

Corporate Social Responsibility Report

SGCC - Brazil



国家电网公司
STATE GRID
CORPORATION OF CHINA

2024



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1 Introduction



Message from Leadership

The State Grid Corporation of China (SGCC) in Brazil is proud to present its 2024 Corporate Social Responsibility Report, highlighting the results and initiatives of its Brazilian businesses, **CPFL Energia, State Grid Brazil Holding (SGBH), CET Brasil, and NARI Brasil.**

Guided by the long-term vision that guides SGCC's culture worldwide, the Companies have moved forward with projects that enhance the integration of the Brazilian electricity system, increase the participation of renewable sources, and deliver electricity efficiently and safely to consumers. We experienced a year punctuated by the importance of our attitude of resilience, collaboration and innovation in overcoming significant challenges in the many segments in which we operate: **energy generation, transmission and distribution**, with a significant presence in the Brazilian territory. In 2024, SGCC recorded **zero fatal accidents involving its employees**, and both the frequency and severity rates of work-related accidents were lower than the previous year, reaffirming our **commitment to safety** in every operation.

On the year's key events and actions, CPFL Energia was tested and strengthened in its ability to respond quickly to the state of Rio Grande do Sul's floods when it mobilized a wide-ranging emergency effort with the support of the crisis committee,

employees, suppliers and partners, backed by SGCC. These insights led to the inclusion of new climate resilience commitments in **CPFL's 2030 ESG Plan**, strengthening adaptation plans and improving risk management.

SGBH planned and developed the **GATE projects, our third ultra-high voltage direct current transmission line (UATCC)**, which will connect the Northeast and Midwest regions and will strengthen the National Interconnected System. The Company celebrated the 10th anniversary of the System Operations Center (COS), which was expanded to ensure even greater reliability while maintaining asset operation at historic levels: **the concessionaire XRTE achieved average availability of 99.99%** for the second year running. In terms of occupational health and safety, the year ended with no fatalities and a lower accident rate than the previous year.

In the ESG realm, CPFL intensified dialogue with regulators and governments to **promote the integration of renewable sources into the national electricity grid** and supported climate adaptation projects, allocating BRL 15 million to ANEEL's Energy Efficiency Program and in supporting projects in affected regions. SGBH strengthened its ESG division by investing in corporate guidelines for using biofuels and **led the creation of the Electric Innovation and Sharing Alliance (EISA),**



an international alliance for technological cooperation between Brazil and China in the energy sector, aimed at solutions for the energy transition and decarbonization. In terms of governance, SGBH consolidated the Strategic Radar and created the Directors' Council and the Supervisory Council, promoting integrity actions such as Compliance Week and the Compliance League and disseminating the culture of integrity and compliance.

On the financial front, **CPFL increased its net profit by 4.1%** and its operating revenue by 7.3% compared to 2023. Even in the face of curtailment challenges in the generation segment, the hydroelectric plants achieved significant performance, and the Lúcia Cherobim Small Hydroelectric Plant began its operation with a low socio-environmental impact. In terms of generating value for Brazilian society, the **CPFL Institute allocated BRL 34 million to cultural, sports and health projects**, benefiting over 750,000 people. **SGBH recorded a 20% increase in net profit** and 15.4% growth in operating revenue against the previous year. Its investments in social responsibility projects totalled **BRL 4.3 million**.

We also celebrated important milestones, such as the **50th anniversary of cultural ties between Brazil and China**, in which CPFL and SGBH organized social and cultural events in commemoration, such as performances by the Maré do Amanhã Orchestra and the Beijing Opera, the restoration of Casa Pacheco Leão in the Botanical Gardens of Rio de Janeiro (RJ) with the exhibition The Tea Route and the exhibit Five Thousand Years of Chinese Art: Cerqueira Leite Collection.

With all the initiatives carried out in 2024, **we reinforced the joint commitment of SGCC and its companies in Brazil to efficiency, safety and sustainability**.

In the years to come, we will continue to expand our efforts to adopt **cutting-edge technologies, best practices and team integration**, with a focus on improving operational efficiency, combining social responsibility and positive impact. We are aware that we have only achieved these results thanks to the commitment of each employee, the partnership with shareholders, suppliers and public authorities and the open dialog with local communities.

We thank everyone who has contributed to SGCC's results in Brazil in 2024 and reaffirm our commitment to building an increasingly sustainable, safe and prosperous future together.

Thank you very much!



Tao Sun
SGBH Chairman



Peng Sun
SGBH CEO



Daobiao Chen
Chairman of CPFL Energia's Board of Directors



Gustavo Estrella
President of CPFL Energia

About the Report

In the seventh Corporate Social Responsibility Report of the State Grid Corporation of China (SGCC), we bring together the main results of the companies in which we invest in Brazil, with a focus on CPFL Energia and State Grid Brazil Holding (SGBH), as well as CET Brasil and NARI Brasil. This publication provides consolidated information on the SGCC group and highlights the results achieved by the companies for the period from January 1 to December 31, 2024.

The comprehensive overviews of these companies' initiatives are available in their annual reports, which adhere to internationally recognized sustainability reporting standards, including the Global Reporting Initiative (GRI) and the Integrated Reporting Framework. The following are the material topics of CPFL and SGBH, which guided the Companies' ESG actions in 2024.

Send your questions, suggestions or comments about the Report to:



esg@stategrid.com.br



SEE THE FULL REPORTS:

CPFL ENERGIA

https://www.grupocpfl.com.br/sites/default/files/2025-04/250107_CPFL_RA24_VF%20Final%202.pdf

STATE GRID BRAZIL HOLDING

https://stategrid.com.br/wp-content/uploads/2025/04/SGBH_RS24_VFa.pdf

Materiality

CPFL

CPFL updates its materiality assessment every two years to reflect market demands. In 2024, the process followed the double materiality approach and the most relevant environmental, social and governance issues from the stakeholders' perspective were identified and prioritized.

The consultation reached 1,118 stakeholders, including customers, employees and investors, as well as surveys with leaders, regulators and NGOs. The 14 priority topics are consistent with CPFL's strategic planning and serve as the foundation for executive decision-making and top management initiatives.



Environmental

Climate change and decarbonization



2030 ESG Plan
1/2/3/4/24

Smart energy and innovation



2030 ESG Plan
5/6

Water and effluents



2030 ESG Plan
7/8

Use of resources and circular economy



2030 ESG Plan
7/8/10/11

Preserving biodiversity



2030 ESG Plan
8/9

Social

Health and safety as a value



2030 ESG Plan
18/19/20

Promoting community development



2030 ESG Plan
12/13

Developing human capital



2030 ESG Plan
21/22

Promoting diversity and inclusion



2030 ESG Plan
14

Governance

Ethical conduct and transparency



2030 ESG Plan
21/22/23

Financial and operational performance



2030 ESG Plan
17/23

Corporate governance and risk management



2030 ESG Plan
21/22/23

Customer satisfaction



2030 ESG Plan
16

Sustainable purchasing



2030 ESG Plan
15

SGBH

SGBH conducted its most recent materiality assessment in 2021, engaging its stakeholders. Stakeholders such as financial sector agents, employees, community leaders, public authorities (municipal and state), regulatory bodies (environmental and sector agencies, the Public Prosecutor's Office and institutions of the Legal System) and civil society were heard.

The topics were defined based on sector studies of companies in the electricity sector and the best practices recommended by initiatives such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the Corporate Sustainability Index (ISE - B3) and the Dow Jones Sustainability Indexes (DJSI).

Environmental

Biodiversity



Environmental Management



Energy Transition



Social

Safety in Operations



Social Investment



Local Communities



Governance

Technology and Innovation



Ethics and Compliance



Resilient Infrastructure



State Grid Corporation of China



About SGCC

The State Grid Corporation of China (SGCC), founded in 2002, is a state-owned company based in China. Recognized as the largest electricity transmission and distribution company in China and the world, it ranks 3rd in the Fortune 500 and serves 88% of Chinese territory.

Employing over 1.4 million people in its subsidiaries, SGCC maintains a presence in ten countries and regions: Brazil, the Philippines, Portugal, Australia, Italy, Greece, Oman, Chile, Pakistan and the Hong Kong Special Administrative Region.

In Brazil, SGCC operates in several segments of the electricity chain through the companies CPFL Energia, SGBH, CET Brasil and NARI Brasil.

88% of China's territory served

1.1 Bn of people served

1.4 Mn employees

3rd Fortune Global 500

A+ national sovereign rating for 12 consecutive years

No. 1 of China's 500 most valuable brands for 10 years in a row

DEVELOPMENT STRATEGY



OUR TENET

A power utility by the people and for the people.



OUR MISSION

Power your beautiful life, empower our beautiful China.



OUR ROLES

Contribute to economic growth, energy transition, and better livelihood.



OUR SPIRIT

In search of excellence, in pursuit of outperformance.

Corporate Culture

MISSION



THE REASON WHY WE WORK EVERY DAY

- We provide sustainable, accessible, and reliable energy at all times, enhancing a safer, healthier, and more prosperous life for people in the regions where we operate;
- We promote the strategic and competitive growth of our business while maintaining its dynamism and vitality;
- We foster an international corporate culture that adheres to high standards, respects diversity, and preserves our legacy;
- We ensure equal opportunities for all employees, embracing diversity and inclusion.

- Seek to be an outstanding and competitive company in the electricity sector;
- Provide sustainable and reliable service to the electrical grid and transmit clean energy;
- Promote the social and economic development of the areas surrounding our businesses.

VISION



WHERE DO WE WANT TO GET

- We pursue becoming the highest power utility in South America that supplies reliable electric energy and credible services recognized by different audiences;
- We pledge to forge a lasting commitment to business development, innovation and corporate culture.

- Be one of the largest and most influential power transmission companies in South America;
- To provide reliable transmission services to our customers through state-of-the-art technologies and be very well recognized by stakeholders.

VALUES



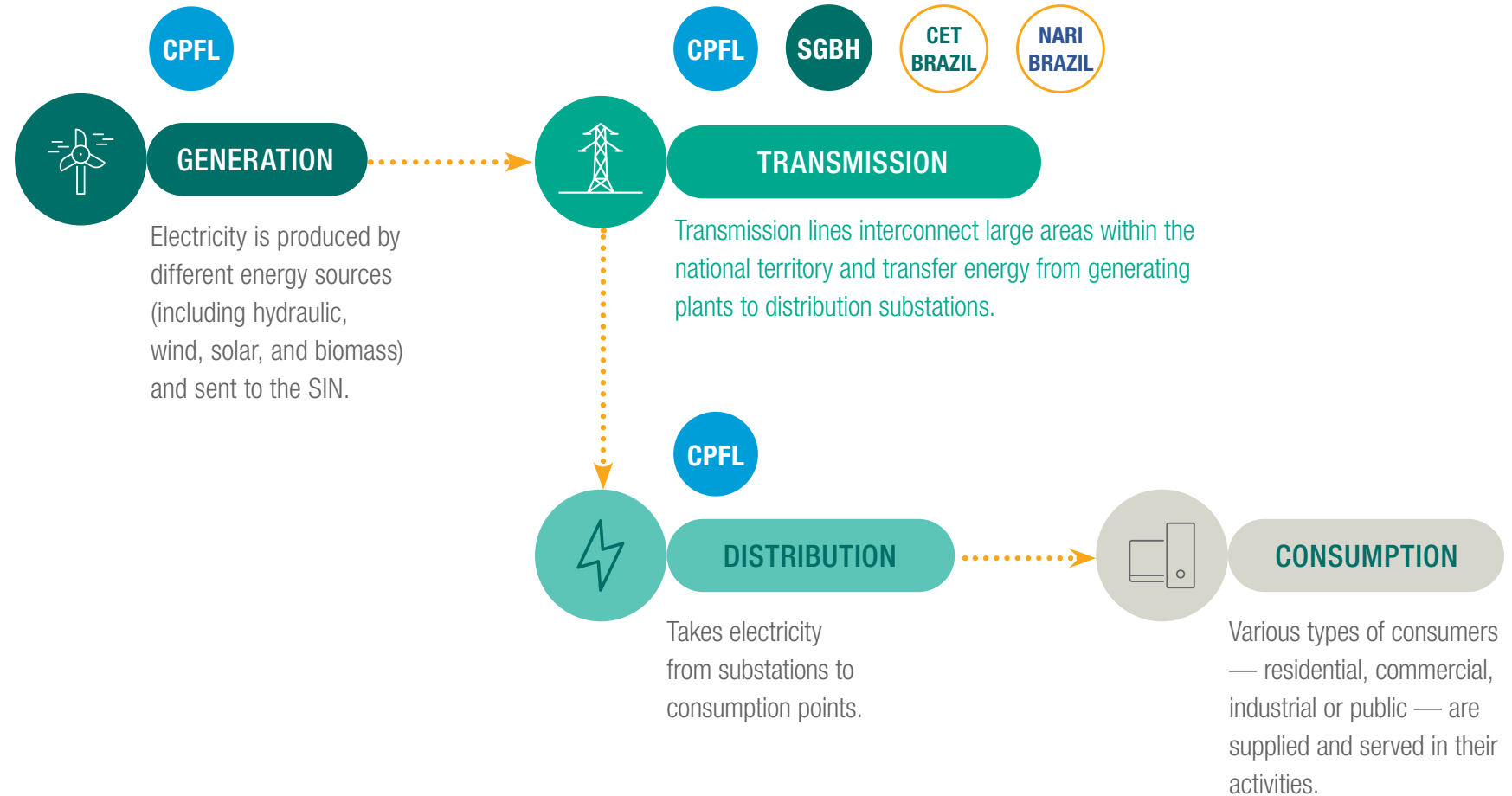
OUR IDEALS OF ATTITUDES

- Safety;
- Innovation;
- Collaboration;
- Excellence;
- Integrity;
- Ethics;
- Social responsibility.

