting to the new hybrid work model (learn more on [page 44 of the Main Book](#)).

### Racial Literacy and LGBTQIAP+ Training

In line with our commitment to strengthening an inclusive culture and ensuring an environment of psychological safety in the Company, all senior management and leadership had the opportunity to participate in both trainings throughout 2021.

Racial Literacy, held over 9 meetings, aimed at promoting anti-racism education based on the understanding of historical, cultural, political and economic aspects around structural racism and its different manifestations in society.

The LGBTQIAP+ Training, carried out over four meetings, enabled a learning experience and expansion of awareness around the dimensions of gender, sexuality, identities and orientations.

Carried out in partnership with Mais Diversidade and Diversity Bbox Consultancies, the investments also included two distance learning courses (“The Value of Diversity” and “Unconscious Bias”) and the LGBTQIAP+ Inclusive Communication Guide, available to all employees at Degreed and EDP University, and for Suppliers through the Partner Academy. In this way, the topic was addressed at all hierarchical levels of the Company and expanded to our partners..

### EDP Women Connection Program

Focused on the development of women in the Company (learn more on [page 40 of the Main Book](#)).

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7.4 — Performance Evaluation

GRI 404-3

Annually, we assess employee performance based on Purpose-driven Goals, taking into account team performance and shared goals.

In 2021, executive managers and directors were evaluated using the Global Appreciation model, in which both the performance and the results of each employee are analyzed and scored from 1 to 7 by committees, with a consequent impact on the receipt of annual bonuses.

For operational managers and consultants/specialists, the People Zoom assessment model was applied, an innovative pilot project by EDP Brasil, based on the assessment of skills, principles, career moments and readiness for challenges.

All these processes are sources for feedback conversations between leaders and followers and subsequent individual development plans.

PERCENTAGE OF EMPLOYEES WHO RECEIVED PERFORMANCE ASSESSMENT BY FUNCTIONAL CATEGORY		
	WOMEN	MEN
High Management	100%	100%
Direction	100%	90%
Management	84%	99%
Specialists	91%	96%
Administrative	100%	100%
Operational	100%	100%

7.5 — Retirement

GRI 404-2

The Retirement Incentive Program (PIA) aims to welcome professionals who have dedicated many years to the joint construction of our history, providing differentiated termination conditions and guidelines for the new post-employment stage. The program is voluntary and employees who are in full exercise of their functional activities can apply, as long as the prerequisites defined in the Program’s regulations are met.

In addition to the legal severance payments and the indemnification paid by EDP, employees who adhere to the PIA are invited to the “Viver Bem” Program. Delivered through workshops carried out by a specialized consultancy, it addresses topics such as motivational guidelines, financial health, affective relationships, family and friends, life project, testimonials and tributes.

GRI EU15

EMPLOYEES ENTITLED TO RETIREMENT IN THE NEXT 5 YEARS BY FUNCTIONAL CATEGORY	
FUNCTIONAL CATEGORY	PERCENTAGE
High Management	4.0%
Direction	40.7%
Management	0%
Specialists	3.2%
Administrative	19.7%
Operational	7.1%

EMPLOYEES ENTITLED TO RETIREMENT IN THE NEXT 5 YEARS BY STATE	
STATE	PERCENTAGE
São Paulo	2.6%
Espírito Santo	4.5%
Tocantins	5.8%
Amapá	4.1%
Ceará	11.6%
Maranhão	1.2%
Mato Grosso	20.3%
Pará	0%
Rio Grande do Sul	0%
Santa Catarina	10.8%
Other	2.5%

EMPLOYEES ENTITLED TO RETIREMENT IN THE NEXT 10 YEARS BY FUNCTIONAL CATEGORY	
FUNCTIONAL CATEGORY	PERCENTAGE
High Management	7.7%
Direction	6.3%
Management	7.0%
Specialists	0%
Administrative	3.7%
Operational	10.3%

EMPLOYEES ENTITLED TO RETIREMENT IN THE NEXT 10 YEARS BY STATE	
STATE	PERCENTAGE
São Paulo	1.9%
Espírito Santo	1.2%
Tocantins	0.6%
Amapá	0%
Ceará	0.6%
Maranhão	0%
Mato Grosso	0%
Pará	0%
Rio Grande do Sul	0.4%
Santa Catarina	1.5%
Other	5.3%

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## MATERIAL TOPICS OF THIS CHAPTER:

HUMAN RIGHTS

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# 8.1 — Suppliers

GRI 102-9 | 103-2 | 103-3 | 308-2 | 408-1 | 409-1 | 414-2

EDP Brasil, as it operates in all segments of the electricity sector, contracts suppliers in various scopes of service provision and material supply. The Company prioritizes the contracting of suppliers close to the locations where the service will take place, but we currently have suppliers based throughout the national territory. One of the relevant criteria for hiring is also associated with meeting the expectations

and requirements of the business in terms of quality and safety criteria.

As it operates strongly in the generation, transmission and distribution segments, a relevant part of the service provision framework is associated with the maintenance of distribution networks and construction of transmission lines, where there is a greater concentration of hired labor. However, following our current Strategic Plan to increase participation in the solutions and services segment, such as the construction of photovoltaic plants, this front is currently gaining relevance and, consequently, there is also an increase in the relevance of material acquisitions, such as solar panels, and the provision of services in this field.

GRI 204-1

PROPORTION OF EXPENSES WITH LOCAL SUPPLIERS IN IMPORTANT OPERATING UNITS			
STATE	2019	2020	2021
Amapá	25.41%	16.40%	8.88%
Ceará	58.86%	29.80%	12.66%
Espírito Santo	14.23%	13.80%	17.71%
Maranhão	0%	74%	2.14%
Mato Grosso	30.70%	15.20%	12.15%
Pará	12.95%	0%	0%
Rio Grande do Sul	36.23%	28.60%	32.84%
Santa Catarina	6.98%	50.10%	29.35%
São Paulo	63.13%	72.10%	64.98%
Tocantins	15.16%	22.60%	21.13%



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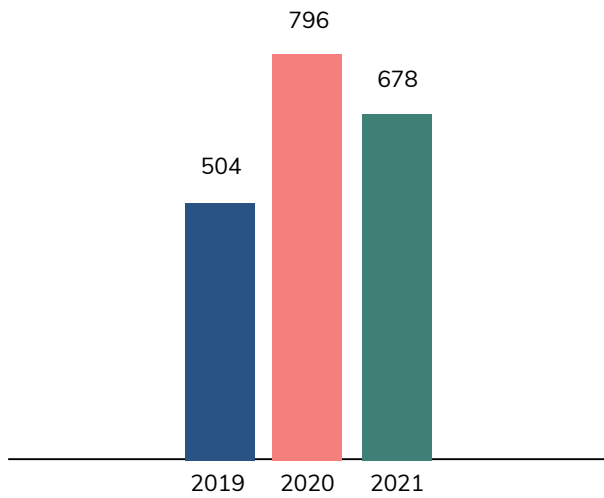
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TOTAL NUMBER OF SUPPLIERS ANALYZED IN  
TERMS OF COMPLIANCE



In 2021, we evaluated 120 suppliers regarding their environmental and social impacts, through the IDF, and none of them was identified as causing these impacts (learn more about the IDF on [page 50 of the Main Book](#)). In the previous year, we had evaluated 75 suppliers, also without identifying the causes of environmental or social impacts.

As for the assessments referring to the risks of child labor, forced or compulsory labor, we evaluated 1,671 suppliers during the year, and we did not identify these risks in any of them. In 2020, we had evaluated 2,251 suppliers, also without identifying risks.



Distribution field team.

## 8.2 Communities

### 8.2.1 Access to Energy

IF-EU-240a.4

EDP SÃO PAULO				
INDICATOR	UNIT	2019	2020	2021
Total billing revenue in the “low income” residential subclass in relation to total billing revenue in the residential class	%	2.05	2.16	5.23
Number of households served as “low income”	Qty.	58,805	137,110	171,106
Billing revenue in the “low-income” residential subclass	R\$ thousand	42,827.45	45,012.87	44,791.77
Subsidy received (ELETROBRÁS), related to “low-income” consumers	R\$ thousand	17,999.27	43,196.80	43,140.23

EDP ESPÍRITO SANTO				
INDICATOR	UNIT	2019	2020	2021
Total billing revenue in the “low income” residential subclass in relation to total billing revenue in the residential class	%	3.69	5.97	6.3
Number of households served as “low income”	Qty.	90181	151,336	170,379
Billing revenue in the “low-income” residential subclass	R\$ thousand	49,499.88	55,880.48	98,680.31
Subsidy received (ELETROBRÁS), related to “low-income” consumers	R\$ thousand	25,178.09	46,854.07	47,114.21

### SOCIAL TARIFF

The social tariff is a program for low-income people that offers a discount on the electricity tariff. Created by Law No. 10438/02, the benefit is granted to residential and rural residential consumer units inhabited by families that meet the criteria established in Law No. 12212/10. The discount can vary from 10% to 65%, according to the consumption of each residence.

In November 2021, ANEEL regulated Law No. 14203/2021, which establishes automatic registration in the Social Electricity Tariff. Thus, as of January 2022, families who meet the criteria for receiving the benefit, but who are not yet registered in the Social Tariff, will be incorporated by crossing data from the systems of the Ministry of Citizenship and energy distributors.



**THIS INITIATIVE CONTRIBUTES TO THE**

**SDG GOAL 7.1**

By 2030, ensure universal, reliable, modern and affordable access to energy services.

In line with the “Integration of SDGs in the Brazilian Electricity Sector: indicators and targets” study, by the Global Compact Brazil Network.

[Learn more.](#)

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## 8.2.2 Safe use of energy

In order to minimize the population's accidents with the electricity grid, we carried out a series of awareness-raising actions with the community, including:

### Dia D

We visit construction sites, building materials sales warehouses, schools, among other places, aiming to raise safety awareness for work on electrical installations.

### Communication

Publication of Occupational Safety information on social media.

### Security works and risks

Our operational teams carry out interventions in residential works, aiming to inform about the importance of complying with minimum safety procedures.

### Brincando com Pipas

Awareness in schools about the risks of flying kites near electrical installations (more information about this project can be found in the [Main Book, page 58](#)).

#### GRI EU25

ACCIDENTS AND DEATH OF SERVICE USERS INVOLVING COMPANY ASSETS			
CATEGORY	2019	2020	2021
Number of accidents without fatalities with the population	9	16	9
Number of accidents with fatalities with the population	6	13	12
Lawsuits initiated related to the health and safety of the population	30	17	37
Settled lawsuits related to the health and safety of the population	27	25	36
Pending lawsuits related to the health and safety of the population	200	194	192

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## 8.3 — Relationship with Indigenous Peoples

GRI 103-2 | 103-3 | 411-1

One of our joint venture assets, the São Manoel Hydroelectric Power Plant, is located on the border between the states of Mato Grosso and Pará in an Area of Indirect Influence (AII). Three indigenous peoples live in its catchment area – Kayabi, Munduruku and Apiaká – made up of around 1,400 people who live in 19 villages on the banks of the Teles Pires River, where they preserve their customs and mother tongues.

As a measure of environmental mitigation and compensation for the benefit of these peoples, the Indigenous Components of the Basic Environmental Plan of the São Manoel HPP (PBAI) were prepared, which were constituted in a long dialogue process, which was monitored and approved by Fundação Nacional do Índio (FUNAI) at all stages of development, seeking to respect the particularities of each indigenous people.

Each PBAI is awarded with the execution of 17 programs that aim to improve the quality of life of these peoples. For the implementation and monitoring of the programs, Management Councils were created with representatives of the Company, FUNAI and each of the indigenous communities involved.

In 2020 and 2021, security protocols for Covid-19 prevention focused on protecting indigenous peoples, considered more vulnerable to epidemics due to their social, economic conditions and other particularities that affect these populations, such as the difficulty of accessing health services.

In January 2021, after the stoppage of activities that depended on technical guidelines or execution by non-indigenous labor, due to the Covid-19 pandemic, FUNAI authorized the resumption of priority actions, which involved maintenance services for communications systems, delivery of equipment for the operation of Health Units and food safety actions. The following programs were listed:

- Program for the Identification and Management of New Sources of Non-Timber Forest Products,
- Program for the Strengthening of Indigenous Organizations in direct interface with the Support Program for Traditional Crops and Productive Activities,
- Indigenous Environmental Education Program, especially the Environmental Project for the Management and Conservation of Tracajá and the Monitoring Program for Turtles and their Reproductive Habitats.

As the resumption of works in schools, flour production houses and health units are priorities for the indigenous people, FUNAI authorized inspections of construction sites to support the planning to resume works in 2022.

We also maintained the granting of scholarships for the higher and technical studies, within the scope of the Program for the Strengthening of Indigenous Organizations. From a total of 39 scholarships to be offered by the Program, 36 have already been granted. The scholarships cover the payment of tuition and enrollment costs, support with travel from the village to the municipality where the educational institution is located, the donation of electronic equipment necessary for studies and psycho-pedagogical monitoring, as well as a financial transfer to each student in the amount of R\$ 2.5 minimum wages for other expenses.



## 8.4 — Customers

### GRI 103-1 | 103-2 | 103-3

Since we started operating in the distribution market, with EDP São Paulo and EDP Espírito Santo, the concern with customer service and satisfaction has become central to our business. It increased even more with the creation of EDP Smart, which, although in smaller numbers, still deals with customers in the commercialization, solutions and services businesses.

Therefore, we continually work on digitalizing our service channels, aiming to offer simple, agile and complementary means for our customers to solve their problems, register suggestions or make new demands to the Company.

The issue is the responsibility of the Executive Management of Ombudsman and Customer Excellence, which is divided into three operational managements:

- Contact Center and Virtual Channels
- Ombudsman
- Commercial Development.

In 2021, the ombudsmen of São Paulo and Espírito Santo were unified, with a transversal role.

## Number of consumer units

### EU3 | SASB IF-EU-000.A

EDP SÃO PAULO			
	2019	2020	2021
Residential	1,770,287	1,810,472	1,848,410
Industrial	13,161	13,357	12,062
Commercial	132,828	135,669	141,876
Rural	4,912	5,293	5,383
Public Power	8,937	9,278	9,938
Street Lighting	3,823	3,933	3,420
Public Service	1,507	1514	1,521
Energy in transit (USD)	633	798	1,037
Its own consumption	163	162	167
Others	0	0	0
<b>Number of customers (consumer units) – TOTAL</b>	<b>1,936,251</b>	<b>1,980,476</b>	<b>2,023,814</b>

EDP ESPÍRITO SANTO			
	2019	2020	2021
Residential	1,240,112	1,270,519	1,306,384
Industrial	10,888	10,284	10,022
Commercial	127,832	129,182	131,365
Rural	194,974	195,846	194,087
Public Power	11,495	11,495	11,644
Street Lighting	635	611	501
Public Service	1,662	1,676	1,776
Energy in transit (USD)	399	498	615
Its own consumption	211	222	230
Others	0	0	0
<b>Number of customers (consumer units) – TOTAL</b>	<b>1,588,208</b>	<b>1,620,333</b>	<b>1,656,624</b>

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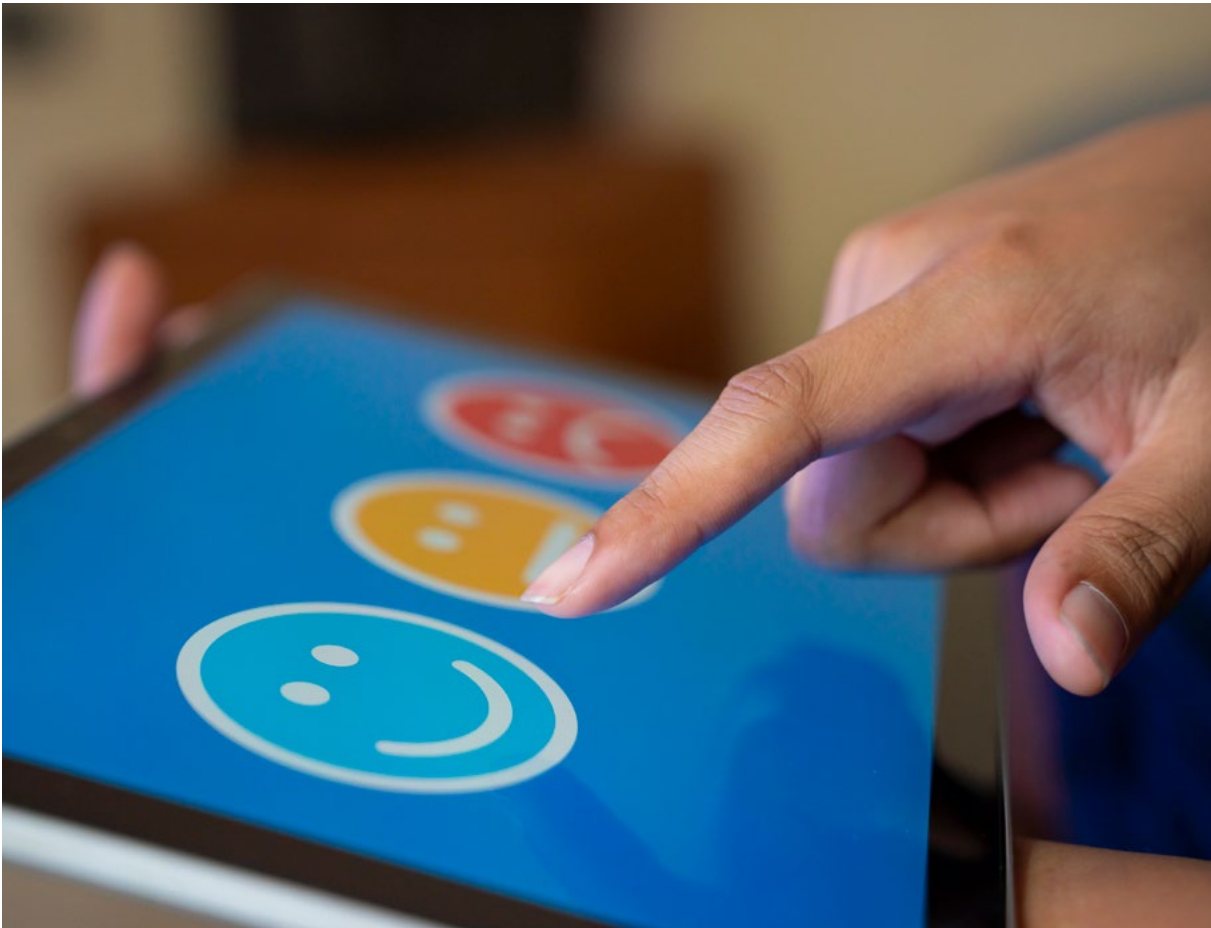
## 8.4.1 Service and Satisfaction

### GRI 103-2 | 103-3

To monitor the quality of the services provided and the care provided, we continuously monitor the results of customer satisfaction surveys. The management of this issue is carried out in accordance with the procedure Analysis of the Results of the Distribution Customer Satisfaction Surveys, published in the internal regulatory system.

