

Annual Sustainability Report



2023

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About the report

GRI 2-3

This is the publication of the 6th Annual Sustainability Report of SPIC Brasil. On the following pages, we will discuss the Company's key highlights and achievements related to its social, environmental, operational and financial performance in 2023. Following the model of the previous publication, the structure of the document adopts the guiding principles of our business strategies:

- **SPIC Brasil:**

The chapter presents the Company, its ESG (environmental, social and governance) strategy, material topics and 2023 highlights.

- **Vision builds evolution:**

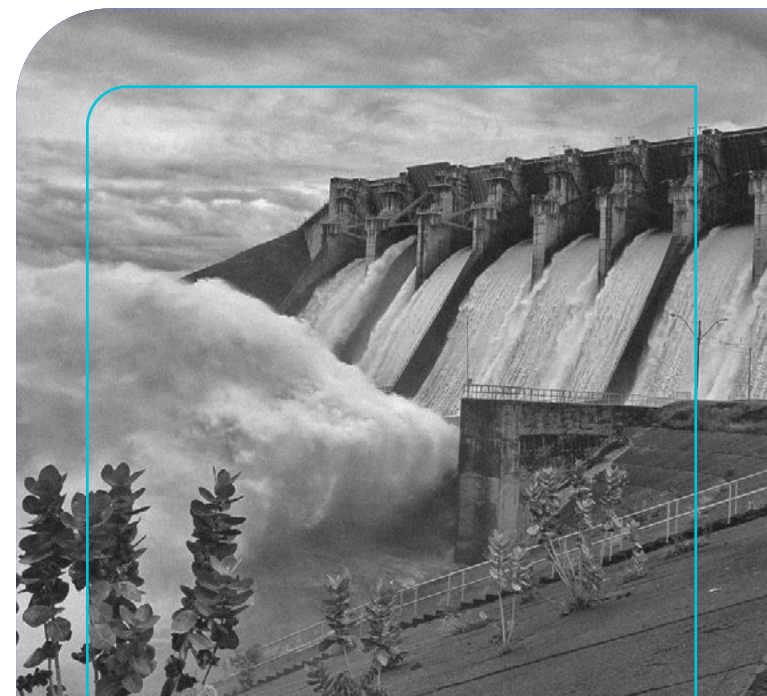
we disclose information about our assets, financial, operational and environmental performance.

- **Our energy comes from adding up:**

it addresses SPIC Brasil's governance, ethics and integrity practices, besides strategies for bolstering a culture of innovation.

- **Safety is the basis of care:**

we present the values that guide our relations with stakeholders, including policies and actions aimed at employees and surrounding communities.



The publication complies with the guidelines of the Global Reporting Initiative (GRI), version 2021. It also observes the guidelines of the EUs (Electric Utilities) sector booklet. The information covers the period from January 1 to December 31, 2023, the same periodicity as the financial report. For doubts, suggestions or accolades, contact us via e-mail portasabertas@spicbrasil.com.br.

Enjoy the reading!

Message from CEO

GRI 2-22



Welcome to SPIC Brasil's Annual Sustainability Report. We ended 2023 with significant achievements in sustainability and in our projects to expand and upgrade our facilities, besides solid operating and financial results.

For another year, we have worked to set an ethical culture in the Company. We create an environment of commitment and cooperation, also including our value chain. As a result of this work, for the first time, we were awarded the Pro-Ethics Seal, granted by the Brazilian Office of the Controller General (CGU) to companies that develop integrity actions and policies, analyzed by a competent evaluation panel. Beyond public recognition, the seal is an affirmation of SPIC Brasil's values and business practices.

Adriana Waltrick
CEO of SPIC Brasil

**Committed to
ethics, SPIC Brasil
is a signatory of the
Global Compact's 100%
Transparency Movement.**

With the aim of expanding our ethical culture to the market, I took part in SDGs in Brazil, an event promoted by the Global Compact to discuss the progress made by Brazilian companies in relation to the Sustainable Development Goals (SDGs), which took place at the UN headquarters in New York. As the institution's ImPacto Leader and spokesperson for SDG 16, I took part in the panel on 'Governance of the UN Global Compact'. We discussed the challenges of the 100% Transparency Movement, of which SPIC Brasil is a signatory, which stimulates businesses to adopt integrity and anticorruption mechanisms. Our focus is to have 100% of the energy value chains, at least at first level, mapped and certified from the compliance, sustainability and anticorruption viewpoint.



In 2023, we moved forward with **São Simão HPP retrofit**, which will enhance the plant's reliability and accuracy.



Our values, our culture and the way we do business reflect how we want to influence the world and the future through the generation of renewable electricity. To continue generating quality energy, we know we need to invest. In 2019, we kicked off the restructuring and digitalization of the São Simão HPP, with an estimated investment of +R\$1 billion during the project period. In 2023, we moved forward with our intervention schedule, with machine 2 downtime for parts replacement or maintenance. The project's ultimate goal is to produce energy more reliably and much more accurately. From there, we can expand the plant's power, as soon as we obtain regulatory approval.

We have also made progress with the construction of our solar farms in Panati-Sitiá (CE) and Marangatu (PI). We started 2024 operating in Panati, with the unit generating energy and connected to the National Interconnected System (SIN). Similarly, Marangatu (PI) startup should not take long. With the new projects, we are contributing to the annual supply of +900 thousand households.

And speaking of people, we are proud to have received the Great Place to Work's Best Companies to Work For certification for the third time. We ended the year with 259 employees of different origins, ages and ethnic groups. We are signatories to various Global Compact commitments aimed at promoting a more diverse and fairer workplace, such as the When Women Lead Movement, the Living Wage Movement and the Mind in Focus Movement.

Brazil is a powerhouse in terms of energy generation, standing at a level of clean generation that many countries in the northern hemisphere would like to be at. While some countries are planning their energy transition for 2050, we are already in it. We have one of the world's cleanest electricity matrices, with nearly 85% from renewable sources. SPIC Brasil is proud to be part of this prosperous history and invites everyone to see its achievements for 2023.

Enjoy the reading!

Adriana Waltrick
CEO of SPIC Brasil

SPIC Bra sil

We are SPIC Brasil We work to promote the energy transition of the Brazilian economy, building breakthrough and safe solutions, with a focus on renewable sources, always guided by a commitment to people, communities and the environment.

Who we are

SPIC Brasil is a subsidiary of the State Power Investment Corporation of China (SPIC), a global company in sustainable energy generation and related projects. SPIC represents one of China's top five power generating groups and is the world's largest solar power generator. Its energy matrix has an installed capacity of +237 GW and is present in 47 countries.

In Brazil, our assets total nearly 4 GW, including the São Simão hydroelectric power plant on the border of Minas Gerais and Goiás states, two wind farms in Paraíba, two solar projects in the implementation phase in the northeast of Brazil, and a 33% stake in GNA - Gás Natural Açú, in partnership with Prumo, BP, Siemens and Siemens Energy. It employs 259 direct employees in São Paulo (SP), Natal (RN), São Simão (GO), Mataraca (PB), Jaguatarema (CE) and Brasileira (PI).

We have driven the energy transition of the Brazilian economy and developed a **principle-based management**.

Our main principles

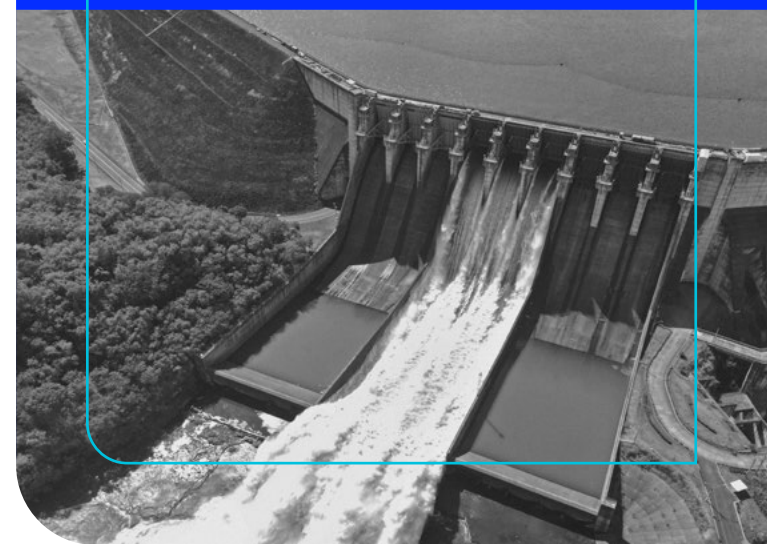
With the aim of leveraging Brazil's energy, the Company's positioning for its stakeholders is built on three essential pillars:

- Our energy comes from adding up - we believe in a diverse environment with people of different backgrounds, ethnicities and ages, which fosters the creativity and richness needed to achieve our goals.
- Vision builds evolution - we wish to be one of the largest market players, from the Company's sustainable growth, value creation and safe energy for the benefit of people, communities and the planet.
- Safety is the basis of care - we look out for our relations to build genuine connections that are always guided by care and respect for our stakeholders and communities, besides contributing positively to a safer approach to Brazil's energy sector.



Brand reinforcement SPIC Brasil

In 2023, we devised actions to consolidate the new SPIC Brasil brand, launched the previous year. We are stepping up our relationships and getting closer to our stakeholders to establish our Company as one of Brazil's major renewable energy generators. Find out about our highlights on the various fronts of corporate communication below.



External communication

We have been quoted in more than a thousand articles published in the media, half of them in prestigious vehicles in Brazil and around the world, due to our good relationship with journalists, building spontaneous media results. In advertising value, the space won by the Company would cost R\$72.7 million.

Our CEO, Adriana Waltrick, has given several interviews reinforcing SPIC Brasil's ethical stance, in line with her participation in the Global Compact's Leadership with ImPacto initiative, for which she is a spokesperson for SDG 16. In this regard, we also took part in events promoted by the organization, as described in the text Mobilizing the market for ethics, on [page 25](#).

In the external communication pillar, we have been recognized in several awards, in particular:

Valor Inovação - we advanced 78 positions in the ranking of Brazil's 150 most innovative companies.

Época 360 - within the energy sector, we topped the ranking in the ESG-Socio-environmental challenge and 5th position in the Corporate Governance challenge.

Jatobá Award - we were selected for the shortlist in the communication campaign category with the case 'Basis of care: engagement and technology in the São Simão HPP safety drill'.



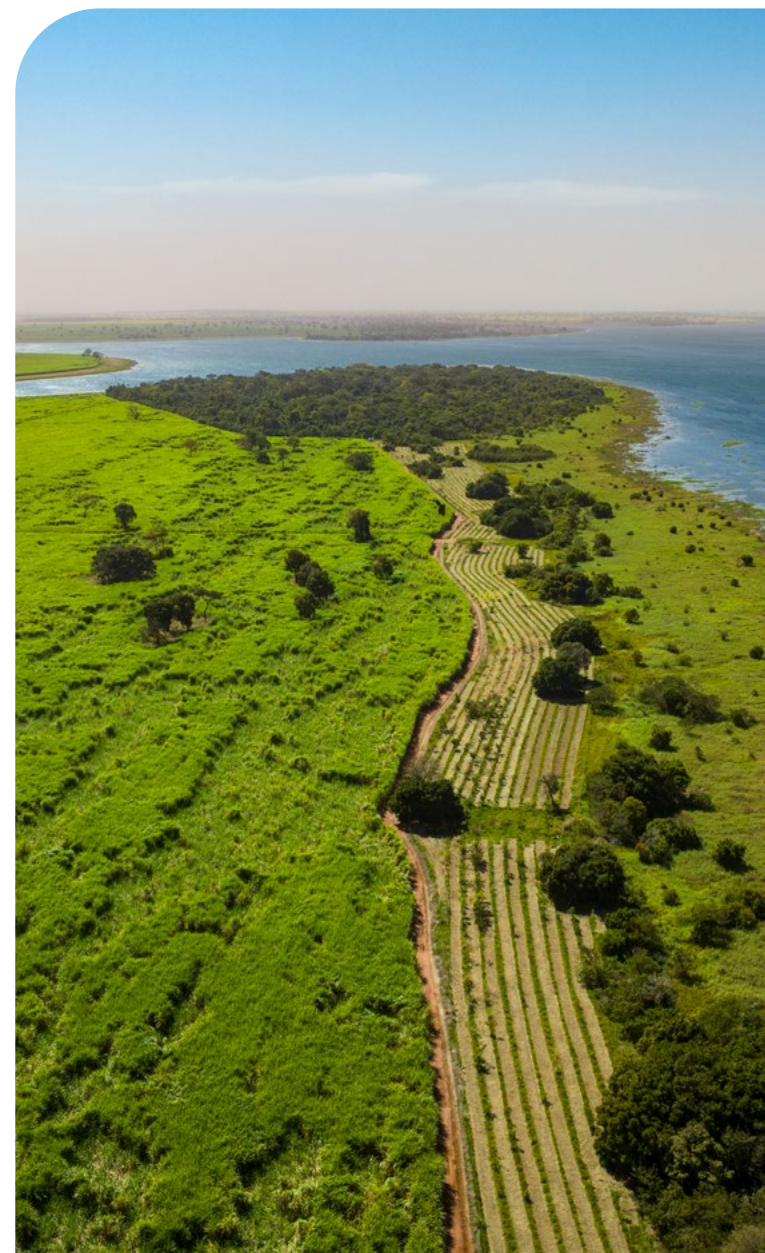
We work strategically the communication with the surrounding communities, listening to their needs and creating targeted actions. Our Panati-Sitiá (CE) and Marangatú (PI) projects have been given visual identities, reflecting their values and integration with the SPIC brand.

We celebrated the 45th anniversary of the São Simão HPP with various events involving employees, residents, and leaders from the surrounding municipalities. We returned to the face-to-face format of the biannual 'Portas Abertas' (Open Doors) event at the São Simão HPP, where we welcomed local community and government representatives to provide relevant updates on our work in the region. We conducted a campaign highlighting the reforestation activities performed in the municipality of Cachoeira Dourada (MG), with environmental education activities and flyer advertising that reached more than 7,700 people.

In Mataraca (PB), we built up a campaign focused on preventing and fighting fires, with 80 radio spots over 30 days, an interview on a local radio program, a video distributed through WhatsApp, and flyer advertising that reached nearly 8 thousand people. Read more in the texts environmental education ([page 62](#)) and communication campaigns ([page 63](#)).

We also released the socio-territorial development actions carried out with local communities. The 'Brincando na Praça' (Playing in the Square) for example, which promotes sports and health events, attracted a larger audience than we expected. Read more in local communities initiatives ([page 85](#)).

**SPIC Brasil was quoted
in more than one
thousand articles
on the national and
international media.**



Main engagement figures in 2023:

1,081 publications

on the media, 46% (501) in priority vehicles for the Company, totaling R\$72.7 million in corresponding advertising value;

38 leaders

trained in crisis management;

7 campaigns

and **3 events** conducted with community surrounding the operations, reaching

310 thousand people;

more than 12,700

new followers on LinkedIn.

Digital

We have grown in quality and quantity in our digital media. We qualify our followers, seeking to convey the right messages to our target audience. On Instagram, we gained +1,200 new followers, and +12,700 on LinkedIn. Our website registered the double of sessions, compared to 2022.

In-house communication

In-house communication acts as the guardian of the Company's brand and positioning. In 2023, we will focus on consolidating internal channels to disseminate information and engage employees. One of the highlights was our newsletter, which allows us to measure engagement and identify the topics of greater interest to different departments.

'Momento Harmonia' is a platform for SPIC Brasil employees, built on transparency and proximity.

The 'Momento Harmonia' (Harmony Moment), conceived in 2021, is another important initiative through which leaders disseminate strategic company information to employees. This platform was recently redesigned to make communication more dynamic and inclusive, bringing those directly involved in strategic projects to the center of the debate.

In 2023, we also reviewed our Reputational Crisis Management Manual, training 38 executives and employees in the subject. The work included the creation of a management flow and integration with the mapping of the risk management area, leaving the Company better prepared to deal with adverse situations.

With regard to in-house events, we have set up a Celebrations Committee, composed of representatives from the various areas of the Company. This committee is liable for defining event proposals reflecting our organizational culture.

Institutional and governmental relations

We presented SPIC Brasil to the key stakeholders of the new government, highlighting our contribution to the Brazilian energy matrix. We traveled to China, accompanying President Lula's delegation to the country, where we signed several memorandums of understanding for the provision of clean energy. Read more in 2023 Overview ([page 39](#)).

Our generation farm GRI 2-6

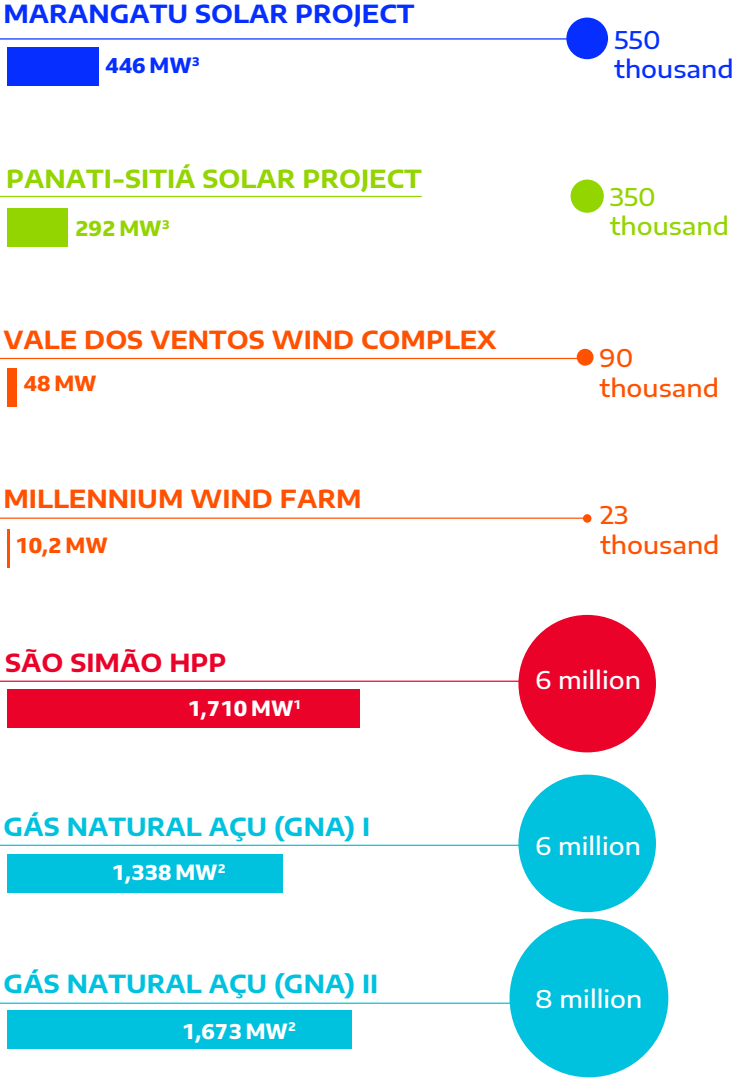
Certifications

ISO 55001.
ISO 9001, 14001 and 45001.
Offices in São Paulo (SP) and Natal (RN).
Northeast wind farms.
ISO 14001 and 45001.
São Simão HPP.

Our generation farm

INSTALLED POWER IN EACH FARM

No. of households that can be supplied:



1. Installed capacity of 100% of asset. The Company holds 51% stake.
2. Installed capacity of 100% of asset. The Company holds 33% stake.
3. Installed capacity of 100% of assets upon full commercial startup. The Company holds 70% stake.

Mission, **vision** and **values**



Mission

Be Brazil's **best**
private energy
group.

Vision

Be one of Brazil's
largest energy
generators,
promoting innovation,
sustainability and
efficiency.

Values

Health and safety
Sustainability
Transparency
Collaboration
Innovation
Agility
Excellence
Recognition

Business model

					
Natural capital	Manufactured capital	Intellectual capital	Financial capital	Social capital and relationship	Human capital
Water (hydroelectric); air (wind); solar (photovoltaic).	Generation plants; business offices.	Hybrid projects; digital transformation.	Revenues; investments.	Community; customers; shareholders; public authority; opinion makers.	Employees; partners.

Products: energy generation and trading

IMPACTS					
<p>+</p> <p>Socioenvironmental responsibility initiatives;</p> <p>Energy transition;</p> <p>Energy resilience;</p> <p>Clean energy generation;</p> <p>Water and biodiversity conservation projects;</p> <p>Forest restoration.</p> <p>-</p> <p>Impacts to biodiversity;</p> <p>Impacts on water quality and availability;</p> <p>Impact on noise generation.</p>	<p>+</p> <p>Stakeholders services;</p> <p>Energy generated, distributed and traded (SPIC Brasil Comercializadora);</p> <p>Dam safety monitoring.</p>	<p>+</p> <p>Space optimization to generate energy (hybrid project);</p> <p>Use of maintenance software;</p> <p>Future Mission Project (HPPSS retrofit);</p> <p>Investments in research and development (R&D);</p> <p>Generation Innovation Program;</p> <p>Partnership with startups.</p>	<p>+</p> <p>Rolling forecast (monitoring of estimated budget);</p> <p>Free contract environment;</p> <p>Remuneration of employees and contractors.</p> <p>-</p> <p>Energy generation subject to climate factors variation.</p>	<p>+</p> <p>Access to clean energy;</p> <p>Ethics Channel for employees and contractors;</p> <p>Contribution to local economy movement;</p> <p>Participation in consultations and public debates;</p> <p>Meetings with community leaders;</p> <p>Local development strategies (Community Fund);</p> <p>Land asset management;</p> <p>Supplier relations.</p> <p>-</p> <p>Demobilization initiatives.</p>	<p>+</p> <p>Job generation;</p> <p>Training and qualification (SPIC University; Leadership Academy);</p> <p>SPIC Prev;</p> <p>Promotion of employees well-being (Be Healthy/ SPIC 2U);</p> <p>Diversity (Member of Women's Empowerment Principles UN Women/ Global Compact).</p> <p>-</p> <p>Risk of accidents and health inherent to business activities.</p>

ESG Strategy

Respect for all our stakeholders is paramount in everything we do, as is ethics and integrity in the workplace. We rely on a Sustainability Policy, which guides our practices relating to the environment and people, supported by our ethical principles. The document outlines who is responsible for implementing and monitoring the policy and explains the Sustainability Committee's operations.

Our Sustainability Committee is composed of members of senior management, the Health, Safety, Environment and Quality(HSE) corporate area and strategic business units.

It is liable for managing the sustainability strategy and engagement to the action plans, which include targets aligned with the UN Sustainable Development Goals (SDGs) to be achieved by 2030.

Our ESG Strategy is fine-tuned with our mission, vision and values, besides referencing other in-house policies and standards. It shall apply to the relationship with all our stakeholders. The Company's strategy and initiatives are shared with employees via our intranet and updated in our Annual Sustainability Report, available on SPIC Brasil's website.



Principles of our ESG Strategy:

- Ethical and seamless stance in adopting fair practices and providing information that is timely, accessible and appropriate to the particularities of different audiences and stakeholders.
- Respect for human rights through initiatives that support diversity, fight against child, compulsory labor and the sexual exploitation of minors.
- Seek to prevent and adopt initiatives to combat eventual social and environmental impacts.
- Promote a culture of health and safety with a focus on preventing accidents, incidents and work-related ill health, and implementing technologies and processes that minimize risk and foment continuous improvement in the performance of our operations.



Material topics GRI 3-1, 3-2

Our ESG strategy is built on three pillars under the topic 'Human energy that drives transformation'. It relates to our material topics, which are defined in consultation with our stakeholders and rely on the support of a specialized consulting firm. The process, completed in 2021, covered materiality without differentiating between financial and impact materiality.

For this work, we benchmarked and consulted key market benchmarks and indexes, including the Sustainability Accounting Standards Board (SASB), MSCI, Dow Jones Sustainability Indexes (DJSI), the Organization for Economic Cooperation and Development (OECD), and the Joint Financing Report The Sustainable Development Goals. After the survey, we identified topics related to the Company's operations, which were analyzed and prioritized in-house until we came up with a list of ten topics. The prioritization of topics and their impacts was guided by criteria, such as probability and severity (intensity, extent and reversibility).



Our material topics are fine-tuned with the motto **"human energy that drives and transforms".**



ENERGY HUMAN

Ethical, inclusive relationships that value the potential of our employees and partners.

- Ethics and integrity;
- Labor relations;
- Occupational health and safety;
- Sustainable procurement.

ENERGY THAT DRIVES

Diversified and secure energy generation to support the transition to a low-carbon economy.

