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ANNUAL SUSTAINABILITY  
REPORT

22



# presentation

## **Transmissora Aliança de Energia Elétrica S.A. (TAESA)**

publishes its 15th Annual Social and Environmental Responsibility Report. The document reflects the compilation of information on the performance of the concessions merged by the company and those in which the Company has all the shares in 2022.

**TAESA** prepares a report according to the *Global Initiative Report (GRI)* methodology, which represents an important advance in relation to the best Sustainability practices and reflects the company's commitment to the topic. The publication also reports actions in line with the UN Global Compact and the Sustainable Development Goals (SDGs).

The document is also in accordance with the methodologies of the *International Financial Reporting Standards (IFRS)* and with the standards established by the Brazilian Electricity Regulatory Agency (ANEEL), in addition to incorporating several benchmarks from other environmental reports adopted by the largest companies in the country.

Aiming to cover the breadth of the topic, the report was prepared according to five main dimensions:

1. General.
2. Corporate Governance.
3. Economic and Financial.
4. Social and Sectorial.
5. Environmental.

It is worth highlighting that the content was prepared under the coordination of the Safety, Environment, Health and Sustainability Management, with the contribution of the respective technical areas of **TAESA**. It was also approved by the Company's Executive Board, the Committees, the Audit Committee and the Board of Directors.



Questions regarding this document and suggestions are welcome and can be forwarded to the email: [ambiental@taesa.com.br](mailto:ambiental@taesa.com.br).





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# general dimension

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taesa

MESSAGE FROM MANAGEMENT

# 2022: Year of the highest operating cash generation in history

The year 2022 represented an important milestone for TAESA. The Company reached a regulatory EBITDA, in the proportional consolidation view, of R\$ 2.5 billion – the highest volume ever recorded by TAESA in its history – with an EBITDA margin of almost 86%. This sound performance is a consequence of the successful implementation of its strategic planning based on the pillars of sustainable growth, competitiveness, regulatory management, sustainability and governance. As a result, regulatory net income more than doubled year-over-year, reaching R\$ 1.0 billion in 2022.



Previous editions of TAESA's Sustainability Report are available on the company's website, including the 2021 edition, published in April 2023.

The Company recorded consolidated regulatory net operating revenue of R\$ 2.2 billion in the year, 21.3% higher than that recorded in 2021. Consolidated regulatory EBITDA totaled R\$ 1.9 billion in 2022, accounting for a growth of 24.2% over the previous year. Thus, the EBITDA margin reached 84.5% in the year, 2% higher than the previous year.

One of the major drivers for this result was the entry into operation of the Sant'Ana (55% delivered), ESTE, Aimorés, Paraguaçu and Ivaí (90% delivered) projects in 2022, as well as the impact of Janaúba which, despite having been delivered in advance in 2021, positively affected the 2022 and 2021 comparison. The Annual Permitted Income (RAP) of all these projects amounts to more than R\$ 680 million, considering TAESA's proportional interest in these concessions in the 2022-2023 RAP cycle, with the addition of PIS/COFINS.

**Dimensions**



Considering the result under IFRS, the Company recorded a net income of R\$ 1.5 billion in the year, accounting for a decrease of 34.5% compared to 2021, mainly explained by the lower IGP-M and IPCA recorded between the compared periods, negatively affecting income from inflation adjustment, and the decrease in the infrastructure implementation margin, mainly due to the start-up of several projects that were under construction.

TAESA ended the year with a cash position of R\$ 1.5 billion and a net debt of R\$ 9.1 billion – considering the Company’s interest in joint ventures and associated companies – with a ratio of 3.7 times the net debt to EBITDA ratio, an important improvement when compared to the level of 4.2 times reported twelve months earlier.

From an operational perspective, the Company achieved a 99.95% line availability rate in 2022, highlighting its consistency in operational excellence and management of its transmission lines. The variable accounting portion totaled R\$ 60.2 million in the year, driven by events that occurred in other years and which are being discussed in administrative and judicial proceedings as they are considered external and unrelated to TAESA.

In the last three transmission auctions held by ANEEL, TAESA was one of the major winners and was awarded four lots that, together, totals almost R\$ 450 million in RAP. Ananaí refers to the largest lot in the 02/2021 auction, located between the cities of São Paulo and Paraná, with R\$ 1.75 billion in investments and a RAP of R\$ 160 million; and Pitiguari is lot 10 sold at auction 01/2022, located in the city of Santa Catarina, with a RAP of almost R\$ 20 million and investments of R\$ 243 million. The lots sold in the last 02/2022 auction at the end of the year are called Tangará (lot 3) and Saíra (lot 5), and, together, total R\$ 2.3 billion in investments and a total RAP of R\$ 261 million. The signing of the contract for these concessions is scheduled for March 30, 2023. Furthermore, in October 2022, ANEEL authorized the implementation of large-scale reinforcements in the Novatrans concession, comprising an investment of approximately R\$ 263 million and a RAP of R\$ 45 million after its energization, with a regulatory term of 30 months for work completion.

The year 2022 was also affected by the entry into the new RAP 2022-2023 cycle that started on July 1st. The concessions adjusted by the IGP-M index (Category II) had an inflation adjustment of 10.72%, and concessions adjusted by the IPCA index (Category III) had an inflation adjustment of 11.73%. Therefore, the RAP of 43 concessionaires from TAESA Group in the new 2022-2023 cycle totaled R\$ 4.1 billion, 15% higher than the total RAP of the previous cycle, already considering a 50% reduction in the RAP of the category II concessions that suffer this effect in the new cycle.



## TAESA maintained full focus on the Sustainability agenda, since this topic is connected to its Mission, Vision and all its Values, and is also a fundamental pillar of its Strategic Planning for the Company.

### Dimensions

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Considering payment of dividends, we maintained an adequate level of distribution of dividends and interest on shareholders' equity, totaling almost R\$ 1.7 billion in 2022, equivalent to R\$ 4.85 per Unit and 7.8% higher than the amount paid in 2021. With that, the dividend yield of TAEE11 stood at 14.0% at the end of 2022.

TAESA maintained full focus on the Sustainability agenda, since this topic is connected to its Mission, Vision and all its Values, and is also a fundamental pillar of its Strategic Planning for the Company. On the People front, we were awarded the Great Place to Work seal in its 4th consecutive year, being among the Best Companies to Work For in Rio de Janeiro and, in 1st place, in the GPTW Energy Highlight for the 2nd consecutive year. Moreover, the Company received the certification FIA Employee Experience Organizational Climate 2022 certification, which for over 30 years has analyzed the work environment of Brazilian organizations, with a methodology that evaluates several topics such as career, internal communication, corporate education, ESG, leadership, quality of life, recognition and reward and interpersonal relationships.

On the security front, we carry out several actions, including the inclusion of objective security requirements in the process of hiring EPC contractors, and the purchase and use of security cameras in the exercise of the activities of the field teams to guarantee compliance with safety standards and, consequently, the protection and safety of technicians. Several forums were also held for employees, mainly aimed at raising everyone's awareness on health and safety. Due to all these efforts, the accident frequency rate has significantly reduced between 2021 and 2022 in all concessions in which the Company has an interest.

Another important sustainability front to be highlighted was the approval of the Materiality Matrix action plan. After evaluating the matrix with the stakeholders, six material topics were prioritized to be worked on from now on: Ethics, transparency and integrity; Mitigation and adaptation to climate changes; Environment and biodiversity; Relationship with local communities; Management, people development, diversity and inclusion; and health, safety and quality of life. To create a link with the global agenda, we connect these important topics with some Sustainable Development Goals (SDGs): Clean and Affordable Energy (SDG 7), Decent Work and Economic Growth (SDG 8), Action Against Global Climate Change (SDG 13), Life on Earth (SDG 15), and Peace, Justice and Effective Institutions (SDG 16).

## Dimensions

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In 2022, based on collaborative and integrated work with all employees, the Company defined its Mission, Vision and Values, following our strategic planning and connected with the TAESA Integrated Management System Policy (SGIT). This policy aims to disseminate a safety culture to avoid accidents, minimize the environmental impacts arising from our activities, maintain adequate levels of reliability and availability of transmission assets, be increasingly efficient, increase the profitability of our assets, and implement, certify and maintain the Company's integrated management system.

On the diversity and inclusion front, diversity targets were defined in the hiring process and promotion of debates and awareness forums among employees. Women currently represent over 20% of TAESA's staff and leadership, an important number given that the electric power sector today is made up mostly of men. Taesa has offered training courses for female electricians, in which more than 120 women have already participated, including some of them hired by the Company. Furthermore, there was an increase of 11% in the number of black employees on staff, who currently represent 45% of the company.

TAESA remained in the Sustainability indices of B3, ICO2 and IGPTW for the second consecutive year, which confirms the market's recognition of the Company's commitment to relevant guidelines on climate change and organizational climate. Finally, we highlight the issuance of yet another

green infrastructure debenture in 2022 – the 12th issuance of debentures by Taesa, in the amount of R\$ 1.25 billion – which was the largest “green” ICVM 400 issue in the past year and had the massive participation of individual investors (more than 17,500 SSNs) and a very competitive cost – lower premium above the National Treasury bonds (NTN-B) in the last 2 years in the electric power sector.

Considering the great accomplishments and important achievements of the last year, TAESA stresses its strategic position as one of the largest electric power transmission companies in the country and its focus on the strategic pillars of sustainable growth, value creation, financial discipline and operational efficiency, ratifying its commitment to transmit energy with reliability, transparency and security to the whole society and respecting the environment and all stakeholders.







# Our Company

## GRI 2-1

One of the largest electric power transmission groups in Brazil in terms of RAP, TAESA is a publicly-held corporation controlled by CEMIG and ISA Investimentos.

With a performance based on excellence, ethics and sustainability, the Company is exclusively engaged in the construction, operation and maintenance of transmission assets, which conduct high voltage energy over long distances throughout the country.

With units in operation and under construction in the five Brazilian regions, distributed in 18 states and the Federal District, TAESA is headquartered in Rio de Janeiro. Of the Company's assets, 14,243 km of lines are in operation and 1,067 km are under construction, totaling 15,310 km in length and 108 substations. These projects operate at a voltage level between 230 and 525kV. The Company also has an Operation and Control Center (COC) located in Rio de Janeiro (RJ), and a Laboratory based in Brasília (Federal District).

The Company is characterized by a high level of technical knowledge and high management standards, aiming to ensure a satisfactory return for shareholders and a motivating work environment for employees.

— GRI 2-1

Operations  
map



For further information on the lines and details of the concessions, click on the map.

— GRI 2-1 | GRI 2-7

**43**  
concessions

**15.3** thousand km  
of transmission lines

**108**  
substations

**8.5** %  
of transmission lines  
in the country

**792**  
employees

**99.95** %  
of availability in lines

Attendance in  
**294**  
municipalities  
in 18 states  
and the  
federal district

**30** '000  
towers in operation and  
under construction

R\$  
**2.9** billion  
Net operating income

TAESA currently holds 43 transmission concessions/interests organized as follows:

# 10

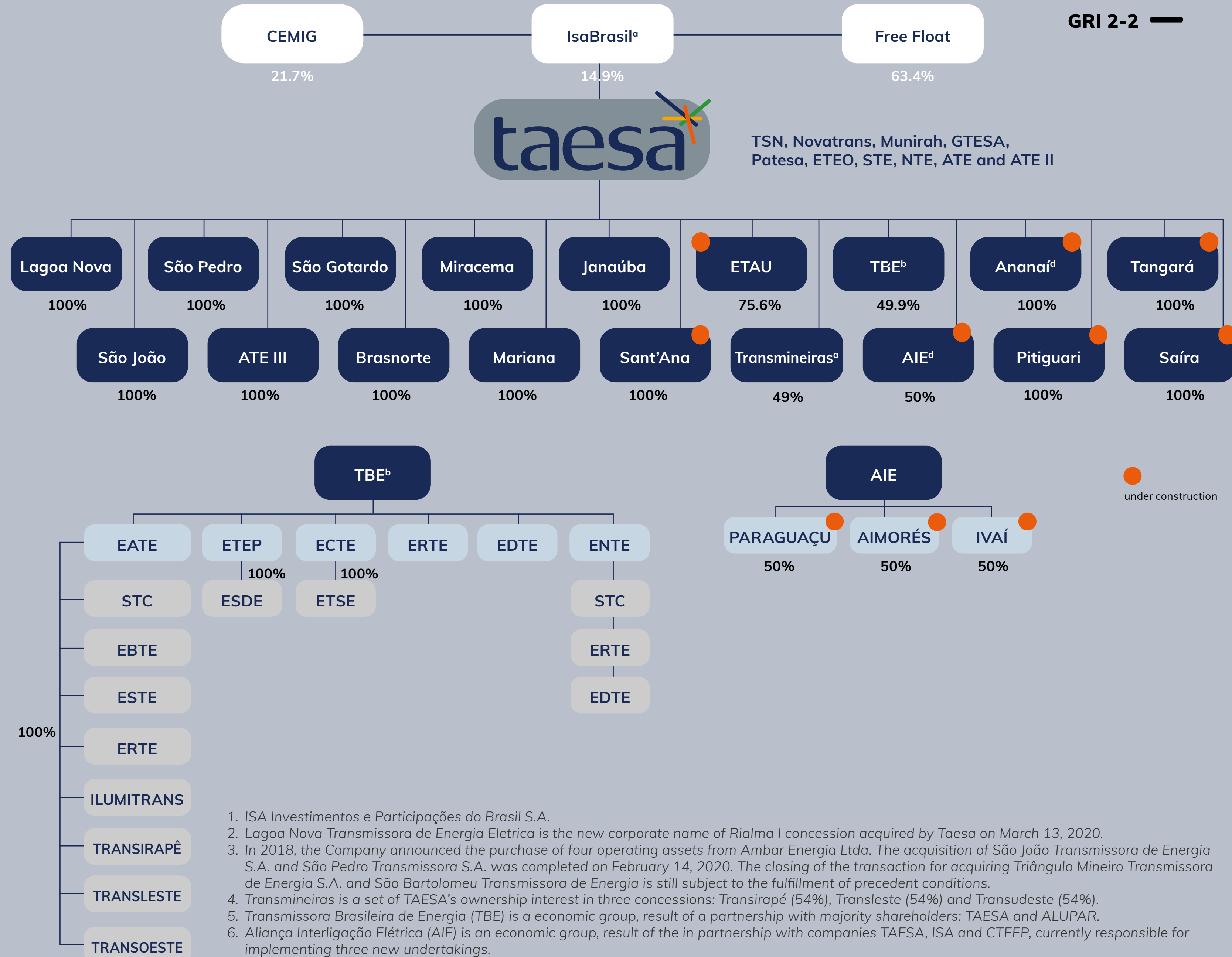
concessions comprising the holding company (ATE, ATE II, ETEO, GTESA, Munirah, Novatrans, NTE, PATESA, STE and TSN);

# 14

wholly-owned investees (Ananaí, ATE III, Brasnorte, Janaúba, Lagoa Nova, Mariana, Miracema, Pitiguari, Saíra (lot 5), Sant'Ana, São Gotardo, São João, São Pedro and Tangará (lot 3));

# 19

participations (ETAU, AIE and TBE Groups, and Transmineiras)





### LEARN MORE

The methodology created by Richard Barret, specialist in the area of Culture and Development, inspired by Maslow's hierarchy of needs. Such methodology surveys the cultural reality of the company from the point of view of Organizational Values, its degree of entropy, and makes a comparison with the desired values.

In the book *The Values-Driven Organization*, by Richard Barrett, you can deep your knowledge of the methodology.

## Strategic drivers

TAESA made its new strategic guidelines official in March 2022 when carrying out the developments of the Culture and Leadership Project. The need to align the Company's Mission, Vision and Values arose after the completion of the 2021-2030 Strategic Planning. To this end, a mapping of organizational values referred to by employees based on the Barrett Methodology was performed. The result of this survey was validated with the Executive Board and the People team, resulting in a new Mission, new Vision and new Values for the Company.

These guidelines were first communicated to TAESA's leaders when the Executive Board and the People team could report on how this process was carried out and the meaning of this change for the organizational culture. Managers were assigned to share these guidelines with the teams. The company also carried out a communication and disclosure campaign to the internal and external audience, which included placing signs, publications on TAESA Digital – the company's intranet –, on LinkedIn, the Investor Relations website and on a master slide in the presentations made by the company.



## MISSION

We connect Brazil with safe and reliable energy.

## VISION

To be the electric energy transmission company of highest Value to the society.

## PRINCIPLES AND VALUES

We genuinely care about **people**.

We operate with **integrity** building bonds of **trust**.

We seek **excellence** in everything we do.

**We are TAESA!**

# Our Business

There are three stages necessary for the electric energy to reach the final consumer: generation, transmission and distribution. TAESA operates exclusively in the transmission, dedicated to the construction, operation and maintenance of assets that allow the transmission of high voltage energy over long distances across the country.

Dimensions



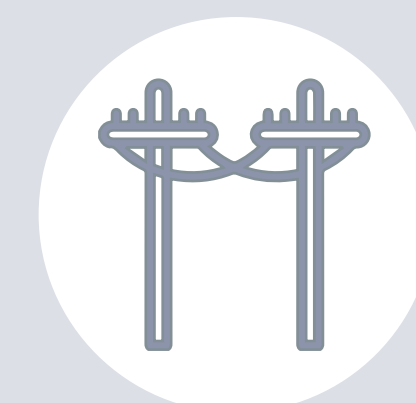
## GENERATION

Electricity is generated, almost always far from where we need it. It is produced at medium voltages at the generation plants (15,000 Volts on average) and goes to substations, where voltages are increased to reach the transmission levels.



## TRANSMISSION

The transmission system, or transmission network, transports the energy produced in the plants to consumers. This network operates at high voltages (above 230,000 volts). At its end, a “step-down” substation reduces the voltage to connect it to the distribution network or directly with a large consumer, which is the case of a large industry, for example. It is in this stage that the services are provided by TAESA.



## DISTRIBUTION

It is the network in which the voltage is reduced several times by the distribution transformers. This happens so that the energy reaches adequate consumption levels; that is, sufficient for the operation of everything we use in our daily lives at home, in industries, hospitals, schools, companies, etc.



**GRI 2-6**

## Transmission Sector

TAESA operations are included in the Interconnected Electric System (SIN), a system responsible for the generation and transmission of large-scale electric energy, operated by public and private companies and managed by the National System Operator (ONS). SIN comprises about 98% of the Brazilian electric power market and its network is approximately 156.8 thousand kilometers of lines with voltage greater or equal to 230Kv.

The ONS and the public service concessionaires in the segment enter into the Transmission Service Provision Agreement (CPTS), which establishes the technical and commercial terms and conditions for the provision of services. Through this document, the concessionaires assume responsibility for the operation and maintenance of the facilities. These organizations are remunerated by the Annual Permitted Income (RAP) for making these facilities available, being deducted for any observed unavailability.

Through this instrument, the agents also authorize the ONS to perform all necessary acts to represent them before the network users in the Contracts for Use of the Transmission System (CUST). The transmission assets comprising this network are regulated by the Brazilian Electricity Regulatory Agency (ANEEL), which in turn regulates this sector through a Revenue Cap model. According to this model, the companies that operate the assets receive income based on the availability of the line, and not on the volume of energy transmitted in the system. This management is the responsibility of the ONS, as established in the entity's bylaws: "the activities of coordination and control of the generation and transmission of electric energy of the Interconnected Electric System (SIN) are carried out by the Electric System National Operator (ONS)". Thus, the transmission sector is not exposed to volume risk.

TAESA has a high availability index that confirms its position in a stable and reliable regulatory environment.

RAP (R\$ MM)	2020-2021	2021-2022	2022-2023
<b>IGP-M adjustment</b>	<b>6.50%</b>	<b>37.00%</b>	<b>10.70%</b>
Novatrans	352.5	483.3	535.4
TSN2	325.1	454.6	506.2
Munirah	29	29.9	33.1
GTESA	5.9	8.1	8.9
PATESA2	17.4	23.9	26.7
ETAU1	29.9	39.1	43.2
ETEO	105.4	144.4	159.9
NTE	92.1	126.1	139.9
STE	50.6	69.5	77.2
ATE I	115.1	122.1	135.3
ATE II	275.5	273.6	211.8
EATE1	130.6	179	198.3
ETEP1	29.4	40.3	44.6
ENTE1	67.3	92.2	102.1
ECTE1	10.8	14.9	16.5
ERTE1	15.3	21	23.2
Lumitrans1	12.7	17.4	12.1
Transleste1	19.3	18	20
Transirapé1	22.2	29.4	23.5
Transudeste1	16.3	18.4	12.4
<b>Subtotal</b>	<b>1,722.30</b>	<b>2,205.10</b>	<b>2,330.30</b>

Note: All RAP values include PIS/COFINS;

1. RAP value proportional to TAESA's participation.

2. Including reinforcements.

3. Under construction.

4. Category II concession with IPCA adjustment.

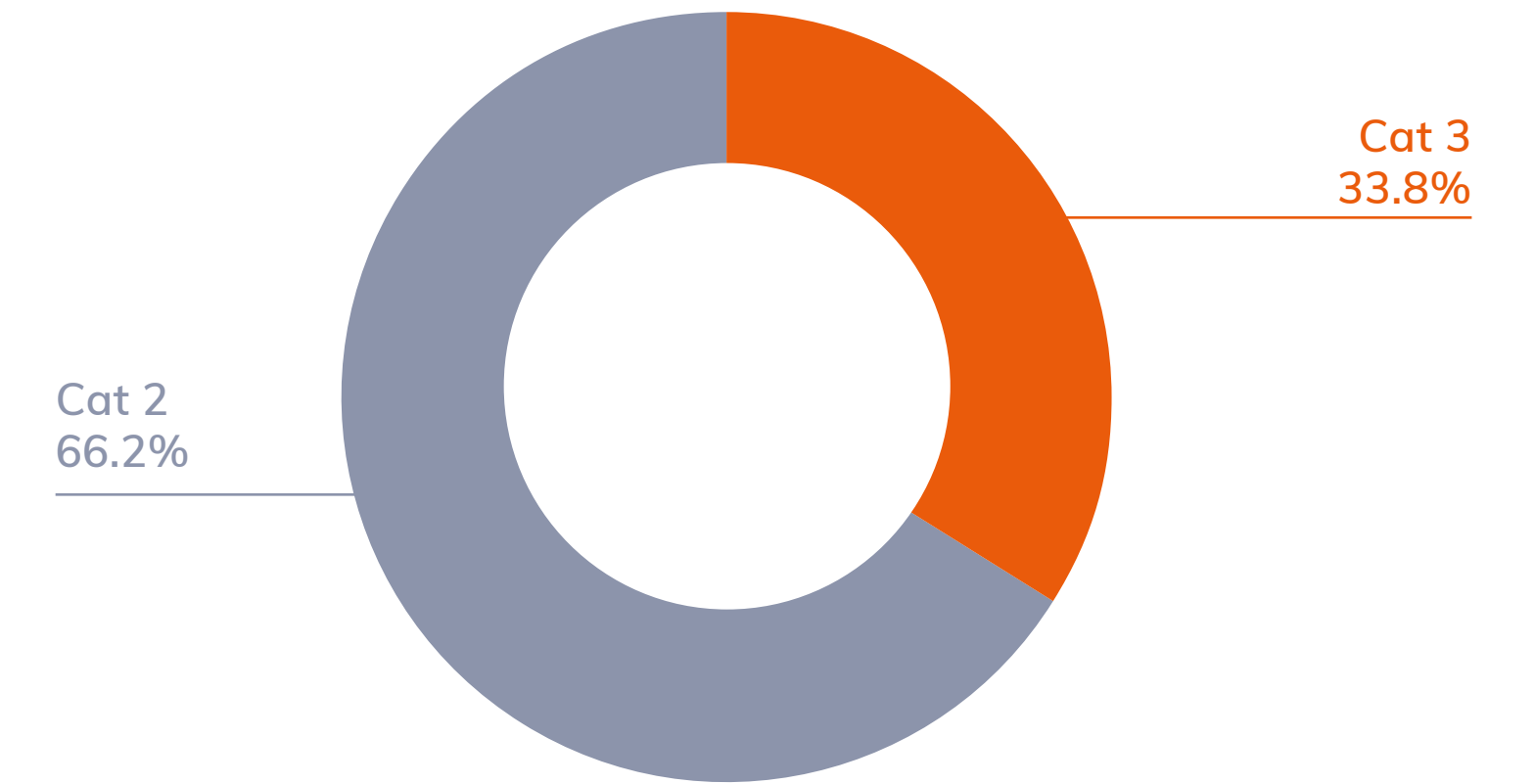
5. Concession contracts will be signed on 03/30/2023.

IPC-A Adjustment	1.90%	8.1%	11.70%
ATE III2 and 4	140.7	152.3	158.9
São Gotardo	5.7	6.2	6.9
Mariana	17.1	18.4	20.6
Miracema	70.5	77.4	86.4
Janaúba	217.9	235.4	257.6
Aimorés1	44.6	48.1	52.7
Paraguaçu1	66.5	71.9	78.6
Brasnorte	31	33.9	37.8
STC14	20	21.7	18
EBTE1	40.1	44.5	48.5
ESDE1	7.5	8.1	9.1
ETSE1	4.3	5	6.5
ESTE1	63	68.1	74.5
Ivaí13	165	178.3	199.2
EDTE 1	38.8	38.8	46.1
Sant'Ana3	64.4	69.6	77.8
São João	51.7	55.9	62.4
São Pedro	48.3	60.1	67.2
Lagoa Nova	13.3	14.4	16.1
Ananá3	-	143.1	159.9
Pitiguari3	-	-	19.5
Tangará (Lot 3)3 and 5	-	-	100.7
Saíra (Lot 5)3 and 5	-	-	167.7
Subtotal	1,110.40	1,354.60	1,772.70
<b>Total</b>	<b>2,832.60</b>	<b>3,559.70</b>	<b>4,103.00</b>

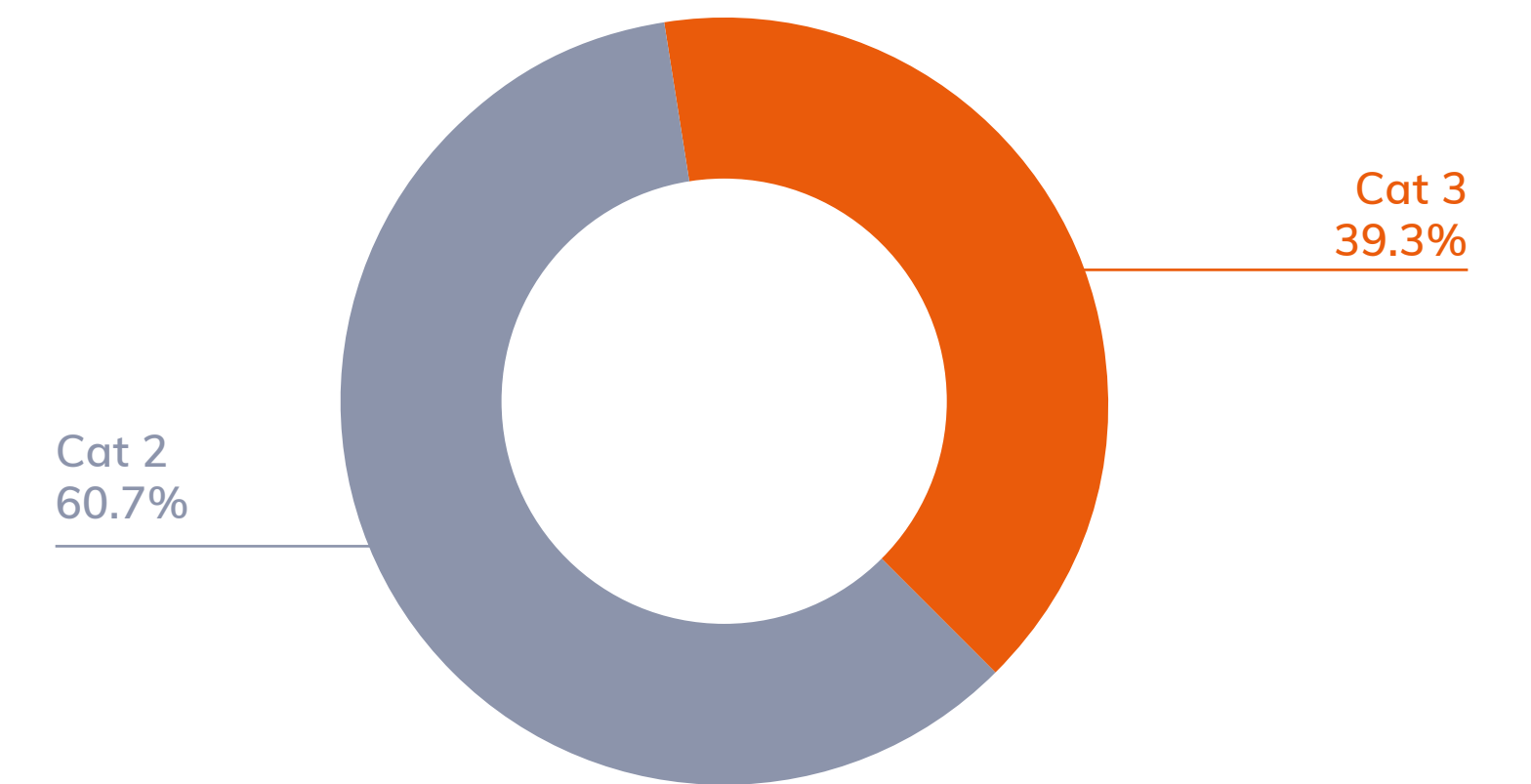




2021-2022 RAP CYCLE

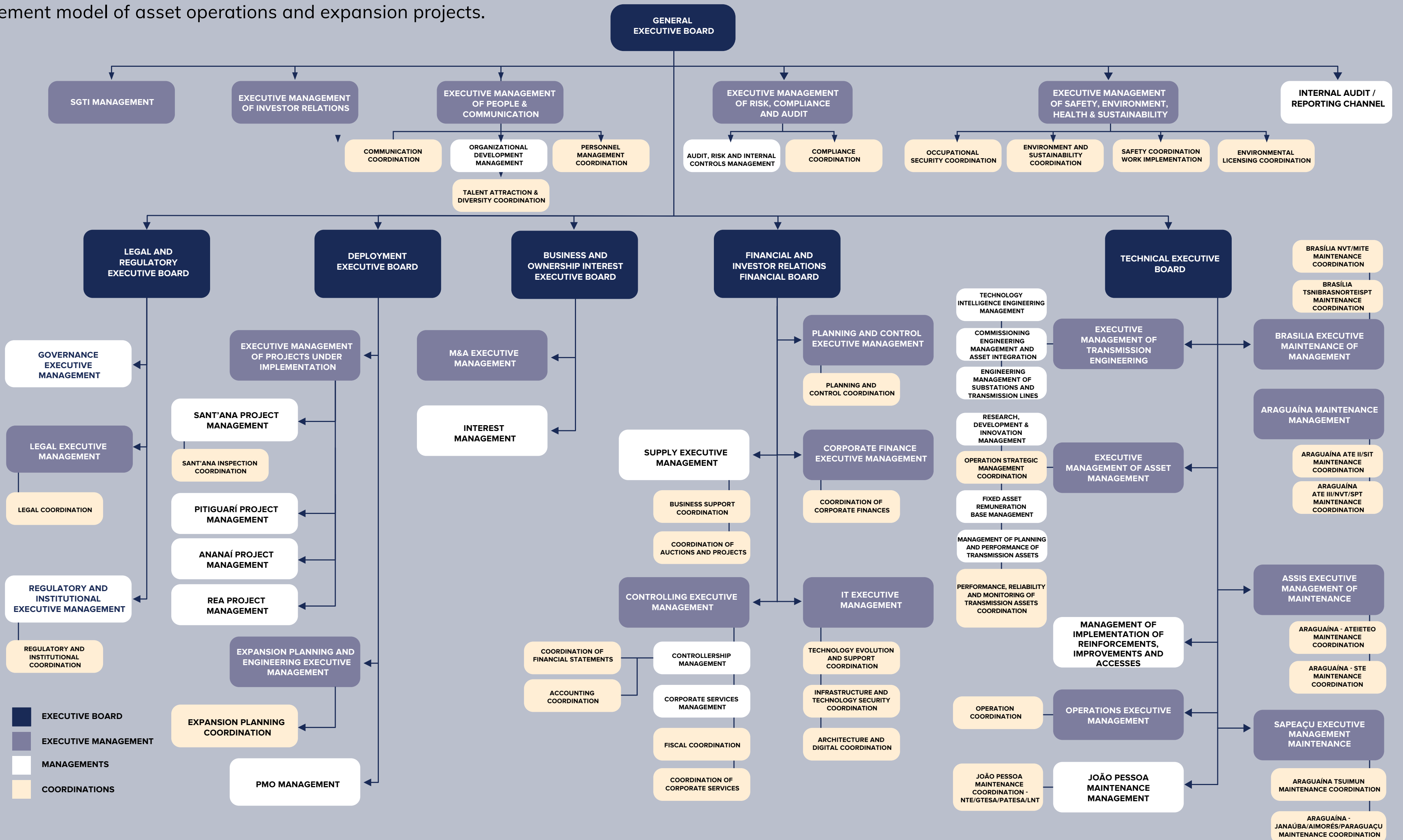


2022-2023 RAP CYCLE



# Organization and Management

TAESA has a functional organization chart that enables an integrated management model of asset operations and expansion projects.



## Dimensions

— **GRI 2-28**

## Participation in associations

TAESA participates in associations composed of concessionaires and service providers, most of which are electric power transmission companies. Also, the Company voluntarily endorses standards and treaties developed by the civil society identified with its values.

By participating in such organizations, TAESA aims to:

- Represent the legitimate interests of agents before regulatory bodies/entities, adding value to member companies.
- Help to develop Brazilian infrastructure and industry, key sectors to support the country's economic and social development.
- Ensure the sustainability, development and attractiveness of the electric power transmission business.
- Foster exchange, technical, technological and engineering development in Brazil, in the field of electric power production.
- Promote the study of issues of interest to the electricity sector, fostering the exchange of information with other class associations.

### The entities in which the Company holds interest:

- **Brazilian Association of Electric Power Companies (ABCE).**
- **Brazilian Association of Infrastructure and Basic Industries (ABDIB).**
- **Brazilian Association of Electric Energy Sector Accountants (ABRACONEE).**
- **Brazilian Association of Electric Power Transmission Companies (ABRATE).\***
- **National Association of Finance, Administration and Accounting Executives (ANEFAC).**
- **Brazilian Committee of Regional Electrical Integration Commission (BRACIER).**
- **Brazilian National Electricity Production and Transmission Committee (CIGRE).**

\*TAESA only has a representative at ABRATE: Marco Faria is president of the Steering Committee of the association.

A series of decorative lines in orange, green, and blue, arranged in a pattern that resembles a stylized 'D' or a series of connected segments.

**Dimensions**



Taesa is a signatory of the Global Compact since 2019, an initiative proposed by the United Nations (UN) to encourage companies to adopt social responsibility and sustainability policies. Since then, the Sustainable Development Goals (SDGs) are benchmarks of the actions developed by the company. TAESA is also subject to the documents issued by the Brazilian Corporate Governance Institute (IBGC) and the Brazilian Securities and Exchange Commission (CVM).

In 2006, TAESA entered into a contract for the Adoption of Differentiated Corporate Governance Practices with Bovespa. By means of this instrument, the Company complied with the “Regulation of Differentiated Level 2 Corporate Governance Practices” and with the “Regulation of the Market Arbitration Chamber”, both issued by B3 S.A. The Climate Survey, in partnership with the *Great Place to Work* (GPTW) is another Company’s practice. To assess employee satisfaction with the work environment and the conditions offered by the company, such assessment is carried out annually. In 2022, TAESA was certified with the GPTW seal for the fourth year in a row.

— GRI 2-29

## Responsibility with stakeholders

For TAESA, maintaining a transparent relationship, with open channels so that all stakeholders may access the Company, is essential for the Sustainability process.

Learn the main audiences with whom the company interacts and how this approach takes place:

## Shareholders and Investors

TAESA is controlled by CEMIG and ISA Investimentos. CEMIG is controlled by the State of Minas Gerais and is one of the most sound and important groups in the electric sector in Brazil. ISA Investimentos is a holding company whose purpose is to consolidate the investments made in Brazil by ISA *Interconexión Eléctrica S.A. E.S.P.*, one of the largest international electric power transmission companies in Latin America.

TAESA holds 63.45% of the shares traded in the market. One of main objectives is to maximize the value for its shareholders assuring the long-term business sustainability, providing a high quality core service and respecting the rules established by Brazilian regulatory authorities. In recent years, the Company's performance in relation to *Environmental, Social and Governance (ESG)* topic emerged as an important demand given the need to adopt or improve sustainable practices. In this context, several Sustainability actions have been developed, aimed at expanding the best ESG practices and improving the Company's reports.

TAESA communication channels with these *stakeholders* are the Investor Relations website ([www.taesa.com.br/ri](http://www.taesa.com.br/ri)), the IR department's email address ([investor.relations@taesa.com.br](mailto:investor.relations@taesa.com.br)) and the IR team's telephone number (+55 21 2212- 6060). Meetings of management bodies are also held (Annual General Meeting) and annual public meeting with analysts.

## Customers

The TAESA Group's customers is comprised by electric power generators, free consumers, distributors (and its captive clients) and other transmission companies that connect or share their facilities with the company.

To identify this audience, the list of users made available by ONS on a monthly basis, in addition to the Sharing Contracts (CCI/ CCT), are used as a basis. The relationship is guided by the Quality Policy and by the Code of Ethical Conduct and Compliance and Grid Procedures.

Generally, the forms of communication are established directly between the parties, through emails or the website made available by TAESA for prompt consultation by all SIN Users of document history, facilitating and clarifying the billing related to the transmission companies.

## Suppliers

The largest suppliers of TAESA are manufacturers of large electrical equipment (transformers, circuit breakers, protective equipment, lightning rods, reactors, measuring transformers, etc.). There are also engineering and environmental advisory companies that provide services, both in projects (civil, electrical and mechanical parts) and in the performance of programs and conditions established by the environmental agencies.

Another branch of activity of suppliers is office supplies, airline ticket and lodging reservations, vehicles, freight and insurance.

The identification of such suppliers is performed through registration in the Suppliers Portal.

In the period covered by this report, no significant changes were recorded in the supply chain, which remained with the same profile and structure.

The relationship with suppliers is constant and is aligned with the Company's Mission to guarantee safe and reliable energy. It is also carried out to update the Company on current demands and the prospect of new hires, especially those inherent to auctions, reinforcements, improvements and other day-to-day operations.

## Press

TAESA understands the role of the press as one of the links between the Company and society, and as a means of access to discerning information. TAESA monitors the information published in the press about the Company and its assets and responds to inquiries made by the media upon request.

TAESA's website provides a specific area with the Press Office's telephone and email contact channels, to facilitate the search for information.

## Employees, Unions and Labor Public Bodies

At the end of 2022, based on the list of active employees, the total number of TAESA employees was 755 employees and 37 interns, with 611 men and 144 women.

The relationship with teams is governed by the Human Resources Policy and by the Code of Ethical Conduct and Compliance, as well as the compliance with labor legislation. Through a collective labor agreement with the unions associated with the company (Sintraindistal, Sinergia and Steet), which covers all employees, topics such as salary readjustment, hour bank, profit sharing and benefits package are covered. The term of the agreement, started on 07/01/2019, after renewal, extends until 2023.

The main communication and relationship channels with employees are: Corporate WhatsApp, emails, intranet, (TAESA Digital), electronic bulletin board, team and Executive Board's meetings, celebration of the month's birthdays, personalized newsletters from the areas, disclosure of corporate policies, annual performance appraisal, etc. The questions sent by the teams include topics such as: electronic time clock, vacation, proof of compensation and benefits package.

Communication with the unions is carried out by email, website publications and correspondence. The main theme involves collective agreements.

For contact with public bodies related to the Secretariat of Labor, linked to the Ministry of Economy, the Brazilian Federal Revenue Service and Social Security, communication via eSocial, e-CAC, Social Security and Caixa websites, correspondence and email is used. The main purpose of the relationship is the submission of labor and tax obligations and the payment of taxes, as well as compliance with legal quotas.

## Public Bodies

The public bodies with which TAESA most frequently interacts with are as follows: ANEEL, the Ministry of Mines and Energy (MME), the Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA), state and municipal environmental agencies, the National Operator of the Electric System (ONS), among others.

Stakeholders are those who have the power to supervise the electricity transmission service in general, with the ability to issue regulatory procedures, resolutions, standards or laws, to elaborate public policies for the electric energy sector.

