

# Biodiversity Policy

Updated March 30, 2022

The Board of Directors of NEOENERGIA S.A. (the “**Company**”) is vested with the powers to prepare, assess and review the Company’s Governance and Sustainability System on an on-going basis and, specifically, to approve and update, the corporate policies, which contain the guidelines governing the conduct of the Company and of the companies that comprise the Group, for which the Company is the controlling entity, within the meaning established by law (the “**Group**”).

In exercising these powers and aware of its commitment to the environment, in general, and the preservation of the biodiversity in the territories, particularly in those where it develops its activity, the Board of Directors approves this *Biodiversity Policy* (the “*Policy*”), in compliance with the provisions of the Group’s *Purpose and Values*.

## 1. Purpose

The purpose of this *Policy* is to establish a benchmark for integrating the protection and promotion of biodiversity into the Group’s strategy, as well as defining the operating principles for the development of a sustainable and positive business model with nature, so that its activities protect and promote the development and growth of natural heritage, including, particularly, the protection of animals, as living beings endowed with sentience.

The degradation of ecosystems and the unprecedented decline of biological diversity, unanimously pointed out by the scientific community as a direct consequence of the impact of human activities, result in major environmental, economic and social risks, which calls for urgent action to reverse the loss of biodiversity.

The Group is committed to taking a leading position in the preservation and promotion of biodiversity in its sector of activity and to integrating in its management the United Nations 2050 vision of “Living in harmony with nature”, in which biodiversity must be valued, conserved, restored and used with wisdom, in order to maintain ecosystem services, favor a healthy planet and provide essential benefits for all people.

This goes along with the fulfillment of the sixth, thirteenth, fourteenth, fifteenth and seventeenth Sustainable Development Goals (“SDGs”), approved by the United Nations.

## 2. Scope

Within the limits established by law, this *Policy* is applicable to all companies comprising the Group and investees not comprising the Group, over which the Company has management influence.

For investees to which this *Policy* is not applicable, the Company shall promote, through its representatives on the management bodies of such companies, the alignment of their own policies with those of the Company.

This *Policy* shall also apply, as appropriate, to the joint ventures, temporary joint ventures and other equivalent associations, when the Company is responsible for the management thereof.

### 3. Main principles of conduct

To achieve the implementation of its commitment with diversity, the Group shall be guided by the following main principles of conduct, which shall be applied in all its activities and businesses:

- a) Integrate the biodiversity theme in the Group's internal strategic planning and decision-making processes, as well as in the analysis, management and reporting of long-term risks;
- b) Identify, quantify, and value, on an ongoing basis and throughout the life cycle of the facilities, the impacts and the level of dependence of the Group's activities on natural capital, including the diversity and protection of wild animals, protected and vulnerable species, promoting respect across all lines of actions;
- c) Apply the mitigation hierarchy principle (avoid, minimize, repair and, ultimately, offset) in all stages of infrastructure projects;
- d) Avoid locating new infrastructure projects in areas protected due to their ecological, biological, cultural and/or landscape value or in areas classified as been highly valuable for biodiversity;
- e) avoid or reduce deforestation associated with its activities and its supply chain;
- f) Manage and offset, on a quantitative and qualitative basis, the negative impacts produced on the environment, focusing on nature-based solutions, enabling the connectivity of populations and encouraging the development of areas of special protection or private preservation;
- g) Develop flora and fauna surveillance plans, especially of protected or vulnerable species, so as to allow the continued assessment of the interaction of infrastructure with the surroundings;
- h) Integrate natural capital management and biodiversity into the Group's Environmental Management Systems (EMS), setting goals, indicators and standards for the control, monitoring and audit thereof;
- i) Identify and establish management plans for invasive species that pose a risk to ecosystems and native species in locations where the Group operates;
- j) Participate in the development of research, conservation, education and awareness projects, collaborating with the Public Authorities, non-governmental organizations, local communities and other Stakeholders on biodiversity issues and related to the fight against abandonment, violence, mistreatment, abuse and trafficking of animals, as established in the *General Sustainable Development Policy*;
- j) Promote biodiversity awareness and training for the Group's own personnel as well as subcontractors and suppliers; and
- k) Report the biodiversity actions of the Group, the presence of facilities in protected areas, and research, preservation, education and awareness-raising actions, publishing a biodiversity report on a regular basis;

#### 4. Priority action lines

Biodiversity plays a leading role within the Group's strategy, and therefore four priority action lines have been established, in which the principles mentioned above will be applied:

- a) protect biodiversity and make sustainable use of natural capital, adopting a preservation hierarchy, integrating best practices into its management throughout the entire life cycle of facilities and promoting actions for the regeneration and preservation of natural heritage;
- b) identify, quantify and evaluate, on an ongoing basis, throughout the life cycle of the facilities, the impacts and the level of dependence of the Group's activities on natural capital, with a focus on biodiversity, through the promotion of investigation and improvement of knowledge on ecosystems surrounding the territories where the Group operates;
- c) collaborate with Stakeholders, considering their needs and expectations in terms of biodiversity and participating in projects for the preservation of biodiversity, protection and respect for animals; and
- d) valuing and raising awareness of the importance of protecting and preserving biodiversity through training activities, internal and external education, awards, publications, as well as sponsorship actions, and communicating, internally and externally, the impact of the Group's activities in this area.

\* \* \*

This Policy was initially approved by the Board of Directors on July 19, 2018 and last amended at the Board of Directors' Meeting held on March 30, 2022.