- Safety;
- Innovation;
- Commitment;
- Quality service;
- Ethics and transparency;
- Sustainability;
- Social responsibility.

Presence and Business in Brazil

SGCC operates across the entire electricity chain in Brazil, which has one of the largest interconnected systems in the world. The National Interconnected System (SIN) is responsible for transmitting power between generation and consumption points, is managed by the National Electric System Operator (ONS). Its operations are based on availability criteria and demand forecasts for each region.



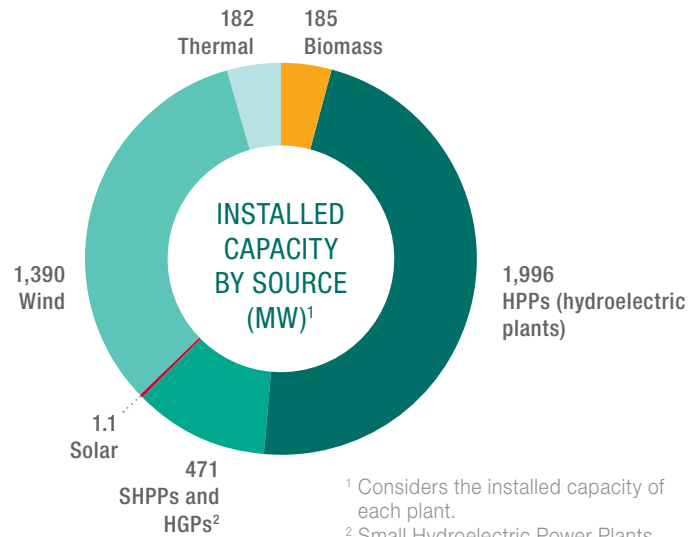
Generation

CPFL Geração and CPFL Renováveis operate a diversified portfolio of power generation assets (hydroelectric power plants, wind farms, thermoelectric plants, biomass and solar energy) located in 11 Brazilian states, which supply electricity in the regulated and free contracting markets. In 2024, the companies reached a total installed capacity of 4,226 MW, of which 96% came from renewable sources, and achieved a net production of 16,713 GWh, with 99% generated from renewable energy.

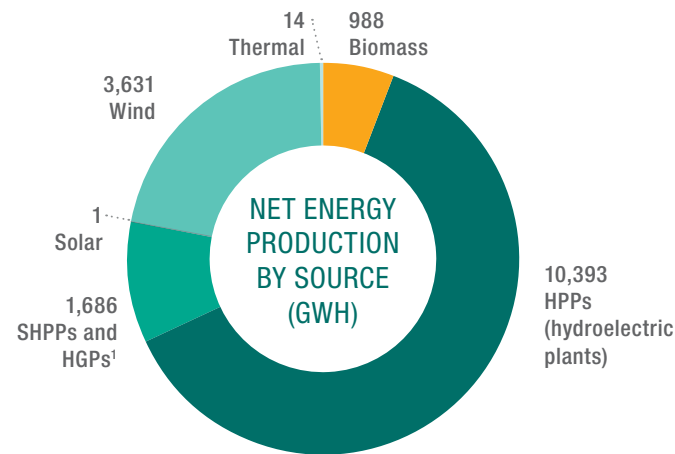
Hydroelectric power plants' performance was boosted by above-average rainfall and reservoirs that ensured security of supply, even in the face of droughts in some regions. In the wind sector, CPFL diversified the expertise of its professionals and strengthened strategic partnerships with suppliers, starting to directly operate 147 turbines, which add up to an installed capacity of 772.9 MW.

Moreover, studies initiated in 2023 pointed to the construction of new solar-wind hybrid plants, scheduled for implementation in 2025, to add around 196 MW of solar power to existing wind farms - optimizing the use of land and the transmission system.

This set of initiatives reinforces CPFL's commitment to generating clean, safe, and reliable energy, facing regulatory and technical challenges to optimize Brazil's renewable energy matrix.



¹ Considers the installed capacity of each plant.
² Small Hydroelectric Power Plants (SHPPs) and Hydroelectric Generating Plants (HGPs).



¹ Considers the installed capacity of each plant.



Transmission

CPFL

CPFL Energia's transmission infrastructure extends across the states of São Paulo (SP), Santa Catarina (SC), Rio Grande do Sul (RS) and Ceará (CE). With over 6,000 kilometers of lines, CPFL Transmissão is one of the main companies in the sector. In Rio Grande do Sul, the company plays a strategic position, covering all regions of the concession area and accounting for approximately 60% of the local transmission service. At the beginning of the year, CPFL faced challenges due to extreme weather events in the state, which affected eight substations and 34 transmission lines. Despite this, the company's efforts and resilience ensured the continuity of services.

SGBH

With a strategic role in the interconnection of the Brazilian electricity system, SGBH operates in the operation and maintenance of transmission systems, setting up its own facilities with state-of-the-art technology. With projects in 14 Brazilian states, SGBH has over 16,000 kilometers of transmission lines and 64 substations. The new Graça Aranha Silvéria Transmissora de Energia (GATE) project will be responsible for transporting the renewable energy generated in the Northeast, creating an Ultra High Voltage Direct Current (UATCC) corridor that will cross 41 municipalities in four states: Maranhão (MA), Tocantins (TO), Goiás (GO) and Minas Gerais (MG).

Over 22 thousand kilometers

of transmission lines are operated by Brazilian SGCC companies.

NARI BRASIL

NARI Brasil has been operating in Brazil for 12 years and relies on the robust technological support and resources of parent company NARI Group Corporation - a renowned manufacturer of integrated equipment and solutions for power grids.

A specialist in substation protection and control projects, the company is recognized for its integrity, resilience and professionalism, maintaining a consistent track record of efficient, high-performance deliveries.

The company values long-term partnerships with its clients and actively promotes cultural exchange between Brazil and China, strengthening ties and sharing experiences.

Throughout its history, NARI Brazil has consolidated its leadership in safety, quality and innovation, bringing cutting-edge technologies such as High Voltage Direct Current (HVDC), Advanced Metering Infrastructure (AMI), Centralized Control and Management Center (CCMC) and Power Management System (PMS).

CET BRASIL

Present in Brazil since 2013, CET Brasil has the technological and operational support of China Electric Power Equipment and Technology Co., Ltd. (CET) - the SGCC group's strategic platform for international projects, with experience in over 70 projects in markets such as Brazil, Saudi Arabia and Pakistan.

In the Brazilian energy market, the company carries out EPC (Engineering, Procurement and Construction) projects covering:

- Direct and alternating current systems
- Renewable energy solutions
- Implementation of smart grids

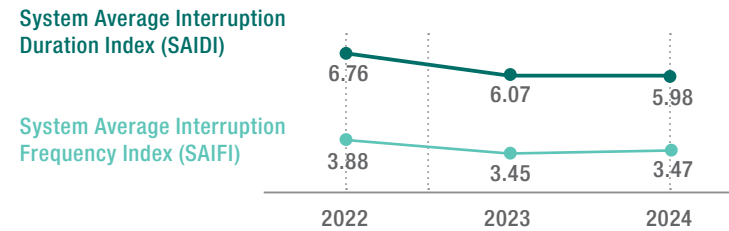
Distribution

CPFL Energia is Brazil's largest electricity distributor in terms of volume sold, with a 13% share of the national market. Through its four concessionaires - CPFL Paulista, CPFL Piratininga, CPFL Santa Cruz and RGE, its robust infrastructure comprises **346,000 km of distribution networks and 594 substations**. It serves 10.7 million consumer units in 687 municipalities in the states of São Paulo (SP), Minas Gerais (MG), Paraná (PR) and Rio Grande do Sul (RS).

In 2024, CPFL Energia recorded a 4.2% growth in consumer demand due to high temperatures and faced challenges with flooding events in Rio Grande do Sul, with 98.7% of the affected municipalities located in the company's concession area. Speed in dealing with operating conditions and a focus on people's safety made it possible to maintain operational efficiency. The SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) indicators remained below the regulatory limits, with **availability of 99.93%**.

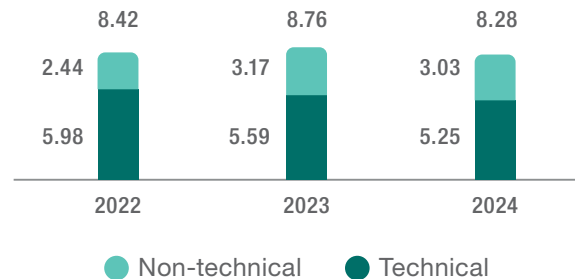
In its commitment to excellence in operations, CPFL Energia plans to invest **BRL 24.7 billion** between 2025 and 2029 to upgrade the network and expand automation, with 19,876 reclosers installed by 2024, close to the target of 23,900 by 2027.

CONSOLIDATED SAIDI AND SAIFI – CPFL ENERGIA¹



¹ Calculated based on the weighted average of the number of customers and the value determined for the SAIDI and SAIFI of each distributor.

DISTRIBUTION LOSS RATE (%)



ABRADEE AWARD

CPFL Group's efforts were recognized at the Abradee Award 2024, wherein all distributors competed in the same category. The highlight was CPFL Santa Cruz, which reached the 500,000 consumer unit mark. Together, the group's distributors won five of the 13 award categories, consolidating the CPFL Group's leadership within the Brazilian electricity sector.


- **CPFL Santa Cruz:** Best national distributor, best company in the Southeast region and customer evaluation (ISQP);
- **CPFL Paulista:** 1st place in socioenvironmental responsibility and 2nd place in the Southeast and national regions;
- **CPFL Piratininga:** 2nd place in socioenvironmental responsibility and operational management;
- **RGE:** best company in the South region.

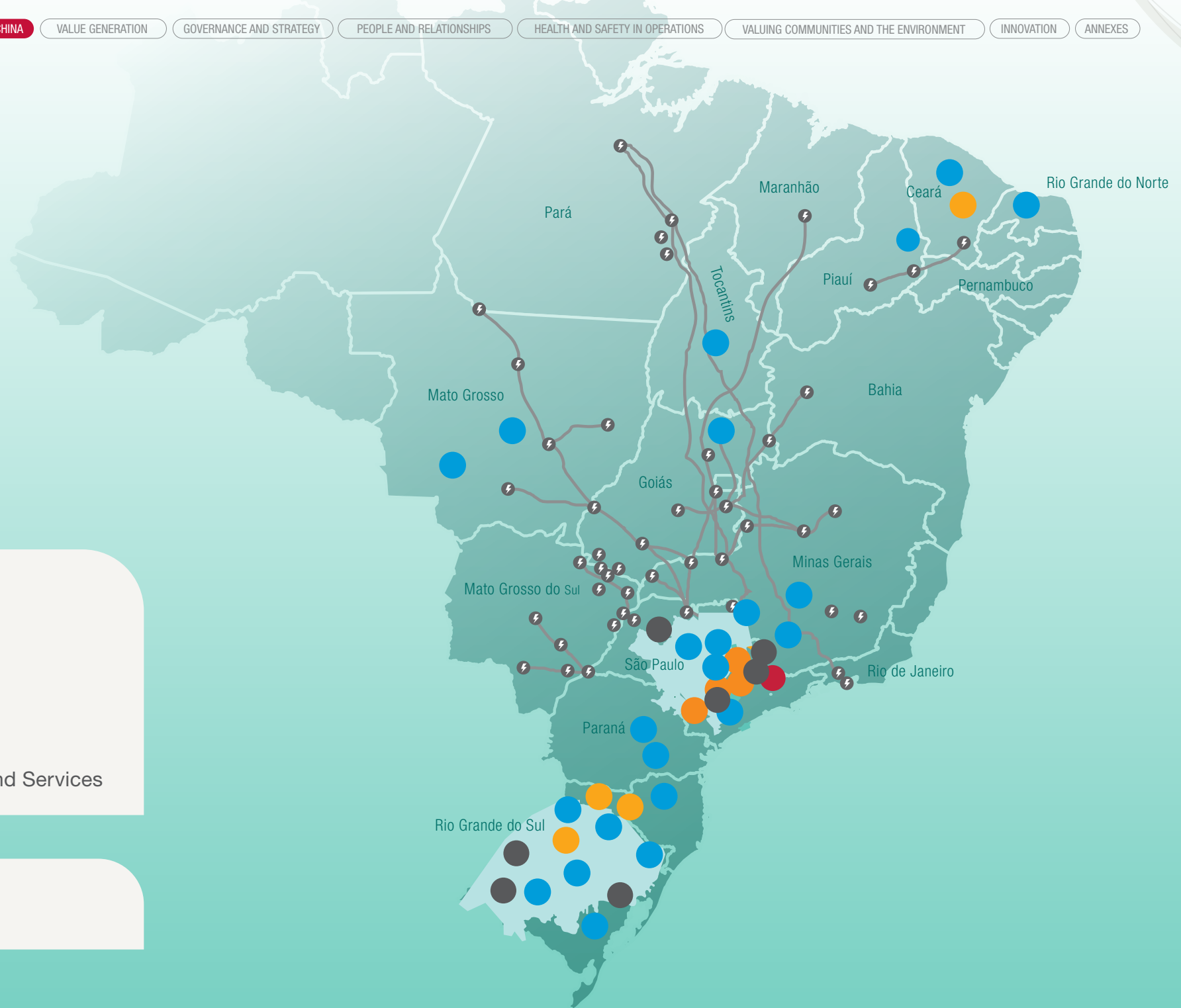
Presence in Brazil

CPFL

- Generation
- Transmission
- Distribution
- CPFL Institute
- Commercialization and Services

SGBH

-  Transmission Lines



3

Value Generation



Value Generated in 2024

CPFL

INPUTS

OUTPUTS

IMPACTS

-  Intellectual
-  Natural
-  Human
-  Manufactured
-  Social and relationship
-  Financial

- Relation with communities, customers, suppliers, investors and other stakeholders;
- Energy generation, transmission and distribution infrastructure;
- Electrification of fleet vehicles;
- Our Way of Being;
- Over 16,000 own employees;
- CPFL +Diversa;
- CPFL University;
- Corporate Ideas Program (INLAB);
- Innovation Trail;
- CPFL Inova (open innovation);
- Innovation hub;
- 10.7 million customers served by distributors;
- 752 thousand people benefited by the CPFL Institute;
- 27 hospitals supported by the CPFL Institute through the CPFL in Hospitals front;
- 144 volunteering actions;
- Participation in business movements and initiatives;
- New commitment on Climate Resilience;
- Eco-efficiency management (energy, water and waste);
- Boosting the positive impact on biodiversity;
- Action from a circular perspective;
- Over 2,000 ideas submitted to INLAB;
- 26 INLAB ideas under implementation or implemented;
- Over 85 thousand invested in R&D projects;
- Sound growth over the years;
- Improved rating and greater access to the credit market;
- 24.13% of women in leadership positions;
- 18.47% of Black people in leadership positions;
- 1.6% of leaders with disabilities;
- 39.56% of representatives from minority groups in leadership positions;
- 34.79% of self-declared Black and brown people;
- 21.12% of women in the general workforce;
- 711 employees are people with disabilities;
- 5 affinity groups in the CPFL + Diversa Program;
- Over 6,800 hours of diversity training.

