

**REPORT OF
SUSTAINABILITY**
2022



| Summary

3

Presentation

- 04 Message from the Administration
- 05 Materiality
- 06 About the report
- 07 Highlights of 2022

8

Group Energy Pact

- 09 About us
- 10 Our Purpose
- 11 Mission, vision and culture
- 12 Group Structure

12

Aspects of Governance

- 14th ESG Day
- 15 Commitments made
- 16 Corporate governance
- 17 Strategic management
- 18 Innovating energy
- 19 Integrity program
- 20 Risk management

20

Aspects Social

Human Capital

- 22 Our collaborators
- 23 Diversity
- 24 Our team profile
- 25 Training and qualifications
- 26 Health, safety and well-being

Social Capital and Relationship

- 27 Our business partners
- 28 Social responsibility
- 29 Communities
- 30 Social programs

31

Aspects Environmental

- 33 Atmospheric emissions
- 34 Resource consumption
- 35 Waste management
- 36 Environmental responsibility

36

Aspects Financial

- 38 Economic and financial performance
- 39 Investments

39

Attachments

- 41 Associations and Regulators
- 42 List of abbreviations and acronyms
- 43 Corporate information

A ENERGIA DO FUTURO, HOJE!



| Message from the Administration



Rodrigo Ferreira Fonseca Pedrosa
CEO

Energy transition is the process of changing our sources and ways of producing and using energy to meet the growing needs of today's world, as well as to reduce the risks of future environmental disasters. It is a fundamental process for protecting the environment and ensuring that human energy needs are met economically and sustainably.

This transition has been driven by growing concern about global climate change, as fossil fuels release large amounts of carbon dioxide into the atmosphere, one of the main greenhouse gases responsible for climate change.

While renewable energy is clean and generated from natural sources, it can be intermittent. This means that providing and using clean energy will also require the development of new technologies and infrastructure so that energy can be stored when there is no water, wind or sun and used when needed.

Therefore, talking about sustainability is not, despite it seeming, something simple to deal with, even in an environment like Grupo Pacto, which is constantly concerned with developing infrastructure solutions in a sustainable manner and concerned with low-carbon economy.

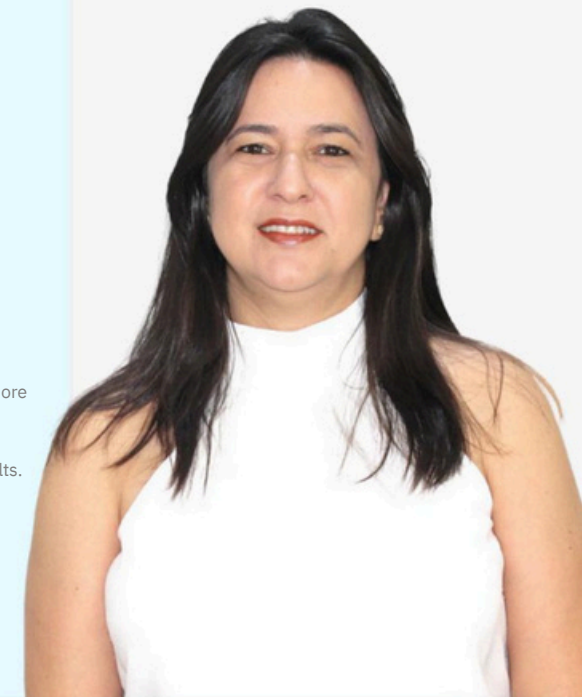
This report brings to our stakeholders all our initiatives in this sense and how we have combined technology and innovation with this challenging process of constant searches for sustainable products and services and in serving increasingly aware and consequently more demanding customers.

Grupo Pacto Energia is celebrating its fifth anniversary, with 63 years of experience in the energy sector. In 2022, the company completed its first five-year planning cycle, counting from 2017, when it began its operations. During this period, we achieved the goal of operating in the Electric Energy Generation, Transmission, Commercialization and Distribution segments, in addition to services. To complete this planning, we took over the management of an Energy Distributor with 63 years of experience in the market.

Our company's DNA is focused on the relentless pursuit of better results and new technologies, always based on sustainability. We believe that with qualified people, methodology and the will to make things happen, we can grow in a solid way, maintaining governance and positioning ourselves increasingly in the infrastructure sector's value chain. We seek to be pioneers in some segments, using technology as a means.

Always looking to the future, Pacto Energia has redesigned its ESG approach, focusing on investments that not only seek financial returns, but also contribute to a fairer and more sustainable world. We have created a committee to analyze environmental, social and governance criteria, encouraging responsible practices and investing resources to build a better future for everyone, with solid and sustainable financial results.

