



2023 ANNUAL SUSTAINABILITY REPORT

TRANSFORMING LIVES WITH OUR ENERGY





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ANNUAL SUSTAINABILITY REPORT 2023



This is the report's 18th issue, provided on an annual basis since 2006. The information shared here refers to the period from January to December 2023.

[2-1; 2-3] Cemig, Companhia Energética de Minas Gerais (Minas Gerais Power Utility Company) presents here its Annual Sustainability Report (RAS). This is the report's 18th issue, provided on an annual basis since 2006. The information shared here refers to the period from January to December 2023.

The annual publication of this report contributes to fostering Cemig's transparent dialogue with its stakeholders by providing relevant information about its activities, the Company's performance in environmental, economic, and social aspects, and also relevant information on governance.

[2-2] The information presented in the Annual Sustainability Report covers the same scope as the financial statements and refers to the set of companies under the holding's operational control, as described in the Cemig Group's organizational chart.

The terms "Cemig", "Business" or "Company" refer to the Cemig holding and Cemig Distribuição S/A (Cemig D) and Cemig Geração e Transmissão S/A (Cemig GT) subsidiaries. The name "Parent Company" is used to refer to Cemig Holding (Cemig H) as an individual company and does not include its subsidiaries.

[2-2; 2-5] Possible exceptions are mentioned throughout the document. Data consolidation was carried out according to criteria set out in Brazilian legislation and previously audited by an independent third party.

The Financial Statements, available at the Company's website¹, are presented according to the International

Financial Reporting Standards (IFRS) in thousands of BRL (Brazilian Currency) (except where another currency is indicated). Regarding non-accounting data, this document may cover other subsidiaries of the Cemig Group, pointing out when that occurs.

[2-14] The 2023 Annual Sustainability Report was prepared according to the Global Reporting Initiative (GRI) Standards, aiming to fully adopt the GRI Standards and ensure the continuity and comparability of data and information presented in previous reports, in addition to the GRI Sector Supplement for the Electric Sector and progress in fulfilling the 10 principles of the Global Compact.

Additionally, the Company sought to follow the guidelines for preparing the Integrated Report as provided in Consumer Protection Code (CPC) Guidance No. 09 and also those supplied by the International Integrated Reporting Council (IIRC), including its business model and information regarding the integration between programs and projects, as well as their contributions to the United Nations Sustainable Development Goals (SDGs).

[2-5] This document has undergone independent external verification, resulting in an assurance report which is attached at the end of the document. The assurance statement contains a "declaration of independence" which specifies that the assurance provider has no conflict of interest in relation to providing the assurance of environmental and social

data for the company which has been assured. The Greenhouse Gas (GHG) emission data were also audited as part of the Cemig 2023 GHG Emissions Inventory.

[2-14] The Communication and Sustainability Department led the preparation of this report, being responsible for analyzing and approving all reported information and material topics. Subsequently, the report was presented to and approved by the Board of Directors.

[2-4] In case of the need to update or revise past information in previous reports, they will be pointed out, as well as the reason for the revision.

[2-3] Any doubts, suggestions, or requests for further information about this report can be sent by e-mail to the Sustainability Management (sustentabilidade@Cemig.com.br) or the Investor Relations Oversight Department (ri@Cemig.com.br).

1. Available on Cemig's Investor Relations website.





MESSAGE FROM THE BOARD

[2-22] At our annual meeting with investors in March 2023, we highlighted our goals of accelerating Cemig's transformation process, with a focus on creating value for shareholders and society. We understand that these goals can only be achieved through sustainable management, always striving to maximize results and focusing on the customer.

Our results in 2023 are evidence of our success in implementing our strategy. We achieved a net profit of BRL 5.7 billion, a growth of 40.18% compared to 2022, and an EBITDA of BRL 8.5 billion, a significant increase of 23.16%.

Regarding our debt management, we continue to implement the strategy of reducing our foreign exchange exposure, considering the bonds we issued on the international market in 2017/2018, with the repurchase in 2023 of over US\$375 million, reducing our foreign exchange exposure to US\$381 million. Our financial leverage, measured by the Net Debt/Adjusted EBITDA ratio, closed the year at 0.89 times, which gives us room to leverage the relevant investment program planned for the coming years and at the same time, maintain adequate and attractive remuneration for our shareholders.

We have solidified our position as one of the electric sector companies that provides the best returns to its shareholders. We declared dividends and interest on equity of BRL 3.1 billion concerning 2023 profit, which represents a relevant and attractive Dividend Yield of 12.4%.

It is important to emphasize the discipline in capital allocation. We prioritize investments in Minas Gerais, in our most regulated businesses, and with greater security of return on the resources invested. In 2023, we invested a significant amount of BRL 4.8 billion, highlighting our investment in the distribution business, around BRL 3.34 billion, which will be incorporated into the Regulatory Remuneration Base (BRR) in the next tariff review, but with immediate positive effects on market growth and quality of service to our customers.

In our distribution business, we were successful in the tariff review in May 2023, with full recognition in our BRR of the investments we made in the last tariff cycle, from 2018 to 2023. We are confident in the significant growth of the results of Cemig Distribution S.A. (Cemig D) for the next years, considering the relevant investments planned for the next tariff cycle, from 2023 to 2028, highlighting once again the importance of these investments for our customers, who will now have access to a greater supply of energy with higher quality.

In the energy generation sector, we are in the process of completing the "Boa Esperança" and "Jusante" solar plants, an investment close to BRL 850 million, adding 188 MWp to our generation portfolio. About distributed generation, we invest BRL 35 million in 2023. We have a significant volume of investment in Cemig SIM, for the coming years, which will certainly consolidate the Company as one of the protagonists in the Distributed Generation (DG) sector in Minas Gerais and Brazil.

