



**Q – ESG REPORT**  
**Q1 – 2020**

***Global Energy Business Investment Platform***

# 1. SUSTAINABILITY

## 1.1 Activities

### 1.1.1 Sustainability Report

The months beginning in 2020 mark the survey of indicators aligned with the materiality matrix defined by CRBR for the construction of the Sustainability Report. The planning of this cycle had the close cooperation of the sustainability teams of Brazil and Chile, together with the operations team of Spain, allowing projects with greater synchronism and more unified corporate identity. It is important to highlight how the process allows CRBR to improve its management and sustainable development in the pursuit of its continuous improvement, as well as evolve in its capacity to report increasingly transparent and meeting the needs of its stakeholders. The report, which is in the final process of external assurance, is expected to be finalized at the end of April and officially published in the Global Compact by 25/05.

### 1.1.2 GRESB

With the launch and opening of the platform in April, CRBR begins planning for the new GRESB 2020 cycle. The work continues the progress of the ESG Action Plan and a schedule of activities with the areas involved and focal points aiming at achieving the objectives outlined for the year. The sustainability team begins the first analyses, identifying the changes and designing a plan until the end of the process in July. Focused on performing better than last year, the first meeting with the teams is scheduled for the second week of April, which also aims at alignment with the CRCH team and planning.

### 1.1.3 Resilience

**GRESB Resilience:** In order to carry out the first year of participation of GRESB Resilience, CRBR in April outlines a general plan covering the attendance of both modules. The plan that will take into account the gap analysis carried out at the end of 2019, aims at good and greater performance in the first year of the benchmark tool, as well as the possibility of tracing the company's diagnosis and action plan for future improvements in the management of resilience and business continuity.

### 1.1.4 Global Compact

CRBR starts the year 2020 by making the change of engagement official with the Global Compact rising to the Participant level. The change extends its active participation to the Energy and Climate, Human Rights, Anti-Corruption, and SDG GTs (Thematic Groups). In February, it participated in the annual planning of the Energy and Climate GT, whose main objective for the year is to identify the priority lines for the Thematic Front for 2020-22, guided by the Global Guidelines and Strategic Planning of the Global Compact, to carry out a systemic mapping of the system worked and connect programs, projects, initiatives and actions of the members as a solution to the challenges identified and further strengthen relationships and capacities for listening and dialogue, systemic thinking and collaboration.

Due to the current global situation of COVID-19, the Global Compact's agendas were affected, changing the focus of its action strategy aimed at meeting global needs and their impacts for members and the whole society. CRBR as a member of the Global Compact follows all international recommendations of the institution.

### 1.1.5 Sustainable Development Goals – SDG

With a commitment to moving forward with the UN's 2030 agenda of the Global Compact, the CRBR approved in March with the Sustainability Committee, the objectives and targets of the SDGs prioritized, the global commitment will be officially announced in the publication of the Sustainability Report, which aims to highlight some goals:

SDG 7 – By 2024, increase investments in renewable generation assets reaching 1,000 MW of capacity (commercialized or operational).

SDG 8 – Realization of social projects with voluntary resources promoting the training of young people for the world of work in the regions of direct influence of the enterprises contracted from 2020.

SDG 13 – Carry out a diagnosis and establish a resilience plan for all assets by 2021.

SDG 15 – Voluntary forest replacement of 15% above the compulsory areas established in new environmental licensing processes. The areas of APP, Legal Reserve and the establishment of ecological corridors will be prioritized.

SDG 16 – ISO 37001 certification – anti bribery and corruption until 2022.



### 1.1.6 Other Activities

**GEE Inventory:** The emissions inventory is essential for the CRBR to understand the profile of its GHG emissions, enabling knowledge of the scope of the impact of its organizational actions on the environment. This allows the implementation of consistent actions to reduce and offset emissions, which must integrate the planning, implementation and operation of activities, in addition to contributing to our sustainable development. CRBR starts the third consecutive year of publication following the international standard GHG Protocol, which aims to achieve the gold seal also achieved in the last year. Due to the current situation of COVID-19, the activities related to on-site assurance provided for in the annual plan were canceled and adapted with the verifying company, following the established security measures. The cycle continues with a normal forecast for August /20.

## 2. QUALITY

### 2.1 Activities

#### 2.1.1 Audits

To obtain certification for 32 new units and maintain current certification, internal audits should have started in late March. However, this activity was rescheduled due to the COVID-19 pandemic.