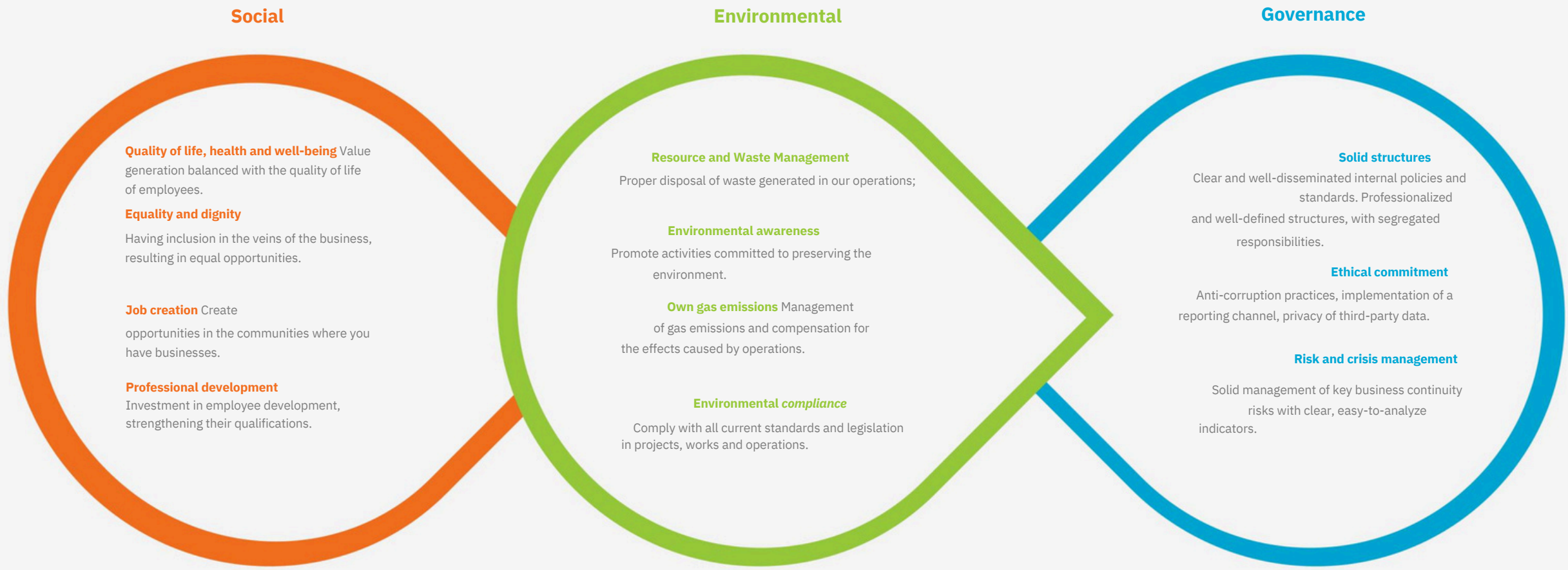
To our employees, your involvement in our ESG approach is essential to achieving the company's sustainability goals. That's why we are investing in effective training and communication initiatives to ensure that everyone is aligned with our ESG vision and can play an active role in its implementation. We believe that by working together, we can have a significant and positive impact on people and the planet.



Ana Maria Alves

CFO

| Materiality



| This report

Pacto Energia presents its operational, socio-environmental and economic performances to the public. This Sustainability Report provides detailed information about the Group, demonstrating the impact of our operations during the 2022 fiscal year, between January 1 and December 31, 2022.

We focused the preparation of this report on transparency and quality of information, seeking simplified and objective communication to our audience.

This document was prepared in line with the international standards of the Global Reporting Initiative (GRI), with Essential level.

This report presents our commitment, with voluntary adherence to the Global Compact and the Sustainable Development Goals (SDGs) of the United Nations (UN). We present our priority commitments for the year 2022 and reinforce our promise to implement continuous improvement in transparency and sustainability in Pacto Energia's operations.

The main areas of Pacto Energia were involved in its preparation, in order to highlight the Group's operational differentials, our highlights in strategic management and our commitments to sustainability.



Our commitment is to actively contribute to the transition process towards a low-carbon economy, helping to diversify the national energy matrix and investing in sustainable and clean energy sources, free from the emission of polluting gases and with low environmental impact.

| Our highlights of 2022

Closing of the 2017-2022 cycle

Pacto Energia's initial planning was defined in 2017, for a period of 5 years, concluded in 2022. We have made consistent progress in our activities since the opening of Pacto Energia SA and its subsidiaries. Over these 5 years, we have matured as a group and positioned ourselves as a reference in renewable energy.

We would like to highlight that in 2022 we completed the verticalization of the Group's operations, which had been a goal since the conception of Pacto Energia. This process planned the Group's operations in the 4 pillars of the sector: generation, transmission, commercialization and distribution. The last step was completed with the acquisition of control of Forcel – Força eLuz Coronel Vivida, a regional distributor that serves the Municipality of Coronel Vivida in the State of Paraná.

Another relevant milestone in planning is the 25/25 mission, which consists of having a portfolio of projects totaling 25GW by 2025. We ended 2022 with 56% of this achieved.

In these 5 years, the Group has evolved, matured and is prepared for the new cycle, based on business diversification, expansion of energy generating assets and expansion of the volume of energy traded. During this journey, we identified opportunities that led us to invest in infrastructure and technology, which has now become our main target. We seek to be a reference in infrastructure, delivering practicality and efficiency through technology.

Operational

EasySolar Consolidation Technology development EasySolar is a subsidiary focused on solutions aimed at optimizing the *turn-key process*, where all the steps of implementing the photovoltaic system are carried out by integrators hired by the client. In this business model, the plants are owned and used by the client.

We have developed a new tool focused on data intelligence, focused on improving the performance of our energy operations at the counter.

Economic-financial

The year 2022 was challenging, considering the significant drop in the commercialization price of energy, which is the segment with the largest share in the Group's results. We were able to equalize and minimize these impacts through quick solutions and the use of new technologies. We ended the year with a 16% reduction in our EBITDA compared to 2021, a result mainly linked to the aforementioned drop.

ESG

This Sustainability Report is the first published by Pacto Energia and reinforces its commitments to improving ESG practices within the Group and with its partners.

We implemented the ESG Committee to deal with related issues, propose ideas, evaluate scenarios and projects, in order to increasingly strengthen practices in the Group's activities.

The Energy Pact

| About us

Pacto Energia is a privately controlled holding company, headquartered in Goiânia/Go, with its main business activity in the electricity sector, being present in the four pillars of the sector's operations: generation, transmission, commercialization and distribution.