Once again, our operating expenses were fully covered by tariffs in the distribution and transmission businesses, also showing EBITDA in these businesses above regulatory references, which are also expected for 2024.

We are the largest Brazilian energy trader for customers in the free market, with a significant track record of profitability and success in our strategies for managing the electric power balance. However, even considering this history of success, 2023 was a year that deserves special celebration. We achieved an adjusted EBITDA of BRL 1.28 billion, the result of an adequate marketing strategy, with proactive actions in response to market movements, combined with favorable weather conditions.

We are well positioned to operate in the energy trading market in the coming years, seeking prominence through relevant participation in the retail energy market, with supply starting from 2024, even in a challenging scenario, with depreciated prices due to the current imbalance market, with significant excess supply.

We ended the year with a **market value close to BRL 28 billion**, a number close to that observed at the end of 2022, despite a significant payout of dividends and interest on equity in the year (about BRL 1.8 billion), and the impact on the fourth quarter of news related to a possible federalization of the Company. In recent years, we have delivered significant gains to our shareholders, rewarding the trust placed in Administration.

We are a company recognized by society for the sustainability of its operations, with 100% energy generation from renewable sources and participation in major sustainability indices at both international and national levels, being the only company in the electrical sector outside Europe to be part of the Dow Jones Sustainability Index for 24 consecutive years. Furthermore, the Company is a signatory of the Global Compact.

All these results we have been presenting over the past years make us optimistic about the future, show that we are on the right track, and confirm that our strategy of focusing investments on Minas Gerais, in businesses in which we have control over operations with disciplined capital allocation and operational efficiency, has proven to be successful, bringing benefits to society and creating value for our shareholders.

We thank our employees, shareholders, and other interested parties for their combined efforts to ensure Cemig's leading role in the Brazilian electricity sector.





MATERIALITY

[2-29; 3-1; 3-2] Guided by its commitments to sustainability and aligned with the need for constant progress in the subject and in the practices of a sustainable business, Cemig presents, in this report, its new materiality for socio-environmental issues. Held between December 2022 and March 2023, the process of updating new material topics for Cemig was conducted using a methodology based on international norms and standards. The material topics impact the business, create enterprise values which are measured by specific metrics, and help to identify the positive/negative impacts on external stakeholders.

Cemig's materiality is developed every two years and reviewed annually. The current materiality was prepared in 2023, through an assessment process based on a methodology based on the guidelines of the AA1000 Assurance Standard and the Universal Global Reporting Initiative (GRI) Standard 3: Material Topics, updated by the GRI in 2021. Double materiality was also considered in the analysis and construction of materiality.

[2-12; 2-29] Engagement of stakeholders happened using an internal procedure² for identifying, selecting, and prioritizing stakeholders, called Stakeholder Mapping. This procedure describes actions and methods the Company uses to identify Cemig's major stakeholders according to the following criteria: (i) responsibility; (ii) influence, (iii) proximity, (iv) dependence, (v) representation, (vi) strategy statement and policies.

Based on these criteria and the Communication Policy, Cemig defined the following groups as stakeholders for its Annual and Sustainability Report:

a) External stakeholders:

- External stakeholders;
- Government authorities;
- Shareholders and investors;
- Customers;
- Consumers;
- Suppliers;
- The press;
- Communities in general (NGOs, the society, universities, etc.);

b) Internal stakeholders:

- Collaborators;
- Leadership;
- Executive Board;
- Board of Directors.

The process of defining the material topics comprised three macro stages:

1) Review and understanding of the sustainability context:

External benchmarking allowed for the collection and compilation of sustainability references from non-sectoral sources, from sector-specific sources in the electric power sector, and also from ESG trend analysis.

The understanding of the company's internal context was achieved through the analysis of documents such as policies, financial disclosures, and ESG indicators.

Additionally, an active search in the media was conducted to identify initiatives that may be relevant to the business..

2) Identification of actual and potential impacts and assessment of their importance:

Real and potential impacts, both positive and negative, related to Cemig's operations, the nature of its business, and its sector were mapped. The impacts are grouped by category (social, environmental, and governance) and classified as short, medium, or long-term horizons, the scope of the impact, and whether it is influenced or caused by the Company.

In this stage, internal and external consultations are also conducted for a better understanding and validation of the impacts. Internally, areas that have contact with external stakeholders were selected for consultation. Regarding external audiences, some of the Company's main stakeholders were consulted through forms and interviews.

a) Internal Audience:

- Senior Management and Board of Directors: interviews;
- Employees: interviews and online forms.

b) External Audience:

- Suppliers: interviews and online forms;
- Local communities: interviews and online forms;
- Sector associations: online forms;
- Consumer Council: online forms
- Shareholders and Investors: interviews and online forms.

² Procedure Cemig SE/ AS - 0012/2010.

3) Prioritization of impacts:

The process for assessing the relevance of all mapped impacts was based on a prioritizing process, which considered the relevance and severity aspects of positive and negative impacts, through an analysis of the scale and scope of each impact. To evaluate the scale of impacts, the severity in social, environmental, and/or economic spheres was analyzed. For the scope assessment, the impacted stakeholders were analyzed.

In addition, the real impacts, that already occur, were also prioritized based on an analysis of their occurrence frequency. Finally, for potential impacts, a study was carried out regarding their probability of occurrence.

At the end of this process, the ten material topics for Cemig were defined. From that year onwards, the Company kept its relationship with its stakeholders up to date and understood priority issues related to its activities.