With this objective in mind, we also developed the Realize Program, which covers the entire company, based on actions on the following topics: energy supply, field service, customer service and commercial demands. We have the strategic goal of reaching the TOP 3 of Customer Satisfaction by 2022.

The main indicator used to measure Customer Satisfaction is the Perceived Quality Satisfaction Index (ISQP), obtained through the ABRADÉE Residential Survey, carried out annually. In 2021, there was a national drop in the survey result, and we also recorded a reduction in this indicator, both in São Paulo and Espírito Santo. Despite the drop in the indicator, we improved our position in the Brazil ranking for both geographies,



ISQP RESEARCH RESULTS				
	2019	2020	2021	POSITION IN THE BRAZIL RANKING IN 2021
EDP São Paulo	78.8	77.5	69.5	12 <sup>a</sup>
EDP Espírito Santo	73.3	81.1	72.6	6 <sup>a</sup>

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## 8.5 — Investment Social in Communities

GRI 103-2 | 103-3 | 203-1

Founded in 2007, the EDP Institute is the managing body of the EDP Group's social investments in Brazil, acting as a relationship platform that contributes to social inclusion, quality of life and well-being in the communities where EDP operates. The resources we provenientes de doações e de recursos incentivados

from donations and incentivized resources.

Our actions are guided by the country's social, cultural and environmental development and express EDP Brasil's recognition of Human Rights as fundamental and universal principles that drive business towards a more just and inclusive society.

The management of the community involvement theme, under the responsibility of the EDP Institute, is guided by the Social Investment Standard and by Incentivized Social Investments and Donation and Sponsorship Management by Direct Fund procedures. Other areas of the Company also have community involvement, such as

Energy Efficiency, Security and Volunteering, and the IEDP monitors and seeks to integrate all actions.

To evaluate the initiatives developed by the Institute, we carry out internal audits, in addition to the semi-annual follow-up and monitoring of all supported projects, carried out through the Social Compass platform.

Throughout 2021, the EDP Institute invested around R\$ 6 million in projects aligned with its pillars of action and around R\$ 17 million in incentivized funds (learn more about the pillars of action of the EDP Institute on [page 51 of the Main Book](#)).



EDP in Schools Program.

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# EDP Institute



## CULTURE

R\$ 8.6 million

- Renovation of the Portuguese Language Museum
- Rescuing History Project
- School Minute Project
- Heliopolis Symphony Orchestra
- Plastic Nature Exhibition



## HEALTH

R\$ 5.7 million

- Hospital do Amor Renovation (TO)
- Donations to fight Covid-19



## EDUCATION

R\$ 3.5 million

- EDP in Schools.



## SPORT

R\$ 2.4 million

- Street Soccer Project
- Learn and Grow Project
- The skateboarding project is good, with education it's great
- Sport Friends Project.



## DIVERSITY AND SOCIAL ENTREPRENEURSHIP

R\$ 300 thousand

- Projeto Energizze
- Programa Jovem Empreendedor Rural
- Programa Reforça.



## FIGHTING HUNGER AND OTHER INITIATIVES

R\$ 2.7 million

- Projeto Moradigna
- Doações de alimentos e outros tipos de ajuda emergencial



## THESE INITIATIVES CONTRIBUTE TO THE

### SDG GOAL 11.4

Strengthen efforts to protect and safeguard the world's cultural and natural heritage.

In line with the "Integration of SDGs in the Brazilian Electricity Sector: indicators and targets" study, by the Global Compact Brazil Network.

[Learn more.](#)

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Learn more about the projects supported on [page of the Main Book.](#)

EXTERNAL SOCIAL INVESTMENT (ITS OWN AND INCENTIVIZED) – R\$ THOUSAND			
	2019	2020	2021
Education	1,534.24	2,611.14	3,544.00
Culture	7,069.60	8,433.93	8,621.00
Health and sanitation	1,443.55	8,285.02	5,695.00
Sport	2,536.71	2,660.98	2,390.00
Fighting hunger and food safety	524	252.81	868.00
Others	302.94	1,025.37	1,926.00
<b>Total</b>	<b>13,411.04</b>	<b>23,269.25</b>	<b>23,044.00</b>

EXTERNAL SOCIAL INVESTMENT (ITS OWN) – R\$ THOUSAND			
	2019	2020	2021
Education	1,023.32	904.21	1,289.00
Culture	0.00	0.00	109.00
Health and sanitation	150.00	7,659.53	3,197.00
Sport	28.56	144.06	103.00
Fighting hunger and food safety	0.00	200	868.00
Others	170.00	304.87	462.00
<b>Total</b>	<b>1,371.88</b>	<b>9,212.97</b>	<b>6,028.00</b>

BENEFITED BY SOCIAL PROJECTS			
	2019	2020	2021
Number of direct beneficiaries	80,758	44,627	66,334
Number of indirect beneficiaries	241,274	134,469	185,817
Number of environmental actions carried out by IEDP projects	47	16	9,581
Number of municipalities served in the concession area	56	41	48

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### 8.5.1 Social impact generated within the scope of the Impact Lab Program

The Social Impact Lab Program seeks to engage social organizations, impact businesses and EDP partners to adopt a culture of measuring the social and environmental impact of the actions taken by the projects. In 2021, 9 institutions were selected to participate in the Program: Local Economic Development Agency (ADEL), Association Friends of Justice Citizenship Education and Art, Art Friends Association (AAMARTE), One Liter of Light Brazil Association, Initial Attitude, Street Soccer Institute, Phomenta Institute, Verdescola and Moradigna Institute.

One of the Impact Lab's deliverables was the classification of selected projects into three axes and the measurement of the impact generated based on some indicators:

IMPACT LAB PROGRAM		2021
SOCIAL INCLUSION		
Seniors with access to psychological social assistance and/or functional therapy workshops on an ongoing basis		110
Children with access to sport classes on an ongoing basis		320
Social return of social inclusion projects (R\$)		640,800
SKILLS AND INCOME GENERATION		
Young people who received training in entrepreneurship		35
Empowered social organizations		20
Resources leveraged by empowered organizations (R\$)		2,216,930
ENERGY INCLUSION		
Vulnerable customers made aware of safe and sustainable energy		120



Young Rural Entrepreneur Program

### Social impact generated within the scope of the Committee of Social Innovation Program

In 2021, a Social Innovation Committee was established for the first time with the participation of nine areas of the Company and the objective of defining a strategy for generating income in society and combating the negative effects of the pandemic on the economy. In all, 22 actions were identified totaling R\$ 2.5 million invested by the areas.

Among the initiatives developed are the insertion of Small and Medium Enterprises (SMEs) in the free market, generating savings in energy costs, the implementation of inclusive hiring policies and prioritization of minority groups, in addition to innovation, social investment and volunteering projects for income generation, training and reinsertion of professionals in the labor market. The impacts generated for the people supported by the initiatives were measured based on some indicators:

SOCIAL INNOVATION COMMITTEE PROGRAM		2021
Energy savings generated for small and medium businesses (R\$)		17,950,530
Income generated by hiring people from minority groups (salaries paid) (R\$)		2,381,469
Income generated for professionals through innovation programs (R\$)		332,445
Estimated income* generated through social and volunteer programs		117,300

\*based on 44 women in situations of vulnerability who were reinserted into the labor market after participating in a listening session.



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## 9.1 Administration Structure

GRI 102-5 | 102-18 | 102-22 | 103-1 | 103-2 | 103-3

We are a publicly traded company and we have adopted the highest standards of corporate governance, trading on the New Market segment of B3 since 2005.

EDP Brasil's governance structure is composed of the General Shareholders' Meeting and the Board of Directors, and is also supported by five non-permanent Advisory Committees, Executive Board and Fiscal Council.

The term of office of the Board of Directors' members is unified, valid for two years, while that of the members of the Executive Board is three years, with the possibility of reelection.

### 9.1.1 Board of Directors

The Company's Board of Directors is responsible for defining strategies, monitoring risks and evaluating general business policies, as well as electing the members of the Executive Board and monitoring their activities.

EDP Brasil's Bylaws provide that the Board of Directors meetings may be called by the Chairman, Vice-Chairman or any two members jointly, upon written notice given at least in advance.

Annually, the members of the Board of Directors carry out self-assessments and evaluations of the body's performance, which are part of its accountability and constitute a fundamental step to assess its effectiveness, assess the competence of its Advisory Committees and the performance of the Executive Board.

The results of the evaluations' annual performance are monitored in a systemic way, allowing actions to be taken to maintain the quality and performance of the bodies. In 2021, the Company's Board of Directors was comprised by 9 members, including four independent directors, elected at the General Shareholders' Meeting.

### Board of Directors Composition

- **Miguel Nuno Simões Nunes Ferreira Setas**, Board of Directors Chairman
- **João Manuel Veríssimo Marques da Cruz**, Board of Directors Vice-Chairman
- **Rui Manuel Rodrigues Lopes Teixeira**, Board Member
- **Vera de Moraes Pinto Pereira Carneiro**, Board Member
- **Ana Paula Garrido de Pina Marques**, Board Member
- **Pedro Sampaio Malan**, Independent Board Member and Chairman of the Sustainability Committee

- **Francisco Carlos Coutinho Pitella**, Independent Board Member, Chairman of the Audit Committee and member of the Corporate Governance and Related Parties Committee
- **Modesto Souza Barros Carvalhosa**, Independent Board Member, Chairman of the Corporate Governance and Related Parties Committee and member of the Audit and Remuneration committees
- **Juliana Rozenbaum Munemori**, Independent Board Member, Chairman of the Inclusion and Diversity Committee and member of the Sustainability and Corporate Governance and Related Parties Committees.

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## 9.1.2 Advisory committees

### GRI 102-27

EDP Brasil has five support committees within the scope of its Board of Directors, responsible for advising the body on deliberations on the matters presented. Four of the five committees are comprised by three members, all members of the Company's Board of Directors, who can request information and suggestions from members of the Executive Board or the management body of EDP Brasil, with emphasis on the Corporate Governance and Related Parties Committee, which is composed exclusively of Independent Directors. The Inclusion and Diversity Committee is comprised by five members, four of whom are women, one of whom represents civil society.

### Remuneration Committee

It has a non-permanent collegiate decision-making advisory role, advising the Board of Directors in the resolutions related to the remuneration policies of the Company and its subsidiaries. The members are chosen from among the Board of Directors, two of whom are appointed by the controlling shareholder and one member is considered independent under the terms of the New Market Listing Regulation.

### Sustainability Committee

It has a permanent character and the competence to ensure the perpetuity of the organization in relation to its long-term vision and ESG aspects. The committee incorporates social and environmental considerations in the definition of the Company's business and operations, aiming to increase the value of society as a whole and contribute to its perpetuity. The Committee is chaired by an independent member under the terms of the New Market Listing Regulation and also has another independent member and another appointed by the controlling shareholder.

### Corporate Governance Committee and Related Parties

On a permanent basis, the Committee is responsible for advising the Board of Directors in the adoption of the best corporate governance practices and the highest ethical principles, in order to preserve and optimize the value of society, facilitating access to capital at lower costs and contribute to its longevity. The Committee is comprised exclusively by independent members under the terms of the New Market Listing Regulation.

### Inclusion and Diversity Committee

It has a permanent character and is responsible for advising the Board of Directors in the performance of activities related to the promotion of diversity, inclusion and equal opportunities within the scope of the Company's operations. The Committee is comprised by five members, four of whom are women, and is chaired by an independent director under the terms of the New Market Listing Regulation, in addition to the presence of the Company's CEO and a representative of civil society.

### Audit Committee

Permanent and non-statutory, it is responsible for monitoring and evaluating external and internal audit activities, monitoring the Company's business risks, monitoring accounting practices and information transparency, as well as advising the Board of Directors in the deliberations on the materials presented. The Audit Committee is comprised by three members, with its chairman and another member considered independent under the terms of the New Market Listing Regulation, in addition to a third member appointed by the controlling shareholder.

### 9.1.3 Executive Board

GRI 102-19 | 102-26

It is incumbent upon the Executive Board to manage the business in general and to perform all necessary or convenient acts for this purpose, except those for which the General Meeting or the Board of Directors are empowered by law or by the Bylaws.

In the exercise of their functions, the Officers may carry out all operations and perform all administrative acts necessary to achieve the objectives of their position, in accordance with the general business guidelines established by the Board of Directors. The Executive Board must meet weekly or whenever summoned by the Chief Executive Officer or by any two Vice-President Officers jointly, whenever the corporate business so requires.

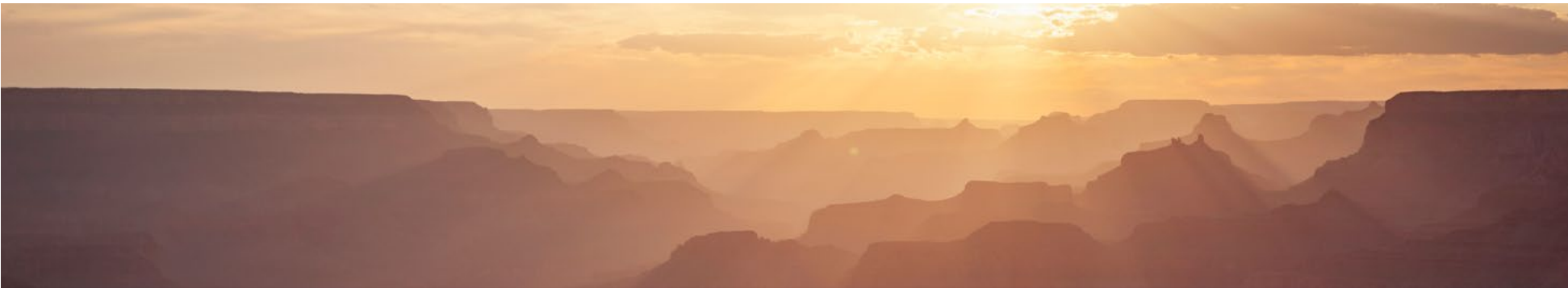
At the General Shareholders' Meetings of EDP Brasil held on February 19, 2021 and April 9, 2021, amendments to the Company's Bylaws were resolved in order to increase the number of Statutory Officers from the creation of the Environmental Social and Governance (ESG) Vice-Presidency, whose current designation is Vice-Presidency for People and ESG.

This change in the Executive Board reiterates the commitment that EDP Brasil has been following for the last 16 years in relation to Sustainability issues and reinforces the integration of ESG issues into the business, in addition to further increasing its representation in the Company's decision-making processes.