The relationship with these public bodies occurs in a different way, through various means:

- With ANEEL: by sending information and correspondence regarding resolutions issued and corporate information of accounting nature; requests for consent in specific business processes; participation in meetings and public hearings promoted by the Agency; participation in auctions of new transmission lines.
- With MME: sending and monitoring correspondence; meetings, when the topic requires it.
- With environmental agencies: environmental licensing and compliance with its obligations regarding environmental programs; technical meetings, when the topic requires it; clarifications provided.
- With ONS: exchange of correspondence and technical information; technical meetings, when the topic requires it; participation in its Board of Directors.



## Social, Environmental and Community Organizations

The relationship with social, environmental and community organizations occurs since the prospecting of transmission undertakings. It starts with the Energy Research Company (EPE) responsible for the expansion studies of the Basic Network, as well as by TAESA, in its studies and evaluations prior to auctions and acquisitions.

In the licensing process, social and environmental assessment studies are performed to identify communities affected by the undertaking and interested social and environmental organizations.

Regarding topics of public interest, the main issues are related to safe coexistence with the line, permitted uses in the right-of-way, environmental impacts and compensations, as well as partnerships and support for social and environmental projects. The company's Related Parties Policy is guided by its Code of Ethical Conduct and Compliance, concession contracts and legislation.

TAESA's institutional website gathers information about the Company's undertakings. It also has a specific page for contact, with a form and phone number for questions and complaints, including a hotline, available at +0800 701 6682.

With regard to Research, Development and Innovation (R, D & I) programs, social-cultural and sports projects and sustainability, the relationship takes place through the website or directly with the responsible area. In operation, the communication channel is maintained through initiatives such as the Environmental Education Program and the Social Communication Program, developed throughout the concessions annually.



# Highlights

## Auctions and new TAESA's assets

TAESA was the winner of the last three transmission auctions held by ANEEL, winning four lots that, together, totals almost R\$ 450 million in RAP. Discover the Company's new concessions:



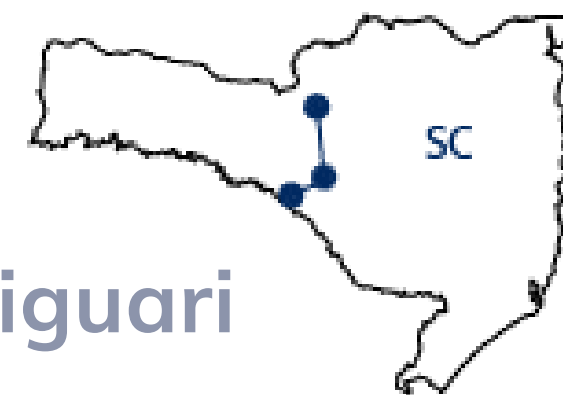
### Ananaí

The largest 02/2021 auction, this project under construction is located between São Paulo and Paraná, with an extension of 363km of 500 kV and 525 kV TLs, in addition to four substations. With the purpose of meeting the needs of the metropolitan region of Curitiba (state of Paraná), this is an own concession, in which 100% of the pre-operating result is consolidated by TAESA.

The expected investment for this concession is R\$ 1.75 billion and the forecast is for a RAP of R\$ 160 million. With a deadline for energization in March 2027, this project is granted to the company until 2057.

In addition to the new designs, ANEEL authorized the implementation of large-scale reinforcements in the Novatrans concession, comprising an investment of approximately R\$ 263 million. After its energization, a RAP of R\$ 45 million is expected, with a regulatory period of 30 months for the completion of the work.

### Pitiguari



Also under construction, this undertaking is lot 10 of auction 01/2022, held in June 2022. Located in the city of Santa Catarina and with an extension of 93 km of 230 kV TLs and three substations, the project has a RAP of almost R\$ 20 million and investments of R\$ 243 million. The period for energizing Pitiguari is 54 months from the contract signing, and the concession is effective until 2052.



### Tangará and Saira

The Tangará and Saira concessions were acquired together at 02/2022 auction, held in December 2022. Together, the concessions totaled an investment of R\$ 2.3 billion with a total RAP of R\$ 261 million. The contract signing for these concessions is scheduled for March 30, 2023.

Tangará, Lot 03 of the auction, is located in the states of Maranhão and Pará. On the other hand, Saira, which was identified as Lot 05, is located in Rio Grande do Sul.

# New Mission, Vision and Values of the Company

The month of March 2022 was marked by the formalization of TAESA's new strategic guidelines. The Company's new Mission, Vision and Values are in line with the 2021-2030 Strategic Plan. For the preparation of these management elements, a mapping of organizational values referred to by employees based on the Barrett Methodology was performed. The result of this survey was validated with the Executive Board and the People team.

As a result of communication initiatives of these new drivers, TAESA held the 1<sup>st</sup> Leadership, Management, Unity and Strategy Meeting, called *eligue*. In the three days of the event, held at Club Med, in Rio de Janeiro, 74 participants managed to deepen and develop, through lectures, dynamics and group activities, the principles of TAESA's leadership profile.



**New Mission:** 

**MISSION**  We connect Brazil with safe and reliable energy.

**New Vision:**

 To be the electric energy transmission company of highest Value to the society.

**VALUES** 

- We genuinely care about *people*.
- We operate with *integrity* building bonds of *trust*.
- We seek *excellence* in everything we do.
- We are TAESA!**



Leadership,  
Management,  
Unity and  
Strategy Meeting.

**eligue**



## Participation in the Transparency Movement and Ethos Institute

In a continuous initiative in search of good corporate transparency practices, TAESA joined two important initiatives in 2022: the 100% Transparency Movement and the Ethos Institute.

The first initiative to promote corporate transparency within the country, the 100% Transparency Movement is an action by the Global Compact Brazil Network that aims to encourage and train companies to go beyond legal obligations, strengthening transparency and integrity mechanisms to make them more resilient and examples of success for other organizations. Currently, there are 37 companies participating, including TAESA.



Founded in 1998, the Ethos Institute is a Civil Society Organization of Public Interest (OSCIP) engaged in mobilizing, raising awareness and helping companies to manage their businesses in a socially responsible manner, making them partners in the construction of a fair and sustainable society.

The commitments assumed by TAESA with the association with the Ethos Institute include:

- Participate in and support the achievement of the mission of the Ethos Institute of “mobilizing, raising awareness and helping companies manage their businesses in a socially responsible manner, making them partners in building a more prosperous and fair society”;
- Disseminate the concept of corporate social responsibility adopted by the Ethos Institute to the public with which it interacts;
- Commit to the topic and progressively seek excellence in social responsibility policies and practices.

## Compliance Day



In November 2022, the *Compliance Day* meetings took place, an initiative that reinforces the importance of integrity and good practices. Two workshops gathered 342 people. At the Company's headquarters, an electronic bulletin board was installed, communicating exclusive *Compliance* messages. On November 29, TAESA employees were presented with a kit and participated in raffles of books and educational games addressing the *Compliance* topic.



## TAESA acknowledgments

In 2022, TAESA received the certification *FEEEx FIA Employee Experience Organizational Climate* for the first time, and received the *Great Place to Work* seal for the 4th consecutive year.

The survey carried out by Fundação Instituto de Administração (FIA) aims to analyze the experience of employees with their work environments, leaders and management practices at the Company. The methodology used in the survey is the result of over 40 years of studies by FIA researchers - an institution linked to the Business Administration School of University of São Paulo (USP) - regarding human behavior in organizations.

In the survey carried out in 2022, TAESA obtained rates above what the study calls *Amazing Places to Work (LIPT)*.

The *GPTW* certification, the market benchmark, recognized TAESA for the fourth year, being the second consecutive time that the Company reached 1st place in the *Generation, Distribution and Transmission* category. Of the 740 employees invited to answer the *GPTW* questionnaire, 97% participated.



98%

of employees believe that TAESA performs an excellent service.

99%

feel proud to tell other people that they work at the company.

98%

would recommend TAESA to friends and family as a great place to work.



## Launch of the Diversity book

A cocktail party for leaders and employees marked the launch of the publication “Diversity by TAESA.” The work presents articles and useful information for the training of employees who work in the company. Each pillar of Taesa’s Diversity Program gave rise to a chapter. Therefore, the book addresses topics such as behavior, the job market, prejudices, education and even a glossary on topics related to the LGBTQIAP+ public, women, different races and ethnicities, ageism and people with disabilities.

By disseminating quality information, which was written with an educational bias, TAESA consolidated its efforts, beliefs and values to foster a fairer company, collaborating so that this knowledge is disseminated in society and not just among its professionals.

## Participation in Events

Throughout 2022, TAESA held and participated in several events focused on the development of its people.

TAESA participated and sponsored the 9<sup>th</sup> Asset Management Meeting for Companies in the Electric Power Sector (9<sup>th</sup> EGAESA), the only event for companies in the electricity sector on best practices in Asset Management, its impact on the company results and its relevance to regulatory aspects of the national electric power sector. Held between November 7 and 11, 2022, the main agenda of the event was Circular Economy and ESG-related topics. In an innovative manner, the 9<sup>th</sup> edition of the event was held in a hybrid way, allowing the participation of a greater number of leaders in the sector.



In October 2022, TAESA attended the 16<sup>th</sup> Technical Protection and Control Seminar (STPC), promoted by the Protection and Automation Committee (CE B5) of CIGRE Brasil. Known for being an important forum for debates on issues in the area, the seminar brings together electric power companies, manufacturers, consultants, service providers, application providers, universities and research centers. In the 16<sup>th</sup> edition, the meeting addressed, besides the traditional and recurrent topics involving the sector, all aspects related to emerging technologies in measurement, protection and automation.



The Company was also present at the 26<sup>th</sup> edition of the National Seminar on Electric Energy Production and Transmission (SNPTEE), held in Rio de Janeiro in May. The event marked the 50<sup>th</sup> anniversary of the Brazilian National Committee for the Production and Transmission of Electric Energy (CIGRE-Brasil), and received over 1,300 abstracts of technical papers, of which 548 were selected and 534 were presented in technical sessions. Over 2,500 people participated in the meeting and ExpoSNPTEE, a trade fair that took place simultaneously with the 26<sup>th</sup> edition.



TAESA participated in the 28<sup>th</sup> ABCE Legal Symposium, considered the most traditional legal event in the electric energy sector, in October. Among the topics addressed in the 2022 edition was legal certainty, the conflict between state and federal environmental licensing rules and the impact of tax reform on the Brazilian electric power sector.

The operation of the electric power sector in a decentralized, sustainable and innovative scenario. The challenge of integrating generation, transmission and distribution was the topic of the 17<sup>th</sup> Meeting for Debates on Operational Issues (17<sup>th</sup> EDAO), held in December in São Paulo. Characterized as a networking and benchmarking event, EDAO also evaluates and rewards technical papers. In the 2022 edition, TAESA also participated in the event as a sponsor.



## TAESA opens new headquarters in RJ

A big party was prepared to receive employees at TAESA's new headquarters. Located in the Lead Americas Business condominium, in Barra da Tijuca, Rio de Janeiro (RJ), the administrative headquarters were inaugurated on September 23 at an event that brought together over 400 people, including leaders, employees and their families.

Structured to offer safety, comfort and technological equipment, TAESA's new headquarters has shared workspaces, meeting and videoconferencing rooms for both small and large groups.







corporate  
**governance**  
**dimension**

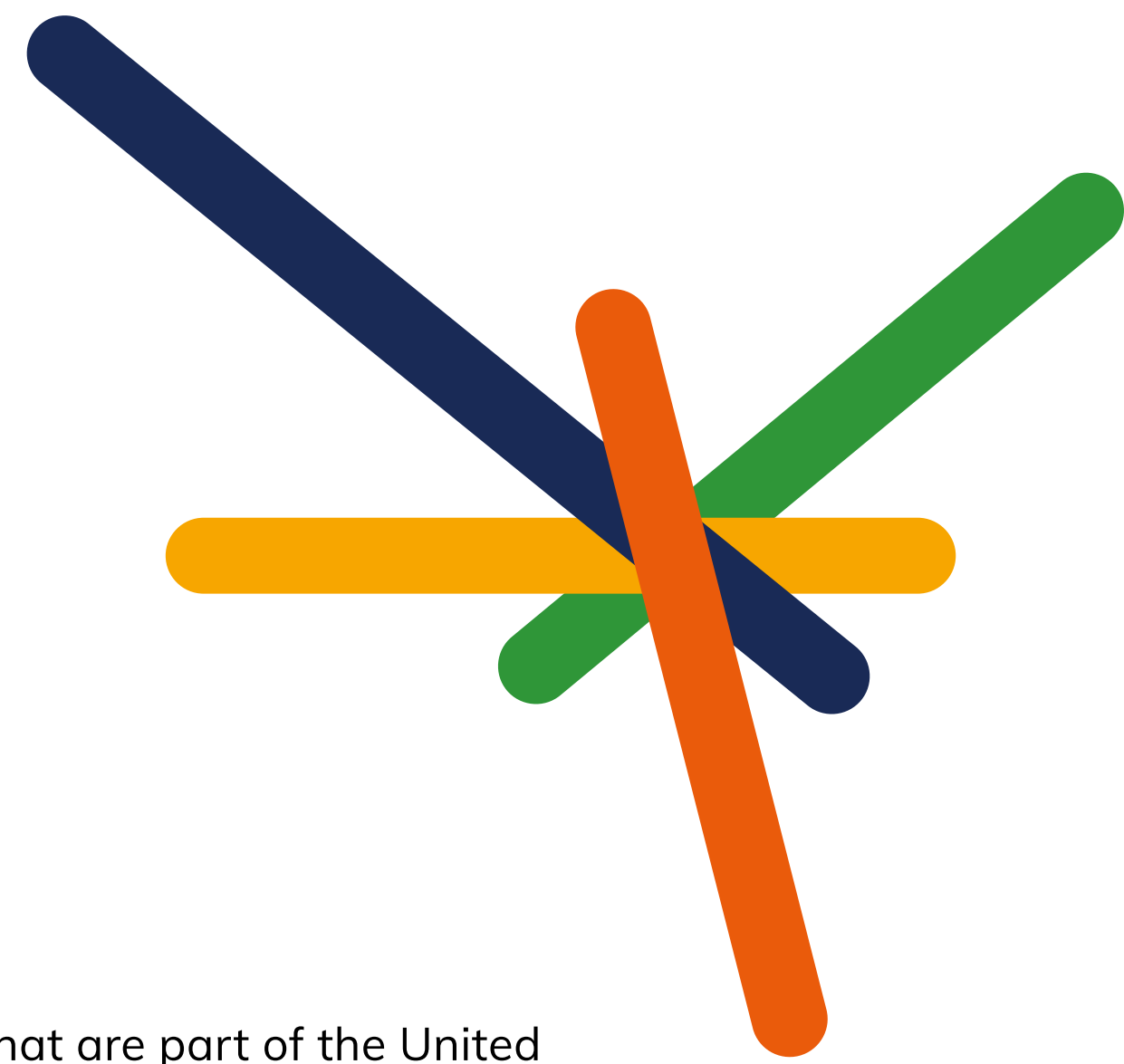
About this Report

2021–2030 Strategic Planning

Governance

Code of Ethical Conduct and Compliance





# About this Report

**GRI 2-3**  
**GRI 2-4**

Energy transmission is a strategic aspect of the electric sector, as it connects the generation and distribution segments in the Interconnected Electric System (SIN), which makes access to electricity possible in the most remote parts of the country. To evolve in its sustainability strategy and better communicate its performance to stakeholders, TAESA carried out in 2021 the Materiality Process, that is, the identification of the most relevant topics in relation to the economic, environmental and social impacts of the Company, as they influence the decisions of the public with which it relates. Therefore, in addition to considering the rules of the *Global Reporting Initiative* (GRI), the Sustainable

Development Goals (SDGs) that are part of the United Nations (UN) 2030 Sustainable Development Agenda were observed.

In 2022, the company started the development of planning initiatives to achieve these goals. Thus, Strategic, Tactical, Operational and Specific Objectives were established and will be presented in this report. The data presented here was also captured based on the guidelines of the GRI 2021 Standard, producing the publication “In accordance with the GRI 2021 Standards”. Information presented in Taesa’s 2022 Sustainability Report refer to the period from January 1 to December 31, 2022, considering the concessions merged into TAESA and those in which the Company holds all the shares.



Previous editions of TAESA’s Sustainability Report are available on the company’s website.

## TAESA's Materiality

### GRI 3-1

TAESA's Materiality Process was carried out between November and December 2021, under the guidelines of the 2016 GRI Standards and aimed to determine and update the relevant aspects for TAESA from the Sustainability perspective.

The methodology was fundamental to identify specific concerns and topics of the organization. What is extracted from the Materiality Process is a guideline for the construction of this report and an instruction, aligned with the company's strategy, to reach the maturity of the themes related to ESG.

Four steps were taken to establish its Material Topics: the identification of themes and stakeholders, the prioritization of these topics by TAESA representatives and stakeholders, the analysis of the results and the preparation of the Company's Materiality Matrix.

Check out below how this path was followed:

**TAESA's Materiality Process was carried out in 2021 following the GRI 2016 standards**

## Identification

### GRI 3-1

To identify the most significant Sustainability-related topics for TAESA, the following materials were considered by the consulting firm:



Internal documents produced by the organization, such as institutional website; risk management policies, anti-corruption, personnel management, compliance, supplier management, related parties and HSE; and internal controls, among other.



Guidelines and references of the sector, such as: GRI Topics for Sector; S&P Global – Sustainability Yearbook 2021; SASB – Industry Topics for Electric Utilities & Power Generators; and Integration of SDGs in the Brazilian Electric sector (Global Compact Brazil Network and USP).



Responses to the IS B3 questionnaire, created by B3 and considered as a driver of good business practices, and assessment ESG Industry Materiality Map performed by MSCI.



Evaluation of news and publications on websites and public information mentioning the company, as well as TAESA's profile on Facebook and LinkedIn. The news related to the regulatory body and the energy transmission segment in Brazil were another source considered for the identification of these themes.



Benchmarking with topics covered by the Materiality of seven other organizations in the Brazilian energy market.

Based on the analysis of this whole set of information, it was possible to draw up a list of 13 topics that were frequent and relevant to the organization, presented in alphabetical order:

## 1 DIVERSITY AND INCLUSION

It groups together the initiatives in favor of a diverse and inclusive environment, either through cultural actions and training on diversity, or through specific initiatives for underrepresented groups, to guarantee equal opportunities and professional development.

## 2 ECO-OPERATIONAL EFFICIENCY

It addresses the development of projects that aim to promote eco-operational efficiencies, seeking to reduce the consumption of natural resources and minimize the environmental impacts on TAESA's activities, both through the destination of materials and initiatives for reuse and life extension of inputs generated by the organization's operation.

## 3 ETHICS, TRANSPARENCY AND CORPORATE INTEGRITY

It brings together the continuous practices of integrity, compliance and anti-corruption, based on ethics and transparency principles in all of TAESA's relationships with its stakeholders. It also considers the governance framework and the evolution of publicly assumed agendas.

## 4 SUPPLIERS' MANAGEMENT

It lists the topics relevant to management and governance concerning the process of suppliers' approval based on compliance and social-environmental criteria with a focus on compliance of the value chain operations with human rights.

## 5 RISK AND CRISIS MANAGEMENT

These are the aspects linked to the management of mechanisms for evaluating, valuing and defining the level of exposure of the business to short, medium and long-term risks, comprising TAESA's decision-making process, as well as the management of potential crises involving the Company and/or its sector of activity. It concerns the organization's ability to map and identify risks before they materialize, directing specific efforts to mitigate their impacts.

## 6 PEOPLE MANAGEMENT AND DEVELOPMENT

This theme gathers the contents focused on the attention to applicable labor regulations, as well as initiatives to guarantee good working conditions, management of the work environment, performance and compensation, with a focus on the professional development of workers and qualified human capital for the Company's business.

## 7 ENVIRONMENT AND BIODIVERSITY

These are environmental compliance practices, and TAESA's initiatives to manage environmental impacts, focused on biodiversity and land use.



## 8 MITIGATION AND ADAPTATION TO CLIMATE CHANGES

It deals with aspects related to the management of actual impacts and the potential of events related to climate changes in the operation, also considering the monitoring of the emission of greenhouse gases and the initiatives for their reduction. This theme has a strong correlation with the energy transition process, which seeks to develop and conduct the generation, transmission and distribution of energy increasingly based on a strongly renewable mix.

## 9 RESEARCH, DEVELOPMENT AND INNOVATION

These are the Company's actions related to the promotion of a culture of innovation and development of innovative solutions for business and electric sector issues. It also covers the compliance of TAESA's performance within the Research and Innovation Program of ANEEL.

## 10 RELATIONSHIP WITH LOCAL COMMUNITIES

It covers the management and mitigation of actual and potential impacts of TAESA's operations in communities established in the vicinity of its operating units, through listening and relationship initiatives, boosting local development, preserving the ecosystem and valuing the material and immaterial heritage of these places.

## 11 BUSINESS MODEL RESILIENCE

It involves the definitions of expansion and growth strategies that consider sustainability criteria for the current, as well as for potential or under development businesses and operations.

## 12 HEALTH, SAFETY AND QUALITY OF LIFE

It concerns the management of initiatives related to the health and safety of TAESA employees, as well as the benefits offered to workers, aiming at improvements in their quality of life.

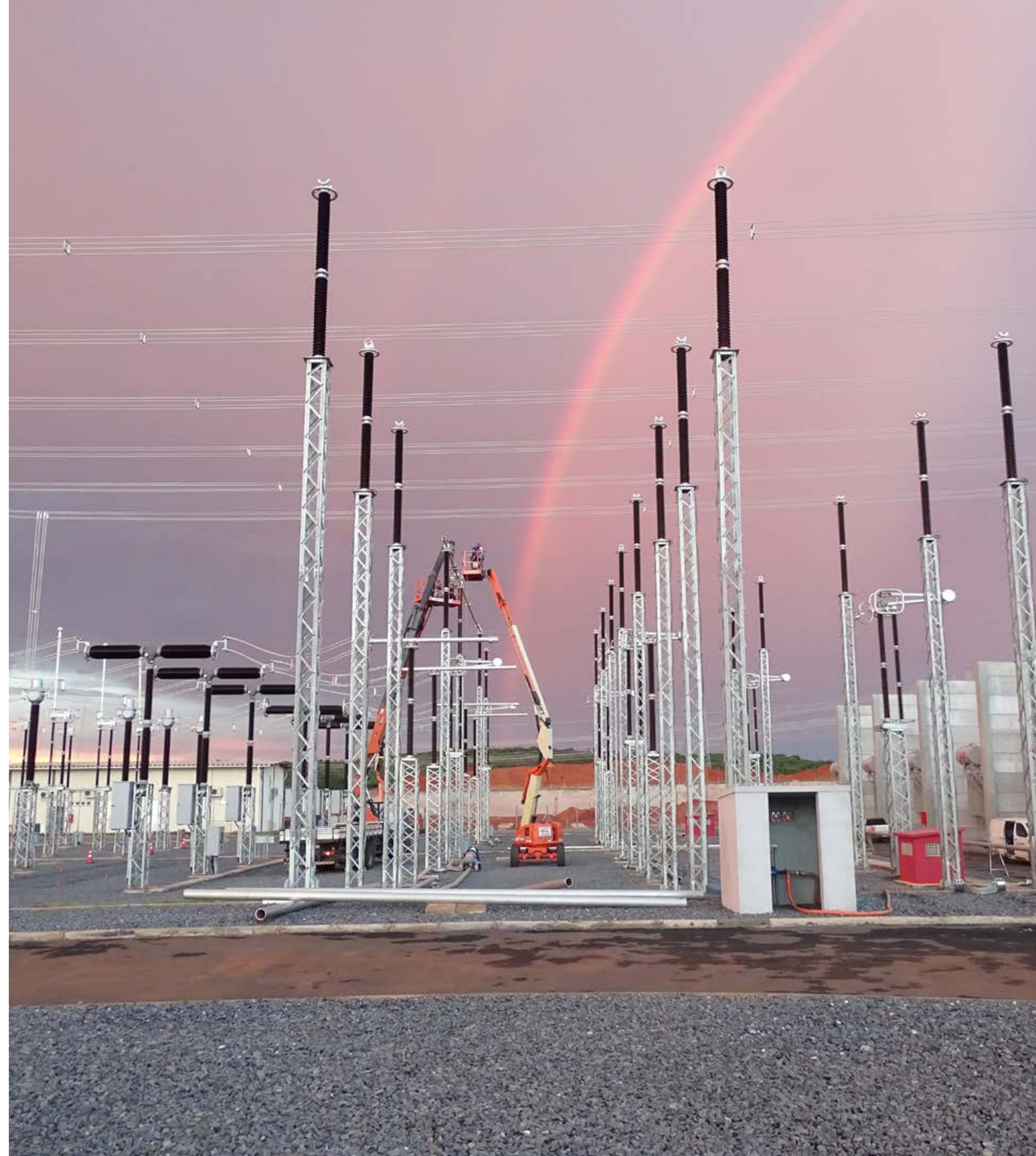
## 13 INFRASTRUCTURE SECURITY AND CYBERSECURITY

These are all the aspects related to management and investment in technology, with a focus on information security and protection of internal and third-party data.

Dimensions

After defining these 13 relevant topics, TAESA involved its teams to identify the audiences that are impacted or may impact the company and with which the Company relates. These are:

- senior leadership and managers;
- employees;
- local communities;
- sectoral entities;
- suppliers;
- institutional investors and shareholders;
- National System Operator (ONS);
- regulatory agency - Brazilian Electricity Regulatory Agency (ANEEL);
- environmental regulatory bodies.



**GRI 3-1**

Click here to learn about the description of the material topics and their relationship with the SDGs in the GRI Annex.



## Prioritization

The first prioritization process carried out refers to the influence, dependence and tension between each of the stakeholders and the Company. From the mapping of these levels in TAESA's decision making, it was possible to define which of them were more sensitive, as well as the respective engagement actions.

Thus, three approaches had been defined to identify these levels: interviews, virtual questionnaires and focus group. Each of the engagement strategies targeted both audience sensitivity and scope for participation and availability.



For the interviews, held through video calls, the representatives of six audiences were invited, both internal and external: senior leadership and managers, institutional investors and shareholders, sectoral entities, ONS, ANEEL and environmental regulatory bodies. In all, 15 interviews were conducted between November 10 and December 10, 2021.

Unit representatives and managers were invited to a virtual focus group. Nine TAESA employees participated in this conversation.

The third form of engagement adopted in this process was the sending of online questionnaires suppliers, employees and local communities. This choice was due to the high number of people to be contacted to obtain a considerable sample.





The consultation with suppliers was carried out by e-mail, from the mailing established by the Supplies area. Employees were engaged through the company's internal communication channels, such as WhatsApp, email and newsletter. Local communities, on the other hand, had a broader strategy. The questionnaire was distributed by email and WhatsApp to local leaders and residents nearby TAESA's facilities, an internal focus group with the participation of administrators/managers with whom the company already maintains contact through these channels. Therefore, it was not possible to measure how many people were invited to collaborate in this process.

To ensure a harmony between the approaches, regardless of the form, a standard questionnaire was developed and applied to all respondents. In it, the 13 themes listed by the company were presented and only four were asked to be chosen, considered by the respondents to be the most important according to their Sustainability agenda. There was also a space for the inclusion of considerations and aspects deemed relevant to the respondents that were not included in the presented list.

Altogether, during this process, TAESA heard 954 people, some of them in more than one engagement approach.

954

people were heard by  
TAESA throughout the  
process

## Analysis

### GRI 3-1

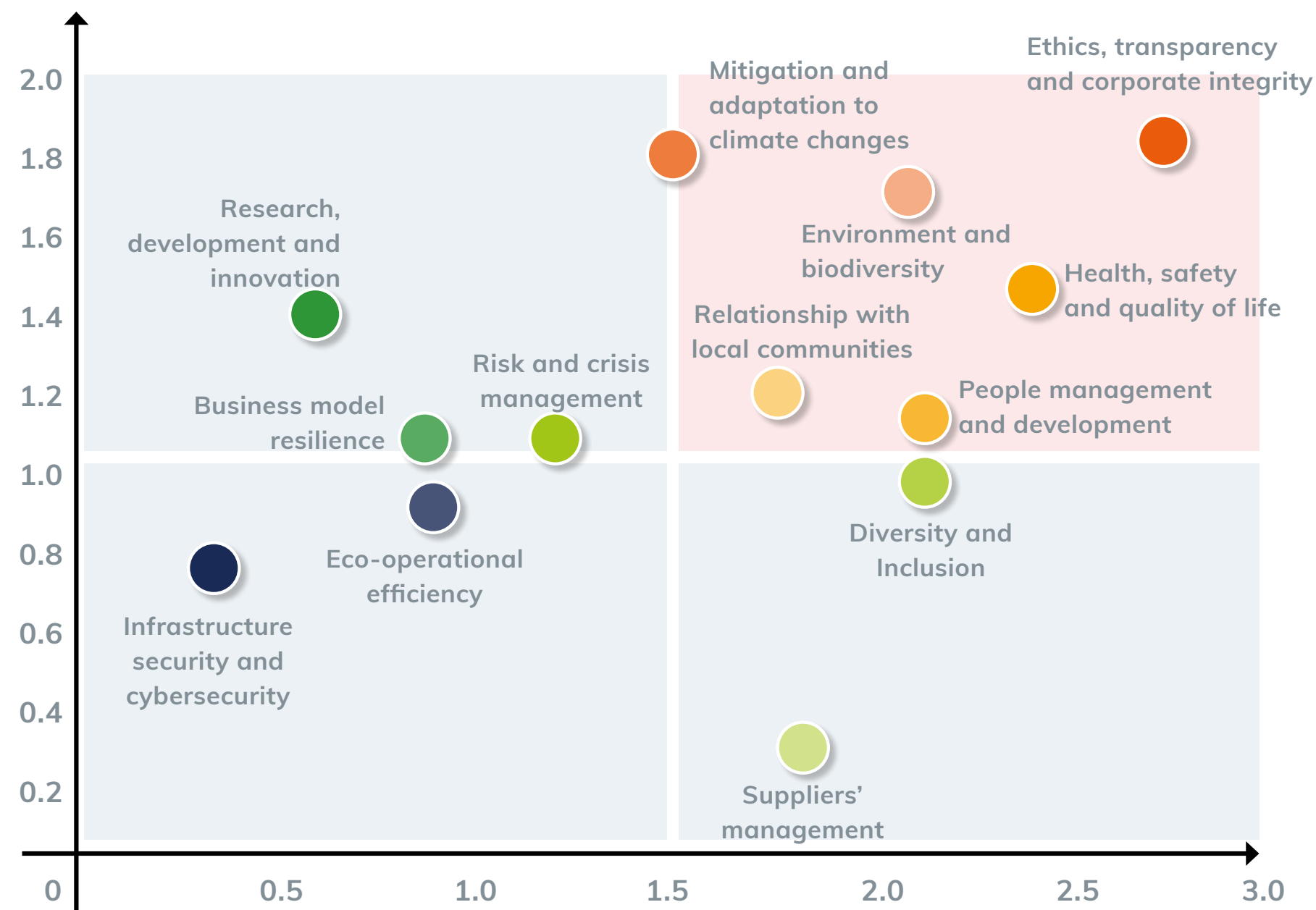
The responses obtained by the Company were analyzed to establish the Materiality Matrix. The Matrix is an instrument recommended by the *GRI Standards* so that one can visually identify which, among the topics presented, are those considered Material Topics - as they are called, according to the GRI standard, the topics that reflect the most significant economic, environmental and social impacts of an organization or that substantially influence the assessments and decisions of stakeholders.

For the preparation of the Matrix, responses were considered from the company's perspective, obtained from interviews with senior leadership, managers and the focus group, and which aspects were most important for the other audiences with which TAESA relates.



## Materiality Matrix

The Materiality Matrix, represented by the graph below, indicates, in its upper right quadrant (pink), the topics that received the greatest number of responses, considering internal and external consultations. These were then defined as the Material Topics to be worked on by TAESA in the coming years.





## Validation

### — GRI 3-1

The last step of this process was the validation of Material Topics, carried out in January 2022 by the Statutory Executive Board. In addition to legitimizing the themes, these two governance bodies instructed that TAESA's Strategic Planning, signed in 2021, should be revised from the perspective of Material Topics, which occurred throughout 2022.

## Material Topics



Ethics,  
transparency  
and corporate  
integrity



Mitigation and  
adaptation to  
climate changes



Environment  
and biodiversity



Health,  
safety and  
quality of  
life



People  
management  
and development



Relationship with  
local communities

## The material themes and the correlation with the Sustainable Development Goals

Since 2019, TAESA has been carrying out actions to achieve sustainable development, in line with the practices of the Brazilian electric sector. Therefore, the Sustainability Project was created that year, which aimed to formalize the processes already carried out by the company and promote innovation in ESG themes, in addition to making the reports of its actions even more transparent and comparable with other players.

That same year, the Company joined the Global Compact, starting to consider the 17 Sustainable Development Goals (SDGs).

In 2020, TAESA produced for the first time a report that also considered the GRI standards, showing an evolution in relation to the theme of Sustainability, following the commitment made. In this Report, which complies with GRI standards, in addition to including the description of the Materiality Process, the Company adopts the prioritization of the Sustainable Development Goals. Thus, it is possible to establish a relationship between the Material Topics and the SDGs.

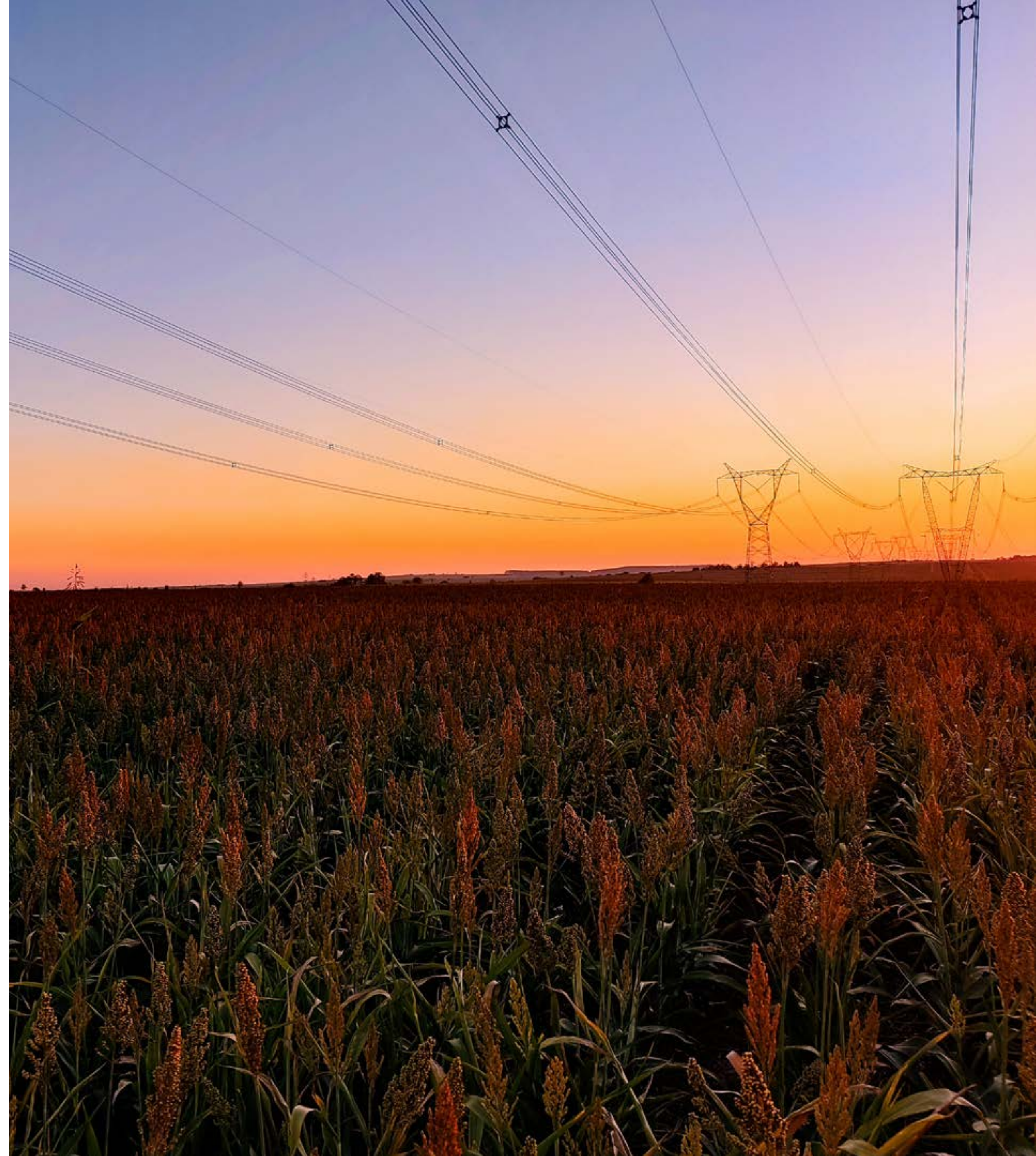
Topic	SDG
Mitigation and adaptation to climate changes	  
Environment and biodiversity	
Ethics, transparency and corporate integrity	
Health, safety and quality of life	
People management and development	
Relationship with local communities	  

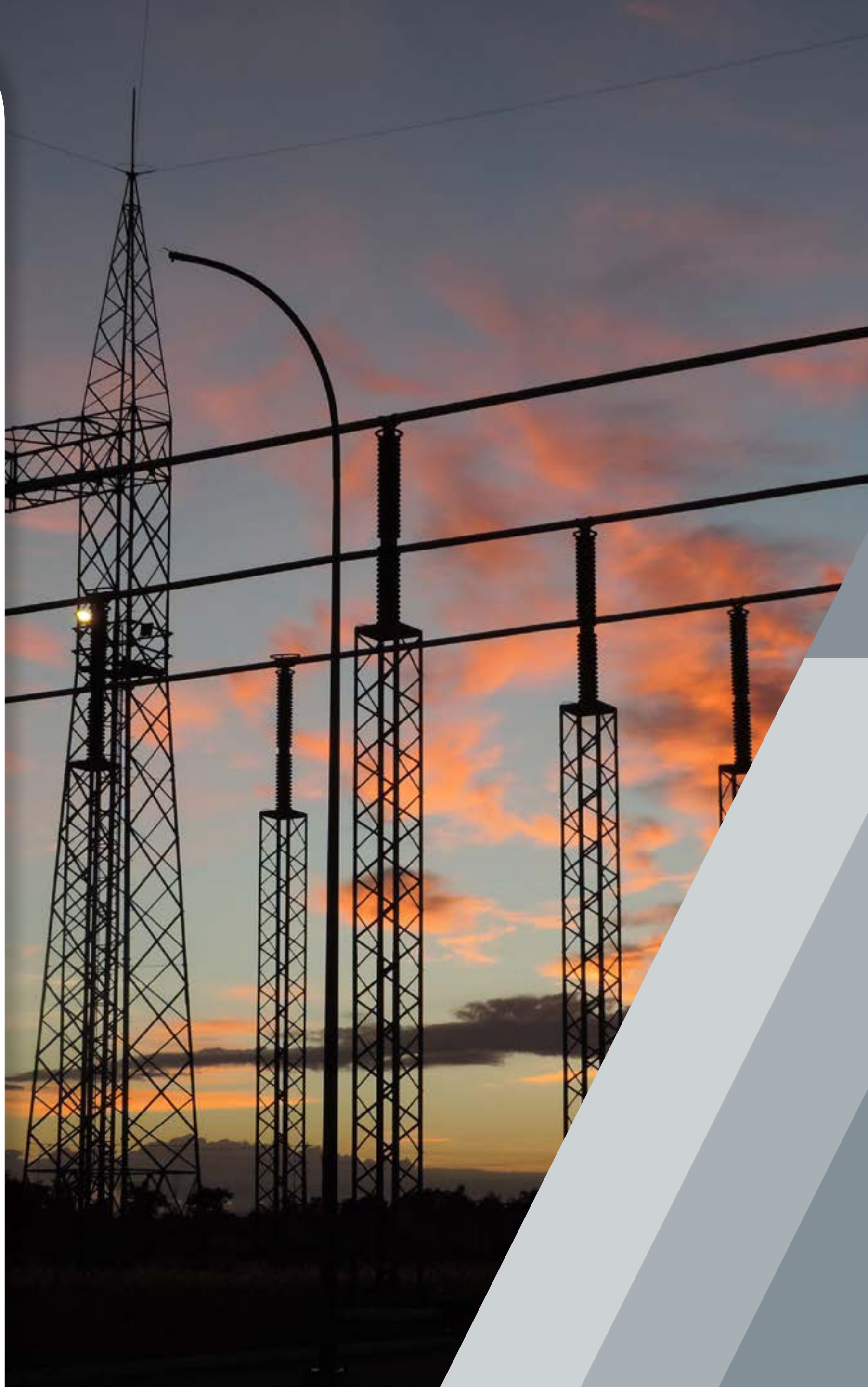
### Priority SDGs for Taesa



# 2021–2030 Strategic planning

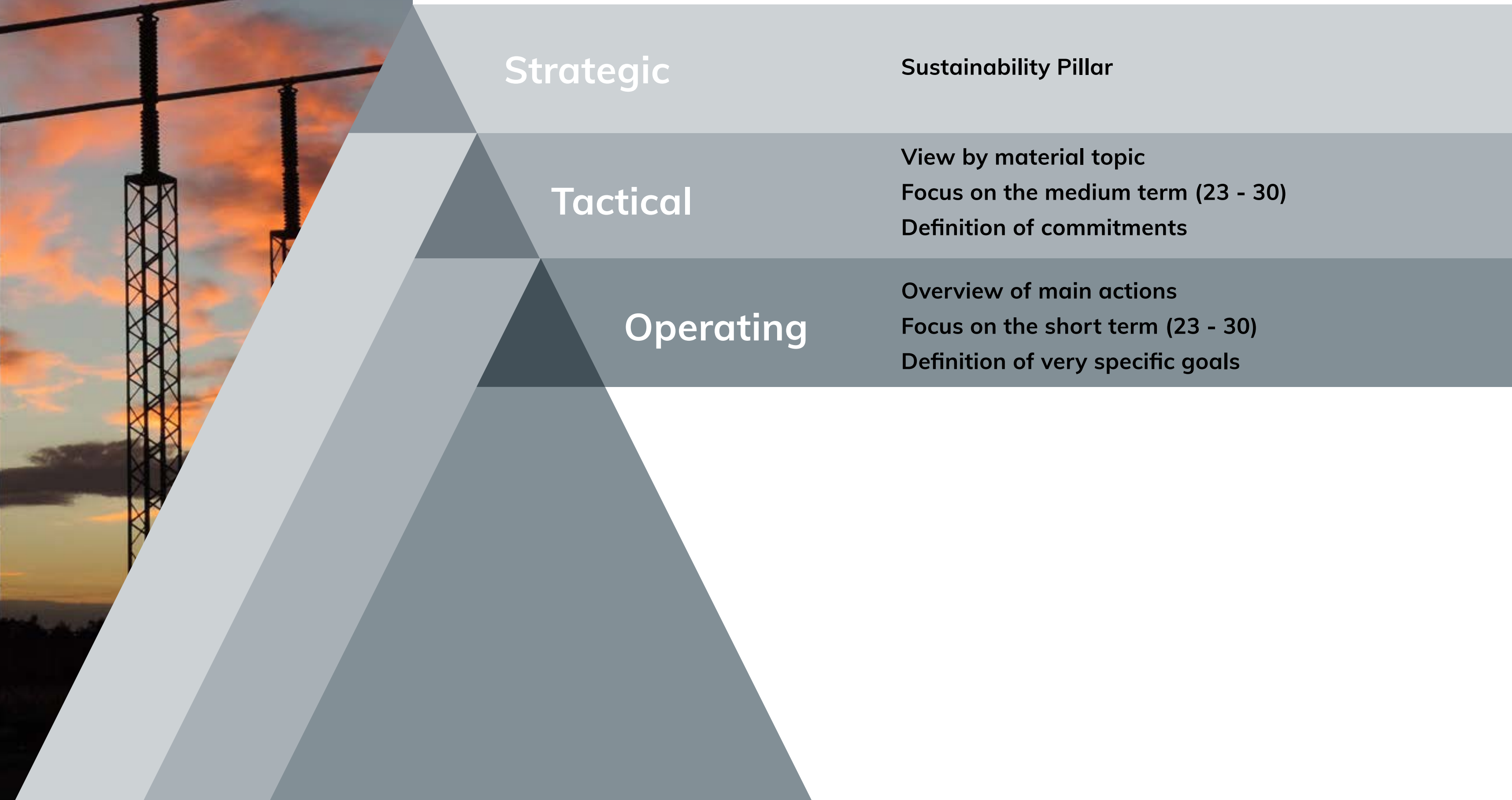
In 2022, TAESA made an important move to consolidate material topics within the Company's Strategy. After the release of the 2021-2030 Strategic Plan, the Company prepared an Action Plan and Goals by Material Topic. This initiative allows TAESA to monitor the development of its initiatives related to the topics identified in the Materiality Matrix and to establish commitments.