[3-2; 3-3] The list of priority material topics and topics and their respective descriptions is updated alongside:

Topic	Topic description	GRI	Topic boundaries		Prioritizing	SDGs
			Internal	External		
Climate change	Contribution to the global effort to mitigate emissions and adapt to climate change through the management of greenhouse gas (GHG) emissions for the whole company and the commitment to reduce emissions; investment in clean and non-polluting energy; fight against losses in transmission and distribution; diligence on the subject in its value chain, and investment in predictability and adjustments to climate change.	Energy: GRI 302-1; 302-2; 303-4; 303-4; 302-5 Emissions: GRI 305-1 to 305-7 Sectorals: EU1, EU2, EU5, EU12	Business units	Shareholders and investors Government authorities	12	7 13
Renewable Energy	Prioritizing and investment in renewable and clean matrix energy, divestiture and discontinuation of non-renewable and polluting energy projects, contributing to transition to a low-carbon economy and adaptation to regulatory trends.	Energy: GRI 302-1; 302-2; 303-4; 303-4; 302-5 Sectoral: EU8, EU10, EU11, EU30	Business units	Government authorities, Customers, Suppliers	12	7 9
Ethics and Integrity	Performance in ethical and legal compliance, including guidelines and anti-corruption control mechanisms related to its entire value chain and strict compliance with legal precepts and applicable regulations.	[2-9] [2-15] [2-27] Fight against corruption: GRI 205-1; 205-2; 205-3 Unfair competition: GRI 206-1 Socio-economic compliance: GRI 419-1 Legal compliance: GRI 307-1 //2-27 Conflicts of interest: GRI 2-15	Employees, Business Units	Shareholders and investors Government authorities, Customers, Communities	12	16
Environmental impact and protection	Environmental management beyond legal requirements, aiming at the development of initiatives to preserve biodiversity and protect natural habitats; waste management, including fostering circular economy; and development of R&D projects focused on these themes.	Environmental compliance: GRI 307-1; 2-27 Biodiversity: GRI 304-1; 304-3; 304-4 Waste: 306-1 to 306-5 Environmental assessment of suppliers: 308-1; 308-2 Sectoral: EU13	Business units	Government authorities, Customers, Communities	11	12 15
Transparency	Commitment and adoption of good transparency practices in relation to its financial, strategic and operational information, including socio-environmental risks and impacts linked to its activities.	[2-4] [2-5] [2-16]	Employees, Business Units	Shareholders and investors Government authorities, Customers, Communities	11	16
Sustainable social development	Investment for the social development of Minas Gerais, expanding power distribution with a focus on stability and reliability; fostering economy dynamism through the creation of jobs and new businesses; and supporting and leveraging social and cultural projects, guided by an impactful social investment strategy.	Economic performance: GRI 201-2 Indirect economic impacts: GRI 203-1, 203-2 Local communities: GRI 413-1; 413-2 Rights of indigenous peoples: GRI 411-1 Social impact of suppliers: 407-1; 408-1; 409-1; 414-1; 414-2	Employees, Business Units	Communities	11	4 10 17
Customer Satisfaction	Focus on customer satisfaction, based on the supply of quality energy, quick, simple and transparent service provision, with guaranteed data security, and adoption of practices that favor the use of energy, including clarity regarding tariffs, tariff reduction, when applicable, and communication about conscious consumption.	Marketing and Labeling: 417-1; 417-2; 417-3. Customer privacy: GRI 418-1 Sectorals: EU6, EU7, EU23, EU24, EU26, EU27, EU28, EU29.	Employees, Business Units	Customers, Government Authorities, Shareholders and Investors, Suppliers	11	7 9 11
Water resources	Continuous adoption of the best water resource management practices, contributing to ensure water and water body quantity and quality conservation, aiming at sustainability of the company's activities and businesses and guaranteeing the use of water by stakeholders.	Water and effluents: GRI 302-1 to 302-5; 303-1; 302-2; 303-3; 303-4; 303-5	Business units	Shareholders and investors Government authorities, Customers, Communities	10	6 12 15
Diversity and equity	Development of labor relations based on respect for diversity, non-discrimination and equal opportunities, considering greater participation of minority groups in the entire workforce and in senior leadership.	Market presence: GRI 202-1 Employment: GRI 401-1 to 401-3 Diversity and equal opportunities: GRI 405-1 and 405-2 Non-discrimination: GRI 406-1	Employees	Shareholders and investors	10	5 10
People's health and safety	Promoting workforce health and safety and protecting the population, investing in preventing and monitoring the occurrence of accidents and occupational illnesses, and risks linked to power system use and management.	Health and safety at work: GRI 403-1 to 403-10 Customer health and safety: GRI 416-1 and 416-2 Sectorals: EU16, EU17, EU18, EU21, EU25	Employees, Business Units	Communities, Government Authorities	10	3



The new material topics having been defined from mapping impacts both on the Company operation and on society, economy, and the environment, and regarding impacts of those kinds of aspects on the Company, Cemig acknowledges the importance of moving forward with integration between study results and corporate risk management. Cemig's risk matrix was prepared based on other Company materiality backgrounds, and it already considers aspects closely related to previous and new material topics. As examples, one can mention the relationship between "Accidents with the population along low and medium voltage lines" and "Accidents and diseases among the workforce" top risks, as well as the "Inefficacy of climate change minimizing and adaptation actions" risk to the "Climate Change" material topic.

The GRI index, placed at the end of the document, presents the sections and pages where these topics are covered.

Materiality was audited by an independent third party and the [audit certificate](#) is at the end of this document.



