

The logo for 2W Energia is a large, stylized number '2' composed of two parallel lines, one cyan and one green. It is positioned on the left side of the page, partially overlapping the landscape.

**2W**Energia

The text 'Sustainability Report 2021' is located in the bottom right corner of the page. It is written in a white, sans-serif font and is set against the dark, forested background of the hills.

**Sustainability  
Report  
2021**

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# Message from the board of directors

GRI 102-14

Sustainability is a determining part of our business, which brings in its essence the noble purpose of expanding the access to renewable energy in Brazil. But today we know that even a company with 2W Energia's profile must go beyond and insert ESG practices into its operation, so that they guide strategies and the way we operate. In 2021, we made considerable progress in this journey and created an area responsible for the theme, which began to structure, together with the company's other areas, our policies, programs, data, indicators and sustainability goals.

Fortunately, stakeholders are more attentive than ever, tracking the movements of companies they relate with. There is no use in just looking sustainable. Our values must be based on commitments and practices. And we have a mission: to show people and small and medium-sized enterprises that they play a relevant role in the global sustainability agenda, because they can choose the energy they will consume and opt for renewable sources. We will only be able to fully achieve this goal and truly engage if our clients realize that at 2W sustainability is genuine and affects the ways we operate.

For this commitment to be supported by solid foundations, there is a set of behaviors and values that we encourage and stimulate, such as collaboration, respect, diversity and ethics, that should guide our actions and relationships. We are aware that these principles integrate everything we do: the way we conduct environmental management and our relationship with employees, the communities surrounding the operations, suppliers and investors, the sharing of knowledge about the free energy market with customers, energy efficiency programs, governance mechanisms, integrity and transparency, among other initiatives.

We believe in the importance of financial growth, but we are also aware that business consistent and perennial support depends on the full insertion of ESG practices in all layers of the organization. Two projects that will go into operation in the coming years – the wind power generation parks of Anemus and Kairós, give solidity to the actions and are an opportunity for us to fully materialize ESG. They represent an impulse for 2W Energia to become a business reference in sustainability in Brazil.

Today, actions on several fronts contribute to the achievement of this goal, but are not enough to achieve a reference position. We can lead this agenda if we count on our partners, employees, suppliers, clients and consultants, strongly positioning themselves as agents of transformation. All together, we will create a new culture in the energy sector, different from the one that existed until today. We will be part of this change, which will take Brazil to a world reference status in the generation of solar and wind energy from a movement provoked by consumers themselves, who have the power of choice and will press the market for a cleaner production.

## Leonardo Porciúncula Gomes Pereira

Chairman of the Board of Directors



# Message from the Executive Board

GRI 102-10, 102-14

This was the best year in the history of 2W Energia. We made considerable progress in the aspects of the business that set the tone for years to come and strengthen our ambition to reinvent society's relationship with energy. We want to show that in this sector the consumer can choose their supplier.

We had the option of going the simplest way, selling to large corporations, but we decided to take the less obvious route. We chose to direct our energy to smaller clients, mostly small and medium-sized companies that can reduce the operational costs, paying less for energy when they enter the free market, and should consume only the supply from renewable origin, contributing to mitigate Brazilian greenhouse gas (GHG) emissions.

To support the foundations of this form of operation, we have built in 2021 the largest sales platform in the energy sector, which went from 111 consultants in January to 1,069 in December and will count more than 3,000 in 2025. They work as change promoters, bringing to the market information and knowledge, in addition to the energy product. Another very important aspect is

that this business model allows thousands of liberal professionals to have access to job and income opportunities.

The innovative way of acting served as a basis to ensure the resources that are being used in the construction of our first power generation park, Anemus, in Currais Novos (state of Rio Grande do Norte), which will produce 732 GWh of wind energy per year. We issued the largest green bond in the renewable energy industry in Brazil, in the amount of R\$ 475 million, which received an AA rating from Fitch Ratings, which considered the contracts signed with hundreds of smaller companies highly safe. This type of external seal shows that our dream is possible and we can obtain resources to expand the free market with the endorsement from small and medium enterprises, and not large corporations, as usual.

In that period, we moved forward with the construction of our second wind farm, Kairós, in the state of Ceará. We achieved record sales, closing the year with 307 clients, who consume 51.5 MWh and have contracts with

an average term of 7.3 years. Our goal is to reach 7,500 clients in 2025. This expansion required us to move our head office to a larger and more modern location, also in the city of São Paulo.

After the consolidation of the 2021 achievements, we idealized a fintech with ESG purpose – the 2W Bank, which will offer, among other products, a tool to compensate for the environmental impact generated by individual customers, educational journeys on sustainability with certificates, services for carbon inventory and support to different social causes.

In order to support decision-making processes, define strategies and deepen the ESG culture in the company, we have created the Sustainability area in that period. We made many efforts to build a materiality matrix to guide our activities and invested in the development of an indicators platform aimed at measuring the impacts generated by our activities. We are committed to contributing to the advancement of Sustainable Development Goals (SDGs) and the 10 Principles of the UN Global Compact,

an initiative to which we are signatories. We have enhanced governance and integrity mechanisms in the standards of companies traded on the stock exchange.

This journey was supported by our employees. We were 51 in December 2020 and 145 in December 2021. We had an intense year, which required a lot of effort from the teams in this atypical period, still marked by the pandemic. We were able to organize and expand operations at the same time, a feat that deserves my deep thanks to all the 2W team. I state here the recognition to the partners who contributed to our maturation in 2021.

**Claudio Ribeiro**  
CEO



# 2W ENERGIA

GRI 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-12, 102-13, 203-1, 203-2

With its bases established in 2007, 2W Energia S/A is one of the largest energy traders in Brazil, with more than 1,500 active clients. It brings renewable energy to companies and people through the inclusion of smaller consumers in the free energy market. They are small and medium-sized enterprises that can only enter this segment if they use energy generated by cleaner sources. There are more than 300 counterparties who entered the free market because of the mobilization created by 2W and stopped emitting 18,792 tons of CO<sub>2</sub> in 2021. In addition, from 2022 on, it will produce wind energy in a plant located in the state of Rio Grande do Norte (RN), and, in 2023, in a second operation, in the state of Ceará (CE).



Workers at Anemus Park construction site





A publicly traded company, with headquarters in the city of São Paulo, it enables consumers' access to the free market, trading energy from external sources of generation. Starting from 2022, it will have its own generating parks, with the launch of the Anemus wind farm, in Currais Novos (RN), and, in 2023, Kairós, in Icapui (CE). The business portfolio will also count in 2022 with 2W Bank, a fintech that will offer financial services and carbon footprint offsetting.

2W Energia also operates with the rental of plants aimed at Distributed Generation. In this format, there are two projects, both of solar energy: one in the state of Minas Gerais, with a capacity of 4.6 MW, already in operation; and another in the state of Pernambuco, of 4 MW, which will be active in 2022. They are intended for low voltage customers, people and companies in the regions where generations occur.

The free energy market, an environment where users choose their energy providers, allows a reduction of up to 30% in tariffs. It is accessed by a privileged group of approximately 10,000 large consumers, who account for 35% of consumption in Brazil (15% growth on 2020), and currently other 70,000 could migrate to this model, according to the current rule, without the need for regulatory changes. According to the basic text of bill 414/2021, being discussed in the National Congress, from 2026 on all Brazilians will be able to enjoy the benefit of migrating to the free market, which represents about 87 million

consumer units. The public agencies themselves are qualified for the free market, but only 2% of them made the migration. The savings provided to clients by 2W Energia until December 2021 were R\$ 68 million.

2W Energia's business model democratizes the entry into the free energy market of smaller consumers, with demand equal to or greater than 500 kW and less than 1,000 kW of capacity. This group is part of a category called Special Consumers and is composed of small and medium-sized enterprises, public organizations, as well as residences grouped in condominiums. In the case of government agencies, there is a bidding process for the choice of a supplier. Energy sold to the Special group must be wind, solar, biomass, small hydroelectric plants (SHPs), or hydraulic from enterprises with less than or equal to 50,000 kW of power. Thus, in addition to bringing financial benefits, in this format clients are assured that they are consuming the intake from renewable sources. In 2021, 2W Energia customers avoided the emission of 38.2 tons of CO<sub>2</sub>, equivalent to planting 273,350 trees. The energy sector accounts for 18% of Brazil's greenhouse gas (GHG) emissions, according to SEEG. In 2021, the company achieved 15% market share of entrants in the free energy market – 297 new contracts were signed in that period.



**In 2021, 2W Energia customers avoided the emission of 38.2 tons of CO<sub>2</sub>, equivalent to planting 273,350 trees.”**



## Renewable energy generation

### Anemus

Currais Novos is a municipality with 44,800 inhabitants in Rio Grande do Norte. This city will receive the 2W Energia wind farm, which has an installed capacity of 138.6 MW. With all environmental grants and permits, the operation is scheduled to begin in September 2022. It will count on 33 wind turbines, which will make up three wind power plants, plus an 18-kilometer transmission line. The park, resulting from R\$ 664 million in investments, will generate 732 GWh of renewable energy per year, avoiding the annual emission of 269,000 tons of CO<sub>2</sub> equivalent (1.9 million trees) – it can serve 367,000 homes per month, reaching 1 million people. During construction, 2W Energia will directly and indirectly employ 2,085 people. In addition to the R\$ 475 million green bond (see more in Message from the Board and Sustainability), the project had a financing of US\$ 35 million structured with the Darby International Capital fund. In November 2021, Anemus obtained an access opinion from the National Electric System Operator.

### Kairós

Located in Icapuí, a municipality in Ceará with just over 20,000 inhabitants, it has an installed capacity of 261 MW (112.5 MW in the first phase and 148.5 MW in the second phase). It will consist of 58 wind turbines (25 in the first phase and 33 in the second), six wind power plants and a 22 kilometer transmission line. It will generate 1,250 GWh annually, capable of serving 674,000 homes per month, and will avoid the emission of 460,000 tons of CO<sub>2</sub> equivalent per year (3.3 million trees). The project, which will receive a total of R\$ 1.4 billion in investments, was the subject of an issue of R\$ 400 million in convertible debentures, of which R\$ 240 million will compose the capital for the project's execution. It is expected to start operations in June 2023 in Phase I and In May 2024 in Phase II. During the works, it may create up to 3,900 direct and indirect jobs.

# Services offered by 2W Energia

energia  livre

**Free Energy:** enables access to the free market without requiring an initial investment from companies and enables consumption management, promoting energy efficiency through telemetry technology provided by 2W.

agregga

**Aggregates:** it unites the accounts of residential or commercial complexes, allowing lower rates and the best management of consumption, individually, for each unit.

wave

**Wave:** non-loyalty plans, for individuals or legal entities, which can provide up to 20% off the rate. Solar power is contracted from generation plants and subscribers receive credits to reduce the bill value.



**I-REC:** certifies that the electric power used by the customer comes from renewable sources, contributing to reduce GHG emissions (Greenhouse Gases) of companies in Scope 2 (indirect emissions from the generation of energy consumed), an important factor today, since many of them are making public commitments with Net Zero – to zero net GHG emissions.

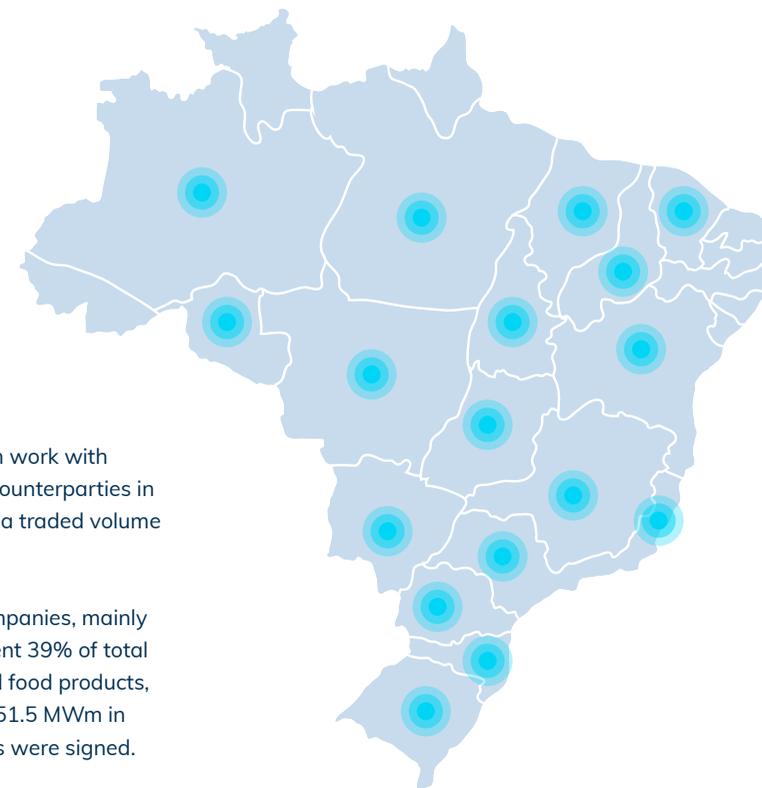
**Almost 1 million Renewable Energy Certificates (I-RECs) sold in 2021 for delivery in 2021 and in the coming years, or 10% of the total issued in the country. The expectation for 2022 is 3 million.**