2030 ESG Plan
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RESULTS AND OPERATIONAL EFFICIENCY

SAFETY

CUSTOMER FOCUS

REGULATION

DIGITALIZATION

INNOVATION AND NEW BUSINESS

We provide complete energy solutions (distribution, generation, transmission, services and marketing) across all regions of the country.

<IR>

- 1.6 million smart meters (B Smart);
- 675 km of electrified green corridor by 2025;
- 5.9 million in investment (CAPEX);
- Operating in the generation, transmission, distribution, solutions, and services segments;
- BRL 42.6 million in net operating revenue;
- BRL 5.8 million net profit;
- BRL 13.1 million in EBITDA;
- 2.07x leverage (net debt/EBITDA);
- 29,000 seedlings planted through the Arborização +Segura program in 2024;
- Over 5,500 crushed poles and 2,390 m³ of gravel 2 produced in our refurbisher;
- Effective management of greenhouse gas emissions, reflected by CPFL's continuous listing in B3's ICO2 Index, Gold Seal in the Brazilian GHG Protocol Program, and an A- rating in the CDP (Carbon Disclosure Project);
- As a result of our progress on the ESG front, we ranked first in the 2023/2024 (utilities) and second in the overall ranking.

2030 ESG PLAN

SGBH

INPUTS

MANUFACTURED CAPITAL

- Infrastructure of transmission lines, substations and operational centers;
- Infrastructure expansion and construction projects;
- Technologies to optimize operations.

NATURAL CAPITAL

- Use of renewable and non-renewable natural resources;
- Change in land use;
- Impact on biodiversity.

FINANCIAL CAPITAL

- Income and financing;
- Direct participation shareholders and investment fund.

SOCIAL AND RELATIONSHIP CAPITAL

- Relationship with communities;
- Relationship with government authorities and energy regulatory agencies.

HUMAN CAPITAL

- Own and third-party employees;
- Suppliers;
- Partners

INTELLECTUAL CAPITAL

- Technical and managerial knowledge of the team;
- Exchange of accumulated knowledge from the headquarters in China.



VALUE CREATED BY SGBH



FINANCIAL CAPITAL

- BRL 4.65 billion in net revenue;
- BRL 3.64 billion in distributed added value;
- Investments in employees, infrastructure and innovation;
- Remuneration of third-party capital.



INTELLECTUAL CAPITAL

- Creation of the Technology, Innovation and Information area;
- We led the creation of the Electric Innovation and Sharing Alliance (EISA);
- BRL 10.5 million invested in 9 R&D and innovation projects;
- Corporate University: State Academy;
- Periodic training;
- Contribution to technological advances and innovative solutions for the transmission sector.



SOCIAL AND RELATIONSHIP CAPITAL

- Signatories of the UN Global Compact;
- Reformulation of the Governance Structure;
- 50 years of Brazil-China relations;
- Maré do Amanhã Orchestra in China;
- IIA MAY Campaign;
- ISO 31000 for risk management;
- Over 600 direct suppliers;
- Partnerships in research and development;
- Open relationship channel for accident prevention;
- BRL 4.3 million in 8 social investment projects;
- Contribution to communities development.



MANUFACTURED CAPITAL

- 25 energy transmission concessionaires in 14 Brazilian states;
- More than 16,300 km of transmission lines and 64 substations;
- 1,600 km to be built for the new GATE project - 30-year concession;
- Good operational performance, with average availability above 99.7% and a failure rate below 0.3;
- 10 years of the System Operations Center, which gained a new room;
- Development of 11 expansion projects, 3 of which have already started operating;
- Acquisition of 2 robot dogs, improving safety and efficiency in routine operations.



HUMAN CAPITAL

- 956 employees focused on the same goal;
- Engagement in the One State Grid concept;
- Creation of a diversity group;
- Recognition awards for our professionals;
- Employee training and development;
- Dedication to the safety and well-being of employees and local communities;
- Zero fatalities or severe accidents, injury frequency rate (1.22) and injury severity rate (5.7).



NATURAL CAPITAL

- GHG Protocol Gold Seal for 3 consecutive years;
- Use of the LAST Portal, which makes environmental licensing processes faster and more transparent;
- Energy efficiency campaign;
- Ethanol Campaign, reaching an average of 84% of fill-ups;
- Acquisition of 11 electric vehicles (EVs);
- 90,067 tCO₂e emissions Scopes 1 and 2;
- 242.6 thousand GJ of energy consumed;
- 100.48 tons of hazardous waste and 337.62 tons of non-hazardous waste;
- Water diagnosis.

Year's Highlights

CPFL



5.98 SAIDI¹
3.47 SAIFI¹

¹ Consolidated data



518,115 training hours by CPFL University



Launch of 'Guardião no Zap' (Guidance Channel of the Guardiãõ da Vida Program)



New Operation and Monitoring Center in Campinas (SP) integrating operations, asset monitoring and dam management



Partnership in Pilot Project for Green Hydrogen Production in Rio Grande do Norte



Launch of the Carreira 5.0 Program for employees aged 50 or over



New 2030 ESG Plan commitment on Climate Resilience (totaling 24 commitments)



Convening of the crisis committee to coordinate recovery efforts and support for the population of Rio Grande do Sul



BRL 33 million invested in social projects through the CPFL Institute



752 thousand people benefited through projects supported by the CPFL Institute



64.7% of expenditures were directed to suppliers with advanced sustainability practices



Second phase of implementation of the Hydro 4.0 Project (dam safety)



27 hospitals served by CPFL Institute through the CPFL front in Hospitals



30 indigenous families benefiting from the Quintais Mendonça Project in João Câmara (RN)



Leadership positions:

- 18.47% Black people
- 24.13% women
- 39.56% representatives of minority groups

SGBH



GATE

- Concession contract signed
- Environmental Impact Assessment (EIA)
- Public hearings held



Climate change

- Acquisition of the first electric vehicles (EVs)
- Giving priority to the use of biofuels
- Purchase of I-RECs



Casa Pacheco Leão

restoration of the space and inauguration of the exhibition “The Tea Route”



Electric Innovation and Sharing Alliance (EISA)



Strategic Radar

with 8 areas of focus and development



Zero fatalities

or serious accidents



BRL 4.65 billion

net operating revenue



Directors' Council and Supervisory Council

established



10 years

of the System Operation Center (COS)



50 years

of Brazil-China relations

Brazil and China: 50 years

In 2024, the 50th anniversary of diplomatic relations between Brazil and China was celebrated, highlighting the solid ties between the two countries, both culturally and economically.

CPFL

Since 2020, the Corporate Culture Inclusion Program (CCIP) has been fostering leadership development and supporting CPFL's long-term strategies, goals and objectives, with the aim of integrating Our Way of Being into State Grid's culture. During this period, 372 initiatives were carried out within the program, which was concluded in 2024.

The Brazil-China Exchange strengthened ties between the two nations through cultural activities such as concerts, film screenings, lectures and art exhibitions, celebrating the traditions of both countries.

CPFL Institute

The CPFL Institute, supported by State Grid, organized a number of cultural initiatives in 2024, including the exhibition "Five Thousand Years of Chinese Art: Cerqueira Leite Collection" in Campinas (SP) and the series of events "China and Brazil: United as a Family". Among the actions, bilingual children's books were launched and distributed in public schools, and cultural festivals were held, such as the Spring Festival and the Moon Festival, with performances, workshops and Chinese cuisine. The artistic shows, including seven dance and music performances in Brasília, São Paulo and Campinas, attracted over 4,000 spectators, promoting immersion in Chinese culture.



SGBH

The celebration of the 50th anniversary of relations between Brazil and China fostered cultural exchange and the creation of personal connections, establishing a favorable environment to promote transformative projects.

The main event took place at Casa de Cultura Laura Alvim, in Rio de Janeiro (RJ), with an opening by Chairman Sun Tao and the participation of Luiz Augusto Castro Neves, president of the Brazil-China Business Council (CEBC) and former Brazilian ambassador to Beijing. The #OneStateGrid spirit was highlighted by the song “A Energia da Amizade”, composed by employees Francisco Renato Ribeiro and Felipe Oliveira. An exhibition of paintings and porcelain from SGBH’s exclusive collection provided a dip into Chinese culture.

The celebration included performances by the Maré do Amanhã Orchestra, supported by the Company, the traditional Chinese dance of Ding Qinian and a kite performance by Wang Jie. During the year, activities were promoted to encourage cultural and technical integration between Brazilian and Chinese employees, including a social media campaign with the hashtag #ConexãoBrasilChina, which highlighted interesting facts about the relationship between both countries.

On Chinese New Year, the Company held a special celebration at its headquarters, with activities such as ideogram workshops, explanations of the lunar calendar and tastings of typical Chinese dishes. The initiative reinforced cultural exchange and strengthened relationships between employees.



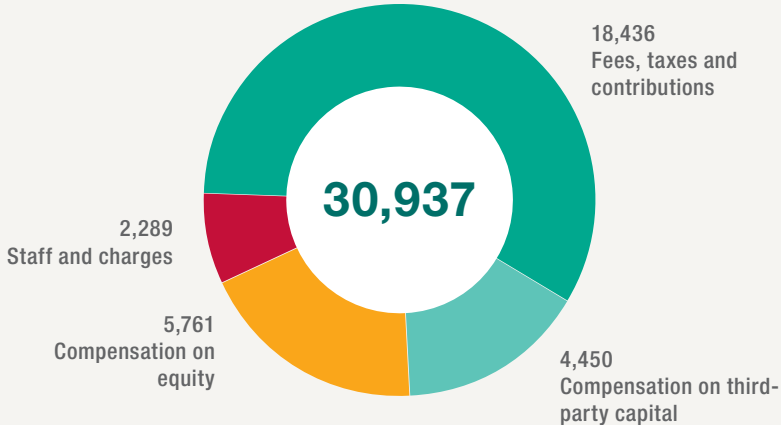
MARÉ DO AMANHÃ ORCHESTRA IN CHINA

As part of the events celebrating the 50th anniversary of the Brazil-China relationship, the Maré do Amanhã Orchestra made an unprecedented tour of China, represented by 17 musicians. The group performed on the Great Wall and was invited to play at the Chinese National Library, attended by Chinese artists, bringing Brazilian culture to an international audience. Apart from the artistic audience, the orchestra also performed for diplomatic authorities, including the Brazilian embassy in the country.