- Energy transition;
- Climate resilience;
- Operating ecoefficiency.

ENERGY THAT TRANSFORMS

Respect and commitment to people and the environment.

- Local development.
- Biodiversity and use of land.

ESG Governance

Engagement with Global Compact and SDG

We are signatories to the Global Compact, having made a voluntary commitment to Ten Principles in the areas of the environment, human rights, labor and anticorruption, besides the Sustainable Development Goals - both UN initiatives. Within the institution, we are members of the Guidance Committee of the Brazil Network (Corb), a body that supports the Global Compact's Board of Directors in the country.

Since 2021, our CEO, Adriana Waltrick, has been a spokesperson for SDG 16, with a commitment to promoting it in the Company's operations, among its partners and in the market. We also take part of four Pact movements:

- **100% Transparency Movement:** it aims to educate and empower businesses to adopt anticorruption and integrity mechanisms to achieve the goal of 100% transparency by 2030.
- **When Women Lead Movement:** a partnership with UN Women to promote gender equality through training, development and empowerment initiatives and to support businesses in their commitment to achieve 50% of women in senior leadership positions by 2030.
- **Living Wage Movement:** also in partnership with UN Women, has the ambition to ensure 100% living wages for direct or indirect employees by 2030.
- **Mind in Focus Movement:** it stimulates debate on mental health within businesses, so that they can define concrete, preventive and ongoing action plans to help create healthier workplaces. In 2023, SPIC created the Mental Health Good Practices Manual, which aims to eliminate the stigma normally associated with the topic and foster an environment of well-being among its employees. The document explains concepts related to mental health, suggests self-care actions and informs about the Be Healthy Program (read more on [page 83](#)).

As of 2025, we plan to draw up an action plan to also join the Net Zero Ambition Movement. We are constantly evolving and improving our processes, committed to mapping and publicly disclosing our greenhouse gas (GHG) inventories. We plan to have a more consolidated scenario of our emissions and thus be committed to the reduction journey proposed by the movement.

Other initiatives or institutions relating to sustainability and SPIC Brasil's participation include:

- **Acende Brasil Institute;**
- **International Hydropower Association (IHA);**
- **Business Pact for Integrity and Against Corruption,** of Ethos Institute;
- **Women's Empowerment Principles (WEPs),** issued by UN Women in partnership with the Global Compact.



Highlights 2023



We were awarded as a Pro-Ethics Company by the Brazilian Office of the Controller General for the 2022-2023 cycle. This was the Company's first application for the Seal, which recognizes businesses with a solid integrity program to fight against corruption and promote ethics and integrity in the corporate environment.



The São Simão hydroelectric power plant celebrated its 45th anniversary with a calendar of events for employees and the community, including the return of the Open Doors event, which had been suspended during the pandemic.



The renewal of the operating license for the São Simão HPP was confirmed by IBAMA (Brazilian Institute of Environment and Renewable Natural Resources). The Company submitted all required documentation months ahead of the legal deadline, reiterating its commitment to complying with the rules governing its operations.



We accompanied the Brazilian government delegation on a trip to China and signed partnerships related to energy transition with the Government of Ceará, the Port of Açu (RJ) and the Ministry of Mines and Energy.



The Company conducted the downtime, dismantled equipment and began reassembling machine 2 at the São Simão HPP. This is one of the plant's retrofit stages. The plant continues to perform on schedule.



Approximately R\$1.6 billion were raised in the international Chinese market in a landmark transaction to refinance the debt contracted for the São Simão HPP concession at lower interest rates.



We took part in the Ambition 2030 Forum and SDGs in Brazil events, evidencing our commitment to the UN Global Compact. We also reiterated our commitment to the four movements composing the Ambition 2030 program, as well as the Leadership with ImPacto initiative, where the Company's CEO is the spokesperson for SDG 16.



With the publication of our greenhouse gas inventory, we obtained a new Gold Seal according to the GHG Protocol organization.

Our energy comes from **ADDING UP**

Our corporate governance practices are guided by the SPIC Global guidelines and the best standards adopted by the market. Among the organizations that have launched instructions considered by SPIC Brasil are the Brazilian Institute of Corporate Governance (IBGC) and the Organization for Economic Cooperation and Development (OECD).

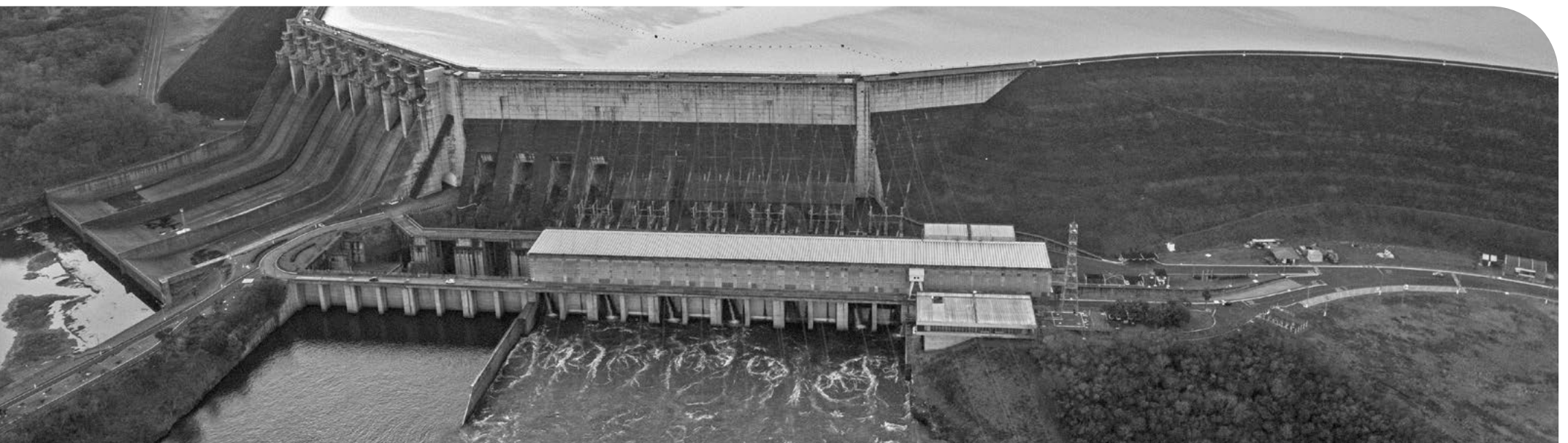
Corporate governance

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 3-3 ESG Governance

SPIC's governance structure in Brazil, considering SPIC Brasil and São Simão HPP, relies on a Shareholders' Meeting, a Board of Directors, advisory committees to the Board and a Board of Executive Officers. Solar operations (Panati and Marangatu) also rely on a structured Board. The other Group companies do not have a Board or committee structure.

Since 2022, we have had procedures in place to assist decision-making for the Company, its investees, subsidiaries and non-controlling companies. The measure was implemented to facilitate SPIC Brasil's expansion process and to align the Group's new companies with best governance practices.

Below, the
duties of our
governance bodies.



Shareholders' Meeting

Among other responsibilities, it elects the members of the Board of Directors, in accordance with the Bylaws and the Brazilian Corporation Law (Article 140).

Board of Directors

The Board of Directors has a strategic role, determining the guidelines for the Company's business. The Board is liable for defining the organization's ethical principles and values, besides assessing risks and governance systems. The board members are appointed by the shareholders pursuant to the Brazilian Corporation Law (Article 140), Shareholders Agreement and the Company's Bylaws.

As far as sustainability is concerned, the Board sets out policies and objectives to be followed and approves strategies and oversees practices in a strategic manner, including processes for identifying and managing economic, environmental and human impacts. The topics are monitored through monthly ESG indicators and the Annual Sustainability Report. Financial, operational and critical indicators (such as incident rates) are also sent to board members on a monthly basis.

Engagement with stakeholders takes place through public consultations, reports and disclosure of information, as well as external auditing and assurance. The results are considered in business management, influencing the assessment of risks and opportunities and strategic decision-making.

The Board of Directors has three advisory committees, with members elected by the body and composed of board members and company executives:

- **Budget Committee and KPI - SPIC Brasil:**
it monitors the budget proposal, income statement for the year, indicators and cash flow;
- **Human Resources Committee - São Simão HPP:**
it acts to enhance employees' remuneration model;
- **Risk Management Committee - São Simão HPP:**
it sets out guidelines to manage risks and internal controls.

The Board of Directors is kept informed of critical issues related to the business or its impact on society through periodic reports, meetings with the Executive Board, committee communications, performance presentations, business plans, reviews of legal and regulatory issues, and communications related to crises and emergencies. Concerns can cover indicators relating to the Integrity Program, such as training data, due diligences by third parties and complaints received via the Ethics Channel. [GRI 2-16](#)

The SPIC Brasil Board meets on demand for joint decision-making. The São Simão HPP Board, in turn, meets monthly. The Chairman of the Board of Directors is not an executive of any of the organization's companies in Brazil.

The Board of Directors (BD) is the highest governance body of SPIC Brasil.



Composition of the Board of Directors in 2023 GRI 2-9

SPIC Brasil

Title	Member	Independent member	Term of office (in years)	Member performs other duties (in other organizations or at the organization itself)	Gender	Member represents any group of stakeholder
CEO	Adriana Waltrick	No	3	Board of Directors of Panati (2-year term of office); Marangatú Board of Directors (2-year term of office); GNA Board of Directors; Manager at PHB; Manager at SPIC Comercializadora; Officer at SPIC Thermal power plants (2-year term of office)	Female	SPIC/HPPSS
Member of the Board of Directors	Mr. Chen Zheng	No	3	No	Male	SPIC
Member of the Board of Directors	Mrs. Qiu Dong	No	3	Board of Directors of São Simão Energia S.A HPPSS, Panati Holding S.A. and Marangatu Holding S.A. and Committees	Female	SPIC
Member of the Board of Directors	Mr. Lin Guixiang	No	3	Chairman of São Simão Energia S.A. HPPSS and Committees	Male	SPIC
Member of the Board of Directors	Mr. Ricardo Lima	Yes	3	No	Male	No

São Simão Energia S.A. HPP

CEO	Adriana Waltrick	No	3	Board of Directors of Panati (2-year term of office); Marangatú Board of Directors (2-year term of office); GNA Board of Directors; Manager at PHB; Manager at SPIC Comercializadora; Officer at SPIC Thermal power plants (2-year term of office)	Female	SPIC/HPPSS
Member of the Board of Directors	Mr. Roger Gill	Yes	3	No	Male	No
Member of the Board of Directors	Mr. Qian Jianguo	No	3	Statutory Officer of São Simão Energia S.A. HPP	Male	Zhejiang Energy Brasil - Minority shareholder of São Simão Energia S.A. HPP
Member of the Board of Directors	Mr. Le Yabiao	No	3	No	Male	Zhejiang Energy Brasil - Minority shareholder of São Simão Energia S.A. HPP

Note: none of the board members holds an executive role in the Company or pertains to under-represented social groups. Independent board members are those who have no family, business or other relationship with the organization.



The Statutory Board of Executive Officers is elected by BD and has the responsibility of representing Spic Brasil before third parties.

Board of Executive Officers

At SPIC Brasil, day-to-day business is managed by a Non-Statutory/Board of Executive Officers, composed of 15 contracted officers. The departments each executive officer is responsible for are separated by area of expertise. The Company's strategic management is carried out by the Statutory Executive Board, composed of three members duly elected by the Board of Directors. The statutory officers have the power to represent SPIC Brasil before third parties.

The Board of Directors delegates to the CEO a number of responsibilities related to managing the Company's economic, environmental and human impacts, including: developing and implementing sustainability strategies; assessing and monitoring sustainability performance; ensuring compliance with regulations and standards; embedding sustainability into processes and operations; promoting stakeholder engagement; developing sustainable initiatives; publishing annual sustainability reports; educating and raising awareness; promoting innovation and research; and assessing risks and opportunities.

Some objectives related to impact management are part of the Executive Board's goals. The Board of Directors, in turn, monitors and guides the body. Information is reported to the Board in various ways, such as ongoing performance reports, executive presentations, specific reports, monitoring systems and meetings.

Remuneration policies GRI 2-19, 2-20

We offer fixed and variable remuneration, attraction bonuses or recruitment incentive payments, return of bonuses and incentives (clawback) and private pensions. We seek appropriate remuneration for each position, recognizing the individual efforts of employees and providing paths for career development. For critical positions, we can offer a hiring bonus, as long as the employee remains with the Company for at least 12 months.

The steps to determine remuneration include setting objectives, market analysis and performance reviews. The opinions of stakeholders, including shareholders, are taken into account through surveys and consultations. Independent remuneration advisors, board members and executives can be involved. Every year, the CEO reviews and endorses the recommendations for salary adjustments proposed by her direct subordinates to the employees.

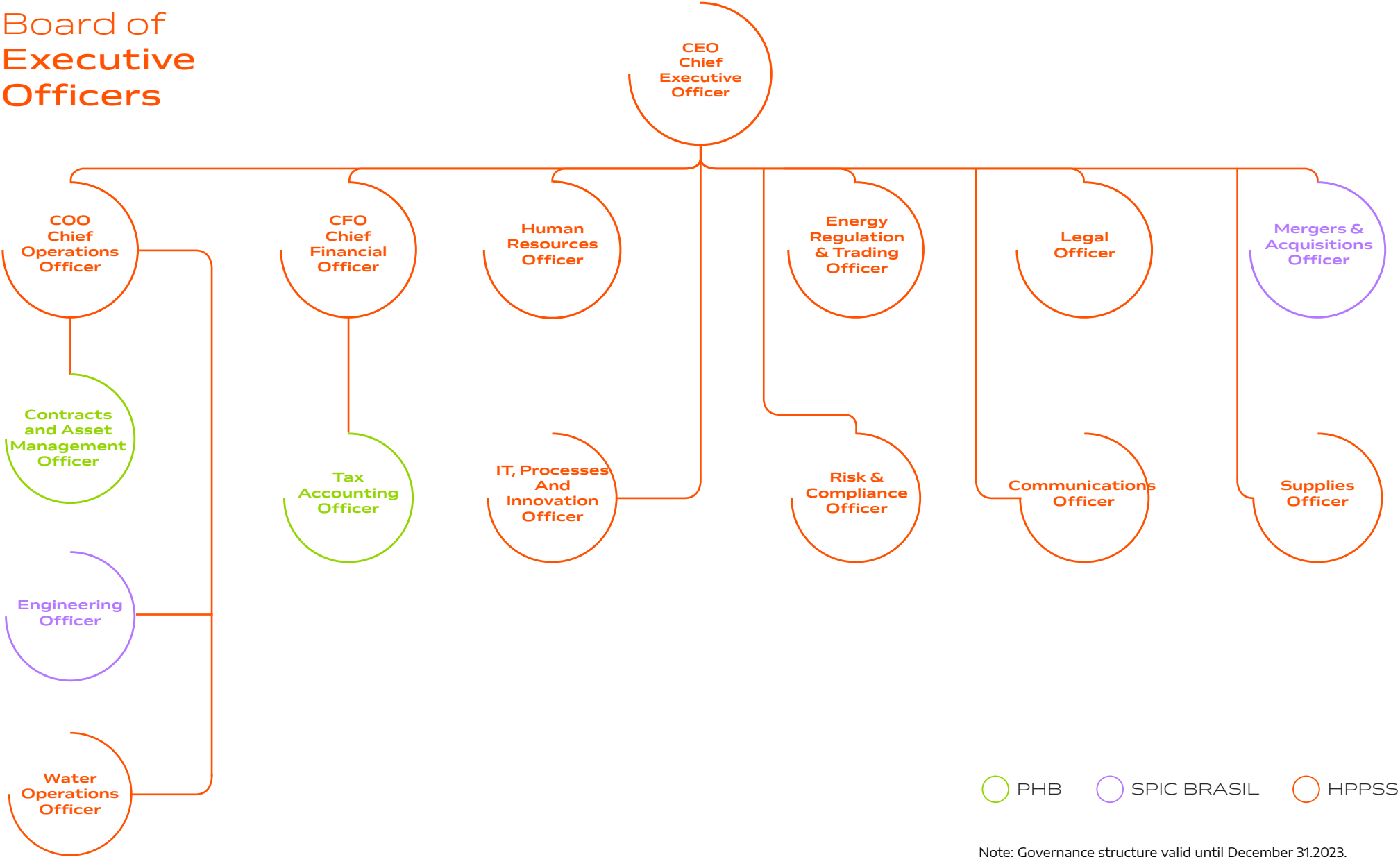
The process is overseen by the Human Resources (HR) department. In addition, the officers share responsibility for the equitable application of the policy, and may propose revisions and updates when appropriate. Managers should consult with HR regarding promotions and adjustments to their team.

The remuneration policy for members of the Board of Directors and senior executives is designed to align financial incentives with the responsible management of economic, social and environmental impacts and to promote a sustainable and seamless approach in relation to the Company's key decision makers.

Governance **structure**
in 2023



Board of Executive Officers



Note: Governance structure valid until December 31,2023.

Ethics & integrity

GRI 2-23, 2-24, 3-3 Ethics & integrity

We foster a culture of ethics and integrity that involves our stakeholders and the market in general. We maintain sound practices for promoting the topic, including an Integrity Program, training and the Integrity and Privacy Agents initiative. Our ethics and integrity management was awarded the Pro-Ethics Company 2022-2023 certification. (see box on [page 30](#)). Our ESG strategy aims to make the Company a benchmark in this area.

We maintain reference documents approved by the Board of Directors and Board of Executive Officers that set out our commitments to responsible business conduct, including the Code of Conduct and Ethics, the Anticorruption and Antibribery Policy, the Third Party Reputation Analysis Policy, the Conflict of Interests and Related Party Transactions Policy, the Consequences, Disciplinary Measures and Sanctions Policy, and the Corporate Investigations Policy. These apply equally to all the organization's activities and its business relationships.

Our integrity practices involve our stakeholders and influence the market.

We conduct due diligence processes, we apply the precautionary principle and we respect human rights. We prioritize various groups of stakeholders when making our commitments, including employees, customers, consumers, local communities and suppliers. We also consider at-risk or vulnerable groups, such as children and adolescents, human rights defenders, indigenous peoples, national or ethnic minorities, people with disabilities, women, and persons discriminated based on sexual orientation, gender identity, gender expression, or sexual characteristics.

The Board of Directors and the CEO oversee our commitments and can delegate responsibilities for their management within the Company, providing for accountability and a monitoring system. The integration of commitments into strategies, policies and operations takes place through procedures, training, awareness-raising, monitoring, continuous review, impact assessments, among others. In business relationships, the organization uses contractual clauses, regular partner assessment, careful selection, audits and continuous improvement. We communicate our commitments to employees, business partners and other stakeholders through the website, in-house communications, social networks, events, strategic partnerships, annual sustainability reports and press interviews.



We are aligned with internationally recognized intergovernmental instruments, such as the UN Global Compact, the Sustainable Development Goals (SDGs) and the UN Guiding Principles on Business and Human Rights. Among our public commitments, we adhere to the Business Pact for Integrity and Against Corruption, promoted by the Ethos Institute, and we are signatories to the 100% Transparency Movement of the UN Global Compact. The Movement promotes five integrity-related goals with a deadline of 2030. In 2023, we achieved the target of 100% transparency of compliance and governance structure.



[learn more](#)

Access the page on compliance on the Company's website. Read our **Code of Conduct** and Ethics.

Mobilizing the market to the benefit of ethics

For us, ethics and integrity are a commitment that must be undertaken by everyone, inside and outside the company. Our CEO, Adriana Waltrick, leads by example and seeks to mobilize the market through her engagement with the Global Compact in Brazil. She is participating in the Leadership with ImPacto program, an initiative that invites CEOs to be spokespeople for the Sustainable Development Goals, representing SDG 16 - Peace, Justice and Effective Institutions.

Check few events with engagement of SPIC Brasil and our CEO in 2023:

Ambition 2030 Forum

We attended this event, which gathered more than one thousand participants, including 200 leaders from major companies, to celebrate the first year of Ambition 2030, an initiative launched by the Global Compact to expedite action on the SDGs. Of the eight movements composing the Ambition 2030, we are engaged in four, including 100% Transparency, in which we were pioneers.

SDGs in Brazil

Our CEO took part in the panel on 'Why is mobilizing the value chain so challenging?', alongside other business leaders. The SDGs in Brazil event, held at the UN headquarters in New York, discussed the progress of the Brazilian business sector in the 2030 Agenda.

In interviews for the media and in her LinkedIn profile, Adriana has also shared information about the importance of mobilizing the market in support of the SDGs. 'Building positive, responsible and seamless impact is paramount for businesses, especially those composing the UN Global Compact in Brazil, like SPIC Brasil. And a formal commitment to the environment and zero tolerance for corruption should be the pillars of sustainable businesses and societies,' she says.

Integrity Program

Through various initiatives, our Program helps to promote a culture of integrity among the Company's employees and business partners. The Program is evaluated annually by means of a survey that collects doubts and feedback from employees about the actions taken. We use the results to guide our initiatives and training in the next cycle.

In 2023, six Integrity Pills were produced, content distributed by e-mail, leaflets or posters, based on the main issues collected in the survey. Topics include government relations, workplace respect and diversity, gifts and presents, community relations, bullying and sexual harassment. The Pills also reinforce the importance and contact details of the Ethics Channel.

The **integrity pills** and the Integrity Week are engagement initiatives for employees.

In 2023, our traditional Integrity Week was transformed into an intensive two-day celebration. The first featured presentations on ethics and integrity and the second interactive activities for content understanding and retention. The dynamic involved presenting clips from movies and sitcoms that had to be analyzed as practices of sexual harassment or flirtation, then consulting the template and discussing the answers with fellow participants. All this accompanied by popcorn and guidance on how to identify and what to do in cases of sexual harassment.

The actions of the Integrity Program are monitored by the Ethics and Integrity Committee on a quarterly basis. The body is also liable for analyzing any cases of ethical irregularities and recommending the application of disciplinary measures and corrective actions in accordance with the Consequences, Disciplinary Measures and Sanctions Policy.

It should be noted that SPIC Brasil maintains a process for analyzing the contractors' reputation to prevent the Company from relationships with disqualified business partners, and uses a properly parameterized tool to execute these checks. In this regard, in 2023, the Risk and Compliance department analyzed 218 diligences, including eventual high-risk relationships (characterized by the nature of the relationship and the value, among other aspects) and low-risk relationships, wherein any alert has been identified to analyze the cases more carefully. [GRI 205-1](#)



[learn more](#)

Access the page
of our **Integrity Program**.



Training

We conducted various training sessions during the year aiming at reinforcing the culture of integrity among our various stakeholders, senior management, employees and contractors. Senior management is strategically relevant due to its ability to influence the Company's actions. For this reason, face-to-face training sessions were held for officers and board members. Subsequently, the support materials are available for access online, facilitating engagement with the topic.

The senior management training sessions covered special topics. For officers, we had training on risk management, focusing on business risks and related activities. The board members were trained on the benefits and challenges of the Integrity Program and on Brazil's business environment, including political, social and economic aspects. The topic was selected to contextualize the Brazilian reality in relation to other countries where SPIC operates.

With regard to our employees and contractors, we hold on-line training classes in different months. The content covers the operation of the Risk and Compliance area, besides the issues highlighted as relevant in the feedback survey on the Integrity Program. We also partnered with the health and safety department to include a video on integrity among the integration materials for all those who access SPIC's units.



Training activities cover the Integrity Program and the Company's risk management practices.

Training given in 2023 GRI 2-24				
Topic	Target group	Percentage of target group trained (%)	Format	Frequency
Integrity for contractors	Contractors	100	Online	Undetermined frequency. Every time a contractor enters, they receive the training.
Annual compliance training	Employees	100	Online	Annual
Compliance topics	Senior management	100	Hybrid	Annual

Note: all training activities are mandatory. No assessment has been conducted.