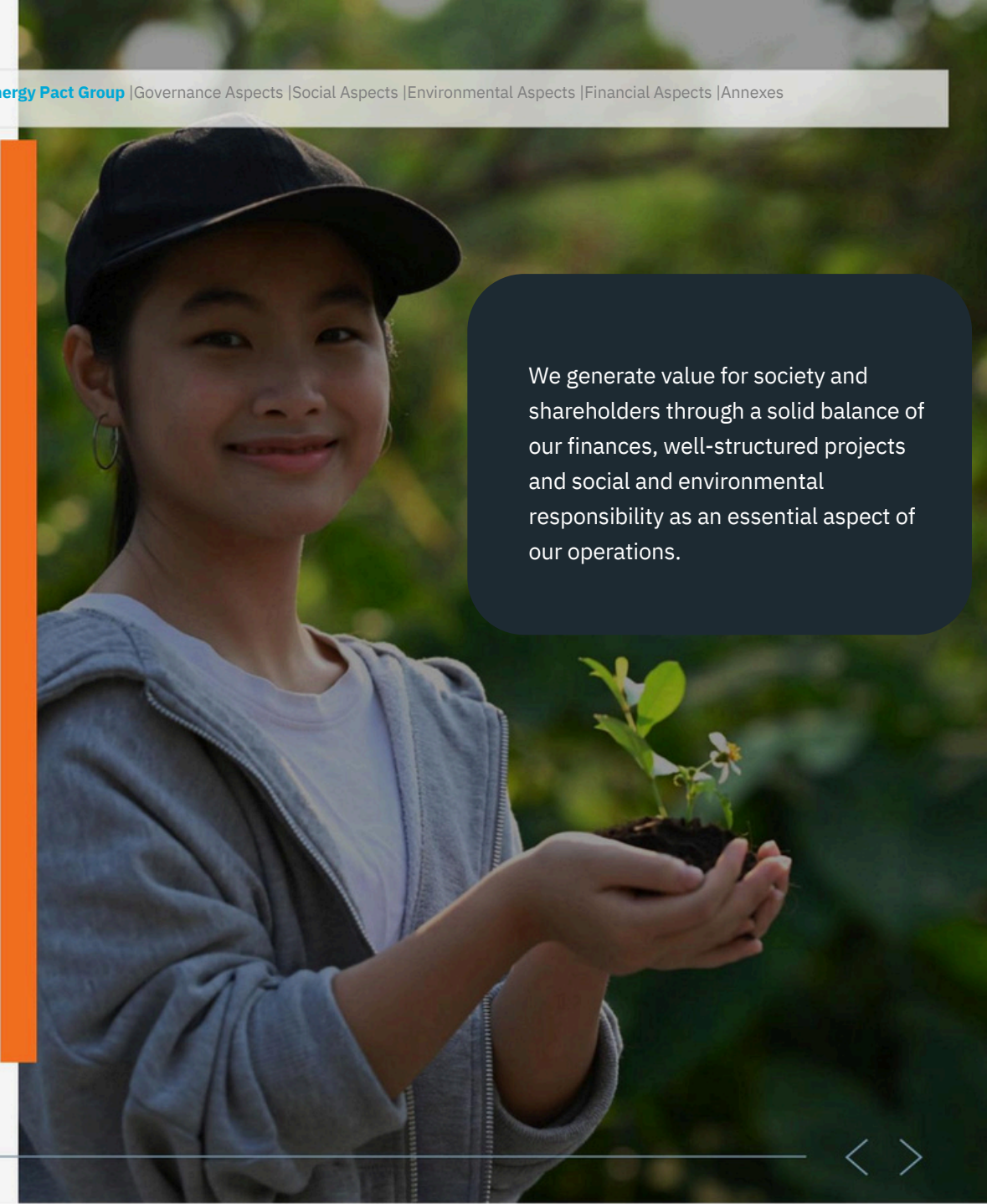
Our focus is on renewable energy, especially photovoltaic generation. We seek to actively contribute to an economy based on energy with low environmental impact.

In addition to these energy businesses, in 2022 Pacto began expanding its operations, implementing ventures in the telecommunications area.

Our operations are distributed across the 5 regions of Brazil, with a strong portfolio of projects in Centralized and Distributed Generation in the Northeast region.

The diversification of our businesses generates unparalleled operational gains, where the synergy of these companies has become one of Pacto Energia's main differentiators.

We are prepared to provide energy solutions on any scale, in order to add performance and savings to our customers.

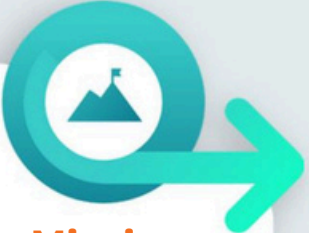


We generate value for society and shareholders through a solid balance of our finances, well-structured projects and social and environmental responsibility as an essential aspect of our operations.

| Our purpose



| Mission, Vision and Culture



Mission
The Energy of
the Future, Today!



Vision
To be anational
reference in technology
applied to complete
energy solutions in a
sustainable way.

Culture

Purpose : We connect people's purpose with the organization's purpose.

The Owner's Attitude: We act as owners to ensure the company's perpetuity and high performance.

Creativity : With the support of technology, we always innovate to serve a world in constant transition.

T ransparency: There is only one way to do what is right, which is why we are transparent in all our actions.

Customer Orientation: We are always dedicated to serving our customers, as they are our reason for existing.

Group Structure

GROUP COMPANIES



Aspects of Governance

| ESG Journey

Developing businesses with social responsibility and sustainability have been at the core of Pacto Energia since its creation. Our commitment to fostering the sustainable use of resources through the development of projects focused on renewable energy is part of Pacto Energia's way of being. We assiduously defend the premises that today's businesses will dictate the future of our society and that sustainable planning for the use of these resources, which will become increasingly scarce in the future, must be worked on today and not left for tomorrow.

Our Materiality matrix was developed seeking to understand how our customers, suppliers, employees, shareholders and the community view our operation and the expectations involved in the Group's operation and its impacts on the environment, society and culture in which they are inserted.