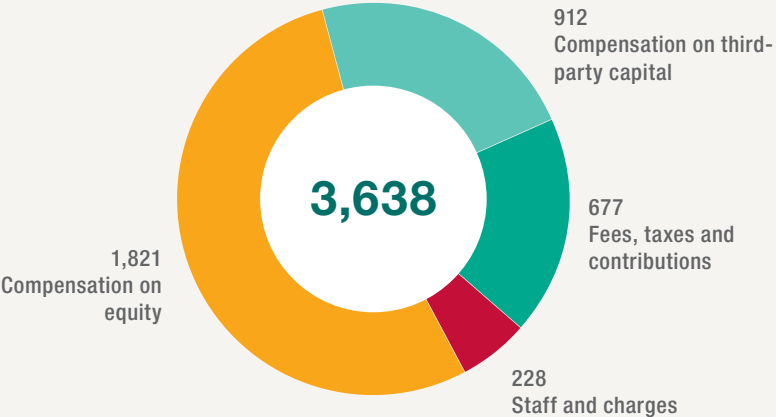


Financial Performance

DISTRIBUTION OF ADDED VALUE IN 2024 (BRL MILLION)



DISTRIBUTION OF ADDED VALUE IN 2024 (BRL MILLION)



CPFL ENERGIA RESULTS

Net operating revenue
BRL 42.63 Bn (+7.3%)

EBITDA
BRL 13.13 Bn (+2.4%)

Net profit
BRL 5.76 Bn (+4.1%)

(Variation compared to 2023)

SGBH RESULTS

Net operating revenue
BRL 4.65 Bn (+15.4%)

EBITDA
BRL 3.00 Bn (+5.6%)

Net profit
BRL 2.58 Bn (+20.0%)

(Variation compared to 2023)

Governance and Strategy



Corporate Governance

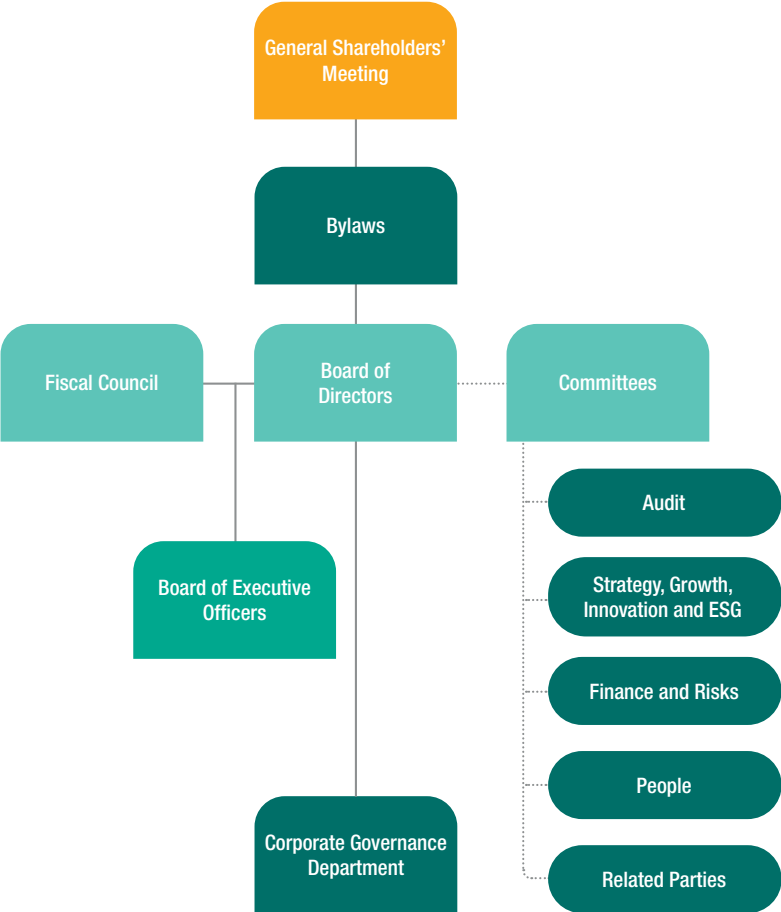
CPFL

With a governance model grounded in the principles of integrity, transparency, equity, accountability and sustainability, the best market practices are adopted, and CPFL Energia is listed on B3's Novo Mercado, which represents the highest corporate governance standard.

In 2024, the five-year anniversary of the CPFL Group's Re-IPO was celebrated, a strategic decision in which State Grid Brazil Power Participações S.A. (SGBP), controlled by State Grid Corporation of China (SGCC), kept CPFL's shares traded on the stock exchange after taking control of them.

SGBP holds 83.71% of CPFL Energia's share capital, while the remaining 16.29% is traded on B3, representing the "free float". This capital structure, composed exclusively of common shares, ensures equitable treatment for both controlling and minority shareholders.

CPFL Energia's Corporate Governance structure is composed of the General Shareholders' Meeting, the Board of Directors, its Committees and Commissions, the Board of Executive Officers, the Fiscal Council, and the Corporate Governance Department.



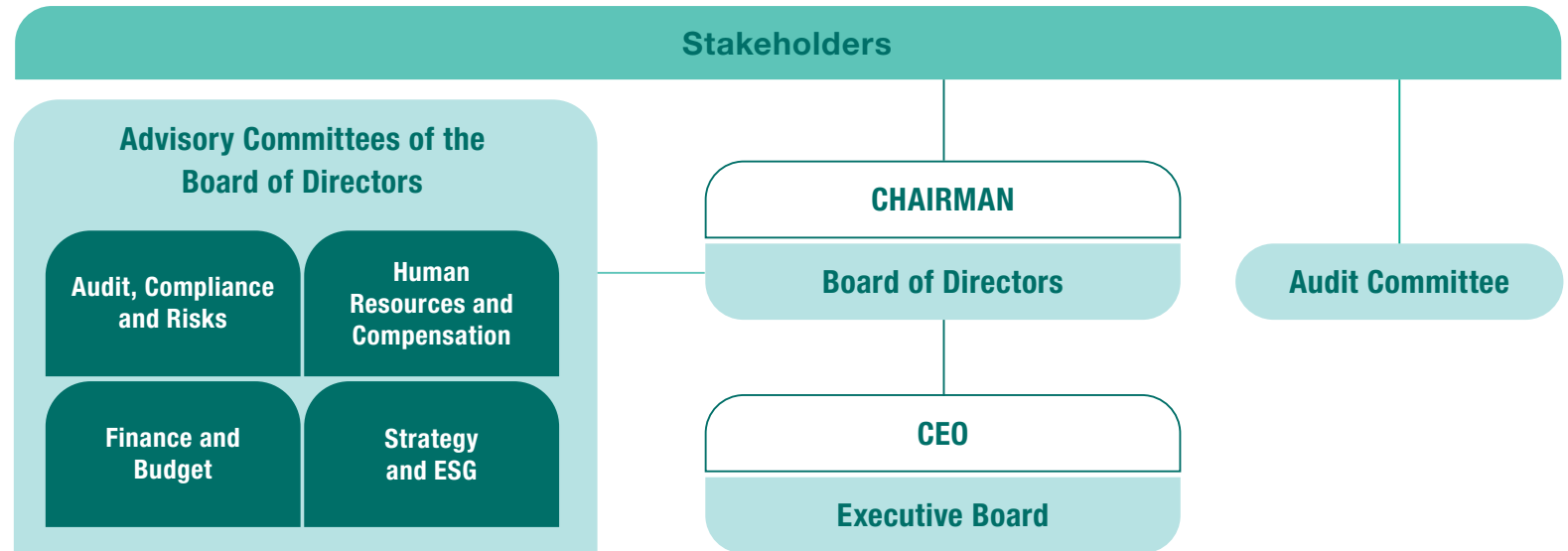
Learn more about CPFL's governance at: <https://ri.cpfl.com.br/show.aspx?idCanal=IKL4oaUBI9uPifeGTkCljQ==&linguagem=pt>

SGBH

In recent years, continuous improvements and developments have been implemented thanks to the adoption of the best governance practices approved and published by representative institutions such as the Brazilian Institute of Corporate Governance (IBGC). The new structure is gradually being integrated into the Company's processes, with a view to even more significant advances in the future. In April 2024, the Directors' Council and the Audit Committee were created, changing the governance structure, which is now composed of:

- **Directors' Council or Board of Directors (BoD):** the company's highest decision-making body;
- **Executive Board:** the committee responsible for running the day-to-day business and executing the strategies defined by the shareholders and the Directors' Council;
- **Audit Committee:** responsible for supervising the company's management.

The Directors' Council, the Executive Board and the Audit Committee are made up of executives with recognized experience in the electricity sector.



ATLAS SYSTEM

The Atlas System was deployed to improve governance processes and support SGBH's strategic decision-making. The tool makes it possible to organize meetings more efficiently and monitor the implementation of Executive Board resolutions, ensuring greater effectiveness in actions. From 2025, Atlas will be integrated with routine software, expanding its features and offering more resources to users.

Learn more about SGBH's governance at:
https://stategrid.com.br/pt_br/estrutura-organizational






Guidelines and Commitments

CPFL

CPFL has structured a strategic model aimed at optimizing business and boosting growth, responding to trends and transformations in the electricity sector. The Company's strategy is based on fundamental values - safety, customer focus, innovation, regulation, digitalization and operational efficiency - which guide its actions and deliveries. The 2025-2029 Strategic Plan defines goals and objectives for all business areas, in line with State Grid's global vision, and is integrated with the 2030 ESG Plan, ensuring a long-term perspective for short- and medium-term actions.

In 2022, CPFL approved and released the 2030 ESG Plan, setting out public commitments to guide its initiatives with a focus on positive impacts on business and society, in line with the 2030 Agenda and the SDGs. Since 2023, the plan has been implemented and reviewed annually, in line with the Strategic Plan and best practices in the sector. In 2024, new commitments were incorporated, such as Climate Resilience, in addition to maintaining strategic topics such as Information Security and Data Protection, guaranteeing the Company's response to global trends and stakeholder interests.

Find out more about the 2030 ESG Plan at:
<https://ri.cpfl.com.br/show.aspx?idCanal=cS9AbIVV05ESS9AGigZPFQ==&linguagem=pt>

 Sustainability Driver	<p>We provide sustainable, affordable and reliable energy at all times, making people's lives safer, healthier and more prosperous in the regions where we operate.</p>	
 Electricity Sector Trends	<ul style="list-style-type: none"> • Energy matrix transition • Digitalization • Smart Grids • Market opening • Customer focus 	
 Objectives	<p>Drive the transition to a more sustainable, safe and intelligent way of producing and consuming energy, maximizing our positive impacts on society.</p>	
 Pillars	<p>RENEWABLE AND SMART SOLUTIONS Providing solutions for a carbon neutral future</p>	<p>SHARED VALUE WITH SOCIETY Creating shared value with our stakeholders</p>
	<p>SUSTAINABLE OPERATIONS Seeking the smallest environmental footprint possible</p>	<p>SAFE AND RELIABLE PERFORMANCE Promoting a culture of safety and responsibility</p>
 Commitments	<p>24 PUBLIC COMMITMENTS</p>	

SGBH

SGBH's Strategic Planning (SP) was redesigned in 2024 to align the Company's actions with its long-term objectives, promoting sustainable growth and continuous evolution. The definition of eight priority themes was guided by the Strategic Radar, which reflects a structured and integrated approach. This methodological shift provided a clear vision of the initiatives with the potential to positively impact all the Company's areas.

In order to carry out the actions efficiently and achieve the projected targets, the SP was based on market and benchmark analysis, financial planning and specific initiatives.

One of the pillars of the Strategic Radar is ESG, which was integrated into the planning by decision of the leadership due to its cross-cutting relevance. The theme permeates SGBH's decisions and investments, encompassing actions such as improving the governance structure, risk management, compliance, auditing and internal processes.

In 2024, SGBH made progress on important initiatives outlined in the Strategic Plan, including leadership in technology and innovation, asset management, operational efficiency and talent development.



People and Relationships

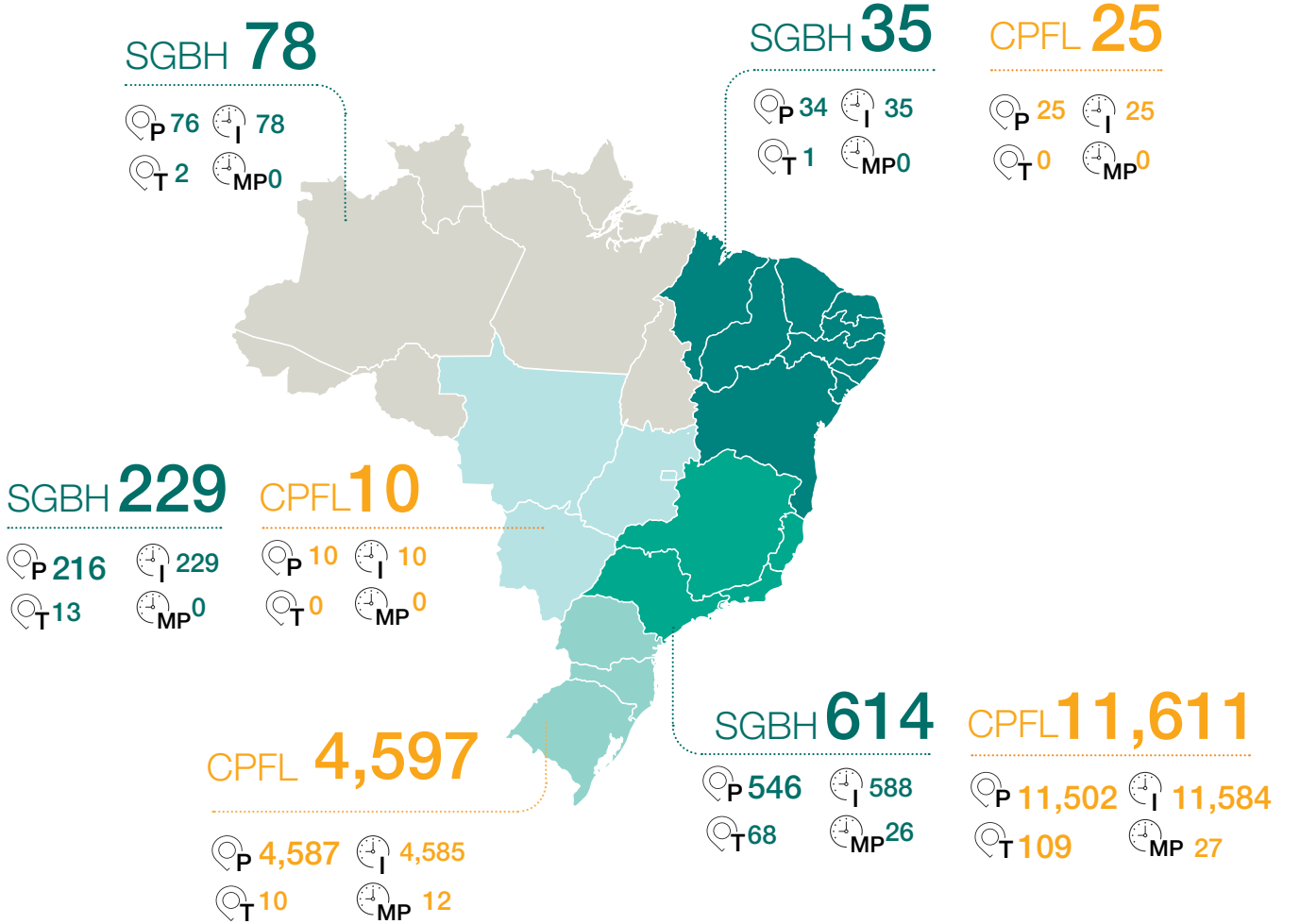


Our Employees

With employees from different backgrounds and roles, we overcome challenges in pursuit of excellence in operations, with 17,199 professionals in the SGCC Group Companies.

