

# Annual report 2023



# Contents

## 4 Leadership vision

- 4 Message from the Board of Directors
- 8 Message from the CEO
- 12 Our highlights in 2023
- 16 Awards and recognition

## 18 We are CPFL Energia

- 24 Generation
- 32 Transmission
- 36 Distribution
- 44 Solutions and services
- 56 People
- 74 Customers
- 78 Innovation
- 88 Financial performance

## 94 We generate sustainable value

- 96 Strategy and planning
- 112 ESG 2030 Plan
- 120 Renewable and smart solutions
- 138 Sustainable operations
- 150 Shared value with society
- 180 Safe and reliable performance

## 196 About the report

- 200 Materiality study
- 202 Stakeholder engagement

## 204 Annexes

- 204 Complement to GRI and SASB disclosures
- 234 GRI content index
- 252 SASB content index
- 256 Assurance report

# Message from the Board of Directors

The year 2023 was a challenging, but productive year for CPFL Energia and its comprehensive businesses: generation, transmission, distribution, commercialization, and services. Despite the complexity of economic environment, **CPFL Energia has achieved great success, materializing the principles of excellent products, distinctive brand, pioneering innovation, and modern governance, hence reinforcing our vision, mission, and values.**

The projects and initiatives carried out during the year have strengthened the operation reliability of assets, elevated our governance standards, promoted active risk management, and drove improvements in quality and efficiency throughout the Company.

Safety is a non-negotiable value of CPFL. During the past year, all employees worked together to continuously improve CPFL's safety performance indicators, through the implementation of initiatives such as the 'Year of Safety' and the 'Safety Culture Integration Program'. In 2023, we achieved the zero fatal accidents target, and both the

frequency and severity rates have been reduced in a sustainable way.

In the distribution segment, the operational metrics have been consistently optimized and, in the reliability and quality rankings published by ANEEL, our three distributors have maintained the best top 3 in the Brazilian power industry.

In the transmission business, we have made robust investments as planned, strengthening the lines' capacity to efficiently transmit energy, guaranteeing high quality and safety standards.

The generation segment increased its productivity and availability in comparison to the previous year and reached 15 thousand GWh – 99.82% of which generated from renewable sources.

In the commercialization and services businesses, CPFL Soluções was chosen as a partner for the renovation of Pacaembu Stadium, a historic venue in the city of São Paulo. Its entire energy infrastructure is being modernized based on our innovative products and services.

CPFL Energia is pursuing its environmental, social, and corporate governance strategy, as well as risk management practices. This philosophy is completely aligned with the vision of our main shareholder, State Grid Corporation of China (SGCC), a company committed to sustainable development worldwide.

The ESG Plan 2030, an evolution of the previous Sustainability Plan 2020-2024, came into effect in January 2023. Consisting of 23 public commitments that are annually updated and integrated with the Company's Strategic Plan, it brings guidelines so that we can provide sustainable, affordable, and reliable energy at all times.

The Desalination Project, completed by SGCC and CPFL Energia in 2023, is one of the results of this sustainability vision and achievement of the cooperation between China and Brazil. Installed in Rio Grande do Norte, where wind farms of CPFL Energia are located, the zero-emission solar powered water desalinization system realized the dream of 800 families in 3 local communities with indigenous predominance to have drinkable water at their doors.



*Chairman of CPFL Energia's Board of Directors*

The CPFL Institute, which celebrated its 20<sup>th</sup> anniversary in 2023, plays an important role in the Company's ESG strategy, as it represents our social investment platform. The investments in community and health care projects reinforce the position of CPFL Energia as an ambassador of social transformation. Furthermore, by carrying out important cultural exchange activities between Brazil and China, the proximity of the two countries is strengthened.

As results of all these efforts, in 2023 CPFL received the prestigious recognition of "Best Power Company in Brazil" by leading publications such as Valor and Época. We also maintained the title of "Top Employer" in Brazil for five consecutive years and sustained a high position in the B3 Corporate Sustainability Index (ISE) of the Brazilian stock market.

Despite Brazil's slight economic recovery, with a series of policy reforms being undertaken by the Federal Government, we are facing a series of challenges. Particularly in the power sector, we are dealing with power oversupply, low energy spot price (PLD) forecast, intense competition in transmission auctions, along with other relevant constraints such as Group A market liberalization.

Among these challenges, the impacts of climate change were evident and more frequent, implicating in the security and reliability of power grids. In 2023 our concession areas have gone through many extreme weather events, which severely damaged our distribution networks in states of São Paulo and Rio Grande do Sul. With a sound emergency response

plan and the efforts of all employees, the Company responded efficiently, recovering power in a short period of time, reinforcing our client centricity commitment.

As SGCC's largest investment entity outside China, leveraging the Corporation's domestic and international influence, along with its knowledge in management, technology, and funding, CPFL Energia achieved excellent results in enhancing corporate governance, boosting technological exchange, expanding the supply chain, and engaging in international talent collaborations.

One of the foundations that drives the continuous good results at CPFL Energia is the Corporate Culture Inclusion Program (CCIP), a platform aimed at promoting synergy between CPFL Energia and SGCC and continuously improving core aspects of corporate management.

To maintain its leading position and prolong its growth path, CPFL Energia must be prepared to overcome complex challenges in the short, medium, and long term. To do so, we spare no efforts to invest and strengthen our grids to provide the best service to our clients and to work towards

**The technological and cultural exchange with SGCC, associated to the CPFL Energia teams' strong qualification and rich knowledge in Brazilian power sector, will ensure the Company fully prepare to manage opportunities and risks, fulfilling our vision of being the leading power utility in South America that supplies reliable electricity and credible services.**

the sustainable development of business. We focus in low-carbon solutions and renewable sources, including green hydrogen. Also, we strive to create a diverse working environment and to promote development opportunities for all employees by offering internal training and implementing talent cultivation programs. Finally, we attach great importance to creating and sharing value with our stakeholders through projects and initiatives that contribute to social transformation of surrounding communities.

The ability to navigate and overcome the challenges posed by the extreme weather

condition in 2023 underlines the effectiveness of a coordinated and active approach.

On behalf of the Board of Directors, I would like to appreciate and congratulate to all executives and employees for their upmost dedication and extend my wishes to achieve even more prosperous results in the year of 2024.

**Daobiao Chen**  
Chairman of CPFL Energia's  
Board of Directors

## Message from the CEO

With 111 years of history, CPFL Energia is consolidated as one of the largest electrical energy companies in Brazil, controlled by the largest energy company in the world, State Grid. Our ability to generate value for shareholders and society was confirmed again with the results achieved in 2023, reflecting the focus on the goals defined in the Strategic Planning and the excellence of our operations.

Considering all the sectors in which we operate (generation, transmission, distribution, commercialization and services), we were able to invest R\$ 5.1 billion, achieving an increase of 4.6% of EBITDA (to R\$ 12.8 billion) and of 6.1% of net profit (to R\$ 5.5 billion) compared to the previous year.

A combination of positive factors, which differentiate CPFL Energia, boosts our growth in a sustainable way: the capacity for investment and innovation; the high technical knowledge of our professionals

that provides efficiency gains, cost reduction and increased quality for customers; and the commitment to responsible and sustainable action, strengthening risk management, the Company's reputation and the return on investments.

The majority of our CAPEX in 2023 (around R\$ 3.8 billion) was directed to the distribution segment, in which we serve around 10.5 million customers. On this front, we have incorporated new technologies, automating equipment, digitizing systems and carrying out works and improvements that result in sector benchmark quality indicators. The CAPEX Plan for the distribution segment includes investments of around R\$ 23.4 billion until 2028.

In this way, we guarantee a quality service for the population and the maintenance of value creation for our shareholders. In 2023, CPFL Paulista, CPFL Piratininga and CPFL Santa Cruz had the best SAIDI indicators in Brazil.

Focused on seeking the best experience for our customers, we implemented a series of improvements in processes and systems and, as a result, we were recognized for the second consecutive time by the Reclame Aqui Award, won the ANEEL Consumer Satisfaction Award for the best distributor in Brazil and were able to reduce our level of complaints.

In the generation segment, which current scenario does not favor the development of greenfield projects, we have advanced in the insourcing of wind farm operation and maintenance teams in Ceará and Rio Grande do Norte. This strategy exemplifies how we seek efficiency gains, greater safety and increased asset availability. At the same time, we are creating technical knowledge for CPFL Renováveis readiness to capture new market opportunities.

With CPFL Transmissão, for which we have an investment plan of around R\$ 3.5 billion until 2028, we are carrying



*Gustavo Estrella*  
CEO of CPFL Energia

out reinforcements and improvements to modernize, expand and replace equipment. Thus, we will bring more reliability to lines and substations that serve the population of Rio Grande do Sul, while maximizing the profitability of assets and, consequently, the return to shareholders.

## To serve our customers with excellence, we launched CPFL Soluções e-commerce in 2023. The platform facilitates migration to the free market, allows users to contract short-term energy and also buy carbon credits and renewable energy certificates

Through CPFL Soluções, we are dedicating efforts to support Group A customers interested in migrating to the free energy market from 2024. For them, we offer a complete portfolio of products and services available in this new market, obtaining more savings and facilities. Customer focus is in our culture and guides the conduct of all business.

We are also strengthening our ability to meet our customers' demands for energy efficiency, infrastructure and decarbonization solutions for their activities. CPFL Soluções serves industries, commercial and service companies with a diversified and innovative portfolio. All this know-how has been applied to the project to revitalize and modernize the energy infrastructure of the Pacaembu stadium, in the city of São Paulo, including solutions

for renewable generation, energy storage, digitalization of control systems and electric mobility.

Together with this operational evolution, we began the materialization of our ESG 2030 Plan, a platform with 4 pillars and 23 public commitments to drive the energy transition and maximize the positive impacts of our operations.

One of the themes addressed by the ESG 2030 Plan is the decarbonization of our own operations and the value chain, through the neutralization and reduction of greenhouse gas emissions. We are committed to seeking and enabling innovative mitigation and adaptation solutions to respond to the increasingly intense and frequent challenges of climate change, maintaining the focus on renewable energy sources and

expanding efforts to ensure excellence in the operation of our distributors.

The CPFL in Hospitals program, which uses the Company's know-how to bring energy efficiency and modernization to philanthropic hospitals, is another example of how the integration of strategic vision and corporate responsibility can bring gains to society. In the first phase of the program, R\$ 155 million were invested to benefit 325 hospitals; By 2025, there will be an additional R\$ 140 million to support at least 175 more health institutions.

Another extremely relevant topic, included in our ESG strategy, is the promotion of a safe and healthy environment for all people. Safety is a value at CPFL Energia and needs to be cultivated, strengthened and renewed daily among everyone who works to provide energy to the millions of Brazilians we serve. In 2023, we continued the various training actions for leadership focused on operational risk management and accident prevention.

For us, safety is present in everything we do and goes beyond protective barriers. It is also about maintaining a work environment in which each employee enjoys the

psychological safety to express themselves and reach their maximum potential. Therefore, we strengthen our diversity program and initiatives to increase the presence of women, people of color, people with disabilities and all groups that are still underrepresented in companies today. Our more than 16 thousand employees are committed to safety, ethics, customer focus and the consolidation of an increasingly inclusive and diverse Company.

The transformation of the national electricity sector will continue in 2024 and in the coming years. The energy transition, opening of the energy market, digitalization, acceleration of renewable sources and demand for new investments will open up new opportunities for our business.

With the strength of our shareholder, State Grid, and the excellence of our teams, we are ready to take CPFL Energia to even higher levels of profitability, quality, safety and sustainability.

**Gustavo Estrella**  
CEO of CPFL Energia

# Our highlights in 2023

## FINANCIAL

Learn more on page 88

**R\$ 39.7 billion**  
in net operating revenue

**R\$ 12.8 billion**  
EBITDA

**R\$ 5.5 billion**  
in net profit

**1.87x** leverage  
(net debt/EBITDA)

## MANUFACTURED

Learn more on page 18

**R\$ 5.1 billion**  
of investments (CAPEX)

**10% of reduction SAIDI**  
(System Average Interruption  
Duration Index)

**11% of reduction SAIFI**  
(System Average Interruption  
Frequency Index)

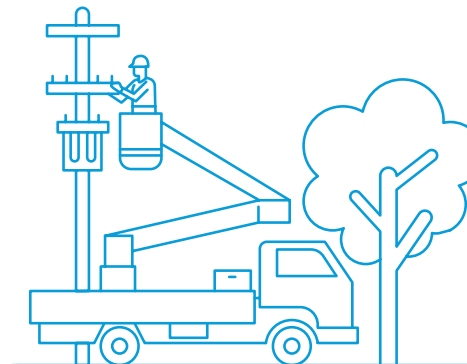
**6,400 kilometers**  
of transmission lines

**55 dams**  
monitored in real time  
with Hydro 4.0

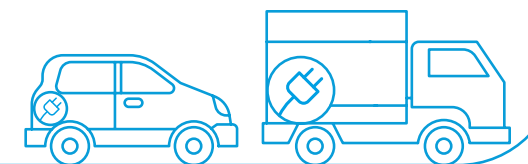
## NATURAL

Learn more on page 120

**100%** of the main components  
destined for recycling or reverse  
chain systems



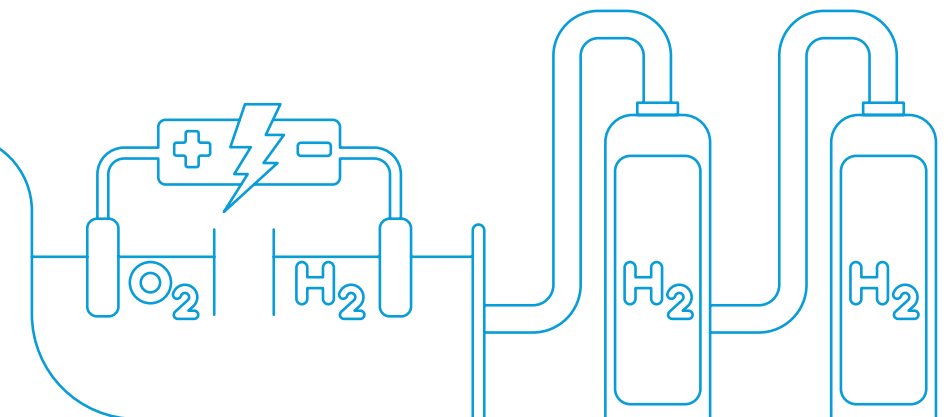
**100%** of the  
operational fleet  
electrified in the  
municipality of  
Indaiatuba (SP)



**12,100** pieces of  
equipment refurbished  
by CPFL Serviços  
Reformadora

**65,800 tree seedlings**  
donated or planted  
by the *Arborização +  
Segura* program

**R\$ 740,000**  
invested in R&D  
to develop green  
hydrogen



## HUMAN

Learn more on pages 56 and 166

**2<sup>nd</sup> Diversity Week**, with more than **4,200** views on YouTube

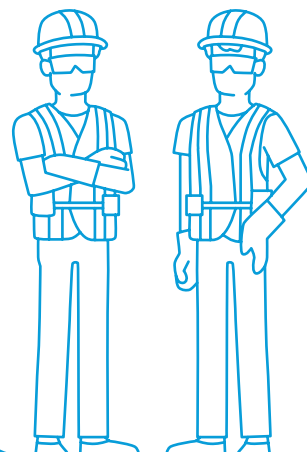
**21.79%** of women in leadership positions

**17.33%** of black people in leadership positions



**700,000 hours** of training for employees

**8.5%** reduction in the number of accidents



## SOCIAL

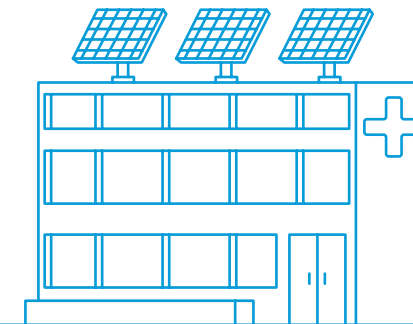
Learn more on page 150

**R\$ 52.7 million** invested in socio-environmental projects to transform the community

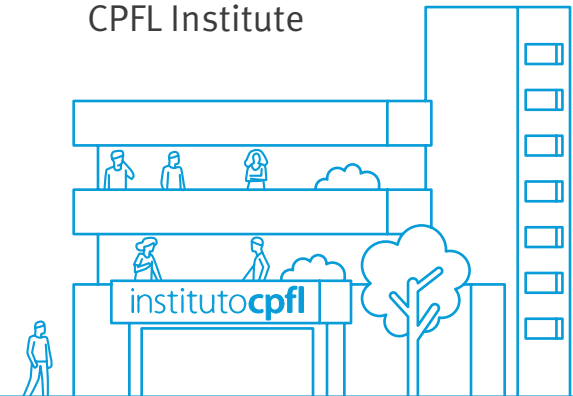
Inauguration of the desalination project, which **provides around 3 thousand peoples** with drinking water in Rio Grande do Norte



**81 hospitals** benefited from the CPFL nos Hospitais program



**20 years** of activity of the CPFL Institute



## INTELLECTUAL

Learn more on page 78

Launch of **energy e-commerce**



**R\$ 150.8 million** invested in smart energy solutions



**157 ideas** from employees enrolled in the INLAB innovation program

**R\$ 66.1 million** invested in Research and Development (R&D)

**10 POCs** (proofs of concept) made by CPFL Inova



# Awards and recognition

## ISE B3

CPFL Energia was selected once again to form part of B3's Corporate Sustainability Index (ISE) portfolio. The ISE is the main platform in the Brazilian market for evaluating and classifying the governance and ESG management model of publicly traded companies. The theoretical 2023/2024 portfolio is made up of 78 companies from 36 different sectors.

## IDIVERSA B3

CPFL Energia was elected to be part of the B3 Diversity Index (IDIVERSA) portfolio. The selection considers indicators of racial and gender diversity, in the workforce and in governance bodies, together with share liquidity criteria. The IDIVERSA portfolio is made up of assets from 75 companies, from ten productive sectors.

## Valor 1000

CPFL Energia was elected the best company in the energy sector in the 23<sup>rd</sup> edition of the Valor 1000 ranking, by the Valor Econômico newspaper. The award recognizes outstanding companies considering aspects of financial performance and ESG practices.

## ABRADEE 2023 Award

CPFL Santa Cruz was elected the best distributor with less than 500 thousand customers in Brazil in the 2023 edition of the ABRADÉE Award, granted by the Brazilian Association of Electric Energy Distributors (Abradee). The company was also the winner in the Socio-Environmental Responsibility and Operational Management categories.

In the category of companies with more than 500 thousand customers, CPFL Paulista won in Social and Environmental Responsibility and was recognized as the second-best distributor in the Southeast region. CPFL Piratininga came in 2<sup>nd</sup> place in the Socio-Environmental Responsibility and Economic-Financial Management categories. Finally, RGE was elected the second-best distributor in the southern region of the country.

## ANEEL Consumer Satisfaction Award 2023

Two CPFL Energia distributors were recognized in the 2023 edition of the award granted by the National Electric Energy Agency (ANEEL). CPFL Santa Cruz was considered, for the third consecutive year, the best distributor in the Southeast region. RGE once again took first place in the South region. Both competed in the category of distributors over 400 thousand consumer units.



*Recognition of CPFL Santa Cruz in the ABRADÉE 2023 Award.*

## Época Negócios 360°

CPFL Energia was elected the best energy company in the 2023 edition of the Época Negócios 360° yearbook, by Época Negócios magazine. The ranking evaluated more than 400 companies with at least R\$ 250 million in revenue.

## Best in Management – National Quality Foundation

Our four distributors (CPFL Paulista, CPFL Santa Cruz, CPFL Piratininga and RGE) were recognized in the Best in Management award, promoted by the National Quality

Foundation (FNQ). In the Large Companies category, CPFL Piratininga took silver, while CPFL Paulista, CPFL Santa Cruz and RGE won bronze.

## Top Employer

CPFL Energia received Top Employer certification for the fifth consecutive time. International recognition endorses the quality of people management processes and practices used by the group for the benefit of its more than 16 thousand employees. The company is among the 71 certified in the country.

# We are CPFL Energia

- 24 Generation
- 32 Transmission
- 36 Distribution
- 44 Solutions and Services
- 56 People
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- 78 Innovation
- 88 Financial Performance

## Related SDG





We, at CPFL Energia, provide sustainable, affordable and reliable energy to more than 10.5 million customers in Brazil. To this end, we operate in the generation, transmission, distribution, commercialization and service provision segments, with safety, innovation, excellence and sustainability.

We value our history, which began 111 years ago, and we look to the future of business with a long-term vision. In all regions where we are present, we invest in energy infrastructure to drive development, prosperity and improve people's quality of life, generating value for our shareholders and society.



## Mission

### The reason why we work every day

We provide sustainable, accessible and reliable energy to all walks of life, and enhance a safer, healthier and prosperous life of people in regions where we operate.

We propel our business growth in a more strategic and competitive way, keep its dynamics and vitality, and create a more standardized, diversified and international corporate culture, while nurturing its legacy.

We protect the level playing field for each employee's growth and attract all talents to join CPFL.



## Vision

### Where do we want to get

We pursue to be the leading power utility in South America that supplies reliable electric energy and credible services.

We pledge to forge the prolonged strength in developing business and innovation as well as culture.



## Values

### Our ideals of attitudes

To us, safety is a nonnegotiable commitment.

Our strength comes from collaboration among people.

We innovate to deliver the best solutions to our customers.

We strive to evolve always in the pursuit of excellence.

We are ethical and responsible in all we do to deliver sustainable results.

# Operation map

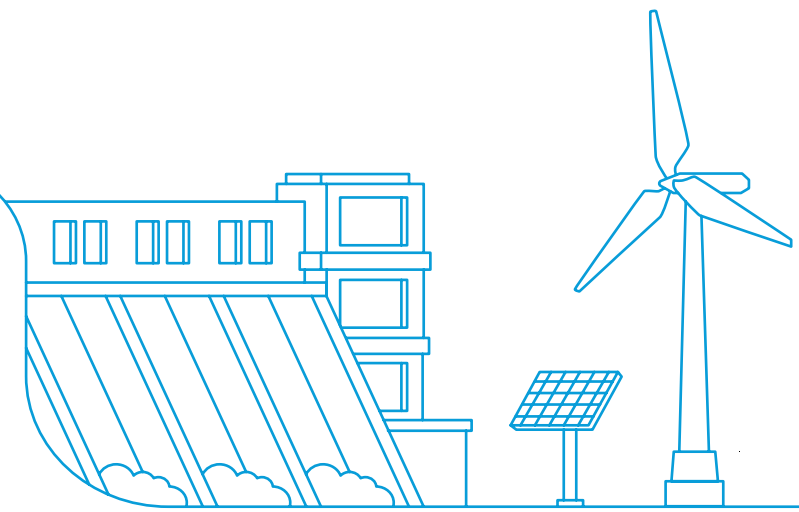
This page was developed with interactivity.

👉 **Click on the icons** that represent the electrical sector value chain to learn more about our brands and units. To return to the home page view, click the gray button at the bottom right.



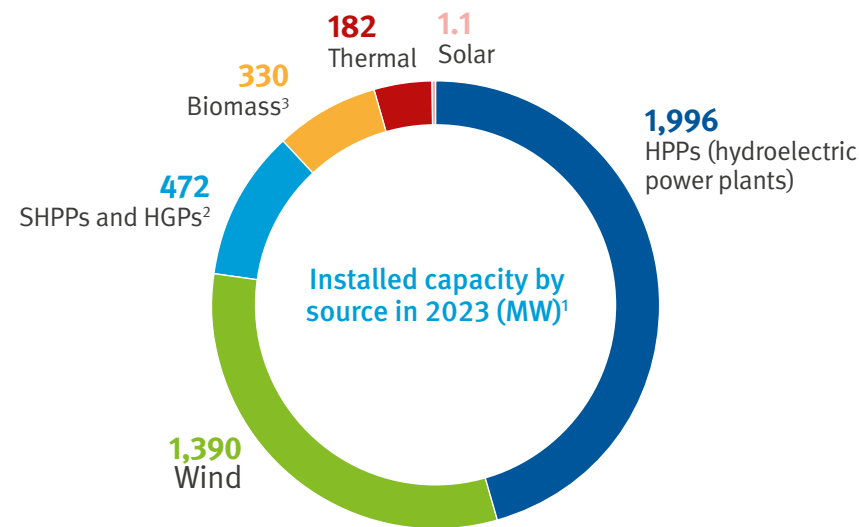
# We are Generation

Our operations in the generation segment are aimed at meeting the demand for renewable and safe electrical energy in Brazil. We are among the largest renewable generators in the country, with an installed capacity of 4,371 MW from hydroelectric and biomass plants, wind complexes and solar plants.

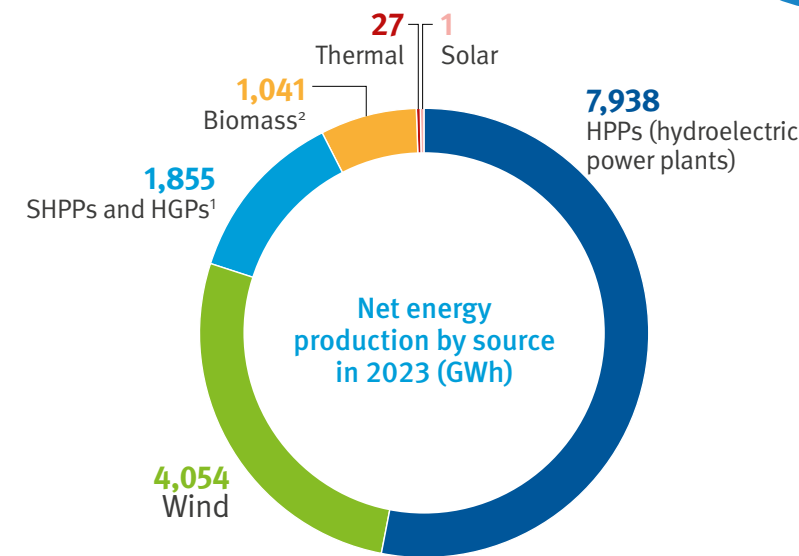


Tanquinho Solar Power Plant, in Campinas (SP).

Our assets are installed in 11 states in Brazil, in the Northeast, Midwest, South and Southeast regions. Through CPFL Geração and CPFL Renováveis, we produce and sell electricity on the free market (ACL) and the regulated market (ACR). In 2023, we increased our generation compared to the previous year and reached 14.92 thousand GWh of production – 99.63% of this volume came from renewable sources.



1. Considers the installed capacity of each project, proportional to the shareholding of CPFL Geração or CPFL Renováveis.  
 2. Small Hydroelectric Power Plants (SHPPs) and Hydroelectric Generation Plants (HGPs).  
 3. Does not consider the Bio Formosa plant (40 MW), which left the CPFL Energia company portfolio at the end of December 2023.



1. Small Hydroelectric Plants (SHPPs) and Hydroelectric Generation Plants (HGPs).  
 2. This value considers the net production of Bio Formosa, which left CPFL Energia's portfolio at the end of December 2023.

Our focus is on ensuring the maximum possible availability of generation assets, by reducing unscheduled shutdowns and corrective maintenance. With optimized operation and maintenance (O&M) processes, investment in monitoring technologies, preventive maintenance and component repair, we have achieved increasingly better levels of average availability. In 2023, the average availability rate for generation assets was 97.01%.

**95.84%** of our installed generation capacity is from renewable sources



**8** hydroelectric plants



**49** wind farms



**46** small hydroelectric plants and hydroelectric generation plants



**7** biomass plants



**1** solar plant



**2** thermoelectric plants



One of our initiatives for this evolution is the insourcing of the O&M teams for CPFL Renováveis wind farms. We started this movement in 2019, when we took over the operation of a wind complex in Ceará. Between 2022 and 2023, we expanded this strategy to two parks in Rio Grande do Norte – one of them the recently opened Gameleira Wind Complex.

We currently have 538.5 MW of installed wind capacity and 239 wind turbines already in place. The assets we operate have equipment from three different manufacturers (Suzlon, Siemens and Siemens Gamesa). In addition to greater efficiency, this way of operating adds technical knowledge and exchanges with strategic suppliers, making CPFL Renováveis prepared for new opportunities.

### Investments

In 2023, the investment made in the generation segment was R\$ 446 million. The majority of these resources were directed to the SHPP Cherobim project, in the state of Paraná, which is scheduled to begin operations in the second half of 2024. This is the last greenfield project under construction by CPFL Renováveis, which has a pipeline of new mapped opportunities of 4,399 MW.

The development of these projects has been carefully evaluated in our Company. In line with our objective of expanding the renewable energy supply, we will build or acquire new assets, together with the socio-environmental benefits, whenever there are favorable economic conditions for the allocation of capital.

## Dam safety

At CPFL Energia, we manage 55 dams of hydro generation assets. These structures' safety is a priority for our operation, mitigating the risks of accidents and damage to the population. To improve our management, we launched Hydro 4.0 in 2023, a platform that integrates industry 4.0 digital solutions and technological innovations. Hydro 4.0 data is presented in our Dam Management Center, optimizing risk management and supporting technical and managerial decisions.

Since 2015, with investments in research and development projects, we have equipped our dams with a series of technologies and sensors that monitor fundamental parameters for the safety of our assets. We evaluate, for example, data from auscultation of structures, telemetry from rainfall and fluviometric stations, meteorological and operational information, among other indicators.

This data, updated every 15 minutes, supplies a digital base – our data lake. With the support of a team of data scientists, we developed big data, machine learning and data analytics technologies to automatically process this repository

of complex data. Thus, the information is presented to the dam management team in visual and intuitive interfaces, facilitating understanding and strategic decision-making.

Furthermore, we have an engineering team that carries out regular and periodic safety inspections on all dams to attest to the excellent performance of the assets.

In 2023, the Dam Management Center and Hydro 4.0 have already proven to be important for faster and more efficient action in response to the crisis in Vale do Taquari, in Rio Grande do Sul. The region, hit by an extratropical cyclone that triggered storms and floods, has dams from three hydroelectric plants in the Ceran Complex.



*Dam Management Center, in Campinas (SP).*

**We apply data science technologies to monitor dam conditions in real time and have agility in decision-making**



*HPP Barra Grande (Baesa), in Pinhal da Serra (RS).*

These HPPs do not control the flow of the river due to their construction using the run-of-river model, and, in the event of floods, the water overflows over the dams, following its natural course. Using Hydro 4.0 at the Dam Management Center, we monitor the evolution of floods and the behavior of dams in real time, using a crisis committee installed as soon as we identify the risk of an emergency situation. At no point did the structures present anomalies that would indicate a risk of rupture and the need to activate emergency plans.

Our entire asset management process meets the requirements of the National Dam Safety Policy (Law No. 12,334/10, updated by Law No. 14,066/20), and Normative Resolution No. 696/2015 of the National Electric Energy Agency (ANEEL), including the preparation of the Dam Safety Plan (PSB) and the Emergency Action Plan (PAE) whenever required by legislation.

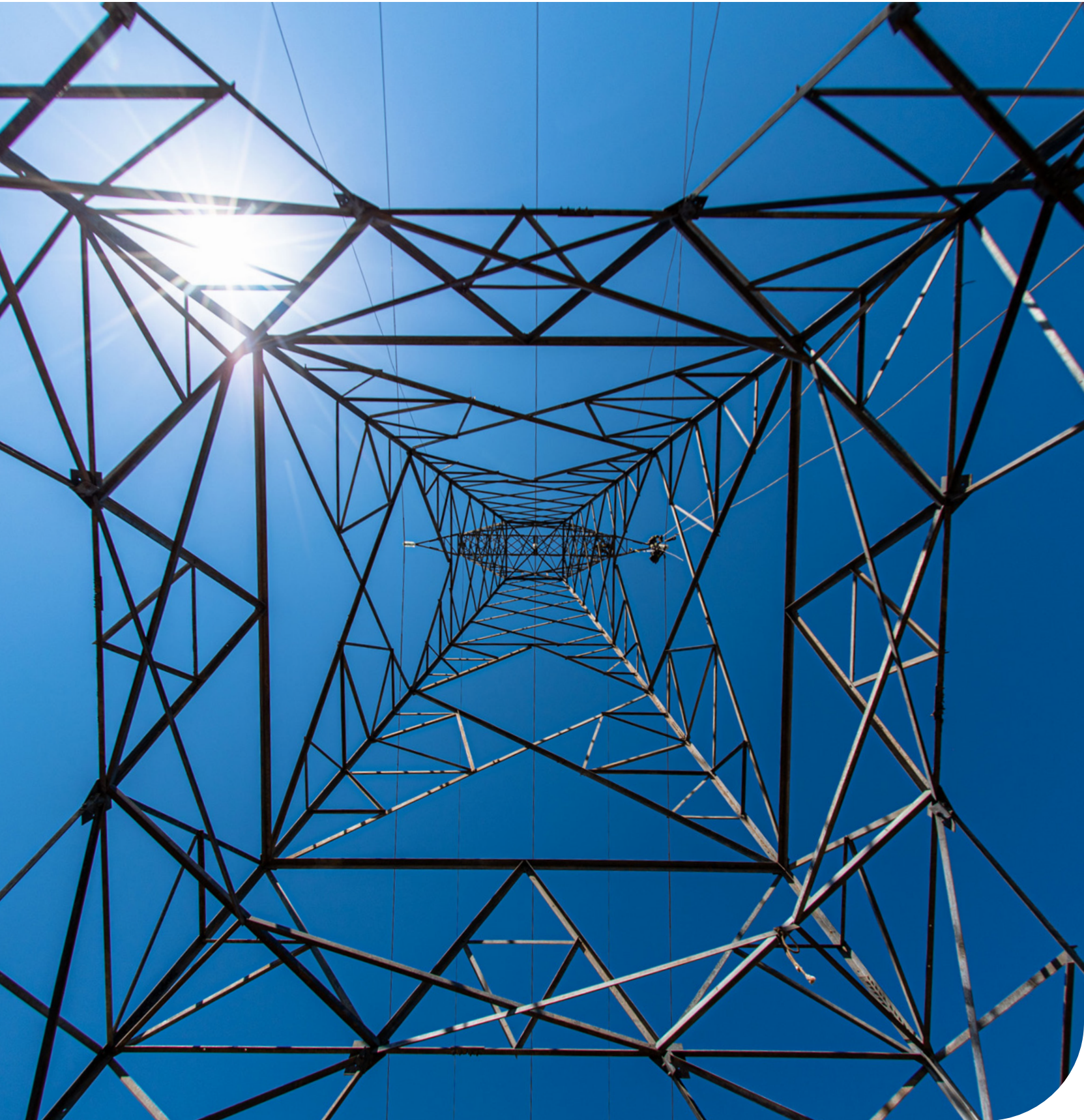
The PAEs are delivered and presented to the city halls and civil defenses of

the municipalities whose areas may be affected by emergencies. The necessary contingency measures are discussed with the competent bodies and implemented. Furthermore, the action plan is tested through simulations carried out in conjunction with civil defenses, with the purpose of informing the population of the measures necessary for possible evacuations.

With the successful implementation of the first phase of Hydro 4.0, our objective

is to evolve towards the development of the Power Plant 4.0 project. This initiative, scheduled to begin in 2025, considers the integration of the Dam Management Center and the Asset Monitoring Center (wind farm management). More than a physical connection between the two operations, we have the ambition to standardize the management process based on automation and data analysis with a focus on decision-making aimed at the safety of people and assets.

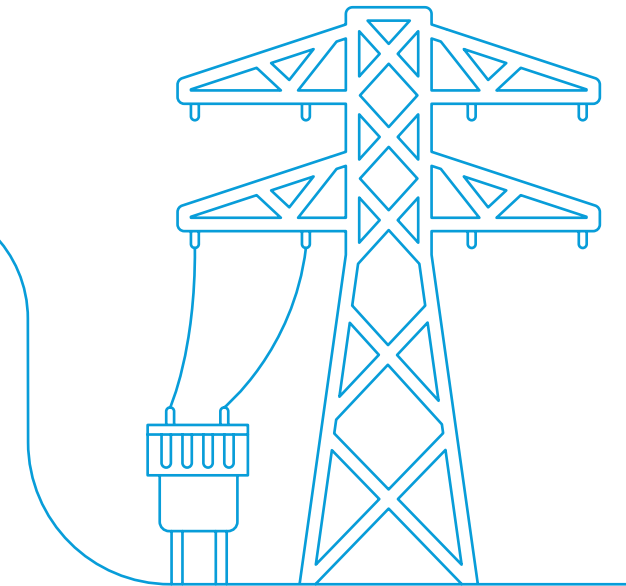




## We are Transmission

In our business portfolio, the transmission segment provides one of the greatest opportunities for growth and value generation, combined with improved quality in the provision of services to society. In the transmission segment, we are among the largest companies in the country in terms of line length, with 6.4 thousand kilometers distributed in the states of Rio Grande do Sul, Santa Catarina, São Paulo and Ceará.