Total number and percentage of governance members who have been communicated and trained on the anticorruption policies and procedures, by region [GRI 205-2](#)

Site	2021						2022						2023	
	Total number of governance members communicated	%	Total number of governance members trained	%	Total number of governance members communicated	%	Total number of governance members trained	%	total number of governance members communicated	%	Total number of governance members trained	%	Total number of governance members trained	%
São Paulo	12	100	11	91.67	12	100	12	100	18	100	18	100	18	100
Natal	1	100	1	100	1	100	1	100	0	0	0	0	0	0
São Simão (GO)/ Santa Vitória (MG)	1	100	1	100	0	0	0	0	0	0	0	0	0	0
Mataraca/ PB	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Number and percentage of employees who have been communicated and trained on the anticorruption policies and procedures, by region [GRI 205-2](#)

	2021						2022						2023	
	Total number of employees communicated	%	Total number of employees trained	%	Total number of employees communicated	%	Total number of employees trained	%	Total number of employees communicated	%	Total number of employees trained	%	Total number of employees trained	%
São Paulo / SP	215	100	186	86.51	129	100	106	82.17	149	100	149	100	149	100
Natal /RN	19	100	16	84.21	25	100	7	28.00	23	100	23	100	23	100
São Simão / GO	0	0	0	0	97	100	30	30.93	84	100	84	100	84	100
Mataraca/ PB	0	0	0	0	3	100	3	100	3	100	3	100	3	100

Number and percentage of workers by employee category [GRI 205-2](#)

	2022				2023			
	Total number of employees communicated	%	Total number of employees trained	%	Total number of employees communicated	%	Total number of employees trained	%
Board	3	100	3	100	3	100	3	100
Board of Executive Officers	13	100	13	100	15	100	15	100
Management	42	100	30	71.43	42	100	42	100
Technical/supervision	80	100	25	31.25	79	100	79	100
Administrative	116	100	74	63.79	118	100	118	100
Apprentices	4	100	1	25.00	2	100	2	100
Trainees	8	100	0	0	0	0	0	0

Number and percentage of business partners who were communicated and trained on the anticorruption policies and procedures [GRI 205-2](#)

Type of partner	2022					2023	
	Total number of business partners	Total number of business partners communicated	%	Total number of business partners trained	%		
Suppliers	579	494	85.32	72	12.44		

The **Integrity** and Privacy Agents promote a **culture of** ethics and compliance with LGPD.

Integrity and Privacy Agents

The Integrity and Privacy Agents initiative is an offshoot of the Integrity Ambassadors program, which has been restructured to cover new topics. In addition to compliance topics, participants were also trained on the General Data Protection Law (LGPD) in collaboration with SPIC's legal department.

13 employees from different areas were selected to join the team of agents on a voluntary basis. After receiving basic training in compliance and LGPD, they have the task of disseminating the culture of integrity and privacy among their co-workers and contractors. The group meets every two months to exchange experiences. Learn more about data privacy on [page 35](#).



Ethics and compliance channel GRI 2-25

We provide an independent and confidential channel that can be accessed by SPIC's internal and external stakeholders in the event of complaints about misconduct. The Ethics Channel is prepared to receive any reports of ethical irregularities anonymously and securely.

The tool is managed by an outsourced company, ensuring confidentiality to the information received and anonymity to the whistleblower. An investigation is also conducted impartially and confidentially. The quality of service is monitored through reports issued by the supplier.

In 2023, the organization received a total of 59 reports addressing various issues. Of these reports, 23 were investigated and found to be justified, resulting in the application of disciplinary measures and specific mitigating actions to address the issues observed.

On the other hand, 11 reports were found to be groundless or inconclusive. In addition, 22 reports were treated and identified as out of scope, not applicable or lacking sufficient data for a proper investigation. At the end of 2023, three reports were at the investigation stage.

Ethics channel contacts

Website:

www.linhaetica.com.br/etica/SPICBrasil

E-mail:

spicbrasil@linhaetica.com.br

Telephone:

0800 713 0109

(available from Monday to Friday, from 8:00 a.m. to 8:00 p.m.) or mailbox 79518

SPIC is a Pro-Ethics Company



We received the Pro-Ethics Seal from the Brazilian Office of the Controller General for the 2022-2023 cycle. The Pro-Ethics foments the voluntary adoption of integrity measures by businesses through public recognition of those that show commitment. Participating companies need to meet the requirements of the regulation and demonstrate evidence. Among the criteria assessed are senior management commitment, integrity policies, training, whistleblowing channels and internal controls.

The figures released by Pro-Ethics reveal SPIC Brasil's high standards compared to the market average. During the 2022-2023 cycle, 299 companies filled in the Pro-Ethics form. Of these, 254 were accepted for analysis and only 84 were acknowledged. This was the first time we had competed for recognition.

Our CEO, Adriana Waltrick, reinforced the Company's commitment to the future: 'This award is yet another incentive to improve our practices and contribute to building an

increasingly ethical and seamless business environment. This is a significant milestone, but it is also a starting point for us to reach even higher levels in our journey of integrity'.

Risk management

We adopt the best risk management practices on the market, adopting international references and models, such as Coso 2017. We apply probability criteria and impact rules to prioritize risks for senior management consideration and receive mitigation plans.

We rely on **two bodies that decide on risk management and monitor the plans' execution and effectiveness:**

1.

Risk and Audit Committee of SPIC Brasil: it maps the corporate risks as a whole;

2.

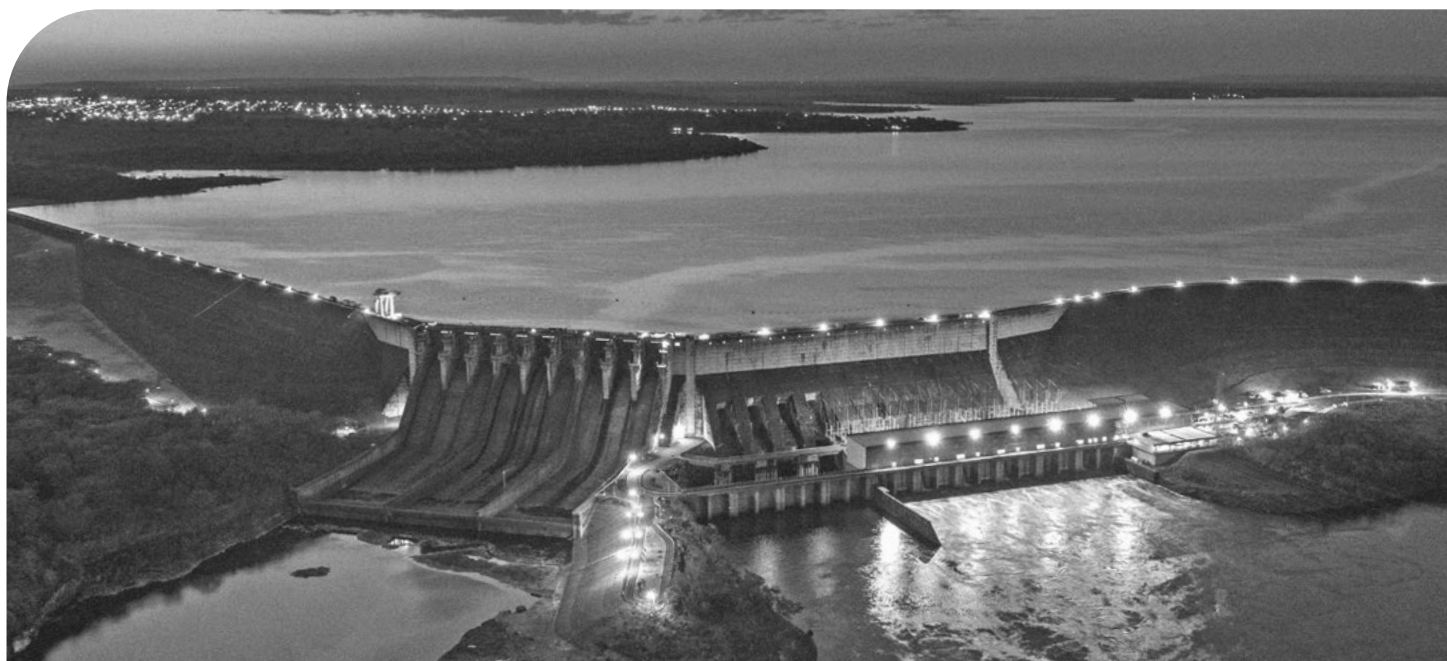
Risk Management Committee of São Simão HPP: responsible for managing and monitoring impacts at the power plant.

Processes and controls are reviewed by the internal audit, which is liable for ensuring that the Company runs smoothly, based on defined policies and according to criticality and risk criteria. This plan is previously approved by the management and auditors of SPIC Global in China, and the results of the work are presented quarterly.

In 2023, we carried out the Company's general risk analysis, as well as specific analyses. We have completed the risk mapping for package 5 of the São Simão power plant's retrofit, besides mapping the social, strategic and implementation risks of the solar complexes. For this, we relied on the support of a specialized consultancy.

Another year's achievement was the configuration of the risks and internal controls module in the Company's proprietary system (Risk and Audit Strategy Facilitator System, or Sfera). The system will help automate controls and manage risks.

Besides overall risk analysis, we map specific risks, such as social and strategic risks.



Sustainable procurement

In 2023, we continued to upgrade SPIC Brasil's procurement processes. The upgrades have been applied since 2022, when we kicked off the Agiliza Project and began using a new management system, the SAP Ariba. These changes were made aiming at enhancing transparency and facilitating supplier management, besides stimulating a more qualified and sustainable supply chain.

SAP Ariba allows us to integrate our bid processes in a single location. In the last year, we have implemented category management through the tool, including +200 categorizations, defined through in-house mapping and associated with service codes. Our objective is to make it easier for the internal stakeholders to manage purchases, with whom we hold regular meetings on the use of the system and the processes in the Procurement area. Therefore, we have acquired more agility, assertiveness, control and handiness of managing the supply chain.

The **Agiliza Project** brings greater transparency and facilitates the suppliers management.

For 2024, we also intend to include categories related to the supplier's location, aiming at increasing the number of local suppliers and fostering greater development in the locations. We have also evolved in the contracting of suppliers for inclusion in catalogs, a format that allows for more automated and agile procurement.

Our supply chain comprises local, state, national and foreign suppliers, who offer a variety of services and materials. We estimate that there are nearly 6 thousand suppliers along this chain, with payments made amounting to approximately R\$374 million. The types of suppliers include businesses of different sizes (small, medium and large). [GRI 2-6](#)



Management practices

GRI 3-3 Sustainable procurement, 308-1, 308-2, 414-1

Our procurement management is guided by ethics and integrity, observing our Supplier Relations Policy. All the requirements requested to our business partners are outlined in our Code of Conduct and Ethics for Contractors, including conduct related to integrity, legality, human rights and social and environmental issues. We also maintain a Contractor Reputational Analysis Policy, which aims to prevent us from doing business with companies that pose a risk to SPIC Brasil.

We have adopted a tool that facilitates the due diligence process by means of a questionnaire that suppliers have to fill in. The questions were defined by the Compliance area. In all contracts signed with contractors, we maintain an anti-corruption and antibribery clause, which aims to ensure compliance and encourage the adoption of integrity programs by these parties. We also check the supplier's presence on lists of child or compulsory labor.

We do not currently adopt environmental or social criteria when selecting new suppliers, but we have a project underway to facilitate environmental approval and qualification. It should be completed by the end of 2024. The organization has set itself the ambition of having 70% of its suppliers duly registered, approved and qualified on its e-Procurement portal.

We do not assess the environmental impacts of our suppliers, but during the contracting process they commit to following SPIC's values and guidelines. When starting the process, the Company attaches detailed instructions on health, safety, environmental and social criteria to the Request for Quotation (RFQ), as well as procedures related to the Environment and Compliance areas. These documents

are then incorporated into the legal contract signed by the winning supplier.

The assessment criteria for new suppliers in the context of a bid cover technical, financial and commercial factors. In addition, we have a reputational analysis and a financial health assessment. Within the technical specification, depending on the scope of the service to be contracted, an environmental pre-assessment is carried out to ensure that the supplier is in line with the established standards and requirements.

We conduct the assessment every six months with nearly 75% of our supplier base, including the main or most relevant contracts. The contracting areas are liable for the process, which analyzes the financial health of suppliers and other relevant aspects. The assessment currently takes place via a form, but should be included in Ariba in 2024.

We offer training to suppliers through the Supplier Portal and Ariba, on topics, such as integrity, health and safety. In the case of contractors working in our operational units (São Simão HPP or wind farms), we integrate them by showing an educational video that covers SPIC Brasil's main commitments and conduct requirements, besides the most relevant topics of the Integrity Program.

Our operations or suppliers have no risk of incidents of child labor, young workers exposed to hazardous work or incidents of forced or compulsory labor. To reduce this risk, the Company adopts several measures, including the declaration of zero tolerance to the practice in official documents, the rigorous verification of documentation, the training of both employees and other workers on the subject, the provision of whistleblowing channels and the implementation of regular monitoring and audits. **GRI 408-1, 409-1**

Other information about our procurement practices can be found on our supplier page.



Innovation

In 2023, SPIC Brasil continued to implement the Strategic Innovation Plan, built on in-depth diagnoses, employee surveys and interviews with the Company's top leaders. The plan is composed of short, medium and long-term actions connected to the Culture of Innovation, Digital Transformation and ESG pillars.

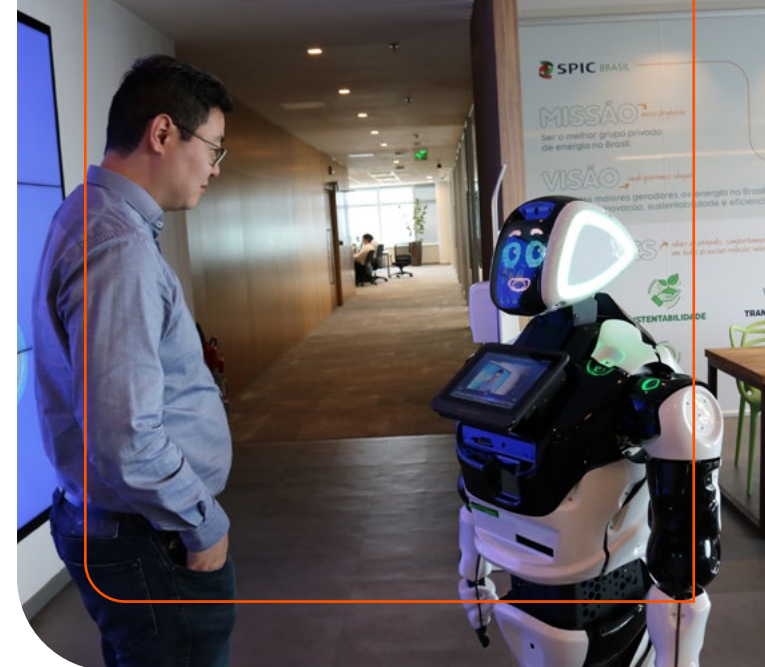
To give the plan more traction, at the end of 2023, the R&D, Innovation and Strategy area was merged into the Information Technology area. The advancement of the organizational structure has been conducted aiming at better exploring the synergies between the topics and fomenting the Company's innovation and digitalization practices. Therefore, the Digital Transformation Hub was set up, which standardizes processes, strategies and initiatives.

For us, innovation must leverage business entrepreneur's mindset, contribute to energy transition and build value for sustainability.

Culture of innovation

The innovative culture means a value for SPIC Brasil. The Company strives to develop projects that foster groundbreaking and creative behavior among its employees and facilitate the search for solutions to everyday challenges.

The IdeAção Program is a 100% digital idea enrollment platform created in 2022. It encourages all employees to help find answers to the challenges they face in their work and to be recognized for the practical results of their contributions. In 2023, +60 ideas were submitted to IdeAção, besides the delivery of the first results for projects from the previous cycle. Among them is an app that helps to spot wildlife around the São Simão HPP.



Through the tool, employees send in photos of the animals they spot and the information is used in the monitoring carried out by the Company, adding value to the Company's environmental practices and environmental education.

We also organized our Innovation Week, the first one held face-to-face after the pandemic. This year, we promoted more interactive workshops, presenting technologies, such as generative artificial intelligence and augmented reality. The Company moved forward with the IdeAção Award, presented during Innovation Week, which recognized the best-rated projects in the areas of innovation culture, information technology and ESG.

Other year's new developments included the training of the second group of Ambassadors for Culture and Innovation and the implementation of project finance through the Lei do Bem (Law of Good). In recognition of its breakthrough culture, the Company was included in the ranking of Brazil's 150 most innovative companies, according to the newspaper Valor Econômico.

Digital transformation

Technology has a role to play in facilitating processes and improving the experience of our people. In 2023, SPIC implemented and enhanced the use of various digital tools to make its employees' routine more agile and uncomplicated:

- **Replacing the tax and accounting system: adopting one of the best tools on the market. It also replaced the solution for issuing and receiving invoices, which works in an integrated way with the Company's system.**
- **Process robotics: implementation of process automation platforms and formulation of low-code applications to expedite the setup of new systems. This makes it easier to perform tasks that were previously very manual, such as processing payments and requesting purchases.**

Information security

We manage the issue of information security through good practices and control tools, as well as encouraging employees to adopt a culture of security. In 2023, we had several system upgrades with the aim of improving our predictive analysis, as well as speeding up action in the event of an incident.

Among other measures, we updated our servers environment and we exchanged our Security Operations Center (SOC). We have also started to implement a tool for managing APIs (communication interfaces for accessing a system's functions), which allows for more control. No critical incidents related to information security were recorded during the year.

From a cultural point of view, we ran a campaign on phishing aiming at preventing data leaks and analyzed the maturity of users by sending fake emails in simulation actions controlled by the information technology team. Regularly, we release announcements on how employees can promote information security in their daily lives.

Data privacy

SPIC Brasil's Data Privacy Committee continuously monitors the General Data Protection Law (LGPD) with the National Data Protection Authority, which every two years presents an agenda of topics for regulation. The Committee regularly meets to report on the SPIC Group's Privacy Program, as well as to update relevant market practices and monitor the sector's agenda in Brazil. We maintain a mandatory online privacy training for all employees, besides stated policies on the internet.



We promote a **culture of information security** through good practices and control tools.



We registered **107 bidders** for the call, evidencing the **communication maturity** and the Program brand.



Research & development

We have widened the scope of our research & development (R&D) projects to also include the innovation perspective. With the change, we have broadened the possibilities for applying new technologies, processes and business areas that can be covered by the projects. Therefore, we are adapted to the changes in the regulations for Aneel's R&D Program. We also implemented changes to the R&D project budget by automating financial management, which facilitates budget planning and control.

In 2023, we held the second public call for Geração Inovação, SPIC's Open Innovation Program, which seeks to select partners from startups, universities, research centers or technology-based companies to work on R&D initiatives. The call aimed at devising solutions focused on operating efficiency for the São Simão Hydroelectric Power Plant. The total amount to be invested in the projects will be R\$ 6 million.

We registered 107 bidders for the call, evidencing the maturity of the Program's communication and brand. We have selected three new projects and one development of an existing initiative. The new projects are:

- Integrated management for insulation and blocking maneuvers, with Aquarela Analytics;
- Smart system for integrated data management and maintenance scheduling, with Enacom Group;
- Platform for managing and monitoring forest restoration areas, with Lactec.

The project to be developed is augmented reality for simulations in the São Simão operation. AQS Tecnologia has built a technological application that shows the environment of the plant's electrical gallery using augmented reality glasses. With technology, it is possible to immerse the employee in the training platform to simulate usual operations or abnormalities, setting out procedures and measures to be taken. The second phase of the project will focus on the refinement and evaluation of the solution's potential market insertion. The other projects from the previous cycle of Geração Inovação have been completed with positive results.

3
new projects
selected

1
ongoing
initiative

6 million
of amount to
be invested

Research and development activities EUS			
Category	Project		Investment in 2023
Advanced technologies for operating efficiency	Virtual environments	Development of an augmented reality (AR) platform, with field equipment from a hydroelectric power plant, integrated with a virtual plant operation simulator, for training purposes.	R\$1.1 million
	Integrated Data Monitoring System	Development of an API (Application Programming Interface) that, using big data and AI, embeds the various sensors of the São Simão HPP equipment to indicate the need for preventive and predictive maintenance.	R\$407 thousand
	Remote Collaboration Platform	Use of augmented reality and smart glasses for the overview of engineering projects overlapped on the real world, and for remote video collaboration between office and local teams in the context of the São Simão HPP's retrofit activities.	R\$260 thousand
	Smart Documentation Management	Computer system made up of two modules: 1. Modular system for integrating and consolidating current databases and/or systems into a single database, with the implementation of data lake; 2. Mobile application built into the software to receive and send information.	R\$854 thousand
	Software for Insulation and Automated Blocking	Information system with big data and analytics technologies based on the combination of processes, rules, variables and specialized knowledge, which foresees the collection, integration and management of data, within the theoretical technical framework of data science and with the application of Industry 4.0 technologies.	R\$865 thousand
Sustainability-related breakthrough services	Golden Mussel	Combating the golden mussel by genetically inducing infertility: validation of the genetic modification method and reproduction of the genetically modified individual in the laboratory.	R\$333 thousand
	Gases monitoring	The feasibility of the solution for monitoring multiple transformers with a single analysis unit has been evidenced; two patent applications have been filed.	R\$100 thousand
	Reforestation Management with Drones	Methodology for surveying areas using an on-board drone with high-precision LiDAR technology and development of an integrated web platform with processing and analysis of indicators for monitoring the restoration of native species using AI algorithms.	R\$693 thousand
Renewable energy technologies and decarbonization of the energy matrix	Conceptual study of a multipurpose green hydrogen and green ammonia production plant	New software in Brazil that simulates a hydrogen and ammonia generation plant, performing both energy management (EMS module, energy management system) and its technical and economic analysis, according to the input data provided by the user.	R\$713 thousand
Total invested			R\$5.3 million

Vision builds evolu tion

We continue endeavoring our efforts to expand our solar, hydro and thermal projects. We reaffirm our goal of becoming one of Brazil's three largest private generators by 2025, driving the energy transition and decarbonization process.

2023 Overview

GRI 3-3 Energy transition

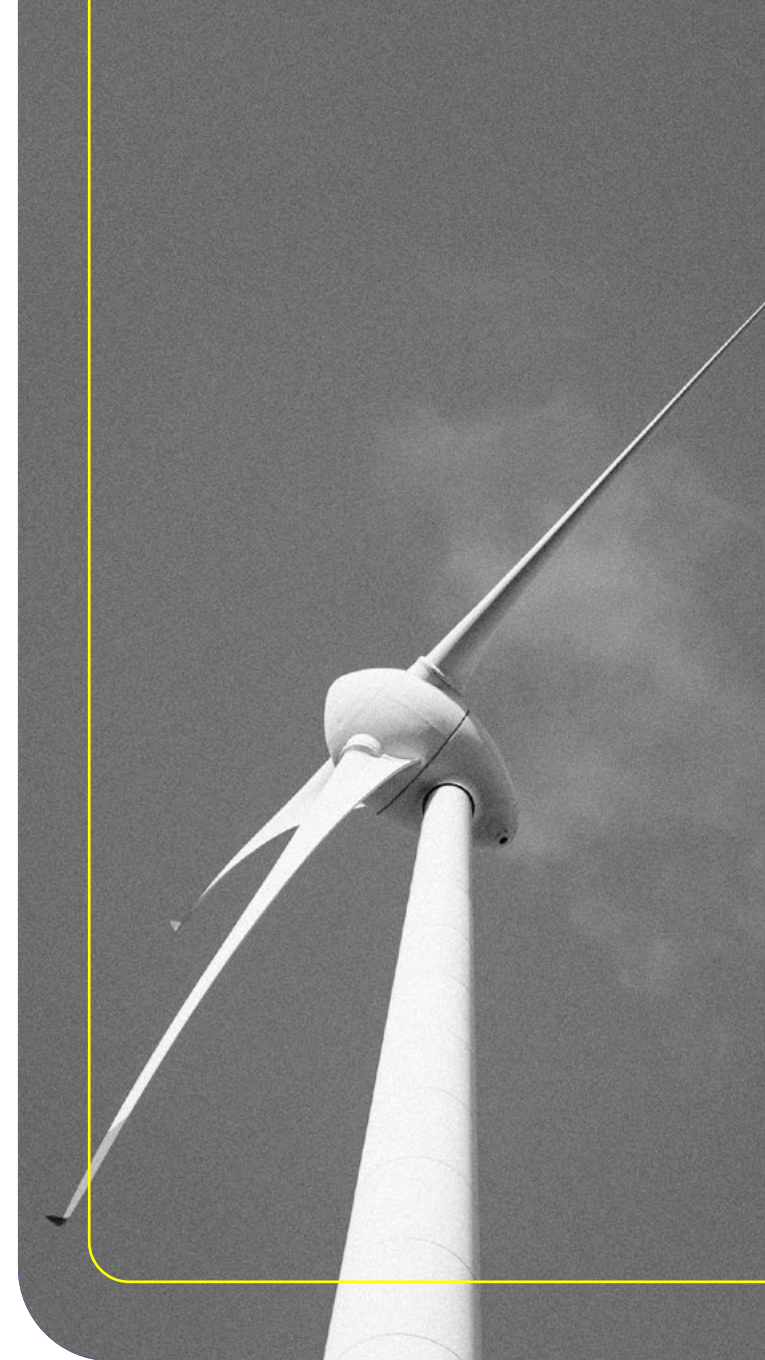
In 2023, we worked with innovation and planning to broaden Brazil's clean energy supply capacity. In this context, we made progress with the São Simão HPP's retrofit works and the completion of the Panati - Sitiá (CE) and Marangatu (PI) Solar Complexes. We also signed a financing agreement with Banco do Nordeste (BNB) to install three solar farms in the municipality of Touros (RN). All this with the environmental and social responsibility that are characteristic of our work.