Employment Contract	Total	SGBH		CPFL	
		Women	Men	Women	Men
Permanent	16,996	150	722	3,394	12,730
Temporary	203	32	52	38	81

Employment Type	Total	SGBH		CPFL	
		Women	Men	Women	Men
Full time	17,134	169	761	3,414	12,790
Part-time	65	13	13	18	21



Recognition and Training

CPFL

As part of its initiatives to value the well-being of its professionals, CPFL offers a vast package of benefits, including medical and dental assistance, a private pension plan, meal allowance, food allowance, transport vouchers and daycare assistance, among others.

The **CPFL University** promotes the integration of educational content, training and development paths for all functional levels. Its aim is to democratize knowledge and stimulate a culture of continuous learning, offering courses and programs that contribute to both the growth of the business and the development of employees.

On joining the Company, everyone goes through an integration process, which includes a presentation of the CPFL University and Mandatory Corporate Training, covering essential topics such as Ethics, Compliance, Certifications and Information Security. There are also specific programs for different stages of their professional career, ensuring alignment with CPFL Energia's values and objectives.

We offered an average of 37 hours of training for male employees and 15 hours for female employees, totaling over 518,000 hours of training in the year.

EMPLOYER BRANDING

CPFL was recognized by the Top Employers Institute as a Top Employer for the sixth year in a row. This international recognition underscores the excellence of our people management practices and reinforces our commitment to valuing our employees.



SGBH

Among the main employee appreciation initiatives promoted by SGBH are:

- **ReconheSer Program:** with employee projects and ideas, there are annual recognition actions and awards in different categories;
- **Ideal Program:** well-being actions that promote a healthier and more productive working environment, increasing employees' quality of life;
- **Employee Support Program (PAE):** support from specialized professionals offered free of charge to all employees and their dependents in the following areas: psychological, legal, financial and social.

Training is offered to prepare employees to face the main technical challenges in the maintenance of transmission lines, in addition to incorporating technological innovations into our operations safely and efficiently.

We offer an average of 52 hours of training for men and 17 hours for women.

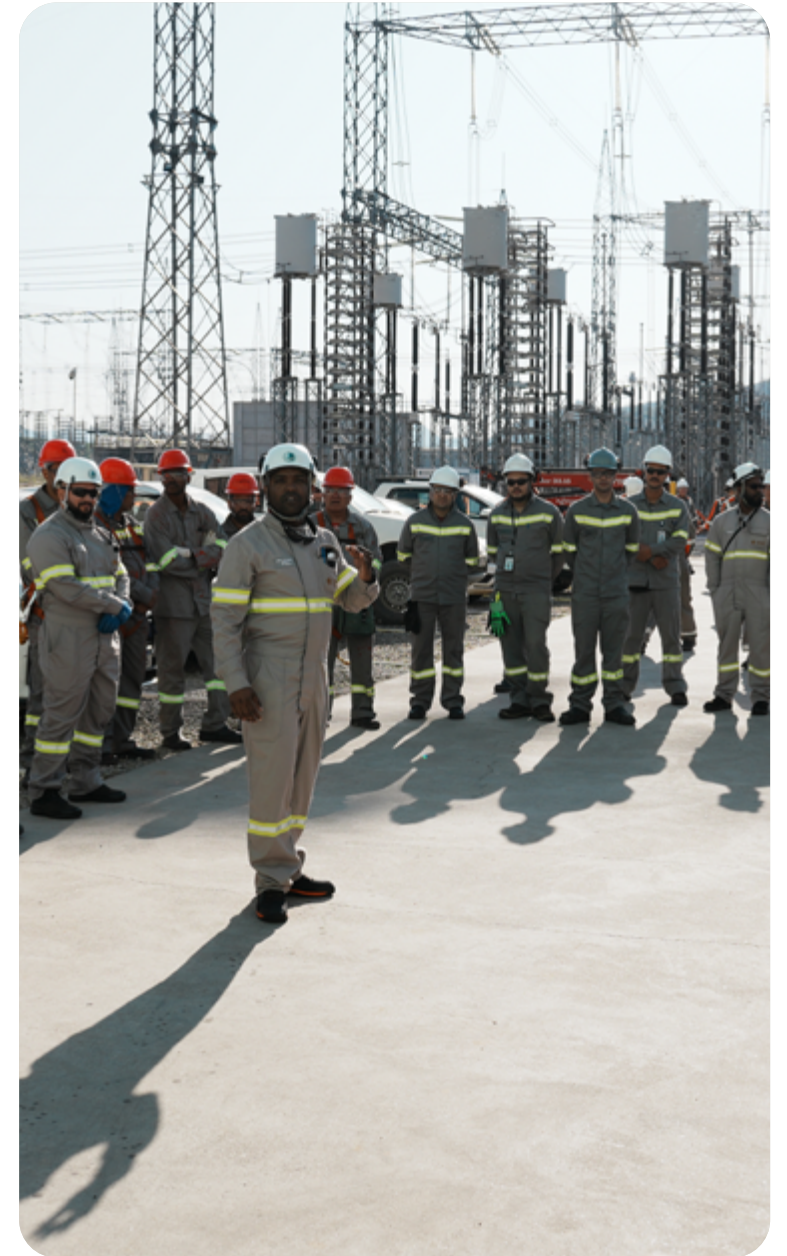
STATE ACADEMY



SGBH's corporate university, the State Academy, is a digital platform aimed at the constant development of employees. Powered by AI-based technology, it offers personalized content to enhance knowledge and support professional growth.

Over 90 courses are available in the following categories:

- Rules, Policies & Procedures;
- Self-development;
- Management & Leadership;
- Tooling;
- SGBH & Electrical Sector;
- Compliance & Internal Controls;
- Others (ESG, Business, Data, etc.).



Diversity and Inclusion

CPFL

The CPFL +Diversa Program demonstrates CPFL’s commitment to a diverse, inclusive and equitable work environment. Over the course of four years, the program has evolved from awareness-raising actions to structured practices, with corporate targets monitored monthly with leaders, who have engaged with more than 700 multipliers, who support the dissemination of the theme.

The Program is guided by an Annual Tactical Plan, which defines actions and targets in line with strategic planning, the 2030 ESG Plan and the Inclusive Culture Diagnosis. Voluntary commitments have also been made, such as the 360 Women’s Movement, the Business and LGBT+ Rights Forum and the Business Network for Social Inclusion.

24% of leadership positions are held by women.

Highlights of the year:

- Career 5.0 program for employees aged 50+;
- 20 conversation circles on combating harassment (470 participants);
- Expanded accessibility: changing rooms for women, inclusive toilets and Libras Center;
- Over 6,800 hours/person were spent on different diversity and inclusion awareness and training initiatives.

CPFL reviewed its targets in the 2030 ESG Plan, increasing the representation of minority groups in leadership to 40% and including Black and disabled people. In 2024, minority groups accounted for 39.56% of leadership positions and impacted the variable compensation of this group.

Also in 2024, we exceeded the annual targets related to the representation of women, Black people, and people with disabilities in the general staff. In recognition of the achievement, CPFL stood out in the Ethos/Época Inclusion Survey for the second year running and was included in IDIVERSA, the B3 index that values companies with exemplary diversity practices.

DIVERSITY WEEK

CPFL held its 3rd Diversity Week, with 30 actions that impacted over 4,360 employees. Compared to the previous year, the event saw a 20% increase in participation in lectures, with 97% of excellent ratings.



SGBH

Cultural diversity is a fundamental cornerstone of SGBH’s identity, reflecting both its Brazilian roots and the influence of Chinese culture on its organization. To make progress on the different dimensions of the Diversity and Inclusion (D&I) theme, in 2024 we reaffirmed our commitment to respecting different cultures, promoting gender diversity and maintaining a welcoming environment for everyone.

SGBH performed an internal diversity diagnosis, based on HR data and the results of the Women in the Electricity Sector survey, published by the National Electric Energy Agency (ANEEL) in 2023. Based on these inputs, we understood our current position and defined initiatives and targets to advance our diversity strategy.

32% of women in leadership positions.

To address the importance of gender diversity and inclusion in the workplace, the Company created a dedicated working group and carried out two awareness training sessions, one focusing on leaders and the other involving all employees. SGBH will continue with training and awareness initiatives in the years to come and, for 2025, concrete actions are planned to increase female participation in operational and leadership positions, with special attention to the engineering and operations areas.



WOMEN ENTREPRENEUR FORUM

Our legal director, Denise Albuquerque, represented State Grid on the panel on innovation and technology at the Women Entrepreneur Forum - WE Forum, an event that brought together leaders and professionals in Brasilia (DF) in March 2024.



Health and Safety in Operations



Safety in Operation and Assets

CPFL

In 2024, CPFL's hydroelectric plants exceeded expectations for power generation, playing an essential role in the stability of the national electricity system. In order to guarantee this reliable supply, investments were made in dam structures to increase defluence capacity and cope with future climatic events.

CPFL reinforced its commitment to regulatory compliance, rigorously adopting the guidelines of the National Dam Safety Policy and the standards of the National Electric Energy Agency (ANEEL). The Dam Safety Plan (PSB) and the Emergency Action Plan (PAE) were drawn up whenever required by law. The PAEs provide information on the identification and analysis of emergency situations, with notification procedures and strategies for publicizing and alerting nearby communities that may be impacted. In 2024, 17 drills were held to ensure that people are prepared to act in emergency situations.

In partnership with NTT DATA, an innovative digital platform has been implemented that is a pioneer in the dam safety market: **Hydro 4.0**. The tool uses artificial intelligence, big data, machine learning and analytics to accurately monitor dam conditions at 15-minute intervals. Hydro 4.0 operates in synergy with the new Operation and Monitoring Center, providing a unified, real-time view of assets, risks and events.

The Dam Management Center was inaugurated and operates in integration with Hydro 4.0, a pioneering digital platform for dam safety.

“GUARDIÃO DA VIDA”

The “Guardião da Vida” (Guardian of Life) Program aims to foster a culture of integrated safety, engaging our employees, customers, and the communities within our concession areas through educational campaigns and communication channels that warn about the risks of interacting with the electricity grid. The initiatives aim to raise awareness of the main causes of accidents, such as flying kites and carrying out work near energized cables, using geolocation services to send real-time notifications.

In 2024, “Guardião no Zap” was introduced, a guidance channel via WhatsApp with a chatbot dedicated to providing information and answering questions in real time. This tool makes it easier to access safety knowledge and reinforces the idea that everyone can act as a guardian of life, helping to prevent accidents when interacting with the electricity grid.

Learn more about the GuardiÃO da Vida Program at: <https://guardiaodavida.com.br/>

CPFL continuously promotes a culture of safety, care for people and responsibility, with the aim of reducing the frequency and severity of accidents among employees and the population. Guided by the **Occupational Health and Safety Policy**, the Company establishes clear guidelines to fulfill its commitment to safety, such as: providing a healthy working environment; complying with applicable legislation; eliminating or reducing health and safety risks; promoting a participatory environment for the implementation and evaluation of health and safety performance; and ensuring the continuous improvement of processes.

The Health and Safety Management System (SGSS), certified to ISO 45001, covers all the Company’s operations and applies to 100% of its own and third-party employees. Through surveys and risk assessments, preventive measures are identified and action plans drawn up, ensuring traceability and continuous improvement of processes.

CPFL has a **Safety Committee**, which monitors and assesses the risks of operations, and an **Operational Safety Commission**, which monitors the main actions carried out in this area, both of which meet regularly. The support of the **Specialized Services in Occupational Health and Safety** (SESMT) is crucial, working to prevent accidents, investigate root causes and adapt employees to safe working environments.

To centralize the main processes and optimize OSH management, CPFL has the **“People First System.”** The **Multi Portal**, on the other hand, is used to disseminate best practices and reinforce the commitment to transparency.

In the last three years, CPFL has achieved positive results in Occupational Health and Safety, with no fatal accidents involving its own employees.

87% reduction in the accident severity rate and 13% reduction in the accident frequency rate for own employees.



INTERNAL WORK ACCIDENT PREVENTION WEEK (SIPAT)

The CPFL Group’s SIPAT 2024 promoted actions at several units, reinforcing its commitment to employee health, safety and well-being. The event registered over 39,000 participants, with talks and initiatives aimed at promoting healthier and safer working environments.

VIDA 100% PROJECT

The Vida 100% Program is a collaborative initiative that strengthens the safety culture by engaging leaders and teams. Originally implemented at the distribution companies, it was extended in 2024 to all CPFL Group companies, including administrative areas. Through proactive discussions between employees, CIPA representatives, Occupational Health and Safety teams, managers and executives, the program generates action plans to zero accidents, improve processes and integrate areas, with continuous monitoring of initiatives.

SGBH

Safety is a non-negotiable value for SGBH, which relies on all its employees to guarantee it in its operations. Shared responsibility, in which each individual takes care of themselves and others, is one of the pillars of the Company's safety culture. To strengthen this mentality, SGBH has a team dedicated to implementing the safety program and a committee that periodically evaluates performance. The management system ensures efficiency through well-defined policies, regular training and preventive tools that are constantly audited.

There were no fatalities or serious accidents, and the accident rate with mandatory reporting was 1.22 and the injury severity rate was 5.7.

Throughout the year, campaigns are promoted to strengthen the health and safety culture, including talks at SIPAT, various activities for reflection and awareness during Safety Month, alignments in workshops with professionals in the area, and well-being actions during Health Week. The Company also continually updates its protocols, incorporating technological innovations and best practices in the sector. The focus is not just on complying with regulations, but on making prevention a natural habit in everyday life.