In this sense, the CPFL Group acquired CEEE-T in Rio Grande do Sul, privatized in 2021, as well as having other operational transmission projects. Since 2022, it has had the CPFL Transmissão Operations Center, where systems are monitored.



Revenue from the transmission segment is obtained from the availability of lines, substations and other essential equipment to connect energy generation and distribution companies. In this segment, the Allowed Annual Revenue (RAP) is defined in lot auctions and earned annually according to the assets' performance.

We are among the largest companies in the segment, with **6,400 kilometers of transmission lines** in four states in the country

In Rio Grande do Sul, the concession model of CPFL Transmissão, responsible for managing the assets acquired from CEEE-T, enables RAP growth through investments in reinforcements and improvements in the transmission system. These projects, previously approved by ANEEL, aim to increase the capacity to transmit energy and modernize facilities and equipment that are at the end of their useful life, maintaining safety and quality in service provision.

To capture this opportunity, CPFL Transmissão reinforced its engineering team and established an investment strategy that foresees the allocation of R\$ 3.5 billion in CAPEX by 2028, seeking greater efficiency. Around R\$ 2.5 billion of investments have already been authorized by ANEEL and will begin to materialize in 2023.



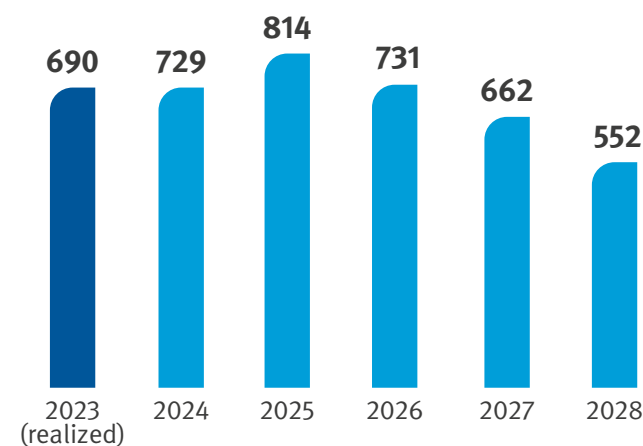
*Piracicaba Substation, in São Paulo.*

**6,436**  
kilometers  
of transmission lines

**86** substations

**R\$ 1.5 billion**  
RAP

**CAPEX CPFL Transmissão | 2023-2028 (R\$ million)**



GRI 3-3 | EU6

To guarantee the availability of assets, CPFL Transmissão has a maintenance strategy that allows the regionalization of its own teams and specialists. These teams are supported by a centralized maintenance engineering area available 24 hours a day, 7 days a week, on an on-call basis.

GRI 3-3 | EU6

To cover maintenance work, we defined a minimum stock of spare parts and equipment, available for immediate use and consequently reducing downtime. There are also contingency plans defined for serious failures involving the main equipment that makes up the electrical system. This entire planning and action model is based on the minimum maintenance requirements (RMM) defined by ANEEL, in Normative Resolution (REN) No. 906/2020.

# We are Distribution

At CPFL Energia, we own four energy distribution companies – CPFL Paulista, CPFL Piratininga, CPFL Santa Cruz and RGE. They serve around 10.5 million customers in their concession areas, in the states of São Paulo, Paraná, Minas Gerais and Rio Grande do Sul. In terms of energy volume sold, we are the largest distribution company in Brazil.

It is in the distribution segment that we materialize the majority of our investments. Approximately 75% of the CAPEX carried out in 2023 (R\$ 3.8 billion) was allocated to projects and works to boost automation, digitalization, innovation, security and network expansion in the 687 municipalities we serve. By 2028, our planning foresees the allocation of R\$ 23.4 billion to our distributors.

Together, our four distributors have 343 thousand kilometers of lines in urban and



rural areas and manage 591 substations, responsible for transforming energy from high to medium voltage. This infrastructure guarantees the supply of a population of approximately 23 million people.

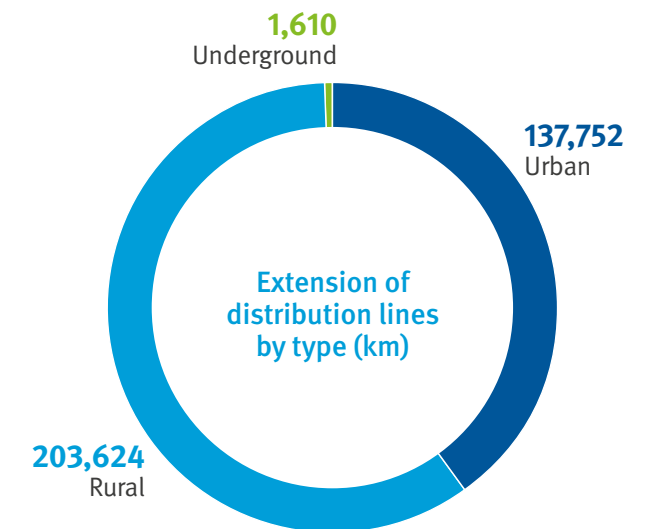
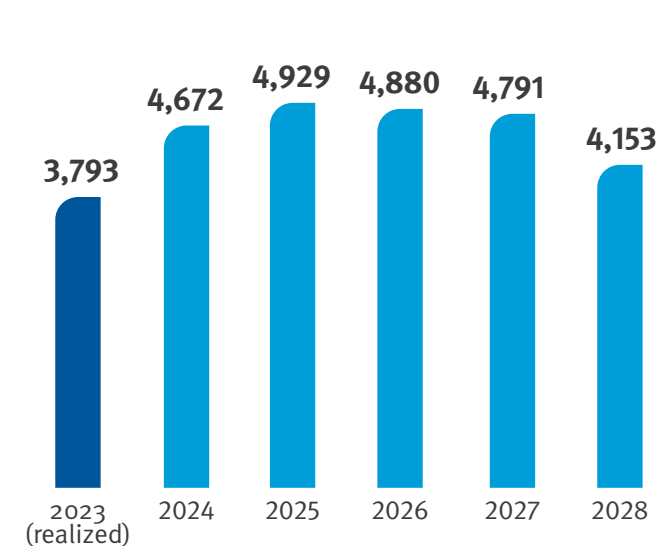
The planning of the investments we make is aimed at increasing operational efficiency, continually improving quality indicators and increasing customer satisfaction with the services we provide. Therefore, one of the main fronts on which we work is the automation and digitalization of our distribution networks (learn more on page 120).



Field operation in Itapetininga (SP).

**Our vision is to make our distributors smart, preparing the network of the future, creating value through efficiency and focusing on quality and a customer-centric model**

CAPEX Distribution | 2023-2028 (R\$ million)



CPFL Piratininga network maintenance (SP).



## Excellence and quality

Investments made in distribution networks focused on promoting automation, digitalization and flexibility result in increasingly better service quality indicators. In all of our distributors, these parameters are below the minimum levels determined by ANEEL.

Our performance in relation to SAIDI (duration) and SAIFI (frequency) of interruptions is benchmarking in Brazil. In the ANEEL 2023 Global Continuity Performance (DGC) ranking, which

measures the continuity of the energy supply service, CPFL Santa Cruz was elected the best distributor, and CPFL Paulista, CPFL Piratininga and RGE were among the 15 best placed.

In addition to technology, we seek to continually increase our efficiency with structured projects to optimize our human and financial resources. In 2023, we continued the logistics review program in our concession areas.

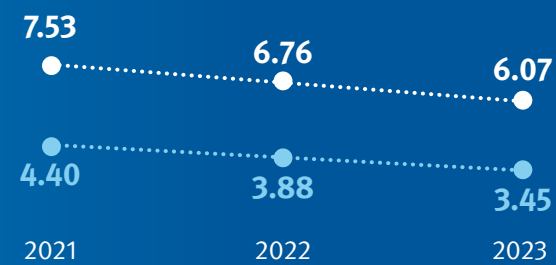
We internally developed a methodology for evaluating possible future scenarios, with the appropriate dimensioning of work

teams to meet demands. To do this, we apply techniques for decomposing geographic areas and mapping demand gravity centers. Based on these analyses, we invested in new advanced service stations and relocated existing ones, with a focus on reducing service time and better distribution of services.

Last year, in the RGE concession area alone, this project resulted in savings of 3,000 hours of travel time for field teams. After analyzing 14 simulated scenarios, we installed 6 new Advanced Stations and reviewed another 36 existing ones.

With logistical planning and efficiency, we meet **99% of our customers' demands within the deadlines established by ANEEL**

SAIDI and SAIFI consolidated – CPFL Energia<sup>1</sup>



- System Average Interruption Duration Index (SAIDI)
- System Average Interruption Frequency Index (SAIFI)

<sup>1</sup> Calculated based on the weighted average of the number of customers and the value calculated for the SAIFI and SAIDI of each distributor.

DGC Ranking by ANEEL (2023) Distributors with more than 400 thousand consumer units

Position	Distributor	DGC <sup>2</sup>
1 <sup>st</sup>	CPFL Santa Cruz	0.56
9 <sup>th</sup>	CPFL Piratininga	0.69
9 <sup>th</sup>	RGE	0.69
13 <sup>th</sup>	CPFL Paulista	0.72

<sup>2</sup> Continuity Global Performance Indicator.

### Loss reduction

Commercial losses are one of the main risks in the operation of distributors. Combating fraud and recovering revenue contributes to maintaining economic-financial balance in the concession areas, benefiting the population with more affordable rates.

Using georeferencing and data analysis technologies, we map and

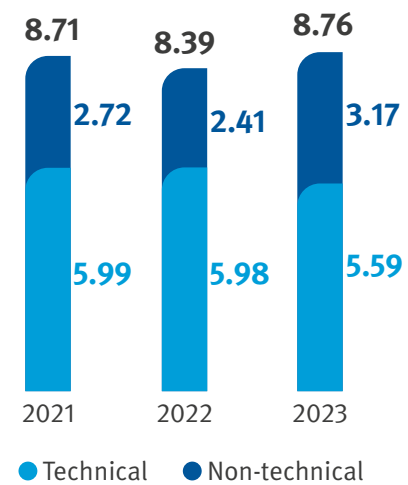
regularize areas with illegal connections and damaged equipment. We also invested in the installation of smart meters protected by armored boxes in places with the highest recurrence of fraud. This is ongoing work and will be strengthened in 2024 to reduce non-technical loss rates in our concession areas.



CPFL Santa Cruz network maintenance (SP).

We apply **technology solutions** to mitigate technical and non-technical losses in our concession areas

Distribution loss index (%)



## Arborização + Segura

The interference of urban vegetation in distribution networks is one of the main causes of interruption in energy supply. To reduce these occurrences, which negatively impact customer satisfaction and interfere with the quality of our services, we have maintained the Arborização + Segura program for nine years.

The project is carried out in partnership with the city halls of the municipalities in our concession areas and allows for the gradual replacement of compromised trees, identified by the public authorities, with smaller trees that are more suitable for planting close to energy networks. Among these recommended species are, for example, *araçás*, *pitangueiras* and *quaresmeiras*.

After signing the agreements, our Company supplies the seedlings and promotes planting campaigns and joint efforts, actions that contribute to the environmental education of the population and the safety and care culture for the electricity grid. In areas further away from distribution systems, large spaces for forest restoration are created, with larger species of trees.

SINCE THE BEGINNING OF THE PROGRAM

**145** cities benefited

**65,837** tree seedlings donated or planted

**R\$ 14.16 million** invested

**9** years of existence

POSITIVE IMPACTS

### Customers

- Reduction of interruptions in energy supply

### Communities

- Accident reduction
- Prevention of damage to public property
- Raising awareness through environmental education
- More accessible sidewalks

### Public power

- Harmonious coexistence with urban infrastructure
- Improvement in vegetation management

### Environment

- Carbon capture by planting additional trees
- Improvement in urban biodiversity
- Reduction of GHG emissions resulting from the displacement of maintenance teams

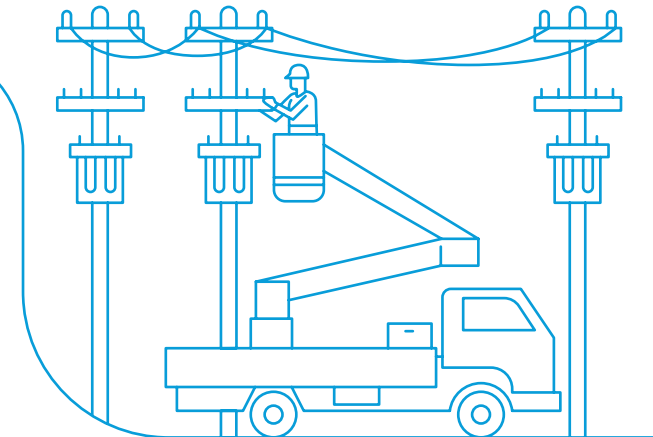




Operation of CPFL Soluções in Araraquara (SP).

## We are Solutions and Services

At CPFL Energia, we are prepared to serve customers end-to-end when it comes to energy. Combining our technical knowledge with planning and innovation capacity, we structure a complete and diversified portfolio of solutions to provide savings, efficiency and security – from infrastructure to the management of electricity consumption.



### Energy solutions



### Shared Services Center



### Financial solutions



## CPFL Soluções

CPFL Soluções (CPFL Brasil + CPFL Serviços) offers a complete portfolio to serve Group A consumers (connected to medium and high voltage), including public and private sectors from different segments, such as universities, chemical and electro-intensive industries, agribusiness, food and beverage, and data centers. With approximately 2.1 thousand customers throughout Brazil, it provides integrated solutions adapted to the specific needs and demands of each partner.



*Operation of CPFL Soluções in São Carlos (SP).*

CPFL Soluções' portfolio meets the needs of around **2.1 thousand customers** in different segments

### **Power management**

Specialized advice for energy management and savings.

### **Electrical maintenance**

Customized plans for preventive, predictive and corrective maintenance, aiming for greater efficiency and savings.

### **Energy efficiency**

Customized solutions that enable greater efficiency and profitability.

### **Free energy market**

Complete support in the selection of energy suppliers and negotiation of supply conditions, price and contractual terms.

### **Energy infrastructure**

Diagnosis and solutions for executing construction, operation and maintenance (O&M) projects, as well as retrofitting electrical installations.

### **Decarbonization**

Commercialization of carbon credits and renewable energy certificates (I-RECs) to promote more sustainable production chains.

### **Solar energy for companies**

Projects for self-generation of clean and renewable electrical energy.



## Free energy market

From 2024 onwards, all energy consumers classified as Group A (medium or high voltage) can migrate to the Free Contracting Environment (ACL), also known as the free market. In this segment, the purchase and sale of electricity is carried out through bilateral contracts, which may involve the participation of energy generators and traders.

The free market allows customers, based on deeper knowledge of their business, to actively manage energy contracts, with the possibility of cost reductions, increased efficiency and competitiveness and prioritization of renewable sources. Currently, there are more than 150 thousand industries, businesses and other types of companies that can carry out the migration.

CPFL Soluções has positioned itself as one of the main partners for clients in this transition phase. The company supports them with a plan to evaluate the migration's economic and financial viability, technical and informational guidance, and formalization of purchase and sale contracts. It also provides an online simulator so that customers can estimate potential savings on their energy bills.


On this front, one of the main innovations was the launch of energy e-commerce in 2023. Developed with an investment of R\$ 7 million, the fully digital platform allows short-term energy contracting and purchase of carbon credits and I-REC certificates, in addition to facilitating the migration process itself.


In the distribution segment, we also work to support our customers' freedom of choice. We established an action plan to facilitate the migration journey, involving simplification of processes, training of service teams and transparent communication about the requirements and procedures to be followed.

It is important to highlight that CPFL Soluções serves free market customers completely segregated from the activities of CPFL Energia distributors, in accordance with electricity sector regulations. This guarantees equality and an environment of fair competition, as distribution companies do not share information or data on customers eligible for migration. Our governance systems, policies and audit processes prevent any violation of this determination.



**Digital tools on the CPFL Soluções website help customers assess the conditions for migrating to the free energy market**

[Click here](#)  to understand the rules and benefits of the free energy market.

[Click here](#)  to simulate the economy with migration to the free market.

## CPFL Serviços

CPFL Serviços is a company specializing in energy infrastructure. It plays a strategic role in the competitiveness of our business, with solutions to serve distribution and transmission companies in construction projects, renovations and expansion of networks and substations. Using its technical knowledge and experience in the sector, it adds competitive advantages in the execution of investments in our companies' Regulatory Asset Base (RAB). It also develops and implements energy efficiency projects for large clients, such as Allegra Pacaembu.

With its own team and operational bases in the states of São Paulo and Rio Grande do Sul, CPFL Serviços carries out infrastructure works

and complex maintenance operations on electrical networks. In 2023, it expanded its scope of action to meet the demand for CPFL Transmissão projects aimed at strengthening and improving the transmission system.

One of CPFL Serviços' main competencies is the promotion of methodologies, processes and tools to promote the circular economy in our production chain. The company has an equipment refurbisher, in São José do Rio Pardo (SP), and two reverse chain operational bases, in São Paulo and Rio Grande do Sul, which guarantee the reuse and recycling of different types of equipment and material such as cables, poles and oily fluids.



Specialist in energy infrastructure, CPFL Serviços expanded its scope of action in 2023 to serve the transmission segment



### CPFL Soluções: integration and innovation at Pacaembu stadium

CPFL Soluções was chosen as a partner for the development of an integrated package of energy solutions for the new Pacaembu stadium, in the city of São Paulo. The capital of São Paulo, granted to the private sector, was renovated and its entire energy infrastructure was modernized based on innovations in our portfolio of products and services.

The project developed for Allegra Pacaembu foresees an investment of around R\$ 70 million in works, improvements and installation of equipment. Among the solutions used with a focus on the stadium's energy efficiency are two photovoltaic solar plants, a natural gas cogeneration plant, two battery banks to guarantee stability, among other initiatives.

CPFL Soluções will also be responsible for the operation and maintenance of the entire Allegra Pacaembu electrical system for 15 years, totaling approximately R\$ 300 million in contracts. The operation will be carried out remotely, through our Operations Center.

**2**  
photovoltaic plants

**1**  
natural gas cogeneration plant

Generation of  
**1,670 MWh/year**

**210 tCO<sub>2</sub>e**  
avoided per year

**4**  
generators

**2**  
battery banks

**10**  
electric vehicle charging stations

## Shared Services Center

Our Shared Services Center brings together companies specialized in back-office services and support for operational activities. This integrated structure adds value to businesses with know-how to meet internal demands, increase efficiency and standardize processes.

CPFL Atende is responsible for managing services and customer service channels via the 0800-telephone number, virtual chat, social media and distributors' email.

CPFL Supre carries out centralized management of the entire supply chain in an integrated manner, aiming to increase competitiveness and optimize costs. In 2023, the company advanced in mapping new suppliers for strategic categories, expanding the search for partners with innovations and new technologies.

CPFL People specializes in managing Human Resources routines, optimizing fundamental processes for business continuity and

company evolution, such as payment operations, benefits, selection and admission of employees.

CPFL Infra provides asset management services, such as car fleet, properties, administrative and maintenance services, and building security.

CPFL Finanças operates in the organization and financial operations to support business decision-making.

## Financial solutions

In our business model, we offer financial solutions so that our customers can have access to innovative financial services integrated with the payment of energy bills.

CPFL Total offers services for partner companies to connect with unbanked customers in the concession area to make charges through energy bills, such as assistance, insurance, benefit plans, among others.

Alesta is a private financial institution, authorized by the Central Bank, which operates completely digitally to support our customers in paying off late debts quickly and securely. The solutions guarantee more accessible financing conditions, billed directly on energy bills.

*Customer using a teleservice totem at a CPFL branch in Campinas (SP).*



**CPFL Total and Alesta offer financial services integrated with the payment of energy bills**

# We are People



At CPFL Energia, we form a team with more than 16 thousand employees. We are a group of different people with complementary professional skills, united by a single culture:

## Our Way of Being.

Directly connected to our Values, Strategic Planning and the ESG 2030 Plan, Our Way of Being means the way we evolve; summarizes the attitudes and behaviors we expect from our teams in the pursuit of achieving corporate goals and objectives. As protagonists of this movement, people are at the center of our culture, practicing safety and customer focus on a daily basis, oriented towards generating value with sustainable results in a collaborative, diverse and inclusive environment.



Employees at CPFL Energia headquarters, in Campinas (SP).



Employee at HPP Foz do Chapecó, in Santa Catarina.

To measure the level of engagement of employees with Our Way of Being, we carry out biannual assessments (Pulses), using a dynamic tool accessible to all leaders in real time. This platform allows you to monitor the factors that impact the teams' perception of the work environment and the professionals' opinions, quickly and safely. The results obtained guide the definition of action plans, deployed

in teams through the actions of leaders and monitored in the next Pulses cycle. In addition to continuous evolution, this practice encourages leaders and teams to come together, with continuous feedback and open dialogue.

Our Way of Being encourages our people to take a leading role in developing their careers. The main practice to

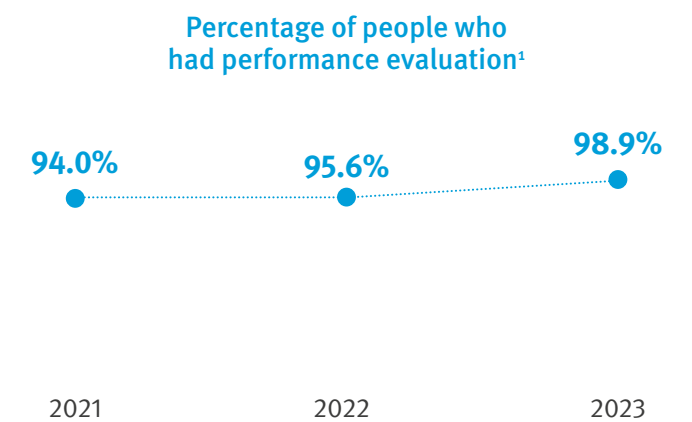
boost this competence is **Performance Management**, a model in which leaders and teams evaluate, with transparency and dialogue, individual contributions to achieving corporate objectives and goals. This process encourages, in each person, reflection on the behaviors to be improved and the construction of an Individual Development Plan (PDI), focused on evolution connected to our culture.

All employees are evaluated by Performance Management annually. Only people hired on or after October 1st of the current year and those who have been away from their duties for a period of more than six months are not eligible. In 2023, we achieved a 98.9% effectiveness rate in carrying out the process, reflecting the leadership's commitment to promoting team development through structured processes connected to our culture.

Performance Management cycles offer support so that leaders can direct decision-making in internal recruitment and promotion processes, recognizing high-performance talents. Furthermore, we have the **Attitude Program**, in which peers recognize a colleague who embodies the principles and pillars of Our Way of Being in their work.

Percentage of professionals who had performance evaluation <sup>1</sup>			
	2023	2022	2021
<b>By gender</b>			
Men	98.9%	97.5%	94.6%
Women	99.0%	87.2%	91.3%
<b>By functional level</b>			
Leadership <sup>2</sup>	99.0%	96.9%	95.1%
Other people	98.9%	94.5%	93.2%
<b>Total</b>	<b>98.9%</b>	<b>95.6%</b>	<b>94.0%</b>

1. Percentage calculated as the total number of employees who completed the performance evaluation process divided by the total number of eligible professionals in each evaluation cycle. Historical data restated.  
2. Leadership includes directorship, management, coordination and supervision positions.



1. Historical data restated.

## Talent development

The leading role of each employee in the development of their careers is one of Our Way of Being's pillars. To encourage the professional development of our people, we have CPFL University, a platform that integrates educational content, training and development paths for every functional level.

The CPFL University portfolio is organized into three pillars that support the dissemination of knowledge, the development of skills connected to Our Way of Being and the evolution of skills for exercising leadership.

The development programs structured by CPFL University bring together a series of training, qualification and awareness-raising

activities carried out throughout the year to support individual leadership in career development. In 2023, the training carried out totaled 700,437 hours, an average of 41 hours for each professional.

Average hours of training per employee <sup>1</sup>			
	2023	2022	2021
<b>By gender</b>			
Men	48	55	75
Women	19	26	53
<b>By functional level</b>			
Leadership <sup>2</sup>	25	6	46
Other people	42	65	73
<b>Total</b>	<b>41</b>	<b>48</b>	<b>65</b>

1. Excludes employees on leave.

2. Leadership includes directorship, management, coordination and supervision positions.

### Pillars of the CPFL University portfolio

#### Explore your Potential

Training portfolio for the development of professional soft skills and personal development.

#### Virtual Library

Free collection of books, audiobooks, scientific articles and other technical and general knowledge content.

#### Knowledge Management

In-house developed teaching materials and programs to share critical business knowledge.

Employees at CPFL Energia headquarters, in Campinas (SP).





### **Self-Development Guide**

Provides free courses and learning paths for employees to practice self-development of behaviors and skills aligned with Our Way of Being. Guides possible sources of knowledge and learning.

### **Leadership Program**

Focused on training and developing leaders, with the aim of supporting team management in pursuit of the objectives outlined in our strategic planning. Content and actions are developed based on market trends and internal indicators – such as the Pulses survey and the annual talent review.

### **Protagonists Program**

Initiative aimed at accelerating the careers of professionals mapped to occupy leadership positions for the first time. In 2023, the Protagonists Program was aimed at women, as a way to promote the growth of female representation in leadership positions – one of the objectives mapped out in the ESG 2030 Plan.

### **Short-term Assignment**

Pilot carried out in 2023 with the professional exchange of a CPFL Energia employee, allocated for six months to the company Chilquinta, part of the SGCC Group, in Chile.

### **Tech Journey**

Available to all internal audiences, it presents content to develop and strengthen our people's digital skills. The learning journeys are divided into three levels, which range from basic content to initial programming techniques (low code).

### **Mentoring Program**

It promotes the self-development of leaders and other professionals jointly, training people to improve skills related to collaboration and teamwork. In 2023, in addition to Corporate Mentoring, the program promoted Mentoria +Diversa, an affirmative action focused exclusively on the development of a group of 25 mentored women.

### **LNDT – Development and Training Needs Survey**

Program that identifies challenges and priorities for each business area to format training and technical qualifications for professionals. Training actions are carried out with internal educators or external facilitators.

### **Scholarship Program**

Granting scholarships and assistance so that our people can progress in their academic qualifications, based on the completion of lato and stricto sensu courses at educational institutions. In 2023, 773 scholarships were granted, and 739 employees received the benefit.

### **Succession**

Valuing our people so that they grow together with CPFL has always been our priority. And to open paths that strengthen our career aspirations, CPFL has a structured Potential Mapping and Succession Planning program. To achieve this, we work with a best-in-class methodology, based on the concept of potential based on learning agility. This process allows the company to obtain a map of successors for Management positions (Managers, Senior Managers, Directors and Vice-Presidents).

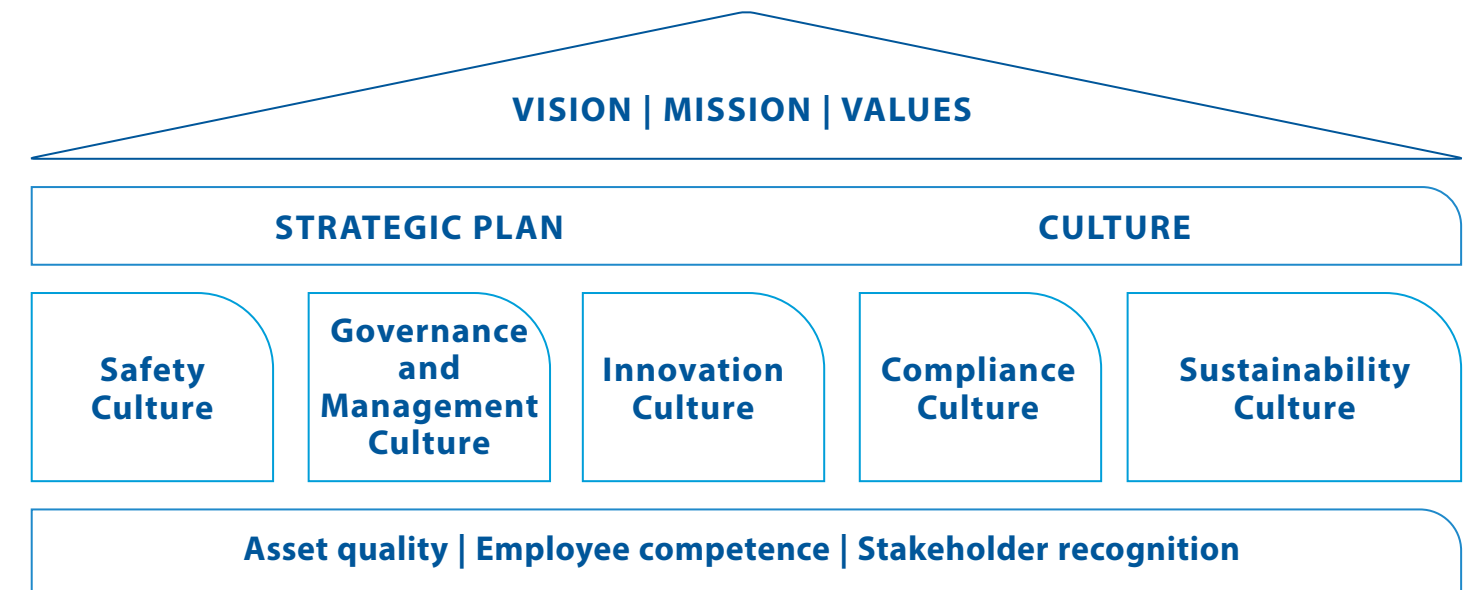


## CCIP Program

The Corporate Culture Inclusion Program (CCIP), started in 2020, is one of the most robust platforms we have structured to develop our leadership in line with strategic objectives. With an innovative methodology and its own governance, CCIP integrates Our Way of Being into State Grid's culture, empowers leaders and promotes excellent performance on strategic fronts to build a world-class Company.

The CCIP is structured on three bases and five cultural pillars. Its development is coordinated by the Steering Committee and carried out by eight working groups focused on fundamental and cultural themes.

Between 2020 and 2023, a total of 356 performance improvement initiatives have already been implemented by CCIP, being incorporated into CPFL Energia's culture and management model. Another 32 new actions will be carried out throughout 2024, the year the program concludes.



Employees at CPFL Energia headquarters, in Campinas (SP).



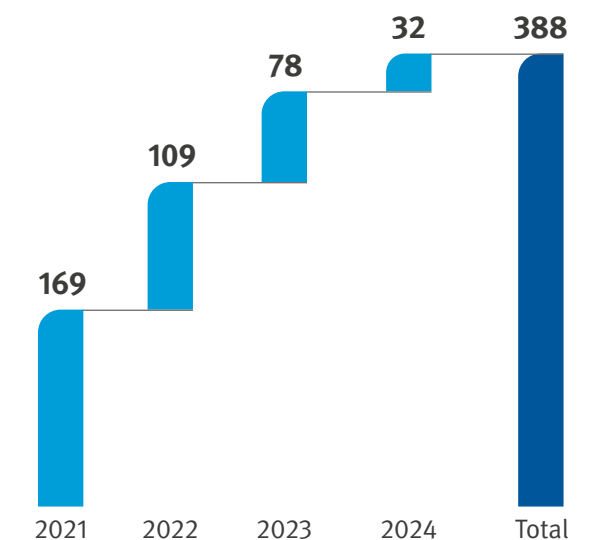
### Governance

#### 1 Steering Committee

#### 8 Working Groups



Continuous actions implemented by CCIP

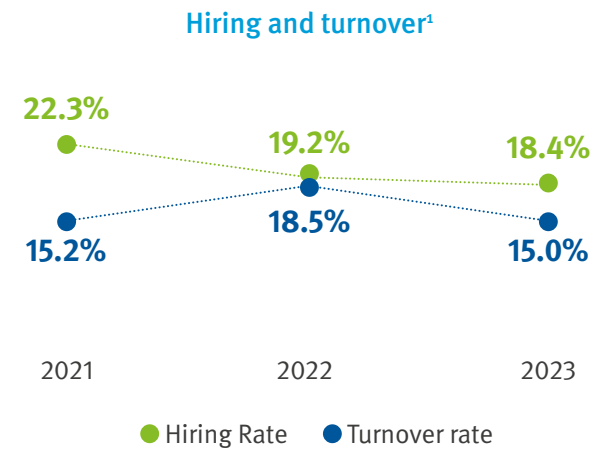


## Employer branding

To achieve our goals and continually strengthen Our Way of Being, we always seek to have the best professional talents on our team. We work to identify potential through structured internship and trainee programs, and we prioritize valuing our people in the training of new leaders, through internal recruitment actions.

Throughout the selection process for a new vacancy, we adopt procedures to ensure equity in the provision of opportunities and prevent discrimination of any nature. This way, we ensure that we hire the person who is best prepared and most connected to our culture.

The **Internship Program**, held annually, provides opportunities for undergraduate students to join the Company and begin their self-development journey. The selection of candidates is carried out completely online and hidden, without the leadership having access to the candidates' personal information and characteristics. Program participants go through three development modules (Business, Behavior, Career).



1. Hiring rate calculated as the number of hires divided by the headcount at the end of the period. Turnover rate calculated as the number of dismissals divided by the headcount at the end of the period.

### INTERNSHIP PROGRAM

**2,490**  
registrations

**43%**  
women

**33%**  
black people





The **Trainee Program** is aimed at training potential leaders for our companies in the distribution segment. The training and development of these professionals takes place over a period of 18 months. At the end of the program, connected with Our Way of Being, these people are prepared to occupy new positions and lead the evolution of teams in the distributors' different areas.

The **School of Operational Excellence**, coordinated by CPFL University, is a program that offers professional training courses aimed at local communities, creating opportunities to start a career and develop in the electricity sector. Annually, some of the students are hired to join the operational teams of distribution companies. Training takes place in three learning axes: School of Electricians, School of Designers and School of Operators.

In 2023, we strengthen the diversity and inclusion bias in the Schools of Operational Excellence. We carry out Electrician Schools as affirmative actions in the training of women and black people, reaching rates of 50% to 70% of these groups among the participants in the classes. We also carried out the first edition of professional training aimed at indigenous communities benefiting from the Desalination Project (learn more on page 154), qualifying 21 people in the maintenance of wind farms.

Another front of strategic direction for Schools is the training of young apprentices. Two classes, in a pilot project, were started in 2023: one in Araraquara (for training electricians) and another in São José do Rio Pardo (for industrial apprentices).

#### SCHOOLS OF EXCELLENCE

### Electrician Schools

**974** people trained

**584** people hired by CPFL Energia

**32** municipalities benefited

### Operator Schools

**14** people trained

**10** people hired by CPFL Energia

**19** municipalities benefited

## Benefits and quality of life

Encouraging our people to adopt healthier habits and have more balance between their personal and professional journeys is part of our culture. To this end, we offer a complete benefits package for all employees, regardless of the type of employment contract.

Among the main benefits offered are transportation vouchers, meal vouchers and food vouchers, life insurance, private pension plan, medical and dental assistance, and a physical activity incentive program. We also have the Employee Psychosocial Assistance Program and various aids (daycare/babysitting, school supplies, Christmas gift certificates). Thinking about the best experience for our employees and reinforcing our transparency practices, we

provide an exclusive portal with information about the benefits package, according to the eligibility of each professional.

Workers working part-time have a specific benefits package, such as meal allowance, transportation allowance, life insurance, medical and dental assistance, and access to psychosocial support programs and incentives for physical activity.

Since 2022, we have been offering the benefit of extended parental leave under the Citizen Company Program, totaling 180 days for mothers and 20 days for fathers. Through the Care Program, we support pregnant employees or dependents until the baby's first year of life.

Since 2022, our Company has also been a member of the **Mente em Foco** movement, promoted by the UN Global Compact. The initiative encourages organizations to build mechanisms and programs focused on promoting mental health, aiming at preventive and humanized monitoring

*Medical outpatient clinic in Campinas (SP).*





Medical outpatient clinic in Campinas (SP).

Occupational health management covers the monitoring of periodic medical examinations and occupational health certificates for employees and third parties, and the prevention of occupational illnesses in accordance with the Occupational Health Medical Control Program (PCMSO).