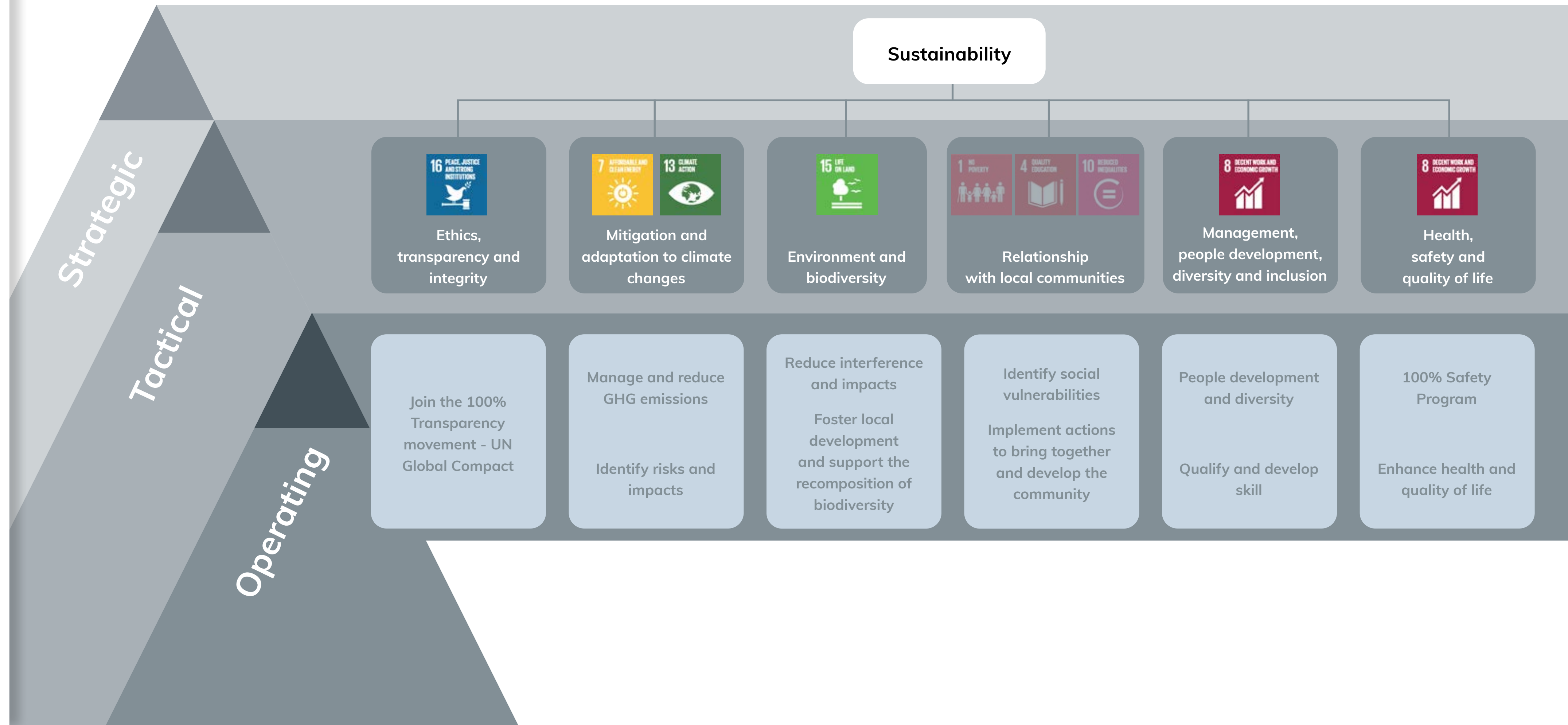


## Action Plan and Goals by Material Topic

When establishing the Action Plan and Goals by Material Topic, TAESA set three levels of action: Strategic, Tactical and Operational.



The Strategic level is directly linked to the Sustainability pillar, and the Tactical level is connected to it, where the Company's six Material Topics are described. The Operational level, on the other hand, presents the actions that the Company intends to develop and which are detailed in Specific Goals related to the SDGs. Thus, in 2022, the following objectives were mapped and communicated:





# Governance

As a publicly-traded organization, TAESA signed the Adoption of Differentiated Corporate Governance Practices with Bovespa, in October 2006. By means of this instrument, the Company complies with the “Regulation of Differentiated Level 2 Corporate Governance Practices” and with the “Regulation of the Market Arbitration Chamber”, both issued by B3. The documents issued by the IBGC and the CVM also apply to TAESA. The different levels of B3 Corporate Governance are defined as follows:

## Level 1

It requires the disclosure of some additional information beyond that established by law, such as, for example, an annual calendar of corporate events. Maintenance of at least 25% of the outstanding shares in the market (*free float*).

## Level 2

It is the most similar to the Novo Mercado. The main difference is that organizations can hold preferred shares (PN). It is entitled to *tag along* and voting on specific matters, such as approving the company’s mergers.

## New Market

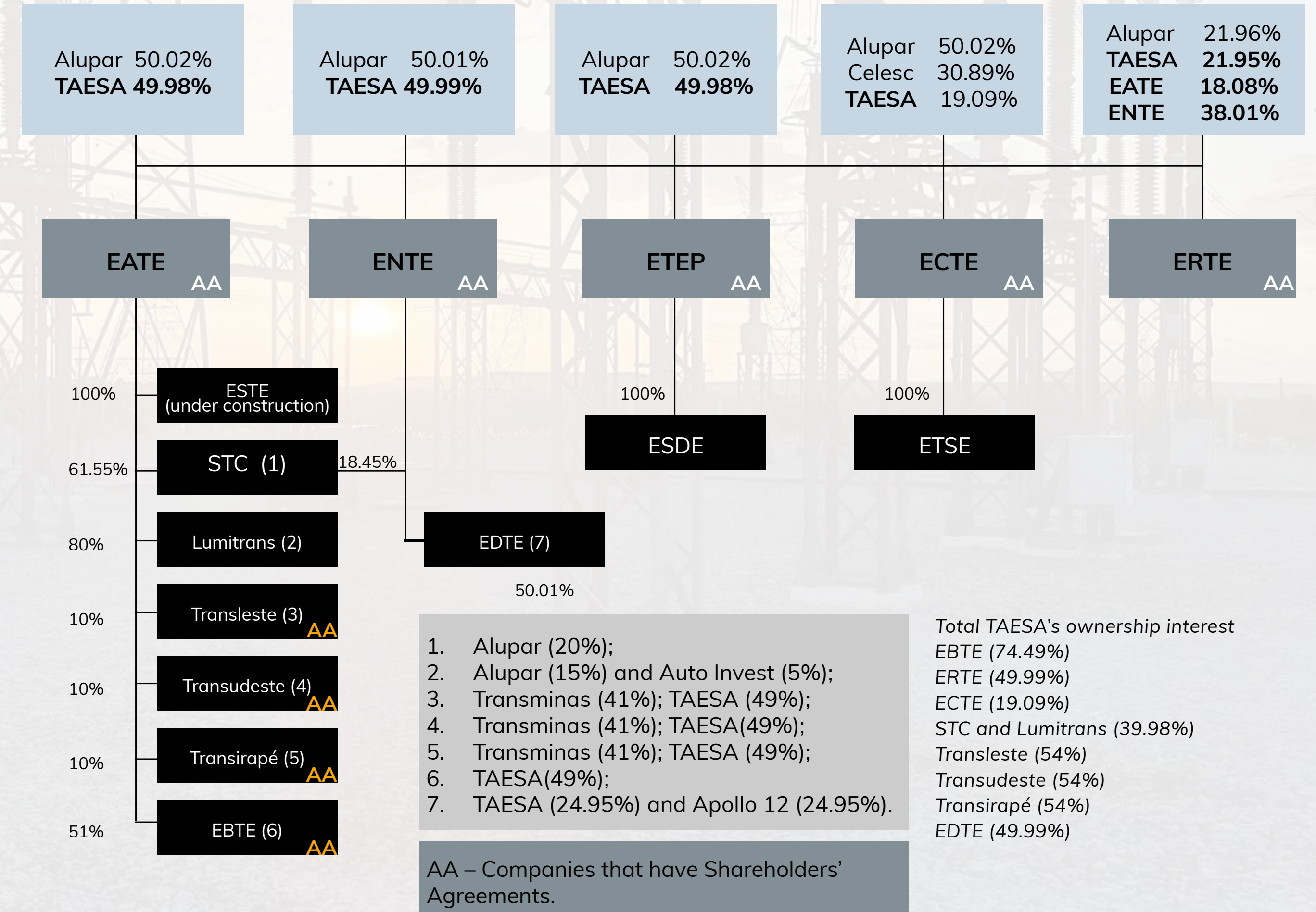
Higher level of Corporate Governance, requiring greater transparency in the information provided by the Company with the exclusive issue of common shares (ON). It is entitled to *tag along*, and the Board of Directors must consist of at least five members with a unified term of office of two years. At least 20% of the members must be independent board members.

Although it is registered at Level 2 of Corporate Governance, the company adopts several measures included in the New Market (Novo Mercado) level, as follows:

New market (as of 01/02/2018)	Requirements met by TAESA
Minimum of 3 members (pursuant to legislation), of which at least 2 or 20% (whichever is greater) must be independent.	Four board members.
Presentation of additional policies, such as: compensation; appointment of members of the Board of Directors, its Advisory Committees and the Statutory Executive Board; risk management; and transaction with related parties.	The company has standards of Transactions with Related Parties, of Corporate Risk Management.
Regulations of the Board of Directors, of its Advisory Committees and of the Audit Committee, when installed.	Existence of the internal regulations of the Board of Directors and Audit Committee.
Required implementation for duties related to compliance, internal controls and corporate risks, and the practice of holding multiple operating activities is forbidden.	The Company has a specific area for addressing compliance matters, internal controls and corporate risks, which does not accumulate operating activities.
Installation of audit committee, whether statutory or non-statutory, is mandatory and must meet the requirements stated in the regulation: breakdown and duties.	The Company has an internal audit area with an independent operating arm reporting to the Audit Committee.



## Corporate Organizational Chart



\*TBE or TBE Group is a group of 15 electric power transmission concessionaires - indirect participation.

# Statutory Information

## Capital stock

TAESA's capital stock totals three billion, sixty-seven million, five hundred and thirty-five thousand, one hundred and ninety-three reais and twenty-eight centavos (R\$ 3,067,535,193.28), fully subscribed and paid-up.

This amount is represented by one billion, thirty-three million, four hundred and ninety-six thousand, seven hundred and twenty-one (1,033,496,721) shares, of which five hundred and ninety million, seven hundred and fourteen thousand and sixty-nine (590,714,069) common shares and four hundred and forty-two million, seven hundred and eighty-two thousand, six hundred and fifty-two (442,782,652) preferred shares. All shares are nominative, book-entry and with no par value.

## Shareholders' Agreement

The controlling shareholders of TAESA – CEMIG and ISA Investimentos – have a Shareholders' Agreement to regulate the joint management of the company and establish the rights and obligations of the controlling shareholders, in particular:

- a. The assumptions and principles to be adopted by CEMIG and ISA Investimentos with respect to the Agreement, to the Company and to its subsidiaries.
- b. The exercise of voting rights in the Company and its subsidiaries and associated companies.
- c. The form of administration of TAESA and its subsidiaries.
- d. The capitalization, investment, financing and dividend policies.
- e. The rules applicable to the encumbrance and transfer of shares.
- f. The preemptive right in the subscription of shares and other securities issued by the Company.

The form of dispute settlement.

## Governance Structure

The main TAESA's governance bodies are structured according to the organization chart below, with their composition and duties detailed below.

### Board of Directors

#### GRI 2-11

The Board of Directors is TAESA's highest governance body. It is comprised by thirteen (13) effective members Brazil residents or residents of other countries, elected by the General Meeting, with a unified term of office of one (1) year, with reelection permitted. ISA Investimentos must appoint 4 (four) members, and CEMIG, the other 5 (five) members. The other members of the Board of directors are elected pursuant to item 5.3 of Corporate Governance Regulation Level 2 of B3.

After the election of the board, the Chairman of the Board of Directors is chosen from among the elected members, having among his or her responsibilities the calling and chairing of the board's meetings. The positions of Chairman of the Board of Directors and Chief Executive Officer of the company cannot be accumulated by the same person.

The Board of Directors acts in accordance with the assignments provided for in TAESA's Bylaws, in its Internal Regulations, and in the applicable legislation in force, also respecting the provisions of the shareholders' agreement.

Its duties include electing and removing the members of the Executive Board, in addition to overseeing the performance of duties. It is also incumbent upon the Board of Directors to decide on participation in public competitions promoted by ANEEL or by any representative of the Concession Grantor with the authority to do so.

Currently, the members of the Board of Directors are all men and do not have executive role in the Company, including the Chairman of the Board of Directors, Mr. Reynaldo Passanezi Filho, elected at the Annual General Meeting held on April 28, 2022. The identification of each member, a brief account of their CVs and information on other roles and important commitments, as well as the nature of those commitments and the Bylaws, are available on the Company's [website](#).

The CVs of the members of other Boards and Committees of TAESA are available on the Company's website.

## Board of Directors (2022-2023)

Reynaldo Passanezi Filho<sup>a</sup> – president

José Reinaldo Magalhães<sup>a</sup>

Reinaldo Le Grazie<sup>a</sup>

Jaime Leôncio Singer<sup>a</sup>

Maurício Dall’Agnese<sup>a</sup>

Cesar Augusto Ramirez Rojas<sup>b</sup>

Jaime Caballero Uribe<sup>b</sup>

Fernando Bunker Gentil<sup>b</sup>

Victor Manuel Muñoz Rodriguez<sup>b</sup>

André Fernandes Berenguer<sup>c</sup>

Celso Maia de Barros<sup>c</sup>

Hermes Jorge Chipp<sup>c</sup>

Rodrigo de Mesquita Pereira<sup>c</sup>

a. Not independent – appointed by the shareholder CEMIG.

b. Not independent – appointed by the shareholder ISA.

c. Independent.



## Audit Committee

TAESA's Audit Committee is a permanent body, formed by a minimum of three (3) and a maximum of five (5) sitting members and their respective alternates, whether shareholders or not, elected by the General Meeting. The aforementioned Board has duties and powers defined by law, and its main responsibilities are to supervise the management's activities, review an opinion on the Company's financial statements and report its conclusions to the shareholders. Its performance is independent from the company's management and is not linked to the independent auditors. Taesa's Audit Committee was elected on April 28, 2022 for a one-year term.

### Audit Committee (2022-2023)

#### Holders

Simone Deoud Siqueira  
Marília Carvalho de Melo  
Manuel Domingues de Jesus e Pinho  
Marcello Joaquim Pacheco  
Murici dos Santos

#### Alternate members

Eduardo José de Souza  
Luiz Felipe da Silva Veloso  
Luciana dos Santos Uchôa  
Rosangela Torres  
Ana Patrícia Alves Costa Pacheco





## Executive Board

TAESA's Executive Board is comprised of five (5) board members, shareholders or who are not necessarily shareholders, resident in the country, being one (1) Chief Executive Officer, one Chief Business and Ownership Interest Management Officer, one (1) Chief Legal, Regulatory and Investor Relations Officer and one (1) Implementation Officer and one (1) Chief Technical Officer.

### Members of the Statutory Executive Board

**Chief Executive Officer / Chief Legal,  
Regulatory and Investor Relations Officer**  
André Augusto Telles Moreira

**Chief Financial Officer**  
Leonardo Bonorino Gonçalves

**Chief Business and Ownership Interest Management  
Officer**  
Fábio Antunes Fernandes

**Implementation Officer**  
Luis Alessandro Alves

**Chief Technical Officer**  
Marco Antônio Resende Faria

All members of the Executive Board are elected by the Board of Directors, with an unified mandate of two years, being removable at any time. The accumulation of positions and the reelection of members, in whole or in part, is allowed, as determined by the Board of Directors. Up to 1/3 (one third) of the Board of Directors members may be elected for the positions of Officer.

Currently, the Chief Executive Officer accumulates the role of Chief Legal, Regulatory and Investor Relations Officer.

## Responsibility by impact management

### GRI 2-12 | GRI 2-13 | GRI 2-14

Company's Bylaws assigns to the Executive Board the responsibilities for identifying and monitoring risks inherent to the development of its businesses.

The Board of Directors is responsible for setting the general guidelines for the Company's business, overseeing the performance of officers and, specifically through its committees, analyzing and giving opinions on action plans to correct processes and minimize identified risks, as well as

evaluating the consistency of the legal analysis of potential new investments or divestments, addressing mainly corporate, tax, labor and environmental aspects, as well as any other risks arising from the investment and respective strategies or measures that may mitigate them.

The Board of Directors is also responsible for analyzing and approving the information reported in this document on a collegiate basis, through a favorable vote of its members. The information contained in the report is reviewed by the Executive Board, which forwards it to the Strategy, Governance and Human Resources Committee for analysis and the latter, in turn, recommends forwarding it to the Board of Directors for consideration.

The Board of Directors is also responsible for reviewing and updating the Code of Ethical Conduct and Compliance of the Company.

The Bylaws also sets forth that the Chief Technical Officer is responsible for defining, directing and implementing plans and processes related to the Operation and Maintenance of Assets, Engineering, Asset Management, Health, Environment and Safety, as well as Reinforcements and Improvements areas and direct and implement environmental programs and actions, ensuring alignment with the requirements and regulations involved, to allow the Company to be always be in compliance with the environmental policies defined for the sector.

Also under the terms of the Bylaws, the CFO and Investor Relations Officer is responsible for ensuring the financial management of the Company, and it is certain that the economic issues have a greater scope and are decided by the collegiate bodies of the Executive Board and the Board of Directors. Finally, it is worth informing that TAESA's Bylaws does not provide for an executive position with express mention of competence for social topics.

## Compensation

### GRI 2-20

At TAESA, the process procedures and compensation standards applied to the Board of Directors and the Statutory Executive Board are organized according to the following criteria:

- The Company does not have a specific formalized compensation policy for the Board of Directors and the Executive Board. The compensation of officers and Board Members is ultimately approved by the Company's shareholders annually, considering the proposal of the Management, which, in turn, complies with the opinion of the Strategy, Governance and Human Resources' Committee. These evaluations are supported by salary surveys that take into account the comparison of positions with similar duties and responsibilities in companies in the same segment or

**Dimensions**



that have good Human Resources and Corporate Governance practices. The results presented by the surveys are compared to the Company's practices and evaluated by the Strategy, Governance and Human Resources' Committee, which makes its recommendations to the Board of Directors, which is then responsible for approving any change or maintenance of the proposal.

- The variable compensation aims to direct the actions of the members of the Statutory Executive Board to the fulfillment of the Company's strategic objectives, in order to meet the interests of its investors, clients and other stakeholders, subjecting itself to the achievement of individual and collective goals.
- The Company may, at its sole discretion, indemnify members of the Statutory Executive Board in the event of removal prior to the end of their respective term of office.
- The Santander private pension plan is made available to the Statutory Executive Board, whose employer's contribution is 8.5% of the directors' fees. The beneficiary can opt for an individual contribution without limitation.

The current target model for senior executives is made up of six dimensions based on the Company's long-term strategy. These are: return to shareholder, market and growth, implementation excellence, operational excellence, organizational excellence and sustainability.

Based on these dimensions and their respective objectives, performance indicators are prepared and broken down into challenging goals that bring TAESA closer to its objectives. Among these dimensions, sustainability stands out, which raises the question of whether growth is based on healthy fundamentals of capital structure and impacts on the territories in which TAESA operates.

Based on these dimensions and their respective objectives, performance indicators are prepared and broken down into challenging goals that bring TAESA closer to its objectives.

**GRI 2-21**

**5.22**

it is the proportion of the total annual compensation paid to the person with the highest total annual compensation in relation to the average of all the Company's employees in Brazil.

**R\$ 1,468,034.30**

total annual compensation of the Company's highest paid individual in Brazil.

**R\$ 211,861,357.82**

total annual compensation of all employees (excluding the highest paid person) of the Company in Brazil.





**GRI 2-20**

Regarding employee compensation, the process Procedures and rules relating to Compensation and Variable Compensation are approved by the Company's Executive Board and the Strategy, Governance and Human Resources Committee has as one of its responsibilities to examine and give an opinion on the compensation policy and replacement of employees, including profit sharing, as well as monitoring the application of the compensation policy (fixed and variable).

TAESA periodically conducts market surveys to evaluate current compensation policies and practices in its market, to guarantee the efficiency and effectiveness of management and the maintenance of its competitiveness, as well as using methodologies for evaluating positions and salaries arising from consulting firms that are market benchmarks, aiming to maintain the company's competitiveness in its segment.

**GRI 2-21**

**14.63%**

is the percentage increase in total annual compensation of the highest-paid individual in the organization.

**9.05%**

is the ratio of the average percentage increase in the total annual compensation of all employees (excluding the highest paid individual).

**1.62%**

is the ratio of the increase in total annual compensation of the highest-paid individual to the average amount of annual total compensation of all employees (excluding the highest-paid individual).\*

\*Only CLT employees were considered in this calculation. For the total compensation, all costs derived from the payroll were considered (salaries and premiums, charges, provisions for 13<sup>th</sup> vacation, and profit sharing and benefits).

# Code of Ethical Conduct and Compliance

## — GRI 2-23

The TAESA's Code of Ethical Conduct and Compliance aims to guarantee and establish general guidelines for behavior to be observed and followed in relation to standards of ethical conduct during the performance of professional activities.

All activities, operations, products and services from TAESA are guided by the guidelines of the Code and must comply with the requirements of pertinent internal and external regulations. The document is applicable to all employees, interns, board members, officers, service providers, suppliers and related parties, being mentioned in the contracts. As the Bylaws of TAESA, the Chief Executive Officer is responsible for ensuring the guidance of the audit (internal and external), risks, controls and compliance areas, so as to establish the required policies, processes and controls, aiming at ensuring the adherence between the practices adopted and formal requirements that regulate the sector.

**The Code of Ethical Conduct and Compliance, developed and approved by the Statutory Executive Board and the Board of Directors, is available on the Investor Relations website. It has a digital acceptance term, that can only be signed after reading all the content.**

In August 2022, TAESA published the updated version of its Compliance Policy, a supplementary document to the Code.

TAESA has a communication channel through which it is possible to clarify any doubts about the Code of Ethical Conduct and Compliance, or even report non-compliance. These means are offered both to the internal public – operated by the Company's own teams – and to the external public – through an independent company.

The reports are received by the Ethics Committee, and the investigation process is conducted by the Compliance which, in turn, prepares an opinion on what happened. It is incumbent on the Ethics Committee to determine whether there are any disciplinary measures to be applied by the People area. All reports or requests for information are treated confidentially.

The outsourced channels have the option of anonymous reporting, confidentiality of information and non-retaliation, according to the **Policy on Receiving and Handling Reports** as well as established in the Code of Ethical Conduct and Compliance. These channels are widely disclosed in internal communications, on the Company's institutional website and on

### NATURE OF REPORTS MADE IN 2022

Moral harassment	1	2.78%
Sexual harassment	1	2.78%
Fraud or theft of money	1	2.78%
Misuse of company funds	1	2.78%
Favoring suppliers or clients	2	5.56%
Failure to comply with internal policies and procedures	2	5.56%
Robbery, theft or embezzlement of company assets	2	5.56%
Breach of Occupational Security Rules	5	13.89%
Other	21	58.33%
<b>Total</b>	<b>36</b>	<b>100%</b>

Of the 36 reports made:

<b>18</b>	<b>15</b>	<b>3</b>
were found to be valid	were found to be unfounded	not applicable to the channel.

the Investor Relations website, as well as in the Policies and the Code of Ethical Conduct and Compliance. For new employees, this means of clarifying doubts or making reports is presented in the on-boarding lectures.

For cases in which an employee feels uncomfortable with someone else's attitude in the work environment and does not wish to formalize a complaint, there is also the option of taking the matter to the Reconciliation Table. In this approach, the parties involved are brought together, in addition to the Compliance, management of People and witnesses, if necessary, for purpose of conciliation between those involved, preserving a peaceful, healthy and ethical environment. This policy provides for the protection of those who make the report and guarantees non-retaliation against the whistleblower.

### Communication Channels

**Telephone:** 0800 800 6080

**Website:** [www.contatoseguro.com.br/taesa](http://www.contatoseguro.com.br/taesa)

**Email:** [comissao.etica@taesa.com.br](mailto:comissao.etica@taesa.com.br) and [compliance@taesa.com.br](mailto:compliance@taesa.com.br)

## General ethical principles

Negotiations of contracts, agreements and proposals to amend the Bylaws, in addition to all policies that guide the Company, must be based on ethical and integrity principles, such as:

### Legality

TAESA values compliance with laws and other rules of conduct and rejects the involvement of its employees with people who carry out illegal activities or are financed with capital from illegal sources.

### Responsibility

TAESA and its employees must assume the consequences of their actions, considering the impact on the community and the environment, as well as sustaining long-term business growth.

### Honesty

TAESA does not accept any use of corruption or similar measures in any of its forms.





## TAESA's Five Principles

### Good management

Commit itself to lead and manage the company in a balanced and conscious manner at all levels, always providing and aiming for higher quality standards.

### Loyalty

Do not deprive the company of opportunities, nor take advantage of an opportunity to the detriment of the Company's interests, so as not to agree with third parties if they are in a position to divert a TAESA's opportunity for their own benefit.

### Fairness

Maintain a constant balance between the particular and general interests of the individual and the company, of all shareholders and of each supplier.

### Respect

Acting in a compatible manner with the rules of social and corporate interaction, in the best interest and well-being of everybody.

### Transparency

Act in a clear, reliable and integral manner in all activities performed within the company.

— **GRI 2-23**

## TAESA Integrated Management System Policy

To advance its Sustainability agenda, TAESA formalized and disclosed its TAESA Integrated Management System (SGIT) in 2022. The processes for setting up the SGIT were initiated in February 2021, with the purpose of documenting the standards, processes and practices to standardize the different activities of the Company and qualify TAESA for ISO certifications (9001, 14001, 45001 and 55001).

Throughout that year, the Company carried out several actions to structure the SGIT, such as the creation of Management, Technical and Focal Point committees, adherence to UN Women’s Empowerment, association with MM360, known as +Mulher360. The Diversity Committee was also created, comprised of employees and representatives of different classes who work to create a diverse and inclusive environment within the company.

In 2022, TAESA implemented several actions to review its procedures, policies and standards comprising the SGIT, aiming to adapt it to the requirements of the ISOs, and carried out training with its professionals to comply with these rules. Such initiatives were widely disseminated to the teams, informing them about the entry into force of the SGIT, its commitments and objectives.

**GRI 2-22**

## Commitment:

- We respect all people, their lives and diversity;
- We act in the prevention of accidents and occupational diseases with the participation of direct and indirect employees;
- We carry out our work with excellence, quality and preservation of the environment, avoiding pollution and impacts on the climate;
- We are honest. We continuously improve the conduct of business and generate Value through our assets to the satisfaction of our clients and stakeholders. We fully comply with the legal, regulatory requirements and standards that comprise our integrated management system.

The Company's commitments are broken down into Objectives and for their fulfillment, TAESA structured several Standards and Procedures

- Disseminate the safety culture to avoid accidents;
- Minimize the environmental impacts resulting from our activities;
- Maintain adequate levels of reliability and availability of transmission assets;
- Be increasingly efficient and increase the profitability of transmission assets;
- Implement, certify and maintain the Integrated Management System – SGIT.

### GRI 2-24

The SGIT agenda includes the elaboration of documents that guide the behavior and actions of the professionals who work at TAESA. Thus, Policies, Standards, Process Manuals, Work Instruments, Process Procedures and Forms were reviewed, written, approved and disclosed. Such documentation allows the standardization of actions within the Company, such as *Due diligence*, procurement, recruiting and selection, compensation, field activities, auction registration and qualification, for example.

These documents are considered internal and are available to employees through TAESA's intranet.

Another move by the Company was to inform the teams about the SGIT and relevant aspects linked to the Management System, with compliance. The channel created to receive questions and suggestions from employees was also widely communicated via the email [sgit@taesa.com.br](mailto:sgit@taesa.com.br).



Dimensions

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— GRI 2-15

## Conflicts of Interest

The Conflict of Interest occurs when a behavior or decision within the scope of the work activity can generate an immediate or deferred advantage for the individual, his/her family members or acquaintances at the expense of the corporate interest. It has a direct effect on the person involved, limiting or influencing his/her objectivity of judgment.

Anyone who sees or believes to be involved in a conflict of interest, feels constrained to manage a professional situation due to outside influences or if he/she does not feel free in his/her decisions and in the performance of his/her own activities, he/she should inform this to the person responsible or other persons indicated by the corporate procedures.

Therefore, you will receive clarifications on how to behave, regardless of the type of courtesy or benefits received, the degree of kinship and familiarity or other variables. Such rules are described in the **Compliance Policy, Anti-Corruption and Anti-Bribery Policy**, and in Internal Rules at the Company.







At TAESA, compliance with the following general rules is mandatory:

- In relation to courtesies or other forms of gifts, the Company prohibits the acceptance of items with an established value greater than US\$ 100 or that are a source of doubt about its purpose, except those received from other companies, suppliers and clients, provided that the estimated commercial value is compatible with the idea of courtesy. To accept gifts over US\$ 100, the employee must inform his/her manager (at least of managerial level) and the Compliance area.
- The cases of first-degree relatives of employees, suppliers, customers, competitors or sectorial authorities should be indicated when their activity or function may have a reflection on the Company. In such cases, the administrators must take measures to avoid any type of incompatibility arising from this situation.
- Participation in any activity that involves significant time away from the company, or that may otherwise interfere with the efficient performance of normal tasks or represent a conflict of interest, requires written approval by the officers of the area.
- According to the Code of Ethical Conduct and Compliance, aiming to prevent corruption-related behavior or behaviors that may be interpreted as such, the Company establishes a

uniform conduct with respect to its own external courtesies. In general, they should aim to promote exclusively the image of the Company and its brand. Due to this reason, TAESA does not accept any form of gift that may be interpreted as being above the ordinary business practices or courtesy, or in any way aimed at obtaining favors in the performance of any activity. Specifically, the Company prohibits any form of gift that may influence the independence of judgment – or induce the obtainment of any advantage – aimed at public officials, auditors, board members or their respective family members.

- Exceptional situations must be submitted to the General Executive Board of TAESA and reported to the Board of Directors. In any case, the Company refrain from practices not authorized by Law, by commercial uses or by the Codes of Ethics – if any – of the companies or entities with whom it has relations.

In accordance with the policy on the topic, the members of the Board of Directors must monitor and manage potential conflicts of interest of the directors and Board members.

Any officer or member of the Board of Directors, Audit Committee or Ethics Committee who, in a particular resolution, has a particular or conflicting interest with those of TAESA, must immediately express the existence of said conflict. Furthermore, it is mandatory to voluntarily withdrawing temporarily, including physically, to refrain from participating



in the discussions and deliberations on the matter that is the subject of the conflict. Said temporary withdrawal must be recorded in the minutes, mainly applicable in relation to abuses in transactions between related parties.

If the board member does not speak out about the existing situation, and another individual is aware of the fact, he or she can do so as soon as the conflict of interest is identified. In votes submitted to the General Meeting, if any conflict of interest in relation to the Company's shareholders is proven, the votes cast in conflict must be disregarded by the Chairman, with due recording in the minutes.



## Risk Management

### GRI 205-2

TAESA's Bylaws assigns to the Executive Board the responsibilities for identifying and monitoring risks inherent to the development of its businesses.

The Board of Directors, in turn, is responsible for establishing the general guidelines for the Company's businesses and overseeing the performance of the officers. Specifically by means of its committees, must analyze and opine on the action plans for correcting the processes and minimizing the risks identified. It also works to assess the consistency of the legal analysis of potential new investments or divestments, addressing corporate, tax, labor and environmental aspects, as well as any other risks arising from the investment and respective strategies or measures to mitigate them. The Board of Directors is also responsible for reviewing and updating the Code of Ethical Conduct and Compliance.

Aiming to meet the requirements of a highly regulated business and offer security to its managers and shareholders, TAESA has the Audit, Risk and Compliance Management, which reports to the General Executive Board and is composed of the following structures:



## Dimensions

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- **Internal Audit** – carries out investigations and works on operational, financial and accounting audits, pursuant to the plan approved by the Audit Committee, in addition to supervising the fraud prevention system. It is an independent structure and reports to the Audit Committee.
- **Risk management** – identifies, analyses, treats and monitors the Company's risks.
- **Internal controls** – implements and monitors the system of internal controls.
- **Compliance** – ensures business compliance with internal policies, resolutions of supervisory and regulatory bodies and national and international laws. The Company provides annual training for all employees, officers and board members on ethical conduct and compliance. This training is mandatory and, together with corporate campaigns related to the Code of Ethical Conduct and Compliance, it is part of the awareness process on the topic.

The Company has a Corporate Risk Management Standard, approved by the Executive Board and published on May 19, 2022, which aims to establish principles, guidelines and responsibilities to be observed in the corporate risk management process to enable the proper identification, assessment, treatment, monitoring and communication of risks. It also has a Risk Management and Internal Control Manual, whose purpose is to establish procedures to enable the implementation and adherence to the procedure related to processes of Risk Management and Control, as well as a Risk Dictionary, containing definitions and classifications of risks inherent to the company's business processes.

In TAESA's view, the existing rules and mechanisms are sufficient to ensure an appropriate risk management. These documents are approved by top management and disclosed to employees through communications by e-mail and on the corporate intranet portal.



economic  
**and**  
financial  
**dimension**

Financial indicators

Indirect economic impacts





The year 2022 will be marked in TAESA's history for several reasons, but one of them is worth mentioning: the Company reached and surpassed 500 thousand shareholders, reaching the end of 2022 with 556 thousand investors. The number is so expressive that it represents 16.8% of the total number of individuals who trade company shares on B3.

Such growth only reinforces the importance of proximity actions between the Company and shareholders, as advocated by the material topic Ethics, transparency and administrative integrity. As part of the movement, in September, the Company's IR Executive Manager, Cristiano Prado Grangeiro, and TAESA's senior IR Analyst, Juliana Castelli, participated in the podcast The Economists. In the episode, the two employees managed to address the growth of the shareholder base, the differential in that it is made up significantly of individuals, and explained the company's differentials and the Company's business model.



The RAP, as detailed by the IR Executive Manager, was impacted by the readjustment of the IGPM and IPCA in 2022. Thus, in the 2022-2023 cycle, the Annual Permitted Income of the 41 concessions reached R\$ 3.8 billion, 7.7% higher than the total RAP of the previous cycle. TAESA's shares also registered the best spread over IPCA and NTN(B) of the year in the Energy sector. Spread over is the difference between the lowest selling price and the highest buying price of a share.

Another relevant aspect was the improvements implemented in the M&A and Auction areas, such as the validation of TAESA's valuation model with the consulting firm Bain & Company, the increased maturity in the decision-making process, the anticipation of discussions with shareholders, the rescue of potential suppliers and the history of market transaction parameters.



TAESA also carried out an IR diagnosis this year with the purpose of showing the Board of Directors how the IR strategy has been conducted and understood by the market.

Always aiming at the material topic Ethics, transparency and administrative integrity, TAESA formalized, in November 2022, its adherence to the 100% Transparency Movement, an initiative of the Global Compact, and its association with the Ethos Institute, a civil society organization of public interest that promotes and disseminates socially responsible business practices since 1998, helping companies and society to achieve socially, economically and environmentally sustainable development.

# Financial indicators

## GRI 2-2

The consolidated financial statements are prepared in accordance with the Brazilian accounting practices and with international financial reporting standards (IFRS), issued by the IASB.

The entities that are part of the consolidated financial statements are: TAESA, ATE III, Brasnorte, Janaúba, Lagoa Nova, Mariana, Miracema, Sant'Ana, São Gotardo, São João and São Pedro.

The Brazilian accounting practices comprise those established in the Brazilian corporate law and the pronouncements, guidelines and technical interpretations issued by the CPC and approved by the CFC and the CVM.

The consolidated financial statements were approved by the Executive Board on February 28, 2023, by the Audit Committee and Board of Directors on March 15, 2023 and the final resolution took place on April 27, 2023 at the Ordinary General Meeting.

TAESA's financial statements can be accessed on the IR website.