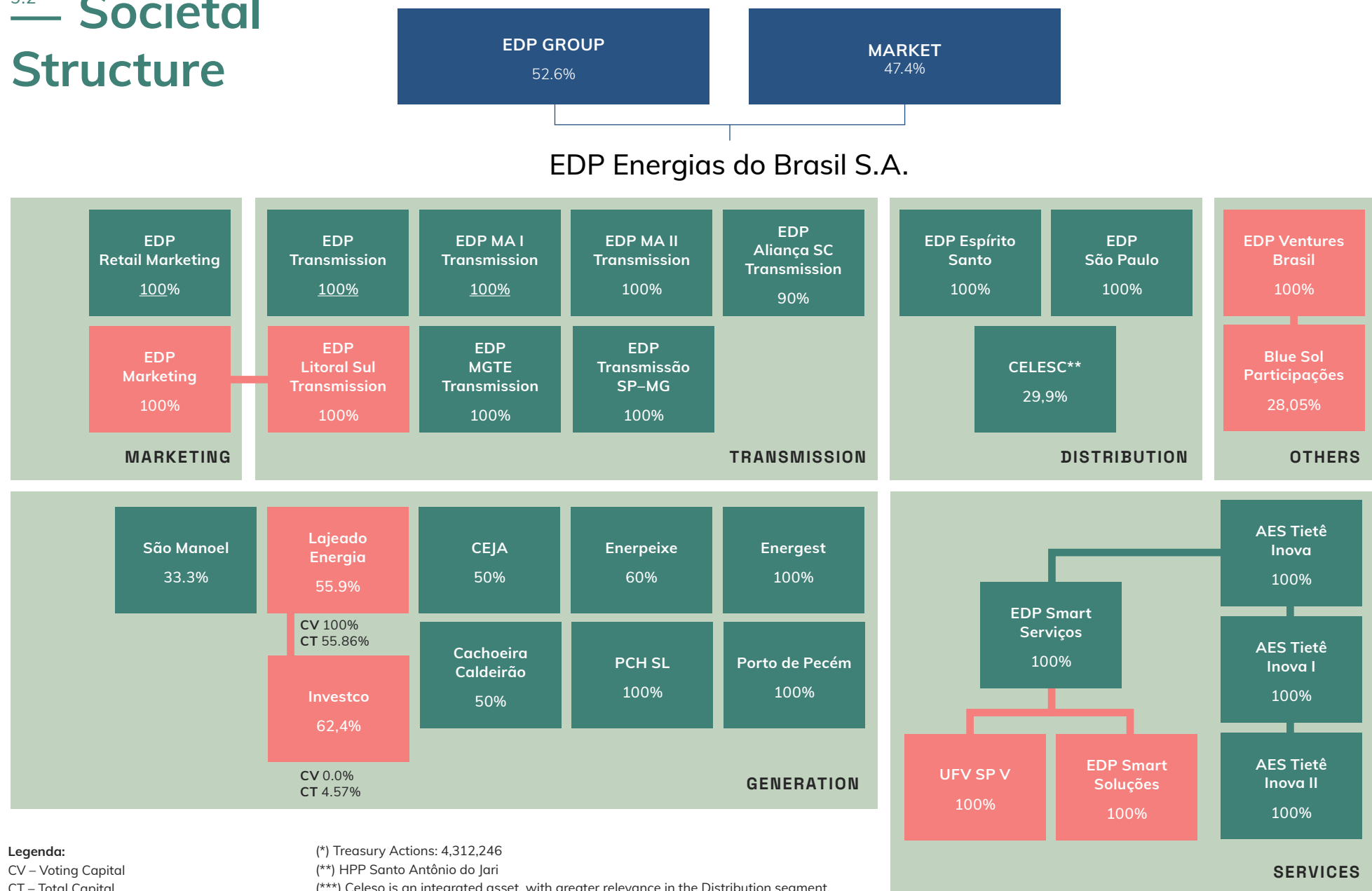
On December 15, 2021, EDP Brasil announced to the market that the Company's Board of Directors' Meeting, held on December 6, 2021, approved the election of Luiz Otavio Assis Henriques to the position of Vice President of Distribution, with effect from January 1, 2022, in addition to his current position of Vice-President of Generation, Transmission and Trading, and replacing João Manuel Brito Martins, who will assume new roles in the EDP Group, in Portugal.

### Board Composition

- **João Manuel Veríssimo Marques da Cruz**, CEO
- **Henrique Manuel Marques Faria Lima Freire**, Vice President of Finance and Investor Relations
- **João Manoel Brito Martins**, Vice-President of Distribution
- **Luiz Otavio Assis Henriques**, Vice President of Generation and Transmission and Trading
- **Carlos Emanuel Baptista Andrade**, Vice President of Customers
- **Fernanda Nascimento Pires**, Vice President of People and ESG.



## 9.2 — Societal Structure



Structure in December/2021

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## 9.3 — Ethics and Compliance

GRI 103-1 | 103-2 | 103-3

In our business, we seek to ensure a performance guided by ethics and compliance. We care for our reputation by promoting a culture of integrity, preventing, detecting and mitigating any risks related to compliance, and making all employees aware of their role in building this transparent and ethical environment.

For this, we have rules, policies, procedures and practices applied in conducting business and in the relationship with stakeholders, aimed at

prevention, detection and remediation of fraud and illegalities.

Among the policies that govern the topic at the Company are the Code of Ethics, the Compliance Standard, the Standard for Interaction with Public Officials, the Standard for Gifts and Souvenirs, the Standard for Donations, Sponsorships and Support – Carried Out Outside the Scope of the EDP Institute, Standard to Combat Illicit Acts, Diversity and Human Rights Standard and Balance of Consequences, Due Diligence Procedure and Procedure for the Prevention and Management of Conflicts of Interest.

We have a Compliance and Internal Controls area that is responsible for promoting a culture of integrity in the company. The area has the full support of Senior Management and the Ethics Committees.

In order to reinforce the theme in the Company, we In order to reinforce the theme in the Company, we have:

- Ethics Channel
- Normative Instruments
- Training and Communication
- Due Diligence
- Monitoring
- High Management.

EDP Brasil's Compliance Program is certified by ISO 37001 – Anti-Bribery Management System (learn more on [page 63 of the Main Book](#)).



### 9.3.1 Code of Ethics

GRI 102-16 | 205-2

The EDP Brasil Code of Ethics is approved by the Board of Directors and establishes the ethical principles and limits for EDP Brasil’s activities in all regions where it operates, respecting current legislation, as well as the commitments that the Company assumes with its stakeholders.

The code applies to all employees of the EDP Brasil Group companies and their subsidiaries. Service providers and suppliers are required to respect or adhere to the document’s principles.

The Code of Ethics was updated at the end of 2020 with the objective of including essential themes of the Company’s ethical culture today, such as inclusion and diversity; decarbonization and energy transition; data protection and privacy; and digital inclusion. The acceptance and knowledge of the Code of Ethics is mandatory for all employees and, in accordance with the best market practices, an annual acceptance is required. To ensure that stakeholders are fully aware of the document, training and communication actions are coordinated by Compliance.

Employees who do not comply with the provisions of the document are subject to disciplinary action, under the regulatory terms applicable to the infractions committed. Suppliers and service providers to whom the Code is applicable are subject to the measures or sanctions established contractually or resulting from the assessment and qualification procedures in force at the EDP Group.

BUSINESS PARTNERS WHO RECEIVED COMMUNICATION ON FIGHTING CORRUPTION POLICIES AND PROCEDURES			
	2019	2020	2021
Amount	1,821	3,727	4,358
Percentage	ND	ND	100%

GOVERNANCE MEMBERS WHO RECEIVED COMMUNICATION AND/OR TRAINING IN FIGHTING CORRUPTION POLICIES AND PROCEDURES			
	2019	2020	2021
Amount	7	8	9
Percentage	88%	100%	100%

NUMBER OF EMPLOYEES WHO RECEIVED COMMUNICATION AND/OR TRAINING IN FIGHTING CORRUPTION POLICIES AND PROCEDURES BY FUNCTIONAL CATEGORY			
CATEGORY FUNCTIONAL	2019	2020	2021
High Management	4	4	5
Direction	26	31	27
Management	198	213	160
Specialists	1,020	1,051	1,146
Administrative	307	282	234
Operational	1,728	1,727	1,699
Interns	141	102	147
Apprentices	49	26	68
Total	3,473	3,436	3,486

PUBLICATION  
OF THE

updated version of the  
EDP Brasil of Ethics.

3,5  
thousand

EMPLOYEES  
TRAINED

in anti-corruption policies  
and procedures.



### 9.3.2 Ethics Channel

GRI 102-17 | 205-1 | 205-3

Complaints related to violations of the Company's Code of Ethics can be registered on our Ethics Channel, operated by a specialized external entity, in order to ensure greater transparency and independence.

Anonymous or identified records are allowed, with the guarantee of the principles of secrecy, confidentiality and non-retaliation. The channel is disclosed to all of the Company's stakeholders and has several means for carrying out registrations, such as: internet, e-mail, voice channel and voice mail.

EDP Group's Internal Audit area. After receipt and initial treatment, the area presents all records to the Ethics Committee, which analyzes the infringement processes and issues a binding opinion on them, regarding the relevance of their classification.

In July 2021, with the objective of granting even more independence to the process and adherence to the ESG agenda, the composition of the Ethics Committee was changed, which now consists of two external directors, the Ethics provider of EDP Portugal and the Directors of Internal Audit, Compliance and Internal Controls, Legal and People Management.

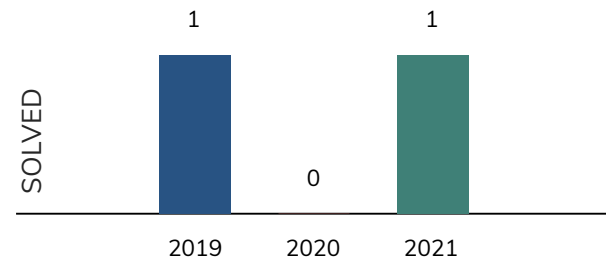
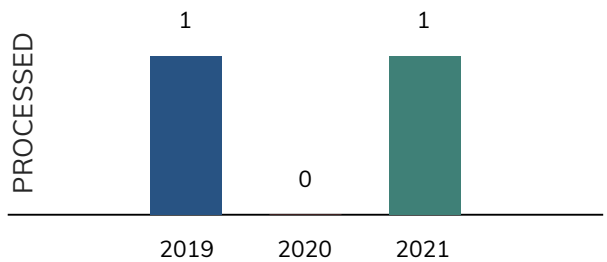
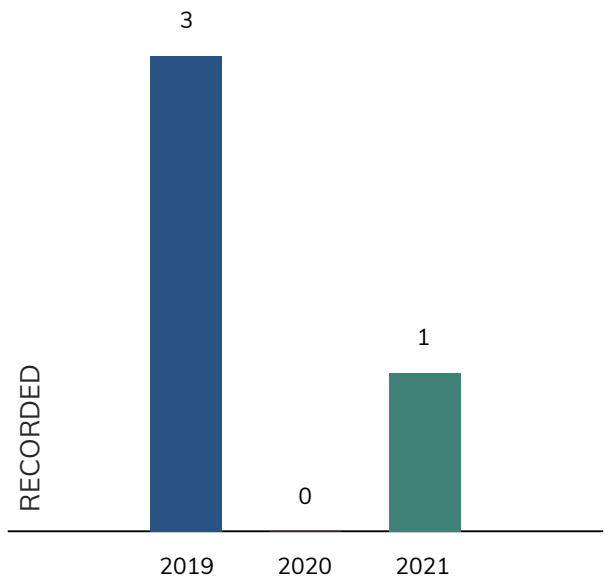
The Ethics Channel indicators are released

quarterly to all employees and, as of 2021, started to cover topics related to diversity (learn more on [page 63 of the Main Book](#)).

In 2021, 115 records were made in the ethics channel. Of this total, 11 were related to the diversity theme, covering creed/religion, disability and gender. Three were considered valid and one is still in progress.

In the period, there was only 1 communication related to the Environment, which was considered unfounded.

CLAIMS RELATED TO IMPACTS ON SOCIETY



CONFIRMED CASES OF CORRUPTION AND ACTIONS TAKEN				
	2019	2020	2021	ACTIONS TAKEN
Total cases registered in the ethics channel	146	139	115	–
Total number of confirmed corruption incidents	0	4	1	–
Total number of confirmed incidents where employees were fired or disciplined for corruption	0	4	1	Disconnection
Public lawsuits related to corruption brought against the organization or its employees	–	0	0	–
Total number of contracts with business partners terminated or not renewed due to corruption-related violations	0	0	0	–

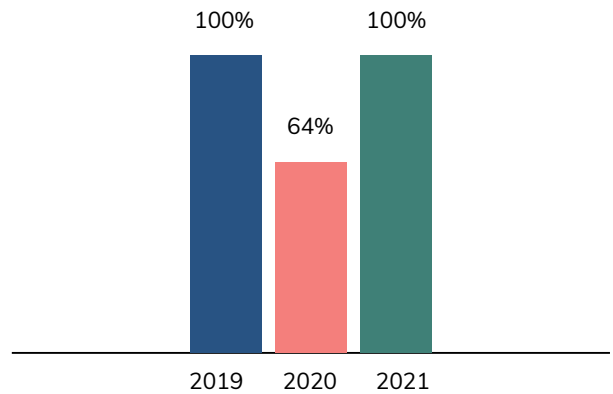
9.3.3 Due Diligence

We adopt due diligence procedures in order to evaluate potential partners and mitigate integrity risks. The process may be applicable, according to rules defined in an internal procedure, for contracting suppliers, customers, business and investment partners, donations, sponsorships, social support and new business projects such as acquisition, merger and greenfield, among others.

The main objective of the due diligence procedure is to protect EDP Brasil's relationships with its counterparts, maintaining an increasingly transparent relationship that is less conducive to corrupt practices.

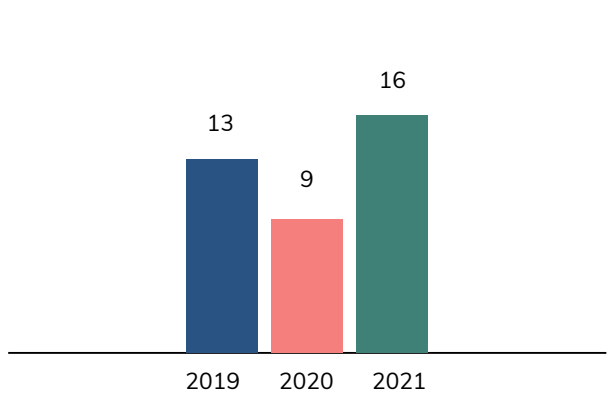
PERCENTAGE OF BUSINESS UNITS AND RISK ASSESSMENTS RELATED TO CORRUPTION

GRI 205-1



TOTAL NUMBER OF SUBMITTED OPERATIONSASSESSMENTS OF RISKS RELATED TO CORRUPTION

GRI 205-1



### 9.3.4 General Data Protection Law (LGPD)

From November 2018 to September 2020, we went through a project to adapt to the General Data Protection Law (LGPD), in force since September 18, 2020. The project included the review of internal processes, in which all activities in which personal data were processed were identified and mapped, as well as the paths taken in relation to the collection, treatment and use of this data, in order to adapt to the legal bases defined by law. Likewise, all systems, applications and software used were covered and started to integrate the same mapping of personal data.

As required by the new legislation, a Person in Charge was appointed, appointed to act as a communication channel between the controller, data subjects and the National Data Protection Authority (ANPD). A Petition Channel was also made available, exclusively for meeting the requests of holders, promoting greater transparency in the relationship with this public.

In this sense, in October 2020, we launched the Privacy and Data Protection Program, based on aspects of governance, privacy and data protection culture, response and remediation actions.

We also established other internal measures to promote the culture of Privacy and Data Protection, such as training employees from areas with greater risk in data processing, issuing opinions by Compliance to guide the business areas, dissemination of monthly institutional communications about the theme and publication of a Privacy Policy for Employees.

As for external measures, our commitment to the public was reinforced by updating the Privacy Policy and the Cookies Policy, available on the Group's websites.





## 9.4 — Risk Management

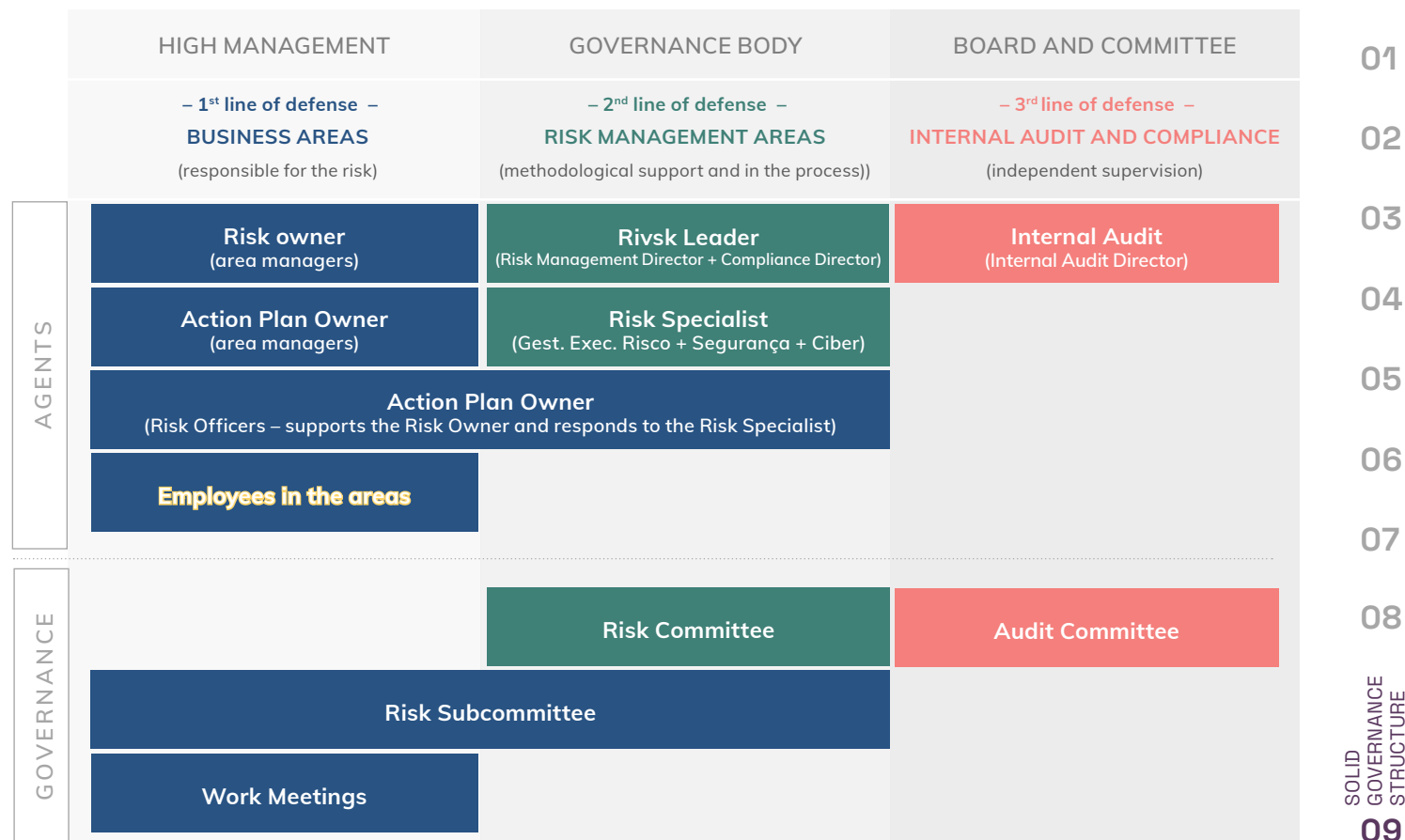
GRI 102-11 | 102-15 | 102-30 | 102-33

Since 2006, we have had a process for monitoring and evaluating our corporate risks, which is constantly reassessed to maintain practices in line with the best market drivers.

