

SUSTAINABILITY REPORT 2022



STATE GRID
BRAZIL HOLDING S.A.
国家电网巴西控股公司

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STATE GRID
BRAZIL HOLDING S.A.
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INTRODUCTION

Aneel General Dimension



MESSAGE FROM THE CHAIRMAN

GRI 2-14, 2-22 | ANEEL MANAGEMENT REPORT

With honor for the progress made by State Grid Brazil Holding S.A. (SGBH), I hereby present you our second Sustainability Report. Here, I represent the entire SGBH team, and I would like to tell you that we experienced many challenges and learning in 2022, always with determination and efficiency, and we feel we played our role successfully. We end this cycle confident in the quality of the service we provide to society, dedicated to improving our performance in sustainability and aware of our responsibility in leading the market.

With our resolute look to the future, we are mainly dedicated to preparing for the challenges ahead

We are mainly focused on structuring the Company in its Governance dimension, using the best global corporate practices as a reference. We understand the constant search for improvement, and in 2022, we reviewed our Strategic Planning; raised our first green bonds; became signatories to the UN Global Compact; in addition to having created an ESG dedicated area, which will lead important initiatives in the environmental, social and governance issues.

In the attitude of constant evolution, which is intrinsic to SGBH, we remain strong in improving operational practices. The exchange of knowledge between the different cultures where the State Grid Corporation of China (SGCC), our shareholder, operates, allows us to evolve in the development of innovations and in the application of new technologies and practices to jointly achieve excellence.

In the case of Brazil, SGCC provides us with its experience in supplying a country of continental proportions and delivering energy through an infrastructure with low environmental impact. Thus, we feel confident in contributing to the expansion of the electricity network in Brazil, an essential service for the well-being and development of society and of paramount importance for the country.

Based on mutual trust and respect, the integration between cultures provides shared learning, and makes diversity something very present and highlighted in the Company. Because we are naturally diverse and encouraged to be inclusive, we always seek to integrate internally and



strengthen the communication ability between divisions and with external partners in the search for the best solutions. From this vision, One State Grid was born.

Created and disseminated in 2022, the One State Grid concept defines the principles and conduct necessary for employees and leaders in the search for solutions that integrate different perspectives and result in cohesive and collective solutions.

Looking ahead to future challenges, 2022 was a transition and preparation period. In the first half, we were focused on the preparation of the Strategic Planning (SP) for the 2023-27 period, which integrated the ESG pillars, continuing with the identification of Material Themes carried out in 2021 for us to evolve in proposing actions to manage the business impacts. Now we are equipped with a long-term vision and willingness to be among the most relevant companies in the energy transmission segment.

In the second half of the year, we put the SP guidelines into practice. This internal look gave us support to organize the company towards a more efficient work model, with restructuring and creation of areas that reflect the vision of the future. Also created in 2021, the Risk, Compliance and Internal Audit (RCA) area strengthened us in these subjects, and in 2022 we were able to deepen our review of the corporate risk matrix. Additionally, this board is imbued with

the task of preserving two of our most relevant values – ethics and transparency – and safeguarding a corruption zero-tolerance conduct and the adoption of best market practices.

The ESG coordination, created in 2021, has gained momentum to keep us constantly evolving. An initiative already supported by this team was the raising of financial resources through green debentures to establish Silvânia Transmissora de Energia S.A (STE). In compliance with the criteria of the Green Bond Principles, BRL 235 million were issued for the execution of this infrastructure located in the state of Goiás, which will be part of our portfolio for the next 30 years. I also highlight the preparation of the Greenhouse Gas Emission Inventory of our activities, which allows us to know and manage the impact on climate change. We can now create effective mitigation actions aimed at this important goal on a global scale.

Still on the ESG theme, the adherence to the Global Compact materialized SGBH's commitment to generating value not only for the business, but for society as a whole. The values of the Global Compact demonstrate the company's mission to transmit energy in a sustainable, reliable and transparent manner.

Also as part of complying our mission and understanding the responsibility we have towards our customers and public authorities, we act with zeal in the relationship with

the various stakeholders. Our communication channels are open instruments to receive the different types of manifestation, which we treat with attention and care in order to pursue the necessary improvements in our conduct and in the quality of the services offered.

And we keep moving forward based on our values

People's safety is considered to be a non-negotiable value for SGBH. Our operational practices are constantly reviewed and improved, always with priority given to avoiding or mitigating business-associated risks.

Here, the success of our tools reflects life preservation and environment conservation. For 2022, I highlight the initiatives aimed at the responsible conduct of drivers, preventive analysis of risks involved in scheduled activities and the dashboard for fire outbreaks alert. Each of these initiatives emerged from the identification of the main operational risks and was designed to safeguard employees' safety and mitigate the impacts of our activities on the environment, biodiversity and the local community.

One of our most innovative activities was the implementation of the live-line maintenance methodology (that is, while transmitting power), in an ± 800 kV ultra high voltage direct current line, something unprecedented in the Americas for this voltage class. With the involvement of several SGBH teams, the services were carried out completely safely due to our prior preparation. The success of this action has a positive impact both on the operational capacity of the businesses and on the energy security of the Brazilian electrical system.

With the purpose of further improving our practices, we were granted two new certifications in 2022. We were the first company in the electricity sector to adhere to the ISO 56002 standard, which provides for Innovation Management and will allow us to structure advances in innovation and technology, and thus make better decisions about the financial resources allocated to the research and development programs we are part of. We certified the engineering department in the ISO 9001 standard, which structures the Quality Management system for engineering studies and projects and promotes integration between the various areas involved in each activity.

In terms of social investment, we seek to promote sports, culture, health, education and professional development for people to build a prosperous society. We understand that opportunities and encouragement make a difference in people's lives.

We ended the 2022 cycle with a feeling of satisfaction and gratitude

With all this, the initiatives materialize our long-term vision and our commitments. That's how we want to be! Innovative in operation and maintenance technologies and practices, fearless in the search for solutions and state-of-the-art technology to guarantee the safety of the people and partners that make up SGBH, balanced in our relationship with the community and the environment, and eager to deliver highly reliable services for society.

Upon concluding this cycle, we look back and are grateful, mainly, to our employees for all the achievements we have attained together. Nevertheless, we thank our shareholders, suppliers, partners, government agencies, and local communities for another cycle of partnerships.

Thank you!

Sun Tao
SGBH Chairman



ABOUT THE REPORT

GRI 2-3, 2-5, 2-14 | ANEEL OVERALL DIMENSION PRESENTATION

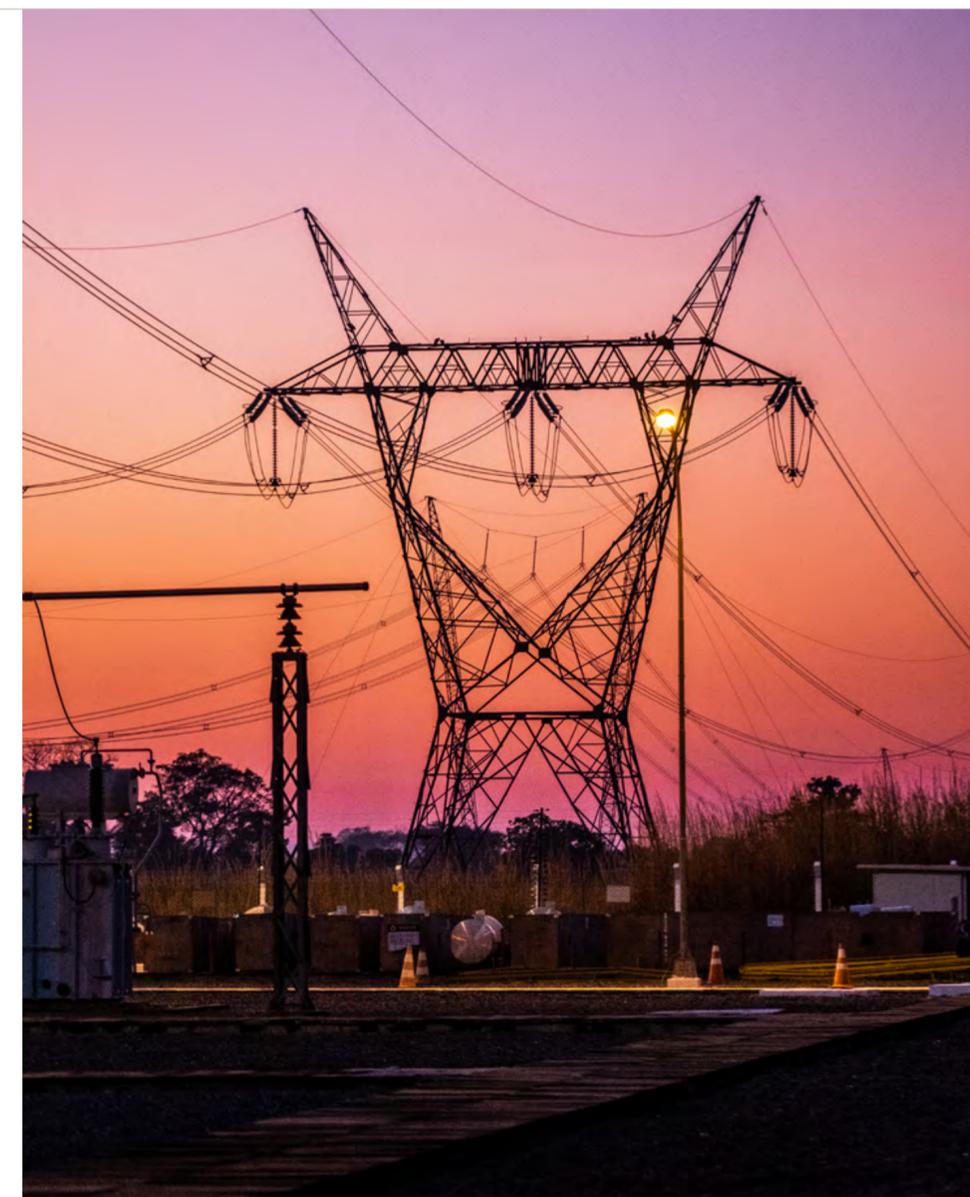
Through this Report, we present the results of companies 100% controlled by State Grid Brazil Holding (SGBH) in the period from January 1 to December 31, 2022. The five joint ventures in which SGBH has a shareholding interest are not included, and their financial results are consolidated in the Financial Statements using the principle of proportionality

We used the main sustainability reporting and management guidelines to prepare this report, such as the Global Reporting Initiative (GRI), the International Integrated Reporting Council (IIRC) guidelines, the National Electric Energy Agency (ANEEL) Electricity Sector Accounting Manual and The Green Bond Principles control criteria. Keys **GRI XXX-X**, **ANEEL XXXXX** and **GB X** indicate indicators reporting throughout the text.

Additionally, a complete list can be found in the chapter 9 – Indicators, located on page 80.

This report also presents our efforts to achieve the Sustainable Development Goals (SDGs), which make up the United Nations (UN) 2030 Agenda, part of our commitment as signatories of the Global Compact.

The preparation of the 2022 Sustainability Report (RS22) was supervised by the Department of Health, Safety and Environment (HSE). Its content was approved by the Senior Management Committee (SMC), the highest governance body at SGBH.



Any doubts, suggestion or comment about the Report can be sent to:

✉ sgbh.ma@stategrid.com.br or
✉ contato@stategrid.com.br.

¹ Report according to CPC 09 guidelines, available here, to build the Integrated Report.



STATE GRID
BRAZIL HOLDING S.A.
国家电网巴西控股公司

STATE GRID BRAZIL HOLDING

Aneel General and Economic-Financial Dimension

Related Capitals



MANUFACTURED
Capital



SGBH

GRI 2-1

State Grid Brazil Holding – SGBH is one of the main energy transmission companies in Brazil. Headquartered in Rio de Janeiro, it settled **in the country in 2010** based on the interest and knowledge of the State Grid Corporation of China – SGCC, a shareholder of SGBH. Since then, we have invested over **BRL30 billion** in the operation and construction of more than **16 thousand** kilometers of transmission lines in **13 Brazilian states**.

Our facilities connect power plants and electricity distributors, making up about 10% of the country's power grid. SGBH meets this challenge of bringing energy to consumers and is made up of **24 concessionaires**, organized into five regional offices, and a service company, totaling **842 Brazilian and Chinese employees**.

STATE GRID CORPORATION OF CHINA – SGCC

SGCC operates in several countries, and is the most important energy transmission and distribution company in the People's Republic of China, where it has been headquartered since 2002 as a state-owned company, providing electricity to more than 1.1 billion people.

Its branches operate in Chile, Philippines, Portugal, Australia, Italy, Greece, Hong Kong and Oman, in addition to Brazil, in generation, transmission, distribution and sale of electricity. It also has operations in the USA, Venezuela, India, Russia and countries in Africa.

In its expansion and operation in these different cultures, SGCC is committed to offering quality services for the well-being and social development of individuals, adopting a behavior of transparency and dialogue with society.

4

continents

10

countries or regions

1,6 MM

employees

1,1 BI

people served

21 thousand

foreign employees

3rd

position in the Fortune Global 500 ranking

Serving

88% from Chinese territory



OUR PURPOSE

GRI 2-1



MISSION

Seek to be an outstanding and competitive company in the electricity sector.

Provide sustainable and reliable service to the electrical grid and transmit clean energy. Promote the social and economic development of the areas surrounding our businesses.



VISION

Be one of the largest and most influential power transmission companies in South America, provide reliable transmission services through state-of-the-art technologies to our customers and be very well recognized by stakeholders.



VALUES

- Safety
- Commitment
- Innovation
- Quality service
- Ethics and transparency
- Sustainability
- Social responsibility

SGBH BUSINESS

GRI 2-1, 2-2, 2-6A

Consisting of 25 wholly or partially controlled, privately held companies, State Grid Brazil Holding operates in the **construction of transmission systems** and in the operation and maintenance of its facilities. Activities began in 2010 with the acquisition of seven concessionaires located in the states of Goiás, Distrito Federal, Mato Grosso, Minas Gerais and São Paulo (ETIM, ITE, ETEE, RPTE, SMTE, PCTE and SPTE). Since then, we have expanded our activities by establishing partnerships and participating in auctions by the National Electric Energy Agency (ANEEL), in which we won new energy transmission concessions. The most recent contract is in the execution phase: Silvânia Transmissora de Energia (STE), which is contractually expected to begin operations by 2025.

SGBH Companies

1

Service company to concessionaires (SGSE)

5

Concessionaires with a 51% share (Transmissoras S.A.)

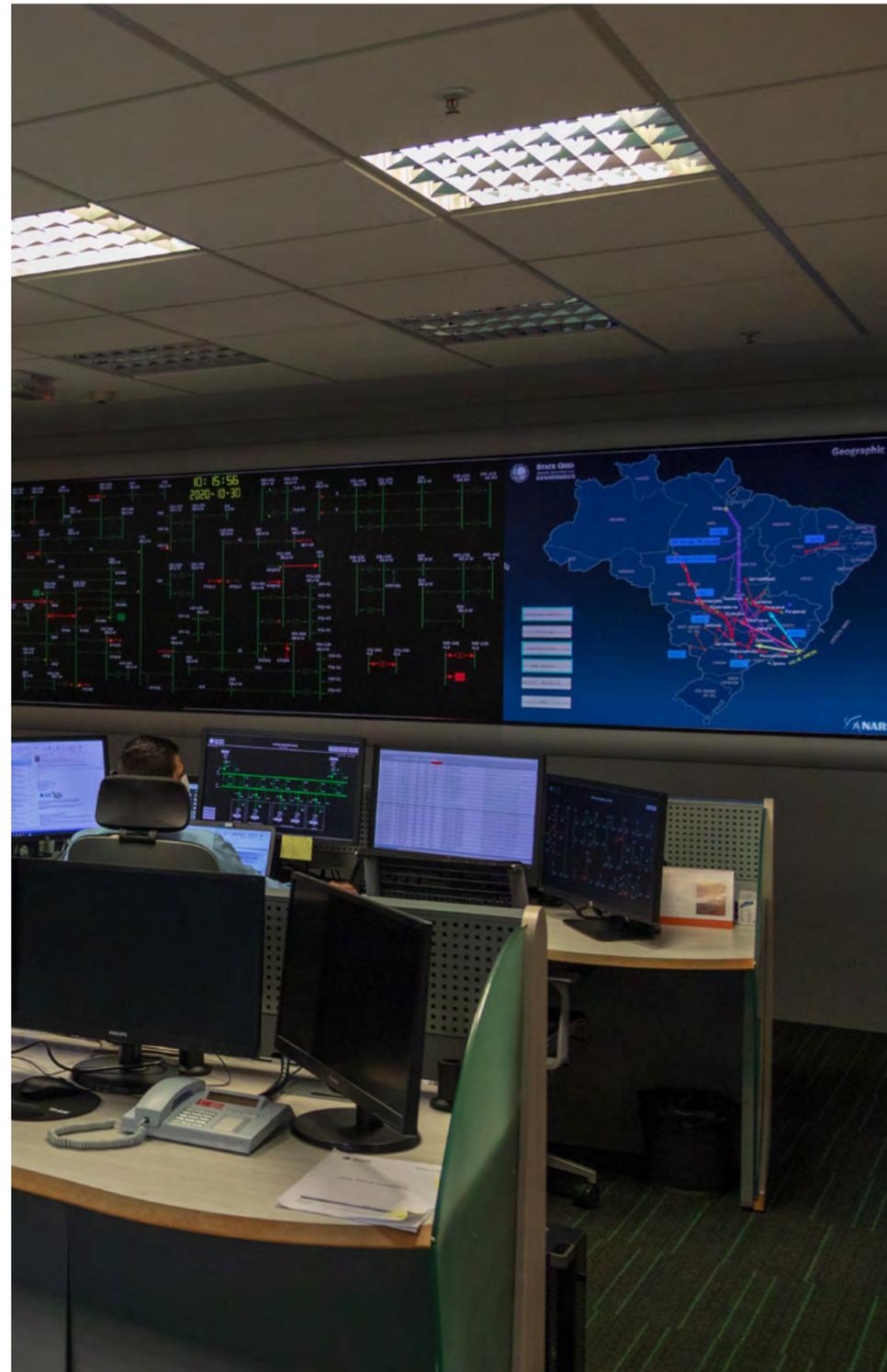
Matrinchã
Guaraciaba
LNT (Luziânia)
Paranaíba
Belo Monte

19 CONCESSIONAIRES CONTROLLED BY THE HOLDING COMPANY

ACTE	Atlântico Concessionária de Transmissão de Energia do Brasil S.A.
Araraquara	Araraquara Transmissora de Energia S.A.
Catxerê	Catxerê Transmissora de Energia S.A.
CNTE	Canarana Transmissora de Energia S.A.
ETEE	Expansion Transmissão de Energia Elétrica S.A.
ETIM	Expansion Transmissão Itumbiara Marimbondo S.A.
IRTE	Iracema de Transmissora de Energia S.A.
ITATIM	Linhas de Transmissão do Itatim S.A.
ITE	Itumbiara Transmissora de Energia S.A.
LTMC	Linhas de Transmissão de Montes Claros
MRTE	Marechal Rondon Transmissora de Energia S.A.
PCTE	Poços de Caldas Transmissora de Energia S.A.
PPTE	Porto Primavera Transmissora de Energia S.A.
PRTE	Paranaíta Ribeirãozinho Transmissora de Energia S.A.
RPTE	Ribeirão Preto Transmissora de Energia S.A.
SMTE	Serra da Mesa Transmissora de Energia S.A.
SPTE	Serra Paracatu Transmissora de Energia S.A.
STE	Silvânia Transmissora de Energia S.A.
XRTE	Xingu Rio Transmissora de Energia S.A.



SGCC Rio Tower



The Operational Control Center monitors the transmission lines 24 hours a day, in real time

In the city of Rio de Janeiro - RJ, SGCC Rio Tower houses our Administrative Headquarters and the Operational Control Center. The five regional offices, i.e. West, Mid, Southwest, East and XRTE concentrate the professionals involved in the operation, maintenance and licensing activities of the facilities, also serving as a connection with the communities where we operate.

OVERVIEW OF OPERATIONS IN THE ELECTRICITY SECTOR

GRI 2-1, 2-6A, 2-6C

Our main activity in Brazil focuses on energy transmission through the National Interconnected System (SIN), originating from generation points – such as power plants or distributed generation, with different sizes and energy sources – to the regions where they will be consumed.

Management between the supply and consumption points is defined by the National Electric System Operator (ONS) based on supply availability and expected demand across the country's regions.

In this context, SGBH is responsible for the Operation and Maintenance (O&M) of the infrastructure, and through its public concession contracts, must guarantee the full availability and perfect functioning of the transmission lines.

In order to fulfill this important role, O&M activities are continuous, achieving the necessary service security.



GENERATION

Electricity is produced by different energy sources (hydraulic, wind, solar, biomass, natural gas, nuclear, among others) and destined to the National Interconnected System (SIN).

SGBH OPERATION



TRANSMISSION

SIN transmission lines connect a large part of the national territory and transfer energy from generating centers to distribution substations.



DISTRIBUTION

The distribution network takes electricity from substations to consumption points.



CONSUMPTION

The various types of consumers – residential, commercial, industrial or public – are supplied and served in their activities.

GROWTH TRAJECTORY

SGBH creation. The Company was born out of the acquisition of 100% of the capital of seven energy transmission concessionaires, which marks the beginning of investments in our operation in Brazil. Acquisition of: ETEE, ETIM, SPTE, PCTE, SMTE, RPTE and ITE.

2010

2011

SGBH wins Lot H of Auction 006/2011 and constitutes its first company in partnership. LNT is constituted with 51% capital of SGBH and 49% of Furnas.

SGBH inaugurates its own headquarters in Rio de Janeiro. In auctions 002/2012 and 007/2012, it won a 51% share in the Matrinchã, Guaraciaba and Paranaíba concessionaires.

2012

2013

SGBH expands investments with the acquisition of 100% of the capital of five new concessionaires: IRTE, LTI, ATE, CTE and PPTE. In Auction 007/2013, it wins MRTE, also with a 100% share.

By winning Auction 011/2013, with a 51% share in Belo Monte (BMTE) concessionaire, SGBH expands its presence in the country.

2014

2015

SGBH wins Auction 007/2015, with a 100% share in the Xingu-Rio (XRTE) concessionaire. It is the beginning of one of the most innovative and challenging projects in the energy transmission sector – the largest ± 800 kV Ultra-High Voltage Direct Current (UHVDC) line in the country. The Company also acquires 100% of the capital of two new concessionaires (LTMC and ACTE).

Two new concessionaires, 100% controlled, are integrated into the portfolio. CNTE and PRTE acquired in Auction 013/2015.

2016

BMTE, the first \pm 800 kV UHVDC transmission line in Brazil, goes into operation two months ahead of schedule.

2017

Entry into operation of the CNTE concessionaire, in the state of Mato Grosso, in the Midwest region of Brazil.

2018

XRTE, the largest \pm 800 kV UHVDC line in Brazil, goes into operation 100 days ahead of schedule. The construction of this project, 2,500 kilometers length and with two substations, is a milestone in terms of environmental, safety and local communities relationship management. PRTE activities are also started.

2019

SGBH establishes strict protocols to protect people's health from covid-19 and maintain the operation and availability of transmission lines. We created emergency procedures and contingency plans to ensure business continuity.

2020

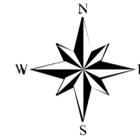
Care with the pandemic is strengthened, in the face of increased infections in Brazil. SGBH is summoned by Aneel to take over the construction project of the transmission line between e and Trindade (STE), offered in Auction 001/2020, which we won.

2021

In 2022, SGBH was dedicated to the execution of the STE transmission, financed with Green Bonds. In its Corporate Governance, it restructured the area with the preparation of the Strategic Planning. In addition, it became a signatory to the UN Global Compact.