Economic and Financial Indicators - Details Of the Statement of Added Value

Generation of Wealth (R\$ thousand)	2022		Δ %	2021	
	R\$ thousand	%		R\$'000	%
Operating income (Gross income from sales of electric power and services)	2,869,408	93.47	-23.84%	3,767,852	95.31
(-) Inputs (Inputs acquired from third parties): Purchase of energy, materials, outsourced services, etc.)	-504,464	-16.43	-16.98%	-607,663	-15.37
= Gross added value	2,364,944	77.04	-25.16%	3,160,189	79.94
(-) Reintegration quotas (depreciation, amortization)	-24,978	-0.81	10.27%	-22,652	-0.57
= Net added value	2,339,966	76.22	-25.42%	3,137,537	79.37
+ Added value transferred (financial income, equity in net income of subsidiaries)	729,882	23.78	-10.52%	815,721	20.63
<b>= Added value payable</b>	<b>3,069,848</b>	<b>100.00</b>	<b>-22.35%</b>	<b>3,953,258</b>	<b>100.00</b>

Distribution of Wealth - By stakeholders	2022		2021	
	R\$ thousand	%	R\$'000	%
Employees	178,030	5.80	154,904	3.92
Government (taxes, rates, contributions and sector charges)	541,051	17.62	740,248	18.73
Lenders	902,552	29.39	844,392	21.36
Withheld	204,455	6.66	423,844	10.72
Shareholders	1,244,760	40.53	1,789,870	45.28
<b>= Distributed added value (total)</b>	<b>3,070,848</b>	<b>100.00</b>	<b>3,953,258</b>	<b>100.00</b>





Distribution of Government Wealth and Sectorial Charges	2022		2021	
	R\$ thousand	%	R\$'000	%
Taxes/rates/contributions	453,759	83.87	670,481	90.58
PIS and COFINS	165,118	30.52	225,269	30.43
CORPORATE INCOME TAX/SOCIAL CONTRIBUTION	254,516	47.04	411,431	55.58
Other	34,125	6.31	33,781	4.56
Sectorial Charges	87,292	16.13	69,767	9.42
RGR	43,462	8.03	34,808	4.70
R&D	21,849	4.04	18,853	2.55
CDE	7,903	1.46	5,562	0.75
ALTERNATIVE ELECTRICITY SOURCES INCENTIVE PROGRAM - PROINFA	5,356	1	3,550	0.48
INSPECTION FEE FOR/ON ELECTRICITY SERVICE - TFSEE	8,722	1.61	6,994	0.94
<b>= Distributed value (Total)</b>	<b>541,051</b>	<b>100.00</b>	<b>740,248</b>	<b>100.00</b>

Other Indicators	2022	Δ %	2021
	R\$ thousand		R\$ thousand
Gross operating income (R\$'000)	2,869,408	-23.84	3,767,852
Deductions from income (R\$'000)	(252,891)	-14.51	(295,803)
Net operating income (R\$'000)	2,616,517	-24.64	3,472,049
Operating costs and expenses for services (R\$'000)	(740,116)	-9.55	(818,234)
Income (loss) from rendering of services (R\$'000)	1,876,401	-29.29	2,653,815
Gain (Loss) on acquisitions of companies			
Financial income (R\$'000)	(737,557)	-8.96	(810,109)
Equity in net income of subsidiaries (R\$'000)	564,887	-27.71	781,438
IRPJ/CSSL (R\$ thousand)	(254,516)	-38.14	(411,430)
Net income (R\$'000)	1,449,215	-34.53	2,213,714
EBTIDA OR LAJIDA (R\$'000) – standard	2,466,265	-28.68	3,457,905
EBTIDA OR LAJIDA (R\$'000) – standard	1,901,380	-28.96	2,676,467
EBITDA Margin (%) - standard	94.26%	-5.36	99.59%
EBITDA Margin (%) - adjusted	72.67%	-5.73	77.09%
Current liquidity	3.02	100.74	1.51
General liquidity	1.24	-6.72	1.33
Gross Margin (net profit/gross operating income) (%)	50.51%	-14.04	58.75%
Net Margin (net profit/shareholders' equity) (%)	22.06%	-33.40	33.12%
Capital Structure			
Own capital (%)	37.96%	-9.74	42.05%
Third-party capital (%)	62.04%	7.07	57.95%
Customer default (accounts overdue up to 90 days / Gross operating income in the last 12 months)	0.003113	329.99	0.000724

**Balance sheet as of December 31, 2022 and 2021**

**(Amounts expressed in thousands of reais - R\$)**

	Note	Consolidated		Parent company	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
<b>Assets</b>					
Current assets					
Cash and cash equivalents	4	1,083,174	384,824	759,628	179,771
Accounts receivable from concessionaires and permissionaires	6	202,942	212,069	131,587	148,628
Concession contract asset	7	1,373,209	1,320,728	828,059	804,492
Current taxes and social contributions	8	244,886	160,897	224,266	144,943
Dividends receivable	12	128,081	208	227,643	446,545
Other accounts receivable and other assets		57,376	56,457	41,258	39,571
<b>Total current assets</b>		<b>3,089,668</b>	<b>2,135,183</b>	<b>2,212,441</b>	<b>1,763,950</b>
<b>Non-current assets</b>					
Securities	5	10,297	9,948	5,508	4,906
Accounts receivable from concessionaires and permissionaires	6	32,606	21,332	27,181	20,040
Concession contract asset	7	10,119,266	9,799,690	4,521,653	4,571,927
Other accounts receivable		47,833	35,616	24,754	24,224
Judicial deposits		56,301	64,771	41,405	45,660
Derivative financial instruments	18	1,149	207,267	1,149	207,267
Investments	11	3,611,309	3,436,678	7,848,205	7,009,221
Right-of-use		4,788	12,457	4,184	11,578
Property, plant and equipment		198,924	73,892	197,522	72,625
Intangible assets		136,940	98,801	136,920	98,782
<b>Total non-current assets</b>		<b>14,219,413</b>	<b>13,760,452</b>	<b>12,808,481</b>	<b>12,066,230</b>
<b>Total assets</b>		<b>17,309,081</b>	<b>15,895,635</b>	<b>15,020,922</b>	<b>13,830,180</b>

<b>Liabilities</b>					
<b>Current liabilities</b>					
Suppliers		133,728	131,622	72,161	43,702
Loans and financing	13.1	11,970	15,672	6,446	6,896
Debentures	13.2	622,764	933,841	607,452	806,472
Lease liabilities		3,187	8,533	2,472	7,697
Current taxes and social contributions	8	38,967	58,894	18,027	37,646
Regulatory fees		62,068	51,679	52,800	44,208
Dividends and JCP payable	12	26,105	147,048	26,105	147,048
Other accounts payable		122,728	69,841	70,741	56,617
<b>Total current liabilities</b>		<b>1,021,517</b>	<b>1,417,130</b>	<b>856,204</b>	<b>1,150,286</b>
<b>Non-current liabilities</b>					
Loans and financing	13.1	420,289	614,073	372,293	562,825
Debentures	13.2	7,094,889	5,225,510	6,100,129	4,361,201
Derivative financial instruments	18	46,237	33,679	46,237	33,679
Lease liabilities		3,089	7,257	3,014	7,035
Deferred taxes and social contributions	9	1,385,697	1,172,751	769,022	707,146
Deferred taxes	10	666,225	638,209	260,866	269,260
Provision for labor, tax and civil risks	14	59,429	49,126	35,261	29,343
Provision for demobilization of assets		33	457	33	457
Other accounts payable		41,200	52,687	7,387	24,192
<b>Total non-current liabilities</b>		<b>9,717,088</b>	<b>7,793,749</b>	<b>7,594,242</b>	<b>5,995,138</b>
<b>Total liabilities</b>		<b>10,738,605</b>	<b>9,210,879</b>	<b>8,450,446</b>	<b>7,145,424</b>
<b>Shareholders' equity</b>					
Capital stock		3,042,035	3,042,035	3,042,035	3,042,035
Capital reserve		598,736	598,736	598,736	598,736
Profit reserve		2,459,295	2,368,240	2,459,295	2,368,240
Additional dividends proposed		460,000	653,282	460,000	653,282
Other comprehensive income		10,410	22,463	10,410	22,463
<b>Total shareholders' equity</b>	15	<b>6,570,476</b>	<b>6,684,756</b>	<b>6,570,476</b>	<b>6,684,756</b>
<b>Total liabilities and shareholders' equity</b>		<b>17,309,081</b>	<b>15,895,635</b>	<b>15,020,922</b>	<b>13,830,180</b>

Statement of income

for the years ended  
December 31, 2022  
and 2021

(Amounts expressed in  
thousands of Reais, except  
earnings per share)

	Note	Consolidated		Parent company	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Infrastructure's implementation income, inflation adjustment of the concession contract asset, operation and maintenance contract assets and others, net		1,568,637	2,664,691	1,012,968	1,348,193
Remuneration of concession contract assets		1,047,880	807,358	608,415	567,988
<b>Net operating income</b>	<b>20</b>	<b>2,616,517</b>	<b>3,472,049</b>	<b>1,621,383</b>	<b>1,916,181</b>
Operating costs					
Personnel		(88,478)	(81,657)	(58,210)	(64,040)
Material		(338,483)	(501,811)	(92,297)	(28,173)
Outsourced services		(51,222)	(45,238)	(34,875)	(32,468)
Depreciation and amortization		(10,660)	(8,560)	(8,878)	(7,654)
Other operating costs		(9,605)	(11,722)	(6,739)	(5,563)
	21	(498,448)	(648,988)	(200,999)	(137,898)
<b>Gross income</b>		<b>2,118,069</b>	<b>2,823,061</b>	<b>1,420,384</b>	<b>1,778,283</b>
General and administrative expenses					
Personnel and management		(121,767)	(101,352)	(111,803)	(99,074)
Outsourced services		(38,402)	(40,163)	(32,513)	(35,131)
Depreciation and amortization		(14,318)	(14,092)	(14,308)	(14,064)
Other operating expenses		(67,181)	(13,639)	(13,350)	(1,535)
	21	(241,668)	(169,246)	(171,974)	(149,804)
<b>Income (loss) before net financial income (expenses), equity accounting, and taxes and contributions</b>		<b>1,876,401</b>	<b>2,653,815</b>	<b>1,248,410</b>	<b>1,628,479</b>
Equity income (loss)	11	564,887	781,438	924,708	1,471,638
Financial income		164,995	34,283	130,627	23,645
Financial expenses		(902,552)	(844,392)	(774,045)	(686,435)
<b>Net financial income (expenses)</b>	<b>22</b>	<b>(737,557)</b>	<b>(810,109)</b>	<b>(643,418)</b>	<b>(662,790)</b>
<b>Income (loss) before taxes and contributions</b>		<b>1,703,731</b>	<b>2,625,144</b>	<b>1,529,700</b>	<b>2,437,327</b>
Current income tax and social contribution		(39,480)	(21,763)	(12,401)	(6,202)
Deferred income and social contribution taxes		(215,036)	(389,667)	(68,084)	(217,411)
<b>Income tax and social contribution</b>	<b>16</b>	<b>(254,516)</b>	<b>(411,430)</b>	<b>(80,485)</b>	<b>(223,613)</b>
<b>Net income for the year</b>		<b>1,449,215</b>	<b>2,213,714</b>	<b>1,449,215</b>	<b>2,213,714</b>
<b>Earnings per share</b>					
Earnings per common share - Basic and diluted (in R\$)	19	1.40224	2.14196	1.40224	2.14196
Earnings per preferred share - Basic and diluted (in R\$)	19	1.40224	2.14196	1.40224	2.14196

— GRI 203

# Indirect economic impacts

In its relationship with the various stakeholders, TAESA is responsible for producing indirect economic impacts, including:

- **Creating employment opportunities and hiring labor:** positive impact, of local scope and temporary duration. Direct jobs are generated, either from specialized and mobilized personnel from other regions, or from unskilled labor recruited locally, are generated in the deployment of transmission undertakings. There may be an increase in indirect jobs, due to the demand for food, lodging and general services in these locations.
- **Restriction of land use and occupation:** negative impact, of local and permanent scope. The right of way is the stretch of land, along the axis of the Transmission Line (TL), whose domain remains with the owner, but which has restrictions on use and occupation. These measures are necessary to ensure the safety of TL facilities and the surrounding population. The restrictions already occur in the implementation phase and are permanent during all periods of operation. Any type of construction is not allowed in the right of way, nor the cultivation of crops that usually use fires to clean the area,

large crops, such as eucalyptus and pine, irrigation systems, colonization grass, among others. Aiming to mitigate this impact, the payment of indemnity for the establishment of the administrative right of way is negotiated, at fair prices and in accordance with the economic value of that land use. However, this can be seen as an economic impact due to the limitation of new uses to be made.

- **Increase in the goods and services market and tax collection:** positive impact, of local scope and temporary duration. The implementation of transmission undertakings tends to positively affect the region's economy, fostering new projects and businesses. In the planning and mobilization phase of the construction infrastructure, the offer of jobs and income begins, with an increase of financial funds to the local economy. With the start of construction, the demand for goods and services increases and heats up the market. There is also an increase in municipal tax collections, in relation to ISS and ICMS, which are levied on indirect services developed in the context of economic expansion in the region.

- **Real estate devaluation:** negative impact, of local and permanent scope. The presence of high voltage transmission lines in the properties can generate depreciation of the property and real estate devaluation. However, studies show that this devaluation has been insignificant in the sale value of land affected by transmission lines. Occasionally this only happens on properties where towers are leased.

- **Increase in the availability of energy in the SIN** positive impact on a national and permanent scale, also affecting external references, as it may increase the attractiveness of investments in the country. The expansion and quality of the electricity supply has gained more importance for distributors and consumers. It is through the improvement and security of the electrical system that the different sectors grow, creating products and services that boost economic and social development. It is worth highlighting that the works move the local economy with commerce, housing, inputs, etc. In addition, labor can be hired in the region of the undertaking, according to the supply and training of professionals.

The works carried out by the Company to implement and maintain the concessions move the local economy and impact commerce, housing, demand for inputs, etc. In addition, labor can be hired in the region of the undertaking, according to the supply and training of professionals, generating wealth and improving the population's quality of life.

To define the circulation of values, investments in repair or improvement projects in concessions totaled R\$ 58,916,279.50. We highlight below the most relevant initiatives concluded or underway in the last year and the expected effects of their implementation:

Concession	Amount invested in improvements or repairs
ATE II	R\$ 2,700,828.01
ATE III	R\$ 40,533.51
ATE	R\$ 188,143.79
Brasnorte	R\$ 3,751,960.74
ETAU	R\$ 42,005.49
ETE	R\$ 25,144.25
GTESA	R\$ 6,395.00
MIT	R\$ 3,554.72
Munirah	R\$ 4,629,364.76
NTE	R\$ 341,590.72
Novatrans	R\$ 33,697,100.37
PATESA	R\$ 663.92
RI1	R\$ 1,402.25
SPT	R\$ 81,424.98
STE	R\$ 285,598.39
TSN	R\$ 13,120,568.60
<b>Total</b>	<b>R\$ 58,916,279.50</b>

Concession	Repairs or Improvements
ATE II	<p>Acquisition and installation of two sets of 48VDC batteries/rectifiers, independent of the protection system, to supply the auxiliary telecommunications services and other necessary adjustments.</p> <p>Adequacy for the implementation of a new AC source for the auxiliary services. In response to Official Letter 38.2021, TAESA informed that it will finalize the full Medium voltage cubicle (13.8KV) Auxiliary Service Transformer (13.8KV/480Vca) 900 meters of medium voltage cables</p> <p>Replacement of the optical amplification system between São João do Piauí and Sobradinho.</p> <p>Implementation of the Special Protection System SEP N-NE-SE. Colinas/R. Goncalves C-1 TO/PI 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. Colinas - R. Goncalves C1 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. RIB.GONCALVES /S.JOAO PIAUI C-1 PI 500 kV TL</p> <p>COGMA Project - Teleassistance Implementation. Acquisition and installation of cameras positioned to monitor maneuvers in disconnectors, equipment monitoring and perimeter.</p> <p>COGMA Project – Implementation of Teleassistance. Acquisition and installation of cameras positioned to monitor maneuvers in disconnectors, equipment monitoring and perimeter.</p> <p>In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>COGMA Project - Teleassistance Implementation.</p>
ATE III	<p>SEP N/NE/SE - Deployment of the SEP N-NE-SE Special Protection System. ITACAIUNAS / COLINAS C-1 PA / TO 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. ITACAIUNAS / COLINAS C-1 PA / TO 500 kV TL</p> <p>Teleassistance Implementation.</p> <p>COGMA Project - Teleassistance Implementation.</p>
ATE	<p>Acquisition and installation of two sets of 48VDC batteries/rectifiers, independent of the protection system, to supply the auxiliary telecommunications services and other necessary adjustments.</p> <p>Acquisition and installation of two sets of 48VDC batteries/rectifiers, independent of the protection system, to supply the auxiliary telecommunications services and other necessary adjustments. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Replacement of PADTEC It 525kv Assis-Araraquara - SE optical amplification system</p> <p>Replacement of PADTEC It 525kv Assis-Araraquara - SE optical amplification system</p> <p>COGMA Project -Teleassistance Implementation. Acquisition and installation of cameras positioned to monitor maneuvers in disconnectors, equipment monitoring and perimeter.</p> <p>COGMA Project – Implementation of Teleassistance.</p> <p>Replacement of OPGW cable among the structures 142 and 131</p> <p>Replacement of digital disturbance recorder – RDP that monitors: TL 525 kV Araraquara – Assis and TL 525 kV Reactor – Araraquara – Assis. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Replacement of digital disturbance recorder - PAL1, which monitors: Londrina - Assis 525 kV TL. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Replacement of digital disturbance recorder - RDP, which monitors: TL 525 kV Assis – Londrina, TL 525 kV Assis – Araraquara, Reactor of TL 525 kV Assis – Araraquara and Autotrafo 525 / 440 kV. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p>



Dimensions



Brasnorte	<p>Replacement of OPGW cable sections of Brasnorte / Nova Mutum C2 230 kV TL. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Construction of the Control Room at SE Nova Mutum</p> <p>Construction of the Control Room at SE Jauru</p> <p>COGMA Project - Teleassistance Implementation.</p>
ETAU	<p>OPLAT and Teleprotection Link - SE BGR.</p> <p>OPLAT and Teleprotection Link - SE LV2.</p> <p>Replacement of the SE Barra Grande 48vdc power supply system (battery and rectifier set)</p> <p>COGMA Project - Teleassistance Implementation.</p> <p>Replacement of the SE Lagoa Vermelha 48vdc power supply system (battery and rectifier set).</p> <p>Replacement of the OPLAT teleprotection link of the Santa Marta - Lagoa Vermelha 230kv TL, Santa Marta Substation.</p> <p>Replacement of the OPLAT teleprotection link of Santa Marta - Lagoa Vermelha2 230kv TL, Substation Lagoa Vermelha2</p>
ETE	<p>COGMA Project – Implementation of Teleassistance.</p> <p>Installation of digital disturbance recorder - DDR with the synchrophasors functionalities (PMU) and TW. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p>
GTESA	<p>COGMA Project - Teleassistance Implementation.</p> <p>Retrofit of SE Goianinha's auxiliary service system due to a high history of failures and discontinuity in the manufacture of spare modules. The retrofit applies to the Goianinha, Mussuré II, Açú II and Paraíso substations, but we suggest carrying out a first retrofit in the short term and with the two spare modules that this retrofit will generate we evaluate the accomplishment of the retrofit in other facilities.</p>
Janaúba	<p>COGMA Project - Teleassistance Implementation.</p> <p>Acquisition and installation of cameras positioned to monitor maneuvers in disconnectors, equipment monitoring and perimeter.</p>
MIT	<p>Deployment of the SEP N-NE-SE Special Protection System. Lajeado / Miracema C-1 TO 500 kV TL</p> <p>COGMA Project - Teleassistance Implementation.</p>
Munirah	<p>Acquisition and installation of two sets of 125 VDC batteries/rectifiers, independent of the protection system, for supplying auxiliary telecommunications services and other necessary adjustments. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Suitability of implementation of new CA - SE CMD source</p> <p>Replacement of the 3/8 lightning conductor cable of the Camaçari II / Sapeaçu 500 kv TL.</p> <p>Replacement of lightning conductor cable with OPGW cable of Camaçari II / Sapeaçu 500 kV TL.</p> <p>Expansion of the Camaçari II Substation control room due to the installation of new rectifiers and battery banks (see project GOM0274).</p> <p>Construction of a room to protect the GMG at the Camaçari II substation.</p> <p>CMDSPU 500kV TL: Replacement of glass vs. polymeric insulators</p> <p>COGMA Project – Implementation of Teleassistance.</p> <p>Installation of digital disturbance recorder - DDR with the synchrophasors functionalities (PMU) and TW. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Acquisition and installation of two sets of 125 VDC batteries/rectifiers to power the SPCS systems and other necessary adjustments. Project approved due to technical urgency of the Camaçari II Substation battery banks. It will be registered in the SGPMR in 2022.</p> <p>Acquisition and installation of two sets of 125 VDC batteries/rectifiers, independent of the protection system, for supplying auxiliary telecommunications services and other necessary adjustments. Identified in Official Letter 38.2021, TAESA indicated that it will execute it until 12/31/2023.</p>

<p>NTE</p>	<p>Acquisition and installation of two sets of 48VDC batteries/rectifiers, independent of the protection system, to supply the auxiliary telecommunications services and other necessary adjustments. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Suitability for implementing a new CA source for auxiliary services</p> <p>COGMA Project - Teleassistance Implementation.</p>
<p>Novatrans</p>	<p>Replacement of Supervision System - HMI in Level 2 500 Kv Sector (ADVANTECH/INDUSTRIAL 610) Imported via PMI 2016-2019</p> <p>Replacement of Supervision System - HMI on Level 2 Supervision System (ADVANTECH/INDUSTRIAL 610 (2))</p> <p>Replacement of Supervisory System - HMI on Level 2 Supervisory System (ADVANTECH/INDUSTRIAL 610 (2)) Imported via PMI 2016-2019</p> <p>Replacement of SE Miracema's Optical Amplification Systems.</p> <p>Replacement of the Gurupi SE Optical Amplification Systems.</p> <p>Replacement of Optical Amplification Systems at SE Colinas.</p> <p>Replacement of the Optical Amplification Systems of the Serra da Mesa Substation</p> <p>Protection System Replacement Protection system (GE /UR D60 (2), F60(3), T60 (1)). In response to Official Letter 38.2021, it was informed that TAESA will conclude the project by 12/31/2023.</p> <p>Protection System Replacement Protection system (GE /UR D60 (4), F60(5), T60 (2), B30 (2)). In response to Official Letter 38.2021, it was informed that TAESA will conclude the project by 12/31/2023.</p> <p>Replacement of 500 Kv Sector Protection System (GE /UR D60 (4), F60(5), T60 (2)). In response to Official Letter 38.2021, it was informed that TAESA will conclude the project by 12/31/2023.</p> <p>Replacement of 500 Kv Sector Protection System (GE /UR D60 (4), F60(5), T60 (2), B30 (2))</p> <p>Replacement of 500 Kv Sector Protection System (GE /UR D60 (4), F60(6), T60 (2)). In response to Official Letter 38.2021, it was informed that TAESA will conclude the project by 12/31/2023.</p> <p>Replacement of 500 Kv Sector Protection System (GE /UR D60 (2), F60(3), T60 (1)). In response to Official Letter 38.2021, it was informed that TAESA will conclude the project by 12/31/2023.</p> <p>Implementation of the Special Protection System SEP N-NE-SE. Colinas /Miracema C-2 TO 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. Gurupi /Miracema C-2 TO 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. Imperatriz / Colinas C-2 MA/TO 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. Lajeado /Miracema C-2 TO 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. S. da Mesa/Samambaia C-3 GO/DF 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. S. da Mesa /Gurupi C-2 GO/TO 500 kV TL</p> <p>COGMA Project - Teleassistance Implementation.</p> <p>Acquisition and installation of cameras positioned to monitor maneuvers in disconnectors, equipment monitoring and perimeter. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Teleassistance Implementation.</p> <p>COGMA Project - Teleassistance Implementation.</p> <p>Replacement of medium voltage switchgear at SE Serra da Mesa</p>
<p>PATESA</p>	<p>Acquisition and installation of two sets of 48VDC batteries/rectifiers, independent of the protection system, to supply the auxiliary telecommunications services and other necessary adjustments. After reviewing the need for the project, it was decided that the battery banks will be 48 VDC.</p> <p>COGMA Project - Teleassistance Implementation.</p> <p>Acquisition of two 125Vdc battery banks for replacement based on premature wear and tear. It must be registered in 2022 when the SGPMR is opened again.</p>

RI1	Deploy line input module
SPT	<p>Supply and installation of a Fault Locator (Traveling Waves) for Gilbués II / Bom Jesus II 230 kV TL. In response to the Official Letter 38.2021, TAESA informed that it will be completed until December 1, 2022.</p> <p>Acquisition of Fault Locator in LT Rio Grande II/Barreiras 2 – Circuit 1. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Acquisition of fault locator for Rio Grande II / Barreiras – Circuit 1 TL</p> <p>COGMA Project - Teleassistance Implementation.</p>
STE	<p>Replacement/Modernization of the 230kv TL Optical Expansion System Maçambará-Santo Aangelo.</p> <p>Implementation of the Special Protection System SEP N-NE-SE. Rib.Goncalves /João Piau C-1 PI 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. S. da Mesa / Serra Mesa 2 C-1 GO 500 kV TL</p> <p>COGMA Project - Teleassistance Implementation.</p> <p>Replacement of the OPGW Cable between structures 390 and 397.</p> <p>Acquisition and installation of two sets of 125 VDC batteries/rectifiers, independent of the protection system, for supplying auxiliary telecommunications services and other necessary adjustments. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p>
TSN	<p>Modernization of the TSN BJT Control System.</p> <p>Replacement of the three-pole disconnectors with earth blades K11-Q1(LP)+k11-Q5(LT), 24 kV, 6300 A of the TCR1 branch of CE 1 of the Sapeaçu substation.</p> <p>Replacement of the three-pole disconnectors with earth blades K21-Q1(LP)+k21-Q5(LT), 24 kV, 6300 A of the TSC1 branch of CE 1 of the Sapeaçu substation.</p> <p>Replacement of the three-pole disconnectors with earth blades K31-Q1(LP)+k31-Q5(LT), 24 kV, 6300 A of the FILTER 1 branch of CE 1 of the Sapeaçu substation.</p> <p>Replacement of the three-pole disconnectors with earth blades K32-Q1(LP)+k32-Q5(LT), 24 kV, 6300 A of the FILTER 2 branch of CE 1 of the Sapeaçu substation.</p> <p>Replacement of the three-pole disconnectors with earth blades K22-Q1(LP)+k22-Q5(LT), 24 kV, 6300 A of the TSC2 branch of CE 1 of the Sapeaçu substation.</p> <p>Installation of a bank of single-phase reactors (3 phases plus a backup unit) short-circuit current limiters in the tertiary ATR-05T1, due to the overcoming of the circuit breaker's symmetrical short-circuit level. In response to the Official Letter 38.2021, TAESA informed that it will complete the project by 12/31/2022.</p> <p>Installation of a single-phase reactor bank (3-phase plus a backup unit), short-circuit current limiters in the tertiary of the ATR-05T2 as the breaker's symmetrical short-circuit level was exceeded. In response to the Official Letter 38.2021, TAESA informed that it will be completed until December 31, 2022.</p> <p>Installation of a single-phase reactor bank (3-phase plus a backup unit), short-circuit current limiters in the tertiary of the ATR-05T3 as the breaker's symmetrical short-circuit level was exceeded. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p> <p>Implementation of the Special Protection System SEP N-NE-SE. IMPERATRIZ /COLINAS C-2 MA/TO 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. MG COLINAS / CCO-2005-011 - RB</p> <p>Deployment of the SEP N-NE-SE Special Protection System. S.DA TABLE /GURUPI C-2 GO/TO 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. GURUPI /MIRACEMA C-2 TO 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. SERRA MESA 2 /RIO DAS EGUAS C-1 GO / BA 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. S.DA TABLE /SAMAMBAIA C-3 GO/DF 500 kV TL</p> <p>Implementation of the Special Protection System SEP N-NE-SE. SERRA MESA 2 /RIO DAS EGUAS C-1 GO / BA 500 kV TL</p> <p>Implementation of the Special Protection System SEP - Bipolos Xingu</p> <p>Implementation of the Special Protection System SEP - Xingu Bipoles. Published in PAR 2022-2026.</p> <p>Teleassistance Implementation.</p> <p>COGMA Project - Teleassistance Implementation.</p> <p>Replacement of the OPGW Cable near Bauru.</p> <p>Installation of digital disturbance recorder - DDR with the synchrophasors functionalities (PMU) and TW. In response to Official Letter 38.2021, TAESA informed that it will finalize the project by 12/31/2022.</p>

## Financial instruments

	Consolidated		Parent company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
<b>Financial assets</b>				
Fair value through profit or loss:				
- Securities	10,297	9,948	5,508	4,906
- Cash equivalents – Interest earning bank deposits	1,082,139	380,602	759,050	176,760
Amortized cost:				
- Cash and banks	1,035	4,222	578	3,011
- Accounts receivable from concessionaires and permissionaires	235,548	233,401	158,768	168,668
- Advance Apportionment and Adjustment Portion	901	939	-	-
	<b>1,329,920</b>	<b>629,112</b>	<b>923,904</b>	<b>353,345</b>
<b>Financial liabilities</b>				
Fair value through profit or loss:				
- Loans and financing	376,743	561,265	376,743	561,265
- Derivative financial instruments	(1,149)	(207,267)	(1,149)	(207,267)
Fair value through other comprehensive income:				
- Derivative financial instruments	46,237	33,679	46,237	33,679
Other financial liabilities at amortized cost:				
- Suppliers	133,728	131,622	72,161	43,702
- Loans and financing	55,516	68,480	1,996	8,456
- Debentures	7,717,653	6,159,351	6,707,581	5,167,673
- Lease liability	6,276	15,790	5,486	14,732
- Advance Apportionment and Adjustment Portion	19,855	25,285	3,825	13,296
	<b>8,354,859</b>	<b>6,788,205</b>	<b>7,212,880</b>	<b>5,635,536</b>

## Risk management structure

Risk management of the Company and its subsidiaries intends to identify and analyze risks considered relevant by Management, such as market risks (currency, interest rate and other operating risks), credit and liquidity risks. TAESA and its subsidiaries do not contract or trade financial instruments, including derivative financial instruments for speculative purposes.

As detailed in the Corporate Governance Dimension, the Company's Bylaws define the attributions, powers and responsibilities of each of the governance positions to anticipate, identify, monitor and mitigate risks inherent in the development of business. In addition to the governance bodies, documents such as the Code of Ethics and Compliance, the Policies and other guidelines serve to guide the company and its employees in relation to these risks.

## Capital risk management

The Company and its subsidiaries manage its capitals to ensure the maintenance of its regular activities and, at the same time, maximize return to all stakeholders or parties involved in its operation, through debt and equity balance optimization. Capital structure is formed by net indebtedness, that is, loans and financing, derivative financial instruments, debentures, and lease liability, less cash and cash equivalents, securities, and shareholders' equity.

## Market risk management

### Exchange rate

The Company is subject to currency risk in the loans denominated in a currency other than the Company's functional currency, the Real (R\$).

On December 31, 2022, the Company had 4.59% (R\$ 376,743) of its total debt (loans and financing, debentures, financial instruments and lease liability) linked to foreign exchange rate. To mitigate this risk, the Company contracted derivative financial instruments (swap) to protect total principal and interest future payments from fluctuations in US dollar and in interest rate (Sofr). The Company intends to settle both instruments on the same date.

Foreign exchange risk is that the fair value of a financial instrument future cash flows changes due to changes in foreign exchange rates. The exposure to risk of changes in foreign exchange rates, refer mainly to the obligations involving borrowings, financing, financial investments and securities, subject to variable exchange rates. In Brazil, the depreciation of Real against Dollar may give rise to a price increase in all economic areas. A scenario of currency instability with eventual depreciation of the Brazilian real may cause loss to the results of TAESA in future years. The company is subject to exchange rate risk on loans indexed to a currency other than that used in the functional context, the Real (R\$).



### Interest rate

The Company and its subsidiaries' income is adjusted on a monthly basis at inflation rates. In case of deflation, the concessionaires will have their income reduced. In case of sudden increase of inflation, the concessionaires could not have their income timely adjusted, consequently suffering impacts on income (loss). To minimize the risk of raising insufficient funds with adequate costs and reimbursement periods, TAESA permanently monitors the obligations' payment schedule and cash generation.

There were no changes in Company's market risk nor in the management and measurement method of these risks in relation to the last report. The Company and its subsidiaries are exposed to fluctuations of floating interest rate for loans and financing, debentures and financial investments.

This risk is administered by monitoring changes in interest rates and by maintaining a proper mix of assets and liabilities denominated in floating interest rates.

Moreover, the Company contracts different interest rate swaps, in which the agrees to exchange, at specific intervals, the difference between the amounts of the variable interest rates (CDI) calculated based on the notional principal amount agreed between the parties. Said swaps are intended to hedge the debenture obligations that are the hedge object. On December 31, 2022, after considering the effect of interest rate swaps, approximately 75.11% of the debentures issued by the Group were subject to inflation adjustment + a fixed rate.

To minimize the risk of raising insufficient funds with adequate costs and reimbursement periods, TAESA permanently monitors the obligations' payment schedule and cash generation.

**In 2022, the value of the debentures issued by the Group was**

**75.11%**

**They were subject to inflation + fixed rate after considering the effect of interest rate swaps.**

## Hedge accounting activities and derivative financial instruments

### Derivatives not designated as hedge instruments

In the management of its exposures, the Company raises loans in foreign currency and enters into swap contracts. These forward currency contracts are not designated as cash flow hedges, fair value hedges or net investment hedges, but are entered into for periods consistent with the currency transaction exposures.

TAESA and its subsidiaries contract derivative financial instruments to administer their exposure to risk related to foreign exchange rate, i.e., foreign exchange swap without cash - US\$ versus CDI.

## DERIVATIVES NOT DESIGNATED AS HEDGE INSTRUMENTS

	Citibank foreign exchange swap - September 2022	Citibank foreign exchange swap – Renegotiation – May 2018
Reference value (Notional) as of 12/31/2022	US\$ 70,000	-
Reference value (notional) as of 12/31/2021	-	USD 98,592
The company's right to receive (long leg)	(SOFR + Spread: 0.44%) – <sup>(1)</sup> 1.17647	(3-month Libor + Spread: 0.34%) – <sup>(1)</sup> 1.17647
The company's obligation to pay (short position)	CDI + 0.65% p.a.	106.0% CDI
Maturity on	09/26/2025	05/10/2023
Long position - 12/31/2022	376,743	-
Short position - 12/31/2022	(375,594)	-
"Swap" assets (liabilities) as of 12/31/2022 (2)	1,149	-
"Swap" assets (liabilities) as of 12/31/2021 (2)	-	207,267
Amount receivable (payable) as of 12/31/2022	1,149	-
Amount receivable (payable) as of 12/31/2021	-	207,267
Fair value as of 12/31/2022	1,149	-
Fair value as of 12/31/2021	-	207,267
Gains (losses) - 01/01/2022–12/31/2022	1,149	(86,489)
Gains (losses) - 01/01/2021–12/31/2021	-	40,533

(1) Factor 1.17647 represents gross up of income tax owed upon amortization and interest payments.

(2) Unrealized gains recorded in the parent company's balance sheet and in consolidated, deriving from swaps.

(3) The transactions are registered with clearance and custody chambers. There is no margin deposited in guarantee, and the operation has no initial cost.



### Derivatives designated as hedge instruments – cash flow hedges

The Company designated derivatives in the amount of R\$ 400,000 million, referring to part of the issuance of its debentures, as a hedge instrument for a cash flow hedge structure. The derivatives contracted were swaps that exchange the risk of 108% of the CDI (interest rate on debentures) for the IPCA + fixed rates.

The effect of cash flow hedge on the statement of income and in other comprehensive income is presented in the table below:

#### DERIVATIVES DESIGNATED AS HEDGE INSTRUMENTS – CASH FLOW HEDGES

Hedge rating	Hedged item	Hedge instrument	Reference value	Index	Maturity	Gain (loss) in Other comprehensive income
						12/31/2022
			50,000	IPCA + 3.94%	05/15/2026	2,171
			50,000	IPCA + 3.91%	05/15/2026	2,207
Cash flow hedge	Debenture indexed at 108% of CDI	Swaps	100,000	IPCA + 4.00%	05/15/2026	4,327
			50,000	IPCA + 3.53%	05/15/2026	2,752
			50,000	IPCA + 3.66%	05/15/2026	2,471
			100,000	IPCA + 3.99%	05/15/2026	4,333
<b>Parent company and Consolidated</b>						<b>18,261</b>





Changes in derivative financial instruments	12/31/2021	Interest, inflation adjustment and exchange-rate change	Fair value adjustment (Income)	Fair value adjustment (OCI)	(Payments) Receipts	12/31/2022
SWAP contract (Citibank 4131) - Sept/2022 <sup>1</sup>	-	5,870	(7,019)	-	-	(1,149)
SWAP contract (Citibank 4131) - May 2018 <sup>1</sup>	(207,267)	70,905	15,584	-	120,778	-
SWAP contract (Santander) <sup>2</sup>	11,297	(13,609)	-	6,805	11,467	15,960
SWAP contract (BR Partners) <sup>2</sup>	13,869	(13,286)	-	6,534	11,309	18,426
SWAP contract (Itaú) <sup>2</sup>	4,482	(4,471)	-	2,170	3,789	5,970
SWAP LP Agreement (ABC Brasil) <sup>2</sup>	4,031	(4,904)	-	2,752	4,002	5,881
<b>Parent company and Consolidated</b>	<b>(173,588)</b>	<b>40,505</b>	<b>8,565</b>	<b>18,261</b>	<b>151,345</b>	<b>45,088</b>

<sup>1</sup> Derivative financial instrument and loan measured at fair value.

<sup>2</sup> Financial instrument measured at fair value and debentures at amortized cost.

### Sensitivity analysis on derivative financial instruments

The company and its subsidiaries carried out sensitivity analyses' tests as required by the accounting practices, prepared based on net exposure to variable rates of relevant derivative and non-derivative asset and liability financial instruments outstanding at the end of this report's period. Thus, it is assumed that the value of assets and liabilities below are outstanding during the entire period, adjusted based on rates estimated for a probable scenario of risk behavior that may generate adverse results, in case it occurs.

The rates used to calculate the probable scenarios are referenced by an independent external source. These scenarios are used as the basis to define two additional scenarios with deterioration of 25% and 50% in risk variable (scenarios A and B, respectively) considered for net exposure, when applicable, as follows:



### SENSITIVITY ANALYSIS

	Scenario probable	Scenario A (25% deterioration)	Scenario B (50% deterioration)	Realized up to December 31, 2022 annualized
CDI (i)	12.75%	15.94%	19.13%	12.39%
IPCA (i)	5.90%	7.38%	8.85%	5.78%
Sofr (ii)	4.55%	5.69%	6.86%	4.31%
PTAX	5.25000	6.56250	7.87500	5.21770

(i) According to data disclosed by the Central Bank of Brazil (BACEN) (Focus Report - Mediana Agregado), on March 03, 2023.

(ii) As rates disclosed on Bloomberg website on March 03, 2023.

Sensitivity analysis of the net exposure of financial instruments to an increase in interest rates and/or foreign exchange	Balance at 12/31/2022	Effect on income before taxes - from January to December 2022 – increase (decrease)		
		Probable	Scenario A	Scenario B
<b>Unhedged</b>				
Consolidated				
Financial assets				
Cash equivalents and securities				
- CDI	1,092,436	3,933	38,754	73,576
Financial liabilities				
Financing and debentures				
- CDI	1,980,597	(7,111)	(70,242)	(133,374)
- IPCA	5,952,080	(6,857)	(94,650)	(182,443)
		<b>(10,035)</b>	<b>(126,138)</b>	<b>(242,241)</b>
<b>Unhedged</b>				
Parent company				
Financial assets				
Cash equivalents and securities				
- CDI	764,558	2,752	27,123	51,493
Financial liabilities				
Financing and debentures				
- CDI	1,980,597	(7,111)	(70,242)	(133,374)
- IPCA	4,845,776	(5,582)	(77,058)	(148,533)
		<b>(9,941)</b>	<b>(120,177)</b>	<b>(230,414)</b>
<b>Hedged</b>				
Parent company and Consolidated				
Financial liabilities (protected debt)				
Loans and financing				
- Sofr	376,743	(904)	(5,190)	(9,475)
- Dollar	376,743	(2,332)	(97,101)	(191,870)
Derivatives				
Asset leg – Sofr	(376,743)	904	5,190	9,475
Asset leg – Dollar	(376,743)	2,332	97,101	191,870
Liability leg - CDI	375,594	(1,348)	(13,320)	(25,293)
<b>Net effect</b>		<b>(1,348)</b>	<b>(13,320)</b>	<b>(25,293)</b>
Financial liabilities				
Debentures				
- CDI	407,080	(1,461)	(14,437)	(27,413)
- IPCA	453,317	(522)	(7,209)	(13,895)
Derivatives				
Asset leg - CDI	(407,080)	1,461	14,437	27,413
Short position - IPCA	(453,317)	522	7,209	13,895
<b>Net effect</b>		-	-	-



### Credit Risk Management

Credit risk refers to the risk of a counterparty not complying with its contractual obligations, thus causing the Company to incur financial losses. It is basically from investments held with banks and financial institutions.