For CPFL Energia professionals, we also have practices that go beyond the scope of

occupational health and promote well-being and quality of life. Among them, the offering of health and dental plans, the dissemination of information in internal campaigns and the assessment of people with disabilities, chronic illnesses, pregnant women and the elderly so that they can be allocated to tasks appropriate to their health conditions stand out.

#### Indicators related to parental leave<sup>1</sup>

	2023		2022	
	Men	Women	Men	Women
Number of people eligible for leave who went on leave	460	118	426	135
Number of people who returned from leave by the base cut-off date <sup>2</sup>	447	64	426	132
Number of people who did not return from leave <sup>2</sup>	14	2	0	3
Number of people still on leave on the base cut-off date	9	52	0	0
Return rate <sup>3</sup>	97.17%	54.24%	100.00%	97.78%
Number of people who remained in employment for at least 12 months after returning from leave <sup>4</sup>	NA	NA	403	113
Number of people laid off within 12 months after returning from leave	0	0	0	0
Number of people who have not yet completed 12 months after returning from leave	447	64	23	18
Retention rate <sup>4 and 5</sup>	NA	NA	94.60%	85.61%

1. The information was calculated with the base date of 12/31/2023. Therefore, the 2022 data was re-presented, reflecting the evolution throughout the year of professionals who took advantage of the parental leave benefit that year.

2. The calculation of returns after leave considers people who returned and stayed at the Company for 15 days.

3. In 2023, since there are still people on leave, the return rate could reach 98.31% for women and 99.13% for men.

4. Lines not applicable for the reporting year since 12 months have not passed since the return of people who took parental leave in the period.

5. In 2022, since there are people who have not yet completed 12 months after returning, the retention rate could reach 97.78% for women and 100.00% for men.



## We are Customer Focused

In all our business segments, we work to ensure that customers have the highest level of satisfaction with the products and services we offer. **Focus on the Customer**, together with the maintenance of a high-quality infrastructure, promotes a virtuous cycle of continuous improvement in our Company, with the simplification of processes, growth of digital solutions and continuous assessment of opportunities for improvement.

The first step to strengthening the customer-focused culture was the engagement of our leaders. With the consolidation of the



**Customer Forum**, created in 2021, the Company's executives now have a structured platform to monitor performance indicators and establish objectives (OKRs) to resolve the main demands. The committee meets monthly to discuss and evaluate action plans and monitor goals, which are also part of the Board's variable remuneration.

The engagement of leaders and teams in initiatives that place the customer at the center of our strategy contributes to **increasing satisfaction rates and brand recognition**

The consumer awards and recognition received in 2023 indicate the success of the strategy aimed at Customer Focus

### Reclame Aqui

1<sup>st</sup> place in the Service Concessionaires category

### ANEEL Consumer Satisfaction Award

CPFL Santa Cruz was once again the winner of the ANEEL Consumer Satisfaction Award among concessionaires with more than 400 thousand consumer units in the Southeast Region category. For another year, RGE was the winner among concessionaires with more than 400 thousand consumer units in the South Region category

### Consumidor Moderno

Excellence in Customer Service Award 2023

### ClienteSA

Silver Trophy in the Citizen/Society Strategy category



The verticalization of this culture for all teams advanced in 2023 with the creation of the **Customer Squad**. This group has the voluntary participation of professionals from different areas and works to propose solutions and awareness-raising actions so that our professionals understand the challenges and opportunities to provide even more excellent service.

An initiative derived from this form of action is the **Customer's Minute**. This is

informative material, available on internal communication channels, which explains procedures and systems to support customer assistance. Therefore, even professionals who do not work in the commercial area can help neighbors, friends and relatives request duplicate invoices and other types of services, using the tools we provide. In 2023, we held the **Customer's Week**, an event that was attended by directors and further strengthened the customer focus in our culture.

### Vale do Taquari: total customer attention

Focus on the Customer was decisive in directing RGE's actions in providing emergency assistance to the population of Vale do Taquari, in Rio Grande do Sul, affected by massive floods after the passage of an extratropical cyclone through the region in 2023. After the environmental disaster, the distributor mobilized a team with an average of 500 professionals working daily.

In a period of ten days, RGE installed 1,560 new poles and maintained another 255, with the reconstruction of the distribution network. The company also had to set up schemes for crossing rivers and flooded areas, in which bridges were destroyed, in order to access isolated areas.

In order to minimize customer losses, RGE also canceled energy bills and, in the subsequent three months, charged only the minimum consumption.

# We are Innovation

Innovation is a lever for generating value and increasing the quality of all our generation, transmission, distribution, commercialization and services businesses. The incorporation of new technologies, digitalization and automation of processes, among other types of solutions, are evaluated and promoted in a way that is connected to the 2024-2028 Strategic Planning and the ESG Plan 2030, considering business goals and objectives.

To prioritize innovation routes, we work based on our technological roadmap, a tool that identified 11 trends that will significantly impact the electricity sector. They are what guide our decision-making about investments, new businesses and partnership opportunities with startups, universities, research centers and other companies.



## Technology Roadmap Trends

1. Market liberalization
2. Increase in generation capacity from renewable sources
3. Increase in distributed generation
4. Increase in demand for energy
5. Greater concern about environmental and social impacts
6. Increase in initiatives to explore the digitalization of structures
7. Greater exploration of analytics technologies for operations
8. Greater exploration of automation technologies in the field and processes
9. Increase in demand for better energy management by industry
10. Change in skills needed for the sector
11. Electric mobility expansion





To foster innovation and encourage intrapreneurship, we have different internal programs. The governance of these initiatives is led by the Innovation Committee, made up of CPFL Energia executives and with the participation of representatives from State Grid. This group is responsible for deliberating on new projects every quarter and monitoring the progress of ongoing initiatives.

Project execution is driven by the Innovation area, which works in partnership with the various administrative and operational areas with the aim of strengthening the culture of innovation and training our professionals in new work methodologies. We also have a Project Factory, a center dedicated to monitoring each innovation initiative developed.

*CPFL Energia electrical fleet in Indaiatuba (SP).*



**We have several initiatives focused on promoting innovation and intrapreneurship among our internal audience**

**Innovation Week**

Annual event consisting of round tables, lectures, workshops, training courses in new methodologies and activations. It takes place at the headquarters, in Campinas, and in other units, with decentralized initiatives and events. This moment, of broad engagement by our team, provides reflection on how innovation helps us evolve and seek new solutions, being present in our daily lives.

**INLAB**

Internal ideas capture program open to all our people interested in proposing solutions to the Company's and the electricity sector's challenges. Suggestions are captured through a specific channel, go through a flow of scope and maturity assessment, recognition of the best ideas and personalized feedback for each participant.

In 2023, INLAB launched the challenge of improving process efficiency through

automation systems, maintaining adequate levels of security and control. The edition involved 169 collaborators, who sent 157 ideas, of which 3 were chosen for prototype development.

**Innovation Trail**

Training in design thinking, entrepreneurship and Research & Development (R&D) provided by CPFL University to all employees.

Our innovation strategy also encourages interaction and relationships with startups that have disruptive projects to respond to the Company's and the electricity sector's challenges. In this sense, we work through the **CPFL Inova** program. In 2023, after interactions with more than 40 startups, we had promising results with ten proofs of concept being evaluated for scope expansion or implementation in our business.

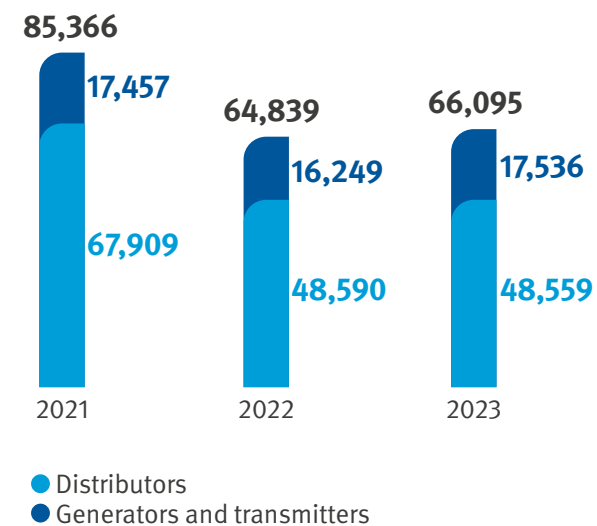
Through the **R&D Program**, developed in accordance with ANEEL regulations, we invest resources in projects that promote evolution and innovation in favor of the electricity sector. In 2023, we invested R\$ 66.1 million in the program, in line with the amount allocated in the previous period.

#### Investment in R&D of distributors (R\$ thousand)

	2023	2022	2021
Safety	7,221	4,955	7,472
Energy efficiency	0	2,202	7,753
Electrical power systems planning	9,927	8,158	10,199
Operation of electrical power systems	5,219	2,689	2,914
Supervision, control and protection of electrical power systems	3,792	7,312	5,444
Quality and reliability of electrical energy services	5,106	4,316	1,260
Measurement, billing and combating commercial losses	1,407	3,772	4,841
Others	13,759	14,031	26,097
Management programs <sup>1</sup>	2,128	1,154	1,929
<b>Total</b>	<b>48,559</b>	<b>48,590</b>	<b>67,909</b>

1. Category that encompasses values related to the hourly dedication of team members, prospecting activities, dissemination of completed projects and other activities inherent to the R&D program.

#### Investment in R&D (R\$ thousand)<sup>1</sup>



● Distributors  
● Generators and transmitters

1. 2022 data restated.



CPFL Piratininga network maintenance (SP).

#### Investment in R&D of generators and transmitters (R\$ thousand)<sup>1</sup>

	2023	2022	2021
Alternative sources of electrical energy generation	0	14	28
Thermoelectric generation	-1	143	4,771
Basin and reservoir management	2,553	1,064	2,710
Environment	3,225	1,910	825
Safety	1,270	1,766	2,725
Energy efficiency	0	2,937	1,967
Electrical power systems planning	857	281	-28
Operation of electrical power systems	1,098	1,923	1,043
Supervision, control and protection of electrical power systems	5,991	4,995	2,103
Quality and reliability of electrical energy services	1,351	355	320
Others	431	305	723
Management programs <sup>2</sup>	760	553	271
<b>Total</b>	<b>17,536</b>	<b>16,249</b>	<b>17,457</b>

1. 2022 data restated.

2. Category that encompasses values related to the hourly dedication of team members, prospecting activities, dissemination of completed projects and other activities inherent to the R&D program.

Aracati  
Wind  
Complex, in  
Ceará.



## Data Science

Focusing on increasing the efficiency and security of our assets, we have a Data Science area, specialized in developing innovations and digital solutions for massive data analysis and interpretations using machine learning tools.

At CPFL Renováveis, this strategy provided, based on an R&D project, the development of a system that evaluates, in real time, the operating conditions of different equipment in wind turbines. When the

sensors identify operating anomalies, they issue alerts to the operation and maintenance teams, which establish the necessary corrective measures to avoid failures with greater timeliness and agility. Our objective is to evolve this analytical capacity for longer periods of time, supporting the scheduling of predictive maintenance on machines and equipment.

On the safety front, also using machine learning, we created a pioneering tool

in the electricity sector that evaluates a series of data related to areas and operational teams and, monthly, issues a report indicating the locations with the highest risk for the occurrence of accidents. From this dashboard, the Safety area, together with leadership, establishes action plans to minimize unsafe conditions and prevent occurrences. Started as a pilot project at CPFL Serviços, the system was implemented in 2023 in all of the Company's businesses.

**Real-time asset monitoring and machine learning tools improve analytical capabilities to schedule maintenance**

## R&D projects

### Electric Mobility Services Platform

Construction, operation and integration of electric vehicle charging infrastructure into an analytical platform that will evaluate supply conditions (generation, storage systems, capillarity of the charging network, etc.) and demand (traffic, socioeconomic indicators, energy distribution network etc.) to suggest the best locations for installing urban charging stations. The initiative will also evaluate different business models related to electric mobility. The project's universe covers ten charging stations and 54 electric vehicles.

### Second life of electric vehicle batteries

Assessment of the potential use of electric vehicle batteries used in energy storage systems. We developed a pilot project that involved the recycling of more than 500 batteries, establishing a process for dismantling, assessing the health and charge status and remaining useful life of vehicle batteries. The results were promising and indicate the potential for use to reduce waste generation and optimize the cost of energy storage systems.

### Green hydrogen

The project is aimed at operating a green hydrogen production plant, with a capacity of 1 MW. The initiative will allow for a better understanding of the market, regulation and value chain associated with this fuel. Developed within the scope of the ANEEL R&D Program, it has a total duration of 48 months (in two phases) and an expected investment of R\$ 48 million.

### Development of a new charging station concept

Development of a system that combines local photovoltaic generation with energy

storage systems to allow electric vehicles to be recharged more quickly and without significant impacts on the electricity grid. Two stations were built with this technology, with 60 kW of power each, in the parking lot of our partner, Decathlon, a sporting goods store, in Campinas.

### Microgrids at Unicamp

Integration of distributed generation resources, energy storage and loads into a small system capable of operating connected to a main grid and, in case of emergencies or scheduled events, operating in isolated mode. In development since 2019 and expected to be completed in 2024, this project will allow us to study in depth the functioning of a microgrid applied on the Unicamp campus. With an investment of R\$ 45.3 million, the project also foresees technical studies that could support standards, regulations and market models for the construction of safe, reliable and sustainable microgrids.

*Electric fleet in the field in the city of Indaiatuba (SP).*





Aerial view of Campinas (SP).

## We are Efficiency and Profitability

In 2023, CPFL Energia's operational and financial results were positive, reflecting productivity and efficiency gains, optimizations and synergies in all business segments. Capturing growth opportunities, based on investments in assets, led to improvements in our Company's main indicators.

Operating revenue grew by 1.0% compared to the previous year. This performance is justified by the increase in load demand in the distributors' concession areas, mainly due to higher temperatures in the period, and the 100% consolidation of SPE Enercan (HPP Campos Novos), boosting revenue in the generation segment.

In 2023, the distributors CPFL Santa Cruz, CPFL Paulista and RGE obtained positive average tariff adjustments. CPFL Piratininga observed a reduction in the tariff for the consumer.



The costs of electricity purchased for resale dropped 8.1% in the annual comparison, which was partially offset by the 16.3% increase in charges for using the transmission and distribution system.

Operating costs and expenses remained in line compared to the previous year, showing an increase of 2.3% in the annual comparison.

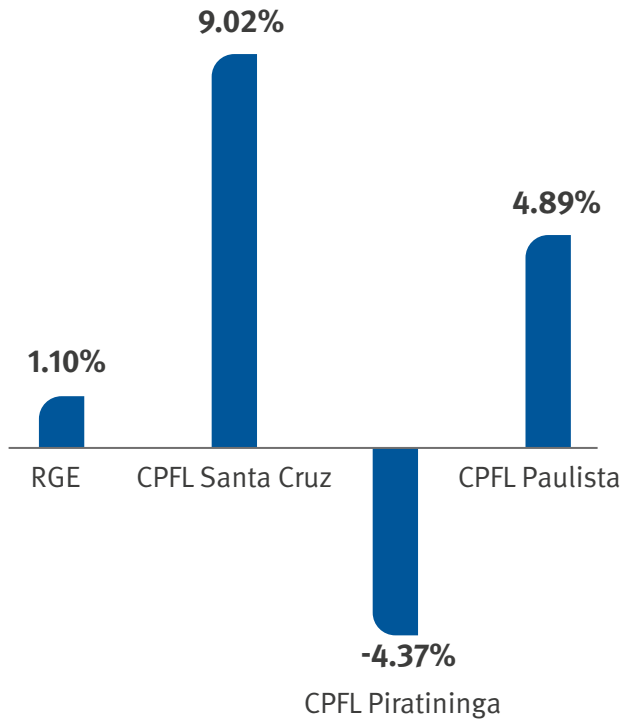
EBITDA reached a total of R\$ 12.8 billion in the year, growth of 4.6% in the annual comparison, driven mainly by superior results in the distribution and transmission segments. This EBITDA result provided a 6.1%

growth in net profit for the period, totaling R\$ 5.5 billion.

In line with strategic planning, total investments made by the Company totaled R\$ 5.1 billion in 2023. This CAPEX provides the modernization and evolution of assets in the Regulatory Remuneration Base (RRB), generating value for the business in accordance with the electricity sector regulations.

Furthermore, the Company maintained its total net debt and leverage level in line with the previous year. At the end of the period, total net debt was R\$ 23.9 billion, with an average amortization period of 3.4 years.

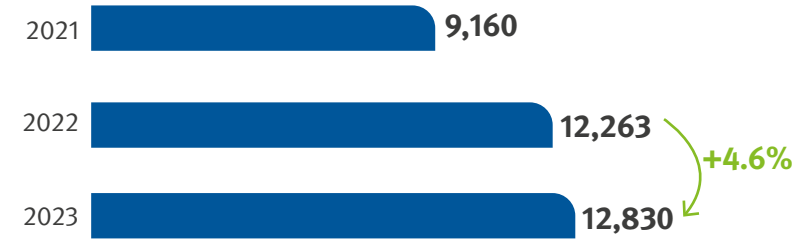
Average tariff adjustment in 2023



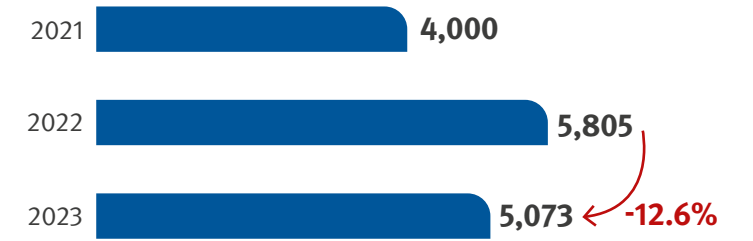
Electricity costs (R\$ million)



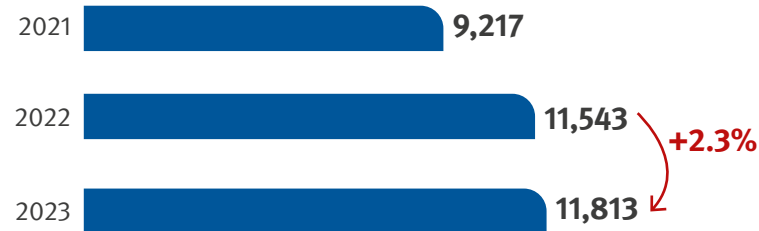
EBITDA (R\$ million)



Investments (R\$ million)



Operating costs and expenses (R\$ million)



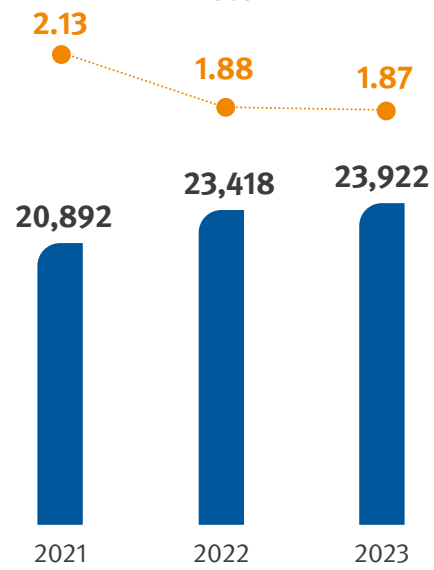
Net profit (R\$ million)



Net operating revenue (R\$ million)



Debt



● Leverage in the covenants criteria (times)  
● IFRS net debt (R\$ billion)

Aerial view of Santos (SP).

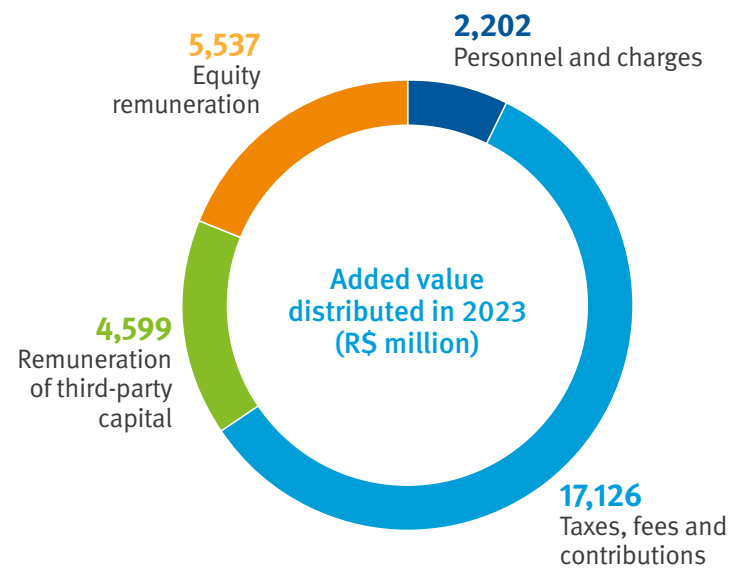




Aerial view of Campinas (SP).

## Added value distribution

Value added in 2023 totaled R\$ 29,464 million, an increase of 5.45% compared to the previous year mainly due to revenue growth. In the added value distribution, the portion directed to the payment of taxes, fees and contributions remained the most significant, due to the sectoral taxation model, representing 58.12% of the total distributed.



### Added value statement – main lines (R\$ million)

	2023	2022	2021
Revenues	56,905	54,960	56,545
Inputs purchased from third parties	(27,520)	(27,745)	(31,434)
Gross added value	29,385	27,215	25,111
Withholdings	(2,253)	(2,039)	(1,760)
Added value received in transfer	2,332	2,765	1,717
<b>Net added value to be distributed</b>	<b>29,464</b>	<b>27,941</b>	<b>25,068</b>
<b>Added value distribution</b>			
Personnel and charges	2,202	2,236	1,731
Taxes, fees and contributions	17,126	15,311	16,436
Remuneration of third-party capital	4,599	5,175	2,048
Equity remuneration	5,537	5,219	4,854

[Click here](#)



and access all Financial Statements and other results disclosures on the Investor Relations website.

# Strategy and Sustainability

96 Strategy and Planning

112 ESG 2030 Plan

120 Renewable and Smart Solutions

138 Sustainable Operations

150 Shared Value with Society

180 Safe and Reliable Performance

## Related sdc





# We generate value with strategy and planning



With a business model that integrates a diversified portfolio of assets, our strategy to promote the generation of value in a sustainable and long-term manner is designed to respond to trends and transformations in the Brazilian electricity sector. Our objectives are to promote the optimization of current businesses and portfolio growth as key value levers.

Our corporate strategy is aligned with State Grid's global vision of investing in and developing world-class companies in the countries in which it operates. Therefore, our **2024-2028 Strategic Plan**, with goals and objectives established for all businesses, is focused on two objectives: optimizing current businesses and business growth.

Together with the appreciation of business and the Company, we work to

promote sustainability throughout our value chain, reinforcing our commitment to society. Our goal is to drive the transition to a more sustainable, safe and intelligent way of supplying and using energy.

To this end, since 2019 we have worked under our 2020-2024 Sustainability Plan, through which we made public commitments to transform our processes and accelerate the achievement of positive impacts associated with our business. Our first sustainability plan was finalized in 2022, with the 15 initial commitments fulfilled.



*Transmission line in Rio Grande (RS).*

In 2023, we began implementing the new **ESG 2030 Plan**, which has 23 commitments organized into 4 strategic pillars. This new plan, built in a participatory and collaborative manner by the entire Company, was approved by the Board of Executive Officers and the Board of Directors (learn more on page 112).

Additionally, we conducted a study to identify the positive and negative externalities generated by our businesses. We analyzed a total of 90 aspects, on which we will work to identify parameters for measuring and valuing externalities, seeking to enhance positive impacts and mitigate negative ones.

# State Grid global strategy

## GLOBAL VISION Build a world-class company



**STATE GRID CORPORATION OF CHINA**

**Main business**

“One Grid Business” as the backbone: joining SGCC’s grid business and facilitating its upgrade to Energy Internet

**Adjacent businesses**

- Develop **financial business** actively and constantly and build SGCC's financial brand
- Constantly expand international business and be a reference in the “Belt and Road Initiative”
- Enhance and develop **adjacent businesses** to strongly support corporate strategy
- Develop **emerging industries** of strategic importance and cultivate new momentum for corporate sustainability

**CPFL ENERGIA**

**1. Optimize current business**  
Conduct a set of strategic projects to optimize current performance

**2. Business growth**  
Focus on value creation businesses in Brazil, respecting internal growth capacity (financial, technical and operational)

**Main business**

- Contribute to the modernization of the energy sector, preserving the value of existing businesses
- Seek Zero Fatality in all operations, integrating more technology, ensuring asset reliability and mitigating financial and IT risks
- Focus on **RAB execution**
- Monitor promising opportunities and businesses (greenfield or M&A)

**Adjacent businesses**

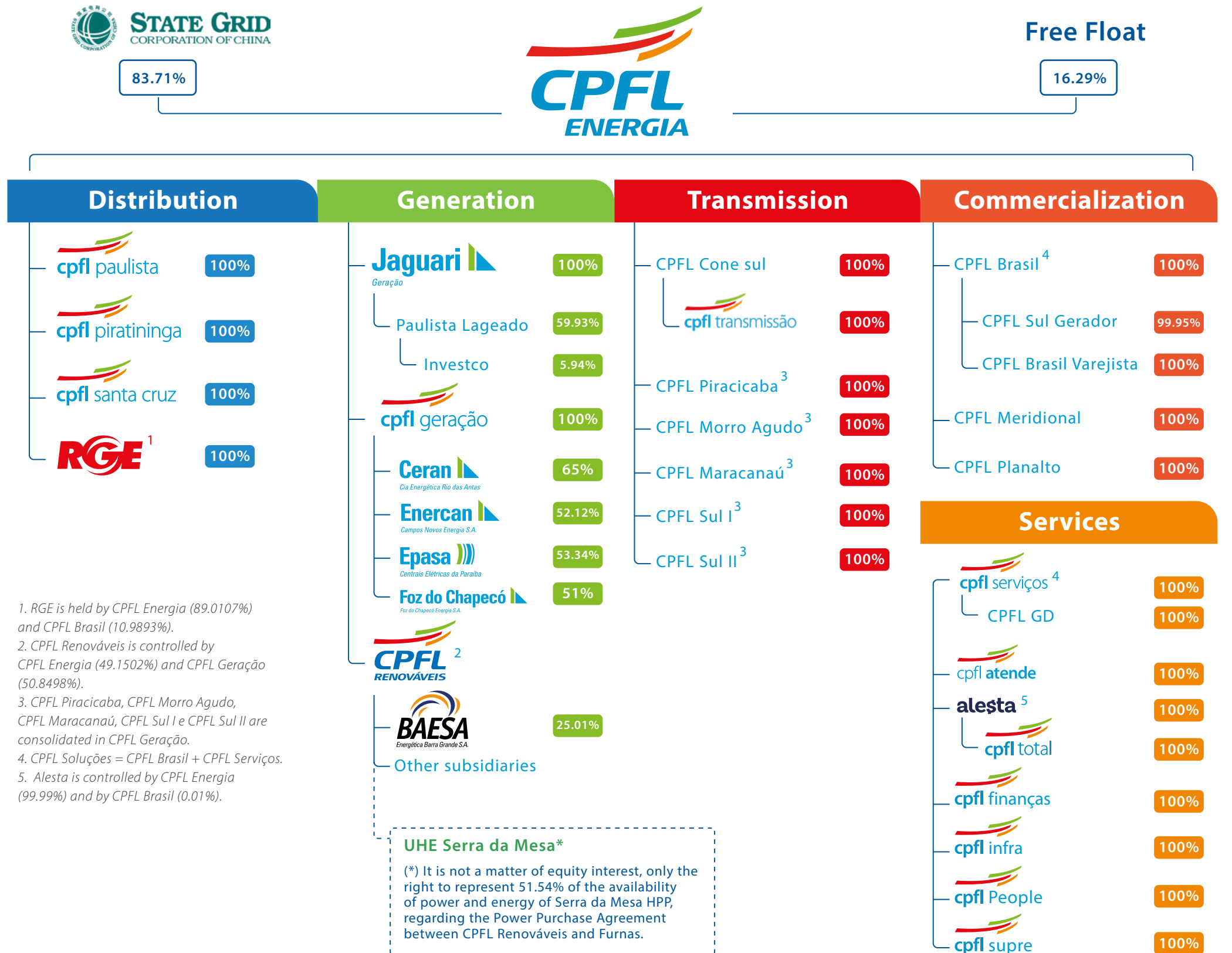
- Maintain best-in-class results, productivity and cost management
- Being at the forefront of innovation, creating long-term value and developing new products and services
- Boost our digitalization with a focus on improving service levels, quality and efficiency
- Becoming a company led by a customer-centric mindset, ready for liberalization
- Capture new opportunities and manage risks in adjacent businesses** (CPFL Total and Alesta, CPFL Brasil and CPFL Serviços)

**ESG Plan**

# Ownership structure

Our shares (CPFE3) are listed on B3's Novo Mercado, a segment that establishes the highest governance standards for publicly traded companies. The share capital is 100% distributed in common shares, of which 16.29% are in circulation (free float) – a level higher than the 15% required when the average daily trading volume of shares (ADTV) is higher than R\$ 20 million.

Our direct controlling shareholder is State Grid Brazil Power Participações S.A. (SGBP), controlled by the State Grid Corporation of China (SGCC), one of the largest companies in the world and a world leader in the energy sector. SGBP holds 83.71% of CPFL Energia's share capital, and the remaining 16.29% is traded on B3 (free float).



1. RGE is held by CPFL Energia (89.0107%) and CPFL Brasil (10.9893%).  
 2. CPFL Renováveis is controlled by CPFL Energia (49.1502%) and CPFL Geração (50.8498%).  
 3. CPFL Piracicaba, CPFL Morro Agudo, CPFL Maracanaú, CPFL Sul I e CPFL Sul II are consolidated in CPFL Geração.  
 4. CPFL Soluções = CPFL Brasil + CPFL Serviços.  
 5. Alesta is controlled by CPFL Energia (99.99%) and by CPFL Brasil (0.01%).

## Governance structure

The CPFL Group has a solid governance structure, which is aligned with the best corporate practices on the market involving ethics, sustainability and the Company's growth vision. We seek an environment of continuous interaction between shareholders, the Board of Directors (BoD), Advisory Committees and Commissions to the BoD, Fiscal Council and Board of Executive Officers.

All of our corporate governance bodies seek sustainable results in the medium and long term and promote a culture centered on our Mission, Vision and Values.

The management, control and constant improvement of the CPFL Group's governance processes are conducted by the Corporate Governance Department, which responds functionally to the Board of Directors of CPFL Energia, operating on several fronts to ensure

the adoption of best Corporate Governance practices. The Corporate Governance Department is made up of two departments, the Corporate Governance Management and the Legal-Corporate Management, which has the BoD's Strategic Affairs Coordination.

The BoD's Strategic Affairs Coordination carries out monitoring of strategic themes and projects of interest to the BoD, monitoring the execution and development of themes resolved in the BoD with support from the CPFL Group's business areas. As a result of the work carried out, and through the presentation of KPIs, the BoD has an innovative management tool in the Brazilian market, which ensures control, compliance, transparency and corporate responsibility in the CPFL Group's governance processes. In 2022, the coordination monitored 142 topics and published 20 newsletters on relevant topics.

### Board of Directors

In accordance with our governance structure, CPFL Energia's Board of Directors is responsible, among other functions, for the strategic direction of the business and for decisions with the greatest impact on stakeholders, defining and ensuring compliance with corporate policies, and preserving the purpose, the social objective and corporate governance system of the CPFL Group.

Currently, the Board of Directors is made up of seven members from different cultures, varied backgrounds and knowledge in different areas, three of which are external members, two executives and two independent.



Santos city waterfront (SP).

We adopt the best market practices for management, control and constant improvement of corporate governance processes

#### Composition of the Board of Directors (2023-2025 term)

Mr. Daobiao Chen	Chairman of the Board of Directors (external member)
Ms. Yanli Liu	External member
Mr. Yumeng Zhao	External member
Mr. Gustavo Estrella	Member and CEO of CPFL Energia
Mr. Yuehui Pan	Member and CFO of CPFL Energia
Mr. Antonio Kandir	Independent member
Ms. Claudia Elisa de Pinho Soares <sup>1</sup>	Independent member

1. Ms. Claudia Elisa de Pinho Soares was elected in February, 2024 to replace Mr. Marcelo Amaral Moraes for the rest of the term.



*Aerial view of São Leopoldo (RS).*

### **Advisory Committees**

To assist in decisions and monitoring of relevant and strategic topics, ensuring greater assertiveness and efficiency, the Board of Directors has the support of five Advisory Committees, operating on a permanent basis and members elected in accordance with the Internal Regulations. The BoD may also be advised by Commissions created whenever necessary, which will operate for the period and in the manner established at the time of their creation.

The Advisory Committees make monthly reports to the BoD on the matters considered, in order to guarantee advice to the BoD in its decision-making process.

The **Strategy, Growth, Innovation and ESG Committee** is responsible for monitoring, analyzing and evaluating the CPFL Group's Strategic Plan and Sustainability Plan, as well as monitoring and analyzing the operational strategy of the CPFL Group's business.

In addition, it periodically reviews corporate governance documents and monitors performance in ESG indicators and awards in which the CPFL Group participates.

The **People Committee** monitors the process of appointing members of the CPFL Group's governance bodies and the remuneration criteria for these members, including the Short-Term Incentive Plans (ICP) and Long-Term Incentive Plans (ILP). Furthermore, it monitors and analyzes the Succession Plan and monitors diversity practices in the composition of the CPFL Group's management bodies.

The **Finance and Risks Management Committee** analyzes and monitors matters related to the economic and financial performance of the CPFL Group, such as declarations of dividends and declarations of interest on equity, recommending protection measures for possible financial risks. It also analyzes the proposed annual budget and ongoing multi-annual budget of the CPFL Group and fundraising plans.

The **Related Parties Committee**, composed mostly of independent members, is responsible for the strategic evaluation of transactions involving Related Parties under the terms of CPFL Energia's Bylaws, analyzing

the selection and contracting procedure of suppliers and service providers applied to the transaction, as well as the process of closing energy purchase and/or sale contract(s).

Finally, the **Audit Committee** provides the Board with information, opinions and proposals, to ensure that the CPFL Group's business and operations are guided by sound and quality accounting and financial controls, serving as an auxiliary, consultative and advisory body, without decision-making power or executive powers. This committee is governed by its own internal regulations and is composed of three independent members, two of which are also independent members of the Board of Directors – all with recognized experience in corporate accounting matters, in accordance with B3's Novo Mercado Regulations.

### **Fiscal Council**

The Company's Fiscal Council is a permanent collegiate body that acts independently from the Board of Directors and the Board of Executive Officers. It is responsible for supervising Management's actions and preserving the Company's values, analyzing financial information and ensuring compliance with legal and statutory obligations, preserving the interests of shareholders.

Aerial view of Sorocaba (SP).




