



Alupar

Sustainability
Report

2023

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ETGV - CUIABÁ/MT

1

Introduction

About the Report

// GRI 2-3, 2-5, 2-13, 2-14

Alupar welcomes the **2023 Sustainability Report (SR23)**, which discloses to stakeholders and society the main highlights of our ESG performance. The data presented in this document covers 100% of our businesses in Brazil and Latin America, in own assets or equity interest, between January 1 and December 31, 2023.

The Company's materiality defined the scope and the topics addressed, and the report was prepared based on the guidelines of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB).

This Report provides a broad and integrated view of Alupar's strategy for growth in 2023. The results presented are the result of collaboration among all administrative and operational areas, valuing information transparency and demonstrating how we generate value for customers, employees, business partners and society in general.

How to Read this Report

In addition to linear reading, it is possible to navigate through the content according to the reporting guidelines:



GRI and SASB Indicators:

At the opening of the subchapters, the indicators used in gathering the information presented will be highlighted. The reference of the reporting pages and the complementary explanations for each indicator can be accessed in the GRI Index (page 85) and the SASB Index (page 96).

The preparation of SR23 was overseen by the sustainability area and its content was approved by the Board of Directors, Alupar's highest governance body.



Comments, suggestions and questions:
ri@alupar.com.br

Message from the CEO

// GRI 2-22

Resilience, motivation, optimism and focus translate Alupar's performance in 2023. A year with achievements enabled by the solid base we have built throughout our trajectory, composed by the people who make Alupar, by the development of our systems and processes, financial discipline and attention to the socio-environmental agenda.

Our performance in 2023 gives us the sense of job accomplishment. With new assets and operations in Brazil and Latin America, we finished the construction of **Agreste Potiguar Wind Farm** (EAP), in Rio Grande do Norte, and began the testing phase of the **Pitombeira Photovoltaic Power Plant**, in Ceará. We also started the construction of **Transnorte Energia** (TNE) and made notable progress in the **Empresa Litorânea de Transmissão de Energia** (ELTE) project, in São Paulo, and **Transmissora Colombiana de Energia** (TCE).

Thinking about expanding our business, we won auctions in Brazil and Latin America.

In Brazil, we won block 2 of the largest transmission auction ever held by Aneel, to construct 531 km of 500 kV transmission lines, double circuit, interconnecting the States of Goiás, Minas Gerais and São Paulo, totaling more than **R\$ 2.5 billion in investments** and an estimated annual revenue of R\$239.5 million. We also signed the concession contract for Block 6 of the 2/2022 Transmission Auction. In Latin America, we won **three other auctions in Peru, Chile and Colombia**, which will require more than US\$120 million in investments and will generate an estimated annual revenue of US\$16.3 million.



This expansion of our business is a result of collective endeavor and the joining of forces from all areas, demonstrating that we are a Company made up of dedicated employees. The business development teams were supported by various areas in building multidisciplinary teams with a common objective: **bring profitable and sustainable businesses to Alupar.**

In our international operations, we take our business culture while we incorporate and respect the cultures of these countries. **We celebrated 10 years as a listed company on B3** and, meanwhile, we evolved significantly in market cap and number of shareholders.

With 46 assets, Alupar ended the year of 2023 with R\$18 billion in its portfolio, 132 thousand shareholders and a market cap of R\$9.2 billion. This performance makes us proud and it motivates us to keep searching for excellence and longevity.

In our energy generation projects, in 2023, we reinforced our contribution to the energy matrix and expanded our capacity to offer renewable energies to society. We strengthened our commitment to the expansion of non-fossil energy in Brazil, boosting not only our own growth, but also contributing positively to the country's sustainable development.

In 2023, we reviewed our materiality matrix and structured the **Strategic Sustainability Plan**, with guidelines for decision-making, aiming for a sustainable future. Our commitment to ESG management, combined with technical competence and financial discipline statement, translates it into notable results.

We finished the year of 2023 achieving **R\$3.19 billion in Net Revenues**, an increase of 8.8% compared to the previous year, generating a **R\$4.4 billion in value added**. In parallel

to sustainable growth, we design energy generation projects and transmission systems that benefits both shareholders and the entire society.

With the evaluation of our performance in 2023, we are committed to intensify investments in processes and operations, aiming to achieve even better results, in a conscious and responsible way. Our goal is to drive sustainable growth through innovative initiatives.

In addition to the expansion of assets and the efficiency achieved in energy generation and transmission, the year 2023 expanded our horizons by **structuring the brand of the retail trading company (ACE)**. With a focus on attracting customers and projects in the free energy market, we established the business unit and signed important contracts in 2023.



We are aware of the challenges we will face in 2024, and **we believe the cooperation and integration of all Alupar members will lead us to positive results**, following the successful pattern of 2023. By bonding people, areas, companies, leaders and more than **856 employees**, we will strengthen our position and competitiveness, creating opportunities for everyone, with emphasis on results and value added.

We offer a wide range of opportunities for professional development, creating an environment where **diversity, adaptability and continuous learning are encouraged**. The more diverse and qualified our team is, the greater the opportunity for personal and professional growth for each individual at Alupar.

Customers, suppliers, employees, investors and society, we sincerely thank you for trusting in our Company throughout the year. You all make Alupar a solid, conscious, responsible and profitable company, and we will continue working to achieve even better results.

Paulo Roberto de Godoy Pereira
Alupar CEO

Highlights from 2023



EXPANSION IN LATIN AMERICA

WITH OUR PARTICIPATION IN AUCTIONS IN COUNTRIES WITH SOLID REGULATORY ENVIRONMENTS, WE OPERATE IN CHILE, COLOMBIA AND PERU, WITH ENERGY GENERATION AND TRANSMISSION ASSETS THAT ALREADY ACCOUNT FOR APPROXIMATELY 10% OF OUR ANNUAL REVENUE.



10 YEARS OF IPO

IN 2023, WE CELEBRATED TEN YEARS AS A LISTED COMPANY, INCREASING OUR MARKET VALUE FROM R\$ 3.9 BILLION TO R\$ 9.2 BILLION.



ENERGY TRADING

WE BOOSTED OUR OPERATIONS IN THE FREE ENERGY MARKET, STRUCTURING THE COMMERCIAL AREA AND OPENING DIRECT CHANNELS TO OUR CUSTOMERS.



SELF-PRODUCTION CONTRACT

THIS PARTNERSHIP WITH WEG, PREDICTS THE RENEWABLE ENERGY SUPPLY TO INDUSTRIAL OPERATIONS FOR 20 YEARS AND IT CONTRIBUTES FOR THE EXPANSION OF OUR GENERATOR COMPLEXES.



AGRESTE POTIGUAR WIND FARM

WITH AN INSTALLED CAPACITY OF 63 MW, THE OPERATION OF THE COMPLEXES, EAP I AND EAP II, REFLECTS OUR COMMITMENT TO RENEWABLE ENERGY GENERATION.



PITOMBEIRA HYBRID PLANT

WE COMPLETED THE CONSTRUCTION OF PITOMBEIRA PPP, GATHERING MORE THAN 113 THOUSAND PHOTOVOLTAIC MODULES THAT MAKES IT UP OUR FIRST HYBRID PLANT.



TRANSPARENCY TROPHY

GRANTED BY THE NATIONAL ASSOCIATION OF EXECUTIVES (ANEFAC), THE AWARD RECOGNIZES THE MOST TRANSPARENT COMPANIES IN THE COUNTRY IN TERMS OF FINANCIAL STATEMENTS.

More than US\$3 BI in investments contracted through auctions carried out in Brazil and Latin America.



ALUPAR DAY

A TRADITION AT THE COMPANY, THE MEETING WAS SET BY THE 10 YEARS CELEBRATION OF THE IPO AND IT WAS ATTENDED BY OUR EXECUTIVES, WHO PRESENTED THE MAIN RESULTS OF THE YEAR AND THE PERSPECTIVES FOR THE FUTURE.



D&I EVOLUTION

IN 2023, WE KEPT FOCUSED ON OUR EMPLOYEES' LITERACY, AN INITIAL STEP TO PUTTING STRATEGIC DIVERSITY AND INCLUSION PLANNING INTO ACTION.



10 RULES FOR LIFE

DURING HEALTH AND SAFETY WEEK, WE DEFINED RULES TO CONTINUOUSLY GUARANTEE A HEALTHY AND SAFE ENVIRONMENT FOR OUR EMPLOYEES..



FIA CERTIFICATE

WE RENEWED THE AMAZING PLACES TO WORK SEAL, FROM FIA EMPLOYEE EXPERIENCE.

Alupar

CENTRO DE OPERAÇÃO DE GERAÇÃO DE ENERGIA

2

About
Alupar



About Us

// GRI 2-1, 2-6

Founded in 2007, **Alupar** operates in the Brazilian electricity sector in energy generation, transmission and trading sectors, and in recent years, has been expanding its operations to other countries in Latin America.

Over our history, we have acquired an extensive experience and we have consolidated ourselves as one of the most relevant private companies in the electricity sector, considering the **Annual Permitted Revenue (RAP)**.

For 10 years we have been listed on the Brazilian stock exchange (ALUP3, ALUP4 and ALUP11), and we have achieved a responsible and sustainable growth, relying on a high level of ethics, transparency and governance to offer predictability and financial return to over 132 thousand shareholders.

As we are committed to the energy transition, all the generated energy comes from renewable sources, highlighting our concern with efficiency, while decreasing environmental impacts.

Our energy generation dedicated to **hydro, solar and wind sources** totals 11 small and medium-sized assets. In the energy transmission sector, we have signed 35 concessions, with a term of 30 years in Brazil and Peru, in addition to lifetime contracts in Colombia and Chile.

We see ourselves as a responsible, conscious Company, attentive to challenges. Our care with our employees and the communities where we operate, reflects our commitment to sustainable human development.

784 MW of installed capacity and **8,804.2 km** of energy transmission lines in operation and under implementation



Mission

Transmit and generate energy with corporate, social and environmental responsibility, generating shareholder value, economic development and people's well-being.



Vision

To be a respected, admired, modern and effective company, with the best performance indicators in the sectors it operates.



Values

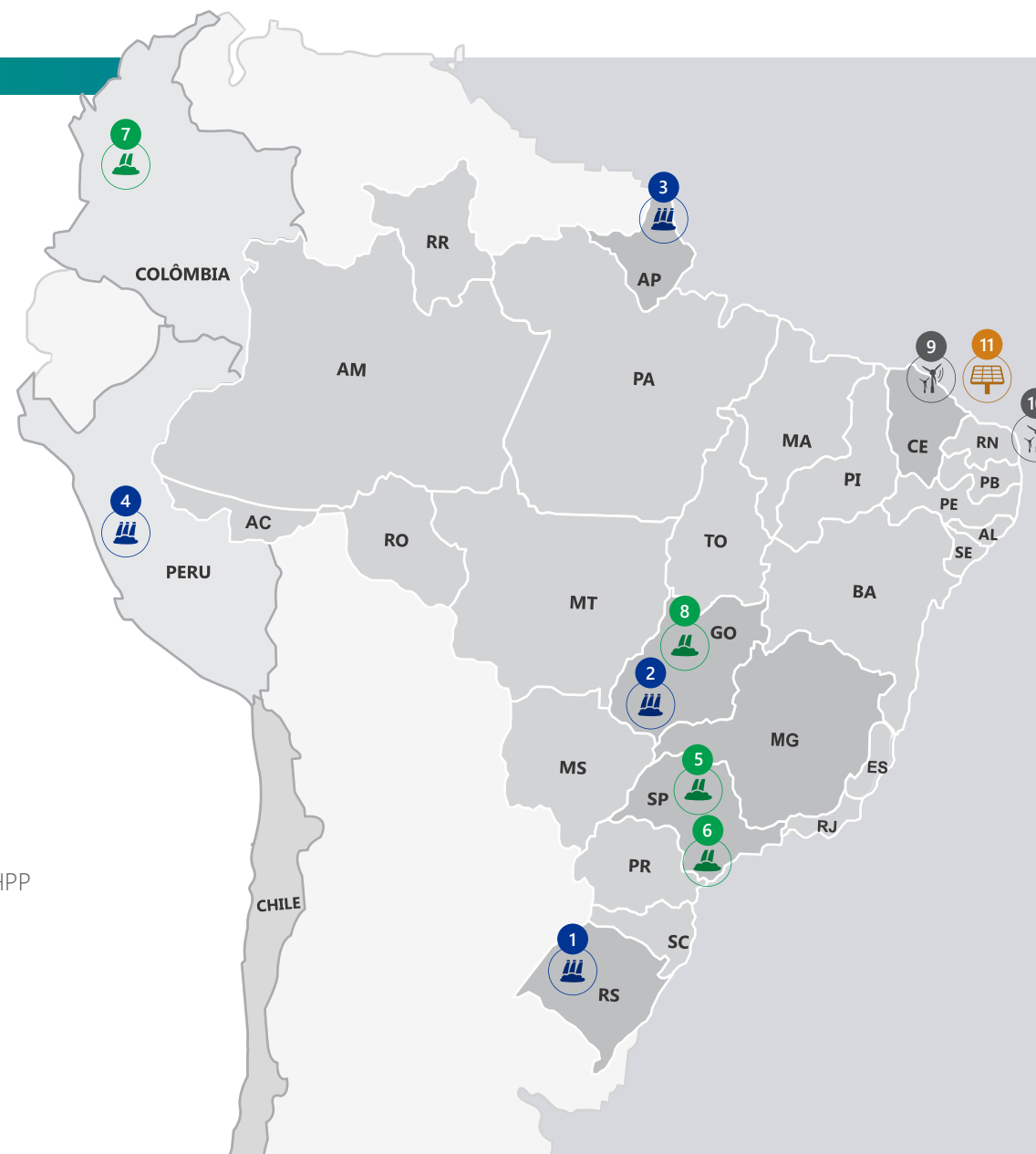
- Commitment
- Respect
- Planning
- Ethics and Transparency
- Meritocracy
- Result
- Innovation

Our Operations

// GRI 2-1, 2-2, 2-6

ENERGY GENERATION

#	Source	Asset	Installed Capacity (MW)	Shareholding
1	HPP	São José	51	100%
2	HPP	Foz do Rio Claro	68.4	100%
3	HPP	Ferreira Gomes	252	100%
4	HPP	La Virgen	93.8	84.58%
5	SHPP	Queluz	30	68.83%
6	SHPP	Lavrinhas	30	61.00%
7	SHPP	Morro Azul	19.9	99.97%
8	SHPP	Verde 08	30	85.00%
9	Wind	Energia dos Ventos	98.7	100%
10	Wind	Agreste Potiguar	63	100%
11	PPP	Pitimbeira	47.25	100%