The agreements signed by **SPIC Brasil** reinforce the Company's commitment to provide **clean energy** to the Brazilian economy.

We also entered into relevant partnerships during our trip to China, when we accompanied the Brazilian government delegation, represented by our CEO, Adriana Waltrick. The partnerships were signed through Memorandums of Understanding (MoU):

- Agreement signed with the government of Ceará for technical feasibility studies on renewable energy generation systems, production and storage of green hydrogen at Pecém Port, in the metropolitan region of Fortaleza.
- Agreement signed with Prumo Logística, the company liable for developing the Port of Açu, for onshore and offshore energy generation projects at this port located in the northern region of Rio de Janeiro, also including solar energy generation, offshore wind farms and the production of green and blue hydrogen.
- Agreement with the Ministry of Mines and Energy to bring drinking water and electricity to isolated communities without access to these basic resources in the Amazon region.

The agreements are in the study and data analysis phase, which will determine the next steps and investments to be made in each project.



Energy transition

GRI 3-3 Energy transition



We contribute to the economy's energy transition towards a cleaner and more renewable matrix. The topic is embedded into our business strategy, setting out research and innovation policies, commitments and actions aimed at building more effective solutions. We have targets related to the neutralization of Scope 1 and 2 emissions, as defined by the GHG Protocol, and the expansion of our installed renewable capacity.

We operate through the following pillars:

- **Hydroelectric power:** São Simão HPP (MG/GO) has been operating and under retrofit process, aiming efficiency and greater capacity.
- **Solar and wind energy:** we operate the Vale dos Ventos (PB) wind complex and the Millennium (PB) wind farm. Works on the Panati-Sitiá (CE) and Marangatu (PI) solar

complexes progressed in 2023, with the energization process at Panati beginning at the year's end.

- **Thermal power:** represented by investments in GNA I and construction of GNA II. The thermal power ensures our energy safety.

In 2023, the São Simão Operations Center was set up to implement an integrated monitoring system for hydro, solar and wind power plants, maximizing the synergies between our renewable energy operations. Among the gains of the model are greater reliability in predicting failures and a more solid and seamless technical staff.

With regard to the material topic Energy transition, we have also identified the potential for revenue growth by offering I-RECs (International Renewable Energy Certificates) to the market.

São Simão HPP

In 2018, we took over the operation of the São Simão Hydroelectric Power Plant, located on the Paranaíba River, on the border between the municipalities of São Simão (GO) and Santa Vitória (MG). The plant has an installed capacity of 1,710 MW, enough to supply 6 million households/year. We observe a concession agreement for the HPPSS that allocates 70% of its physical guarantee for energy distributors and the remaining 30% is traded on the free energy market (ACL).

In 2023, we exceeded the plant's availability target for the year, registering 94.47%, compared to 92.24% under the concession agreement. We carry out preventive maintenance across all generating units, avoiding machine and equipment failures. The year was also positive in terms of generation, although the absolute figures registered came lower compared to previous years due to the downtime of one of the machines for retrofit works.



Plant retrofit

In 2023, we advanced the Future Mission project, created in 2019 with the aim of upgrading the São Simão HPP. Plans foresee the retrofit of the plant's six generating units, with scheduled downtime to carry out the works. In the middle of the year, we carried out the machine 2 downtime and de-commissioning, with a survey of the parameters that will be improved, and began dismantling the generating unit.

The machine's parts were examined and found to be in need of recovery or replacement. New replacement parts have been brought in from various parts of the world, such as China, the United States and European countries, involving a logistical effort to deliver them to the plant. In November, work began on reassembling the machine, which endured until early 2024, while powerup is scheduled for May.

The deadline for the complete upgrade of machine 2 is ten months, a shorter period compared to other similar processes carried out in Brazil and around the world. This is the result of good efficiency practices adopted by the Company, which used available Industry 4.0 innovations, the BIM methodology by creating the plant's digital twin, among others.

Other advances made in 2023 included the start of the replacement of auxiliary services, with the exchange of panels and equipment. We have also completed the digital upturn, i.e. the integration of all the generating units into a new fully digital command and control system, which makes management easier. We also upgraded the three sluice gates of Spillway 2, making a total of six modernized sluice gates (three others had already undergone the process in previous years).

We carry out effective Health and Safety management to deal with the high influx of people due to the works at the plant. During the safety dialogues with the workers at the construction consortium, we discussed the importance of good care practices and the use of personal protective equipment. In addition, we invest in training and pay attention to the supervision of work, identifying, controlling and regularly assessing risks. By taking these measures, we celebrate the fact that we recorded zero lost-time accidents throughout retrofit period. Read more on SPIC Brasil's health and safety practices on [page 77](#).

Likewise, the retrofit project relies on indicators monitored by the Company's Environment department. We conduct analysis of environmental aspects and impacts and proper management to prevent negative results. We maintain practices for the appropriate waste disposal, the handling of chemical products and the control of procedures to avert impacts on fauna and ichthyofauna.

The project is executed by the São Simão HPP Retrofit Consortium, composed of GE Renewable Energy and Powerchina Brasil. Works are on schedule and is expected to be completed by 2029.

The result will be a
cutting-edge
and efficient
plant in the long run.

Dam safety plan EU21

We maintain an Emergency Action Plan (PAE) for the São Simão HPP, in accordance with the Dam Safety Plan (PSB) set out by the National Dam Safety Policy (PNSB) and Normative Resolution No. 696 of December 15, 2015, published by Aneel, which details all the actions to be taken in emergency situations that may cause damage to people, property and the environment. We have a safe, controlled and instrumented dam and, in 2023, we did not register incidents.

We rely on a software that helps manage the dam, outlining patterns of behavior based on the data captured by the installed monitoring instruments. We produce quarterly reports, which are sent to Aneel and the insurance companies, besides an annual report.

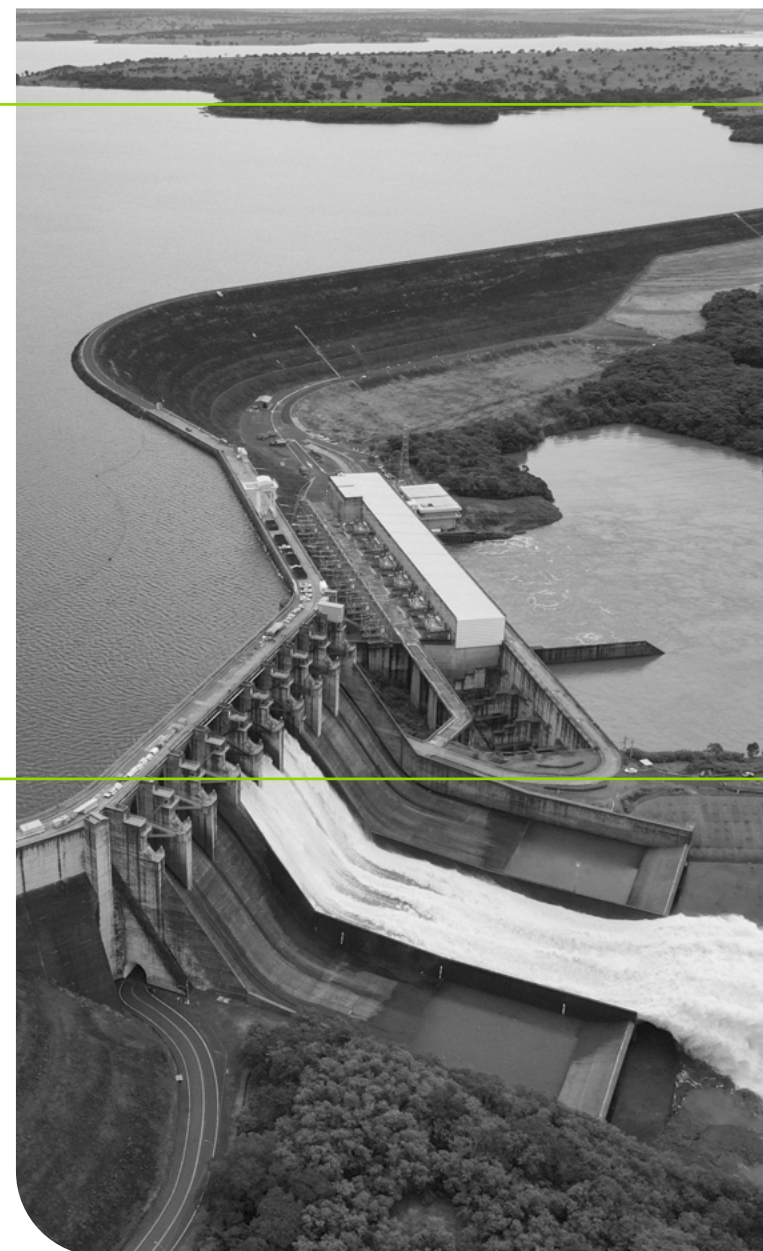
In the event of a serious accident at the dam, SPIC plans to relocate the affected population to the self-rescue zones (ZAS). The community, authorities, industrial sectors and customers are involved in the development and implementation of the plans through initiatives, such as training. Every three years, a full-scale drill is carried out to evacuate the community in the event of a dam collapse. To restore power and other services, the PAE foresees prior communication with the essential services companies and sets out contingency plans.

We also rely on technology to communicate with the surrounding population. In 2022, we created the Individual Alert app, with the aim of becoming the main source of information during security drills or in cases of real need to evacuate territories. It was tested the same year, during the last evacuation drill with the surrounding municipalities. The simulation should take place again in 2025, following the legal requirements.



To restore energy and other services, PAE foresees the prior communication with essential services companies and sets out contingency plans.

The information on the plans is available on SPIC's electronic document management system, on the operation's network and has been filed with all the possibly affected local governments. Some public information is also available on the Company's website. All legal obligations have been fulfilled on schedule. As objectives related to the São Simão HPP's PAE, we manage and monitor the performance of activities, setting targets for emergency response drills and update the communication flow, pursuant to laws.



Solar assets

In 2022, we acquired a 70% majority stake in two solar greenfield projects in partnership with Recurrent Energy (formerly Canadian Solar), Marangatu, located in the city of Brasileira (PI), which will have a capacity of 446 MWp, and Panati-Sitiá, installed in Jaguaratama (CE), with an estimated capacity of 292 MWp. With these new projects, we will add approximately 3% to our installed capacity in Brazil, and we will contribute to the annual supply of another 900 thousand households.

In 2023, we made progress on the construction of the farms and, at the year's end, we began energizing Panati. In early 2024, the farm was already generating energy and was connected to the National Interconnected System (SIN), while Marangatu is awaiting authorization from the National Electricity System Operator (ONS) to begin operating. These two projects already have environmental license to operate.

Like the Company's other renewable energy projects, we aim to curtail operational and technical risks, while maximizing power generation. In this regard, in-house and maintenance teams were hired to manage the assets.

The powerup of Panati-Sitiá (CE) kicked off at the end of 2023.

With maintenance and technical planning, the wind farms operated at their full capacity.

Wind assets

SPIC Brasil owns two wind farms in the city of Mataraca (PB), which together are responsible for annually supplying the energy corresponding to the consumption of +100 thousand households:

- The Millennium Wind Farm, with 10.2 MW, went into operation in 2007. Acquired in 2016 by SPIC Brasil, it became the Company's first renewable asset in the country.
- The 48 MW Vale dos Ventos Wind Complex was acquired by SPIC in the same year as Millenium, but has been generating energy since 2009.

In 2023, the plants in both farms operated at their full capacity, as a result of maintenance and technical planning to maintain high machine availability rates. Through improvement projects, the installation of sensors, monitoring and the use of new technologies, we have managed to control operational risks and emergency downtime. All this was done with budgetary control, spending less than planned for the year.



We recorded a low incidence of wind, but even so the operating results came close to the year's expectations, reaching 99.76% of the projection. For 2024, we expect a similar scenario, with challenges related to wind availability and operational measures to achieve maximum machine efficiency.

We are also preparing for the expansion of wind power generation in the country, signing a R\$282.2 million financing contract with Banco do Nordeste (BNB) for the installation of the Pedra de Amolar I, Pedra de Amolar II and Paraíso Farol II wind farms. These are located in the municipality of Touros, state of Rio Grande do Norte. BNB's resources stem from the Constitutional Financing Fund for the Northeast (FNE), a line yielded by the IPCA (Extended Consumer Price Index) +3.68% p.a. and payable over 24 years. The line of credit will be released according to the disbursement schedule and the progress of the works.

The wind assets' operating results reached **99.76%** of projection.

Natural gas assets

SPIC Brasil owns 33% of the thermal power plants Gás Natural Açú (GNA) I and II, both located in Port of Açú (RJ), in partnership with Prumo Logística, BP and Siemens Energy:

- GNA I has 1,338 MW of power and began commercial operations in September 2021.
- GNA II received its first funding from the BNDES (Brazilian Development Bank) for construction in 2022. The project will add +1,673 MW of power to our generation farm, corresponding to 10% of the total gas-fired generation capacity available in the National Interconnected System (SIN).

It is also estimated to add 3.4 GW to the project through the expansion of the GNA III and GNA IV projects.

Works on GNA II remained active during the year. In April, the plant received the first of the three gas turbines that will make up its power island in combined cycle. The three HL-class gas turbines are the most modern available on the market, offering +60% efficiency with the lowest levels of carbon emissions when compared to the thermoelectric power plants operating in the country. At the year's end, the positioning of the plant's three chimneys was completed. Each 60 meters high, corresponding to a 21-storey building, the activities involved nearly 50 workers and +96 hours in a totally safe environment.



SPIC Brasil Comercializadora

In operation since 2021, SPIC Brasil Comercializadora contributes to the goals of expanding the Company's generation farm. Supported by a market intelligence department, with experienced and highly qualified professionals, as well as solid tools, Comercializadora is able to provide the market with customized products, tailored to its customers' needs.

The diversity of products provided a major operational challenge due to the need to maintain the security and agility of the operation. This challenge was tackled through initiatives

to customize the energy contract management system. The system is now quite mature and is fully embedded into the Company's Electricity Trading Chamber (CCEE) and Financial systems.

As part of SPIC Brasil's innovation strategy, Comercializadora sought digital solutions to facilitate its processes. In this context, a project was developed to automate payments, which were previously made manually. This initiative helped optimize the area's time, which could be better spent on

strategic growth initiatives. We estimate that +6 thousand transactions have been facilitated by the new system.

In 2023, we also moved forward with the client prospecting project kicked off the previous year, reaching out to energy management consultancies and end consumers, thus fostering the portfolio growth and widespread distribution.



In Brazil, we invest in the development of **breakthrough and safe solutions**, with a focus on renewable sources.

Financial and operational performance



In 2023, São Simão's revenue came in line on a year-on-year comparison. Despite the Machine 2 downtime due to the plant's retrofit process, operating results were consistent with plan, representing the best of the HPPSS capacity. Availability rates have not only been met, but surpassed, fulfilling the contractual commitments made by the Company. The wind assets, despite the low incidence of wind, also had efficient operating results, close to the target set for the year.

In an unprecedented operation in the market, we will refinance the debt for São Simão HPP concession at lower interest rates.

In addition, in 2023, the first trading operations related to Panati (CE) and Marangatu (PI) were registered. The overall trading results for the year came positive, on the back of the good image cultivated in the market, evidencing a financially sound and operationally efficient company.

We refinanced the debts of SPIC Brasil and São Simão HPP. SPIC Brasil Holding raised RMB560 million (approximately R\$385 million) from the Bank of China, besides contracting derivative operations with Banco Itaú and JP Morgan. The funds were used to pay off debts with the Bank of Tokyo Mitsubishi that would fall due between October and November 2023. The São Simão HPP, in turn, raised RMB1.7 billion (approximately R\$1.2 billion), used to pay off the debt with SPIC Luxembourg, to mature in October 2023.

Another highlight of the year was the assignment by S&P Global Ratings of its corporate credit rating for SPIC Brasil at the highest level of the Brazil National Scale as 'brAAA', with a stable outlook.

Economic-financial indicators

São Simão HPP (R\$ million)

	2021	2022	2023
Net operating revenue	1,992	1,868	1,866
Ebitda	1,667	1,481	1,443
Operating expenses	-331	-397	-420
Net income for the year	716	607	607

Wind farms (R\$ million)

	2021	2022	2023
Net operating revenue	69	79	87
Ebitda	45	56	54
Operating expenses	-32	-34	-34
Net income for the year	20	33	38

SPIC Brasil (R\$ million)

	2021	2022	2023
Net operating revenue	2,061	1,947	1,953
Ebitda	1,558	1,314	1,232
Operating expenses	-372	-430	-454
Net income for the year	212	214	255

Operational highlights EU1, EU2

Vale dos Ventos Wind Complex

48.2^{MW}

installed power

25.55^{GWh}

generated in
2023

98.40%

availability
in 2023

Millennium Wind Farm

10.2^{MW}

installed power

96.46^{GWhA}

generated in
2023

97.81%

availability
in 2023

São Simão HPP

1,710^{MW}

installed power

7,606.30^{GWhA}

generated in
2023

99.47%

availability
in 2023

GNA I

1,338^{MW}

installed power

Note: no changes to the installed capacity of hydro and wind power were registered, with the total installed capacity remaining at 1,768.20 MW. **EU1**

Environmental performance

GRI 3-3 Operating ecoefficiency

SPIC relies on an Integrated Management System, conceived by the Company, which complies with the standards and requirements of the ISO standard. The system is built on continuous improvement, consolidating the experiences and lessons learned. Internal and external audits also help create a culture of improvement and application of market best practices that go beyond regulatory requirements. We comply with the requirements of Brazilian laws and we also use a monitoring software to control and register conformity with our practices and facilitate the planning of advancements.

We strive for ecoefficiency in our operations by devising strategies, allocating resources, engaging stakeholders, implementing, monitoring and assessing actions taken, and promoting transparency and communication. We also have goals to reduce consumption of non-renewable resources, such as fuels and lubricants, lower water and energy consumption, decrease scope 1 and 2 greenhouse gas emissions, and consider the life cycle in contracts for the acquisition of materials and equipment.

Climate resilience

GRI 3-3 Climate resilience

We take a proactive stance on climate change, implementing policies and practices aimed at a low-carbon economy and going beyond legal requirements. We embed this approach directly into the business strategy, recognizing its impact on the Company's performance and long-term feasibility.

We reinforced our commitment to sustainability by conducting our greenhouse gas inventory for the second time, covering scopes 1 and 2 emissions, while continuing to prepare for the expansion to scope 3. Compared to the previous one, this inventory evidences an advance in the maturity of the process, as it allows for a more in-depth analysis and points for improvement. Accompanied by an external assurance, the inventory once again achieved recognition with the Gold Seal in the Brazilian GHG Protocol Program.

For 2024, we plan a new phase of enhancing our inventory with the support of a company specialized in collecting and managing emissions data using software. This resource allows for a more accurate and efficient analysis, which is essential for designing mitigating actions and understanding the impacts of climate change. By 2030, our goal is to draw up a climate change adaptation plan.

Other SPIC Brasil actions that help to advance the issue are emissions neutralization and natural resource conservation programs. We are also looking to grow our renewable energy generation portfolio, helping the Brazilian economy and our customers to adopt a clean energy matrix.

‘Gold certification for two years in a row confirms our commitment and responsibility to a corporate sustainability built-on agenda. It also positions the Company as an important player in the electricity sector, promoting the transition to a low-carbon economy and bolstering its reputation as an operation committed to transparency and compliance with its ESG commitments’.

Adriana Waltrick - SPIC Brasil CEO

Fuel consumption from non-renewable sources (GJ) [GRI 302-1](#)

	2021	2022	2023*
Oil (fuel)	812.4	1,094.03	3,181.50
Total	812.4	1,094.03	3,181.50

*The increase in fuel consumption is due to works on the Company's two new solar projects, as well as the São Simão HPP's retrofit process.

Fuel consumption from renewable sources (GJ) [GRI 302-1](#)

	2021	2022	2023
Wind energy	248.50	-	-
Ethanol	-	62.84	88.66
Total	248.50	62.84	88.66

Energy consumption by source (GJ) [GRI 302-1](#)

	2021	2022	2023
Type of consumption	Quantity (gigajoule)	Quantity (gigajoule)	Quantity (gigajoule)
Electricity	369,846	550,452.52	1,004,438.09
Total	369,846	550,452.52	1,004,438.09

Total energy consumed within the organization (GJ) [GRI 302-1](#)

	2021	2022	2023
Type of energy	Quantity (GJ)	Quantity (GJ)	Quantity (GJ)
Non-renewable fuels consumed	812.4	1,904.03	3,181.50
Renewable fuels consumed	248.50	62.84	88.66
Electricity, heating, cooling, and steam acquired for consumption	369,846	550,452.52	1,004,438.09
Sale of surplus of electricity, heating, cooling or self-generated steam	34,329,067.2	33,156,219.60	32,532,775.92
Total	-33,958,160.30	-32,604,610.21	-31,535,067.67

Scope 1 emissions (tCO₂e)* [GRI 305-1](#)

	2022	2023
Type of emission	Total emissions	Total emissions
Total Scope 1 emissions	283.64	226.59
Total Scope 1 biogenic emissions	18.79	26.63

Scope 2 emissions (tCO₂e)* [GRI 305-2](#)

	2022	2023
Type of emission	Total emissions	Total emissions
Total Scope 2 emissions	10.43	15.38

*The following gases were included in the process of calculating greenhouse gas (GHG) emissions: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆), nitrogen trifluoride (NF₃). The base year chosen for the calculations was 2022. This choice is justified by the absence of a specific emissions reduction target, with the base year used only for comparison purposes. The references adopted for emission factors and global warming potentials (GWP) were: Intergovernmental Panel on Climate Change (IPCC), GHG Protocol and National Interconnected System (SIN). With regard to the consolidation approach, the operational control strategy was adopted. In addition, the standards, methodologies and calculation tools applied were the GHG Protocol and ISO 14064.

Our water management sets out objectives and targets, considering the context of the river basins.



Water management

GRI 303-1

Water use in the Company covers a variety of purposes, including drinking water consumption, use in toilets, landscape and garden irrigation, industrial cooling, cleaning and maintenance of facilities and equipment, fire-fighting systems, and activities in canteens and kitchens. We use artesian wells and deep wells to collect water, as well as natural bodies of water such as rivers and lakes.

We set objectives and targets that are scientifically based on sustainable thresholds and the social context of the river basins. In addition, we seek alignment with the targets set by federal and municipal government bodies. We have not identified any environmental impacts related to water or interactions in water-stressed areas.

The water is used in the power generation process at the São Simão HPP, which relies on a concession from the National Water Agency. The process is consumptive and without the introduction of substances that could alter the

water body's quality. Water withdrawal and waste discharge observe the guidelines provided for in the concessions and by the Paranaíba River Basin Committee.

For administrative and maintenance activities in the industrial area of the São Simão HPP, we withdraw water from three wells located in Minas Gerais and Goiás, also granted by each state's competent authorities. The São Simão HPP also relies on a Water Treatment Station (ETA), in case the plant's supply needs to be increased.

Wind operations do not use water in the generation process, and the resource is only required for human consumption and maintenance activities. The water used is collected from two artesian wells, one for each Wind Complex in the Guaju River Basin. At the Vale dos Ventos Wind Complex, the water withdrawal is granted by the Executive Water Management Agency (Aesa) and at the Millennium Wind Farm grant is exempted.