Reinforcing our commitment to Transparency, Pacto Energia adopted this report to present to all those involved the relevant points of its operation.

Pacto Energia's plan for 2023 is to fully adhere to the United Nations (UN) Global Compact, supporting the Ten Universal Principles and committing to the Sustainable Development Goals (SDGs).

Even though it is not asignatory in 2022, Pacto Energia always consults the SDGs in its strategic decisions, voluntarily and seeking to understand the impacts of its projects and new businesses in the environments in which they are inserted.



Commitments made

We have voluntarily adopted the actions reported in this report because we believe that our business can have an even greater impact on our environment, in addition to being a business based on renewable energy. We understand that our operations are not limited to providing renewable energy.

We undertake the following commitments:

- Becoming full signatories of the UN Global Compact; Business Initiative for Diversity; Reducing our emissions related to the Group's operations;
- Reducing the consumption of paper and disposables in our operations to zero;
- Implementing a budget line exclusively intended to promote ESG practices.

Our deadline for completing these commitments is by the end of fiscal year 2023.



| Corporate governance

The solidity of Pacto Energia’s operations will directly reflect the future we hope for our society, stakeholders and the community involved.

The solid and consistent application of socio-environmental and social criteria, combined with a rapidly evolving governance are practices that we believe are one of our greatest strengths. We are not just a company that works with energy. We are a company that actively contributes to the innovation, development and growth of the energy sector.

Our culture is based on developing business with transparency and ethics. And so, even though it is not a Publicly Traded Company, Pacto Energia started to disclose its quarterly results in 2022.

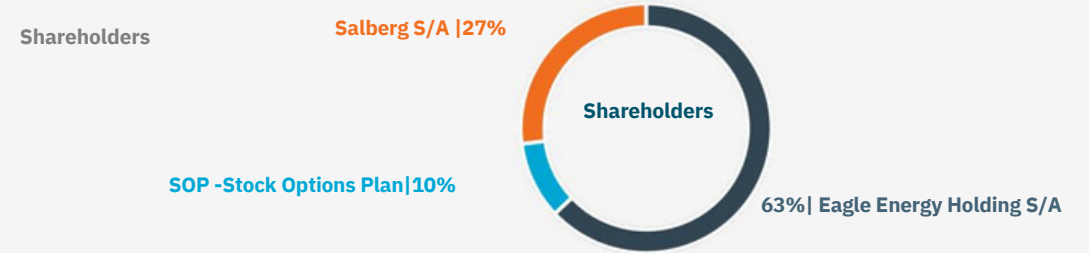
We believe that all our stakeholders should know the results of our operations in a timely manner, and that access to information should not be limited to Publicly Traded Companies.

Our commitment is to maintain and adopt the best corporate governance practices and, aligned with the idea of continuous improvement of our structures.

This report also reinforces Pacto Energia's commitment to being transparent, presenting relevant information and providing access to this information in a practical, objective and assertive manner.

In 2022, Pacto Energia approved the implementation of its Board of Directors, which is another step towards strengthening its Governance. The Board will be implemented by the end of the first half of 2023.

We also defined the creation of the ESG, Risk and Credit, Audit and New Business Committees, aiming to strengthen and bring greater practicality and assertiveness to the topics related to each Committee.



Risk and Credit Committee: Analyzes, criticizes and approves updates to the credit risk exposure policy of our Traders. This committee also approves clients who may be an exception to the current policy. It is composed of a multidisciplinary team from the areas of sales and finance.

ESG Committee: Analyzes, criticizes and approves projects in the development of new businesses or social support, discussing and evaluating their environmental and social impacts. It is composed of a multidisciplinary team from the Group's engineering, finance and HR areas.

Audit Committee: Monitors compliance with internal standards and current legislation to ensure correct application. Analyzes and issues opinions on relevant transactions outside the standard operating context. Monitors the whistleblower channel and formalizes opinions on reported complaints.

New Business Committee: Analyze, criticize and approve new projects and new businesses where the Group's resources will be invested, ensuring that resources are being allocated to projects that meet the interests of the Group, Shareholders and other *stakeholders*.

| Strategy management

Strategic management is essential to the success of your business, as it enables the Group to achieve its long-term objectives efficiently and effectively. Strategic Management in the Group involves defining objectives, analyzing the company's current situation and planning the actions needed to achieve these objectives, also outlining short, medium and long-term scenarios. Strategic management in the Group also includes evaluating the results obtained and adapting strategies according to needs and the constantly changing environment.

In 2022, Pacto Energia concluded its 5-year planning cycle (2017-2022). This planning was defined at the beginning of the Group's activities. During 2022, we revisited our plans and strategies and defined a new planning for the next 5years (2022-2027).

This first planning cycle sought to consolidate Pacto Energia's operations, immediately after the start of its activities, positioning the Group as one of the references in the energy sector, with a focus on renewable energy.

For the next 5years, we seek a significant expansion in our operations, especially in innovation for the electricity sector and also in the diversification of our activities with the expansion of our infrastructure-focused businesses.

In this 5-year cycle that has now concluded, we highlight:

- I. Consolidation of Pacto Energia as a relevant player in the sector; Completion of
- II. the 25/25 project, forecasting 25GW of projects by 2025; Verticalization of
- III. operations in the pillars of Generation, Transmission, Commercialization and Distribution; Operations in the 5
- IV. regions of the country, offering solutions from North to South, from East to West of Brazil.



| Innovating energy

Pacto Energia understands that innovation is not limited to the digitalization of the electricity sector, but rather a disruptive process in the way the sector operates, bringing solutions focused on performance and practicality.

Our focus on innovation aims to bring solutions focused on data processing and intelligence, where the study of information generates competitive gains and more solid results.