In the event of incidents, SGBH follows a strict protocol: analyzing the causes, assessing the risks and implementing corrections. These cases are converted into lessons learned, integrated into training and procedures to prevent recurrences.



APPLICATION FOR MANAGING DAILY ACTIVITIES

SGBH uses an occupational health and safety management system, accessible via cell phone, which allows activities to be monitored remotely and in real time. The app has a pre-mapped risk checklist for each activity, enabling teams to check it daily as part of the routine that precedes its execution. The integrated dashboard identifies the main operational risks, the risk classification (low, medium, or high), and the trend, based on the activity's execution history. By offering standardized and up-to-date data, the app increases speed and precision in operations.

FIRE OUTBREAK ALERT DASHBOARD

Preventing and fighting fires is one of SGBH's main operational risk mitigation measures. To monitor their occurrence and avoid their effects on communities, ecosystems and transmission line infrastructure, we have developed a dashboard integrated with a GIS (Geographic Information System) platform. When it identifies a fire in the surroundings of our infrastructure, the system sends out automatic alerts to those responsible and mobilizes teams to deal with the emergency immediately to ensure operational continuity.

Maintained by a qualified and integrated team, the Occupational Health and Safety Management System promotes a safe and healthy environment through continuous monitoring, data-based decision-making and alignment at all levels. To encourage employee participation, proactive and reactive communication mechanisms, support from managers, guaranteed anonymity and strict measures against retaliation are adopted.

The Occupational Health and Safety (OHS) team monitors all occurrences, carries out audits and implements continuous improvements to the management system. The Company also has a digital system that integrates activities such as checklists, incident records, audits, inspections and program monitoring. The system offers quick access to information and uses business intelligence to identify trends, preventive and corrective actions quickly. As a result, in 2024, the rate of accidents with mandatory reporting was 1.22 for our own employees.

BEHAVIORAL SAFETY PROGRAM (PSC)

The PSC encourages employee reflection and autonomy through the concepts “FOUR NO HARM” and “3P’s: Life First, People First, Safety First.” Based on these principles, employees record and indicate the origin of safe and unsafe behavior. This fosters a culture of self-awareness and dialog in the search for continuous improvement in routine operational activities. Analysis of these findings results in action plans, technical-behavioral training and organizational awareness programs.

RESPONSIBLE DRIVER CONDUCT

Since 2021, the telemetry system has been monitoring the company’s own and outsourced fleet in real time, tracking speed, acceleration, braking and inappropriate curves. It generates alerts for non-standard behavior and provides immediate feedback to drivers, promoting safer driving.

The system identifies behavioral trends and critical hotspots, helping to set individual targets, such as speed limits, and improve defensive driving training. Constant monitoring and feedback to drivers has been instrumental in reducing risks and promoting a safety culture.

INTERNAL OCCUPATIONAL ACCIDENT PREVENTION WEEK (SIPAT)

The 2024 Internal Occupational Accident Prevention Week (SIPAT) was an opportunity to reinforce the Company’s commitment to the safety and well-being of its employees. It included lectures, integration activities, medical check-ups and a special moment of relaxation with shiatsu sessions. SIPAT is an annual event of great importance to SGBH, as it strengthens the safety culture, which is crucial in operation and maintenance routines, and reinforces the role of each employee in building a safe working environment.

Led by Vice President Jorge Bauer, our Operations & Maintenance team gathered at State Grid’s headquarters in SIPAT colors to symbolize and renew the commitment to safety in all the company’s activities.



Health and well-being

CPFL

CPFL prioritizes caring for its employees, offering a comprehensive benefits package accessible to all CLT (Consolidated Labor Laws) employees. Among the main benefits are medical and dental assistance, private pension plans, meal, food, transport and daycare allowances, as well as life insurance, year-end programs and Christmas vouchers. To promote physical health, gymnastics and Wellhub are offered, as well as access to a network of gyms and sports activities.

To improve the balance between personal and professional life, the Company has developed Quality of Life Programs, such as **Fale Comigo**, which provides free psychosocial support with advice in the following areas: psychological, legal, financial and social. The entire management of benefits and programs is simplified by the Flowing app, which centralizes information and allows for convenient registration.

In line with its social commitment, CPFL joined the **Citizen Company Program** in 2022, extending maternity leave to 180 days and paternity leave to 20 days. The benefit is extended to all employees of the Company, including same-sex couples and adoptive parents. The **Cuidar Program**, on the other hand, offers comprehensive support to pregnant women and adoptive families, accompanied by professionals from several areas, ensuring well-being and a welcoming transition to this new phase.

<p> FINANCIAL</p> <ul style="list-style-type: none"> • Meal and food vouchers • Transport vouchers • Life insurance • Private pension • School material allowance • Daycare/nanny allowance • Scholarships • Profit sharing program • Christmas gift vouchers for children • Christmas package vouchers • Variable remuneration program for managers 	<p> HEALTH AND WELL-BEING</p> <ul style="list-style-type: none"> • Wellhub • Medical and dental assistance • Einstein Conecta • Unimed Telemedicine • Cuidar program to support pregnant women • Agita challenge • Nutrir program for healthy eating • Sesi agreement
	<p> SOCIAL</p> <ul style="list-style-type: none"> • Citizen Company
	<p> MENTAL</p> <ul style="list-style-type: none"> • Social Area • Psychological Area • Legal Area • Financial Area • Talk to Me Program

AGITA CHALLENGE

In its second edition, the Agita Challenge engaged 4,422 CPFL employees, who together covered a total of 276,354 km in 14 days. Held remotely and flexibly, the challenge encourages physical activity and the promotion of healthy habits, such as a balanced diet and regular exercise, reinforcing collective well-being.

AGITAÍ

Inspired by the success of the Agita Challenge, “Agitaí” was a 21-day individual initiative that encouraged healthy habits through three missions: meeting daily mileage targets, completing the 2024 Health Profile survey and updating regular medical examinations. Participants also watched videocasts on healthy eating and food safety.

MIND IN FOCUS

The Mind in Focus Movement is an initiative of the UN Global Compact and underscores the importance of the mental health agenda, as well as discussions on the topic to cultivate healthier work environments. Since 2022, CPFL has been working to ensure that the theme is dealt with in a preventive and humanized way.

SGBH

In 2024, SGBH promoted preventive health and expanded the dissemination of benefits to employees. Awareness-raising activities were carried out on mental health, women’s and men’s health, suicide prevention and skin cancer, as well as activities such as shiatsu, auriculotherapy, reflexology and aromatherapy. The Company expanded its accredited health network and implemented telemedicine in remote areas to increase access to medical care.

HEALTH WEEK

With content on well-being and awareness of the importance of taking up healthy habits, this year’s program was full of new activities:

- Auriculotherapy sessions;
- Basic first aid course for adults and children;
- Lecture on mental health;
- Lecture on hearing health;
- Workplace exercise class.



Ideal Program

Employees’ quality of life and the promotion of a healthy and productive working environment are the guiding principles behind this initiative’s well-being and continuous care actions.

Baby Care: the program provides support to employees with questions about the pregnancy period, postpartum period and breastfeeding, with a team of obstetric nurses who regularly monitor pregnancies, providing guidance on prenatal care, vaccinations, newborn care and more. We also send a first care kit for newborns.

Golden August: in the month dedicated to raising awareness about the benefits of breastfeeding, we organized actions to highlight the importance of this practice for children’s health and development.

Yellow September: during Suicide Prevention Awareness Month, we held events that deal with the importance of caring for the mind and body in order to maintain our employees’ health.

Pink October: during Breast and Cervical Cancer Awareness Month, we held talks and offered content on the importance of self-examination.

Blue November: in Prostate Cancer Awareness Month, we warned employees of the importance of prevention.

Orange December: during Skin Cancer Prevention Month, we posted tips on social media to help you enjoy the summer more safely.

Employee Support Program (PAE)

The Employee Support Program (PAE) is offered free of charge to all employees and their dependents, with the goal of providing support in everyday situations. Specialized professionals in the psychological, legal, financial and social fields are available for confidential and unrestricted assistance, in person or remotely. The service is available 24 hours a day, seven days a week by calling 0800 282 6666.



Valuing Communities and the Environment



Community Relations

By means of social communication and ombudsman programs, we strengthen dialogue with communities, promoting awareness of key issues such as safety and accident prevention. These programs also highlight the benefits of our activities for the electricity supply, reinforcing our commitment to transparency and social engagement.

We also provide accessible and efficient communication channels dedicated to meeting local needs and receiving complaints. This approach is part of our ongoing effort to build relationships of trust with communities, preventing risks and contributing to the sustainable development of the regions where we operate.



CPFL: GUARDIÃO DA VIDA PROGRAM



<https://guardiaodavida.com.br/>

CPFL: ETHICS CHANNEL



Telephone and WhatsApp: **0800 741 0029**

E-mail: cpfl@canaldeetica.com.br

Site: www.canaldeetica.com.br/cpfl

SGBH: COMMUNITY COMMUNICATION CHANNELS



Contacts for emergencies, questions, suggestions, requests, complaints and compliments:

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sgbh.emergencias@stategrid.com.br

www.stategrid.com.br

SGBH: ETHICS CHANNEL



24 hours a day, Available in Portuguese and English.

0800 800 8068

www.contatoseguro.com.br/stategrid

Community Projects

CPFL

CPFL Energia promotes socio-economic and sustainable development in the communities where it operates through strategic partnerships and targeted investments.

In 2023, in partnership with State Grid, a **desalination plant was implemented in João Câmara (RN)**, combining water security with renewable energy. Capable of producing up to 80,000 liters of drinking water a day - enough to serve 3,000 people - the plant exceeds the region's current demand and significantly improves local quality of life, aligning technological innovation with environmental responsibility. For the first time in history, over 800 families in the João Câmara region (RN) now have access to drinking water for consumption and domestic activities.

In 2024, in partnership with SEBRAE-RN, which offers strategic guidance and technical support, we began to develop educational and socio-economic initiatives aimed at the three indigenous communities of João Câmara (RN), promoting social development in the region, as well as access to water.

These actions led to the creation of the **Quintais Mendonça Project**, a modular project that integrates actions to train 30 indigenous families over 18 months, with continuous monitoring and an investment of BRL 1.1 million.



SEMEAR PROGRAM

The Semear Program, CPFL Energia's volunteer initiative, mobilizes employees and partners in social actions that benefit communities throughout Brazil. Through financial donations, materials and volunteer work, the program supports 42 NGOs, with a focus on children, young people and the elderly. The main initiatives developed by the Program include Easter, Winter, Children's Day and Christmas campaigns.

In 2024, due to the heavy rainfall in Rio Grande do Sul, we launched an urgent and special campaign to raise funds. Contributions were sent through local NGOs that were already working to meet the needs of the most affected regions.

Throughout the year, Semear carried out 114 volunteer actions, directly benefiting over 18,600 people.

SGBH

Our social impact initiatives promote significant changes in the communities where we operate.

Casa de Ciências de Minduri (Minduri Science House)

After renovating and adapting the House of Science in Minduri (MG), located at the Center for Ecological Studies and Research (CEPEM), the space, equipped with a laboratory and computers, is now used to offer vocational courses for the region’s residents. Investment of BRL 48,596.99.

PEAMP project

The Altamiro de Moura Pacheco State Park (PEAMP) is an ecologically important area that preserves biodiversity, water resources and archaeological sites and is an option for leisure and ecological tourism in the region. The project involves renovating the park’s infrastructure, improving visitors’ experience and benefiting the local community. Investment of BRL 11,800.00.

Cais do Valongo

In the Black Awareness Month, three guided tours were held with SGBH employees to Little Africa, in downtown Rio de Janeiro (RJ), with the aim of bringing them closer to the cause and promoting awareness about Afro-Brazilian history and culture. With a personalized itinerary created by the Pretos Novos Institute, the groups visited the Cais do Valongo and the Pretos Novos Memorial Museum. In 2023, the Valongo Quay enhancement project was inaugurated in partnership with SGBH, which received a total contribution of BRL 2.1 million from BNDES’ Corporate Social Investment (ISE) line. In 2024, the last payments were made to the project partners, totaling BRL 250,322.61.




MALHADINHA QUILOMBOLA COMMUNITY

Since 2015, we have been collaborating with the Malhadinha Community to boost the local economy and create income, as part of the Quilombola Basic Environmental Program (PBAQ), included in the environmental licensing of the XRTE concessionaire.

A Hybrid Photovoltaic System (HPS) meets the energy demand of the Processing Unit, supplying an average consumption of 500 kWh/month with sustainable energy. The initiative contributes to the mitigation of greenhouse gas emissions, as well as reducing energy costs, and the resources saved are earmarked for other community needs.

 **7.3 tons of pulp**

 **79 hours of technical visits**

 **BRL 108,420 potential community revenue***

 **BRL 106,435 amount invested by XRTE**

* Considers the sales value of each pulp multiplied by the quantity produced, but the products were also consumed by the community itself.

Social Investments

CPFL

CPFL Institute

Operating since 2003, CPFL Institute develops initiatives in the areas of social development, healthcare, and the democratization of access to sports and culture, with a focus on integrating social programs into a single, cohesive network. Through these efforts, we positively impact communities, particularly children and young people in situations of social vulnerability.

The Institute operates across five key fronts:

- CPFL Young Generation
- CPFL Brazil-China Exchange
- CPFL in Hospitals
- CPFL Circuit
- CPFL Philosophical Café

The Institute maintains an open dialog channel with the community, structured through social networks such as Instagram, Facebook, LinkedIn and YouTube, where it interacts directly with the public. In 2024, it received the “Child-Friendly Company” seal from Campinas City Hall in recognition of its commitment to promoting the development of children from zero to six years old.