Hydroelectric Power Plant - HPP



Small Hydroelectric Power Plant - SHPP



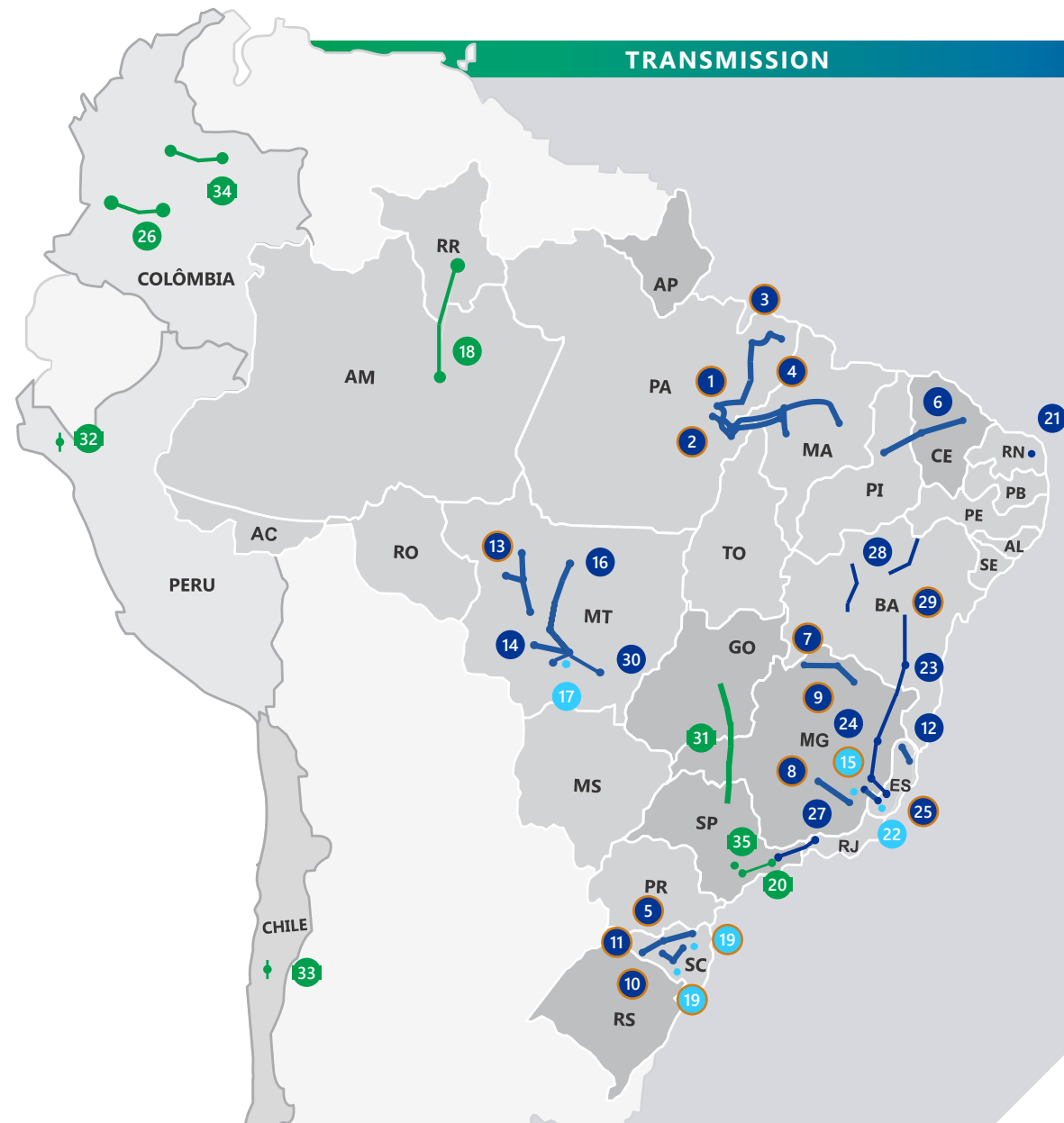
Photovoltaic Power Plant - PPP



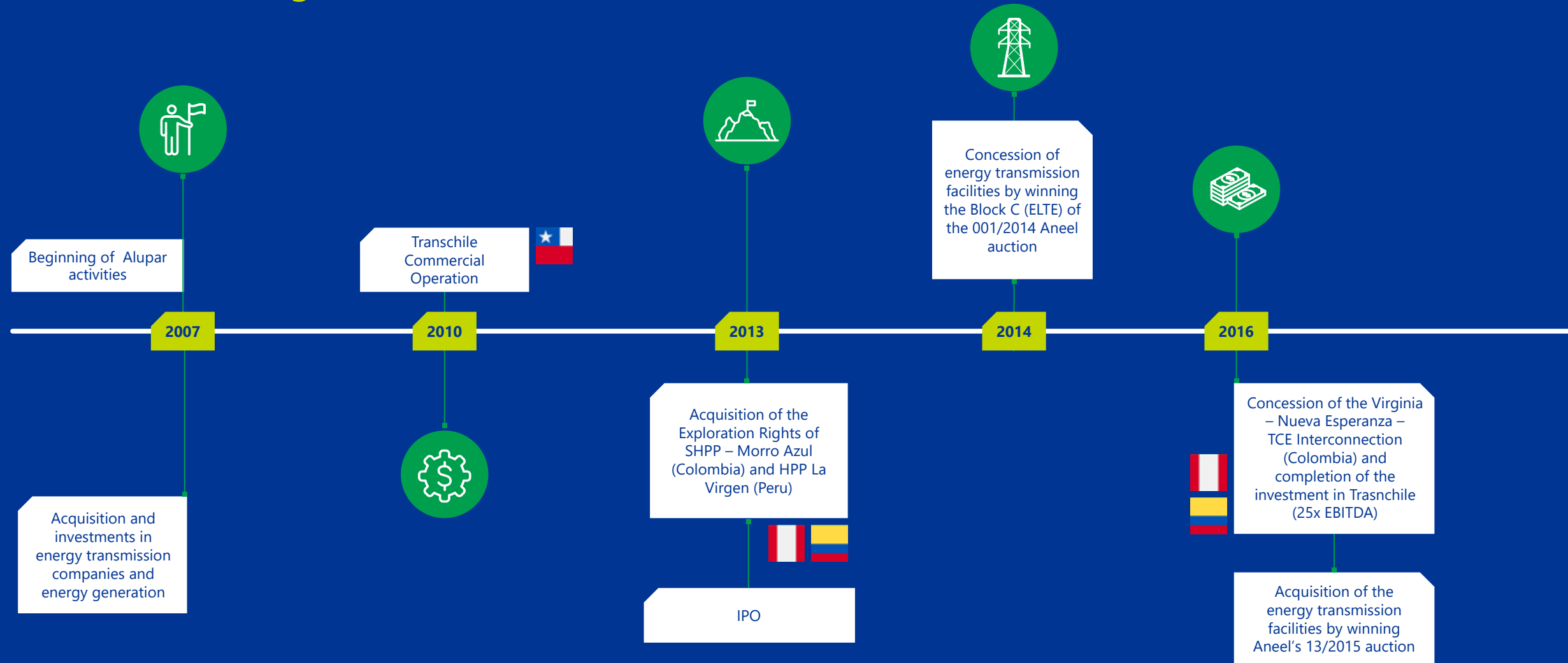
Wind Farm

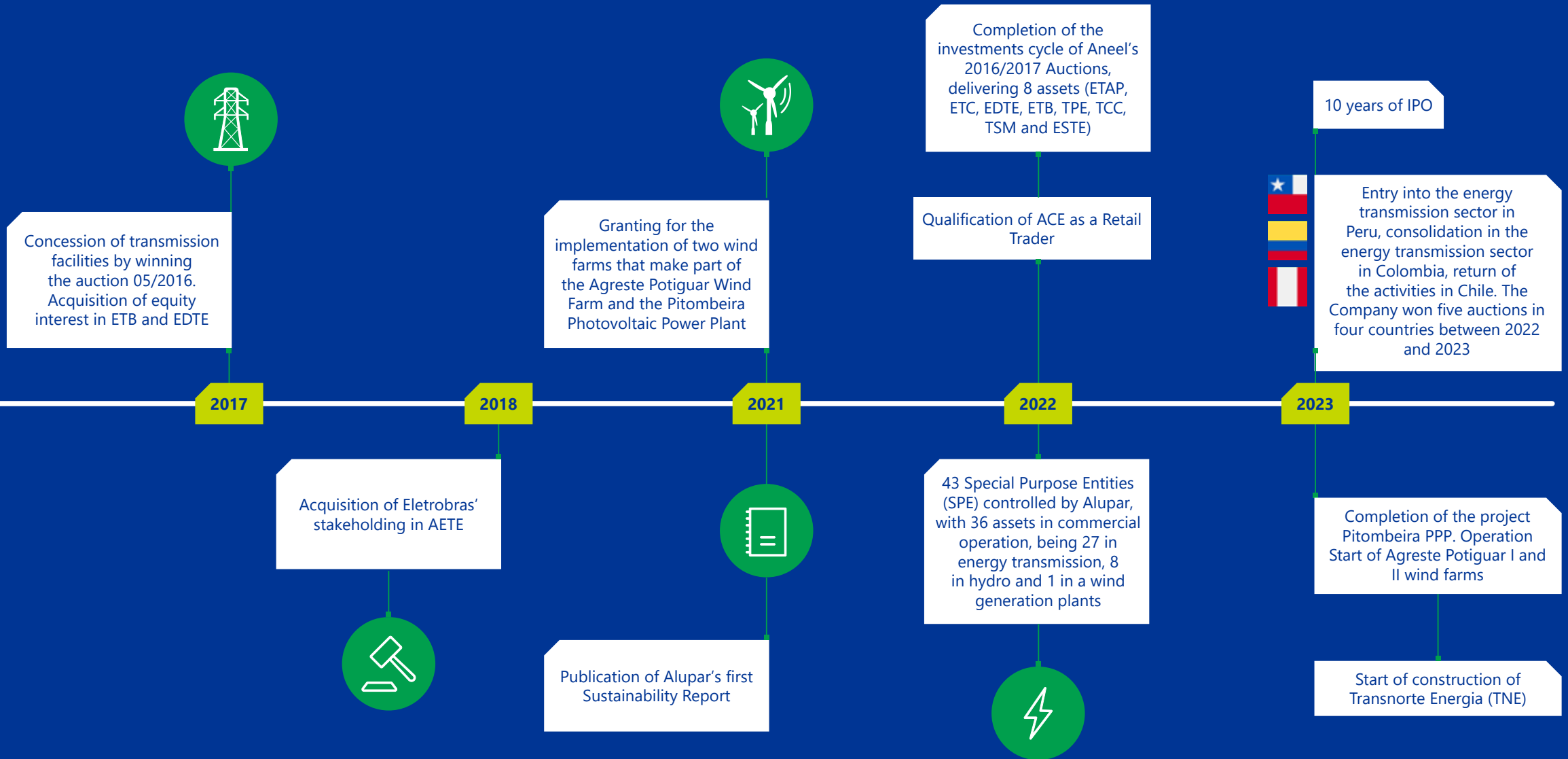
#	Asset	Transmission System	Extension (km)	Stakeholding
1	ETEP	Tucuruí – Vila Conde	323	50.02%
2	ENTE	Tucuruí – Açailândia	464	50.01%
3	ERTE	Vila Conde – Santa Maria	179	18.08%
4	EATE	Tucuruí – P. Dutra	924	50.00%
5	ECTE	Campos Novos – Blumenau	252,5	50.02%
6	STN	Terezina – Fortaleza	541	50.09%
7	TRANSELESTE	Irapé – Montes Claros	150	41.00%
8	TRANSUDESTE	Itutinga – Juíz de Fora	140	41.00%
9	TRANSIRAPÉ	Irapé – Araçuí	65	41.00%
10	STC	Barra Grande – Lages-Rio Sul	195	61.55%
11	LUMITRANS	Machadinho – Campos Novos	51	80.00%
12	ETES	Verona – Mascarenha	107	99.90%
13	EBTE	Sinop-Sorriso-Nova Mutum / Parecis – Maggi / Juína-Maggi-Juba	940	51.00%
14	TME	Jauru – Cuiabá	348	60.00%
15	ESDE	Subestação Santos Dumont – Minas Gerais	0	100.00%
16	ETEM	Nova Mutum – Nobres – Cuiabá	235	62.79%
17	ETVG	Subestação Várzea Grande	0	100.00%
18	TNE	Eng. Lechuga – Boa Vista	715	49.62%
19	ETSE	Subestações Abdon Batista e Gaspar	0	100.00%
20	ELTE	Subestações Manoel da Nóbrega e Domênico Rangoni	40	100.00%
21	ETAP	Subestação João Câmara II – João Câmara III	20	100.00%
22	ETC	Subestação Rio Novo do Sul	0	100.00%
23	TPE	Poções III – Padre Paraíso 2 / Padre Paraíso 2 – Governador Valadares 6	541	65.70%
24	TCC	Governador Valadares 6 – Mutum / Mutum – Rio Novo do Sul	288	65.70%
25	ESTE	Mesquita – João Neiva 2	236	100.00%
26	TCE	Virgínia – Nueva Esperanza	235	100.00%
27	TSM	Fernão Dias – Terminal Rio	330	65.70%
28	ETB	Juazeiro III – Orolândia II / Bom Jesus da Lapa II – Gentio do Ouro II	446	65.00%
29	EDTE	Ibicoara – Poções III / Poções III – Poções II	170	50.10%
30	AETE	Coxipó – Cuiabá / Cuiabá – Rondonópolis	193	86.75%
31	TAP	Silvânia - Nova Ponte 3 / Nova Ponte 3 - Ribeirão Preto	551	
32	TCN	Subestação Lambayeque / Subestação Piura ESTE	9	100%
33	TES	El Pimiento - Monte Blanco / El Pimiento - El Lazo	15.7	
34	TEL	SE Alcaraván (Nova) / SE Santo Antonio (ampliação)	100	
35	TECP	Subestação Centro (modernização)	0	99.94%

- In operation
- Under implementation
- Substations (enterprises without energy transmission lines)
- TBE assets (partner of Alupar's and Taesa majority shareholders)



Our Journey





ESG Management

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

Sustainability Strategy

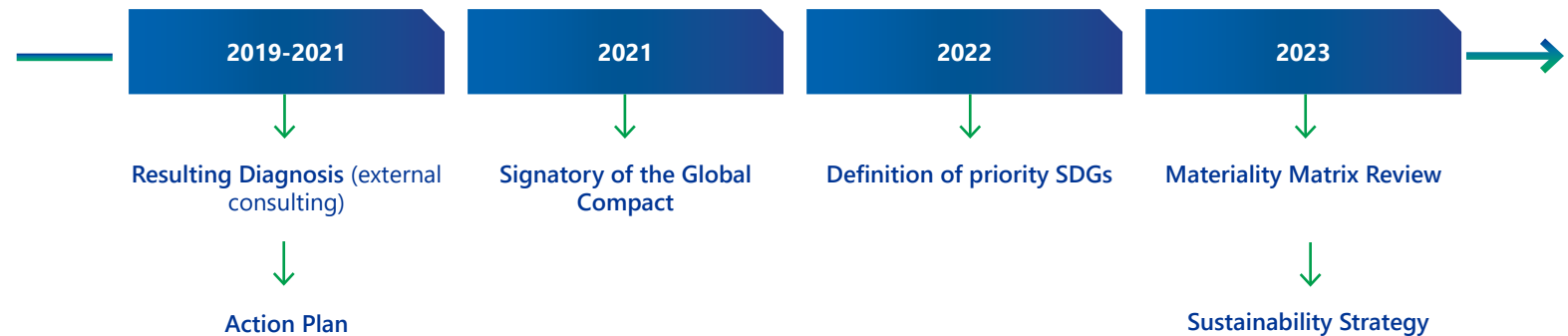
In 2023, we mapped opportunities and projects related to the Alupar’s priority Sustainable Development Goals (SDGs), created from the participatory survey with our teams. In order to prioritize projects and put ideas into practice, we classified them in a matrix of impact and as an effort to meet the SDGs.

We are also dedicated to designing the **Strategic Sustainability Plan**, which aims to structure the guidelines for sustainability management and guide our decisions for the following years. During the preparation of the plan, some guidelines helped to identify priorities, such as trend analysis and benchmarking; carrying out ESG assessments, based on indices, ratings and rankings; initiatives and

commitments defined by the Company; materiality study and definition of the SWOT matrix.

Furthermore, recognizing the importance of involving all of our employees in the topic, since 2022, Alupar has included a weight for sustainability aspects in its panel of goals tied to variable compensation.

Priority SDGs:



Strategic Sustainability Plan

The **Sustainability Strategy** provides us with a long-term vision, focused on optimizing resources, seizing opportunities, anticipating changes and seeking greater employee engagement in ESG themes. These elements contribute to the longevity of business and the improvement of the environment and the society.



Materiality Matrix

In 2023, Alupar defined its materiality in a four-phase process: **the evaluation of benchmarks and references; the prioritization of audiences; qualitative engagement and consolidation of the achieved results.**

The development of material themes followed the concept of dual materiality, financial and impact, and took into account the most important reporting themes in the electricity sector.

As references, we use the guidelines of the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Corporate Sustainability Index (ISE - B3), Dow Jones Sustainability Indexes (DJSI), the Sustainable Development Goals (SDG) and the UN Global Compact.

During this process, we defined three main themes within the **environmental aspect**: biodiversity and environmental management; climate change and waste management, involving SDGs 7, 12, 13, 14 and 15.

With regard to **social issues**, four main themes were identified: relationship with local communities; diversity and inclusion; talent management and worker’s health and safety, involving SDGs 3, 4, 5, 8, 10 and 11.

Regarding the **governance pillar**, Alupar defined three main material themes: ethical conduct; asset management and supplier management, working on SDGs 7, 8, 9, 16 and 17.

In addition to the ten themes outlined in our materiality, we recognized two emerging themes that may become relevant in the future: **innovation and digitalization, and corporate governance.** We understand that both themes are intrinsic to our business model and must be kept in our materiality exercises in the following years, being closely monitored.



INNOVATION AND DIGITALIZATION



CORPORATE GOVERNANCE



ENVIRONMENTAL

Biodiversity and Environmental Management

The potential impacts range for generation and transmission assets, as well as for operation and implementation phases. During the implementation phase, a dedicated team monitors the practices adopted in the work site and the compliance with **environmental licensing requirements**. During the operation stage, **prevention, mitigation and compensation** actions are carried out in accordance with the **Basic Environmental Plan** of each unit. Association with NGOs and universities contribute to scientific knowledge and preservation of Brazilian fauna and flora.



Climate Change

In 2023, Alupar improved its climate approach, highlighting **SGD 13** as a priority. In order to manage GHG emissions, we implemented a specialized platform for a continuous monitoring and management, identifying opportunities to reduce emissions. We started a study to assess climate, physical and transition risks, following the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD).



Waste Management

Due to the nature of the business model, the high generation of waste during the construction phase requires discipline in the third parties' practices, and an identification of accredited partners for waste disposal. In all its operations, the company implements a structured management process, including **inventory, classification, selective collection, packaging, storage, destination and final disposal**, following environmental standards.





SOCIAL

Relationship with Local Communities

Among the practices adopted, we highlight the presence of an Ombudsman dedicated to receiving doubts, complaints and demands from the communities.

We also implemented Social Communication and Environmental Education Programs. Furthermore, for other audiences, we have an outsourced Whistleblowing Channel, accessible to both employees and the external audience.



Diversity and Inclusion

Internally, we adjusted the recruitment, selection, training, development and career processes in line with Alupar's Values. In this context, diversity has become a booster for building teams even more qualified and prepared for business competitiveness. Regarding the value chain, the diversity and inclusion theme was incorporated into supplier awareness and evaluation initiatives.



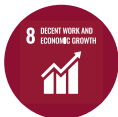
Talent Management

Redesigned in 2022, the performance evaluation cycle with employees adopted, in 2023, an approach focused on technical, behavioral and leadership development of the employees. Every year, we carry out a climate survey covering all employees and, based on the results, points for improvement are proposed, which ones are discussed with managers in evaluation meetings.



Worker's Health and Safety

Through training and qualification in Occupational Health and Safety (OHS), we instruct our professionals to make the best use of the operational tools, safety equipment and barriers to mitigate the risk of accidents. Regarding third parties, in addition to the guidelines provided, we require the contracted companies to align with our OHS Master Plan, with guidelines and standards to be complied with by their professionals.





GOVERNANCE

Ethical Conduct

The Ethics, Conduct & Compliance Committee acts as an advisory body to the Board of Directors and plays a key role in strengthening the Compliance and Integrity Program. Its actions aim to consolidate strategies, policies and measures to disseminate the culture of business ethics and to reduce risks and promote compliance with the standards applicable to Alupar and its subsidiaries. The Whistleblowing Channel works as a channel to report any irregularity of the Code of Ethics, Conduct & Compliance, values and the current legislation.



Asset Management

We invested in innovation and technology for our greater safety and operational stability, which includes intensive training of the operational and maintenance teams, continuous modernization of the assets and preparation for any emergency situations. All these efforts are aimed to prevent the occurrence of operational incidents, which could compromise the operating capacity, impacting our financial performance and creating adverse consequences for the electrical system, business partners, local communities and the environment.



Supplier Management

All contracts have clauses related to human rights, in particular the defense of fundamental labor rights and the fight against corruption. The procedures for hiring companies include evaluations of negative certificates of tax and labor debts, as well as the verification of environmental licenses and other technical documents when applicable by the nature of the contract.





3

Our
Businesses

Business Fronts

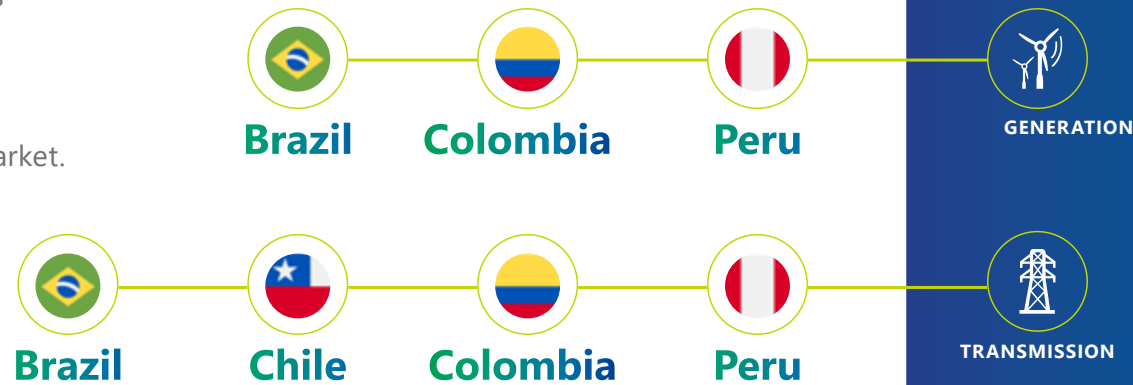
// GRI 2-1 e 2-6

We are one of the main privately controlled companies in Brazil, operating in the generation, transmission and commercialization of electric energy.

In 2023, we completed 10 years of IPO with 46 assets, distributed between 11 generation assets in operation and 35 energy transmission assets: 8 under implementation and 27 are in operation and maintenance.

The initial public offering allowed us to expand our range of operations in the electricity sector and, nowadays, we stand out for our investments in renewable energy and in our expansion in Latin America. Recently, we started the energy commercialization front, in self-production partnerships and adhesion to the Free Energy Market.

Following our philosophy of continuous evolution, we seize opportunities based on expertise in greenfield projects, investing in technology and operational efficiency to ensure economic viability. Such investments and the solidity of Alupar guarantee competitive advantages, such as the creation of strategic partnerships, financial balance and revenue predictability.



Brazilian company operating in the Energy Generation and Transmission sectors in South America, with **R\$ 17.8 BI** in assets

Our Strategy

A business strategy outlined in the electricity sector is essential to run the company efficiently, seizing growth opportunities, optimizing the assets operation and consolidating our position in the energy market.

Our growth levers highlight:

- **Taking part of auctions, understanding the high potential for investments in transmission infrastructure in Brazil;**
- **International expansion, based on monitoring opportunities in countries where we have already been operating and that have a solid regulatory environment;**
- **Repurchases of shares in projects developed with solid partnerships;**
- **Businesses in energy, due to the high potential for new revenues by being a listed company and exploration of other modalities; and**
- **Mergers and acquisitions, monitoring opportunities with attractive returns for the Company.**



Advances as a listed company

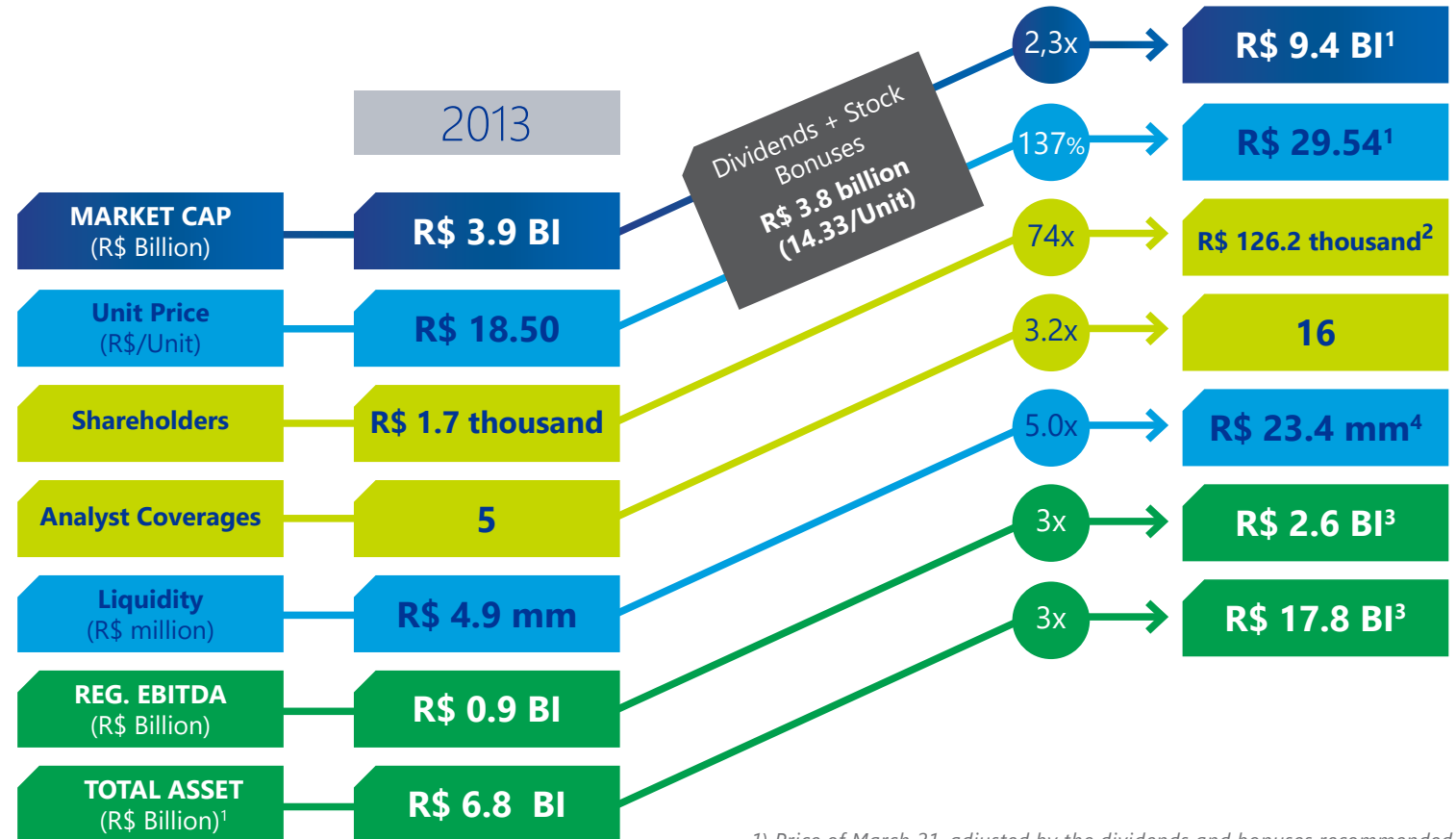
10 YEARS OF IPO

We celebrate a decade since Alupar's IPO a milestone that shaped our corporate journey in a significant way. Over these 10 years, we have achieved notable progress, expanding our operations, strengthening our market presence and facing challenges with resilience and determination.