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CEMIG

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CEMIG IN FIGURES

Below is a historical series of major indicators:

General Data	2020	2021	2022	2023
Number of Consumers (millions)	8.695	8.884	9.036	9.216
Number of Employees	5,254	5,025	4,969	4,917
Number of Municipalities Serviced	774	774	774	774
Concession Area (km)	567,478	567,478	567,478	567,478
FEC- Equivalent Frequency of Interruption per Consumer Unit (Number of Interruptions)	5.07	4.60	4.58	4.86
DEC- Equivalent Duration of Interruption per Consumer Unit (Duration of Interruptions in Hours)	9.71	9.46	9.48	9.71
Number of Plants in Operation	89	67	69	68
Installed capacity (MW)	6,086	5,754	5,608	5,277
Length of Transmission Lines (km)	4,927.0	4,937.0	5,016.1	5,060.0
Total Length of Distribution Networks (km)	545,706	564,434	565,144	570,535
Urban Length of Distribution Networks (km)	111,995	123,108	123,690	129,704
Rural Length of Distribution Networks (km)	433,711	432,620	441,454	421,675

Environmental Dimension	2020	2021	2022	2023
Funds Invested in the Environment (BRL million)	36.5	37.2	38.6	45.4
Fleet Consumption of Renewable Fuel (GJ)	32,446	13,835	35,331	62,483
Installed Capacity Free from GHG Emissions (%)	100	100	100	100
Total Water Consumption (m ³)	34,541.56	41,999.10	45,778.80	42,845.80
Direct CO2 Emissions (tCO2e)	11,419	12,848	83,452	20,631
Investments in Environmental R&D (BRL)	7,870,057.53	4,145,804.92	6,281,033.87	829,835.69

Social Dimension	2020	2021	2022	2023
Average training hours per employee	14.83	64.90	47.81	54.43
Total of funds invested in in.house and external social indicators (BRL million)	12,146	13,224	11,355	13,370
Accident Frequency Rate – TFA (in. house employees)	1.31	1.66	0.7	1.06
Accident Frequency Rate – TFA (outsourced employees)	1.75	1.06	1.63	1.14
Accident Frequency Rate with Absence . TFA (Workforce)	1.66	1.17	1.48	1.13