# Clients served

It has customers in

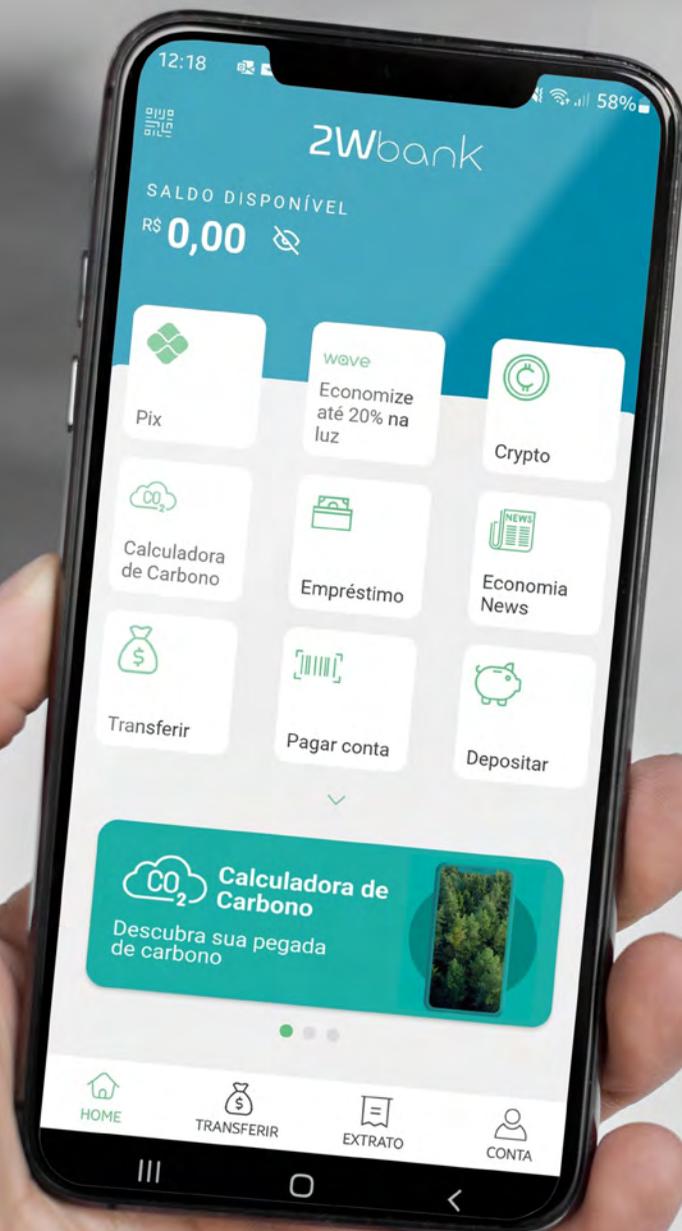
## 24 Brazilian states



**Wholesale:** large companies, which work with different suppliers. There were 1,258 counterparties in 2021, a 32% increase over 2020, with a traded volume of 5,228 GWh (+28% over 2020).

**Retail:** small and medium-sized companies, mainly in the service industries, which represent 39% of total customers, of manufactured, 23%, and food products, 16%. There are 307 clients who hired 51.5 MWm in 2021, year in which 297 new contracts were signed.

**Public Sector:** all institutions that use some public funds and follow the bidding legislation, such as federal, state and municipal agencies, universities, Sesi/Senai System, are part of this group. In 2021, contracts in this segment reached R\$ 19.7 million.



# 2Wbank

2Wbank fintech, the financial arm of 2W Energia, was launched in 2022, connecting free energy market clients to financial services.

The platform has a strong sustainability bias and brings, in an unprecedented way, the possibility of people buying carbon credits, as it already happens today with companies. By means of a calculation tool, each one can know their environmental footprint and, consequently, make the due compensation. This new front seeks to raise the group to the condition of decarbonization player, which stimulates consumption, markets and generates clean energy, as well as negotiates carbon credits.

2Wbank will also be a channel for sharing information on the various ESG aspects and will connect customers to the ecosystem of sustainability products and partners, always encouraging the inclusion of more sustainable practices to daily habits. It will also offer a diversified portfolio of banking products, such as transfers, credit and insurances.

# External commitments and associations

2W Energia signed the UN Global Compact, pledging to follow in its daily operations the Human Rights, Labor, Environment and Anti-Corruption principles. It also assumed the responsibility of contributing to the advancement of the Sustainable Development Goals (SDGs), especially SDGs 1, 3, 4, 5, 7, 8, 9, 10, 11, 13, 15, 16, and 17.

In that period, there was also the support to Conscious Capitalism Brazil, an initiative that proposes a new way of doing business in the country, reducing inequality through programs of awareness, inspiration and education.

The company is part of the industry's debates through participation in the Brazilian Association of Wind Energy (ABEEólica), National Electric Energy Agency (ANEEL), Electric Energy Trading Chamber (CCEE), and Brazilian Association of Energy Traders (Abraceel).



# SUSTAINABILITY

GRI 102-40, 102-42, 102-46, 102-47, 102-48, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54, 103-1, 201-1

2W Energia has sustainability as a business premise, which will guide and boost its growth in the coming years. A performance according to ESG criteria is essential for the development of several fronts in the energy sector. In 2022, it was certified as “B Company”, and became part of a group that gathers organizations with high environmental, social and governance management standards, balancing profits and purpose.





On the financial front, much of the resources for the operations expansion come from securities that consider the company's sustainable bias. The green bond issued in 2021, of R\$ 475 million, was the largest green debenture issued in the Brazilian market for a renewable energy generation project. With a payment term of 18 years, this title is innovative in its format, backed by 119 energy sales contracts, including small and medium-sized companies, something unprecedented in the Brazilian market. This issue obtained an AA rating from Fitch Ratings, and Green Debenture certification from Sitawi.

Decarbonization, through the expansion of renewable energy in the country, is a defended flag and important lever of the organization's business model. 2W Energia seeks to democratize access to the free energy market, assisting in the migration process of small and medium-sized enterprises that fall under the minimum load limiters required by current regulation, commercializing clean energy to these customers. Thus, by expanding its commercial activity on this front, 2W will help make the Brazilian energy matrix greener.

By carrying the sustainability flag and contributing to its advancement in Brazil, 2W Energia understands that its internal practices must follow strict environmental, social and governance criteria. A company

cannot engage its stakeholders effectively if it does not practice what it preaches. Thus, in recent years, 2W has been solidifying its corporate governance and compliance practices, using the same standards as companies with shares traded on the stock exchange (see more information on [Governance](#)). It also invests in the support and development of communities around wind farms and in the advancement of policies aimed at employees. In addition, environmental protection practices aimed at reducing impacts are applied to operations.

In the environmental field, in 2021 2W Energia developed a platform that aggregates the main ESG indicators in the market, considering the characteristics and specificities of its business, which generated a proprietary data matrix, whose implementation begins in 2022. This approach impresses more transparency and assertiveness, directing goals and initiatives. It is a major investment of the company in monitoring and evaluating its own ESG programs and policies, and represents an improvement in the field of governance.

On the social sphere, for the company's employees, diversity was expanded, with the Trainee 2W Program, which encourages the participation of women, black, LGBTQIA+, disabled people, and from different regions of the country. There was also the creation

of initiatives aimed at training employees and consultants (see more in [Diversity and People Development](#)). In relation to the community, a structured and pragmatic planning was developed, aimed at the communities of Currais Novos (RN) and Icapui (CE), where the Anemus and Kairós generation parks are located. This planning focuses on education, income generation, improvement of local infrastructure and women's empowerment (see more information in [Communities](#)).

The commitment to sustainability also includes raising public awareness, showing the importance of the topic and how each person can contribute. Thus, the organization of a broad program, which includes content production, training, which will use gamification, and campaigns, is underway. This front will be conducted especially by 2Wbank, a fintech inaugurated in 2022. The ESG knowledge generation journey, in the capacitation pillar, is divided into 5 phases of knowledge, which, as in a game, the participant needs to win one stage to enter another one. The program will make use of EAD platform, pocket book, e-book, videos, infographics and podcasts. In the end, participants will receive a certificate issued by Bureau Veritas, partner in this initiative.

## Distribution of Added Value

(in thousands of R\$)

	CONTROLLER		CONSOLIDATED	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Added Value Distribution	-13,460	127,322	17,151	129,238
Personnel and Charges	24,745	6,945	27,055	7,105
Taxes, fees and contributions	40,942	38,850	52,008	40,118
Third-party capital Remuneration	19,887	5,367	37,122	5,853
Rents	381	163	613	167
Proper capital Remuneration	-99,034	76,161	-99,034	55,064

Claudy Marcondes dos Santos Junior, Commercial and Operations Director

# Materiality

Early in 2022, the company revised the materiality matrix created in 2020, defining the important topics to be managed, making it more aligned with the advances that took place in the company in the previous year and with the stakeholders' needs. The process involved the following steps: in the first phase, material issues for energy companies, public opinion and the market were evaluated, with the analysis of the wind and solar energy sectors of the Sustainability Accounting Standards Board (SASB), the Business Sustainability Report (ISE), from B3, the Dow Jones Sustainability Indexes (DJSI), and the Principles for Responsible Investment (PRI). This study resulted in a compilation of relevant issues, which were submitted to the priority audiences in the relationship – 184 people, including employees, clients, suppliers, consultants, opinion makers, and community representatives. The choice of these stakeholders took into account the level of involvement and the potential for impact on both sides. 2W Energia also heard the executive board, interviewed individually and, to conclude, submitted the preliminary survey to the Sustainability Committee and the Board of Directors. As a result, nine material themes emerged – one of them, risk management, was included by the People Committee, and ESG by the Board of Directors –, which will be monitored and managed with more emphasis in the coming years.

**Climate Change**

Contribute to reducing greenhouse gas emissions by increasing the availability of energy from renewable sources and raising awareness among consumers – companies and individuals – about the impact and power of choices about climate change.

**Biodiversity**

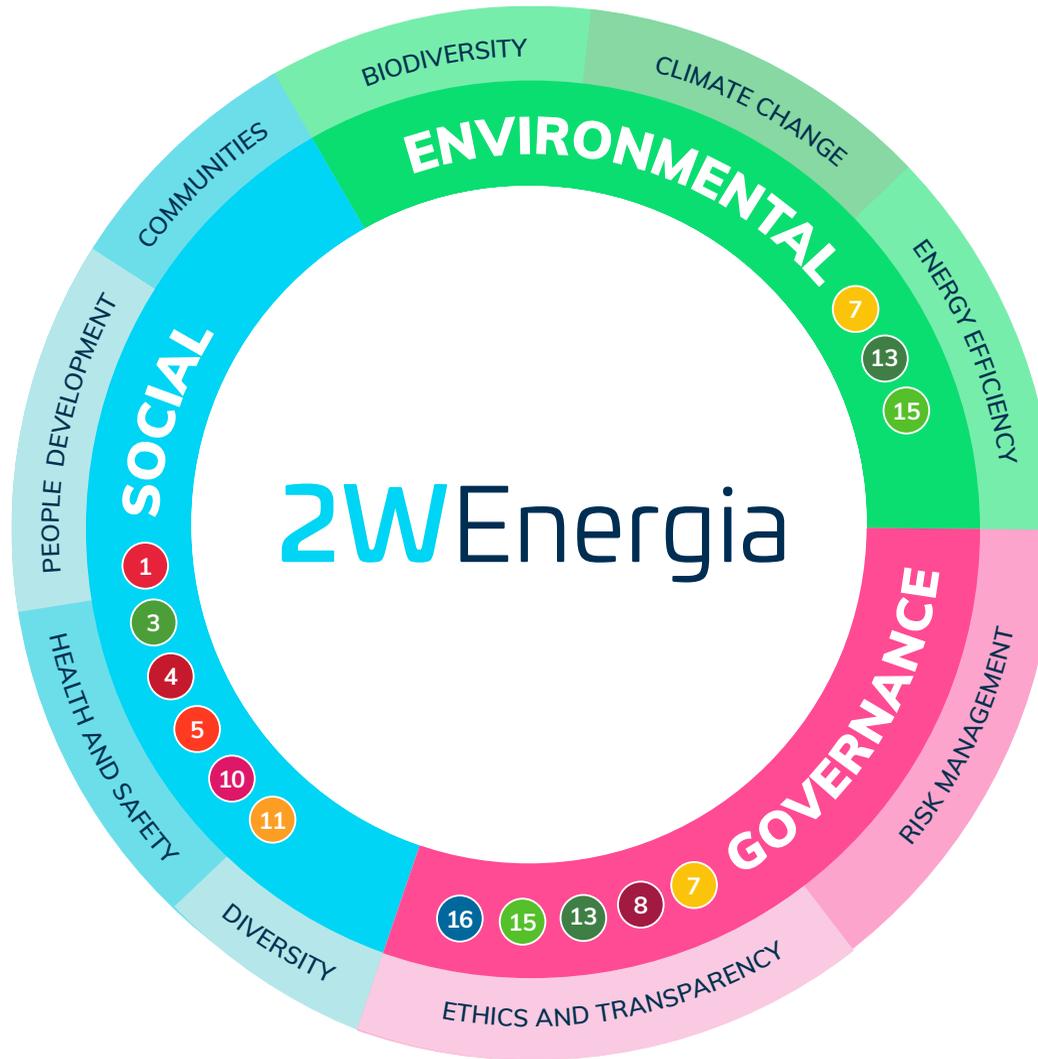
Management of the impacts caused by the operation on biodiversity in the regions where the renewable energy parks are installed.

**Energy Efficiency**

Contribute to increasing energy efficiency through the development of measurement and management tools, customer engagement and expansion of the free energy market.

**Health and Safety**

Maintain an efficient health and safety management system for employees and service providers, based on awareness, training, monitoring and constant improvement of practices, processes and equipment.



**Diversity**

Promotion of a diverse work environment, guided by racial and gender equity, which involves employees and outsourced workers working in operations, and consultants.

**People Development**

Implementation of policies and practices that encourage the development of employees and consultants.

**Communities**

Support to the development of communities around the operations, especially those living in the vicinity of 2W Energia's renewable energy generation parks.

**Ethics and Transparency**

Creation of control mechanisms, policies, reporting and information channels, governance and risk management structures, and other compliance tools that guarantee ethical and transparent performance.

**Risk Management**

Structuring a process and tools that ensure the mapping and control of risks related to other material topics, as well as to the business' elements.

## 2W Energia's commitment to the Sustainable Development Goals (SDGs)

In 2021, the company's initiatives contributed with more emphasis to the advancement of SDGs 3, 7, 8, 13, 15, and 16. As of 2022, SDGs 1, 4, 5, 9, 10, 11, and 17, which already started to be worked on, will be reinforced with a broader and more consistent performance.



