

Procedure for Conflicts of Interest and Related-party Transactions with Officers and Those Professionals Directly Reporting to the Board of Directors

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Article 1. Purpose

1. The Procedure for Conflicts of Interest and Related-Party Transactions with Officers and those Professionals Directly Reporting to the Board of Directors ("Procedure"), which is part of the Governance and Sustainability System of NEOENERGIA S.A. ("NEOENERGIA" of "Company"), aims to detail the rules for situations in which the interest of the Company or any of the companies comprising its group ("Group") and the interest of the Company's Officers or other persons that the Company's Compliance Division ("Division") decides to subject to the rules of conflicts of interest, or that of its related persons ("Conflicts of Interest"), as well as in the transactions that such persons carry out with the companies of the Group ("Related-Party Transactions").

2. The provisions of the Procedure shall prevail over the provisions of the Code of Ethics in the event of conflict between the two rules.

Article 2. Definitions

For the purposes of this rule, the definitions below shall apply.

1. Persons subject to conflict-of-interest rules:

a) The members of the executive office and those professionals directly reporting to the Board of Directors, as well as any other Officer to whom the Board of Directors recognizes such condition; and

b) Those persons appointed by the Division, in view of the possibility of potential emergence of Conflicts of Interest as a result of the duties they perform in the Company or in its Group. The Division shall inform them of their condition as persons subject to conflict-of-interest rules and, likewise, it shall communicate their identity to the Human Resources Department.

2. Persons related to person subject to conflict-of-interest rules:

a) The spouse or the person with a similar affective relationship;

b) The ascendants, descendants and siblings of the professional or his/her spouse (or person with similar affective relationship);

c) The spouses of the professional's ascendants, descendants and siblings;

d) Any other relatives up to the 4th degree of inbreeding or 2nd degree of affinity;

e) The entities in which the professionals, or persons related to them, by themselves or by an intermediary, hold a control position as provided by law; and

f) The companies or entities in which the professionals, or any of the persons related to them, by themselves or by an intermediary, holds a management or direction position,

or who receives compensation for any reason, provided that, in addition, they exercise directly or indirectly, significant influence on the financial and operational decisions of said companies or entities.

Article 3. Conflicts of Interest

1. A Conflict of Interest shall be deemed to occur in all those situations in which the interests of the Company or of the companies comprising the Group directly or indirectly confront, or may confront, the private interest of the person subject to the conflict-of-interest rules or of a person related to him/her.

2. Thus, situations that may characterize a conflict of interest are those that: i) interfere, or may interfere, in the regular efficient, legal, transparent, trustworthy and honest performance of a professional in the exercise of their duties; ii) reduce the level of professionalism with which the professional acts on behalf of the Company; iii) harm the interests, values and/or integrity of the Company and/or its image and reputation.

3. Conflicts of Interest may be characterized by a business relationship or shareholding in a competitor, customer or supplier of NEOENERGIA, or even through the exercise of concomitant activities that prevent these professionals from fulfilling their responsibilities with NEOENERGIA. Professionals shall be careful to recognize and avoid potential situations of Conflict of Interest during the exercise of their professional activities, as well as during their respective personal and professional relationships.

Article 4. Related-Party Transactions

1. Related Transactions subject to the provisions of this Procedure include any transfer of resources, services or obligations, irrespective of whether there is consideration or not, carried out by any of the persons subject to conflict-of-interest rules or their related persons, with the Company or with any of the companies in its Group.

2. The execution of a Related-Party Transaction implies, in any case, a Conflict of Interest and, where applicable, shall result in the application of the provisions of this Procedure.

Article 5. Obligation to report Conflicts of Interest to the Compliance Division

1. When the person subject to conflict-of-interest rules is aware of being involved in a situation of Conflict of Interest (direct or indirect through a related person), he/she shall communicate this in writing, as soon as possible, by notice addressed to their hierarchical superior, who, in turn, shall refer such communication to the Compliance Division.

2. The communication shall contain a description of the situation that characterizes the Conflict of Interest, indicating whether it is a situation of direct conflict or indirect conflict through a related person, and such related party shall be identified.