General Data



9,216,506 ↑2%
consumers



4,917 ↓-1%
employees



774
cities



68 ↓1.5%
power plants



54h ↑14%
training per employee



1.06 ↑51%
Accident frequency rate



Environmental Dimension



R\$ 45,400,000
applied in Environment

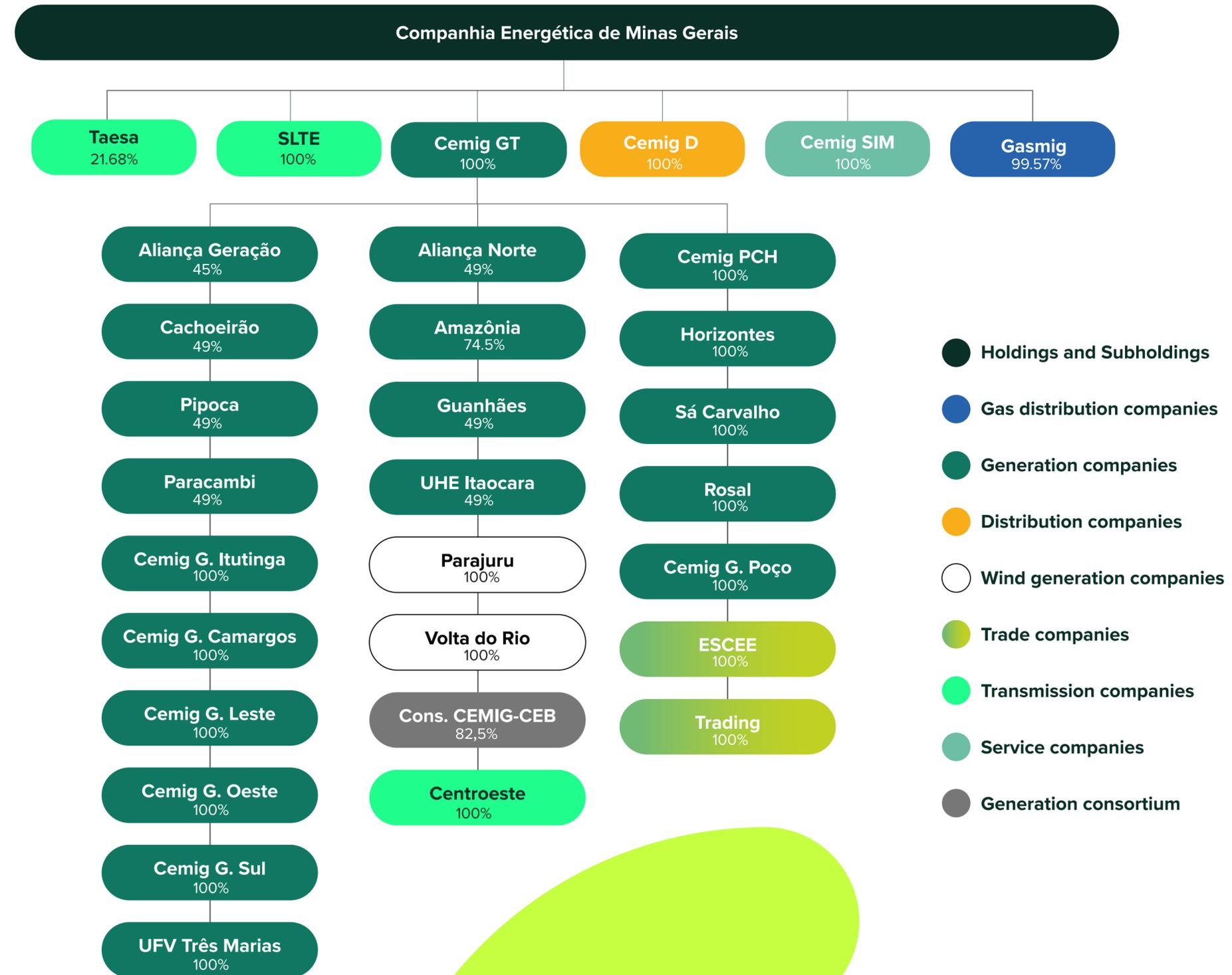


45,845.80 m³
Water consumption

BUSINESS MODEL

[2-1; 2-6] For 72 years, Cemig, headquartered in Belo Horizonte (MG), has been responsible for generating, transmitting, distributing and selling electricity and distributing natural gas to various municipalities in the states of Minas Gerais and Rio de Janeiro. Currently, it holds the position of the largest energy trader for free clients in the country and is one of the largest generating groups composed of 95 companies and 48 consortia, with assets and business operations in several states of Brazil.

Cemig Group is made up of its wholly owned subsidiaries, Cemig Distribution S.A. (Cemig D) and Cemig Generation and Transmission S.A. (Cemig GT), and has a 21.7% stake in the share capital of Aliança Electric Energy Transmitter S. A. (Taesa), which makes it the controller of the company. Below are Cemig Holding's interest in the capital of subsidiaries and affiliates:



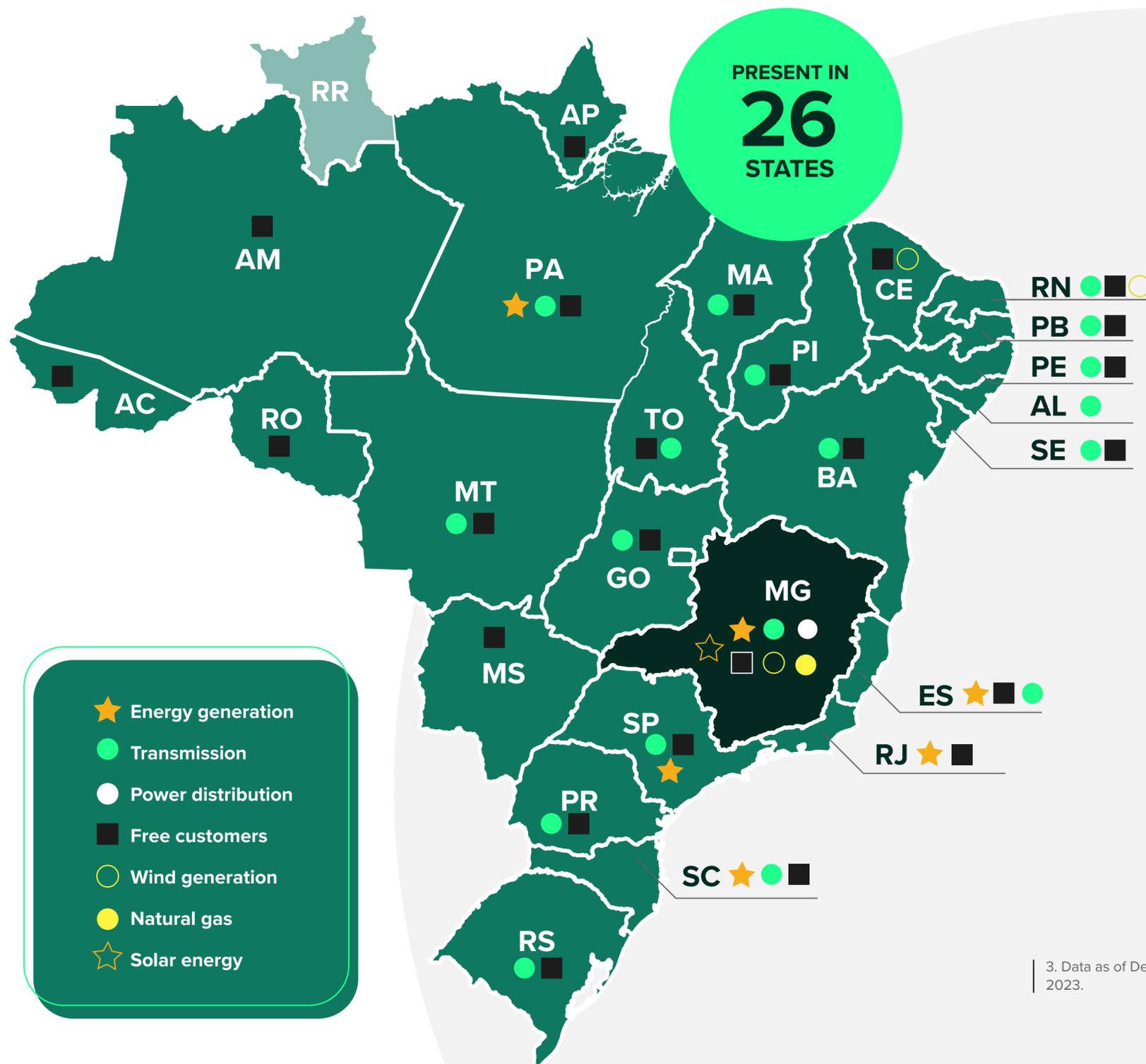
[2-1] Cemig is a publicly traded mixed capital company with over 200,000 shareholders in 39 countries. Its shares are traded on the stock exchanges in São Paulo, New York, and Madrid being controlled 62.11% by the State, with 50.97% of its common shares belonging to the Minas Gerais government and the other 11.14% corresponding to the Federal Government's portion through BNDES Participações S.A.