Employee health is a material issue and an important focus in people management. Medical and dental plans for employees and their dependents, with no contribution required, telemedicine, events to encourage physical activity, access to Gympass, quick massage, workplace gymnastics, displays with instructions on ergonomics, among other initiatives, are part of the benefits offered.



Providing clean and affordable energy is the main business objective of 2W Energia, which is building the two wind farms and engaging new consumers to enter the free energy market and be able to choose 100% renewable energy consumption.



2W Energia promotes decent work and economic growth through people management policies aligned with the best global models. It also encourages entrepreneurship by investing in a network of consultants, which brings small and medium-sized companies to the free energy market and benefits from bonuses and income. Fundamentally, it also contributes to sustainable economic development by providing energy at a low cost to customers.



2W Energia's business model contributes to lower emission of greenhouse gases in Brazil through fully renewable energy generation. Wind farms and the democratization of access to renewable energy are important initiatives on this front. In 2022, 2Wbank will expand this contribution, allowing people to offset their GHG emissions and disseminating information on sustainability, engaging and raising awareness of customers, suppliers, employees, consultants, among other audiences.



The construction of wind farms, as well as operations, impact the surrounding biodiversity. In this sense, several initiatives are under way to preserve the species and compensate for any damage, especially in the Anemus wind farm, whose construction started in 2021.



Policies and codes, a whistleblower channel and a governance structure contribute so that 2W Energia's operations are guided by ethics and integrity along the whole chain.

## SDGs that will be reinforced from 2022



The two communities near the Anemus and Kairós parks will benefit from projects that can improve people's living conditions. The initiatives in Currais Novos (RN) started in 2021 and are described in this report.



2W already promotes training actions for employees and consultants, preparing them for an entrepreneurial role. In 2022, it will launch the Knowledge Portal, an employee training program on sustainability and a financial education and green economy initiative at 2Wbank.



The mapping and consolidation of initiatives that reinforce the presence of women in the company and among energy consultants, such as 2Women, are in progress. Solidifying adherence to the Women's Empowerment Principles (WEPs) will also support contribution to this SDG.



In 2021, 2W Ventures, 2W's innovation arm, started a program of prospecting and monitoring start-ups, seeking to foster new technologies that have synergies with the company's activity. This project will continue being developed over the next few years.



In 2021 there were some actions that contributed to increase diversity in the work environment, such as the creation of affirmative job vacancies and lectures on people with disabilities and LGBTQIA+. In 2022, the company plans to implement robust diversity and inclusion policies.



2W Energia wants to expand its support for the economic, social and environmental development of the regions where it operates, contributing to the municipalities' infrastructure, family farming and entrepreneurship and leveraging its current model of selling renewable energy at low cost.



Partnerships to develop actions that contribute to the SDGs are being improved, such as the project with the Black Jaguar Foundation in 2021.

This report details the company's initiatives in 2021 on each of the material issues, as well as the relationship with its key stakeholders: employees, consultants, clients, suppliers, financial market and community representatives, all of which are heard in the materiality-defining process. It also brings a contextualization and explanation of the actions implemented to manage the priority fronts and the indicators linked, always having sustainable development in view.

2W publishes its sustainability report annually since 2020. This document has been prepared in accordance with GRI Standards: Essential option. It also partially responds to wind energy sector indicators from Sustainability Accounting Standards Board (SASB). The expansion of the frameworks used to report information is a change from the 2021 edition, which was also inspired by the Corporate Sustainability Index (ISE), by B3, the Dow Jones Sustainability Indexes (DJSI), and the Principles for Responsible Investment (PRI). This reformulation follows the progress in sustainability underway in the company.

Questions or suggestions about the content should be directed to [esg@2wenergia.com.br](mailto:esg@2wenergia.com.br)

Trainees Kaique Oliveira Santana  
and Anna Victória Barbosa

# ENVIRONMENTAL

The environmental pillar is one of the bases of 2W's business model, founded mainly on renewable energy. On this front, there are three material themes that are being treated as a priority in the organization: climate change, energy efficiency and biodiversity.

Tree planting carried out by the Black Jaguar project, supported by 2W

# Climate Change

GRI 103-1, 103-2, 201-2, 305-1, 305-2, 305-3, 305-4, 305-5

The reduction in greenhouse gas (GHG) emissions is one of the main issues of our time, since the lack of policies to manage this issue can cause situations with high negative potential for the planet, which will affect the whole world – although some countries and populations may feel them more intensely. We have already noticed the effects of climate change in our daily lives, such as extreme temperatures, natural disasters, crop reductions, droughts, sea level rise, among other consequences, some irreversible with our current level of technology.

Brazil, like 195 other countries, signed the Paris Agreement in 2015, pledging to reduce its greenhouse gas emissions to a level that contributes to limiting the increase in Earth's temperature by 1.5°C at the most. The Brazilian government has committed to mitigating its emissions by 50% until 2030, compared to the 2005 levels. For this to happen, it will need to act on the main generating sources, with changes in the use of land and forests, agriculture, and energy, in this order. Energy (which includes electricity, oil, ethanol, among others) accounts for more than 18% of national emissions, according to the Greenhouse Gas Emission and Removal System (SEEG).

In this scenario, 2W Energia's business model is fully aligned with global and local needs. Due to the ability to influence the Brazilian energy matrix, both with renewable sources generation and with the expansion of cleaner energy, resulting from the work of expanding the market, 2W Energia and its stakeholders pointed to climate change as a material theme.

## In 2021, the company launched a Climate Justice Declaration, in which it makes six commitments:



**1** full focus on projects involving renewable energy sources, investing in the expansion of the clean energy matrix in the country, including through the direct construction of wind and solar farms.



**2** support to legal and regulatory initiatives that promote sustainability and the facilitation of electrical energy generation from renewable sources and access to it.



**3** dissemination and facilitation of access to electricity from matrices that promote the reduction of greenhouse gas emissions.



**4** acting with the production chain, seeking to reduce the emission of greenhouse gases by suppliers and clients.



**5** awareness actions with suppliers, customers and civil society regarding the importance of promoting sustainable energy sources and other sustainability measures, such as Conecta 2W, aimed at raising employee awareness on the proper disposal of waste and initiatives for the disposal of waste such as batteries.



**6** transparency measures focused on sustainability, such as the dissemination of periodic sustainability reports.

The Anemus and Kairós wind farms will prevent the emission of 729,000 tons of equivalent CO<sub>2</sub> per year. In 2021, considering the consumption of retail customers brought by the company to the free market, who are required to use cleaner energy, emissions of 18,792 tons of CO<sub>2</sub> were avoided.

In addition to the inherent contribution to the business itself, the company manages its emissions, measuring and developing mitigation initiatives. From 2021, an important step was the beginning of the preparation of the carbon inventory in scopes 1, 2 and 3, which, together with other indicators, make up the ESG data platform of 2W Energia. In 2021, operations emitted 14.71 tons of CO<sub>2</sub> equivalent in scope 1. The GHG emissions intensity index was 0.0000533, calculated on net revenue and scope 1, 2 and 3 emissions. As this is the first year of calculation of this information, there are no comparative data from previous years.

Due to the characteristics of the operation, 2W Energia has a low level of emissions. In 2021, the main sources of CO<sub>2</sub> were the fuels used in the machines and equipment in the construction of the Anemus wind farm (scope 1) and business trips (scope 3).

### Emissions in 2021

(in tons of CO<sub>2</sub> equivalent)

SCOPE 1: **14.71**

SCOPE 2: **10.3**

SCOPE 3: **50.25**

Observations: the chosen consolidation approach was "operational control". Tools used: GHG Protocol Brasil 2022 and Plataforma Cersensa. Data source for emission factors and GWP: Guidelines (IPCC, 2006); Assessment Report AR5 (IPCC, 2014); Fourth National Communication (Brazil, 2020); MCTIC, 2022. Scope 1 data account for the use of fuels at the Anemus park site only in November and December.

## Impact of climate change on operations

Water scarcity, which can be magnified by climate change, is a risk capable of impacting 2W's operations as energy costs increase. Indicators and evidence related to this topic are monitored daily by the areas of meteorology and pricing, with the analysis of factors such as rain, temperature, reservoir level, among others. Any change can affect the trading price. This information feeds the operating table, which markets energy, contributing to bring liquidity and profitability to the company. Another important business measure is the diversification of generation sources, reducing water dependence. The construction of the Anemus and Kairós wind farms, as well as the rental of solar power generation plants, are aligned with this strategy.

Wind towers installed in the Anemus park area



# Energy efficiency

GRI 103-1, 103-2, 103-3, 302-1, 302-3, 302-4

2W Energia’s contribution to energy efficiency goes far beyond managing its own use. It is mainly related to working with its clients, with the provision of appropriate tools for the management of expenses and with awareness of rational consumption.

This material topic is addressed with investments in the development of solutions that enable accurate monitoring of energy and its use conditions. 2W Energia has the PowerData platform, which measures its clients energy consumption in real time. Diagnosis allows consumers to understand where bottlenecks are and to create mechanisms to reduce usage and, consequently, expenses. The technology allows the configuration of alarms so that deviations and anomalies in use are identified and reported immediately. It is possible, for example, to define

a demand that when surpassed generates notifications. This mechanism stimulates conscious and correct consumption.

In order to engage clients with the theme of energy efficiency and sustainability as a whole, an initial training is carried out with the client and the responsible team, pointing out the best practices for measuring and monitoring consumption and opportunities for improvement.

As with clients, there is ample incentive for conscious use. Lighting and air conditioning automation actions are carried out in order to reduce energy waste. Such measures are essential, since from 2020 to 2021 there was an increase in energy use due to the expansion of the team, which went from 51 to 145 people, and their return to office.

## Electricity consumption (in MW)\*

**83.91**  
2021

**31.12**  
2020

\*In 2021, the number of employees more than doubled and the company started to occupy a larger space

## Consumption of fuels from non-renewable sources in 2021 (in MW)\*

**50.63**  
DIESEL

**8.75**  
PETROL

**18.46**  
ETHANOL

**77.84**  
TOTAL

\*This information was not collected in 2020



**Energy intensity**  
(calculation based on net sales)  
**0.000000595**

## Biodiversity

GRI 103-1, 103-2, 103-3, 304-1, 304-2, 304-3, 304-4

The wind power generation activity has the potential to impact the biodiversity of the region where turbines are located: accidents with birds, which can reach wind blades, and/or interventions in native vegetation with the construction of transmission lines, which affect the wildlife inhabiting the site. Thus, biodiversity was considered a material topic, since 2W Energia will have two parks, Anemus and Kairós.

The projects' licensing took years and required Environmental Impact Study (EIA) and Environmental Impact Report (RIMA). They were also submitted to society through public hearings. The constructions follow all the conditions defined to protect and preserve the regions' fauna and flora.

Area occupied by the Anemus wind farm

The parks are not in an indigenous reserve or quilombola community, and were installed in an important Brazilian biome, the Caatinga, with high biological relevance. Anemus is 50 km from the nearest Conservation Unit, the Florêncio Luciano State Park, in Parelhas (RN), and occupies 3,77.0927 hectares in the municipalities of Currais Novos (RN) and São Vicente (RN). It has a Legal Reserve Area of 1,130.2456 hectares and a Permanent Preservation Area (APP) of 165.6654 hectares. Kairós is 6.7 kilometers from the Environmental Protection Area (APA) of Ponta Grossa Beach and 1 km from the APA of the Barra Grande Mangrove, occupying 5,087 hectares in Icapui (CE). A Kairós transmission line passes through 1.4717 hectares of an APP. There are also 1,049.64 hectares of Legal Reserve in the park and in the external access and 0.1922 hectares in the transmission line, on land that was leased from private owners. During the works in Anemus occurred the discovery of an archaeological site, with fragments of objects from the Tupi culture. These findings were donated to the Câmara Cascudo Museum of the Federal University of Rio Grande do Norte.

Anemus suppressed 3.25 hectares in the period. The company is selecting the spaces that will benefit from forest replacement and recovery projects. A partnership was also signed with the [Black Jaguar Foundation](#) for the reforestation of an area within the Araguaia Corridor, in the Midwest and North of Brazil, with the planting of 1,000 trees.

In Anemus, 89.95% of the directly affected area (ADA), or 45.27 hectares, is covered by shrub/arboreal caatinga vegetation. Of this total, 8.89 hectares were impacted by human actions. From the ADA, 10.06%, or 5.06 hectares, are used for the practice of agriculture, without water bodies, clustering of algarobas trees or urban areas.