109 cities



172 schools (including 102 out-of-school program schools and 70 mobile library schools)



25 Civil Society Organizations (OSCs)



27 hospitals



752 thousand people benefited



BRL 34 million in investments



Access CPFL Institute website and report to learn more about the various initiatives carried out:
<https://institutocpfl.org.br/transparencia-para-nos/>

cpfl » jovem geração



The CPFL Young Generation front promotes the development of children and young people during out-of-school hours, benefiting the communities where the CPFL Energia Group operates. In 2024, the program benefited over 15,000 young people in 41 cities across the country.

cpfl X intercâmbio brasil china



The CPFL Brazil-China Exchange front, which has already benefited more than 835,000 people, promotes actions that connect the two countries through cultural programs, such as films, lectures, shows, and art exhibitions, among other initiatives.

CPFL NOS HOSPITAIS



The CPFL in Hospitals Program aims to improve the quality of services in public health institutions. In 2024, hospital humanization actions and improvements to hospital infrastructure and research were carried out, benefiting over 665,000 people and 27 hospitals.

#circuitocpfl



CPFL Circuit offers traveling cultural activities throughout the country, featuring solar-powered cinema sessions. In 2024, the circuit visited 84 cities, benefiting over 20,000 people.

café filosófico CPFL



CPFL Philosophical Café fosters meetings and discussions with philosophers, psychoanalysts, and historians, addressing contemporary societal issues. The Program is one of the most relevant and recognized initiatives, and 33 recordings were made in the studio, with 23 million views on digital actions.

SGBH

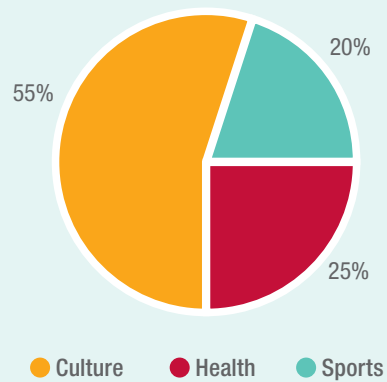
In 2024, SGBH invested in eight projects focused on employment, income, culture, sport and health, all aligned with the institutional mission. At the same time, the Company promoted corporate volunteering initiatives, including fundraising campaigns to help the victims of the floods in Rio Grande do Sul.

 **8 projects**

 **BRL 4.3 million**
in social investments



SOCIAL INVESTMENTS BY CATEGORY



Culture

- Maré do Amanhã Orchestra:** A project that encourages socially vulnerable children and teenagers to learn music. Recognized as Intangible Cultural Heritage of Rio, the group performs nationally and internationally and is a reference in music teaching. Over 4,000 young people aged between 4 and 19 from the Maré community have had their lives transformed by the initiative. In 2024, to celebrate 50 years of Brazil-China relations, the Orchestra was invited to perform in China.
- Beijing Opera:** Considered one of China’s cultural treasures and recognized as an Intangible Cultural Heritage of Humanity by UNESCO, the Beijing Opera integrates theater, music, singing, dancing, mime, acrobatics and martial arts into this traditional form of expression, offering a rich and multifaceted artistic experience. Created in the 18th century, it is known for its symbolic and evocative nature, in which the actors use imaginative techniques to represent scenes and objects with no need for realism.

Pacheco Leão House

The historic Casa Pacheco Leão, in the Botanical Garden of Rio de Janeiro (RJ), was reopened to the public in November 2024, after being closed for eight years.

The renovation recovered original colors, artistic paintings, floors and stairs, as well as including an elevator and accessible bathrooms. The process was supervised by IPHAN (Institute of National Historic and Artistic Heritage), due to the historical value of the property, which was the residence of doctor Antônio Pacheco Leão, director of the Botanical Garden between 1915 and 1931.

The inauguration ceremony was attended by authorities such as the Minister of Culture, Margareth Menezes, the Chinese ambassador to Brazil, Zhu Qing Qiao and the vice-president of the SGCC, Jin Wei. The main attraction of the opening was the first-ever exhibition “Tea Route - Botany, Culture and Tradition”, an immersive and sensory exhibition exploring the trajectory of tea from its origins in China to its global dissemination.



“This is another important milestone in our contribution to celebrating **50 years of friendship and partnership between Brazil and China**. The handover of the fully restored Casa Pacheco Leão is a sign of the importance we attach to preserving the country’s History and culture. We are proud to offer this experience to all Botanical Garden visitors.”
– Sun Tao, State Grid Brazil Holding Chairman

The restoration



Sport

- **“Craque do Amanhã” (Tomorrow’s star):** Founded in 2012, the Craque do Amanhã project takes soccer as a tool to promote citizenship, combat violence, build respect for human rights and encourage social inclusion. The project is aimed at the all-round development of young people aged 8 to 17, covering physical, social and psychological aspects. Since 2019, SGBH has been supporting this initiative, benefiting over 400 children and their families in the city of São Gonçalo (state of Rio de Janeiro).
- **“Circuito das Estações” (Seasons Circuit):** The Seasons Circuit is a project that emphasizes the importance of physical exercise for physical and mental health. SGBH actively supports and takes part in this initiative, fostering interaction, fun and well-being among its employees. Held at Aterro do Flamengo (Rio de Janeiro - RJ), the circuit included 5, 10 and 15 km races throughout the four seasons of the year, bringing together over 250 employees in each stage.



Health

- **“Instituto Primeira Infância (IPREDE)” (Early Childhood Institute):** Since 2022, SGBH has supported the Institute, responsible for promoting early childhood development based on neuroscience. The initiative offers art and culture as tools for children and their families to grow, strengthening family ties and shaping better citizens. The project also welcomes children with autism and trains women in vulnerable situations, creating productive and social inclusion through educational activities.
- **“Hospital de Amor” (Hospital of Love):** Founded in 1962, Hospital de Amor is an international benchmark in the treatment and fight against cancer and is the largest free cancer care center in Latin America. Located in the city of Barretos (state of São Paulo), it performs over 3,500 free consultations a day, serving patients from all over Brazil with technological excellence and humanized care. Due to underfunding by the SUS (Unified Health System), the institution relies on incentive laws to maintain its activities, purchase equipment and pay for specialized professionals. SGBH has been supporting this important initiative since 2014, helping thousands of people to enjoy quality cancer treatment.
- **“Hospital Pequeno Príncipe” (Little Prince Hospital):** Since 2015, SGBH has been supporting the Pequeno Príncipe Hospital, the largest pediatric hospital in Brazil and a national reference in specialized care. Located in Curitiba (PR), the hospital dedicates up to 70% of its capacity to SUS, carrying out over 300,000 medical consultations, 900,000 tests, 21,000 surgeries and 250 transplants per year. The institution cares for children and adolescents from all regions of the country, standing out for its excellence in care and social impact.



Biodiversity

CPFL

CPFL's generation, transmission and distribution activities can affect biodiversity, especially during the construction and implementation of projects, for example, when reservoirs are formed and lines and substations are built. To minimize environmental impacts, careful planning is adopted from the outset of projects, based on a rigorous environmental licensing process that includes detailed studies of the areas of influence.

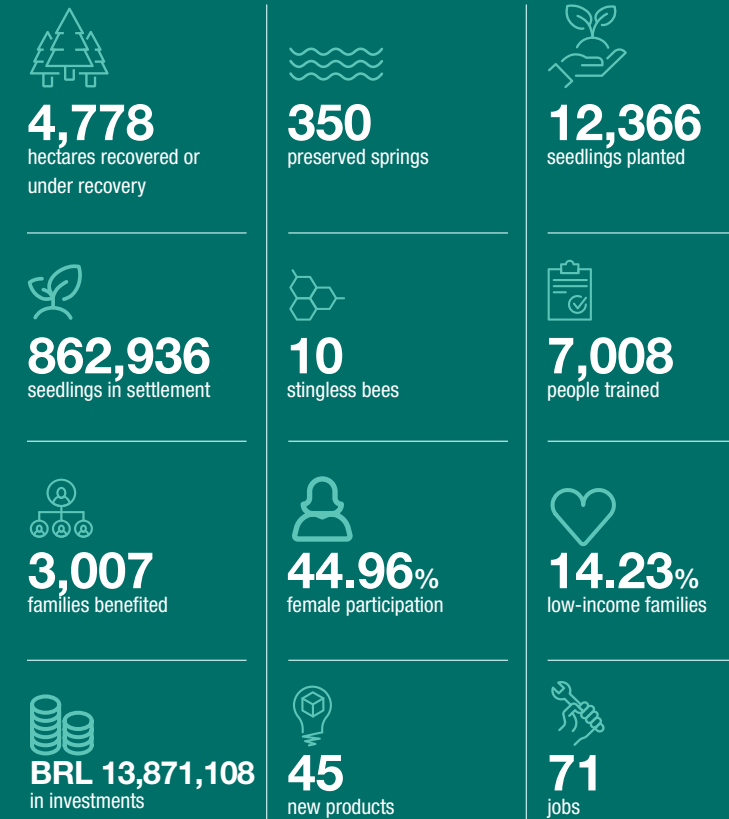
These studies guide the implementation of programs such as the monitoring of Permanent Preservation Areas (APP), the Degraded Areas Recovery Program (PRAD) and Fauna Monitoring (including birds, fish, amphibians, reptiles and mammals), as well as environmental compensation for projects. During implementation, vegetation suppression is mitigated through additional programs, such as the rescue and monitoring of fauna and flora, the collection of genetic material and the marking of vegetation matrices in the affected area.

In transmission and distribution projects, specific studies define the route of the lines and the location of the assets, giving priority to the preservation of biodiversity. Even for projects not subject to environmental licensing, prior studies are carried out to avoid impacts on ecologically sensitive areas, such as APPs, Conservation Units and Legal Reserves.

For the future, CPFL Energia is developing its Biodiversity Positioning - a commitment of the 2030 ESG Plan, scheduled for completion in 2025 - and moving forward with the creation of an integrated database to monitor biodiversity indicators and ecosystem services, strengthening environmental management and boosting practices that generate shared value.



RGE1 AND CPFL TRANSMISSÃO SOCIO-ENVIRONMENTAL PROJECTS



¹ Data accumulated since the beginning of the projects until 2024: CETAP (2019), FETAG (2019 with RGE and 2023 with CPFL Transmissão) and AEPIM (2021).

SGBH

Environmental licensing is a very important matter for SGBH, reflecting our commitment to the environmental and operational viability of all projects. From project conception, a specialized team is responsible for managing licenses, formalizing socio-environmental obligations and ensuring compliance with legal standards, with a focus on mitigating impacts and preserving ecosystems.

In 2024, investments were made in environmental education initiatives, communication with local communities and monitoring high biodiversity areas. The Company’s actions are governed by the guidelines set out in the project’s licensing to prevent, mitigate and compensate for possible negative effects and enhance positive ones.

Among the main measures adopted are:

- **Environmental monitoring:** A monitoring program that monitors erosion processes, birdlife, water quality and noise levels, ensuring operational safety and suitable environmental conditions;
- **Social communication and environmental education:** Information for local landowners on the impacts related to the operation and maintenance of the lines, as well as the prevention of fires and accidents.
- **Forest replacement:** Practices adopted to avoid habitat fragmentation and promote natural regeneration in development areas and access to infrastructures.

JUNTOS PELO ARAGUAIA (TOGETHER FOR ARAGUAIA)

Juntos Pelo Araguaia (JPA), launched in 2019, is the largest river basin recovery program currently underway in Brazil. Besides recovering the Upper Araguaia River Basin, it seeks to transform people’s relationship with nature, promoting ecological, economic and social balance through actions such as restoring native vegetation, soil and water conservation, and environmental education. It has innovative governance and does not use government funds but is financed by sponsoring companies that make environmental commitments. The actions are carried out by institutions appointed by the donors, under the supervision of Semad, ensuring efficiency and transparency.

In 2024, the JPA was given the Green Apple Environment Awards 2024 trophy, being recognized as one of the most relevant environmental initiatives in the world. Laureate in the “Water Management” category, it stood out among projects from 14 countries, and was one of two Brazilian representatives.

SGBH has been supporting the program since 2023 and, by 2024, 60.17 hectares had been reforested, indirectly benefiting around 15,000 people. Maintenance and monitoring of these areas is scheduled to continue until 2026.



Climate Change

CPFL

In 2021, CPFL published the report “Our Journey Against Climate Change”, which presents its climate strategy, with scenarios, governance, targets and supplier engagement, strengthening transparency and its leadership in the electricity sector. In 2022, the document was updated to incorporate guidelines and advances from the 2030 ESG Plan.

In 2024, a new version reports detailed the climate risks and opportunities for the business, the procedures for quantifying greenhouse gas emissions and the engagement of the value chain. The initiatives related to climate change are concentrated on four fronts, which guide the execution of projects and the mitigation of environmental impacts:

In order to mitigate the impacts of climate change, which can influence its operations, revenues, expenses and business model, CPFL manages and monitors climate risks. Adopting an integrated approach that considers the specificities of its segments - generation, transmission, distribution and solutions - the Company follows the methodology of the Task Force on Climate-related Financial Disclosures (TCFD) to classify and assess these risks.



ENGAGEMENT AND DISCLOSURE

Developing strategies and commitments that promote the low-carbon economy, training and guiding its value chain and clients on best practices.

INNOVATION

Investments in research and development to increase operational efficiency with projects related to mitigating and adapting to climate risks.

GHG EMISSIONS MANAGEMENT

Preparation of an annual emissions inventory to monitor the volume of greenhouse gases, with direct and indirect results of CPFL’s activities.

CLIMATE RISK AND OPPORTUNITIES MANAGEMENT

Risk classification based on the Task Force on Climate-related Financial Disclosures (TCFD) methodology, considering transition risks to the low-carbon economy, physical risks and opportunities.