Credit risk of funds and derivative financial instruments is limited because counterparties are represented by Banks and financial institutions that have satisfactory credit rating levels, showing great likelihood that no counterparty fails to comply with its obligations.

As regards credit risk deriving from client transactions and concession contract asset, Management understands that it is not necessary to recognize a provision for losses or credit analyses in relation to its clients, as CUST, entered into by ONS and network users, which has the purpose of ensuring receipt of amounts owed by users for transmission companies for the services rendered.

Furthermore, the CUST introduces mechanisms to protect the payment of charges by users, through the CCG or CFB.

It is through CUST that the management of the collection and settlement of charges for the use of transmission and the execution of the guarantee system is carried out, in which ONS acts on behalf of the transmission concessionaires.

Main advantages of these protection mechanisms are: diluted risks, as all users have the obligation to pay all the transmission companies; financial guarantees are provided individually by users; and payment discussions take place between transmission companies and users. In case of non-payment, the Company as a transmission agent may request ONS to resort to the user's bank guarantee in connection with the guarantee agreement (CCG) or bank letter of guarantee (CFB).

### Liquidity risk management

It is related to the risk of the Company and its subsidiaries of being unable to honor their obligations and their financial position.

TAESA and its subsidiaries manage liquidity risk by maintaining proper reserves and bank credit facilities - and they also manage liquidity risk to raise loans - through monitoring cash flows and maturity profiles..

The table below shows in detail the remaining contractual maturity of non-derivative financial liabilities (and the contractual repayments terms of the Company and its subsidiaries). It was prepared in accordance with financial liabilities undiscounted cash flows based on the closest date in which the Company and its subsidiaries shall settle respective obligations. Includes interest and principal cash flows.

## LOANS, FINANCING AND DEBENTURES

Loans, financing, debentures and derivative financial instruments	Up to 1 month	1–3 months	3–12 months	1–5 years	>5 years	Total
Postfixed	71,119	1,422	959,401	4,181,633	13,859,661	19,073,236
Fixed	327	651	999	37	-	2,014
Derivative financial instruments	-	25,048	82,737	1,178,451	-	1,286,236
<b>Consolidated</b>	<b>71,446</b>	<b>27,121</b>	<b>1,043,137</b>	<b>5,360,121</b>	<b>13,859,661</b>	<b>20,361,486</b>
Postfixed	71,119	1,422	959,401	4,181,633	13,859,661	19,073,236
Fixed	327	651	999	37	-	2,014
Derivative financial instruments	-	25,048	82,737	1,178,451	-	1,286,236
<b>Parent company</b>	<b>71,446</b>	<b>27,121</b>	<b>1,043,137</b>	<b>5,360,121</b>	<b>13,859,661</b>	<b>20,361,486</b>

### Management of operating risks

It is the risk of direct or indirect losses arising from different causes related to the Company's processes, personnel, technology and infrastructure and external factors, except credit, market and liquidity risks, as those arising from legal and regulatory requirements and from generally accepted corporate behavior standards.

Main operating risks that TAESA and its subsidiaries are exposed to are the following:

#### • Regulatory risks

Extensive governmental legislation and regulation issued by the following bodies: MME, ANEEL, ONS, MMA and CVM. If the Company infringes any provisions of applicable law or regulation, such infringement may result in the imposition of sanctions by the competent authorities.

#### • Insurance Risk

Hiring of operating risk and civil responsibility insurance for their substations. Despite the adoption criteria for obtaining



insurance against operating risks and civil liability with the purpose of employing practices adopted by other representative companies in the activity, damage to transmission lines such as losses due to fire, lightning, explosions, short-circuits, and electricity outage are not covered by this insurance, which may give rise to significant costs and additional investments.

- **Risk of Construction and Development of Infrastructures**

In the event TAESA and its subsidiaries shall expand business by constructing new transmission installations, it may incur in risks inherent to the construction activity, delays in the execution of the work, and potential environment damages that may result in costs not provided for and/or penalties. If any delay or environmental damage occurs in connection with the construction and development of infrastructures, such events may adversely affect the operating performance of the Company and its subsidiaries or delay their expansion programs, in which case the financial performance of the Company or its subsidiaries could suffer an adverse impact. Since the Company and its subsidiaries may depend on third parties to provide the equipment used in their facilities, they are subject to price increases and failures on the part of such suppliers, including delays or delivery of damaged equipment. Such failures could adversely affect the activities and have an adverse effect on the results. Additionally, due to the technical specifications of equipment used in the facilities, some suppliers

are at disposal and for certain items, only one is at disposal. If a supplier discontinues the production or stop the sale of any equipment purchased, they may not be able to acquire them with other suppliers. In this case, the provision of electricity transmission service provided may be materially affected, and the Company may be obliged to make not expected investments in order to develop or fund the development of new technology to replace the unavailable equipment, which may negatively impact the financial condition and operating income.

- **Risk of interruption in services**

In case of interruption in services, the TAESA and its subsidiaries are subject to reduction in their income due to application of certain penalties, depending on the type, level and duration of service unavailability, as rules established by regulatory body. In case of extended interruptions, the effects may be relevant.

- **Technical Risk**

Events related to Act of God or force majeure may cause economic and financial impacts bigger than those provided for in the original project. In such cases, the costs necessary to replace installations in operating conditions should be supported by the Company and its subsidiaries. If such risks materialize, the Company's financial and operating performance could be adversely affected.

**GRI 2-12**

## Identification

Top Management is responsible for developing and implementing controls to mitigate operating risks:

- Proper function segregation requirements, including independent authorization of operations;
- Transaction reconciliation and monitoring requirements;
- Operating loss reporting requirements and proposed corrective measures;
- Requirements of periodic evaluation of operating risks and adequacy of controls and procedures to address identified risks;
- Compliance with regulatory and legal requirements;
- Documentation of controls and procedures;
- Ethical and commercial standards;
- Training and professional development;
- Development of contingency plans;
- Risk mitigation, including insurance, if effective.

- **Litigation Risk**

TAESA and its subsidiaries are parties to certain lawsuits and administrative proceedings, followed-up by legal advisors. The Company periodically analyzes information made available by its legal advisors to conclude on likelihood of obtaining success in lawsuits, avoiding financial losses and damage in reputation and seeking for cost effectiveness.

### Fair value hierarchy of derivative and non-derivative financial instruments

The different levels are defined as follows:

- **Level 1** - Prices quoted (not adjusted) in active markets for identical assets and liabilities.
- **Level 2** - *Inputs*, except for quoted prices, included in Level 1 which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices).
- **Level 3** - assumptions, for assets or liabilities, which are not based on observable market data (*non-observable inputs*).

There was no change in the level of these financial instruments in the year ended December 31, 2021.

## Cyber Security

With a focus on increasing TAESA's operational resilience, the Business Continuity Management standard was published in May 2022, presenting a set of rules and support for this management. Continuing this initiative, the 1st Business Continuity Management Simulation (GCN) was carried out between October and December, aimed at training professionals for a possible cyber attack on the Company.

For this simulation, a scenario was defined in which TAESA suffers the total or partial loss of technology resources due to a cyberattack by ransomware (malware) in six applications used in different areas of the company: SAP, Office 365, network directory, MeGA, Pi@get and Signo.

The initiative was successful since, in addition to training professionals to maintain the conduct of critical operations, limiting potential losses in the event of an operational downtime and/or contingency situation, six sensitive points were identified. Of these, one was classified as high risk, three as medium risk and two as low risk, in addition to two opportunities for improvement. The correction of these critical points is expected to be completed in March 2023.

GCN also disclosed to the company's employees a channel for questions related to Risks and Controls in which answers are provided by Clara, TAESA's Risks and Controls avatar. Clara's email is [responseclara@taesa.com.br](mailto:responseclara@taesa.com.br).





FINANCIAL INSTRUMENTS STATED AT FAIR VALUE THROUGH PROFIT OR LOSS -  
REAIS/THOUSAND

	Consolidated		Parent company		Fair value hierarchy
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	
Securities	10,297	9,948	5,508	4,906	Level 2
Cash equivalents - Interest earning bank deposits	1,082,139	380,602	759,050	176,760	Level 2
<b>Financial assets</b>	<b>1,092,436</b>	<b>390,550</b>	<b>764,558</b>	<b>181,666</b>	
Loans and financing	376,743	561,265	376,743	561,265	Level 2
Derivative financial instruments	(1,149)	(207,267)	(1,149)	(207,267)	Level 2
<b>Financial liabilities</b>	<b>375,594</b>	<b>353,998</b>	<b>375,594</b>	<b>353,998</b>	

	12/31/2022		12/31/2021		Hierarchy of fair value
	Fair value	Book value	Fair value	Book value	
<b>Consolidated</b>					
Debentures - Financial liabilities	7,717,653	7,514,929	6,159,351	5,933,954	Level 2
<b>Parent company</b>					
Debentures - Financial liabilities	6,707,581	6,676,647	5,167,673	5,002,135	Level 2

**Financial instruments not measured at fair value through profit or loss (however, fair value disclosures are required)**

Except as detailed in table below, Management considers that accounting values of other financial assets and liabilities not measured at fair value and recognized in this financial information approximate their fair values.

**Debentures**

Management considers that debentures' accounting balances, classified as "other financial liabilities at amortized cost" approximate their fair values, except when these debentures have PU in secondary market close to report period whose fair value were measured based on quotation. Except for the 9<sup>th</sup> issuance of debentures by the Company and its subsidiary Janaúba, other issuances presented negotiations in secondary market on December 31, 2019 and 2020, whose fair values were measured based on these quotations.

As regards other financial assets and liabilities not measured at fair value, Management considers that book values approximate fair values, as: they have average receipt/ payment period of less than 60 days; they are concentrated on fixed income securities remunerated at CDI rate; and there are no similar instruments with comparable maturities and interest rates.

social

# and sectorial dimension

People Management

Occupational Health and Safety

External Social Indicators

Electric Sector Indicators





# People Management

## — GRI 401

Among the six Material Topics chosen by TAESA, three of them are directly linked to People Management: Health, safety and quality of life; People management and development; and Ethics, transparency and corporate integrity.

## GRI 2-7 | GRI 2-8

In 2022, as part of the SGIT implementation process, TAESA replaced the Human Resources Policy with a set of People Management standards, applied to all professionals working at the Company. Such regulations guide the conduct of Recruitment, Selection and Admission, Personnel Administration, Labor and Union Relations, Engagement, Benefits, Compensation, Recognition and Meritocracy, Climate, Development, Performance and Succession, and Transition and Dismissals of professionals from TAESA and other subsidiaries.

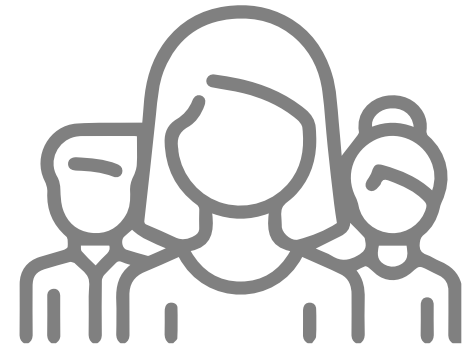
The employee development process must be understood as a relevant aspect of the company's strategy and as an integral part of its management model. The strategic objective of every investment related to this matter is to ensure, in the present and in the future, availability of the competences required to provide business leadership. Continuous investment in development will result in professionals more prepared to create and deliver the best results to the Company.

TAESA ensures to all employees, in an ethical and transparent way that respects diversity, to equal opportunities and to the possibility of pursuing a solid career, receiving compensation compatible with that offered on the market and attractive fringe benefits in a motivating and challenging work environment. Acts as facilitator of the knowledge flow, promoting two-way objective and direct communication, in a respectful and honest manner. Due to its nationwide operations, the Company has workers distributed throughout the five regions of Brazil.

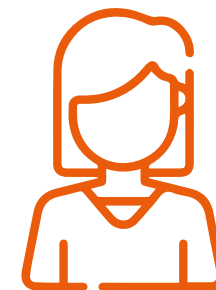
## Profile of professionals

### TOTAL FULL-TIME EMPLOYEES

#### GRI 2-7



**755**



**19.07%**

144



**80.93%**

611

### EMPLOYEES: GENDER BY REGION

#### GRI 2-7

Gender	North	%	Northeast	%	Southeast	%	Midwest	%	South	%
Men	70	9.27%	157	20.79%	246	32.58%	78	10.33%	60	7.95%
Women	0	0.00%	7	0.93%	123	16.29%	10	1.32%	4	0.53%
<b>Total</b>	<b>70</b>	<b>9.27%</b>	<b>164</b>	<b>21.72%</b>	<b>369</b>	<b>48.87%</b>	<b>88</b>	<b>11.66%</b>	<b>64</b>	<b>8.48%</b>

### PERCENTAGE OF EMPLOYEES: AGE GROUP, GENDER AND AREA OF ACTIVITY

	Gender	Age range	Up to 30 years	%	31-50 years	%	>50 years	%
Administrative Management	Men		0	0.00%	20	2.65%	4	0.53%
	Women		1	0.13%	12	1.59%	2	0.26%
Operational Management	Men		0	0.00%	22	2.91%	11	1.46%
	Women		0	0.00%	2	0.26%	0	0.00%
Administrative Support	Men		27	3.58%	70	9.27%	14	1.85%
	Women		31	4.11%	72	9.54%	5	0.66%
Operational Support	Men		34	4.50%	366	48.48%	43	5.70%
	Women		3	0.40%	16	2.12%	0	0.00%
<b>Total</b>			<b>96</b>	<b>13%</b>	<b>580</b>	<b>76.82%</b>	<b>79</b>	<b>10.46%</b>

## Talent attraction

For TAESA, the human being is its greatest asset. By understanding that the development and safety of its employees are drivers – both for people and for the company – the Company constantly invests in updating and improving, providing an environment of changes and challenges.

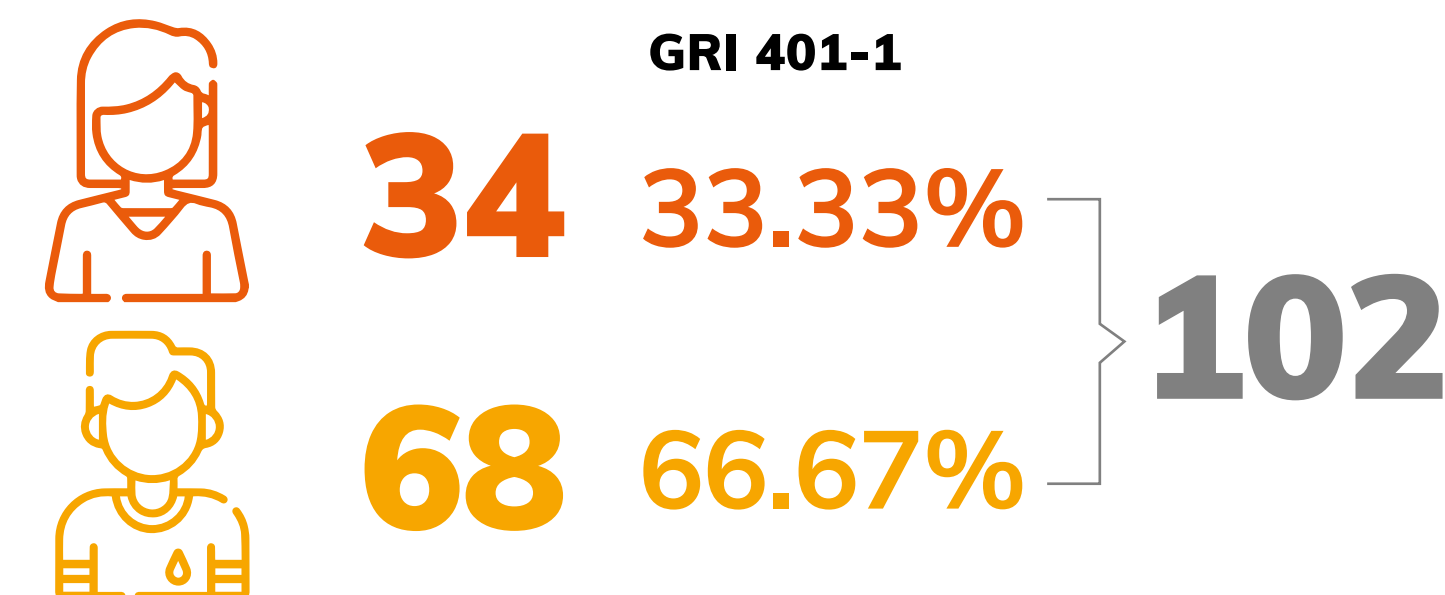
By attracting the best professionals in the market, passionate about what they do and identified with their Values, TAESA provides the opportunity to make a difference in the energy transmission scenario in Brazil, through transparent recruitment, based on its Code of Ethical Conduct and Compliance, with respect to the diversity of profiles and equal opportunities for all.

In addition, it adopts Internal Recruitment, which aims to make opportunities available to its employees before seeking new professionals in the market. This practice promotes real chances of growth, provides expectations for the future, retains talent and values human capital.

### GRI 401-1

In 2022, the number of TAESA employees increased, from 706 in 2021 to 755 people, that is, an increase of 7%.

### PERCENTAGE OF NEW EMPLOYEES: GENDER



### GRI 401-1

#### NEW CONTRACTORS

Age range	Men	%	Women	%
Up to 30 years	22 <sup>a</sup>	2.91%	19 <sup>b</sup>	2.52%
31–50 years	43 <sup>c</sup>	5.70%	14 <sup>d</sup>	1.85%
> 51 years	3 <sup>e</sup>	0.40%	1 <sup>f</sup>	0.13%
<b>Total</b>	<b>68</b>	<b>9.10%</b>	<b>34</b>	<b>4.50%</b>

a. Distributed among the Midwest (6), Northeast (1), North (5), Southeast (6) and South (2) regions.  
 b. Distributed among the Midwest (4), Northeast (1), Southeast (7) and South (1) regions.  
 c. Distributed among the Midwest (7), Northeast (18), North (2), Southeast (23) and South (9) regions.  
 d. Distributed among the Northeast (2) and Southeast (11) regions.  
 e. Distributed among the Midwest (1) and Southeast (1) regions.  
 f. Distributed among the Southeast (1) and South (1) regions.  
 g. \*Percentage of total employees



### GRI 401-1

It is also necessary to consider the turnover of employees, that is, those employees who left the Company voluntarily or because of dismissal, retirement or death. The turnover concept adopted by TAESA considers the sum of admissions made in 2022 (107), employee dismissals (69), deducted by the number of employees who were hired and had their contracts terminated within the same year (5). In 2022, this represented the turnover of 171 people.

The data show that employee turnover decreased from 12.54% in 2021 to 11.32% in 2022.

#### TURNOVER BY REGION, GENDER AND AGE RANGE - P.114 OF CLIMAS PDF

Age range	Men	%	Women	%
Up to 30 years	28 <sup>a</sup>	1.85%	27 <sup>b</sup>	1.79%
31–50 years	79 <sup>c</sup>	5.23%	25 <sup>d</sup>	1.66%
> 51 years	9 <sup>e</sup>	0.60%	3 <sup>f</sup>	0.20%
<b>Total intent</b>	<b>116</b>	<b>7.68%</b>	<b>55</b>	<b>5.45%</b>

- a. Distributed among the Midwest (7), Northeast (3), North (7), Southeast (9) and South (3) regions.
- b. Distributed among the Midwest (6), Northeast (2), North (1), Southeast (10) and South (1) regions.
- c. Distributed among the Midwest (13), Northeast (30), North (6), Southeast (36) and South (9) regions.
- d. Distributed among the Northeast (2) and Southeast (17) regions.
- e. Distributed among the Midwest (4), Northeast (2), Southeast (5) and South (1) regions.
- f. Distributed among the Midwest (1), Southeast (1) and South (1) regions.



## Recruitment and Selection

Aiming at establishing guidelines to carry out employee selection processes in an assertive and efficient way, TAESA updated in 2022 the Recruitment and Selection Standard, applied to the Company and other subsidiaries that need to hire employees.

People and Communication management is responsible for conducting the company's selection processes, including the application of instruments, tools and methodologies, profile analysis and predetermined tests. Together with the requesting area, it must ensure that the specific behavioral and technical requirements of the position, established in the job structure, are met.

Identification with TAESA's culture is a relevant aspect in the recruitment and selection of talents, as well as the contribution in a satisfactory manner and in accordance with the Organizational Competencies that each candidate can deliver. The Recruitment and Selection process must be carried out on a transparent manner, providing opportunities for all candidates, as long as they fulfill the requirements for the position. In general, the deadline for closing a vacancy in recruitment is 30 days. However, depending on the complexity of the selection

process or the opportunity to be filled, in addition to the availability of the manager for appointments, this period may be longer. To measure the efficiency and effectiveness of the strategies adopted, an evaluation is carried out by the contract manager 60 days after the employee's admission, to measure their performance and effectiveness at the end of the trial period provided for by law. After hiring, the new professional will have their performance evaluated annually according to organizational skills, informed on the admission of each one.

Since 2020, the Recruitment and Selection process is automated using SAP's tool *Recruiting Management*, an integrated management system used by most of the Company. The use of this software optimized stages and deadlines, generating more assertive information through a CV database for TAESA and easily accessible to those involved.

## Qualification and training

### GRI 404

To promote and provide learning actions and strategies that contribute to the acquisition and improvement of skills, abilities and knowledge of employees, Qualification is a fundamental aspect of People Management and Development, one of the Material Topics listed by TAESA. It reflects the appreciation of the individual and responds to the quality and productivity standards required to meet the company's Mission, Vision and Values.

Aiming to be a benchmark in the transmission market, TAESA is attentive to the best initiatives in the area of organizational development. Partnerships with large institutions and consulting firms provide a differential in the qualification and development of professionals.

### GRI 404-3

All material used for training is customized, sometimes in partnership with consulting firms/educational institutions and, in other situations, prepared by TAESA's own employees responsible for the multiplication of knowledge. In 2022, TAESA updated a specific standard to guide Internal and External trainings and invested R\$ 1,194,339.38 (one million, one hundred ninety-four thousand, three hundred thirty-nine

reais and thirty-eight centavos) in professional development of its employees, an amount that includes the professional development initiatives carried out internally by Company and the amount allocated to educational incentive. On average, 42.6 hours were invested in the improvement of these employees.

Learn about some of the Company's initiatives focused on the development of its professionals:

### GRI 404-2

- **Education Incentive:** the company invests annually in this benefit, which, in 2022, reached the total amount of R\$ 230,000.00 (two hundred thousand reais). According to the Internal Policy, employees who meet the prerequisites to apply to the program, usually at the beginning of the year, undergo a series of stages of analysis of their request until the final selection of the applicants. In addition to fostering the search for knowledge and training, the objective is to assist in retaining these professionals, who can receive the benefit for the entire duration of the requested course (be it technical, undergraduate or graduate/master's), limited to five years. The company reimburses the employee 50% of the monthly fee paid for the entire period of the course. In 2022, 22 new benefits were granted. In total, three women and 19 men participated in the Educational Incentive in that year.



**GRI 404-2 | GRI 404-3**

- Annual Performance Assessment Cycle: annually, all TAESA employees (up to the Management level) go through the AvD annual cycle, which consists of an employee assessment, carried out by the immediate manager, and a self-assessment carried out by the employees themselves. Through this system, it is possible for the immediate manager and the professional to assess the five organizational skills (common to all employees) and at least one functional skill (related to the function performed), which may also include a cross skill (which is not mandatory, but important for the role, such as Workplace Safety, Project and Administrative Management).

Managerial levels are evaluated by Organizational Skills and three further Management-related Skills. After the analysis via the system, there is a Calibration Committee, in which the direct manager has the opportunity to listen to the perception of his peers in relation to the appraised person and, if necessary, make any change in the grade. The performance appraisal history is used for consultations for participation in development programs, assessment for possible transfers/promotions and monitoring of employees in the company, in addition to serving as a basis for salary adjustments.

Currently, 80% of TAESA's employees are eligible to the AvD and out of this audience, 70% are evaluated based on technical skills, according to the company's core business.

As usual, Taesa annually carries out a review of its functional and organizational competencies, for the consistency with the organizational chart of strategic growth and evolution of complexity and responsibility. In 2022, improvements were implemented in the system through which the Assessment is carried out.

The 2022 Assessment took place in April. Of the 746 TAESA employees, 644 were eligible for the AvD, corresponding to 86.3% of the professionals.

**GRI 404-3**

<b>Total eligible employees</b>	<b>644</b>	<b>86.3% of employees</b>
<b>Workers in the Technical Functional category</b>	<b>497</b>	<b>77.1% of eligible employees</b>
Men	462	92.9% of the category
Women	35	7.1% of the category
<b>Workers in the Business Support category</b>	<b>147</b>	<b>22.8% of eligible employees</b>
Men	74	50.3% of the category
Women	73	49.7% of the category

- Internal trainings: TAESA encourages its employees to replicate good practices and disseminate the knowledge they possess. The company gives courses such as LTN and internal training, classified as functional. Corporate and distance learning courses are considered Organizational. Prepared by the employees themselves, these courses aim to train their colleagues internally, disseminating knowledge and new processes.

**GRI 404-1 | GRI 404-2**

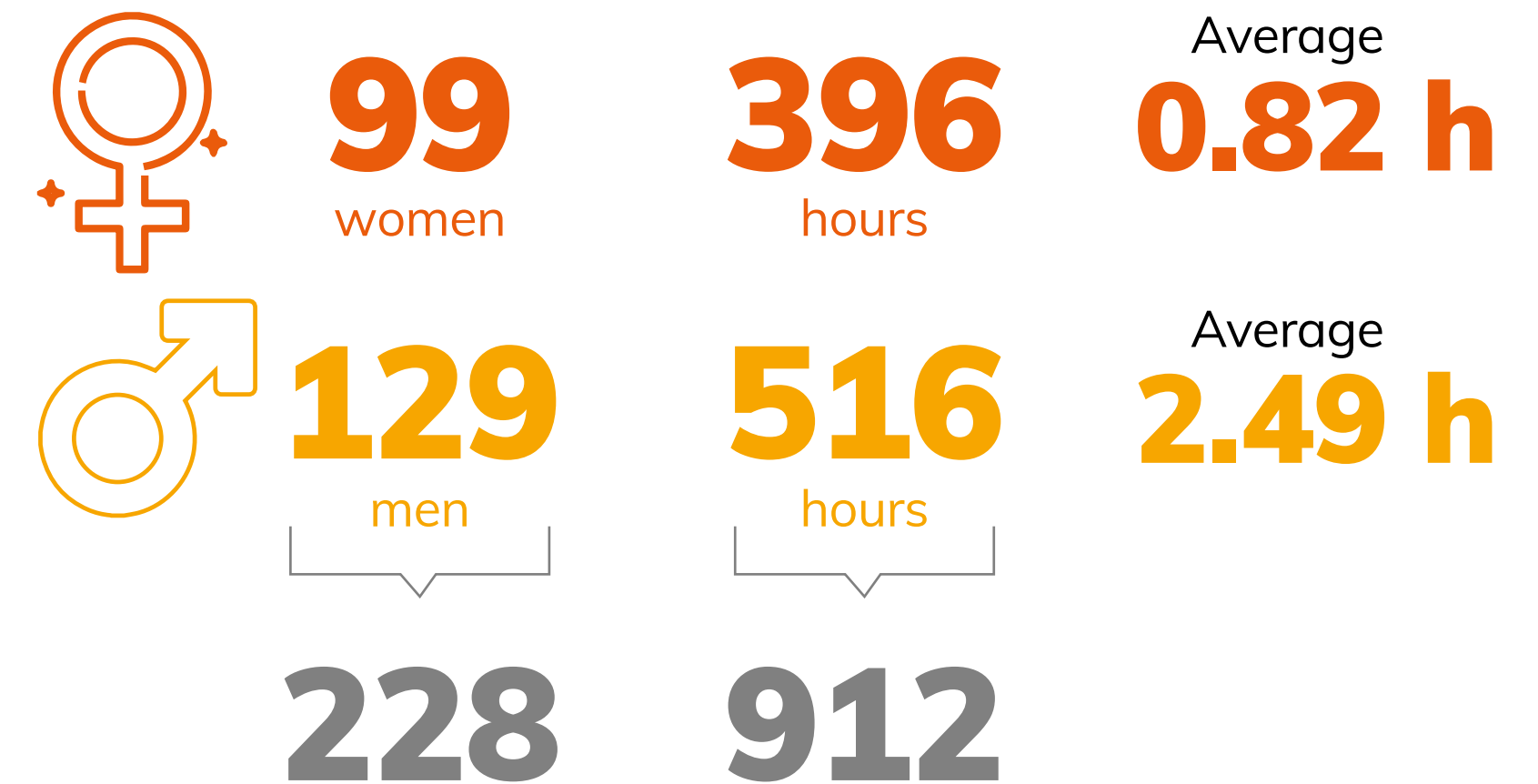
The internal training sessions carried out in 2022 had a workload of 11,836 hours. As TAESA professionals participated in more than one training course, the total number of training students reached 4,538 people, generating an average of 2.6 hours of class per participant.

**GRI 404-2**

- **Corporate training:** based on the Organizational Competencies, on the result of the Annual Performance Assessment and on the need of the areas, the Organizational Development defines topics to be covered in short-term training courses, focusing on the behavioral aspect. In 2022, the training agenda remains in line with the Strategic Planning and TAESA competencies, and added topics also widely practiced in the market, and subjects related to Diversity, among them:
  - Acting in times of change;
  - Effective and influential communication;
  - Collaboration and trusting relationships.

**GRI 404-1 | GRI 404-2**

CORPORATE TRAINING – ORGANIZATIONAL CATEGORY



**GRI 404-2**

- **LearningFlix:** it is a digital platform comprised of webseries available to all employees with the aim to facilitate the learning and development of Organizational Competencies. TAESA's intention is to develop and provide the possibility for employees who work mainly in the field and on external projects to participate in training and have access to this learning. The contents distributed in 2022 were developed to become attractive, didactic and illustrative, allowing employees to have a good understanding of the teaching. In 2022, three new videos were added to the platform: "Change your mindset", "The art of communicating with assertiveness" and "Teamwork".

**GRI 404-2**

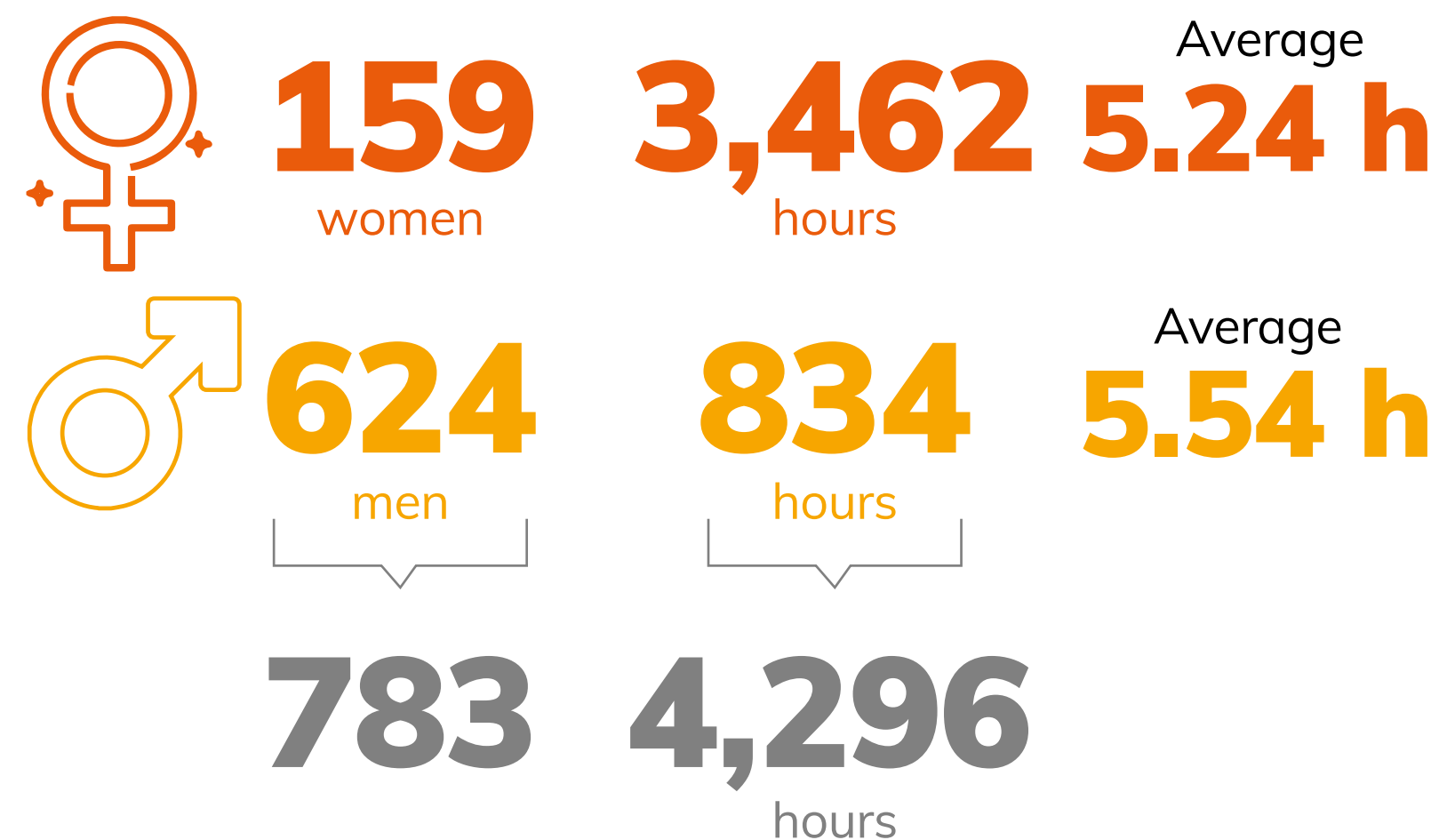
- **Career Trails:** consists of a map of possibilities presented to the employee, so that he understands the dimensions of each position and the possibility of evolving his career within a specific area. This makes it easier to understand the professional's growth through transfers and internal career transition. Accordingly, TAESA makes development possible and transparent to employees. In 2022, this material became clearer and more transparent and available in the People section of the intranet, TAESA Digital.

**GRI 404-2**

- **Survey of training needs:** in partnership, People management and managers evaluate gaps and points for development of each employee, identified mainly in the AvD. Based on this analysis, the themes of the training to be carried out are defined, always with the purpose of developing TAESA's Competencies and Values and providing employees with the most recent and qualified training available in the market.

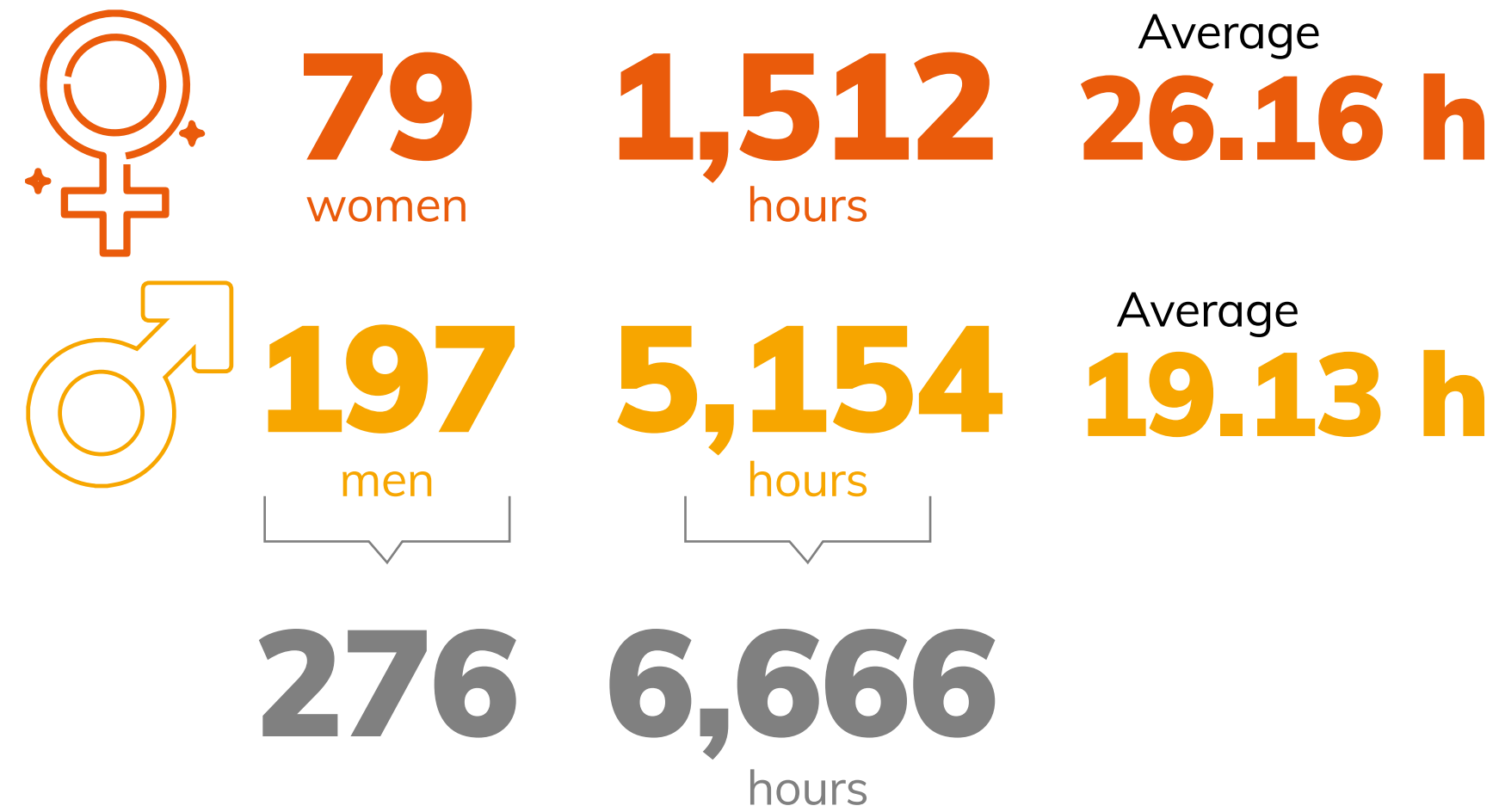
**GRI 404-1 | GRI 404-2**

DISTANCE LEARNING TRAINING – ORGANIZATIONAL DISTANCE LEARNING CATEGORY



**GRI 404-1 | GRI 404-2**

SURVEY OF TRAINING NEEDS – TECHNICAL CATEGORY



**GRI 404-2**

- Successor Development Program (PDS): The PDS annually chooses a target audience, indicated by managers, to work on leadership skills and develop skills through self-knowledge and training, in partnership with a renowned institution. The choice of participants is carried out by indication, by the potential and level of readiness for succession, as well as the employee's performance in the most recent Annual Performance Assessment Cycle (AvD). The program takes place over one year and is made up of four modules.

**Job and Salary Plan**

In 2022, TAESA replaced its Compensation Policy for a Compensation Standard, a document that integrates the SGIT and aims at defining and maintaining equitable criteria for valuation and development, aiming at reaching an internal and external competitive balance in its structures of positions and salaries, as well as benefit plan. Therefore, the Company counts on its own professional structure for executive support, in addition to the external consulting support, which is independent and renowned in the market when required. Job structure is in line with the salaries offered in the industry. Furthermore, employees are entitled to a variable compensation, aligned with the Company's financial results, together with the achievement of levels above those expected for the responsibilities established for their positions. Therefore, the Company counts on its own professional structure for executive support, in addition to the external consulting support, which is independent and renowned in the market when required.

**GRI 401-2**

**Benefits:**

- healthcare;
- dental care;
- life insurance;
- food/meal voucher;
- private pension;
- transportation voucher;
- Christmas voucher;
- profit sharing;
- childcare assistance;
- gympass;
- discount program;
- online labor gymnastics, shiatsu and relaxation;
- flexible hours;
- adherence to the citizen company program (extension of maternity leave and paternity leave).

**Communication Processes**

TAESA believes that effective communication is one of the most important aspects of the success of large organizations. With the purpose of being closer to its employees, it invests in processes that allow for the strengthening of the bond and trust between the Company and its employees, creating a culture of information sharing at all levels.