We created an energy PLD forecasting system, which is used by our trading companies and has made the performance of our transactions more solid, predictable and assertive.



77Sol is a company focused on solar energy intelligence, offering the best equipment, financing and solar energy professionals throughout Brazil. Through the 77Sol marketplace, customers can connect with integrators, purchase their equipment and also finance their solar project, in a practical and fast way, saving time and optimizing the process of acquiring the solar system. With triple-digit growth since its operation began.



ePOP (W2E Digital SA) is a subsidiary of Grupo Pacto Energia, and was created to develop an online platform for the compensation and transfer of energy credits from power plants leased by the consumer cooperative ePOP COOP. The plants leased by ePOP COOP generate energy exclusively from renewable resources (hydroelectric, wind, solar and qualified cogeneration), which makes it an environmentally friendly company.



WAR – Weather Analytics Risk is a data analysis system developed by Pacto Comercializadora and plays the role of creating scenarios for decision-making regarding over-the-counter operations.

| Integrity program

Respect for Integrity Policies and the Code of Conduct and Ethics are fundamental pillars in strengthening our culture. Policies related to Integrity and the Code of Conduct and Ethics are available on our internal public network, so that any employee has access to them, and they are also now available on our Investor Relations website.

These policies were developed in line with the culture that Pacto Energia understands to be closest to its values and seek to guide our team in its internal relationships and interactions with society.

When starting at the Company, all employees and members of the Administration are introduced to our Code of Conduct and Ethics and sign a term of responsibility.

Any violations of internal policies or current laws must be reported through an independent means of communication, via the ombudsman's office, which forwards the reports to the competent Board of Directors, which carries out the investigation.

In 2022 there were no reports of violations of internal policies and/or current laws.

Data Integrity Pacto Energia has adapted its policies to the General Data Protection Law (LGPD). Situations related to the privacy of personal data are directed to an exclusive channel, where analyses and treatment are carried out.

with the data protection officer (DPO).

Pillars

Prevention	Detection	Monitoring
<ul style="list-style-type: none"> • Policies and standards • Code of Conduct and Ethics • Internal controls • Training and Communications • Risk assessment 	<ul style="list-style-type: none"> • External audit • Whistleblower Channel • Monitoring environmental <i>compliance</i> 	<ul style="list-style-type: none"> • Assessment of conflicts of interest • Management of anti-corruption clauses • Audit committee for <i>compliance analysis</i> • Internal investigation

Strengthening Compliance

Compliance practices are disseminated through training, implementation and monitoring of compliance with policies, and use of available and independent communication channels.

During the year, we carried out a comprehensive review of all policies, considering the changes in corporate scenarios brought about by the COVID-19 Pandemic and technological updates. We reviewed our Code of Conduct and Ethics and worked to simplify the way we communicate these policies, to be more assertive and objective.

We have updated our Anti-Corruption policy to cover the receipt of gifts and presents by our employees, standardizing what we understand does not expose the Group to related risks.

We have implemented a Reporting Channel so that our employees and third parties can report any practices and acts carried out in disagreement with our policies and current legislation.

| Risk management

Risk management is essential to ensure business sustainability and long-term success.

This is because risk management helps to identify and manage risks that may affect the company, whether in its operations, finances, human resources or other areas.

Risk management allows us to take steps to minimize or eliminate risks and protect our assets and investments. This includes implementing security measures, taking out insurance or diversifying assets.

Furthermore, risk management also helps Pacto Energia adapt to changes in the business environment and prepare for possible adversities, increasing the company's resilience in its operations.

Investing in responsible risk management increases the trust of our *stakeholders* and the attractiveness of our business in the market, contributing to the company's reputation and image.

Main Risks

Financial risks

Related to the Group's finances, related to credit, liquidity, financial transactions. Also considering risks of financial losses arising from operations linked to the Group's main economic activities.

Market risks and energy purchase and sale operations

Related to the markets in which subsidiaries operate, so that external operations may impact the internal results of our businesses. It also covers risks related to energy purchase and sale activities and fluctuations that may occur in energy prices.

Strategic risks

Related to the possibility of executing strategies implemented in business management without favorable returns.

Operational risks

Related to possible losses arising from external events or failures, deficiencies or insufficiencies in internal processes, personnel and technology. Also related are the day-to-day legal risks of transactions, such as non-compliance with legal provisions.

Regulatory risks

Related to possible changes in current regulations that may alter the competitive landscape and affect our business management plans.

Risk mitigation The related risks are constantly monitored and we have policies, manuals and procedures for management and monitoring. In addition, we meet with our management team on a monthly basis to analyze the indicators and make decisions on short and medium-term actions to be taken for mitigation.

Aspects Social



| Human capital

| Our Collaborators

Our employees are the most important and valuable asset of Pacto Energia. They are responsible for implementing strategies, achieving goals and providing high-quality services, products and services to our customers. In addition, our employees are also responsible for creating and maintaining a positive and healthy organizational culture.

Investing in our employees is a key part of our business success strategy. This includes training and development to enhance employees' skills, as well as providing benefits and a positive work environment. We believe that when employees feel valued and motivated, they are more likely to be productive and committed to our strategy.

To this end, the Group has Recruitment and Selection Policies, Career and Remuneration, Benefits, Work Safety and goals to maintain the level of satisfaction among employees.

Our policies are constantly reviewed and we seek total parity with the market, always delivering the best of adopted practices to our employees.

In addition to the training offered and incentives for continuing education, we have a complete benefits package, such as: health and dental plans with no employee discount, life insurance, food vouchers and meal vouchers, among others.

We approved the PBS -Pacto Business School project, where we will develop an MBA focused on the sector in which we operate, offered free of charge to our employees, still in 2023.