## ANEMUS: list of endangered species that are important focuses of attention for the company in the area of the enterprise

(Directly Affected Area, Indirect Area of Influence and Area of Direct Influence)

### FLORA

- *Anadenanthera colubrina* (Vell.) Brenan, identified at IUCN
- *Apuleia leiocarpa* (Vogel) J.F.Macbr, identified in Ordinance MMA-BR No. 443/2014

### FAUNA

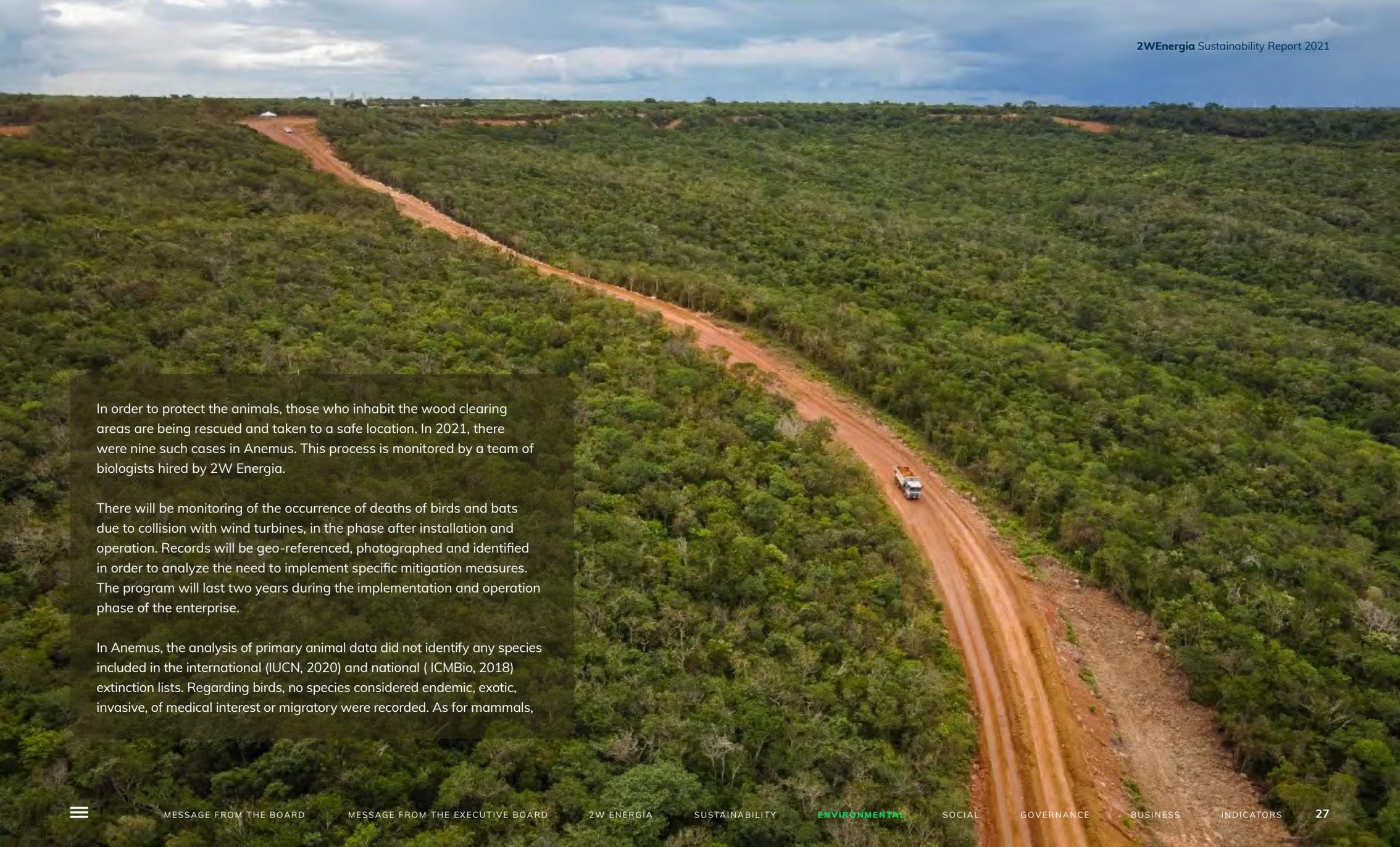
- **Amphibians and reptiles:** no threatened species were identified according to the official lists (IUCN, 2021 and MMA, 2018).
- **Avifauna:** no threatened species were identified according to the official lists (IUCN, 2021 and MMA, 2018).
- **Mastofauna:** the species *Leopardus tigrinus*, which is in danger in Brazil and Vulnerable by the IUCN. *Puma Yagouaroundi*, *Puma Concolor* and *Kerodon Rupestris* are considered vulnerable in Brazil, and *Cebus Flavius* is considered endangered.

Authorizations for Capture, Collection and Transport of Biological Material (ACMBs) issued so far highlighted only the species *Penelope Jacucaca* (jacu) and *Kerodon Rupestris* (mocó).

A program of flora species rescue, conducted by professionals in the area, is underway and will be carried out in 2022 in Anemus.

In Kairós, the ecosystem representative of ADA is the Coastal Board Complex, which includes species from pre-coastal mesa, *caatinga*, *cerrado* and *cerradões* woods. The current vegetation

characteristics result from a long process of anthropic occupation, which contributed to the reduction of natural species, as well as the introduction of permanent crops, especially coconut and cashew. There are 80 plant species on site (ADA and Direct Influence Area). The preliminary inventory listed 72 floristic species in the Indirect Influence Area (All). No stages of vegetation cover, natural prairie, remaining woods, ciliary woods, primitive forests and surface bodies of water were found. The EIA did not identify in the ADA and areas of direct and indirect influence any endangered species, according to the IUCN Red List.



In order to protect the animals, those who inhabit the wood clearing areas are being rescued and taken to a safe location. In 2021, there were nine such cases in Anemus. This process is monitored by a team of biologists hired by 2W Energia.

There will be monitoring of the occurrence of deaths of birds and bats due to collision with wind turbines, in the phase after installation and operation. Records will be geo-referenced, photographed and identified in order to analyze the need to implement specific mitigation measures. The program will last two years during the implementation and operation phase of the enterprise.

In Anemus, the analysis of primary animal data did not identify any species included in the international (IUCN, 2020) and national (ICMBio, 2018) extinction lists. Regarding birds, no species considered endemic, exotic, invasive, of medical interest or migratory were recorded. As for mammals,

there are 16 species, nine of which are bats and seven terrestrial, of which six are targets of local hunting. Regional data also point to the occurrence of 40 species of mammals with records of endemism and threatened, including *Leopardus tigrinus*, *Puma yagouaroundi*, *Puma concolor*, *Kerodon rupestris* and *Cebus flavius*.

In Kairós, the inventory identified 60 species of avifauna, none of which are under threat of extinction on the IUCN Red List (2012). Regarding mammals, manatee is part of the list of animals at risk of extinction and Icapui, where the wind farm is located, is a beaching point for young specimens. For that reason, Ibama installed an observation base at the site. The uçá crab and the green turtle are also vulnerable species.

Regarding the impact on communities, the main point of attention is the noise generated by the equipment. Reducing noise, with monitoring and mitigation actions, will contribute to maintain a good relationship. In the period, there were no complaints regarding noise, the visual aspect of the structures or risks to health and safety. Operations will only start in the second half of 2022 in Anemus and, in 2023, in Kairós. The Noise and Vibration Control and Monitoring Program measures the noise around the areas of the complexes in the implementation

and operation phases, identifying possible points where the noise may be above limits. Measures such as maintenance and adjustment of machines and engines, vehicle traffic control and meeting the demands of the community are persistent and help in this effort. It is worth mentioning that Anemus and Kairós respect the minimum distances between facilities and communities, established by the competent organs.

2W Energia promotes several initiatives in the municipalities that host the projects, which are already underway, in the areas of education, income generation, improvement of local infrastructure and women empowerment (**see more in [Communities](#)**).



Meeting with participants of ATER, rural technical assistance program

### Summary of environmental programs carried out in 2021 in Anemus:

- Environmental Management Program (EMP)
- Environmental Control Program Associated with Works Execution
- Solid Waste Monitoring Program
- Liquid and Oily Effluent Monitoring Program
- Water Resources Protection and Monitoring Program
- Particulate Control and Atmospheric Emissions Monitoring Program
- Erosive Processes Control and Monitoring Program
- Fauna Scaring and Rescue Program
- Vegetation Coverage Suppression Program
- Noise Monitoring Program

# SOCIAL

In the social aspect, the company prioritizes the relationship with its employees, energy consultants and the community surrounding the operations. In these relationships, there are material topics that are being monitored and improved: people development, diversity, health and safety.

Antônia Neta dos Santos Silva, participant in the sewing project

# People

GRI 102-7, 102-8, 102-43, 102-44

This year, there was a significant evolution in the 2W Energia team, which went from 51 employees in December 2020 to 145 in December 2021, all registered in the city of São Paulo, on a full and permanent basis. This scenario reflects the expansion of operations, with the beginning of wind farms construction and the expansion of the client base. The company also has a network of independent consultants – 2W and VC -- distributed throughout Brazil, which offers smaller companies and residential consumers the possibility of migrating to the free market. Within this group, the increase was even more expressive – from 111 consultants at the end of 2020 to 1,069 in December 2021. In addition, due to the construction of the Anemus wind farm, in Currais Novos (RN), supplier companies have hired 400 workers, of which 340 live in the region.

2W Energia received, for the second year in a row, the Great Place To Work (GPTW) seal. The survey, carried out with 86 employees, reached a score of 85 in the satisfaction index. There was also the Humanizadas

survey, in which 2W Energia achieved the BBB rating. The main concern raised in the two investigations was the lack of identification with 2W's culture, reflecting the fact that most of the team was hired in 2021, due to the accelerated growth registered in the period.

With regard to independent agents, there is a continuous engagement process materialized with weekly marketing actions and monthly campaigns published in the 2W+ incentive hub, launched in February 2022. In addition, they are rewarded with cash bonuses, electronics, ifood deliveries, among other awards, which represented R\$ 2.7 million in 2021. The NPS of the consultant network was 80%. The concerns of this group are basically technical questions and about building a relationship network and the appropriate approach.

Employees and agents were also engaged in the process of building the materiality matrix, pointing out the topics they consider relevant to the organization.



Mauricio Orlandi – VP of Administrative and People

# People Development

GRI 103-1, 103-2, 103-3, 202-1, 404-1, 404-2, 404-3, 410-1, 412-2

This growth, added to the challenge of the pandemic, which made part of the employees to work from home, create difficulties for strengthening the corporate culture. Therefore, several initiatives were implemented internally to reinforce the people management process, such as the creation of a job and salary policy, capacitation courses and the implementation of a selection platform. People Development is a priority action front, as it represents the basis for sustaining the expected expansion for the coming years.

The job and wages plan divides the teams into four different categories, which provide clarity on the possibilities of vertical growth:



GRADUATE/  
SUPPORT



PROFESSIONAL



MANAGER/  
EXPERT

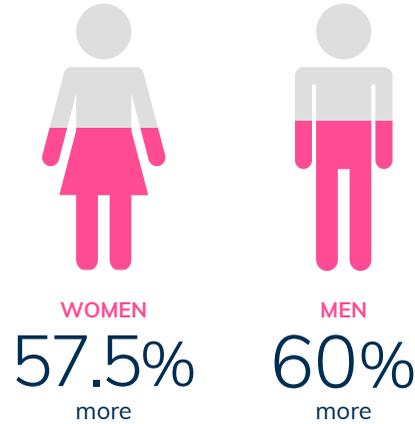


ADVISER/  
STRATEGIST

Each category is made up of three bands, A (newcomer), B (experienced), and C (master level and ready for the next level), which allow for horizontal evolution. With this, the employee understands what he or she needs to do in order to grow within the company and the positions they can reach. In addition, to engage the team and increase the feeling of ownership of the business, the Partnership model was created, in which employees can become 2W partners -- there were eight on December 31, 2021. Performance is the main criterion for migrating to this category.

To support the job and wages program, a 180° individual performance assessment was implemented in 2021 (self-assessment, assessment of the leadership and assessment by the leadership), which in 2022 covered 100% of the team -- there will be two per year, in January and in September, to monitor the evolution of employees throughout the period. This process is linked to a bonus. The company also has an Individual Development Program (PDI), which provides clarity on the strengths and opportunities for improvement required for internal growth and uses the Nine Box methodology, which analyzes performance and future potential.

## Ratio of the lowest wage to the local minimum wage



A capacitation program helps employees acquire the knowledge required to advance within the company. In 2021, there were 1,174 hours of training, which represents 8 hours per employee/ year. The modules covered topics such as compliance, GDPR, diversity and inclusion, SAP technology and cybersecurity .

During the year, the entire team was trained in human rights policies, including security professionals.



## Average training hours by gender, per person



## Average training hours per employee category, per person

Board of Directors	9.0
Management	14.9
Specialists	6.0
Coordination	15.8
Sales executive	6.8
Trainee	4.5
Senior analyst	6.4
Full analyst	6.3
Junior analyst	5.9
Assistant	5.4
Intern	6.0

## Energy Consultants

Consultants, on the other hand, have access to learning paths. This initiative also covers the residents of the wind farm regions so that they can develop this activity, which generates income and promotes social inclusion (see more information in [Communities](#)). The company provides 24 hours of initial training per consultant and an additional 1 hour per week, which includes 10 coaching sessions on sales and leadership, as well as content about the product and the market, among others. In 2021, there were 25,680 hours of training.

A consultant who starts working with the company receives a welcome kit, consisting of a corporate email, t-shirt, backpack, among other items.

In this period, 2W Energia structured the action front with independent agents in a two-level format, with consultants and leaders. There are currently 80 leaders, whose main function is to engage the teams under their management.

111 consultants in late 2020 → 1,069 consultants in 2021

25,680 hours of training



# Diversity

GRI 103-1, 103-2, 103-3, 102-8, 401-3, 405-1, 405-2, 406-1

2W Energia and its leaders believe that a diverse company is better able to thrive in the current context, which requires creativity and agility to face constant transformations. Thus, it created actions and mechanisms aimed at the internal and external teams, made up of consultants.

The human rights policy was launched, which is applied to all shareholders, directors, administrators, members of Boards and Committees, employees, independent agents, representatives, and suppliers. Its premises are diversity, non-discrimination and equal opportunities. The document reinforces the non-tolerance of any type of discriminatory practice and harassment and the principle of equal remuneration for work of equal value. There is a whistleblowing channel, a mechanism used to report possible violations ([see more information in Ethics and Transparency](#)).

As of December 31, 2021, 42% of the team were women. Historically, this is a sector that shows an imbalance in this indicator.

According to a study by the Brazil-Germany Chamber of Commerce and Industry of Rio de Janeiro (AHK RIO), in partnership with the Brazilian Network of Women in Solar Energy (MESol), women represent 32% of wind energy employees, a level similar to the international one. Even though it is above the general market average, 2W believes it needs to improve this proportion. A guideline was created for the expansion of women in leadership positions, which establishes the rule of including women in the selection processes' short list. The statutory directors policy, created in 2022, also provides for the presence of women among the options for vacancies.

Other aspects of diversity are being worked on, such as the racial issue, with the creation of affirmative positions, including in the trainee program. A video and an event highlighted anti-racist attitudes, essential in the company's daily activities. There were also training courses on diversity, one just for managers and another, which involved the entire team, in partnership with Mais

Diversidade, in addition to a training emphasizing LGBTQIA+ people. Through a partnership with the Government of the State of São Paulo, 2W Energia also promoted a chat about inclusive work, focusing on people with disabilities.

In 2021, no case of discrimination was recorded. Employees have a whistleblower channel to report any situation of violation of policies and the Code of Conduct (**see more information in [Governance](#)**).