This moment would not be possible without the continuous support and dedication of our shareholders, employees, partners and other stakeholders. We recognize the fundamental role of each person in our history.

Alupar is committed to continue prioritizing the operational excellence, sustainability and value creation in all its initiatives, seeking to build an even more promising future for the Company and for all those connected with us.

A DECADE OF GROWING NUMBERS



1) Price of March 21, adjusted by the dividends and bonuses recommended by the Company in the RCA of March 5, 2024

2) March 15, 2024

3) 2023

4) Liquidity: last 12 months (mar/23 – mar/24)

Energy generation

// GRI EU1, EU2, EU30, G4-DMA (antigas EU6 e EU21), SASB IF-EU-000.D

Our operations in the energy generation sector embraces assets in Brazil and Latin America, gathering the energy generated by Hydroelectric Power Plants (HPPs), Small Hydroelectric Power Plants (SHPPs), Wind Complexes and a Photovoltaic Power Plant.

In 2023, the total installed capacity reached **784.1 MW**, **73% from hydroelectric power plants**, **21% from wind complexes** and **6% from solar energy**. We expanded by 16.4% the generating wind complex (63 MW) and the solar energy generation (47 MW), keeping the hydro plants infrastructure. Such growth was made possible by the Agreste Potiguar Wind Farm operation, comprising the São João and Santa Régia wind farms. In addition, our first photovoltaic power plant, Pitombeira PPP, came into operation at the beginning of 2024.

We value the operational efficiency and availability of our generation assets, seeking to increase our net energy production. Our average availability factor at HPPs has grown by 6% in the last three years.

In terms of the allocation of generated energy, we operate under two regulatory regimes, Regulated Contracting Environment (ACR: 55%) and Free Contracting Environment (ACL: 45%).

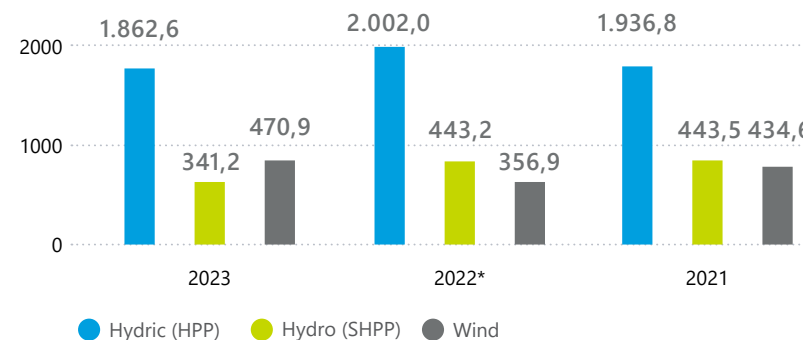
784 MW
Installed capacity

100%
renewable sources

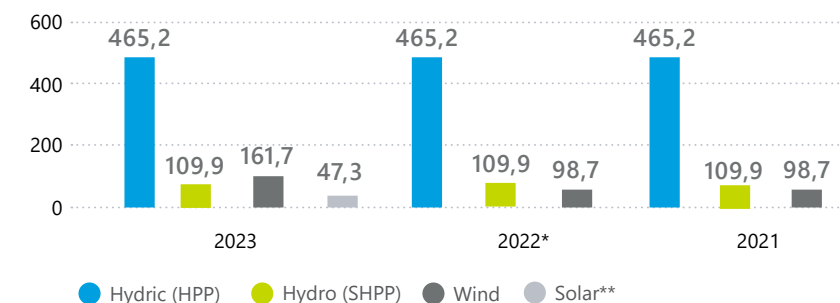
2.675 GWh
83% Brazil
17% Peru and Colombia

Contracting Environment
55% regulated
45% free

NET ENERGY PRODUCTION (GWh)



CAPACITY INSTALLED BY ENERGY SOURCE (MW)



* Assets in operation in Brazil.

** Under implementation in 2023.

As good practices in the generation sector, we adopt contingency planning measures, management plans, training against disasters or emergencies and recovery or restoration plans.

In 2023, we carried out trainings of our **Emergency Action Plan (PAE) on the dam safety area**, diagnosing contingencies and possible anomalies that could affect the safety of civil structures. Periodic simulations with the population in self-rescue zones (SRZ) are in the articulation coordination phase with Civil Defense. As a prevention activity, we monitor the occurrence of extreme rainfall in the hydrographic basin and the occupation downstream of the dams where we operate.

For 2024, Alupar plans to implement software and applications for managing the self-protection elements of the SRZ, with escape routes and meeting points previously signaled, in addition to updating the simulations carried out and optimizing the warning systems.

In Colombia, the **Disaster Risk Management Plan** was implemented, embracing: the mapping of disaster risks, the adoption of measures to mitigate risks, the management of possible disasters, the sectoral harmonization and communication actions.

In Peru, the **Response and Attention Plan for Emergency Situations** was implemented, embracing the identification of potential adverse events, assignment of responsibilities, preparation of a communication and notification system, installation of alarms and activation of the emergency plan, in addition to training in operational procedures for responses and carrying out simulations.

R\$ 1.9 BI invested in energy generation in the last seven years



FOZ DO RIO CLARO HPP - RIO CLARO/GO

Energy Transmission

// GRI EU4, SASB IF-EU-000.C

Our performance in the sector involves recognizing the importance of ensuring the **availability** and **efficient use of infrastructure** and, at the same time, installing new energy transmission lines, connecting energy generating complexes, guided by a governance that manages risks and aspects that impact the relationship with diverse audiences and the environment.

We participate in **35 energy transmission concessionaires in Brazil and three in Latin America**, operating in Colombia, Peru and Chile,

LENGTH OF LINES (KM)

Voltage Level (KV)	Operation Brazil	CAPEX Brazil	CAPEX Latin America
220	-	-	24.7
230	2,398.0	40.0	100.0
345	290.0	-	-
500	4,147.0	1266.0	235.0
525	303.5	-	-
TOTAL	7,138.5	1,306.0	359.7

with overhead lines at voltage levels ranging from 220 to 550 kV. Of the total assets, in 2023, 27 were in operation and eight were under implementation, expected to start commercial operations between 2024 and 2029.

We operate 7,138.5 km of lines in 15 states in Brazil and, in 2023, we implemented 1,665.7 km, which 1,306.0 km are in Brazil and 359.7 km in other countries in Latin America.

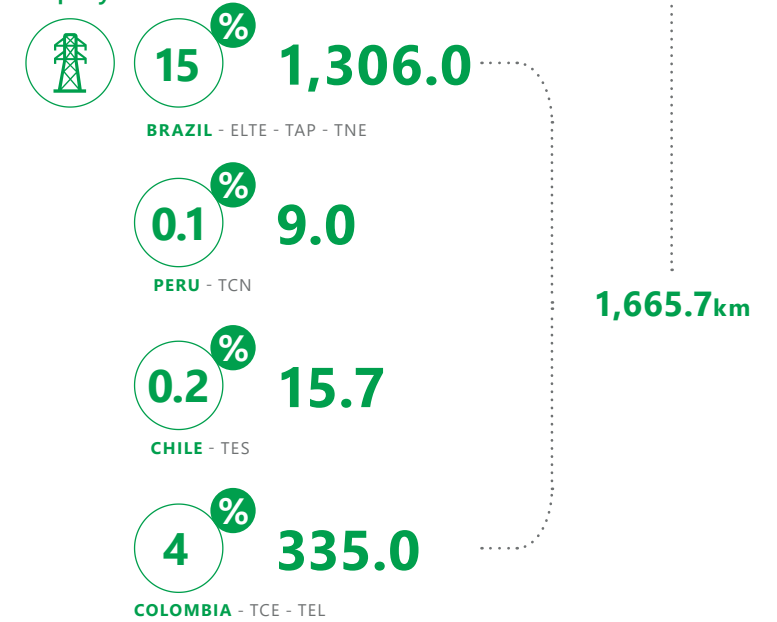
R\$ 6.3 BI invested in transmission over the last seven years.
More than **7 thousand km** in operation in 2023

Transmission Assets in 2023

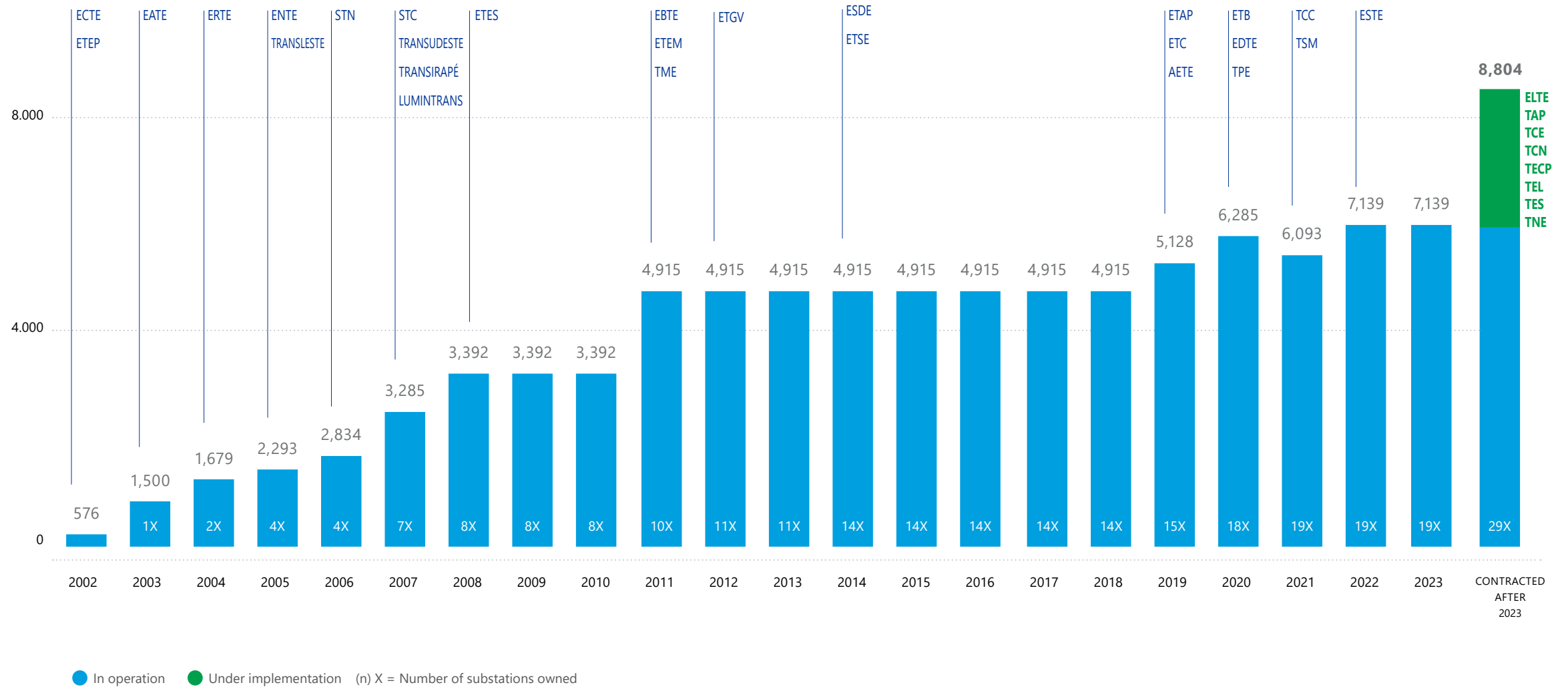
Assets in operation



Assets under deployment



EVOLUTION OF TRANSMISSION ASSETS (KM)



Energy Trading

// GRI EU3, SASB IF-EU-000.A, SASB IF-EU-000.B, SASB IF-EU-000.E

The entry into the energy commercial business and the growth of the free energy market (ACL) have provided valuable opportunities for generation of value. At Alupar, we adopt a commercial approach that stands out for offering renewable energy and seeking for sustainable solutions for our customers.

In 2023, we celebrated a 13% growth in our customer portfolio and 30% in the quantity of electricity commercialized, compared to 2022. This advance was contributed by the availability of sale of electricity produced by the wind farms opened in the year of 2023, EAP I and II, which started their operation in July and September 2023, respectively, as well as progress in structuring ACE. In Latin America, we highlight the inclusion of energy commercial transactions from two assets: HPP La Virgem (Peru) and SHPP Morro Azul (Colombia).

In Brazil, the positive results reflect the development

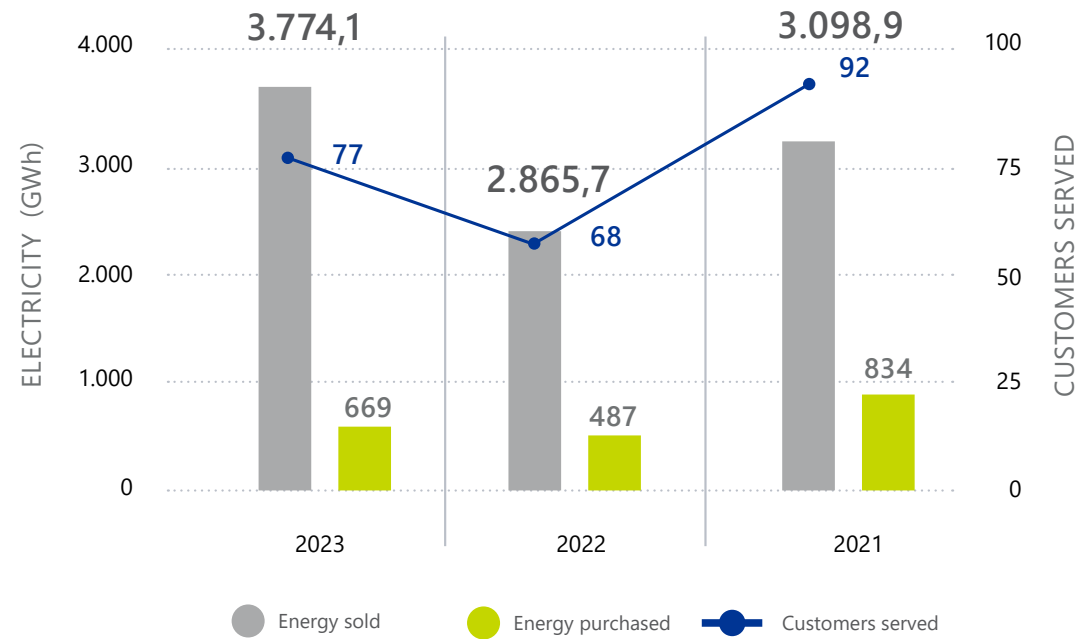
of a platform dedicated to prospecting, to the customer relations and management, combined with the structuring of a dedicated commercial team. Throughout 2023, we began the process of creating the visual identity for the Alupar sales brand, to be launched in 2024, which will contribute to the expansion of results in the sector. In this year, we recorded the acquisition of 668,917 MWh.

Partnership with WEG

In 2023, we expanded our partnership with WEG and we signed an annual delivery agreement of close to **15 average MW for the Company's manufacturing operations, equivalent to 30% of its operational consumption.** Through the modality of self-production by equivalence, from January 2024, the factories will be supplied with energy from the Santa Régia wind farm, with purchase contracts estimated at R\$460 million over 18 years.

The strategic partnership with WEG for self-production energy, reinforces Alupar's commitment with the sale of renewable energy, increasing the sustainability of partners and the country's energy safety.

ELECTRICITY SOLD AND ACQUIRED AND CUSTOMERS SERVED IN 2023



Electricity sold by type of customer (GWh)	2023	2022	2021
Commercial	2.0	0.3	-
Industrial	67.7	-	10.0
Other wholesale	3,704.4	2,865.4	3,088.9
TOTAL	3,774.1	2,865.7	3,098.9



3.7 TWh commercialized in 2023
13% increase in the customer portfolio

Performance and Operational Efficiency

// GRI 3-3, EU12, G4-DMA (antiga EU6 e EU21)

Throughout our journey, we have earned recognition for building and operating significant projects that contributed to the safe and efficient development of the Brazilian electricity sector, providing maximized returns to shareholders.

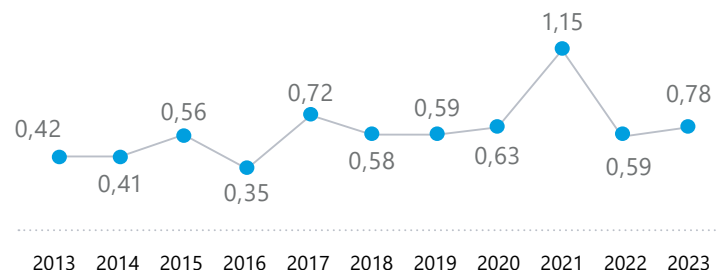
Our efficiency is driven by a robust set of systems and processes to manage projects under implementation and assets already energized.

In the **energy transmission sector**, we kept our indicators at excellence levels, achieving **physical availability close to 100% and a variable portion due to unavailability of 0.78%**. The market average, according to public data from the National Electric System Operator (ONS), for the Transmission Function Availability Indicator – Transmission Lines and Transformers, is 1.03%. In the loss indicator, we reached 2.59%, with losses being unmanageable*.

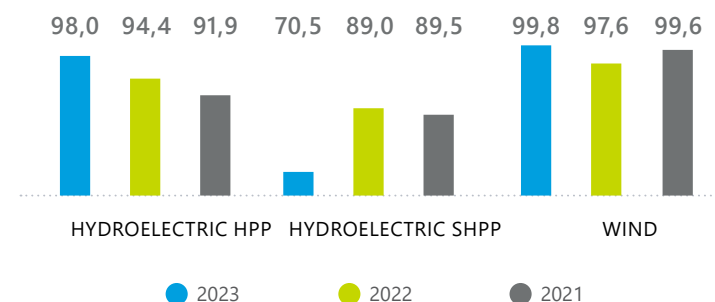
In the **energy generation sector**, the average availability of the plants in 2023 reached 98.0% for HPPs (+4% vs. 2022), 70.5% for SHPPs (-21% vs. 2022) and 99.8% for wind complexes (+2% vs. 2022), **with a significant increase in the HPP Ferreira Gomes (8%) and Energia dos Ventos Wind Complex (2%)**.

In 2023, the installed capacity remained for hydric sources, with new assets in wind and solar energy having been implemented and starting their energy production in 2024 (pages 34 and 35).

PV - VARIABLE PORTIONL (%)



AVERAGE GENERATION AVAILABILITY FACTOR PER SOURCE(%)



* According to the model adopted for the National Interconnected System (SIN), losses are measured by generators, at energy delivery points, and by users, at energy reception points, with no measurement of internal losses in the power system. streaming. Therefore, the technical losses reported in this report are indicative, considered as a percentage of the SIN's total losses. We highlight these losses as not manageable by the transmission concessionaires, as they depend on the loading characteristics and configuration of the SIN facilities, whose planning and power flows are the result of the operating strategies defined by the National System Operator (ONS), depending on availability energy and consumption demands.

The Hydroelectric power plants recorded a reduction in electricity generation, except for HPP La Virgen (Peru), **with an 8% increase in generation**. It happens, because, given our recent expansion in Latin America, we faced some challenges in the energy generation sector. In the case of the La Virgen concession, the challenges are related to energy availability and reliability, due to climate variability, precipitation patterns, regulatory restrictions and the influence of geographic factors.

After surveying these challenges, we were able to review our practices aiming a better management of the operation asset. We used web applications that made it possible to consolidate the hydrological series and increase the climate predictability of the region where the plant is installed, achieving positive results in 2023.