Governance on the subject is consolidated and defined through a Corporate Risk Management Policy, which is public to the market, and the guidelines for its methodology are formalized in the Corporate Risk Standard.

The Risk and Security Management Department reports functionally to the Audit Committee and the Board of Directors. It unfolds in the Executive Management of Risks and Crisis, Cyber Security and Occupational Safety, which carry out the integrated management of risks and rapid response to disruptive events that may impact the business. Risk management, Internal Controls, Compliance and Audit activities EDP Brasil's internal operations follow the concept of the three defense lines, described below.

### DEFENSE LINES MODEL ADOPTED BY EDP BRASIL



Our Risk Management Process is based on recognized methodologies, such as COSO ERM (Committee of Sponsoring Organizations of the Treadway Commission) and ISO Standard 31000 (Risk Management).

Our Corporate Risk Map is reviewed annually through a collegiate process, which includes a qualitative

perception survey of impact and vulnerability with the Leadership. The data are organized and taken for consideration by the Audit Committee.

Currently, Corporate Risks are classified into four groups: (1) Strategic; (2) Business; (3) Financial; (4) Operational and broken down into 50 risk categories.

## 9.4.1 Risk Matrix Review

In 2021, EDP Brasil carried out a review of the Company's risks, to collect data from Managers through qualitative impact and vulnerability assessments on the Risk Categories with which the areas interact.

The framework for implementing the review methodology included the definition of responsibilities, processes and governance in line with what is observed in the technical market references. The review process had three stages:

1. **Review:** Periodic updating of the structure and Risk Categories by connecting them to the organizational structure of EDP Brasil
2. **Qualitative analysis and assessment:** through the impact and vulnerability rules, respondents provided their qualitative opinions on the Risk Categories on their behalf
3. **Consolidation and presentation:** tabulation of results and presentation of the Corporate Risk Matrix by Categories to the Board of Directors.

By reviewing the Risk Matrix, it was possible to identify the main risks to which the Company is exposed, which are classified according to their impact (low, medium, high, very high) and vulnerability (remote, possible, probable, very likely) of EDP Brasil in relation to them



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## 10.1 Attachments

### 10.1.1 Quarterly ESG Report

\*Accumulated 2021

	UNIT	2021	2020	Δ %
ENVIRONMENTAL INDICATORS*				
GHG EMISSION				
Specific CO2 emissions	tCO <sub>2</sub> eq/MWh	0.39	0.23	71
Scope 1 Emissions	ktCO <sub>2</sub> eq	4,088.76	1,875.80	118
Scope 2 Emissions	ktCO <sub>2</sub> eq	407.05	202.75	101
AIR QUALITY				
NOx emissions	kt	4.67	1.50	211
SO2 emissions	kt	10.52	5.95	77
Particulate material emissions	kt	1.10	0.81	36
WATER MANAGEMENT				
Total fresh water withdrawal	10 <sup>3</sup> m <sup>3</sup>	9,192	4,439	107
Water consumption in regions with water stress	%	98	96	3
COAL AND WASTE MANAGEMENT				
Total waste destined	t	151,418	86,447	75
Total coal combustion waste	t	118,838	62,033	92
Average ash waste recovery rate	%	75	70	7

\* The quarterly environmental indicators only consolidate the companies controlled by EDP Brasil, with the exception of the "Low Carbon Economy" block, which included the amounts proportionally to EDP's stake in joint venture assets.

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	UNIT	2021	2020	Δ %
<b>ENVIRONMENTAL MATTERS</b>				
Investments	R\$ thousand	149,290	90,379	65
Expenses	R\$ thousand	15,379	22,019	-30
Environmental fees and penalties	R\$ thousand	0	0	–
<b>ENVIRONMENTAL MANAGEMENT</b>				
Environmental accidents	#	0	0	–
<b>LOW CARBON SAVINGS</b>				
EBITDA in Renewables*	%	68	66	3.2
Installed coal capacity	%	25	25	–
Renewable Generation	%	70.4	82.6	-15
<b>SOCIAL INDICATORS**</b>				
<b>EMPLOYMENT*</b>				
Women in the collaborative framework	%	23.0	22.4	2.4
Disabled people	%	2.0	1.6	27
Racial Diversity ***	%	25.7	24.1	6.7
Employees benefiting from a supplementary pension program	%	74	75	-2
Turnover	%	13.3	9.3	43
<b>RETENTION RATE OF EMPLOYEES WHO RETURNED TO WORK AND STAYED 12 MONTHS AFTER THE END OF THE MATERNITY/PATERNITY LEAVE</b>				
Women	%	100	73.7	35.7
Men ****	%	ND	87.0	–

\* Proportion calculated in relation to the EBITDA of the Generation segment

\*\* The indicators referring to employees consider the subsidiaries and partially controlled companies in their consolidation

\*\*\* The indicator consolidates employees who declared themselves to belong to underrepresented groups, namely, black, brown, indigenous, yellow people, as well as “not informed”.

\*\*\*\* This indicator only considers the 30-day extended leave granted after joining the Citizen Company Program. It is not yet possible to calculate the history for the period before 12 months since its inception (occurred in 2020).

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	UNIT	2021	2020	Δ %
<b>TRAINING</b>				
Total hours of training	h	92,492	61,189	51
Employees trained	%	95.0	82.3	15
Direct investment in training	R\$ thousand	1,462.28	1,906.51	-23
<b>HEALTH AND SAFETY</b>				
Accidents with its own employees	#	13	11	18
Accidents with service providers	#	131	136	-4
Fatal accidents with its own employees	#	0	0	-
Fatal accidents with service providers	#	5	2	150
Frequency rate – Its own	Rate	0	0.14	-100
Frequency rate – Service providers	Rate	1.58	1.37	15
Accidents in communities	#	21	29	-28
<b>SOCIAL INVESTMENT</b>				
EDP Volunteers	%	46	32	47
Beneficiaries	#	252,151	179,096	41
Total investment	R\$	23,044	23,269	-1
<b>SUSTAINABLE VALUE CHAIN</b>				
Global IDF	%	91	90	1
Purchases with local suppliers	%	24.3	19.9	22
Partner satisfaction	%	88	88	-
<b>GOVERNANCE INDICATORS</b>				
<b>GOVERNANCE</b>				
Women in leadership positions*	%	18.7	13.4%	39%
Cybersecurity	Bitsight rating	790	800	-1

\* The data were consolidated considering the new assumptions of the functional category segmentation, where the supervisory positions are not considered in the leadership group.

	UNIT	2021	2020	Δ %
Cases registered in the Ethics Channel	#	115	139	-17
Gender diversity on the Board of Directors	%	33	13	167
NEW BUSINESS INDICATORS				
ELECTRIC MOBILITY				
Electric charging points	#	301	201	50
Customers with electric mobility solutions	#	2,345	178	1,217
ENERGY EFFICIENCY AND SOLAR ENERGY				
Energy saved in energy efficiency projects	GWh	7,569	39,229	-81
Installed Solar Capacity	MWp	85.92	34.72	147
CO2 emissions avoided by projects	ktCO <sub>2</sub>	52.1	35.9	45

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## 10.1.2 Participation in associations

### Main participations in national/international defense associations and/or organizations

#### GRI 102-13

- ABCE – Brazilian Association of Electric Power Companies
- ABDIB – Brazilian Association of Infrastructure and Basic Industries
- ABESCO – Brazilian Association of Energy Conservation Service Companies
- ABNT – Brazilian Association of Technical Standards
- ABRACEEL – Brazilian Association of Energy Traders
- ABRACONEE – Brazilian Association of Accountants in the Electricity Sector
- ABRADÉE – Brazilian Association of Electricity Distributors
- ABRAGET – Brazilian Thermoelectric Generators Association
- ABRASCA – Brazilian Association of Publicly-Held Companies
- ABSOLAR – Brazilian Energy Association Solar Photovoltaic
- AECIPP – Association of the Industrial and Port Complex of Pecém Companies
- APIMEC – Association of Capital Market Investment Analysts and Professionals
- APINE – Brazilian Association of Independent Electricity Producers
- Association for Transmitters – IDTE
- Bovespa (B3 S/A)
- RJ Chamber
- SP Chamber
- CEBRI – Brazilian Center for International Relations
- CEO-Chief Executives Organization
- LUSO-BRAZILIAN Community Council
- CRC – Regional Accounting Council
- CREA – Regional Council of Engineering and Agronomy
- CVM – Securities and Exchange Commission
- Portuguese Embassy
- Federation of Employees in Generation, Transmission and Distribution Companies
- IBRI – Brazilian Institute of Investor Relations
- ABRADÉE Institute
- ACENDE BRASIL INSTITUTE
- ETHOS INSTITUTE
- LIDE – Business Leaderships
- Brazil Movement
- Espírito Santo Entrepreneurial Movement in Action
- NIRI – National Investor Relations Institute
- ONS – National Electric System Operator
- Settaport – Union of Land Employees in Waterway Transport and Port Operators of the State of São Paulo
- Union of Workers of the Electric Energy Industry of São Paulo
- Union of Workers of the Electric Energy Industry of Espírito Santo
- Electricity Workers Union in the State of Tocantins
- SindiEnergia – Union of the Energy Industry in the State of São Paulo
- YPO Brasil – Young Presidents' Organization
- YPO Internacional – Young Presidents' Organization

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### 10.1.3 Stakeholder engagement

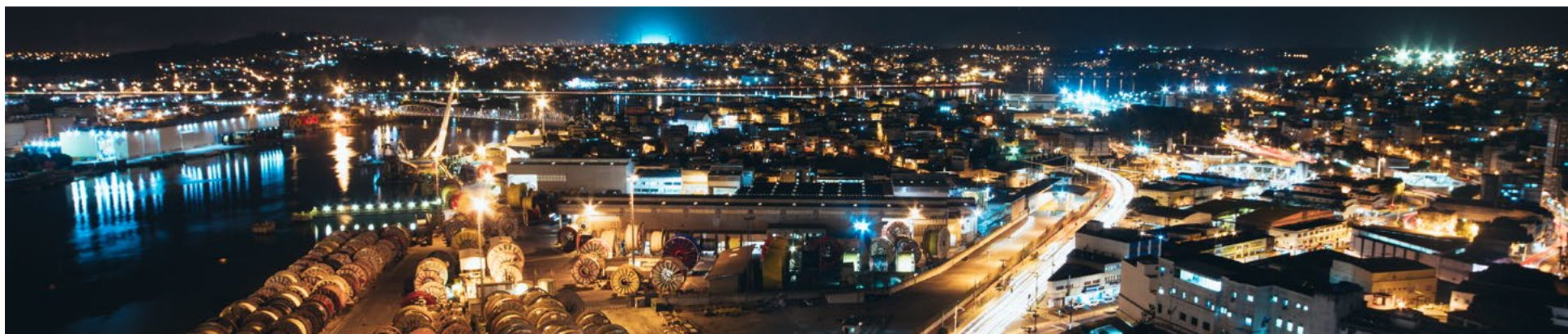
#### List of stakeholders engaged by the organization

GRI 102-40

The EDP group’s stakeholders comprise all the parties involved with the activities, products and services offered by the Company:

- |                           |                              |                     |
|---------------------------|------------------------------|---------------------|
| • State Assemblies        | • Competition                | • Media             |
| • Consumer Associations   | • National Congress          | • NGOs              |
| • Residents’ Associations | • Subsidiaries               | • Public Agencies   |
| • Business Associations   | • Public Companies           | • Regulatory Bodies |
| • Local authorities       | • Financial Entities         | • Partners          |
| • City Councils           | • Schools                    | • Political Parties |
| • Customers               | • Suppliers                  | • Executive Power   |
| • Employees               | • International Institutions | • Judicial Power    |
| • Scientific Community    | • Institutes                 | • Awards Unions     |
| • International Community | • Investors                  | • Startups          |
| • Local Communities       | • Opinion Leaders            |                     |





## Basis used for identification and selection of stakeholders for engagement

### GRI 102-42

EDP Brasil Group's Stakeholders Management Procedure defines the criteria for the construction of stakeholder maps with the business areas, for the achievement of interview schedules and subsequent follow-up, as well as feedback and reports to interested parties. The processes are mapped and monitored through performance indicators.

The internal mapping process was carried out by the business areas in 2019 and 2020, generating indicators that translate our employees' view of each business' stakeholders and how the parties relate to each other. Stakeholder mapping was carried out by 54 areas (in companies and at the corporate center) of 12 group companies. 1,186 institutions were mapped from June 2019 to August 2020. The mapping also included the appointment of 1,557 representatives who are related to our business areas.

The mapping, in addition to generating important data regarding the impact on the business, also enabled us to analyze the risks that the business areas see in each relationship with stakeholders.

## Approach adopted by the Company to engage stakeholders and frequency of engagement

### GRI 102-43

The engagement of external stakeholders by EDP Brasil takes place proactively and constantly, through the application of a management methodology and active listening to stakeholders. This methodology is guided by interaction with other geographies, in particular the Portugal head office, which provides global guidelines for the EDP Group's Stakeholder Management, as well as engagement with the different business areas of EDP Brasil.

After identifying and prioritizing stakeholders, we structured an interview agenda with stakeholders, seeking to assess essential aspects of the relationship between the public and EDP. The process also provides for the anticipation of risks and problems, as well as the monitoring of relevant issues to define the company's strategy and, consequently, for assertive decision-making.

The Stakeholder Management process takes place every two years, and throughout each cycle some steps can be observed, ranging from the selection of internal areas and stakeholder mapping, to the reporting and monitoring phase, accompanied by the construction of plans of action based on the identified results, with inputs that guide the construction of the business strategy.

Within the consultation process with priority stakeholders, there are specific questions about the relevance of socio-environmental issues that later form part of the process of building the Materiality Matrix used in the Company's Annual Reports.



# Main topics raised during stakeholder engagement and measures adopted by the Company to address them

GRI 102-44

The results from the active listening process result in the definition of the main expectations of EDP Brasil's stakeholders. As the process is carried out biannually, the result is the same as in 2020:

The process of active listening and identification of the stakeholders' needs is also fundamental to define the next evaluation cycle of the relationship with these parties.

Through the results' analysis, the priority groups that will be worked on in the next cycle are defined in order to meet their needs by improving the processes of each business unit that relates to these partiesnegócio que se relaciona com essas partes.

Stakeholders	SHAREHOLDERS	CUSTOMERS	SUPPLIERS	REGULATORY BODIES	SOCIETY	EMPLOYEES
Main expectations identified	<p>Asset and Company quality; governance; protection for minority shareholders; commitment to renewable energy and sustainability.</p>	<p>Quality energy and decrease in the number of supply interruptions; close contact to anticipate problems; improvement of service channels; investments in renewable energy and energy efficiency; transparency during negotiations and other business dealings; compliance with project deadlines.</p>	<p>Expansion of partnerships to other business fronts; transparency in contractual processes; feedback within the company's existing platforms; minimization of the financial impacts due to the pandemic.</p>	<p>Electricity sector modernization; customer/consumer concern; quality of services; concern with the issue of security; attention to regulatory frameworks and other regulatory instruments.</p>	<p>Service to communities; concern for educational development; increase in the number of customers with social tariff; renewable energy agenda.</p>	<p>Attractive remuneration; environment favorable to development and with the possibility of professional growth.</p>

In addition, we identify stakeholders' needs and expectations from a variety of consultation sources, such as interviews with shareholders, external surveys (including regulatory bodies and market associations), internal surveys, analysis of requirements set out in

concession contracts, active stakeholder listening processes and benchmarking processes with other companies of similar size and positioning to ours. These inputs are organized in a matrix by audience and broken down into internal goals.