2022

OPERATIONS NETWORK



GRI 2-1, 2-2, 2-6, EU 4



Legend

- Headquarters of State Grid Brasil Holding S.A.
- Capital
- Existing Transmission Lines - EPE
- International Boundary
- State Boundary

Transmission System

- Substations
- Transmission Line**
- Existing
- 800 kV line
- 500 kV line
- 440 kV line
- 345 kV line
- 230 kV line
- 138 kV line
- Eletrodo
- Under Construction
- 500 kV Line

Graphic Scale

Projection: GCS SIRGAS 2000

0 100 200 400 600 800 Km

Scale: 1:27.000.000

Concessionaries

- 1 **EXPANSION**
TRANSMISSÃO ITUMBIARA MARIMBONDO S.A.
- 2 **ITUMBIARA**
TRANSMISSORA DE ENERGIA S.A.
- 3 **EXPANSION**
TRANSMISSORA DE ENERGIA ELÉTRICA S.A.
- 4 **RIBEIRÃO PRETO**
TRANSMISSORA DE ENERGIA S.A.
- 5 **SERRA DA MESA**
TRANSMISSORA DE ENERGIA S.A.
- 6 **POÇOS DE CALDAS**
TRANSMISSORA DE ENERGIA S.A.
- 7 **SERRA PARACATU**
TRANSMISSORA DE ENERGIA S.A.
- 8 **CATXERÊ**
TRANSMISSORA DE ENERGIA S.A.
- 9 **IRACEMA**
TRANSMISSORA DE ENERGIA S.A.
- 10 **ARARAQUARA**
TRANSMISSORA DE ENERGIA S.A.
- 11 **ITATIM**
LINHAS DE TRANSMISSÃO DO ITATIM S.A.
- 12 **PORTO PRIMAVERA**
TRANSMISSORA DE ENERGIA S.A.
- 13 **MONTES CLAROS**
LINHAS DE TRANSMISSÃO DE MONTES CLAROS S.A.
- 14 **MARECHAL RONDON**
TRANSMISSORA DE ENERGIA S.A.
- 15 **ATLÂNTICO CONCESSIONÁRIA**
DE TRANSMISSÃO DE ENERGIA DO BRASIL S.A.
- 16 **CANARANA**
TRANSMISSORA DE ENERGIA S.A.
- 17 **PARANAÍTA RIBEIRÃOZINHO**
TRANSMISSORA DE ENERGIA S.A.
- 18 **XINGU RIO**
TRANSMISSORA DE ENERGIA S.A.
- 19 **SILVÂNIA**
TRANSMISSORA DE ENERGIA S.A.
- 20 **BMTE**
BRASIL MARIMBONDO TRANSMISSORA DE ENERGIA S.A.
- 21 **Luziânia-Niquelândia**
Transmissora S.A.
- 22 **PARANAÍTA**
TRANSMISSORA DE ENERGIA S.A.
- 23 **TP NORTE**
Matrinchã Transmissora de Energia S.A.
- 24 **TP SUL**
Guaraciaba Transmissora de Energia S.A.

Operation Centers

Rio Tower: 10,196 km of alternating current lines

Terminal Rio: 2,543 km of direct current Ultra-High Voltage (UHV) line

MORE

30

maintenance bases

21

own sub-stations



Operational and productivity indicators

Infrastructure	ETEE	ETIM	ITE	PPTE	SMTE	PCTE	RPTE	SPTE	Iracema	Catxerê	Araraquara	Itatim	LTMC	ACTE	MRTE	CNTE	PRTE	XRTE	STE
Substations (units)	-	-	3	2	2	1	-	1	-	-	1	4	2	1	1	1	-	1	1
Transmission lines (km)	582	214	818	539	680	300	408	245	399	609	45	912	151	72	-	262	1,012	2,792	156

New projects

While we take care of the lines operation, we also carry out works to expand existing infrastructure and new transmission lines (Greenfield). Among the ongoing constructions, we highlight the works of Silvânia Transmissora de Energia - STE and IRTE Milagres II², in addition to four other expansion projects, which are described below.



Expansion Projects

	Transmission line	Scope
 IRACEMA TRANSMISSORA DE ENERGIA S.A.	<ul style="list-style-type: none"> IRTE - SE MILAGRES II 	Sectioning of LT 500 kV Curral Novo do Piauí - Milagres, at Milagres II SS, as well as relocation of the reactor line bank that was installed at Milagres SS to Milagres II SS.
 MONTES CLAROS LINHAS DE TRANSMISSÃO DE MONTES CLAROS S.A.	<ul style="list-style-type: none"> LTMC – SE PADRE FIALHO 	Implementation of the 2 nd autotransformer Bank 345/138 kV and new yard of 138 kV to serve CEMIG.
		SS LUZIÂNIA Implementation of the 3 rd Bar Reactor Bank.
 SERRA DA MESA TRANSMISSORA DE ENERGIA S.A.	<ul style="list-style-type: none"> SMTE 	SS PARACATU 4 – 6° bay Implementation of the 6 th line entrance bay at 138 kV.
		SS PARACATU 4 – 7° bay and 3°TF 500/138 kV Implementation of the 7 th line entrance bay at 138 kV and of the 3 rd autotransformer bank 345/138 kV.
 ARARAQUARA TRANSMISSORA DE ENERGIA S.A.	<ul style="list-style-type: none"> ATE - SE ARARAQUARA 	Implementation of the 1 st bar Reactor bank at 500 kV.
 PORTO PRIMAVERA TRANSMISSORA DE ENERGIA S.A.	<ul style="list-style-type: none"> PPTE - SE NOVA PORTO PRIMAVERA 	Implementation of the 1 st bar Reactor bank at 440 kV.

² IRTE – Milagres 2 went into operation in November 2022.

Greenfield | Silvânia Energy Transmission Company (STE)

With an 177-kilometer length, the 500 kV transmission line will connect the municipalities of Silvânia and Trindade, both in the state of Goiás. In addition to opening new transmission areas and their corresponding right of way (learn more in the subchapter Population safety on page 63), the project involves:

- 500 kV Transmission Line Silvânia – Trindade
- 500 kV stretch, Samambaia – Itumbiara sectioning
- 500 kV stretch, Samambaia – Emborcação sectioning
- Construction of the new 500 kV substation in Silvânia (51.5 ha)
- Installation of equipment at the Trindade substation (existing), without expanding the area

Investments to carry it out involved raising BRL 235 million in green bonds. Learn more on Financial performance and investments (page 28).

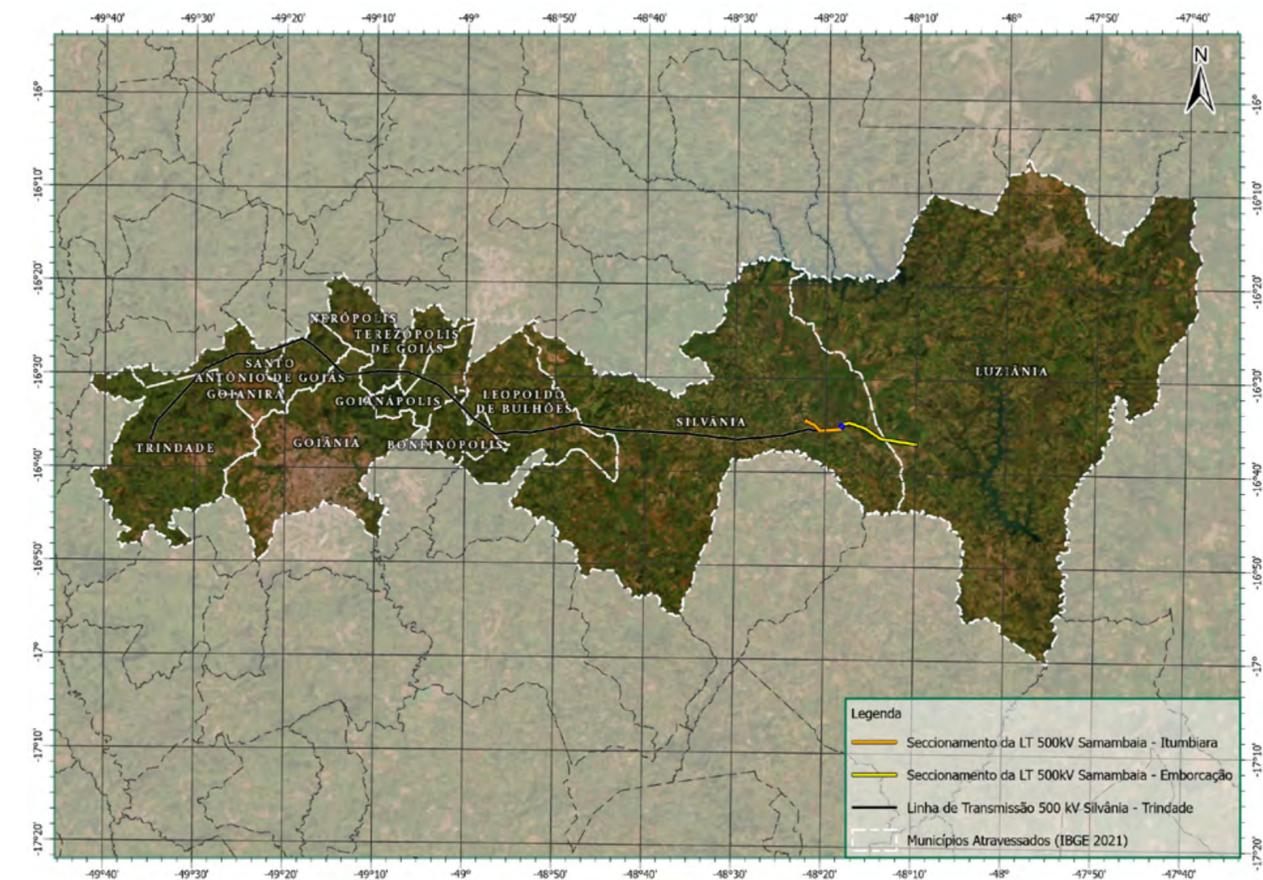
Another novelty in this concession is the environmental licensing process carried out with the Secretariat for the Environment and Sustainable Development of the State of Goiás (SEMAD), which first used the Ipê System for an electrical system project, with a learning opportunity for both instances.

Environmental requirements approved by SEMAD were implemented in 2022 as part of the project's implementation phase. The actions receive guidance from a specialized consulting firm for the control, prevention, mitigation and correction of negative environmental impacts, and is jointly monitored by STE's environment team.

The point of attention refers to interference in the João Leite Environmental Protection Area (APAJoL) – Sustainable Use Conservation Unit and the João Leite State Park (PEJoL) and its Buffer Zone – Full Protection Conservation Unit. Considering the ecological relevance of these areas, adjustments were made to the project's

layout in order to eliminate vegetation suppression and removal in the APP of the reservoir present in PEJoL and reduce the impact on the native vegetation of APAJoL. In order to fulfill this mission, innovative technology will be adopted using drones to install the cabling that will cross the PEJoL

area. STE also adopted the premise of placing the transmission towers preferably outside the APAJoL forest fragments and not installing towers inside the PEJoL.



MATERIAL THEMES

GRI 2-29, 3-1, 3-2, 3-3

In 2021, we defined material themes by identifying practices within the electricity sector, sustainability management guidelines and consultation with stakeholders. The themes were evaluated relating influence on decision-making and stakeholder assessments versus significance of economic, environmental and social impacts. For further details, please refer to the 2021 Sustainability Report. This year, we provide the level of development of each material theme. Some themes were already priorities in our initiatives and are at a more developed stage, such as Safety in operations, Biodiversity, Social investment and Resilient infrastructure.

Sector studies and best practices: Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Corporate Sustainability Index (CSI – B3), Dow Jones Sustainability Indexes (DJSI), Reports and publications by companies in the electricity sector, international studies on sustainable development in the electricity sector.

Interested Parties: Financial sector agents, Employees, Community leaders, State and municipal public authorities, Regulatory bodies (environmental and sectorial agencies, Public Ministry and institutions of the Judiciary System) and Civil Society.



ESG PILLAR

Environmental

BIODIVERSITY

Biodiversity risks are related to the implementation and operation of projects, and to mitigate them according to the vulnerability of each region, we follow the requirements of the Environmental Impact Studies or similar guidelines from the competent environmental agencies. During implantation, the risks result from vegetation suppression and temporary habitat fragmentation, which are mitigated and compensated through programs for germplasm saving, reforestation, rescuing and scaring away fauna, among others. In operation, it occurs by selective cutting trees, an activity necessary for the safety of transmission lines, and compensated by reforestation.

ENVIRONMENTAL MANAGEMENT

The theme encompasses various fronts with practical initiatives in Environmental Licensing, with actions to guarantee regularity, analysis and compliance with the environmental requirements of each project; Management of solid waste and effluents, with waste management programs by class and proper disposal by category, avoiding water or soil contamination and damage to people's health; Water management, with consumption monitoring and management measures, as well as quality control of the water resource; Forest suppression and replacement management, with execution and monitoring of plantations evolution.

ENERGY TRANSITION

With the predicted increase in the share of renewable energy, new high-performance transmission lines will be necessary for its distribution in the national territory and for guaranteeing the country's energy security. SGBH is getting ready to participate in the expansion of the Brazilian energy infrastructure with the installation of ultra high voltage technology and the development of R&D projects that contribute to reliability, quality and optimization of energy resources.



ESG PILLAR

Social

SAFETY IN OPERATIONS

Safety is a non-negotiable issue at SGBH, and to address this material theme, we develop programs, adopt tools and offer training to keep our teams updated on health and safety practices and conduct at work. We have a Specific Work Plan, Safety Stop, fleet monitoring and telemetry, development of the Occupational Safety and Health Digital Management System, vaccine controls and occupational health certificates. Various actions, from Investigations in case of incidents (accidents and near accidents), Internal Audits, to the Behavioral Safety Program, are carried out in order to mitigate possible risks, making it possible to create action plans for continuous improvement of routines. In order to make strategic decisions on the subject, the Safety Committee holds quarterly meetings with the board of directors and executive board, with analyses of Occupational Safety and Health results and indicators.

LOCAL COMMUNITIES

In this theme, the impacts are differentiated between the implementation and operation phases. In the implementation phase, job opportunities are created and the local economy is increased, with risks relates to mobilizing people and eventual consequences on the community dynamics and on health, education and public safety services. In the operation phase, impacts are significantly reduced, restricted to operation and maintenance activities. Any impacts are more critical in the presence of traditional communities, such as indigenous or quilombola communities, in which we work to reinforce their autonomy in terms of economy and development. In order to minimize impacts, we have environmental education programs for employees and we maintain constant monitoring, with compensation actions in the event of impacts. Additionally, we publicly communicate job openings and hire, as a priority, local labor and services. In the dialogue with the community, we maintain social communication programs and provide the Emergency and Ombudsman Channel.



SOCIAL INVESTMENT

SGBH's social investments are an important link with society. The positive and negative impacts of each social project, as well as the risks involved, are managed by a specific project. Each project has a specialized team to carry out the activities, and periodic meetings are held to manage and monitor the results, which are shared, when necessary, with senior leadership within the scope of the ESG Committee. The social projects of the ISE-BNDES Line are managed with their own indicators and targets, both established in the project proposal and monitored in periodic meetings and reports, both by SGBH's ESG team and by a specialized consultancy.

Governance

RESILIENT INFRASTRUCTURE

We work continuously to prevent transmission failures, especially in periods of high power transfer, seeking to guarantee the energy safety of the SIN and society. In order to minimize failures, we have campaigns to raise awareness about possible impacts of fires on transmission lines; flyover to monitor the line extension, looking for any technical problems and potential risks in the surroundings; inspections and preventive and predictive maintenance of equipment, in addition to the hidden failure study group and the emergency actions group, which have trained teams and a strategic stock of spare parts in lines and substations. As a result, in 2022, the XRTE line was available at a 99.93% rate.

ETHICS AND COMPLIANCE

We act judiciously so that the Company complies with current legislation. To centralize the theme management, we recently created the Risk, Compliance and Internal Audit (RCA) department. We have a Code of Ethics and Conduct and an Ethics Channel, with prior reception and analysis of manifestations by an independent third party, which directs them to the Ethics Committee. To ensure the adoption of good corporate practices, we carry out a compliance program and offer targeted training to employees. The monitoring of compliance activities and their status is carried out by the Ethics Committee on a quarterly basis.

TECHNOLOGY AND INNOVATION

Incorporated into the long-term Strategic Planning, the technology and innovation theme is part of SGBH's culture. We have developed initiatives to increase the efficiency of our services and their added value through research and development (R&D), in which we invested more than BRL 13.1 million in regulated projects in 2022, and through the adoption of innovation in operational activities, actions that generate both tangible and intangible results. In order to advance in a structured way on the theme, in 2022 we were certified in ISO 56002 - Innovation Management.



RESPONSIBILITY WITH INTERESTED PARTIES

GRI 2-29

Work towards the quality of our services to guarantee the population's access to electricity. We. To strengthen our relationship with all direct and indirect stakeholders, we adopt a posture of dialogue and transparency and use various platforms for effective communication with different audiences.

Interested parties	Detail	Communication Channels
Investors	The shareholder of the concessionaires is SGBH, a company controlled by SGCC, located in the People's Republic of China.	Communication with shareholders is made through the Group's Boards, according to the respective areas involved, by conference calls, e-mails, reports and face-to-face meetings.
Transmission System Users / Customers	SGBH users are: generators, distributors, free consumers, importers and exporters who sign a Transmission System Use Contract (CUST), with direct consumption charge quantified by the ONS. We seek a harmonious relationship with our customers, made up of companies and energy distributors.	Communication is carried out through: website, financial statement reports, sustainability reports, social networks and ombudsman channels.
Suppliers	We adopt supplier selection processes (large manufacturers, regional suppliers and, when convenient, the retail market), which work for the quality and economic viability of services and products, as well as social and environmental responsibility practices in the production chain.	The communication takes place through correspondence (e-mails) and technical meetings. We have a database of suppliers specialized in the energy segment. In the hiring process, we require our suppliers to comply with labor legislation, fiscal and tax obligations, Occupational Safety and Health rules, and to follow the country's environmental legislation.
Employees, collaborators, interns and partners	Our collaborators are distributed among concessionaires and holding companies.	We have an engagement policy for employees and partners, holding commemorative integration events and performance incentive policies. Communication with the internal audience takes place through meetings, HR information center, electronic mail, annual reports and formal feedback with the leadership, in order to encourage the professionals development.

Interested parties

Detail

Public Agencies and Programs

We are committed to maintaining transparency with government entities, users and society, as well as complying with applicable regulations. We carry out campaigns in partnership with government agencies, in accordance with industry regulations.

The Group maintains more frequent relationships with public bodies operating the electricity sector and with public bodies responsible for financing and developing business activities, such as bodies that govern environmental licensing processes and the regulation, transmission and operation of electricity in the country.

Communication Channels

Ministry of Mines and Energy (MME): Meetings and correspondence exchange.

National Electric Energy Agency (ANEEL): Meetings, letters and emails, periodic and exceptional information, administrative procedures, public hearings.

National System Operator (ONS): Meetings, periodic and exceptional information, administrative procedures, computerized systems, e-mails.

Brazilian Development Bank (BNDES): Reuniões, e-mails, pedidos de anuência e envio de informações periódicas, como atendimento de índices de cobertura.

Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA): Presentation of environmental studies, licensing request, development of environmental programs, correspondence exchange.

State and Municipal Chambers for Environmental Compensation and Chico Mendes Institute for Biodiversity Conservation (ICMBio): Terms of Commitment to Comply with Environmental Compensations, Forest Replacement Projects, environmental studies and projects, emails and letters.

State Environmental Bodies and Environmental Licensing Agencies, such as IPHAN (Institute of National Historical and Artistic Heritage), FUNAI (National Indian Foundation), INCRA (National Institute of Colonization and Agrarian Reform), SVS (Secretary of Sanitary Surveillance), DNPM (National Department of Mineral Production): Specific thematic and environmental studies, request for licenses and authorizations, development of environmental programs, exchange of correspondence in physical and digital media.

Interested parties

Detail

Social, environmental and community organizations

In terms of relationship with the community and society, we pay special attention to possible social, economic and environmental impacts that may be caused by transmission lines. In view of this, we implemented initiatives related to operational maintenance procedures and permanent channels for communication, dialogue, information and negotiation. In this way, we act to assess, control, monitor, reduce and mitigate any negative impacts.

Additionally, we invest in support of social responsibility projects with a cultural and educational nature as a measure to transmit our values and be recognized as an ethical Company by the community, employees, shareholders and customers.

Communication Channels

Forest Fire Prevention Program (PPIF)

In periodic campaigns, our teams travel through the municipalities crossed by the projects, making personal “face-to-face” contacts with interested parties, such as landowners and intercepted communities; city halls; society organized representations, among others. Among the main objectives are maintaining the relationship, disclosing the communication channels (Ombudsman), reinforcing doubts about socializing and using the lane, in addition to the distribution of graphic and informative materials.

Social Communication Programs (PCS)

In periodic campaigns, our teams travel through the cities intercepted by the projects, making personal “face to face” contact with stakeholders, such as landowners and communities intercepted; city halls; organized representations of society, among others. Among the main objectives are relationship retention, the dissemination of communication channels (ombudsman), support in clarifying doubts about coexistence and the use of the strip, as well as the distribution of graphic and informative materials.

Environmental Education Programs (PEA) and Environmental Education for Workers (PEAT)

In periodic campaigns, SGBH teams carry out training, dialogues and workshops with the target public of each program. In PEA, activities are carried out in communities crossed by the projects, more specifically in schools and associations, addressing themes that contribute to the construction of values related to environmental conservation and responsible interaction with transmission lines.

We provide a fire prevention-specific website, which has an educational area, interactive space and information on safe attitudes: <https://previnaincendiosgbh.com.br>

COMMUNICATION CHANNELS



EMAIL

sgbh.emergencias@stategrid.com.br



WEBSITE

www.stategrid.com.br

<https://previnaincendiosgbh.com.br>



SOCIAL NETWORKS

www.linkedin.com/company/stategridbrazil

www.instagram.com/stategrid.brazil

<https://www.facebook.com/stategridbrazil>



TELEPHONE

0800 942 0142 (toll free)

ONE STATE GRID

One State Grid

With a long-term thinking, focused on achieving better performance and competitiveness to pursue the ambition of being recognized as one of the largest energy transmission companies in Brazil, in 2022, we created the **One State Grid** concept.

Based on the interpretation of internal and external, latent and future challenges, the concept determines the necessary principles and conduct that the Company's leaders and members must adopt when seeking integrated solutions, the result of collective action.

Objectively, we direct corporate results towards the essential objectives of SGBH:

- To maximize the availability of electricity transmission lines, avoiding possible failures and implementing operation and maintenance improvements;
- To add shareholder value and manage manageable costs and expenses;
- To prepare people, improving processes and technologies.

In order to fulfill these objectives, the following principles of the One State Grid were defined:

- Efficiency and efficacy;
- Relationship based on trust, respect and empathy;
- United company, guided by the same purpose and open to innovation;
- Active cooperation between departments, including the relationship between directors and managers;
- Clear communication;
- Long-term planning;
- Commitment and individual and collective responsibility;
- Safety.



Working together in the same direction, sharing the same principles, values and corporate culture, prioritizing common goals.

FINANCIAL PERFORMANCE AND INVESTMENTS

GRI 201-1 | ANEEL -FINANCIAL ECONOMIC DIMENSION

The holding company SGBH controls and reports its economic and financial results with transparency, valuing the quality of the information made available to shareholders, banks, regulatory bodies and investors. The Financial Board promotes the constant improvement of its internal controls and all companies had their corporate and regulatory balance sheets verified by an independent external auditor in 2022 (audited by KPMG).

The concessionaires remuneration is defined in the concession contract according to the Allowed Annual Revenue (RAP) for providing the public service. Based on the financial result, SGBH plans the actions to be carried out to benefit employees, the community, the environment and its operational and financial structure.

R\$ 3.58 BI

Net revenue

R\$ 3.30 BI

Added value distribution

The distribution of the combined added value of SGBH's regulated concessions results in obtained wealth of R\$ 3.3 billion on December 31, 2022 versus R\$ 3.5 billion on December 31, 2021, and the total amount was distributed into People (6%), Taxes, fees and contributions (20%), Third-party capital remuneration (27%) and return on equity (47%).