For the future of Alupar, based on our philosophy of continuous evolution, our plans include the expansion of greenfield projects, combining our experience, studies and research in this field, with the economic viability of the projects.

PERFORMANCE OF ASSETS IN OPERATION

Source and Asset	Installed Capacity (MW)			Net energy production (GWh)			Average Availability Factor (%)		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Hydroelectric HPP	465.2	465.2	465.2	1.862.5	2.002.0	1.936.8	98.0	94.4	91.9
São José (Ijuí)	51.0	51.0	51.0	213.5	220.2	218.9	96.9	98.5	94.7
Foz do Rio Claro	68.4	68.4	68.4	275.1	284.4	261.3	93.9	96.1	97.4
Ferreira Gomes	252.0	252.0	252.0	1005.0	1154.7	1258.2	98.7	91.7	88.3
La Virgen	93.8	93.8	93.8	368.9	342.6	198.4	99.7	98.2	96.0
Hydroelectric SHPP	109.9	109.9	109.9	341.2	443.2	443.5	70.5	89.0	89.5
Queluz	30.0	30.0	30.0	127.9	142.1	127.1	83.0	97.0	79.0
Lavrinhas	30.0	30.0	30.0	37.2	88.7	117.4	25.0	78.7	98.5
Morro Azul	19.9	19.9	19.9	86.9	119.7	117.8	95.8	95.1	92.8
Verde 8	30.0	30.0	30.0	89.18	92.7	81.2	86.6	87.2	88.9
Wind	161.7	98.7	98.7	470.9	356.9	434.6	99.8	97.6	99.6
Energia dos Ventos	98.7	98.7	98.7	368.6	356.9	434.6	99.8	97.6	99.6
Agreste Potiguar	63.0	-	-	102.4	-	-	99.7	-	-
Photovoltaic Solar	47.25	0.0	0.0	0.0	0.0	0.0	-	-	-
Pitombeira	47.25	-	-	-	-	-	-	-	-
TOTAL	784.1	673.8	673.8	2.674.7	2.802.1	2.814.9	-	-	-

* For SHPP, the values represent the percentage of use.

New Assets

// GRI 2-2, EU1, EU2, SASB IF-EU-000.D

Pitombeira PPP

At the end of 2023, we completed the implementation of Alupar's **first photovoltaic power plant**, Pitombeira PPP, located in the municipality of Aracati, State of Ceará. With an **installed capacity of 61.17 MWp**, this asset was implemented in the same area of the Energia dos Ventos Wind Complex, constituting our pioneering hybrid project, which strengthens our integrated and sustainable approach to energy production.

Starting the commercial operations in February 2024, the plant has **113,520 modules**, with a granted power of 47.25 MW.

The Environmental Licensing and the Study of the Quilombola Component of the Córrego de Ubaranas Community were carried out with excellence, and was approved to start the operation without any environmental counterparties.

By embracing solar energy, we not only contribute to the diversification of the country's energy matrix, but we also consolidate our position as driving agents for the transition to cleaner and more sustainable sources.



Agreste Potiguar Wind Farm

Comprised by the São João (EAP I) and Santa Régia (EAP II) Wind Farms, it includes 15 wind turbines with a nominal power of 4.2 MW, **totaling 63 MW of power**. Located in the city of Jandaíra - RN, the complex generated around **330 direct and indirect job openings, with 80% of the workforce coming from the region**.



ELTE

Composed by assets on the north and south coasts of the State of São Paulo, ELTE **has a 100% Alupar structure and capital to reinforce the Baixada Santista energy system. 40 km of 230 kV energy transmission lines are planned, in addition to the construction of the Domênio Rangoni Substations, 345/138 kV, on the north coast, and Manoel da Nóbrega, 230/88 kV, on the south coast**. With a 30-year concession period and RAP of R\$84.1 million, the project intersects the municipalities of Cubatão, São Vicente and Praia Grande.



Tucuruí Transmission Line - TNE

In 2023, we began the work on the Linhão de Tucuruí by the consortium with Eletronorte, the Transnorte Energia (TNE). This energy transmission line will connect the State of Roraima to the National Interconnected System (NIS), and will have an approximate length of **715 km**, operating at **500 kV**, from the Boa Vista substation, in the capital, to the Eng. Lechuga substation, in Amazonas.

This project represents the central pillar of the **Amazon Energy Program**, launched in 2023 by the federal government, to promote the replacement of diesel oil by solar and wind sources in energy generation in the Amazon region.

We are committed to this enterprise, which will contribute to interconnecting the region, bringing renewable energy and, thus, reducing greenhouse gas emissions resulting from energy consumption in the Amazon region.

Aiming to mitigate the impacts of this asset, we carried out a participatory work with indigenous leaders to define socio-environmental programs, impact mitigation and compensation actions, and locations for installing the Energy Transmission Towers.

Based on this, **we invested R\$ 190 million in mitigation and compensation actions on indigenous lands**, with the construction of the Kinja Environmental Management Center (KEMC), the Warehouse for Timber and Seedling Nurseries and structuring the Kinja Communication Program, with the Radio and internet infrastructure in the villages. Find out more on page 78.

By leading this effort, we are contributing to connecting the electrical grid between the regions of Brazil.



TNE - RORAINÓPOLIS/RR

Auctions won in Brazil and Latin America

In 2023, Alupar was the winner of **four major transmission line auctions in Brazil and Latin America.**

- **Colombia:** In December 2023, the Company won an auction and will consolidate its operations in the country's transmission sector. With an **investment of US\$45 million, 100 km of 500 kV lines and 2 substations will be implemented.**
- **Chile:** the Company returns to the country after winning the auction for transmission lines with a lifetime concession. **The investment of US\$40 million in the country foresees the implementation of 15.7 km of 220 kV lines and 3 substations;**
- **Peru:** the Company's entry into the energy transmission sector in the country includes the **implementation of 9 km of 220 kV lines and 2 substations. Such investment is a result of the auction winning and we will provide US\$39 million to the project;**
- **Brazil:** In December 2023, we won the concession for block 2, establishing a **RAP of R\$239.5 million.**

This block involves the construction of the 500 kV Silvânia - Nova Ponte 3 energy transmission line, with a length of 330 kilometers, and the 500 kV Nova Ponte 3 - Ribeirão Preto energy transmission line, with a length of 221 km. The planned facilities will play a crucial role in expanding regional interconnections and increasing the export capacity of energy produced in the North and Northeast Regions.

With an estimated opening of **4,722 direct jobs**, this project reinforces our commitment to sustainable development, boosting electrical infrastructure and contributing to the economic and social growth of the regions involved.

Also in 2023, Alupar signed the concession contract for block 6, of the Aneel 02/2022 auction, which comprises the **modernization of the Centro substation, in the city of São Paulo** and, considering that the asset is already operational, we began the contracting procedures to service providers and equipment suppliers.



Innovation

// G4-DMA (antiga EU8)

The year 2023 represented **the consolidation of the Alupar Innovation area**, and was the first full year since its creation. Innovation projects are mainly focused on the management of transmission assets, aiming to guarantee availability.

We prioritize the development of technologies and solutions to improve the performance of concessionaires as a measure that contributes to the robustness of strengthening the National Interconnected System (NIS).

In order to achieve this goal, Alupar has signed significant partnerships for the development of research, combining reliable electricity supply and sustainable development..

More than **R\$ 2.4 million** invested in innovation and R&D projects in 2023



INNOVATION PROJECTS

Cubo Itaú

Alupar participated of the Cubo Itaú Innovation ecosystem, through corporate membership, and prospected four startups that proved themselves qualified to conduct internal projects, in addition to accessing content on innovation relevant to the activities.

CESAR

The institution specialized in innovation and development of technological solutions was one of the hirings. It was responsible for developing the blueprint of the company's energy management platform.

4MDG

The hiring was carried out during Cubo Itaú's activities, this time to conduct the master data sanitation of Alupar's Enterprise Resource Planning (ERP), aiming to strengthen information governance and increase analytical capacity.

"Energia das coisas" (Energy of things)

The hiring of the energy commercialization area was carried out with the objective of instrumenting devices and the Internet of Things (IoT) systems for measuring consumption of industrial energy trading clients. Here, Alupar sees the possibility of incorporating technology and methodology into the supplier's service portfolio.

R&D Investments

Investments in R&D made by Alupar align with Alupar’s innovative approach to the constantly evolving demands of the electricity sector. Throughout 2023, we dedicate our efforts to **prospecting partnerships with universities and science and technology institutes (ICTs)**, focusing especially on opportunities related to the storage of electrical energy, through battery systems, and the production of low-carbon hydrogen.

Alupar’s perspective is to make significant progress in these projects, consolidating efforts to develop solutions that optimize the performance of our assets. We believe that by being at the forefront of these initiatives, we not only drive innovation in the sector, but also ensure we are strategically positioned to face future challenges.

At the same time, we made significant investments in technologies such as machine learning, in addition to improving visual and thermal inspection methods on transmission lines. These actions reflect our commitment to constantly search intelligent solutions maximizing the operational



efficiency of our assets, contributing to the sustainability and competitiveness of our company in the electricity scenario.

R&D Aneel
R\$ 2.17 million

Alupar Investments
R\$ 362.6 thousand

Economic-Financial Performance

// GRI 3-3, 201-1

Our net revenue grew, reaching R\$3.19 billion in 2023, an increase of 5.3% in the energy transmission sector and 5.0% in energy generation compared to the previous year. In the same period, EBITDA **grew by 7%**, totaling R\$2.63 billion, while net profit of R\$668 million represented **a growth of 27.7%** compared to the previous year. Approved in 2022 and implemented in 2023, **Alupar’s Dividend Policy** resulted in **R\$347.4 million in total dividends in 2023**, mainly with the approval of the payment of interim (quarterly) dividends.

In April 2023, the Company approved and paid R\$328.8 million in bonuses, equivalent to R\$35.2 million shares, and four new shares were delivered to shareholders for every 100 shares held (4.0%).

In 2023, Alupar’s consolidated debt reached **R\$11.77 billion**, with a net debt of **R\$8.94 billion**, equivalent to a financial leverage (net debt/EBITDA) of 3.4 times below the Company’s financial covenants . Of the total debt, 38% will expire in 2028.

STATEMENT OF ADDED VALUE (R\$ thousand)

	2023	2022	2021
Revenue	4,400,596	4,648,504	4,097,030
Retained value	818,674	544,500	338,397
Distributed economic value	3,581,922	4,104,004	3,758,663
omic value	1,283,535	1,692,014	1,557,261
Operating costs			
Employee wages and benefits	218,897	207,053	189,120
Payments to capital providers	1,584,479	1,726,131	1,593,244
Payments to the government	489,438	472,935	413,479
Investments in the community	5,573	5,871	5,529

R\$ 3,19 BI Net Revenue (+9%)
R\$ 2,63 BI EBITDA
R\$ 347,4 MI Dividends

FitchRatings National corporate **AAA**
Internacional **BB+**

The direct economic generated value totaled R\$4,400.6 million, a variation of **5.33%** compared to the previous year, of R\$4,648.5 million. The largest portion of the amount was allocated to capital providers, **36.01%**, which refers to the payment of interest, rent and dividends; followed by operating costs, representing **29.17%**; and payment to the government, at **11.12%**, which includes income and social contribution taxes, such as PIS, COFINS and regulatory charges. Employee remuneration in terms of wages, benefits and social charges represented **4.97%**; and investments in the community, **0.13%**. Finally, **18.60%** were retained in reserve for investments.

Access the financial statements and the Independent Auditor’s Report on our Investor Relations page

Investments

In 2023, we made total investments of **R\$644.8 million** in our companies, distributed as follows: R\$449.5 million in the energy transmission sector, R\$188.9 million in the energy generation sector and R\$6.3 million in new business development.

The volume of investments made in this quarter reflects, above all, the implementation of the **ELTE** and **TCE** transmission assets, totaling **R\$122.3 million**, and the **Agreste Potiguar and Pitombeira PPP wind generation assets, which totaled R\$ 59.8 million.**

This strategic direction allows us to strengthen and diversify our operations, ensuring sustainable growth aligned with market challenges and opportunities. We are committed to optimizing our investments to drive the continued success of our enterprises.

INVESTMENTS (R\$ million)

	2023	2022
Generation	188.9	566.7
Eol. Agreste Potiguar	99.3	327.8
Pitombeira	71.2	174.9
La Virgen	-	52.0
Others	18.4	12.0
Transmission	449.5	543.3
ELTE	254.0	143.6
TCE	179.9	340.1
ESTE	-	57.0
Others	15.5	2.6
Holding	6.3	6.1
TOTAL	644.8	1,116.1

As a company operating in the electricity sector, we recognize the importance of constantly improving our assets and the need for investments to drive the growth of our business, ensuring performance and quality. In this sense, the **Transmission System Expansion Plan (EPE - PDE 2032)** foresees a significant investment of R\$93.6 billion in our energy transmission sector.

Such investments will be directed towards the construction and expansion of over than 220 thousand kilometers of Lines by 2032. Aiming to increase our competitiveness, our operations are based on four pillars:

- **Capital Cost Optimization, with efficient fundraising structures and performance of our shares;**
- **Tax Shield, with Capital optimization;**
- **CAPEX and O&M, with constant reassessment aimed at improving; and**
- **Performance, guaranteed based on previously aligned assumptions.**

Value Creation in 2023



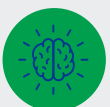
MANUFACTURED CAPITAL

- Transmission infrastructure and substations;
- Renewable energy generation assets (hydro, wind and solar energy);
- Electricity trading in regulated and free energy Market;
- Efficiency and optimization of operations.



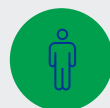
SOCIAL AND RELATIONS CAPITAL

- Relations with communities;
- Security in asset implementation, operation and maintenance activities;
- Incentive for good practices and partnerships in the value chain;
- Practices aligned with energy regulations and policies.



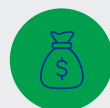
INTELLECTUAL CAPITAL

- Accumulated knowledge in asset implementation and operation;
- Promotion of innovation.



HUMAN CAPITAL

- Trained employees, engaged and directed towards the same objective;
- Active relations with communities.



FINANCIAL CAPITAL

- Revenues, investments, shareholders and financing;
- Dividend Policy;
- Third-party capital remuneration.



NATURAL CAPITAL

- Responsible management of renewable and non-renewable natural resources;
- Biodiversity conservation.



INTEGRITY

TRANSPARENCY

PERFORMANCE

INNOVATION

INTEGRATION

ESG COMMITMENT

CORPORATE RESPONSIBILITY

BUSINESS EXPANSION

COOPERATION



MANUFACTURED CAPITAL

- 46 assets, 35 of which are energy transmission and 11 energy generation;
- Presence in 15 states in Brazil and three other countries in Latin America;
- 784 MW of total installed capacity, with an addition of 110 MW in the year; 8,804 km of energy transmission lines, which 7,138 km are operating and 1,666 km are under implementation, and 29 substations;
- Acquisition of new concessions, by auctions won in Brazil, Chile, Colombia and Peru;
- 2,675 GWh of generated energy, 82% from hydro source and 18% from wind source;
- 3.7 TWh sold;
- Average availability per source of 98% in HPPs; 70.5% in SHPPs and 99.8% in wind farms;
- Partnership in self-production of energy.



SOCIAL AND RELATIONSHIP CAPITAL

- Contribution to the development of local communities;
- 239 compliance due diligences carried out with suppliers;
- R\$5 million in social investments through incentive laws;
- Commitment to the UN Global Compact;
- Structuring the energy sales brand.



INTELLECTUAL CAPITAL

- 10 hours of training per employee, with an average of 25.6 hours for women;
- R\$2.4 million invested in innovation and R&D.



HUMAN CAPITAL

- 856 direct employees, 75% men and 25% women and 2,061 third-parties;
- 18.5% turnover rate and 22% hiring rate;
- Focus on the safety and well-being of employees and local communities.



FINANCIAL CAPITAL

- R\$3.19 billion in net revenue (76% transmission and 24% generation);
- R\$4.4 billion in added value distributed;
- 10 years as a company listed on B3;
- R\$347.4 million in total dividends to shareholders;
- R\$644.8 million in investments (70% transmission, 29% generation and 1% Holding).



NATURAL CAPITAL

- 16 million liters of water used;
- 35,052.1 GJ of energy consumed;
- 146,414.43 tCO_{2e} in Scope 1 and 2 emissions, 755,38 tCO_{2e} Scope 3;
- 186 t of waste, of which 54 t are hazardous and 132 t are non-hazardous;
- 73 km² of protected habitats, 19 km² related to generation assets and 54 km² to transmission.



4

Our
People

People and Integration

// GRI 2-7, 2-8, 202-1, 401-3, 404-1, 404-3, 405-2

We know that our **856 employees** are a fundamental part of the business growth, innovation and commitment to sustainability. We wouldn't be able to go this far alone, which is why we encourage learning and personal and professional development, in addition to valuing a collaborative approach.

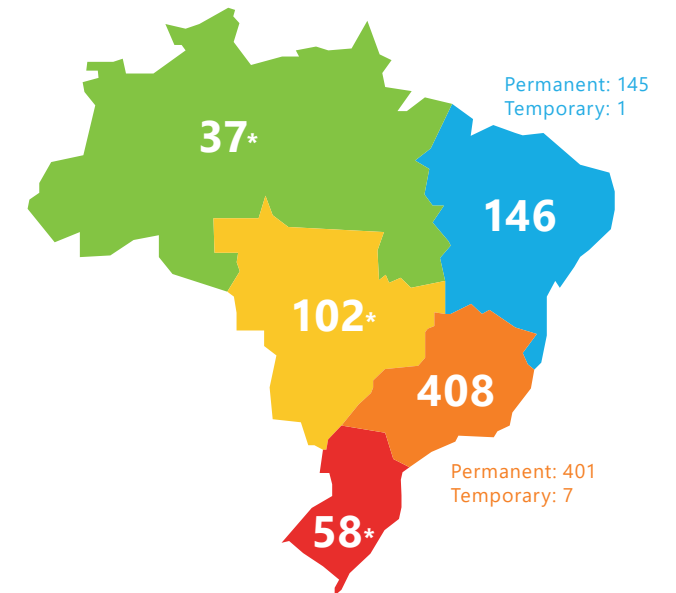
The integration of people at Alupar is much more than a simple inclusion process. It is the solid foundation on which we build our corporate identity and achieve our goals.

Our **corporate culture** is the basis and the reference for Alupar's decision-making, and all of our teams work guided by the guidelines of the Code of Ethics, Conduct & Compliance, which addresses topics such as human rights, combating fraud, unethical behavior and professional conduct.

Direct employees



Workers who are not employees

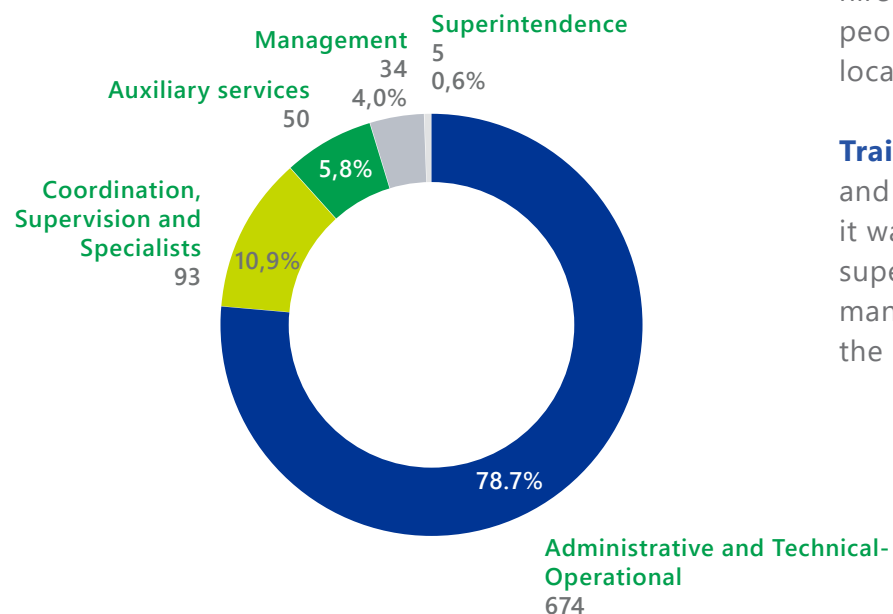


* 100% Permanent

Data from December 2023. It includes only employees with an employment contract, which does not take into account Executive Board, apprentices, interns. They include people on parental leave. They do not include people on leave, on notice period or with suspended contract.

With a focus on valuing people, in 2023, we revised the performance evaluation model and adopted a format aimed at mapping individual development points. Throughout the year, all managers and employees underwent training to learn more about the new model, the **People Cycle**, and its next steps. These initiatives contribute to achieving strategic objectives and boosting the skills of our employees.

EMPLOYEES BY FUNCTIONAL CATEGORY



Alupar recognizes the importance of constant team training and people’s well-being in sustaining the business and therefore offers the necessary tools for the development of professionals, which allow everyone to reach their maximum potential and promote a healthy work environment.