PRIORITY SEGMENTS						
	BUSINESS UNITS	PUBLIC AGENTS	SECTOR ASSOCIATIONS	NGOS & COMMUNITIES	CUSTOMERS	SUPPLIERS & PARTNERS
Satisfaction	Monitor the quality of EDP Brasil's relationship with its stakeholders.	Promote a balanced relationship between the company and public stakeholders.	Monitoring of EDP's performance with the stakeholder to ensure a high degree of satisfaction.	Monitoring of EDP's performance with the stakeholder to ensure a high degree of satisfaction.	Monitoring of EDP's performance with the stakeholder to ensure a high degree of satisfaction.	Monitoring of EDP's performance with the stakeholder to ensure a high degree of satisfaction.
Strategic Institutional Relationship	Ensure that the areas have strategic support and positive feedback.	Proactively act to increase capillarity in the regions and consolidate networking.	Increase EDP's representation in associations and entities.	Act strategically in projects linked to the EDP Institute.	Ensure effective institutional dialogue in the conversion of business opportunities.	Contemplate priority partners with strategic actions in line with the business units.
Assertive Stakeholder Management	Support areas in demand resolution speed.	Active listening to effectively meet the prioritized needs presented by stakeholders.				

## 10.1.4 Entities included in the consolidated financial statements\*

### GRI 102-45

- EDP Espírito Santo Distribuição de Energia S.A.  
(EDP Espírito Santo)
- EDP São Paulo Distribuição de Energia S.A.  
(EDP São Paulo)
- Energest S.A.  
(Energest)
- EDP – Energias Do Brasil S/A
- EDP Trading Comercialização e Serviços de Energia S.A.  
(EDP Comercializadora)
- EDP Smart Energia Ltda.  
(EDP Smart Energia)
- Enerpeixe S.A.  
(Enerpeixe)
- EDP Ventures S.A.  
(EDP Ventures)

- EDP Transmissão S.A.  
(EDP Transmissão) <sup>2</sup>
- Investco S.A.  
(Investco)
- Pequena Central Hidrelétrica SL S.A.
- Porto do Pecém Geração de Energia S.A.  
(Porto do Pecém)
- Lajeado Energia S.A  
(Lajeado)
- Resende Engenharia E Assessoria Ltda.  
(Resende)
- EDP Smart Soluções S.A.  
(EDP Smart Soluções)
- EDP Smart Serviços S.A.  
(EDP Smart Serviços)
- UFV SP V Equipamentos Fotovoltaicos Ltda.  
(UFV SP V Equipamentos)
- EDP Transmissão Aliança SC S.A.  
(EDP Transmissão Aliança)
- EDP Transmissão SP-MG S.A.  
(EDP Transmissão SP-MG)

- EDP Transmissão MA I S.A.  
(EDP Transmissão MA I)\*\*
- EDP Transmissão MA II S.A.  
(EDP Transmissão MA II)\*\*
- EDP Transmissão Litoral Sul S.A.  
(EDP Transmissão Litoral Sul)
- Mata Grande Transmissora de Energia Ltda.  
(Mata Grande Transmissora)
- EDP Transmissão Norte S.A.
- AES Tietê Inova Soluções de Energia Ltda.  
(Inova Soluções de Energia)
- Nova Geração Solar Ltda.
- AES Tietê Inova Soluções de Energia II Ltda.  
(Inova Soluções de Energia II)

\* The companies Companhia Energética do Jari, Porto do Pecém Transportadora de Minérios S.A., Pecém Operação e Manutenção de Unidades de Geração Elétrica S.A., Empresa de Energia Cachoeira Caldeirão S.A. and Empresa de Energia São Manoel S.A. are not included in the consolidated statement of EDP Brasil. However, due to the materiality of the socio-environmental aspects related to their activities, the indicators consider the performance of these companies in proportion to EDP's share in the joint venture assets and fully for the companies that provide services to TPP Pecém.

\*\* Companies sold on 12/28/2021. EDP will only consolidate the result.

## 10.1.5 Direct economic value generated and distributed

GRI 201-1

ADDED VALUE STATEMENT (R\$ THOUSAND)			
	2019	2020	2021
<b>1. REVENUES</b>	<b>20,170,717.00</b>	<b>21,148,745</b>	<b>26,891,761</b>
1.1 Sales of goods, products and services	16,632,141.00	18,090,950	22,715,006
1.2 Other recipes	3,486,922.00	2,694,000	3,949,769
1.3 Revenues from the construction of their own assets	164,515.00	509,950	362,144
1.4 Provision for doubtful accounts – Reversal/(Constitution)	-113,000.00	-146,155	-135,158
<b>2. INPUTS PURCHASED FROM THIRD PARTIES (INCLUDES TAX VALUES – ICMS, IPI, PIS AND COFINS)</b>	<b>-12,872,925.00</b>	<b>-12,400,304</b>	<b>-16,306,453</b>
2.1 Costs of products, goods and services sold	-9,268,830.00	-9,646,668	-13,079,605
2.2 Materials, energy, third-party services and others	-731,658.00	-695,905	-809,341
2.3 Loss/Recovery of assets	0.00	0.00	0.00
2.4 Others (specify)	-2,872,202.00	-2,057,731	-2,417,507
<b>3. GROSS ADDED VALUE (1-2)</b>	<b>7,297,792.00</b>	<b>8,748,441</b>	<b>10,585,308</b>
<b>4. DEPRECIATION, AMORTIZATION AND EXHAUSTION</b>	<b>-641,911.00</b>	<b>-670,370</b>	<b>-765,102</b>
<b>5. NET VALUE ADDED PRODUCED BY THE ENTITY (3-4)</b>	<b>6,655,881.00</b>	<b>8,078,071</b>	<b>9,820,206</b>
<b>6. ADDED VALUE RECEIVED IN TRANSFER</b>	<b>951,276.00</b>	<b>550,585</b>	<b>628,582</b>
6.1 Equity income	68,148.00	79,960	242,416
6.2 Financial income	883,128.00	470,625	386,166
6.3 Others	0.00	0.00	0.00
<b>7. TOTAL ADDED VALUE TO DISTRIBUTE (5+6)</b>	<b>7,582,695.00</b>	<b>8,628,656</b>	<b>10,448,788</b>
<b>8. ADDED VALUE DISTRIBUTION</b>	<b>7,582,695.00</b>	<b>8,628,656</b>	<b>10,448,788</b>
<b>8.1 Personnel</b>	<b>319,360.00</b>	<b>464,631</b>	<b>476,905</b>
8.1.1 Direct remuneration	321,082.00	336,159	334,570
8.1.2 Benefits	-29,935.00	100,674	111,869
8.1.3 F.G.T.S	28,213.00	27,798	30,466
<b>8.2 Taxes, fees and contributions</b>	<b>4,422,264.00</b>	<b>5,329,278</b>	<b>6,105,631</b>

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ADDED VALUE STATEMENT (R\$ THOUSAND)			
8.2.1 Federal	1,629,522.00	2,787,882	3,021,491
8.2.2 State	2,779,507.00	2,529,398	3,070,062
8.2.3 Municipal	13,235.00	11,998	14,078
<b>8.3 Remuneration of third-party capital</b>	<b>1,383,078.00</b>	<b>1,120,827</b>	<b>1,498,707</b>
8.3.1 Interest	1,374,053.00	1,115,830	1,493,185
8.3.2 Rent	9,025.00	4,997	5,522
8.3.3 Others	0.00	0.00	0.00
<b>8.4 Equity Remuneration</b>	<b>515,032.00</b>	<b>615,196</b>	<b>826,598</b>
8.4.1 Interest on Equity	236,000.00	162,366	454,811
8.4.2 Dividends	117,490.00	220,143	126,372
8.4.3 Non-controlling interest in retained earnings (for consolidation only)	161,542.00	232,687	245,415
<b>9.RETAINED PROFITS/LOSS FOR THE YEAR</b>	<b>967,423</b>	<b>1,098,724</b>	<b>1,540,947</b>

ADDED VALUE DISTRIBUTION (%)			
	2019	2020	2021
Government	58%	62%	58%
Third parties	18%	13%	14%
Employees	4%	5%	5%
Shareholders	7%	7%	8%
Retained	13%	13%	15%

#### GRI 202-1

	UNIT	VALUE 2019	VALUE 2020	VALUE 2021
Division of the company's lowest remuneration by the current minimum wage	Rate	1.53	1.53	1.56
Proportional variation between the lowest salary paid to female employees with the local minimum wage	%	156%	157%	156%
Proportional variation between the lowest salary paid to male employees with the local minimum wage	%	156%	116%	172%

### GRI 205-1

In 2021, we performed an annual update of the risk matrix for unethical conduct and fraud, in partnership with the Compliance and Internal Controls area. In this Risk Category, it is currently possible to identify 55 risk events classified as Fraud, Misconduct and Bribery.

For the work development in 2021, we contemplated 16 EDP Boards/Operations. The process of updating this risk matrix is recurrent and was also carried out in 2020 with some scope limitations, focusing mainly on risks classified as Bribery.

In 2021, the scope was greater, considering the entire risk portfolio related to Fraud, Misconduct and Bribery and the consequent expansion of the Boards/Operations.

INDICATOR	UNIT	2019	2020	2021
Percentage of business units/areas that underwent corruption-related risk assessments	%	100	64	100
Total number of operations that underwent corruption-related risk assessments	QtY.	13	9	16

### GRI 301-1

INDICATOR	UNIT	VALUE 2019	VALUE 2020	VALUE 2021
Materials used in operations – Diesel	m <sup>3</sup>	3,244.39	2,375.70	1,909.55
Materials used in operations – Coal	Ton	1,600,823.20	691,402.46	1,514,667.08
Materials used in operations – Chemical products	kg	1,080,678.00	480,750.42	1,029,326.58
Amount of sodium hydroxide consumed	kg	71,038.00	54,456.00	135,981.00
Amount of hydrochloric acid consumed	kg	56,590.00	52,837.92	112,550.08
Amount of sodium hypochlorite consumed	kg	275,586.00	129,440.00	198,486.00
Amount of ammonia consumed	kg	3,140.00	3,780.00	4,380.00
Amount of hydrazine consumed	kg	8,250.00	7,200.00	8,225.00
Amount of sulfuric acid consumed	kg	523,354.00	168,004.00	414,872.00
Amount of Poly Aluminum Chloride (PAC)	kg	142,720.00	65,032.50	154,832.50

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## GRI 302-1

DIRECT ENERGY CONSUMPTION (GJ)			
	2019	2020	2021
Renewable sources	705,604.59	725,323.80	1,523,357.34
Ethanol	7,868.89	7,123.65	7,925.31
Portion of Ethanol from Gasoline	2,479.73	2,276.12	2,798.83
Portion of Biodiesel from Diesel	16,855.54	13,891.64	13,524.83
Biodiesel	99.48	0.00	0.00
Biomass	678,300.95	702,032.40	1,499,108.38
Non-renewable sources	38,368,135.17	16,636,312.70	36,267,288.06
Gasoline	9,666.89	8,873.13	10,910.85
Diesel	156,614.73	129,075.42	113,278.73
Coal	38,195,641.55	16,496,862.70	36,139,956.43
Natural gas	130.15	42.97	0
GLP	6,081.84	1,458.47	3,142.04

ELECTRIC POWER CONSUMPTION (MWH)			
	2019	2020	2021
Electricity consumption	455,581.16	248,518.75	435,615.70
Grid electricity consumption in administrative buildings	5,720.69	5,022.23	5,442.30
Grid electricity consumption in non-administrative buildings	26,233.12	21,885.15	27,084.35
Its own electricity consumption in administrative buildings	68.34	62.51	60.64
Its own electricity consumption in non-administrative buildings	408,260.65	209,585.26	393,200.52
Inverted Flow	15,298.37	11,963.60	9,827.90

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## GRI 302-3

INDICATOR	UNIT	VALUE 2018	VALUE 2019	VALUE 2020	VALUE 2021
Energy consumption by generated hydropower	MWh	0.00	0.07	0.03	0.05
Energy consumption by generated thermal energy	MWh	0.10	0.12	0.15	0.13
Energy consumption by distributed energy	MWh	0.00	0.02	0.01	0.02
Energy consumption per energy sold	MWh	0.00	0.03	0.01	0.03
Energy intensity rate (total electricity consumption/revenue)	MWh/R\$ thousand	0.022	0.030	0.017	0.022

## GRI 305-1, 305-2, 305-3I

GREENHOUSE GAS EMISSIONS: SCOPE 1 (DIRECT EMISSIONS), 2 (INDIRECT EMISSIONS) AND 3 (OTHER INDIRECT EMISSIONS)		
a.GHG emissions for the organization.	4,088,755.30	tCO <sub>2</sub> e (Scope 1)
a.GHG emissions for the organization.	407,046.25	tCO <sub>2</sub> e (Scope 2)
a.GHG emissions for the organization.	4,083,882.93	tCO <sub>2</sub> e (Scope 3)
b. Gases included in the calculation; if CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> or all of them.	CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFC e SF <sub>6</sub>	
c. Biogenic CO <sub>2</sub> emissions in metric tons of CO <sub>2</sub> equivalent.	211,578.95	Biogenic tCO <sub>2</sub> (Scope 1)
d. Base year for calculation, if applicable, including:	2017	
i. the justification for your choice;	The year 2017 was adopted due to the SBT (Science Based Target) reduction goal, as well as other goals. After that year, some significant emission reduction measures were implemented	
ii. base year emissions;	5,426,680.69	tCO <sub>2</sub> e (Scope 1)
ii. base year emissions;	298,090.67	tCO <sub>2</sub> e (Scope 2)
ii. base year emissions;	3,498,343.65	tCO <sub>2</sub> e (Scope 3)
iii. The context of any significant changes in emissions that led to the need to recalculate emissions in the base year.	The above Scope 1 and Scope 2 data is unchanged since its publication. However, Scope 3 data were recalculated to include emissions related to energy trading (EDP Comercializadora). In addition, due to this inclusion, distributed energy emissions were revisited.	

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GREENHOUSE GAS EMISSIONS: SCOPE 1 (DIRECT EMISSIONS), 2 (INDIRECT EMISSIONS) AND 3 (OTHER INDIRECT EMISSIONS)		
e. Source of emission factors and global warming potential (GWP) indexes used or a reference to the GWP source.	GWP 100 of AR4 were used and the values were taken from the GHG Protocol calculation tool.	
f. The consolidation approach chosen for emissions; whether equity interest, financial control or operational control.	Operational control	
g. Standards, methodologies, assumptions and/or calculation tools adopted.	EDP Brasil uses a customized tool to calculate its emissions, but the information base comes from the GHG Protocol, MCTIC and the conversion factors from the National Energy Balance.	

## GRI 305-4

GREENHOUSE GAS EMISSION INTENSITY (GHG)		
a. GHG emission intensity index for the organization.	0.2280	tCO <sub>2</sub> e/ MWh
i. denominator	37,623,529.84	MWh
ii. Nominator	8,579,684.48	tCO <sub>2</sub> e (E1+E2+E3)
b. Specific metric (the denominator) chosen by the organization to calculate this index.	Energy sold by Comercializadora, Energy distributed to final customers in Distribution and the net energy produced by EDP Brasil's plants.	
c. Types of GHG emissions included in the intensity index; whether direct (Scope 1), indirect (Scope 2) from energy acquisition and/or other indirect emissions (Scope 3).	Sum of scopes 1+2+3	
d. Gases included in the calculation; if CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> or all of them.	CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFC e SF <sub>6</sub>	

## GRI 307-1

SIGNIFICANT NON-MONETARY FINES OR SANCTIONS FOR NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS			
	2019	2020	2021
Environmental administrative proceedings initiated in the year	10	12	13
Administrative proceedings in the backlog at the end of the year (if submitted to dispute resolution mechanisms)	0	2	0
Environmental lawsuits initiated in the year	3	6	10
Judicial proceedings in the backlog at the end of the year (if submitted to dispute resolution mechanisms)	5	1	3
Number of non-monetary sanctions	0	0	0
Total value of environmental fines in administrative proceedings (R\$)	0	0	0
Total value of environmental fines in legal proceedings (R\$)	0	0	9,000

## GRI 412-1

OPERATIONS SUBMITTED TO ASSESSMENT OF HUMAN RIGHTS OR IMPACT ON HUMAN RIGHTS			
	2019	2020	2021
Percentage of operations or areas subject to human rights impact analysis or assessment	ND	ND	ND
Total number of operations or areas subject to human rights impact analysis or assessment	0	0	0

## GRI 412-2

TRAINING EMPLOYEES IN HUMAN RIGHTS POLICIES OR PROCEDURES			
	2019	2020	2021
Percentage of employees who received training in Human Rights policies and procedures	11%	86%	35%
Total hours of training for employees in policies and/or procedures related to Human Rights	2	0.45	57.76
Total number of employees trained in policies and procedures that relate to aspects of human rights relevant to the company's operations	474	2,054	1,134

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### GRI 412-3

SIGNIFICANT INVESTMENT AGREEMENTS AND CONTRACTS* THAT INCLUDE HUMAN RIGHTS CLAUSES OR THAT HAVE BEEN SUBMITTED TO HUMAN RIGHTS ASSESSMENT			
	2019	2020	2021
Significant investment agreements and contracts with human rights clauses	3,232	1,065	1,253
Significant investment agreements and contracts with human rights clauses	100%	100%	100%

\* Contracts above R\$ 500 thousand are considered according to the EDP Purchasing Manual.