### Board of Executive Officers

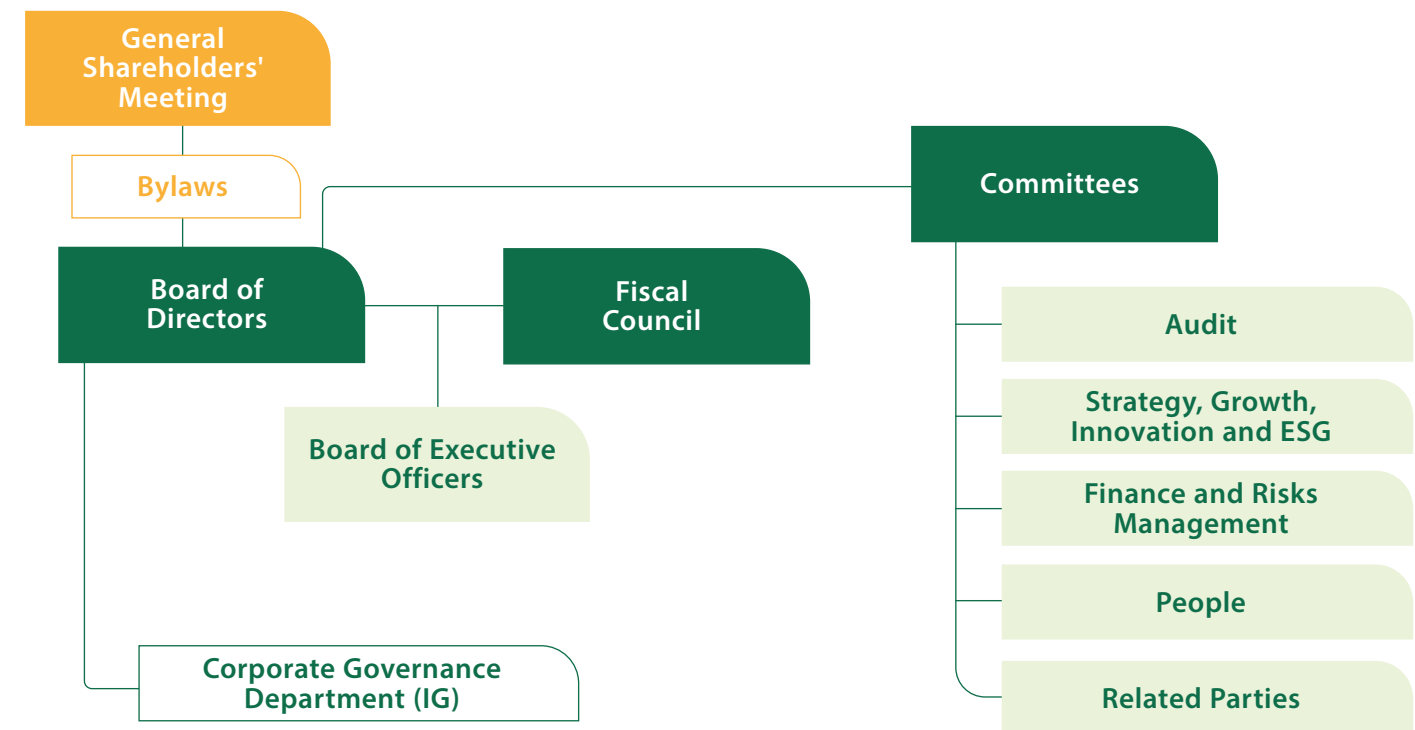
Among its duties, the Board of Executive Officers conducts the Company's daily business and is responsible for executing the strategy defined by the BoD, in addition to submitting proposals to such body, when applicable, always with the objective of preserving and valuing the Company.

#### Composition of the Board of Executive Officers (2023-2025 term)

Gustavo Estrella	Chief Executive Officer
Yuehui Pan	Chief Financial and Investor Relations Officer
Huang Futao	Strategy, Innovation and Business Excellence Vice-President Executive Vice President (interim)
Luís Henrique Ferreira Pinto	Regulated Operations Vice-President
Karin Regina Luchesi	Market Operations Vice-President
Gustavo Pinto Gachineiro	Legal and Institutional Relations Vice-President
Vitor Fagali de Souza	Business Development Vice-President
Flavio Henrique Ribeiro	Business Management Vice-President

[Click here](#)  to access the most recent composition of CPFL Energia's governance bodies, accessing the dedicated page on the Investor Relations website.

### Governance structure



## Appointment, remuneration and evaluation

The CPFL Group Appointment Policy, approved by the Board of Directors, defines the procedures, guidelines and criteria that must be observed by the Company in the process of appointing members of the bodies, always in line with the best governance and market practices. The indications follow the terms of Law No. 6.474/76 (Corporation Law), the applicable CVM Resolutions and B3's Novo Mercado Regulation.

The process of selecting members to form the governance bodies seeks professionals with extensive experience in the sector, availability of time to perform their duties and adherence to the Company's values and conduct assumptions. The diverse composition of the instances is also considered as an indication criterion, both in

terms of knowledge and experiences and in relation to the representation of minority groups, bringing together a multiplicity of views for an effective debate in the decision-making process.

The remuneration offered to members of the governance bodies is defined by the General Shareholders' Meeting, as recommended by the People Committee based on market research and prior assessments. The effective members of the Board of Directors and the Fiscal Council receive fixed monthly remuneration (fees) not linked to participation in meetings. In the case of alternate members, they are remunerated only when they replace the member to whom they are linked. No member receives additional compensation for participating in Committees or Commissions, except in the case of the Audit Committee. Members of these bodies may waive their fixed remuneration by informing the Board of Directors.

The remuneration of Executive Board members combines the payment of monthly salaries, benefits and variable remuneration mechanisms. Statutory executives are also eligible for Short- and Long-Term Incentives (ICP and ILP). The ICP is established according

to goals in four pillars: corporate, ESG (which includes diversity and talent retention), specific and security bonuses. The ILP aims to recognize the creation of value in the long term, based on the Company's average performance in the last three years for the payment of bonuses.

The remuneration model for employees is established based on salary surveys and the support of specialized external consultants. These inputs provide market references for the adoption of best practices, through an internal process of the People and Performance Management Department.

Annually, the Board of Directors members carry out a self-evaluation, which covers the functioning of the body as a whole and the individual performance of the members.

Collectively, the counselors assess the level of fulfillment of the body's responsibilities, the quality of its composition, structure and support processes and the effectiveness of decision-making dynamics. At the individual level, the skills, contributions and engagement of each of the counselors are evaluated.

The self-assessment is carried out with the support of the Corporate Governance Department, and the results are analyzed by this area and disclosed to all directors to establish an action plan for the subsequent year. Additionally, we have the Executives' Continuing Education Program, which covers members of the Board of Directors and the Fiscal Council, in addition to the Board of Executive Officers, in continuous qualification to adopt the best corporate governance practices.

### Proportion of annual remuneration and its increase (times)<sup>1</sup>

	2023	2022
Proportion of remuneration of the highest paid individual x average of other employees	85.33	66.44
Proportion of the annual increase in remuneration of the highest paid individual X average of other employees	2.51	1.37

1. Historical data restated.

Annually, the Board of Directors undergoes a performance assessment, which covers the board as a whole and the individual performance of its members

# Risk management

Our risk management model supports the evolution of the Company's corporate governance practices and instruments, uniting different areas and processes to ensure a holistic approach to potential threats and opportunities. In this way, we enable more informed and effective decision-making to protect the organization's interests and sustainability.

The objectives of the Corporate Risk Management area are:

- Coordinate the risk management process in the CPFL Group, developing and maintaining up-to-date Corporate Risk Management methodologies that include the identification, measurement, monitoring and reporting of the risks to which the CPFL Group is exposed;
- Define, together with executives and the Board of Directors, the level of exposure to risk that the organization is willing to accept in pursuit of its objectives;
- Ensure that business is being conducted within defined risk limits (risk appetite) and, if necessary, monitor actions to mitigate these risks;

- Verify that the Company does not participate in activities or adopt practices that could compromise the sustainability of its business and does not assume risks of operations that are not inherent to its business and/or previously approved by the Board of Directors; and
- Support the Company in preparing to face adverse situations, as a way of minimizing possible negative impacts.

CPFL Energia's main risks are consolidated in the Corporate Risk Map, which is organized into categories: Financial, Operational, Legal, Energy Market, Sectoral Regulation, Environmental and Reputation.

These risks are periodically monitored using models or indicators that have exposure limits approved by CPFL Energia's Board of Directors. These limits represent the measure of risk that the Company is willing to accept to achieve the expected results in its business areas. Generally established by quantitative metrics, they are classified into three levels: low, moderate and high.

When the established limit is exceeded, the executive responsible for the risk is responsible for developing action plans to reduce exposure.

## PDCA (Plan-Do-Check-Act) Methodology in accordance with Risk Management Policy



The Corporate Risk Management area, in turn, must ensure adherence to the risk governance approved by the Board of Directors.

Risk indicators and limits are continually evaluated and, if necessary, proposed changes must be submitted by the Board of Executive Officers to the Board of Directors for deliberation.

The public document that regulates and describes, in detail, corporate risk management and stakeholder responsibilities is the Risk Management Policy.

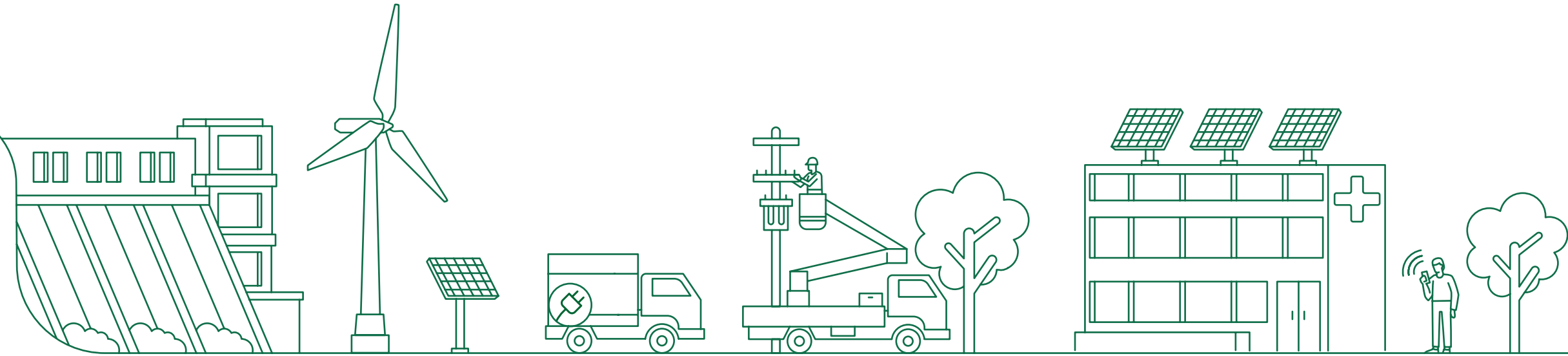
CPFL Energia recognizes the importance of environmental, social and governance issues and their influence on business. The Company's Corporate Risk Map addresses these topics, through different risk models, such as Operational, Environment, People, Counterparty, Health and Safety and Operations Performance. In this context, the associated risks and impacts are mapped and monitored, allowing for effective management. We are continually working to develop a more complete and integrated approach to ESG topics in our operations (learn more about climate risks and opportunities on page 132).



# ESG 2030 Plan

Our ESG 2030 Plan began to be implemented in 2023. Approved by the Board of Directors and released to all audiences in 2022, the Plan brings together the guidelines and strategies to provide sustainable, accessible and reliable energy at all times, making people's lives safer, healthier and more prosperous in the regions where we operate. Our goal is to drive the transition to a more sustainable and intelligent way of producing and consuming energy, maximizing our positive impacts on society.

With 23 commitments organized into 4 pillars, the ESG 2030 Plan continues the strategic management work that we began in 2019, when we structured our first Sustainability Plan. Most of this first initiative's public commitments were quickly achieved, opening space for new objectives and goals.









With greater scope and a long-term vision, incorporating commitments not finalized in the 2020-2024 Sustainability Plan, the ESG 2030 Plan encourages our businesses to expand their contribution to the 2030 Agenda and the Sustainable Development Goals (SDG), proposed by the UN. The ESG 2030 Plan is updated annually, integrated with the Company's Strategic Planning. Its periodic monitoring is carried out by the Sustainability Committee, the Board of Executive Officers, the Strategy, Growth, Innovation and ESG Committee and the Board of Directors.

*View of the Barra Grande HPP (Baesa), in Pinhal da Serra (RS).*



## Pillars and commitments of the ESG 2030 Plan

### Renewable and Smart Solutions






Commitments	Result in 2023	Status
<b>1</b> Generate 100% renewable energy by 2030.	95.84% of the installed capacity is made up of renewable sources.	Annual target reached 
<b>2</b> Be carbon neutral from 2025 <sup>1</sup> , reducing 35% <sup>2</sup> of scope 1, 2 and 3 emissions by 2030.	53.35% reduction in scope 1, 2 and 3 emissions compared to the base year 2021. Emissions neutralization will occur from 2025.	Annual target reached 
<b>3</b> Provide low carbon solutions to our customers, with annual revenue targets for I-RECs and carbon credits.	The sales volume of decarbonization solutions, such as carbon credits, was below what was planned for 2023. We are following market advances and seeking the best operating strategies for 2024.	Annual target not reached 
<b>4</b> Achieve at least 15% electrification of the Operational Technical Fleet of the State of São Paulo <sup>3</sup> by 2030.	100% of the operational technical fleet in the municipality of Indaiatuba (SP) is already electrified. The fleet decarbonization plan was approved by the Board of Directors in 2023.	Annual target reached 
<b>5</b> Invest at least R\$ 40 million in green hydrogen technologies by 2030.	In 2023, investment to enable green hydrogen technologies totaled R\$ 740 thousand.	Annual target exceeded 
<b>6</b> Reach at least R\$ 560 million in investments in smart energy solutions by 2027. até 2027.	In 2023, total investment in smart energy solutions was R\$ 150.8 million.	Annual target reached 

1. Neutralization in 2026 referring to the 2025 GHG Inventory.

2. Baseline for emissions reduction: 2019 to 2021 average of emissions in scopes 1, 2 and 3.

3. Distributors in the state of São Paulo.







### Sustainable Operations

Commitments	Result in 2023	Status
<b>7</b> Consolidate CPFL's eco-efficiency management program, establishing goals until 2024 to promote conscious consumption of energy and water, and reduce the sending of waste to landfills <sup>4</sup> .	Water and energy consumption and the generation of common waste were monitored throughout 2023 to create the baseline that will support the eco-efficiency management program in 2024.	Annual target reached 
<b>8</b> Phase out single-use plastics in our administrative units by 2025.	In 2023, we mapped the plastics to be eliminated, structured the baseline and planned action plans.	Annual target reached 
<b>9</b> Create CPFL's Biodiversity Positioning by 2025 to maximize the benefits and value generated by our operations for the environment and society.	We progress according to the planned schedule for structuring processes that will support the policy and quantify positive impacts on biodiversity.	Annual target reached 
<b>10</b> Refurbish at least 70,000 electrical network equipment <sup>5</sup> by 2030.	12,100 pieces of equipment were renovated at the CPFL Serviços Renovator in 2023 alone.	Annual target exceeded 
<b>11</b> Ensure 100% of the network's main components destined for recycling or reverse chain systems.	In 2023, 100% of the main components (aluminum, iron, copper, steel, plastic, porcelain) were destined for recycling or reverse chain systems.	Annual target reached 

4. Waste disposal from Headquarters Campinas, EA Jundiá, Headquarters CPFL-T Porto Alegre, Headquarters RGE São Leopoldo, Former Headquarters RGE Caxias, CSC Indaiatuba, CPFL Serviços Rio Pardo.

5. Transformers, voltage regulators, reclosers.






## Value Shared with Society

Commitments	Result in 2023	Status
<b>12</b> Invest at least R\$ 230 million in socio-environmental projects that maximize the transformation in the community by 2030.	The investment made in 2023 totaled R\$ 52.7 million, almost 30% above the target established for the year.	Annual target reached 
<b>13</b> Invest R\$ 140 million in energy efficiency initiatives in public hospitals by 2025.	R\$ 61.8 million was invested in energy efficiency actions, benefiting 81 hospitals with completed projects and 52 more in progress.	Annual target reached 
<b>14</b> Reach 30% women in leadership positions by 2030 and continually work to increase diversity and representation.	We ended 2023 with 21.79% of leadership positions occupied by women, below the objective set for the year (22.22%). Even so, we achieved a 3.5% increase in the representation of women in leadership compared to the previous year.	Annual target not reached 
<b>15</b> Assess 100% of critical suppliers in sustainability criteria <sup>6</sup> and achieve at least 85% of our spending <sup>7</sup> with companies that present advanced practices in sustainability by 2030.	90.4% of critical suppliers were evaluated based on sustainability criteria in 2023 and 59.7% of expenses were directed to suppliers with advanced sustainability practices, in line with the goal established for the period.	Annual target reached 
<b>16</b> Maintain at least 90% of attendance by digital channels.	90.3% of services were provided through digital channels.	Annual target reached 
<b>17</b> Sustain at least 1 distributor among the top 3 in the ANEEL Customer Satisfaction Index – IASC.	2 distributors (CPFL Santa Cruz and RGE) were ranked among the top three in the IASC in 2023.	Annual target exceeded 

6. As defined in the SBM, critical to operation.

7. Distributors + CPFL Renováveis – the portfolios of the other businesses will be evaluated and worked on during the period, and it is not possible to make a target proposal now.

## Safe and Reliable Operation

Commitments	Result in 2023	Status
<b>18</b> Strengthen the safety culture to achieve zero fatalities, reduce the frequency and severity rate of accidents involving employees and service providers.	Despite great progress in strengthening the safety culture, we did not reach one of the four targets established for workforce safety indicators.	Annual target not reached 
<b>19</b> Invest R\$ 50 million in awareness and risk reduction projects <sup>8</sup> for the population by 2030.	We invested R\$ 3.9 million in the Arborização + Segura program and R\$ 3.4 million in the Guardião da Vida program in 2023.	Annual target reached 
<b>20</b> Promote a healthy work environment, increasing awareness of mental well-being and establishing supportive actions for our employees.	In 2023, we created the Mental Health Group and joined the Mind in Focus movement, promoted by the UN Global Compact.	Annual target reached 
<b>21</b> Ensure 100% of employees <sup>9</sup> trained in the Company's Integrity Program.	100% of professionals were trained through e-learning training.	Annual target reached 
<b>22</b> Train 100% of administrative employees <sup>10</sup> in security and data protection.	100% of professionals were trained through e-learning training.	Annual target reached 
<b>23</b> Continuously pursue the best practices of accountability, transparency, fairness and responsibility.	In 2023, we made progress in evaluating and identifying opportunities for improvement related to our accountability, transparency and corporate responsibility practices.	Annual target reached 

8. Guardião da Vida and Arborização + Segura.

9. CPFL Energia, its subsidiaries and affiliates with the same management and governance model, in which CPFL Energia manages the administration.

10. Except for employees with suspended employment contracts, either by agreement between the parties or by legal imposition, as established in the CLT.

# ESG Governance

The ESG 2030 Plan, as with the Strategic Plan, is reviewed annually by the Board of Executive Officers, presented to the Strategy, Growth, Innovation and ESG Committee and approved by the Board of Directors. This annual cycle defines the guidelines and main corporate objectives for the next five years, broken down into a budget plan. In this process, we evaluate market trends and opportunities,

including the contribution of experts at events that engage our leaders and members of the BoD.

After the approval of these drivers by the Board of Directors, the main initiatives of the business plans and of CPFL Energia are broken down into goals for the members of the Executive Board (corporate, ESG, specific and people management goals) and are then cascaded to directors, presidents of subsidiaries, managers and teams. The target contract is assessed by the People Committee and approved by the Board of Directors.

## Sustainability governance framework



[Click here](#) and access updated information about the ESG 2030 Plan on the Investor Relations website.



Sub-transmission towers in Araraquara (SP).

# We generate value with renewable and smart solutions



## Decarbonization

Combating climate change and its impacts is one of the main trends influencing the electricity sector. In line with SDG 13 – Action Against Global Climate Change, our ESG 2030 Plan establishes different commitments for our businesses to contribute to the energy transition, expanding the supply of renewable energy and decarbonization solutions for customers' production chains.

The generation of energy from renewable sources, which allows us to replace fossil fuels, is a direct impact of our business model. By 2030, 100% of the energy we generate will come from renewable sources.

Monitoring our emissions, through the greenhouse gas (GHG) inventory, allowed us to understand the main activities that affect our carbon footprint and define decarbonization targets. In line with the commitments of the ESG 2030 Plan, our ambition is currently to reduce 35% of our scope 1, 2 and 3 emissions, in relation to the average for the three-year period from 2019

to 2021. To achieve this, we invest in fronts such as renewable energy generation, energy efficiency projects, fleet electrification and supplier engagement in sustainability aspects. Furthermore, we are working to boost the development of green hydrogen, a promising technology for the energy transition, but still in its infancy (learn more about our actions on page 87).

The publication Our Journey against Climate Change, published in 2021 and updated periodically, details the mechanisms for strategic direction, governance, risk and opportunity management, and monitoring of goals and indicators, in addition to engagement initiatives in our value chain.

[Click here](#)



and access the page dedicated to Climate Change on our website to download the publication Our Journey against Climate Change.



*Employee at the Aracati Wind Complex, in Ceará*

## Decarbonization solutions for customers

Through our business, we seek to contribute to other companies being engaged in the movement to combat climate change. Through CPFL Soluções, we offer a portfolio that provides the use of renewable energy, more energy efficiency and less dependence on fossil fuels for clients from different sectors of the economy.

CPFL Soluções also offers the sale of renewable energy certificates (I-RECs), which ensure the origin of a renewable source for customers who purchase electricity on the free market. Currently, 44 of the Company's assets are qualified to sell I-RECs, with a potential of 2 million certificates per year. In 2023, close to 3.49 million I-RECs were sold. In addition, we started to make available a new certificate model, REC Brazil, which has more detailed requirements in relation to the contribution to the Sustainable Development Goals (SDG). Six plants (among the 44 qualified to issue I-RECs) can also sell REC Brazil credits.

We currently have 11 carbon credit projects in our portfolio, with the potential to offset 2.4 million tCO<sub>2</sub>e per year on average. These projects are registered in the regulated (MDL) and voluntary (Verra) markets. In addition, we have advanced with the certification process for four new projects in the regulated market and are working on the registration process for another 15 projects in the Global Carbon Council (GCC) market.

We also invest in strengthening customer engagement, with the aim of promoting awareness about the relevance of producing clean energy and consuming energy in a rational and intelligent way. To this end, we promote campaigns in external media (TV, radio, newspapers, etc.), on the Company's institutional channels and on the labeling of our services, including information on the topic on energy invoices.





*Foz do Chapecó hydroelectric plant, in Santa Catarina.*

## Net Zero Ambition

In 2022, we joined the Net Zero Ambition movement, led by the Global Compact with the objective of engaging companies to make commitments to reduce greenhouse gas (GHG) emissions with science-based targets and in line with the objectives of the Paris Agreement – limit the average increase in the planet’s global temperature to below 2°C.

With the annual update of the ESG 2030 Plan, our commitment to being carbon neutral now

considers, from 2024, a 56% reduction in our total emissions (scopes 1, 2 and 3) – compared to the total in the base year 2021 – by 2030. Before that, by 2025 we will be a carbon neutral Company. This means that 100% of our GHG emissions will be offset through carbon credits, even during our decarbonization process.

To establish this commitment, we use as a reference the climate scenario designed

by the International Panel on Climate Change (IPCC) in its most recent report, published in 2022. The main global organization on climate change, the IPCC is responsible for the analysis and systematization of scientific data on the topic within the scope of the United Nations (UN).

Our emissions are recorded continuously, using a digital platform, and consolidated annually in the GHG inventory. The document is prepared

in accordance with the premises of the Brazilian GHG Protocol Program, audited by an external and independent company and classified with the Gold Seal – the highest level. The methodology we adopt is the equity participation approach, which allows us to account for emissions proportional to our investments in different businesses, and considers the gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, SF<sub>6</sub>, HFCs and PFCs, in addition to those covered by the Kyoto Protocol.

In 2023, our gross scope 1 emissions totaled 231.13 thousand tCO<sub>2</sub>e, an increase of 81.22% compared to 2022, mainly due to the vegetation suppression necessary in the construction works of SHPP Cherobim.

In scope 2, transmission and energy losses account for more than 99% of the total. Therefore, the 12.57% reduction in the annual comparison, with a total of 218.63 thousand tCO<sub>2</sub>e in 2023, mainly reflects a reduction in the SIN emission factor compared to 2022. In scope 3, we recorded a 2% reduction of gross emissions, which totaled 307.77 thousand tCO<sub>2</sub>e.

In the last three years, we began to have a more accurate view of GHG emissions in our supply chain. The consolidation of indirect emissions is determined based on public emission data, such as data from the IPCC and the Ecoinvent Tool, based on the review and expansion of scope 3 categories that we have carried out since 2021.



## Fleet electrification

One of the alternatives being evaluated to reduce our GHG emissions is the replacement of vehicles in the operational fleet with 100% electric models. Our commitment was updated in 2024 and now includes distribution companies in São Paulo and Rio Grande do Sul, with the objective of having at least 15% of the heavy fleet (operational trucks) powered entirely by electricity.

In this sense, CPFL Piratininga has an R&D project, with an execution deadline of December 2024, to operate with a 100% electric fleet. The initiative also includes the development of smart charging infrastructure and regulatory and public policy studies for the expansion of electric mobility.

We acquired 22 electric vehicles and installed 16 charging stations, with emphasis on the first 100% national electric truck with Power Train Output (PTO). The fleet has been in operation since May 2021, under monitoring to collect data and identify technical and operational challenges in service.

Since then, more than 300 thousand kilometers have been covered. The results show that the 100% electric fleet model does not bring technical impacts or operational limitations to the city profile served. However, challenges still lie ahead to expand the offer of options on the market that respect the technical requirements for operation and mitigate the price difference for purchasing electric vehicles in relation to traditional vehicles.



We also monitor, through inventory, the intensity of our emissions, managing the carbon footprint in proportion to the volume of business activities. We calculate the intensity by net operating revenue, which corporately covers all emissions, by energy generated (for the generation business) and by energy distributed (for the distribution business). In the three metrics, we consider all inventoried gases.

Fuel consumption in operations is one of the main factors for scope 1 emissions. It occurs mainly from biomass plants and the operational fleet. In 2023, our fuel consumption totaled 41,348,769.28 GJ, with 97.96% of this total associated with thermoelectric operations using biomass. Energy generation through this source is also the main factor why we had a 15.50% increase in total energy consumed compared to the previous year.

#### GHG emissions intensity indicators

	2023	2022	2021
By generated energy (tCO <sub>2</sub> e of scope 1/GWh)	11.6	9.5	45.60
By distributed energy (tCO <sub>2</sub> e of scope 2/GWh)	3.1	3.6	8.62
By net operating revenue (tCO <sub>2</sub> e of scopes 1 and 2/R\$)	11.3	9.6	30.82

#### GHG inventory by scope (thousand tCO<sub>2</sub>e)

	2023	2022	2021
<b>Scope 1</b>			
Gross emissions	231.13	127.63	607.34
Biogenic emissions	4,491.22	3,708.25	3,660.97
<b>Scope 2</b>			
Localization approach	218.63	250.06	592.39
<b>Scope 3</b>			
Gross emissions	307.77	314.75	424.49
Biogenic emissions	4.22	2.00	1.23

The operation of biomass plants and the operational fleet are the main factors for the increase, in 2023, in fuel consumption and scope 1 emissions

#### Company's energy consumption (GJ)<sup>1</sup>

	2023	2022	2021
<b>Generated from non-renewable fuels</b>			
Diesel	399,733.66	406,343.97	370,753.15
Fuel oil	196,239.01	79,549.56	11,691,827.79
Gasoline	49,299.71	21,493.58	37,597.94
Natural gas	12,790.52	16,599.96	26,548.92
Liquefied petroleum gas (LPG)	114.67	124.13	225.15
Acetylene	68.54	17.74	17.45
Marine diesel	0.0	2.67	0.00
<b>Subtotal of non-renewable fuels</b>	<b>658,246.11</b>	<b>524,131.61</b>	<b>12,126,970.40</b>
<b>Generated from renewable fuels</b>			
Biomass/sugar cane bagasse	40,359,281.65	34,727,548.96	35,934,136.15
Wood from renewable sources	51,354.14	180,653.27	503,792.58
Biodiesel (10% of diesel)	44,414.85	45,149.33	41,194.79
Hydrous ethanol	67,845.88	73,753.36	111,189.17
Anhydrous ethanol (27% of gasoline)	18,234.14	7,949.68	
<b>Subtotal of renewable fuels</b>	<b>40,541,130.66</b>	<b>35,035,054.60</b>	<b>36,549,117.90</b>
<b>Total energy generated from fuels</b>	<b>41,199,376.77</b>	<b>35,559,186.21</b>	<b>48,676,088.3</b>
<b>Purchased electricity</b>	<b>149,392.51</b>	<b>239,321.38</b>	<b>188,275.95</b>
<b>Total</b>	<b>41,348,769.28</b>	<b>35,798,507.59</b>	<b>48,864,364.25</b>

<sup>1</sup> Data consolidated by the Climas software from monitoring fuel volumes consumed and control of invoices for purchased electricity, corresponding to scopes 1 and 2 of the GHG inventory.



## Value chain engagement

Awareness raising, literacy and training actions for these partners are part of Rede de Valor's programming, an initiative that includes the monthly publication of *Jornal do Fornecedor* and holding meetings to discuss relevant topics and exchange good practices. In recent years, we have carried out awareness and training activities for our critical suppliers on climate change and the methodology for preparing the GHG inventory.

We monitor energy consumption associated with activities in our value chain as a way of measuring indirect impacts and in the context of preparing scope 3 of our GHG inventory. The most significant source is electricity consumption by our customers, which represented 96% of the total in 2023.

### Energy consumption outside the Company (GJ)<sup>1</sup>

	2023	2022
Biodiesel (10% of diesel)	8,131.54	15,141.86
CP II cement (inputs for civil construction)	43,527.16	166.29
Diesel	73,183.82	136,276.72
Electricity	4,754,184.62	6,621,516.00
Hydrous ethanol	32,712.36	5,242.44
Anhydrous ethanol (27% of gasoline)	23,173.38	11,863.98
Gasoline	62,653.97	32,076.67
Aviation kerosene	10,646.78	10,412.94
Lubricant (inputs for the petrochemical industry)	60.43	9.06
<b>Total</b>	<b>4,932,928.05</b>	<b>6,832,705.96</b>

1. Data consolidated by the Climas software corresponding to scope 3 of the GHG inventory.

## Management of climate risks and opportunities

Our work to manage aspects related to climate change incorporates the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), an initiative to which we have been signatories since 2018. The action strategy is directed on four fronts and accompanied by the governance structure sustainability, integrated with the ESG 2030 Plan.

Among other aspects related to the topic's governance in our Company, the document presents how we manage the risks and opportunities associated with climate change. The entire process is integrated with corporate risk management, strategic planning and the ESG 2030 Plan, with the governance structure that includes committees within the scope of the Board of Directors and the Administrative Council (learn more about risk management and sustainability governance structures on pages 110 and 118).

According to TCFD recommendations, risks are classified as physical (chronic and acute) and transitional (legal and political,

technological, market and reputational), while climate opportunities cover aspects in which we can contribute to generating a positive impact (energy sources, resource efficiency, markets, resilience and products and services).

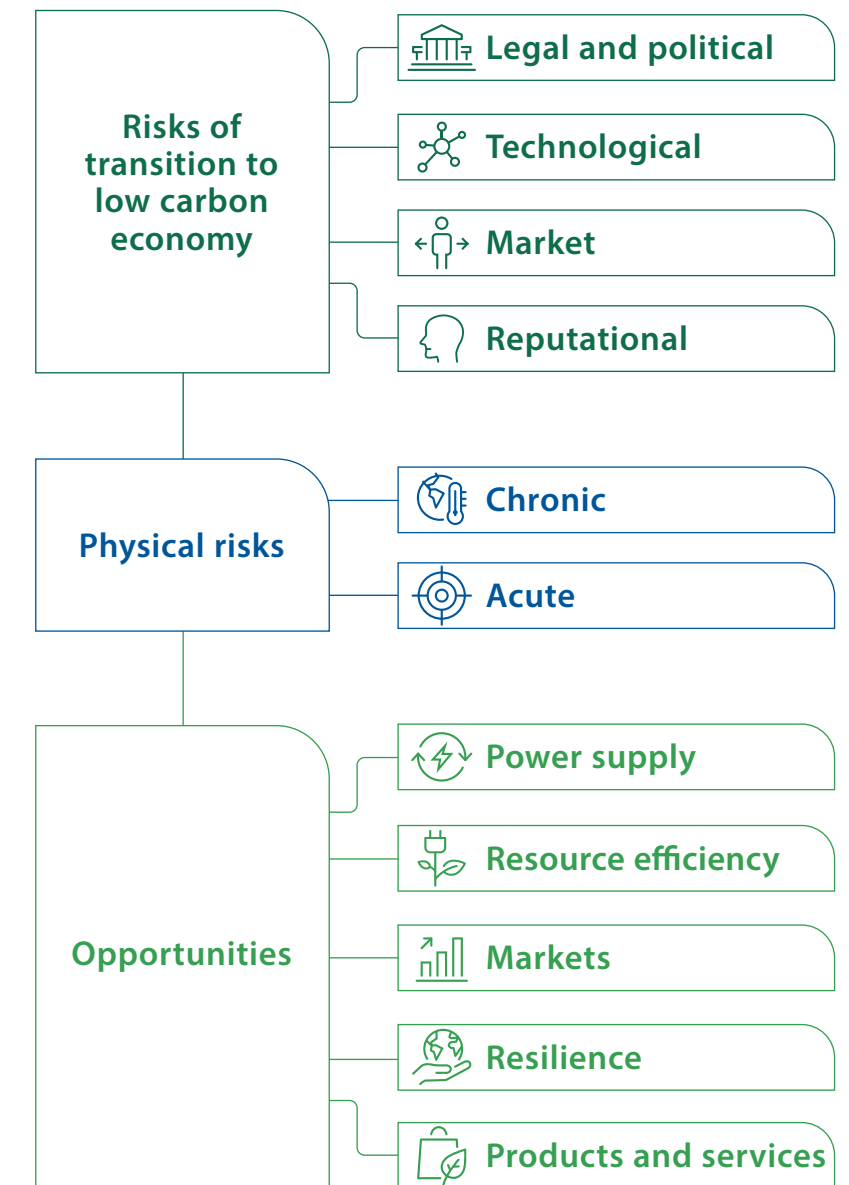
We conduct studies on our real and potential negative and positive impacts in the context of climate change based on the IPCC Assessment Reports, reviewed annually. The scope of the analyzes covers all segments in which we operate and considers scenarios of temperature increases of 1.5 °C, 2 °C and 3 °C. From them, we identified 13 risks in this topic, for which exposure limits and mitigation

initiatives were defined. In the same assessment, we mapped eight opportunities for the Company, mainly related to offering products and solutions for our customers' energy transition.

We estimate the financial impacts and costs related to managing each risk or opportunity. The financial impact is measured as a percentage of EBITDA and classified as high, medium or low if above 2%, between 1% and 2% or less than 1%, respectively, according to the corporate risk management assessment rule.

We publicly disclose detailed information about the management of climate risks and opportunities both through the publication of Our Journey against Climate Change and through the annual completion of the CDP climate change questionnaire. In 2023, we achieved an A grade in the CDP.

### Categories of climate risks and opportunities



**In 2023, we joined the CDP Climate Change A List**

[Click here](#) and access our answers to the questionnaire.

## Smart energy

Through our business, we have the ambition to positively transform the supply and way in which customers consume electrical energy. Through investments in intelligent equipment, network automation and smart grid technologies, we contribute to increasing reliability and reducing supply interruptions in our concession areas.

Our updated commitment for 2024 is to invest at least R\$ 580 million in smart energy solutions by 2027. This volume covers the generation, transmission and distribution businesses. In 2023, 59.5% of the energy delivered to our customers was supplied by the smart electrical grid. In 2022, the percentage had been 56.3%.

In our four distributors, by the end of 2023, we had almost 18 thousand automatic

reclosers installed in our networks – the plan is to reach 23.8 thousand pieces of this type of equipment by the end of 2027. These and other pieces of equipment are remotely controlled through the Operations Center and serve to identify points on the network where there is energy flow interruption, carry out maneuvers that speed up restoration for the largest number of customers in the shortest possible time and speed up the movement of teams for maintenance and repairs.

With this strategy, we seek to establish a high level of flexibility in our networks, allowing a smaller number of customers to be connected to a given section. Thus, when there are interruptions, remote control maneuvers make it possible to restart other regions more quickly.

At the end of 2023, our network had almost **18 thousand automatic reclosers**. In the year, **59.5%** of the energy delivered to customers was supplied by the smart electrical grid

*Field operation in Jundiá (SP).*



## Digital operation

The coordination of remote-controlled equipment is carried out remotely by the distribution network operation team. To support this work, we pioneered the development of the ADMS (Advanced Distribution Management System) platform, capable of automatically analyzing a large amount of data and helping operators to make better decisions.

Fully implemented in the four distributors, ADMS consolidates four different operational modules and allows the integration of digital technologies and equipment into the distribution network with greater speed and security. This investment is important to support the growth and complexity of the distribution network, with the introduction of smart meters, charging stations for electric vehicles and distributed generation systems, for example.

In addition to improving quality indicators, ADMS benefits from increased operational efficiency. Based on the data provided, in 2023 we began implementing OFS (Oracle Field Service), an automatic system for dispatching and routing teams in the field.

With artificial intelligence resources and data obtained from our operational systems, OFS identifies which field teams are

available and qualified to respond to incidents, indicating the best option and routes to be followed. Through machine learning systems, operational standards are continually improved in conjunction with the qualification of maintenance teams.