To expand our relations with the community, we started a program to establish partnerships with local educational institutions to share our job openings to the students on technical courses, incorporating professionals from the region into our staff. Furthermore, in 2024, we will begin the internship process for technical areas, looking to hire local interns, reinforcing the role of young people in the Company and, mainly, developing local communities.

Training: we offered 25.6h of training for women and 4.9 hours for men. By functional category, it was 38.1h for employees in coordination, supervision and specialist positions; 33.8h in management positions and 22.8h for members of the Board of Directors.

Evaluation: As part of our professional development process, 149 employees were evaluated in 2023, 70 were men (11% of the total) and 79 were women (37%). The process began with employees from the Brasil, Peru and Colombia Holding and will be unfolded to everyone in 2024.

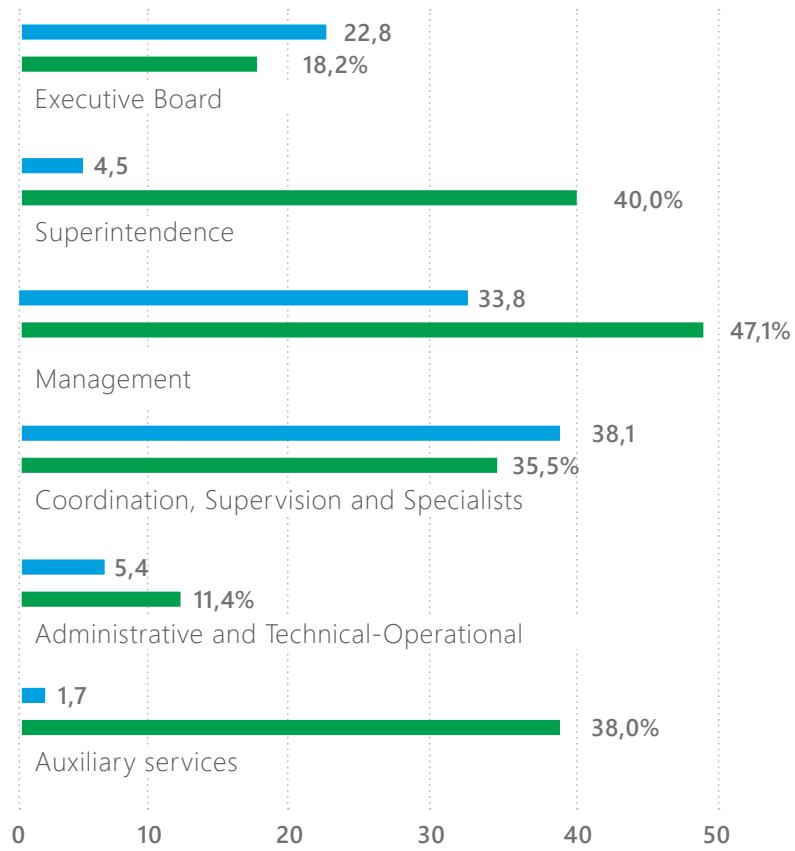
Remuneration: regarding the local minimum wage, at Brazil’s operations, the Company’s lowest salary pays 16% more, while in Colombia the increase is 12% for men and 15% for women; in Peru, the value reaches 244% of the minimum wage for men and 181% for women.

In the ratio of the payment by gender for people hired in Brazil, at the executive level, only men occupy management positions. In middle leadership positions (managers and superintendents), women receive, on average, 104% of the amount offered to men; in non-leadership positions, women receive 114% of the salaries paid to men*.

Parental leave: the 34 employees who took parental leave, 23 were men and 11 were women, and they returned to their activities after the end of the leave period, with 57% of the men and 82% of the women remaining in the Company after 12 months from the returning leave.

**Refer to the average remuneration of employees hired in Brazil.*

● **AVERAGE TRAINING BY CATEGORY (HOURS)**
 ● **EVALUATION BY CATEGORY (%)**



149 new employees
17.3% turnover rate
17% hiring rate

HIRINGS AND TERMINATIONS PROFILE

	2023				2022				2021			
	Hiring	Termination	Turnover rate	Hiring rate	Hiring	Termination	Turnover rate	Hiring rate	Hiring	Termination	Turnover rate	Hiring rate
TOTAL	149	147	17.3%	17.4%	137	88	13.9%	17.0%	113	112	15.6 %	15.7%
Age Group												
< 30 years old	32	18	29.8%	38.1%	37	19	39.4%	52.1%	36	19	33.1%	43.4%
30 to 50 years old	110	111	16.6%	16.5%	93	55	12.0%	15.1%	65	80	13.9%	12.5%
> 50 years old	7	18	11.7%	6.5%	7	14	8.8%	5.8%	12	13	11.0%	10.5%
Gender												
Male	116	110	17.6%	18.1%	107	72	14.6%	17.5%	82	86	14.9%	14.6%
Female	33	37	16.4%	15.4%	30	16	11.9%	15.5%	31	26	18.3%	19.9%
Region												
Mid-West	8	8	7.8%	7.8%	22	13	20.8%	16.5%	-	-	-	-
Northeast	27	25	17.8%	18.5%	24	11	17.6%	12.9%	-	-	-	-
North	3	13	21.6%	8.1%	6	2	7.0%	4.7%	-	-	-	-
Southeast	82	64	17.9%	20.1%	83	60	20.0%	17.2%	-	-	-	-
South	7	8	12.9%	12.1%	2	2	3.1%	3.1%	-	-	-	-
Peru	9	0	20.5%	40.9%	-	-	-	-	-	-	-	-
Colombia	13	29	25.3%	15.7%	-	-	-	-	-	-	-	-

Diversity and Inclusion

// GRI 2-7, 401-1, 405-1

For Alupar, diversity in the workplace is an essential driver for sustainable development, strengthening the work ecosystem and providing an enriching environment that promotes the continuous professional development of our team. Acting to increase diversity in the workforce, in partnership with a specialized consultancy, in 2022, we structured the **Alento Program**.

As part of our commitment to equal opportunities and promoting an inclusive culture, our objective is to continually improve people management systems, with an emphasis on ensuring respect for diversity.

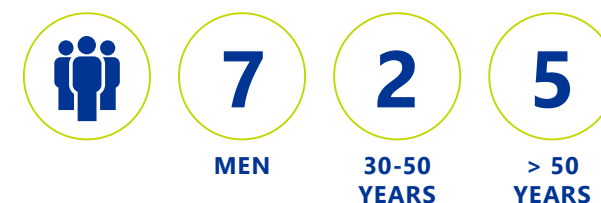


The Board of Directors is made up of **7 men**, **2** of whom are between 30 and 50 years old and **5** are over 50 years old. The Executive Board is made up of **10 men and 1 woman**, with 3 members aged between 30 and 50 years old and 8 over 50 years old.

In terms of gender, in 2023, we had **25% of women** on our team and we highlight their presence in the Superintendency and Management positions, in which they represented 40% and 35%, respectively. In relation to age group, we had **78% of employees between 30 and 50 years old**, 12% over 50 years old and 10% under 30 years old.

For 2024, the Diversity Census will strengthen D&I policies, providing us with an overview of the employee profile and strategic planning that will support actions aimed at diversity, equity and inclusion.

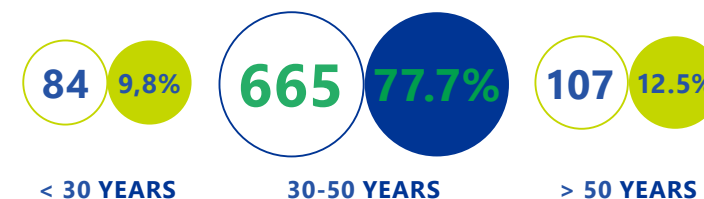
Board of Directors



Executive Board



Employees by age group



COMPOSITION OF EMPLOYEES BY FUNCTIONAL CATEGORY // GRI 405-1

Direct employees	2023					2022				
	Men	Women	< 30 years old	30 to 50 years old	> 50 years old	Men	Women	< 30 years old	30 to 50 years old	> 50 years old
Superintence	60.0%	40.0%	0.0%	80.0%	20.0%	60.0%	40.0%	0.0%	80.0%	20.0%
Management	64.7%	35.2%	2.9%	70.5%	26.4%	68.8%	31.3%	0.0%	65.6%	34.4%
Coordination/Supervision/Specialists	73.1%	26.8%	0.0%	79.5%	20.4%	69.5%	30.5%	0.0%	70.1%	29.9%
Auxiliary services	58.0%	42.0%	18.0%	56.0%	26.0%	76.2%	23.8%	7.5%	70.0%	22.5%
Administrative/Technical-Operational	77.1%	22.8%	10.9%	79.3%	9.6%	77.6%	22.4%	10.7%	79.4%	9.9%
TOTAL	642	214	84	665	107	621	186	71	616	120

Recognition

Using a careful methodology, FIA evaluates how our employees perceive the organizational climate and initiatives aimed at professional development. We are among the companies with the best rates in organizational climate and people management practices across the country. This recognition is the result of all the efforts made by leaders and other professionals to build a pleasant, harmonious and productive work environment, in which our employees demonstrated a high level of satisfaction and harmony with our culture and business vision.



For another year, we renewed the Incredible Places to Work seal, from FIA Employee Experience – FEEx

Safety, Health and Well-Being

// GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, G4-DMA (antiga EU16), EU17, EU18, SASB IF-EU-320a.1

Occupational Safety and Operational Health

are responsibilities shared by all employees, with special emphasis on leaders, in order to promote a healthy and safe work environment.

Alupar's Health and Safety Management System

is guided by regulatory standards and labor legislation, with actions aimed at providing a safe and healthy environment. This system covers several guidelines and essential elements to guarantee the integrity and well-being of all employees.

Composed of a **Occupational Health and Safety Policy** (OHS), **Normative Programs** (PGR, LTCAT, PCMSO), internal standards, training, preliminary risk analysis, service orders and health qualification, the system establishes robust practices for operational activities, which are applied to all employees involved in the areas of Energy Generation and Transmission.

For contractors, we have a specific **OHS Master Plan** for outsourced companies, an integrated approach that reflects our commitment to safety and health, covering all areas of the Company's operations. Our commitments translate into:

- Employ ergonomics and occupational hygiene, continually improving processes and ensuring safety, health and efficiency in employee performance;
- Maintain emergency plans in all generation, transmission and implementation centers, aiming to minimize the consequences of possible incidents;
- Ensure that all outsourced employees and service providers comply with applicable legal requirements and internal procedures;
- Provide the necessary resources for the implementation of the SSO Policy, in addition to

systematically reviewing the assessment of adherence to its premises, in a continuous and consistent manner. To assess health and safety risks, we conduct the mapping of critical areas, defining access restrictions by positions and workplaces. Based on the results of the assessment, employees are accredited according to the need and suitability for carrying out specific activities.

To control risks during execution, we establish procedures to ensure safety during the execution of activities and use preliminary risk analysis tools. Furthermore, employees are instructed to refuse the activity whenever there is an unplanned situation that could pose any type of risk.

[Read the Occupational Health and Safety Policy on our Investor Relation page.](#)

Alupar carries out detailed investigations of all incidents with the potential to cause injuries, involving its own employees and third parties. Through investigation meetings involving those directly affected, managers, designated members of the Internal Accident Prevention Committee (CIPA) and Occupational Health and Safety professionals, the causes that led to the incident are identified. Based on this analysis, an action plan is created to mitigate possible recurrences, and the lessons learned are disseminated to the related areas.

In the case of incidents involving own employees, the main risk identified was the presence of bees in substations in the Northeast. Training was carried out to improve the process of verifying the presence of these animals, highlighting the correct use of PPE and implementing an effective emergency plan.

In incidents involving third parties, the predominant risk is related to the construction stages of new projects, involving driving vehicles in adverse situations and speed limits. In this context, the Procedure for using vehicles is being revised, as well as Defensive Driving training. Measures were

adopted such as training refresher, review of the Preliminary Risk Analysis and restricted access to material movement areas. We also held an internal accident prevention week and installed a driving monitoring system in the Company's vehicles.

In 2023, we recorded no fatalities among our own employees.

Total accident rate involving our own employees

3.81%

Total rate of accidents involving third parties

13.0%

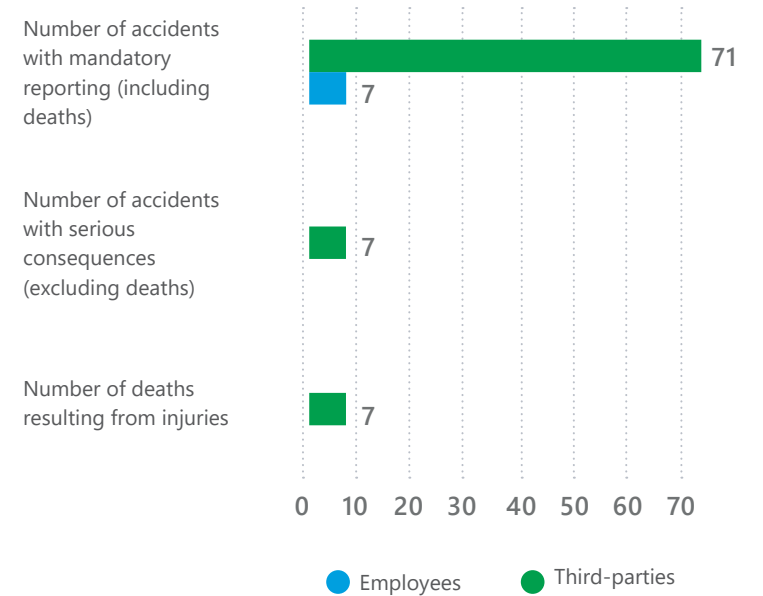
Third-parties fatality rate

1.28%

100% of direct employees covered by the Health System and Safety Work management are submitted to internal audit*

* Third parties covered an unaudited system

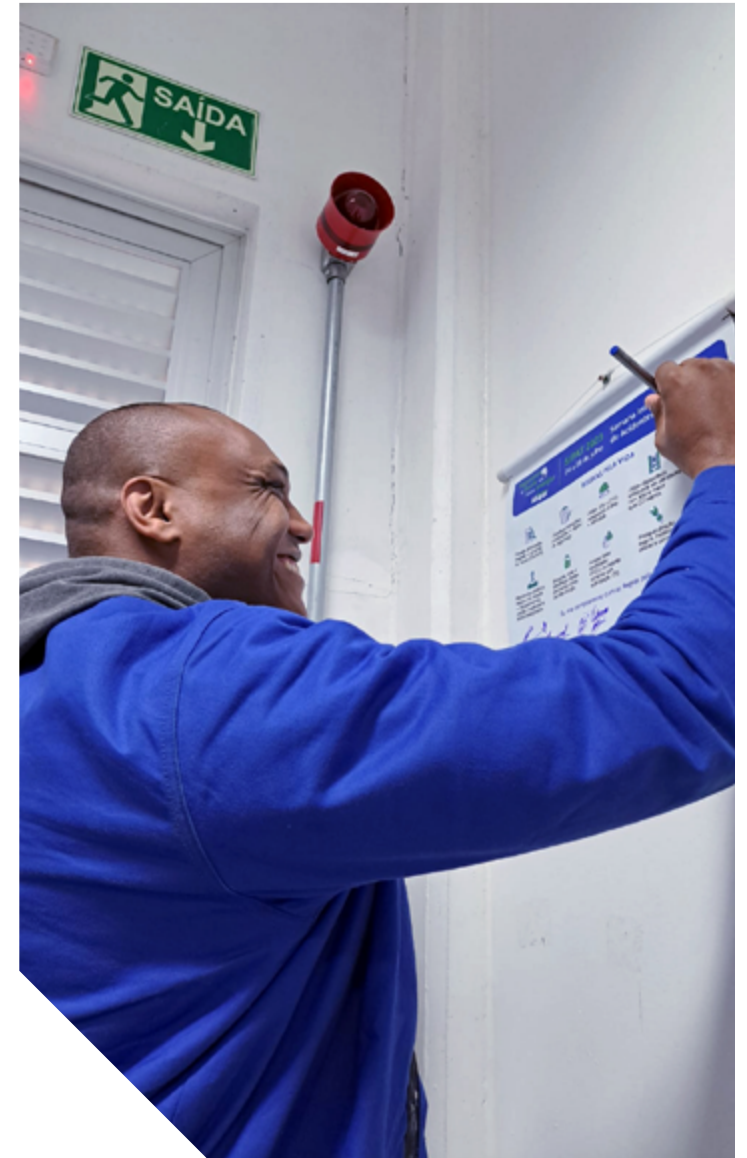
WORK ACCIDENT INDICATORS



To engage with the topic, fortnightly meetings are held with employees to discuss safety campaigns and address the lessons learned during the period. Every month, CIPA representatives meet to evaluate the actions and controls of the OHS management system. A meeting is also held involving senior leadership to analyze indicators and make decisions.

Based on the responsibilities of each employee, **a training matrix is prepared**, aligned with current legislation and the activities performed, covering areas such as working at heights, activities in confined spaces, safety in installations and electrical services, fire brigade, first aid, off-road driving, among others.

In health routines, **all employees undergo evaluation by the occupational physician**, who defines the profile of examinations and monitoring according to the role performed and the work environment. Occupational health management is supervised by an occupational physician and carried out by a specialized company, which carries out complementary and clinical examinations every year, providing assessment of health status and guidance on healthy lifestyle habits.



100% of our employees received training in Occupational Health and Safety

10 Rules for Life



PLAN ACTIVITIES, MAPP AND CONTROL RISKS (OS/ APR)



USE PPE AND CPE APPROPRIATE TO THE AREA AND ACTIVITY



ONLY PERFORM ACTIVITIES IF YOU ARE QUALIFIED AND AUTHORIZED



USE FALL ARREST DEVICES IN ACTIVITIES WITH A HEIGHT GREATER THAN 2.0 METERS



OBEY INSTRUCTIONS, SIGNS AND SAFETY RULES



ACCESS CONFINED (PEEC) OR RESTRICTED AREAS ONLY WITH AUTHORIZATION (OS)



KEEP A SAFE DISTANCE FROM EQUIPMENT, SUSPENDED LOADS AND ENERGIZED AREAS



PRACTICE SAFE DRIVING. CELL PHONE AND HITCHHIKING PROHIBITED



BLOCK, ISOLATE AND IDENTIFY POWER SOURCES BEFORE INTERVENTION



IMMEDIATELY REPORT ACCIDENTS AND INCIDENTS TO YOUR MANAGER

First Health and Safety Week

In 2023, we achieved a significant milestone with the first edition of the **Internal Accident Prevention Week at Work**. Throughout this meeting, we explored crucial topics related to risk perception, providing a platform for the dissemination of essential knowledge in occupational safety.

The success and enthusiastic participation in 2023 are indicative of our continued commitment to promoting a safe,

conscious and accident prevention-oriented organizational culture, thus contributing to strengthening the work environment throughout our company.

Furthermore, on this occasion, we launched the **"10 Rules for Life"**, an initiative that reinforces and consolidates our unwavering commitment to the well-being, health and safety of all our employees.



The event brought together employees from Brazil and Latin America, with the participation of **506 guests**

Benefits to employees

// GRI 404-2

Understanding the importance of continuously improving the skills of our employees, Alupar, throughout 2023, continued with the initiatives of its **Continuing Education Program**. We carried out a survey of managers in each area to identify employee training needs, promoting group training sessions.

In Brazil, we have a partnership with Voxy to offer online English courses to our employees. In addition, we provide a private pension plan for all employees who choose to join the program. As a retention measure, the company makes a monthly contribution in the same percentage chosen by the employee for contribution.

In Colombia, we implemented the **PIA: Individual Savings Plan**, guaranteeing specific benefits for employees in the country.

These initiatives reflect our ongoing commitment to the development and well-being of our team, providing learning opportunities and benefits adapted to the needs of each region in which we operate.

In Peru and Colombia, we implemented several employee skills development programs, highlighting:

- 1. Annual interpersonal skills program;**
- 2. Leadership school for managers;**
- 3. Training plan for requirements and updates on occupational health and safety courses;**
- 4. External courses in higher education in the areas of cybersecurity, accounting and financial and legal-environmental aspects;**
- 5. Financial support for language and higher education courses;**
- 6. Other transversal internal courses in process management.**





Well-Being Program

Concern for our employees goes beyond health physical: we incorporate social and financial aspects into care by encouraging the adoption of healthy habits, promoting participation in volunteering actions and offering financial education programs, seeking the team's personal growth. In 2023, the Well-Being Program organized four street races in São Paulo, combining social activities with participant engagement. We also encourage donations to social causes through the campaign to allocate part of the income tax, presenting as a suggestion the Project Assistance for Children and Adolescents with Autism Spectrum Disorder (ASD). Regarding the financial aspect, we made the Meu Bolso em Dia platform available to employees, recognizing the importance of financial education for general well-being.