### GRI 419-1

SIGNIFICANT NON-MONETARY FINES OR SANCTIONS FOR NON-COMPLIANCE WITH LAWS AND REGULATIONS RELATING TO SOCIAL AND ECONOMIC AREAS			
	2019	2020	2021
Monetary value of significant fines	0	0	0
Total number of non-monetary sanctions	78	53	21
Number of cases promoted through arbitration mechanisms	0	4	3

### GRI EU11

AVERAGE GENERATION EFFICIENCY OF THE THERMELECTRIC (TPP PECÉM)			
	2019	2020	2021
Global Efficiency	39.49%	35.08%	34.70%
Average Efficiency of Generating Unit 1 (UG1)	39.98%	35.03%	34.30%
Average Efficiency of Generating Unit 2 (UG2)	39.06%	35.14%	35.00%

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COMPANY	INDICATOR	UNIT	VALUE 2019	VALUE 2020	VALUE 2021
TPP PECÉM	Average availability factor – Average Availability	%	95%	92%	94%
	Average availability factor – Planned Stoppages	Horas	528.00	1,439.00	732.00
	Average availability factor – Unplanned Stoppages	Horas	252.00	199.70	209.00
ENERGEST	Average availability factor – Average Availability	%	97%	76%	90%
	Average availability factor – Planned Stoppages	Horas	1,116.18	549.33	2,246.83
	Average availability factor – Unplanned Stoppages	Horas	37.15	7,635.63	1,042.22
ENERPEIXE	Average availability factor – Average Availability	%	100%	100%	100%
	Average availability factor – Planned Stoppages	Horas	77.22	66.17	21.37
	Average availability factor – Unplanned Stoppages	Horas	1.15	0.32	0.43
INVESTCO	Average availability factor – Average Availability	%	98%	96%	98%
	Average availability factor – Planned Stoppages	Horas	775.22	1,715.52	755.18
	Average availability factor – Unplanned Stoppages	Horas	22.40	7.82	4.55
HPP CACHOEIRA CALDEIRÃO	Average availability factor – Average Availability	%	86%	86%	87%
	Average availability factor – Planned Stoppages	Horas	2,029.47	3,396.05	3,246.48
	Average availability factor – Unplanned Stoppages	Horas	1,679.03	250.00	131.05
HPP SÃO MANOEL	Average availability factor – Average Availability	%	86%	93%	92%
	Average availability factor – Planned Stoppages	Horas	2,523.33	2,014.10	1,767.35
	Average availability factor – Unplanned Stoppages	Horas	2,290.68	316.27	1,086.90
HPP SANTO ANTÔNIO DO JARI	Average availability factor – Average Availability	%	95%	86%	83%
	Average availability factor – Planned Stoppages	Horas	1,703.08	687.57	2,893.72
	Average availability factor – Unplanned Stoppages	Horas	392.97	4,195.42	2,607.12

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# 10.1.6 Internalization of TCFD recommendations

Understanding the relevance of the TCFD (Task Force on Climate-related Financial Disclosures) as a standardized way of reporting climate management to our stakeholders and investors, we started the process of internalizing the TCFD recommendations in 2019. The TCFD has structured its recommendations around four thematic areas (governance, strategy, risk management and metrics and goals) that represent the core elements of organizations' operations in relation to Climate Management.

In 2021, the EDP Group launched a project to deepen these recommendations. We present below the actions of EDP Brasil in each of the thematic areas:

## Governance

We have a formally established sustainability committee in which issues related to Climate Change are discussed annually. The Company also has a vice-presidency in ESG and People in which the topic of Climate Change is discussed more frequently, and the meeting of this board takes place weekly.

Also within the scope of the Executive Board, all Vice-Presidents and CEO meet weekly to discuss critical issues, where the issue of Climate Change is discussed when necessary. The figure on the side exemplifies the Governance elements that discuss the decarbonization theme or climate risks.

An example of approval/supervision that went through the Board and Sustainability Committee was the Strategic Climate Plan 2020-2021 (PEC 20-21), which was presented and approved at a board meeting in 2020, within the scope of the "Green Recovery." PEC 20-21 encompasses all activities that will be carried out in the next 2 years related to Climate Change at EDP Brasil. More details on PEC 20-21 can be found on [page 20 of the Main Book](#).



## Strategy

In 2021, the EDP Group, as well as EDP Brasil, updated the business plan and placed the energy transition and decarbonization in our vision in the "Strategic Update"

Our new vision is:

### "Leadership in energy transition to create superior value"

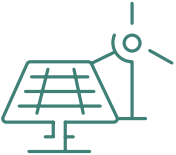


The group's strategy aims to prepare the company for the future, aiming for accelerated and sustainable growth, providing attractive returns of excellence in ESG for our investors. The 2021-2025 business plan presents strategic goals associated with the mitigation and adaptation of climate effects.

One of the most relevant recommendations from a technical point of view within the TCFD methodology is the assessment of exposure to climate risks in different strategic scenarios. In the 2020 and 2021 period, we carried out internal studies to verify EDP Brasil's exposure to climate risks using different climate scenarios. The main data are disclosed in the CDP.

**Climate Vulnerability Study (2020 (2020):** Study using the RCP (Representative Concentration Pathway) 8.5 scenario, focusing solely on physical risks for operating units (Generation, Distribution, Transmission). The study took a local approach to more refined models for EDP Brasil's business typology.

## 2. TCFD study with the EDP Group (2021):

The study relied on different IPCC climate scenarios (RCP 2.6, RCP 4.5 and 8.5) and the IEA (International Energy Agency) to measure the company's exposure and monetize the costs of EDP's main risks. The summary of the Climate Scenarios used in this study is presented below:

	PHYSICAL SCENARIOS	TRANSITION SCENARIOS NARRATIVES
 <p><b>IEA SDS</b> (with internal adjustments) + <b>RCP 2.6</b></p>	<ul style="list-style-type: none"> <li>• <b>Compliance with the Paris Agreement</b></li> <li>• Energy system reaches carbon neutrality by 2070</li> <li>• <b>Temperature increases between 1.5°C and 2°C</b></li> <li>• Average sea level rises by 0.4m and ocean acidification starts to recover by 2050.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Economic growth and job creation</b></li> <li>• related to sustainable energy</li> <li>• <b>More resilient and cleaner energy system</b></li> <li>• Full international cooperation for sustainable development</li> <li>• Reducing fuel prices and renewable generation</li> <li>• CO<sub>2</sub> price quite high.</li> </ul>
 <p><b>IEA STEPS</b> (with internal adjustments) + <b>RCP 4.5</b></p>	<ul style="list-style-type: none"> <li>• <b>Paris Agreement not fulfilled</b></li> <li>• <b>Temperature increases between 2°C and 3°C</b></li> <li>• Extreme temperatures become more frequent</li> <li>• Average sea level rises by 0.5m and many species are unable to adapt.</li> </ul>	<ul style="list-style-type: none"> <li>• Announced policies are generally adhered to</li> <li>• Policies are adapted to reduce the use of fossil fuels, however demand is still high</li> <li>• Rising fuel prices and cheaper renewables with average CO<sub>2</sub> price.</li> </ul>
 <p><b>IEA CP</b> (with internal adjustments) + <b>RCP 8.5</b></p>	<ul style="list-style-type: none"> <li>• <b>Paris Agreement not fulfilled</b></li> <li>• <b>Temperature rises by more than 3°C</b></li> <li>• Extreme events become more frequent</li> <li>• Large precipitation variations</li> <li>• Average sea level rises by 0.7m.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>No additional efforts are made for sustainable development</b></li> <li>• Limited policies to reduce fossil fuels and promote sustainable sources</li> <li>• <b>High demand and high prices for fossil fuels</b></li> <li>• Share of fossil fuels and CO<sub>2</sub> emissions unchanged</li> <li>• CO<sub>2</sub> price remains low</li> </ul>

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3. Risk Management

The risk assessment process consists of sequencing steps that seek to identify, analyze, assess and adequately address threats and risks that may affect the activities carried out within the environment in which we operate. From the perspective of EDP Brasil's global risk process, the risks related to the Climate Emergency were characterized as Strategic from the Environment (external) perspective.

Within the Climate Emergency category, physical risks (Chronic and Acute) and transition to a low carbon economy are considered. The Climate Emergency-Related Risks and Opportunities Management (GROEC) methodology was updated in 2021 to provide more technical robustness in prioritizing the main climate threats in our operations.

The analysis of physical climatic risks is carried out for all four segments in which we operate, that is, (1) Electricity generation; (2) Transmission; (3) Distribution and; (4) Energy Commercialization and Services. In this way, climate risks/threats can be evaluated from the perspective of a typology and in granularities considering the different segments.

CLIMATE THREAT	CLIMATE TAXONOMY	THERMAL- GENERA- TION	WATER GENERA- TION	SOLAR GENERA- TION	TRANSMIS- SION	DISTRIBU- TION	COMMER- CCIALIZA- TION
Heat wave	Acute						
Temperature Increase	Acute						
Severe Storms	Acute						
Fire	Acute						
Prolonged Cloudiness	Chronic						
Droughts and water availability	Chronic						
Increase in extremely hot days and extremely cold nights	Chronic						

The climate risks of transition to a low carbon economy are divided into different taxonomies, with the exception of legal and regulatory risks, and are dealt with in a corporate manner by EDP Brasil.

CLIMATE THREAT	Climate Taxonomy	THERMAL generation	WATER generation	SOLAR generation	Transmis-sion	Distribution	Holding
Changes in legislation	Legal						
Obligation to report emissions	Legal						
Operating limits based on environmental criteria	Legal						
Pressure from stakeholders and changes in consumption patterns	Market						
Entry of new players in the market	Market						
Access to capital for investments	Market						
International agreements and emission reduction to achieve targets	Regulatory						
Lack of climate regulation	Regulatory						
Carbon and/or energy and fuel taxes	Regulatory						
Uncertainties in market signals	Regulatory						
Cap & Trade Regime	Regulatory						
Renewable energy regulation	Regulatory						
Regulations and standards on product efficiency	Regulatory						
Changes induced in human environments and cultures	Reputational						
Socio-climatic vulnerability (compared to Brazil as a whole)	Reputational						
Company position on climate issues	Reputational						
Fulfillment of established climate goals	Reputational						
Late investment in new technologies	Technological						
Rapid transition to low carbon technologies	Technological						

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The time horizons used for managing climate risks are shown in the table below:

HORIZON	TEMPORAL RANGE (YEARS)	TIME HORIZON JUSTIFICATION
SHORT-TERM	1-5	The EDP business plan is normally treated with a time horizon of up to 5 years
MID-TERM	5-10	Climate Scenarios with a time horizon up to 2030 to support the planning of immediate adaptation measures
LONG-TERM	10-50	Long-term climate impacts (climate scenarios) that changed the business

The priority climate risks for EDP Brasil are presented in this document and also provided in detail in the CDP Climate questionnaire in section “C2. Risks and Opportunities”.

In order to mitigate potential climate risks, in we

started the process to build the Climate Adaptation Plan, which should be finalized by 2022, which is a fundamental step in the GROEC to respond to the main climate threats among the 152 identified. In addition, internal studies carried out on carbon pricing realizadand climate vulnerability helped to

identify the Company’s main climate risks.

EDP Brasil’s main opportunities are aligned with our Business plan, as shown below:

CLIMATE THREAT	TYPOLOGY	MAIN IMPACTS	IMPACT QUANTIFICATION¹ (R\$ MILLION)		MITIGATION MEASURES
			<76	>76	
SEVERE STORMS (ACUTE PHYSICAL)	Distribution	<ul style="list-style-type: none"><li>• Increase in indemnity for customers due to stoppages in the Distribution lines</li><li>• Asset damage</li><li>• Quality loss (DEC and FEC))</li></ul>		X	<ul style="list-style-type: none"><li>• Summer Operation (scheduled pruning)</li><li>• Exchange of posts</li><li>• Replacement of conventional networks with compact networks</li><li>• Installation of network protection devices.</li></ul>
CARBON PRICING OR CARBON TAX (REGULATORY TRANSITION)	Thermal Plant	= Taxação sobre as emissões de Gases de Efeito Estufa (GEE), consequente aumento no preço da energia	X		<ul style="list-style-type: none"><li>• Deconsolidation Strategy until 2025</li><li>• Green Hydrogen Project</li><li>• Decarbonization targets aligned with science</li></ul>
DROUGHS AND WATER AVAILABILITY (CHRONIC PHYSICAL)	Thermal Plant	<ul style="list-style-type: none"><li>• Payment for water charges</li><li>• In extreme cases, the plant may stop</li></ul>		X	<ul style="list-style-type: none"><li>• Internal water efficiency goals</li><li>• Consumption reduction projects (e.g. consumption efficiency in cooling towers)</li><li>• Participation in the region’s Basins Committee.</li></ul>

CLIMATE THREAT	TYPOLOGY	MAIN IMPACTS	IMPACT QUANTIFICATION <sup>1</sup> (R\$ MILLION)		MITIGATION MEASURES
			<76	>76	
DROUGHS AND WATER AVAILABILITY (CHRONIC PHYSICAL)	Hydroelectric plant	<ul style="list-style-type: none"> <li>Reduction of average precipitation in the reservoir, reducing the availability and potential generated energy</li> </ul>	X		<ul style="list-style-type: none"> <li>Diversification of the Renewable portfolio with the entry of Solar Power Plants</li> <li>Participation in crisis committee and work with academia</li> <li>Monitoring water quality and biodiversity</li> </ul>

(1) According to the EDP group's impact rule, risks are characterized as high, when we have a financial exposure greater than R\$ 76 million.  
Note: For physical scenarios, despite quantifying all climate scenarios, RCP 8.5 (most critical scenario) is used to monetize the maximum potential impact.

In order to mitigate potential climate risks, in 2021 we started the process to build the Climate Adaptation Plan, which should be completed by 2022, which is a fundamental step

in GROEC to respond to the company's main climate threats. In addition, internal studies carried out on carbon pricing and climate vulnerability helped to identify

the Company's main climate risks.

EDP Brasil's main opportunities are alinhadas ao aligned with our Business plan, shown below:

CLIMATE OPPORTUNITY	TYPOLOGY	DESCRIPTION OF POTENTIAL IMPACT AND APPLICATION	IMPACT QUANTIFICATION <sup>1</sup> (R\$ MILLION)	
			<76	>76
Solar portfolio expansion	Solar Generation	<ul style="list-style-type: none"> <li>Solar Utility Scale Generation</li> <li>Decentralized Solar Generation</li> <li>Energy Self-Generation</li> </ul>	X	
Vehicle electrification related market development	New markets	<ul style="list-style-type: none"> <li>Installation of charging points</li> <li>Strategic R&amp;D development</li> </ul>		X
Expansion in Transmission Lines	Transmission	<ul style="list-style-type: none"> <li>Construction of new Transmission Lines</li> <li>Purchase of assets through rotation of our portfolio</li> <li>Purchase of already consolidated assets (CELG-T)</li> </ul>	X	
Green Hydrogen (H2V)	Generation and new markets	<ul style="list-style-type: none"> <li>Partial replacement of fuels</li> <li>H2V export to the European market</li> <li>R&amp;D studies to gain technological maturity</li> </ul>	NA <sup>1</sup>	NA <sup>1</sup>

(1) Not Evaluated (NA) – With the Green Hydrogen R&D project, there is an evaluation phase of potential market for EDP Brasil

# Metrics and Goals

## SASB IF-EU-110a.3

We have accounted for and disclosed our emissions since 2008 in the [Public Emissions Registry of FGV](#) (Fundação Getúlio Vargas), and our inventory has been audited since 2009 by a third party (Selo Ouro). Additionally, within the 2020-2021 Strategic Climate Plan, the management of Scope 1, 2 and 3 emissions and the strategy for offsetting emissions in this period were considered.

Within EDP Brasil's business plan, the main strategic goals are:

- 1. Reduction of 85% in emissions intensity (tCO<sub>2</sub>/ MWh) by 2032, compared to 2017 levels, this being a goal aligned with science

- 2. Deconsolidation of the Pecém thermoelectric plant in 2025
- 3. Group strategy to be 100% renewable by 2030
- 4. Neutralization of emissions by 2030
- 5. Core business decarbonization with the 2021-2025 Business Plan (PN21-25)
- 6. 2021-2025 Short-term emission reduction targets.

Science-aligned targets, or any EDP Brasil reduction targets, do not consider the carbon offset mechanism to achieve them. The only exception is neutrality targets which will provide for a compensation mechanism.

Other goals associated with climate management monitored by the Company are presented at the side:

- Performance in Sustainability Indexes (ISE and CDP)
- Emissions avoided in customers from energy efficiency projects, solar energy generation or projects that use biomass for steam generation.
- Investment in renewable energy
- % EBITDA in Renewables
- % of Total losses.

Performance metrics in Sustainability indexes and % of Total Losses are used to compose the financial compensation of employees including C-level and Directors. EDP Brasil's main metrics related to Climate Change are disclosed in the quarterly ESG Reports, as well as the Annual Report and CDP Climate.