#### 2.1.2 Certifications

The migration from OHSAS 18001 to ISO 45001 has begun. The next internal audit process will be based on this new standard; therefore, a certification must take place by December/2020. The Quality and Health and Safety departments are working together with the objective of implementing the new requirements at all levels of the company.

#### 2.1.3 Other Activities and Events

In January/2020, a meeting was held in Rio de Janeiro with IMS Chile and Brazil teams, when a new regulatory framework and macro-process were aligned between countries. This action aimed to rank and standardize the documentation of the two countries.

In February, IMS representatives inspected all the substations that were adapted for certification, in an attempt to ensure that the action plan was implemented. Actions related to the areas of quality, environment, health and safety, HR and documentation were checked and training were done for all employees, including a sustainability policy.

The short-term objective is to guarantee a good performance in internal audits, minimizing the number of non-conformities and taking the IMS culture to all installations.



Adaptation of SE Vila do Conde



Sustainability policy training at the SE's

## 3. HEALTH AND SAFETY

### 3.1 Activities

#### 3.1.1 Training Courses

In February/2020 at VCTE/PA, occurred the installation of the shepherd hook for temporary grounding. This action allow an improvement in the execution of the maneuvers.



In February and March, the CTH 550 TCs were substituted at VCTE/PA (6 at Vila do Conde and 2 at Tucuruí). Before the activity started, its risks and mitigation actions were evaluated. This assessment has implemented a collective supplementary protection with the use of a kevlar/aramid blanket.



In March/2020, occurred an improvement in the training and the technique used in the field for pruning.



#### 3.1.2 Resilience

Due to the pandemic scenario declared in terms of COVID-19, the H&S area has adopted monitoring and prevention actions for the conduct of events related to COVID, complementing the contingency plan, such as:

- a) Control and follow-up of suspected cases, as well as monitoring the health of employees;
- b) Implementation of a weekly security meeting by remote system with the operational staff;
- c) Third party access control;
- d) Monitoring the contingency plan and developing actions for subcontractors;
- e) Monitoring of the risk group;
- f) Availability of PPE's for emergency situations;
- g) Definition and control of environmental hygiene actions;
- h) Monitoring and analysis of operational emergency activities carried out within the pandemic scenario.

## 4. ENVIRONMENTAL

### 4.1 Activities

#### 4.1.1 Licences Management



#### 4.1.2 Audits and Certification

Continuation of activities to obtain the certification for other facilities.

#### 4.1.3 Projects Under Construction

**SITE:** Follow up construction. Regular inspections have been made at the site.

**FV-BARREIRAS:** Follow up license process for the 10 PV plants. Environmental Basic Plan execution temporary suspended due to COVID-19 quarantine (field activities necessary on this phase).

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**SHP Distância, Faveiros e Patos:** Follow up environmental authority for the issuance of the SHP Distância installation license. Archaeological studies temporary suspended due to COVID-19 quarantine (field activities necessary on this phase).

#### 4.1.4 Projects Under Construction

##### CRB

Forest fire prevention (Projeto Integra): Planning and promoting of the 2020-2021 campaign for forest fire prevention were made in December 19.

##### ENTE

Follow-up the LO renewal process regarding the transmission line.

Follow-up the public civil action regarding PBAQ Quilombola social project implemented in 2012 during asset construction.

Mitigation Programs for indigenous community.

Previous study (ECI-Indigenous Component Study): Awaiting Environmental Authority to approve the Indigenous Study, so we can present it to indigenous community.

Next steps will be launching: Impacts Mitigation Plan (PBAI) and execute Mitigation actions.

Studies are suspended due to Funai and community issues and COVID-19 quarantine.

##### IMTE

Reforestation maintenance activities ongoing.

Contract specialist consulting services for significant erosion near to TL structures n 27 and n 454.

##### JTE

Follow-up the License Operation (LO) renewal of TL south section.

Reforestation maintenance activities ongoing.

A 20ha area reforestation project on going.

##### LTT

Environmental educational program and fauna monitoring program: activities ongoing.

Work of slope contention finished in the Estreito Substation.

##### CANTE

Environmental educational program, Forest monitoring program, Fauna monitoring program, erosion monitoring program and reforestation program on going.

Planning of intervention to avoid soil erosion along the TL took place in 19Q4. Actions will be implemented in 2020.

##### CAIUA

10,5 ha area reforested activity finished under LT 230kV Umarama-Guaira. Maintenance activities ongoing.

8 ha is prospected under LT Cascavel Oeste - Cascavel Norte. Reforestation on going.

Mitigation Programs for indigenous community

We have the ECI – Indigenous component study done, and the mitigation plan (PBAI) is just started.