Supplier Relationship

// GRI 2-6, 2-24

The achievement of our objectives largely depends on the collaboration of suppliers. That's why we value building lasting partnerships, based on ethical principles and mutual support.

We have a supply chain made up of companies that supply materials and equipment for energy generation and transmission facilities and partners providing services in the implementation of new assets, civil, electromechanical works and maintenance.

We require suppliers to act in line with our principles and values and comply with all applicable legal requirements.

That's why we carry out **a selection, evaluation and monitoring process** that considers the criticality in relation to environmental, labor, tax and other technical documents, when applicable due to the nature of the contract.

In addition to documentation analysis, all contracts include clauses that address human rights, with a particular focus on protecting fundamental labor rights, in addition to combating corruption.

Additionally, we maintain a structured corruption risk assessment process, which involves submitting all significant contracts across our entire operation to compliance due diligence.

These contracts, in addition to requiring approval from the Board of Directors, are subject to a thorough documentary analysis before being formalized, with the support of a specialized platform.

On-demand assessments are also conducted whenever requested by senior leadership, aiming to ensure compliance and integrity at all stages of the process.

Monitoring of the chain is carried out on an ongoing basis, evaluating, monthly, or whenever a measurement report is issued for supplier payment, the labor and tax documentation of all active partners.

This procedure is monitored in a specific and mandatory system for releasing payments to suppliers. In 2023, **100% of eligible suppliers passed the due diligence process**. Those approved by the Board are considered eligible, which happens when the Board's approval authority is exceeded. This contributes to banishing significant risks related to child labor, forced or slavery-like labor, as well as illicit practices in the value chain.

239 compliance **due diligences** carried out in 2023

100% of suppliers selected based on tax and labor compliance criteria.





5

Governance and
Integrity

Corporate Governance

// GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-18, 2-23, 2-24

Since 2013, we have been listed as a Public Company. We are currently Level 2 of Corporate Governance at the Stock Exchange (B3), whose rules require the implementation of practices beyond those required by law.

Since then, we have continually worked to comply with our commitments to **transparency, responsibility and excellence in corporate governance**, further strengthening accountability and stakeholder trust.

When dealing with aspects of economy and society, the Investor Relations area interacts in a extremely active way with investors, analysts, economists, financial institutions and the general public, aiming

Find out more about the Alupar's composition on our Investor Relations page

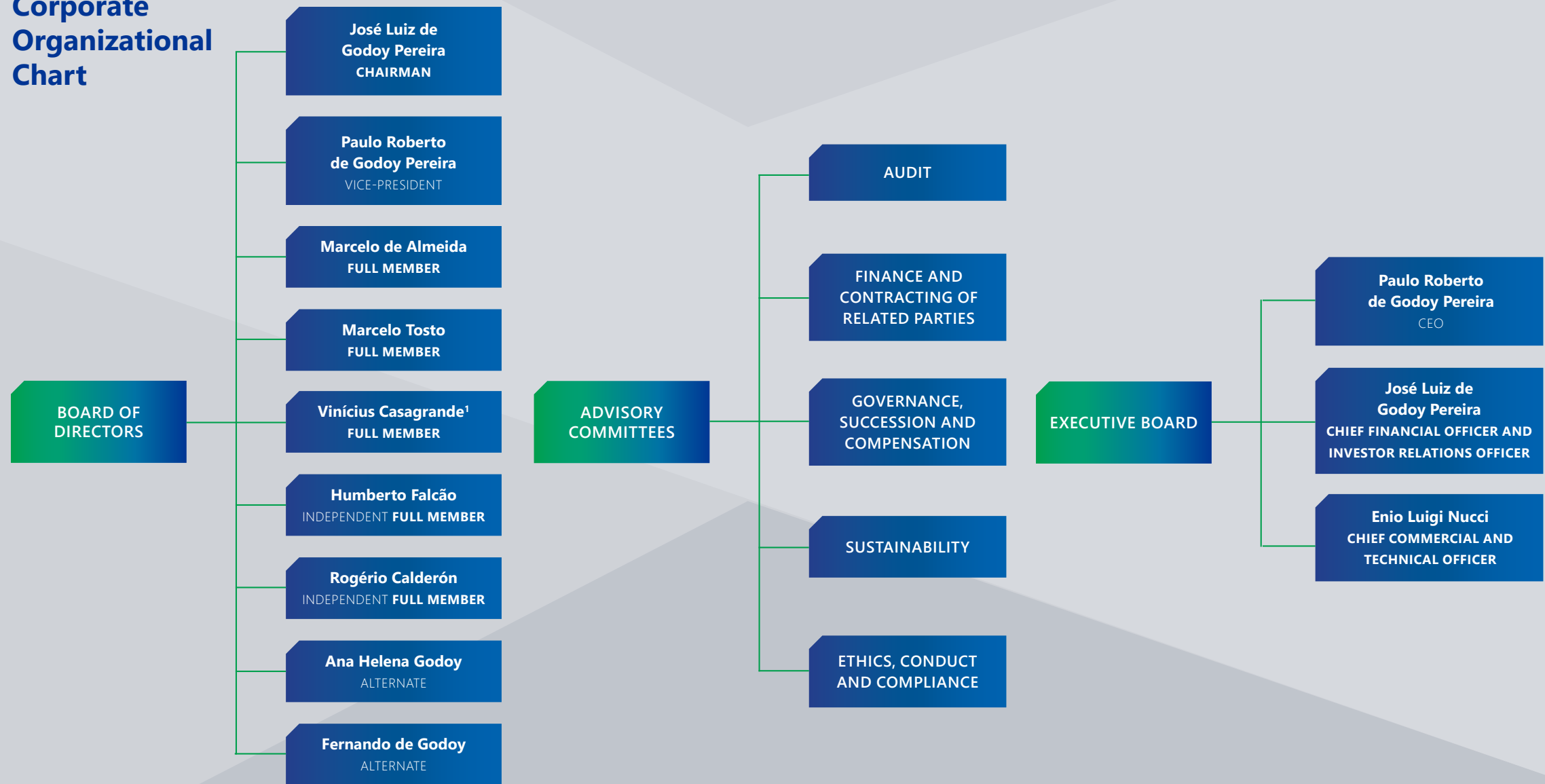
to monitor events and market projections in countries of operation and in the macroeconomic scenario that may eventually interfere with Alupar's business performance.

Operating in the private market, we do not have any shareholding from governments or political contributions and, as governed by our Integrity Policy, we do not make monetary contributions to lobbying, political campaigns and commercial associations.

After 10 years of IPO, this period allowed us to expand access to the capital market and strengthen our shareholder base.

By the end of 2023, we totaled **14,275,704 common and preferred shares**, of which 52.16% are hold by the controller and 47.84% by other shareholders

Corporate Organizational Chart



Board of Directors elected on 04/17/2023.

¹Member elected on 10/16/2023

Board of Directors

The **Board of Directors (BD)** is composed by, a minimum of five, and a maximum of ten members, which 20% are independent, in accordance with the terms of the Bylaws and applicable legal provisions, including the Brazilian Corporation Law and the B3 Level 2 Governance Regulation.

In 2023, the BD had seven full members, two of them being independent. In this composition, all members are men, two of them ranging from 30 and 50 years old, and five members are over 50 years old. In addition to the full members, the BD has two alternate members (one man and one woman).

All members are elected by the General Assembly for a unified two-year term, and may be re-elected, in a process that takes into account the candidate's availability, suitability for the position and affinity with the Company's interests. **In the process we seek to ensure, in addition to the presence of independent members, the diversity of profiles and the representation of minority shareholders.**

It is important to highlight that all nominees for the Board of Directors undergo a compliance analysis to ensure suitability and to prevent the possibility of conflict of interests.

The Board of Directors plays an important role in **Alupar's ESG strategy**, which deliberates on topics submitted to the Sustainability Committee and deals directly with the chief officers of the business units.

In this sense, the dedicated area and the Sustainability Committee advise the Board of Directors on assessments linked to ESG strategies, defining goals, projects and actions that involve employees.

Board of Directors' members are involved in engagement campaigns carried out with employees and, in the future, meetings should take place periodically, with the aim of promoting greater integration between sustainability topics and the BD.



Advisory Commitees

The Board of Directors and other governance bodies are advised by five committees, which provide **strategic input for decision-making and issue recommendations in their respective areas of competence**. Namely:

- Audit Committee: 5 members (2 independent);
- Ethics, Conduct & Compliance Committee: 5 members (all non-independent);
- Finance and Contracting of Related Parties: 4 members (2 independent);
- Governance, Succession and Compensation: 4 members (2 independent); and
- Sustainability Committee: 5 members (1 independent).

They all have their own internal regulations and are subordinate to the Board of Directors and the Executive Board.

Executive Board

The Executive Board, guided by the Board of Directors, is responsible for **executing strategic business planning and efficiently applying the resources defined for each area**. The body can be composed by up to six members, as provided for in Alupar’s Bylaws, and being composed, in 2023, of three executives.

All directors are appointed by the BD and the Board’s work is supported by different Executive Committees, which deepen the management of strategic themes such as sustainability, diversity, innovation, among other aspects. The Executive Board takes part in strategic decisions linked to sustainability issues, such as defining goals, projects and actions that involve employees.

To increase integration in governance practices, management meetings between the CEO and Board of Directors occur monthly and deal with monitoring projects, budgets and results obtained.

Access our main corporate policies on our Investor Relations page: <https://ri.alupar.com.br>.

CORPORATE POLICIES AND STANDARDS

Last Update

Integrity Policy¹	06/Mar/2023
Information Security and Cybersecurity Policy²	15/Mar/2023
Dividend Distribution Policy	11/Nov/2022
Research, Development and Innovation Policy ^{1,2}	19/Sep/2022
Sustainability Policy	16/Dec/2021
Community Relationship Policy	16/Dec/2021
Environmental Policy	16/Dec/2021
Third Party Code of Ethics, Conduct & Compliance	22/Mar/2021
Internal Audit Policy	13/Aug/2020
Corporate Governance Policy	12/Aug/2020
Human Resources Policy	12/Aug/2020
Occupational Health and Safety Policy	12/Aug/2020
Code of Conduct	19/Jan/2015

¹ Approved by the CEO. The rest were approved by the BD.

² Available internally.

Integrity, Ethics and Transparency

// GRI 2-23, 2-24, 2-25, 2-26, 2-27, 2-29, 205-1, 205-2, 205-3, 206-1, 406-1

Our performance is characterized by high standards of ethics, responsibility and sustainability. We believe these elements are essential to maintain an intact environment with a positive impact on society.

In order to establish and formalize the principles and guidelines of conduct that should guide our actions, decisions and relationships, as well as guide us towards the remediation of negative impacts, we have a Code of Ethics, Conduct & Compliance and several other corporate policies – all approved by the BD or the CEO.

All documents are applicable not only to employees, but also to other audiences and entities we interact, such as business partners, suppliers, competitors, public bodies and government representatives.

In 2023, Alupar received the **Transparency Trophy**, in an award granted by the **National Association of Executives (ANEFAC)**. Recognized as the “Accounting Oscar”, it awards the most transparent companies in Brazil based on the analysis of published Financial Statements.



Dialogue with stakeholders

We communicate with our stakeholders, including the general public and investors, through several channels, such as social media; our corporate and Investor Relations (IR) website; with spontaneous disclosures and participation in events. With our employees, we offer mechanisms such as climate research, which takes place annually; performance evaluations and round-table discussions, in addition to the Customer Service Channel. When dealing with commercial issues with suppliers, contact is made directly by email or telephone. Our communication with public bodies takes place through written communications, on-site visits and periodic meetings throughout the year.

Compliance and Integrity Program

Based on corporate policies, the areas responsible for each topic develop training, as well as manuals and procedures that complement and detail the practices adopted to ensure compliance of the established guidelines.

The Compliance and Integrity Program is our way of materializing, annually, the training and qualifications developed for employees, in addition to our encouragement of the involvement of suppliers and service providers. We recognize the importance of extending the principles of integrity and compliance beyond our own staff, encouraging a culture of shared responsibility in all our relationships.

In 2023, **all employees were informed** of anti-corruption policies and procedures through training and internal communications. For suppliers, service provision contracts contain a specific clause that refers to our Code of Ethics, Conduct and Compliance.

Training for internal audiences is available on our e-learning platform and is mandatory for the onboarding of new employees.

The members of the Board of Directors are also informed and trained in the conduct guidelines, **in addition to monitoring the evolution of the Compliance and Integrity Program**. Specific training can also be applied to certain departments and to partners and suppliers, on demand - highlighting that all contracts provide access to our Third Party Code of Ethics, Conduct & Compliance.

Additionally, we carry out periodic internal audits to ensure compliance of management processes with the requirements established by policies, manuals and procedures.

91% of our employees completed the Code of Ethics, Conduct and Compliance training.

No cases of corruption, anticompetitive behavior, anti-trust, and monopoly practices were recorded.

No significant cases* of non-compliance resulted in sanctions, administrative or judicial penalties.

** Cases with costs individually exceeding the amount of the significant cases, according to the relevance value adopted in the Holding's financial statements, i.e. R\$10 million for processes involving Alupar and R\$5 million for its subsidiaries. For the relevance values of the subsidiaries, access the Investor Relations website (<https://ri.alupar.com.br>).*

Whistleblowing Channel

We provide a Whistleblowing Channel accessible to all employees and other stakeholders. Operated by an independent and specialized company, the platform guarantees absolute confidentiality and appropriate treatment for each situation, enabling secure and, if desired, anonymous communication of acts considered unethical or that violate internal standards of conduct or current legislation and regulations.

After evaluated with confidentiality and impartiality, the complaints are sent to the Company's Compliance Officer, who continues with the investigations and presents the appropriate treatment, in accordance with the procedures established in the Internal Regulations of the Reporting Channel and in our Compliance Manual - if necessary, the Ethics, Conduct and Compliance Committee is also notified.

It should be noted that other processes that may have a critical negative impact (potential or real) are addressed to the Board of Directors and also to other Committees.

Any form of retaliation related, directly or indirectly, to complaints is not permitted.

In addition to the Whistleblowing Channel, the Compliance Unit has internal channels for clarifying doubts, which can be directed to the exclusive email, and requests for document analysis through the internal Help Desk tool.

In 2023, through the platform, we received 27 complaints, which were carefully investigated and received appropriate treatment. No complaints involved issues of corruption or discrimination.

WHISTLEBLOWING CHANNEL

0800 516 0029

<https://contatoseguro.com.br/pt/alupar/canal-de-denuncias>

The channel is available 24 hours a day and the whistleblower can monitor the status of the report.

If you have any questions about your statement, please contact unidadecompliance@alupar.com.br

Alupar Ombudsman

Service to communities and public authorities, between 8am and 5pm.

● Transmission: 0800 799 9812

● Geration: 0800 580 2832

6

Socio-Environmental
Commitment



Relationship and Responsibility with Communities

// GRI 3-3, 413-1, 413-2, EU20, EU22

We permanently seek to promote **sustainable development** in the states and municipalities where we maintain the presence of assets and monitor the implementation of new energy generation and transmission projects.

We establish solid relationships with local communities, promoting initiatives that address specific demands and offer solutions to the socio-environmental challenges of each region, aiming to reduce impacts and promote integration with the community.

We understand that social participation is fundamental for sustainable human development in the regions in which we operate and that is why we carry out investments and social campaigns with communities.

Our social contribution is achieved through investments in social projects, guided by the **Social Communication and Environmental Education Programs** associated with each enterprise, fully covering all of our operational units. Furthermore, we support several initiatives through resources from different incentive laws applicable to our business model.

In order to encourage the generation of sustainable value in the long term, the construction of social solutions is always conducted in partnership and in close proximity with the benefiting communities.



Before defining the projects, **we carry out a socio-environmental diagnosis to identify the main demands and specific needs of each location.**

Subsequently, we look for partners capable of proposing and implementing initiatives that provide lasting benefits for populations, in line with our commitment to boost education and self-development of communities.

We are committed to generating a positive impact on the communities where we operate, boosting the environmental, economic and social development of these regions. This policy guides all departments and employees of companies belonging to the Company, at all hierarchical levels. In the case of incorporation of new dealerships or creation of new companies, these guidelines become valid for newly incorporated entities.

You can Access the Community Relations Policy on our Investor Relations page

Our approach towards the community is guided by the Alupar Community Relations Policy, which aims to establish a long-term communication channel with the local people, based on dialogue, ethics and transparency of information.

Management of impacts on local communities

We analyze a series of factors to determine the best route for the passage of transmission lines, seeking the best cost-benefit and avoiding intervening in areas that are constituted as forest reserves, indigenous settlements or quilombolas, whether densely populated, inaccessible terrain and crossings over hydrographies, or even require excessive deforestation, among other factors.

Due to the uniqueness of the properties, we analyze each property individually, following the standards for evaluating easements of right of way (NBR 14653-2 for urban properties and NBR 14653-3 for rural properties). In 2023, in Brazil, **39 properties** were affected, which received compensation for the implementation of an administrative easement area for new transmission assets; in Colombia, 11 families underwent resettlement.

Social works in the Mountains of Espírito Santo

A prominent example of our social contribution in 2023 was the delivery of significant works in the Mountains of Espírito Santo. Alupar undertook two projects in the city of Castelo, in Espírito Santo, where we are in the operational phase of the **LT 500kV Governador Valadares - Mutum - Rio Novo do Sul**, a project by Transmissora Caminho do Café.

In the region, we identified the opportunity to boost tourism in the communities of Braço do Sul and Forno Grande. To achieve this vision, **we carried out the expansion and revitalization of the Braço do Sul Community Association Warehouse and the construction of the Caminho da Fé Portal, in Forno Grande.**

The improvements to the warehouse are intended to encourage cultural, gastronomic and artistic activities, integrating the community and promoting the sharing of knowledge. In turn, the works in Forno Grande complement the traditional Calvary Walk carried out in the locality. The Portal celebrates the historical and religious richness so valued by the community, representing a vibrant symbol of the culture and tradition of the local people.

The monument emerges as a significant meeting space for the community and devotees visiting the region. With the completion of these works, our expectation is to catalyze cultural, religious and environmental tourism in the area, boosting the comprehensive development of the community.

Given our presence in these regions, we see ourselves as active agents, playing an essential role in assisting in this development process.

The interventions in both communities reflect our solid commitment to strengthening local identity and integration and the understanding of tourism as a vital activity in the human, economic and social advancement of a location.



Social contribution in Latin America

The expansion of our assets in Latin America has opened up opportunities for new investments, bringing with it the responsibility inherent to the communities in which we are established. As in Brazil, we recognize the importance of **driving the growth and integration of the communities** where we operate abroad.

We seek to strengthen ties with communities from the implementation of assets to the operational phase, carrying out surveys and registering local leaders to facilitate communication. In Colombia, where we extended our transmission lines for 235 km, impacting 27 municipalities, we invested more than R\$3.6 million in the areas of education and health.

The actions carried out demonstrate our commitment to acting in a responsible and sustainable manner, contributing positively to the development and well-being of the communities we integrate in our international expansion.



The distinct cultural nuances present in Latin American communities are seen by Alupar as enriching sources of learning.

In 2022, in Colombia, the MANE museum (Museo Arqueológico de Nueva Esperanza) was inaugurated, a project carried out by Colombiana Transmission Energy (TCE), which rescued around 16 tons of archaeological material during the construction of the Nueva Esperanza Substation.

Thus, **appreciation and respect for the cultures and traditions** of the countries in which we operate permeate not only the execution of our works, but also underlie our constant commitment to supporting and strengthening local communities.

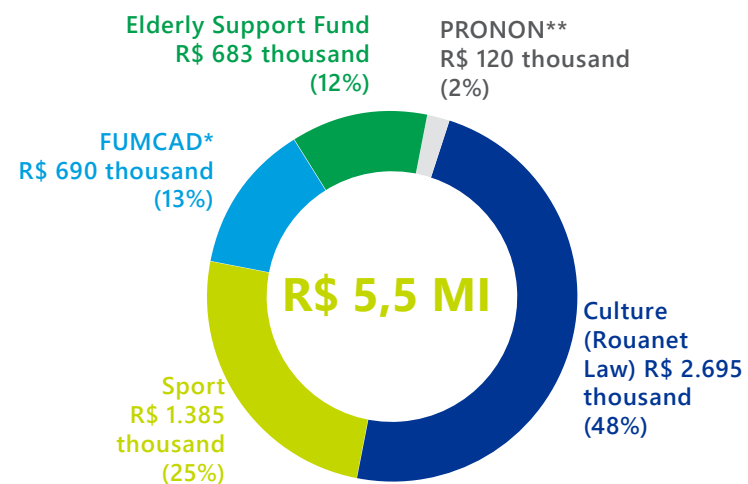
We recognize that this respectful approach contributes to the success of our ventures and to building solid and sustainable relationships over time. We are committed to learning and growing with the diverse communities that are part of our operating scenario in Latin America.