Cemig is the largest integrated company in Brazil's electric energy sector, and in Minas Gerais it accounts for 96% of the concession area, operating in 774 municipalities and billing 9.21 million customers³. It is responsible for managing the largest electrical distribution network in South America, with a coverage area of 562,760 square kilometers, resulting in assets present in 25 Brazilian states and the Federal District.

In Brazil, the Company:

- Is the largest energy supplier to free clients;
- Is the sixth-largest generating group;
- Is the fourth-largest transmission group;
- It is the largest distribution group.

The Company's objective is to create value for all stakeholders in its business (shareholders, employees, suppliers, and society), thus, it invests in expansion and energy distribution, restating its commitment to customer service quality and its importance for Cemig's strategic vision. This is always based on the principles of sustainability and socio-environmental responsibility.

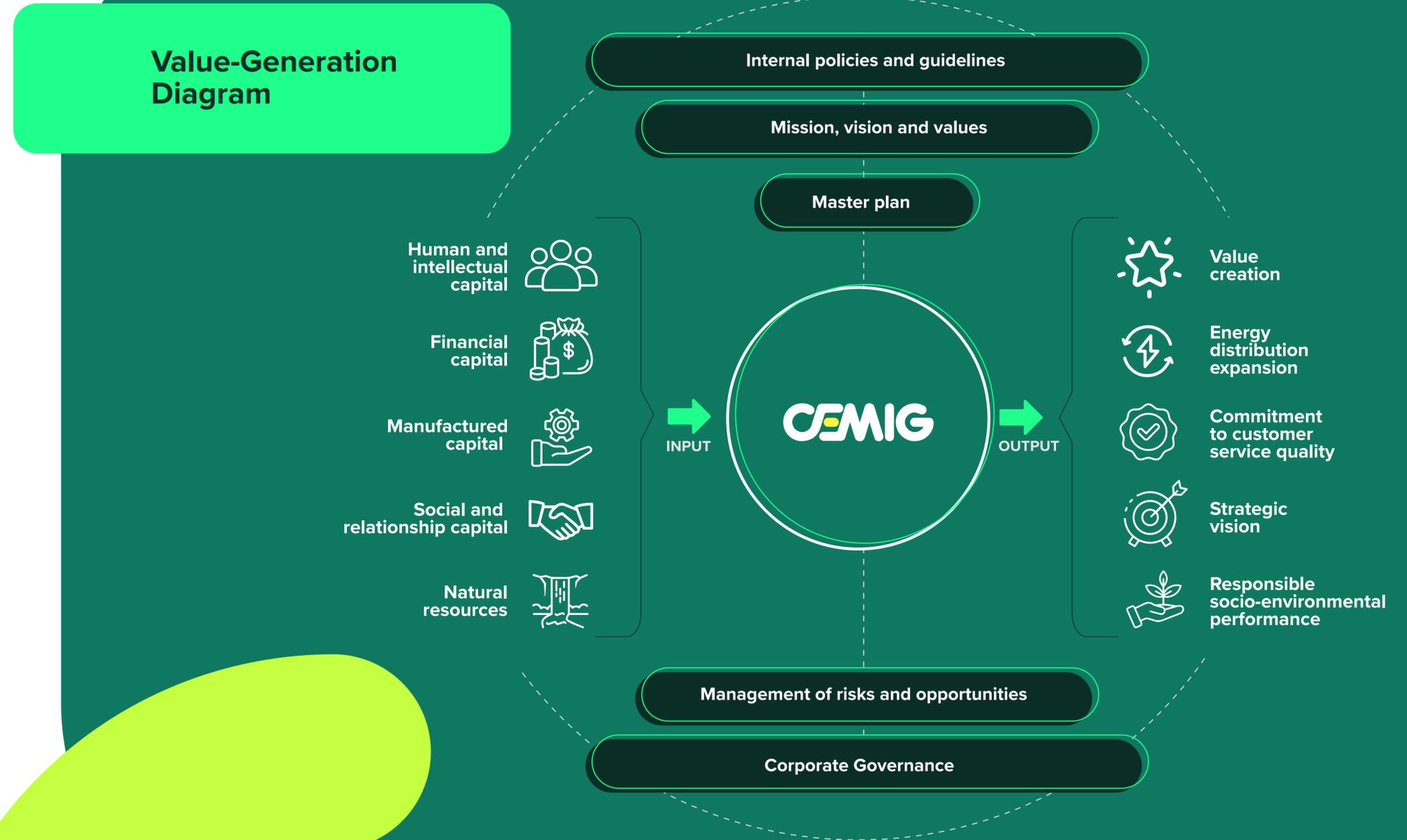


³ Data as of December 2023.

Cemig has the following elements as a competitive edge:

- The technical capacity and quality of its workforce, nationally and internationally recognized for its expertise;
- Natural resources, mainly water, as a large part of its installed capacity comes from hydroelectric plants;
- Financial resources from the government and other shareholders are required for business development of the business;
- Inputs provided by suppliers and customers, consumers, and local community loyalty.

The following diagram represents how Cemig generates value today:



OPERATIONS

[EU-01] On December 31, 2023, the installed capacity of the Cemig group was 5,277.96 MW, with a total of 68 power plants, all from renewable energy sources (hydro, wind, and solar).