Added value distribution (DVA)	2022 (thousand R\$)	2021 (thousand R\$)	Variation 22-21 (%)
Total DVA	3,301,752	3,518,762	-6.17%
People	191,404	169,595	12.86%
Taxes, fees and contributions	660,310	563,351	17.21%
Third-party capital remuneration	903,229	1,168,089	-22.67%
Equity return	1,596,809	1,617,726	-4.38%

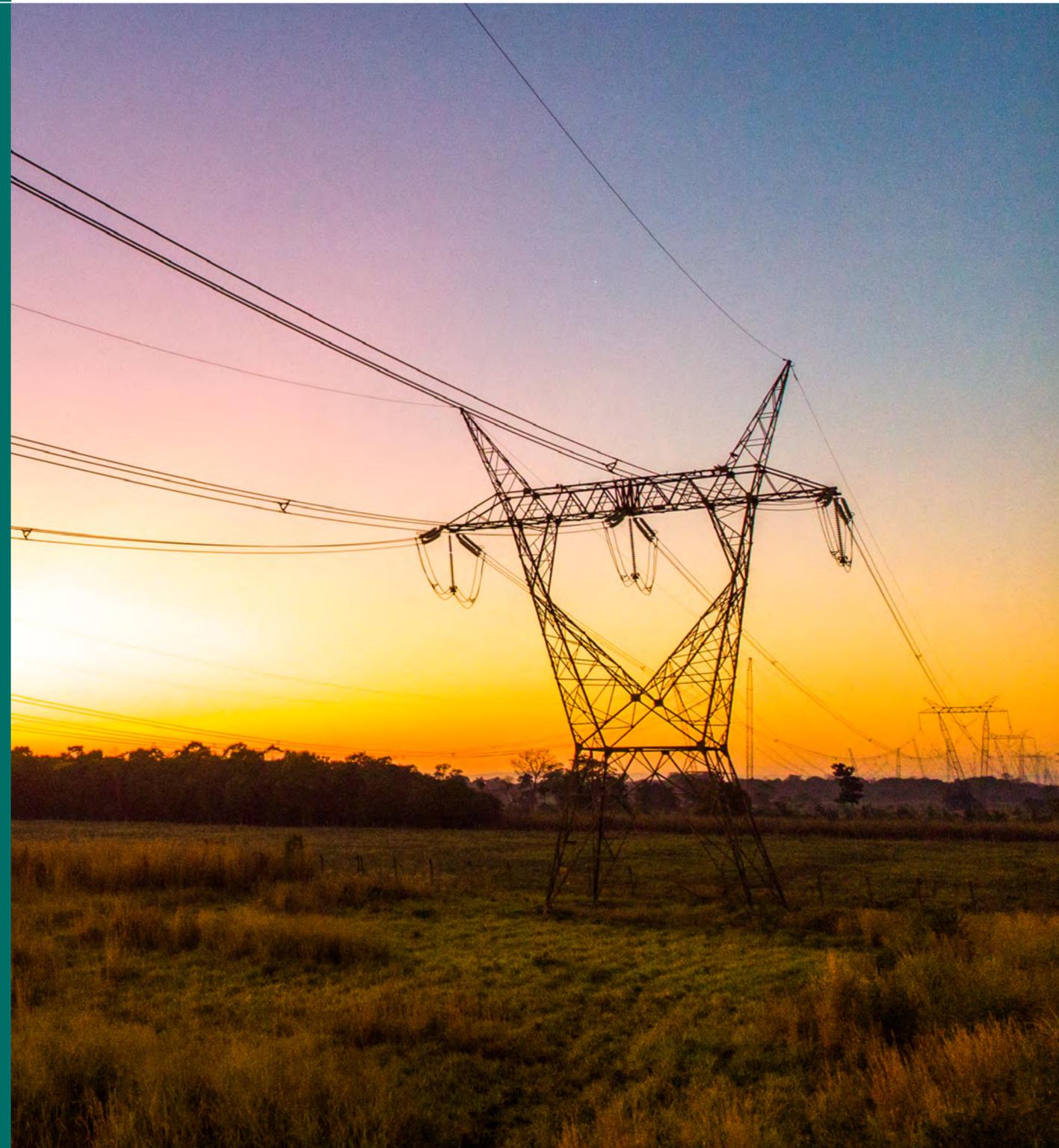
* The 2021 data correct the values published in the 2021 Sustainability Report.

To learn more, the individual social balance sheets and DVA of SGBH concessionaires are available in Annexes 5 and 6.

VALUE GENERATION 2022

ANEEL General and Economic-Financial Dimension

Related Capitals



Key Highlights in 2022

Signatory to the UN Global Compact

Aligned with the achievement of the Sustainable Development Goals (SDGs), environmental, sustainability, and governance practices are part of our corporate commitments.

Greenbond

Issuance of R\$ 235 million in green debentures for the construction of STE.

ISO 56002 standard - Innovation

First company in the power sector to achieve the Innovation Management seal.

Energy availability

Energy transmitted to society with average availability at the end of the year higher than 99.7%.

Greenhouse Gas Inventory

First SGBH inventory in 2021 and second survey in 2022.

Live Line Maintenance at ± 800 kV

Pioneering in the Americas by performing ± 800 kV line maintenance while transmitting power.



One State Grid Concept

Integrating principles and conducts to bring SGBH to be one of the largest power transmission companies in Brazil.

R\$ 3.58 BI

of net revenue

R\$ 2.5 MM

in social projects

R\$ 13.1 MM

in R&D

R\$ 12.7 MM

in Environmental Compensation Program

100%

of employees trained in the Compliance program

SGBH BUSINESS

INPUTS

MANUFACTURED CAPITAL

- Installed Transmission Infrastructure;
- Sub-stations;
- Operational centers.

NATURAL CAPITAL

- Renewable natural resources;
- Non-renewable natural resources.

SOCIAL CAPITAL

- Relationship with public authorities and energy regulatory agencies;
- Relationship with local communities.

FINANCIAL CAPITAL

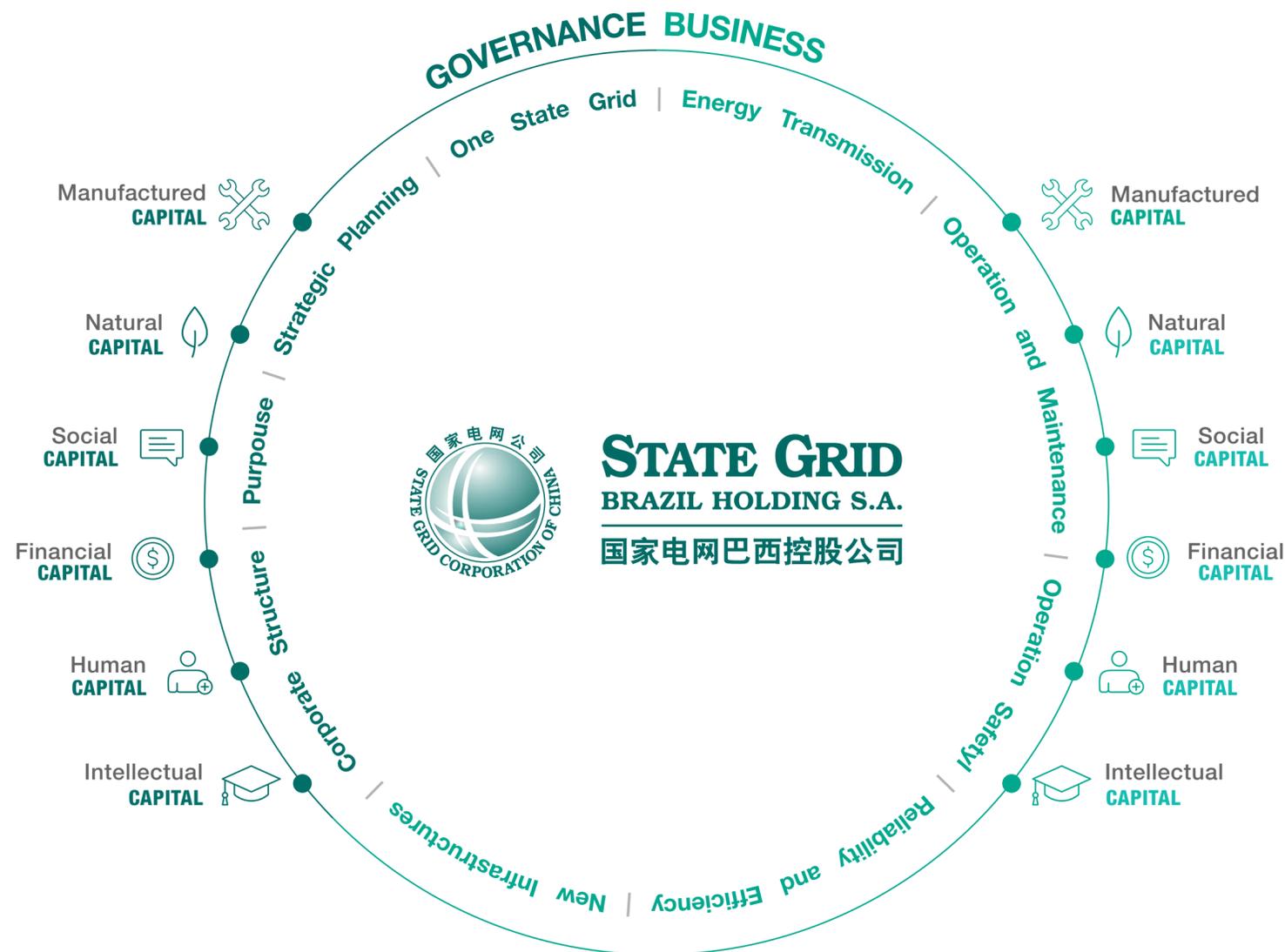
- Investments in people, infrastructure and innovation;
- Revenues;
- Third-party capital and financing;
- Shareholders.

HUMAN CAPITAL

- Own and third party employees;
- Suppliers;
- Partners.

INTELLECTUAL CAPITAL

- Technical knowledge of the team;
- Investments in R&D and innovation.



GENERATED VALUE

INTERNAL

MANUFACTURED CAPITAL

- Operation and maintenance of transmission lines of 19 concessionaires;
- Expansion of transmission networks;
- Acquisition of new energy transmission contracts.

NATURAL CAPITAL

- Execution of environmental licensing conditions: Forest restoration and environmental compensation projects, among others.

SOCIAL CAPITAL

- Employees' professional and personal development;
- Safety in operation and maintenance.

FINANCIAL CAPITAL

- Employee remuneration;
- Equity return.

HUMAN CAPITAL

- Training and qualification;
- Employee skills development.

INTELLECTUAL CAPITAL

- R&D Projects;
- Adherence to international innovation and quality standards;
- Implementation of innovations in O&M;
- Employee training.

EXTERNAL

MANUFACTURED CAPITAL

- Energy transmitted to society with an average availability greater than 99.7%;
- 10,195 km of transmission lines;
- 2,543 km of Ultra High Voltage technology;
- Construction of Silvânia (STE) - financed with green bond.

NATURAL CAPITAL

- Impact on biodiversity;
- Emissions of 85,674 tCO₂e of GHG;
- Generation of 140 tons of waste.

SOCIAL CAPITAL

- Interference in local communities;
- Social projects with affected society and communities;
- Relationship with suppliers;
- Signing to the Global Compact.

FINANCIAL CAPITAL

- Distributed added value of R\$ 3.3 billion;
- Amount of taxes, fees and contributions;
- Third-party capital remuneration.

HUMAN CAPITAL

- Safety and well-being of employees, partners and communities;
- 4 accidents at work without death;
- Qualified job openings.

INTELLECTUAL CAPITAL

- Development of technologies and solutions for society;
- Partnerships in research and development.



STATE GRID
 BRAZIL HOLDING S.A.
 国家电网巴西控股公司

OUR OPERATIONS

ANEEL General, Social and Sectoral Dimension

Related Capitals



Operational performance

GRI EU12, G4-DMA (FORMER EU6),
G4-DMA (FORMER EU21)

Our businesses bring several challenges due to the nature of a public electricity supply concession in a country of continental dimensions.

The first challenge is the adequate and constant training of our professionals, who undergo training aimed at the activities they will perform. In addition, we dimension the teams according to the systems and installations of each concessionaire.

Another challenge is related to the technological resources required by the National System Operator (ONS) and the availability of financial resources for its acquisition, which demands medium and long-term financial and operational planning.

Additionally, equipment failures and automatic shutdowns directly affect the reliability of our operations and need to be quickly resolved. As these failures are caused by external factors, such as

weather events and machine collisions with transmission towers, we keep teams prepared to emergency responses.

In addition, our operations are governed by the electricity transmission service concession agreements, by the ANEEL transmission rules, by the requirements and procedures provided for by the ONS, in addition to following the guidelines of Brazilian regulations.

The infrastructure under direct operation of SGBH totals 10,196 km of overhead transmission lines. Its highly reliable operational availability involves maintenance routines and, for access to be possible, the O&M teams travel thousands of kilometers monthly. In order to carry out the services efficiently and safely, our professionals received an average of 43 hours of training.

This continuous work ensures average transmission infrastructure availability indicators above 99.7% and failure rates between 0 and 0.56, which confirms our commitment to increasing the SIN reliability.



ONS PERFORMANCE CRITERIA FOR MONITORING THE OPERATION

	2022					2021			
Performance indicators* of transmission lines (kV)	230	345	440	500	800	230	345	440	500
Average availability	99.72	100	99.89	99.84	99.90	99.92	100	99.36	99.32
Average failure rate	0.56	0	0.31	0.14	0.10	0.01	0	1.84	0.27

* The annual maintenance shutdown, foreseen and mandatory in ANEEL resolutions, was not considered.

SAFETY IN OPERATIONS

GRI G4-DMA (FORMER EU6), G4-DMA (FORMER EU21)

In line with corporate strategic planning, initiatives develop a safety culture in operations based on three pillars: **technical**, by creating safe working conditions; **human**, through the search for safe behavior on the part of employees; and **administrative**, through the adoption of management systems to support the activities. [Find out about our main initiatives to promote safety in operations.](#)

Responsible Driver Conduct

The telemetry monitoring system for the own and outsourced fleet of vehicles was adopted with a focus on reducing the exposure of employees to the risks arising from driving vehicles while commuting to perform O&M services.

This movement is identified as one of the main risks due to the distances traveled and access conditions to the infrastructure.

With this tool, we monitor each driver and vehicle, in real time, on factors such as speeding, sudden acceleration and braking, and inappropriate cornering. When conducts outside the established standard are detected, the system issues sound alerts and sends warnings to managers. To assist them in making decisions, management reports identify trends, critical locations, or drivers with less safe practices.

In the case of incidents, detailed reports can also be issued, which include location, route, moving time and proper driver justifications.

SGBH set individual goals for drivers, seeking to encourage good vehicle driving practices.

The system has been providing excellent results in recent years and, in 2022, we recorded no vehicle collisions due to speeding or misconduct by our employees.

Behavioral Safety Program (PSC)

Health and safety promotion is a matter of paramount importance and commitment shared by all employees. The PSC was created in the context of disseminating this commitment, aiming to encourage reflection and the autonomy of employees in identifying individual behaviors when carrying out activities. Its concepts are defined as follows:

NO HARM CONCEPT 4

- do not get hurt
- do not let others get hurt
- do not hurt others
- do not let others hurt you

3P

- Life First
- People First
- Safety First

Based on the concepts, employees record their observations on standard forms, classifying behaviors as safe or unsafe and suggesting their drivers. Here, we highlight the culture of improvement, which promotes dialogue between the employee-observer and the employee-observed with a focus on joint reflection about the factors that influence safe and unsafe behavior. These inputs feed the creation of specific indicators and action plans, such as reinforcing technical-behavioral training or organizational awareness programs.

Fire outbreak alert dashboard

Identified as one of the main risks to be mitigated and a concern for the supervisory agency ANEEL, fires can critically affect transmission lines and endanger communities and ecosystems.

In order to monitor our infrastructure, we created the dashboard that integrates fire data into the GIS (Geographic Information System) platform. The dashboard provides:

1

Dynamic information map

4

Number and listing of stretches of lines under fire alert

2

Lines in operation under the responsibility of SGBH

5

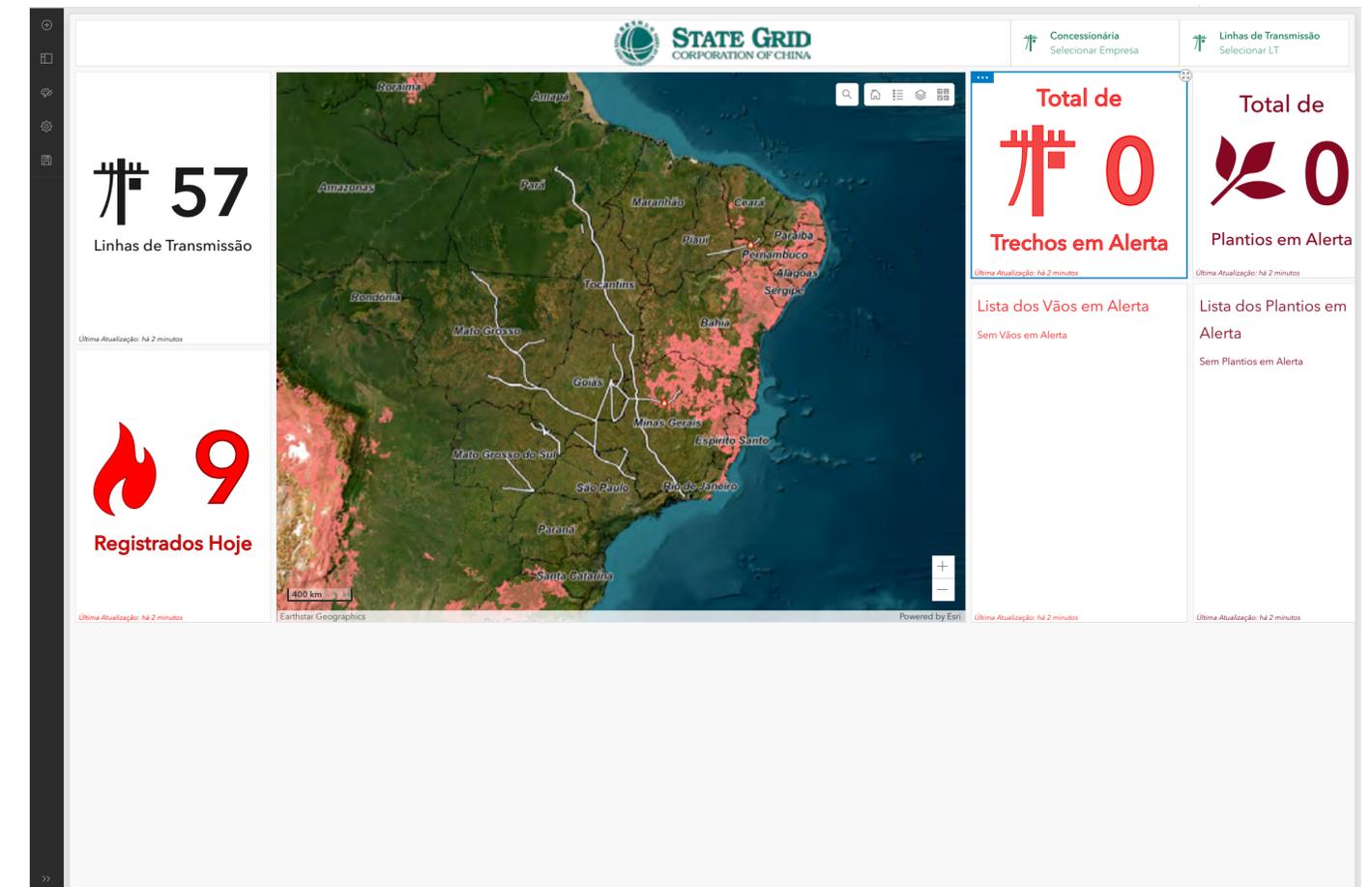
Number and list of active reforestation projects under fire alert

3

Number of fires on the current day, information captured by satellites monitored by the National Institute for Space Research (INPE)

With an online interface, the system triggers alerts and e-mails to those responsible for operating the lines, and is accessed by the O&M team: technicians and leaders of the Regional Offices and the SGBH Vice-Presidency.

The tool allows us to mobilize our teams promptly to respond to any fire emergencies in the surroundings of our transmission lines, and thus preserve its functionality.



READY FOR THE FUTURE OF ENERGY

Technology transfer between SGCC and SGBH allowed us to use Ultra-High Voltage transmission lines at the facilities of the XRTE concessionaire, connecting the states of Pará and Rio de Janeiro with a high level of efficiency.

In our O&M activities, we adopt careful procedures to guarantee the safety of our professionals and the local community, as well as to conserve biodiversity and ecosystems. For this purpose, we seek to incorporate advances in Research and Innovation into operational routines. We also encourage and are always open to proposals and suggestions from the operational team, who know the activities-related challenges and allow us to achieve improvements such as gains in efficiency and greater safety in maintenance.

Below, we present the main advances in terms of technologies, administrative processes, operational routines, and partnerships for new developments, achieved in 2022.

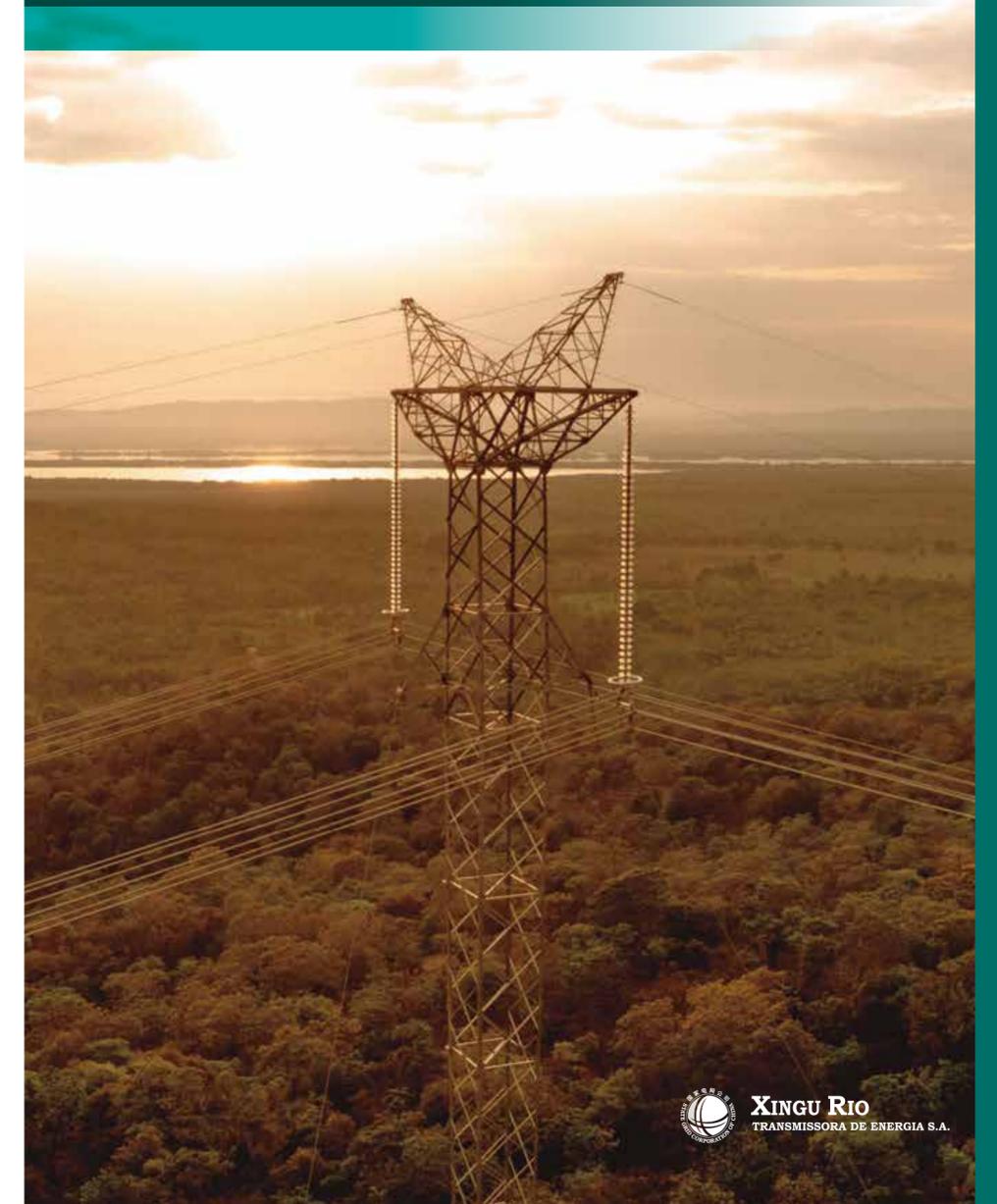
Ultra-High Voltage (UHV)

The innovative **±800 kV direct current** transmission technology allows SGBH to transport energy across continental areas, and has been adopted at the XRTE Concessionaire, connecting the substation in Xingu-PA to Rio Terminal, in Paracambi - RJ, where this operational center dedicated to UHV lines is located.