Total water consumption in megaliters*

GRI 303-5

Index	2022		2023	
	Total area	Water-stressed areas	Total area	Water-stressed areas
Total water withdrawal	10.5	0	16.42	0
Water consumption	10.5	0	16.42	0

*For 2023, 96.89% of water consumption refers to the São Simão HPP and 3.11% to wind operations. Water storage was not identified as causing a significant water-related impact at the São Simão HPP. The plant, which has been operating for 45 years, has mitigated the impacts of the reservoir's implementation and the aquatic biota is established in the lotic environment. The water storage in the wind operations had no significant impact on water, with low-impact consumption for purposes, such as cleaning, toilets and gardening, duly recorded and monitored on a monthly basis in the in-house measurement and monitoring spreadsheet. To ensure the quality of drinking water, monthly assessments are conducted, including chlorination and bacteriological and physical-chemical potability tests. These practices observe the rules of Ordinance GM/MS Consolidation No. 5 of 09/28/2017, as amended by Ordinance No. 888 of 05/04/2021, in compliance with the microbiological standard. The methods adopted comply with the guidelines of the Standard Methods for the Examination of Water and Wastewater 23rd Edition.



Effluents GRI 303-1, 303-2

As far as water discharge is concerned, we have adopted different methods, such as returning it to rivers after proper treatment, using infiltration wells for treated wastewater absorbed by the soil and using septic tanks. In the case of wind farms, we also discharge it in landfills specially designed to receive untreated wastewater. We follow minimum discharge quality standards. The effluent treated by the São Simão HPP's sewage treatment station (ETE) must comply with the following parameters:

- **temperature** - it must not be significantly higher than that of the receiving water body;
- **turbidity** - the effluent must not be excessively turbid;
- **pH** - it must be within specific thresholds to avoid acidification or alkalization of the receiving water body;
- **oxygen biochemical demand (OBD)** - the thresholds are defined to assess the load of biodegradable organic matter in the effluent;
- **oxygen chemical demand (OQD)** - measure to assess the load of non-biodegradable organic matter in the effluent;
- **total suspended solids (TSS)** - it sets thresholds for the concentration of suspended solids in the effluent;
- **fecal coliforms** - the presence is often used as an indicator of bacterial contamination; and
- **nitrogen concentrations** (ammonia, nitrite and nitrate) and phosphorus, which can contribute to the eutrophication of water bodies.

In addition to these parameters, we also considered: electrical conductivity, residual chlorine, dissolved oxygen, pH, temperature and trihalomethanes, an assessment carried out at the outlet of the chlorination system to combat the golden mussel at the São Simão HPP. Sodium Dichloro Isocyanurate Anhydrous is used for control as part of the Limnology, Water Quality and Invasive Species Program for the Golden Mussel, authorized by Ibama (Brazilian Institute of Environment and Renewable Natural Resources).

The São Simão HPP has a Sewage Treatment Station (ETE). The treated and discharged effluents are monitored monthly according to parameters defined by Conama Resolution No. 430/2011 and released into the Paraíba River. The plant also has biodigesters and septic tanks. The system's effluent, classified as Class II, is treated and discharged by a specialized company.

We observe the standards set out by the applicable laws and guidelines for effluent disposal, such as Conama Resolution No. 430/2011, Ibama Normative Instruction No. 18/2015, and the technical report regarding LO follow-up No. 8804933/2020-NLA-MG/DITEC-MG/SUPES-MG. The profiles of the water bodies receiving the waste are considered in accordance with ANA Concession No. 1.457 of 08/11/21 and Conama Resolution No. 357/05.

In wind operations, effluents are treated in accordance with the technical specifications and conditions of the water use authorizations. Final disposal is conducted by a specialized company, which carries out biological treatment in a ETE, using a system of stabilization ponds. The effluent from the septic tank, which is also collected by a specialized company and licensed by a competent state authority, is directed to final treatment.



We adopt educational measures to raise awareness of our employees about waste management.

Waste management

GRI 306-1, 306-2

We maintain a Waste Management Plan (PGR), which sets forth the guidelines for the correct handling, packaging, storage and final disposal of each type of waste generated. The PGR complies with the guidelines laid down by ISO 14001, to which the São Simão HPP, Vale dos Ventos Wind Complex and Millenium Wind Farm are certified. Periodic environmental audits are conducted to review operations, meet regulatory requirements and raise awareness of sustainable practices among teams.

All in all, waste from energy-generating activities comes from the maintenance of generating equipment and systems, building maintenance, food, and administrative activities. In 2023, we also generated civil construction waste deriving from the retrofit works at the São Simão HPP and the construction of the Panati Plant (CE) and the Marangatu Complex (PI). When possible, we seek to recycle or reuse this waste. Otherwise, these are disposed of and treated appropriately.

Various measures have been implemented to prevent the excessive generation of waste in our activities and in the value chain, considering both upstream and downstream aspects. In 2023, we highlight recycling and reuse as the priority methods for disposing of the waste generated.

During the year, we renewed the contract with the selective collection supplier at the Natal (RN) office. With the aim of lessening environmental impacts, we have promoted the reverse logistics of printer toners at the Natal office and at the Vale dos Ventos Wind Complex (PB). So far, eight toners have been sent back to the producer.

As measures to make our employees aware of the topic, we have adopted educational strategies, such as showing videos on waste management and weekly dialogues. The guarantee that service providers are duly licensed is monitored through an online waste management platform.

At the HPPSS, we monitor the targets set for waste management using the Greenplat system. We also have a measurement and monitoring spreadsheet, besides monitoring the issuance of the Waste Transportation Manifest (MTR) and Waste Disposal Certificate (CDF) through the Minas Gerais environmental agency's platform (MTR-online). We maintain total control over the life cycle of waste, managing all stages internally until final disposal. The unit aims to send at least 80% of its waste for recycling, reuse and re-refining.

For wind operations, we maintain an in-house follow-up through the waste measurement and monitoring spreadsheet. We also record information in the National Solid Waste Management Information System (Sinir), the Monthly HSEQ Report (health, safety, environment and quality) and the Annual Environmental Report of the Superintendence of Environmental Administration (Sudema). Treatment and final disposal are carried out by a specialized outsourced company.

Total weight of waste generated by classification (t) [GRI 306-3](#)

	2021	2022	2023*
	Quantity generated	Quantity generated	Quantity generated
Class I – hazardous waste	71.603	149.13	146.82
Class I – fluorescent lamps (unit)	481.00	492.00	-
Class I – empty rigid packaging	88	-	-
Class II – non-hazardous waste	468.054	424.01	829.66
Total	539.657	573.31	976.48

*Waste from the São Simão HPP, Vale dos Ventos Wind Complex and Millennium Wind Farm was accounted for.
To improve methodological adhesion, the measurement of empty lamps and rigid packaging now takes place by weight, expressed in tons. In addition, the classification of waste is now divided into hazardous and non-hazardous, since the detailed composition is presented in indicators 306-4 and 306-5. [GRI 2-4](#)

Total weight of waste diverted from disposal (t) [GRI 306-4](#)

	2021	2022	2023
Composition	Weight diverted from disposal	Weight diverted from disposal	Weight diverted from disposal
Timber	214.17	22.06	32.57
Lubricant oil	14	3.2	33.39
Recyclables	5.12	7.95	32.35
Metal scrap	222	121.37	586.76
Rigid packaging (unit)	88	-	-
Civil construction waste	-	233.50	145.25
Iron and steel	-	-	3.38
Various electronics	-	-	0.2
Lamps with heavy metals	-	-	0.01
Insulating oil	-	-	63.72
Total	455.29	388.08	897.63

We adopt an **online platform** to monitor the service providers' documentation relating to waste.

Total weight of waste diverted from disposal by recovery operation (t) GRI 306-4

	2021	2022	2023*
Non-hazardous waste	Outside the organization	Outside the organization	Within the organization
Recycling	227.12	129.32	777.74
Reuse	214.17	255.56	22.57
Total	441.29	384.48	800.31
Hazardous waste			
Recycling	88	0	0.21
Re-refining	14	3.3	97.11
Total	14	3.3	97.32
Total waste diverted from disposal	455.29	388.18	897.63

*98.8% of the waste is generated by the São Simão HPP. The São Simão HPP is in the process of being upgraded and the generation of scrap metal continues. Work is underway to ensure that as little waste as possible is directed to landfill, prioritizing the reuse/recycling of materials. Wind Operations had to build a warehouse at the VDV substation, resulting in a greater amount of civil construction waste compared to the previous year.

Total weight of waste directed to disposal (t) GRI 306-5

	2021	2022	2023
Fluorescent lamps (unit)	481	492	-
Other contaminants	18.79	2.44	38.63
Contaminated materials (flax tows, cloths, PPE)	6.466	9.7	2.61
Insulating oil	28	132	2.96
Electronic waste (cell phones, computers, electronic products and their components)	1.547	1.85	-
Effluent	-	10.1	-
Non-recyclable materials	25.18	14.38	-
Recyclable materials	-	2.56	-
Civil construction waste	0.27	11.95	-
Non-segregated	-	-	23.68
Organics	-	-	2.56
Timber	-	-	2.98
Scrap copper	-	-	0.17
Asbestos tiles	-	-	5.11
Total	80.253	184.98	78.70

Total weight of waste directed to disposal by recovery operation (t) GRI 306-5

Type of recovery	2021			2022			2023		
	Total weight within the organization	Total weight outside the organization	Total	Total weight within the organization	Total weight outside the organization	Total	Total weight within the organization	Total weight outside the organization	Total
Non-hazardous waste									
Landfill	-	12.99	12.99	-	13.10	13.10	26.27	-	26.27
Sorting and transshipment	-	1.022	1.022	-	10.10	10.10	-	-	-
Ditch	-	9.03	9.03	-	1.28	1.28	2.8	-	2.8
Incineration	-	-	-	-	-	-	3.15	-	3.15
Total	-	23.04	23.04	-	28.48	28.48	29.42	-	29.42
Hazardous waste									
Landfill	-	23.12	23.12	-	13.35	13.35	46.87	-	46.87
Sorting and transshipment	-	26.48	26.48	-	1.1	1.1	-	-	-
Sorting and transshipment (unit)	-	321	321	-	492	492	-	-	-
Decontamination (unit)	-	160	160	-	0	0	-	-	-
Co-processing	-	1.759	1.759	-	133.38	133.38	-	-	-
Recycling	-	-	-	-	0.1	0.1	-	-	-
Incineration	-	-	-	-	1.09	1.09	2.61	-	2.61
Total	-	51.36	51.36	-	149.02	149.02	49.48	-	49.48
Total waste directed to disposal	-	74.40	74.40	-	173.50	173.50	78.90	-	78.90

Environmental license of São Simão HPP

In August 2023, we received the renewal of the operating license for the São Simão HPP, issued by Ibama. The process began in the first quarter of 2022, concentrating the efforts of the Environment area, which provided the necessary documentation to submit the application prior to the legal limit of 120 days from the expiry date, scheduled for January 2023. Until the final opinion, the previous license issued by the agency remained valid.

We rely on the support of a specialized consultancy to propose changes to our mitigation measures and socioenvironmental programs, seeking greater efficiency and correspondence with the plant's needs. In this regard, we used studies on the history of the São Simão HPP and consolidated them into reports. Also in 2022, we received a prior technical opinion indicating the points that had been approved and those that needed to be revised, work that was continued in the same year.

Among the programs that have undergone changes in the context of the new license are the Ichthyofauna Conservation Program and the Environmental Plan for Conservation and Use of the Artificial Reservoir Surroundings (Pacuera). We have received Ibama's acceptance to follow the Ichthyofauna Program's new roadmap, which includes new methods, such as genetic analysis of fish eggs to identify the species, and telemetry to analyze their behavior in the reservoir. Pacuera, meanwhile, will be the subject of further studies in order to submit a new plan.

Asset management

Since 2018, we have been complying with a Social and Asset Management Program, defined as one of the conditions stipulated by Ibama in the license authorizing the operation of the São Simão HPP. With it, we commit ourselves to ensuring the integrity of the reservoir and its banks, respecting the limit of the so-called expropriation quota, which is 402 meters. This implies ongoing awareness-raising work to guide the population with regard to the use and occupation of the edges of the reservoir and water mirror.

In 2023, we highlight the progress of the Environmental Regularization processes, with the signing of six new non-remunerated use assignment agreements for water withdrawal. Other uses subject to regularization, such as fish farming and mineral extraction, have also been identified and are in the process of being regularized. In addition, voluntary repossession and retirement of uses not subject to regularization were carried out, totaling 34 retirements, 18 of which did not require legalization.

We are committed to the management of reservoirs and riverbanks, observing the operating license of São Simão HPP.



Guidelines on land management

On our website, we maintain a page with all the land management guidelines, including questions and answers about the Environmental Regularization process and Boundary Respectability procedures. It is possible to request online these processes accessing the website www.spicbrasil.com.br/gestao-patrimonial/. In case of doubts, we make available the e-mail portasabertas@spicbrasil.com.br and the telephone 0800 200 0204.





We continue complying with environmental bodies guidelines, complemented by a risk matrix and impact lessening.

Biodiversity and use of land GRI 3-3 Biodiversity and use of land

We value environmental conservation and reducing the impact of our operations. We observe all the guidelines of the environmental agencies responsible for licensing our projects. We also guide our actions through a risk and impact mitigation matrix. Conservation actions are part of our values and our concept of sustainable growth.

In 2023, we put into practice the Panati (CE) and Marangatu (PI) Environmental Programs, of a socioenvironmental nature, connected with the licensing for the project's installation phase. The approach includes planned rescue and management actions, veterinary care for injured animals and continued monitoring, in compliance with environmental and legal standards. We respect the borders of riparian forests and permanent preservation areas. In the case of surrounding rural properties, the responsibility for management lies with the owners.

In addition to wildlife management, we run an Asset Management Program in the area, which involves archaeological monitoring and the preservation of findings of significant historical and cultural value. With the support of archaeologists, we conduct studies in defined areas to ensure that any evidence of significance is properly identified and conserved.

At the São Simão HPP, the monitoring of fauna was supported by technology. As part of the IdeAção program, we developed an app that encourages employees to send in photos of the fauna seen around the plant. The photos are sent to the Environment team for control and analysis.



São Simão HPP

Identification of unit:

Industrial area- Santa Vitória (MG).

Reservoir location:

São Simão (GO), Paranaiguara (GO), Quirinópolis (GO), Gouvelândia (GO), Inaciolândia (GO), Bom Jesus de Goiás (GO), Cachoeira Dourada (GO), Santa Vitória (MG), Gurinhata (MG), Ipiacaçu (MG), Ituiutaba (MG), Capinópolis (MG) and Cachoeira Dourada (MG).

Type of area:

Surface area managed by the Company.

Area position:

It covers parts of the environmental protection area.

Type of operation:

Office and production.

Area attributes:

Terrestrial ecosystem, freshwater ecosystem. Around the São Simão HPP reservoir, there is a permanent preservation area (3,654 ha), designated as an environmental protection area by federal laws.

Our units and local biodiversity

GRI 304-1, 304-2, 304-3, EU13

We have operational units within or surrounding environmental protection areas or high-biodiversity value areas.

The São Simão HPP, which has been operating for 45 years, adopts strict measures to minimize environmental impacts. Currently, the impacts are not considered relevant and are managed by environmental programs and monitoring in accordance with the operating license and environmental laws. The programs include monitoring erosion processes, ichthyofauna, limnology, water quality and golden mussels, as well as riparian reforestation actions and environmental education, among others. All controls observe the ISO 14001 guidelines and the executive projects approved by Ibama.

The permanent preservation area around the reservoir covers 35.62 km² (3,562 hectares), of which 1,440 hectares are earmarked for restoration. Of these, 415 have already been recovered and are in the monitoring or maintenance phase.

At the São Simão HPP, we have developed **monitoring programs** for ichthyofauna, water quality, golden mussels, among others.

Wind operations

Identification of unit:

Wind operation - Vale dos Ventos Wind Complex and Millennium Wind Farm.

Location:

Mataraca/ PB

Type of area:

Surface area leased by the Company.

Area position:

Within the environmental protection area, nearby the environmental protection area.

Size of unit:

3.7 km².

Type of operation:

Production/generation

Area attributes:

Terrestrial ecosystem. Atlantic Forest area with endemic species of fauna and flora. The area is on the environmental protection list (IUCN system; national, state and municipal laws).

Operating area (it covers Vale dos Ventos and Millennium's operating area):

370.29 hectares = 3.7 km².

Total leased area (it covers Vale dos Ventos and Millennium lease area):

605.3 hectares = 6.05 km².

Every year, we report to the Environmental Agency (Sudema) for compliance with the conditions and management of the environmental authorization.

The wind farms are integrated into a vast environmental protection area (APP) that covers the project. In addition, nearby are stretches of conservation easement and vegetation with preserved native species. The environmental conservation area covers 3.7 km² and is currently under protection process.

Wind operations have no significant impact on biodiversity. This is justified by the operational model, which favors the conservation of the area, minimizing interventions in the surroundings. All the interventions carried out are strictly monitored using spreadsheets and technical reports. There are no partnerships with third parties for habitat protection and restoration, and all actions are conducted directly by the Company.

To monitor and identify species' interactions with the projects, we have implemented a Fauna Monitoring Program in the region, with two annual environmental campaigns and monthly sighting records. In addition, we maintain 24-hour monitoring and surveillance to prevent hunting, predation, illegal logging or other activities that could degrade the site.

The wind farms' operational model favors the conservation of area.

*Erratum for the figure published in the 2022 report ([page 76](#)). The total area under conservation is 3.7 km², and not 317 km². **GRI 2-4**



130 species were recorded, distributed as follows: 5 species of amphibians, 14 species of reptiles, 89 species of birds, 10 species of terrestrial mammals and 12 species of chiroptera. Eleven species are endemic (1 amphibian, 7 birds and 3 mammals), 5 are cynegetic species (4 birds and 3 mammals), while no rare species were registered. As for endangered species, 5 were registered (3 birds and 2 mammals). The survey was carried out in accordance with the Official List of Endangered Brazilian Fauna Species, according to Ibama. In addition, species included in the IUCN were considered, as well as vulnerable species, addressing aspects, such as living area and feeding and reproductive habits.

Biodiversity of compensated habitat EU13

2023	
Wind operations	
Area (km²)	3.7
Main conserved/protected species	All species of fauna and flora present in the farms' areas of responsibility are protected and conserved. Examples: Reptiles: Bothrops leucurus, Crotalus durissus; Birds: Athene cunicularia, Rupornis magnirostris; Mammals: Carollia perspicillata, Tamandua tetradactyla
Habitat description	The area is largely characterized by the Atlantic Forest biome and features a wide array of flora and fauna species. In 2023, the presence of animals such as pythons, iguanas and cururu frogs, among others, was recorded.
São Simão HPP	
Area (km²)	35.62
Main conserved/protected species	Cerrado species. All biodiversity is protected, including the reservoir area.
Description of the habitat (e.g. swamps, pastures, forest, etc.)	Specific projects in 2023: 0.05 km² of former pasture area present in a stretch of the HPPSS APP was recovered by planting native species; and 1.04 km² of area in the process of assisted regeneration kicked off in the Reforestation Program.



Reforestation

The Riparian Reforestation Program foresees the restoration of vegetation on the banks of the São Simão HPP reservoir, prioritizing the APPs. Our goal is to restoring more than a thousand hectares in 15 years. In the context of renewing the operating license with Ibama, we are proposing improvements to the program based on our practical reforestation experience. Our main objective is to adapt reforestation methods built on each area's needs and to generate results.

In Cachoeira Dourada (GO), we began activities for assisted regeneration, with densification of seedlings and species in an area of 104 hectares to identify ways of stimulating the natural regeneration that was already taking place on the land. In this context, we planted seedlings aimed at enrichment and densification, with species adapted to moist soil. During the year, we also moved forwards with maintenance work on the 80-hectare reforested area at Fazenda Ronda, in Gouvelândia (GO). [GRI 304-3](#)

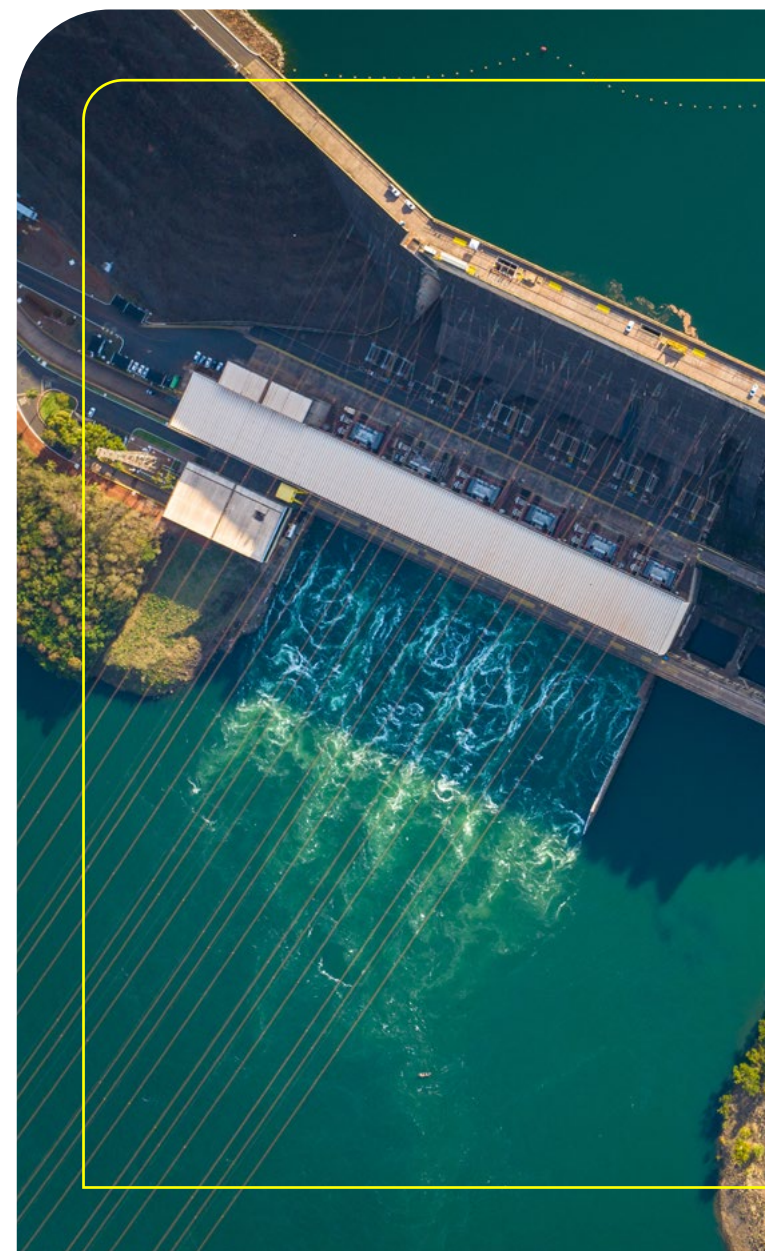
We also kicked off the Aneel R&D project 'Platform for managing and monitoring forest restoration areas in reservoirs using drones and AI-boarded sensors', in partnership with the company Lactec. The project applies technical guidelines based on advanced monitoring and artificial intelligence (AI) algorithms to promote effective forest restoration. Among the technologies adopted is the use of drones to capture images that identify the progress of reforestation projects. In this context, we obtain smart forest management, with optimized action planning, besides advances in productivity and resource allocation.

Water monitoring

The Limnological and Water Quality Monitoring Program regularly assesses the waters of the São Simão HPP reservoir on the Paranaíba River and the stretches of water influencing its affluents. In 2023, we increased the number of parameters analyzed in water samples with the aim of conducting more in-depth researches. With sugarcane and cattle farms in the surrounding area, the Company wants to understand the presence of herbicides and fertilizers in the reservoir sediment, among other things, to guide administrative actions and communication with the community. The monitoring also maps aquatic communities living in the reservoir.

The Ichthyofauna Conservation Program, in turn, promotes studies and activities for the conservation of the fish community in the reservoir's area of influence. Regular rescue operations are conducted during maneuvers and machine downtime, as well as continued monitoring of the shoals to understand the characteristics and diversity of the species, as well as their feeding and reproduction habits. With the renewal of the plant's operating license, the program monitoring will be expanded to include genetic analysis of eggs to identify species and telemetry to analyze the behavior of migratory species.

The **Ichthyofauna Conservation Program** will include genetic analysis of eggs and telemetry to measure behavior.



Environmental education

In the sites surrounding the São Simão HPP, we carry out various environmental education activities in partnership with the municipalities. In Santa Vitória (MG), we take part in the Grana Verde Project, which encourages and guides children from municipal public schools to recycle. The students sent recyclable materials to the school and, at the end of the project, earned credits to exchange for fun activities. Our participation played a role in raising students' awareness of the issue of waste and in promoting a day-long event with these activities for the children.

We have also produced educational materials, such as a Fauna Guide, which makes it easier to identify local species in the areas where our operations are based and foment a deeper understanding of their relevance and preservation. Aimed at children, the Guide was shared with the community and employees. In addition to the animals sighted, animals from the local biome, the Atlantic Forest, were also included.