The water source corresponded to the largest portion of the installed capacity, worth 5,010.34 MW, distributed among 57 hydroelectric plants. In second place was the wind source, with 175.70 MW of installed capacity in 9 wind farms. Finally, there were two photovoltaic solar plants, with a combined installed capacity of 3.92 MW.

The Company’s current Strategic Plan, “Focus on and Win in Minas Gerais”, has a Divestment Program to redirect Cemig’s management efforts and capital allocation. The objective is to direct capital to improve the quality of the generation, transmission, and distribution services in Minas Gerais. Towards that, the following divestments were made:

- Santo Antônio (Rondônia): in March 2023, Cemig completed the sale of all of its direct and indirect interest, equivalent to the sale of its entire 7.53% stake in Santo Antônio Hydroelectric Plant (UHE Santo Antônio);
- Baguari Energia (Minas Gerais): In October 2023, Cemig GT completed the sale of all of its direct and indirect interest, equivalent to 34% in the Baguari Hydroelectric Plant (UHE Baguari);
- Retiro Baixo (Minas Gerais): conclusion, in November 2023, of the sale of the 49.9% stake held by Cemig GT in Retiro Baixo Energy S.A.

The following table presents the nameplate capacity by energy source:

Primary Source	2021	%	2022	%	2023	%
Hydraulic	5,638.10	96.82%	5,368.40	95.86%	5,010.34	94.68%
Wind	115.20	1.98%	147.30	2.63%	175.70	3.32%
Solar	1.40	0.02%	3.92	0.07%	3.92	0.07%
Cemig SIM . Distributed Generation	68.5	1.18%	80.8	1.44%	102.0	1.93%
Nameplate Capacity	5,823.20	100%	5,600.42	100%	5,291.96	100%

[EU-5] As part of the 2024-2028 Strategic Plan, the Company aims to add 870 MW of average physical guarantee to Cemig's portfolio through projects in hydro, wind, and solar sources with adequate financial returns, thereby maintaining its 100% renewable matrix.

[EU-02; IF-EU-000.D] Throughout 2023, the company’s net generation totaled 15,438.29 GWh. Of this total, 14,745.07 GWh were generated from hydropower, 524.43 GWh from wind power, and 7.29 GWh from solar power.

Net Generation by Energy Source (GWh)

Primary Source	2021	%	2022	%	2023	%
Hydraulic	15,069.78	96.68%	17,757.16	97.16%	14,745.07	95.51%
Wind	419.12	2.69%	383.44	2.10%	524.43	3.40%
Solar	1.44	0.01%	6.42	0.03%	7.29	0.05%
Cemig SIM - Distributed Generation	96.80	0.62%	128.90	0.71%	161.50	1.04%
Total Generation	15,587.14	100%	18,275.92	100%	15,438.29	100%

[EU-30] Energy availability is measured through the Generation Availability Factor (FID), a dimensionless value with an upper limit of 1, resulting from the division of the availability calculated over the last 60 months by the reference index defined by National Electric Energy Agency (ANEEL). Therefore, the higher the FID, the better the company's performance.

The following table presents the availability factor per generating unit:

	Dec/2021	Dec/2022	Dec/2023
UHE Camargos	1.0640	1.0729	1.0267
UHE Itutinga	1.0146	1.0261	1.0237
UHE Rosal	0.9882	1.0579	1.1483
UHE Sá Carvalho	1.1210	1.1148	1.0099
UHE Salto Grande	1.0583	1.0560	1.0154
UHE Irapé	1.0437	1.0486	1.0107
UHE Queimado	1.1578	1.1600	1.0155
UHE Três Marias	1.0444	1.0496	1.0422
UHE Emborcação	1.0546	1.0574	1.0015
UHE Nova Ponte	1.0756	1.0645	1.0116



The higher the FID, the better the Company's performance.



Starting in January 2023, the new reference indices reviewed by Aneel have come into effect. According to the current methodology, the values tend to increase when the recent history is positive, which resulted in the decrease of the FID value of some installations.

Despite this, the Availability Index verified, which makes up the numerator of the FID calculation, has been continuously increasing in recent years for Cemig’s hydroelectric power plants as a whole, rising from 96.31% in Dec/21, reaching 96.42% in Dec/22 and now reaching 96.50% in Dec/23. This growth is a consequence of the search for increasingly efficient scheduled shutdowns and low rates of forced shutdowns.

Cemig’s Transmission Lines 2023

[EU-4; IF-EU-000.C] Energy transmission, carried out by Cemig GT, is operated through a transmission network spanning 5,060.39 km with 40 substations strategically distributed across its operational area. The table below shows the makeup of the transmission network by voltage level.

2023 power transmission lines length (km)

Transmission	Lenght (km)
230 kV	795.2
345 kV	2,083.21
500 kV	2,181.98
Total	5,060.39