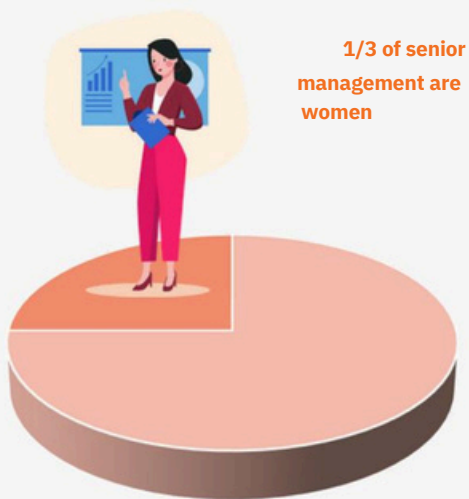
| Human capital | Diversity

Diversity is essential to the success of our business, bringing a variety of perspectives and skills that can enrich decision-making, creativity and innovation. In addition, diversity can also increase a company's representation and connection with its customers and community.

We believe that having a diverse workforce can also help foster a culture of inclusion and respect, which can improve the workplace and employee satisfaction. Investing in diversity and inclusion can also increase the attraction and retention of top talent and increase employee loyalty to the company.

enterprise.

It is important to highlight that at Pacto Energia, diversity goes beyond race and gender and also includes diversity of age, sexual orientation, skills, experiences and backgrounds.



| Human capital | Training and qualifications

One of the fundamental pillars in the development of our team is based on offering training and qualifications, helping our employees to increase their skills, knowledge and productivity. In addition, training can also help promote the personal and professional development of employees and increase job satisfaction.

Training is also important for keeping employees up to date on the latest practices and technologies, which can increase the company's competitiveness in the market. In addition, training helps to promote a culture of continuous learning and innovation within the company.

Investing in training and development for employees is a way of valuing and motivating the team and will be a decisive factor for the long-term success of Pacto Energia.

Main topics covered in the training offered in 2022:

- Customer service •
Communication
- • • Emotional intelligence

Technical and operational
Operating rules

Leadership
Team and people management
Performance management

Strategic planning
Decision making

Practical problem solving

| Human capital

| Health, safety and well-being

We believe that having healthy and safe employees not only protects the physical and mental integrity of employees, but also increases productivity, job satisfaction and loyalty to the company.

To ensure the health, safety and well-being of its employees, Pacto Energia complies with applicable laws and regulations and has implemented several security measures appropriate to the integrity and well-being of our employees.

Additionally, Pacto Energia offers training and resources to promote employee health and safety and create a positive and healthy work environment.

Investing in the health, safety and well-being of employees is a way of valuing and motivating the team and can be a decisive factor in the long-term success of the company.

Employees are instructed to report any hazards in operations and have the right to refuse to perform a task if they identify a risk or if they do not feel safe doing so. Work procedures are evaluated by the relevant departments and monthly meetings are held at the units to discuss occupational safety issues, based on data collected during the month of operation.

The results of absences and illnesses are monitored through indicators and preventive measures are implemented to minimize risks in activities.

In 2022, there were no records of work accidents or occupational diseases.

In its 5 years of operation, Grupo Pacto Energia has never recorded any work accidents or occupational diseases. We constantly strive to keep this indicator equal to zero.

| Social capital and relationship

| Our business partners

Social responsibility towards business partners involves respecting and considering their interests and concerns, as well as implementing ethical and responsible practices in all business interactions.

Being responsible with business partners can help foster long-lasting, positive relationships, as well as increase partner trust and loyalty. In addition, social responsibility towards our partners contributes to building a positive reputation for the company in the market and attracting investment.

To be socially responsible with its business partners, Pacto Energia complies with applicable laws and regulations, as well as adopts ethical and transparent practices in all its interactions.

When registering suppliers, we consider aspects related to their suitability, carrying out research into the suppliers' history, confirming that they are suitable.

We periodically evaluate our suppliers, considering their commitment and adherence to the Group's values. Those who do not adhere to what we believe are replaced by new ones and can return to relations with the Group only after 12 months, with approval.

Suppliers that present exposure related to sensitive topics are permanently excluded from our records and banned from negotiations with the Group.



| Social capital and relationship

| Social responsibility

Social responsibility is essential to ensure business success and contribute to the sustainable development of society and the environment. Pacto Energia is responsible for generating, distributing and selling clean and renewable energy to its customers, which in itself is already a great contribution to society and the planet. But we know that our responsibility is not limited to this and we can go much further.

In this context, we seek to ensure that the company's entire production chain is ethical and sustainable, from equipment production to energy distribution. This means ensuring that all of the Group's suppliers and partners adopt responsible and sustainable practices in their operations.

We operate with transparency and ethics, providing clear and accurate information to our *stakeholders*. This includes reporting on the environmental and social impact of our operations, as well as adopting transparent policies regarding waste management, use of natural resources and other environmental issues.

We invest in more efficient technologies that use renewable energy sources in our internal operations. In addition, we always seek to encourage our customers to adopt sustainable practices in their own homes and businesses, offering information and resources that help reduce energy consumption and greenhouse gas emissions.

We support various social and environmental projects in the communities where we operate, contributing to local development and improving people's quality of life. Investments include education, health, culture and environmental projects, as well as participation in local initiatives that aim to improve the population's quality of life.

| Social capital and relationship | Communities

Social responsibility towards the communities where Pacto Energia does business is fundamental to ensuring the long-term success and sustainability of the business. This involves considering the impacts of activities on communities and implementing measures to minimize any negative impacts and maximize benefits to the communities.

There are several ways for companies to be socially responsible towards the communities where they operate, such as investing in social and local development projects, contributing to the generation of jobs and growth opportunities, and promoting diversity and inclusion. We detail below the activities carried out by the Group in this journey.