TCFD RECOMMENDATIONS TABLE			
DIMENSION	RECOMMENDATION	ACTION IN PROGRESS BY EDP BRASIL	EXTERNAL REFERENCE
1. Governance	a) Describe how the Board oversees climate change-related risks and opportunities	Two members of EDP Brasil's Board of Directors are members of the Sustainability Committee, one of them being independent and the other the company's CEO. In addition, the Board of Directors oversees issues related to Climate Change when identified as critical (e.g. approval of science-based targets)  Additionally, topics such as decarbonization targets, action plans for improvement and the management of climate risks and opportunities are addressed by the Executive Board and Sustainability Committee	<ul style="list-style-type: none"> <li>• CDP Climate</li> <li>• C1.1a and C1.1b</li> </ul>
	b) Describe the Board's role in assessing and managing risks and opportunities related to climate change	The Board is responsible for approving long-term decarbonization targets that may imply significant changes in the business strategy, generating risk and opportunities	<ul style="list-style-type: none"> <li>• CDP Climate</li> <li>• C1.1a and C1.1b</li> </ul>
2. Strategy	a) Describe the risks and opportunities related to climate change that the organization has identified in the short, medium and long term.	<ul style="list-style-type: none"> <li>• Water scarcity in the Pecém region (short term);</li> <li>• Increased frequency and intensity of storms in Distribution (short term);</li> <li>• Carbon Pricing (medium term);</li> <li>• Water scarcity in the Tocantins basin (long term);</li> </ul> EDP Brasil's risks and opportunities are managed through GROEC and 3 priority risks and opportunities are disclosed in CDP Climate.	<ul style="list-style-type: none"> <li>• CDP Climate</li> <li>• C2.3a and C2.4a and <a href="#">page 58</a> of RA 2021</li> </ul>
	b) Describe the impacts of climate change-related risks and opportunities on the organization's business, strategy and financial planning.	<ul style="list-style-type: none"> <li>• Expansion of the solar portfolio (medium term);</li> <li>• Construction of Transmission Lines (short term);</li> <li>• New Business: Electric mobility (long term);</li> <li>• New Business: Green Hydrogen (long term);</li> </ul> Under GROEC, climate threats are identified as well as the cost of their mitigation measure. The main climate opportunities are directly connected to the 21-25 Business Plan (e.g. solar expansion).	<ul style="list-style-type: none"> <li>• CDP Climate</li> <li>• C2.3a and C2.4a and Presentation of PN21-25</li> </ul>
	c) Describe the resilience of the organization's strategy, considering different climate change scenarios, including a scenario of 2°C or less	<p>In 2021, EDP Brasil carried out an internal study to identify the company's main exposures to different climate scenarios from the IPCC (RCP 2.6, 4.5 and 8.5) and IEA.</p> <p>EDP Brasil's strategy as a Business Plan shows that we are moving towards reducing our exposure to generation climate risks, whether transitional or physical. However, we will need greater efforts to mitigate our risks in Transmission and Distribution. Such efforts will be structured through our Climate Adaptation Plan.</p>	<ul style="list-style-type: none"> <li>• CDP Climate C3.2a</li> </ul>

TCFD RECOMMENDATIONS TABLE			
DIMENSION	RECOMMENDATION	ACTION IN PROGRESS BY EDP BRASIL	EXTERNAL REFERENCE
3. Risk Management	a) Describe the processes used by the organization to identify and assess risks related to climate change	<p>In our Strategic Climate Plan, we established GROEC (Management of Risks and Opportunities associated with the Climate Emergency) to assess our exposure to risks from the perspective of Climate Change, which has five stages:</p> <ol style="list-style-type: none"> <li>1. Division of risks and opportunities</li> <li>2. Mapping and prioritization of risks and opportunities</li> <li>3. Financial valuation of risks and opportunities</li> <li>4. Risk management and response</li> <li>5. Communication and transparency.</li> </ol>	<ul style="list-style-type: none"> <li>• CDP Clima</li> <li>• C2.2</li> <li>• PEC 20-21 e <a href="#">page 58</a> of RA 2021</li> </ul>
	b) Describe the processes used by the organization to manage and assess risks related to climate change	GROEC is the company's process for managing Critical Climate Threats. The Climate Adaptation Plan, a target for 2022 that is under the governance of GROEC, will consolidate the main actions to respond to climate risks.	<ul style="list-style-type: none"> <li>• CDP Clima</li> <li>• C2.2</li> <li>• PEC 20-21 e <a href="#">page 58</a> of RA 2021</li> </ul>
	c) Describe how the processes used by the organization to identify, assess and manage risks related to climate change are integrated into the organization's overall risk management.	In its procedure, the Corporate Risks area defined 50 risk categories, one of which being Climatic Emergency. GROEC, in turn, manages the risks of Climate Emergency. The two processes were integrated in this way.	<ul style="list-style-type: none"> <li>• CDP Clima</li> <li>• C2.2</li> <li>• PEC 20-21 e <a href="#">page 58</a> of RA 2021</li> <li>• Processo de riscos EDP Brasil</li> </ul>
4. Metrics and Goals	a) Report the metrics used by the organization to assess risks and opportunities related to climate change in accordance with its strategy and risk management process.	<ul style="list-style-type: none"> <li>• Scope 1, 2 and 3 GHG Emissions</li> <li>• Performance in Sustainability Indexes (ISE and CDP)</li> <li>• Emissions avoided at customers from energy efficiency, solar and biomass projects % of total losses</li> <li>• DEC and FEC.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Report <a href="#">page 58</a></li> </ul>
	b) Report Scope 1, Scope 2 and, if applicable, Scope 3 Greenhouse Gas (GHG) emissions and the risks related to them	EDP Brasil's Greenhouse Gas (GHG) emissions are calculated internally and disclosed in the GHG Protocol Public Emissions Registry, Annual Report, ESG Quarterly Report and CDP Climate.	<ul style="list-style-type: none"> <li>• CDP Climate</li> <li>• Public Record</li> <li>• Quarterly Record</li> </ul>
	c) Describe the targets used by the organization to manage the risks and opportunities related to climate change, and the performance against the targets	Performance against targets is presented together in the Climate Change section of this Report. In 2021 we had an A performance in CDP Climate and our scope 1, 2 and 3 emissions intensity reduced X% compared to the base year.	<ul style="list-style-type: none"> <li>• Annual Report <a href="#">page 58</a></li> </ul>

10.3 — GRI Content Summary

GRI 102-55

GRI STANDARD		CONTENT	REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016				
GENERAL CONTENT				
GRI 102: General Content – 2016	102-1	Name of the organization	Page 09	
	102-2	Main activities, brands, products and/or services	Page 09	
	102-3	Headquarters location	Page 09	
	102-4	Number of countries in which the organization operates	Page 09	
	102-5	Type and legal nature of the property	Page 09	
	102-6	Markets served	The Company’s customers and beneficiaries vary according to each Business segment, considering that it is a regulated sector. In the case of Generation and Transmission, the contracts go through ANEEL and ONS, with no direct relationship with the final consumer. In Distribution, customers are defined based on the concessions of each distributor. In Commercialization, customers are large energy consumers who have the possibility of contracting electricity in the free market. In the solutions and services segment, contracts can be B2B or B2C depending on the service contracted (energy efficiency, solar generation or electric mobility).	
	102-7	Size of the organization	Page 31	



GRI STANDARD	CONTENT		REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016				
GRI 102: General Content – 2016	102-8	Profile of employees and other workers	Page 60. The total number of employees does not consider the number of temporary and part-time employees. Telecommuters were not allocated to any specific region in the state table. The data consider only consolidated and partially consolidated companies, with HC=1, therefore, disregarding interns and employees on leave	6
	102-9	Description of the Company's supply chain	Page 75	
	102-10	Major changes in the company structure and supply chain during the period covered	Page 25	
	102-11	Explanation of whether and how the organization applies the precautionary principle	Page 96	
	102-12	Letters, principles or other initiatives developed externally of an economic, environmental and social nature, which the organization subscribes to or endorses	Page 18	
	102-13	Main participations in national/international defense associations and/or organizations	Page 103	
	102-14	Declaration by the holder of the position with greater decision-making power on the relevance of sustainability to the organization	<a href="#">Page 14 of the Main Book</a>	
	102-16	Values, principles, standards and behavior rules of the organization, such as codes of conduct and ethics	Page 92	10
	102-40	List of stakeholders engaged by the organization	Page104	
	102-41	Percentage of employees covered by collective bargaining	Collective agreements cover 99% of EDP Brasil's own employees. Employees who, even if not formally contemplated, partially receive the benefits of collective, bargaining agreements by the Company were considered in the percentage.	3
	102-42	Basis used for identification and selection of stakeholders for engagement	Page 105	
	102-43	Approach adopted by the Company to engage stakeholders and frequency of engagement	Page 105	

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GRI STANDARD	CONTENT	REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016			
GRI 102: General Content – 2016	102-44	Main topics raised during stakeholder engagement and measures adopted by the Company to address them	Page 106
	102-45	List of entities included in the financial statements	Page 108
	102-46	Process for defining report content and limit	Page 05
	102-47	List of material aspects identified in the content definition process	Page 05
	102-48	Explanation of the consequences of any restatements of information provided in previous reports	Page 27
	102-49	Significant changes compared to previous years with regard to the list of material topics, limit of topics covered	Page 05
	102-50	Period covered by the report	Page 04
GRI 102: General Content – 2016	102-51	Date of most recent previous report	2020
	102-52	Reporting cycle	Annual
	102-53	Contact details for questions regarding the report	Page 04
	102-54	Reporting assumptions in accordance with GRI Standards	This report has been prepared in accordance with GRI Standards: Essential option.
	102-55	GRI Content Summary	Page 127
	102-56	External verification	Pages 143 and 144
CORPORATE GOVERNANCE			
GRI 103: Management Method – 2016	103-1	Explanation of the material topic and its limits	Page 87
	103-2	Management on the material topic	Page 87
	103-3	Management evolution	Page 87
GRI 102: General Content – 2016	102-15	Description of the main impacts, risks and opportunities	Page 96
	102-18	Governance structure, including committees	Page 87

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GRI STANDARD		CONTENT	REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016				
FINANCIAL SUSTAINABILITY				
GRI 103: Management Method -2016	103-1	Explanation of the material topic and its limits	Page 31	
	103-2	Management on the material topic	Page 31	
	103-3	Management evolution	Page 31	
GRI 201: Economic Performance – 2016	201-1	Direct economic value generated and distributed	Page 109	
	201-4	Financial aid received from the government	Pages 31 and 32	
CORPORATE ETHICS				
GRI 103: Management Method -2016	103-1	Explanation of the material topic and its limits	Page 91	
	103-2	Management on the material topic	Page 91	
	103-3	Management evolution	Page 91	
GRI 102: General Content – 2016	102-17	Internal and external mechanisms adopted by the organization to request guidance on ethical behavior and in compliance with legislation, such as relationship channels (e.g.: ombudsman)	Page 93	10
GRI 205: Fight Against Corruption – 2016	205-1	Percentage and total number of operations submitted to risk assessments related to corruption and the significant risks identified	Page 93	10
	205-2	Communication and training in anti-corruption policies and procedures	Page 92	10
	205-3	Confirmed cases of corruption and actions taken	Pages 93 and 94	10
GRI 419: Socioeconomic Compliance – 2016	419-1	Significant fines or non-monetary sanctions for non-compliance with laws and regulations relating to the social and economic areas	Page 116	
ENERGY INFRASTRUCTURES				
GRI 103: Management Method -2016	103-1	Explanation of the material topic and its limits	Page 24	
	103-2	Management on the material topic	Page 24	
	103-3	Management evolution	Page 24	

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GRI STANDARD		CONTENT	REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016				
Sector contents: Electrical utilities	EU1	Installed capacity, broken down by primary energy source and regulatory regime	Page 24	
	EU2	Energy sent to the grid, broken down by primary energy source and regulatory regime – net energy production	Page 24	
	EU4	Length of distribution lines	Page 26	
	EU11	Average generation efficiency of thermoelectric plants by energy source and regulatory system	Page 116	
	EU12	Losses in transmission and generation	Page 29	
	EU25	Accidents and deaths of service users involving company assets	Page 78	
	EU30	Average plant availability factor, broken down by energy source and regulatory system	Page 117	
RENEWABLE ENERGY PROMOTION				
GRI 103: Management Method -2016	103-1	Explanation of the material topic and its limits	Page 24	
	103-2	Management on the material topic	Page 24	
	103-3	Management evolution	Page 24	
Sector contents: Electrical utilities	EU8	Research and development related to electricity and the promotion of sustainable development	Page 37	
CUSTOMER SATISFACTION AND SERVICE				
GRI 103: Management Method -2016	103-1	Explanation of the material topic and its limits	Page 80	
	103-2	Management on the material topic	Page 80	
	103-3	Management evolution	Page 80	
GRI 418: Customer Privacy – 2016	418-1	Total number of substantiated complaints regarding breaches of customer privacy and loss of customer data	No complaints of this nature were registered.	

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GRI STANDARD		CONTENT	REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016				
Sector contents: Electrical utilities	EU3	Number of residential, industrial, institutional and commercial consumer units	Page 80	
	EU27	Disconnections for residential customers for non-payments	Page 27	
	EU28	Frequency of power cuts	Page 27	
	EU29	Average duration of power outages	Page 27	
ENVIRONMENTAL MANAGEMENT				
GRI 103: Management Method -2016	103-1	Explanation of the material topic and its limits	Page 39	
	103-2	Management on the material topic	Pages 39, 40, 44 and 47	
	103-3	Management evolution	Pages 40 and 44	
GRI 301: Materials – 2016	301-1	Materials used by weight or volume	Pages 44 and 111	7, 8
	301-2	Percentage of materials used from recycling	Page 44	8
GRI 302: Energy – 2016	302-1	Energy consumption within the organization	Page 112	7, 8
	302-3	Energy intensity	Page 113	8
GRI 303: Water and Effluents – 2018	303-1	Interactions with water as a shared resource	Page 40	7, 8
	303-2	Management of impacts related to water disposal	Page 40	7, 8
	303-3	Breakdown of total water withdrawal by type of source, including areas under water stress	Page 41	8
	303-4	Breakdown of total water discharge by type of source, including areas under water stress	Page 43	8
	303-5	Total water consumption	Page 40	7, 8
GRI 304: Biodiversity – 2016	304-1	Location and size of operating units owned, leased or managed within protected areas, adjacent to them or areas of high biodiversity value outside protected areas	Page 48	8
	304-2	Description of significant direct and indirect impacts of the Company's activities on biodiversity	Page 47	8
	304-3	Protected or restored habitats	Page 47	8

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GRI STANDARD	CONTENT		REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016				
GRI 306: Waste – 2020	306-1	Waste generation and significant waste-related impacts	Page 44	8
	306-2	Management of significant waste-related impacts	Page 44	8
	306-3	Waste generated	Page 44	8
	306-4	Waste not intended for final disposal	Page 46	8
	306-5	Waste intended for final disposal	Page 46	8
GRI 307: Environmental Compliance – 2016	307-1	Monetary value of significant fines and total number of non-monetary sanctions resulting from non-compliance with environmental laws and/or regulations	Page 115	8
GRI 308: Environmental Assessment of Suppliers – 2016	308-1	Percentage of new suppliers selected based on environmental criteria	Suppliers are not selected solely on the basis of environmental criteria, but are monitored within the theme in the IDF – Supplier Performance Index, which has a specific category of Environment.	8
	308-2	Actual and potential significant negative environmental impacts in the supply chain and actions taken in this regard	Page 75	8
CLIMATE CHANGE				
GRI 103: Management Method -2016	103-1	Explanation of the material topic and its limits	Page 56	
	103-2	Management on the material topic	Page 56	
	103-3	Management evolution	Page 56	
GRI 201: Economic Performance – 2016	201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Page 58	

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GRI STANDARD	CONTENT		REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016				
GRI 305: Emissions – 2016	305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	Pages 57 and 113	7, 8
	305-2	Indirect greenhouse gas (GHG) emissions (Scope 2)	Pages 57 and 113	7, 8
	305-3	Indirect greenhouse gas (GHG) emissions (Scope 3)	Pages 57 and 113	7, 8
	305-4	Intensity of greenhouse gas (GHG) emissions	Pages 57 and 114	8
	305-5	Reduction of greenhouse gas (GHG) emissions	Page 57 of this Notebook. <u>Pages 18 and 22 of the Main Book.</u>	8, 9
	305-7	NOx, SOx and other significant atmospheric emissions	Page 57	7, 8
PEOPLE MANAGEMENT				
GRI 103: Management Method – 2016	103-1	Explanation of the material topic and its limits	Page 60	
	103-2	Management on the material topic	Page 64	
	103-3	Management evolution	Pages 64, 67, 70 and 75	
GRI 401: Employment – 2016	401-1	Total and rates of new employee hires and turnover by age group, gender and region	Page 67	6
	401-3	Return to work and retention rates after maternity/paternity leave, broken down by gender	Pages 68 and 69	6
GRI 403: Occupational Health and Safety – 2018	403-8	Workers covered by the occupational health and safety management system	Page 66	
	403-9	Number and rate of work-related deaths and injuries	Page 65	
GRI 404: Training and Education – 2016	404-1	Average hours of training per year, per employee, broken down by gender and employee category	Page 70	6
	404-2	Skills management and lifelong learning programs that support the continued employability of employees in preparation for retirement	Page 70	
	404-3	Percentage of employees who regularly receive performance and career development reviews, broken down by gender and employee category	Page 72	6