Currently the world's largest in terms of direct current, the XRTE infrastructure has a **2,543 km** extension and 114 m of administrative easement width, where **4,425 towers** are arranged, being a strategic connection between the North and Southeast regions for the Electric Power National Integrated System (SIN).

[Learn more about UHV technology in the "XRTE and the Environment" book](#).

A XRTE E O MEIO AMBIENTE



±800 kV live-line maintenance

In 2022, the O&M team performed a live line maintenance on a XRTE stretch. This means the operation was carried out while transmitting energy, something unheard of in the Americas for the ±800 kV direct current voltage class.

Maintenance services were carried out on conductor cables, hardware and large and heavy insulators chains, without the need to disconnect the power lines. The action took place in Unaí-MG and involved more than 20 professionals, in addition to the prior improvement of existing techniques, development of appropriate tools and certification of conductive clothing in accordance with the Brazilian Ministry of Labor rules.

The success of the action provides benefits of increased operational capacity to the SGBH and energy safety to the National Integrated System.



Images of the field team performing maintenance on a live line in Unaí (MG).



Credit: SGBH Collection.

Dry-type air-core reactor

Another innovation adopted and in 2022 was the development of the design and testing of the dry-type reactor that will be used in the construction of the Silvânia Transmissora de Energia S.A (STE) line.

Among the benefits to the environment, the technology eliminates the use of mineral oil as an insulating and cooling medium, as well as all the associated infrastructure, such as fireproof walls, water and oil separator box and treatment of residual oil. In addition, system maintenance becomes simplified, with expected higher transmission line availability rates.

Finally, there is a consequent reduction in costs, both in the implementation and throughout the equipment shelf life, with savings of about 25% compared to oil-immersed shunt reactors of similar capacity.

GREEN BONDS

GB 1, GB 2

One of the main initiatives of our strategy in 2022 was the first issuance of green bonds, in the amount of BRL 235 million, intended for investment and future payment of expenses, debts and other costs related to the construction of Silvânia Transmissora de Energia S.A (STE), estimated at a total cost of BRL 476 million.

To be installed in the State of Goiás, STE is a 30-year concession, contracted in May 2021 (Aneel auction 01/2020) to compose the National Integrated System (SIN), with the objective of reinforcing energy transmission safety and reliability in the country. We plan to generate around 1,500 direct and indirect jobs throughout the implementation period.

In compliance with all the Greenbond Principles criteria, the operation for the Green Investments Program was coordinated by BTG bank and will be monitored by NINT Natural Intelligence (formerly SITAWI Finanças do Bem). As described in the issue deed, the funds obtained were fully allocated to the project by Dec/31/2022, and while they were in cash awaiting use, they were allocated in CDB securities.

Fundraising via Green Bonds reinforces our commitment to offering society a public service with sustainable practices that contribute to the mitigation of climate change. The Green Bond Principles define criteria to be publicly disclosed for the integrity of the environmental issue of financing and guaranteeing transparency in communication with investors.

Learn more! This report contains information demonstrating SGBH's environmentally sustainable performance in executing the STE. Follow more information by code GB 1 to GB 5.



Transmission services to green users

GB 3

As a result of the STE Concessionaire's participation in the Green Investments Program, we demonstrated the environmental benefit of our infrastructure by publishing the indicator of transmission service provision to green users, which generate non-conventional renewable electricity. In 2022, we transmitted electricity from 943 green users, with an 19% increase in 2021. The STE is in the planning phase, and therefore it was not possible to measure the revenue from transmission to green users.

Environmental Benefit	2022	2021	2020	2019*
Monthly average number of green users	943	795	644	579
Percentage of green users over total users - monthly averages (%)	74.7	71.4	67.3	64.2
Revenue from green users (BRL)	-	-	-	-
Percentage of revenue from green users over the total (%)	-	-	-	-

* Data for the period from May to December.

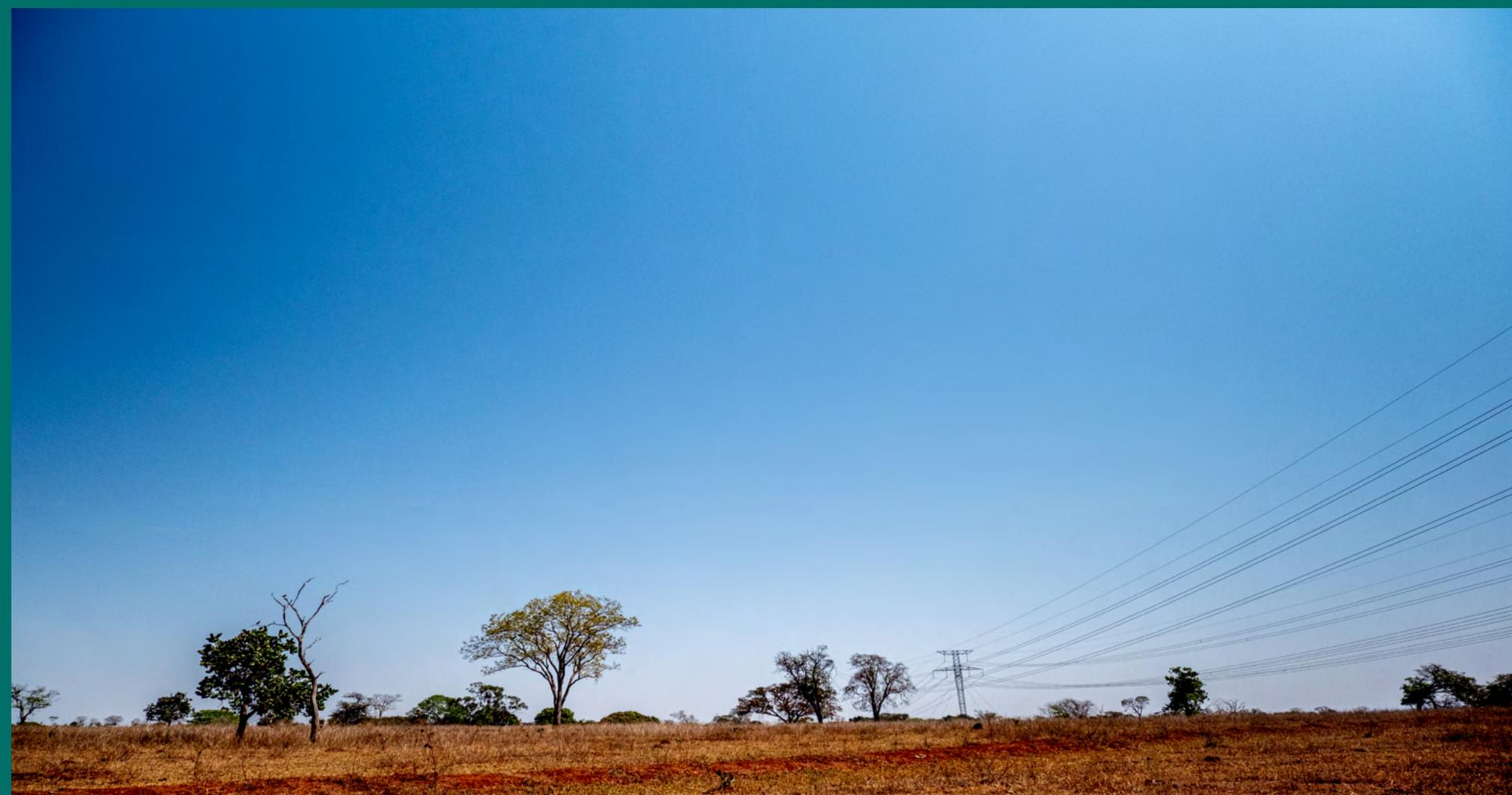
Greenhouse gas emission factor

GB 5

Electricity decarbonization is a sectorial challenge in energy supply, and in this context, the renewable component of the National Interconnected System made it

possible to reach an estimated emission factor of 42.6 gCO₂e/kWh in 2022 and 75.9 gCO₂e/kWh in the average of the last 5 years. This value is below the limit of **100 gCO₂e/kWh** recommended by the Climate Bonds Initiative as a decarbonization criterion for asset eligibility.

Year	gCO₂/kWh
2022	42.6
2021	126.4
2020	61.7
2019	75.0
2018	74.0
Average	76.9



ISO 9001 - Quality Management

Another important achievement in 2022 was the certification of the engineering department by ISO Standard (International Organization for Standardization) 9001, which led to the creation of a structure for the Quality Management system.

In addition to defining specific requirements, procedures and work instructions for engineering studies and projects, the standard will guide the company in correctly coordinating activities with other departments within the company, which brings high potential for improving the quality of services.



ISO 56002 - Innovation Management

As a demonstration of its pioneering spirit, in 2022, SGBH was the first company in the electricity sector to adhere to the ISO 56002 standard – Innovation Management. The decision was driven by the objective of structuring advances in innovation and technology internally and assisting in decision-making on the allocation of financial resources among candidate projects for ANEEL's Research and Development (R&D) program.

For the coming years, the standard will support acting in a structured way in project management, resource control and encouragement of innovations that bring effective improvements to services and greater quality in electricity supply to the Brazilian electricity sector.



Investments in R&D

GRI G4-DMA (FORMER EU8)

SGBH's fronts involve R&D incentive projects in accordance with the rules of the ANEEL Program for companies in the sector, in which we seek projects aligned with the objective of increasing operational efficiency with reasonable tariffs, thus expanding access to the supply of reliable electricity and promoting sustainable development.

Over 2022 **9 projects**, were developed, some with continuity for the coming years, which add up to an investment of **BRL 13.1 million**, increase of about 22% over the amount invested in 2021.

Electric Power Systems Planning

Research on the impact of large-scale wind and solar generation on the SIN	BRL 735,345.19
Investigation of the influence of ultra high voltage in direct current on the SIN stability	BRL 828,160.73
Development and application of a reference manual for pumped storage power plants	BRL 3,296,616.49
Insertion of an ultra high voltage alternating current transmission system in Brazil	BRL 4,450,687.05
Electricity Sector Analytical Intelligence System, Transmission module (SIASE-T)	BRL 162,180.31

[Find out more details about R&D projects in Annex 7.](#)

Electric Power Systems Operation

Study of Control Strategies with Interactive Algorithms for Safe System Operation	BRL 398,808.04
Research on VSC converters for ultra high voltage transmission using overhead lines	BRL 2,741,115.49

Environment

PORTAL LAST - Development of a Reference Portal on Environmental Licensing for Transmission Systems	BRL 257,017.87
LAST PORTAL – Phase 2	BRL 241,000.00



Partnerships

EPPEI Brasil

In 2022, we completed the R&D project “Insertion of an Ultra High Voltage Transmission System in Brazil - Experimental Development”, carried out in partnership with **China Electric Power Planning and Engineering Institute (EPPEI) Brasil** and the **Eletrobrás Electric Energy Research Center (CEPEL)**.

The project aimed to verify the feasibility of inserting the 1,000 kV Ultra High Voltage technology of alternating current in the Brazilian Electrical System for the transmission of excess renewable energy generation (photovoltaic and wind) from the North and Northeast regions to the Southeast region. The research involved laboratory testing of transmission line insulation, electric field studies, overall system optimization analysis, screening and specification of equipment and components in compliance with international practice.



GESEL/UFRJ

Since 2021, we have been leading the project “Development and application of a reference manual for Pumped Storage Power Plants projects” in partnership with the **Electric Sector Study Group (GESEL) of the Federal University of Rio de Janeiro (UFRJ)** and the companies **Thymos Energia and PowerChina**. O projeto visa contribuir para a difusão das usinas reversíveis no Brasil por meio da elaboração de um Manual de Inventário de Usinas Bombeadas, contendo procedimentos para estudos e metodologia para seleção de locais apropriados para sua implantação por critérios econômicos, técnicos e socioambientais.

Another project carried out with GESEL/UFRJ, phase 1 of the ‘Development of a Reference Portal for the Environmental Licensing of the Transmission System’ was completed in 2022 and its scope was to introduce an operationally robust and updated version of the LAST Portal to the market.



GOVERNANCE AND STRATEGY

ANEEL Corporate Governance Dimension

Related Capitals



HUMAN
Capital



INTELLECTUAL
Capital

We practice a direct dialogue with our shareholders, and in order to strengthen the relationship with the business interested parties, in 2022, we will deepen the assessment of our governance structure.

We continued the work started in 2021, and this year we completed the Strategic Planning (SP). In this way, we have a long-term view of the business and internal organization.

In addition to the SP, we started preparing instruments that will compose the governance structure after the creation of the Board of Directors, such as the Internal Rules of Procedures of the Board and the Board of Directors. We made progress in structuring the nine Advisory Committees, which will be linked to the deliberative body and will have their own internal rules of procedures.

We also created instances, such as the area dedicated to the ESG², which promoted relevant measures such as the feasibility of green bonds in the implementation of Silvânia Transmissora de Energia (STE); the measurement of greenhouse gas emissions, as well as the signing of the United Nations Global Compact.

² Environment, Social and Governance.

CORPORATE GOVERNANCE

GRI 2-9, 2-10, 2-11

The Senior Management Committee (SMC) represents the highest level of governance at SGBH. The body is composed of executives with recognized experience in the electricity sector. The SMC members are selected by resolution of the shareholders, with a three-year term of office, reelection permitted.

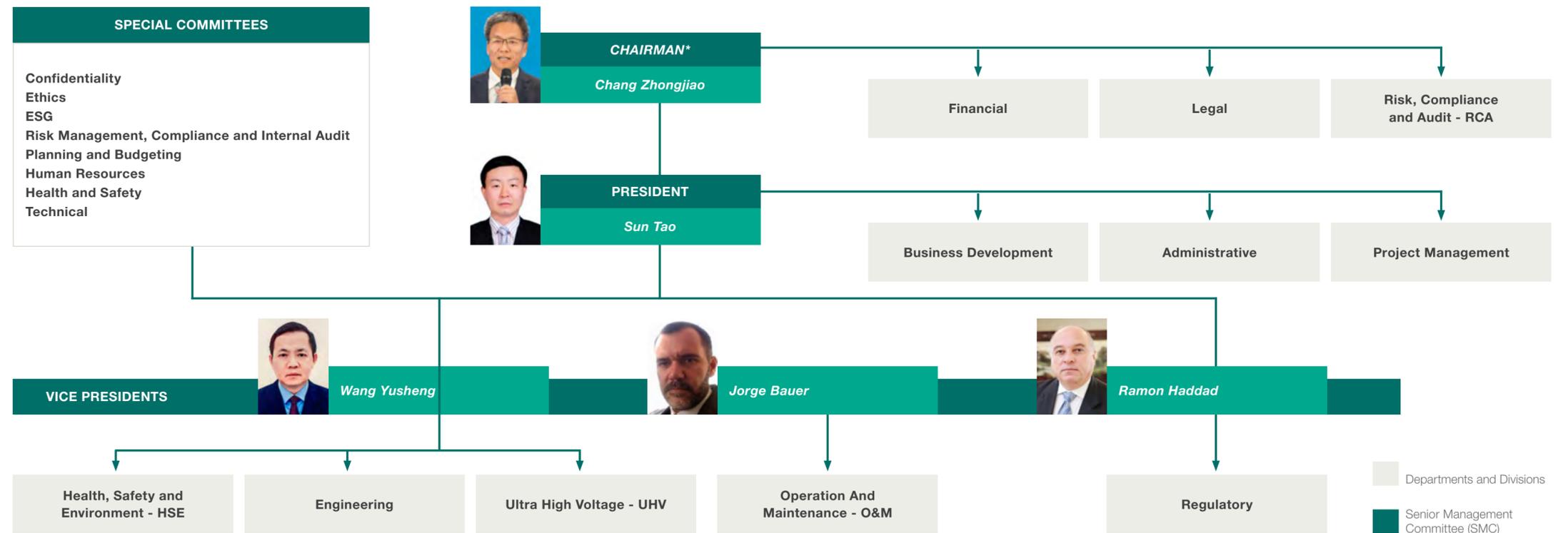
In 2022, the SMC underwent the following changes: Mr. Chang Zhongjiao and Mr. Sun Tao took office in April and Mr. Jorge Bauer was appointed in November.

The SMC's decisions are supported by eight committees specializing in strategic issues, which meet regularly to monitor the Company's projects and outcomes.

The members of the specialist committees (executives and representatives of different areas) are appointed by deliberation of the SMC, which takes into account the competencies necessary for efficient performance in each committee.

ESG COMMITTEE

Among the specialist committees supporting the SMC's decisions, we highlight the creation of the ESG Committee, in 2022. Comprised of 14 members, the group will embrace the evolution of Environmental, Social and Governance issues associated with SGBH's businesses.



* In March 2023 Chang Zhongjiao returned to China and Sun Tao was appointed Chairman.

Senior Management Committee Members (SMC)

GRI 2-17



* Members of the Senior Management Committee.

Chang Zhongjiao (Chairman)

Engineer with more than 30 years of experience in the electricity and energy sector, with 12 years of experience in power generation projects and construction of transmission lines, and more than 15 years in planning, bidding and engineering management in energy companies. He joined SGBH in 2014, assuming the vice presidency of the Company. In 2018, he became President and, in April 2022, assumed the position of Chairman.

Sun Tao (President)

With a PhD in electrical power construction and operation, master's degree in high voltage power technology and bachelor's degree in power system and automation, Mr. Sun Tao has been working at SGCC since 2003. He has more than 20 years of experience in managing construction projects and power transmission operations. Holds the presidency of SGBH since April 2022.

Wang Yusheng (Vice-President)

Senior engineer, with a post-graduate degree in power systems engineering, he has extensive experience in managing and leading the operation and maintenance of high and ultra high voltage transmission lines. He joined SGBH in 2019, leading the operation of Xingu Rio Transmissora de Energia (XRTE). In 2021, Mr. Wang assumed the position of Vice-President.

Jorge Bauer (Vice-President)

Electrical engineer, post-graduated in management development, he has more than 30 years of experience in the electrical and infrastructure sector, working in executive positions in several multinational companies in Brazil and Argentina. In 2016, he joined the company as O&M Director, and in November 2022, he assumed the position of O&M Vice President.

Ramon Haddad (Vice-President)

Senior engineer, with a post-graduate degree in electric power system, he has more than 40 years of a career dedicated to the Brazilian electricity sector, performing technical and administrative activities in generation, transmission and distribution companies and holding executive positions in energy transmission concessionaires. He holds the position of Vice President of State Grid Brazil Holding since 2011.

Board of Directors

SGBH does not have a Board of Directors (BoD) itself. This is present in the Company's concessionaires, which have a body composed of members elected at the General Meeting, with a three-year term. Its competencies include:

- Electing and dismissing members of the Board of Directors;
- Setting the general direction of the business;
- Supervising the management of Directors and examining the Company's books and roles, requesting information on contracts entered into or about to be entered into or any other acts deemed necessary;
- Providing opinion on the report, balance sheets and accounts presented by the Chief Executive Officer;
- Authorizing the Society participation in other companies;

- Authorizing the purchase and disposal of permanent assets, as well as the constitution of real encumbrance on them, and authorizing any act of disposal of any other assets that exceeds R\$100,000.00, in accordance with the Bylaws;

- Authorizing the president of the Board of Directors, or designee, to call Shareholders' General Meetings, as well as implementing their respective decisions.

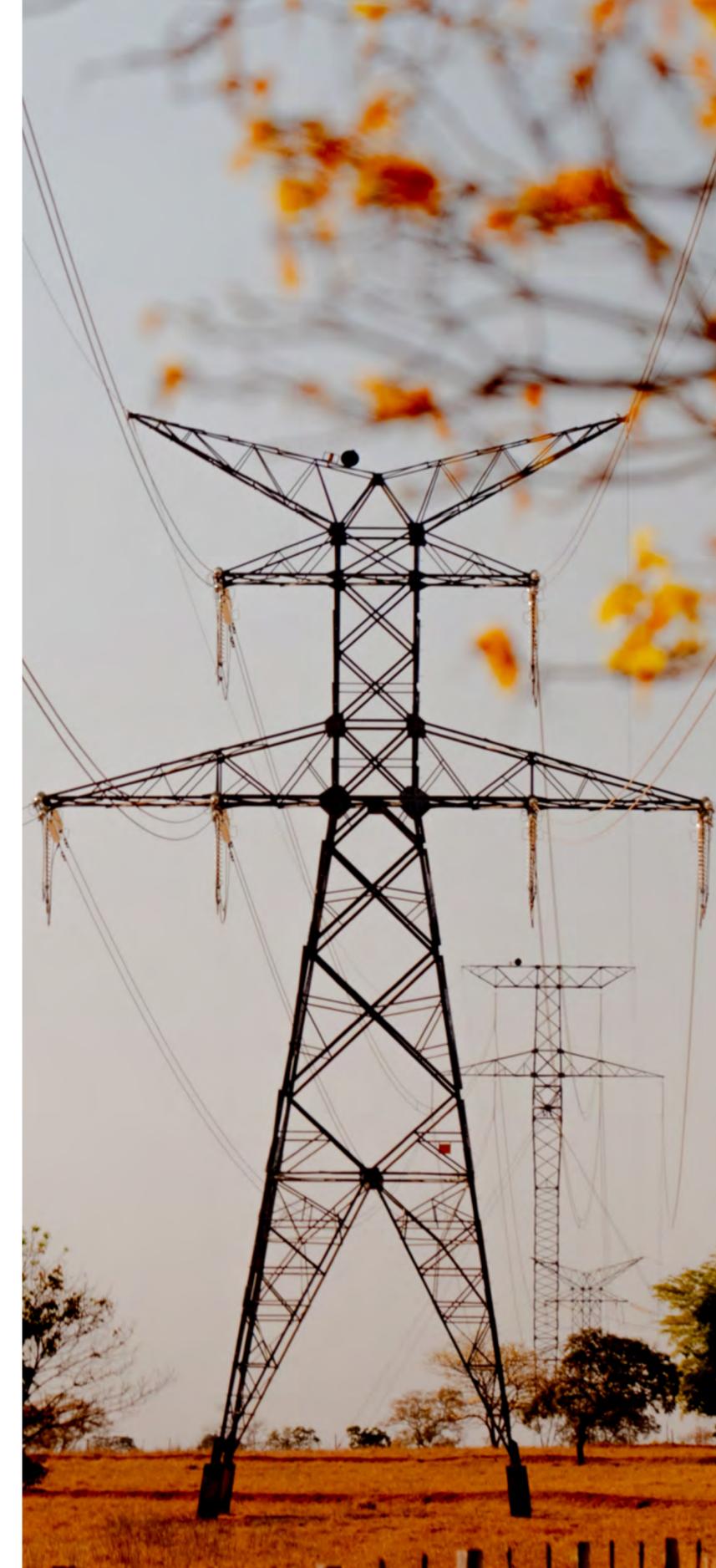
The Board of Directors' resolutions are defined by a majority of favorable votes. The president is elected by the totality of the votes of the effective members, and is responsible for: presiding over the Shareholders' General Meetings, directing and guiding their respective meetings, which will be reduced to minutes drawn up in the proper book; coordinating the activity of the other directors and establishing the general guidance of the Board of Directors' activities; performing the duties of Chief Executive Officer, when specifically determined by the Board of Directors.

Shareholder information

Communication with shareholders is made periodically in order to inform and obtain approvals on technical and financial aspects of the SGBH Group.

Financial information is reported through the annual budget of all the Company's companies, and individual companies or departments; monthly and annual submission of individual and consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), the annual reports are audited by an independent third party; Minutes of Shareholders' and Board Meetings.

Technical and operational information is reported through monthly and semi-annual reports.



Management

Each of the 19 SGBH concessionaires is an SPE - a special purpose company - that has its own legal personality and a Board of Directors made up of members of the SMC.