## Parental Leave

2W Energia joined the Empresa Cidadã (Citizen Company) program, extending maternity leave to 180 days (against 120 days provided for by law) and paternity leave to 20 days (compared to the five days defined by law). In the year, the benefit was used by one woman and four men, and after the leave the four men returned to work; three of them remain in the company (one resigned). The female employee asked for termination, due to be moving away.

Among independent agents, there was a significant difference in the number of men and women – 96% against 4% at the end of 2021. Despite women being a minority, a

## Employees by functional category, by gender

	MEN	WOMEN
Board of Directors	10	0
Management	16	8
Specialists	7	4
Coordination	2	3
Sales executive	14	7
Trainee	0	5
Senior analyst	4	8
Full analyst	8	7
Junior analyst	16	12
Assistant	3	4
Intern	4	3
<b>TOTAL</b>	<b>84</b>	<b>61</b>

2W survey identified they use the resources obtained from energy sale as their main income source. In this way, the company decided to create the 2Women program, in 2022, which encourages the presence of women in this sector, with actions to attract and capacitation. The trainings provide tracks

## Employees by functional category, by age group

	BELOW 30	FROM 30 TO 50	ABOVE 50
Board of Directors	0	10	0
Management	3	17	4
Specialists	3	8	0
Coordination	0	5	0
Sales executive	6	13	2
Trainee	6	2	0
Senior analyst	1	11	0
Full analyst	9	6	0
Junior analyst	20	8	0
Assistant	2	1	1
Intern	6	1	0
<b>TOTAL</b>	<b>56</b>	<b>82</b>	<b>7</b>

on leadership, unconscious biases, emotional intelligence, among other topics. The initiative is already generating positive effects and the representation of women within the network increased to 9% in May 2022 and that of leaders rose from 12% at the end of 2021 to 23% in May 2022.

## Ratio of women's salaries to men's salaries, by employee category

Management	93%
Specialists	109%
Coordination	147%
Sales executive	121%
Trainee	100%
Senior analyst	65%
Full analyst	111%
Junior analyst	95%
Assistant*	100%
Intern	100%

\*All assistants are women

# Health and Safety

GRI 103-1, 103-2, 103-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 413-1  
RR-WT-320A.1 (SASB)

Health and Safety are priority items at 2W Energia and, therefore, were considered material. The company always starts from the premise that every accident is avoidable with training, management, monitoring, adequate equipment and constant maintenance.

The main tool being used, which guides our action in the area, are the occupational safety and health guidelines that gather the procedures applied in the operations and are based on dozens of norms and resolutions. In 2021, it involved 100% of the outsourced employees who operated in the construction works of the Anemus wind farm, 400 people in December 2021 – because in that period there was only one employee, who followed the occupational health and safety procedures applied to his position.

The São Paulo office, where the company employees are located, received a low or almost null risk rating. It occupies a AAA building, that is, with a high level of quality and safety – it has a fire brigade, biannual trainings and first aid. There were no

accidents involving 2W employees in 2021. All the safety guidelines' activities applied to outsourced workers at Anemus are described, allowing the identification of the risks to which the workers who perform them are exposed to and the detailing of the specific safety processes. With this, the company determines the actions that must be taken to avoid the chance of an accident. The main hazards identified in a work of this size, classified as risk level 4, are: cuts, stings from venomous animals, falls from work in a high position, lightning discharges during storms, and accidents on displacement with vehicles and machines.

To minimize the risk of accidents, there are several initiatives in progress, such as daily safety dialogues, which occur after breakfast and before the shift start, and address the work to be performed that day and its related risks. Weekly, there is a general dialogue, which brings together all the teams, dealing with the topic in a broader way. Guidance notices are issued monthly with safety tips and guidelines. Added to these practices, the mandatory use of specific PPE, risk analysis



(APRS, ARS, PTS) and signalization, such as signs, banners, screens, fences and other physical barriers.

Safety management is carried out by occupational safety technicians. The company encourages people to report inappropriate conditions with the potential to generate accidents -- there is also an anonymous reporting channel that can be used for this purpose (see more in [Ethics and Transparency](#)). Anemus has an Internal Accident Prevention Commission (CIPA), formed by outsourced employees. This group meets monthly, during working hours, and the meetings' reports are signed by those present and sent to all members.

Another very important front is capacitation. There are specific training programs, which totaled 1,177 hours in 2021. They addressed the following topics in the year: NR-18, NR-05, NR-35, NR-10 and first aid.

The operation complies with the golden rule, which determines the immediate stoppage of activity when any risk is identified or when an employee is not following recommendations. Employees or third parties who do not observe the guidelines receive a warning and, after the third notification, may be dismissed

for just cause or removed from the works. This is a corporate guideline, an important item in the organizational culture, which significantly reduces the chances of not being followed or generating some kind of reprisal. In 2021, there were no deaths, just an accident with serious consequences, impacting an outsourced employee, who suffered damage to his hand while carrying out the suppression of vegetation. This situation generated a campaign, which addressed the necessary practices to protect physical integrity. In the period, the accident rate was 0.44 (base of 200 thousand hours worked).

Incidents and accidents are investigated by the same method. The first step consists of opening a Work Accident Investigation Report (RIA), followed by a stratification of the information collected in the field, by a previous analysis of the occurrence, by a direct cause analysis with sequential description (activity that was being performed, location, use of PPE, risk situation, injury or impact), root cause of the occurrence, conclusion, action and prevention plan, action taken and planning. Danger is identified when there is contact with explosives, flammables and electrical energy in hazardous conditions. In 2021, only contact with flammables was identified, in

the supply of machines and vehicles.

Periodic monitoring of the occupational health of employees and people acting on the works is also carried out. Every year, all of them are evaluated according to the Occupational Health Medical Control Program (PCMSO).

The activity developed by 2W Energia can generate the following risks to workers' health and safety: hearing problems due to the noise of machines and equipment, skin injuries from burns resulting from exposure to ultraviolet solar rays, and traffic accidents, considering the high flow of vehicles. All these vulnerabilities have been prevented with the use of protection equipment and materials, as well as adequate signaling and management.

The company has a wide range of benefits and mechanisms and strategies to ensure people's well-being. Employees are offered meal tickets and/or meals, a health and dental plan fully paid for by the company, gympass, life insurance, telemedicine, and, since 2022,



Marcela Tavares, Head of Innovation and Technology

a day off on their birthdays. In 2022, the Energizing Program was started, which includes initiatives such as gymnastics at work, quick massages twice a week, physical assessment, nutritionist support, biannual events to encourage physical activities, among other benefits. In 2022, mass flu vaccination took place, which benefited 68% of the team during two days of campaign. In 2020 and 2021 there were no deaths as a result of occupational disease, not even reported cases of occupational diseases with mandatory communication between employees and third parties.

# Communities

GRI 103-1, 103-2, 103-3, 203-1, 203-2, 412-1, 413-1

The most significant impacts of 2W Energia's operations can be seen in the communities located in municipalities where the two wind farms are being built, Currais Novos (RN) and Icapui (CE). These are poor cities, with a low Human Development Index (HDI): 0.691 in Currais Novos (2,161st place in the country) and 0.616 in Icapui (3,771st place). Thus, even before the start of operations, the company implemented initiatives aimed at

local development in the municipality, with the objective of increasing income and improving infrastructure. In 2021 and 2022, in Anemus, R\$ 276,000 were allocated to programs that benefit 36 settled families, totaling 137 people, including adults, young people and children. A further R\$ 448,000 are planned, totaling R\$ 724,000. Social and environmental investments in wind farms will represent up to 0.5% of the amount invested in the projects.

A Lagoinha settlement, which receives support from 2W

There is an engagement process that includes weekly meetings with residents. The projects developed were identified in these meetings, as well as those that will be defined, based on the needs identified by the community leaders. These occasions also have the purpose of debating day-to-day issues, such as any specific discomfort caused by the works and the construction status.

Furthermore, wind farms' operation has the potential to affect people living in the surrounding area with the noise of wind turbines, as well as the landscape modification. Anemus and Kairós respect the minimum distances between projects and communities established by the competent bodies. Noise measurement campaigns will take place before and during operation (**see more in Biodiversity**). In 2021, there were no formal complaints registered, only two issues brought up by the community at meetings in Anemus: dust generated by the movement of cars, and vehicle traffic at speeds above the allowed limit. Regarding the first question, 2W Energia started to moisten roads close to the neighborhoods daily. On the second topic, the following measures were taken: signaling with speed indicators, orientation meetings with outsourced drivers, identification of all vehicles, notification to the company that

violated the rule and, if required, breach of contract – in 2021 there was a breach of contract for this reason.

The hiring of local labor is an important condition in contracts signed with outsourced companies that carry out the parks' construction. Currently, 2W Energia employs 400 people in the works in Anemus, of which 340 are from the region. In Icapui, there has not yet been local employment generation, as the enterprise is in the licensing phase. Social programs for professional training are being structured, with the objective of training qualified professionals. Hiring people from the municipality and neighboring cities, in addition to contributing to development, reduces the social risks that could be caused by the concentration of a large number of workers in dormitories.

The initiatives in Currais Novos are the result of an evaluation that began before the start of the works and continues with weekly conversations

with the community and analyzes social (including gender), human rights and environmental aspects. In Icapui ( Kairós), the park construction has not started yet, but an environmental and social impact assessment has already been carried out. Meetings were also held with the local administration and with leaders responsible for local development.

A wind energy production project needs to have a social license to operate, as the company remains in the region for a period of 30 to 40 years. In this way, 2W Energia believes that it should contribute to the improvement of people's living conditions through the development of social projects. The company's operations in each location are detailed below.



## Currais Novos

Actions carried out in the city in 2021 were focused on:

### INCOME GENERATION

**Sewing project:** the initiative started in September and includes 18 women and one man. During this period, participants were trained, the space was renovated and sewing machines, fabrics and a computer were purchased. The pieces produced are being marketed from 2022, with 100% of the income going to workers.



### Hiring residents of the A Lagoinha settlement:

nine residents started to work on the construction of the park and other five are being trained to carry out the planned activities and will be hired in 2022.

**ATER Program:** technical assistance and agricultural consultancy began in October 2021, benefiting 24 families in the settlement, who will receive support for one year. The initiative is focused on the cashew crop, grown together with cassava, and also includes the donation of seedlings and inputs.

### INFRASTRUCTURE

**Improvement of urban roads:** in 2021, the topographic survey and the definition of paving for internal roads in the agrovillage took place. The city will provide the team that will carry out the work, with completion scheduled for 2022.

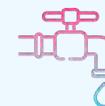
**Drilling an artesian well:** installation of an artesian well and a pump with a water tank for the use of animals raised by local families, scheduled for 2022.

## Icapuí

Demands are currently being raised with public managers and surrounding communities. As it is a municipality with typical characteristics of the Northeastern semi-arid region, families face problems such as low levels of economic dynamism, IDHM, schooling, in addition to low-quality education, reduced availability of water for human and animal consumption and for agriculture, lack of mechanization in agricultural activities, among others. Based on these identified needs, 2W Energia intends to act on five different fronts:



Urban  
Planning



Access to  
Water



Income  
Generation



Education



Culture, Sport  
and Social  
Assistance

The company also used the following lines of action as a reference:

- Structuring projects that address critical issues in the region
- Prioritizing the appreciation of communities surrounding the wind farm
- Promoting favorable conditions for the engagement of different stakeholders
- Encouraging communities to assume responsibilities and conquer autonomy
- Projects that can be implemented in a reasonable time and that generate quick and noticeable results.

# GOVERNANCE

2W Energia has structured governance mechanisms that ensure that business occur in ethical and transparent ways. It has also been reinforcing its risk management tools and policies.

# Ethics and Transparency

GRI 102-16, 102-18, 103-1, 103-2, 103-3, 201-4, 205-1, 205-2, 205-3, 405-1, 415-1

2W Energia is a public company and, even before having its shares traded on the stock exchange, it already has corporate governance policies and mechanisms, aiming at ethics and transparency. In this context, it is supervised by the Securities and Exchange Commission (CVM) and audited by an external consultancy widely recognized by the market. The company has a Board of Directors, an executive board with statutory directors, thematic committees, Compliance and Risk departments, both reporting directly to the Board of Directors. It publishes quarterly financial results and minutes of Board meetings.

## Corporate Governance Structure

(JUNE 2022)



# Executive Board



**Claudio Ribeiro da Silva Neto**  
CEO and Marketing Director



**Alberto Büll da Silva**  
Legal and Compliance Director



**Claudy Marcondes dos Santos Junior**  
Commercial and Operations Director



**Eduardo Portelada**  
Investor Relations Director



**Guilherme Bueno Lahoz Moya**  
CFO



**José Artur Silveira Teixeira**  
Trading and Wholesale Director



**Mauricio José Palmieri Orlandi**  
Administrative and  
Personnel Director



**Sandro Alexandre de Almeida**  
Innovation and Technology Director



**Walter Milan Tatoni**  
Investments and  
Structuring Director

## BOARD OF DIRECTORS

The company's general strategies and policies reviewing body is made up of seven members, three of which are independent, including the chairman, who has been a CVM chief. Members were appointed by shareholders.

**MEMBERS:** **Leonardo Porciúncula Gomes Pereira** (chairman and independent member), **Benedicto Pereira Porto Neto** (vice chairman), **Ricardo Lopes Delneri**, **Claudio Ribeiro da Silva Neto**, **Marcos Cardoso Costa**, **Luiz Gustavo Mariano** e **Ana Dolores Moura Carneiro de Novaes** (independent members).

## COMMITTEES

They advise the Board of Directors on six thematic fronts, acting as a bridge between the operation and the highest governance body. These groups discuss the issues and propose recommendations. Their members are elected by resolution of the Board of Directors.

## AUDIT, RISK AND COMPLIANCE COMMITTEE

Responsible for evaluating all accounting matters and the regularity and approval of financial statements, and for overseeing risk management. It is the highest advisory body

to the Board on topics related to corruption and integrity. It meets monthly, always before the Board meetings, and on an extraordinary basis, when necessary.