3. The situation description shall detail, as the case may be, the purpose and main conditions of the planned transaction or decision, including its relevance or approximate economic valuation. If the situation that gives rise to the Conflict of Interest is a Related-Party Transaction, the communication shall also inform the department or person of the Company or any of the Group companies involved in it.

4. If the conflict situation arises from any operation, transaction or circumstance that requires some type of execution, decision-making, or acceptance, the person subject to conflict-of-interest rules shall refrain from performing any action until the Division studies the case and makes the appropriate decision.

5. Any doubt as to whether a person subject to conflict-of-interest rules could be in a supposed Conflict of Interest (direct or indirect through a related person) shall be reported, by such person, to the hierarchical superior, who, in turn, shall refer such report to the Compliance Division.

The person subject to conflict-of-interest rules shall likewise refrain from taking any action until the Division responds to their query.

Article 6. Obligation to refrain from participating in decision-making in the event of a Conflict of Interest

1. If the Conflict of Interest situation arises from an operation or transaction whose approval corresponds to any administrative body, the person subject to conflict-of-interest rules must refrain from influencing decision-making.

2. Likewise, the person subject to conflict-of-interest rules shall refrain from accessing confidential information that affects such conflict.

Article 7. Information on Conflicts of Interest

1. The Division shall keep an updated record of the Conflicts of Interest reported by persons subject to conflict-of-interest rules, and the person subject to such rules shall update, with the Division, information on conflicts to which they may be exposed.

2. The information contained in this record shall have the level of detail sufficient to allow an understanding of the scope of each of the conflict situations.

Article 8. Authorization of Related-Party Transactions

1. The Related-Party Transactions shall be subject, in any case, to the authorization of the Division, except for the provisions in item 5 of this Procedure.

2. The Division shall ensure that Related-Party Transactions submitted to it are carried out under market conditions. For this purpose, the Division may request the cooperation of the Finance and Resources Department for the analysis of the Related-Party Transaction in concern, so that it can be used as a basis when deciding on its authorization.

3. For Related-Party Transactions, within the ordinary course of corporate business and which are usual or recurring, the generic and prior authorization of the line of operations and their conditions of execution shall be sufficient.

4. When the Related-Party Transaction involves the successive execution of different transactions, of which the second and subsequent transactions are mere acts of execution of the first, the provisions of this Procedure shall apply only to the first transaction performed.

5. The Division's authorization shall not be necessary in relation to transactions that simultaneously comply with the following three conditions: i) that are carried out pursuant to agreements providing for standardized conditions that apply massively to a large number of customers; ii) that are carried out at prices or fees established on a general basis by whoever acts as a supplier of the good or service in concern; and iii) that the amount involved does not exceed the amount of one million Brazilian reais (R\$ 1,000,000.00).

Article 9. Obligation to report Related-Party Transactions to the Division

1. Without prejudice to the provisions included in the previous article, and unless expressly waived by the Division, persons subject to conflict-of-interest rules shall inform in writing about the Related-Party Transactions carried out, by notice addressed to the Compliance Division. This communication shall be sent every six months, within the first week of January and July of each year.

2. The communication shall include the following content, as the case may be: i) nature of the transaction; ii) date on which the transaction was initiated; iii) payment terms and conditions; iv) identity of the person who carried out the transaction and relationship, in this case, with the person subject to conflict-of-interest rules; v) relevance of the transaction; vi) any other aspect that allows the transaction to be properly assessed and classified, such as: pricing policies, guarantees granted and received, including, particularly, information that allows ensuring that it was carried out under market conditions.

3. For these purposes, the Compliance Division shall send a communication every six months to the persons subject to the conflict-of-interest rules, requesting them the timely information that they shall send to the Company.

Article 10. Recording of Related-Party Transactions

1. The Division shall keep a record of Related-Party Transactions. The information contained in this record shall thus be provided to the Finance Department in cases where it so requests and, in any case, every six months.

2. Transactions included in the aforementioned record shall be published as supposed and with the scope provided for in the regulations applicable at any time.

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This Procedure was initially approved by the Board of Directors on July 19, 2018 and updated at the Board of Directors' Meeting held on February 9, 2021.