Funai has just asked to review the ECI report, because of a new Indigenous Land delimited in the project area.

Suggestion of activities for the indigenous study are being reviewed by the environment team with the Caiua board.

Next steps will be launching: Impacts Mitigation Plan (PBAI) and Mitigation actions.

#### 4.1.5 Resilience

In order to identify risks regarding forest fires e plan actions to prevent it CRB conducted a specific study: 'Projeto Integra'. This project is oriented to develop the Stakeholder Engagement Plan in the following lines of our SPVs: LTT, BTE, LTC, CTE, VCTE, IMTE and ENTE.

Objectives related to forest fires:

1) Minimize the risks associated with the penalty by regulatory agencies.

2) Promote the awareness of stakeholders regarding environmental conservation, forest fires and waste fires.

The next step will be to develop actions to improve prevention and social awareness of the environmental impacts of forest fires and their implications for society.

## 5. SOCIAL

### 5.1 Activities

#### 5.1.1 External Social Projects

##### ISE BNDES Social Commitment – Cantareira Subcredit (LT 500 kV Estreito – Fernão Dias) Total investment of R\$ 2.153 millions (estimated)

###### PROJECT 1: Let's Save the Planet

City of Monte Santo de Minas/MG

Investment of R\$ 1.1 million

Beneficiaries: 20 Waste pickers and family members, Public School Students, General residents of the city (21,524)

Performance Period: 2020

###### RESULTS – Indicators

20 Waste Pickers in a "Montecicle" Cooperative

01 State Level Awards

50 Districts in Selective Collection

70 Ton – Recycled waste (Scrap, Paper, Plastic, miscellaneous)

R\$ 39.560,64 financial income Cooperative Waste Pickers

R\$ 244.387,32 invested

###### RESULTS – Project Management

Hired construction company (Signed contract)

Prepared building land

Mandatory Licenses Ok

Municipal Selective Collection Plan executed

City hall Partnership with Waste Pickers Cooperative

New equipment to Waste Pickers Cooperative purchased

Activities stopped due to the Pandemic

###### PROJECT 2: Live Well in Caetetuba

City of Atibaia/SP

Investment of R\$ 1.1 million

Beneficiaries: Residents of Caetetuba district (20,000 people)

Performance Period May 2019 to March 2020

###### RESULTS – Project Management

Hired construction company (Signed contract)

State government authorization of São Paulo resolved

Signed municipal contract

Residents Training Institution in hiring

Mandatory Licenses Ok

Activities stopped due to the Pandemic



## 6. HUMAN RESOURCES

### 6.1 Activities

#### 6.1.1 HR Initiative – COVID-19

In order to maintain our employees connected, the HR is promoting interactive calls with team at home office.



#### 6.1.2 International Women's Day

As a celebration HR promoted a lecture about women's empowerment. The speaker was Marcia Silveira, founder of the black vision branding consulting, communication and marketing executive, and specialist in subjects such as afro consumption and entrepreneurship.



#### 6.1.3 Internal Auditor Training

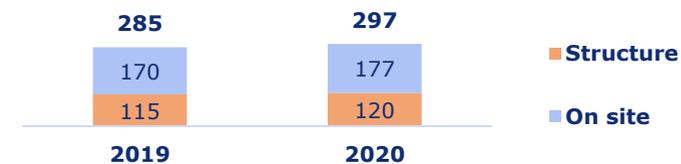
During February occurred the Internal Auditor training in the standards ISO 9001, 14001 and OHSAS 18001.



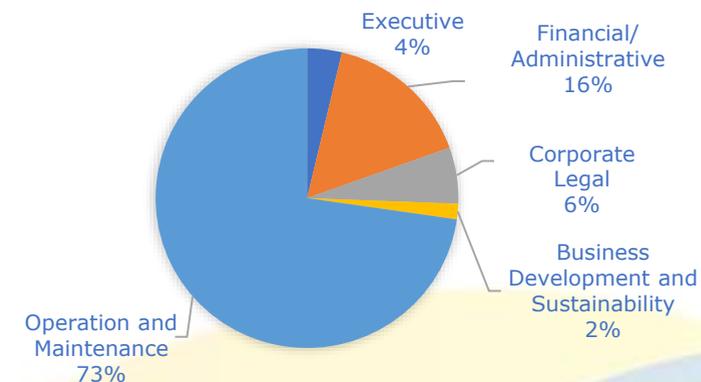
### 6.2 Indicators



#### STRUCTURE EVOLUTION HISTORICAL



#### DISTRIBUTION BY MANAGEMENT AREA



2020	Employees by management area	
MANAGEMENT AREA	EMPLOYEES	%
Executive	11	4%
Financial/Administrative	47	16%
Corporate Legal	18	6%
Business Development and Sustainability	5	2%
Operation and Maintenance	216	73%