**MEMBERS:** **Ana Dolores Moura Carneiro de Novaes** (coordinator), **Benedicto Pereira Porto Neto** e **Valdenise dos Santos Menezes**

## INVESTMENT AND IMPLEMENTATION IN GENERATION COMMITTEE

Supervises matters related to works under construction, based on monitoring and conversations with investment and generation teams. It deals with issues about progress, contingencies, actions to remedy problems, supplier relationships, among others. It has an external observer, Daniel Gallo, who is not a member, but who participates in the monthly meetings.

**MEMBERS:** **Manoel Antonio Avelino** (coordinator), **Marcos Cardoso Costa**, **Ricardo Delneri** e **Leonardo Porciúncula Gomes Pereira**

## NEW BUSINESS, INNOVATION AND TECHNOLOGY COMMITTEE

Its function is to evaluate investments in new areas of activity, such as 2W Bank, startups, technological initiatives and advances in sales infrastructure. The objective is to bring strategies that contribute to the

improvement of financial and operational performance. Meetings are monthly and sporadic, as needed.

**MEMBERS:** **João Antonio Dantas Bezerra Leite** (coordinator), **Luiz Gustavo Mariano**, **Ricardo Lopes Delneri**, **Roberto Altenhofen Pires Pereira** e **Sandro Almeida**

## PEOPLE AND ESG COMMITTEE

It is dedicated to matters related to organizational culture, turnover, climate, compensation, appointment of key people, elaboration of team metrics, sustainability policies and initiatives, environmental, social and governance indicators, strategies in people and ESG, among other themes. Meetings are monthly.

**MEMBROS:** **Luiz Gustavo Mariano** (coordinator), **Leonardo Porciúncula Gomes Pereira**, **Ricardo Lopes Delneri** e **Fábio Duca Gurgel do Amaral**.

## FINANCIAL PLANNING COMMITTEE

It is the first instance for the analysis of financial matters, such as the realization of an eventual IPO and financing rounds. Meetings occur sporadically, with no defined frequency. Formed by the internal team, it is not an independent body.

**MEMBROS:** **Claudio Ribeiro da Silva Neto** (coordinator), **Ricardo Lopes Delneri**,

**Leonardo Porciúncula Gomes Pereira**, **Guilherme Bueno Lahoz Moya** e **Claudy Marcondes dos Santos Junior**.

## TRADING AND MARKETING COMMITTEE

It evaluates the company's negotiation positions and the need to make adjustments. Meetings take place periodically, with no defined frequency.

**MEMBERS:** **Ricardo Lopes Delneri** (coordinator), **Claudio Ribeiro da Silva Neto**, **José Artur Teixeira** e **Claudy Marcondes dos Santos Junior**.

## Members of governance bodies

	MEN	WOMEN
30 to 50 years old	100%	0
over 50 years	75%	25%

# Mission

To reinvent society's relationship with energy.

# Values

## INNOVATE

To revolutionize the energy market, we must be restless. To dare. Take risks with agility.

## SUSTAINABLE VIEW

We provide access to clean energy, and we want to change the future with socio-environmental awareness and responsibility, both internally and externally.

## GENUINE EMPATHY

We take care of people, respecting diversity, individuality and particularities of each one. We care about the future and our role in it, as people and professionals.

## PROMOTE NEW EXPERIENCES

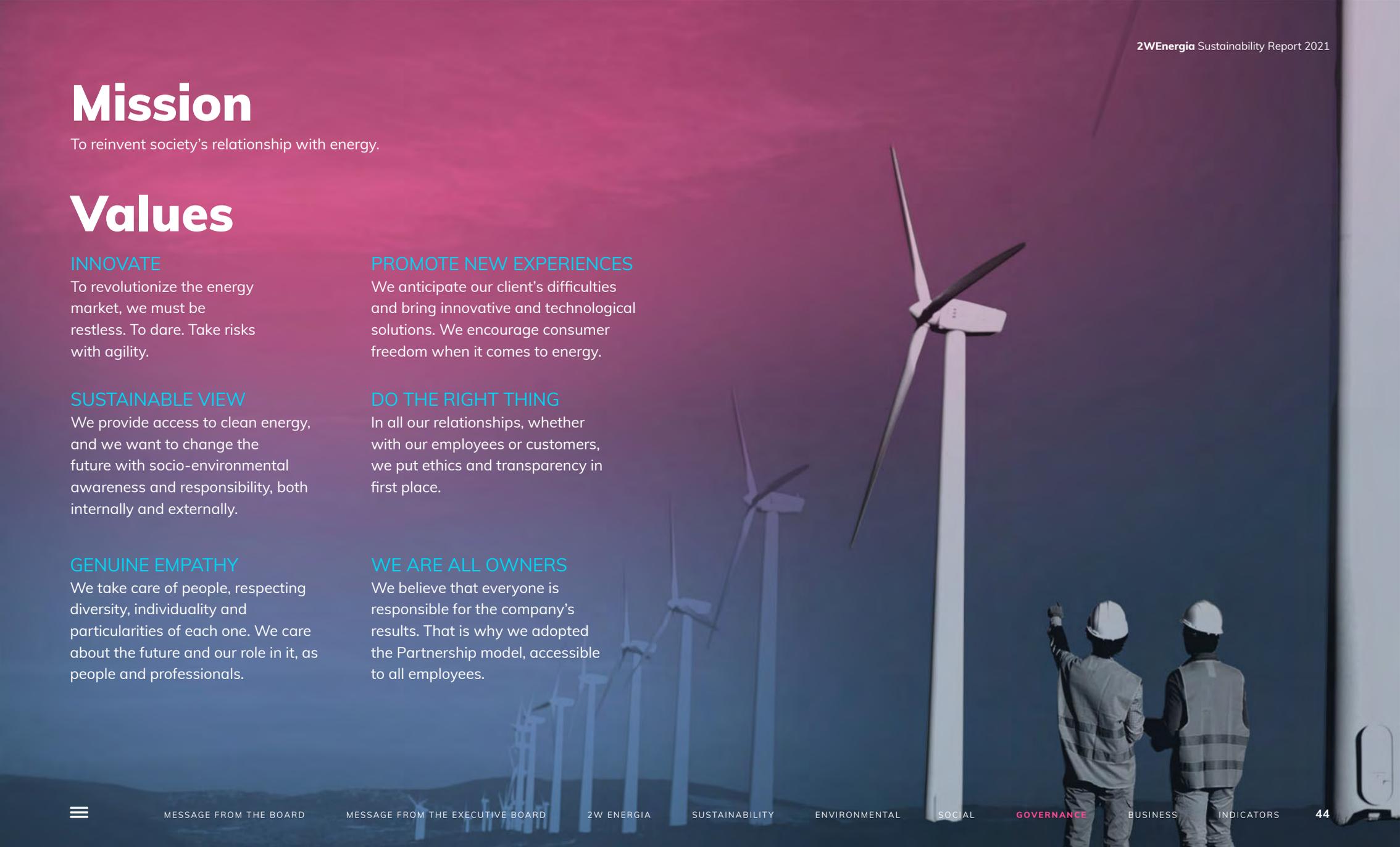
We anticipate our client's difficulties and bring innovative and technological solutions. We encourage consumer freedom when it comes to energy.

## DO THE RIGHT THING

In all our relationships, whether with our employees or customers, we put ethics and transparency in first place.

## WE ARE ALL OWNERS

We believe that everyone is responsible for the company's results. That is why we adopted the Partnership model, accessible to all employees.



## Policies and Codes

2W Energia created a Code of Conduct, a set of determinations and behaviors that must be followed by its audiences: shareholders, directors, administrators, members of governance bodies, employees, independent agents, suppliers, representatives, and proxies. These guidelines determine the ethical standards that must guide all relationships with clients, competitors, suppliers, and public agents. They also reiterate the non-tolerance of discrimination and of any type of harassment.

The company has other policies, besides the Code of Conduct, which establish guidelines and govern behaviors: Money Laundering Prevention Policy, Sustainable Procurement and Prevention Policy, Human Rights Policy and Climate Justice Declaration, which are mentioned throughout the report. All of them were created by the compliance area, discussed and evaluated by the Audit and People and ESG Committees and approved by the Board of Directors.

The Code of Conduct contains rules to protect all operations from corruption, a practice that is not allowed under any circumstances. No one is authorized to promise, offer or give

any undue advantage to any government representative on their behalf. In this category are included offers of money, products, gifts, accommodations, meals, travel or any other type of tangible or intangible benefit. In addition, this front is reinforced by the Money Laundering Prevention Policy, comprising procedures to identify and meet potential clients, verifying their complete identity, financial situation and investment history. In the period, there were no transactions involved in corruption issues or legal proceedings against the organization or its employees. The communication of anti-corruption policies and procedures involved 100% of the members of the governance bodies and all employees.

Violations of the policies are punishable by warning, suspension, termination or dismissal for just cause, in the case of employees, and termination of contract or eventual claims for damages to other parties.

2W Energia does not make donations to political parties. Regarding the support received from governments, the Kairós plant project obtained financing approval from Banco do Nordeste do Brasil in the amount of R\$ 400 million, which requires a guarantee from a private bank, in this case, BTG Pactual. The other funds will be raised from the private sector.

## Training

In 2021, all employees and independent agents participated in the Anti-Corruption Compliance course, taught by Legal Ethics and Compliance (LEC). The training covered the Anti-Corruption Law, the Code of Ethics, anti-corruption guidelines, prevention of money laundering, existing communication channel and suitable penalties.

## Whistleblowing Channel

A free-call line, a portal managed by an outsourced company and an email are the channels for reporting any type of violation or indication of violation of the Code of Conduct. 2W Energia guarantees anonymity and protects the whistleblower from possible retaliation. The information is received and analyzed by the Compliance area and, depending on the degree of criticality, shared with the Audit, Risk and Compliance Committee and, if necessary, with the Board of Directors. The investigation may lead to the formation of an Ethics Committee to monitor the case, and generate a report with the definition of disciplinary measures, when applicable. In 2021, the Ethics Channel did not receive any complaints – there were no denouncements related to corruption, harassment or any other type of human rights violation in 2021.



# Risk Management

GRI 102-11, 103-1, 103-2

In 2021, the risk management process was improved, with an increase in the transparency and robustness of the structure. Today, risks are divided into four groups: Strategic, Operational, Financial and Compliance. Within these categories, an external consultancy identified the most impacting for the business, which will be audited in 2022.

For risks that are part of the company's main activity, such as market, credit and liquidity, there is a policy, as well as specific management tools, which make monitoring more agile and automated.

The Risk Management department reports directly to the Board of Directors and has the autonomy, within established rules, to evaluate, approve, disapprove and question operations that do not fall within the defined parameters. Among the rules, there is a daily Value at Risk (VaR), which is the company's exposure limit in energy purchase and sale operations in relation to the variables that influence the free market. As a result of this action, 2W Energia received the B3 seal of trust for the energy market – it assesses the

risk of organizations operating in the sector – at level 3, which gathers the safest agents, with precise control systems. In 2022, 2W was the first one with this certificate to be audited by BSM Supervisão de Mercado (Market Overview), a regulatory body that works to ensure compliance by institutions and their professionals with market standards.

During the year, a matrix of specific risks was also created, which assesses the other risks of the operation, including ESG issues, for constant monitoring. From the moment the probability of occurrence starts to increase, the area responsible for managing the topic is called in, as well as the Risk Committee, which jointly define the action strategy. Monitoring of this risk group will begin in 2022 and the next steps will be automation and the creation of a policy, with rules.

The most impactful operations, the Anemus and Kairós wind farms, which are under construction, were submitted to Environmental Impact Studies (EIAs). These documents carry out an in-depth assessment of the projects, detailing the risks and fronts necessary for mitigation.



# BUSINESS

The renewable energy sector has been growing considerably in Brazil. The installed capacity of wind energy in the country increased by 22%, from 17,671 MW in December 2020 to 21,502 MW in December 2021, a volume that accounts for 12% of the national energy matrix. In turn, the installed capacity of solar generation increased from 3,107 MW in December 2020 to 4,836 MW in December 2021, representing 3% of the Brazilian matrix.

This segment's growth will be driven by private green bonds, given that public funding sources are increasingly scarce. Currently, around 70% to 80% of generation plants dedicated to the free market rely on capital market financing. With the increasing availability of resources, the trend is the actual demand in the country will be supplied by wind and solar energy, which are cheaper than non-renewable sources such as thermal energy. In addition to the financial aspect, climatic conditions and available space, which place Brazil in a prominent position in this context, particularly in wind power; and the growing demand for cleaner sources by the business sector, which is committed to reduce their greenhouse gas emissions, in response to pressure from investors and consumers.

2W Energia wants to be a protagonist in the free market, which should be accessed by all 87 million consumers in Brazil from 2026. Bill 414/2021, which provides for this opening, has already been approved by the Senate. A study by the Brazilian Association of Energy Traders (Abraceel) points out that this change will reduce Brazilians' expenditures with electricity in R\$ 210 billion by 2035 and will generate 642,000 jobs.

In this way, 2W Energia has been preparing to actively participate in the expansion of renewable energy and the free market, quickly transforming its profile, previously focused on serving large companies, into an energy provider for small and medium-sized enterprises, at this first moment, eventually evolving to a format aimed at the final consumer. The construction of the two wind farms and the structuring of a commercial model that has more than 1,000 independent agents are key factors in this strategy.



# Performance

GRI 102-7, 102-45, 207-4

In 2021, 2W Energia had a consolidated net revenue of R\$ 1.4 billion, an amount 78.6% higher than that recorded in 2020. This positive performance reflects the expansion of the customer base. There was a 32% growth in the Wholesale division, to 1,258 counterparties, and the development of Retail, made up of small and medium-sized companies. In the year, 297 new contracts were signed, which allowed the company to end the period with a portfolio of 307 clients in this group.