Social Investments

// GRI 3-3, 203-1

Through tax incentive laws, we offer support and encouragement to various institutions that promote social projects focused on culture, education, health and sports for the benefit of the communities in the regions where we operate.

RESOURCE ALLOCATION BY TAX INCENTIVE LINE



* Municipal Fund for the Rights of Children and Adolescents. ** National Support Program for Oncological Care.

ELDERLY SUPPORT FUND



Instituto Jô Clemente

- Hospital São José
- Hospital de Amor (Barretos)
- Irmã Dulce
- Santa Casa de Marília
- Velho Amigo

CULTURE INCENTIVE



TUCCA

São Paulo Bienal Foundation

Passos Mágicos

Bachiana Foundation

Claro Theater

Association of Ballet of the Blind Fernanda Bianchini

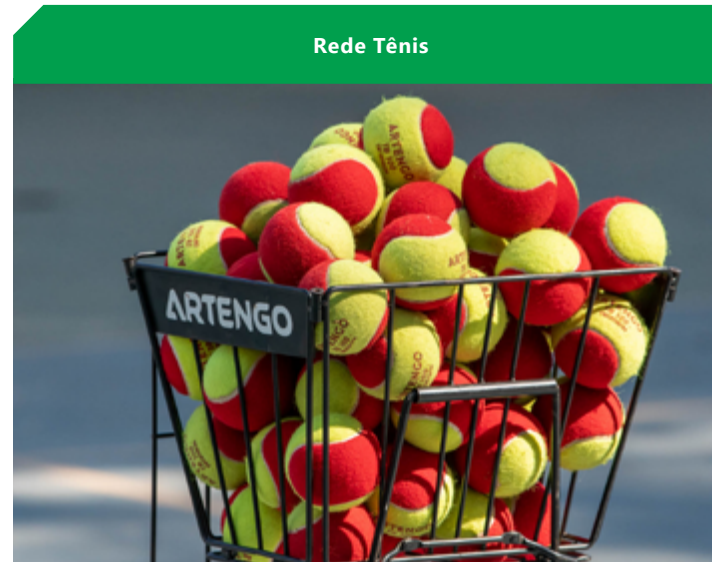
Casazul Association

Museum of Modern Art (MAM)

Vaga Lume Association

Mundoteca (FGM Produções)

SPORT INCENTIVE



Rede Tênis

Sports Center for People with Disabilities (CEPE)

Vaga Lume Association

Cesar Cielo Institute

Brazilian Confederation of Rugby

Sports Institute

Volleyball Barueri

Tiago Camilo Institute

AVOFEL (Woman's Volleyball - Lages/SC)

FUMCAD



Hospital Pequeno Príncipe

Santa Fé Association

Jô Clemente Institute

CEAP

JLGP Cecoman

Mão Amiga School

AFESU

Dorina Nowill Foundation

TUCCA

Verdescola Institute

Futuro Brasil Foundation

Aqualuz Project

In the Brazilian scenario, more than 35 million people face a lack of access to drinking water. It is in this context that the Aqualuz Project, developed by SDW for All (Sustainable Development & Water for All), directs its intervention.

Alupar, in partnership with SDW, and through the Social Project “**Ecosanitation for the Córregos do Retiro and Ubaranas**”, brought the Aqualuz device to serve the communities of Córrego do Retiro and Córrego de Ubaranas, located in Aracati (CE), in the vicinity of the **Energia dos Ventos Wind Complex and Pitombeira PPP**.

The device works to disinfect water from cisterns that capture rainwater in rural areas, using solar radiation as an energy source. With an average of **30 liters of water** filtered daily, Aqualuz carries out filtration cycles that vary from two to four hours, considering a sunny day.

Its durability extends for around **20 years**, requiring only simple maintenance, with monthly cleaning and annual filter change. The non-need for external maintenance or the use of electricity for its operation provides independence in access to drinking water.

In addition to the Aqualuz solution, the project also implemented **Aquasalina**, a low-cost solar desalination plant; mini cisterns, which contribute to improving water quality; waste collectors and **Sanuseco** and **Sanuplant**, sanitary effluent treatment systems without the use of water for transport and dilution, providing basic sanitation treatment in the localities.

The Aqualuz Project is recognized by the UN for its positive impact on sustainable development.



340 families benefited from the project, with more than **R\$ 1 million** in investments

Mundoteca

We recognize the importance of education as a foundation for building a more conscious and prosperous society. In this sense, we direct investments to the **Mundoteca project**, started in 2019, with the purpose of promoting reading and providing free daily access to books of various formats and themes.

In addition to the libraries, the benefiting locations receive training and lectures aimed at teachers and cultural agents, covering topics such as reading mediation and its benefits.

The project promotes the revitalization of municipal libraries, introducing spaces equipped with modern furniture, donated literary collections, recreational materials and audiovisual equipment. In addition, it promotes a series of sociocultural activities. Aware of the need for inclusion, a significant portion of the project's collection is dedicated to works in Braille and audiobooks, accompanied by adapted furniture, reading spaces, educational toys and electronic equipment.

Mundoteca is not limited to installation, but maintains constant involvement with each library, facilitating activities such as mediated readings, cultural and social events, lectures and film screenings, among other initiatives to encourage reading in the spaces.

In addition to the libraries, the benefiting locations receive training and lectures aimed at teachers and cultural agents, covering topics such as reading mediation and its benefits. **In 2023, three new libraries were opened in Açailândia (MA), Tucuruí (PA) and Breu Branco (PA).**



More than **8 thousand families** benefited by the project and **1,554 books** delivered

R\$ 460 thousand invested in 2023

Environmental Conservation

// GRI 304-2, 304-3, 308-2, EU13, G4-EN12

When managing our assets and designing new projects, assessing the environmental impacts generated by our activities constitutes an essential guide for making decisions about investments and project execution. Our operations follow the guidelines of the **Environmental Policy**, approved by the **Board of Directors** and fully cover all operations.

In addition to ensuring full compliance with legislation and licensing requirements, our management model guarantees adherence to the main trends and demands of society in relation to sustainable operations in the energy transmission and generation sectors. We work to maximize the benefits arising from a greater supply of renewable energy, thus contributing to the socio-environmental and economic development of local communities through the implementation of responsible infrastructure.

Our environmental commitment is based on respect for nature and the communities linked to the projects, seeking to minimize adverse impacts and

maximize beneficial effects. This approach is guided by compliance with environmental legislation and the following principles:

- **Consideration of environmental issues when making decisions at the design and operation stage;**
- **Responsible management and prioritization of good environmental practices;**
- **Continuous improvement of performance in environmental aspects and indicators;**
- **Encouraging the use of renewable energy;**
- **Reduction of greenhouse gas emissions; and**
- **Extension of corporate culture principles to suppliers.**

Our Environmental Policy can be read in full on the Investor Relations page

Potential impacts on biodiversity vary between generation and transmission assets, as well as in the operation and implementation phases. During the implementation process, we have a dedicated team that closely monitors the works, the work of suppliers and the entire environmental licensing process.

In the operation phase, with the possible impacts already identified, we follow the prevention, mitigation and compensation actions as established in the **Basic Environmental Plan** of each unit, valid for both negative and positive impacts. Examples of initiatives we implement include social communication programs, environmental education, preservation of areas around hydroelectric reservoirs, monitoring of fauna and flora, control of water and effluent discharges, repopulation of rivers and maintenance of ecological corridors.



The preservation and conservation of biodiversity in the areas of operation represent fundamental benefits associated with energy transmission and generation projects. We establish partnerships with NGOs and universities, implementing several actions that contribute to expanding scientific knowledge and promoting the preservation of Brazilian fauna and flora.

By maintaining ecological corridors, our activities have a positive impact on increasing the availability of shelter and food for fauna, increasing seed

dispersal and vegetation cover, in addition to protecting soil and water.

In 2023, in the generation sector, we will have 19.06 km² of protected habitats, 18.2 km² in Brazil and 0.86 km² in Colombia. In transmission, we total 54.61 km² in protected habitats.

As an example of our concern with biodiversity, in 2023, the Saíra Apunhalada Conservation Program obtained significant results in the preservation of the symbol species of the State of Espírito Santo.

Strategically developed in the Caetés Reserve, the population of this bird, previously considered extinct for seven decades, showed a notable increase, going from 11 to 22 individuals by the year 2023.

This significant advance represents an essential milestone in the fight against the extinction of the species. The Reserve is located in the municipality of Castelo, where Transmissora Caminho do Café plays a crucial role with its transmission line.

Preservation and Recovery

The possible impacts on biodiversity ranges for generation and transmission assets. To guide mitigating and compensatory measures, all of our projects conduct **Environmental Impact Studies (EIAs)** during the environmental licensing processes. When we identify significant risks, the EIA result in environmental and community interaction programs, developed by each unit.

We guarantee full compliance with environmental legislation and the conditions established in licensing processes, while our management model ensures adherence to the main trends and social demands for sustainable performance in energy transmission and generation operations. Our main focus is to boost the benefits provided by a greater supply of renewable energy, through the implementation of infrastructure that promotes the socio-environmental and economic development of local communities.

CONSERVATION AREAS

Segment	Asset	Identification	Size (km ²)	
GENERATION	Ferreira Gomes HPP	Permanent protection area (APP) of the reservoir	1.77	
	São José HPP		10.00	
	Foz do Rio Claro HPP		2.79	
	Queluz SHPP		2.78	
	Lavrinhas SHPP		0.86	
	Morro Azul SHPP		0.13*	
	Morro Azul SHPP		Environmental compensation area located in the municipality of Belém de Umbria, State of Risaralda	0.32*
	Morro Azul SHPP			0.41*
			Total Generation: 19.06 km²	
TRANSMISSION	ETC	Vegetation suppression compensation and GHG mitigation	0.03*	
	TSM	Compensation of plant suppression from implantation	0.10*	
	TCC		0.13*	
	ETB		0.15*	
	TPE		1.99	
	EDTE		10.00	
	EDTE		9.20*	
	LUMITRANS		Compensation of plant suppression from operation	0.47*
	LUMITRANS			1.05
	ETSE		Compensation of plant suppression from implantation	31.48*
			Total Transmission: 54.61 km²	
			TOTAL: 73.67 km²	

* Restoration approved by an independent specialist.

During 2023, we carried out reforestation actions, totaling more than 54 km² of compensation in protected areas. We collaborate with **Boa Nova National Park (ICMBio)** and **Rio Canoas State Park** in these efforts.

In the EDTE concessionaire's reforestation project, we carried out enrichment planting with approximately **9,000 seedlings in an area of the Boa Nova National Park, in the State of Bahia**, as compensation for the suppression of threatened species protected by law.

With regard to the preservation of flora in areas directly affected by the projects, we follow the corporate procedure for carrying out strip cleaning activities. This procedure aims to reduce the environmental impacts associated with this activity, which directly affects the flora of the affected area.



PPP and EDV Environmental Education Program

In 2023, Pitombeira PPP and Energia dos Ventos (EDV) advanced in another stage of the Environmental Education Program, focusing efforts on raising awareness and engaging employees and communities in relation to plastic waste. The campaign's main objective was to instigate reflection, inspiring creative solutions to deal with plastic waste.

The results were remarkable, with the production of works of art and seedlings using the plastic waste generated on site. This approach effectively reinforced the central theme of the campaign: **"Transforming Ideas – Creative Solutions for Plastic Waste"**. The elaborate project incorporated several actions into its schedule, with the aim of promoting environmental awareness and encouraging the creativity of participants. Specific lectures were given to professionals, workshops were dedicated to the production of seedlings using reused ice bags, and a craft competition was promoted, with an emphasis on the central theme.



Environment Week

In celebration of World Environment Day, on June 5th, Alupar invited everyone to reflect on our interactions with the environment through the launch of the Environment Week Campaign. This initiative was part of our objective of promoting greater interaction between teams.

The program included challenges, prizes and lectures on the topic. As a first action, we launched the Campaign Challenges, with prizes for the top three classified by business unit (generation, transmission and corporate office).

At the corporate office, we proposed the challenge of collecting plastic packaging lids, collecting more than 90 kg of the material. In the generation and transmission units, we held a phrase competition, aiming at team integration and everyone's participation.

Environmental Management and Responsibility

To **promote resource conservation initiatives and boost the implementation of sustainable actions**, we align consumption efficiency and resource management initiatives with business strategies, involving senior management and all employees, with commitments outlined in the Corporate Environmental Policy.

Energy consumption // GRI 302-1

In 2023, 35,052.1 GJ of energy were consumed, **90% inside and 10% outside the organization**, of which 44% in non-renewable fuels. Compared to 2022, there was a 3% reduction in consumption, with a 26% reduction in purchased electricity (scope 2).

To reduce fossil fuels consumption, we launched the **“Let’s go with Ethanol”** campaign and encouraged employees to prioritize the use of ethanol in flex-fuel vehicles and only use gasoline in locations without the option of renewable fuel, an action that will have effects in the coming years.

The guidelines of Alupar’s Environmental Policy are reflected in our routine operations activities, in which managers and administrators are responsible for disseminating a sustainable culture.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (GJ)

Category	Source	2023	2022	2021
Non-renewable fuels	Acetylene	0.4	-	-
	Diesel	10,420.4	9,359.1	15,923.4
	Gasoline	5,269.7	5,184.0	5.7
	Liquefied petroleum gas (GLP)	16.7	12.4	0.0
Renewable fuels	Aviation kerosene	3381.8		
	Ethanol	311.7	323.0	524.0
Acquired electricity	Brazil	15,646.8	14,193.8	0.0
	Renewable	4.6	7,047.8	12,027.7
TOTAL		35,052.1	36,120.0	28,480.8

Climate Change and GHG Emissions

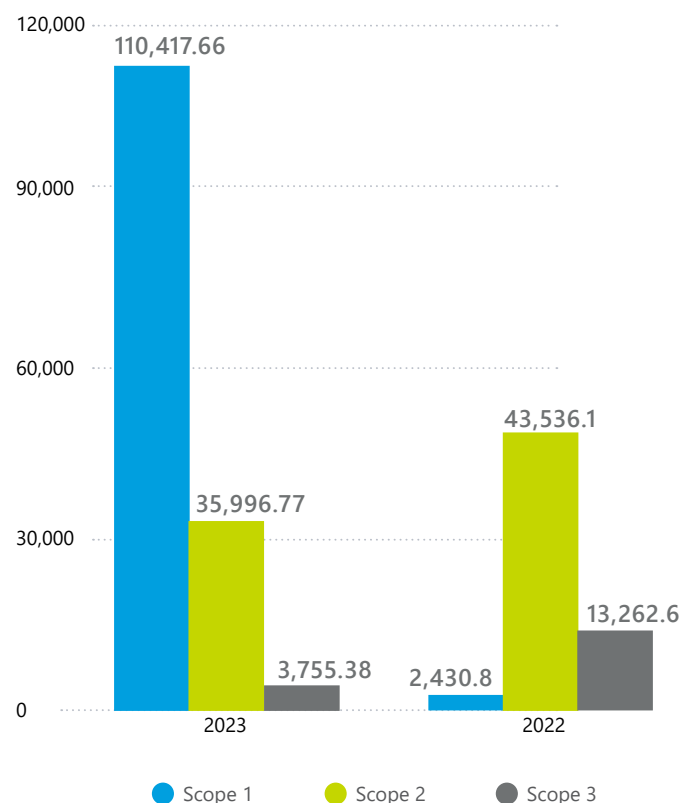
// GRI 201-2, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, EU5, SASB IF-EU-110a.1, SASB IF-EU-110a.2, SASB IF-EU-110a.3

The energy transition of the national electricity matrix drives new generation businesses using renewable sources. In this sectoral objective of lower carbon intensity of electricity, while expanding the supply of energy, the perpetuity of organizations is related to carrying out a solid mapping of climate risks and identifying mitigation opportunities. In 2023, Alupar began work on diagnosing, prioritizing and financially valuing risks related to climate change, with the support of an external consultancy and following the TCFD guidelines.

Physical risks: water shortages, storms, heat waves, landslides and floods.

Transition risks: carbon pricing, exposure to climate litigation, transition to low-carbon technologies, inclusion of the climate variable in licensing processes, incipient technological development to reduce emissions and mandatory reporting associated with the climate agenda.

GREENHOUSE GAS EMISSIONS (GHG)



* Scope 1 biogenic emissions at 2,957,176 tCO2e.

**Values are preliminary and subject to change after external verification by an independent third part.

In 2023, through the use of software, we improved the management and accuracy in accounting for GHGs, aiming to define effective actions to reduce them. Emissions recorded in 2023 **totaled 147,169.81 tCO2e**, distributed 75% in scope 1, 24% in scope 2 and 1% in scope 3. The value was higher compared to 2022 emissions due to the inclusion of emission sources, **resulting from the improvement in governance over data collection**. From scope 1, the largest source is emissions from the flooded areas of the hydroelectric generation assets. The scope 2 depends on the emission factor of the National Interconnected System, being 99% of emissions arising from technical losses in transmission, unmanageable indicator.

Carbon Credits and I-REC

In mitigation initiatives, we have four generation assets qualified to issue certified reductions (RCEs) by the Clean Development Mechanism (MDL): Ferreira Gomes HPP, Lavrinhas SHPP, Queluz SHPP and Wind Farm Energia dos Ventos, totaling **2.6 million tCO2e available for sale**. Furthermore, two assets are qualified to issue the **Renewable Energy Certificate (I-REC)**, which certifies the origin of renewable sources: Verde 8 SHPP and EAP II. In 2023, **1,989 I-RECs** were delivered, with a reduction of more than **84 tCO2e**.

Water Management

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

The water we use in our operational activities is intended for human consumption by employees and for administrative activities, such as cleaning, watering plants and fighting fires, among others. It is important to highlight that the activities have a low impact on hydrogeological systems, given the low consumption. In the asset implementation phases, fundraising becomes more relevant, especially during the construction activities of the projects. The effluents are sent to a septic tank, filter and sink system for proper treatment.

In 2023, consumption totaled **16.29 megaliters of water, a reduction of 7.7% compared to 2022.** Mainly intended for transmission activities (86%), the increase in the generation sector is mainly due to the presence of new Alupar assets in Latin America.

We also manage impacts related to water disposal, complying with federal legislation CONAMA No. 430/2011 and state legislation where the Company operates.

WATER CAPTURE BY SOURCE (MEGALITERS)

Water source	2023			2022		
	Generation	Transmission	TOTAL	Generation	Transmission	TOTAL
Surface water (water from wetlands, rivers, lakes and oceans)	0.76	0.16	0.92	0.84	0.00	0.84
Groundwater (water tables)	1.57	13.44	15.01	0.02	15.62	15.64
Third-party water (supply networks)	0.00	0.36	0.36	0.05	1.12	1.17
TOTAL	2.33	13.96	16.29	0.91	16.74	17.65



FERREIRA GOMES HPP - FERREIRA GOMES/AP

Waste Management

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

Effective waste management in our operational units is a central responsibility of our team, which establishes partnerships with duly qualified companies to transport, treat and properly dispose of this waste. Strict monitoring is conducted through **Waste Transport Manifests (MTRs)** and **Final Destination Certificates (CDFs)**. In the case of assets under construction, the management of this waste is the responsibility of the contracted companies, following the specific clauses stipulated in the contracts.

In the generating units, Alupar has a **Solid Waste Management Plan (PGRS)**, while in the transmission sector, we comply with the guidelines of the **National Solid Waste Policy (PNRS)**. In Peru, waste management complies with Law No. 27314 and, in Colombia, Decree No. 4741/2015 is responsible for the guidelines.

The reduction in values in the generation sector in relation to 2022 is justified by the disposal of stored waste carried out in the previous period.

WASTE GENERATED (TONS)

	2023			2022		
	Generation	Transmission	TOTAL	Generation	Transmission	TOTAL
Hazardous	46.9	7.5	54.3	0.0	96.0	96.0
Recycling	0.0	5.1	5.1	-	-	-
Recovery	0.5	2.4	2.9	-	-	-
Incinerated (with energy recovery)	1.2	0.0	1.2	-	-	-
Landfill	45.1	0.0	45.1	-	-	-
Non Hazardous	72.0	59.6	131.6	1,879.0	96.3	1,975.3
Recycling	4.5	2.6	7.1	120.4	62.2	182.6
Recovery	57.0	0.0	57.0	1.9	2.8	4.7
Landfill	9.9	0.0	9.9	1,756.7	-	1,756.7
Other forms of disposal	0.6	57.0	57.6	-	31.3	31.3
TOTAL	118.9	67.1	185.9	1,879.0	192.3	2,071.3



Annexes

GRI Standards Index

Universal Standards		Reference (page)/Direct response
MANDATORY CONTENT		
The organization and its reporting practices		
2-1	Organization details	Alupar Investimentos S.A. is a company listed on B3, with shareholding in electricity transmission and generation subsidiaries. More information can be found on pages 11, 12 and 23.
2-2	Entities included in the organization's sustainability reports (Scope of Subsidiaries)	Page 34.
2-3	Reporting period, frequency and point of contact	Annually, from January 1 to December 31, 2023
2-4	Restatements of information	The 2022 data has been updated in the EU2 and EU30 indicators. The indicators from the GRI 305 group replace data from 2022 and 2021
2-5	External verification	The report was not subjected to external verification
Activities and employees		
2-6	Activities, value chain and other commercial relationships	Pages 11, 12, 23 and 56.
2-7	Employees	Pages 45 and 48.
2-8	Workers who are not employees	Page 45.
Governance		
2-9	Governance structure and composition	Page 59.
2-10	Nomination and selection of the highest governance body	Page 59.
2-11	Chair of the highest governance body	Page 59.
2-12	Role of the highest governance body in overseeing the management of impacts	Page 59.