In 2022, in addition to publishing “TAESA em Foco” – a newsletter sent to employees by email –, the Company distributed printed copies of the book “A Diversidade pela TAESA”, published the Conduct Manual for Social Networks and inaugurated the new headquarters in Rio de Janeiro. It is also worth highlighting the launch of the Company’s new intranet, TAESA Digital, replacing MyTaesa. This new portal allows the employee to also access the Company’s information using tablets and smartphones.



— **GRI 403**  
**GRI 403-1**  
**GRI 410**

# Occupational Health and Safety

In carrying out its activities of implantation, operation and maintenance of electric energy transmission assets, TAESA considers the HSE&S management to be a value to be cultivated and maintained as part of its culture. This was also identified as a Material Topic during the Materiality Process.

The Company operates in a preventively manner to protect and preserve employees, suppliers, third parties, visitors and stakeholders, maintaining safe and healthy work environments. The concept of preventive attitude defines that no activity can be performed without considering these aspects.

As part of SGIT's implementation, TAESA reviewed the existing internal regulations that establish general guidelines to be observed by all Company's employees, managers, senior management and service providers. Such organization of the documentation was adopted to comply with legal requirements, as they are considered good management practices and in compliance with other commitments assumed by TAESA, such as the Global Compact and ISO certificates.+

One of the relevant initiatives in 2022 was the launch, in June 2022, of the 100% Security Podcast. Published biweekly on

streaming platforms such as **Spotify**, the episodes last about 20 minutes, in which TAESA employees address issues related to safety in their activities. Six episodes are already available to the public.

PODCAST  
**SEGURANÇA 100%**

ESTÁ NO AR O 4º EPISÓDIO

**Segurança nas Atividades de Roço (corte de vegetação de pequeno porte)**

Já está disponível mais um episódio do Podcast Segurança 100%.  
Desta vez, com participações especiais dos colaboradores:

**Amanda Barbosa**  
(Técnica de Segurança do Trabalho)

**Antônio Minaré**  
(Coordenador de Manutenção Brasília)

Ouçã agora no: Spotify Anchor by Spotify



## Hazard and Risk Management

### GRI 403-1

TAESA uses a Hazard and Risk Management methodology that complies with current national laws and regulations such as NR 01 and NR 09. The Company also uses digital platforms to intermediate the management data of specialized Occupational Health and Safety processes for SAP clients. All these initiatives are communicated to the government through “E-social”.

### GRI 403-2

The identification of Hazards and Risks occurs using a Matrix. To this end, all activities performed by employees are mapped, their exposure to risks, and the probability and severity of the activities performed are dimensioned. This study is called Preliminary Risk Analysis (PRA) and is prepared before the start of each activity.

In November 2022, TAESA made available the Safety Observation application to its professionals, in which professionals can communicate possible risks and hazards and suggest improvements, making the mapping of these situations even more agile. The information, reports and suggestions entered on the platform are treated confidentially and intended to make the employee a protagonist of safety in the work environment.

### GRI 403-3

The Hazard and Risk Matrix is essential for TAESA to keep its Occupational Health Medical Control Program (PCMSO) up to date. This Program establishes the system for carrying out the admission, dismissal and periodic examinations, which are the origin of the Employees’ Occupational Health Certificates (ASO). The management of these activities is the responsibility of the Occupational Health Service, which monitors complementary exams. These exams performed to obtain the ASO are linked to risk and activity of each position and monitored by the Medical Coordination of the consulting firm engaged by TAESA, following the criteria of NR7 and PCMSO.

This procedure applies to all units concerning the operation and maintenance of TAESA’s transmission assets and other departments related to the business.

### GRI 403-4

It is also important to integrate employees into the management of the Health, Safety and Environment (HES) System through the Internal Commission for Accident Prevention (CIPA), in addition to involvement in other related activities. When no Commission is assembled, at least one employee is assigned to the function, in compliance with the NR5 standard.

The Company also has an Occupational Health and Safety Committee (CSTT) that works as a communication channel with the involvement of different areas of the Company to address the topics handled and suggested by the operational teams. In facilities where there is no obligation to form an Internal Commission for Accident Prevention (CIPA), an employee is assigned to participate in the Commission proposing suggestions and improvements.

**GRI 403-5**

The HSE&S area uses the Homogeneous Exposure Group (HEG) as a basis for assessing occupational risks. Through an analysis of the employees' job description, the risks, examinations and mandatory training for each role and related activities are listed. After this survey, the employee is placed in a specific GHE, ratified by filling out the Job Exposure to Occupational Risks form. From this analysis, the training and exams of each employee are monitored, observing the recycling periodicities established by norm or internal guideline of the training matrix.

**GRI 403-6**

The Company is also concerned with offering Employees healthcare benefit options that are in line with the main market practices. TAESA currently offers three means of medical and healthcare services to its teams:

- **Healthcare:** Aiming to provide medical assistance that offers a service of differentiated quality and recognized by the market, TAESA offers its employees healthcare plans from two reputable companies, which best meet the needs in the regions where we operate. These are: Bradesco Saúde and CNU (Central Nacional Unimed).
- **Dental care:** TAESA offers dental insurance that fully covers the procedures provided for in the List of Health Procedures and Events of the National Supplementary Health Agency (ANS) and 18 basic coverages that guarantee the oral health of employees and their families, in addition to orthodontic coverage.
- **Cuid@r App:** The Cuid@r app is an intuitive healthcare platform that provides employees and their dependents with telemedicine, telepsychology, meditation instructor, personal trainer and nutritionists. There is also the option of chat service to solve doubts, content with days, self-assessments, polls, challenges and rankings.

**TAESA also offers its professionals medical and psychological support services through the Cuid@r APP.**



## Prevention and mitigation of hazards and risks

### GRI 403-7

For the prevention and mitigation of impacts on occupational safety and health, a methodology of the Hazard Identification Matrix, Risk Assessment and Determination of Control Measures is applied.

The following steps are followed:

- consider the method defined to list the activities to be analyzed;
- identify dangers of all listed activities;
- assess the risks according to the defined method (pure risk);
- set control measures appropriate to the criticality of the assessed risks;
- implement the defined control measures;
- evaluate the effectiveness of the implemented measures;
- reassess the risks considering the control measures;
- complete the hazard identification and risk assessment process in matrix format;
- approve the matrix with those responsible for the activities;
- and make employees aware of the approved hazards and risks matrix.

In order to ensure compliance with the application of the method, all areas must consider the Responsibility Matrix (RACI) associated with this procedure.

#### RACI

Responsible;  
Accountable/Approver/Authority;  
Consulted;  
Informed

### GRI 403-8

All TAESA's employees are under HSE&S management for Health and Safety controls, which, at the end of 2022, referred to 784 professionals.

As for outsourced workers, the documentary management of all, with the requirement of training and environment compatible with the activities that will be carried out in the installation, according to the risks identified for that purpose. Environmental hazards and risks are identified and managed based on the PPRA, APR, PCMSO and the hazard and risk matrix. The methodologies used are defined by the NR.



The HSE guidelines are disclosed internally to all employees, in email communications, on the intranet and with the use of specific campaigns and resources. It is also available to the public on the Company's Investor Relations website.

The Health and Safety management has been successful due to the participation of workers, who contribute from the conception to the implementation of the initiatives, which results in better assertiveness in the results. With the objective of providing constant improvement, the area seeks to make this process even more efficient and sustainable.

### Occupational accident records

In the event of an accident, incident or near accident, an analysis is carried out in order to identify all the factors that contributed directly and indirectly to the occurrence, building an action plan in order to implement the best practices and solutions to eliminate recurrence or similar situations.

The Company works to reduce the existing risk to acceptable levels. The goal is to eliminate accidents of any nature, therefore, in 2021, the Company implemented the 100% Security program, a set of projects, actions and initiatives aimed at improving the company's security performance, in addition to strengthening it as a value to each of its employees. TAESA is also attentive and vigilant so that suppliers, third parties, visitors and stakeholders maintain safe and healthy work behaviors and practices.

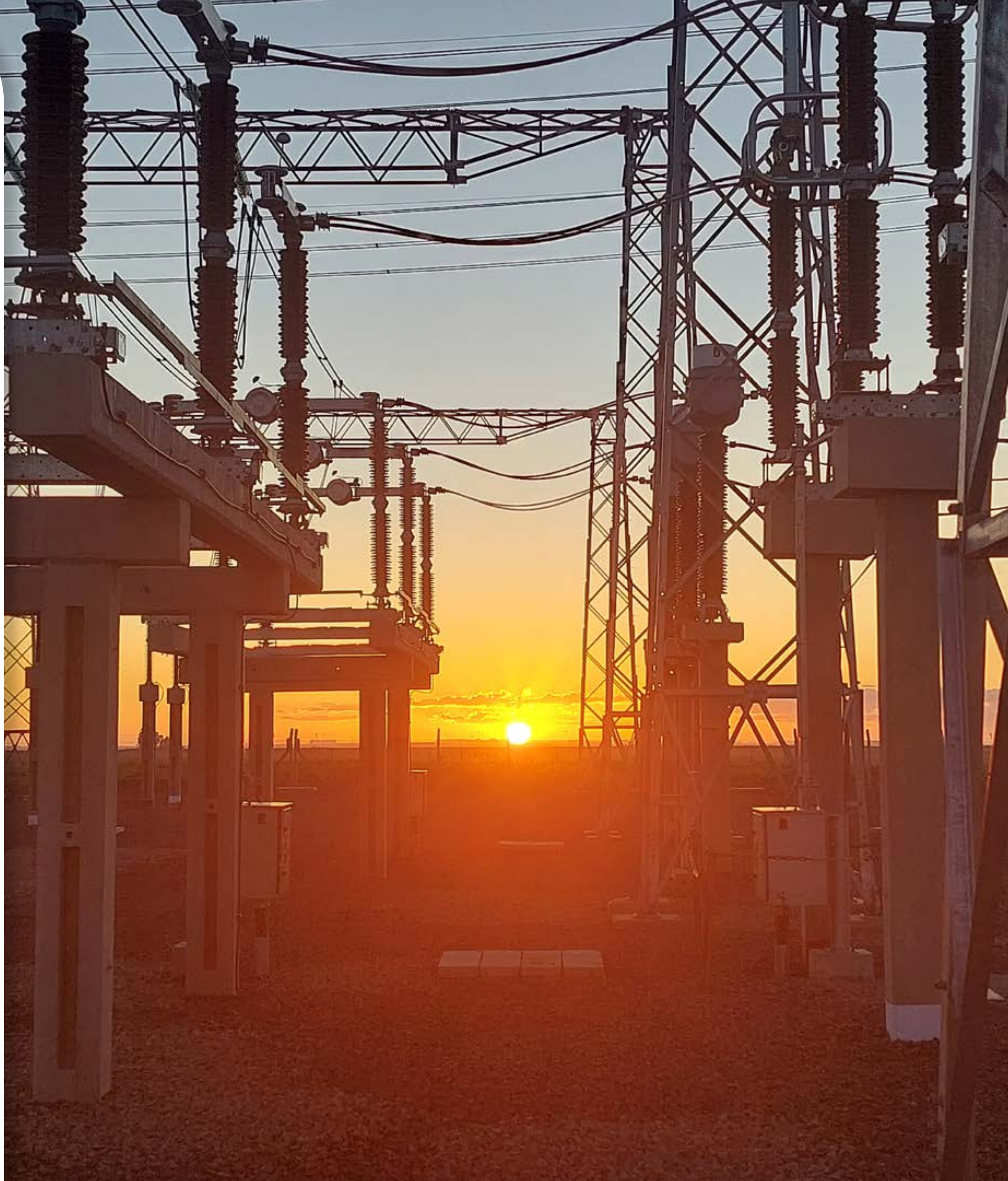
**For the measurement of these records, the rates are calculated in accordance with NBR 14280 - Work Accident Register. All TAESA's workers and providers linked to the assets in operation are considered.**

Throughout 2021, the development of Janaúba and Sant'Ana implementation projects entered a phase of exposure to the risk of accidents with an increase in hours/men of exposure to risks, which resulted in a slight increase in the number of accidents with leave of contractors in relation to 2020, already as a result of the campaigns developed under the 100% Security program.

		2022	2021	2020
Number of occupational accidents without lost time	Own employees	0	0	0
	TFSA Accomplished	0	0	0
	Contractors	6	9	14
	TFSA Accomplished	3.66	1.64	2.55
	<b>Total</b>	<b>6</b>	<b>9</b>	<b>14</b>

		2022	2021	2020
Number of occupational accidents with lost time	Own employees	2	0	1
	TFSA Accomplished	1.17		0.62
	Contractors	5	19	17
	TFSA Accomplished	1.66	3.33	3.10
	<b>Total</b>	<b>7</b>	<b>19</b>	<b>18</b>

		2022	2021	2020
Number of work-related deaths (not considered commuting)	Own employees	0	0	1
	Contractors	0	0 [ASB2]	1 [ASB3]
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>



**GRI 403-9**

The types of accidents that occurred were injuries to hands, feet which received medical and hospital care according to the Emergency Care Plan (PAE). There was no case of death of own employees or contractors.

**GRI 403-10**

In 2022, neither TAESA nor the companies whose employees work in the Company's undertakings recorded cases of death or occupational diseases that require notification. To identify the factors that can result in health problems, TAESA prepares a hazard and risk matrix for all processes carried out.

To contribute with prevention, the company also carried out basic training on the main safety standards, such as NR-10 – Safety in Electricity Installations and Services and NR-10 SEP – Electric Power System.

# Health Promotion

## GRI 403-6

The Quality of Life Program “Viva com Energia” aims to promote the health and well-being of employees and their dependents.

Find out about some of these initiatives:

- **Fitness Classes at Work:** offered three times a week at six different times online, so that the whole family can participate.
- **Relaxation:** self-massage classes of 15 minutes each, online, on two days of the week at two different times, so that the employee and his dependents can participate.

- **Loyalty Program:** the employee that participates in Viva com Energia activities, accumulates points and exchanges for prizes, such as sporting goods, travel, books and self-care and beauty products. You can earn points by participating in Workplace Gymnastics, lectures, blood donation campaigns, races and even participating in the Nutritional Program. The employee has to download the “Viva com Energia” application on AppStore or GooglePlay, to monitor the record of his activities, his accrued points and to redeem these points.

- **“Viva Leve” Program:** launched in partnership with a consulting firm from the health area, it helps employees and their dependents in the search for a balanced diet. From the results obtained with the research carried out internally in 2019, the program started to offer a nutritional monitoring (remote) was carried out with vacancies directed to the identified risk group (degree of obesity and overweight). The lectures held every two months, with tips on food, menu and recipes, focus on the specificities of each region of Brazil, with the invitation extended to the family members of the employees.

**51 people were attended in 2022.**

**Together, the Labor Gymnastics and Relaxation programs added 3,251 sessions with 500 people.**

## Alô TAESA accompanied 65 cases throughout the year.

- **Alô TAESA:** the Company offers emotional, social, legal and financial support for employees and their dependents, 24 hours a day, through 0800 number. In this channel, operated by specialized professionals, employees may obtain free consultation, with security and confidentiality.

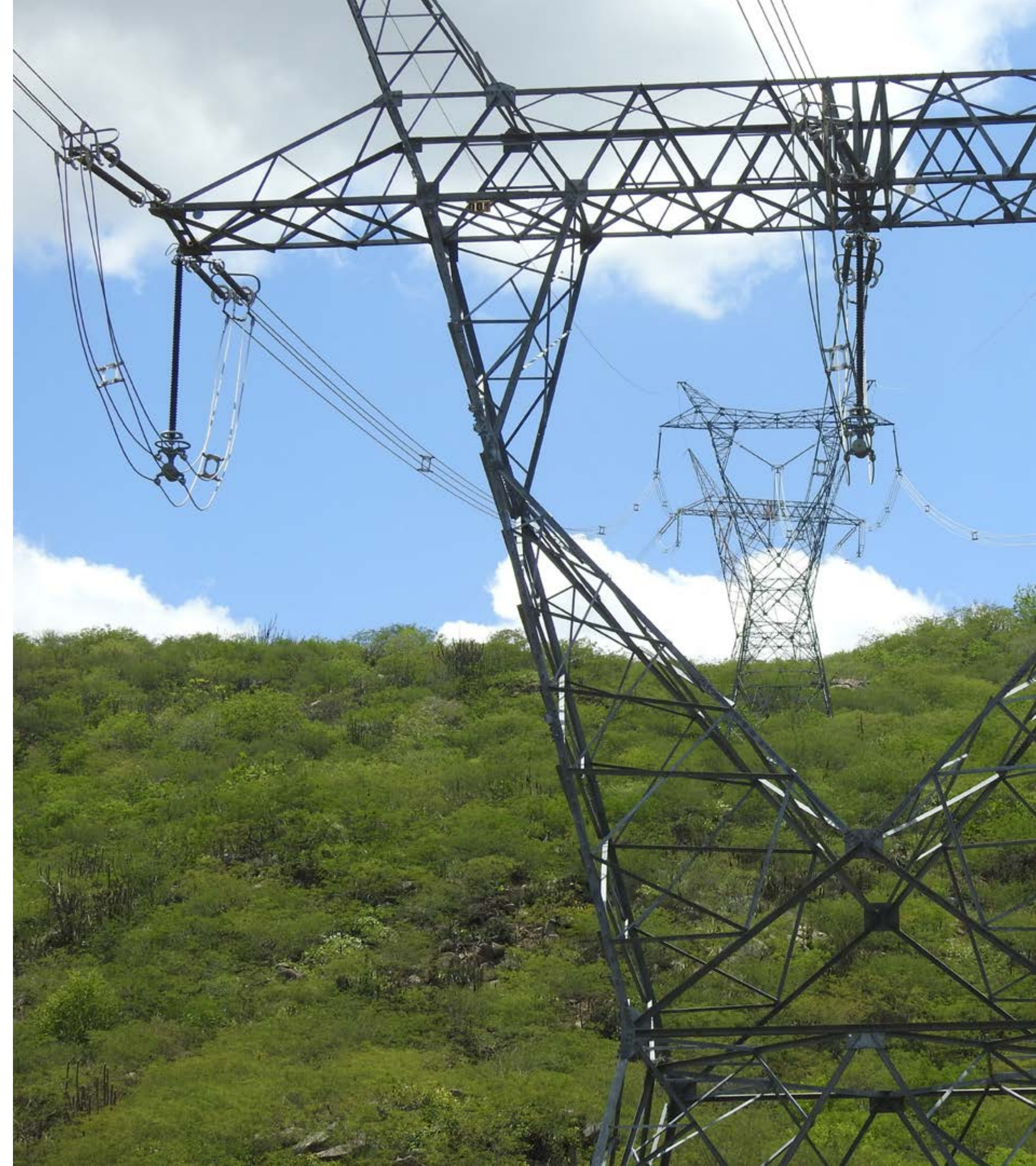
- **Ergonomics Awareness Program:** in bimonthly lectures, held online, tips and guidelines on best practices are disseminated to combat posture vices, helping to carry out work with health and efficiency.
- **TAESA's colors:** following the Ministry of Health's calendar, TAESA offers lectures on the topic of prevention and awareness of the month. In 2022, 12 lectures were held with 1,009 participations on the following topics:
- **Mother's Love:** qualified professionals closely monitor the health of the pregnant women participants, whether they are

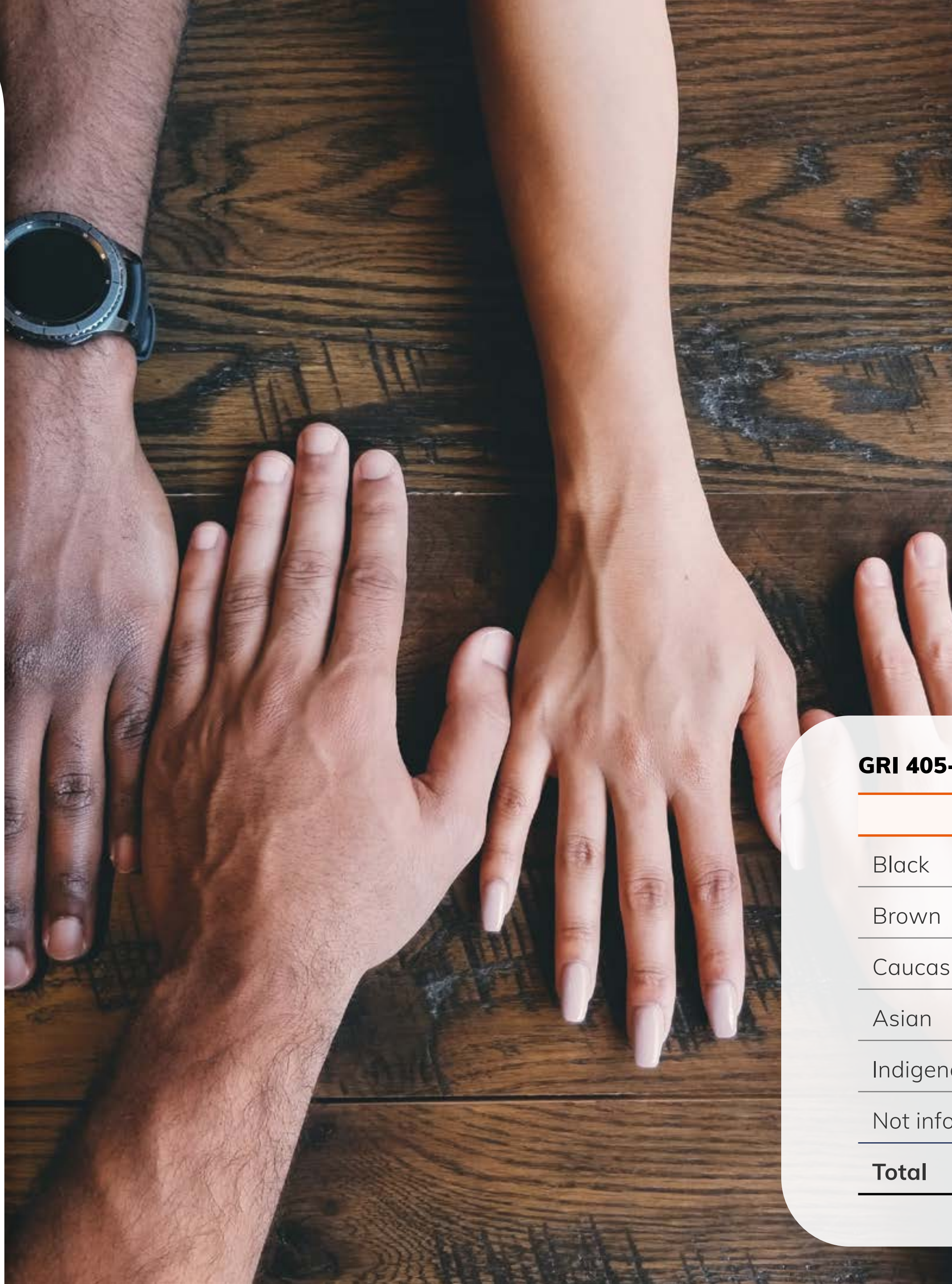
<p><b>WHITE JANUARY</b> focused on Mental health</p>	<p><b>FEBRUARY</b> fight against consumption of Alcohol and Drugs</p>	<p><b>RED MARCH</b> lecture on liver disease prevention</p>	<p><b>BLUE APRIL</b> awareness campaign on autism</p>	<p><b>YELLOW MAY</b> focused on the road safety</p>	<p><b>COLORFUL JUNE</b> lecture on LGBTQIA+</p>
<p><b>YELLOW JULY</b> addressed the prevention of chronic and autoimmune diseases</p>	<p><b>GOLDEN AUGUST</b> addressed the importance of breastfeeding</p>	<p><b>YELLOW SEPTEMBER</b> focused on the importance of mindfulness for mental health</p>	<p><b>PINK OCTOBER</b> addressed women's health</p>	<p><b>BLUE NOVEMBER</b> emphasized healthcare of man</p>	<p><b>RED DECEMBER</b> campaign on sexually transmitted infections</p>

**In 2022, 19 pregnant women were accompanied and 31 TAESA Baby Kits were distributed.**

employees or spouses of TAESA employees, to provide guidance throughout the pregnancy period. The assistance comprises a schedule of exams and tests, immunizations and prevention of diseases. At the end of the program, the Company gives the TAESA Baby kit, with products for the newborn.

- **Chronic Program:** monitors employees with chronic diseases, such as cardiovascular diseases, arterial hypertension, diabetes and chronic obstructive pulmonary disease. Carried out by specialists, the service aims to provide access to guidelines that help and speed up the stabilization of the health situation. It is offered to the employees and their dependents.
- **Vaccination Campaign:** annually, TAESA offers to its employees vaccination against Influenza. In 202, the Company encouraged its employees to take the vaccine against Covid-19 offered throughout the country, free of charge, by the Ministry of Health.





# Diversity

## GRI 405

TAESA's Diversity and Inclusion Program began its activities in 2021, following the company's strategic direction. Diversity and Inclusion are strategic themes for the Company, and since 2020 it has been working on the preparation of this initiative.

Respect and valuation of differences are central objectives of the Program Based on five pillars, the program carried out the first diversity survey in the Company through online questionnaire, in which, for a week, employees were invited to answer questions about their perceptions about inclusion and diversity in the company's daily routine.

### GRI 405-1

	Men	%	Women	%	Total	Total in %
Black	48	6.36	15	1.99	63	8.34
Brown	238	31.52	39	5.17	277	36.69
Caucasian (white)	316	41.85	87	11.52	403	53.38
Asian	1	0.13	2	0.26	3	0.40
Indigenous	4	0.53	0	0	4	0.53
Not informed	4	0.53	1	0.13	5	0.66
<b>Total</b>	<b>611</b>	<b>80.93</b>	<b>144</b>	<b>19.07</b>	<b>755</b>	<b>100</b>



The pillars of Diversity and Inclusion at TAESA are:



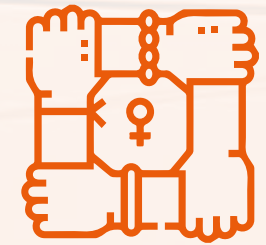
**GENDER**

aims to treat gender equity with respect and with equal treatment, without discrimination regardless of sexual orientation.



**PCD**

encourages the hiring and training of people with disabilities within the Quotas Law.



**WOMEN'S EMPOWERMENT**

aims to encourage the hiring of women in mostly male areas, with equal pay and duties. This pillar aims to increase the number of TAESA women employees from 19% to 30% in 2030. The hirings will be gradual, respecting the Company's Strategic Planning. Another relevant goal is to increase the number of women leaders from 15% to 20% over the next three years.



**RACISM**

to foment the hiring of different races, especially blacks, including for management and leadership positions, actions and debates are developed in relation to this pillar.



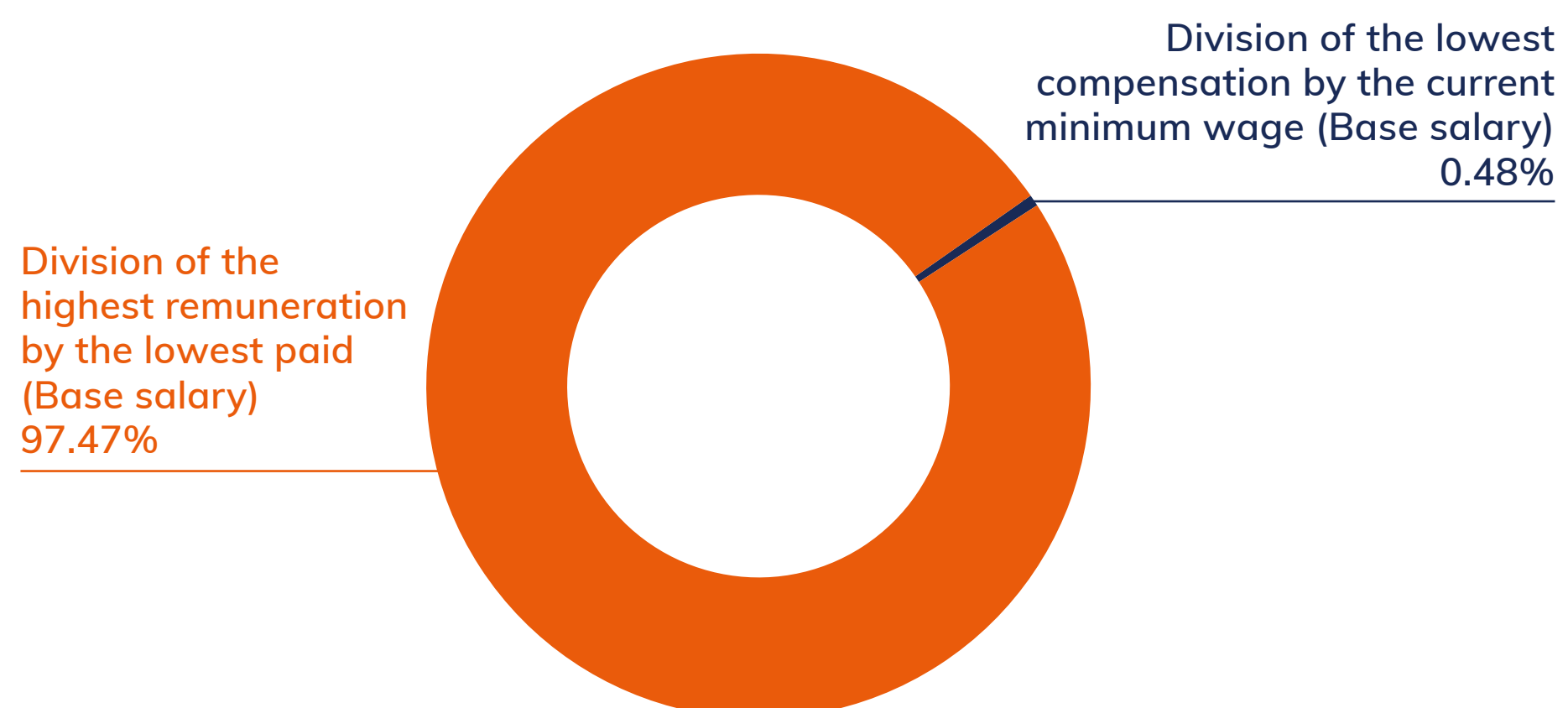
**50+**

the purpose of this pillar is the development of strategies to attract professionals over 50 years old who are in career transition, have been laid off with little time left for retirement, or have not adapted to the retired life and are in search for new challenges.

**GRI 405-2**

Category	2022			2021		
	Base salary and compensation of women	Base salary and compensation of men	Ratio between women's compensation and men's compensation	Base salary and compensation of women	Base salary and compensation of men	Ratio between women's compensation and men's compensation
Administrative Management	R\$ 12,800,723.00	R\$ 19,557,854	1.53	R\$ 5,843,368	R\$ 12,724,626	2.18
Operational Management	R\$ 881,234.00	R\$ 24,499,600	27.80	R\$ 329,450	R\$ 24,101,472	73.16
Administrative Support	R\$ 13,559,466	R\$ 17,281,684	1.27	R\$ 15,252,831	R\$ 16,647,003	1.09
Operational Support	R\$ 5,219,453	R\$ 119,529,379	22.90	R\$ 5,489,037	R\$ 102,541,968	18.68

**SEGMENT NET REVENUE (R\$ MILLION)**



### AGE DIVERSITY

	Up to 30 years		31–50 years		> 51 years		Total		Total
	Men	Women	Men	Women	Men	Women	Men	Women	
Board of Directors	0	0	3 (23%)	0	10 (77%)	0	13	0	13
Members of the Strategy, Governance and Human Resources' Committee	0	0	1 (17%)	0	5 (83%)	0	6	0	6
Finance Committee	0	0	2 (33%)	0	4 (67%)	0	6	0	6
Audit Committee	0	0	2 (33%)	0	4 (67%)	0	6	0	6
Implementation and New Business Committee	0	0	2 (33%)	0	4 (67%)	0	6	0	6
Audit Committee Sitting Members	0	0	1 (20%)	1 (20%)	3 (60%)	0	4 (80%)	1 (20%)	5
Executive Board Members	0	0	1 (20%)	0	4 (80%)	0	5	0	5
Alternate Members of the Audit Committee	0	1 (33%)	0	2 (40%)	2 (40%)	0	2 (40%)	3 (60%)	5

\* Percentage in relation to the total number of members of each of the governance bodies.

### PERCENTAGE OF INDIVIDUALS WHO ARE PART OF THE GOVERNANCE BODY: GENDER

#### GRI 405-1



**GRI 405-1**

PERCENTAGE OF INDIVIDUALS WHO ARE PART OF THE GOVERNANCE BODY: AGE RANGE

	Up to 30 years	%	31–40 years	%	41–50 years	%	>50 years	%
Men	0	0.00%	1	3.45%	6	20.69%	20	68.97%
Women	0	0.00%	0	0.00%	1	3.45%	1	3.45%
<b>Total</b>	<b>0</b>	<b>0.00%</b>	<b>1</b>	<b>3.45%</b>	<b>7</b>	<b>24.14%</b>	<b>21</b>	<b>72.41%</b>

Based on a survey, TAESA formalized its Diversity and Inclusion Policy, backed by the Code of Ethics and Compliance and applied to all employees of TAESA and other associated companies with 100% of the capital stock. Developed by the People Management and approved by the Executive Board, this Policy was a symbolic gesture of adherence. After the disclosure of the document, an adherence term was sent to all the Company's employees and was digitally signed by 90% of them. In addition to being an initiative to engage the teams on relevant topics, it reinforced the importance of each one's participation and commitment to these topics.

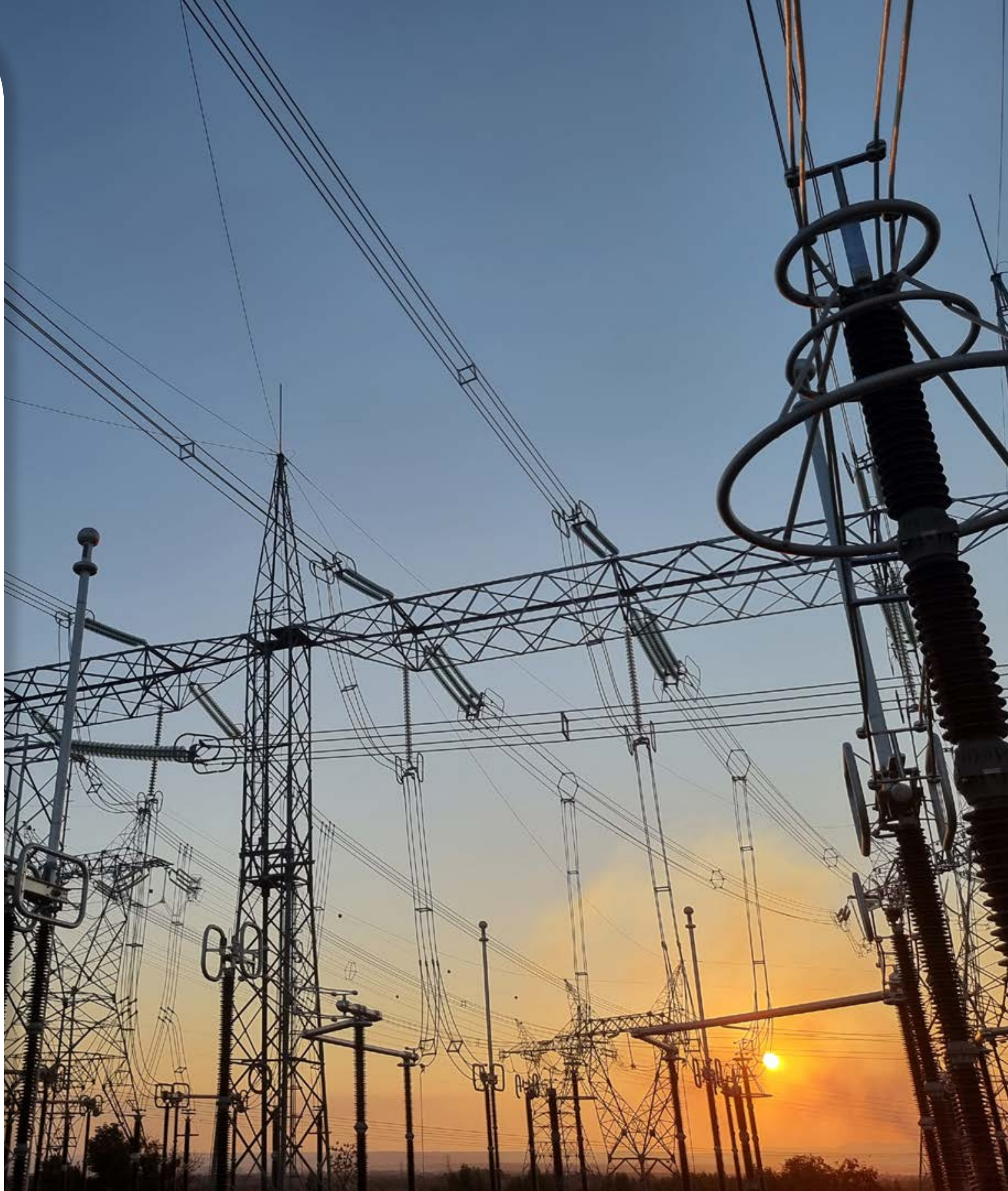
The establishment of the Diversity Committee in March 2021 was the third step of the Program. Comprised of seven employees, from all regional units, the Committee holds monthly meetings of two hours, in which topics such as sexual orientation and gender, customs and habits, nationality and place of birth, age, ethnicity and race are discussed. All pillars aim to increase the hiring and retention of diverse employees, as well as raise awareness among employees concerning inclusion, equality and respect.



In 2022, the book “A Diversidade pela TAESA” was published and distributed to employees, in which the Company presents data related to violence against minorities or vulnerable groups and promotes awareness of professionals through Education, instructing on sexuality and gender identity, on the importance of female empowerment, regarding races and ethnicities, ageism and the importance of including people with disabilities (PwD). The contents, formulated by a specialized team, also

bring the testimonials of TAESA professionals on each of the topics addressed in the work.

In the period covered by this report, there were no reported cases of discrimination based on race, color, gender, religion, political opinion, nationality or social origin, as defined by the ILO, in the period covered by this report. This shows that the culture of respect to diversity is present in the daily routine of the Company.



# External Social Indicators

## GRI 411 | GRI 413

For TAESA, in addition to performance and economic-operational excellence, the development of related parties is considered as a fundamental indicator of the Company's success. Accordingly, the company is concerned with the economic aspects integrated to the quality of life, health and prosperity, with social justice for all people impacted by its operations.

By promoting well-being with equitably distributed social-economic conditions, TAESA is helping the communities nearby its facilities, regional units and operations, indigenous peoples and the Company's suppliers to experience real income growth per capita, improvement in health conditions, nutrition, qualified education, fair income distribution and the achievement of basic freedoms.

Focused on the impacts generated by its core activity, the company develops a series of actions to identify and mitigate these effects, especially those related to the Material Topics Ethics, Corporate transparency and Integrity and Relationship with local communities.



## Communities

### GRI 413

TAESA prepares diagnoses of social and environmental issues to consult and engage stakeholders related to its undertakings, with the aim of identifying impacts and opportunities, as well as defining programs and actions for control and mitigation. The survey, called DRP, provides information on the reality of the communities or institutions surrounding the undertaking, from the point of view of their members. It complies with IBAMA Normative Instruction 002 of 2012.

Some actions established after the DRP are, for example, the Social Responsibility projects linked to culture, sports and health, the contracting of partnerships with institutions to develop local labor and suppliers and the constant evaluation of the level of satisfaction of the population of areas surrounding transmission lines based on opinion polls.

In 2017, the Company carried out DRP in four communities, two in GTESA, one in ATE II and one in NTE. In 2019, the workshops registered in the Environmental Education Program established in 2017 for these communities were applied.

In 2021, DRPs were not carried out for reasons of health security due to the Covid-19 pandemic. In July, with the relaxation of social distancing measures, it was possible to carry out a fire fighting training, offered to the residents of Fazenda Santa Clara, located in the municipality of Canto do Buriti (PI), where the LT 500 kV Ribeiro Gonçalves-São João do Piauí, of ATE II, passes.

The workshop, which is part of the environmental education actions related to the DRP carried out in 2017 in the communities surrounding the ATE II, was supported by the Multiprofessional Cooperative of Civil Firefighters of Brazil and qualified 25 nearby residents to fight forest fire outbreaks.

In addition to the instruction, TAESA donated 14 anti-fire backpack pumps and 14 dampers so that the community can maintain a voluntary forest fire brigade, as the area is considered as environmental vulnerability and with frequent episodes of fire in the forest. The community surrounding the TSN was heard in 2019, in a DRP in the region where the undertaking operates. The development of these actions is regularly monitored to monitor the results, in order to contribute to the evolution of the communities. The management of the Company's relationship with communities is evaluated by the following performance indicators: In 2021, with the relaxation



**The amount contributed by the Company to the projects through tax incentives reached **R\$ 1,417,500.00****

of the circulation restriction measures imposed due to the COVID-19 pandemic, it was possible to resume some on-site work with the community, and the digital mean was adopted as a complement. The Company believes that, in the coming years, the digital mean will become a priority.