Accounting operational costs increased from R\$ 710 million to R\$ 1.4 billion in 2021, as a result of the higher volume of energy purchased to supply the sales made and the increase in prices practiced by the market in view of the water stress scenario. Sales, overhead and managerial expenditures reached R\$ 85 million, a R\$ 38 million increase compared to the previous year. This is mainly due to the contracting of third-party services for the development of generation, technology and systems implementation projects to support the commercial strategy expansion; expenses with the team, which increased by R\$ 25 million due to the staff adaptation to new projects; and corporate restructuring, which led to expenses with legal services related to the structuring of the offer in capital markets.

Pro-forma Ebitda totaled R\$ 29 million in 2021 (72% lower than in 2020), an indicator that reflects the operational result, considering the economic exposure. At the end of the year, 2W Energia had a loss of R\$ 99 million, compared to profits of R\$ 55 million in 2020.

As of December 31, 2021, the company had a consolidated net debt of R\$ 245 million and consolidated equity of R\$ 48.5 million.



Rafael da Silva Wagner, trainee,  
and Renato Dias Ferreira, middle  
office analyst

## Companies included in the consolidated financial statements on December 31, 2021

COMPANY	DATE OF ESTABLISHMENT	CITY	MAIN ECONOMIC ACTIVITY
2W ENERGIA S.A.	04/13/2007	SAO PAULO - SP	Wholesale of electricity
2W COMERCIALIZADORA DE ENERGIA S.A	03/10/2020	SAO PAULO - SP	Wholesale of electricity
2W COMERCIALIZADORA VAREJISTA DE ENERGIA S.A	03/06/2020	SAO PAULO - SP	Wholesale of electricity
2W BANK	11/30/2021	SÃO PAULO - SP	Wealth management consulting activities
ANEMUS WIND 1 PARTICIPAÇÕES S. A	01/19/2018	CURRAIS NOVOS - RN	Electricity generation
ANEMUS WIND 2 PARTICIPAÇÕES S.A	01/22/2018	CURRAIS NOVOS - RN	Electricity generation
ANEMUS WIND 3 PARTICIPAÇÕES S. A	09/04/2020	CURRAIS NOVOS - RN	Electricity generation
ANEMUS WIND HOLDING S.A.	09/16/2020	SAO PAULO - SP	Holdings of non-financial institutions
2W COMERCIALIZADORA DE GÁS	09/18/2020	SAO PAULO - SP	Commercial representatives and agents for the trade of fuels, minerals, steel products and chemicals
KAIRÓS WIND HOLDING	09/16/2019 (headquarters transferred from Rio de Janeiro/RJ)	SÃO PAULO - SP	Holding of a Non-Financial Institution
2W AGREGA LTDA	12/28/2020	SAO PAULO - SP	Business management consultancy activities, except specific technical consultancy
2W GESTORA DE CLIENTES LTDA	09/09/2020	SAO PAULO - SP	Business management consultancy activities, except specific technical consultancy
KAIRÓS WIND 1 ENERGIA S.A	06/01/2021	ICAPUÍ - CE	Business management consultancy activities, except specific technical consultancy
KAIRÓS WIND 2 ENERGIA S.A	06/22/2021	ICAPUÍ - CE	Business management consultancy activities, except specific technical consultancy
KAIRÓS WIND 3 ENERGIA S.A	06/22/2021	ICAPUÍ - CE	Business management consultancy activities, except specific technical consultancy
MORUMBI GESTÃO DE ATIVOS LTDA	05/21/2021	SAO PAULO - SP	Holdings of financial institutions
EMPRESA PAULISTA DE GESTAO PATRIMONIAL LTDA	06/30/2021	SÃO PAULO - SP	Real estate management and administration

COMPANY	DATE OF ESTABLISHMENT	CITY	MAIN ECONOMIC ACTIVITY
RIO CITY GESTAO IMOBILIARIA LTDA	07/06/2021	RIO DE JANEIRO - RJ	Other participation companies, except holdings
NORTH COMERCIALIZADORA DE ENERGIA LTDA	07/03/2019	SAO PAULO - SP	Wholesale of electricity
EMPRESA PAULISTANA DE GESTÃO IMOBILIÁRIA LTDA.	08/26/2021	SAO PAULO - SP	Other participation companies, except holdings
COMPANHIA MINEIRA DE GESTÃO IMOBILIÁRIA LTDA	07/08/2021	BELO HORIZONTE - MG	Other participation companies, except holdings
ANEMUS SOLAR HOLDING S.A.	09/30/2021	SAO PAULO- SP	Holdings of non-financial institutions
KAIRÓS WIND 4 ENERGIA S.A	11/08/2021	ICAPUI - CE	Electricity generation
KAIRÓS WIND 5 ENERGIA S.A	10/27/2021	ICAPUI - CE	Electricity generation
KAIRÓS WIND 6 ENERGIA S.A	10/26/2021	ICAPUI - CE	Electricity generation
IMOBILIÁRIA BRASILIENSE LTDA	12/15/2021	BRASILIA-DF	Other participation companies, except holdings
EMPRESA PARANAENSE DE GESTÃO LTDA	12/21/2021	CURITIBA-PR	Other participation companies, except holdings
COMPANHIA DE GESTÃO IMOBILIÁRIA DO ESTADO DE PERNAMBUCO LTDA	12/20/2021	RECIFE - PE	Other participation companies, except holdings
COMPANHIA CATARINENSE DE GESTÃO IMOBILIÁRIA LTDA	11/11/2021		Other participation companies, except holdings
CONSÓRCIO DE ENERGIA MG- C-01	05/19/2021	BELO HORIZONTE - MG	Rental of other commercial and industrial machinery and equipment not previously specified, without operator
COOPERATIVA DE ENERGIA MG-C-02	07/22/2021	BELO HORIZONTE - MG	Rental of other commercial and industrial machinery and equipment not previously specified, without operator
COMPANHIA AMAZONENSE	12/20/2021	MANAUS - AM	Other participation companies, except holdings
2W INVESTMENTS LLC	11/15/2020	WILMINGTON (EUA)	Holding of non-financial institution, without operation

Among the main highlights of the year is the conclusion of the financial structuring of Anemus park, with the issuance of a R\$ 475 million Green Bond, with a 18 years term, the largest achievement for a renewable generation project in Brazil. The operation is based on dispersed energy sales contracts with 119 companies, especially small and medium-sized enterprises, a milestone for the democratization of access to clean and renewable energy in Brazil. This issue was certified as a Green Debenture by Sitawi and was rated AA on a local scale by Fitch Ratings. Anemus also had a financing of US\$ 35 million structured with Darby International Capital. Additionally, 2W Energia contributed R\$ 28.6 million of its own capital to the project and, through the Mezzanine Darby, allocated another US\$ 31.2 million. Thus, the wind farm financial structuring was completed and the project has all the resources required for its construction.

Another important event occurred in November, when the company concluded the issuance of convertible debentures, which totaled R\$ 400 million. The resource, whose amortization is scheduled for 2025, will be used in the construction of the Kairós wind farm and for commercial expansion focused on retail. These debentures can be converted into the company's share capital, subject to certain conditions.



# Innovation

With the expansion of the customer base, Innovation appears as a determining factor for business development. The inclusion of a new contract includes several steps, such as migration to the free market, measurements and invoicing. And technology allows these phases to occur at the required speed and quality, such as entering into the free market, done 100% digitally.

An important innovation milestone will be the creation of 2W Bank, which will start operations in 2022 (see more information in [2W Energia](#)).

In 2021, 2W Labs was launched, an innovation laboratory of 2W Energia, which develops solutions to improve the company's performance, such as the sales portal, and integrates ideas brought by partners. It uses state-of-the-art technology and operates throughout the customers' digitalization journey experience, with a multidisciplinary team of engineers and software developers, product and user-experience designers.

Digital platforms that help the consultant in the sale and simplify communication with clients are required for the planned advancement. That is the purpose of the Sales Portal, used by independent agents as a business tool. It organizes communication and robotizes the reading of invoices and the generation of proposals. There is also the Customer Portal, which allows the management of consumption and billing, among other activities.

A market intelligence management was also created, which makes prospecting automated and more assertive. Tools assess the consumers' profile and define action strategies, providing consultants with information that guides actions, improving their sales performance. The use of artificial intelligence was intensified to seek market data that support decision-making, increasing assertiveness and reducing the margin of error. The structuring of this process will be completed by the end of 2022.



## Projects in 2021

<b>SUSTAINABLE POSITIONING</b>	Carbon calculator
	Econometer at 2w Bank
<b>EASE</b>	Wave: customer dashboard
	Sales Portal: registration and validation of prospects
<b>COMPETITIVENESS</b>	Sales Portal: from prospect to simulation
	2W Bank: business tests
	Wave: 100% online journey
<b>EFFICIENCY</b>	Free Energy app with metering
	Data entry digitization

There is also the Open Innovation program, which operates through a connection with the startup ecosystem and contributes to the creation of new products and business models. It has already involved more than 50 startups, including two international ones, and generated several partnerships in initiatives about invoice management and generation of saving opportunities for clients, carbon market, artificial intelligence, load management and predictability, among other fronts.



From left to right: Daniele Almeida, communications manager, Guilherme Santiago, marketing analyst, Taíza Souza, communications analyst, and Gustavo Moré, marketing and communications analyst

# Clients

GRI 102-43, 102-44, 203-1, 203-2, 417-3, 418-1

2W Energia has a customer base composed by large companies, 1,258 counterparties grouped within the Wholesale business segment, 307 small and medium-sized organizations gathered in the Retail segment, and public agencies that started to access the free energy market and added in the year R\$ 19.7 million in contracts.

The company's objective is to significantly expand its customer base in the coming years, especially those who can already enter the free energy market – 72,000 consumer units –, and today don't make this migration for lack of knowledge. Thus, an important initiative in the relationship with this public is the dissemination of the information required for consumers to know this availability and contemplate the transition, capable of generating savings that can reach 30% and significant positive environmental impacts, since the energy sold is from a renewable source. The objective is to democratize access to information. Until December 2021, 2W Energia provided savings of R\$ 68 million for customers who purchased on the free market.

2W Energia makes every effort to build a retail culture within the energy sector, similar to that in the telecommunications market. This will be possible with the expansion of agility in the process: a sale used to take about six months, and today it takes two weeks. This progression, achieved in 2021, was made possible with the commercial area structuring; with the development of a network of independent agents spread all over the country, 2W and VC – the largest direct sales network in the energy market – and with the formation of three other sales channels: digital (through the website or social networks, the consumer indicates he wants more information and is contacted by the company), telesales (active telemarketing carried out by a partner from 2022), and with a team (also in 2022) made up of employees who reach potential customers.

2W Energia also acts as a marketplace for Distributed Generation (DG) credits, allowing people and companies to become consortium members of mini generation plants. The membership process is simple and the





customer can hire the service in their own home or office. The solution, 2W Wave, has been available since August 2021 for low-voltage consumers in Minas Gerais state, who use energy generated by Mais Iluminatus, a solar photovoltaic, with capacity of 2.4MWp. Other partnerships with DG plants will be formed in the coming years, allowing the expansion of clean energy supply throughout the country.

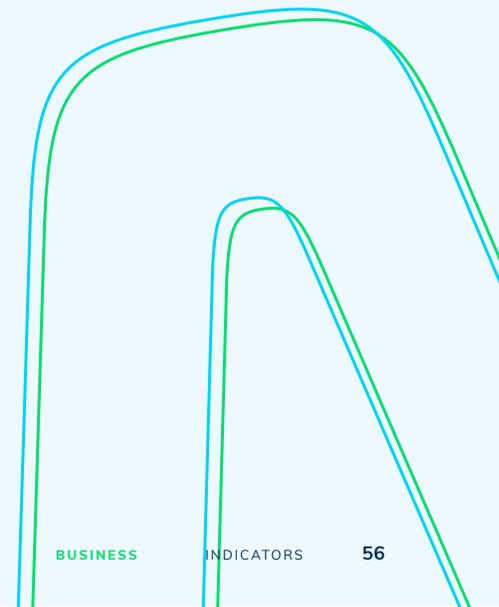
For the public sector, the main focus in the relationship is guidance, showing the savings that can be promoted by migrating to the free market. The supplier contracting occurs through a bidding process, in accordance with the legislation. Currently, 98% of the public sector is not in this segment. This change could result in savings in the range of R\$1 billion to R\$1.4 billion per year, given that the federal government spends R\$ 1.9 billion annually and the states and municipalities spending totals \$2.8 billion.

Consumption management tools, which contribute to energy efficiency and cost reduction, complement the services offered (see more in [Energy Efficiency](#)).

The relationship with customers is guided by ethics and respect for privacy. The entire 2W Energia team was trained in the General Law for Data Personal Protection (LGPD) in 2021.

During the period, there were no complaints related to breaches of privacy or loss of customer data, or non-compliance cases in relation to marketing communication.

The construction of a customer survey, which will measure the level of satisfaction, is in progress. Currently, this monitoring takes place through weekly telephone and WhatsApp conversations during the migration phase to the free market, and monthly, after the process is completed. The main concerns raised are migration delays, contract difficulties and technical adequacy issues. This group was also engaged in the construction of the materiality matrix, indicating the topics it considers as relevant.



# Suppliers

GRI 102-43, 102-44, 308-1, 308-2, 408-1, 409-1, 414-1, 414-2

The most representative suppliers, in terms of values and impact on operations, are large corporations with national and international operations, including Vestas, elected the world's most sustainable company. They develop services for the construction and operation of wind farms and supply the necessary equipment. Thus, they follow ESG standards in their daily business routines. Even so, the contracts signed by 2W with this stakeholder include clauses prohibiting child and slave-like labor, data protection and anti-corruption. In 2021, these contracts covered 100% of energy suppliers, service providers, financing, purchase and sale and collective protection equipment providers.

In 2021, an approval process was implemented that analyzes whether there are reputational problems involving the partner, such as human rights violations, negative social and environmental impacts, corruption cases, among other issues. This assessment covered 100% of the suppliers considered relevant, whose contracts are strategic and include significant values.

Due to the activities' profiles and to demand, most of the main suppliers are

located in the South and Southeast regions, far from the two wind farms, although the teams hired by third parties are, preferably, from the localities – a condition requested by 2W Energia from suppliers. During this period, construction began on the Anemus wind farm in Rio Grande do Norte. Among workers hired for the works, 85% are from the region.