Furthermore, we understand that it is highly important that we are transparent and responsive to the concerns and needs of communities and maintain an open and constructive dialogue with them. Social responsibility towards the communities where the company operates increases trust and support from the communities, as well as can increase the attractiveness of the company to new talent.



Pacto Energia has operations in the following cities: • •

- Goiania and Alexania -Goiás
- Sao Paulo, capital
- Colonel Vivida -Paraná
- Uberlandia -Minas Gerais

We also have projects under development in: Minas Gerais, Mato Grosso, Piauí, Ceará, Paraíba, Rio Grande do Norte, Goiás and São Paulo.



| Social capital and relationship

| Social programs



We reinforce our commitments to Social Responsibility through the Impact Program, where actions with asocial focus are developed in the various communities where we operate. We present the projects carried out by the Group in the Social Responsibility area of this report.

Our actions are guided by:

Dignity

Food/medicine storage.

Sustainability

Clean energy amid thermal generation.

Economy

Alternative employment and development.

Inclusion

Bringing information and quality of life.



| Social capital and relationship

| Social programs carried out

Christmas Lights Project Aiming to promote the collection of Christmas gifts for

children registered in the social project “Criança Feliz” in the municipality of Coronel Vivida/PR, this project covered children whose families receive assistance from public policies. In December 2022, 198 children were welcomed through “letters to Santa Claus”, where the children left their desired gifts on the Christmas tree located in Pacto. 98 families were served by this project.

Donation project on energy bill, APAE / APMI / AVPA

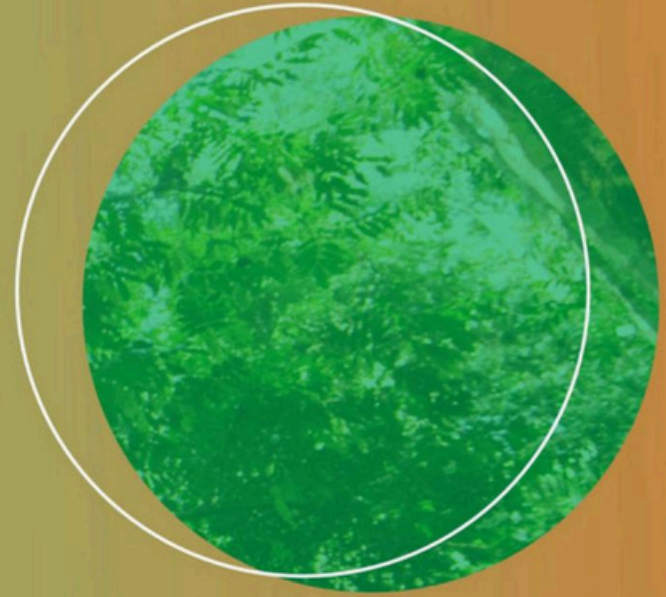
The project was developed with the aim of promoting the continuous collection of donations to institutions directly on the energy bill. 4,421 donations with different amounts were registered in 2022, totaling a collection in 2022 of R\$ 22,451.00, fully transferred to the institutions.

Electric Mobility Project Designed to promote updated content and raise awareness among the next

generation regarding the use of electric vehicles. Presentations and seminars were held at municipal, state and private schools in the city of Coronel Vivida/PR, serving young people between the ages of 10 and 18, totaling 160 young people served.



Aspects Environmental



| Atmospheric emissions

Fleet Electrification

On January 1, 2022, Pacto Energia SA took over the administrative management of Forcel – Força eLuz Coronel Vivida Ltda, as part of the M&A process signed between the parties, becoming known as Pacto Distribuição Paraná. Since then, the Group has been working to apply innovative solutions in the Distribution operation, validating relevant cases linked to Sustainability.

We implemented the complete electrification of the Distributor's fleet, making Pacto Distribuição Paraná the first energy Distributor with a 100% electric fleet.



Our biggest challenge was to replace all vehicles, from administrative vehicles to trucks, with 100% electric vehicles. We entered into partnerships with the automakers JAC Motors and Renault, who supplied the new vehicles, and also with Pacto Mobility, which supplied the vehicle chargers.



The replacement of vehicles is being carried out in a staggered manner, starting with the administrative vehicles, then the operational support vehicles and in the last stage with the replacement of the trucks.

We also optimized the distribution of activities, generating a reduction of around 30% in the distance traveled in 2022.

With 100% of the vehicles purchased coming into operation in the first quarter of 2023, we expect a reduction of approximately 10 tons of CO₂, resulting from the elimination of diesel and gasoline combustion.

Avoided CO₂e emissions

1,253 tons of CO₂ avoided Sum of all Pacto Energia Group operations.



| Consumption and allocation of resources

The sustainable consumption and disposal of resources is essential to guarantee the preservation of the environment and ensure long-term sustainability. This includes the responsible use of natural resources, such as water, energy and raw materials, as well as efficient waste management and proper disposal of garbage.

Main resources consumed in our operation:

- Fuels
- • Electricity Water

Paper and graphic materials

To consume and allocate resources sustainably, we adopt more efficient practices and technologies, resulting in better resource conservation. In addition, we promote awareness and involvement of all *stakeholders*, including employees, customers and the community.

Sustainable consumption and allocation of resources is away to contribute to environmental preservation and ensure long-term sustainability. In addition, it can bring benefits such as reduced costs and risks and increased efficiency and profitability of projects.

| Waste management

Waste management in construction sites is essential to ensure the sustainability and environmental responsibility of any project. It involves the collection, storage and proper disposal of all types of waste generated during the assembly of our plants, including construction materials, equipment and debris.

Waste management on construction sites also includes implementing measures to minimize waste generation and reusing or recycling materials where possible. This can help reduce costs and increase efficiency on the site, as well as helping to preserve the environment.

We constantly seek to implement and improve our waste management practices, responsible for ensuring the sustainability of our projects and complying with applicable environmental laws and regulations.