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GRI STANDARD	CONTENT		REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016				
GRI 405: Diversity – 2016	405-1	Diversity of employees and governance bodies, with percentages by gender, age group, minority groups and other indicators	Page 60	6
	405-2	Mathematical ratio of salary and remuneration between women and men, broken down by employee category and relevant operating units	Page 63	6
GRI 406: Non-discrimination – 2016	406-1	Total number of discrimination incidents and actions taken	Page 63	6
Sector contents: Electrical utilities	EU15	Percentage of employees entitled to retirement in the next 5 and 10 years, broken down by employee category and region	Page 73	
COMMUNITY INVOLVEMENT AND DEVELOPMENT				
GRI 103: Management Method -2016	103-1	Explanation of the material topic and its limits	Page 77	
	103-2	Management on the material topic	Pages 79 and 82	
	103-3	Management evolution	Pages 79 and 82	
GRI 202: Market Presence – 2016	202-1	Variation in the proportion of the lowest wage by gender compared to the local minimum wage at important operating units	Page 110	6
GRI 203: Indirect Economic Impacts – 2016	203-1	Development and impact of investments in infrastructure and services offered	Page 82	
GRI 204: Purchasing Practices – 2016	204-1	Proportion of expenses on local suppliers at key operating units	Page 75	
GRI 413: Local Communities – 2016	413-1	Percentage of operations with implemented local community engagement, impact assessment and/or local development programs	All EDP operations that are subject to the environmental licensing process (Generation, Transmission and Distribution) and include the stages of engagement with the local community, including listening to demands during deployment and implementing community development projects during operation. More information can be found in the EDP Institute projects (pages 78-81).	1

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GRI STANDARD	CONTENT	REFERENCE/DIRECT ANSWER	GLOBAL COMPACT PRINCIPLE
GRI 101: FUNDAMENTALS – 2016			
HUMAN RIGHTS			
<b>GRI 103:</b> Management Method -2016	103-1	Explanation of the material topic and its limits	Page 60
	103-2	Management on the material topic	Page 60
	103-3	Management evolution	Page 60
<b>GRI 408:</b> Child Labor – 2016	408-1	Its own operations and those of suppliers in which a significant risk of child labor incidents was identified and the actions taken to contribute to the abolition of child labor	Page 75
<b>GRI 409:</b> Forced or Slave-like Labor – 2016	409-1	Its own operations and those of suppliers in which a significant risk of forced or slave-like labor was identified and the actions taken to contribute to eradicate forced or slave-like labor	Page 75
<b>GRI 411:</b> Indigenous Peoples Rights – 2016	411-1	Total number of cases of violation of the rights of indigenous and traditional peoples and measures taken in this regard	There were no cases of violations of the rights of indigenous peoples in 2021.
<b>GRI 412:</b> Human Rights Assessment – 2016	412-1	Total number and percentage of operations subjected to analysis or assessment of human rights-related impacts	Page 115
	412-2	Total hours of employee training on human rights policies and procedures relevant to operations, including the percentage of employees trained	Page 115
	412-3	Percentage and total number of significant investment contracts that include human rights clauses or that have undergone human rights assessments	Page 116
<b>GRI 308:</b> Social Assessment of Suppliers – 2016	414-2	Significant actual and potential negative human rights impacts in the supply chain and actions taken in this regard	Page 75

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## 10.4 — SASB Indicators

TABLE 1. SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS				
TOPIC	CODE	ACCOUNTING METRIC	MEASUREMENT UNIT	2021
Greenhouse gas emissions planning and energy resources	IF-EU-110a.1	(1) Gross global scope 1 emissions, percentage covered by (2) emission-limiting regulations and (3) emission regulations	tCO <sub>2</sub> eq; %	(1) 4,088,755.30; (2) Not applicable; (3) Not applicable.
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with energy deliveries	tCO <sub>2</sub> eq	Scope 1: 4,039,041.50 Scope 2: 407,045.68
	IF-EU-110a.3	Discussion of long-term and short-term strategy or plan for managing Scope 1 emissions, emission reduction targets and a performance review against these targets	N/A	<a href="#">Page 56 of the ESG Book and 17 of the Main Book</a>
	IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage achievement of RPS target by market	Qty; %	ND
Air Quality	IF-EU-120a.1	Atmospheric emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , (3) particulate matter (PM <sub>10</sub> ), (4) lead (Pb) and (5) mercury (Hg); percentage of each in or near densely populated areas	t; %	(1) NO <sub>x</sub> : 4,668.65 (2) SO <sub>2</sub> : 10,518.56 (3) MP: 1100.00 (4) Pb: ND (5) Hg: ND
Water Management	IF-EU-140a.1	(1) Total water withdrawn, (2) (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	m <sup>3</sup> ; %	(1) 9,192,377.47; 98% (2) 8,194,138.89; 98%
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards and regulations	Qtde	ND
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate these risks	N/A	<a href="#">Page 40</a>
Coal Ash Management	IF-EU-150a.1	Amount of coal combustion waste (CCR) generated, percentage recycled	t; %	118,837.74; 75%
	IF-EU-150a.2	Total number of residual coal combustion (CCR) seizures, broken down by potential risk rating and structural integrity assessment	Qty	0

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TABLE 1. SUSTAINABILITY DISCLOSURE TOPICS &amp; ACCOUNTING METRICS

Energy accessibility	IF-EU-240a.1	Average retail electrical rate for (1) residential, (2) commercial, and (3) industrial customers	R\$/MWh	EDP SP (1) Residential: 696.26 (2) Commercial: 700.97 (3) Industrial: 672.24 (4) Rural: 636.18 (5) Others: 521.32 (6) Average – Final customer: 673.7  EDP ES (1) Residential: 705.43 (2) Commercial: 765.9 (3) Industrial: 730.62 (4) Rural: 620.85 (5) Outros: 615.6 (6) Average – Final customer: 694.57
	IF-EU-240a.2	Typical monthly electricity bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	R\$	ND
	IF-EU-240a.3	Number of electrical disconnections of residential customers due to non-payment, percentage reconnected within 30 days	Qty; %	Total residential electrical disconnections: EDP SP: 135,368 EDP ES: 106,175  Residential reconnections: Less than 24 hours – 114,129 Between 24 hours and a week – 37,585 Over a week – 23,749
	IF-EU-240a.4	Discussion of the impact of external factors on the accessibility of electricity to the customer, including the economic conditions of the service territory	N/A	<a href="#">Page 77</a> – Social Tariff

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TABLE 1. SUSTAINABILITY DISCLOSURE TOPICS &amp; ACCOUNTING METRICS

Workforce Health & Safety	IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near-accident frequency rate (NMFR)	Rate	<b>Its own employees</b> <ul style="list-style-type: none"> <li>Number of accidents with leave of absence: 0</li> <li>Number of accidents without leave of absence: 13</li> <li>Absolute number of deaths: 0</li> <li>Attendance rate: 0</li> <li>Severity rate: 0</li> </ul> <b>Third-party employees</b> <ul style="list-style-type: none"> <li>Number of accidents with leave of absence: 49</li> <li>Number of accidents without leave of absence: 82</li> <li>Absolute number of deaths: 5</li> <li>Attendance rate: 1.58</li> <li>Severity rate: 917</li> </ul>
Efficiency and End Use Demand	IF-EU-420a.1	Percentual Percentage of utility revenues from public services of tariff structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	%	ND
	IF-EU-420a.2	Percentage of electrical load served by smart grid technology	%/MWh	ND
	IF-EU-420a.3	Customer electricity savings based on efficiency measures, by market	MWh	Commercial (EDP Smart): 7,568.99 Regulatory (PEE): 17,031.40
Nuclear Safety & Emergency Management	IF-EU-540a.1	Total number of nuclear power units, broken down by the US Nuclear Regulatory Commission (NRC) Action Matrix Column	Qty	Not applicable
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	N/A	Not applicable
"Network Resilience"	IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Qty	0
	IF-EU-550a.2	(1) Average system interruption duration index (SAIDI), (2) Average system outage frequency index (SAIFI) and (3) Average customer outage duration index (CAIDI), including top event days	Hours	<b>EDP SP</b> (1): DEC – 6.35 hours (2): FEC – 4.13 hours (3): ND  <b>EDP ES:</b> (1): DEC – 7.56 hours (2): FEC – 3.92 hours (3): ND

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TABLE 2. MÉTRICAS DE ATIVIDADE				
CODE	ACTIVITY METRICS	CATEGORY	MEASUREMENT UNIT	2021
IF-EU-000.A	Number of: (1) residential. (2) commercial. and (3) industrial customers served	Quantitative	Qty	<b>EDP SP</b> <ul style="list-style-type: none"> <li>• (1) Residential: 1,848,410</li> <li>• (2) Commercial: 141,876</li> <li>• (3) Industrial: 12,062</li> <li>• Rural: 5,383</li> <li>• Public Power: 9,938</li> <li>• Street Lighting: 3,420</li> <li>• Public Service: 1,521</li> <li>• Energy in transit (USD): 1,037</li> <li>• Its own consumption: 167</li> </ul> <b>EDP ES</b> <ul style="list-style-type: none"> <li>• (1) Residential: 1,306,384</li> <li>• (2) Commercial: 131,365</li> <li>• (3) Industrial: 10,022</li> <li>• Rural: 194,087</li> <li>• Public Power: 11,644</li> <li>• Street Lighting: 501</li> <li>• Public Service: 1,776</li> <li>• Energy in transit (USD): 615</li> <li>• Its own consumption: 230</li> </ul>
IF-EU-000.B	Eletricidade total entregue a: (1) residencial. (2) commercial. (3) industrial. (4) all other retail customers. and (5) wholesale customers	Quantitative	MWh	(1) residencial: 6,653,309.22 (2) commercial: 2,868,270.87 (3) industrial: 1,366,615.31 (4) other retail customers: 2,635,959.43 (5) (5) wholesale customers: ND
IF-EU-000.C	Length of transmission and distribution linesão	Quantitative	Km	Distribution: EDP SP – 28,879.05 EDP ES – 66,142.42  Transmission: 2,241
IF-EU-000.D	Total energy generated, percentage by energy source, percentage in regulated markets	Quantitative	MWh; %	Net energy production – Hydraulics: 8,123.55; 70% Net energy production – Thermal: 3,416.62; 30%
IF-EU-000.E	Total wholesale electricity purchased	Quantitative	MWh	The Company's electricity consumption is based on its own consumption at the generation units and consumption in the regular market in the case of Distribution and administrative headquarters.

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# Capitals Map

 Capital <b>NATURAL</b>	 Capital <b>SOCIAL AND RELATIONSHIP</b>	 Capital <b>FINANCIAL</b>
Pages 39, 40, 44, 47 e 56	Pages 75, 77, 79, 80 e 82	Pages 31

 Capital <b>INTELLECTUAL</b>	 Capital <b>MANUFACTURED</b>	 Capital <b>HUMAN</b>
Pages 34, 35 e 37	Page 24	Pages 60, 64, 67, 72 e 73

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MAP OF PRIORITY SDGS					
	Ensure access to reliable, sustainable and modern energy sources for all.		Promote inclusive and sustainable economic growth, full and productive employment and decent work for all.		Promote inclusive and sustainable economic growth, full and productive employment and decent work for all.
Main Book, <a href="#">page 18</a> .		Main Book, <a href="#">page 46</a> .		Main Book, <a href="#">page 27</a> .	
ESG Book, <a href="#">pages 30 e 77</a> .		ESG Book, <a href="#">page 65</a> .		ESG Book, <a href="#">page 9</a> .	
	Making cities and communities more inclusive, safe, resilient and sustainable.		Adopt urgent measures to combat climate change and its impacts.		
Main Book, <a href="#">page 54</a> .		Main Book, <a href="#">page 37</a> .			
ESG Book, <a href="#">page 83</a> .		ESG Book, <a href="#">page 57</a> .			



## GRI 102-56

KPMG Assessores Ltda.  
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### Limited verification report issued by independent auditors

To the Board of Directors and Shareholders  
**EDP Energias do Brasil S.A.**  
São Paulo - SP

#### Introduction

We have been engaged by EDP Energias do Brasil S.A. ("EDP" ou "Companhia") to apply limited verification procedures on the sustainability information disclosed in EDP's 2021 Annual Report attached in this report, related to the year ended December 31<sup>st</sup>, 2021.

#### Responsibilities of EDP's Management

The Management of EDP is responsible for adequately preparing and presenting the sustainability information in the 2021's Annual Report in accordance with the Standards for Sustainability Report of Global Reporting Initiative – GRI (GRI-Standards), as well as the internal controls determined necessary to ensure this information is free from material misstatement, resulting from fraud or error.

#### Independent auditors' responsibility

Our responsibility is to express a conclusion about the information in the Report based on a limited verification engagement conducted in accordance with the Standards for Sustainability Report of Global Reporting Initiative - GRI (GRI-Standards) and the methodology developed globally by KPMG for verification of social and environmental information disclosed in sustainability reports denominated KPMG Sustainability Assurance Manual - KSAM, applicable to historical non-financial information.

These standards require compliance with ethical requirements, including independence ones, and the engagement is also conducted to provide limited verification that the information disclosed in the EDP's Report, taken as a whole, is free from material misstatement.

A limited verification engagement conducted in accordance with the Standards for Sustainability Report of Global Reporting Initiative - GRI (GRI-Standards) and the KPMG Sustainability Assurance Manual - KSAM consists mainly of questions and interviews with the Management of EDP and other professionals of the Company involved in the preparation of the information disclosed in the Report and use of analytical procedures to obtain evidence that enables us to reach a limited verification conclusion about the sustainability information taken as a whole. A limited verification engagement also requires additional procedures when the independent auditor acknowledges issues which may lead them to believe that the information disclosed in the Report taken as a whole could present material misstatement.

KPMG Assessores Ltda., uma sociedade simples brasileira, de responsabilidade limitada é firma-membro da organização global KPMG de firmas-membro independentes licenciadas da KPMG International Limited, uma empresa inglesa privada de responsabilidade limitada.

KPMG Assessores Ltda., a Brazilian limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

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The selected procedures were based on our understanding of the issues related to the compilation, materiality and presentation of the information disclosed in the Report, on other engagement circumstances and also on our considerations regarding areas and processes associated with material sustainability information disclosed where relevant misstatement could exist. The procedures consisted of:

- (a) engagement planning: considering the material aspects for EDP activities, the relevance of the information disclosed, the amount of quantitative and qualitative information and the operational systems and internal controls that served as a basis for preparation of the information in the EDP's Report. This analysis defined the indicators to be checked in details;
- (b) understanding and analysis of disclosed information related to material aspects management;
- (c) analysis of preparation processes of the Report and its structure and content, based on the Principles of Content and Quality of the Standards for Sustainability Report of the Global Reporting Initiative - GRI (GRI-Standards);
- (d) evaluation of non-financial indicators selected:
  - understanding of the calculation methodology and procedures for the compilation of indicators through interviews with management responsible for data preparation;
  - application of analytical procedures regarding data and interviews for qualitative information and their correlation with indicators disclosed in the Report;
  - analysis of evidence supporting the disclosed information;
- (e) analysis of whether the performance indicators omission and justification are reasonable to be accepted associated to aspects and topics defined as material in the materiality analysis of the Company;
- (f) comparison of financial indicators with the financial statements and/or accounting records.

We believe that the information, evidence and results we have obtained are sufficient and appropriate to provide a basis for our limited verification conclusion.

#### Scope and limitations

The procedures applied to a limited verification engagement are substantially less extensive than those applied to a reasonable verification engagement. Therefore, we cannot assure that we are aware of all the issues that would have been identified in a reasonable verification engagement, which aims to issue an opinion. If we had conducted a reasonable verification engagement, we may have identified other issues and possible misstatements within the information presented in the Report.

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Nonfinancial data is subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate or estimate these data. Qualitative interpretation of the data's materiality, relevance and accuracy are subject to individual assumptions and judgments. Additionally, we have not examined data related to prior periods, to evaluate the adequacy of policies, practices and sustainability performance, nor future projections.

#### Conclusion

Based on the procedures carried out, described earlier in this report, we have not identified any relevant information that leads us to believe that the information in EDP's 2021 Annual Report is not fairly stated in all material aspects in accordance with the Standards for Sustainability Report of Global Reporting Initiative - GRI (GRI-Standards), as well as its source records and files.

São Paulo, February 16<sup>th</sup>, 2022

KPMG Assessores Ltda.

Kin Honda  
Managing Partner

KPMG Assessores Ltda., uma sociedade simples brasileira, de responsabilidade limitada e firma-membro da organização global KPMG de firmas-membro independentes licenciadas da KPMG International Limited, uma empresa inglesa privada de responsabilidade limitada.

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## 10.8 Credits

### Corporate Information

#### GRI 102-3

#### EDP Brasil's Headquarters

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Tel.: +55 (11) 2185-5000

[www.edp.com.br](http://www.edp.com.br)

### Credits

#### Overall Coordination

People, Digital and Society Board

#### Collaboration

Marketing and Communications Board

#### Consulting and Diagramming

Ricca Sustentabilidade

[riccari.wixsite.com/sustentabilidade](http://riccari.wixsite.com/sustentabilidade)

#### Pictures

EDP Image Database

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