Integrated Operations Center in Campinas (SP).



### ADMS | 4 integrated modules

#### EMS

Transmission system performance

#### DMS

Distribution system performance

#### SCADA

Remote monitoring and operation of the distribution network

#### OMS

Proactive and safe storm operation and outage-related restoration activities

### Benefits

Increased digitalization with gains in quality indicators (SAIDI and SAIFI)

Unification of processes and systems (intercompany synergy)

Complete validation of operation steps before final decision

Ready to support increased automation and smart devices in the field

Assertiveness in locating interruptions

# We generate value with sustainable operations

## Eco-efficiency

In all our operations, we aim to use environmental resources in the most efficient way possible, reducing the impacts of activities in generation, transmission, distribution and services. In this sense, we monitor, manage and seek solutions to improve our performance in relation to water and energy consumption, generation and disposal of waste and effluents.

The impacts of our business on water resources are mainly concentrated in the generation segment, since other activities (transmission, distribution, services and administrative) demand water basically for human consumption, most of which are supplied by local municipal networks.



For power generation units, water capture can supply operational processes, as in the case of thermoelectric plants, and is carried out according to grants from surface and underground sources. In water generation units, the main impact is associated with flow, temperature and leak prevention controls, since the water passes through the turbines to generate energy and follows its natural course, without changes in its quality. In this context, the operational and environmental teams work in partnership to avoid incidents and negative impacts, following protocols and dispatch orders from the National Electric System Operator (ONS).

Our impacts on water resources are concentrated in the generation segment, mainly in thermoelectric plants



*Biomass plant in Pirassununga (SP).*

In locations where we have reservoirs, we work to conserve the edges to prevent soil erosion and the consequent silting process, in addition to promoting the safety of the surrounding area and signaling areas where activities by the population are not permitted. In some cases, we also follow the Environmental Plan for the Conservation and Use of the Artificial Reservoir Surroundings (Pacuera) established by the competent environmental bodies.

Effluent management aims to ensure compliance with legal requirements, in accordance with Resolutions of the National Environmental Council (Conama) – especially Resolutions No. 357/2005 and No. 430/2011 – and environmental licensing conditions applicable to each enterprise. The monthly monitoring of captured and discarded volumes and water quality indicators is consolidated in a corporate system to monitor and define improvement plans.

Since 2017, we have publicly disclosed information about the water management of our business through annual participation in

Effluent discharges (megaliters) <sup>1</sup>		
	2023	2022
<b>Total</b>	<b>160.81</b>	<b>154.91</b>
In areas with water stress	143.13	141.16

1. Effluents are disposed of entirely in local sanitation networks or to specialized companies (third-party water). Estimated values based on the number of people and days worked, considering per capita consumption parameters SNIS 2022 and ABNT NBR 7.229/1993.

the CDP Water Security questionnaire. In the last five years, we have received a B grade in the platform evaluation.

In 2023, our water collection was 4,595 million liters, 88.25% of which corresponded to water produced in biomass thermal plants. Collection in areas with water stress was 757 million liters, representing 16.48% of the total. The variation compared to the previous year was not significant (1.92% reduction) and reflects the efficiency initiatives adopted by the Company.

Water consumption in the period was 4,435 million liters, 13.85% of which in areas with water stress. Compared to the previous year, we had a 2.11% reduction in volume consumed, in line with the decrease in volumes captured.

Our vision to increase eco-efficiency in relation to energy and fuel consumption is directly related to the strategy we adopt to manage risks and opportunities associated with climate change (learn more about the topic on page 132).

Water consumption (megaliters) <sup>1</sup>		
	2023	2022
<b>Total</b>	<b>4,434.59</b>	<b>4,530.32</b>
In areas with water stress	614.07	581.66

1. Calculated as the total captured minus the total discharged.



Campos Novos HPP Reservoir (Enercan), in Campos Novos (SC).

#### Water capture by source (megaliters)

	Total		In areas with water stress	
	2023	2022	2023	2022
Produced water <sup>1</sup>	4,055.31	4,224.06	390.96	na
Surface capture	24.08	na	0.31	na
Underground capture	485.07	na	344.30	na
Third party sourcing	30.94	na	21.63	na
<b>Total</b>	<b>4,595.40</b>	<b>4,685.23</b>	<b>757.20</b>	<b>722.82</b>

1. Refers to demineralized water used in the closed cooling circuit of the sugarcane bagasse burning process in biomass thermoelectric plants.

## Circular economy

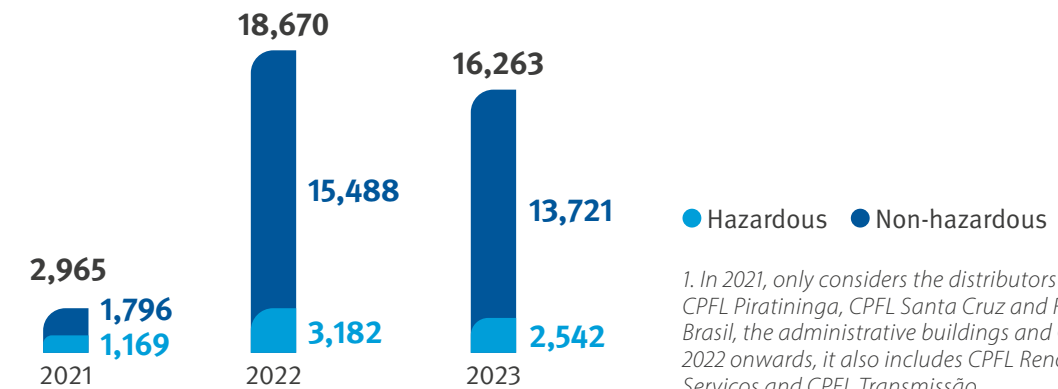
The activities we carry out in our business generate different types of waste, and the reuse of these materials is one of the main levers for generating sustainable value. One of the main fronts on which we work in this regard, combining the reduction of environmental impacts with cost optimization, is the renovation and reuse of equipment in the electricity grid.

Our Equipment Refurbisher, a unit managed by CPFL Serviços, is a success story in the electrical sector. Since 2020, around 40 thousand transformers, voltage regulators and reclosers have already been recovered and reused in our distributors' networks. Our ESG 2030 Plan directs this number's growth, predicting a total of 70 thousand recoveries by 2030.

Certified under ISO 9001 (quality management) and ISO 14001 (environmental management), the Equipment Refurbisher has even served distributors that are not part of CPFL Energia.

CPFL Serviços also manages reverse chain operational bases. In these units (one in São Paulo and another in Rio Grande do Sul), various materials, such as cables, copper wires and other types of waste, are treated, segregated and later sent for recycling in other production processes. Other waste from our operations is disposed of by specialized companies and monitored through the control of manifests and final disposal certificates.

Waste generated by type (tons)<sup>1</sup>



1. In 2021, only considers the distributors CPFL Paulista, CPFL Piratininga, CPFL Santa Cruz and RGE, CPFL Brasil, the administrative buildings and CPFL Geração. 2022 onwards, it also includes CPFL Renováveis, CPFL Serviços and CPFL Transmissão.

Waste generated in 2023 by type (tons)

	Hazardous	Non-hazardous	Total
Wooden packaging	0.00	49.91	<b>49.91</b>
Paper and carton packaging	0.00	11,764.29	<b>11,764.29</b>
Plastic packaging	0.00	5.69	<b>5.69</b>
Lamps	19.14	0.00	<b>19.14</b>
Cloths, tow, sawdust, blankets, peat and PPE contaminated with oil and grease	382.88	0.00	<b>382.88</b>
Metal parts containing oil and grease	321.15	0.00	<b>321.15</b>
Administrative waste <sup>1</sup>	0.00	1,872.96	<b>1,872.96</b>
Construction waste	0.00	0.36	<b>0.36</b>
Organic waste	0.00	27.75	<b>27.75</b>
Glass, plastic and wood contaminated with oil and grease	46.01	0.00	<b>46.01</b>
Oil	1,773.16	0.00	<b>1,773.16</b>
<b>Total waste generated</b>	<b>2,542.34</b>	<b>13,720.96</b>	<b>16,263.30</b>
<b>Temporarily stored waste</b>	<b>578.71</b>	<b>2.00</b>	<b>580.71</b>
<b>Waste destined</b>	<b>1,963.63</b>	<b>13,719.08</b>	<b>15,682.59</b>

1. Estimated values based on the number of people in administrative units, considering the 2022 report of the Brazilian Association of Public Cleaning and Special Waste Companies (Abrelpe).

In 2023, the Equipment Refurbisher implemented a technology for crushing poles, which are transformed into concrete crushed stone and hardware to serve as input for civil construction



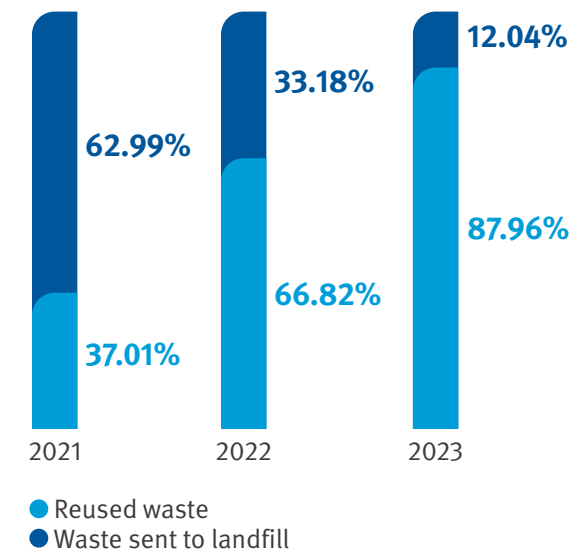


Equipment Reformer, in São José do Rio Pardo (SP).

**Waste diverted from final disposal (reuse) by type and method in 2023 (tons)**

	Hazardous	Non-hazardous	Total
<b>Composting</b>			
Organic waste	0,00	27,63	<b>27,63</b>
<b>Recycling or reuse</b>			
Wooden packaging	0,00	48,46	<b>48,46</b>
Paper and carton packaging	0,00	11,759.33	<b>11,759.33</b>
Lamps	19,14	0,00	<b>19,14</b>
Oil	1,491.44	0,00	<b>1,491.44</b>
<b>Coprocessing</b>			
Cloths, tow, sawdust, blankets, peat and PPE contaminated with oil and grease	81,59	0,00	<b>81,59</b>
Metal parts containing oil and grease	321,15	0,00	<b>321,15</b>
Glass, plastic and wood contaminated with oil and grease	46,01	0,00	<b>46,01</b>
<b>Total</b>	<b>1,959.33</b>	<b>11,835.42</b>	<b>13,794.75</b>

**Representativeness of destination methods**



In managing this environmental aspect, we also rely on the Solid Waste Management Plan (PGRS), which defines the guidelines and practices to promote the circular economy in our activities, minimizing negative impacts. The construction and maintenance activities of the energy network are those that generate the most waste in our business model.

In 2023, with the aim of improving our vision and management, we included generation and transmission units in the scope of measuring waste generated and disposed of. Therefore, the total recorded last year (46.2 thousand tons) cannot be compared absolutely with the performance in previous years.

**Waste sent to final disposal (landfill) by type and disposal method in 2023 (tons)**

	Hazardous	Non-hazardous	Total
Paper and carton packaging	0.00	4.53	<b>4.53</b>
Plastic packaging	0.00	5.69	<b>5.69</b>
Cloths, tow, sawdust, blankets, peat and PPE contaminated with oil and grease	4.30	0.00	<b>4.30</b>
Administrative waste <sup>1</sup>	0.00	1,872.96	<b>1,872.96</b>
Construction waste	0.00	0.36	<b>0.36</b>
<b>Total</b>	<b>4.30</b>	<b>1,883.54</b>	<b>1,887.84</b>

<sup>1</sup> Values estimated based on the number of people in administrative units, considering the 2022 report of the Brazilian Association of Public Cleaning and Special Waste Companies (Abrelpe).

# Biodiversity


The businesses with the potential to cause the most significant impacts on biodiversity are generation and transmission, mainly in the construction and implementation phase of projects. The formation of reservoirs and the construction of lines and substations require vegetation to be suppressed and can cause negative impacts on fauna and flora in the places where they are installed.

To minimize these effects and adequately compensate for inevitable negative consequences, our Environmental Management System (SGA) and environmental licensing processes provide detailed studies of conditions in each location and indicate the need to establish environmental programs. These programs are then developed by environmental consultancies in accordance with the legal, technical and academic requirements relevant to each topic. Aware of the quality of environmental programs and the results of studies and monitoring, CPFL Energia has been creating a database of its businesses, focused especially on aspects related to biodiversity. In line with the ESG 2030 Plan, this database will cover indicators designed to address five macro themes that follow national and international trends, especially what is foreseen in the National Biodiversity Policy (Decree nº 4,339/2002).

This information also serves as a basis for cross-analysis with the relationship matrix and degree of dependence of the electricity sector in relation to ecosystem services. This matrix is established by Technical Note EPE/DEA/SMA/022/2021 and highlights a clear interrelationship between priority ecosystem services and local biodiversity.

One of the most prominent initiatives for biodiversity conservation is the strengthening of the Surplus Legal Reserve instrument, provided for in Federal Law No. 12,651/2012. The legal regulations allow the maintenance of forest remnants that exceed the mandatory percentage on third-party rural properties. These areas are characterized as being of interest for the protection of biodiversity, forming natural corridors for different types of species.

**Relationship matrix and degree of dependence of the electricity sector in relation to ecosystem services<sup>1</sup>**

Dependency relationship		 Biomass	 Hydroelectric	 Thermoelectric	 Transmission line	 Solar	 Wind
Underground water	Provides inputs for production				-		-
Surface water					-		-
Firewood and fibers			-	-	-	-	-
Water flow maintenance	Enables the production process				-	-	-
Water quality					-	-	-
Climate regulation	Prevents interruption of the production process						
Storm and flood protection							
Soil stabilization and erosion control							
Bioremediation	Mitigates impacts of the production process				-	-	-
Filtering					-	-	-

 Very high    High    Average    Low    Very low

1. Source: Technical Note EPE/DEA/SMA/022/2021.

The establishment of Surplus Legal Reserves is carried out in partnership with state departments and environmental agencies in São Paulo, Rio Grande do Sul and Santa Catarina. By the end of 2023, 1,194 hectares had already been approved and another 2,634 hectares were under analysis. These areas contribute to the maintenance of ecosystem services in the Atlantic Forest and Pampas biomes. The stability of the diversity of fauna and flora in these regions contributes to water security and thermal comfort, also positively impacting the potential of such ecosystems to act in climate regulation, combating global warming.

In transmission projects, we study the layout of lines and the location of assets to avoid areas that are most sensitive from the point of view of biodiversity. In addition, we adopt practices of selective cutting of individuals in the right-of-way during the useful life of the projects and carry out compensatory planting and

management in areas of Legal Reserve, Permanent Preservation and the Degraded Areas Recovery Program. Many of the units also have fauna monitoring programs and, in the case of hydroelectric plants, monitoring of species in rivers, releasing fry and rescuing fish.

We also promote partnerships with other entities to boost environmental awareness and the sustainable use of territories. An example of this is the RGE Biome Recovery Project, in partnership with the Federation of Agricultural Workers in Rio Grande do Sul (FETAG-RS) and the Secretariat of the Environment and Infrastructure (SEMAI). The initiative supports family farmers in the sustainable management of their properties, with the aim of preserving the Pampa, a characteristic biome that covers 63% of Rio Grande do Sul. The 165 livestock families already served received specialized advice to plan sustainable management on their lands over two years, allowing the recovery of 825 hectares.



Seedling nursery at HPP Barra Grande, in Santa Catarina.

### Restored habitats (hectares)<sup>1</sup>

	2023		2022		2021	
	With planting throughout the year	Under maintenance/management	With planting throughout the year	Under maintenance/management	With planting throughout the year	Under maintenance/management
CPFL Renováveis	722.27	1,300.56	722.77	1,199.63	na <sup>2</sup>	na <sup>2</sup>
Generation	45.6	334.6	92.2	288.8	196.6	196.6
Distribution	0.75	1,092 <sup>2</sup>	23.97	392.85	0	411.77 <sup>2</sup>

1. CPFL distributors carry out forestry compensation for the removal of vegetation to maintain transmission lines and distribution lines in the form of environmental easement, reforestation in conservation and management units and eradication of exotic species in ecological stations and environmental programs.

2. Data not available in 2021. There has been an improvement in land control procedures and controls from 2022.



[Click here](#)



and watch the video of RGE's Biome Recovery Project

### Maintained Permanent Preservation Areas (hectares)

	2023	2022	2021
CPFL Renováveis	3,071.40	3,025.43	3,025.43
Generation	4,984.05	4,984.05	4,984.05

**We promote biodiversity conservation through planting in our own areas and engaging with partners in external initiatives**

# We generate shared value with society



Customer service at a CPFL branch in Campinas (SP).



## Customer relationship

Guided by Customer Focus, a pillar of our corporate strategy, we work with the aim of anticipating customer expectations and needs in all business segments, offering solutions to add more agility, innovation and increase satisfaction with our services.

In distribution, the business segment with the largest number of customers served, we have advanced in the digitalization and modernization of service channels. Our goal is to maintain at least 90% of the services we carry out annually on digital channels, which give customers more agility and comfort in resolving their demands. In 2023, we reached a level of 90.32% of digital services.

Evolution on these platforms, such as the distributors' website and WhatsApp, is driven by continuous research and evaluation of customer Journeys. After mapping the main services and service routes used by customers in our concession areas, we focused our efforts on developing new solutions and improvements to our applications and service channels.

The increase in the use of data analysis technologies has supported the development of new solutions. It was in this context that the CES (Customer Effort Index) emerged. The algorithm monitors recurring customer contacts to our 0800 number in order to identify potential demands that are not being resolved through traditional channels and directs proactive assistance by telephone.


### Marcia Sensitiva: campaign about Pix payment

In 2023, we created a targeted advertising campaign to encourage customers to pay their energy bills via Pix, an agile, secure method that provides faster confirmation of payment. With the motto “Um Ano de Luz” (A Year of Light) the action had more than R\$ 200 thousand in prizes and drew 20 registered customers with payment exemption for up to a year.

To compete, customers must make a monthly payment through Pix and register on the campaign website (anodeluzcpfl.com.br) between April 3<sup>rd</sup> and July 2<sup>nd</sup>, 2023.

The promotion's announcement featured an advertising piece starring astrologer and digital influencer Marcia Sensitiva, using fun and innovative language to convey the message.



Click here  to watch the Um Ano de Luz campaign commercial



Customer on digital totem of CPFL agency in Campinas (SP).

### Social Tariff

Another benefit that supports our customers in paying energy bills is the Social Tariff, a government benefit granted to low-income customers. The program is widely publicized on our institutional website, which presents the eligibility criteria and the benefits of the initiative. At the end of 2023, we had more than 650 thousand distributor customers included in the program.

In service stores, we installed digital totems with the same resources available on the distributors' website and app. The objective is to direct customers to digital channels even at physical points, with the support of our team, encouraging a culture of digitalization.

With a focus on transparency and accessibility, our channels have digital resources – such as increased font size and screen contrast. We also provide free

telephone channels exclusively for people with hearing or speech impairments.

To facilitate understanding and transparency in energy bills, we have Conta Fácil, a section of the website and application that clarifies the items on the invoices, details the installments that make up the total value of the bill and provides a question-and-answer section with the most frequently asked questions.

## Communities

In the regions where we are present through our assets, we seek to form partnerships and encourage the sustainable development of communities. The investments and projects carried out aim to promote the transformation of realities and contribute to solving the main local challenges.

The water desalination plant delivered by State Grid and CPFL Energia to the population of the Rio Grande do Norte countryside, in 2023, is an example of how we work so that our operations in the electricity sector generate long-term benefits in favor of social development.

*Water desalination plant built in the Rio Grande do Norte countryside.*



The desalination plant, which benefits traditional semi-arid communities in Rio Grande do Norte, is a social investment connected to **SDG 6 – Clean Water and Sanitation**

With an investment of R\$ 8 million, the project provides a solution to guarantee water security in one of the regions most impacted by drought and water shortages in Brazil.

Developed in partnership with the state government of Rio Grande do Norte, the desalination plant has one of the most modern technologies in the world. With a photovoltaic power generation plant connected to the grid and an intelligent supply system, it produces 80 thousand liters of desalinated water per day, enough volume to serve around 3 thousand people. The unit has a control panel to monitor the operation of equipment, processes and parameters in real time.

The benefiting communities are the villages of Santa Terezinha, Amarelão and Serrote de São Bento, located in the municipality of João Câmara. The desalination plant's operation, after completion and donation of the infrastructure, is carried out by the state government.



[Click here](#)



and access the video about the Desalination Project

## CPFL Institute

The CPFL Institute, which completed 20 years of operation in 2023, is our private social investment platform responsible for integrating social programs into a single network, focusing on the areas of sport, culture and health. Through its operations on five institutional fronts, projects are carried out in accordance with our Social Investment Policy, with the Company's own resources and encouraged by incentive laws.

### CPFL Institute social investments (R\$ million)

	2023	2022	2021
Direct investments	5.37	4.7	3.8
Incentivized resources	37.70	29.3	27.5
<b>Total</b>	<b>43.07</b>	<b>34.0</b>	<b>31.4</b>



In 2023, the CPFL Institute completed 20 years of operation



Click here



and access the video of the CPFL Institute's 2023 Activity Report.

### CPFL Brazil-China Exchange

The front promotes and encourages exchange between the cultures of Brazil and China through concerts, films, lectures, art exhibitions and other activities that connect the two countries. In 2023, some of the actions carried out involved Chinese cinema screenings, music concerts with Brazilian and Chinese artists, in addition to maintaining channels on Spotify and YouTube. Also worth mentioning is the second edition of the Moon Festival, held in Parque Taquaral, one of the main tourist attractions in the city of Campinas (SP).

*Santa Casa de Vinhedo (SP), one of the first institutions participating in CPFL in Hospitals.*



## CPFL in Hospitals

CPFL in Hospitals is one of the five social investment fronts of the CPFL Institute. The program is aimed at promoting the improvement of the quality of services offered by public health institutions, through the qualification and modernization of these institutions' electrical systems.

The project involves two lines of action, which integrate technical know-how and the ability to promote development based on social investments.

One of the axes focuses on energy efficiency actions, promoting improvements in hospital infrastructure (repairs to facilities, acquisition of equipment and expansion of spaces), in addition to supporting clinical research in the area of oncology. In this way, entities can take advantage of more modern and updated systems, with gains in reducing consumption and costs related to electrical energy.

The second axis, driven by the expertise of the CPFL Institute, is focused on hospital humanization, through performing arts, recreational activities, music and storytelling.

One of the commitments we made in our ESG 2030 Plan is to promote the investment of R\$ 140 million in energy efficiency initiatives in public hospitals by 2025.

In the first phase of CPFL in Hospitals, until 2023, 325 health institutions benefited. In the second stage, still ongoing, we have already mapped 175 hospitals to be supported – 127 projects have already been completed and another 48 are underway.



### CPFL Young Generation

Program that aims to develop children and adolescents through sport and culture, contributing to reducing levels of social vulnerability in communities. In 2023, the supported institutions benefited around 10 thousand young people with projects carried out in 53 cities in Brazil.

### CPFL Circuit

This front develops itinerant activities throughout the national territory, circulating with the Cinesolar project, which consists of open-air cinema sessions, powered by solar energy. In 2023, cinema sessions impacted around 30 thousand spectators in 113 cities.

### CPFL Philosophical Cafe

It promotes meetings and debates with renowned philosophers, psychoanalysts and historians, with reflections on themes and dilemmas of contemporary society. The meetings are recorded, broadcast live on the Cafe's YouTube and then edited and shown on TV Cultura. In 2023, we made 33 recordings at the Instituto CPFL studio and two special recordings, in Porto Alegre (RS) and Campinas (SP), in addition to 154 broadcasts on TV Cultura and the Cafe's YouTube.



### Volunteering – Semear Program

The Semear Program is our corporate volunteering platform, covering all employees. Through financial donations and inputs, and volunteer work, we support NGOs and institutions, benefiting children, young people and the elderly.

We currently have 24 teams across Brazil, which benefit 24 NGOs through fundraising campaigns carried out throughout the year.

Among the main initiatives developed are the Easter, Winter, Children's Day and Christmas campaigns. Also worth highlighting is Sowing Day, which annually celebrates volunteering with actions in different locations.

Through the Semear portal, we monitor campaigns and actions, and disseminate information so that interested parties can support and participate in ongoing

initiatives. The page also presents information on how to sign up for formed teams and how to propose new initiatives. Currently, 1,050 users are registered on the platform, open to CPFL Energia professionals and their friends and family.

[Click here](#)  to learn more about the Semear Program

## Relationship with communities

In the licensing process for the units, the Environmental Management System (SGA) has a specific procedure for communicating with the communities and other stakeholders involved. Listening to the public occurs in accordance with the public hearing rites and the Social Communication Program (PCS) when this is identified among the licensing conditions.

One example is the construction of SHPP Cherobim, which is being installed on the Iguaçu River, in the state of Paraná. The enterprise

maintains the PCS to receive demands and serve communities, and promotes meetings with representative entities and the public sector to share advances and challenges, always seeking to form partnerships and align expectations. In 2023, the SHPP Cherobim PCS received 103 demands, most of which were related to job vacancies, donations and visits. PCS procedures include assessing the level of satisfaction of community members who use this channel, having recorded 82% of satisfied users in the last year.

At the Baesa (HPP Barra Grande) and Enercan (HPP Campos Novos) generators, the Community Advisory Councils (CCCs) deserve to be highlighted, which provide a space for community engagement and the formation of partnerships. Ceran is in the process of implementing its CCC. HPP Foz do Chapecó maintains a visit program to the plant, which received more than 450 people in 2023.

These companies also promote private social investment actions. In 2023, Baesa approved seven social projects, with a total investment of R\$ 165.8 thousand, which will impact more than 97 thousand beneficiaries throughout 2024. Enercan contributed R\$ 6.3 million to support

48 initiatives, which will benefit more than 262 thousand people between 2023 and 2024. HPP Foz do Chapecó allocated R\$ 5.3 million to 54 social projects and also promoted a qualification course to support third sector organizations and city halls in submitting projects eligible for resources from incentive laws.

Our units also have structured dialogue channels with communities, which allow complaints to be received. These channels are defined according to their relevance to the local context, and may include telephone lines, emails, WhatsApp and Contact Us on the institutional website. Demands are forwarded to the responsible areas for treatment, always focusing on transparency, continuous improvement and mitigation of negative impacts on our stakeholders.

*HPP Barra Grande (Baesa), in Pinhal da Serra (RS).*



The units maintain Social Communication Programs for broad dialogue and engagement with local communities

[Click here](#)



and access the special page about the socio-environmental management of SHPP Cherobim on the CPFL institutional website

## Recognition on the Brazil for the Environment 2023 platform

In Rio Grande do Sul, RGE, in partnership with the Center for Popular Alternative Technologies (CETAP), promotes the recovery of springs in conjunction with promoting the development of family farming. The distributor has already invested, since 2019, around R\$ 1.1 million to recover around 140 hectares of agroforestry systems and areas of sustainable extractivism.

The project invests in planting native fruits from the southern region of Brazil with the support of local businesses. One of these ventures is Encontro de Sabores, which sells various products made with fruits grown by farming families linked to CETAP. Around 2,160 people benefited, almost half (45%) of whom were women farmers.

Another initiative developed in favor of Rio Grande do Sul communities is meliponiculture – management and conservation of stingless bees on the Middle Coast and North Coast of Rio Grande do Sul, in partnership with Ação Nascente Maquiné (ANAMA). The initiative encourages the creation, management and conservation of meliponines as an alternative for sustainable production in close relationship with the remnants of local ecosystems.

The project trained 55 rural producers and allowed the installation of 33 meliponine structures, in addition to the donation of 121 equipment and inputs.

These projects were selected to participate, in 2023, in the Brazil for the Environment 2023 (BPMA) platform, an initiative of the Chamber of Commerce of America (Amcham) and the Brazilian Committee of the International Chamber of Commerce (ICC Brazil), with support from the Chamber of Arab-Brazilian Trade (CCAB).

The BPMA has been held since 2021. In the current edition, it brought together 183 projects from 111 different companies. Together, the initiatives represented an investment of R\$ 31 billion in sustainable projects.



*Aerial view of the city of Caxias do Sul (RS).*

**RGE projects in partnership with CETAP promote sustainable development on family farming properties**

## Energy efficiency

Our Energy Efficiency Program (PEE) invested, in 2023, a total of R\$ 123.6 million. We selected 30 projects via notice, which will be carried out in São Paulo and Rio Grande do Sul during the year 2024. Among the main focuses, we conduct improvements in public lighting points in cities in both states

and efficiency works in water networks and sewage in the São Paulo countryside.

The platform is developed in accordance with ANEEL's regulatory instructions and mainly benefits low-income customers in the distributors' concession areas.

# Diversity, equity and inclusion

Diversity, equity and inclusion are drivers of the way our businesses generate value in a sustainable way. The plurality of people makes our Company more attractive to all types of professional talent, who engage in Our Way of Being and contribute to achieving strategic objectives.

Therefore, since 2020, we have worked on the topic through the CPFL +Diversa program. The platform brings together our initiatives in favor of a diverse, inclusive work environment with equal opportunities for all employees. The governance established for the topic includes a dedicated team, specialist areas, leaders and executive team working together with the CPFL +Diversa Committee and the Affinity Groups, as well as multiplier people in the different areas, with different profiles and hierarchical levels. In this way, we constantly evolve with the implementation of strategies in the program's five pillars: generations, LGBTQIAP+, gender equality, people with disabilities and black people.

## Drivers of our pillars of action



### Generations

Deconstruct age discrimination for a more harmonious coexistence between generations



### LGBTQIAP+

Build a more inclusive environment with visibility for the LGBTQIAP+ community



### Gender Equity

Promote gender equality and female advancement



### People with Disabilities

Include people with disabilities in the Company's various spaces



### Black People

Combat racism and ensure racial equity





This management strategy and approach has been fundamental in integrating the topic transversally into the various people management processes and generating positive impacts on people's lives. Our professionals feel more pride and belonging, increasing job satisfaction and inspiration to act with innovation, efficiency, quality and delivery of value to our audiences. At the same time, we expanded the Company's recognition, attracting more talents to our teams.

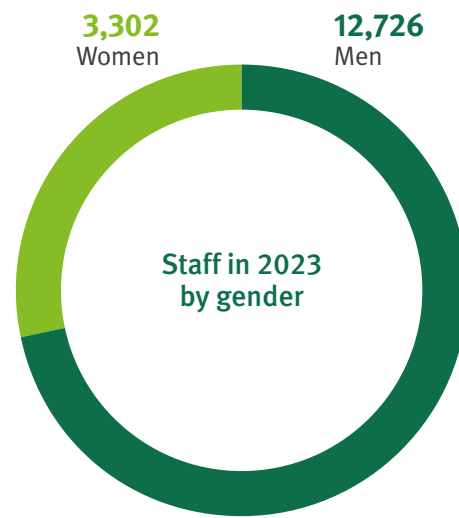
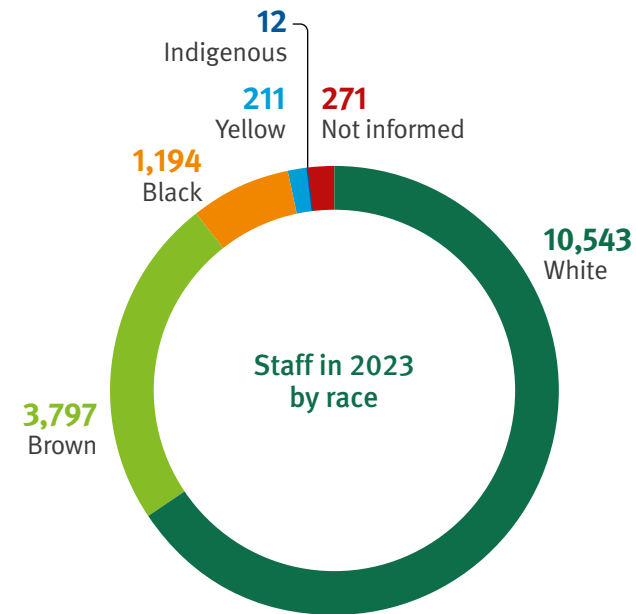
The quantitative results of our staff's composition reinforce the effectiveness of the practices implemented. We increased the participation of women, black people and people with disabilities, highlighting 21.79% of women and 17.33% of black people in leadership positions, in addition to 639 people with disabilities in the workforce (286 women and 353 men).

The evolution of CPFL +Diversa is guided by the annual Tactical Plan. The methodology establishes actions and goals for the period aligned with strategic planning, the ESG 2030 Plan and the Inclusive Culture Diagnosis, in addition to considering our engagement in voluntary external commitments that we have assumed: Movimento Mulher 360; Business and LGBTI+ Rights Forum; and Business Network for Social Inclusion.

In 2023, the priorities we defined aimed to promote an environment with psychological safety so that people can be who they really are, advance the equity of management practices and the representativeness of our workforce, with diverse teams and leadership. Monthly, the progress of the Tactical Plan and the main indicators and goals are discussed by the CPFL +Diversa Committee and with members of the Company's senior leadership.

One of the period's highlights was the 2<sup>nd</sup> Diversity Week, which featured a dedicated program over the five days of the event and the participation of external guests for the lectures. Transmitted via YouTube, the week's agenda set aside a day for each Affinity Group and reached an audience of 4.2 thousand views. When promoting the event on our social networks, we reached more than 100 thousand people, with around 1.3 thousand interactions between comments and shares.

**In 2023, CPFL +Diversa's actions prioritized the topic of psychological safety and advancement in the equity of management practices and workforce representativeness**

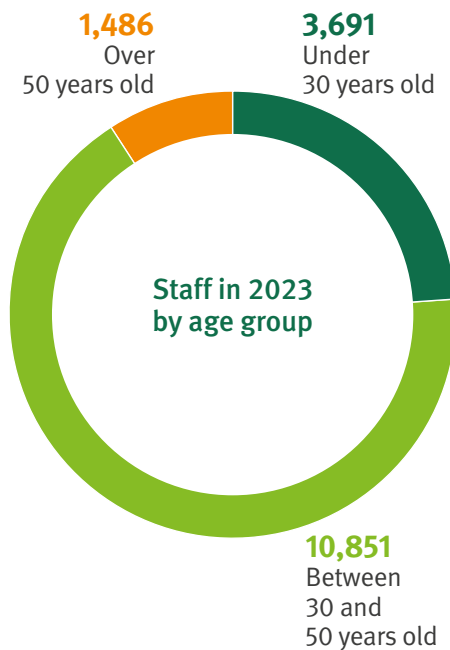


### Composition of functional levels by gender

	2023		2022		2021	
	Men	Women	Men	Women	Men	Women
Executive Board	93.02%	6.98%	90.5%	9.5%	95.0%	5.0%
Management	80.72%	19.28%	81.9%	18.1%	83.5%	16.5%
Leadership/Coordination	77.23%	22.77%	77.4%	22.6%	76.5%	23.5%
Technique/Supervision	71.33%	28.67%	76.5%	23.5%	75.4%	24.6%
Administrative	46.12%	53.88%	47.8%	52.2%	46.3%	53.7%
Operational	88.98%	11.02%	89.7%	10.3%	89.6%	10.4%
Trainees	25.00%	75.00%	30.0%	70.0%	70.0%	30.0%
Interns	56.62%	43.38%	56.6%	43.4%	na	na

### Diversity on the Board of Directors

	2023	2022	2021
<b>By gender</b>			
Men	86%	86%	100%
Women	14%	14%	0%
<b>By age group</b>			
Under 30 years old	0%	0%	0%
Between 30 and 50 years old	39%	60%	27%
Over 50 years old	61%	40%	73%



### Composition of functional levels by age group

	2023			2022			2021		
	Under 30 years old	Between 30 and 50 years old	Over 50 years old	Under 30 years old	Between 30 and 50 years old	Over 50 years old	Under 30 years old	Between 30 and 50 years old	Over 50 years old
Executive Board	4.65%	65.12%	30.23%	0.0%	76.2%	23.8%	1.40%	76.8%	21.7%
Management	0.40%	75.50%	24.10%	0.0%	78.7%	21.3%	0.50%	79.3%	20.3%
Leadership/Coordination	3.52%	86.34%	10.14%	4.4%	86.0%	9.5%	3.3%	88.7%	8.0%
Technique/Supervision	13.33%	74.67%	12.00%	11.4%	77.7%	10.8%	12.8%	76.7%	10.5%
Administrative	26.38%	64.75%	8.86%	26.5%	64.6%	8.9%	29.5%	61.5%	9.0%
Operational	23.57%	67.52%	8.90%	23.9%	67.3%	8.7%	24.9%	66.4%	8.6%
Trainees	62.50%	37.50%	0.00%	80.0%	20.0%	0.0%	90.0%	10.0%	0.0%
Interns	89.71%	10.29%	0.00%	95.8%	4.2%	0.0%	94.7%	5.3%	0.0%

## CPFL +Diversa in 2023

We exceeded the goals established for the topic and linked to the variable remuneration of all CPFL Energia leadership, achieving results 50% above what had been proposed for the representation of black people and people with disabilities in the workforce and 17% above the target for the representation of women in the Company.