Our environmental education actions include stimulating recycling and social and community spaces, as well as the development of educational materials.

The Environmental Education Project developed in Mataraca (PB), currently underway, covers social and community spaces, promoting environmental preservation and conservation, social development, skills, employability, training, improving quality of life, fomenting education and local partnerships. The investment totaled R\$70 thousand, and projects endured nearly six months.

GRI 203-1

In Paraíba, besides environmental and social education activities, we carry out heritage education activities with school-children, introducing them to the concept of archaeology and archaeological findings. As part of the Conduct Adjustment Agreement between the Company and the National Historical and Artistic Heritage Institute (IPHAN), we signed a partnership with the Casa de José Américo Foundation to renovate and adapt two of the institution's rooms, which will be used as a curatorial laboratory and technical reserve for archaeological pieces. The space will be opened to the public. [Iphan Ordinance No. 196/2016] **GRI 2-25**



Nice to meet
you, we are
SPIC Brasil!



Communication campaigns

In the last two years, we have been carrying out campaigns with an emphasis on preventing and combating fires. In 2023, we reinforced the initiative especially in the region of Mataraca (PB). We expanded the campaign to include the protection of green areas as a whole, also tackling irregular tree felling, identified during patrols by our guards and operators. At the same time, with the aim of combating fires, we raise awareness about the conservation of local fauna and flora following the sugarcane harvest calendar in Paraíba, with a focus on the community and mill owners.

In Cachoeira Dourada (GO), we highlighted the reforestation actions carried out in the municipality. We produced a newsletter, an audio broadcast and a day of activities for children at a local school. Other campaigns conducted around the São Simão HPP aimed to raise awareness of the piracema, the fish's reproduction period, with fun activities and materials on protection. We also raised awareness about the damage caused by the golden mussel.

In June, to celebrate World Environment Day, we performed various activities at our units and with the surrounding communities. The actions with employees involved waste separation campaigns. In the community of Uruba, Mataraca (PB), we planted around the meliponary (a space dedicated to stingless bees) by mixing seeds to create a variety of plants around it.



We promote campaigns
with a focus on
prevention
and combating fires,
among other topics.

Safety is the basis of care

We maintain partnerships and close relationships with priority audiences in order to reinforce our strategies and contribute to achieving better results and more prosperous businesses.

Value chain

GRI 2-29

We strive for ethics, respect and sustainability in our relationship with stakeholders. Each year, we define the actions to be developed by the different areas of the Company with our stakeholders. To define this, we consider our business strategy, long-term vision and the possible impacts of our activities.

Stakeholder engagement is guided by various purposes, such as identifying actual and potential impacts, setting out actions to prevent or mitigate negative impacts, building

lasting relationships, understanding needs and expectations, improving decision-making, managing risks and opportunities, fostering innovation, meeting regulatory requirements, building reputation and brand image, promoting sustainability, meeting investor demands, resolving conflicts, and enhancing the employer brand.

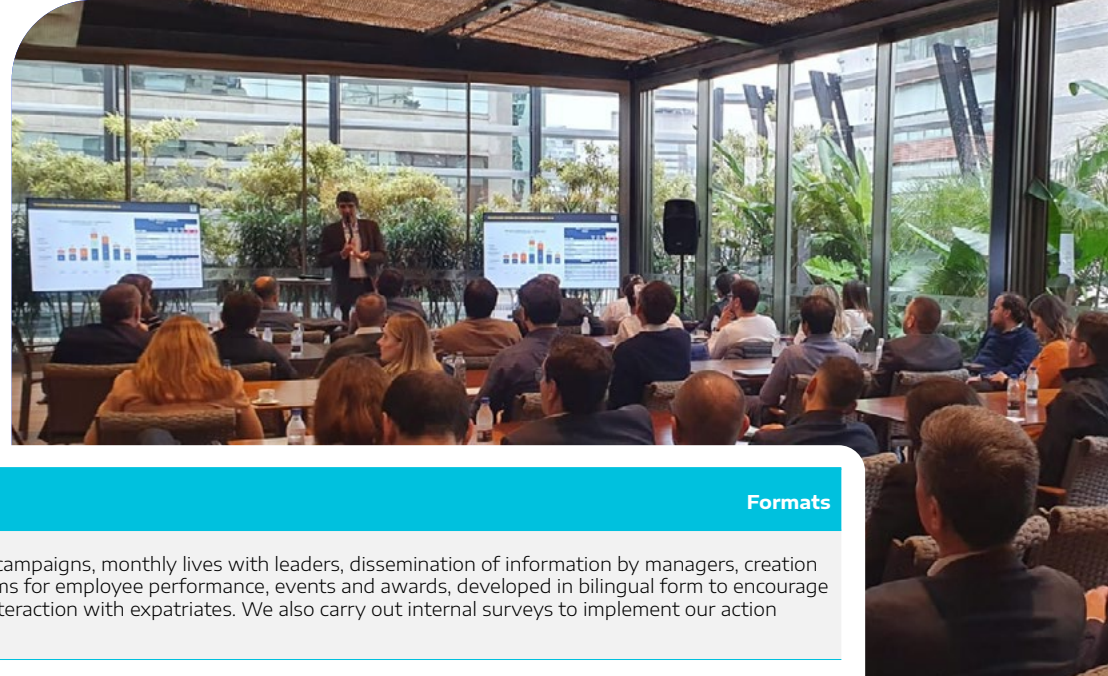
We rely on the Be Healthy Program, which devises initiatives throughout the year to motivate and engage employees in caring for their health and well-being. Among the initiatives

are benefits for access to various gyms and personal trainers online, meditation and yoga classes, gymnastics classes, psychological counseling with an exclusive channel and free 24-hour service, food and nutrition counseling and sports advice. In addition to all these initiatives, an annual SPIC2U Be Healthy challenge sets targets to encourage people to be active throughout the year and, at the year's end, rewards the performance of employees who achieve the targets set.



The **construction of relationships**, impact reduction and promotion of sustainability guide contact with stakeholders.

We maintain **structured communication channels** for relationship, always guided by **transparency**. Get to know our objectives and formats adopted for **dialogue** with our stakeholders:



Stakeholder	Objective	Formats
Internal stakeholder	Disseminating the Company's strategy, as well as guidance and awareness-raising actions on issues that impact the workplace.	In-house campaigns, monthly lives with leaders, dissemination of information by managers, creation of programs for employee performance, events and awards, developed in bilingual form to encourage cultural interaction with expatriates. We also carry out internal surveys to implement our action plans.
Communities	Build relationships and reinforce the Company's performance through awareness-raising actions on issues such as ESG, culture and health.	Campaigns, programs and ongoing training, as well as monitoring results with annual reputation surveys.
Government and public agents	Support the development of actions that benefit the Company, the communities and the country.	Participation in hearings, associations, forums and relevant discussions to enable initiatives in line with the Company's strategies.
Suppliers and partners	Working with more comprehensive supply chains in line with good corporate practices.	Implementing reliable tendering processes, improving the registration system and monitoring the execution of services to ensure compliance with ESG policies and practices, as well as collecting continuous feedback.
Investors	Positioning the Company and reaffirming its strength and reliability through transparency in the disclosure of publications of interest to the market.	Financial statements, annual sustainability reports, processes, policies and commitments are frequently updated on our website.
(ACL) Customers	Presenting, creating relationships and building company loyalty with the public in the free energy trading market.	Build customized relationship actions and participation in exclusive sector events and forums.
Industry professionals	Position the Company as a sector's relevant and attractive player.	Elaborate employer branding strategies. This engagement is driven by communication actions that include targeted publications on the networks - proprietary or not - and the activation of on and offline media.
Opinion makers / media	To seek spontaneous and positive exposure for the Company and visibility for our performance strategies, creating relationships of trust and partnership with these players and building an outstanding reputation for SPIC Brasil in the eyes of public opinion.	We communicate our actions assisted by media relations, we share strategic guidelines and we look for spaces in the media for exclusive interviews with the Company's spokespeople, in order to take part in relevant discussions or have speaking slots in any risk or crisis situations.

Stakeholder relationship initiatives in 2023

During the year, we carried out a number of relationship actions with our stakeholders. With the end of the pandemic, we are once again promoting and participating in face-to-face activities, consolidating our institutional positioning. We also launched communications campaigns and reinforced the SPIC Brasil brand. Get to know the year's main activities:

Governmental relations:

represented by our CEO, Adriana Waltrick, we accompanied President Lula's entourage on his visit to China in March 2023. On that occasion, we signed memorandums of understanding (MOUs) in the areas of energy transition. Read more in 2023 Overview, on [page 39](#).

Media relations:

SPIC Brasil was quoted in 1,081 media reports and articles, of which 501 (56%) were in tiers 1 or 2 media outlets, i.e. those considered more strategic. The result represents a 67% increase in publications compared to 2022.

SPIC Brand:

to consolidate and promote our brand, which underwent a rebranding in 2022, we launched social media campaigns and carried out brand activation at the major energy events.

Celebrations committee:

we set up a committee to discuss event proposals for SPIC Brasil's internal stakeholders and define how they would be advertised to employees together with the in-house communications team.

45 years of São Simão HPP:

throughout 2023, we promoted events with the surrounding community, governments and other stakeholders to celebrate the anniversary of the São Simão Power Plant. Read more in Local development, on [page 84](#). We have also launched a landing page to advertise the campaign and we are preparing a book and a documentary about the plant.

Our relationship initiatives were adapted to the characteristics of internal and external stakeholders.

Membership in associations GRI 2-28

In order to keep abreast of the debate on energy and other issues of interest to the Company, we participate in institutions and sector associations, such as:

- Brazilian Association of Electricity Companies (ABCE);
- Brazilian Association of Business Communication (Aberje);
- Brazilian Association of Institutional and Governmental Relations (Abrig);
- Brazilian Association of Energy Traders (Abraceel);
- Brazilian Association of Electricity Independent Producers (Apine);
- Brazilian Center of International Relations (Cebri); and
- Acende Brasil Institute.

Labor relations

GRI 3-3 Labor relations

Our team is composed of people from different backgrounds, ages and ethnicities, who work together to build daily value through energy generation. As a Company, we prioritize care and the creation of connections, positively impacting the management of our internal stakeholders.

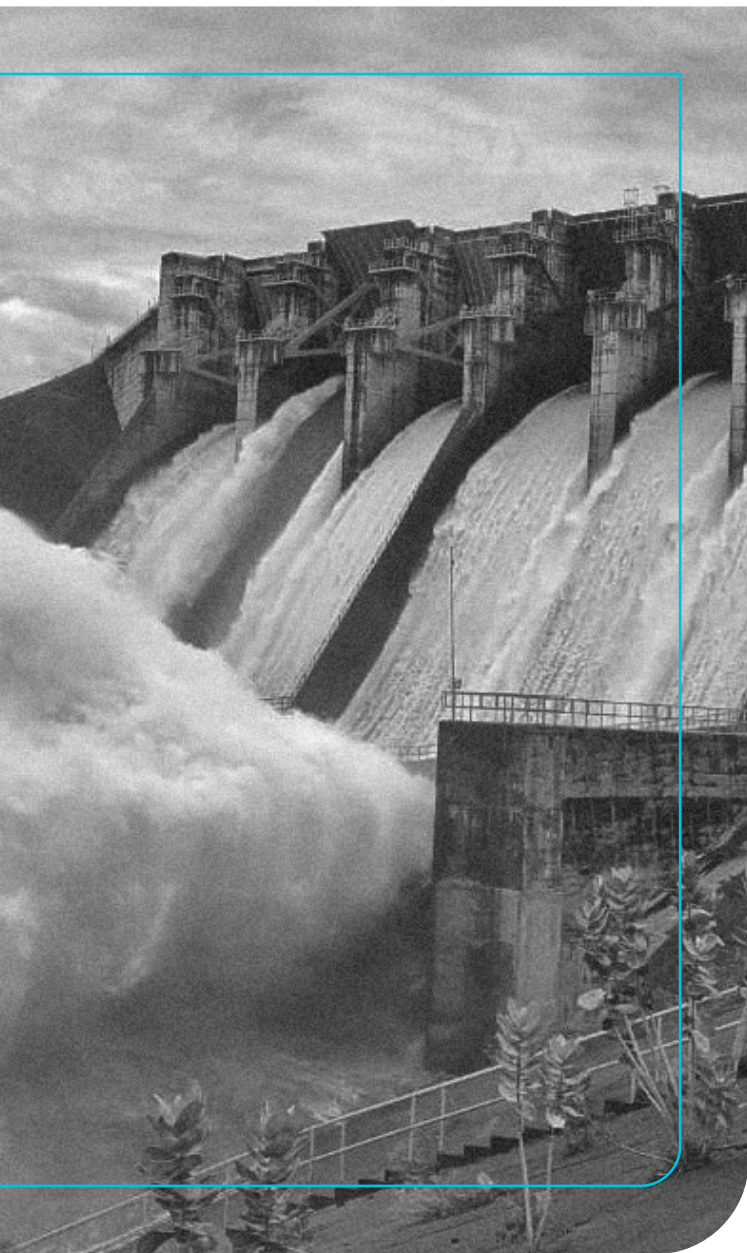
We translate our commitment to quality working relationships into policies and practices that go beyond legal requirements. Examples of policies addressing this issue are the Code of Conduct and Ethics, the Procurement and Supplier Policies. We also develop related corporate education activities.

We are one of the best companies to work for in the country, according to Great Place to Work certification.

In July 2023, we received the Great Place to Work's Best Companies to Work For certification for the 3rd time. We apply the survey's results as a tool for building improvements, sharing the figures with our leaders and develop action plans for application in the workplace. Our goal is to get 88% of employees to take part in climate surveys. During the year, we also carried out a culture diagnosis with a specialized consultancy, which consulted various stakeholders and units through focus groups.

Among the cross-cutting topics of SPIC Brasil's culture is innovation. We have the Culture & Innovation Ambassadors Program, which has been reformulated in terms of its governance, purpose and visual identity. As part of the initiative, we worked to reinforce the Company's values through the Café com Cultura project and the pills launched by the communications team. The ambassadors' mandate expires in 2024, when the Program will be reassessed before a new season.





Recruiting, selection and talent retention

In 2023, we launched new guidelines with a focus on reinforcing in-house recruitment, talent attraction and a solid diversity policy. One of the significant changes, to be implemented from 2024, is the mandatory inclusion of at least one female candidate on the shortlist for leadership positions and technical areas, an initiative resulting from in-house studies and surveys that indicated the need to promote greater gender equality in senior positions.

In addition, we have broadened our portfolio of partnerships to enhance our selection process with more specialized knowledge, with the aim of attracting the best talent in the market. On the retention front, we have developed a career program, dialogues and mentoring, validated by the Board in China, aiming at reducing turnover in the Company. This program is complemented by reward policies, including bonus payments, to recognize and value our employees.

We have heightened our approach to career management by adopting the Career Dialogues methodology. Evidencing the leadership's commitment to the development of the entire team, our CEO also took part in the methodology. To broaden the scope and engagement in this initiative, we held lives in partnership with experts and reinforced communication on a streaming platform focused on exploring career and development issues in depth.

We seek to promote equal opportunities in our selection processes.

Total headcount hired, dismissed and turnover rate, by age group GRI 401-1

2023				
Age group	Total employees	Hires	Dismissals	Turnover rate
Under 30 years old	15	6	8	46.67
Between 30 and 50 years old	203	55	45	24.63
Above 50 years old	41	6	10	19.51
Total	259	67	63	25.1

Total headcount hired, dismissed and turnover rate, by gender GRI

401-1

2023				
Gender	Total employees	Hires	Dismissals	Turnover rate
Men	191	40	44	21.99
Women	68	27	19	33.82
Non-binary	-	-	-	-
Total	259	67	63	25.1

Total headcount hired, dismissed and turnover rate, by region GRI

401-1

2023				
Region	Total employees	Hires	Dismissals	Turnover rate
São Paulo/SP	148	49	38	29.39
Natal/RN	24	11	8	39.58
São Simão/GO; Santa Vitória/MG	84	7	17	14.29
Mataraca/PB	3	-	-	0
Total	259	67	63	25.1

Parental leave GRI 401-3

	2021	2022	2023
Total employees			
Men	182	194	191
Women	72	60	68
Total employees who took parental leave and whose leave expires in current year			
Men	4	9	11
Women	2	3	3
Total employees who returned to work, during the reporting period, after the end of parental leave			
Men	4	4	11
Women	2	3	3
Total employees who returned to work after parental leave and remained employed 12 months after returning to work			
Men	0	9	11
Women	0	2	3
Rate of return			
Men	100	100	100
Women	100	66	100
Rate of retention			
Men	0	100	100
Women	0	66	100

Training and development

Last year, we conducted a survey that identified training needs across all areas. Besides a specific budget for running targeted courses, we have a scholarship program for undergraduate, postgraduate and English courses, with well-defined criteria for selecting the beneficiaries.

The strategic focus of our development actions includes behavioral training based on corporate values and specific technical skills for each area, besides mandatory courses and updates on in-house processes, governance, procurement and corporate tools. This set of initiatives reflects the Company's commitment to the continuous team development, ensuring that the skills and competencies required to meet the challenges of the market are up-to-date. Our main goal in terms of training is to achieve an annual average of 36 hours per employee following the modules of SPIC University, our corporate university. **GRI 3-3 Labor relations**

Performance review has also undergone improvements, with the implementation of a mid-year target review process, besides managers regular feedback. This performance management process is complemented by 360-degree, behavioral, peer and internal customer evaluations.

In an evolvement of our mentoring practices, we transitioned to an in-house model, selecting ten pairs of mentors and mentees, with managers taking on the role of mentors. This six-month program was developed through training and management, evidencing an investment in the transfer of knowledge and experience within the organization itself.

Hours of training, by gender GRI 404-1

	2021	2022	2023
Average hours of employee training by gender:			
Men	38.56	65.34	37.81
Women	44.05	31.76	19.62
Total	31.02	40.05	33.03

Hours of training, by employee category GRI 404-1

	2021	2022	2023
Average hours of employee training by employee category*			
Board of Executive Officers	39.33	6.69	8.60
Management	15.67	31.58	12.98
Technical/Supervision	0	99.46	47.63
Administrative	46.33	44.93	34.91
Total	40.05	57.41	33.69

* The average number of hours of training for Board members has been zero over the last three years. We considered the following groups: Board of Executive Officers including all officers, CEO and COO of SPIC Brasil; Management including employees with managerial positions; Technical/Supervision including supervisors, technicians and operators; and Administrative including analysts, specialists, assistants, engineers, coordinators, among others.



The **training needs** are defined according to the duties performed by the employees.



Remuneration and benefits

The Company's remuneration and benefits policies stand out for their competitiveness and comprehensiveness, aiming to offer a far-reaching package that meets employees' diverse needs. This package includes healthcare and dental assistance, private pension plans, life insurance, as well as meal or food vouchers, with the flexibility to distribute the latter two options according to the employee's preference.

A competitive advantage is the Profit Sharing Program (PLR), linked directly to the Company's performance, scorecards and individual evaluation of goals. The variable remuneration's structure differs according to the employee's hierarchical level.

In addition, the Company adopts an annual remuneration cycle that includes salary reviews. Employees may be eligible for merit-based salary adjustments, promotions or specific recognition, according to their performance and position in the salary range.

The benefits package considers the needs of employees, the incentive to performance and talent retention.

Diversity and inclusion GRI 3-3 Labor relations

The Diversity, Equality and Inclusion Program guides our actions and strategies towards a more inclusive and representative workplace. In 2023, we focused on promoting gender equality, with the implementation of a checklist to measure results and set goals.

Our major goals related to diversity and inclusion are:

1.

reach 31% of women
in leadership positions
(Board of Executive
Officers/ Management/
Coordination/ Supervision);

2.

hire 3% of PwD
employees.

Another notable initiative was an internship program for graduate students that opened doors for eight interns from low-income backgrounds. During the program, participants contributed to the Company's projects while also engaged in a process of continuous professional development. At the end of the period, few people were hired.

Employees GRI 2-7

Headcount by region and gender	2022			2023		
	Men	Women	Total	Men	Women	Total
São Paulo/SP	83	50	133	95	53	148
Natal/RN	20	5	25	18	6	24
São Simão/GO; Santa Vitória/MG	89	8	97	75	9	84
Mataraca/PB	3	0	3	3	0	3
Total	195	63	258	191	68	259

Employees by type of employment agreement and gender*	2021			2022			2023		
	Permanent	Temporary	Total	Permanent	Temporary	Total	Permanent	Temporary	Total
Men	171	11	182	194	1	195	191	0	191
Women	64	8	72	60	3	63	68	0	68
Total	235	19	254	254	4	258	259	0	259

*Methodology adopted: direct count; data taken from computerized system.

Employees by type of employment agreement and region	2021			2022			2023		
	Permanent	Temporary	Total	Permanent	Temporary	Total	Permanent	Temporary	Total
São Paulo/SP	119	14	133	129	4	133	148	0	148
Natal/RN	16	2	18	25	0	25	24	0	24
São Simão/GO; Santa Vitória/MG	97	2	99	97	0	97	84	0	84
Mataraca/PB	3	1	4	3	0	3	3	0	3
Total	235	19	254	254	4	258	259	0	259

Employees by type of employment agreement and gender*	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time employment	182	72	254	195	63	258	191	68	259
Total	182	72	254	195	63	258	191	68	259

*We have no part-time employees. There are no employees without guaranteed workload.

Percentage of individuals within the organization's governance bodies by gender GRI 405-1



Percentage of individuals within the organization's governance bodies by age group GRI 405-1



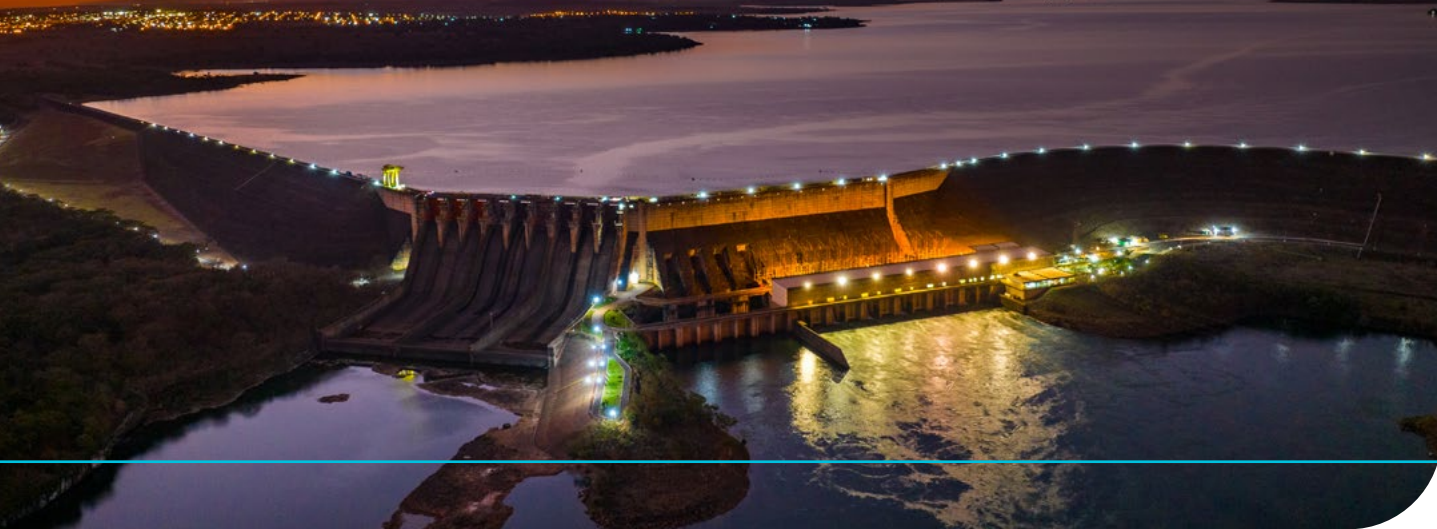
Percentage of workers, by employee category and gender GRI 405-1

	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Board of Executive Officers									
Percentage	77.78	22.22	100	76.92	23.08	100	75	25	100
Management									
Percentage	78.38	21.62	100	83.33	16.67	100	86.05	13.95	100
Technical/Supervision									
Percentage	93.24	6.76	100	100	0	100	92.41	7.59	100
Administrative									
Percentage	55.96	44.04	100	12.5	87.5	100	57.02	42.98	100
Total									
Percentage	72.77	27.23	100	74.65	25.35	100	73.75	26.25	100

Percentage of workers by employee category and age group GRI 405-1

	2021	2022	2023
	Percentage	Percentage	Percentage
Board of Executive Officers			
Under 30 years old	0	0	0
Between 30 and 50 years old	55.56	38.46	37.5
Above 50 years old	44.44	61.54	62.5
Total	100	100	100
Management			
Under 30 years old	0	0	2.33
Between 30 and 50 years old	75.68	80.95	76.74
Above 50 years old	24.32	19.05	20.93
Total	100	100	100
Technical/Supervision			
Under 30 years old	8.11	0	2.53
Between 30 and 50 years old	79.73	50	86.08
Above 50 years old	12.16	50	11.39
Total	100	100	100
Administrative			
Under 30 years old	12.84	0	9.92
Between 30 and 50 years old	77.98	87.50	79.34
Above 50 years old	9.17	12.5	10.74
Total	100	100	100
Total			
Under 30 years old	8.51	0	5.79
Between 30 and 50 years old	76.17	69.01	78.38
Above 50 years old	15.32	30.99	15.83
Total	100	100	100





We rely on a **Diversity**, Equality and Inclusion Program, which guides our actions in the topic.