## 7. ESG OVERVIEW

### 7.1 Committee Agenda and Approvals

The Sustainability Committee met twice in the first quarter of this year to discuss the following issues:

ODS Prioritário	METAS Celeo Redes Brasil
	<p>Até 2024 elevar os investimentos em ativos de geração renovável atingindo 1.000 MW de capacidade (comercializados ou operacionais).</p> <p>Até 2024 continuar expandindo e aprimorando a infraestrutura de transmissão de energia elétrica adicionando ao portfólio anualmente:</p> <ul style="list-style-type: none"> <li>* Linhas de Transmissão: 200 a 500 km</li> <li>* Capacidade de Transformação: 500 a 1.000 MVA</li> </ul>
	<p>Implantação do programa para a elevação da escolaridade para que todos os colaboradores da CRB tenham, no mínimo, o ensino médio completo até 2023.</p> <p>Capacitação de fornecedores locais críticos nas Políticas de ESG da Celeo na fase de O&amp;M até 2024. Até 2030, atingir 100% dos fornecedores ativos da Companhia.</p> <p>Contratação de mão-de-obra local, mínimo de:</p> <ul style="list-style-type: none"> <li>* 25% para os novos projetos de transmissão; e</li> <li>* 50% para os novos projetos de geração renovável.</li> </ul> <p>Realização de projetos sociais com recursos voluntários fomentando a formação de jovens para o mundo do trabalho nas regiões de influência direta dos empreendimentos contratados a partir de 2020.</p> <p>100% dos ativos sob Gestão da CRB com Certificação em Saúde e Segurança Ocupacional até 2021.</p>
	<p>Realizar diagnóstico e estabelecer plano de resiliência para todos os ativos até 2021.</p> <p>Realizar um diagnóstico e estabelecer um plano de gestão das emissões até 2021, com base nas emissões de 2018 buscando a:</p> <ul style="list-style-type: none"> <li>* Redução das emissões fugitivas de SF6 (escopo 1);</li> <li>* Redução das emissões CO2eq oriundas de combustíveis fósseis; e</li> <li>* Compensação das emissões gerenciáveis de CO2eq.</li> </ul>
	<p>Reposição florestal voluntária de 15% acima das áreas compulsórias estabelecidas em novos processos de licenciamento ambiental. Serão priorizadas as áreas de APP, Reserva Legal e para o estabelecimento de corredores ecológicos.</p>
	<p>Consolidar o Nível 4 de Maturidade em Compliance até 2021.</p> <p>Certificação na ISO 37001 - anti suborno e corrupção até 2022.</p>

### 7.2 Corporate Project Alignment CL BR ES

In the first quarter of 2020, CRB was able to finalize the discussion on some processes that were being discussed among the three countries, in order to standardize the systems, from which one can highlight the documentary framework, the procedure of communication with the media, the procedure risk management and crisis management procedure.

In March, a week of alignment of the IT processes took place in Madrid aiming at the adaptation to ISO 27001. Information security policies and standards were elaborated, the documentary structure of the area was revised, which defined the standard to be implemented and joint planning of the activities to be developed in both countries in 2020.

### 7.3 Resilience

In the first quarter of 2020, facing the pandemic scenario caused by COVID-19, CRB initiated its crisis management procedure for the first time, taking all the necessary measures to ensure the continuity of its services and valuing health and safety of its employees.

At that time, a crisis committee was created, formed by a multidisciplinary team, which the Executive Director is its spokesperson and several actions have been taking, of which the following stand out:

- Making a contingency plan to keep the facilities available.
- Mapping critical processes and to establish actions to mitigate impacts
- Daily Crisis Committee meetings to follow-up the evolution of the scenario
- Implementing of remote working for eligible employees and a rotation system for essential services, etc.

Until the end of Q1, the pandemic scenario still exists and preventive measures and their follow-up continue to take place in a systematic way. No case of COVID-19 was identified in none of our workers in Brazil.

- 1- Definition of the strategic objectives related to the SDG prioritized by the CRB.
- 2- Redefinition of the strategic objective of certification of 32 units, which was made unfeasible by the pandemic epidemic COVID-19, becoming only the objective of MAINTAINING the actual certification. This objective will be reviewed in July/2020.