**+ than 500**  
multipliers

**+ than 3**  
thousand hours  
of training for  
internal audiences

**+ than 5.6 thousand**  
participations in the Monthly  
Diversity Conversation

**+ than 60**  
internal and external  
communications on  
the topic

**23** participants in the +Diversa Mentoring  
Program to accelerate the development of women in  
coordination or specialists

**76** women  
graduated from the  
Electrician Schools

**66** women hired as  
electricians (57% increase  
compared to 2022)

**100%** of women  
in the Field Trainee  
Program retained, two of  
them already promoted  
by March 2024

**59** people with  
disabilities hired  
at CPFL Serviços

**29%** of people participating in RGE's technical  
course in Electrotechnics exclusively for PCDs, which  
started in November 2023, were hired



### Proportion of women's remuneration in relation to men's<sup>1</sup>

	2023		2022		2021	
	Base salary	Total compensation	Base salary	Total compensation	Base salary	Total compensation
Executive Board	97.63%	97.25%	99.6%	96.8%	76.26%	66.65%
Management	100.46%	100.26%	102.1%	95.4%	100.79%	96.37%
Leadership/ Coordination	103.35%	96.78%	103.0%	98.1%	105.83%	100.14%
Technique/ Supervision	64.04%	63.24%	54.5%	76.8%	64.95%	71.64%
Administrative	68.62%	73.56%	66.5%	66.9%	61.77%	78.18%
Operational	65.99%	51.91%	61.3%	69.6%	76.30%	39.68%
Trainees	99.19%	100.54%	100%	76.8%	99.88%	46.87%
Interns	97.35%	98.01%	99.3%	100.9%	93.3%	98.3%

1. CPFL Energia is committed to pay equity and does not consider gender criteria when defining remuneration for each role. Proportions below 75% reflect the grouping of different positions and are impacted by the lower representation of women in the Company and the length of time male employees have worked.

## Recognitions

In 2023, we were included for the first time in the IDIVERSA portfolio, a B3 index that brings together companies that stand out in promoting diversity. We were also recognized for good practices on the topic in the Ethos/Época de Diversidade, Equity e Inclusion 2023 Survey.

Recognition also came from the internal public, with the results of the Inclusive Culture Census and Diagnosis, which we conducted in partnership with a specialized consultancy to measure the program's evolution over the last two years and the challenges we still face. Among the respondents, 81% stated that they consider CPFL Energia to be diverse and inclusive, 92% recognized that inappropriate speech and behavior had decreased or been eliminated and 92% considered the reception and integration conditions to be excellent or good.

## Sustainable purchasing

Committed to expanding our vision of sustainability for the supply chain and in order to mitigate risks to the Company, we have several mechanisms to evaluate suppliers before and during the contract period and engage them on key themes for our business.

Pre-employment assessment includes automated querying of databases to verify the legal compliance of potential partners. We consult negative certificates of labor and tax debts, companies' regularity documents with the Federal Revenue, embargoes or assessments from IBAMA and lists of associations with slave labor. In this way, 100% of suppliers undergo social and environmental analysis to be able to participate in CPFL Energia's contracting processes.

Monitoring during the contract period focuses on suppliers considered critical or strategic, which are those with greater operational or reputational risk for the Company or which represent exclusive supply for the contracted scope. To achieve this, we rely on the Supply Base Management (SBM) tool, which can be complemented by assessments from our Integrated Management System (SGI) and the Third-Party Management process, depending on the scope of supply.

Through SBM, partners considered critical or strategic are monthly evaluated on technical, documentary, legal, security, financial, ethical and sustainability criteria. The results support improvement plans developed together with suppliers and are considered in new contracting processes. In 2023, 407 suppliers were eligible for SBM monitoring and 116 suppliers underwent SGI assessments, with no significant socio-environmental impacts being identified.

Based on the assessments of SBM's sustainability criteria, we are studying

alternatives to act even more proactively to raise the level of sustainability management maturity of critical suppliers. This front is essential for us to achieve our ESG 2030 Plan goal of concentrating 85% of expenditures with suppliers on partners with advanced sustainability practices.

Since 2022, we have been holding individual conversations to understand the difficulties of these suppliers and guide them on initial controls for monitoring environmental and social impacts, and we intend to study new actions throughout 2024.



Within the scope of the ESG 2030 Plan, we have the goal of concentrating **85%** of expenditure with suppliers on partners with advanced practices in sustainability





CPFL Piratininga field activities, in Jundiaí (SP).

Third Party Management covers the monthly monitoring of labor and social security documentation from our service providers who employ intensive labor. Throughout the year, we monitored, on average, 10.4 thousand third parties on a monthly basis from 375 contracts signed with 144 service providers. At the end of 2023, the documentation of 9,559 outsourced workers was monitored by the competent area.

Combined, supplier assessment practices drive performance improvement and ensure these companies' legal compliance, including in labor matters. Through labor and social

security documentary analyses, monthly SBM assessments and SGI assessments, we ensure that there is no significant risk of violation of fundamental labor rights, such as the occurrence of child, forced or slave-like labor and restrictions on union association rights and collective bargaining, in our operations and suppliers.

All activities are conducted in accordance with the premises of our Code of Ethical Conduct, and specific decent work clauses are part of the standard drafts of all the Company's contracts. With regard to subcontractors, their

monitoring has been improved, although it continues to represent a challenge for risk management in our supply chain.

In 2023, we conducted a pilot project with the aim of identifying difficulties and limitations in the subcontractor registration and management processes. As a result of this work, we began to include clauses in contracts in which our suppliers undertake to notify the Company when there is subcontracting and control documentation related to the legal compliance of these subcontracted companies.

In addition to the supplier qualification and management processes, we work to ensure that competitive processes are conducted with transparency and equality, from sending the notice to the market until the conclusion of the contract, so as not to privilege any competitor, once again reinforcing commitments to our Code of Ethical Conduct. In our corporate processes, we carry out cost composition studies in order to validate values aligned with the best market references, contributing to the financial health of our partners.



Employees at CPFL Energia headquarters, in Campinas (SP).

## Rede de Valor

Supplier engagement is mainly driven by the Rede de Valor, our relationship program with these partners. Rede de Valor includes monthly publications through the Supplier Newspaper, periodic meetings to discuss topics and exchange experiences and good practices, and the annual recognition of the best suppliers by the CPFL Mais Valor Award.

In 2023, three Rede de Valor meetings were held, with the participation of 98 partners and in which topics such as the macroeconomic scenario, strategic planning and CPFL Energia's 2030 ESG Plan, sustainability in the supply chain, diversity and inclusion, and work safety were discussed. The 2023 CPFL Mais Valor Award awarded 41 companies in 21 categories, organized by scope of supply and highlights in themes such as quality, safety and sustainability.

### X-ray of our supply chain

Our network of suppliers is made up of companies that provide services (construction and maintenance of assets, reading and delivery of bills, pruning, consultancy, etc.) and that provide materials for our operations (transformers, insulators, cables, poles, wires, PPE, etc.). At the end of 2023, we had 13,889 partners registered in our database.

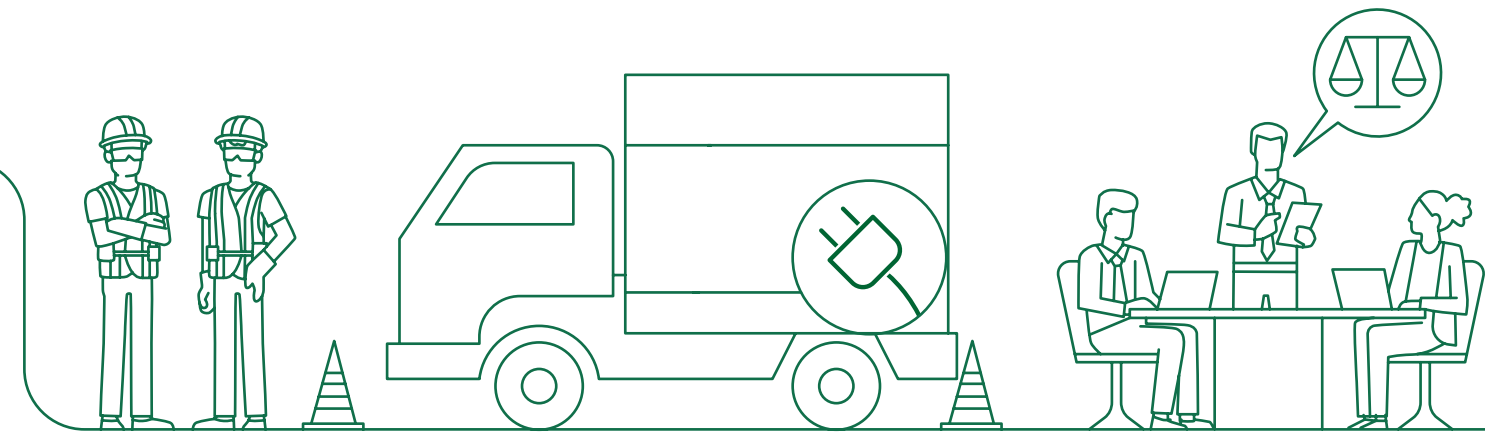
Throughout the year, we began a movement to internationalize this base, mainly for the purpose of purchasing equipment. Given the very heated Brazilian market, with higher prices and extended delivery times, we have developed potential partners abroad that can meet CPFL Energia's growth demand. This strategy not only mitigates the availability risks of these inputs for our operations but also allows us to access new technologies and market innovations.

# We generate value with safe and reliable performance

Safety is our Company's first value, a non-negotiable commitment that we practice in all our activities every day. Therefore, the continuous evolution of governance, management practices and monitoring of goals in this area is part of our strategy and the ESG 2030 Plan. In total, there are more than 200 professionals dedicated to Specialized Services in Occupational Safety and Medicine (SESMT) and strengthening the safety culture. In all CPFL Energia businesses and units, these teams work with the objective of achieving zero fatalities in our operations. We also have the ambition to continually reduce the frequency and severity rate of accidents involving our assets, workers and the population.

Our Health and Safety Management System (SGSS) covers 100% of our operations, applying to CPFL Energia professionals and third parties. Implemented in accordance with international standards and guidelines such as ISO 45001, the SGSS is periodically subjected to internal and external audits.

Two corporate committees are part of the SGSS governance and promote the engagement of leaders in defining strategies and monitoring performance indicators. The Operational Safety Committee is made up of managers and directors and meets monthly to monitor the main actions on the topic. The Security Committee, made up of the CEO and vice-presidents, holds bimonthly meetings to critically analyze results and make strategic decisions.



*Field operation in Gramado (RS).*



**Our Health and Safety Management System, which covers 100% of operations, materializes our non-negotiable commitment to safety**



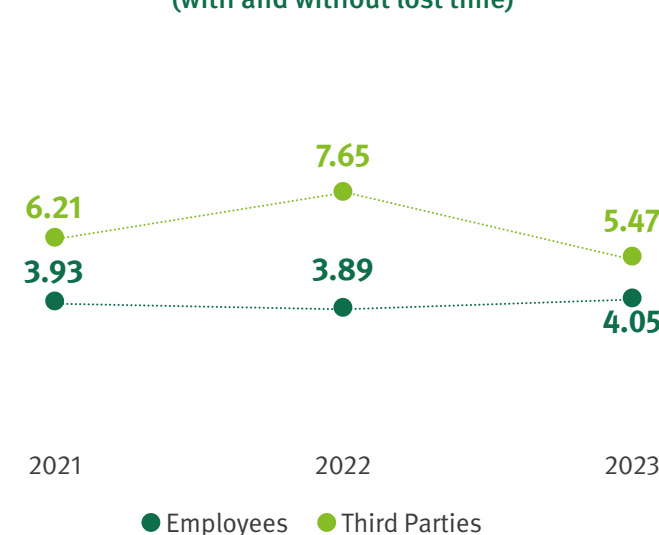
Employee in the CPFL Piratininga concession area, in the state of São Paulo.

In 2023, we recorded a significant reduction in the number and severity of accidents involving third parties, with a 28.50% reduction in the frequency rate of accidents with and without lost time and a 10.31% reduction in the severity rate for this public. In relation to the internal public, despite the increase in the number and rate of recordable accidents, we achieved the best historical result in relation to lost-time accidents. Accidents during the period were mostly related to cases of falls, which is why in safety conversations we reinforced awareness of the use of ladder supports and care not to use cell phones while moving. No case of occupational illness was recorded.

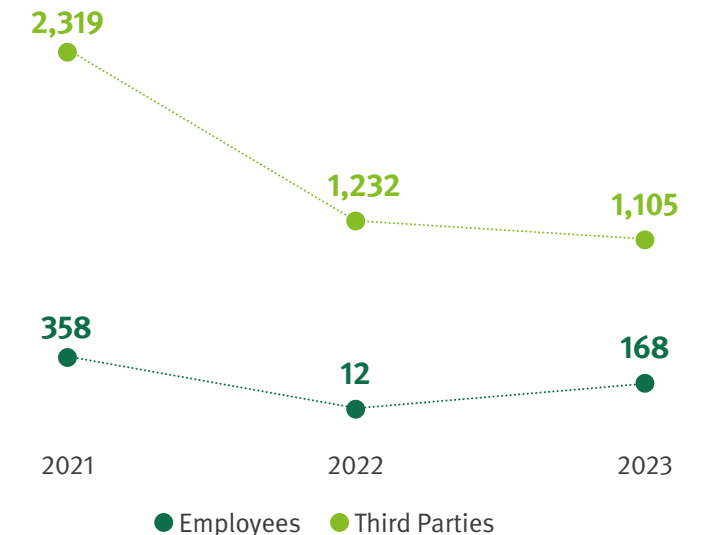
We achieved improvement in third-party safety indicators, but the performance of rates related to the internal public highlights the ongoing challenge of evolution in the safety area

The Occupational Health and Safety team provides support to the areas in conducting accident investigations and monitors preventive and reactive indicators in accordance with legal requirements and corporate policies. The investigation of incidents follows specific regulations and seeks to identify the root cause of the incident, allowing the implementation of improvement actions. We also have Internal Accident Prevention Committees (CIPAs) and our more than 900 volunteer firefighters, who receive annual training on topics such as first aid, firefighting and work in confined spaces.

Frequency rate of recordable accidents (with and without lost time)



Accident severity rate<sup>1</sup>



1. Historical data restated, as it now includes days lost due to fatal accidents.

## Safety culture

The identification and assessment of risks to workers' health and safety are carried out by specialized and properly trained teams, in accordance with specific regulations. All tasks are analyzed, and the results determine the control measures that must be adopted to ensure safety in activities. These measures may include the use of individual or collective protective equipment and mandatory training for the professionals involved, among other measures.

Each employee or third party is also responsible for assessing the risks of their activities on a daily basis. Through the Occupational Health and Safety Guidelines Booklet, we publish guidelines so that employees follow safety procedures, evaluate local conditions before starting any activity and, if they understand that there is a risk to their integrity, apply the right of refusal, stopping actions immediately and informing

their leaders so that measures can be taken to guarantee safe working conditions.

Aiming at the well-being of all employees, monthly meetings with the Labor and Union Relations area and the unions that represent workers (specific to the state of São Paulo) promote the discussion of opportunities in procedures, equipment and quality of work, from which actions are defined to seek better working conditions for everyone.

People can also report unsafe conditions in the computerized health and safety system and are guaranteed, through our Code of Ethical Conduct, that they will not suffer any type of reprisal. Ultimately, the Ethics Channel can also be used to report situations that are at odds with our policies and the vision of safety as a Company value.

The broad dissemination of information to promote a safe work environment is also carried out through internal campaigns, on the Multi Portal (CPFL Energia's intranet) and through regular awareness-raising and alignment practices, such as Daily Safety Dialogues, Observations of Security and CIPA meetings, which currently total 146 committees and promote the participation of more than 1,200 employees.

In addition, we have a set of training courses that ensure the qualification of professionals in their roles and strengthen the corporate security culture. The entire internal public is properly trained in accordance with the legal requirements applicable to the functions performed, especially to comply with the Regulatory Standards of the Ministry of Labor. Mandatory technical training for third parties is carried out by the contractors themselves, in accordance with the legislation provided for by SESMT. Every year, the CPFL Energia team conducts audit cycles to verify legal compliance with health and safety requirements of service providers.



*Employee in Campinas (SP).*

**Internal communication channels and mechanisms for reporting unsafe conditions promote employee engagement in safety practices**



*Risk assessment before carrying out work in Campinas (SP).*

All people who work in our operations undergo security integration training, and we also offer courses that reinforce awareness of the topic, each person's role in promoting security and care to promote a safe environment. In this context, the Guardião da Vida and Sinto Segurança

programs stand out. In addition, we carried out 12 simulations throughout the year, held every six months in the units and involving the Health and Safety team and local brigade members. The simulation calendar is planned annually for each location and theme that will be practiced.

## Guardião da Vida


The Guardião da Vida program is a platform for valuing the safety culture in an integrated way, engaging our professionals and customers in the concession areas. Through communication channels and educational campaigns, it encourages safe behavior when interacting with the electricity grid.

The awareness of our people, customers, service providers and society in general occurs through messages disseminated in accessible formats and language, including the use of digital media. In 2023, communication actions were carried out in the concession areas of our four distributors, with an investment of around R\$ 3.36 million.

In 2023, we recorded 57 accidents involving the population and the electricity grid under our management. Despite the increase in total accidents compared to 2022, when we had 53 occurrences, we identified a reduction in the number of fatal accidents, from 18 to 11.

Accidents involving the population and the CPFL electrical network			
	2023	2022	2021
Fatal	11	18	18
Other accidents	46	35	36
<b>Total</b>	<b>57</b>	<b>53</b>	<b>54</b>



Click here  to visit the Guardião da Vida portal

### Sinto Segurança

The program is focused on learning safe behavior through lessons learned from the analysis of unsafe events, defining each person's responsibility in preventing workplace accidents. The awareness is aimed at operation professionals, security technicians, leaders and members of CIPAs.

## Ethics and compliance

The Integrity Program brings together guidelines and practices for promoting business with ethics, transparency and in line with the values established in our Code of Ethical Conduct and the legal requirements applicable to our business. The Program ensures compliance of operations with the Anti-Corruption Law and has been certified in the ISO 37001 standard (anti-bribery management system) since 2022, including mechanisms for the assessment and treatment of corruption risks, in addition to initiatives to train the internal public.

By mapping sensitive audiences and the application of the Compliance Risk Assessment (CRA) methodology, all departments are assessed regarding risks related to corruption. Based on these assessments and through compliance management processes, no significant corruption risks were identified in the Company. The methodology applied in

the CRA is based on the guidelines of the UN document A Guide for Anti-corruption Risk Assessment. Audiences considered sensitive are those with greater exposure to interaction with public agents, field teams and telemarketing. For this group, we apply annual training focused on the activities and functions of each category, addressing specific topics and ethical dilemmas that may arise in their day-to-day activities. Additional training actions can also be carried out, depending on demand and corporate assessment.

Information about the Integrity Program and CPFL Energia's ethical operating assumptions are widely disseminated through internal and external communication channels, covering 100% of our stakeholders. In addition to a dedicated page on our institutional website and periodic reports on Portal Multi (intranet), we carry out internal campaigns and on the Company's social media profiles on the



*Employees at CPFL Energia headquarters, in Campinas (SP).*

topic, disclosures to suppliers through Rede de Valor and corporate events throughout the year, such as Integrity Day and the Monthly Integrity Conversation.

Annually, we plan a training schedule in the context of the Integrity Program in order to strengthen the ethical culture in the Company and disseminate the concepts and premises of the Code of Ethical Conduct. Third parties carry out integration training and can undergo refresher training whenever the need is identified. All new professionals at the Company undergo an integration course,

which includes information about the conduct guidelines, the Integrity Program and the Ethics Channel. In addition, they carry out the Program's mandatory e-learning at CPFL University, which includes completing the acceptance form of the Code of Ethical Conduct.

Leaders undergo annual training to reinforce the culture of compliance, and additional training is given to specific groups to address topics such as gifts and presents, conflicts of interest, relationships with public agents or politicians and corruption and bribery.

**In 2023, we trained 100% of the workforce on compliance and anti-corruption topics in accordance with the premises of our ESG 2030 Plan**

## Ethics Channel

CPFL Energia's Ethics Channel is the mechanism for receiving queries, suggestions and complaints related to non-compliance with the Company's laws, policies and conduct guidelines. The channel is managed by a specialized external company and can be accessed at any time by stakeholders, with guaranteed confidentiality and secrecy of reports. Protesters can make anonymous reports and monitor the proceedings using a protocol number. In line with our Code of Ethical Conduct, we do not tolerate any form of retaliation. Generators Baesa, Ceran, Enercan and Foz do Chapecó have their own ethical reporting channels.

The Board of Executive Officers and the Board of Directors monitor the evolution of the Integrity Program and the indicators related to the Ethics Channel on a monthly basis, including the number of complaints received, the main types of these complaints and the cases considered valid. In 2023, 1,058 complaints were received on the Ethics Channel, of which 370 constituted cases for investigation. Of this group, 110 were considered valid.

Four cases were related to situations of discrimination and were promptly treated with the application of disciplinary measures, as we do not tolerate behavior that does not comply with our Code of Ethical Conduct. No cases of corruption were recorded, nor were there any legal proceedings related to the matter involving the Company or any of our professionals.

### Access the CPFL Energia Ethics Channel



0800 601 8670



[www.contatoseguro.com.br/cpflenergia](http://www.contatoseguro.com.br/cpflenergia)



[eticacpfl@contatoseguro.com.br](mailto:eticacpfl@contatoseguro.com.br)



App CPFL Energia  
at Apple Store and Play Store





## Information security and data protection

The use of computerized systems and technology in operations is essential for improving the efficiency and reliability of data, allowing agile and assertive decision-making. However, this level of digitalization brings with it risks to data integrity, reliability and availability, which can compromise energy supply, institutional reputation, financial performance and commercial and strategic business objectives.

In recent years, with technological evolution and the recognition of data and information as a relevant asset for business decision-making, information, IT and cyber security has become increasingly relevant for companies and demands the implementation of robust models to protect against leakage, theft, loss, robbery, improper alteration or violation of data privacy. With the General Data Protection Law (LGPD), new obligations required the

adequacy of controls to protect personal data, especially those classified as sensitive personal data.

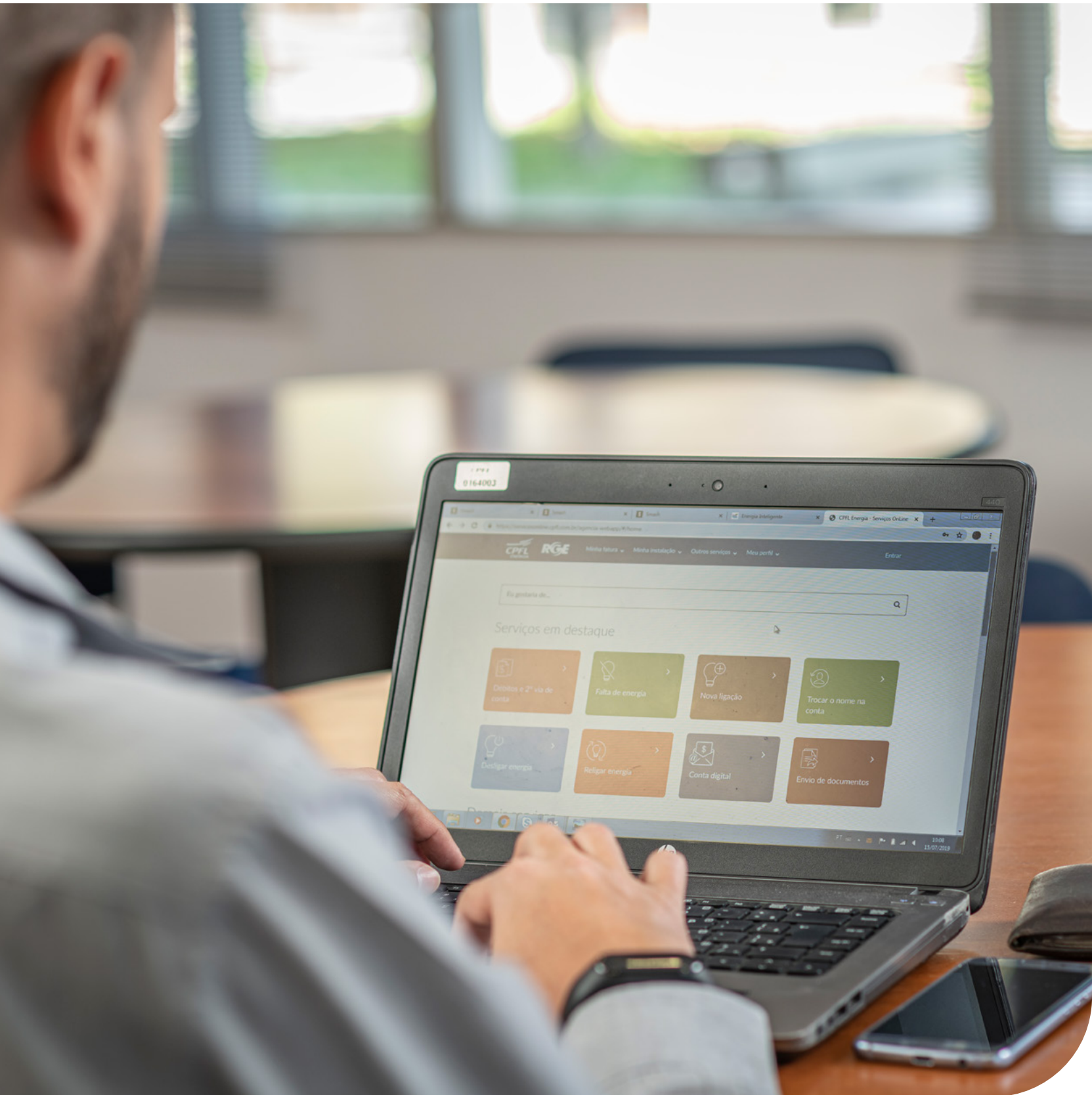
The Personal Data Governance and Protection Program and the Information Security Master Plan are the main mechanisms adopted by CPFL Energia to mitigate risks of this nature and ensure adequate levels of information security and system integrity.

The first focuses on complying with the LGPD and adopting best practices in privacy and data protection. Through it, we make a commitment to society to ensure legal compliance, foster a data protection culture, guarantee legitimate, ethical, responsible data processing, without abusive or illegal discrimination, respecting the fundamental rights and guarantees of the individual, safely, in the various relationships and businesses of CPFL Energia.



### Pillars of the Personal Data Governance and Protection Program

-  **Personal Data Governance**
-  **Policies, Standards and Procedures**
-  **Transparency with the Holder**
-  **Communication and Training**
-  **Supplier Management**
-  **Risks and Controls**
-  **Governance Tools**



## Our information security model is evaluated annually by internal and external audits

The credibility and maturity of the Data Governance and Protection Program are assessed by internal auditing and by a specialized company, in line with our values of security and integrity, and shared with the Audit Committee, Board of Executive Officers and Board of Directors.

Supported by the Information Security Policy, the Information Security Master Plan establishes measures to protect the technological environments in which the Company's information is processed and stored. Preventive and corrective measures include access controls and records, antivirus and antimalware routines, training on security controls and safe behaviors when using the internet and communication services, penetration tests and incident response plans, among others. Annually, the information security model is evaluated by internal

and external audits, having reached a maturity level of 3.8 in 2023 on a scale of 0 to 4. Training and dissemination and awareness actions among the internal public are also promoted at all years.

Harmonization between the Data Governance and Protection Program, the Policy and the Information Security Master Plan is essential to promote balance in the protection of individuals' personal data and business information, enabling access, use and processing of this data in an effective manner to support the Company's operations in line with legal compliance requirements and best market practices.

[Click here](#) and access our [Privacy Portal](#)



# About the Report

200 Materiality Study

202 Stakeholder Engagement

Related SDG





Aracati  
Wind  
Complex,  
in Ceará.

CPFL Energia's Annual Report reinforces our commitment to transparency towards civil society and drives the evolution of the management of our impacts, risks and opportunities related to sustainable development.

Constantly evolving, the Annual Report adheres to the main market frameworks. Since 2002, it has followed the reporting standard established by the Global Reporting Initiative

(GRI). Over the last ten years, it has adopted the Integrated Reporting framework, and since 2022 it has integrated sectoral indicators from the Sustainability Accounting Standards Board (SASB), currently incorporated into the IFRS Foundation's Sustainability Disclosure Standards (IFRS S1 and S2).

This edition covers the period from January 1<sup>st</sup> to December 31<sup>st</sup>, 2023, the same period covered by the Financial Statements. As in

previous years, it was subject to independent verification. In this way, the publication meets the requirements of Resolution No. 14 of the Securities and Exchange Commission (CVM), which references Guideline CPC 09 – Integrated Reporting of the Accounting Pronouncements Committee.

The document's structure was organized according to the pillars of our ESG 2030 Plan, covering the 16 material topics identified

in the Company's materiality process. The materiality process and the Report are approved by the executive bodies and brought to the attention of the Board of Directors, through the Strategy, Growth, Innovation and ESG Committee. Questions, comments and suggestions about this publication can be sent to the email [sustentabilidade@cpfl.com.br](mailto:sustentabilidade@cpfl.com.br).

# Materiality Study

The content of the 2023 Annual Report is guided by the material topics identified in the Materiality Study that we conducted in 2022. In this process, we captured the expectations and interests of 12 groups of prioritized stakeholders through two complementary analysis strategies: direct consultation via online questionnaire and research into secondary sources, such as reports, studies and market frameworks.

The online consultation received 999 responses from customers, internal stakeholders, communities, suppliers and investors. In turn, the analysis of 15 internal documents and 50 materials

from external institutions made it possible to capture relevant input also from competitors, civil society entities, sectoral associations, regulators and sector bodies, the press and senior leadership.

The selection of topics considered the topics already covered in previous materiality processes and CPFL Energia's strategic direction for ESG management in business. The 16 themes identified were considered material, organized into environmental, social and governance pillars. The study also allowed us to understand the priority themes for each audience and their perception of the Company's alignment with the Sustainable Development Goals (SDG).

## Material topics of CPFL Energia



### Environmental

- Eco-efficiency in operations
- Smart energy and innovation
- Encouraging the circular economy
- Climate change and decarbonization
- Biodiversity preservation



### Social

- Development of human capital
- Promoting diversity and inclusion
- Guarantee of human rights
- Relationship with communities
- Health and safety as a value



### Governance

- Sustainable purchasing
- Ethical conduct and transparency
- Financial and operational performance
- Corporate governance
- Customer satisfaction
- Information security

# Stakeholder engagement

Our Stakeholder Relationship Policy defines the guidelines and premises for promoting dialogue and engagement with our audiences, always considering the values and principles of our Code of Ethical Conduct, the commitments to sustainable development established in our Sustainability Policy and for respect for the international principles indicated in the Universal Declaration of Human Rights; in the Declaration of Fundamental Principles and Rights at Work, of the International Labor Organization; in the United Nations Global Compact; and the United Nations Guiding Principles on Business and Human Rights.

The document lists the main categories of audiences with which we interact – customers, communities, employees, regulators and sectoral bodies, entities and associations, press, investors and suppliers – and establishes as a guideline that the prioritization of these audiences and the definition of appropriate engagement strategies must be conducted in an integrated manner with the Company's

strategic planning and material topic identification processes.

Engagement and listening, response and reporting strategies and initiatives are conducted by the various areas in line with Our Commitment to Human Rights. This document, publicly available, establishes CPFL Energia's guidelines, concepts and operating principles. In recent years, we have advanced in the dissemination of these concepts and practices related to human rights at CPFL, considering:


- Zero tolerance for work similar to slavery and the use of child labor;
- Initiatives aimed at quality of life and safety at work and in the community;
- Fair, equitable professional opportunities in accordance with local laws;
- Diversity and fair opportunities for everyone;
- Combat to all forms of harassment, bullying, prejudice and discrimination; and
- Freedom of association for our employees.

## Listening, response and reporting mechanisms

	Public	How to access
Ethics Channel		0800 601 8670 <a href="http://www.contatoseguro.com.br/cpflenergiaeticapfl@contatoseguro.com.br">www.contatoseguro.com.br/cpflenergiaeticapfl@contatoseguro.com.br</a>
Channel for improvements in processes related to diversity, equity and inclusion	All audiences	<a href="mailto:diversidade@cpfl.com.br">diversidade@cpfl.com.br</a>
Lucia Cherobim Small Hydroelectric Plant – Social Communication Center		Rua Barão do Cerro Azul, número 42, Centro – Porto Amazonas (PR) E-mail: <a href="mailto:cecpchcherobim@gmail.com">cecpchcherobim@gmail.com</a> Phone number: +55 41 99163-3022
Ombudsman	Customers	<a href="https://www.cpfl.com.br/agencia/ouvidoria">https://www.cpfl.com.br/agencia/ouvidoria</a>
Communication channel with suppliers	Suppliers	<a href="mailto:comunicacaofornecedores@cpfl.com.br">comunicacaofornecedores@cpfl.com.br</a>
Contact Investor Relations <sup>1</sup>	Investors	+55 19 3756-8458 <a href="mailto:ri@cpfl.com.br">ri@cpfl.com.br</a>

1. From the point of view of our investors, we seek to meet the growing demand for information related to the ESG topic, mainly from national and international banks and investment funds, focused on sustainable growth strategies, through meetings and questionnaires on the topic, in addition to making increasingly more information, materials and documents available on our Investor Relations website.

[Click here](#)  and access the Stakeholder Relationship Policy

[Click here](#)  and access the Our Commitment to Human Rights publication

# Complement to GRI and SASB disclosures

## GRI 2-2 | Entities included in the organization's sustainability reporting

The following entities are covered by the CPFL Energia Annual Report:

Companhia Paulista de Força e Luz (CPFL Paulista); Companhia Piratininga de Força e Luz (CPFL Piratininga); RGE Sul Distribuidora de Energia S.A. (RGE); Companhia Jaguari de Energia (CPFL Santa Cruz); CPFL Energias Renováveis S.A. (CPFL Renováveis); CPFL Geração de Energia S.A. (CPFL Geração); CERAN – Companhia Energética Rio das Antas (Ceran); Foz do Chapecó Energia S.A. (Foz do Chapecó); Campos Novos Energia S.A. (Enercan); BAESA – Energética Barra Grande S.A. (Baesa); Centrais Elétricas da Paraíba S.A. (Epassa); Paulista Lajeado Energia S.A. (Paulista Lajeado); CPFL Transmissão de Energia Piracicaba Ltda. (CPFL Piracicaba); CPFL Transmissão de Energia Morro Agudo Ltda. (CPFL Morro Agudo); CPFL Transmissão de Energia Maracanaú Ltda. (CPFL Maracanaú); CPFL Transmissão de Energia Sul I Ltda. (CPFL Sul I); CPFL Comercialização de Energia Cone Sul Ltda. (CPFL Cone Sul); CPFL Transmissão de Energia Sul II Ltda. (CPFL Sul II); Companhia Estadual de Transmissão de Energia Elétrica – CEEE-T (CPFL Transmissão); Transmissora de Energia Sul Brasil S.A. (TESB); Transmissora Porto Alegre S.A. (TPAE); Empresa de Transmissão do Alto Uruguai S.A. (ETAU); CPFL Comercialização Brasil S.A. (CPFL Brasil); Clion Assessoria e Comercialização de Energia Elétrica Ltda. (CPFL Meridional); CPFL Planalto Ltda. (CPFL Planalto); CPFL Brasil Varejista de Energia Ltda. (CPFL Brasil Varejista); CPFL Serviços,

Equipamentos, Indústria e Comércio S.A. (CPFL Serviços); Nect Serviços Administrativos de Infraestrutura Ltda. (CPFL Infra); Nect Serviços Administrativos de Recursos Humanos Ltda. (CPFL People); Nect Serviços Administrativos Financeiros Ltda. (CPFL Finanças); Nect Serviços Adm. de Suprimentos e Logística Ltda. (CPFL Supre); CPFL Atende Centro de Contatos e Atendimento Ltda. (CPFL Atende); CPFL Total Serviços Administrativos S.A. (CPFL Total); CPFL Geração Distribuída de Energia Ltda. (CPFL GD); TI Nect Serviços de Informática Ltda. (Authi); Alesta Sociedade de Crédito Direto S.A. (Alesta); CPFL Jaguari de Geração de Energia Ltda. (Jaguari Geração); Chapecoense Geração S.A. (Chapecoense); Sul Geradora Participações S.A. (Sul Geradora); CPFL Telecomunicações Ltda. (CPFL Telecom) and INVESTCO S/A. The Ceran, Foz do Chapecó, Enercan, Baesa and Epassa generators are specifically covered for information on water, biodiversity, waste and community grievance mechanisms.