The **Management of SGBH's concessionaires** is made up of two to ten members. The managers may or may not be shareholders, residing in the country, appointed and dismissed by a majority vote of the members of the BoD and dismissed by a majority vote of Board of Directors' members, re-election permitted. The Chief Executive Officer is responsible for:

- Managing the Society and coordinating the activities of the other managers;
- Supervising, with the assistance of the other managers, the activities of the Society;
- Approving the staff, determining their attributions and respective earnings;
- Preparing instructions necessary for the development of the Society.

The **Chief Executive Officer, along with one Manager with no specific designation or two Managers with no specific designation** may appoint attorneys-in-fact to represent the Company within the limits of the powers granted in their respective mandates, with an expected term of one year. Any and all acts of the Executive Board will only be considered valid if performed:

- Jointly by the Chief Executive Officer with one manager without specific designation;
- By two managers without specific designation;
- By an executive manager without specific designation and an attorney-in-fact;
- By an attorney-in-fact appointed in compliance with the above provisions.

Managers are prohibited from engaging the Group's concessionaires in the following acts, unless previously and expressly authorized, by the BoD or by resolution of the shareholders:

- a. Enter into contracts on behalf of the Group's concessionaires with third parties that imply the undertaking of obligations by the respective company in amounts exceeding R\$ 2,000,000.00 (two million reais);
- b. Selling, assigning or otherwise transferring, in any way, fixed assets of the Group's concessionaires with a value higher than R\$ 100,000.00 (one hundred thousand Reais);
- c. Establish liens on the assets owned by the Group's concessionaires or enter into any financing agreement on behalf of the Company;
- d. Make investments on behalf of the Group's concessionaires;
- e. Appoint an attorney-in-fact to perform any of the acts listed in items (a) to (d) above.

In the case of **XRTE**, any and all acts of the Board of Directors shall only be considered valid if performed (a) jointly by the Chief Executive Officer and the Vice President; appointing or (b) by an attorney-in-fact appointed by the CEO and the VP jointly.

STE, on the other hand, has a different Board of Executive Officers structure that is composed of 2 (two) to 8 (eight) managers, who may be designated as (i) Chief Executive Officer, (ii) Vice President Director, (iii) Financial Director, (iv) Technical Director, (v) Environment and Land Director and (vi) Director with no specific designation, at the discretion of the Board of Directors when electing members. All decisions of the Executive Board shall be taken by seventy-five percent (75%) and if this quorum is not reached, the matter shall be decided by the Board of Directors by a qualified quorum.

Strategic Planning

In 2022, we completed SGBH's 2023-27 Strategic Planning (SP). Its first edition was issued in 2021 and widely accepted and engaged by all boards.

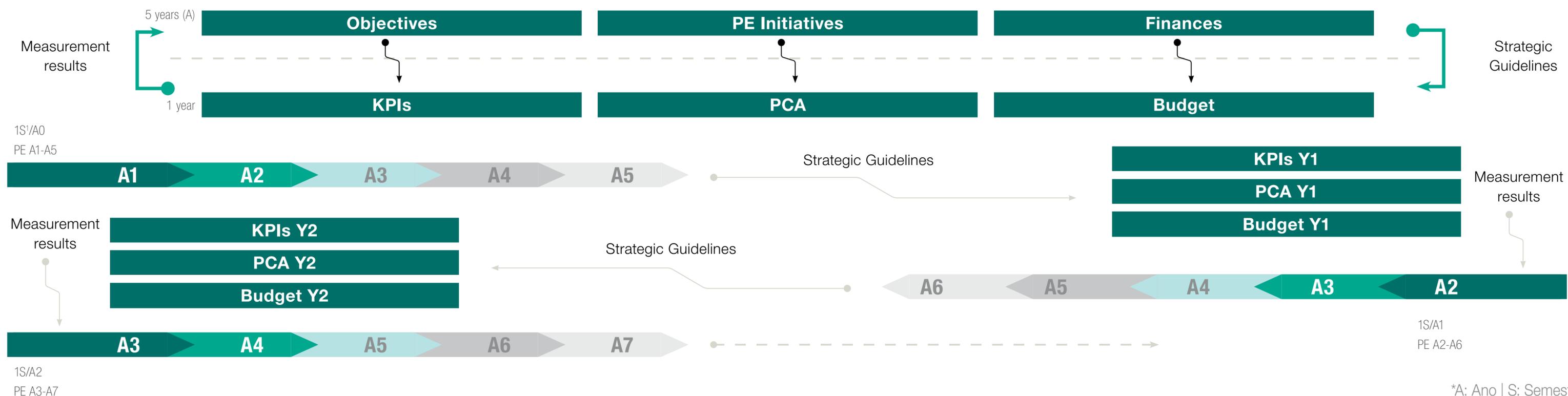
In the first edition, SGBH had the support of an external consultancy, which carried out the collection of impressions and necessary information about the context, perspectives of the Brazilian electricity market, business opportunities and expectations about SGBH'

performance in a five-year horizon. This process of reflection on the business had the direct participation of shareholders, in an environment of collaboration, trust and maturing of the relationship between SGBH and SGID.

Based on these inputs, the Steering Committee with its main executives defined the Strategic Planning based on the mapping of opportunities for organic growth, potential for innovation in new businesses and a deepening of ESG aspects. Based on its strategic guidelines, the SP supported the elaboration of the **Comprehensive Corporate Plan (PCA)**, the budget and the strategic

indicators in people, operations, customers and finance. In addition to the Corporate level, for wide dissemination in the Company, the SP was broken down into 7 Strategic Sub-plans in **Technology and Innovation, Project Management, O&M, UHV, ESG, IT and Solutions.**

As a result of the intense work of our teams, we now have a relevant reference for the company's actions, provided with the medium and long-term vision that permeates SGBH's culture.



Internal policies and regulations

GRI 2-23, 2-24, 2-27

Currently, SGBH has eight policies to guide business in a sustainable manner. In this sense, we highlight the launch of the Environmental Policy, in February 2022.

Revisions to internal instruments are made by the specialist committee that adheres to the theme, and are subsequently submitted for analysis and approval by the SMC. These apply to all employees of SGBH, its subsidiaries and affiliates, and are disseminated internally through communications and, whenever necessary, through awareness training. The responsible conduct established in our policies and guidelines, and expected from our employees and partners, are incorporated into operational activities and commercial relationships through contractual clauses.

As a result of this update and awareness work, we did not record any occurrence of significant cases of non-compliance⁴ in 2022.

Internal Controls

Internal control ensures that processes are systemic, auditable and periodically reviewed, contributing to the excellence of our services. Thus, we monitor the flow of financial, operational and legal information at all levels, being able to identify, mitigate and monitor corporate risks. In order to guarantee broad transparency and agility in processes and controls, in 2022 we reviewed the matrices of internal controls and procedures according to the best governance practices, which will make up our portal.

LGPD

Supported by a Data Protection and Privacy Policy, in 2022, we adapted our website and implemented measures to adapt to the General Data Protection Law (LGPD) in order to guarantee the security of personal and sensitive data.

APPROVED IN 2022 (FIRST VERSION)

Environment Policy;
Privacy and Data Protection Policy.

REVISED IN 2022

Corporate Document Management Policy;
Information Security Policy;
Committee Management Policy.

⁴ Significant cases of non-compliance are defined by the criterion of severity of the impact resulting from the occurrence in mitigation value above BRL 5 million.



Risk Management

GRI 2-12, 2-13, 403-3, 403-7, 409-1, 413-2

We act in an integrated manner to achieve efficient and effective results. In this sense, risk management is one of the most relevant issues in our corporate governance and permeates everything from the preparation of projects to the operation and maintenance of equipment, facilities and work processes.

We have a dedicated area, with the premise of maintaining the capacity of our infrastructure to operate according to demanding quality standards, aiming at the safety of employees and local communities and the environment conservation. To this end, we identify, evaluate, treat and monitor the technical and administrative risks arising from our activities and processes.

We use the internal standard (Risk Management Rule) to classify risks into a seven-pillar matrix: Strategic, Reputational, Financial, Operational, Environmental, Legal and Regulatory. The matrix is revised on an annual basis, based on data from observation, interviews and internal and external risk analysis. Subsequently, we assess the potential impact and probability of occurrence of these risks qualitatively.

Risks classified as priority are treated on a preventive basis, and those responsible are asked to prepare mitigating

action plans, with identification and periodic monitoring of risk indicators, the KRI (Key Risk Indicators), which serve as a criterion for reviewing the action plans. Then, in order to ensure the execution of internal mitigation controls, we relate the previously identified risk factors to the internal operational processes. In order to improve our controls, we use references of good market practices and identify improvement alternatives, which are incorporated into the planning of specific areas for their proper implementation. As a last activity, an internal audit is carried out to test the effectiveness of internal controls, and a report with recommendations and results is prepared. This report subsidizes a new risk management analysis cycle.

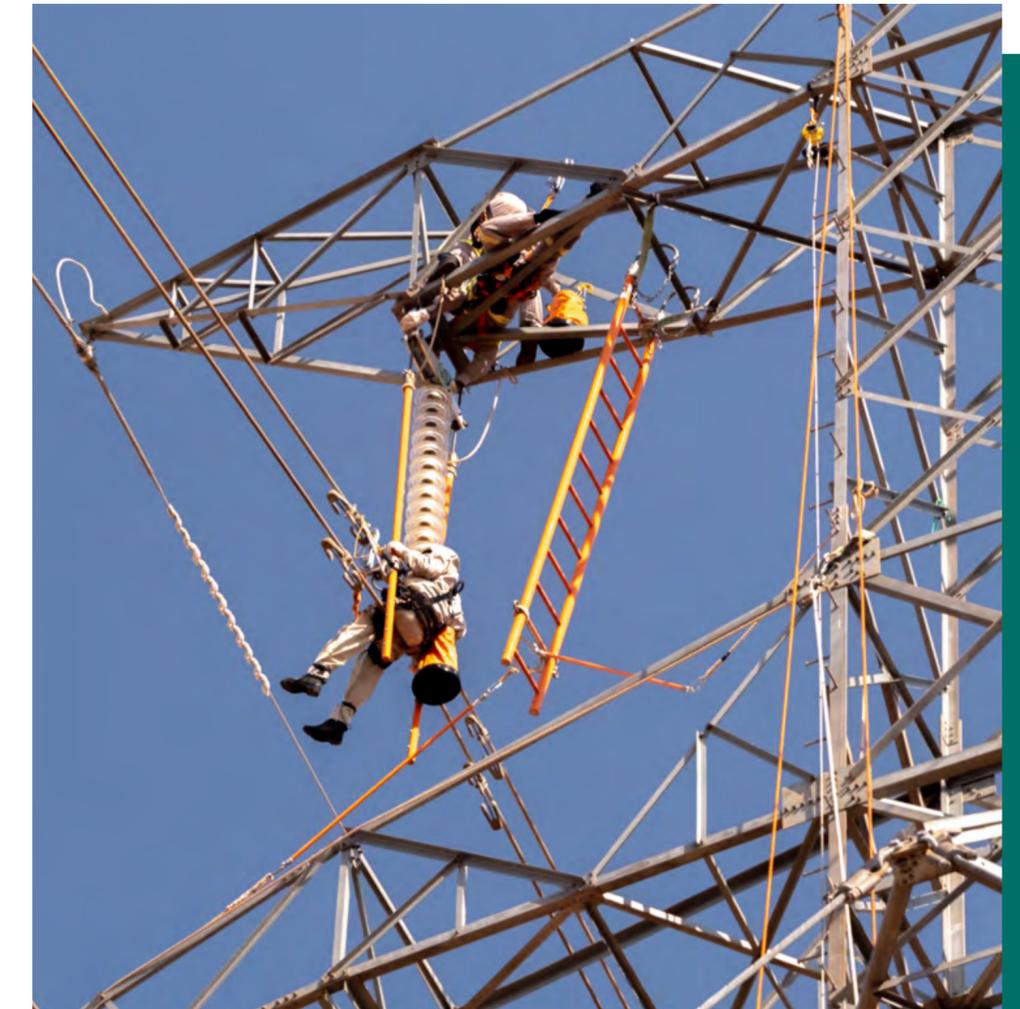
With the purpose of offering an integrated vision and standardizing the approach, these activities follow the 'Risk Management Rule', defined based on good international practices.

Conducting these activities is the responsibility of the Risk Management, Compliance and Internal Audit Committee (RCA Committee), SMC's advisory body, which guides and recommends the appropriate actions to be taken.

The control and mitigation plans are the responsibility of the administrative and operational areas, with environmental, social, health and safety issues dealt with by the HSE Department, which reports to the Vice-presidency; Economic issues are dealt with by the Finance Department,

which reports to the Chairman. The SMC monitors the evolution of this management in periodic meetings with leaders and managers.

In the long-term risk management vision, the corporate risks were mapped by the executives and the operational areas and, in 2023, the main risks will be evaluated, handled and monitored.



ETHICS, TRANSPARENCY AND COMPLIANCE

GRI 2-16, 2-26, 205-2, 205-3

Our ethics and compliance practices are expressed in the Code of Ethics and Conduct, existing since 2020. The document presents our commitment to respect local and international legislation, as well as our corporate values of establishing relationships based on integrity, dialogue and transparency with all stakeholders. As a measure of professional recycling and awareness, in an annual basis, all employees formally sign and agree to practice the premises provided for in the Code of Ethics.

In order to centralize the management of the theme, in 2022, we created the Risk, Compliance and Internal Audit (RCA) department. Due to its strategic nature linked to the Company's reputation, this division reports directly to our Chairman. This new area allowed for a leap in quality in the work model, with the definition of internal standards and methodologies. In addition, progress was made towards the future creation of a Governance Portal, a platform that will consolidate corporate documentation and increase transparency in governance.

In 2022, SGBH was not involved in any cases of corruption, nor were any penalties or disciplinary measures associated with the matter applied.

Dissemination

As a measure to internally disseminate the practice of ethical conduct and compliance, face-to-face classes are offered, for both corporate headquarters and regional teams; online training and monthly compliance pills on current topics are disseminated by email, such as data protection and privacy, diversity and inclusion and prevention of moral harassment in the workplace. In 2022, communication actions reached **430 professionals**, among 344 technical and engineering employees, 35 coordinators, 33 managers, 14 directors and 4 members of corporate governance; Compliance training was offered to 100% of the employees, of different functional positions, with attendance by 3 members of the governance body. The new employees were given the courses as part of the integration process in the company.

Ethics Channel

The Compliance Division also monitors the reports received on the Ethics Channel. This important channel is managed by an independent third party, which analyzes the content of the reports and, when substantiated, forwards them to the Compliance Division, which conducts all investigations in confidence and reports them to the Ethics Committee. Cases of critical concerns are taken to the Senior Management Committee, the highest governance body. In 2022, no concerns critical to the Company's business were identified.

ETHICS CHANNEL

24 hours a day

Available in Portuguese and English

0800 800 8068

 www.contatoseguro.com.br/stategrid

The secrecy and confidentiality of whistleblower, accused and witness information is preserved.

Institutional relationships

GRI 2-23, 2-28

SGBH's relationship with external regulatory bodies is governed by an internal rule developed to ensure a centralized communication flow, the Regulatory Management Rule, with the regulatory division of the Business Development area responsible for interactions, especially with the Ministry of Mines and Energy (MME), ANEEL and Energy Research Company (EPE). Communication with ANEEL has a dedicated email address for receiving official letters, in order to maintain a more direct channel between the Company and the Agency.

As for its activities in sectoral associations, SGBH is a member of the Brazilian Association of Electricity Transmission Companies (ABRATE) and the Brazilian Association of Infrastructure and Base Industries (ABDIB), in addition to being part of the Brazilian Association of Business Communication (ABERJE), Brazilian Center for International Relations (CEBRI), Brazilian Institute of Investor Relations (IBRI) and Council on Telecommunications Technologies and Automation for Utilities in Latin America (UTCAL).

ABRATE

At ABRATE, participation encompasses both the General Assembly and the Board of Directors, the latter represented by Ramon Haddad as Vice-President of this board. We also act on specific working committees, such as the Regulatory Committee, Expansion Committee, Legal Committee and R&D Committee, among others. We actively participate in cases of interest to transmission companies, proposing positions, contributions, strategies, processes and specific actions with regulatory bodies and other agents.

ABDIB

At ABDIB, we actively participate in the Transmission Committee, providing diverse contributions in the discussions and works proposed by the association.

UN Global Compact Brazil Network

We are part of the United Nations (UN) Global Compact Brazil Network, with active participation in the Platforms for Action on Human Rights, Climate, Anti-Corruption and Communication and Engagement.

SIGNATORY OF THE GLOBAL COMPACT

In mid-2022, we took another big and significant step in the ESG journey: we signed the UN Global Compact. In this way, we demonstrate that, far beyond operational safety, our commitments incorporate environmental, sustainability and governance practices.

With this, we will be increasingly aligned with achieving the Sustainable Development Goals (SDGs), defined in the UN 2030 Agenda, materializing the corporate objective of transmitting energy in a sustainable way and through transparent conduct.

Thus, we will continue to generate value not only for the business, but for society as a whole.



STATE GRID
 BRAZIL HOLDING S.A.
 国家电网巴西控股公司

PEOPLE AND RELATIONSHIP

ANEEL Social and Sectorial Dimension

Related Capitals



SOCIAL
 Capital



HUMAN
 Capital



FINANCIAL
 Capital



OUR EMPLOYEES

GRI 2-7, 2-8, 2-30

We are more than 800 professionals dedicated to ensuring the quality of energy transmission services with attention to individual safety and committed to responsibility for the health and safety of the teams and the community where we operate.

		Region of Brazil				Gender	
		Mid-West	Northeast	North	Southeast	Men	Women
	Total	202	28	69	543	667 (79%)	175 (21%)
Contrato de trabalho*	Permanente	202	28	69	518	662	155
	Temporário	0	0	0	25	5	20
Tipo de emprego	Integral	202	28	69	522	664	157
	Meio período	0	0	0	21	3	18

* Temporary employees have a fixed-term contract. Outsourced workers were not accounted for, as they are managed in a decentralized manner between the company's areas.

Check the internal social indicators in Annex 8 and the Social Balance of the concessionaires in Annex 9

Note: In Annex 8, data refer to employees of companies regulated by ANEEL.

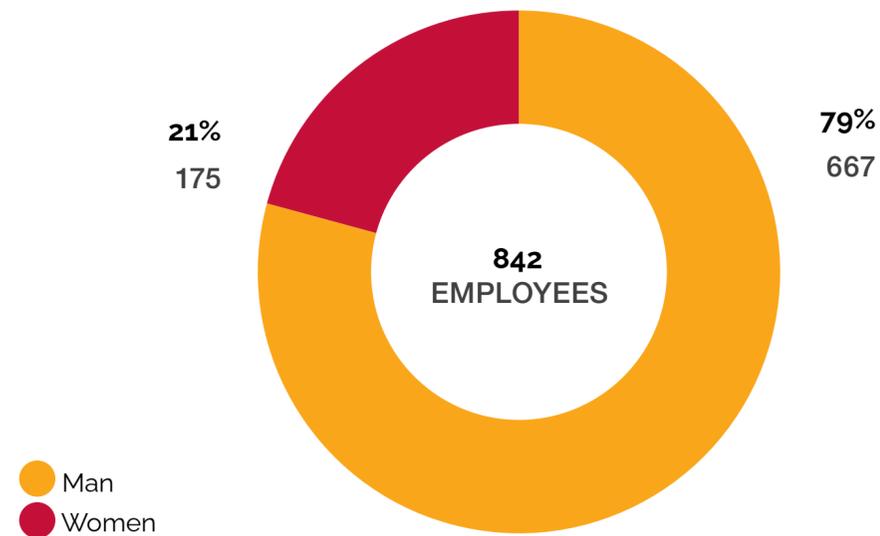


In 2022, we totaled **842 employees** working in several regions of the country: 65% are located in the Southeast, 24% in the Midwest, 8% in the North and 3% in the Northeast region. In terms of contractual relationship, 97% of the employees are a permanent part of our staff and 98% work full time. All direct employees under the full-time CLT regime (96.2%) are covered by the clauses of collective bargaining agreements.

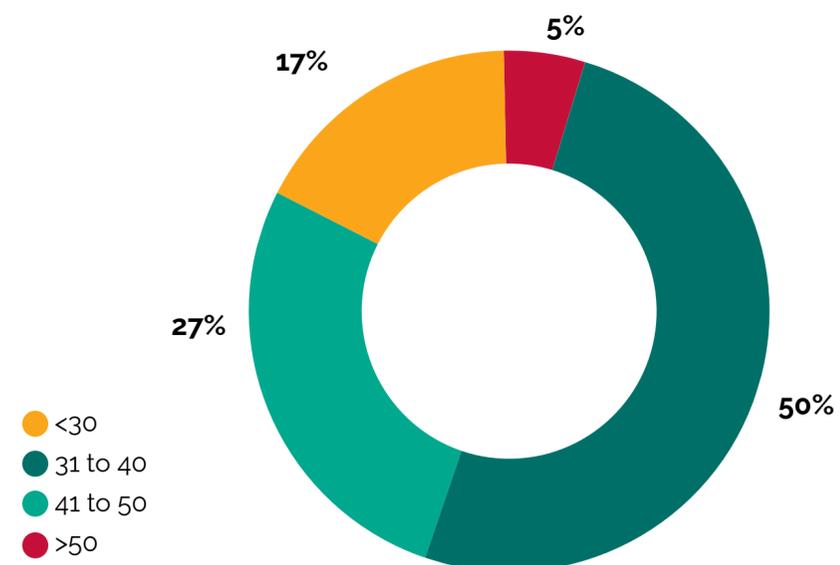
In the employees diversity analysis, we are 667 men (79%) and 175 women (21%), of which 38% are black or brown. The presence of women in managerial positions was on average at 28% (range from 0% to 80% per concessionaire) and black or brown people at 12% (range from 0% to 60% per concessionaire). By age group, 77% are between 31 and 50 years of age.

By education level, 45% of employees completed elementary or high school, while 38% went to university and 17% have a graduate degree. In 2022, we invested BRL 2.83 million in the professional development and education of our employees.

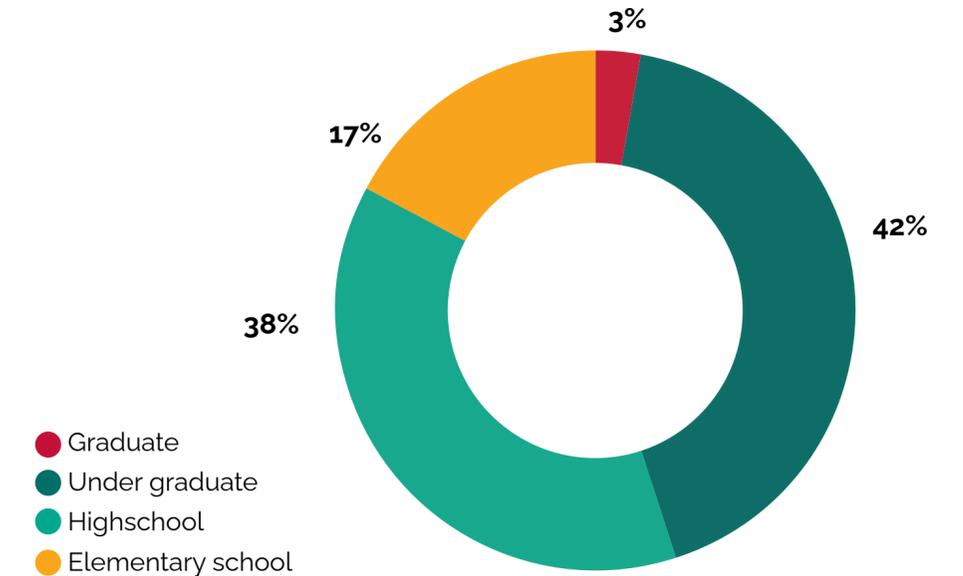
TOTAL EMPLOYEES AND THEIR DISTRIBUTION BY GENDER



AGE RANGE



EDUCATION LEVEL



RETENTION AND ATTRACTION

GRI 405-2

The quality and efficiency of our services depends on qualified and trained professionals. In addition to ongoing qualification of our field teams, we give priority to internal transfers and recruitment, seeking to retain our talents who may be interested in moving between the different regions of the country in which we operate.