Percentage of workers from minority and/or vulnerable groups by employee category

GRI 405-1

	2021	2022	2023
	Percentage	Percentage	Percentage
Black and Brown			
Management	0	11.9	2.33
Technical/ supervision	-	-	5.88
Administrative	1.80	1.83	2.73
Total	0.93	0.85	2.7

*The number of Black and Brown people on the Board of Directors and Executive Board is zero.

Total number of workers who are not employees, but provide services to the Company

GRI 2-8

	2021	2022	2023
	Total	Total	Total
Apprentices	4	4	2
Trainees	-	8	-
Contractors	17	14	22
total	21	26	24

Health and safety

GRI 3-3 Occupational health and safety, 403-1

Safety is embedded into all our processes and operations. Taking care of people is essential for us, which is why we have developed various practices to guarantee their safety, as well as seeking to foster a culture in which the protection and health of employees is nurtured by everyone. We comply with all the legal health and safety regulations applicable to our operations. Our documentation and procedures are reviewed periodically. All service providers entering our facilities must comply with the rules and procedures followed by SPIC. They undergo a rigorous process of verification of labor and safety documentation carried out by an outsourced company to ensure the process' reliability and speed.

We have a management system, implemented by the corporate Health, Safety, Environment and Quality area, for the entire Company, which complies with the legal guidelines set out by Regulatory Standard 1 (NR-1). All workers are covered, including all activities and workplaces. Health and safety policies, procedures and training are also applied to contractors. [EU16](#)

The system includes a calendar of internal and external audits, updated annually or whenever new needs are identified. We also hold various certifications attesting to our conduct. Our offices in São Paulo (SP) and Natal (RN) and our wind farms in the Northeast are ISO 9001 (quality), 14001

(environment) and 45001 (occupational health and safety) certified. The São Simão HPP, in turn, has ISO 14001 and 45001. We are also ISO 55001 certified for asset management. In 2023, we maintained our certifications and carried out an audit to verify our compliance. We have plans to certify our solar operations soon.

We have a fire brigade and the Internal Accident Prevention Commission (Cipa), which discusses aspects related to the health and safety of our employees. The São Simão HPP also has its own Cipa. The commissions have their responsibilities set out by Regulatory Standard No. 5 (NR-5) and are structured to identify and communicate risks, proposals for improvements and necessary interruptions in activities involving serious or imminent hazard.

All employees are covered by the health and safety management system.



Accident prevention GRI 403-2, 403-7

In 2023, we recorded advancements across all reactive indicators, i.e. those related to incidents, and no serious or fatal accidents were registered. Our proactive indicators, linked to prevention, also performed well. During the year, we recorded no fatalities or absences due to work-related injuries.

Among the activities carried out to identify and assess hazards and risks in the workplace, we carry out safety inspections, accident and incident analysis, ergonomic, chemical and physical risk assessments, as well as other practices, such as emergency simulations and risk analysis of specific tasks. To ensure the quality of our processes, we invest in training, certifications and establish clear procedures and guidelines.

All accidents recorded in our operations undergo an investigation process, which focuses on identifying the causes and defining action plans to prevent recurrence. We apply a specific methodology (Corp-10) in accordance with labor legislation and NBR 14280, for classification, investigation, application of control measures and effectiveness assessment.

We also keep an up-to-date Hazard & Risk Matrix related to the workplace. The main risks identified include falls, musculoskeletal injuries, vehicle accidents, falling objects, exposure to chemical substances, biological agents, burns, equipment accidents, electric shock injuries, trauma injuries, accidents at height, fire, explosion, vibration and noise injuries and exposure to radiation.

To prevent and mitigate these risks, the Company applies various tools, such as personal protective equipment (PPE) and collective protective equipment (CPE), as well as providing appropriate training and qualification. Safety signage, specific occupational safety programs, control of hazardous substances, preventive maintenance, emergency and evacuation procedures, compliance monitoring, occupational health programs and communication are also employed.

A preliminary risk analysis and a work permit for high-risk activities is applied to each activity involving risk before it is carried out. All activities - whether in-house or carried out by contractors - are based on the guidelines of ISO 45001 and the legal requirements of NR-1, and are planned with the Health and Safety team according to the following stages:

1. characterization of the processes, workplace and activities performed;
2. preliminary survey of hazards;
3. assessment of the risks identified, considering current controls and exposed workers;
4. setting out actions to eliminate hazards or reduce risks, taking into account the hierarchy of controls;
5. implementation of actions and execution and performance monitoring.

During 2023, we worked on digitizing processes and automating inspections by developing a platform with SPIC Brasil's innovation team. The initiative will be implemented in 2024, covering all our units, with the expectation that it will make some processes easier and more efficient.

Another innovation initiative designed to increase safety in our operations was the readiness test. The test is applied to employees who perform high-risk activities. When standard deviations are verified, such as family or sleep problems, the test discourages the employee from continuing with the risky activity that day.

Through the Safety Committee, we plan, coordinate and guide actions to prevent work-related injuries and ill health.



During 2023, we worked in the digitalization of processes and inspection automation by developing a platform with SPIC Brasil's innovation team.

Employees participation GRI 403-2, 403-4

We pursue the active participation of employees in the development, implementation and evaluation of the health and safety management system through various approaches, including direct participation or through Cipa representatives. Employees are involved in several critical stages of the process, such as risk assessment, application of the control hierarchy, incident investigation and audits.

The presence of formal health and safety committees, made up of employers and workers, is a practice adopted by the Company. These committees have various responsibilities, such as monitoring the process of identifying risks, proposing measures to prevent accidents and illnesses, investigating and analyzing work-related injuries and ill health, promoting awareness, among others.

We provide various channels, such as e-mail addresses, apps and routine meetings for employees to report non-compliance situations. It is assured that they will neither be punished nor persecuted, as provided for in the corporate policy and the Code of Conduct and Ethics. In 2023, our online tool for reporting risks and hazards, Fique de Olho, received 828 reports from employees, contractors or visitors, which were dealt with and corrected.

We also rely on policies and processes that ensure workers the right to withdraw from situations that could cause work-related injury or ill health. Processes, such as work routines, inspections and checklists are implemented to facilitate this withdrawal, ensuring worker safety.

Various channels

concerned with the active participation of employees.

828

reports made by employees, contractors or visitors.



Employees are involved in several critical stages of the process, such as **risk assessment**, application of the control hierarchy, **incident investigation** and audits.

Culture of safety

In 2022, we enlisted the support of a consultancy specializing in asset performance management to help us build a safety culture diagnosis. Leaders and employees from our offices and hydro, wind and solar operations were interviewed and reported on their perceptions of the Company's safety practices.

Based on this work, we got to know our level of maturity on the subject and, subsequently, we promoted various training sessions to implement the practices, including the

dissemination of concepts across the Company, from leadership to technical employees. We also set up a Safety Committee, which visited the operations and provided guidance on how to implement the improvements.

One of the new practices adopted after the diagnosis was the process of cross-inspections. Starting in 2023, the project represents an expansion of the inspections carried out on current assets and those under construction. Besides local teams, the assets are now being inspected by multi-location teams, who bring their experience to bear. The teams are

composed of several different roles, such as safety engineers and technicians, psychologists, environmental and social analysts, as well as managers and officers.

During the year, as part of the cultural transformation process, we also provided training on security perception for the office team. The aim of the initiative was to raise awareness about what behaviors are inappropriate in the industrial and corporate environment, and the corresponding correct guidance.



Crossed inspections represent an **expansion of surveys** conducted in current assets and under construction.



Safety training GRI 403-5

We have defined a responsibility matrix that helps us set out a more assertive training program for our employees. The training offered includes, but is not limited to: onboarding or orientation for new employees, fall prevention, firefighting, handling chemicals, ergonomics, first aid, use of PPE, risk communication, disease prevention, machinery and equipment, confined spaces, working at heights, working with electricity, handling loads, falling objects, operating industrial vehicles and emergencies.

We have a platform for conducting safety training online. The training covers full-time employees, part-time employees, permanent employees, employees on fixed-term contracts, temporary workers and contractors. Needs and compliance with legal requirements are outlined based on the job description or work order and managers' recommendation. We also consider risk mapping. Before the start of the activities, the employees are onboarded through a safety path.

We maintain internal control procedures to monitor compliance with mandatory and legal training by our employees, as well as for contractors, including checking the necessary documentation so that they can work safely.

Workers covered by health and safety management system GRI 403-8

	2021		2022		2023	
	Employees	Workers who are not employees (contractors)	Employees	Workers who are not employees (contractors)	Employees	Workers who are not employees (contractors)
Total headcount	244	244	95	294	259	400
No. of individuals covered by the system	244	244	95	294	259	400
Percentage of individuals covered by the system	100	100	100	100	100	100
No. of individuals covered by a system audited in-house	45	8	30	50	259	400
Percentage of individuals covered by the system audited in-house	18.44	3.28	31.58	17.01	100	100
No. of individuals covered by the system which was certified by an independent third party	244	244	20	10	259	400
Percentage of individuals covered by the system which was audited in-house or certified by an external party	100	100	21.05	3.4	100	100

Note: The scope of the occupational health and safety management system encompasses all workers, including those in full-time employment, temporary workers and contractors. As for the compilation of data, this was obtained from various sources, such as inspections and assessments, accident and incident reports, occupational health data, and training and awareness data. The standards adopted for data collection in 2023 are ISO 45001, NR-10 and NR-12. The assumptions defined for data collection include a representative scope of organizational activities and accuracy and consistency in collection, while the methodologies employed involve inspections, assessments, accident reports, occupational health data and training. In addition, techniques and tools, such as SST management software, forms and checklists are adopted. It is worth noting that at the São Simão HPP, specific procedures are followed for activities related to the prevention of work-related injuries and ill-health, involving machinery, equipment, working at heights, electrical installations, confined spaces and the handling of loads and people. For each procedure, checklists and inspections are carried out regularly, ensuring the safety of the activities.

Work-related injuries¹ GRI 403-9

	2021		2022		2023	
	Employees	Other workers ²	Employees	Other workers ²	Employees	Other workers ²
Number of hours worked	251,552	453.0.32	377,084	374,626	730,488.67	346,931.55
No. of fatalities resulting from work-related injuries	0	0	0	0	0	0
Index of fatalities resulting from work-related injuries	0	0	0	0	0	0
No. of work-related injuries with serious consequence (except for fatalities)	0	0	0	0	0	0
Index of work-related injuries with serious consequence (except for fatalities)	0	0	0	0	0	0
No. of work-related injuries of mandatory communication (include fatalities)	0	1	0	4	0	0
Index of work-related injuries of mandatory communication (include fatalities)	0	2.21	0	10.68	0	0

¹The basis for the number of hours worked is 1,000,000 hours.

²Workers who are not employees, but whose work and/or workplace is controlled by the organization.

The process of identifying hazards that present a risk of work-related injuries with serious consequences involves several stages. It begins with the development of control measures, followed by the implementation and monitoring of these measures. In addition, the process includes training and awareness, communication and reporting, assessment of facilities, review of documentation, assessment of chemicals and materials, analysis of processes and tasks, review of regulations and standards, analysis of potential accidents and the prioritization of hazards.

The Company adopts various strategies to curtail or eliminate the hazards and risks of work-related injuries. This includes the direct removal of the hazard, the replacement of equipment and materials, engineering controls, administrative controls and the use of personal protective equipment (PPE).

The measures taken to wipe out hazards and minimize the risk of work-related injuries include risk assessment, training and awareness, preventive maintenance, engineering improvements, safety policies, the use of personal protective equipment (PPE), supervision and management, accident investigation, open communication, continued monitoring, compliance with laws and safety incentives.

The compilation of data in 2023 involves the use of Regulatory Standards (NRs) from the Ministry of Labor and Employment (MTE), risk analysis, risk management, worker training and the consolidation of principles, such as 'safety is a priority', 'prevention is better than cure', and 'safety is everyone's responsibility'.

The assessment of occupational health and safety risks and their management processes covers all activities, using visits to the workplace, interviews with employees, considering routine and non-routine activities, including subcontractors and visitors, as well as relevant experience and knowledge.



Our goal is to reach
65% employee
 engagement in the Be
 Healthy Program.

Employee health

GRI 403-3, 403-6

In addition to healthcare and dental plans, we offer our employees the Be Healthy Program, which encourages the adoption of healthier practices. In 2023, the program included various activities, such as meditation, yoga, access to gyms (through local partnerships or through Gympass, almost a hundred employees exercise monthly in weight training gyms), consultations with psychologists, nutritionist services and incentive to participate in races. In São Paulo, 23 employees receive sports advice on running, with training sessions in parks and squares.

We have also launched a challenge focused on improving physical condition, encompassing a variety of activities and covering objectives such as weight reduction, measurements and improving muscle mass. The participants underwent periodic evaluations, with awards for those who showed significant results. We also organized the 2nd SPIC Brasil São Simão Street Race, which was part of the celebrations for the plant's anniversary.

As part of the Be Healthy program, we also provide support for employees' mental health, facilitating access to psychologists and psychiatrists. In addition, the Company offers programs and initiatives to promote health and prevent non-work-related illnesses, including vaccination campaigns, meditation and gymnastics. These services are available during working hours and extended to employees' families. For São Simão HPP, contractors are not included in the program.

We also have the Conte Comigo initiative, which offers help to employees who are going through adverse situations. At Conte Comigo, employees can also access legal and financial advice for personal issues. The channels for accessing and providing information about these services include in-house communication, workshops and training, awareness campaigns, corporate email, apps and online platforms.

Reinforcing the Be Healthy is one of SPIC's strategic health objectives. Our goal is to achieve 65% employee engagement, with the number of participants in the program and the number of participations in the proposed activities as indicators for measuring success. **GRI 3-3 Occupational health and safety**

We adopt confidentiality practices with regard to personal information connected with employees' health, ensuring that it is not used in a discriminatory manner. This is achieved through legal compliance measures, a privacy policy, informed consent, restricted access, data security, employee training, a whistleblowing channel and accountability.

Local development

GRI 3-3 Local development, 413-1



We seek a harmonious and collaborative relationship with the communities surrounding our operations. We promote initiatives aimed at building development, fostering entrepreneurship and enhancing local economies. The topic is addressed by in-house policies and company reports. We work based on a territorial diagnosis that provides technical information to support decision-making for the projects to be structured in the localities.

Since 2014, we have maintained the Community Fund, a voluntary investment by SPIC Brasil whose strategy is approved by the Company's CEO. Through it, we foment health and well-being initiatives; education and training; sports, recreation and tourism; and culture and the arts. Initially, the Fund was intended for actions in the district of Barra do Camarutuba, Mataraca (PB), the municipality where our wind farms are located, and was created built on a study of vulnerabilities and development opportunities. In 2021, it was made available for the São Simão HPP's surrounding area and, in 2023, with activities connected with the Marangatu Complex (PI), where one of our solar projects is located.

In 2023, it brought improvements and innovation to the management of local development by diagnosing the impact of our private investments in Mataraca (PB). Conducted in 2022 with the support of a specialized consultancy, the survey adopted the SROI methodology - Social Return on Investment. According to the survey, the total social impact of the SPIC Brasil Fund was valued at R\$899 thousand, corresponding to a return of R\$1.78 for every R\$1 invested.

The diagnosis also resulted in the indication of improvements, which began to be implemented in 2023. For 2024, we plan to create a guiding document for the Company's relationship with the communities and to carry out a study on adapting the fund to the solar farms' surroundings.

We highlight the Company's social role in creating jobs and developing the workforce around its operations. In the context of the Marangatu (PI) and Panati-Sitiá (CE) solar farms, we promoted the qualification and awareness of the employees recruited for the activities. In particular, we point out the focus on hiring female labor, which in some cases represented the first entry into the labor market for those hired.

In the context of remediation, SPIC Brasil takes responsibility, conducts detailed assessments, executes immediate corrective actions and compensates the aggrieved parties, promoting continuous engagement and transparency. Compensation and social investment measures are also adopted. The effectiveness of the measures is verified through impact assessments, feedback from stakeholders and complaint mechanisms, reflecting the Company's commitment to evaluation, learning and ongoing advancement of its practices. The results of the assessments, both environmental and social, are made public, reflecting a seamless commitment to the communities involved.

The channels for the community to submit questions or suggestions include a customer service hotline, e-mail, social networks, digital media and an ombudsman's office. We also rely on formal processes for receiving complaints for use by the community, through the Ethics Channel.

Initiatives with local communities GRI 203-1

With the end of the pandemic, 2023 was marked by a return to face-to-face activities, including events and visits to the São Simão HPP and the Solar Farms in Paraíba. Learn more about the projects developed during the year.



‘Mãos que criam’ (Hands that create) project

The project gathers a group of women from the community of Barra de Camarutuba, in Mataraca (PB), as artisans and cooks, who take part in actions aimed at female entrepreneurship. This initiative aims at enhancing the work and bringing more visibility to these local producers. In 2023, ‘Mãos que Criam’ widened the number and location of women involved, seeking widespread dissemination and fostering the exchange of knowledge. Nearly 25 women from Barra de Camarutuba and the central area of Mataraca benefited from a workshop on macrame bags using sustainable yarn. The investment in the project totaled R\$20 thousand with three-month duration.



‘Coco de Roda’

With the aim of reviving the typical cultural tradition of the Brazilian Northeast, the ‘Coco de Rodas’ project was encouraged through investment in instruments and typical clothing, as well as supporting the group’s presentation at regional festivals.

Productive farms

Initially implemented in Mataraca (PB), the project was extended to the community surrounding the São Simão HPP in 2021. Its main objective is to educate families and stimulate the production of urban gardens, contributing to the food safety of socially vulnerable populations. In 2023, nearly 45 residents of Mataraca (PB), including students aged between 9 and 12, teachers and school cooks, took part in the construction of the school garden, with approximate 20-hour duration.



Beekeeping

In 2021, we introduced the breeding of stingless bees in the community of Uruba, a rural district of Mataraca (PB). In the following year, we bolstered the initiative by providing the equipment and materials needed for the practice, such as bee boxes and the beekeepers' own clothes. We have also developed training courses to broaden the inclusion of new community members.

In 2023, the project resumed with new training in partnership with Heborá, a women's enterprise that manufactures products whose raw material is produced by stingless bees. Nearly ten people took part in a workshop to make aromatic candles with wax, propolis and coconut oil. We also invested in 23 more boxes for the reproduction of the hives. The total investment amounted to R\$100 thousand with a 12-month duration. Overall, 30 people benefited.

We also expanded the project to Brasileira (PI), benefiting nearly 25 people from the Honey Producers Association. We invested R\$20 thousand in two months to train beekeepers. The positive impacts include environmental preservation, employability, improved quality of life and stimulating the honey trade chain.

The São Simão (GO) community, in turn, received the workshop 'Tem Jataí no meu Quintal: Oficina de Educação Ambiental sobre abelhas sem ferrão' (We Have Jataí in my Backyard: Environmental education workshop on stingless bees), as well as a workshop on making waxed cloths. Nearly 35 people have been impacted.

'Portas Abertas' (Open Doors) Program

Open Doors is a program aimed at the communities surrounding our operations. It aims to bring residents closer together and give visibility to the work performed at the São Simão HPP and wind farms.

Initially created to meet the demands of asset management, the project was broadened to meet various requests, such as clarifying doubts, suggesting projects for the Community Fund and reporting on the impacts of the operation. It also includes a schedule of visits to the assets, which resumed in 2023 at the São Simão HPP after a pause caused by the pandemic (read more in the box São Simão HPP's anniversary had a calendar of events for the community), on [page 88](#)). From 2024, the program should also cover wind and solar farms.



channels of dialogue

For communities to send suggestions, questions or reports, we have made the following telephone numbers available 0800 200 0204 and e-mail portasabertas@spicbrasil.com.br.

Projects via incentive laws

We supported two projects through federal incentive laws. In 2023, we held another edition of the initiatives, with a successful turnout. Get to know:



Imagination Island

Since 2019, we have sponsored this initiative, which has reached its 5th edition. The project aims to have a positive impact on the lives of children and adolescents in the municipality of São Simão (GO) and communities surrounding the reservoir. The Imagination Island offers a journey through the universe of reading and audiovisual, by means of courses, workshops and traveling workshops.

In 2023, 130 children from São Simão's public schools took part in reading and audiovisual production activities, developed outside of school hours. At Imagination Island area, the students took practical and theoretical classes over nine months in 2D and 3D animation training and advanced courses, tutoring, reading and storytelling workshops, Stop Motion animation and Pixilation, among others. In addition, the Traveling Workshops have benefited +10 thousand students from public schools in the region.

In December, we promoted the Imagilha event in São Simão, with poetry readings and screenings of animated films made by the students. The event had three sessions and 240 participants, including students, family and friends, who came to watch the films.

Since 2019, the Imagination Island has impacted +50 thousand adolescents and generated +20 direct and 50 indirect jobs. The project is being organized by the Maker Institute, Aktuellmix, the Special Secretariat for Culture, the Ministry of Tourism and the Federal Government. SPIC Brasil sponsors via the Federal Culture Incentive Law, through the Ministry of Tourism.

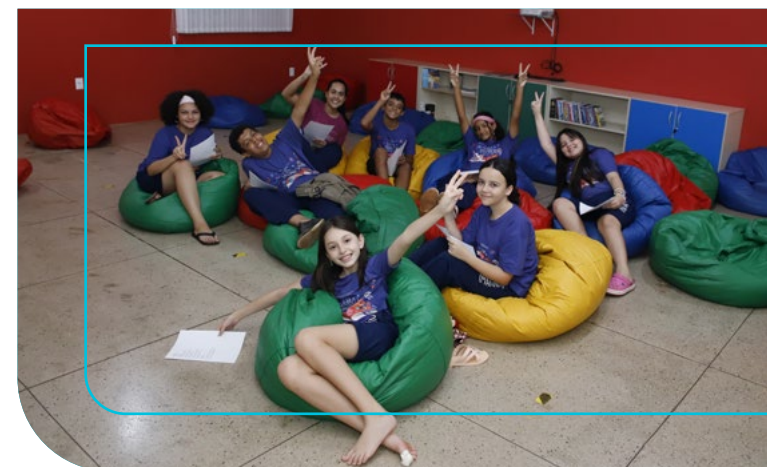
All in all, the Brincando na Praça audience reached nearly **7 thousand people** in 2023.

'Brincando na Praça' (Playing in the Square)

Brincando na Praça aims to stimulate sporting activities through games and play, as well as disseminating information on improving health, quality of life and sustainable development. In 2023, the project visited ten cities around the operations: in the state of Goiás, we held events in Bom Jesus de Goiás, Cachoeira Dourada, Inaciolândia, Quirinópolis and São Simão; in Minas Gerais, we held a day of activities in Santa Vitória, Ipiaçu, Capinópolis, Ituiutaba and Gurinhatã. Overall, the project covered more than 4,400 km.

The Brincando na Praça events included a sports area (with volleyball, soccer, basketball, mini tennis and shuttlecocks), a recreational area (with a trampoline, giant checkers, board games and recreation) and a health area (with blood pressure checks and dance classes). The total number of people who attended the ten events was nearly 7 thousand.

We sponsored the project for the second time via the Federal Sports Incentive Law, organized by RMC Esportes and supported by the local governments. In 2023, the initiative received 97% approval from the direct beneficiaries.