In accordance with accounting practices, the financial statements of subsidiaries are included in the consolidated financial statements from the date on which control begins until the date on which it ceases to exist. For joint ventures, this registration takes place through the equity method from the moment shared control begins. For affiliates, registration is at the time of acquisition of the interest.

The Bio Formosa Thermoelectric Plant is not included CPFL Energia's installed capacity on 12/31/2023. However, it is considered in all other indicators and results.

## GRI 2-7 | Employees

### Staff by gender, region and type of contract<sup>1</sup>

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Northeast</b>									
Indefinite period	29	3	<b>32</b>	19	2	<b>21</b>	16	1	<b>17</b>
Fixed-term	1	0	<b>1</b>	0	0	<b>0</b>	0	0	<b>0</b>
<b>Total</b>	<b>30</b>	<b>3</b>	<b>33</b>	<b>19</b>	<b>2</b>	<b>21</b>	<b>16</b>	<b>1</b>	<b>17</b>
<b>Midwest</b>									
Indefinite period	9	1	<b>10</b>	9	1	<b>10</b>	10	1	<b>11</b>
Fixed-term	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>
<b>Total</b>	<b>9</b>	<b>1</b>	<b>10</b>	<b>9</b>	<b>1</b>	<b>10</b>	<b>10</b>	<b>1</b>	<b>11</b>
<b>Southeast</b>									
Indefinite period	8,700	2,577	<b>11,277</b>	8,463	2,428	<b>10,891</b>	8,525	2,299	<b>10,824</b>
Fixed-term	37	17	<b>54</b>	15	0	<b>15</b>	20	2	<b>22</b>
<b>Total</b>	<b>8,737</b>	<b>2,594</b>	<b>11,331</b>	<b>8,478</b>	<b>2,428</b>	<b>10,906</b>	<b>8,545</b>	<b>2,301</b>	<b>10,846</b>
<b>South</b>									
Indefinite period	3,948	704	<b>4,652</b>	3,949	648	<b>4,597</b>	3,289	465	<b>3,754</b>
Fixed-term	2	0	<b>2</b>	0	0	<b>0</b>	2	0	<b>2</b>
<b>Total</b>	<b>3,950</b>	<b>704</b>	<b>4,654</b>	<b>3,949</b>	<b>648</b>	<b>4,597</b>	<b>3,291</b>	<b>465</b>	<b>3,756</b>
<b>Consolidated</b>									
Indefinite period	12,686	3,285	<b>15,971</b>	12,440	3,079	<b>15,519</b>	11,840	2,766	<b>14,606</b>
Fixed-term	40	17	<b>57</b>	15	0	<b>15</b>	22	2	<b>24</b>
<b>Total</b>	<b>12,726</b>	<b>3,302</b>	<b>16,028</b>	<b>12,455</b>	<b>3,079</b>	<b>15,534</b>	<b>11,862</b>	<b>2,768</b>	<b>14,630</b>

1. Data obtained from the Employee Registry and segregated by type of contract according to contractual models associated with professionals in the SAP system. It only considers people with an employment contract, that is, it does not include interns.

### Staff by gender, region and working hours<sup>1</sup>

	2023			2022			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Northeast</b>									
Full-time	30	3	<b>33</b>	19	2	<b>21</b>	16	1	<b>17</b>
Part-time	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>
<b>Total</b>	<b>30</b>	<b>3</b>	<b>33</b>	<b>19</b>	<b>2</b>	<b>21</b>	<b>16</b>	<b>1</b>	<b>17</b>
<b>Midwest</b>									
Full-time	9	1	<b>10</b>	9	1	<b>10</b>	10	1	<b>11</b>
Part-time	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>
<b>Total</b>	<b>9</b>	<b>1</b>	<b>10</b>	<b>9</b>	<b>1</b>	<b>10</b>	<b>10</b>	<b>1</b>	<b>11</b>
<b>Southeast</b>									
Full-time	8,729	2,582	<b>11,311</b>	8,464	2,412	<b>10,876</b>	8,533	2,277	<b>10,810</b>
Part-time	8	12	<b>20</b>	14	16	<b>30</b>	12	24	<b>36</b>
<b>Total</b>	<b>8,737</b>	<b>2,594</b>	<b>11,331</b>	<b>8,478</b>	<b>2,428</b>	<b>10,906</b>	<b>8,545</b>	<b>2,301</b>	<b>10,846</b>
<b>South</b>									
Full-time	3,944	700	<b>4,644</b>	3,943	643	<b>4,586</b>	3,286	461	<b>3,747</b>
Part-time	6	4	<b>10</b>	6	5	<b>11</b>	5	4	<b>9</b>
<b>Total</b>	<b>3,950</b>	<b>704</b>	<b>4,654</b>	<b>3,949</b>	<b>648</b>	<b>4,597</b>	<b>3,291</b>	<b>465</b>	<b>3,756</b>
<b>Consolidated</b>									
Full-time	12,712	3,286	<b>15,998</b>	12,435	3,058	<b>15,493</b>	11,845	2,740	<b>14,585</b>
Part-time	14	16	<b>30</b>	20	21	<b>41</b>	17	28	<b>45</b>
<b>Total</b>	<b>12,726</b>	<b>3,302</b>	<b>16,028</b>	<b>12,455</b>	<b>3,079</b>	<b>15,534</b>	<b>11,862</b>	<b>2,768</b>	<b>14,630</b>

1. Data obtained from the Employee Register and segregated by working day according to the number of hours contractually established (SAP system). It only considers people with an employment contract, that is, it does not include interns.



### **GRI 2-27 | Compliance with laws and regulations**

We did not record cases or payment of fines considered significant in the year 2023. Cases that consider penalties equivalent to at least 1% of the maximum value established by Article 61 of Federal Decree No. 6.514/2008 are considered significant, that is, fines starting from R\$ 500 thousand.

### **GRI 2-28 | Membership associations**

Participation in associations, external initiatives and sectoral, civil society or class entities is essential for exchanging good practices, discussing key themes for the energy segment and sharing business challenges and perspectives. Thus, it is also possible to disseminate CPFL Energia's positions on the priority themes defined by the Strategic Planning, acquire knowledge and execute specific action plans. Participation in entities makes it even easier to reach more vulnerable communities and audiences and better familiarization with their needs. Through the various corporate areas and units of CPFL Energia, we integrate more than 40 organizations of this type: American Chamber of Commerce for Brazil (Amcham – Campinas); Brazilian Association of Infrastructure and Basic Industries (ABDIB); Brazilian Association of Public Companies (Abrasca); Brazilian Association of Business Communication (Aberje); Brazilian Association of Electricity Distributors (Abradee); Brazilian Wind Energy

Association (ABEEolica); Brazilian Association for Clean Energy Generation (Abragel); Brazilian Risk Management Association (ABGR); Brazilian Association of Technical Standards (ABNT); Brazilian Association of Human Resources (ABRH); Brazilian Shopping Center Association (Abrasca); Brazilian Association of Energy Traders (Abraceel); Brazilian Association of Accountants in the Electric Energy Sector (Abraconee); Brazilian Association of Independent Electricity Producers (Apine); Energy Cogeneration Industry Association (Cogen); National Association of Credit, Financing and Investment Institutions (Acrefi); Commercial Associations and Chamber of Industry (CIC/ACI de Campinas and RGE); Campinas Tech; CDP – Carbon Disclosure Protocol; Center for Industries of the State of São Paulo (Ciesp); Center for Natural Resources and Energy Strategies (Cerne); Center for Sustainability Studies at Fundação Getulio Vargas (GVces); Brazilian Dams Committee (CBDB); Brazilian National Committee for Production and Transmission of Electric Energy (Cigré); Brazil-China Business Council (CEBC); Regional Engineering Council (CREA); Consulting House; Business and LGBTI+ Rights Forum; COGE Foundation – Business Management Committee; National Quality Foundation (FNQ); Global Energy Interconnection Development and Cooperation Organization (GEIDCO); Abradee Institute;

Instituto Acende Brasil; Brazilian Institute of Corporate Governance (IBGC); Brazilian Institute of Oil, Gas and Biofuels (IBP); Institute of Internal Auditors of Brazil (IIA Brasil); LIDE – Business Leadership; Movimento Mulher 360; UN Global Compact; Business Network for Social Inclusion; Sindienergia – RS; and Utilities Telecom & Technology Council Latin America (UTCAL).

### **GRI 2-30 | Collective bargaining agreements**

100% of our employees are covered by collective bargaining agreements.

### **GRI 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage**

The remuneration of our people is defined based on market salary surveys, considering the job and salary methodology. For the entire workforce, our premise is to ensure respect for the minimum wage and salary floor for the category, in accordance with collective agreements and conventions. In 2023, the lowest salary paid by CPFL Energia was R\$ 1,320.00, equal to the minimum wage in force in Brazil and applicable to 692 professionals in the year (546 women and 146 men). Contractors' compliance with this premise is checked monthly by the Third-Party Documentation Management Cell.

### **GRI 202-2 | Proportion of senior management hired from the local community**

100% of Functional Management positions (refer to directors hired under the CLT regime) are occupied by members of the local community. We consider Brazilian professionals hired in the national territory to be local.

### **GRI 203-2 | Significant indirect economic impacts**

Our businesses generate positive economic impacts through the generation of direct and indirect jobs and tax collection, in addition to constituting an essential infrastructure for the country's development by generating, transmitting and distributing electrical energy to residential, commercial and industrial customers. For the country's economy, the stability and availability of electricity from renewable sources at reasonable prices reduces the operating costs of various sectors of the economy, from manufacturing to services, contributing to overall competitiveness. Likewise, failures in the management of our assets that lead to the interruption of energy supply can generate relevant consequences for the economy. Therefore, the investments we make in renewable generation units and efficient energy transmission and distribution networks contribute to making the country more competitive.

## GRI 205-2 | Communication and training about anti-corruption policies and procedures

### Professionals trained in anti-corruption policies and practices by region and functional level

	2023		2022		2021	
	Number of people trained	Percentage of headcount on 12/31	Number of people trained	Percentage of headcount on 12/31	Number of people trained	Percentage of headcount on 12/31
<b>Northeast</b>						
Leadership <sup>1</sup>	3	100.00%	na	na	na	na
Other people	30	100.00%	na	na	na	na
<b>Total</b>	<b>33</b>	<b>100.00%</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>
<b>Midwest</b>						
Leadership <sup>1</sup>	1	100.00%	na	na	na	na
Other people	9	100.00%	na	na	na	na
<b>Total</b>	<b>10</b>	<b>100.00%</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>
<b>Southeast</b>						
Leadership <sup>1</sup>	723	99.45%	585	99%	560	90%
Other people	10,439	98.41%	9,573	88%	7,677	78%
<b>Total</b>	<b>11,162</b>	<b>98.47%</b>	<b>10,158</b>	<b>na</b>	<b>8,237</b>	<b>78%</b>
<b>South</b>						
Leadership <sup>1</sup>	215	99.54%	128	100%	160	98%
Other people	4,367	98.40%	3,936	97%	3,378	100%
<b>Total</b>	<b>4,582</b>	<b>98.45%</b>	<b>4,064</b>	<b>na</b>	<b>3,538</b>	<b>100%</b>
<b>Consolidated</b>						
Leadership <sup>1</sup>	942	98.41%	713	na	720	92%
Other people	14,841	99.47%	13,509	na	11,055	83%
<b>Total</b>	<b>15,783</b>	<b>98.47%</b>	<b>14,222</b>	<b>91%</b>	<b>11,775</b>	<b>84%</b>

1. Leadership includes directorship, management, coordination and supervision positions.

## GRI 304-1 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

### Units close to Conservation Units

	Company area (km <sup>2</sup> )	Location	Distance from the Conservation Unit <sup>1</sup>
Bio Formosa Biomass <sup>2</sup>	0.00 <sup>3</sup>	Baía Formosa (RN)	7 km from APA Piquiri-Uma 3 km from RPPN Mata Estrela
Ester Biomass	0.00 <sup>3</sup>	Cosmópolis (SP)	8 km from ARIE Matão de Cosmópolis
Ipê Biomass	0.00 <sup>3</sup>	Nova Independência (SP)	5 km from Guarani Municipal Ecological Station
HGP Lavrinhas	0.51	São Miguel Arcanjo (SP)	4 km from Carlos Botelho State Park
HGP Turvinho	0.14	São Miguel Arcanjo (SP)	5.5 km from Carlos Botelho State Park
SHPP Ludesa	10.14	Ipuçu (SC)	9 km from Mata Preta Ecological Station
SHPP São Gonçalo	2.10	São Gonçalo do Rio Abaixo (MG)	5 km from APA Piracicaba
SHPP Socorro	0.05	Socorro (SP)	10 km from APA Piracicaba Juqueri-Mirim area II
SPP Tanquinho	0.43	Campinas (SP)	0.5 km from Campinas APA
HPP Foz do Chapecó	129.04	Foz do Chapecó (SC)	3 km from Chapecó National Forest

1. The abbreviations used in this column refer to: Environmental Protection Area (APA), Area of Relevant Ecological Interest (ARIE) and Private Natural Heritage Reserve (RPPN). Units not listed are not located less than 15 km from Conservation Units.

2. The Biomassa Bio Formosa unit will no longer be part of CPFL Energia's asset portfolio in 2024.

3. The unit area is significantly smaller than 1 km<sup>2</sup>.

**GRI 304-1 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas**

**Units adjacent to or located within Conservation Units**

	Company area (km <sup>2</sup> )	Location	Distance from the Conservation Unit <sup>1</sup>
HGP São José	8.47	São Miguel Arcanjo (SP)	Adjacent to Carlos Botelho State Park
SHPP Boa Vista II	2.14	Varginha (MG)	Adjacent to Nova Baden State Park
SHPP Jaguari	1.00	Americana (SP)	Adjacent to the APAs of Campinas and Piracicaba Juqueri-Mirim area II
SHPP Macaco Branco	0.07	Campinas (SP)	Adjacent to the APAs of Campinas and Piracicaba Juqueri-Mirim area II
SHPP Ninho da Água	0.21	Delfim Moreira (MG)	Inside the APA Serra da Mantiqueira
SHPP Novo Horizonte	0.75	Bocaiúva do Sul (PR)	Adjacent to Rio Turvo State Park
SHPP Salto Grande	0.17	Campinas (SP)	Adjacent to the APA of Campinas
SHPP Santana	1.52	São Carlos (SP)	Adjacent to the Mata do Jacaré Ecological Station
HPP Barra Grande (Baesa)	105.71	Pinhal da Serra (RS)	Adjacent to RPPN Emilio Einsfeld Filho
HPP Campos Novos (Enercan)	32.85	Campos Novos (SC)	Adjacent to Rio Canoas State Park
HPP Luis Eduardo Magalhães	56.69	Miracema do Tocantins (TO)	Adjacent to the Lajeado and Lago APAs

<sup>1</sup> The abbreviations used in this column refer to: Environmental Protection Area (APA) and Private Natural Heritage Reserve (RPPN). Units not listed are not located within or adjacent to Conservation Units.

**GRI 304-4 | IUCN Red List species and national conservation list species with habitats in areas affected by operations**

**Species threatened with extinction according to IUCN classification identified in monitoring in 2023<sup>1</sup>**

	CPFL Geração	CPFL Renováveis
Critically endangered	0	1
Threatened	1	7
Vulnerable	1	27
Near threatened	4	22
Little concern	184	967

<sup>1</sup> Fauna monitoring programs are based on systematized methodologies (interception and fall traps, active search, visual and auditory census) and non-systematized (road search and interviews with local residents). The Distributors and CPFL Transmissão do not carry out this type of monitoring in their activities.

**GRI 305-6 | Emissions of ozone-depleting substances (ODS)**

**Emissions of ozone-depleting substances in 2023 (tCFC-11 equivalent<sup>1</sup>)**

	Gas	Totals
Scope 1	HCFC-22	0.016971

<sup>1</sup> Emissions shown in tons of CFC-11 equivalent, calculated using the Ozone Depleting Potential (ODP) adopted by the Montreal Protocol.

## GRI 401-1 | New employee hires and employee turnover

Hiring and dismissals						
	2023		2022		2021	
	Number of hires	Number of dismissals	Number of hires	Number of dismissals	Number of hires	Number of dismissals
<b>By gender</b>						
Men	1,952	1,624	1,993	2,094	2,292	1,517
Women	1,001	795	982	774	964	704
<b>By age group</b>						
Below 30 years of age	1,397	787	1,411	868	1,571	771
Between 30 and 50 years of age	1,464	1,424	1,514	1,533	1,606	1,191
Over 50 years of age	92	208	50	467	79	259
<b>By region</b>						
Northeast	7	1	7	3	2	3
Midwest	1	1	0	1	6	4
Southeast	2,358	1,915	2,287	2,192	2,819	1,848
South	587	502	681	672	429	366
<b>Total</b>	<b>2,953</b>	<b>2,419</b>	<b>2,975</b>	<b>2,868</b>	<b>3,256</b>	<b>2,221</b>

Hiring and turnover rates						
	2023		2022		2021	
	Hiring rate <sup>1</sup>	Turnover rate <sup>2</sup>	Hiring rate <sup>1</sup>	Turnover rate <sup>2</sup>	Hiring rate <sup>1</sup>	Turnover rate <sup>2</sup>
<b>By gender</b>						
Men	15.3%	12.7%	16.0%	16.8%	19.3%	12.8%
Women	30.3%	24.0%	31.9%	25.1%	34.8%	25.4%
<b>By age group</b>						
Below 30 years of age	37.8%	21.3%	37%	23%	10.0%	5.0%
Between 30 and 50 years of age	13.5%	13.1%	14%	15%	11.0%	8.0%
Over 50 years of age	6.2%	13.9%	4%	33%	0%	1.0%
<b>By region</b>						
Northeast	21.2%	3.0%	33.3%	14.3%	11.8%	17.6%
Midwest	10.0%	10.0%	0.0%	10.0%	54.5%	36.4%
Southeast	20.8%	16.9%	21.0%	20.1%	26.0%	17.0%
South	12.6%	10.6%	14.8%	14.6%	11.4%	9.7%
<b>Total</b>	<b>18.4%</b>	<b>15.0%</b>	<b>19.2%</b>	<b>18.5%</b>	<b>22.3%</b>	<b>15.2%</b>

1. Hiring rate calculated as the number of hires divided by the headcount at the end of the period.

2. Turnover rate calculated as the number of dismissals divided by the headcount at the end of the period.

## GRI 403-9 | Work-related injuries

SASB IF-EU-320a.1 | (1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees

### Health and safety indicators for employees<sup>1</sup>

	2023	2022	2021
Total man-hours worked	38,473,461	37,549,030	36,150,502
Number of near misses	2048	6454	141
Number of recordable accidents	156	147	142
Number of accidents with serious consequences <sup>2</sup>	8	10	10
Number of fatal accidents	0	0	2
Number of days lost	6,458	466	12,958
Frequency rate of near misses	53.23	171.88	3.90
Frequency rate of recordable accidents	4.05	3.91	3.93
Frequency rate of accidents with serious consequences <sup>2</sup>	0.21	0.27	0.28
Frequency rate of fatal accidents	0	0	0.06
Accident severity rate	168	12	358

1. Rates calculated with the factor of 1 million man-hours worked. Historical data on accidents with serious consequences were restated due to base correction. **GRI 2-4**

2. Leave of absence for more than two months or permanent injury, except death.

### Health and safety indicators for third parties<sup>1</sup>

	2023	2022	2021
Total man-hours worked	22,664,493	20,778,500	18,537,288
Number of near misses	92	444	21
Number of recordable accidents	124	159	111
Number of accidents with serious consequences <sup>2</sup>	6	13	4
Number of fatal accidents	4	4	7
Number of days lost	25,054	25,609	42,982
Frequency rate of near misses	4.06	21.37	1.1
Frequency rate of recordable accidents	5.47	7.65	5.98
Frequency rate of accidents with serious consequences <sup>2</sup>	0.26	0.62	0.21
Frequency rate of fatal accidents	0.17	0.19	0.37
Accident severity rate	1,105	1,232	2,319

1. Rates calculated with the factor of 1 million man-hours worked. Historical data on accidents with serious consequences were restated due to base correction, and the 2022 and 2021 values for days lost and accident severity rate were restated to account for days lost due to fatal accidents. **GRI 2-4**

2. Absence of more than two months or permanent injury, except death.

### Consolidated health and safety indicators<sup>1</sup>

	2023	2022	2021
Total man-hours worked	<b>61,137,954</b>	<b>58,327,530</b>	<b>54,687,790</b>
Number of near misses	<b>2,140</b>	<b>6,898</b>	<b>162</b>
Number of recordable accidents	<b>280</b>	<b>306</b>	<b>253</b>
Number of accidents with serious consequences <sup>2</sup>	<b>14</b>	<b>23</b>	<b>14</b>
Number of fatal accidents	<b>4</b>	<b>4</b>	<b>9</b>
Number of days lost	<b>31,512</b>	<b>26,075</b>	<b>55,940</b>
Frequency rate of near misses	<b>35.00</b>	<b>118.26</b>	<b>2.96</b>
Frequency rate of recordable accidents	<b>4.58</b>	<b>5.25</b>	<b>4.63</b>
Frequency rate of accidents with serious consequences <sup>2</sup>	<b>0.23</b>	<b>0.39</b>	<b>0.26</b>
Frequency rate of fatal accidents	<b>0.07</b>	<b>0.07</b>	<b>0.16</b>
Accident severity rate	<b>515</b>	<b>447</b>	<b>1,023</b>

1. Rates calculated with the factor of 1 million man-hours worked. Historical data on accidents with serious consequences were restated due to base correction, and the 2022 and 2021 values for days lost and accident severity rate were restated to account for days lost due to fatal accidents. **GRI 2-4**

2. Absence of more than two months or permanent injury, except death.

### GRI 410-1 | Security personnel trained in human rights policies or procedures

All of CPFL Energia's private security activities are outsourced, with 100% of the third parties allocated to these activities being duly trained by the contractors in the technical requirements for carrying out their functions, which includes human rights issues.

### GRI 411-1 | Incidents of violations involving rights of indigenous peoples

In 2023, we did not record any complaints or cases of violations of the rights of indigenous peoples in our business.

### GRI EU1 | Installed capacity, broken down by primary energy source and by regulatory regime

Installed capacity by source (MW)			
	2023	2022	2021
HPPs (hydroelectric plants)	1,996	1,996	1,966
SHPPs (small hydroelectric plants) and HGP (hydroelectric generation plants)	472	472	475
Solar	1.1	1.1	1.1
Wind	1,390	1,390	1,391
Thermal	182	182	182
Biomass <sup>1</sup>	330	370	370
<b>Total</b>	<b>4,371</b>	<b>4,411</b>	<b>4,385</b>

1. Does not consider the Bio Formosa plant (40 MW), which left CPFL Energia's portfolio at the end of December 2023.

### GRI EU2 | Net energy output broken down by primary energy source and by regulatory regime

#### SASB IF-EU-000.D | Total electricity generated, percentage by major energy source, percentage in regulated markets

Net energy production by source (GWh) <sup>1</sup>			
	2023	2022	2021
HPPs (hydroelectric plants)	7,938	7,247	5,713
SHPPs (small hydroelectric plants) and HGP (hydroelectric generation plants)	1,855	1,596	1,185
Solar	1	0	1
Wind	4,054	4,082	4,703
Thermal	27	16	647
Biomass	1,041	830	984
<b>Total</b>	<b>14,916</b>	<b>13,771</b>	<b>13,233</b>

1. Historical data restated. **GRI 2-4**

### GRI EU3 | Number of residential, industrial, institutional and commercial customer accounts

#### SASB IF-EU-000.A | Number of: (1) residential, (2) commercial, and (3) industrial customers served

Number of customers in the distribution segment			
	2023	2022	2021
Residential	9,487,461	9,350,515	9,148,715
Industrial	54,550	51,596	52,735
Commercial	543,944	523,143	515,427
Rural	323,402	329,584	359,804
Public Power	67,973	65,594	63,891
Street lighting	10,905	10,441	10,181
Public service	11,594	11,259	11,108
<b>Total</b>	<b>10,499,829</b>	<b>10,342,132</b>	<b>10,161,861</b>

**GRI EU4 | Length of above and underground transmission and distribution lines by regulatory regime**  
**SASB IF-EU-000.C | Length of transmission and distribution lines**

**Length (km) of transmission lines by voltage level in 2023**

	Less than 69 kV	Over 69 kV	Total
CPFL Paulista	0	5,806	<b>5,806</b>
CPFL Piratininga	0	747	<b>747</b>
CPFL Santa Cruz	0	526	<b>526</b>
RGE	229	4,684	<b>4,913</b>
CPFL Renováveis	15	914	<b>929</b>
CPFL Transmissão	0	6,436	<b>6,436</b>
<b>Total</b>	<b>244</b>	<b>19,113</b>	<b>19,357</b>

**Length (km) of transmission lines by voltage level in 2022**

	Less than 69 kV	Over 69 kV	Total
CPFL Paulista	0	5,938	<b>5,938</b>
CPFL Piratininga	0	727	<b>727</b>
CPFL Santa Cruz	0	526	<b>526</b>
RGE	228	4,661	<b>4,889</b>
CPFL Renováveis	15	913	<b>928</b>
CPFL Transmissão	0	6,120	<b>6,120</b>
<b>Total</b>	<b>243</b>	<b>18,885</b>	<b>19,128</b>

**Length (km) of transmission lines by voltage level in 2021**

	Less than 69 kV	Over 69 kV	Total
CPFL Paulista	509	5,891	<b>6,400</b>
CPFL Piratininga	0	727	<b>727</b>
CPFL Santa Cruz	761	525	<b>1,286</b>
RGE	233	4,465	<b>4,698</b>
CPFL Renováveis	15	913	<b>928</b>
CPFL Transmissão	na	na	<b>na</b>
<b>Total</b>	<b>1,518</b>	<b>12,521</b>	<b>14,039</b>

**Length (km) of distribution lines by type in 2023**

	Urban	Rural	Underground	Total
CPFL Paulista	71,148	64,118	801	<b>136,067</b>
CPFL Piratininga	17,944	9,335	651	<b>27,929</b>
CPFL Santa Cruz	7,233	16,818	41	<b>24,093</b>
RGE	41,427	113,353	117	<b>154,896</b>
<b>Total</b>	<b>137,752</b>	<b>203,624</b>	<b>1,610</b>	<b>342,986</b>

**Length (km) of distribution lines by type in 2022**

	Urban	Rural	Underground	Total
CPFL Paulista	70,302	62,931	756	<b>133,989</b>
CPFL Piratininga	17,780	9,144	614	<b>27,538</b>
CPFL Santa Cruz	7,186	16,625	40	<b>23,851</b>
RGE	41,084	113,396	111	<b>154,591</b>
<b>Total</b>	<b>136,352</b>	<b>202,096</b>	<b>1,521</b>	<b>339,969</b>

**Length (km) of distribution lines by type in 2021**

	Urban	Rural	Underground	Total
CPFL Paulista	69,302	61,531	707	<b>131,540</b>
CPFL Piratininga	17,571	8,911	588	<b>27,070</b>
CPFL Santa Cruz	7,144	16,308	39	<b>23,491</b>
RGE	40,746	113,099	107	<b>153,952</b>
<b>Total</b>	<b>134,763</b>	<b>199,849</b>	<b>1,441</b>	<b>336,053</b>

**GRI EU28 and EU29 | Power outage frequency and Average power outage duration**

**SASB IF-EU-550a.2 | (1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days**

<b>System Average Interruption Frequency Index (SAIFI)</b>					
	2023		2022		2021
	Realized	ANEEL limit	Realized	ANEEL limit	Realized
CPFL Paulista	<b>3.26</b>	5.09	<b>3.56</b>	5.47	<b>4.24</b>
CPFL Piratininga	<b>3.14</b>	4.97	<b>3.65</b>	5.15	<b>4.13</b>
CPFL Santa Cruz	<b>3.22</b>	6.55	<b>3.22</b>	6.92	<b>4.21</b>
RGE	<b>3.98</b>	7.22	<b>4.63</b>	7.69	<b>4.83</b>
<b>CPFL Energia</b>	<b>3.45</b>	<b>NA</b>	<b>3.88</b>	<b>NA</b>	<b>4.40</b>

<b>System Average Interruption Duration Index (SAIDI)</b>					
	2023		2022		2021
	Realized	ANEEL limit	Realized	ANEEL limit	Realized
CPFL Paulista	<b>5.14</b>	6.41	<b>5.25</b>	6.77	<b>6.21</b>
CPFL Piratininga	<b>4.57</b>	6.02	<b>4.95</b>	6.21	<b>5.95</b>
CPFL Santa Cruz	<b>5.04</b>	7.98	<b>4.74</b>	8.13	<b>5.66</b>
RGE	<b>8.63</b>	10.56	<b>10.55</b>	10.76	<b>10.85</b>
<b>CPFL Energia</b>	<b>6.07</b>	<b>NA</b>	<b>6.76</b>	<b>NA</b>	<b>7.53</b>

**GRI EU12 | Transmission and distribution losses as a percentage of total energy**

	2023			2022			2021		
	Technical	Non-technical	Total	Technical	Non-technical	Total	Technical	Non-technical	Total
CPFL Paulista	5.42%	3.72%	<b>9.14%</b>	6.00%	2.77%	<b>8.77%</b>	6.00%	3.01%	<b>9.01%</b>
CPFL Piratininga	4.52%	3.23%	<b>7.75%</b>	4.75%	2.66%	<b>7.41%</b>	4.75%	2.64%	<b>7.39%</b>
CPFL Santa Cruz	6.85%	0.90%	<b>7.75%</b>	6.85%	0.24%	<b>7.09%</b>	6.85%	0.92%	<b>7.77%</b>
RGE	6.39%	2.64%	<b>9.03%</b>	6.75%	1.96%	<b>8.71%</b>	6.75%	2.44%	<b>9.19%</b>
<b>CPFL Energia</b>	<b>5.59%</b>	<b>3.17%</b>	<b>8.76%</b>	<b>5.98%</b>	<b>2.44%</b>	<b>8.42%</b>	<b>5.99%</b>	<b>2.71%</b>	<b>8.70%</b>

**GRI EU25 | Number of injuries and fatalities to the public involving company assets including legal judgments, settlements and pending legal cases of diseases**

<b>Legal cases related to accidents involving the population and the CPFL electrical network</b>			
	2023 <sup>1</sup>	2022	2021
Cases opened in the period	125	111	101
Cases closed in the period	112	88	58
Financial impact of closed cases (R\$ thousand)	9,296	21,920	2,925
Other cases in progress during the period	491	464	437

1. From 2023 onwards, includes CPFL Transmissão.



**SASB IF-EU-000.B | Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers**

Sales in the concession area (GWh)									
	2023			2022			2021		
	Captive market	Free customer	Total	Captive market	Free customer	Total	Captive market	Free customer	Total
Residential	21,980	0	<b>21,980</b>	20,922	0	<b>20,922</b>	21,051	0	<b>21,051</b>
Industrial	3,604	22,195	<b>25,799</b>	4,031	22,079	<b>26,110</b>	4,422	21,464	<b>25,886</b>
Commercials	7,103	4,741	<b>11,845</b>	7,287	4,075	<b>11,362</b>	7,357	3,473	<b>10,830</b>
Rural	2,569	186	<b>2,755</b>	2,860	154	<b>3,014</b>	3,223	115	<b>3,338</b>
Others	5,447	2,142	<b>7,590</b>	5,589	2,303	<b>7,892</b>	6,848	1,740	<b>8,588</b>
<b>Total</b>	<b>40,704</b>	<b>29,265</b>	<b>69,968</b>	<b>40,690</b>	<b>28,611</b>	<b>69,301</b>	<b>42,901</b>	<b>26,791</b>	<b>69,692</b>

**SASB IF-EU-000.E | Total wholesale electricity purchased**

Electricity purchased on the free market (MWh)			
	2023	2022	2021
Energy purchased for own consumption	149,392.51	239,321.38	188,275.95
Energy purchased for sale to third parties	4,943,900.13	6,078,396.46	8,677,308.10

**SASB IF-EU-140a.2 | Number of incidents of non-compliance associated with water quality permits, standards and regulations**

In 2023, we did not record any incident of this nature.