*Declaration of Use | Alupar Investimento S.A. reported in accordance with GRI Standards for the period from January 1st to December 31st, 2023.
GRI 1 used | GRI 1: Fundamentals 2021. Applicable GRI Sector Standard | Not applicable.*

Universal standards		Reference (page)/Direct response
2-13	Delegation of responsibility for managing impact	Page 59.
2-14	Role of the highest governance body in sustainability reporting	Page 59.
2-15	Conflicts of interest	Alupar's Bylaws provide that any member of the Board of Directors who has a conflict of interest must speak out and abstain from voting on the topic that generates conflict, with the situation being recorded in the minutes of the meeting. Page 59.
2-16	Communication of critical concerns	Page 59.
2-17	Collective knowledge of the highest governance body	Page 59.
2-18	Evaluation of the performance of the highest governance body	Page 59.
2-19	Remuneration policies	Members of the Board of Directors (AC) receive fixed monthly remuneration and are not eligible for benefits and bonuses. The remuneration of Board members is defined by the AC, including a fixed portion, benefits package and variable portion linked to the achievement of short, medium and long-term annual goals, related to the performance of assets and new businesses, among other aspects
2-20	Process to determine remuneration	The remunerations of senior management and staff follow market practices, ensuring competitiveness in the sector in which it operates. To this end, a specialized consultancy conducts biannual market research to support decision-making.
2-21	Proportion of total annual remuneration	3 Ratio of annual CEO/average employee remuneration (Brazil) Rate: 21.05; Increase: 0.97.
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Page 6.
2-23	Commitment Policies	Pages 59 and 63.
2-24	Embedding policy commitments	Pages 56, 59 and 63.
2-25	Processes to remediate negative impacts	Page 63.
2-26	Mechanisms for seeking advice and raising concerns	Page 63.

Universal standards		Reference (page)/Direct response
2-27	Compliance with laws and regulations	No significant cases were recorded during the year. Page 63.
2-28	Membership in associations	<ul style="list-style-type: none"> • Apine (Brazilian Association of Independent Electricity Producers) • Abdib (Brazilian Association of Infrastructure and Basic Industries) • Abragel (Brazilian Clean Energy Generation Association) • ABEEólica (Brazilian Wind Energy Association) • Abrate (Brazilian Association of Electric Energy Transmission Companies), in which we have a representative on the Board of Directors. • Abrage (Brazilian Association of Electricity Generating Companies) • Signatories of the UN Global Compact, we are part of the Action for Climate, Action for Human Rights, Action against Corruption and Action to Communicate and Engage Platforms.
Stakeholder Engagement		
2-29	Approach to stakeholder engagement	Pages 16 and 63.
2-30	Collective bargaining agreements	100% of CLT employees are covered by negotiation agreements with a local union or federation. Colombia and Peru have a collective agreement.
Material topics		
3-1	Process to determine material topics	Page 16.
3-2	List of material topics	Pages 16 and 40.
3-3	Management of material topics	Pages 16, 32, 67 and 71.
ECONOMIC CONTENT		
Economic Performance		
201-1	Direct economic value generated and distributed	Page 40.
201-2	Financial implications and other risks and opportunities due to climate change	Pages 80 and 81.

Universal standards		Reference (page)/Direct response
201-3	Defined benefit plan obligations and other retirement plans	Employees have access to a contribution plan with actuarial and investment risk attributed to the holder, without any responsibility to the Company.
201-4	Financial support received from the government	Participation less than 5%. The Company does not disclose the participation of any shareholder with securities lower than 5%.
Indirect Economic Impacts		
203-1	Investments in infrastructure and service support	Page 71.
Anti corruption		
205-1	Operations assessed for risks related to corruption	Documentary assessment for hiring third parties and insertion of contractual clauses on commitment to ethics, integrity and governance. All Alupar businesses are assessed for corruption risk and measures are applied to mitigate the identified risks.
205-2	Communication and training in anti-corruption policies and procedures	Page 63.
205-3	Confirmed cases of corruption and measures taken	No cases were recorded during the year. Page 63.
Unfair competition		
206-1	Legal actions for unfair competition, trust and monopoly practices	No cases were recorded during the year. Page 63.
ENVIRONMENTAL CONTENT		
Energy		
302-1	Energy consumption within the organization	Page 80.
302-3	Energy consumption outside the organization	Page 80.

Universal standards		Reference (page)/Direct response
Water		
303-1	Interactions with water as a shared resource	Pages 80 and 82.
303-2	Management of water discharge-related impacts	Pages 80 and 82.
303-3	Water withdrawal	Page 82.
303-4	Water discharge	Page 82.
303-5	Water consumption	Page 82.
Biodiversity		
304-1	Operations in protected areas with a high level of biodiversity	The Company does not have assets in protected areas with a high level of biodiversity
304-2	Significant impacts of activities, products and services on biodiversity	Page 75.
304-3	Protected or restored habitats	Page 75.
304-4	Species included on the IUCN Red List and national conservation lists with habitats in areas affected by the organization's operations	Page 75.
Emissions		
305-1	Direct emissions (Scope 1) of greenhouse gases (GHG)	Page 81.
305-2	Indirect emissions (Scope 2) of greenhouse gases (GHG) from energy acquisition	Page 81.
305-3	Other indirect emissions (Scope 3) of greenhouse gases (GHG)	Page 81.
305-4	Intensity of greenhouse gas (GHG) emissions	Page 81.
305-5	305-5 Reduction of greenhouse gas (GHG) emissions	Page 81.

Universal standards		Reference (page)/Direct response
Waste		
306-1	Waste generation and significant waste-related impacts	Pages 80 and 82.
306-2	Management of significant waste-related impacts	Pages 80 and 82.
306-3	Waste generated	Page 82.
306-4	Waste diverted from disposal	Pages 80 and 82.
306-5	Waste directed to disposal	Pages 80 and 82.
Suppliers Environmental Assessment		
308-1	New suppliers selected based on environmental criteria	A new supplier approval process is under development to incorporate the assessment of ESG criteria. Internal controls are being improved, aiming to provide the percentage of evaluated suppliers.
308-2	Negative environmental impacts on the supply chain and measures taken	Monitoring of suppliers is carried out by direct contract managers, in a decentralized manner, which has been improved, aiming to provide quantitative information.
SOCIAL CONTENT		
Employment		
401-1	New hires and employee turnover	Page 48.
401-3	Maternity/paternity leave	Page 45.
Work relationships		
402-1	Minimum notice period for operational changes	In cases of operational changes, employees are notified 15 days in advance to adopt the necessary adjustments and adaptations.

Universal standards		Reference (page)/Direct response
Health and safety		
403-1	Occupational health and safety management system	Page 50.
403-2	Hazard identification, risk assessment and incident investigation	Page 50.
403-3	Occupational health services	Page 50.
403-4	Workers' participation, consultation and communication with workers regarding health and safety at work	Page 50.
403-5	Training workers in occupational health and safety	Page 50.
403-6	Promotion of worker health	Page 50.
403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	Page 50.
403-8	Workers covered by an occupational health and safety management system	Page 50.
403-9	Work accidents	Page 50.
403-10	Occupational diseases	Page 50.
Training and Education		
404-1	Average hours of training per year, per employee	Page 45.
404-2	Programs to improve employee skills and assist with career transition	Page 54.
404-3	Percentage of employees who receive regular performance and career development reviews	Page 45.

Universal standards		Reference (page)/Direct response
Diversity and Equal Opportunities		
405-1	Diversity of governance bodies and employees	Page 48.
405-2	Ratio of basic salary and remuneration of women to men	Page 45.
Non-Discrimination		
406-1	Total number of cases of discrimination and corrective measures taken	Page 63.
Freedom of Association and Collective Bargaining		
407-1	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and measures taken to support this right	The Company does not have operations or suppliers in locations where the rights to exercise freedom of association and collective bargaining may be at risk. Interested local unions can contact employees in order to structure a negotiation agenda, update it or to PLR agreements.
Child labor		
408-1	Operations and suppliers with significant risk of child labor incidents	The Company adopts mechanisms such as requiring an Ethics and Social Responsibility Clause in contracts, aiming to mitigate the risks of child labor in situations where third parties are hired to provide services.
Forced or slave-like labor		
409-1	Operations and suppliers with significant risk of cases of forced or compulsory labor	The Company adopts mechanisms such as requiring an Ethics and Social Responsibility Clause in contracts, aiming to mitigate the risks of forced labor in situations where third parties are hired to provide services.
Security Practices		
410-1	Security personnel trained in human rights policies or procedures	The Company does not require this training, but has the Code of Ethics, Conduct & Compliance for employees and third parties, offering guidance that includes the topic of Human Rights.

Universal standards		Reference (page)/Direct response
Rights of Indigenous Peoples		
411-1	Cases of violation of rights of indigenous peoples	The Company had no cases of violation of the rights of indigenous peoples.
Local Communities		
413-1	Operations with engagement, impact assessments and development programs aimed at the local community	Page 67.
413-2	Operations with significant negative impacts – real and potential – on local communities	Page 67.
Supplier Social Assessment		
414-1	Percentage of new suppliers selected based on human rights criteria	100% of new suppliers selected by the Company underwent social criteria assessment.
414-2	Significant actual and potential negative impacts on human rights in the supply chain and measures taken in this regard	The Company monitored suppliers in a decentralized manner and the quantification of this data is being matured in internal practices.
Public Policies		
415-1	Political contributions and lobbying	The Company does not make any political contributions or lobbying, as described in its Policy Integrity
Customer Privacy		
418-1	Substantiated complaints regarding breach of privacy and loss of customer data	The Company had no incidents involving data and privacy in 2023

Universal standards		Reference (page)/Direct response
ELECTRICITY SECTOR GRI		
Organization Profile		
EU 1	Installed capacity (MW), by primary source and regulatory regime	Pages 26 and 34.
EU 2	Net energy production (GWh), by primary source and regulatory	Pages 26 and 34.
EU 3	Residential, industrial, institutional and commercial customer accounts	Page 30.
EU 4	Length of transmission and distribution lines, above and underground, by regulatory regime	Page 28.
EU 5	Allocation of CO ₂ emission allowances, presented by carbon marketcareer transitions	Page 81.
System efficiency		
EU 12	Transmission and distribution losses as a percentage of total energy	Page 30.
Biodiversity		
EU 13	Biodiversity in habitats with environmental compensation activities compared to affected areas	Page 75.
G4-EN12	Significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Page 75.
G4-DMA (antiga EU 14)	Programs and processes to ensure the availability of qualified labor	The social area works to develop local communities, especially among young people. A partnership program with technical institutions publicizes job openings for the local population.
G4-DMA (antiga EU 16)	Policies and requirements relating to the health and safety of employees and contract workers and subcontractors may be at significant risk, and measures taken to support this right	Page 50.

Universal standards		Reference (page)/Direct response
EU 17	Days worked of outsourced and subcontractors involved in construction, operation and maintenance activities	Page 50.
EU 18	Percentage of outsourced and subcontracted workers undergoing relevant health and safety training	Page 50.
Local Communities		
EU 20	Approach to managing the impacts of displacement	Page 67.
EU 22	Number of people physically and economically displaced and compensation, broken down by project type	Page 67.
Planning and responding to Disasters or Emergencies		
G4-DMA (antiga EU21)	Contingency planning measures, disaster or emergency management and training plan, and recovery or restoration plans	Pages 26 and 30.
Access		
EU 30	Average plant availability factor, broken down by energy source and regulatory system	Page 26.
Research and Development		
G4-DMA (antiga EU8)	Research and development activities	Page 38.
Availability and Reliability		
G4-DMA (antiga EU6)	Management to guarantee the availability and reliability of electricity in the short and long term	Pages 26 and 30.

SASB Content Index

Contents	Themes	Indicator Description	Reference (page)/Direct response
Greenhouse Gas Emissions & Energy Resource Planning	IF-EU-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Page 81.
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with energy supply	Page 81.
	IF-EU-110a.3	Discussion of the long- and short-term strategy or plan for managing Scope 1 emissions, emissions reduction targets, and an analysis of performance against these targets	Pages 80 and 81
	IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market	It does not apply, as Brazil does not have renewable portfolio standards established by regulatory bodies.
Air Quality	IF-EU-120a.1	Atmospheric emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) IF-EU-120a.1 particulate matter (PM10), (4) lead (Pb) and (5) mercury (Hg); percentage of each in or near dense population areas	Not applicable, as no atmospheric pollutants (NOx, SOx, particulates, lead or mercury) are emitted in operations.
Water management	IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Page 82.
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	There were no incidents of this nature.
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	The water is intended for human consumption and hygiene

Contents	Themes	Indicator Description	Reference (page)/Direct response
Coal Ash Management	IF-EU-150a.1	Amount of coal combustion residuals (CCR) generated, percentage recycled	Not applicable, as the Company does not operate coal-fired plants.
	IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	
Affordable energy	IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Not applicable, as the Company does not operate in Distribution
	IF-EU-240a.2	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	
	IF-EU-240a.3	Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	
Workforce Health & Safety	IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Page 50.
End-Use Efficiency & Demand	IF-EU-420a.1	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	Not applicable, as the Company does not operate in Distribution
	IF-EU-420a.2	Percentage of electric load served by smart grid technology	
	IF-EU-420a.3	Customer electricity savings from efficiency measures, by market	

Contents	Themes	Indicator Description	Reference (page)/Direct response
Nuclear Safety & Emergency Management	IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	Not applicable, as the Company does not operate nuclear plants.
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	
Grid resilience	IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	No incidents in the generation or transmission sectors were recorded in the period. Impact management is based on the Corporate Cyber Information Security Policy, with supervision by the Alupar Information Security Committee, with preventive measures being adopted to identify and correct any vulnerability.
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Not applicable, as Alupar does not operate in Distribution
Activity Metrics	IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	Page 30.
	IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Page 30.
	IF-EU-000.C	Length of transmission and distribution lines	Page 28.
	IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	Pages 26 and 34.
	IF-EU-000.E	Total wholesale electricity purchased	Page 30.

SDG Map

<p>3. Ensure healthy lives and promote well-being for all at all ages</p> <p>Pages 50, 67 and 71.</p> 	<p>4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <p>Pages 50, 67 and 71.</p> 	<p>5. Achieve gender equality and empower all women and girls</p> <p>Page 48.</p> 	<p>7. Ensure access to affordable, reliable, sustainable and modern energy for all</p> <p>Pages 23, 32, 38 and 42.</p> 	<p>8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>Pages 11, 23, 45, and 80.</p> 
<p>9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p> <p>Pages 32 and 38.</p> 	<p>10. Reduce inequality within and among countries</p> <p>Pages 12, 34 and 67.</p> 	<p>11. Make cities and human settlements inclusive, safe, resilient and sustainable.</p> <p>Pages 50, 67, 71, 75 and 80.</p> 	<p>12. Ensure sustainable consumption and production patterns.</p> <p>Pages 32, 75 and 80.</p> 	<p>13. Take urgent action to combat climate change and its impacts.</p> <p>Pages 75 and 80.</p> 
<p>14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development.</p> <p>Pages 75 and 80.</p> 	<p>15. Conserve forests, combat desertification, reverse soil degradation and preserve biodiversity.</p> <p>Pages 75 and 80.</p> 	<p>16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p> <p>Pages 58 , 59 and 97.</p> 	<p>17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.</p> <p>Pages 67, 71, 75 and 80.</p> 	

Entities Included in the Report

ACE - ACE Comercializadora Ltda

AETE - Amazônia - Eletronorte Transmissora de Energia S.A.

AF - AF Energia S.A.

Água Limpa - Água Limpa S.A.

Alupar Chile - Alupar Chile Inversiones S.P.A.

Alupar Colômbia - Alupar Colômbia S.A.S.

Alupar Peru - Alupar Inversiones Peru S.A.C.

Apaete - Apaete Participações em Transmissão S.A.

EAP I - Eólica do Agreste Potiguar I S.A.

EAP II - Eólica do Agreste Potiguar II S.A.

EAP III - Eólica do Agreste Potiguar III S.A.

EAP IV - Eólica do Agreste Potiguar IV S.A.

EAP V - Eólica do Agreste Potiguar V S.A.

EAP VI - Eólica do Agreste Potiguar VI S.A.

EAP VII - Eólica do Agreste Potiguar VII S.A.

EATE - Empresa Amazonense de Transmissão de Energia S.A.

EBTE - Empresa Brasileira de Transmissão de Energia S.A.

ECTE - Empresa Catarinense de Transmissão de Energia S.A.

EDTE - Empresa Diamantina de Transmissão de Energia S.A.

EDV III - Energia dos Ventos III S.A.

EDV IV - Energia dos Ventos IV S.A.

EDV X - Energia dos Ventos X S.A.

EDVI - Energia dos Ventos I S.A.

EDVII - Energia dos Ventos II S.A.

ELTE - Empresa Litorânea de Transmissão de Energia S.A.

ENTE - Empresa Norte de Transmissão de Energia S.A.

ERTE - Empresa Regional de Transmissão de Energia S.A.

ESDE - Empresa Santos Dumont de Energia S.A.

ESTE - Empresa Sudeste de Transmissão de Energia S.A.

ETAP - Empresa Transmissora Agreste Potiguar S.A.

ETB - Empresa de Transmissão Baiana S.A.

ETC - Empresa Transmissora Capixaba S.A.

ETEM - Empresa de Transmissão de Energia do Mato Grosso S.A.

ETEP - Empresa Paranaense de Transmissão de Energia S.A.

ETES - Empresa de Transmissão do Espírito Santo S.A.

ETSE - Empresa de Transmissão Serrana S.A.

ETVG - Empresa de Transmissão de Várzea Grande S.A.

Ferreira Gomes - Ferreira Gomes Energia S.A.

Foz - Foz do Rio Claro Energia S.A.

Ijuí - Ijuí Energia S.A.

La Virgen - La Virgen S.A.C.

Lavrinhas - Usina Paulista Lavrinhas de Energia S.A.

Lumitrans - Companhia Transmissora de Energia Elétrica

Queluz - Usina Paulista Queluz de Energia S.A.

Risaralda - Risaralda Energia S.A.S.E.S.P.

STC - Sistema de Transmissão Catarinense S.A.

STN - Sistema de Transmissão Nordeste S.A.

TCC - Transmissora Caminho do Café S.A.

TCE - Transmissora Colombiana de Energia S.A.S.E.S.P.

TME - Transmissora Matogrossense de Energia S.A.

TPE - Transmissora Paraíso de Energia S.A.

Transirapé - Companhia Transirapé de Transmissão S.A.

Transleste - Companhia Transleste de Transmissão S.A.

Transminas - Transminas Holding S.A.











Transudeste - Companhia Transudeste de Transmissão S.A.

TSM - Transmissora Serra da Mantiqueira S.A.

UFV Pitombeira - Ufv Pitombeira S.A.

Verde 8 - Verde 8 Energia S.A.

Global Compact

Human Rights			Labour		
<p>01 - Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p>Pages 58, 59 and 60.</p> 	<p>02 - Make sure that they are not complicit in human rights abuses.</p> <p>Pages 48, 58, 59 and 60.</p> 	<p>03 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p>Pages 58, 59 and 60.</p> 	<p>04 - The elimination of all forms of forced and compulsory labour.</p> <p>Pages 44, 45, 48, 50 and 56.</p> 	<p>05 - The effective abolition of child labour.</p> <p>Pages 45 and 56.</p> 	<p>06 - The elimination of discrimination in respect of employment and occupation.</p> <p>Pages 45 and 48.</p> 
Environment			Anti-Corruption		
<p>07 - Businesses should support a precautionary approach to environmental challenges.</p> <p>Pages 66, 75 and 80.</p> 	<p>08 - Undertake initiatives to promote greater environmental responsibility.</p> <p>Pages 75 and 80.</p> 	<p>09 - Encourage the development and diffusion of environmentally friendly technologies</p> <p>Page 38.</p> 	<p>10 - Businesses should work against corruption in all its forms, including extortion and bribery.</p> <p>Pages 58, 59 and 60.</p> 		

Credits

The preparation of this Report is the result of a joint effort by the entire Alupar team, with the general coordination of the Sustainability area.

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The logo for Alupar, featuring the word "Alupar" in a bold, blue, sans-serif font. A horizontal green bar is positioned above the letter "u".

Alupar