### Social Responsibility Projects

Make the best use of resources so as to enable allocation to Social Responsibility Projects is one of TAESA guidelines. Accordingly, priority is given to initiatives governed by sustainability and which contribute to the valuation of citizenship, inclusion and social development. By carrying out educational and cultural projects in communities located near its transmission lines, the Company generates value for its shareholders, employees and strengthens the society.

In 2022, for the second time, TAESA opened a Notice of Selection of Projects Approved in Tax Incentive Laws, for which applications took place between July 19 and August 23. To participate in this selection process, initiatives had to be aimed at promoting culture, sports, the development of children and adolescents and the protection of the elderly. Considering the focus on social development, financial education and environmental education, the selected projects were:

In this second public call, resources were made available through four of the main Brazilian incentive laws: Federal Incentive Law to Culture, Sports Incentive Law, National Fund for the Elderly and Fund for Children and Adolescents. The amount contributed by the Company to the projects via tax incentives reached R\$ 1,417,500.00 (one million, four hundred and seventeen thousand and five hundred reais). Find out about the selected projects:

**The company's three pillars of Social Responsibility are:**

**Valuation of citizenship**

**Inclusion**

**Social development**



## Culture Incentive Law Law 8313/1991 Inhotim

The Institute's Activities and Maintenance Plan, headquartered in Brumadinho (MG), aims to preserve the cultural collection, activate and display art content, qualification in cultural areas for young people, seminars and festivals. Cultural actions also include environmental education themes, publication of books and videos, with free distribution to municipal and state schools, as a means of democratizing access to content, in addition to free and qualified access by the local community.



## Itinerância Nacional - Mostra Ecofalante de Cinema Ambiental

The Film Festival promotes a free programming with several films with socio-environmental topics in a Brazilian city for a week. In addition to the exhibition in easily accessible places, such as schools and universities, debates are also promoted with filmmakers, environmental professionals and the audience after the sessions, with the purpose of bringing quality culture and information, enabling reflection on the issues addressed in audiovisual productions and the role of each one in the search for solutions and alternatives for a more sustainable world.

### **Sports Incentive Law – Law 11438/2006 Rocinha’s Stars (“Craques da Rocinha”)**

The project includes children and adolescents in sports activities aimed at the practice of futsal. Sports materials and pedagogical equipment are made available for the development of the sport, providing opportunities to contribute to the technical, human and citizen formation of children and adolescents included in the project, with the goal of reducing school dropout by up to 70%.

### **Childhood and adolescence fund (FIA) – Law 8069/1990 Citizen Athlete**

The project aims to promote soccer, taekwondo and capoeira workshops for children and adolescents. Associated to the project goal of 80% of participants having satisfactory school performance, pedagogical activities are also developed with a focus on reading, writing and mathematics, in addition to actions with the community, aiming to enable networks for the protection, promotion and defense of the rights of children and adolescents.

### **Integral Protection for Children and Adolescents with Disabilities**

Developed by APAE of Santa Maria (RS), it aims at the maintenance of assistance of children with physical and intellectual disabilities, mostly from low-income families. In addition to activities aimed at physical development, cognitive, affective and biopsychosocial development are also stimulated with exercises and techniques under the guidance of a multidisciplinary team, including therapeutic groups.

### **Training of Adolescent Rural Entrepreneurs in Family Agriculture**

The project has the objective of transforming teenagers from rural areas into future entrepreneurs through the free offer of the Technical Course in Agriculture integrated into High School, through educational-productive projects, generating knowledge that, when applied, strengthens family agriculture, aiming at stay in the field. As a working methodology, the Pedagogy of Alternation is adopted. During school hours, the adolescent remains in the educational institution full time, with theoretical and practical classes. During community time, the study plan and the acquired knowledge are developed and applied.





## National Fund for the Elderly Law 12213/2010 Moxotó

Aiming to guarantee the right to active and protagonist aging of elderly farmers, the project works in the Microregion of Sertão do Moxotó, in Sertão Pernambucano, through support for the implementation of productive backyards and social ecotechnologies to guarantee food and nutritional security, encouraging income generation and the role of the elderly in rural areas. At the same time, they are monitored concerning physical, psychological and economic issues, with access to public policies - Childhood and Adolescence Fund - Law 8069/1990.

In addition to the Social Responsibility initiatives supported by incentive laws, TAESA promoted a voluntary action campaign that involved employees throughout 2022. The initiatives were carried out at five different times of the year:

- Joint effort to collect supplies for families made homeless by the rains, in Petrópolis (RJ);
- Joint effort to collect supplies for those made homeless by the rains in Pernambuco;
- Joint effort for the preparation of the Community Garden of Núcleo Especial de Atenção à Criança (NEAC), in Rio de Janeiro (RJ);
- Joint effort for the Children's Day at Casa Pequeno Davi in the city of João Pessoa (PB);
- Joint effort to donate football boots to children assisted by the Rocinha Stars (Craques da Rocinha) project, in Rio de Janeiro (RJ).



# Suppliers

Regarding suppliers and partners, TAESA is constantly seeking to be close and interact with the parties. The Company makes the Engineering and HSE&S areas available as technical cooperation to validate the service capacity of suppliers and the security of services and materials to be purchased, aiming to mitigate possible risks in the deployment of its projects.

## GRI 414

Materials and Services Purchasing policy aims to establish the rules and guidelines for acquiring material/services for TAESA and its subsidiaries in order to:

- ensure transparency, equality, control and compliance of the process;
- optimize the process of meeting the needs for the acquisition of material and services, seeking the best balance between cost, quality and time.
- ensure the quality of the suppliers base and compliance with regulatory bodies in all tasks of this process.

The Purchasing Process addresses sensitive information from suppliers, such as price and technical solutions, and can be carried out in a centralized or decentralized manner with the participation of employees from different areas.

Accordingly, those directly or indirectly involved in this process must strictly follow the Code of Ethics and Compliance and other Company policies. This includes acting with clarity and equality with all suppliers, with equal opportunities, and having a responsible and rigorous approach to information, avoiding leaks or inadequate access to this data.

Aiming to ensure the compliance with the contractual requirements assumed, the Company relies on the support of a specialized outsourced company, whose scope is to certify suppliers. After opening quotation process, this company analyzes the labor, social security, tax and social situation of participants, generating a risk note. Aspects such as the use of forced or compulsory labor are also pointed out by the consulting firm.

Feedback passed on to TAESA and case evaluation are registered in the system by contract management areas. Those suppliers that, for legal or technical reasons, do not meet requirements are designated as inactive for new hires for a certain period, until they prove necessary adjustments.

**GRI 412-3**

Attention when contracting suppliers is focused on these companies' respect for human rights, as TAESA does not tolerate and does not support any form of adult or child labor exploitation. This commitment is in the Code of Ethics and Compliance. The company is also a signatory to the United Nations Global Compact, whose purpose includes the elimination of all forms of forced or compulsory labor and the effective abolition of child labor. In all contracts in which products or services are acquired, TAESA includes a clause where the contracted party undertakes not to violate Human Rights and not to use child or slave labor.

**GRI 408 | GRI 409**

In 2022, no cases of slavery or conditions analogous to slavery were identified in the company. There was also no report of child labor.

**GRI 412**

HSE&S and People departments carry out audits on the Company's main contracts, analyzing them from the perspective of good compliance practices. Workplace Safety and Environment team also carries out field inspections related to conditions of undertakings' facilities and construction sites. For mobilization of construction work, specifically when incorporating employees, everybody participates in the process of adaptation to and integration into the workplace.

The working conditions are checked according to the frequency defined in the planning of internal inspections.

Contractor has the contractual obligation of providing conditions to its employees, such as accommodation, chemical toilets, ambulance, etc.

**GRI 408 | GRI 409 | GRI 412**

Regarding supplies, in contracts of greater complexity, - especially those for new assets in EPC auction, as well as supply of cables, structures and compensators - a clause on forced labor or conditions similar to slavery is provided for. All service contracts, including land and environmental contracts, signed by the Company, have clauses with assumptions on Human Rights, child labor or slave-like labor and must also comply with the guidelines set out in the SGIT Policy.

**GRI 412**

Note that there was no stoppage due to Human Rights violation in TAESA's undertaking.

**100%**

of the contracts signed by TAESA include clauses and/or assumptions regarding respect for Human Rights and the prohibition of child labor.

**73.64%**

of all the value contracted by the company occurred through formalization via contract.\*

**100%**

of drawn up service contracts comply with SGIT Policy.

\* This difference (26.36%) refers to contracting made as a "purchase order", with no need of a contract.



# Indigenous and traditional people

## GRI 411

Power transmission undertakings occupy a long territory and, eventually, can generate direct or indirect interference in an indigenous community. Therefore, part of the licensing process carried out by TAESA assesses not only the environmental impact, but also the possible implications for these people. When this possibility is identified, the company adopts social-environmental actions, together with FUNAI, seeking a better harmonization between the undertaking and the traditional culture.

## GRI 411-1

In 2022, the Company did not record any violation of the rights of indigenous peoples.

# Electric Sector Indicators

The purpose of TAESA's R, D&I is to boost projects that contribute to sustainable technological development through relevant technical-scientific gains that aim at generating good results for the Company, the environment, and society.

Description	2022	2021	2020
Amount of Net Operating Income (NOR)	2,250,188,010.66	1860728326.14	R\$ 1,545,924,432.62
Investment Right in R, D&I	7,817,206.33	7,369,221.09	R\$ 6,122,473.00
Invested in R, D&I	8,240,646.23	R\$ 10,366,950.15	R\$ 12,475,046.46

Resources applied in Research, Development and Innovation by investment area	2022		2021	
	Amount (R\$)	%	Amount (R\$)	%
SE - Security	7,303,457.26	82.88	8,420,543.39	81.22
OP - Electric Power Systems Operation	76,517.85	0.87	838,441.27	8.09
PL - Electric Power Systems Planning	1,155,693.61	13.11	614,959.72	5.93
QC - Quality and reliability of Electric Power services <sup>1</sup>	2,300.00	0.03	0	0
OU - Other	273,943.48	3.11	493,005.77	4.76%
<b>TOTAL</b>	<b>8,811,912.20</b>	<b>100%</b>	<b>10366950.15</b>	<b>100%</b>

<sup>1</sup> There was no direct investment of financial resources in Quality and reliability of electric power services in 2021 by Taesa's RD&I Program. The contribution referring to 2022 refers to participation as a cooperative member in a project proposed by AMAZÔNIA ELETRONORTE TRANSMISSORA DE ENERGIA S.A. (AETE).

In 2022, nine projects were developed. Investments ad by the Company up to December 31, 2022 are detailed below:

**0051-Support and Spacing System – Mechanical support and damping device for conductor cables in Transmission Lines subject to operation overload.**

**ANEEL Code: PD-07130-0051/2020**  
**Investment Area: PL - ELECTRIC POWER SYSTEMS PLANNING**  
**Status: Closed on 02/27/2022**

**Result:** Development of computer simulations and specification of modular spacers and applicable to several configurations of conductor cables or anchoring system for existing spacers supported by a high mechanical capacity insulating cable, anchored between the towers of transmission lines. All physical interactions, new and existing, must be considered in the modeling, such as changing the vibration frequency of the cable; need to change the suspension/vibration attenuation system; tower anchoring etc. Modeling and computer simulation to determine the ideal distance between devices along a transmission line span; Modeling and computer simulation of the dynamics of cables and devices in the installed environment (wind, vibration, mechanical loading, temperature, etc.); and other necessary simulations that prove the feasibility of installation of the equipment.

**Investment made until 12/31/2022: R\$ 1,540,204.40**

**0053-Teleprotection in IEC-61850**

**ANEEL Code: PD-07130-0053/2018**  
**Investment Area: OP-OPERATION OF ELECTRIC POWER SYSTEMS**  
**Status: In progress**

**Expected outcome:** A high performance communication solution between substations based on the IEC-61850 Standard, providing quality of service (QoS) and security. Prototypes will be developed for a SDN controller (Software-Defined Networks) and a packet generator according to IEC-61850 Standard.

**Investment made until 12/31/2022: R\$ 4,188,816.35**

**0054-Electric Sector Analytical Intelligence System – Transmission Segment**

**ANEEL Code: PD-00068-0057/2022**  
**Investment Area: PL - ELECTRIC POWER SYSTEMS PLANNING**  
**Status: In progress**

**Result:** Prototype of an information portal for the electric power transmission segment, which will restructure and integrate the databases currently used by the MME, EPE, ONS and ANEEL, improving the efficiency of the management process and allowing access to qualified information by society.

**Investment made until 12/31/2021<sup>1</sup>: R\$ 98,448.67**

1. The value of the investment made refers to Taesa's participation as a cooperative member in the Project proposed by Isa-Cteep.



**0057-Public multicriteria optimization tool for investment analysis in new transmission undertakings, using artificial intelligence techniques.**

ANEEL Code: PD-07130-0057/2019  
Investment Area: PL - ELECTRIC POWER SYSTEMS PLANNING  
Status: In progress

**Expected outcome:** Development of a computer tool that allows the analysis of tracings of transmission lines and the impact of optimizations in the investment estimated for construction of new undertakings with agility and to assist in defining the minimum bid in the auction. It is also expected impact of the tool on offers in future auctions, preventing bids that are far below the market.

**Investment made until 12/31/2022:** R\$ 4,093,000.91

**0059-Semi-autonomous drone inspection on transmission line towers.**

ANEEL Code: PD-07130-0059/2020  
Investment Area: SE – SECURITY  
Status: In progress

**Expected outcome:** Development of a transmission tower asset monitoring system comprising: low-cost drone, software for semi-autonomous flight, software for detecting transmission tower assets and software to update the asset's database.

**Investment made until 12/31/2022:** R\$ 5,425,605.73

**0062-Predictive Fault Analysis by AI – System for the identification and prediction of faults in power equipment based on networks of sensors and Artificial Intelligence (“AI”).**

ANEEL Code: PD-07130-0062/2020  
Investment Area: SE – SECURITY  
Status: In progress

**Result:** Development of a system (hardware and software) capable of identifying and predicting failures in electrical power equipment based on pre-existing statistics and historical data (existing in Company's database), as well as data obtained in the field through sensors installed close to monitored equipment. Through the results of the research, companies of the electric energy transmission segment will be able to adopt low-cost sensor devices in substations (SEs) and reduce or even eliminate specific inspections, in addition to minimizing the risk of accidents. In addition to reducing the costs of specific inspections, the SEs will be monitored on a full-time basis, and the violation of any safety condition (for operation and people) will allow to the maintenance teams the dispatch to perform the required corrective or preventive/predictive maintenance. In addition to direct monitoring, changes in magnitudes may explain correlated dynamic events, such as, for example, the relation between bad weather and changes in SE components or the presence of people/wild animals and changes in SE components.

**Investment made until 12/31/2022:** R\$ 5,920,824.07

Dimensions

6047-Smart monitoring of cable-stayed towers using IoT-based sensor fusion – Phase LP

ANEEL Code: PD-07130-6047/2021  
Investment Area: Investment Area:  
SE – SECURITY  
Status: In progress

**Result:** Technology for online monitoring of cable pulls on the towers and the publication of their data on a georeferenced basis, consisting of low-cost load cell sensors, data concentrators and computer system, which allows the installation of the system in all the towers to identify structural stability failures.

**Investment made until 12/31/2022:**  
R\$ 1,672,125.57

6060-Protection Relay with Active Oil and Gas Monitoring, and a Smart System for Diagnosing and Monitoring High-voltage Power Transformers and Reactors – Phase LP.

ANEEL Code:  
Investment Area: Investment Area:  
SE – SECURITY  
Status: In progress

**Result:** Preparation of an improved system project, aiming at industrial scale production, production of a pioneer lot with 2 RPMA units, installation of 2 relays in energized transformers, refinement of manuals and training, certification of equipment for safe use and scale production and preparation of economic feasibility study.

**Investment made until 12/31/2022:**  
R\$ 2,066,938.76

9210-Management Project for the R&D Program in 2021

ANEEL Code:  
Investment Area: Other (Management)  
Status: In progress

**Result:** The project aims at managing the activities carried out in the period from April 2021 to March 2023 based on the development of computational tools to improve management and provide conditions for efficient controls on resources used in the R, D&I Program.

**Investment made until 12/31/2022:**  
R\$ 492,138.26



# Mandatory Payments

In accordance with Law 9991, companies of the electric energy sector eligible under the law must allocate 0.4% of their NOR to the FNDCT and 0.2% of their NOR to the MME. Regarding these payment and investment determinations, TAESA confirms that if made investments with the FNDCT and MME in compliance with the provisions of the regulation in force. The following is the statement of payments in the year and their comparison with the previous year.

Description	2022	2021	2020
Amount of net operating income	2,250,188,010.66	1860728326.14	R\$ 1,545,924,432.62
Obligation payable to FNDCT	8,911,635.69	7,369,221.09	R\$ 6,322,294.36
Amount paid to FNDCT	8,936,116.32	6,907,034.49	R\$ 6,224,894.03
Obligation payable to MME	4,455,817.84	3,684,610.55	R\$ 3,161,903.44
Amount paid to MME	4,468,058.16	3,453,517.22	R\$ 3,113,203.30

\*Data does not consider ETAU.



# environmental **dimension**

Environmental Licensing  
Conservation and Biodiversity  
Sustainability





**GRI 401**

# Environmental Licensing

Inserted in different locations in the Brazilian territory, TAESA's assets relate to different social-environmental contexts and different dynamics of occupation and land use. For this reason, even in the project preparation phases, the Company carries out detailed studies of the potential impacts of each undertaking.

Conducted in accordance with the Brazilian law, the process complies with environmental licensing requirements, and is carried out by responsible agencies existing at the federal, state and municipal levels, depending on undertaking's scope. Environmental licensing in Brazil generally has three phases.

## preliminary permit

Issued at the preliminary phase of the project planning. Its emission certifies the environmental feasibility and provides for the basic requirements and conditions to be met by the project.

## installation permit

It is granted after the initial project meets all the basic requirements, and authorizes the beginning of the works to install the project.

## operating permit

It is obtained after the end of construction and verification of compliance with the requirements established by previous licenses. It determines control methods and the proper operating conditions.



In order to obtain the Preliminary Permit, an Environmental Impact Study (EIA) and the respective Environmental Impact Report (RIMA) are prepared with the support of experts from different areas. In some cases and in accordance with the licensor, Brazilian legislation has made the licensing modality more flexible, so that certain types of projects, including transmission lines, can obtain a joint license, which represents the unification of phases, allowing a faster deployment.

Environmental licensing represents more than a requirement: it is an opportunity to have the best definition, implementation and operation of each concession, respecting the specificities of the territories. Thus, it is possible to promote the generation of value for society in harmony with the areas of influence of the undertakings, ensuring the sustainability of businesses.

Social-environmental aspects and their impacts are relevant topics for TAESA and its stakeholders, as shown in the Materiality Matrix. The theme is transversal to four of the six Material Topics: **Mitigation and adaptation to climate change, Environment and biodiversity, Health, safety and quality of life and Relationship with local communities.**

As of December 31, 2021, the Company obtained 30 operating permits, eight installation permits and approximately 700 permit conditions for its assets.

## Health, Safety and Environment (HSE)

TAESA has a SGIT Policy, published on July 12, 2022, to contribute for the safety and health of their employees and subcontractors, and also to improve the quality of life of population, regarding the environment and sustainable development.

With a broad vision that goes beyond the economic and operational focus, the Company understands that its organizational success is also linked to the social and environmental performance and, thus, evaluates the management of these aspects as a strategic one.

SGIT Policy, in compliance with ISO standards and seeking its certification, is considered as the core document of the Management System, from which all managerial and operational actions related to the social and environmental aspects of the business are derived. Among the main commitments are:

- **Protect Health, Safety and the Environment, through the identification, periodic assessment and prevention of risks, dangers and impacts.**
- **Provide a safe and healthy work environment, spreading the concept of preventive attitude.**
- **Respect the Golden Rules that summarize the basis for the safe behavior of TAESA's employees**
- **Periodically review, update and adapt its processes, with economically feasible technological solutions, seeking continuous improvement.**
- **Develop effective processes of education, communication and information to strengthen the relationship with communities and the participation of stakeholders.**
- **Fulfill the concession-related obligations of its assets, with safety, continuity and quality**
- **List social and environmental criteria in the selection of proposals and in service providers' contracts.**
- **Promote a leadership operation committed to the excellence of performance and awareness of stakeholders regarding their Health, Safety and Environment (HSE&S) responsibilities.**
- **Respect and ensure compliance with current legislation and voluntarily acquired commitments regarding health, safety and environment.**



— **GRI 403**  
**GRI 307**

## Management Systems

TAESA's Management System comprises the SGIT policy and other rules and procedures, as well as programs related to the topic. Such documents allow the identification of risks and impacts and establish the objectives and targets to be reached, action plans, criteria, performance indicators, management, evaluation, monitoring and review processes. Applied to the entire Company, the System covers employees, contractors and partners subject to the Company's guidelines, improving tasks' fulfillment.

To continuously improve effectiveness and efficiency of TAESA's services and environmental performance, the System must provide solutions for minimizing environmental needs through planning, resource allocation, attribution of responsibilities and evaluation of practices, procedures and adopted processes, on a continuous basis. It is an uninterrupted, participative and transversal process that affects several areas of the Company and is focused, first, on ensuring that all legal requirements related to the Company's operations performance are met and, subsequently, improved.

The review is an inherent process, based on the evaluations from the monitoring of the activities carried out, as well as on situations differentiated during the year, such as incidents or

changes in the legislation. The processes are reviewed and, where appropriate, adjusted to achieve the goals and targets set forth.

TAESA, in the preparation of its processes, aims at the quality of the relationship with its employees, outsourced collaborators and partners. To this end, behavioral guidelines are set forth to continually improve the organizational climate, thus contributing to increased satisfaction and individual performance, based on environmental, social, operational and economic aspects. The following items show some of the Company's performance indicators.

### Greenhouse gas emissions

**GRI 305**

Climate changes regulated by the greenhouse effect have been occurring since the Industrial Revolution. Since then, the use of fossil fuels has caused a considerable increase in Greenhouse Gases (GHE) emissions, intensifying global warming in recent decades with consequences observed nowadays.



**The Company is committed to the goals established in the Global Compact and in line with the Paris Agreement, and has carried out education and communication work to increase the engagement of its stakeholders.**

This climate emergency, evidenced by the reports of the *Intergovernmental Panel on Climate Change*<sup>1</sup> (**IPCC**), from the United Nations Organization, signals forecasts of risks and impacts resulting from global warming and is one of the most relevant challenges that humanity must deal with in the 21<sup>st</sup> century.

TAESA recognizes that integrating Climate Change issues, in preparation for a low carbon economy, is essential to ensure its long-term sustainability. To this end, it aims to align and articulate the strategy of its business model based on the assessment of climate risks and opportunities, informing the society and its investors of the efforts and lines of action adopted by the Company.

In accordance with the principles established by the UN Global Compact, of which TAESA is a signatory, and its alignment with the Paris Agreement and the agenda of Sustainable Development Goals, the company adopts a unified strategy of management of emissions. This occurs through the systematic and continuous realization of a GHG inventory, management of these emissions and establishment of actions for reduction, adaptation and compensation.

1. IPCC is translated into Portuguese as *Painel Intergovernamental sobre Mudanças Climáticas*. Created by the UN in 1988, it assesses data and provides reliable scientific evidence for climate action negotiations. The Panel also points out causes, risks and consequences of the climate crisis for humanity and nature and indicates ways to combat and mitigate the escalating climate changes.

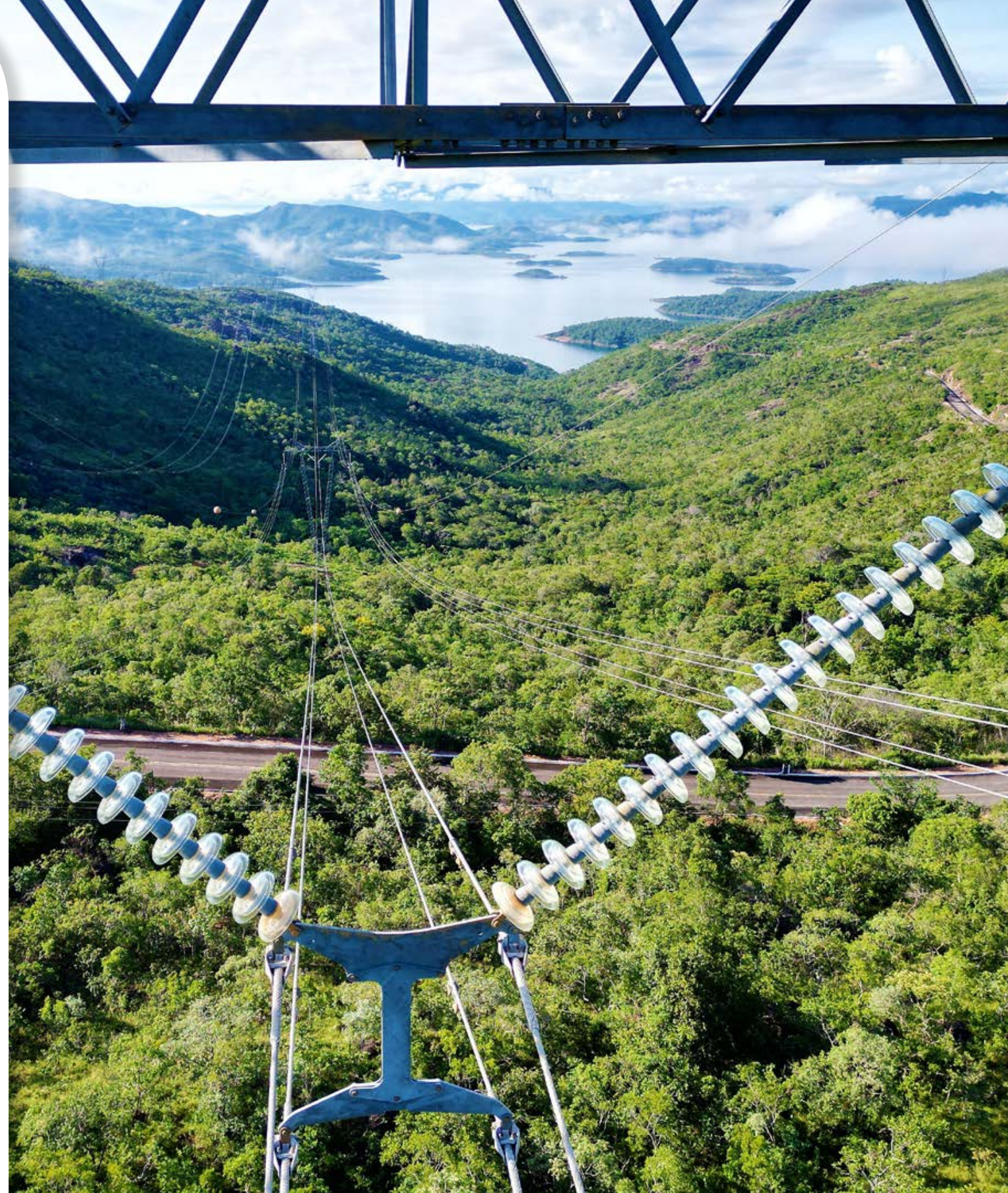
It is also understood by the Company that promoting communication and education on the theme, fomenting this agenda for suppliers, developing R,D&I projects and contributing to the integration of clean and sustainable energy concessions to the Interconnected Electric System (SIN) are complementary actions to the unified strategy of management of emissions.

In 2022, for the third consecutive year, TAESA carried out the GHG inventory by operational control, meeting the specifications of the Brazilian Program Greenhouse Gas Protocol (*GHG Protocol*)<sup>2</sup> and its format of Public Record of Emissions. The principles of relevance, completeness, consistency, transparency and accuracy, as well as the reporting requirements to the *Carbon Disclosure Project (CDP Climate Change)*<sup>3</sup> were considered.

As defined by the GRI 305 standard, GHG emissions are divided into two groups. The first group, called Scope 1, refers to direct emissions whose sources belong to or are controlled by the organization. Scope 2 refers to indirect emissions resulting from the generation of electricity, heating, cooling, among others, purchased or consumed by the organization.

2. *GHG Protocol* is a tool used to understand, quantify and manage GHG emissions that was originally developed in the United States in 1998 by the World Resources Institute (WRI). It is now the method mostly used worldwide by companies and governments for carrying out GHG inventories. It is also compatible with ISO<sup>14064</sup> standard and with quantification methods of the Intergovernmental Panel on Climate Change (IPCC).

3. CDP is a non-profit organization that operates the global system of disclosure for investors, companies, cities, states and regions to manage their environmental impacts.



**GRI 305-1 | GRI 305-2**

Based on this definition, the 2021 Inventory identified that in Scope 1, emissions related to processes of land use change, such as the suppression of vegetation, mobile combustion due to the company's own fleet and the replacement of SF6 insulating gas. In addition to identifying the percentage of contribution of each scope within TAESA's total emissions, the analysis presents the *Global Warming Potential (GWP)*, that is, its global warming potential. This value describes the impact of the radioactive forcing of a unit of a given GHG in relation to a CO<sub>2</sub> unit.

In absolute terms, TAESA significantly reduced the volume of emissions in 2022. The main sources of emissions for the year remained the loss of electric power (59.6% lower than in 2021 due to the decrease in the SIN emission factor<sup>4</sup>) and replacement of SF6 insulating gas (increased from 41.5 kg in 2021 to 251 kg in 2022 with greater change for the Novatrans, ATE, ATE II, NTE and São Pedro concessions). It is possible to observe that, even increasing the number of concessions, we reduced the absolute volume of emissions for the other two largest sources of Scope 1 emissions: mobile combustion by fuel consumption in the fleet, and by suppression of vegetation.

**GRI 305-1 | GRI 305-2**

4. The SIN emission factor, provided by the MCTI, decreased considerably between these two years: from 0.1264 tCO<sub>2</sub>/MWh in 2021 to 0.0426 in 2022, practically 66% lower.

## Greenhouse gas inventory (GHG)

Scope	Hierarchy	GHG Inventory 2022 tCO <sub>2e</sub> .				GHG Inventory 2021 tCO <sub>2e</sub> .					GHG Inventory 2020 tCO <sub>2e</sub> .						
		Scope 1	Scope 2	Total	Total	%	Scope 1	Scope 2	Total	Total	%	Scope 1	Scope 2	Total	Total	%	
1	Effluents/ Septic tank	2.01		2.01	2.01	0.003%	1.86		1.86	1.86	0	1.61		1.61	1.61	0	
	Own fleet (Ticket car)	1,046.07		1,046.07			1,109.64		1,109.64			1,170.48		1,205.57			
	Corporate card				1,046.07	1.45			3.94	3.94	0.67			35.09	35.09	1,205.57	1.44
	Generator	91.34		91.34	91.34	0.13	126.28		126.28	126.28	0.08	130.4		130.4	130.4	0.16	
	Fire extinguishers	1.36		1.36			0.63		0.63			1.52		1.52			
	Insulating gas	5,899.67		5,899.67	5,901.03	8.17	946.2		946.2	942.83	0.57	696.54		696.54	698.06	0.83	
	Vegetation suppression	1,876.23		1,876.23	1,876.23	2.6	6,085.59		6,085.59	6,085.59	3.69	2,462.95		2,462.95	2,462.95	2.95	
2	Electric energy		515.07	515.07	515.07	0.71		1,243.94	1,243.94	1,243.94	0.75		373.03	373.03	373.03	0.45	
	Electric energy losses		62,814.08	62,814.08	62,814.08	86.94		155,551.67	155,551.67	155,551.67	94.24		78,740.55	78,740.55	78,740.55	94.17	
<b>Total</b>		<b>8,916.68</b>	<b>63,329.15</b>	<b>72,245.83</b>	<b>72,245.83</b>	<b>100</b>	<b>8,274.14</b>	<b>156,795.61</b>	<b>165,069.75</b>	<b>165,069.75</b>	<b>100</b>	<b>4,498.59</b>	<b>79,113.59</b>	<b>83,612.18</b>	<b>83,612.18</b>	<b>100</b>	

\*The change in the data is due to the fact that TAESA carried out a review of the fuels report.

**GRI 305-1 | GRI 305-5**

GHG EMISSIONS - SCOPE 1

Scope 1				
Gas	GWP	Scope 1		
		2022	2021	2020
CH <sub>4</sub>	25	6.18 tCO <sub>2</sub>	5.63 tCO <sub>2</sub>	5.57 tCO <sub>2</sub>
CO <sub>2</sub>	1	2,976.29 tCO <sub>2</sub>	7,282.71 tCO <sub>2</sub>	3,768.17 tCO <sub>2</sub>
N <sub>2</sub> O	298	34.54 tCO <sub>2</sub>	39.6 tCO <sub>2</sub>	28.31 tCO <sub>2</sub>
SF <sub>6</sub>	22800	5,899.68 tCO <sub>2</sub>	946.2 tCO <sub>2</sub>	696.54 tCO <sub>2</sub>
<b>Total</b>		<b>8,916.68</b>	<b>8,274.14</b>	<b>4,498.59</b>

Scope 1: Direct emissions. GWP = Global Warming Potential. Values in tCO<sub>2</sub>e.

**GRI 305-1 | GRI 305-1**

CO<sub>2</sub> EMISSIONS FROM RENEWABLE SOURCE - SCOPE 1

Gas	Scope 1 tCO <sub>2</sub>		
	2022	2021	2020
Renewable CO <sub>2</sub>	298.32	288.12	192.29
<b>Total</b>	<b>298.32</b>	<b>288.12</b>	<b>192.29</b>

**GRI 305-2 | GRI 305-1**

**GHG EMISSIONS - SCOPE 2**

Gas Family	Gas	GWP	Scope 2 tCO <sub>2</sub>		
			2022	2021	2020
CO <sub>2</sub>	CO <sub>2</sub>	1 tCO <sub>2</sub>	63,329.14	156,795.61	79,113.59
<b>Total</b>			<b>63,329.14</b>	<b>156,794.87</b>	<b>79,113.59</b>

*\*Although there was no reduction in absolute data, a mitigation was observed: emission avoided by the option of consuming ethanol instead of gasoline whenever possible.*

The Electric System National Operator (ONS), by coordinating and controlling the operation of electric energy generation and transmission facilities in the Interconnected Electric System (SIN), imposes restrictions on the establishment of mitigation actions and targets in relation to Scope 2, that is, to the loss of energy during the transmission process.

This occurs because the concessions are responsible for managing the infrastructure of facilities and equipment, as well as ensuring the availability of transmission lines. The volume and/or source of energy that is transmitted in the assets, or even the technical characteristics of the materials and assets comprising the facilities, are the responsibility of the ONS.

Due to this specific context of the Brazilian electric sector, there is a challenge on how to set goals aligned with Science Based Targets initiatives (SBTI), Race to Zero, Business Ambition for

1.5°C and NET ZERO Ambition by the Global Compact, designed to comply with and adhere to the Paris Agreement, which the Company supports. Thus, TAESA monitors all these initiatives and participates in working groups that discuss how to adapt the Brazilian reality to these methodologies so as to be able to establish goals and contribute to the agenda.

Among the current possibilities considering these impediments, the company adopts other actions that contribute to strengthen this agenda, such as:

- Social-environmental and educational campaigns.
- Fire fight and fire reduction.
- Forest restoration.
- Nursery cultivation and distribution of seedlings.
- Internal training related to the topic.

## Rights of Way

The Company manages the cleaning and maintenance of continuous right of way – as the land along the transmission lines that belong to a third-party owner and have land use restrictions are called - focused on making the least possible interference in the vegetation. Larger suppression volumes may occur during the construction phase of the undertaking.

In 2020, when the first GHG Emissions Inventory was prepared, TAESA acquired the concessions of Lagoa Nova, located in Rio Grande do Norte, São João (SJT), in the state of Piauí, and São Pedro (SPT), located between the states of Bahia and Piauí, and identified the need to adapt the right of way according to ABNT NBR 5422, of 1985. In Lagoa Nova it was necessary to readjust the right of way after its merger. For SPT and SJT concessions, the right of way was adjusted in accordance

The right of way is an extension of land along a transmission line that can vary from 40 to 70 meters in width. Considering the electromagnetic waves generated by the lines, it is important to emphasize that the focus of restrictions on the use of the right of way is the safety of TAESA employees and of the population that lives in the surroundings.





with the current legislation (ABNT NBR 5422) during the first half of 2021, which generated a total increase in the vegetation suppression volume and respective emission of GHG compared to 2020.

In 2022, only right of way cleaning actions were carried out, the selective cutting of trees inside and outside the right of way in the concessions ATE, ATE II, ATE III, Brasnorte, ETEO, GTESA, Miracema, Munirah, Novatrans, NTE, PATESA, Lagoa Nova, São João, São Pedro, STE, TSN and ETAU, located between Rio Grande do Sul and Santa Catarina, and ATE III, located between Tocantins and Pará, with the objective of preventive maintenance, which jeopardized the availability due to the proximity of the line, which resulted in a significant reduction in GHG emissions.

### Own fleet

At the end of 2020, the Executive Board approved the proposal to reduce gasoline consumption in the *flex-fuel* fleet, replacing the fuel used by ethanol, action which was implemented in the next year. The *GHG Protocol* methodology points out that 1 liter of ethanol has a lower GHG emission volume than gasoline, emitting 34% less CO<sub>2</sub>, 52% less CH<sub>4</sub> and 100% less N<sub>2</sub>O.

Thus, with the reduction of emissions as a target, TAESA started a pilot project to replace part of its *flex fuel* fleet by electric vehicles. To this end, three 100% electric cars were initially purchased. All these initiatives intend to reduce the emission of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) resulting from the burning of fossil fuel.

Another relevant aspect of purchasing electric cars is related to the low cost per kilometer traveled. The value is up to six times lower than what is needed to drive a similar vehicle with a combustion engine, depending on the local electric power tariff.

With a full charge, the vehicle model acquired by TAESA can travel a distance of 420 km, which corresponds to an average consumption of 13 kWh per 100 km. To fully charge the battery, considering the average cost of energy tariffs of R\$ 0.60 per kWh, it is necessary to spend R\$ 7.80 for each 100 km, equivalent to 1.3 liters of gasoline per 100 km. As it does not

have a gearbox, radiator, air filter, oil filter, fuel filter, exhaust system, belts, spark plugs, catalytic converter, etc., the vehicle also generates a smaller amount of waste in its maintenance. Based on the historical consumption, which in 2019 was 91% gasoline and 9% ethanol, a proportion target was set for 2021: 70% for gasoline and 30% for ethanol. The reduction target was surpassed, reaching the maximum consumption of gasoline of 33% and ethanol in 67% of the fleet in 2021. In 2022, the figure was even more exponential, with gasoline being the fuel used in just 24% of cars and ethanol in 76% of vehicles.

In addition to the goal to reduce gasoline consumption, the Company plans other actions to mitigate GHG emissions:

- Review of operational processes and procedures, seeking greater eco-efficiency, in line with the implementation of the Integrated Management System, in accordance with ISO standards.
- Efficiency in the maintenance of assets that contain SF6 insulating gases.
- Review of operational procedures for cleaning and maintenance of right of way.
- Priority for the consumption of biofuel and improvement of the fleet with hybrid vehicles – which use electric and combustion engines.

**GRI 305-1**

Type of fuel	TAESA consumption – in percentage				
	2019	2020*	Goal	2021	2022
Gasoline	91%	-	70%	33%	24%
Ethanol	9%	-	30%	67%	76%

\*In 2020, due to restrictions on movement due to the COVID-19 pandemic, data was not calculated.



## Water and energy

### GRI 302 | GRI 303-1

Most of TAESA's units are supplied by local energy and water networks or by underground wells for access to water resources, and do not use these resources in their production process. The use of energy and water is limited to employees in offices, warehouses and substations, to building cleaning and maintenance and, occasionally, to reinforcement and improvement work in substations.

The Company is engaged in avoiding waste and encouraging the conscious use of resources by its employees. Monthly data on energy and water consumption is collected for monitoring with those responsible for each unit, together with other environmental indicators.

Stimulating and identifying initiatives developed by some units that can be expanded to others, such as rainwater collection, reuse of air conditioners' water and installation of consumption reduction devices in taps and toilets.



**GRI 303-1**

In 2021, TAESA's Plan for the Regularization for Use of Water Resources was carried out, with the guidance of a specialized company and in compliance with art. 11 of Federal Law 9433/1997, which introduced the National Water Resources Policy. In 2022, there was an increase in consumption due to better measurement accuracy with the installation of water meters, increased concessions (Aimorés, Paraguaçu and new stretches of Santana) and the number of accessing users (own and third parties).