**SASB IF-EU-240a.1 | Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers**

Average electricity tariff by customer class (R\$/kWh) <sup>1</sup>						
	2023			2022		
	Residential	Industrial	Commercial	Residential	Industrial	Commercial
CPFL Paulista	0.662	0.500	0.606	0.672	0.525	0.623
CPFL Piratininga	0.667	0.519	0.600	0.667	0.627	0.605
CPFL Santa Cruz	0.593	0.438	0.564	0.608	0.480	0.592
RGE	0.685	0.480	0.643	0.694	0.505	0.656

1. Calculated as the average income divided by the average consumption in each class.

**SASB IF-EU-240a.3 | (1) Number of residential customer electric disconnections for non-payment, (2) percentage reconnected within 30 days**

Outages and reconnections for residential customers						
	2023		2022		2021	
	Total residential cuts due to non-payment	Percentage of cuts reconnected within 30 days	Total residential cuts due to non-payment	Percentage of cuts reconnected within 30 days	Total residential cuts due to non-payment	Percentage of cuts reconnected within 30 days
CPFL Paulista	652,229	64%	684,144	61%	770,889	50%
CPFL Piratininga	308,491	67%	306,162	61%	348,913	54%
CPFL Santa Cruz	62,160	64%	69,062	62%	77,806	61%
RGE	382,302	63%	393,844	58%	397,733	52%


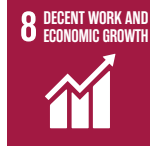

## Certifications maintained by CPFL Energia companies

Reference norm	Company	Scope	Validity	Certification body
ISO/IEC 27001:2013	CPFL Energia	CPFL Energia Datacenter Information Security Management System, including control, operation, monitoring and infrastructure maintenance services.	mar/24	Bureau Veritas Certification
ISO 37001:2016	CPFL Energia	Management and operation of the anti-bribery management system and integrity program for the activities of the Company's business area.	nov/25	ICV Brasil
ISO 9001:2015	CPFL Paulista CPFL Piratininga RGE	Distribution and commercialization of electrical energy; operation of the electrical energy transmission system; collecting data and determining individual and collective indicators of electricity supply continuity; teleservice management. including the collection and generation of data to determine telephone service quality indicators; collecting data and determining commercial service standards; process for handling complaints from electricity consumers, including Ombudsman; and measurement, data collection and calculation of compensation indicators related to steady-state voltage.	dec/24	Bureau Veritas Certification
ISO 9001:2015	CPFL Santa Cruz	Electrical motors, equipment and materials: sampling and chemical tests. Electrical insulating liquids: sampling of insulating liquids in drums, tanks and electrical equipment; and determination of polychlorinated biphenyls (PCB) by gas chromatography (GC-ECD).	jan/27	Bureau Veritas Certification
ISO 17025:2008	CPFL Serviços	Electrical motors, equipment and materials: sampling and chemical tests. Electrical insulating liquids: sampling of insulating liquids in drums, tanks and electrical equipment; and determination of polychlorinated biphenyls (PCB) by gas chromatography (GC-ECD).	jul/24	INMETRO
ISO 14001:2015	CPFL Paulista CPFL Piratininga RGE	Coexistence of the urban electrical energy distribution network with the environment and electrical energy transmission services.	dec/24	Bureau Veritas Certification
ISO 14001:2015	CPFL Santa Cruz	Coexistence of the urban electrical energy distribution network with the environment and electrical energy transmission services.	jan/27	Bureau Veritas Certification
ISO 9001:2015	CPFL Serviços	Management of the execution of electrical energy network works at CPFL Serviços' operational bases; management of renovation and recovery of electrical equipment (transformers, regulators, reclosers and manual maintenance tools for energy distribution) at the São José do Rio Pardo unit.	nov/25	Bureau Veritas Certification
ISO 14001:2015	CPFL Serviços	Management of the execution of electrical energy network works at CPFL Serviços' operational bases; management of renovation and recovery of electrical equipment (transformers, regulators, reclosers and manual maintenance tools for energy distribution) at the São José do Rio Pardo unit.	jan/26	Bureau Veritas Certification

Reference norm	Company	Scope	Validity	Certification body
ISO 45001:2018	CPFL Paulista CPFL Piratininga RGE	Distribution and commercialization of electrical energy.	dec/24	Bureau Veritas Certification
ISO 45001:2018	CPFL Santa Cruz	Distribution and commercialization of electrical energy.	jan/27	Bureau Veritas Certification
ISO 9001:2015	CPFL Geração – Enercan	Operation and maintenance of the generating units at HPP Campos Novos for the generation of electrical energy, including transmission to the Conexão Eletrosul – Campos Novos Substation, dam management and reservoir management.	dec/24	BSI Certification
ISO 14001:2015	CPFL Geração – Enercan	System for managing the environmental aspects and impacts of HPP Campos Novos, whose activities include reservoir management, operation, maintenance, energy generation and transmission system to the Conexão Eletrosul – Campos Novos Substation.	sep/24	BSI Certification
ISO 45001:2018	CPFL Geração – Enercan	System for managing occupational health and safety hazards and risks at HPP Campos Novos, whose activities include risks related to reservoir management, operation, maintenance, power generation and transmission system up to the Conexão Eletrosul – Campos Novos Substation.	sep/24	BSI Certification
ISO 9001:2015 ISO 14001:2015 ISO 45001:2018	CPFL Geração – Baesa	Operation and maintenance of the generating plants at HPP Barra Grande to generate electricity, including management of the dam and reservoir.	dec/24	BSI Certification

## CPFL Energia's contributions to the Sustainable Development Goals (SDG)

SDG	Main contributions
	<ul style="list-style-type: none"> <li>• ESG 2030 Plan: Safe and Reliable Operation Pillar</li> <li>• ESG Plan 2020 – Commitment #20: Promote a healthy work environment, increasing awareness of mental well-being and establishing supportive actions for our employees</li> <li>• Adhesion to the Mente em Foco Movement, of the Rede Brasil Global Compact, in 2022</li> <li>• Citizen Company Seal, a program that guarantees extended maternity leave of 180 days and paternity leave of 20 days</li> <li>• Recognition of the CPFL and RGE Program in Hospitals by the UN as one of the SDG Good Practices</li> </ul>
	<ul style="list-style-type: none"> <li>• ESG 2030 Plan: Safe and Reliable Operation and Shared Value with Society Pillars</li> <li>• ESG 2030 Plan – Commitment #12: Invest at least R\$ 230 million in socio-environmental projects that maximize the transformation in the community by 2030</li> <li>• Career Development and Acceleration Programs: Corporate Mentoring and +Diversa Mentoring Program; CEO Academy; Leadership Check-in; Learning Trails; Performance Management; CPFL Attitude, among others</li> <li>• Scholarship Program: in 2023, granted 773 scholarships to 739 CPFL Energia professionals, with more than R\$ 4,127,777.16 invested</li> <li>• CPFL University: +700 thousand hours of training (41 hours per professional, with more than 17 thousand people trained)</li> <li>• School of Operational Excellence for electricians, designers and operators</li> <li>• CPFL Institute's role as CPFL Group's Social Investment Platform, which benefited 700 thousand people in 2023 with investments of R\$ 43.7 million</li> </ul>
	<ul style="list-style-type: none"> <li>• ESG 2030 Plan: Shared Value Pillar with Society</li> <li>• ESG 2030 Plan – Commitment #14: Reach 30% women in leadership positions by 2030 and continuously work to increase diversity and representation</li> <li>• Protagonistas Program, aligned with CPFL +Diversa, launched an edition aimed at women, seeking to boost their preparation for leadership positions</li> <li>• Joining the Movimento Mulher 360 in 2021</li> <li>• 100% free Electricians School for women</li> <li>• Maternity support actions, such as implementing reception rooms for women breastfeeding</li> </ul>
	<ul style="list-style-type: none"> <li>• ESG 2030 Plan: Sustainable Operations Pillar</li> <li>• CETAP Program develops actions in municipalities in Rio Grande do Sul with farming families to conserve springs. There are 211 hectares protected by a sustainable extractivism production chain, which values the responsible use of bio-inputs from the area</li> <li>• Desalination in Rio Grande do Norte with strategic support from SGCC and partnership with the state government. With more than R\$ 8 million in investments, the technology used allows that, for each liter of water filtered, 85% of the water becomes drinkable and 15% remains as waste; three communities are supplied with 80 thousand liters of drinking water per day</li> </ul>

SDG	Main contributions
	<ul style="list-style-type: none"> <li>• ESG 2030 Plan: Renewable and Smart Solutions and Sustainable Operations Pillars</li> <li>• ESG 2030 Plan – Commitment #1: Generate 100% renewable energy by 2030</li> <li>• The social tariff program for low-income families includes more than 650 thousand customers of our distributors</li> <li>• CPFL Energia's Energy Efficiency Program benefits low-income customers in the distributors' concession areas, with R\$ 123.6 million contributed in 2023 to 30 projects in São Paulo and Rio Grande do Sul</li> </ul>
	<ul style="list-style-type: none"> <li>• ESG 2030 Plan: Shared Value with Society and Safe and Reliable Operation Pillars</li> <li>• ESG 2030 Plan – Commitment #15: Assess 100% of critical suppliers in sustainability criteria and achieve at least 85% of our spending with companies that present advanced practices in sustainability by 2030</li> <li>• In 2022, we published our official commitment to Human Rights, in which we address our operating principles</li> <li>• Since 2004, we have been signatories to the Global Compact and are part of Rede Brasil, which aims to promote the integration of ten universal Human Rights principles, decent work, environmental preservation and combating corruption in corporate strategies</li> <li>• Actions to ensure workplace safety, with Daily Safety Dialogues, Safety Committee and Internal Accident Prevention Committees</li> </ul>
	<ul style="list-style-type: none"> <li>• ESG 2030 Plan: Renewable and Smart Solutions and Safe and Reliable Operation Pillars</li> <li>• ESG 2030 Plan – Commitment #5: Invest at least R\$ 40 million in green hydrogen technologies by 2030</li> <li>• ESG 2030 Plan – Commitment #6: Achieve at least R\$ 560 million in investments in smart energy solutions by 2027</li> <li>• Adoption of artificial intelligence technology to improve operational security on the Coseg platform, by recording operational activities with mobile devices, sensors and cameras</li> <li>• The CPFL Inova Program invests in startups to accelerate disruptive projects for the electricity sector</li> <li>• Mapping of scenarios and technologies that can anticipate the electricity sector's future</li> </ul>

## SDG

## Main contributions



- ESG 2030 Plan: Shared Value with Society Pillar
- ESG 2030 Plan – Commitment #12: Invest at least R\$ 230 million in socio-environmental projects that maximize the transformation in the community by 2030
- With the desalination project in João Câmara (RN), for the first time in history, more than 800 families in the region are having access to drinking water for consumption and domestic activities
- Nosso Jeito de Ser values diversity and respects differences, which is why there is an incentive for the participation of plural people in our selection processes and monitoring of indicators relating to minority social groups
- Since 2019, the Internship Program selection process has been carried out in a hidden manner. As a strategy to mitigate unconscious biases, leadership does not have access to identity markers, such as gender, age, race and other information
- The CPFL +Diversa Program works collaboratively with the affinity groups Gerações, LGBTQIAP+, Women, People with Disabilities (PWD) and Black People
- Variable remuneration targets for all leadership linked to the increase in the representation of Women in leadership, and Women, PWD and Black People in the general framework: all exceeded in 2023



- ESG 2030 Plan: Shared Value with Society and Safe and Reliable Operation Pillars
- Commitment #12: Invest at least R\$ 230 million in socio-environmental projects that maximize the transformation in the community by 2030
- Arborização +Segura Program identifies and replaces trees with an inadequate size and phytosanitary status for the urban perimeter. In addition to preventing damage and power outages, it provides a better planned urban afforestation
- In the Foz do Chapecó Energia region, a Biofactory was installed in the municipality of Alpestre (RS), in order to strengthen family farming and boost income generation for local residents. Farmers receive free training in the production and handling of fruit and ornamental seedlings, which are distributed free of charge
- ENERCAN has the Sustainability and Social Investment Program, with actions and projects aimed at the communities surrounding the plant, in order to provide greater socioeconomic development in the region

## SDG

## Main contributions



- ESG 2030 Plan: Renewable and Smart Solutions, Sustainable Operations and Shared Value with Society Pillars
- ESG 2030 Plan – Commitment #1: Generate 100% renewable energy by 2030
- ESG 2030 Plan – Commitment #2: Be carbon neutral from 2025, reducing 35% of scope 1, 2 and 3 emissions by 2030
- ESG 2030 Plan – Commitment #7: Consolidate CPFL's eco-efficiency management program, establishing goals until 2024 to promote the conscious consumption of energy and water and reduce the sending of waste to landfills
- ESG 2030 Plan – Commitment #8: Phase out single-use plastics in our administrative units by 2025
- ESG 2030 Plan – Commitment #10: Refurbish at least 70,00 electrical network equipment by 2030
- ESG 2030 Plan – Commitment #11: Guarantee 100% of the main components of the network destined for recycling or reverse chain systems
- Equipment refurbisher CPFL Serviços, created in 2007, responsible for recycling 12,100 pieces of equipment in 2023
- CPFL Soluções is the exclusive front of CPFL Energia to help companies and businesses optimize their assets and energy consumption. Its objective is to develop integrated energy solutions that bring more savings, efficiency and energy security to around 2,100 customers



- ESG 2030 Plan: Renewable and Smart Solutions Pillar
- ESG 2030 Plan – Commitment #2: Be carbon neutral from 2025, reducing 35% of scope 1, 2 and 3 emissions by 2030
- ESG 2030 Plan – Commitment #3: Provide low-carbon solutions for our customers, with annual revenue targets from I-RECs and carbon credits
- ESG 2030 Plan – Commitment #4: Achieve at least 15% electrification of the State of São Paulo's Technical Operational Fleet by 2030
- Adherence to the Ambição Net Zero Movement, of the Rede Brasil Global Compact
- Publication of Our Journey Against Climate Change, in which we demonstrate the evolution of our mitigation and adaptation practices to climate change, using the Task Force for Climate-related Financial Disclosures (TCFD) methodology

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**SDG****Main contributions**

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- ESG 2030 Plan: Sustainable Operations Pillar
- ESG 2030 Plan – Commitment #9: Create CPFL's Biodiversity Positioning by 2025 to maximize the benefits and value generated by our operations for the environment and society
- Fauna Monitoring, Fauna and Flora Rescue and Degraded Area Recovery Programs by CPFL Renováveis
- FETAG project to raise environmental awareness among farmers in Rio Grande do Sul and recover degraded areas in the Pampas and Atlantic Forest biomes
- The Association of Studies and Projects with Indigenous and Minority Peoples (AEPIM) seeks to support the restoration of adequate environmental conditions for living in accordance with the cultural traditions of the Mbya Guarani ethnic group, in two communities on the north coast of Rio Grande do Sul
- Environmental Preservation Program for the conservation of native vegetation, including the removal of lines in environmental preservation areas
- Forest Compensation Areas in the modalities of reforestation and management of exotic species in Conservation Units and acquisition of surplus Legal Reserve areas on private properties
- The Bem-Te-Vi Project integrates actions for the conservation, improvement and recovery of species on the banks of the Ibcuí-Mirim river, in an area of riparian forests, to guarantee the sustainability of the genetic variation of tree species, allowing the formation of biological communities for future generations



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- ESG 2030 Plan: Safe and Reliable Operation Pillar
  - ESG 2030 Plan – Commitment #23: Continuously pursue the best practices of accountability, transparency, fairness and responsibility
  - SGCC, controlling shareholder of CPFL Energia, operates guided by the principle of being a responsible organization, which seeks to promote social well-being
  - Participation in ISE B3 for the 17<sup>th</sup> year
  - Quarterly monitoring of the ESG 2030 Plan by sustainability governance bodies: Sustainability Committee, Board of Executive Officers, Strategy, Growth, Innovation and ESG Committee, and Board of Directors
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# GRI content index

**Statement of use** | CPFL Energia S.A. has reported in accordance with the GRI Standards for the period of Januari 1<sup>st</sup> to December 31<sup>st</sup>, 2023.

**GRI 1 used** | GRI 1: Foundation 2021

**Applicable GRI Sector Standard(s)** | Not applicable

GRI Standard/ Other source	Disclosure	Page	Omission			Global Compact	SDG
			Requirement(s) omitted	Reason	Explanation		
<b>General disclosures</b>							
GRI 2   General Disclosures 2021	2-1   Organizational details	22, 23, 100 and 101	-	-	-	-	-
	2-2   Entities included in the organization's sustainability reporting	198 and 204	-	-	-	-	-
	2-3   Reporting period, frequency and contact point	198 and 199	-	-	-	-	-
	2-4   Restatements of information	59, 73, 82, 83, 108, 183, 216 and 217	-	-	-	-	-
	2-5   External assurance	198, 199, 256, 257, 258 and 259	-	-	-	-	-
	2-6   Activities, value chain and other business relationships	20, 21, 22, 23, 179 and 202	-	-	-	-	-
	2-7   Employees	206	-	-	-	6	8 and 10
	2-8   Workers who are not employees	177	-	-	-	6	8 and 10
	2-9   Governance structure and composition	102, 103, 104, 105, 106 and 107	-	-	-	-	-
	2-10   Nomination and selection of the highest governance body	108	-	-	-	-	5 and 16
	2-11   Chair of the highest governance body	103	-	-	-	-	16
	2-12   Role of the highest governance body in overseeing the management of impacts	112 and 118	-	-	-	-	16
	2-13   Delegation of responsibility for managing impacts	118	-	-	-	-	-
	2-14   Role of the highest governance body in sustainability reporting	199	-	-	-	-	-
	2-15   Conflicts of interest	102, 104, 105 and 189	-	-	-	-	16
	2-16   Communication of critical concerns	190	-	-	-	-	-
	2-17   Collective knowledge of the highest governance body	108 and 109	-	-	-	-	-
	2-18   Evaluation of the performance of the highest governance body	109	-	-	-	-	-
	2-19   Remuneration policies	108 and 109	-	-	-	-	-
	2-20   Process to determine remuneration	108 and 109	-	-	-	-	-

GRI Standard/ Other source	Disclosure	Page	Omission			Global Compact	SDG
			Requirement(s) omitted	Reason	Explanation		
GRI 2   General Disclosures 2021	2-21   Annual total compensation ratio	109	-	-	-	-	-
	2-22   Statement on sustainable development strategy	8, 9, 10 and 11	-	-	-	-	-
	2-23   Policy commitments	202	-	-	-	-	-
	2-24   Embedding policy commitments	112 and 202	-	-	-	-	-
	2-25   Processes to remediate negative impacts	151, 153, 162, 163, 202 and 203	-	-	-	-	-
	2-26   Mechanisms for seeking advice and raising concerns	190 and 203	-	-	-	10	16
	2-27   Compliance with laws and regulations	208	-	-	-	-	16
	2-28   Membership associations	208	-	-	-	-	16
	2-29   Approach to stakeholder engagement	180, 184, 200, 202 and 203	-	-	-	-	-
	2-30   Collective bargaining agreements	209	-	-	-	3	8
GRI electric utilities sector supplement 2013	EU1   Installed capacity, broken down by primary energy source and by regulatory regime	24 and 218	-	-	-	-	7
	EU2   Net energy output broken down by primary energy source and by regulatory regime	25 and 219	-	-	-	-	7
	EU3   Number of residential, industrial, institutional and commercial customer accounts	36 and 219	-	-	-	-	-
	EU4   Length of above and underground transmission and distribution lines by regulatory regime	33, 36, 37 and 220	-	-	-	-	7
	EU5   Allocation of CO <sub>2</sub> e emissions allowances or equivalent, broken down by carbon trading framework	122	-	-	-	-	13

GRI Standard/ Other source	Disclosure	Page	Omission			Global Compact	SDG
			Requirement(s) omitted	Reason	Explanation		
<b>Material topics</b>							
GRI 3   Material topics 2021	3-1   Process to determine material topics	200	-	-	-	-	-
	3-2   List of material topics	201	-	-	-	-	-
<b>Material topic   Climate change and decarbonization</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 112, 114, 118, 121, 122, 124, 125, 126, 127, 128, 129, 131, 132 and 133	-	-	-	-	-
GRI 201   Economic performance 2016	201-2   Financial implications and other risks and opportunities due to climate change	132 and 133	-	-	-	7	13
GRI 302   Energy 2016	302-1   Energy consumption within the organization	129	-	-	-	7 and 8	7, 8, 12 and 13
	302-2   Energy consumption outside of the organization	131	-	-	-	8	7, 8, 12 and 13
GRI 305   Emissions 2016	305-1   Direct (Scope 1) GHG emissions	126 and 128	-	-	-	7 and 8	3, 12, 13, 14 and 15
	305-2   Energy indirect (Scope 2) GHG emissions	126 and 128	-	-	-	7 and 8	3, 12, 13, 14 and 15
	305-3   Other indirect (Scope 3) GHG emissions	126 and 128	-	-	-	7 and 8	3, 12, 13, 14 and 15
	305-4   GHG emissions intensity	128	-	-	-	8	13, 14 and 15
GRI 305   Emissions 2016	305-5   Reduction of GHG emissions	124, 125 and 127	-	-	-	8 and 9	13, 14 and 15
	305-6   Emissions of ozone-depleting substances (ODS)	213	-	-	-	7 and 8	3 and 12
	305-7   Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	-	Disclosure omitted	Information unavailable/incomplete	Data regarding atmospheric emissions NOx, SOx and others will be reported in the 2024 Annual Report	7 and 8	3, 12, 14 and 15



GRI Standard/ Other source	Disclosure	Page	Omission			Global Compact	SDG
			Requirement(s) omitted	Reason	Explanation		
<b>Material topic   Eco-efficiency in operations</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 112, 115, 118, 138, 140 and 141	-	-	-	-	-
GRI 303   Water and effluents 2018	303-1   Interactions with water as a shared resource	138 and 140	-	-	-	8	6 and 12
	303-2   Management of water discharge-related impacts	138 and 140	-	-	-	8	6
	303-3   Water withdrawal	141	-	-	-	7 and 8	6
	303-4   Water discharge	140	-	-	-	7 and 8	6
	303-5   Water consumption	140	-	-	-	8	6
<b>Material topic   Smart energy and innovation</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 78, 80, 81, 82, 83, 84, 85, 86, 87, 96, 97, 98, 99, 112, 114, 118, 134, 136 and 137	-	-	-	-	-
GRI electric utilities sector supplement 2013	EU8   Research and development activity and expenditure aimed at providing reliable electricity and promoting sustainable development	82 and 83	-	-	-	7, 8 and 9	7, 9, 11, 12 and 13
<b>Material topic   Encouraging the circular economy</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 112, 115, 118, 138, 142, 143, 144 and 145	-	-	-	-	-
GRI 306   Waste 2020	306-1   Waste generation and significant waste-related impacts	142 and 145	-	-	-	8	3, 6, 11 and 12
	306-2   Management of significant waste-related impacts	142 and 145	-	-	-	8	3, 6, 11 and 12
	306-3   Waste generated	143	-	-	-	8	3, 11 and 12
	306-4   Waste diverted from disposal	144 and 145	-	-	-	8	3, 11 and 12
	306-5   Waste directed to disposal	145	-	-	-	8	3, 11 and 12

GRI Standard/ Other source	Disclosure	Page	Omission			Global Compact	SDG
			Requirement(s) omitted	Reason	Explanation		
<b>Material topic   Biodiversity preservation</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 112, 115, 118, 146, 147, 148 and 149	-	-	-	-	-
GRI 304   Biodiversity 2016	304-1   Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	211 and 212	-	-	-	8	6, 14 and 15
	304-2   Significant impacts of activities, products, and services on biodiversity	146, 147 and 148	-	-	-	8	6, 14 and 15
	304-3   Habitats protected or restored	148 and 149	-	-	-	8	6, 14 and 15
	304-4   IUCN Red List species and national conservation list species with habitats in areas affected by operations	213	-	-	-	8	6, 14 and 15
<b>Material topic   Health and safety as a value</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 28, 29, 30, 31, 70, 73, 77, 96, 97, 98, 99, 112, 117, 118, 180, 182, 183, 184, 185, 186 and 187	-	-	-	-	-
GRI 403   Occupational health and safety 2018	403-1   Occupational health and safety management system	180	-	-	-	-	8
	403-2   Hazard identification, risk assessment, and incident investigation	180, 182, 184 and 185	-	-	-	-	8
	403-3   Occupational health services	73	-	-	-	-	8
	403-4   Worker participation, consultation, and communication on occupational health and safety	180, 184 and 185	-	-	-	-	8 and 16
	403-5   Worker training on occupational health and safety	182, 184, 185 and 186	-	-	-	-	8
	403-6   Promotion of worker health	70	-	-	-	-	3
	403-7   Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	187	-	-	-	-	8
	403-8   Workers covered by an occupational health and safety management system	180	-	-	-	-	8
	403-9   Work-related injuries	183 and 216	-	-	-	-	3, 8 and 16
	403-10   Work-related ill health	183	-	-	-	-	3, 8 and 16
GRI 416   Customer health and safety 2016	416-1   Assessment of the health and safety impacts of product and service categories	187	-	-	-	-	-
GRI electric utilities sector supplement 2013	EU21   Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans	28, 29, 30, 31 and 77	-	-	-	1	11
	EU25   Number of injuries and fatalities to the public involving company assets including legal judgments, settlements and pending legal cases of diseases	187 and 223	-	-	-	-	-

GRI Standard/ Other source	Disclosure	Page	Omission			Global Compact	SDG
			Requirement(s) omitted	Reason	Explanation		
<b>Material topic   Development of human capital</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 56, 58, 59, 60, 62, 63, 64, 65, 66, 69, 70, 73, 96, 97, 98, 99, 112, 116 and 118	-	-	-	-	-
GRI 202   Market presence 2016	202-1   Ratios of standard entry level wage by gender compared to local minimum wage	209	-	-	-	6	1, 5 and 8
	202-2   Proportion of senior management hired from the local community	209	-	-	-	6	8
GRI 401   Employment 2016	401-1   New employee hires and employee turnover	66 and 214	-	-	-	6	5, 8 and 10
	401-2   Benefits provided to full-time employees that are not provided to temporary or part-time employees	70	-	-	-	-	3, 5 and 8
	401-3   Parental leave	73	-	-	-	6	5 and 8
GRI 404   Training and education 2016	404-1   Average hours of training per year per employee	60	-	-	-	6	4, 5, 8 and 10
	404-2   Programs for upgrading employee skills and transition assistance programs	60, 62 and 63	-	-	-	-	8
	404-3   Percentage of employees receiving regular performance and career development reviews	59	-	-	-	6	5, 8 and 10
<b>Material topic   Promoting diversity and inclusion</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 112, 116, 118, 166, 168, 169, 170, 171, 172, 173 and 190	-	-	-	-	-
GRI 405   Diversity and equal opportunity 2016	405-1   Diversity of governance bodies and employees	169, 170, 171 and 172	-	-	-	6	5 and 8
	405-2   Ratio of basic salary and remuneration of women to men	173	-	-	-	6	5, 8 and 10
GRI 406   Non-discrimination 2016	406-1   Incidents of discrimination and corrective actions taken	190	-	-	-	6	5 and 8

GRI Standard/ Other source	Disclosure	Page	Omission			Global Compact	SDG
			Requirement(s) omitted	Reason	Explanation		
<b>Material topic   Relationship with communities</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 69, 96, 97, 98, 99, 112, 116, 118, 154, 155, 156, 157, 159, 160, 161, 162, 163, 164 and 165	-	-	-	-	-
GRI 203   Indirect economic impacts 2016	203-1   Infrastructure investments and services supported	154, 155, 159 and 165	-	-	-	-	5, 9 and 11
	203-2   Significant indirect economic impacts	209	-	-	-	-	1, 3 and 8
GRI 413   Local communities 2016	413-2   Operations with significant actual and potential negative impacts on local communities	162 and 163	-	-	-	1	1 and 2
GRI electric utilities sector supplement 2013	EU14   Programs and processes to ensure the availability of a skilled workforce	69	-	-	-	-	4 and 8
<b>Material topic   Guarantee of human rights</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 112, 116, 117, 118, 176, 177, 188 and 189	-	-	-	-	-
GRI 407   Freedom of association and collective bargaining 2016	407-1   Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	176, 177 and 188	-	-	-	3	8
GRI 408   Child labor 2016	408-1   Operations and suppliers at significant risk for incidents of child labor	176, 177 and 188	-	-	-	5	8 and 16
GRI 409   Forced or compulsory labor 2016	409-1   Operations and suppliers at significant risk for incidents of forced or compulsory labor	176, 177 and 188	-	-	-	4	8
GRI 410   Security practices 2016	410-1   Security personnel trained in human rights policies or procedures	218	-	-	-	1	16
GRI 411   Rights of indigenous peoples 2016	411-1   Incidents of violations involving rights of indigenous peoples	218	-	-	-	1	2

GRI Standard/ Other source	Disclosure	Page	Omission			Global Compact	SDG
			Requirement(s) omitted	Reason	Explanation		
<b>Material topic   Ethical conduct and transparency</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 112, 117, 118, 188, 189 and 190	-	-	-	-	-
GRI 205   Anti-corruption 2016	205-1   Operations assessed for risks related to corruption	188	-	-	-	10	16
	205-2   Communication and training about anti-corruption policies and procedures	188, 189 and 210	-	-	-	10	16
	205-3   Confirmed incidents of corruption and actions taken	190	-	-	-	10	16
<b>Material topic   Customer satisfaction</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 75, 76, 77, 96, 97, 98, 99, 112, 116, 118, 151, 152 and 153	-	-	-	-	-
GRI electric utilities sector supplement 2013	EU24   Practices to address language, cultural, low literacy and disability related barriers to access and safely use electricity and customer support services	151, 152 and 153	-	-	-	-	1 and 7
<b>Material topic   Corporate governance</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 102, 103, 104, 105, 106, 107, 108, 109 and 112	-	-	-	-	-

GRI Standard/ Other source	Disclosure	Page	Omission			Global Compact	SDG
			Requirement(s) omitted	Reason	Explanation		
<b>Material topic   Financial and operational performance</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 24, 25, 27, 33, 34, 35, 36, 37, 38, 39, 40, 45, 46, 47, 48, 49, 50, 53, 88, 89, 90, 91, 92, 93, 96, 97, 98, 99, 112 and 118	-	-	-	-	-
GRI 201   Economic performance 2016	201-1   Direct economic value generated and distributed	92 and 93	-	-	-	-	8 and 9
GRI electric utilities sector supplement 2013	EU6   Management approach to ensure short and long-term electricity availability and reliability	24, 25, 26, 33, 34, 35, 36, 37, 45, 46, 47, 48, 49, 50 and 53	-	-	-	-	7, 9 and 11
	EU12   Transmission and distribution losses as a percentage of total energy	40 and 223	-	-	-	-	7 and 13
	EU28   Power outage frequency	38, 39 and 222	-	-	-	-	7 and 9
	EU29   Average power outage duration	38, 39 and 222	-	-	-	-	7 and 9
<b>Material topic   Information security</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 112, 117, 118, 192, 193 and 195	-	-	-	-	-
GRI 418   Customer privacy 2016	418-1   Substantiated complaints concerning breaches of customer privacy and losses of customer data	192 and 195	-	-	-	-	16
<b>Material topic   Sustainable purchasing</b>							
GRI 3   Material topics 2021	3-3   Management of material topics	16, 17, 96, 97, 98, 99, 112, 117, 118, 174, 175, 176, 177 and 179	-	-	-	-	-
GRI 308   Supplier environmental assessment 2016	308-1   New suppliers that were screened using environmental criteria	174				8	-
	308-2   Negative environmental impacts in the supply chain and actions taken	174				8	-
GRI 414   Supplier social assessment 2016	414-1   New suppliers that were screened using social criteria	174				2	5, 8 and 16
	414-2   Negative social impacts in the supply chain and actions taken	174				2	5, 8 and 16

# SASB content index

SASB Topic	SASB Code	Metrics requested by SASB	Page
Greenhouse Gas Emissions & Energy Resource Planning	IF-EU-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations and (3) emissions-reporting regulations	126 and 128
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	126 and 128
	IF-EU-110a.3	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	124, 145, 127, 132 and 133
Air Quality	IF-EU-120a.1	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , (3) particulate matter (PM <sub>10</sub> ), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Information unavailable
Water Management	IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	140 and 141
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	224
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	138 and 140
Coal Ash Management	IF-EU-150a.1	(1) Amount of coal combustion products (CCPs) generated, (2) percentage recycled	Information unavailable
	IF-EU-150a.3	Description of coal combustion products (CCPs) management policies and procedures for active and inactive operations	Information unavailable
Energy Affordability	IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	225
	IF-EU-240a.3	(1) Number of residential customer electric disconnections for non-payment, (2) percentage reconnected within 30 days	225
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	151, 152 and 153
Workforce Health & Safety	IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	183

SASB Topic	SASB Code	Metrics requested by SASB	Page
End-Use Efficiency & Demand	IF-EU-420a.2	Percentage of electric load served by smart grid technology	134
	IF-EU-420a.3	Customer electricity savings from efficiency measures, by market	122 and 165
Nuclear Safety & Emergency Management	IF-EU-540a.1	Total number of nuclear power units, broken down by results of most recent independent safety review	Not applicable
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	Not applicable
Grid Resiliency	IF-EU-550a.1	Number of incidents of non-compliance with physical or cybersecurity standards or regulations	Information unavailable
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	38, 39 and 222
Activity Metrics	IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	36 and 219
	IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	224
	IF-EU-000.C	Length of transmission and distribution lines	33 and 220
	IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	25 and 219
	IF-EU-000.E	Total wholesale electricity purchased	224



# Assurance statement

## **Statement by SGS do BRASIL LTDA. (SGS) regarding the sustainability activities provided in “Annual Report 2023 CPFL Group” from CPFL Energia S.A.**

### **Nature and scope of assurance**

The SGS was hired by CPFL ENERGIA S.A. to carry out the third-party assurance of its Sustainability Report, which provides information for the year 2023 and that follows international guidelines for monitoring and reporting sustainability information, including the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB). The scope of assurance, based on the methodology for assurance sustainability reports from SGS, included the text and data related to GRI Standards 2021, the current version of GRI.

The information provided in “ANNUAL REPORT 2023 CPFL GROUP” and its presentation is the sole responsibility of CPFL ENERGIA S.A. management structure. The SGS is not involved in the preparation of any material, including in the said report, such as risk analysis, materiality tests, and other critical issues that may affect severally the CPFL ENERGIA S.A. business. We are liable for

giving our opinion of the GRI disclosures and their texting, data, charts, and statements within the assurance scope to keep the CPFL ENERGIA S.A. stakeholders informed.

The SGS Group has developed a set of assurance protocols for Sustainability Communication based on the best practices provided in GRI Sustainability Reporting Standards, in its most up-to-date version of 2021, and the assurance standard International Standard on Assurance Engagements - ISAE3000. Such protocols offer different assurance levels depending on the context and capacity of the organization.

This report was ensured using our protocols for assessing the veracity of the content and its alignment with the aspects necessary for compliance with the GRI requirements of the GRI Standards for Sustainability Reporting (GRI Standards) 2021, GRI Standard 1: Fundamentals 2021, GRI Standard 2: General Contents 2021, GRI 3: Material Topics 2021, and also with the requirements of the Topics related to materiality (GRI 200, GRI 300 and GRI 400) following the material issues identified by CPFL ENERGIA S.A. through the process described in this report.

The assurance process comprised (i) interviews with strategic employees involved in the process of compilation and preparation of the report, where disclosures, data and processes related to sustainability management and the collection of GRI disclosures were reviewed, (ii) a review of the documentation presented by CPFL ENERGIA S.A. and comparison with the information entered by the company in the report and (iii) evaluation of versions of this report for alignment with GRI standards and (iv) analysis of engagement activities with defined parties (stakeholders) and assessment of the form of sustainability as defined materials were and inserted in the context of the organization and in the content of this sustainability report. The accounting information of CPFL ENERGIA S.A. contained and referenced in the “ANNUAL REPORT 2023 CPFL GROUP” was not evaluated as part of this assurance process, but in a separate audit process. The information related to the inventory of greenhouse gases was verified and went through a specific audit process.

### **Impartiality and competence statement**

The SGS Group is a global lead in inspection, analysis, and verification services, operating in more than 140 countries and rendering services that include management system certification, audits, and pieces of training on quality, environmental, social, and ethic segments, sustainability assurance reports, and greenhouse gases verification. The SGS attests your independence against CPFL ENERGIA S.A. stating that is exempt from interest conflict with the organization, its subsidiary, and stakeholders.

The assurance team was composed according to members’ expertise, experience and competence for this activity, the team is composed of:

- An Audit Lead on Assurance of Sustainability Report, a Lead auditor on Socio-environmental programs, and a Lead Assessor of Greenhouse Gases (GHG).

### Assurance opinion

Regarding the verification carried out in the methodology, processes and data presented by CPFL ENERGIA S.A., we are confident that the information and data contained in the "ANNUAL REPORT 2023 CPFL GROUP" are reliable and a balanced representation of the sustainability activities developed by CPFL ENERGIA S.A. in the base year 2023. SGS believes that the report can be used by the company's stakeholders as part of their company evaluation processes.

In our opinion, based on the sample of what was verified and the documentation presented by CPFL ENERGIA S.A., the content of the report meets the requirements of the GRI Standards 2021, which are: apply the reporting principles, report the contents GRI 2: General Disclosures 2021, determine material topics, report the contents GRI 3: Material Topics 2021, report content of the standards for material topics, provide reasons for the omission of content and requirements that the organization has not met, publish a GRI index, provide a statement of use, and upon publication, notify the GRI.

### Recommendations, findings and conclusions of assurance

- The CPFL ENERGIA S.A. "ANNUAL REPORT 2023 CPFL GROUP" is aligned with the GRI Standards 2021 and with the requirements related to the Specific Topics (GRI 200, GRI 300 and GRI 400).
- CPFL ENERGIA S.A. presents its Report with 17 material topics: 1.; General Contents; 2. Climate Change and Decarbonization; 3. Eco-efficiency in Operations; 4. Smart Energy and Innovation; 5. Encouraging the Circular Economy; 6. Biodiversity Preservation; 7. Health and Safety as a value; 8. Human Capital Development; 9. Promotion of Diversity and Inclusion; 10. Relationship with Communities; 11. Guarantee of Human Rights; 12. Ethical Conduct and Transparency; 13. Customer Satisfaction; 14. Corporate Governance; 15. Financial Performance; 16. Information Security; 17. Sustainable Procurement. In our understanding, the material topics reflect the impacts of CPFL ENERGIA S.A.'s activities in a balanced manner and the report covers information on all topics considered as material for the sector and stakeholders, following GRI 3: Material Topics, 2021.

Finally, SGS believes in the importance of transparency and congratulates the company for the initiative of ensuring its report, as well as promoting sustainability in its actions and disseminating its code of conduct and compliance at all levels of the organization.

March 25<sup>th</sup>, 2024

### Executed by and on behalf of SGS.



Gustavo Venda  
Business Manager - Sustainability



Eliane Martinez Mota Fukunaga  
Lead Auditor for Sustainability Report

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# Credits

## **CPFL ENERGIA S.A.**

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## **GENERAL DIRECTION**

Legal and Institutional Relations Vice-Presidency  
Environment and Sustainability Department  
Communication and Institutional Relations Department

## **CONTENT, CONSULTING, DESIGN AND ILLUSTRATIONS**

usina82

## **PHOTOGRAPHY**

CPFL Energia Collection

## **CONTACT**

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