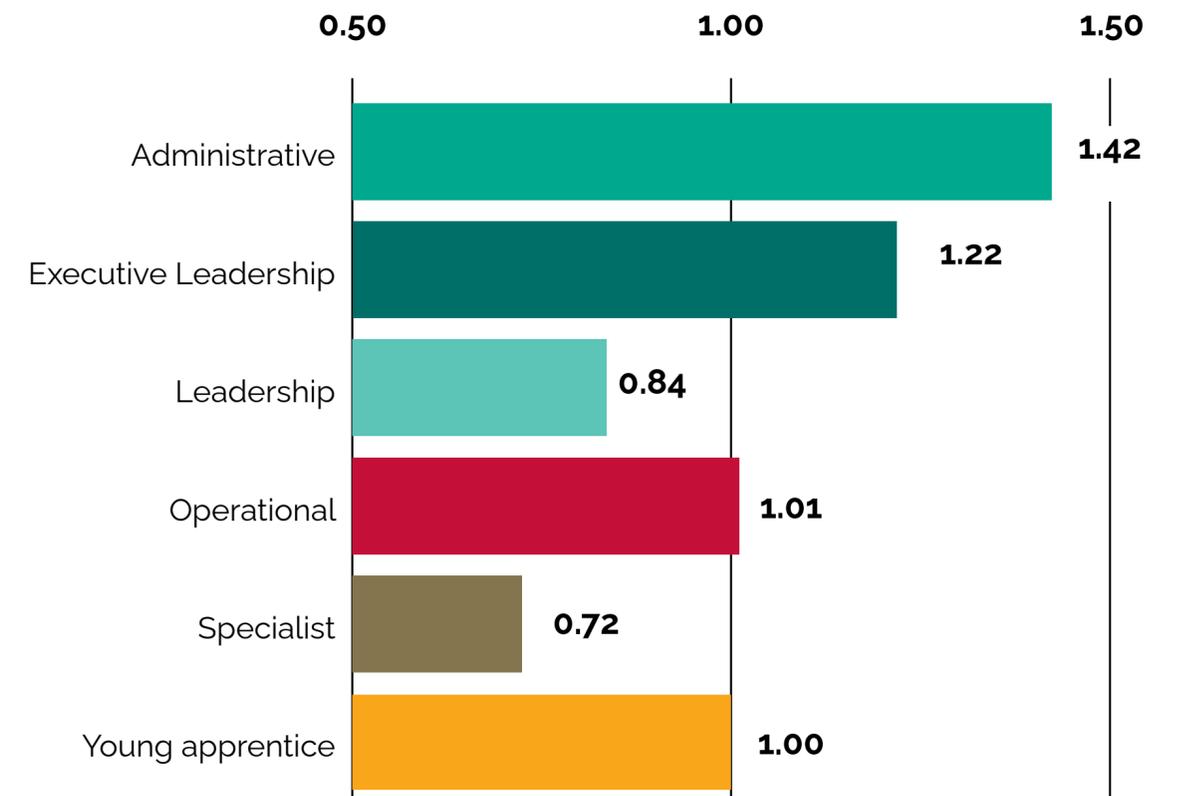
In 2022, we had dozens of job openings, an indicator that we grew solidly even during the Coronavirus pandemic. We had an average turnover rate of 12% (0% to 35% per concessionaire), and in order to improve the ability to retain and attract qualified professionals and encourage professional development, we periodically update the positions and salaries program, with research on market practices, review of functional frameworks and definition of performance evaluation criteria.



In preparing leaders in corporate teams, our goal is to create a succession plan and prepare our professionals to take on sensitive positions for the company in the future. State Grid Leadership Program has already 3 editions, always focusing on promoting leadership alignment and interaction. In the 2022 edition, the concept of One State Grid was created (learn more on page 27).

The analysis of remuneration by gender in the region with the highest concentration of employees shows that the average earnings of women is similar to that of men in operational and young apprentice positions, lower in leadership and specialist positions and higher in administrative and executive leadership positions.

RATIO BETWEEN WOMEN'S AND MEN'S REMUNERATION BY FUNCTIONAL CATEGORY (SOUTHEA)



SKILLED AND QUALIFIED PROFESSIONALS

GRI 403-5, 403-7, 404-1

At SGBH, training is offered in four categories: essential (technical), leadership, language and educational incentives, in addition to training by areas and teams. Our field teams receive internal training on operational and maintenance procedures for systems that meet ONS requirements, in accordance with ANEEL-approved requirements.

In 2022, employees underwent an average of 43 hours of training on topics such as ethics and compliance, prevention of moral and sexual harassment, fighting fraud and corruption, conflict of interests and diversity and inclusion.

In Occupational Safety and Health, we follow basic training, such as first aid and accident prevention, and employees are trained in content aimed at working with power grids, in addition to specific training, such as:

- NR 10 - Electricity safety training
- NR 11/18 - Cargo Handling, Mooring, Moving
- NR 12/18 - Heavy machinery and equipment
- NR 12 - Crane / Electric Hoist Operation
- NR 20 - Flammable and Fuels
- NR 31 - Chemical Product Handling
- NR 33 - Confined space safety training
- NR 35 - Working at Height
- Rescue at height
- Basic Life Support (BLS)
- Defensive driving
- Off Road
- Rigging Planning
- Rigging for Safety Technician
- Accident Investigation Techniques
- Fauna Management (venomous animals, harmful insects, birds and nests)

Photo of the 2022 Leadership Program



We ensure respect for human rights and the banning of child, forced or compulsory labor in activities carried out by our direct and indirect collaborators, suppliers and partners.

PROFESSIONALS' HEALTH

GRI 403-1, 403-2, 403-3, 403-4, 403-6, 403-7, 403-8, 403-9, 403-10, EU 25

SGBH adopts the Occupational Safety and Health (OSH) Management system that encompasses all employees in the Operation and Maintenance (O&M) and Corporate areas, with internal requirements in addition to the legal requirements adopted in order to provide agility in routine activities and readiness to respond to emergency events. In the case of outsourced professionals in O&M and construction activities, inspection actions are carried out on the subject.

In our OSH routines, we monitor employee's health through occupational exams, vaccination records control and health indicators. We manage employees on leave, evaluate the company's health benefits and validate employees with temporary restrictions on some activity or the need to reallocate their functions. Due to our national operations, we monitor and control the contagion of Covid-19 and the incidence of endemic diseases, seeking to anticipate any possible outbreaks.

We ensure that employees are trained for the activities which they are responsible for, and that they work in appropriate conditions. When necessary, collective and individual protection equipment is used. If undesirable events occur (occupational incidents and/or illnesses), we monitor and analyze the event and carry out mitigation actions, according to a specific action plan.

In the good practices requirements, we have internal corporate policies, rules and procedures. Our OSH initiatives are focused on activities that represent the main risks for our teams, such as land travel, work performed at height, energized area and confined space. In order to minimize the operational risks of these activities, we are developing the OSH Digital Management System, the rejuvenation of the Behavioral Safety Program' (learn more on page 34), carrying out annual internal audits and inspecting works carried out by specialists.

OSH indicators in 2022

0

deaths from work-related injuries or health problems

0

cases of notifiable disease

1

accident with serious consequences (excluding deaths)

4

notifiable accidents without death

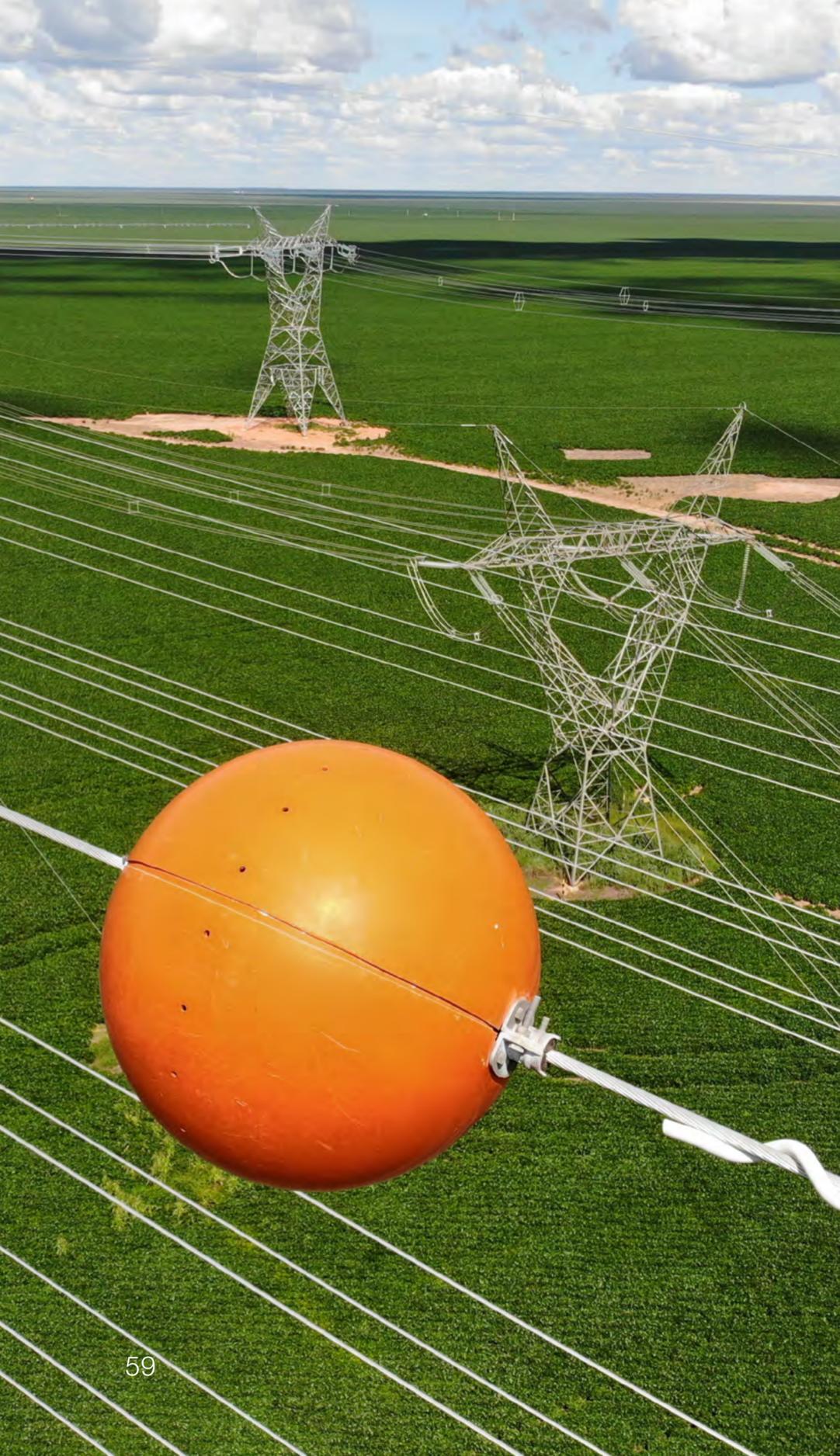
4

employees involved in accidents

Frequency rate 0.57

Severity rate: 49.9

NOTE: The rates consider accidents with serious consequences.



Focused on maintenance activities, we created the **Specific Work Plan (PET)**, which describes the stages of the activity, with risk assessments, step-by-step definition and indication of where the services will be performed.

By becoming aware of the risks to which they will be exposed in the activities they operate, employees adopt more conscious behaviors and make maintenance routines safer for everyone. We also adopted the Safety Stop tool, which allows employees to refuse a service when unsafe conditions are identified.

In 2022, accidents at work involving employees were related to falls from the same level and impact with tools or equipment; we had no records of accidents with outsourced workers and we are not involved in any judicial cases related to health and safety.

In the case of incidents, accidents or near misses, records are investigated, seeking continuous improvement. In less serious events, the investigation is conducted by occupational safety technicians; in more serious events, the occupational safety engineering team, together with the corporate OSH management lead the investigation process. Then, action plans are elaborated by consensus between the teams involved, which are executed by the local operational teams, under the supervision of the corporate OSH team.

We also carry out internal audits to mitigate any risks and create an action plan to improve routines. In cases of implementation of new projects and expansions, OSH inspection is carried out by a third party, under the supervision of the SGBH team.

Given the importance of the theme, the **Safety Committee** meets quarterly, when management and executives address the most relevant issues at the moment, analyze OSH results and indicators, and make strategic decisions for the health and safety of our professionals.

Our employees are constantly recycled on health and safety actions through corporate communications, campaigns, meetings of the Internal Commission on Accident Prevention (CIPA), safety training, emergency simulations and webinars.

Within the safety culture, a few years ago, SGBH created the **Vital Award** to recognize employees who stood out as safety agents, due to their careful conduct or for proposing innovations that add safety to operational routines. The award for **Best Vital Initiative** is granted in the following categories: Safe Behavior, **Safe Working Conditions and Safety System**. Legal and internal requirements are adopted to promote agility in routine and readiness to respond to emergency events.



During the Covid-19 pandemic, we adopted protection protocols for field teams, who needed to follow their routines and guarantee energy supply to the population.

Thinking about our teams as a whole, the company has a **wellness program** coordinated by the human resources area and supported by the health area. We provide nutrition programs, psychological support and sports programs.

Occupational Safety and Health Digital Management System

Applicable to all SGBH departments and divisions, the centralized Occupational Safety and Health (OSH) digital management system allows monitoring and improving decision-making within the Company's sustainable culture, as defined in the corporate policy on the subject.

We also highlight the following benefits: security in the storage of employees' sensitive data; remote accessibility to data, with restriction on access and control to enter and view information; optimization in managing resources and monitoring indicators.

Covid-19 preventive measures

GRI 403-3

In SGBH activities, the fight against the Covid-19 pandemic was strongly present in our employees' routine. Since 2020, we have established a dedicated Monitoring Committee with the mission of understanding the situation in the regions where we operate and ensuring preventive measures are taken so that people feel safe to work.

Among the actions for the face-to-face team, we carry out periodic testing, monitor the internal evolution of all registered cases, in addition to weekly monitoring cases and hospital availability in the locations where we operate. For corporate teams, we adopt the hybrid work model.

QUALIFIED SUPPLIERS

GRI 2-6, 408-1, 409-1

We cherish the long-term relationship with national and international companies. We currently have a Booklet for Suppliers and Business Partners, which disseminates our conduct and ethics values to our links in the value chain.

We want to recognize suppliers' good practices in the history maintained with SGBH, and therefore we are working on classification measures that will make excellent suppliers our preferred partners.

In addition, we understand that the interaction in the search for efficiency and better processes can bring gains for both parties. We identified improvement

opportunities in the purchasing and supply process, which was led by several areas of SGBH, with emphasis on the RCA, Administrative and Legal areas.

In order to mitigate risks in the supply chain, we adopted the guidelines of internal instruments, such as the Code of Ethics, and the analysis of the RCA area in purchases of relevant value.

In order to advance in the qualification of our suppliers, we are planning to offer training in the provision of specific services for the transmission segment in the near future. For the initiative to have a greater reach, we work in partnership with the Brazilian Association of Electric Energy Transmission Companies (Abrate).

1,675

direct suppliers

BRL 640.5 MM

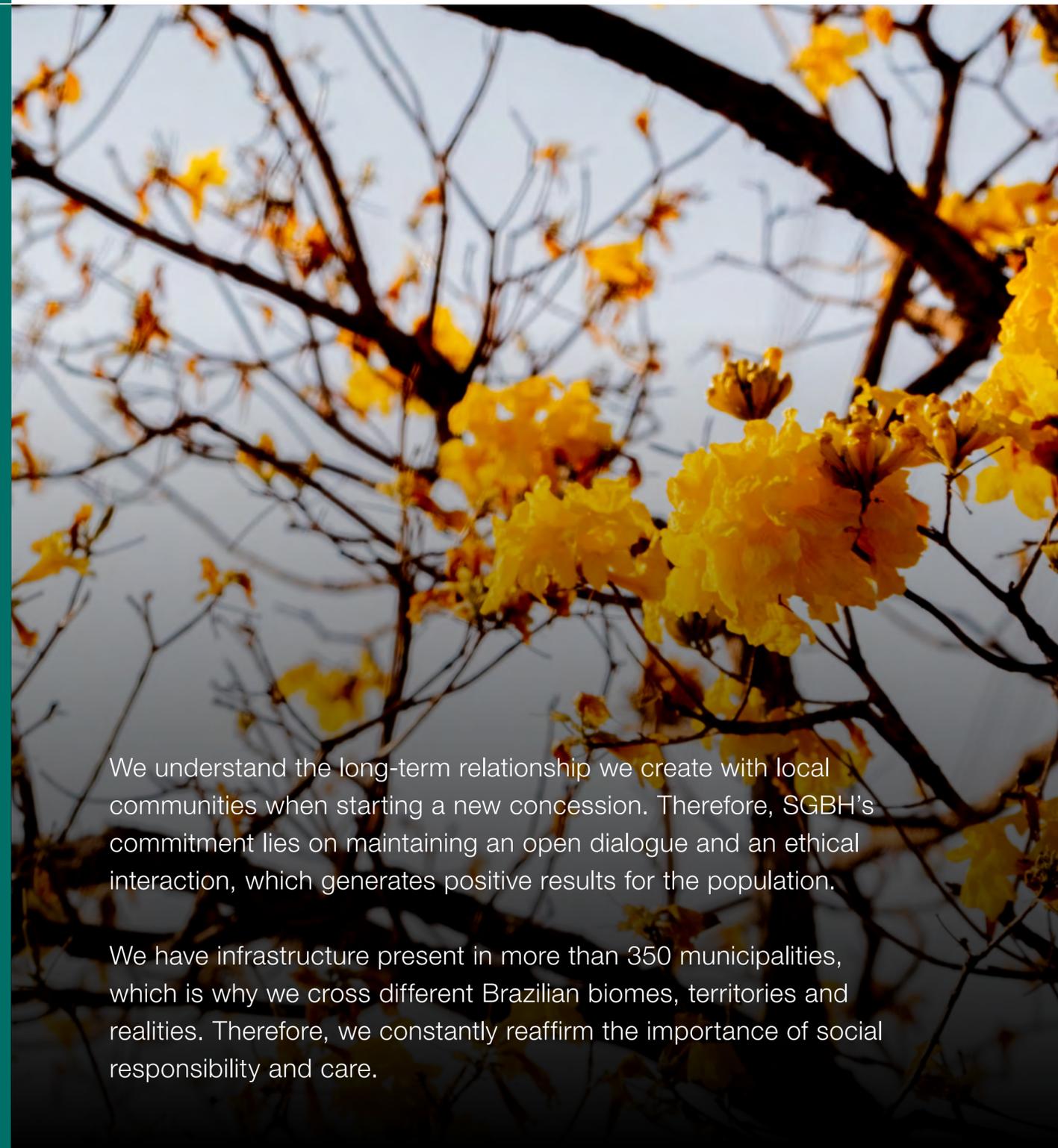
in expenses with direct suppliers in 2022



COMMUNITIES AND ENVIRONMENT

Aneel Environmental, Social and Sectorial Dimension

Related Capitals



We understand the long-term relationship we create with local communities when starting a new concession. Therefore, SGBH's commitment lies on maintaining an open dialogue and an ethical interaction, which generates positive results for the population.

We have infrastructure present in more than 350 municipalities, which is why we cross different Brazilian biomes, territories and realities. Therefore, we constantly reaffirm the importance of social responsibility and care.

POPULATION SAFETY

GRI 2-25, 413-1, G4-DMA (FORMER EU 21)

Our duty in acting directly with the local community impels us to carefully plan any installations carried out by SGBH, prioritizing technical maintenance choices aiming, from the licensing phase, to manage interferences on public and private properties.

Thus, in the stage of implementing operations, we identify and evaluate the properties, seek to build conciliatory agreements with the directly affected population, conduct land regularization and the appropriate definition of compensation in areas of administrative easement. Thus, we act to resignify the presence of power transmission lines.

During the infrastructure operation and maintenance phase, we remain in constant dialogue and seek to keep a relationship of mutual trust with the entire population, always with the premise of valuing heritage and respecting local cultures and traditions.

We always count on the partnership and continuous interaction between concessionaires and owners of properties crossed by the infrastructure to make the maintenance activities of the transmission lines and their access roads feasible.

We have Social Communication Programs aimed at providing information and clarifying doubts about the operation of transmission lines, in subjects such as electrical discharges, electromagnetic field, grounding of fences, permitted and prohibited uses in the administrative right of way and benefits from our performance in electric power transmission.

These practices are disseminated among all concessionaires controlled by SGBH, covering most of the communities where we operate. Manifestations received through the communication channels and Ombudsman are dealt with centrally by the Company's administrative area.

COMMUNITY CHANNELS

Emergencies

0800 942 0142 (toll free)

✉ sgbh.emergencias@stategrid.com.br

To clarify doubts, make requests or register manifestations, complaints and compliments.

Safety measures

Maintenance of grounding, insulation and sectioning of fences

The maintenance of grounding, insulation and sectioning of fences is carried out by systematic inspections of these structures, carried out by the operation & maintenance teams along the right of way, or in any other part of the property crossed by one of our transmission lines. All fences are properly grounded and insulated, any maintenance repairs are carried out periodically and insulators and ground rods are installed in new fences. Thus, we avoid accidents due to capacitive electrical inductions resulting from our operations.

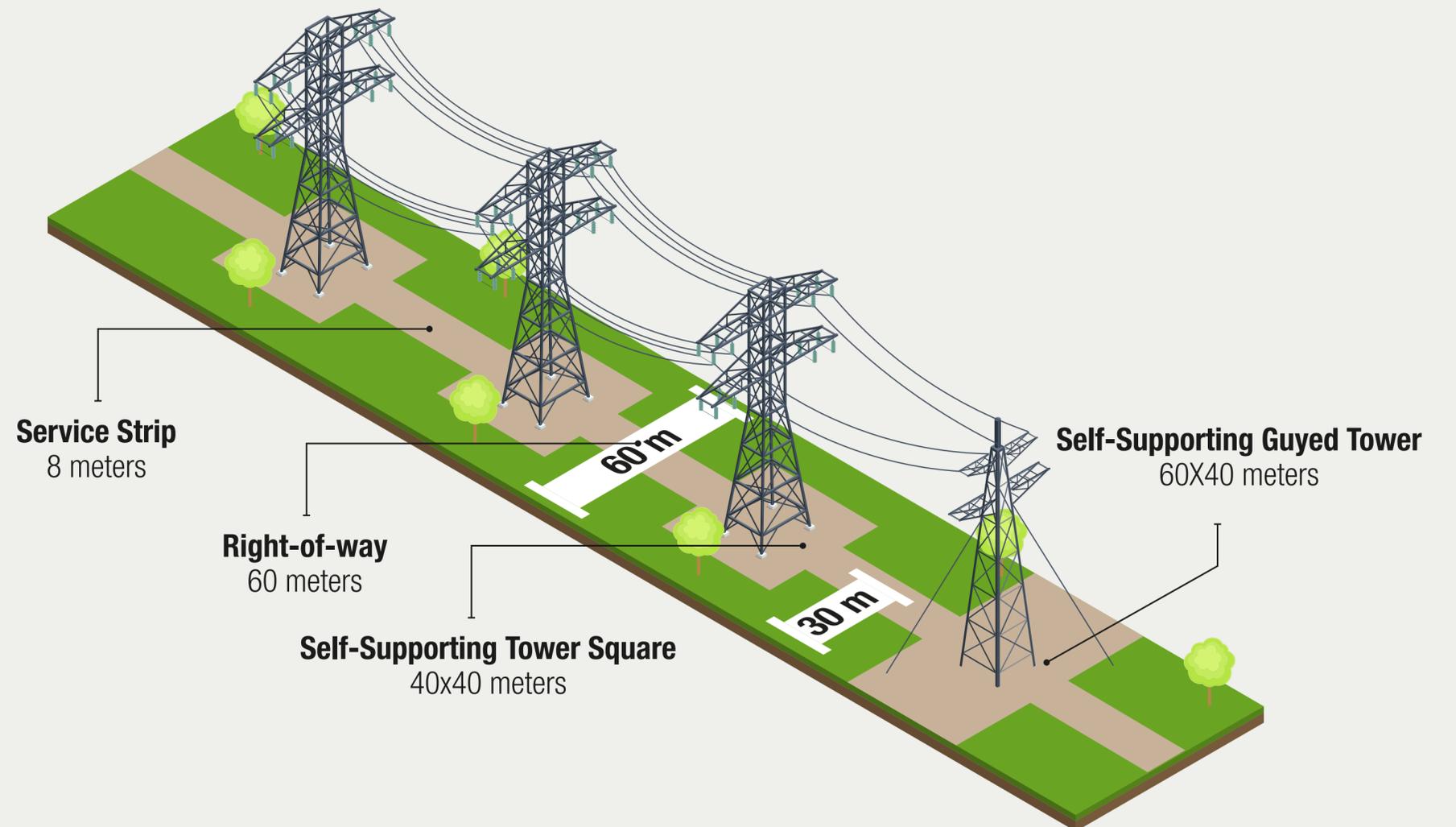
Substation Monitoring and Control

Complementary to the monitoring and control activities, we carry out the verification and maintenance of the substations' rainwater drainage systems. These actions allow the perfect functioning of the drainage system in precipitation events, guaranteeing the conditions for full operation of the transmission lines.