SGBH

Drawing up a greenhouse gas (GHG) inventory has been part of SGBH's routine since 2021. In 2024, a market-based approach was adopted for calculating emissions, in line with international best practice. With 100% coverage of controlled companies and the use of an operational control approach, the inventory is subject to verification by an independent third party, ensuring greater accuracy and comprehensiveness through a reasonable level of reliability.



ENERGY EFFICIENCY CAMPAIGN

We have identified the key energy efficiency opportunities and drawn up a multi-year plan with measurable objectives and targets for the coming years. The actions include installing automated systems and replacing lighting with LED bulbs.

To enhance internal engagement, we launched a campaign to make employees aware of the positive impact of small attitudes in everyday life, such as switching off lights and using the air conditioning consciously.

Besides promoting a sustainable culture, the campaign also aims to reduce energy consumption, helping to cut costs and greenhouse gas emissions.

ELECTRIC VEHICLES

In 2024, we purchased 11 electric vehicles, bringing environmental and operational benefits, such as easy maintenance, reduced fuel costs and mitigation of GHG emissions in team transportation. This initiative is part of the company's strategic planning, and we plan to expand the fleet with more electric vehicles in the coming years.



ETHANOL CAMPAIGN

We give priority to using ethanol in our fleet of flex-fuel vehicles, setting a target of achieving at least 80% of fill-ups with this fuel. To achieve this goal, we ran awareness campaigns with our employees and monitored this indicator on a monthly basis. The target was achieved in the first month of the campaign, and at the end of the year, we had an average of 84% of flex-fuel vehicles being refueled with ethanol.

RENEWABLE ENERGY CERTIFICATES (I-RECS)

In 2024, we acquired 5,000 I-RECs, renewable energy certificates from wind sources, which led to a reduction of 272.18 tCO₂e in reported emissions.

Eco-efficiency

CPFL

EMISSIONS

GHG emissions by scope (vs. 2023)

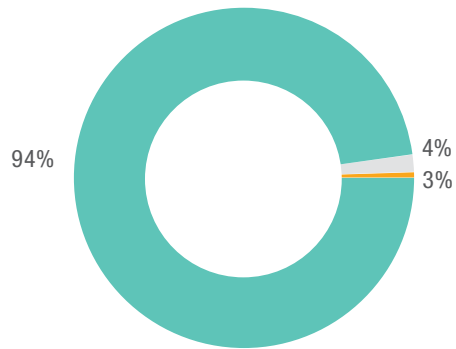
Scope 1: 80.77 (-65%)
 Scope 2: 308.99 (+41%)
 Scope 3: 257.83 (-14%)
 Biogenic: 1,972.99 (+22%)

2,620.6 thousand tCO₂e
 (+11%)

(Variation compared to 2023)

ENERGY

16,251,553 GJ
 -61% vs. 2023



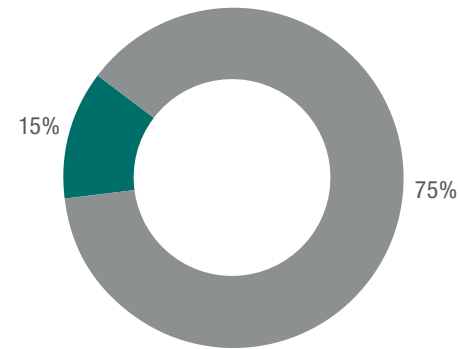
- Renewable fuels: **15,578,017 GJ** (-61%)
- Non-renewable fuels: **599,481 GJ** (-9%)
- Purchased electricity: **426,181 GJ** (+185%)

Energy consumption outside the Company:

1,877,441 GJ (-63%)

WASTE

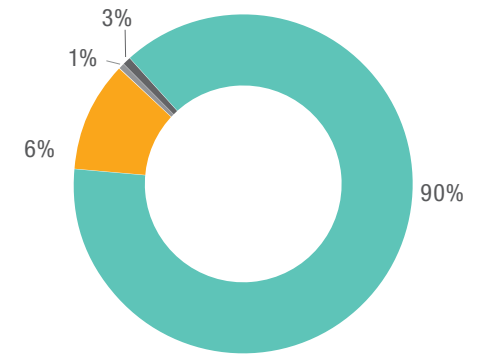
64,643.85 t
 62,741.96 t non-hazardous
 1,901.89 t hazardous



- Reused: **55,165**
- Landfilled: **9,479 t**

WATER

2,313.79 megaliters¹
 (withdrawal)



- Produced water: **2,062.89**
- Underground withdrawal: **146.03**
- Third party sourcing: **74.02**
- Surface withdrawal: **30.86**

¹ Due to the implementation of a new methodology for identifying areas of water stress, data from previous years has not been presented. Commencing next year, we will proceed with this revised methodology.

SGBH

CLIMATE CHANGE

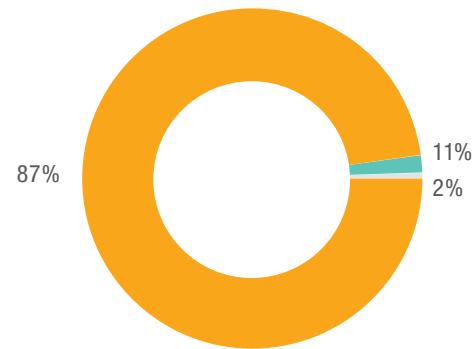
GHG emissions by scope (vs. 2023)

Scope 1: 3,986 (+39%)
 Scope 2: 86,081 (+49%)
 Scope 3: 4,099 (-66%)
 Biogenic: 4,502 (-56%)

94.2 thousand tCO₂e (+29%)

ENERGY

195,304 GJ
 -14% vs. 2023



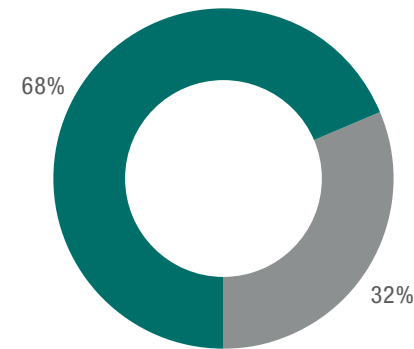
- Non-renewable fuels: **21,629 GJ**
- Renewable fuels: **4,474 GJ**
- Purchased electricity: **169,201 GJ**

Energy consumption outside the Company:

47,298 GJ (-62%)

WASTE

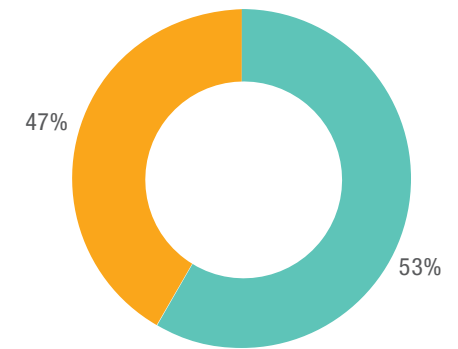
446 t
 338 t non-hazardous
 108 t hazardous



- Landfilled: **304**
- Reused: **142**

WATER

30.6 megaliters
 (withdrawal)
 +1.4% vs. 2023



- Artesian wells: **16.2**
- Public supply: **14.5**

(Variation compared to 2023)



国家电网公司
STATE GRID
CORPORATION OF CHINA

8

Innovation



Investments in R&D

We are committed to innovation and the modernization of the power transmission sector in Brazil. By pairing the technical expertise of our teams with the technological advances of the State Grid Corporation of China, we have boosted operational efficiency and contributed to the modernization of the National Interconnected System (SIN).

Over BRL 95 million has been invested in research and development.

INVESTMENTS IN R&D (BRL THOUSAND)				
ANEEL CATEGORY	CPFL			SGBH
	Generation and transmission companies	Distributors	Total	Total
Alternative sources of electricity generation (UHRs)	-	-	-	-
Thermoelectric generation	-	-	-	-
Basin and reservoir management	5,174	-	5,174	-
Environment	3,477	-	3,477	1,512
Safety	2,080	4,296	6,376	-
Energy efficiency	-	-	-	-
Planning of electrical power systems	115	22,901	23,016	1,258
Operation of electrical power systems	662	10,022	10,684	2,796
Supervision, control and protection of electrical power systems	5,983	1,603	7,586	5,022
Quality and reliability of electricity services	1,396	900	2,296	-
Measurement, billing and combating commercial losses	-	4,385	4,385	-
Other	4	17,977	17,981	-
Management programs (activities related to the R&D program)	722	3,570	4,292	-
Total invested	19,613	65,654	85,267	10,588

Technology and Innovation

CPFL

CPFL Energia promotes innovation by encouraging projects with employee engagement, experimentation and continuous learning. Under the leadership of the Innovation Committee, the projects are carried out by the Innovation area with the support of administrative and operational areas. In 2024, the Company was granted ISO 56002 certification in Innovation Management, which encouraged the standardization of processes and management of innovation projects, ensuring greater efficiency and strategic alignment between the initiatives funded. Highlights in 2024:

- **Innovation Week:** Annual event with lectures, training and dissemination of projects and results, promoting an innovative culture among employees.
- **INLAB:** Corporate Ideas Program, which encourages the transformation of employees' creative ideas into efficient solutions for the entire Company. Nearly 2,000 ideas were received, of which more than 30 were approved.
- **Innovation Trail:** Training offered by CPFL University covering topics such as design thinking, entrepreneurship and R&D for all employees.
- **CPFL Inova:** Interactions and partnerships with the external innovation ecosystem, as well as the creation of an innovation hub.

GREEN HYDROGEN

In 2024, CPFL signed a partnership with Mizu Cimentos to set up a green hydrogen pilot plant in Rio Grande do Norte, in line with its 2030 ESG Plan. The initiative uses renewable energy to power an electrolyzer, promoting innovation and sustainability. With funding from ANEEL, the project foresees an investment of BRL 44 million and reinforces the Company's commitment to innovation and decarbonization.

MICROGRIDS

Microgrids are small-scale power distribution networks that operate autonomously, ensuring stability even in adverse situations. CPFL Energia is promoting this technology with projects such as CampusGrid, developed in partnership with Unicamp and other institutions. With an investment of BRL 43.9 million and support from ANEEL, it has led to estimated annual savings of BRL 450,000 for Unicamp, as well as helping to reduce CO₂ emissions.

GROUND LADDER SECURING TOOL

Electricians from the Itapetininga Advanced Station (SP) have developed an innovative tool for securing ladders directly to the ground, solving a recurring challenge in network operation. The initiative, presented at INLAB Campo, reduces the risk of accidents, speeds up work and is already being tested with 25 units at CPFL Group distributors in São Paulo and Rio Grande do Sul.

NUT AND WASHER COUPLER

Electricians at the Jundiaí Advanced Station (SP) have created an innovative nut and washer coupler, solving the challenge of handling with protective gloves. Presented at INLAB, the device speeds up and makes live line maintenance work safer, reducing the time spent exposed to risks. After testing, over 80 couplers are already in operational use by CPFL Group teams.

INSULATING BLANKET STRAP

Electricians at the Sorocaba Advanced Station (SP) have created a flexible PVC strap for storing insulating sheets used in "live line" operations. The solution protects and organizes the material during transport, preventing damage and extending its useful life.

SGBH

The innovative projects and processes developed by SGBH aim to increase operational efficiency, optimize project management and strengthen the Company's competitiveness, in order to contribute to the strengthening and safety of the whole national electricity system. In 2024, the Company created an integrated Technology, Innovation and Information area, unifying engineering resources with a focus on technical innovation and boosting business through new technologies.

ALLIANCE FOR INNOVATION AND COOPERATION IN THE ELECTRICITY SECTOR

SGBH led the creation of the Electric Innovation and Sharing Alliance (EISA), an international alliance to promote innovation and technological sharing between Brazil and China in the energy sector. Launched during the G20 summit in Rio de Janeiro, the initiative brings together 16 founding entities, including ONS, EPE, CEPEL, Brazilian universities (USP, UFRJ, UFF) and Chinese institutions, with the aim of developing innovative solutions to the challenges facing the electricity sector, especially in the context of the energy transition and global decarbonization.



LAST PORTAL

The Portal de Referência para o Licenciamento de Sistemas de Transmissão (LAST Portal) was developed to speed up and bring better transparency to environmental licensing processes for electricity transmission projects. The platform centralizes and makes available a broad database of standardized and georeferenced data, allowing for the collection and systematization of data and processes related to socio-environmental impacts. The Portal helps to minimize risks to project deadlines and costs.

The Portal LAST project took part in the 7th Youth Innovation and Creativity Conference in China, winning 4th place in the second phase of the competition. It was the first innovative project from another continent to reach the final.

ROBOT DOGS

In 2024, two robot dogs were acquired by SGBH and have been undergoing tests to monitor substations. Capable of carrying out automatic inspections on equipment, these devices send data in real time and complement human work by identifying malfunctions that might otherwise go unnoticed. A technology with vast application potential, robot dogs can contribute to safety and efficiency in our operating routine.

MAINTENANCE DRONES

Drones are used for routine inspections to make maintenance more efficient and guarantee the good performance of transmission lines. With them, it is possible to accurately identify wear and faults in the lines and monitor the structures more swiftly and thoroughly, avoiding power supply interruptions, the need to work at height and risky displacements.

LIVE LINE MAINTENANCE

SGBH continues to apply and develop the live line maintenance technique for replacing insulators on 800 kV transmission lines. This technique allows us to carry out repairs with no need to interrupt the power supply, resulting in greater operational reliability and contributing to energy security.

Annexes



Sustainable Development Goals (SDG) Map





Credits

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Yang Guangliang – HSE Deputy Director

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Felipe Assis – ESG Analyst

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SGBH and CPFL Energia Collection

Cover: Guilherme Rodrigues