Anniversary of São Simão HPP had calendar of events for the community

To celebrate the 45th anniversary of the São Simão HPP and take advantage of the return to face-to-face activities after the pandemic, we promoted various actions in the municipality of São Simão (GO) and the region. The activities were released through a landing page. Follow how the program took place:

Street race

The event was attended by nearly 300 people, including employees, family members and the community. Trophies were awarded to the top three finishers in each category (6 km and 10 km), as well as participation medals for the first 200 registrants. There were also prizes for the first place winner over 50 in both categories.

‘Brincando na Praça’ (Playing in the Square)

We are holding a special edition of this project, which brings a full day of sporting, educational and artistic activities to the communities surrounding the plant's reservoir. Read more in the text Projects via incentive laws, on [page 87](#).

45th anniversary

We threw a June party for our team to celebrate the plant's anniversary.

‘Portas Abertas’ (Open Doors) Program

The 45th anniversary celebration marked the return of Open Doors, an initiative that had been suspended during the pandemic. Over the course of an afternoon, we welcomed representatives from 13 surrounding municipalities to the HPPSS, including mayors, councilors, secretaries, police officers, firefighters and civil defense workers. We gave a presentation of the plant, our operations and retrofit. The visit included a question and answer session.

We are also preparing a book and a documentary to tell the story of the success of the São Simão plant, which continues to build a more sustainable future through clean energy.



GRI content index

Use statement	SPIC Brasil reported that is compliant with GRI standards for the period between January 1, and December 31, 2023.
GRI 1 adopted	GRI 1: General Disclosures 2021

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
General disclosures						
GRI 2: General disclosures 2021	2-1 Name of the organization		Corporate name: SPIC BRASIL ENERGIA PARTICIPACOES S.A. Known name: SPIC BRASIL Legal form: profit entity. Business: Closely-held corporation Location: Avenida Presidente Juscelino Kubitschek 1909 Torre Norte, 27° Andar, São Paulo, SP, 04543-907. It holds a stake in several key companies, including: 99.99% at Pacific Hydro Energia do Brasil Ltda., 100% at SPIC Brasil Comercializadora de Energia Ltda., 100% at SPIC Brasil Térmicas and Participações S.A. and 51% at São Simão Energia S.A HPP. It also has a 33% stake in the GNA I and GNA II thermal plants, in partnership with Prumo Logística, BP, Siemens and Siemens Energy. Pacific Hydro Energia do Brasil Ltda., also a group's company, holds 100% stake in Millennium Central Geradora Eólica S.A., 100% at Vale dos Ventos Geradora Eólica S.A., 70% at Panati Holding S.A., which has been concluded, and 70% at Marangatu Holding S.A., which is under construction process.			
	2-2 Entities included in the organization's sustainability reporting		The entities included in the financial and sustainability report are: PACIFIC HYDRO ENERGIA DO BRASIL LTDA (subsidiary), SPIC BRASIL COMERCIALIZADORA DE ENERGIA LTDA (subsidiary), São Simão Energia S.A. HPP (majority stake), Vale dos Ventos Geradora Eólica S.A (subsidiary- 100% of shares through Pacific Hydro Energia do Brasil Ltda), Panati Holding S.A. (majority stake - 70% of shares through Pacific Hydro Energia do Brasil Ltda.), Millennium Central Geradora Eólica S.A (subsidiary - 100% of shares through Pacific Hydro Energia do Brasil Ltda), Marangatu Holding S.A. (majority stake - 70% of shares through Pacific Hydro Energia do Brasil Ltda.), GNA I Geração de Energia S.A. UTE (minority shareholding), SPIC Brasil Térmicas e Participações S.A. (subsidiary), GNA II Geração de Energia S.A. UTE (minority shareholder - 33% of shares through SPIC Brasil Térmicas e Participações S.A.) and GNA II Geração de Energia S.A. UTE (minority shareholder - 33% of shares through SPIC Brasil Térmicas e Participações S.A.). With regard to the approach by entity, we clarify that the information remains unchanged due to minority shareholdings. With regard to mergers, acquisitions and disposals of entities or parts thereof, the report provides a comprehensive overview, including the companies acquired and the joint venture projects. It is worth noting that there are no variations in the approach applied to material topics and/or chapters throughout the report.			
	2-3 Reporting period, frequency and contact point		3			

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 2: General disclosures 2021	2-4 Restatements of information	53, 59				
	2-5 External assurance	100				
	2-6 Activities, value chain and other business relations	10, 32 The organization operates in the renewable resources and alternative energy sectors, including the generation and trading of hydroelectric, solar and wind energy, as well as the development of projects related to these sources. In the value chain, it is involved in operations, services, infrastructure, human resources management, technology development, procurement and the acquisition of raw materials. The markets served are mostly domestic, with a focus on the national market. Downstream entities include distributors. In addition, the organization maintains partnerships with various business partners relevant to its operations, such as governments, banks, joint ventures, associations and trade associations. Net revenues amount to R\$ 2 billion.				
	2-7 Employees	73				8, 10
	2-8 Workers who are not employees	76				8
	2-9 Governance structure and composition	18, 20				5, 16
	2-10 Nomination and selection for the highest governance body	18				5, 16
	2-11 Chair of the highest governance body	18				16
	2-12 Roles of the highest governance body in overseeing the management of impacts	18 The organization implements various processes for impact management, including due diligence, financial risk assessment, supply chain analysis, cost-benefit analysis, monitoring of economic indicators, environmental impact assessment, carbon footprint, natural resource monitoring, waste management, social impact assessment, stakeholder engagement, skills development and employee welfare, and corporate social responsibility.				16
	2-13 Delegation of responsibility for managing impacts	18				
	2-14 Role of the highest governance body in sustainability reporting	The highest governance body assumes responsibility for analyzing and approving the information contained in the organization's reports, as well as material topics. The processes for review and approval include comments, communication and dissemination, along with the implementation of feedback and continuous improvement.				

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 2: General disclosures 2021	2-15 Conflicts of interest	We have a structured process for assessing conflicts of interest in the company, formalized in a policy and operationalized both by a system and by collecting data from employees in the process of annual declaration of conflict of interest or extraordinary declaration of conflict of interest.				16
	2-16 Communication of critical concerns	19				
	2-17 Collective knowledge of the highest governance body	To broaden the approach to sustainable development in the organization's highest governance body, several measures have been adopted. These include the implementation of continuing education and training, access to up-to-date information, internal communication with sustainability content, constant leadership engagement, collaboration with research institutions, support for sustainable development initiatives, performance review and participation in international networks.				
	2-18 Performance review of the highest governance body	The organization elects not to evaluate the performance of the highest governance body with respect to oversight of impacts by shareholder decision.				
	2-19 Remuneration policies	21				
	2-20 Process to determine remuneration	21				
	2-21 Annual total compensation ratio			Confidentiality.	SPIC Brasil's strategic and confidential data.	
	2-22 Declaration on sustainable development strategy	4				
	2-23 Policy commitments	24				16
	2-24 Embedding policy commitments	24, 27				
	2-25 Processes to remediate negative impacts	30, 62				

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 2: General disclosures 2021	2-26 Advice mechanisms and presentation of concerns	The organization offers various mechanisms for people to seek advice on implementing responsible policies and practices. This includes training and capacity building, e-learning platforms, sharing best practices, a whistleblowing channel, a confidential advice channel, manuals and documentation, hiring external consultants and complaints mechanisms. These options aim to provide guidance and support to ensure compliance with the ethical and responsible standards set by the organization. In addition, the organization provides specific mechanisms for people to report concerns about the organization's conduct. This includes mechanisms for reporting non-compliance with laws and regulations, as well as whistleblowing mechanisms.				16
	2-27 Compliance with laws and regulations	During the period analyzed, no cases of non-compliance were recorded. The Company considers any type of penalty that may be imposed by the regulatory bodies to be a significant case, from warnings to monetary fines. With regard to regulatory issues, we comply with the provisions of Aneel Resolution No. 846 of 2019, which approves procedures, parameters and criteria for imposing penalties on agents in the electricity sector. SPIC Brasil and its group companies comply with electricity sector regulations.				
	2-28 Membership associations	67				
	2-29 Approach to stakeholder engagement	65				
	2-30 Collective bargaining agreements	98.84% of all employees are covered by collective bargaining agreements. For non-covered employees, the organization establishes working conditions and terms of employment based on collective bargaining agreements that cover other employees.				8
Material topics						
GRI 3: Material topics 2021	3-1 Process to determine material topics	The Company has not defined a specific periodicity for reviewing materiality. Other information, on page 14 .				
	3-2 List of material topics	14				
Material topic Local Development						
GRI 3: Material topics 2021	3-3 Management of material topics	84				
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	62, 85				5, 9, 11

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	84				
GRI 413: Local communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	The Company recognizes that some of its operations have significant negative impacts on local communities. An example of these operations is located in São Simão, Goiás (GO). Negative impacts are classified into two categories: actual and potential, both of which are considered relevant. Among the real negative impacts are a reduction in biodiversity, an impact on land use and other unspecified impacts. Potential negative impacts include the degradation of natural resources and the scarcity of local resources.				1, 2
Energy Sector Supplement – Local communities 2013	EU22 Number of persons physically and economically re-allocated, and indemnification, broken down by type of project	The project has been in operation since the late 1970s and these socioeconomic impacts have already been mitigated.				
Material topic Ethics and integrity						
GRI 3: Material topics 2021	3-3 Management of material topics	24				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	26				16
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	28, 29				16
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	There are no cases of corruption involving the organization or its employees.				16
Material topic Climate resilience						
GRI 3: Material topics 2021	3-3 Management of material topics	48				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	49				7, 8, 12, 13

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 302: Energy 2016	302-3 Energy intensity	The organization's energy intensity was not significant in 2023, as we are energy generators and consume a very small amount of the percentage generated for the performance of our activities.				7, 8, 12, 13
GRI 302: Energy 2016	302-4 Reduction of energy consumption	Energy consumption in wind operations is considerably low. We are currently in the process of calculating data and indicators to compare the project's energy consumption over the years and then draw up a plan of targets that will enable us to understand the feasibility of reducing energy consumption. At the São Simão HPP, we have initiatives to reduce energy consumption, including upgrading equipment and holding regular safety and environmental dialogues (DDS). The aim of these actions is to make the teams involved aware of environmental issues, promoting the adoption of more efficient and sustainable practices in the use of energy.				7, 8, 12, 13
Material topic Operating ecoefficiency						
GRI 3: Material topics 2021	3-3 Management of material topics	48				
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	50, 51				6, 12
GRI 303: Water and effluents 2018	303-2 Management of water discharge-related impacts	51				6
GRI 303: Water and effluents 2018	303-5 Water consumption	50				6
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	49				3, 12, 13, 14, 15
GRI 305: Emissions 2016	305-2 Indirect (Scope 2) GHG emissions deriving from energy acquisition	49				3, 12, 13, 14, 15
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	The Company did not address scope 3 when preparing the 2023 GHG Inventory.				3, 12, 13, 14, 15
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	52				3, 6, 11, 12

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	52				3, 6, 8, 11, 12
GRI 306: Waste 2020	306-3 Waste generated	53				3, 6, 11, 12
GRI 306: Waste 2020	306-4 Waste diverted from disposal	53, 54				3, 11, 12
GRI 306: Waste 2020	306-5 Waste directed to disposal	54, 55				3, 6, 11, 12, 15
Energy Sector Supplement – Research and development 2013	EU8 Research and development activity and expenditure aimed at providing reliable electricity and promoting sustainable development	37				
Material topic Biodiversity and use of land						
GRI 3: Material topics 2021	3-3 Management of material topics	57				
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, environmental protected areas and areas of high biodiversity value outside protected areas	58				6, 14, 15
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	58				6, 14, 15
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	58, 61				6, 14, 15

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
Energy Sector Supplement– Biodiversity 2013	EU13 Biodiversity of replacement habitats compared to the biodiversity of affected areas	58, 60				
Energy Sector Supplement – Planning and response to emergencies and disasters 2013	EU21 Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans	42				
Material topic Sustainable procurement						
GRI 3: Material topics 2021	3-3 Management of material topics	33				
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	33				
GRI 308: Supplier environmental assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	33				
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Spic has no operations that pose a risk of violating workers' rights to exercise freedom of association or collective bargaining. All workers hired under the Consolidation of Labor Laws (CLT) are covered by collective bargaining mediated by the unions.				8
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	33				5, 8, 16
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	33				5, 8

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	33				5, 8, 16
GRI 414: Supplier social assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	The Company does not evaluate its suppliers in relation to social impacts. We had no contracts terminated as a result of social impact assessments.				5, 8, 16
Material topic Labor relations						
GRI 3: Material topics 2021	3-3 Management of material topics	68, 71, 72				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	69, 70				4, 5, 8, 10
GRI 401: Employment 2016	401-3 Parental leave	70				5, 8
GRI 404: Training and education 2016	404-1 Average hours of training per year, per employee	71				4, 5, 8, 10
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	74, 75, 76				5, 8
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No cases of discrimination were reported.				5, 8
Material topic Occupational Health and Safety						
GRI 3: Material topics 2021	3-3 Management of material topics	77, 83				
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	77				8

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 403: Occupational health and safety 2018	403-2 Hazard identification, risk assessment and incident investigation	78, 79				8
GRI 403: Occupational health and safety 2018	403-3 Occupational health services	83				8
GRI 403: Occupational health and safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	79				8, 16
GRI 403: Occupational health and safety 2018	403-5 Worker training on occupational health and safety	81				9
GRI 403: Occupational health and safety 2018	403-6 Promotion of worker health	83				3
GRI 403: Occupational health and safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	78				8
GRI 403: Occupational health and safety 2018	403-8 Workers covered by an occupational health and safety management system	81				8
GRI 403: Occupational health and safety 2018	403-9 Work-related injuries	82				3, 8, 16
GRI 403: Occupational health and safety 2018	403-10 Work-related ill health	No work-related ill health was recorded in the period.				3, 8, 16

GRI STANDARD/ ANOTHER SOURCE	CONTENT	LOCATION	OMISSION			SDG
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
Energy Sector Supplement – Employment 2013	EU16 Policies and requirements referring to the health and safety of employees, contractors and sub-contractors	77				
Energy Sector Supplement - Consumer health and safety 2013	EU25 Incidents and casualties of service users involving the company's assets	None work-related injuries or fatalities in 2023.				
Material topic Energy transition						
GRI 3: Material topics 2021	3-3 Management of material topics	39, 40				
Energy Sector Supplement – Organizational profile 2013	EU1 Installed capacity (MW), broken down by primary energy source and by regulatory regime	47				
Energy Sector Supplement – Organizational profile 2013	EU2 Net energy production, by source of primary energy and regulatory framework	47				
Material topic ESG Governance						
GRI 3: Material topics 2021	3-3 Management of material topics	18				



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ASSEGURAÇÃO INDEPENDENTE

Nº 589.003/24

Aos membros da Alta Gerência e demais partes interessadas, esta **Declaração de Asseguração** documenta que a ABNT realizou atividades de asseguração independente de acordo com os padrões e princípios da Global Reporting Initiative (GRI) e PE-493 – Procedimento para Verificação de Relatório de Sustentabilidade GRI da:

SPIC BRASIL ENERGIA PARTICIPAÇÕES S.A.
CNPJ: 27.317.702/0001-50

Objeto da Declaração:

O Relatório de Sustentabilidade referente à prestação de contas do período de 1º de janeiro até 31 de dezembro de 2023.

Equipe Verificadora:

Mariana Fellows Garcia – Verificadora Líder

Nível de Confiança Adotado:

Limitado

Introdução:

A SPIC BRASIL ENERGIA PARTICIPAÇÕES S.A., foi responsável por reunir dados e informações sobre seu desempenho para elaborar seu Relatório de Sustentabilidade, bem como por disponibilizar as evidências utilizadas nessa declaração. À ABNT coube a realização da verificação das evidências e do Relatório de Sustentabilidade em relação aos requisitos aplicáveis estabelecidos pelo GRI.

As informações publicadas no relatório são de inteira responsabilidade da administração da SPIC BRASIL ENERGIA PARTICIPAÇÕES S.A.

Metodologia:

A asseguração foi iniciada com a análise da versão preliminar do Relatório de Sustentabilidade e dos registros do estudo de materialidade e os do processo de engajamento de partes interessadas. Foram realizadas reuniões com os responsáveis pela elaboração do relatório sobre esses processos. Dessa forma foi possível realizar o



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planejamento das entrevistas com os responsáveis pelos dados e informações utilizados na elaboração do relatório.

Foi realizada uma amostragem básica com coleta de informações e rastreabilidade limitadas, com ênfase na plausibilidade da informação. Os dados e informações foram verificados de forma amostral, tendo em vista o estudo dos temas materiais apresentados no Relatório.

Foram realizadas entrevistas remotas sobre os processos da organização e sobre dados e informações relacionados aos conteúdos GRI abordados, com a utilização dos aplicativos Microsoft Teams, que permitem o compartilhamento das evidências.

Tais evidências foram analisadas em relação aos critérios estabelecidos pelo GRI, levando em consideração os dados e informações apresentados e os sistemas de controle e análise de dados utilizados no Relatório de Sustentabilidade. As constatações resultantes foram relatadas aos responsáveis pelo relatório, que realizaram as alterações necessárias, resultando na versão final do documento, que foi validada antes de sua publicação.

Declaração de Independência e Imparcialidade:

A ABNT é uma empresa de avaliação da conformidade independente que adota princípios e procedimentos internacionais que garantem o rigor técnico, a confiabilidade, a independência e a imparcialidade dos serviços prestados.

Declaramos que foi feita a avaliação de qualquer conflito de interesse entre a ABNT, sua equipe e a 1- A organização realizou um amplo estudo de materialidade em 2021. No estudo a organização realizou benchmarks e consultas às principais referências e índices de mercado. Após o levantamento, os temas relacionados à atuação da companhia foram identificados, foram analisados e priorizados internamente à luz de critérios de probabilidade e severidade. Chegou-se a uma lista de dez temas materiais, alinhados com os três pilares da estratégia ESG da organização: Energia Humana, Energia que Impulsiona e Energia que transforma, todos apoiadas nos princípios de governança adotados pela empresa.

2- Ao longo da Verificação foi avaliado o atendimento aos requisitos dos padrões e princípios do GRI, inclusive os conteúdos do Caderno Setorial Elétrico Utilities do GRI G4. Foram apontadas oportunidades de melhoria relacionadas com a clareza das informações. Tais oportunidades de melhoria foram prontamente tratadas pela organização.

3- De uma forma geral o Relatório de Sustentabilidade da organização está alinhado com os requisitos de conformidade das Normas GRI, atendendo os princípios de relato desse modelo. Os conteúdos são organizados em itens que descrevem cada tema material associando-o a um dos pilares da estratégia de ESG adotada pela organização.



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4- Os conteúdos associados ao pilar Energia Humana traduzem o comprometimento da organização com os princípios de ética e integridade aplicados controlados internamente e na cadeia de valor, abrangendo prestadores de serviço e fornecedores. Também é demonstrado o comprometimento com a integridade de segurança e saúde dos trabalhadores.

5- Com relação ao pilar Energia que impulsiona, os conteúdos demonstram o desempenho relacionado à realização das operações de geração de energia, buscando apoiar a transição para uma economia de baixo carbono.

6- Finalmente, com relação ao pilar Energia que transforma, os conteúdos associados demonstram as ações de controle dos aspectos ambientais e os resultados atingidos na prevenção e mitigação de impactos ambientais. Também descrevem o relacionamento da organização com as comunidades por ela influenciadas, demonstrando o comprometimento com a melhoria da qualidade de vida das pessoas.

Após realizados todos os procedimentos de asseguarção, nada foi identificado que pudesse indicar que as informações contidas no Relatório de Sustentabilidade não sejam consistentes e confiáveis. Da mesma forma, nada foi encontrado que aponte para o fato de que a organização não tenha estabelecido sistemas adequados de coleta, compilação e análise de dados quantitativos e qualitativos, utilizados na elaboração do Relatório de Sustentabilidade e que relatório não atenda aos Princípios para definição de conteúdo e qualidade das normas GRI para relatórios de sustentabilidade, que impedisse a realização do serviço.

A equipe que conduziu esta asseguarção para a SPIC BRASIL ENERGIA PARTICIPAÇÕES S.A. possui amplo conhecimento em verificação de informações e sistemas que envolvem temas ambientais, sociais, de saúde, segurança e ética, o que aliado à experiência nessas áreas, nos permite um claro entendimento sobre a apresentação e verificação de boas práticas de responsabilidade corporativa.

Parecer sobre o relatório de sustentabilidade:

1- A organização realizou um amplo estudo de materialidade em 2021. No estudo a organização realizou benchmarks e consultas às principais referências e índices de mercado. Após o levantamento, os temas relacionados à atuação da companhia foram identificados, foram analisados e priorizados internamente à luz de critérios de probabilidade e severidade. Chegou-se a uma lista de dez temas materiais, alinhados com os três pilares da estratégia ESG da organização: Energia Humana, Energia que Impulsiona e Energia que Transforma, todos apoiadas nos princípios de governança adotados pela empresa.

2- Ao longo da Verificação foi avaliado o atendimento aos requisitos dos padrões e princípios do GRI, inclusive os conteúdos do Caderno Setorial Elétrico Utilities do GRI G4.



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Foram apontadas oportunidades de melhoria relacionadas com a clareza das informações. Tais oportunidades de melhoria foram prontamente tratadas pela organização.

3- De uma forma geral o Relatório de Sustentabilidade da organização está alinhado com os requisitos de conformidade das Normas GRI, atendendo os princípios de relato desse modelo. Os conteúdos são organizados em itens que descrevem cada tema material associando-o a um dos pilares da estratégia de ESG adotada pela organização.

4- Os conteúdos associados ao pilar Energia Humana traduzem o comprometimento da organização com os princípios de ética e integridade aplicados controlados internamente e na cadeia de valor, abrangendo prestadores de serviço e fornecedores. Também é demonstrado o comprometimento com a integridade de segurança e saúde dos trabalhadores.

5- Com relação ao pilar Energia que impulsiona, os conteúdos demonstram o desempenho relacionado à realização das operações de geração de energia, buscando apoiar a transição para uma economia de baixo carbono.

6- Finalmente, com relação ao pilar Energia que transforma, os conteúdos associados demonstram as ações de controle dos aspectos ambientais e os resultados atingidos na prevenção e mitigação de impactos ambientais. Também descrevem o relacionamento da organização com as comunidades por ela influenciadas, demonstrando o comprometimento com a melhoria da qualidade de vida das pessoas.

Conclusão:

Após realizados todos os procedimentos de asseguarção, nada foi identificado que pudesse indicar que as informações contidas no Relatório de Sustentabilidade não sejam consistentes e confiáveis. Da mesma forma, nada foi encontrado que aponte para o fato de que a organização não tenha estabelecido sistemas adequados de coleta, compilação e análise de dados quantitativos e qualitativos, utilizados na elaboração do Relatório de Sustentabilidade e que relatório não atenda aos Princípios para definição de conteúdo e qualidade das normas GRI para relatórios de sustentabilidade.

Rio de Janeiro, 03 de julho de 2024.


Guy Ladvocat
Gerente de Certificação de Sistemas

Esta declaração de verificação é suportada por contrato de atendimento à norma e procedimentos da ABNT e é válida somente com a assinatura do Gerente de Certificação de Sistemas. Sua validade pode ser confirmada no seguinte endereço eletrônico: www.abnt.org.br. (CNPJ: 33.402.892/0001-06 – Tel.: (21) 3974-2300).



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Credits

SPIC BRASIL

Av. Pres. Juscelino Kubitschek, 1.909, 27º andar, Torre Norte Vila Nova Conceição, São Paulo-SP CEP: 04543-907
www.spicbrasil.com.br

RESPONSIBILITY FOR THE PROJECT:

Corporate Communication Executive Board and Management of HSEQ Corporate

SERVICES TO COMMUNITY:

0800 200 0204
Monday to Friday, 8 a.m. to 5 p.m.
To find out more about the activities or programs, send an e-mail to:
portasabertas@spicbrasil.com.br

ETHICS CHANNEL:

spicbrasil@linhaetica.com.br
0800 713 0109
Mailbox: 79518

INTEGRATED EDITORIAL PROJECT AND GRI CONSULTING:

grupo report - rpt.sustentabilidade

MANAGEMENT

Pamela Jabbour
Nathalia Scotuzzi

GRI CONSULTING

Fábio Corrêa
Janaina Pedron

DRAFTING AND EDITION

Daniela Schmid
Paula Andregheo

DESIGN

Cristiana Sampaio
Fábio de Assis

TRANSLATION

Cátia Yamashita

PHOTOS

SPIC Brasil Archive

SOCIAL MEDIA:

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