Electrical installation waste recycled in the year.



Wood waste recycled in the year.



Construction waste recycled in the year.



Paper and cardboard waste recycled in the year.

All waste related to the installation of Solar Generation Plants is recycled.



| Environmental responsibility

Environmental responsibility is a crucial issue for the survival of the planet and for the quality of life of present and future generations. It is important that all companies, governments and individuals commit to protecting and preserving the environment by adopting sustainable practices in their daily activities and routines.

We adopt actions aimed at the conscious use of natural resources, the appropriate disposal of waste, the reduction of greenhouse gas emissions and the encouragement of recycling to minimize the negative impacts caused by our activities on the environment.

Initiatives adopted in 2022



Reduction in the consumption of disposable items in the Group's operations, through the adoption of sustainable cups and bottles.



Reduction in paper consumption through printing. We adopted the use of multiple screens on all work terminals, in addition to focusing on digital media.



Reduction in water consumption per employee, through extensive training and raising awareness among employees regarding sustainable use.



Volume of waste recycled during 2022 in the Group's operations.



COP 27

We participated in the 27th United Nations Climate Conference –COP 27, where we presented our project to electrify the Pacto Distribuição Paraná fleet, an opportunity where we also discussed future scenarios related to the global and Brazilian environment.

Financial aspects

Economic and financial performance

The year 2022 marks the end of the 2017-2022 planning cycle. In these 5 years, we have matured as a Group and positioned ourselves as a reference in renewable energies.

The Group has completed the verticalization of its operations, which was planned since the creation of Pacto Energia and included the 4 pillars of the sector: generation, transmission, commercialization and distribution. Control of Forcel -Força eLuz Coronel Vivida, a regional distributor in Paraná, was obtained as the last step in this process.

The year 2022 presented relevant challenges in relation to operations, since there was a significant reduction in the PLD of the energy sold, a factor that reduced EBITDA by 16%, compared to 2021. Thus, the Commercialization segment was the one that most impacted this reduction, this segment alone reduced its EBITDA by 32%.

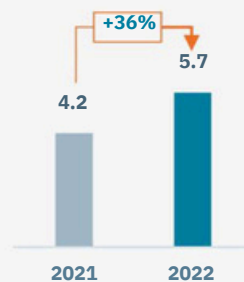
The Generation and Transmission segment showed strong growth, with more than 36% compared to 2021. This positive result is based on the acquisition of CGH Salto do Alemoa, sale of centralized solar generation projects and above-expected performance of the generation assets that make up the Group's generating asset portfolio.

The Services segment grew significantly, driven by the performance of EasySolar, Pacto Soluções and Pacto E&M, growing R\$1.3 million compared to 2021.

Adjusted EBITDA, excluding non-recurring operations, totals R\$14.9 million in 2022.

Consolidated Income Statement		In R\$/thousand	
	2022	2021	%
Net operating income	291,246	478,613	-39%
Cost of sales	(268,556)	(457,301)	-41%
Fair value of futures contracts	(5,694)	(1,260)	352%
Administrative and general expenses	(6,805)	(8,255)	-18%
Equity income result	389	1.376	-72%
Other income and expenses, net	1,736	3.211	-46%
EBITDA	14,005	16,600	-16%
Net financial result	(3,525)	(2,056)	71%
EBT	8,791	14,328	-39%
Current taxes	(1,521)	(1,134)	34%
Deferred taxes	(1,332)	(2,486)	0%
Minority participation	533	514	-45%
Net profit (loss)	5,938	10,708	0%

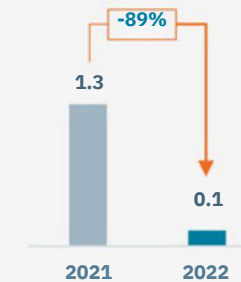
Annual result by segment -EBITDA
Generation and Transmission



Marketing



Services



| Our investments

Cash generating assets

New UFVs

We invested R\$13.9 million in the construction of 4 Photovoltaic Plants to operate in the Distributed Generation mode, totaling 3.57MWp implemented during 2022.

CGH Salto do Alemoa

The Group acquired in September 2022 CGH Salto do Alemoa, located in the Municipality of Coronel Vivida, State of Paraná. CGH has an installed capacity of 1MW and has been operating for over 60 years. We plan to expand the generation capacity of this CGH to 2MW in the next 12 months, optimizing its cash generation.

New business We

invested R\$1.8 million in new business, as part of the Group's strategy and expansion plan, diversifying its business and seeking greater synergy in the operations of its subsidiaries, serving the entire energy value chain.

Centralized Generation Projects We

continue to evolve the projects in the Centralized Generation pipeline, investing in the development of projects and obtaining access permits and opinions, as discussed in the Operational Performance of the Generation and Transmission Segment.





| Associations and Regulators



| Abbreviations and acronyms

ESG –environmental, social and corporate governance sustainability

EBITDA –Earnings Before Interest, Taxes, Depreciation and Amortization (financial indicator used to measure the results of a business)

UN-United Nations

SDGs-Sustainable Development Goals

GRI-Global Reporting Initiative

PLD –Settlement price of differences

LGPD-General Data Protection Law

DPO-Data Protection Officer (professional responsible for handling issues related to the protection of the organization's and its customers' data)

PBS-PactoBusiness School

MBA – Master of Business Administration (postgraduate training aimed at executives)

APAE-Association of Countries and Friends of the Exceptional

APMI –Association for the Protection of Maternity and Childhood

AVPA – Animal Protection Association

COP27-Conference of the Parties to the United Nations Framework Convention

CGH - Hydroelectric Generating Station

MW–Mega Watts (measurement of energy power)

MWp –Mega Watts peak (measurement of energy power)

UFVs –Photovoltaic Power Plants

| Corporate information



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