2W Energia established periodic monitoring of third parties that work within the operations, and no negative environmental and social impacts caused by this stakeholder, as well as cases of human rights violations, were identified. The use of child labor and forced or slave-like labor is prohibited by contract and there is no possibility of these practices occurring at 2W Energia's facilities.

The Sustainable Procurement Policy complements this structure by indicating the guidelines that must be considered by the team, at all times, during contracting: compliance with legislation; a relationship that promotes the environment protection and the valorization of decent work; equality, transparency and impartiality in personal treatment; investigation of



the existence of signs of abuse or non-compliance with ethics; environmental performance of products purchased as a decision-making factor; privilege innovations that promote sustainability; terminate the relationship if behaviors indicating abuse or violation of human rights, ethical issues or negative environmental impacts are identified, among others.

As a way of engaging with suppliers, 2W holds formal presentations and weekly face-to-face or virtual meetings, in the case of priority suppliers. The main concerns raised by this audience are credit risk and the tight competition process. This group was also engaged in the building of the materiality matrix, indicating topics it considers as relevant

# INDICATORS

Traders Thiago Matalon  
and Bruno Vinicius



CHAPTERS	MATERIAL THEME	GRI AND SASB		PAGE	OMISSION/INFORMATION	GLOBAL COMPACT	SDG
		DISCLOSURE	DESCRIPTION				
<b>MESSAGE FROM THE BOARD OF DIRECTORS</b>		102-14	Statement from senior decision-maker	3			
<b>MESSAGE FROM THE EXECUTIVE BOARD</b>		102-10	Significant changes to the organization and its supply chain	4			
		102-14	Statement from senior decision-maker	4			
<b>2W ENERGIA</b>		102-1	Name of the organization	5			
		102-2	Activities, brands, products, and services	6 a 10			
		102-3	Location of headquarters	6			
		102-4	Location of operations	6,7			
		102-5	Ownership and legal form	6			
		102-6	Markets served	9			
		102-7	Scale of the organization	5,6			
		102-12	External initiatives	11			
		102-13	Membership of associations	11			
		203-1	Infrastructure investments and services supported	6 a 10			1, 10
		203-2	Significant indirect economic impacts	5 a 10			1, 10
<b>SUSTAINABILITY</b>	Materiality	102-40	List of stakeholder groups	15, 19			
		102-42	Identifying and selecting stakeholders	15, 19			
		102-46	Defining report content and topic Boundaries	19			
		102-47	List of material topics	16			
		103-1	Explanation of the material topic and its Boundary	16			

CHAPTERS	MATERIAL THEME	GRI AND SASB		PAGE	OMISSION/INFORMATION	GLOBAL COMPACT	SDG
		DISCLOSURE	DESCRIPTION				
SUSTAINABILITY		102-48	Restatements of information	19			
		102-49	Changes in reporting	19			
		102-50	Reporting period	19			
		102-51	Date of most recent report	19			
		102-52	Reporting cycle	19			
		102-53	Contact point for questions regarding the report	19			
		102-54	Claims of reporting in accordance with the GRI Standards	19			
		201-1	Direct economic value generated and distributed	14			8, 10
ENVIRONMENTAL	Climate Change	103-1	Explanation of the material topic and its Boundary	21, 22		7, 8, 9	13
		103-2	The management approach and its components	21,22		7, 8, 9	13
		103-3	Evaluation of the management approach	21, 22		7, 8, 9	13
		201-2	Financial implications and other risks and opportunities due to climate change	22		7, 8, 9	13
		305-1	Direct (Scope 1) GHG emissions	22		7, 8	13
		305-2	Energy indirect (Scope 2) GHG emissions	22		7, 8	13
		305-3	Other indirect (Scope 3) GHG emissions	22		7, 8	13
		305-4	GHG emissions intensity	22		7, 8	13
		305-5	Reduction of GHG emissions	22		7, 8	13
		305-6	Emissions of ozone-depleting substances (ODS)		No occurrence.	7, 8	13
		305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		No occurrence.	7, 8	13

CHAPTERS	MATERIAL THEME	GRI AND SASB		PAGE	OMISSION/INFORMATION	GLOBAL COMPACT	SDG
		DISCLOSURE	DESCRIPTION				
ENVIRONMENTAL	Energy Efficiency	103-1	Explanation of the material topic and its Boundary	23		7, 8, 9	7
		103-2	The management approach and its components	23		7, 8, 9	7
		103-3	Evaluation of the management approach	23		7, 8, 9	7
		302-1	Energy consumption within the organization	23		7, 8	7
		302-2	Energy consumption outside of the organization		Data was disregarded as irrelevant.		
		302-3	Energy intensity	23		7, 8	7
		302-4	Reduction of energy consumption	23		7.8	7
		302-5	Reductions in energy requirements of products and services		Instruments are described in the chapter, but the definition of the initiative's effectiveness depends on specific characteristics of each client. Issues such as production volume, activity level, among others, influence the measurement complexity.	7, 8, 9	7
	Biodiversity	103-1	Explanation of the material topic and its Boundary	24 a 28		7.8	15
		103-2	The management approach and its components	24 a 28		7.8	15
		103-3	Evaluation of the management approach	24 a 28		7.8	15
		304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and a	25		7.8	15
		304-2	Significant impacts of activities, products, and services on biodiversity	24 a 28		7.8	15
		304-3	Habitats protected or restored	25		7.8	15
304-4		IUCN Red List species and national conservation list species with habitats in areas affected by operations	26, 28		7.8	15	

CHAPTERS	MATERIAL THEME	GRI AND SASB		PAGE	OMISSION/INFORMATION	GLOBAL COMPACT	SDG
		DISCLOSURE	DESCRIPTION				
<b>ENVIRONMENTAL</b>	Biodiversity	RR-WT-410a.2.	Backlog cancellations associated with community or ecological impacts		No occurrence.	7.8	15
<b>SOCIAL</b>		102-7	Scale of the organization	30			
		102-8	Information on employees and other workers	30		6	8
		102-43	Approach to stakeholder engagement	30		6	8
		102-44	Key topics and concerns raised	30		6	8
	People Development	103-1	Explanation of the material topic and its Boundary	31, 32		1, 2, 4, 5, 6	4, 8, 10
		103-2	The management approach and its components	31, 32		1, 2, 4, 5, 6	4, 8, 10
		103-3	Evaluation of the management approach	31, 32		1, 2, 4, 5, 6	4, 8, 10
		202-1	Ratios of standard entry level wage by gender compared to local minimum wage	31		4, 6	8, 10
		404-1	Average hours of training per year per employee	31		6	4
		404-2	Programs for upgrading employee skills and transition assistance programs			There are no retirement programs (no employees at this stage of their career) and termination programs.	
		404-3	Percentage of employees receiving regular performance and career development reviews	31		1, 2, 4, 5, 6	4
		410-1	Security personnel trained in human rights policies or procedures	31		1, 2, 4, 5, 6	8
	412-2	Employee training on human rights policies or procedures	31		1, 2, 4, 5, 6	8	
	Diversity	103-1	Explanation of the material topic and its Boundary	33, 34		6	5, 8, 10
		103-2	The management approach and its components	33, 34		6	5, 8, 10
		103-3	Evaluation of the management approach	33, 34		6	5, 8, 10
102-8		Information on employees and other workers	34		6	5, 8, 10	

CHAPTERS	MATERIAL THEME	GRI AND SASB		PAGE	OMISSION/INFORMATION	GLOBAL COMPACT	SDG
		DISCLOSURE	DESCRIPTION				
SOCIAL	Diversity	102-41	Collective bargaining agreements		100%	3, 6	8
		401-3	Parental leave	34		6	5, 8
		405-1	Diversity of governance bodies and employees	34		6	5, 10
		405-2	Ratio of basic salary and remuneration of women to men	34		6	5
		406-1	Incidents of discrimination and corrective actions taken	34		6	5, 8, 10
	Health and Safety	103-1	Explanation of the material topic and its Boundary	35, 36		4	3, 8
		103-2	The management approach and its components	35, 36		4	3, 8
		103-3	Evaluation of the management approach	35, 36		4	3, 8
		403-1	Occupational health and safety management system	35		4	3, 8
		403-2	Hazard identification, risk assessment, and incident investigation	36		4	3, 8
		403-3	Occupational health services	36		4	3, 8
		403-4	Worker participation, consultation, and communication on occupational health and safety	35, 36		4	3, 8
		403-5	Worker training on occupational health and safety	36		4	3, 8
		403-6	Promotion of worker health	36		4	3, 8
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	35, 36		4	3, 8
		403-8	Workers covered by an occupational health and safety management system	35		4	3, 8
		403-9	Work-related injuries	36		4	3, 8
		403-10	Work-related ill health	36		4	3, 8

CHAPTERS	MATERIAL THEME	GRI AND SASB		PAGE	OMISSION/INFORMATION	GLOBAL COMPACT	SDG
		DISCLOSURE	DESCRIPTION				
SOCIAL	Health and Safety	413-1	Operations with local community engagement, impact assessments, and development programs	36		4	3, 8
		RR-WT-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	36		4	3, 8
	Communities	103-1	Explanation of the material topic and its Boundary	37 a 39		1, 2	1,10,11
		103-2	The management approach and its components	37 a 39		1, 2	1,10,11
		103-3	Evaluation of the management approach	37 a 39		1, 2	1,10,11
		202-2	Proportion of senior management hired from the local community		In 2021, the company had an office in Sao Paulo and started building a wind farm in Rio Grande do Norte. Board members are based in the city of SP, where the headquarters are located.		
		203-1	Infrastructure investments and services supported	37 a 39			1,10,11
		203-2	Significant indirect economic impacts	37 a 39			1,10,11
		411-1	Incidents of violations involving rights of indigenous peoples		The company does not operate in indigenous areas. So there was no violation of any kind.		
		412-1	Operations that have been subject to human rights reviews or impact assessments	38		1.2	8
		413-1	Operations with local community engagement, impact assessments, and development programs	37 a 39			1,10,11
		413-2	Operations with significant actual and potential negative impacts on local communities		Operations do not have significant negative impacts on communities.		
		RR-WT-410a.2.	Backlog cancellations associated with community or ecological impacts		There were no order cancellations.		

CHAPTERS	MATERIAL THEME	GRI AND SASB		PAGE	OMISSION/INFORMATION	GLOBAL COMPACT	SDG	
		DISCLOSURE	DESCRIPTION					
GOVERNANCE	Ethics and Transparency	103-1	Explanation of the material topic and its Boundary	41 a 45		10	8, 16	
		103-2	The management approach and its components	41 a 45		10	8, 16	
		103-3	Evaluation of the management approach	41 a 45		10	8, 16	
		102-16	Values, principles, standards, and norms of behavior	44		10	8, 16	
		102-18	Governance structure	41 a 43		10	16	
		201-4	Financial assistance received from government	45		10	16	
		205-1	Operations assessed for risks related to corruption	45		10	16	
		205-2	Communication and training about anti-corruption policies and procedures	45		10	16	
		205-3	Confirmed incidents of corruption and actions taken	45		10	16	
		206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			No occurrence.	10	16
		207-1	Approach to tax			There is no fiscal strategy.		
		207-2	Tax governance, control, and risk management			There is no structured fiscal governance.		
		207-3	Stakeholder engagement and management of concerns related to tax			There is no approach.		
		307-1	Non-compliance with environmental laws and regulations			There is no case of non-compliance with environmental laws and/or regulations and/or lawsuit filed.	7	
		405-1	Diversity of governance bodies and employees		43		6	5, 10
		415-1	Political contributions		45		10	16
419-1	Non-compliance with laws and regulations in the social and economic area			There is no case of non-compliance with laws and/or social regulations and/or lawsuit filed.				

CHAPTERS	MATERIAL THEME	GRI AND SASB		PAGE	OMISSION/INFORMATION	GLOBAL COMPACT	SDG
		DISCLOSURE	DESCRIPTION				
<b>GOVERNANCE</b>	Risk Management	102-11	Precautionary Principle or approach	46			
		103-1	Explanation of the material topic and its Boundary	46			
		103-2	The management approach and its components	46			
<b>BUSINESS</b>		102-45	Entities included in the consolidated financial statements	50 a 52			
		102-7	Scale of the organization	49			
		412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		There was no agreement implying the acquisition of majority shareholding (or quota) in other entities or capital investment considered relevant to the company's results.		
		207-4	Country-by-country reporting	52			
		203-1	Infrastructure investments and services supported	55, 56			
		203-2	Significant indirect economic impacts	55, 56			
		417-3	Incidents of non-compliance concerning marketing communications	56			
		418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	56			
		102-43	Approach to stakeholder engagement	56, 57			
		102-44	Key topics and concerns raised	56, 57			
		308-1	New suppliers that were screened using environmental criteria	57		7	13, 15
		308-2	Negative environmental impacts in the supply chain and actions taken	57			

CHAPTERS	MATERIAL THEME	GRI AND SASB		PAGE	OMISSION/INFORMATION	GLOBAL COMPACT	SDG
		DISCLOSURE	DESCRIPTION				
<b>BUSINESS</b>		408-1	Operations and suppliers at significant risk for incidents of child labor	57		1, 2, 5	8
		409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	57		1, 2, 4	8
		410-1	Security personnel trained in human rights policies or procedures		In 2021 there was not a hired security team.		
		414-1	New suppliers that were screened using social criteria	57			8, 10
		414-2	Negative social impacts in the supply chain and actions taken	57			
<b>GRI CONTENT SUMMARY</b>		102-55	GRI content index				
<b>EXTERNAL VERIFICATION</b>		102-56	External assurance		The report will be verified by Sitawi Finanças do Bem.		

# 2W Energia

GENERAL COORDINATION

2W Energia's Sustainability and ESG Area

GRI INDICATORS MANAGEMENT PLATFORM

Cerensa

MATERIALITY, TECHNICAL AND EDITORIAL COORDINATION,

GRI CONSULTANCY, GRAPHIC DESIGN AND LAYOUT

Presence Comunicação e Sustentabilidade