**GRI 302-4**

In relation to energy eco-efficiency, some initiatives are developed at the units, such as replacing light bulbs by LED ones, awareness campaigns for efficient use of equipment, and solar energy pilot projects.

**GRI 302-1**

**ENERGY CONSUMPTION IN THE ORGANIZATION (GJ)**

Group of precursors	Precursor	2022			2021			2020		
		Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
Non-renewable fuels	Diesel / Brazil	15,460.53		15,460.53	16,901.8		16,901.8	17,245.70		17,245.70
	Gasoline/ Brazil	1,121.00		1,121.00	1,333.04		1,333.04	2,877.64		2,877.64
Renewable fuels	Biodiesel	-		-	-		-	3.89		3.89
	Hydrous ethanol	2,607.39		2,607.39	1,892.75		1,892.75	319.63		319.63
Purchased electric power	Electricity/ Brazil		5,327,014.50	5,327,014.50		4,609,931.24	4,609,931.24		4,577,607.06	4,577,607.06
<b>Total</b>		<b>19,188.92</b>	<b>5,327,014.50</b>	<b>5,346,203.42</b>	<b>20,127.59</b>	<b>4,609,931.24</b>	<b>4,630,058.82</b>	<b>20,446.86</b>	<b>4,577,607.06</b>	<b>4,598,053.91</b>

Note: This panel considers energy consumption in sources categorized as Scope 1 and 2. Although conservatively categorized as non-renewable fuels, "Gasolina-Brasil" and "Diesel-Brasil" contain added renewable fuels (that is, ethanol and biodiesel, respectively).



**GRI 302-1**

**ENERGY CONSUMPTION IN THE ORGANIZATION (MWH)**

Group of precursors	Precursor	2021			2020					
		Scope 1	Scope 2	Total	Scope 1	Scope 2	Total			
Non-renewable fuels	Diesel / Brazil	4,294.59		4,294.59	4,694.95		4,694.95	4,790.47		
	Gasoline/ Brazil	311.39		311.39	370.29		370.29	799.35		
Renewable fuels	Biodiesel	-		-	-		-	1.08		
	Hydrous ethanol	724.28		724.28	525.76		525.76	88.78		
Purchased electric power	Electricity/ Brazil		1,479,726.25	1,479,726.25		1,280,536.45	1,280,536.45	1,271,557.52		
<b>Total</b>		<b>5,330.26</b>	<b>1,479,726.25</b>	<b>1,485,056.51</b>	<b>5,591</b>	<b>1,280,536.45</b>	<b>1286127.45</b>	<b>5,679.68</b>	<b>1,271,557.52</b>	<b>1,277,237.20</b>

Note: This panel considers energy consumption in sources categorized as Scope 1 and 2. Although conservatively categorized as non-renewable fuels, "Gasolina-Brasil" and "Diesel-Brasil" contain added renewable fuels (that is, ethanol and biodiesel, respectively).

\* This data considers energy losses.

## ENVIRONMENTAL INDICATORS

Environmental indicators	2018	2019	2020	2021	2022
Fossil fuels (liters)	583,051.47	390,696.68	581,884.32	604,958.53 <sup>1</sup>	685,664.25
Total power consumption (MWh) <sup>1</sup>	2,664.15	2,948.18	5,674.63	8,654.55	8,745.63
Total water consumption (megaliters) <sup>2</sup>	70.50	3.08	12.84	8.94	15.61
Total water consumption in water stress areas (megaliters) <sup>3</sup>	s/d	s/d	1.48	0.99	3,044
Occurrences of degraded area due to fires	13	12	23	52	23
Occurrence of oil leakage	8	5	2	2	1

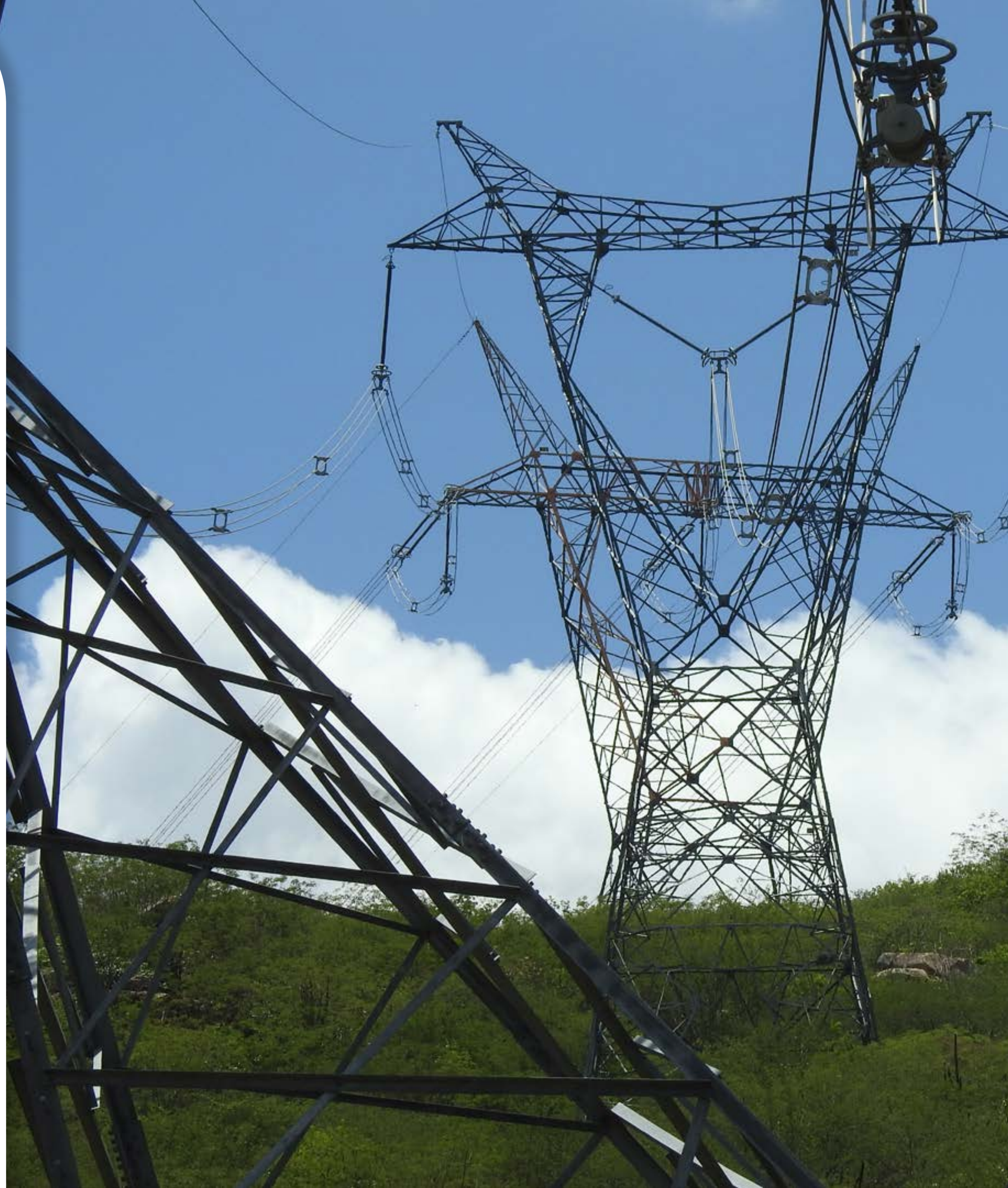
1. Increase due to new assets for operation and maintenance (Janaúba, Aimorés and Paraguaçu, as well as support for project under construction: Santana).

2. Increase in total consumption due to better measurement accuracy with the installation of water meters, increase in concessions (Aimorés, Paraguaçu and new stretches of Santana) and the number of accessing users (own and third parties).

3. 2020 information (1.48 megaliters) considers the total water intake from all water stress areas. Concessions located in water stressed regions are GTESA, LAGOA NOVA, NTE, TSN, (2 SEs), and ATE II (2 SEs), Janaúba (2 SEs) and Munirah (2SEs). There are no water catchment points under the lines, only at the facilities (substations, warehouses and offices). To identify water stress areas, Aqueduct Water Risk Atlas of the World Resources Institute (WRI) mapping was considered.

4. This consumption considers GTESA, Lagoa Nova, NTE, TSN and ATE II units.

The increase in data related to the consumption of water resources is related to better measurement of water use data and the increase in TAESA's concessions in the period covered by this report.



# Conservation and Biodiversity

## GRI 304

The topics of Conservation and Biodiversity are also objects of the SGIT. Fully complying with environmental standards, including the development of sustainability actions, the System establishes guidelines related to the Biodiversity Management and Conservation in the planning and execution of the activities of installation, operation and maintenance of transmission assets.

The Company also maintains a series of programs suitable for each phase of an undertaking to avoid and minimize its interference with the environment, presented as follows:

## Use and Occupation of Right of Way

Under the transmission line, a Right of Way is established, whose area allows the performance all the activities required for the construction, operation and maintenance of the undertaking. The Right of Way is legally established through the Statement of Public Utility (DUP) issued by the Executive Power in favor of the entrepreneur, without, however, undergoing an expropriation process. The calculation of the Right of Way varies based on the project and is standardized by ABNT NBR 5422, which specifies the minimum safety distances between the conductors and the ground or the obstacles along the line, such as trees, buildings and rivers. It also considers the balance of the conducting cables due to the action of the wind, the electric field, radio interference, noise and the positioning of the support foundations.

The Management for Use and Occupation of Right of Way consists of reporting, encouraging and establishing a better use of the right of way. The general guideline is to develop uses that prevent or minimize the occurrence of fires in the area inside the spans of the right of way or invasions by people or farm animals that generate risk situations for the safety of the transmission system, the surrounding communities and the environment.

For example, the following situations are not safe uses: the planting of species that reach high altitudes and plating of certain crops, such as sugarcane and eucalyptus.

## Maintenance of the right of way and access routes

The Program for Maintenance of Access Routes and Right of Way aims at the preventive verification and identification of environmental non-conformities in the access roads, in the towers' region and in the right of way. For this purpose, annual preventive inspections are carried out by the Operation and Maintenance teams, inspecting the transmission lines along their entire length.

The access routes to the towers must be in adequate conditions for the traffic of people, equipment and other vehicles for maintenance, especially in cases of emergency. Vegetation in the right of way, such as tabocas, grasses and the like that can cause the line shutdown due to fires, and must be pruned and removed to the side.



## Selective cutting and pruning of vegetation

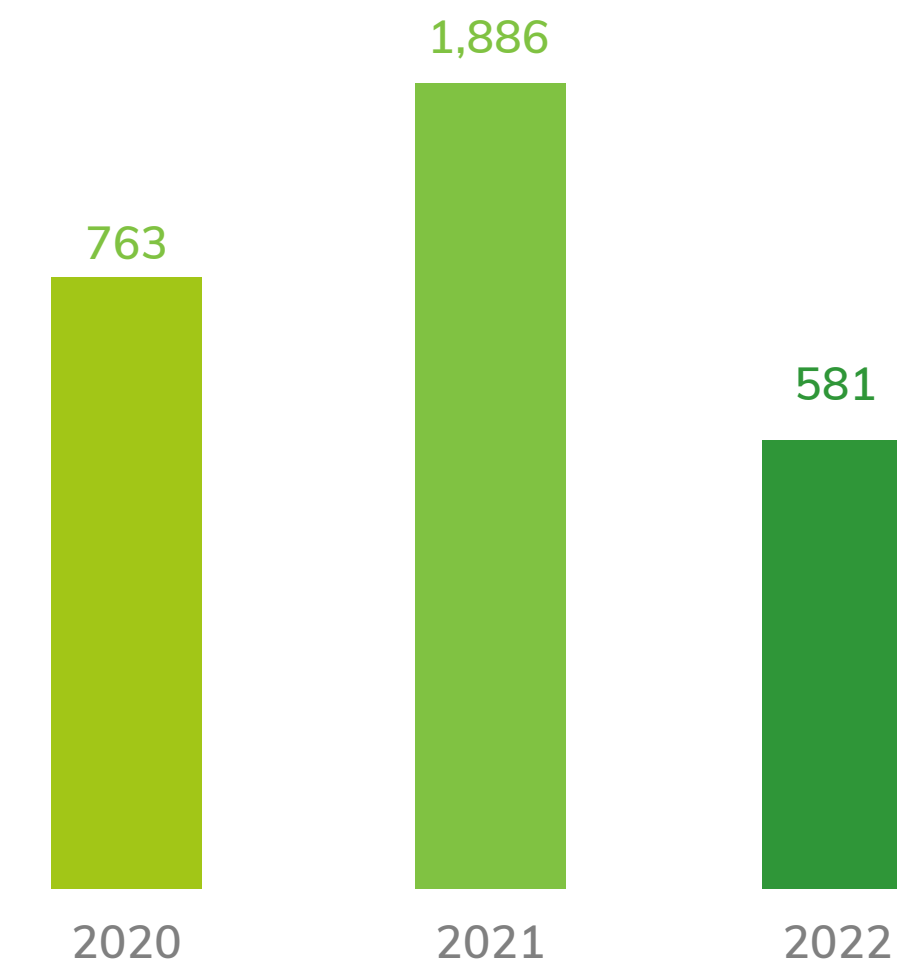
Much of the interference with vegetation occurs within the right of way. Thus, the goal is to reduce the impact on vegetation to the minimum necessary. Selective cutting consists of removing only larger species, the crown of which can interfere with the safety distance - that must always be ensured between the canopy of vegetation and the height of the conducting cable.

In addition, whenever possible, replacement of total removal of a tree by pruning is considered. Depending on the height of the towers, the vegetation present in a right of way can be completely preserved. Another procedure to minimize the suppression of vegetation during the construction of transmission lines, and that TAESA has been adopting in its recent projects under deployment, is the use of drones to launch the cables. With this methodology, it is possible to avoid or mitigate interference in vegetation, ensuring environmental preservation.

In 2022, routine selective cuts were carried out in the ATE, ATEII, Brasnorte, ETEO, GTESA, Miracema, Novatrans, NTE, Lagoa Nova and ETAU concessions.

All wood material above 10 cm in diameter (DAP) was delivered to the owner for use, and the thin branches are chopped and spread out of the right of way to accelerate biocycling.

Selective cutting – Volume of waste generated in m<sup>3</sup>





## Fauna and Flora

So that interventionist activities resulting from implementation and operation of an undertaking is carried out in an environmentally sustainable manner, actions aimed at maintenance, preservation of remaining natural vegetation and protection of fauna are employed by the Company.

Particularly for transmission lines, the main impacts are related to the construction period, despite dynamic and concentrated on a short period. Therefore, the installation phase of this type of undertaking is carefully monitored by TAESA by performing actions to mitigate its impacts on fauna and flora as far as possible. Programs are developed to:

- Chase fauna species away from the area to be suppressed and rescue those who are unable to move out of the suppression area, releasing them in suitable regions, close to the place of origin.
- Fauna monitoring with the characterization of the composition, wealth and conservation status of the target groups in the areas of direct and indirect influence of the projects.
- Saving of germplasm, aiming to preserve genetic variability of populations of target and native species affected, for future use in the conservation of local biodiversity and in scientific research.

Moreover, it is known that during the process of laying cables there is an increased risk of bird collisions, not yet adapted to these new obstacles.

As a mitigating measure, signs are installed in strategic stretches on the lightning rod cables, between the tower spans, for a better visual orientation of the birds.

## Degraded Area Restoration Program

### GRI 304-3

Whenever required, the Degraded Area Restoration Program's (PRAD) main purpose is to promote the recovery of areas impacted by the construction activities of TAESA's assets.

In this action, techniques for recomposing these sites are defined and specified, as well as the indication of corrective measures to be used for their reintegration into the original landscape.

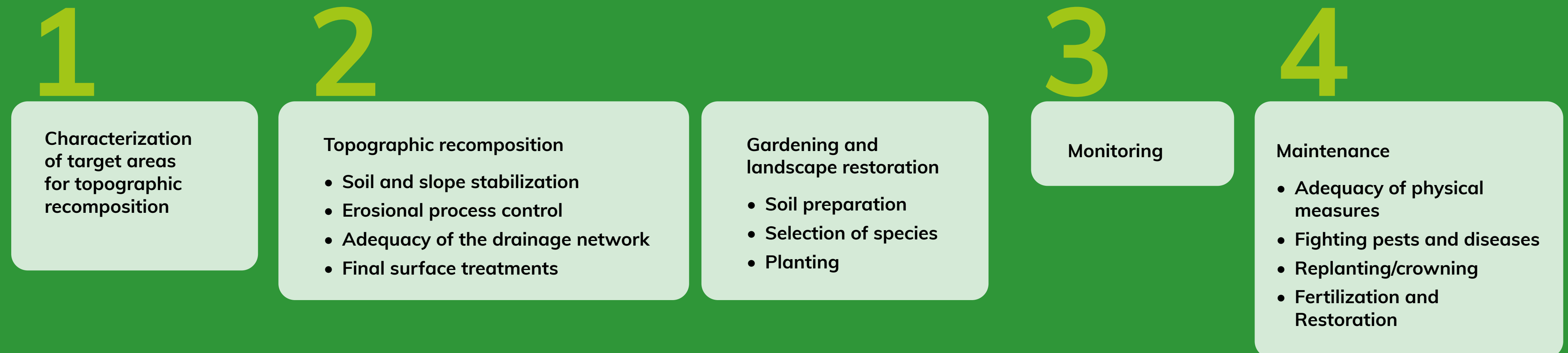


In the operation phase of the transmission lines, the actions related to the PRADs are based on the correction of environmental non-conformities observed in the annual inspections of the Maintenance Program for Access Routes and Right of Way.

The recovery of degraded area can be accomplished by deploying surface drainage, energy dissipation elements and re-vegetation with species of the region itself.

In general, PRAD is developed in four distinct stages: planning, implementation, monitoring and maintenance, presented in chart below. These activities are carried out to provide conditions for reconstitution of areas with ecological and socio-cultural solutions, allowing greater integration of transmission lines with community in undertaking's region.

## PRAD phases



**TAESA has a Waste Management Program that seeks to eliminate or reduce waste in the processes carried out by the Company.**

Dimensions

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## Forest restoration and recovery

### GRI 304-3

Brazilian law provides for compensatory forest replacement when there is suppression of native vegetation cover and species threatened with extinction or protected by law. Forest replacement is an important action to compensate for direct and indirect impacts on fauna and flora. Based on the gradual forest reconstruction, its biodiversity, ecological function and sustainability are restored over time.

In 2022, TAESA maintained the execution of its forest restoration projects in Mariana - Serra do Sobrado State Park, in the Metropolitan Region of Belo Horizonte, in an area of 18.67 hectares, and in the ATE and ETEO concessions with the full planting of 25,575 seedlings in the municipality of Lutécia, in the southwest of the state of São Paulo.

In relation to other projects being implemented, forest replacement only begins, in general, after the undertaking's construction. Total reforestation and enrichment planting techniques are being used. The total planting includes the complete covering of areas without vegetation. On the other hand, the enrichment planting consists of introducing species, mainly in the final stages of ecological succession, in areas that have native vegetation, but with low diversity.

Much of the interference with vegetation occurs within the right of way. Thus, the goal is to reduce the impact on vegetation to the minimum necessary. As already detailed in this report, selective cutting consists of removing only larger species, the crown of which can interfere with the safety distance between the canopy of vegetation and the height of the conducting cable.

## Waste Management

### GRI 306

The Waste Management intends to eliminate or reduce waste in the processes of implementation, operation and maintenance of TAESA's assets, properly disposing of waste or tailings that may cause damages to the environment. It is carried out in accordance with regulatory instruction on Waste Control and Management, in compliance with current environmental laws and good practices already underway.

For this, generated waste is collected, segregated, stored, treated, transported, destined and properly disposed of, in addition to undergoing routine inspections to identify non-conformities that are recorded on specific monthly forms. The Company also carries out actions to raise employees' awareness about the importance and environmental gains of the correct handling of solid waste, through training and lectures.



**GRI 306-1 | GRI 306-2**

Before disposing of any material, possibility of reuse, recovery or recycling is verified. For non-hazardous waste, when applicable, recyclables are sent to recycling cooperatives or to voluntary delivery points in municipalities according to the unit's local context. For hazardous waste, collection and disposal services – that are environmentally adequate - are contracted according to waste type.

In addition to legal implications, inadequate management causes soil degradation/ contamination and springs and air pollution, in addition to risks to population's health and quality of life. For this reason, waste generated by TAESA receives adequate treatment in compliance with rules and standards required by official environmental agencies.

**GRI 306-1 | GRI 306-2**

Implementation of an energy transmission system implies the execution of several activities in the fronts of construction works and sites, which generate different types of waste and effluents. Civil construction phase is the one that generates the largest and most significant waste volume. There are concrete, wood, metal pile and iron bar leftovers, among others. For this reason, the waste management is implemented on a systemic manner, aiming at minimizing generation and maximizing reuse and reprocessing, so as not to characterize damage to the environment.

Waste from this phase is managed by the contractor but is monitored and inspected by TAESA. When contracting third parties, a management program and its guidelines are required for management actions - collection, handling and packaging, temporary storage, transportation, treatment and final disposal of generated solid waste and effluents.

**GRI 306-1 | GRI 306-2**

While in operation, main potential impacts are in relation to (mineral, fuel and lubricant) oils and similar substances in substations, in case of leaks and splashes. During operation and maintenance of a transmission line, there is less generation of waste, which is, mainly, the result of vegetation pruning in right of way, whose waste is laid out on soil for decomposition or delivered to the owner to use it as wood material.

**GRI 306-1 | GRI 306-2**

TAESA substations have temporary storage bays or deposits for adequate storage for all classes of hazardous and non-hazardous waste. The facilities follow the standards by colors, types and segregation provided for the current legislation.

In the specific case of substations, it is pertinent to monitor and manage operational processes that involve waste handling, especially oils and the like. The purpose is to prevent impacts on environment in cases of leaks and spills and to minimize them promptly in case of an event of this nature.

When carrying out the external transport of the waste, companies with the proper environmental authorization and adequate structures to serve the undertaking are selected. TAESA keeps a record of the documentation sent by these companies, together with a certificate of final disposal or destruction of the waste in question and the Waste Bill of Lading (MTR).

In 2022, a decrease of 10.48% was observed in the generation of solid waste, especially Class IIA and Class IIB - non-hazardous, due to Sant'Ana undertaking that came into partial operation. There was also a reduction in the generation of Class I – hazardous waste. Thus, it is estimated that the total amount of waste generated was not greater due to the improvement of processes and training and instructions to employees and third parties.

**GRI 306-3**

	2022	2021	2020
Class IIA and Class IIB waste – non-hazardous	86.545935t	122.08t	110.49t
Class I waste – hazardous	0.341028t	9.01756t	10.60t
<b>Total</b>	<b>86.89t</b>	<b>131.09t</b>	<b>121.08t</b>
Class I waste – hazardous	39,937,651	29,985,881	26,163,251
<b>Total</b>	<b>39,937,651</b>	<b>29,985,881</b>	<b>26,163,251</b>

## Social Communication and Environmental Education

The Program for Social Communication (PCS) and Environmental Education (PEA) seek to maintain conditions that facilitate the process of integrating communities with the new conditions created by the transmission line. The environmental technical team carries out campaigns covering all the concessions operated by TAESA annually, aiming to guarantee the population's access to information and implement awareness initiatives actions on the necessary care for safe integration with the undertaking, in addition to actions to protect and improve the environment.

In the campaigns, educational, informative and recreational materials are distributed. Contacts with the community and public bodies are also made, in addition to thematic lectures and activities in partnership with schools. The Company seeks to learn about the demands of the communities through Participatory Diagnostics and opinion polls, aiming to redirect its actions by specifying the audiences, topics and actions to be carried out by the PEA, considering local interests and problems.

Another aspect of these initiatives occurs is within the scope of the Environmental Education for the Workers Program (PEAT), aimed at TAESA's own staff and at the teams of contractors working in the field. The purpose is to implement educational actions to raise awareness of professionals allocated to line and substation construction, operation and maintenance on socioenvironmental aspects involved.

Among the main topics addressed, we highlight the procedures for suppressing vegetation and selective cutting, the management of solid waste and effluents, fires, the conditions of licenses that depend directly or indirectly on performance in the field, the relationship with the community and the owners within the area of influence of the undertaking, as well as issues related to the safety and health of the worker. Furthermore, HSE lectures are given to employees in the following events: Training Course for Electricians, TAESA Transmission Assets Maintainers' Meeting (EMATT), Familiarization Program for New Employees, and Environment Week.

## Environmental education and awareness

Environmental Education - Within the organization	2020	2021	2022
Number of employees trained in environmental education programs	44	60	280
Number of employees trained in Environmental Education programs	6%	21%	37%
Environmental Education and Social Community*			
Cities visited	56	154	We are using a new software and, as of 2023, we will have this data consolidated.
Properties (Owners + Visited Assistants)	818	1985*	3,175
Residents visited	We are using new software, so we do not have 2020 data	2103	2,444
Number of the target audience of the Institutions Visited (Schools, NGOs, Secretaries and Companies)	We are using new software, so we do not have 2020 data	1646	2,816
Merchants visited	We are using new software, so we do not have 2020 data	77	141
Lessees visited	We are using new software, so we do not have 2020 data	93	84
Total listeners – Target audience	2,546	5904*	8,660

PEA AND PCS Campaign Material	2020	2021	2022
Booklets	We are using new software, so we do not have 2020 data	3823	5320
Posters	We are using new software, so we do not have 2020 data	2538	1771
Stickers	We are using new software, so we do not have 2020 data	2028	518
Pedagogical games	We are using new software, so we do not have 2020 data	621	980
Brochures	“”	3674	4149
Newspaper	“”	660	
Caps	“”	5091	4821
School kits * (confirm - Sirlei)	“”	56	4
T-Shirts	“”	4789	5069
DVD's* (Confirm - Sirlei)	“”	8	3
Fridge magnet	“”	1411	1344
Cups	“”	4891	4721
Notebooks	“”	93	312
Comic books	“”	1253	
Total Campaign Material	“”	30936	29,012



## Archeology

The archaeological sites and occurrences hold important information on the human groups that inhabited the currently occupied territory. Therefore, they are considered cultural assets and protected by laws.

During the licensing phase, new undertakings undergo studies to assess the potential and impact on archaeological heritage, which are approved and analyzed by the National Historical and Artistic Heritage Institute of Brazil (IPHAN).

In the event of potential archaeological occurrences in the area of influence of the undertaking, the Archaeological Heritage Management Program (PGPA) and the Integrated Heritage Education Project are prepared (PIEP). In these cases, archaeological monitoring is carried out - daily monitoring by the archaeologist at the works, as well as the archaeological rescue - research performed by archaeologists to identify, record and collect the traces found.

The training of employees is necessary for the preservation and conservation of findings. Thus, the Archeology team interacts with construction workers informing them about the care taken regarding the existence of archaeological material.





## Environmental Compensation

Public service concessions are usually subject to mandatory Environmental Compensation, established by Federal Law 9985/2000 and regulated by Decree 4340/2002, applicable to all undertakings with significant environmental impact.

The entrepreneurs are obliged to support the implementation and maintenance of the Conservation Unit through the investment of corresponding funds in up to 0.5% (modified by Federal Decree 6848/2009) of the total costs foreseen for the implementation of the undertaking.

**All TAESA's concessions under the environmental compensation obligation had their investment percentages evaluated and approved by the environmental bodies.**

All TAESA's concessions under this obligation had their investment percentages evaluated and approved by the Environmental Bodies indicated in the table below: It is worth highlighting that, despite being a legal obligation resulting from licensing, TAESA proposes, together with the units benefited by the funds, actions that bring sustainable results to the community.

An example of these compensations carried out by TAESA is the installation of *off grid* photovoltaic panels at the Basic Health Unit (UBS) of the indigenous village Avá Canoeiro, in the region of Minaçu, in the state of Goiás. Implemented in April 2020, the solar power plant is made up of 24 photovoltaic modules of 335 Wp, a 100 A charge controller and two Growatt inverters of 5 KVA. Two 14.4 kWh batteries are used to store the generated energy. The total investment was R\$ 95 thousand. The photovoltaic system guarantees energy for the UBS service 24 hours a day and for the refrigeration of medicines and vaccines.

## ENVIRONMENTAL COMPENSATION

Concession	Benefited Institutions	Investment	Investment status
TSN	Parque Nacional da Chapada Diamantina (BA)	R\$ 5,681,000.00	100%
	APA de Pouso Alto (GO)	R\$ 125,000.00	98%*
	Parque Municipal do Lavapés (GO)	R\$ 499,888.76	99% <sup>1</sup>
MUNIRAH	Secretaria Estadual do Meio Ambiente da Bahia (Sema/BA)	R\$ 280,201.25	100%
PATESA	IDEMA's Management and Conservation Units Center.	R\$ 177,707.35	100%
GTESA	Fernando de Noronha Marine National Park (PE)	R\$ 105,850.00	100%
	Reserva Biológica de Gurupi - Maranhão		
NOVATRANS	Estação Ecológica Serra Geral do Tocantins (TO)		
	Nascente do Rio Parnaíba National Park (PI, MA, TO and BA)	R\$ 6,042,000.00	100%
	Parque Nacional da Chapada dos Veadeiros (GO)		
	Descoberto Environmental Protection Area (DF)		
	Parque Nacional do Itatiaia (RJ)		
	Funai - Comunidade Indígena Avá Canoeiro (GO)	R\$ 1,200,000.00	100%
ETEO	Environmental and Experimental Unit of Assis (SP)	Recovery of an area of 68.44 ha with the planting of 116,348 seedlings	100%
ATE III	Sema/PA - Parque Ambiental De Belém (PA)	R\$ 1,261,793.00	100%
	IBAMA - To be defined by the agency	R\$ 1,731,893.78	100%

ATE	Ilha Grande National Park (PR)		
	Mata dos Godoy State Park (PR)		
	APA Estadual do Rio Batalha (SP)		
	Sebastião Aleixo da Silva Ecological Station (SP)		
	Ibiporã State Park (PR)	R\$ 1,849,446.95	100%
	Caetetus Ecological Station (SP)		
	Assis Ecological Station (SP)		
	APA Municipal Água Parada – Bauru (SP)		
	Arthur Tomas Municipal Park - Londrina - (PR)		
ATE II	Instituto Chico Mendes de Conservação da Biodiversidade – ICMBio		
	Serra das Confusões National Park (PI)	R\$ 2,420,535.00	100%
	Serra das Capivaras National Park (PI)		
	Ecological Station of Uruçuí-Uma (MT)		
	Mirador State Park (MA)	R\$ 400,000.00	100%
NTE	Saltinho Biological Reserve	R\$ 293,950.52	100%
	Pedra Talhada Biological Reserve	R\$ 577,179.00	100%
STE	Work Plan by Fundação Estadual de Proteção Ambiental (FEPAM/RS) – Moreno Fortes Biological Reserve in the Municipality of Dois Irmãos das Missões (RS)	R\$ 181,046.13	100%
SJT	Environment Department of Piauí (PI)	R\$ 1,026,167.70	100%
SPT	Environment Department of Piauí (PI)	R\$ 335,092.86	100%
MARIANA	Instituto Estadual de Florestas (MG)	R\$ 535,957.17	100%

Compensations that are not fully invested are justified because the licensing agency is in the stage of defining the form of investment for the benefited units.



# Sustainability

## GRI 401

The year 2021 marked the Sustainability journey by carrying out more mature processes, based on the experience acquired in recent years, mainly due to the soundness achieved with the Sustainability Project.

As a reference company in the Electric Power Transmission sector in Brazil, TAESA has sought to establish goals and standards so that continuous improvement is a living process intrinsic to the practices adopted by all employees and suppliers.

Main actions to promote evolution of Environmental, Social and Governance (ESG) topics inside and outside the Company in 2021 include:

- Preparation of the second Inventory of greenhouse gases (GHG) according to the *GHG Protocol methodology*.
- Exceeding targets for reducing the consumption of fossil fuels in their fleet and readjustment.
- Improvement of environmental and social clauses/assumptions in contracts with suppliers.
- Implementation of the Materiality Process and definition of the Material Topics based on the GRI assumptions.

- Preparation of this social-environmental report based on the GRI guidelines and the UN Global Compact SDGs.
- Consolidation of the Diversity Program through the creation of the Diversity and Inclusion Committee and Policy.
- Great Place to Work Certification.
- Adherence to the Seven Women's Empowerment Principles, of the UN Women.
- Association with the +Women 360 Movement.
- ESG indicators dashboard available on the Investors Relations (IR) website.

Based on these actions, it was possible to list the relevant themes presented in the report. It is important to point out that this was the second year that the Sustainability report used the GRI regulations, indicating not only the advance in ESG practices but also an evolution in the registration of its processes, impacts and mitigation actions. Through *GRI Standards* and the selection of the SDGs that are aligned with the Material Topics identified in 2021, the Company shows its search for maturity in this journey and its commitment with the best international Sustainability practices.



**Guided by its Values, and constantly improving its corporate practices, TAESA reinforces the transmission of electricity with excellence, in a continuous and efficient way, ensuring profitability and sustainability.**

Throughout 2022, a multidisciplinary proposal for an action plan and goals for material topics was prepared in accordance with GRI requirements and links with the SDGs, identifying actions, defining TAESA's commitments and objectives to be developed in the period between 2023 and 2030. This proposal was unanimously approved by the Executive Board on November 16, 2022, in addition to being presented to the Strategy, Governance and Human Resources Committee.

In 2019, the Company obtained the issuance of four Green Bonds. In 2021 there was one issue, and, in the first semester of 2022, two more issues were carried out. As required by the *Green Bond Principles* (GBP), these bonds' target projects need frequent monitoring of socio-environmental activities, which occurred throughout 2020, thus reaching the comfortable level according to the second opinion.

It is worth emphasizing that the GBP recognizes that energy transmission is a category eligible for green bonds, as they observe that the segment in the country contributes to the flow and transmission of renewable energy in the SIN.

Some conclusions regarding the 4 issues of Green Bonds:

- The TAESA assets evaluated under implementation bring environmental benefits, since contributes to the increase of availability of the National Interconnected System (SIN) for renewable energy.
- The projects are in line with Company's strategy and offer tangible environmental benefits.
- The procedures for managing the funds raised through the debenture were clearly defined by the issuer, through a documented and transparent process.
- The company has an ESG performance, with comfortable performance in the three dimensions analyzed: Environmental, social and governance policy.
- The Company has comfortable ESG practices and technical know how of their activities.
- The company is involved in isolated cases of controversies and its level of responsiveness is considered adequate to resolve and mitigate these issues.
- The Company is fully capable of measuring, preventing, mitigating and compensating for possible negative impacts of its projects and sustaining the conditions that classify the debenture as a Green Bond.



**annexes**

# Acronyms' list

**ABCE** - Brazilian Association of Electric Power Companies

**ABDIB** - Brazilian Association of Infrastructure and Basic Industries

**ABRACONEE** - Brazilian Association of Electric Energy Sector Accountants

**ABRATE** - Brazilian Association of Electric Power Transmission Companies

**AIE** - Aliança Interligação Elétrica

**ANEEL** - Brazilian Electricity Regulatory Agency

**ANEFAC** - National Association of Finance, Administration and Accounting Executives

**PRA** - Preliminary Risk Analysis

**ESG** - Environmental, Social and Governance

**AvD** - Performance Assessment

**B3** - Brasil, Bolsa, Balcão S.A.

**Bovespa** - São Paulo Stock Exchange

**CIER** - Brazilian Committee of Regional Electrical Integration Commission

**CCG** - Contract for the Constitution of Guarantee

**CCI/CCT** - Sharing Agreements

**CDI** - Interbank Deposit Certificate

**CDP** - Carbon Disclosure Project

**CEMIG** - Companhia Energética de Minas Gerais

**CFB** - Contract for the Constitution of Guarantee

**CFC** - Federal Accounting Council

**CIGRE** - Brazilian National Electricity Production and Transmission

**CIPA** - Internal Commission of Prevention of Accidents

**COC** - Operation and Control Center

**CPC** - Accounting Pronouncements Committee

**CPST** - Transmission Service Agreement

**CUST** - Agreements for the Use of the Transmission System

**CVM** - Brazilian Securities and Exchange Commission

**DRP** - Participatory Rapid Diagnosis

**DUP** - Declaration of Public Utility

**EBITDA** - Earnings Before Interest, Taxes, Depreciation and Amortization

**EIA** - Environmental Impact Study

**EMATT** - Meeting of the Maintaining Entities of TAESA Transmission Assets

**EPC** - Engineering, Procurement and Construction

**EPE** - Empresa de Pesquisa Energética (Energy Research Agency)

**ESG** - Environmental, Social and Governance

**FIA** - Children and Adolescents Fund

**FNDCT** - National Fund for Scientific and Technological Development

**FUNAI** - National Indian Foundation

**GBP** - Green Bond Principles

**GEE** - Greenhouse Gases

**GHE** - Homogeneous Exhibition Group

**GHG** - Greenhouse Gases

**GHG** - Protocol - Greenhouse Gas Protocol

**GMG** - Engine Generator Group

**GPTW** - Great Place to Work

**GRI** - Global Reporting Initiative

**GWP** - Global Warming Potential

**IASB** - International Accounting Standards Board

**IBAMA** - Brazilian Institute of Environment and Renewable Natural Resources

**IBGC** - Brazilian Institute of Corporate Governance

**ICMS** - Value-Added Tax on Sales and Services  
**ICO2** - Carbon Efficient Index  
**IFRS** - International Financial Reporting Standards  
**IGP-M** - General Price Index - Market  
**IGPTW** - Index Great Place to Work  
**IPCA** - National Broad Consumer Price Index  
**IPCC** - Intergovernmental Panel on Climate Change  
**IPHAN** - Institute of National Historical and Artistic Heritage  
**ISA** - ISA Investimentos e Participações do Brasil S.A.  
**ISO** - International Organization for Standardization  
**JCP** - Interest on Shareholders' Equity  
**TL** - Transmission Line  
**MM360** - Corporate Movement for the Economic Development of Women  
**MMA** - Ministry of the Environment  
**MME** - Ministry of Mines and Energy  
**MSCI** - Ministry of the Environment  
**MTR** - Waste Transport Manifest  
**NR** - Regulatory Standard  
**SDGs** - Sustainable Development Goals  
**ILO** - International Labor Organization  
**ONS** - Electric System National Operator  
**UN** - United Nations  
**R&D** - Research & Development  
**RD&I** - Research, Development and Innovation  
**PAE** - Emergency Response Plan  
**PwD** - Person with Disabilities  
**PCMSO** - Occupational Health Control Program

**PCS** - Social Communication Program  
**PEA** - Environmental Education Program  
**PEAT** - Environmental Education for the Workers Program  
**PGPA** - Archaeological Heritage Management Program  
**PIEP** - Integrated Heritage Education Project  
**PLR** - Profit Sharing  
**PMO** - Project Management Office  
**PPRA** - Environmental Risk Prevention Program  
**PRAD** - Degraded Area Restoration Program  
**RACI** - Responsible/Accountable/Consulted/Informed  
**RAP** - Annual Permitted Income  
**RIMA** - Environmental Impact Report  
**ROL** - Net Operating Income  
**SBTi** - Science Based Targets initiative  
**SE** - Substations  
**SEP** - Special Protection System  
**SGIT** - TAESA Integrated Management System  
**SIN** - Interconnected Electric System  
**HSE** - Health, Safety and Environment  
**HSE&S** - Health, Safety, Environment and Sustainability  
**TAESA** - Transmissora Aliança de Energia Elétrica  
**TBE** - Transmissora Brasileira de Energia  
**TFSA** - Attendance Rate without Leave  
**WRI** - World Resources Institute



# GRI Summary

GRI	Contents	Page	Information
<b>GRI 1: Fundamentals 2021</b>			V2i Energia reported the information mentioned in this GRI content summary for the period between January 1 and December 31, 2022 in compliance with the GRI 2021 Standards.
<b>General Contents</b>			
	2-1 Organization details	2, 9, 10, 32	TAESA's new head office is located at Av. das Américas, 2480 - Bloco 6, Bairro Barra da Tijuca -Rio de Janeiro (RJ) CEP 22640-101
	2-2 Entities included in the organization's sustainability report	11, 71	
	2-3 Reporting period, frequency and point of contact	2, 34	
	2-4 Information Restatements		The reformulation of the information provided by TAESA is due to the adaptation to the GRI 2021 standards, as in previous reports the Company had adopted the GRI 2016 standards.
	2-5 External verification		This report was approved by TAESA's Board of Directors, by the Audit Committee and by the Board of Directors in April 2023. TAESA did not submit this material to external verification.
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2-29 Approach to stakeholders' engagement	21		
2-30 Collective Bargaining Agreements	23		
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	3-2 List of material topics		
	3-3 Management of material topics		Throughout 2022, TAESA structured its Material Topics Management Strategy. This plan has been initiated and will be completed in 2023.
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