RIGHT OF WAY

They constitute relevant elements for guaranteeing the safety of the local population and the functioning of the transmission lines, and therefore there are restrictions on permitted uses. Authorized uses must be compatible with the function of these areas to carry high energy loads and with inspection and maintenance activities for transmission lines in operation.

Example right-of-way elements



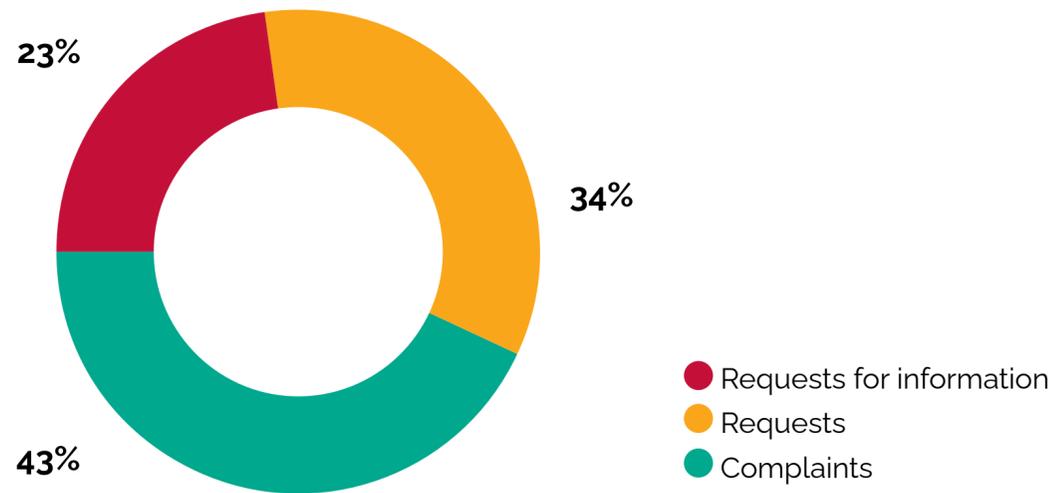
DIALOGUE WITH COMMUNITIES

GRI 411-1, G4-DMA (FORMER EU21)

SGBH's manifestation channels made aim to clarify doubts, make requests or register complaints and compliments. In 2022 **35 manifestations were received on the emergency channel**, most of which requests.

Information on accident prevention and warnings about the risks of proximity to transmission lines are disseminated through awareness channels.

As evidence of our good practices and conduct with local communities, no cases of violation of the rights of indigenous peoples were registered in 2022.



PUT OUT FIRE HAZARDS

Fires cause damage that goes beyond the serious lack of electricity supply. Fire damages crops, causes material losses, damages the environment, and leads to the death of people and animals. Protect yourself against this danger.

Forest fire prevention program (PPIF)
Fire on the line, damage to the population!
SAFE

NETWORK



<https://previnaincendiosgbh.com.br>

MALHADINHA QUILOMBOLA COMMUNITY

GRI 203-2

As a result of the environmental licensing of the XRTE concessionaire, Malhadinha Community and SGBH have been developing studies and activities together since 2015, through Quilombola Environmental Basic Program (PBAQ).

Over the years, the following activities have been carried out:

- Construction of the Fruit Pulp Processing Unit;
- Guidance for registering the unit with the Ministry of Agriculture, Livestock and Food Supply (MAPA);
- Acquisition of materials and inputs for the production of fruit pulp;
- Technical support in the operationalization of the unit (about 400 hours);
- Training of community members in production;
- Institutional articulation in the identification of consumers;
- Reform of living infrastructure.

Currently, the pulp unit is fully operational and has periodic technical support, with an investment of **BRL 44,712.80** in 2022. Between January and July 2022, 4.5 tons of pulp were produced – from various fruits, such as cajá, cashew, acerola and murici – and generated more than BRL 50 thousand for the community in 2022.



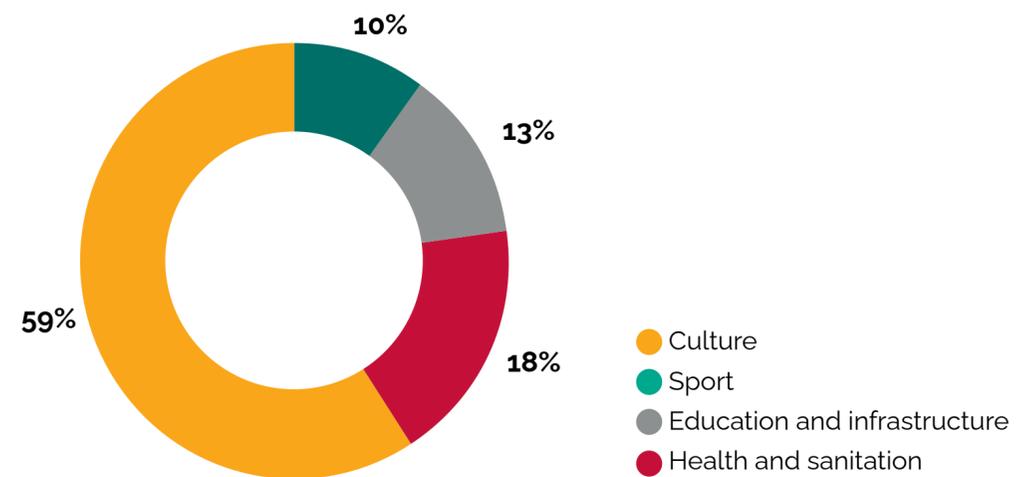
SOCIAL INVESTMENTS

GRI 203-1, 203-2

We can make a difference in people's lives. For this purpose, we invest our own and incentive resources in projects that promote the society where we operate in terms of job and income, culture, sports, health and education. We participated in a total of 11 projects or actions that value the population and place communities in the role of protagonists, seeking to implement mechanisms for the long-term continuity of the initiatives promoted. Incentivized projects within the scope of federal incentive laws are continuously supported by SGBH, which promotes internal engagement actions among its employees to also encourage volunteering.

In 2022, we invested over **BRL 2.5 million** in 11 social responsibility projects focused on culture, sport, health, education and infrastructure.

SOCIAL INVESTMENTS BY CATEGORY



Find out about our indicators in social actions and involvement in projects in Annex 10.



Culture⁵

Tomorrow's Tide Orchestra

SGBH has been investing in the Maré do Amanhã Orchestra since 2012. With about four thousand beneficiaries, the project offers classical music teaching in public schools for young people aged between 4 and 19 years old living in the Maré community in the State of Rio de Janeiro. In 2022, we invested **BRL 997,210.50**.



Garden of Life

Exhibited at Centro Cultural dos Correios, in Rio de Janeiro - RJ, the multimedia exhibition showed video samples of the riverside regions surrounding the city of Altamira and the delightful sounds of the Amazon rainforest. By the end of the year, we had invested **BRL 300,000.00**.



China - Tradition and Modernity

The exhibition presented, for the first time in Brazil and Latin America, a diverse, dynamic and above all contextualized collection of contemporary Chinese art. We invested a total of **BRL 200,000.00**.



⁵ Amounts invested in 2021 by the Culture Incentive Law and executed during the year 2022.

Sport⁶

Athlon Institute

The institution aims to turn dreams into reality through sport. To this end, it takes care of the physical, tactical and technical preparation of people with disabilities (physical, visual or intellectual) in various sport modalities. There are more than 150 athletes, between 16 and 46 years old, who receive training conditions to achieve high performance in Paralympic sports: Paralympic athletics, Paralympic swimming, goalball, sitting volleyball, Paralympic badminton, karate, chess, judo and para-cycling. In 2022, we invested **BRL 96,434.00**.



Tomorrow's Top Player

Founded in 2012, and with the support of SGBH since 2019, the project promotes comprehensive (physical, psychological and social) education and improves the quality of life of vulnerable children and adolescents through football. More than 400 children and their families in São Gonçalo/RJ are benefited. By the end of the year, we had invested **BRL 80,000.00**.



Tennis Network Institute

The institution's objective is to promote Brazilian tennis, developing athletes and coaches, investing in the sport, from introducing the modality in public schools to training outstanding athletes worldwide. To help implement the actions, the project has a network of gyms and partner centers throughout Brazil.

With an investment of **BRL 80,000.00**, we supported the creation of two training centers, in the city of Itumbiara-GO and in Rio de Janeiro-RJ. In each of these spaces, around 200 children will receive free classes and educational complementation.



⁶ Amounts invested in 2022 by the Sport Incentive Law

Health⁷

Hospital of Love

Founded in 1962, Hospital de Amor (Hospital do Câncer de Barretos) is a reference in Latin America for the treatment and fight against cancer. More than 3,500 consultations are carried out 100% free of charge per day, serving patients from all over Brazil. In order to make the service feasible in amounts practiced by the Brazilian Unified Health System (SUS), the hospital uses the incentive law to cover maintenance expenses, purchase of equipment and professionals' fees.

All in addition to assisting cancer patients, it also carries out preventive actions, promoting the development of studies and research. SGBH, which has supported the hospital since 2014, totaled **BRL 190,000.00** invested in 2022.



Little Prince Hospital

We have been supporting Hospital Pequeno Príncipe, which is the largest pediatric hospital in Brazil, since 2015. Located in Curitiba - PR, it provides up to 70% of its capacity for SUS care and annually performs more than 300,000 medical consultations, 900,000 exams, 21,000 surgeries and 250 transplants in children and adolescents across the country. In 2022, we invested **BRL 159,372.00**.



Lazzarini Foundation

Located in Batatais - SP, since 2003 the foundation has been developing education, culture, sports and professional qualification actions aimed at children and adolescents. With the objective of reducing urban violence, drug trafficking, lack of job opportunities and relationship problems in their social groups, the project assists more than 200 children and their families.

Recently, the institution expanded its facilities and has a nursery, school and a space for environmental education. We invested a total of **BRL 96,434.00**.



⁷ Amounts invested in 2022 by the Incentive Law - Funds for the Elderly, Children and Adolescents.

Education and Infrastructure⁸

Cais do Valongo

Project for the intervention, preservation, conservation and enhancement of the archeological and historic site Cais do Valongo. Titled Cultural World Heritage by UNESCO in 2017 and listed by Iphan in 2011, the project promotes the socialization of its surroundings and the national and international re-signification of the space. In order to enhance the physical space, civil works are planned for the installation of security lighting and lighting for presentation spaces, heritage signage for museographic purposes and the presence of guardrails in line with international standards for historic sites. Cais do Valongo carries out public communication and dissemination actions, as well as an educational program that involved around 223 participants, of which 78% are education professionals. We invested **BRL 71.476,00** in this project in 2022.



Casa de Ciência de Minduri (CEPEM)

The space seeks to offer conditions for economic and social development in Minduri-MG, and to this end, it will offer various courses in science, education and culture. SGBH project contributes to CEPEM renovation and the acquisition of equipment for the Experiment, Audiovisual and Computer Laboratory rooms, as well as offering training courses for 24 months. In addition, the surroundings of the CEPEM area are being reforested. We invested **BRL 259,307.00** in 2022.



⁸ Amounts invested in 2022 by the Corporate Social Investment Line (ISE) of the Brazilian Development Bank (BNDES).

BIODIVERSITY CONSERVATION

GRI 2-25, 304-2, 304-3, G4-EN12 | GB 4

The installation, operation and maintenance of transmission lines implies interference in areas of various land uses and occupations, urban and rural, and especially protected areas, such as indigenous lands and traditional communities. For each physical, social or environmental impact, programs, plans and procedures are proposed with reduction, mitigation and compensation actions. In 2022, our results reflected our commitments to mitigating possible negative impacts on the environment.

SGBH Environment Division is internally subdivided into eight areas of action:

- Legal Reserves and Reforestation Programs;
- Recovery of Degraded Areas;
- Prevention of Forest Fires;
- Environmental compensation;

- Environmental Management of Operation and Implementation;
- Renewal of Environmental Licenses;
- Waste Disposal - Solid Waste Management and
- Environmental licensing.

Among the main negative impacts, either real or potential, of our activities on the intercepted local communities, the first impact identified is the emergence or evolution of erosion processes in the areas surrounding the transmission towers or on the roads accessing them. In this sense, we promote the Monitoring Program for Erosive Processes and Recovery of Degraded Areas for periodic monitoring and adoption of measures to correct, prevent and contain both the emergence and the evolution of erosion processes that may jeopardize the integrity and functioning of our assets or affect the surrounding population. Thus, we guarantee operational safety and adequate environmental conditions.

A second impact concerns the risk of electric shocks in new fences built by owners. Through engagement actions of the Social Communication Programs, we alert owners on the importance of periodic technical inspections and we make ourselves available to evaluate the grounding and sectioning of newly installed fences to prevent electrical shock events from occurring.

The third factor is the removal of vegetation, a procedure present in most of our activities, whether for the construction or access to infrastructure, which involves mapping, assessments and authorizations necessary for an environmentally appropriate execution of selective vegetation removal, which we practice with with the objective of preventing habitat fragmentation.

No community resettlement or impact with mandatory programs for the preservation or rescue of local cultural identity.

During the operation, over the 10,196 km of transmission networks, we took due care in maintaining safety distances between the power cables and the canopy of vegetation, avoiding risks of contact between the lines and the treetops. In order to mitigate this impact, which is intrinsic to our activities, we implemented the Forestry Replacement Program to restore the vegetation in deforested areas, choosing species native to the region. We are also maintainers of replacement areas, part of the environmental licensing commitment.

Learn more about our environmental performance indicators in Annexes 11, 12 and 13.

Investments in Environmental Licensing projects

In the activities we carry out related to the Environmental Licensing of the concessionaires, we promote actions compatible with the social, economic and environmental aspects of each location where we operate.

We develop these programs based on the principle of precaution, ethics and environmental responsibility, understanding them as part of our care and commitment to communities, civil society representatives, shareholders and regulatory agencies.

In 2022, we invested BRL 14.56 million in several activities related to the environmental licensing conditions of the concessionaires.

In addition to financial resources allocated to the programs mentioned as the three main negative impacts - Program for Monitoring Erosive Processes and Recovery of Degraded Areas, Forest Replacement and Vegetation Suppression - the activities also involved Environmental Management programs, Solid Waste and Effluent Management, and Social Communication and Forest Fires Prevention.



Selective Cutting

The selective cutting of previously selected tree individuals in an area of native vegetation makes it possible to minimize the impacts on the area and avoid changing the soil use and occupation. The practice is carried out annually, according to the preventive inspection guideline carried out by the O&M teams. SGBH's transmission lines are inspected along their entire length, with visits to spans and sections of the right-of-way to identify possible interferences in the safety distance between cables and the ground or between cables and the vegetation canopy. In addition, fall of tree individuals on transmission line structures is projected. After careful mapping, the selective cuttings are carried out in accordance with the technical standards in effect, guidelines from environmental agencies and in full compliance with the environmental license's requirements. In case the suppression is carried out by third parties, we communicate to IBAMA and other responsible bodies so that the appropriate measures can be taken.

The main environmental restrictions for vegetation suppression (adapted from ABNT NBR 5.422):

- Prohibition of indiscriminate pruning or cutting of trees, preserving all individuals whose height does not exceed the minimum required distance from the cables;
- Need to demarcate the individuals to be cut, using the individual selective cutting method, avoiding damage to other individuals at the time of the fall;
- Prohibition of burning in any cleaning or maintenance activity.



ENVIRONMENTAL MANAGEMENT

We present the main initiatives developed in 2022 to reduce the consumption of natural resources and mitigate the negative environmental impacts resulting from our activities.

Learn more about natural resource consumption indicators and waste and effluent management in Annex 11.

Climate change

GRI 305-1, 305-2, 305-3, 305-4

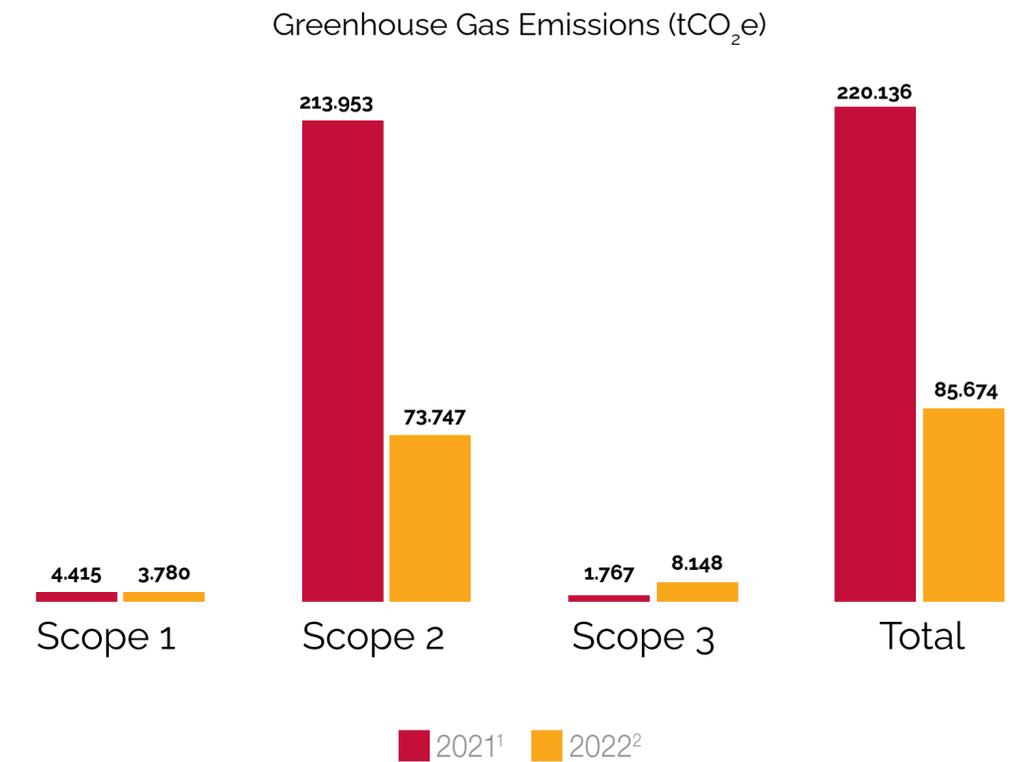
The year 2022 represented a major evolution in SGBH's climate change strategy. For the first time, we conducted the 2021 and 2022 greenhouse gas emissions inventory based on the specifications of NBR ISO 14064, the Brazilian GHG Protocol Program, and guidelines published by the Intergovernmental Panel on Climate Change (IPCC) in 2006. Both inventories were prepared using the operational control approach and verified by an independent third party, ensuring both the quality of the methodology and the results obtained.

Scope 1, referring to our own emissions, remained stable, and scope 3, referring to indirect emissions, showed a significant increase due to the projects that started to be implemented in 2022, such as Silvânia Transmissora de Energia. On the other hand, we identified a significant reduction in scope 2, due to the change in the energy generation scenario in the country, which enabled a higher use of renewable energy and less use of thermoelectric plants, decreasing the emission factor of the National Interconnected System - SIN and, consequently, our emissions related to this scope.

The results of the study show that by the end of 2022, we identified a 61% reduction in total GHG emissions compared to the same period of the previous year.

Understanding our main sources of emissions was the first step in a long journey to reduce our emissions through effective mitigation measures. We are currently already investing in maintenance and efficiency projects to reduce emissions over the years.

ANNUAL GREENHOUSE GAS EMISSIONS



¹ Emission of 1,591.59 tCO₂e renewable in scope 1 and 144.41 tCO₂e renewable in scope 3.

² Emission of 27,813.52 tCO₂e renewable in scope 1 and 229.85 tCO₂e renewable in scope 3.

Energy

GRI 302-1

Operational activities use energy mainly in the consumption of fuel to transport teams and use equipment to maintain the transmission lines. In 2022, 22.5 thousand GJ were consumed, 69% in diesel and 31% in gasoline, a 32% increase compared to 2021*.

In terms of electricity, 2.15 GWh were consumed at the headquarters in Rio de Janeiro-RJ (Rio Tower), an increase of about 16% compared to 2021, when 1.85 GWh were consumed. This increase is justified by the return of face-to-face activities, which was made possible by the evolution of the Covid-19 pandemic and the adoption of preventive measures.



¹⁰ The energy consumption data in 2021 are disclosed here in correction to the value published in the 2021 Sustainability Report.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (GJ)

		2021	2022
Non-renewable fuels	Acetylene	0,40	0,04
	Diesel	11.273,69	15.525,91
	Gasoline	5.753,38	6.969,39
	Liquefied petroleum gas (LPG)	20,35	16,60
Renewable fuels	Ethanol	14,16	14,34
Purchased Energy	Electricity	6.294.185,26	6.205.040,11
TOTAL		6.311.247,24	6.227.566,39

ENERGY CONSUMPTION OUTSIDE THE ORGANIZATION (GJ)

		2021	2022
Non-renewable fuels	Diesel	1.485,74	18.077,02
	Gasoline	5.721,46	5.028,63
	Aviation kerosene	5.747,03	6.558,53
Purchased Energy	Electricity	17,36	377,80
Petrochemical industry inputs and products	Lubrificant	2,06	0,26
	Asphalt (ICE)	-	1,29
Inputs for civil construction	Cement CP V	336,20	12.673,16
	Concrete	2.718,22	26.983,09
TOTAL		16.028,07	69.699,78

Waste

GRI 306-1, 306-2, 306-3, 306-4, 306-5

The guidelines for waste management are established by the Solid Waste and Effluent Management Program (PGRSE), in compliance with current environmental legislation and good management practices to avoid soil contamination, air or water pollution and the risks associated to the population's health and quality of life. We also invest in training employees to reduce the amount of waste generated and dispose it of properly, with periodic training on segregation, temporary storage, transport and final disposal appropriate from an economic and environmental point of view.

For waste monitoring and management, we compile the amount generated, per operating unit, in the Waste Generation and Disposal Inventory, with a description from the generation process to the type of final disposal. We also have a Waste Transport Manifest Control, with classifications in accordance with applicable rules and legislation, duly registered with the competent bodies.

We identified temporary storage as the greatest potential impact, as we operate in locations far from urban centers, and sometimes, lacking companies that adequately provide this service. To minimize the risks associated with the units with the highest generation, we provide temporary storage bays or deposits for the storage of hazardous and non-hazardous waste.

TYPES OF WASTE GENERATED	t
Total	140.05
Hazardous waste	4.64
Non-hazardous waste	135.41

In the case of hazardous waste, the potential impacts are possible oil (mineral, fuel and lubricant) leaks or spills in substations, as this residue accounted for 82% of hazardous waste in 2022.

In the event of an eventual occurrence, the teams are prepared to promptly minimize them and minimize the impacts on the environment and the population.

In the case of recyclable and non-recyclable waste generated in administrative activities, these are segregated, classified, packaged and sent to the selective collection service. In places with a waste bay structure, recyclables are temporarily stored for later disposal at partner recycling cooperatives, reducing the volumes sent to landfills. In this way, all waste is disposed of or processed off-site.

WASTE DIVERTED FROM DISPOSAL

Total	19.42
Hazardous to reuse	3.74
Hazardous to reuse	0.00
Non-hazardous to recycling	15.88
Non-hazardous to other recovery operations	0.00

WASTE DIRECTED FOR DISPOSAL OR DISCARD

Total	120.63
Hazardous incinerated (with energy recovery)	0.51
Hazardous sent to landfills	0.26
Hazardous destined for other disposal operations	0.12
Non-hazardous incinerated (with energy recovery)	21.02
Non-hazardous incinerated (no energy recovery)	7.68
Non-hazardous sent to landfills	83.15
Non - hazardous destined for other disposal operations	7.89

As waste management aims to prevent possible environmental impacts, the data above represent the activities of re-refining, co-processing and recycling, allowing the reinsertion in the productive chain.

Water and effluents

GRI 303-1, 303-2, 303-3, 303-4, 303-5

Most of the operating units, such as power substations and maintenance bases, are located in areas without access to the public supply network, where water is captured from artesian wells with withdrawal granted by the competent bodies. In operating units inserted in locations where this service is available, we prioritize the use of water from the public network.

Due to the nature of the activities, the water demand and the impact on river basins do not constitute significant impacts. Its main uses are human consumption, sanitary facilities and hygiene of work environments. The effluents are destined for septic tanks, and are subsequently treated and disposed of by a licensed company as sanitary and oily effluents.

The impacts associated with water resources occur in the infrastructure construction stage, due to the greater volume consumed. In the O&M stage, the impacts can be associated with the insertion of a new permanent demand and its influence on local water management among the multiple uses of water, mainly in regions of local population vulnerability and water scarcity. For both stages, the impacts on water catchment and effluent disposal are evaluated and their conditions defined in the Environmental Impact Study, respecting state legislation. In addition, when water

availability is identified in places below the demand, mitigating containment and impact monitoring measures are proposed, and the legal procedures necessary for groundwater catchment to supply the demand are indicated.

Water catchment by source	thousand m³
Artesian wells	18.3
Public supply	5.9
Superficial (watercourses)	0.2
Total	24.4
Effluents	0.24
Effective consumption	24.1



FUTURE VISION

Related Capitals



We understand the long-term relationship we create with local communities when starting a new concession. Therefore, SGBH's commitment lies in maintaining an open dialogue and ethical interaction that produces positive results for the population.

With infrastructure present in over 350 cities, we cross diverse biomes, territories and Brazilian realities and constantly reaffirm the importance of social responsibility and care.



STATE GRID
BRAZIL HOLDING S.A.
国家电网巴西控股公司

INDICATORS



Other Indicators

Units located inside or adjacent to protected areas with a high level of biodiversity

GRI 304-1

Geographic location	Area (km ²)	Category	Conservation Unit	APCB*	Biodiversity value	
					Extremely High - Very High - High	
Goiás, Minas Gerais e Distrito Federal	583	Sustainable Use Unit	Planalto Central Environmental Protection Area: overlap of 29.04 km and total area of 504 ha	6	Veríssimo River Corumbá River Corumbá II River	Santa Cruz de Goiás São Bartolomeu River MA229
Minas Gerais	210	Sustainable Use Unit		2	MA213 Ituiutaba	
Goiás, Minas Gerais e Mato Grosso	810	Sustainable Use Unit	Panama Environmental Protection Area: overlap of 11.09 km and total area of 15,861 ha Ariacá-Açu Municipal Environmental Protection Area: overlap of 3.63 km and total area of 74,996 ha	6	Caiapônia Doverlândia Ribeirão Mutum Cuiabá-Mirim River Areial River Prata River	
Mato Grosso do Sul e São Paulo	500	Sustainable Use Unit	Ilhas e Várzeas do Rio Paraná Environmental Protection Area - overlap of 79.99 km and total area of 1,005,188.39 ha	2	Ribeirão Cachoeira MA277	
Goiás, Minas Gerais e Distrito Federal	681	Sustainable Use Unit	Planalto Central Environmental Protection Area: overlap of 80.88 km and total area of 504 ha Pouso Alto Environmental Protection Area: extension of 56.06 km and total area of 872,000 ha	6	Cristalina Corumbá River São Bartolomeu River Niquelândia Entrono PN Chapada dos Veadeiros Vazante	
Minas Gerais e São Paulo	303	Sustainable Use Unit		5	Sapucai River MA159 Pardo River	Sacramento Pardo River

* APCB - Priority Areas for Biodiversity Conservation.

Geographic location	Area (km ²)	Category	Conservation Unit	APCB*	Biodiversity value		
					Extremely High	Very High	High
Mato Grosso e São Paulo	407	Sustainable Use Unit		12	Teles Pires River Culuene River Ronuro River Entorno TI Sangradouro/ Volta Grande	AMZ-307 AMZ-529 AMZ-816 AMZ-089	AMZ-802 AMZ-338 AMZ-640 Barra do Garças
Minas Gerais	246	Full Protection / Sustainable Use Conservation Unit	Parque Estadual de Paracatu: overlap of 7.03 km - total area of 6,400.34 ha	4	Paracatu River São Pedro João Pinheiro Rio das Velhas Araripe		
Piauí, Ceará e Pernambuco	394	Sustainable Use Unit	Área de Proteção Ambiental Chapada do Araripe: extensão de 39,55 km - área total de 972.605,18 ha	2	Serra da Capivara		
Mato Grosso e Goiás	606	Sustainable Use Unit	Ariacá-Açu Municipal Environmental Protection Area: overlap of 3.78 km - total area of 74,995.69 ha	7	Aricá-Açu River Prata River Doverlândia Caiapônia Jacaré-Pepira River	Areial River Ribeirão Mutum Cuiabá-Mirim River	
São Paulo	30	Sustainable Use Unit		1			
Mato Grosso do Sul e Goiás	489	Sustainable Use Unit		3	MA193 Três Lagoas Rio da Prata		
Minas Gerais	151	Full Protection / Sustainable Use Conservation Unit	Parque Estadual da Lapa Grande: overlap of 2.45 km - total area of 15,360 ha	1	Montes Claros		
Pará	72	Sustainable Use Unit		3	AMZ-426 AMZ-845 AMZ-846		

* APCB - Priority Areas for Biodiversity Conservation.

Geographic location	Area (km ²)	Category	Conservation Unit	APCB*	Biodiversity value		
					Extremely High	Very High	High
Mato Grosso	262	Sustainable Use Unit		7	Ronuro River AMZ-332 Entorno TI Marechal Rondon Sete de Setembro River	AMZ-414 AMZ-412 Culuene River	
Mato Grosso	1011	Sustainable Use Unit		13	Teles Pires River AMZ-089 Culuene River Ronuro River Entorno TI Sangradouro / Volta Grande Barra do Garças	AMZ-307 AMZ-529 AMZ-816 AMZ-80 AMZ-338 AMZ-640	
Minas Gerais, Rio de Janeiro, Pará e Tocantins	2543	Sustainable Use Unit	Guandu River Environmental Protection Area: overlap of 19.88 km - total area of 74,271.97ha Boiqueirão da Mira Environmental Protection Area: overlap of 8.18 km - total area of 8,515.00 ha Guandú-Açu Environmental Protection Area: overlap of 0.31 km Serra da Cambraia Environmental Protection Area: overlap of 3.72 km - total area of the CU is 2,433.02 ha	35	Carste Arcos e Pains Conceição do Tocantins AMZ-708 AMZ-114 AMZ-707 AMZ-119 AMZ-826 Unai II AMZ-118 Formoso Porto Nacional Santuario São Miguel Borrachudo River MA131	Presidente Olegário AMZ-154 AMZ-426 AMZ-224 AMZ-111 AMZ-116 MA173 AMZ-141 AMZ-024 São Valério River Córrego São Felipe Serra de Caldas Presidente Olegário	Serra da Prata Urucuia River Unai Paracatu River Corrente River MA173 AMZ-777 AMZ-130 MA122 MA131 Serra de Caldas

* APCB - Priority Areas for Biodiversity Conservation.

Forest Replacement Projects

GRI 304-3

Restoration of selected areas within the Full Protection Conservation Units:

Concessionaire	Biome	Location	City (State)	Area (ha)	Status
ATE	Cerrado	Sítio Haras de São Pedro	Araraquara-SP	0.4	Under maintenance
		Monumento Natural Estadual Lapa Nova	Vazante-MG	0.1	
CTE	Cerrado	Parque Estadual do João Leite	Goiânia-GO	51.79	
		Parque Nacional das Emas	Mineiros-GO	1	
ETEE	Cerrado	Parque Nacional das Emas	Mineiros-GO	10	
ITE	Cerrado	Parque Nacional das Emas	Mineiros-GO	10	
		Parque Estadual do João Leite	Goianópolis-GO	3	
PCTE	Cerrado	Monumento Natural Estadual Lapa Nova	Vazante-MG	2	
PPTE	Cerrado	Parque Nacional das Emas	Costa Rica-MS	4.4	
RPTE	Cerrado	Monumento Natural Estadual Lapa Nova	Vazante-MG	2	
SPTE	Cerrado	Monumento Natural Estadual Lapa Nova	Vazante-MG	3.9	
XRTE	Amazon	Parque Estadual da Serra dos Martírios / Andorinhas	São Geraldo do Araguaia-PA	104.06	
		Eletrodo de Terra Xingu	Anapu-PA	25	
	Cerrado	Parque Estadual do Lajeado	Palmas-TO	135.43	
		Parque Estadual de Paracatu	Paracatu-MG	92	
		Parque Estadual do João Leite	Terezópolis de Goiás-GO	22.09	
		Eletrodo de Terra Terminal Rio	Minduri-MG	47	
	Atlantic Forest	Floresta Nacional Mário Xavier	Seropédica-RJ	15.9	
		Reserva Biológica do Tinguá	Nova Iguaçu-RJ	14.12	
				TOTAL 544.19	

Environmental compensation

GRI 304-3

Through the Environmental Compensation Terms (TCCA), in recent years we have carried out several actions to implement and maintain federal, state and municipal Conservation Units:

Concessionaire	Unit Description	Amount (BRL)
PRTE	PE Igarapés do Juruena and PE Massairo Okamura Conservation Unit	12,658,923.48
SMTE	REVIS das Veredas do Oeste Baiano Conservation Units (Land regularization), PARNA Grande Sertão Veredas (Management plan) and APA Planalto Central (Implementation of the CU)	3,485,620.89
CTE	Implementation and Research at PARNA Chapada dos Veadeiros and PARNA das EMAS	1,687,649.25
	Parque Estadual Águas Quentes in Mato Grosso	200,000.00
MRTE	Amount destined to the Environment Institute of Mato Grosso do Sul	550,401.60
XRTE	PARNA Araguaia, PARNA Grande Sertão Veredas, ESEC Serra Geral do Tocantins, PARNA Aparados da Serra, PARNA Serra Geral, PARNA das Emas, PARNA Serra do Gandarela, PARNA Serra da Canastra, PARNA São Joaquim and PARNA Chapada dos Veadeiros.	23,275,447.16
	Addendum intended to Santa Rita de Jacutinga City Hall and its Department of Agriculture, Livestock and Environment	700,509.24
	Addendum intended to Nova Iguaçu City Hall and its Department of Agriculture and Environment	117,984.68
	Acquisition of Model and Sign for the Control Center of PNM Curió; Management of Trails and Forest Revitalization. Paracambi City Hall	1,858,760.90

GRI Standards Contents

UNIVERSAL STANDARDS

REFERENCE (PAGE) / DIRECT RESPONSE

General Contents

The organization and its reporting practices

2-1	Organization details	Pages 08 to 19
2-2	Entities included in the organization's sustainability reports (Subsidiaries Scope)	Pages 11 and 16
2-3	Reporting period, frequency and point of contact	Annual, from January 1 to December 31, 2022. Further details on page 07.
2-4	Restatement of information	The information presented this year follows the most recent GRI guidelines for general content (series 2) and material topics (series 3). In addition, the Annual Socio-Environmental and Economic-Financial Responsibility Report, referring to ANEEL monitoring, is consolidated in this document, and the annexes include detailed information on the energy transmission concessionaires of the State Grid Brazil Holding group.
2-5	External Assurance	The report was not subject to external verification.

Activities and collaborators

2-6	Activities, value chain and other business relationships	Pages 11, 13, 16 and 61
2-7	Collaborators	Page 54
2-8	Collaborators who are not employees	Page 54

Governance

2-9	Board appointment and selection	Page 44
2-10	President of the highest governance body	Page 44
2-11	Board's role in managing impacts	Due to our governance model, the Senior Management Committee (SMC) acts as the highest deliberative body, as described on page 44.
2-12	Role of the highest governance body in managing impacts	Page 50
2-13	Delegation of responsibility for impact management	Page 50

UNIVERSAL STANDARDS

REFERENCE (PAGE) / DIRECT RESPONSE

2-14	Role played by the highest governance body in sustainability reporting	Page 4 and 7
2-15	Conflicts of interest	SGBH executives are responsible for preventing and managing situations of conflict of interest or divergence of opinions, aiming to prevail the interest of the Company, its subsidiaries and affiliates over any other interests. The existence of an actual or potential conflict of interest by any member of the Senior Management Committee (SMC) must be disclosed, and that member must refrain from participating in that part of the meeting in which the issue causing a conflict of interest is addressed.
2-16	Communication of critical concerns	Page 51
2-17	Collective knowledge of the highest governance body	The HSE Department and the ESG Committee are responsible for reinforcing and disseminating knowledge about aspects related to sustainable development and ESG, especially to the SMC, through periodic meetings and communications. Page 45.
2-18	Board performance evaluation	The Shareholder performs an audit each time a Chairman's mandate cycle ends.
2-19	Remuneration Policies	It will not be reported, as it contains strategic information about the Company.
2-20	Process for determining remuneration	Executives' remuneration follows practices approved by SGBH's internal rules, under constant review and updating by the HR area to keep up with good market practices. The rules refer to base salary, benefits and variable compensation, the latter two being linked to performance assessment. The analysis of remuneration proposals is carried out by HR (Remuneration, Management and Board) and submitted for approval by the SMC members, the body responsible for people management.
2-21	Proportion of total annual compensation	2.231%
Strategy, policies and practices		
2-22	Declaration on the sustainable development strategy	Page 04
2-23	Commitment policies	In addition to becoming a signatory to the (UN) Global Compact, the Code of Ethics and Conduct addresses respect for human rights. SGBH promotes extensive internal communication and training regarding the protection of minorities, combating discrimination of any kind and promoting diversity, especially in the workplace. Pages 49 and 52
2-24	Incorporating commitment policies	Page 44
2-25	Processes to remedy negative impacts	Pages 63 and 52
2-26	Mechanisms for seeking guidance and raising concerns	Page 51
2-27	Compliance with laws and regulations	We did not register significant cases of non-compliance with laws and regulations, considering fines and non-monetary sanctions. We define as significant cases the impact resulting from the occurrence in mitigation value above R\$ 5 million. Page 49

UNIVERSAL STANDARDS

REFERENCE (PAGE) / DIRECT RESPONSE

2-28 Participation in associations

Page 52

Stakeholder Engagement

2-29 Approach to stakeholder engagement

Pages 20 and 24

2-30 Collective bargaining agreements

100% of direct employees under full-time CLT regime; 96.2% of all employees.

Material topics

3-1 Process for determining material topics

Page 20

3-2 List of material topics

Page 20

3-3 Material topics management

Page 20

Economic Performance

201-1 Direct economic value generated and distributed

Page 28

Indirect economic impacts

203-1 Investments in infrastructure and service support

Page 67

203-2 Significant indirect economic impacts

Pages 66 and 67

Fighting corruption

205-2 Communication and training on anti-corruption policies and procedures

Page 51

205-3 Confirmed cases of corruption and actions taken

Page 51

Environmental Content

Energy

302-1 Energy consumption within the organization

Page 76

Water

303-1 Interactions with water as a shared resource

Page 78

UNIVERSAL STANDARDS**REFERENCE (PAGE) / DIRECT RESPONSE**

303-2	Management of impacts related to water disposal	Page 78
303-3	Water catchment	Page 78
303-4	Water discharge	Page 78
303-5	Water consumption	Page 78
Biodiversity		
304-1	Owned, leased or managed operating units within or adjacent to environmental protection areas and areas of high biodiversity value located outside environmental protection areas	Page 81
304-2	Significant impacts of activities, products and services on biodiversity	Page 72
304-3	Protected or restored habitats	Pages 72, 84 and 85
Emissions		
305-1	Direct emissions (Scope 1) of greenhouse gases (GHG)	Page 75
305-2	Indirect emissions (Scope 2) of greenhouse gases (GHG) from energy acquisition	Page 75
305-3	Other indirect emissions (Scope 3) of greenhouse gases (GHG)	Page 75
305-4	Intensity of greenhouse gas (GHG) emissions	Page 75
305-6	Emissions of ozone-depleting substances (ODS)	Emission of 0.000195 tCO ₂ e of HCFC-22 gas
305-7	NO _x , SO _x and other significant atmospheric emissions	No NO _x , SO _x , or other significant air emissions have been reported.
Waste		
306-1	Waste generation and significant waste-related impacts	Page 77
306-2	Management of significant waste-related impacts	Page 77
306-3	Generated waste (type and disposal method)	Page 77
306-4	Waste not intended for final disposal (recovery, reuse and recycling)	Page 77

UNIVERSAL STANDARDS

REFERENCE (PAGE) / DIRECT RESPONSE

306-5 Waste destined for final disposal

Page 77

Social Contents

Occupational Safety and Health

403-1 Occupational safety and health management system

Page 58

403-2 Hazard identification, risk assessment and incident investigation

Page 58

403-3 Description of occupational health services

Pages 50, 58 and 60

403-4 Participation, consultation and communication of workers in occupational safety and health

Page 58

403-5 Training of workers in occupational safety and health

Page 57

403-6 Worker's health promotion

Page 58

403-7 Prevention and mitigation of impacts on occupational safety and health directly linked to business relationships

Pages 50 and 57

403-8 Workers covered by an occupational safety and health management system

Page 58

403-9 Number and rate of deaths and accidents at work

Page 58

403-10 Number and rate of work-related deaths and health problems

Page 58

Training and Education

404-1 Average hours of training per year, per employee

Page 57

Diversity and Equality

405-2 Ratio between base salary and remuneration received by women and men

Page 56

Child labor

408-1 Operations and suppliers with significant risk of child labor cases

Page 61

Forced or Slave Labor

409-1 Operations and suppliers with significant risk of cases of forced or slave-like labor

Page 50

UNIVERSAL STANDARDS

REFERENCE (PAGE) / DIRECT RESPONSE

Indigenous Peoples' Rights

411-1	Cases of violation of indigenous peoples' rights	No cases of violations of indigenous peoples' rights were identified during the reporting period. Page 65
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Local communities

413-1	Operations with engagement, impact assessments and development programs focused on the local community	Page 63
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413-2	Operations with significant – actual and potential – negative impacts on local communities	Page 50
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Public Policies

415-1	Political contributions	No political contributions were made directly or indirectly by the Company during the reporting period.
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GRI SECTORIAL - ELECTRICITY

REFERENCE (PAGE) / DIRECT RESPONSE

General disclosure on the electricity sector infrastructure

Organization Profile

EU 4	Length of transmission and distribution lines, upper and underground, by regulatory regime	Page 16
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Research and Development

G4-DMA (former EU8)	Research and development activities and financial resources aimed at providing reliable electricity and promoting sustainable development	Page 41
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Availability and Reliability

G4-DMA (former EU6)	Management to guarantee the availability and reliability of electricity in the short and long term	Pages 33 and 34
---------------------	--	-----------------

Biodiversity

G4-EN12	Significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Page 72
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GRI SECTORIAL - ELECTRICITY

REFERENCE (PAGE) / DIRECT RESPONSE

Disaster or Emergency Planning and Response

G4-DMA (former EU21)	Contingency planning measures, disaster or emergency management plan and training, and recovery or restoration plans	Page 63
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Health and Safety

EU 25	Number of accidents and deaths of service users involving company assets, including decisions, agreements and ongoing legal cases relating to illnesses	Page 58
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Green Bond (STE)

CRITERIA

REFERENCE (PAGE) / DIRECT RESPONSE

Financial

GB 1	Allocation of future resources, per project (BRL)	Page 38
GB 2	Resources temporarily allocated to instruments other than the project (BRL)	Page 38

Environmental

GB 3	Provision of transmission service to Green Users	Page 39
GB 4	Monitoring and reporting of socio-environmental controversies associated with the chosen projects, with adverse impacts on preservation areas, resettlement, accidents, among others	Page 72
GB 5	SIN average emission factor of the last 5 years (tCO ₂ e/MWh)	Page 39

MAP OF CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

3. Ensure healthy lives and promote well-being for all at all ages.

- Operational safety. Page 33
- Employees' health. Page 58
- Community safety. Page 63
- Social investments. Page 67

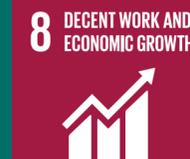


4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

- Social investments. Page 67
- Professional development. Page 57
- Leadership training. Page 56

7. Ensure access to affordable, reliable, sustainable and modern energy for all.

- Operational performance. Page 33



8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

- Opportunity for direct and indirect employment Page 53
- Sustainable economic growth. Page 28

9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

- Technologies and innovation. Page 36
- New developments. Page 18
- Ultra High Voltage Infrastructure. Page 36
- Operation and Maintenance. Page 32



11. Make cities and human settlements inclusive, safe, resilient and sustainable.

- Operations security. Page 57
- Population safety. Page 63
- Dialogue with the community. Page 65

12. Ensure sustainable consumption and production patterns.

- Environmental Licensing. Page 72
- Consumption of natural resources and impacts. Page 75
- Waste and effluent management. Page 77



13. Take urgent action to combat climate change and its impacts.

- Green Bonds. Page 38
- Gestão Ambiental. Page 75

16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

- Corporate governance. Page 44
- Ethics, transparency and compliance. Page 51
- Social investments. Page 67
- Professional development. Page 57



Global Compact

<div data-bbox="183 562 266 619"></div> <div data-bbox="126 652 316 684">HUMAN RIGHTS</div> <p>01 Businesses should support and respect the protection of internationally proclaimed human rights..</p>	<p>Our employees. Page 53 New ventures. Page 18 Operation and maintenance. Page 32 Dialogue with the community. Page 65</p>
<p>02 Businesses should make sure that they are not complicit in human rights abuses.</p>	<p>Internal policies and regulations. Page 49 Internal policies and regulations. Page 51 Environmental licensing. Page 72</p>
<p>03 Companies must support freedom of association and the effective recognition of the right to collective bargaining.</p>	<p>Our employees. Page 53</p>
<p>04 Eliminating all forms of forced or compulsory labor.</p>	<p>Internal policies and regulations. Page 49</p>
<div data-bbox="183 872 283 975"></div> <div data-bbox="173 990 273 1022">LABOUR</div> <p>05 The effective abolishment of child labor.</p> <p>06 Eliminate employment discrimination.</p>	<p>Specialized and trained professionals. Page 57</p> <p>Our employees. Page 53</p>
<p>07 Businesses should support a precautionary approach to environmental challenges.</p>	<p>Risk management. Page 50 Environmental management. Page 75 Environmental licensing. Page 72</p>
<div data-bbox="183 1210 283 1294"></div> <div data-bbox="149 1303 316 1335">ENVIRONMENT</div> <p>08 Businesses should undertake initiatives to promote greater environmental responsibility.</p>	<p>Internal policies and regulations. Page 49 Risk management. Page 50 Environmental management. Page 75 Environmental licensing. Page 72</p>
<p>09 Encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Technologies and innovation. Page 36 Safety in operations. Page 57</p>
<div data-bbox="183 1519 283 1603"></div> <div data-bbox="126 1613 316 1645">ANTI-CORRUPTION</div> <p>10 Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>Corporate Governance. Page 44 Internal policies and regulations. Page 49 Ethics, Transparency and Compliance. Page 51</p>

Material themes



STATE GRID
BRAZIL HOLDING S.A.
国家电网巴西控股公司

ANNEXES

Access the Annexes to the Sustainability Report

STATE GRID
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 [access here!](#)



As a concessionaire in the electricity sector, State Grid Brazil Holding S.A. presents, in the Annexes to the 2022 Sustainability Report, the complementary information to the **Annual Socio-Environmental and Economic-Financial Responsibility Report** of its 100% controlled power transmission concessionaires in compliance with ANEEL's Accounting Manual for the Electric Sector - Version 2022.

CREDITS

COORDINATION

Environment, Health and Safety Management

CONSULTANCY, WRITING AND LAYOUT

Ricca Sustentabilidade

www.linkedin.com/company/

IMAGES

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