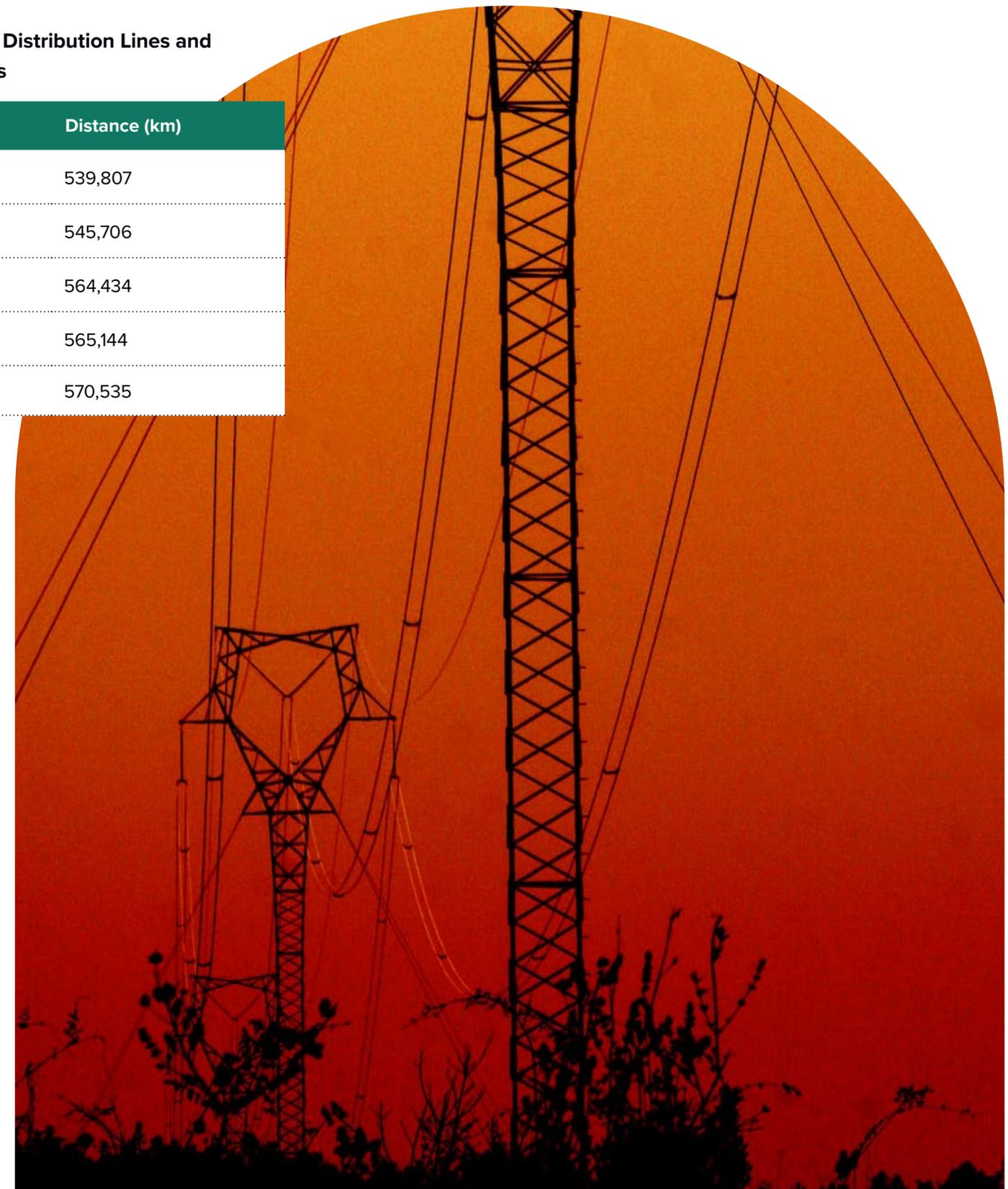
Cemig’s Distribution Lines in 2023

[EU-03; EU-04] Cemig D covers 774 municipalities in Minas Gerais. Its concession area covers 567,478 km², approximately 97% of the State of Minas Gerais, serving a market of 9,216 million customers in 2023. There are 570,535 km of lines and distribution networks, with 129,704 km in urban areas, 421,675 km of rural networks, and 19,156 km of distribution lines.

With the increase in investments in Cemig D, there was a growth in lines and distribution networks over the past 5 years.

Cemig D Distribution Lines and Networks

Year	Distance (km)
2019	539,807
2020	545,706
2021	564,434
2022	565,144
2023	570,535



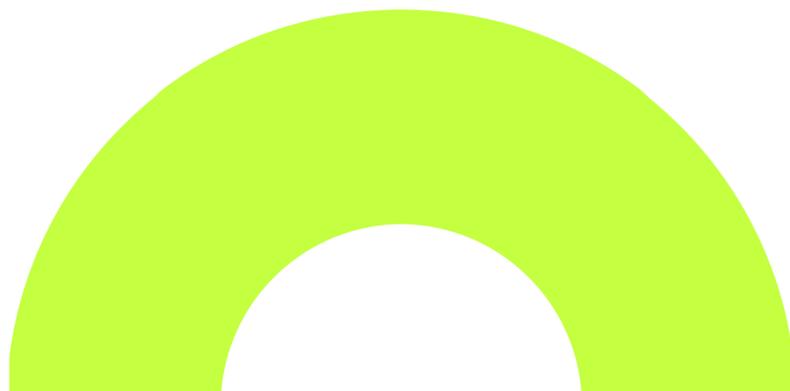
Distributed Generation

Since 2012, when ANEEL created the Electric Energy Compensation System, Cemig has been leading the Distributed Generation (DG) connections market in the country. From the publication of Resolution 482/2012 through December 2022, 195,874 generating units were connected, totaling an installed capacity of 2,434 MW with Distributed Generation.

The evolution of the number of connections between 2021 and 2023, stratified by consumer class, is presented in the graph alongside.

Cemig is a pioneer in terms of the number of distributed generation connections, also ranking first in terms of the power injected into the network through this venture.

Historical Series – Distributed Generation – number of clients	2021	2022	2023
Comercial	6,579	12,160	8,769
Industrial	2,409	3,435	4,244
Residential	83,299	141,030	184,157
Rural	13,737	18,890	25,014
Public Services	362	611	886

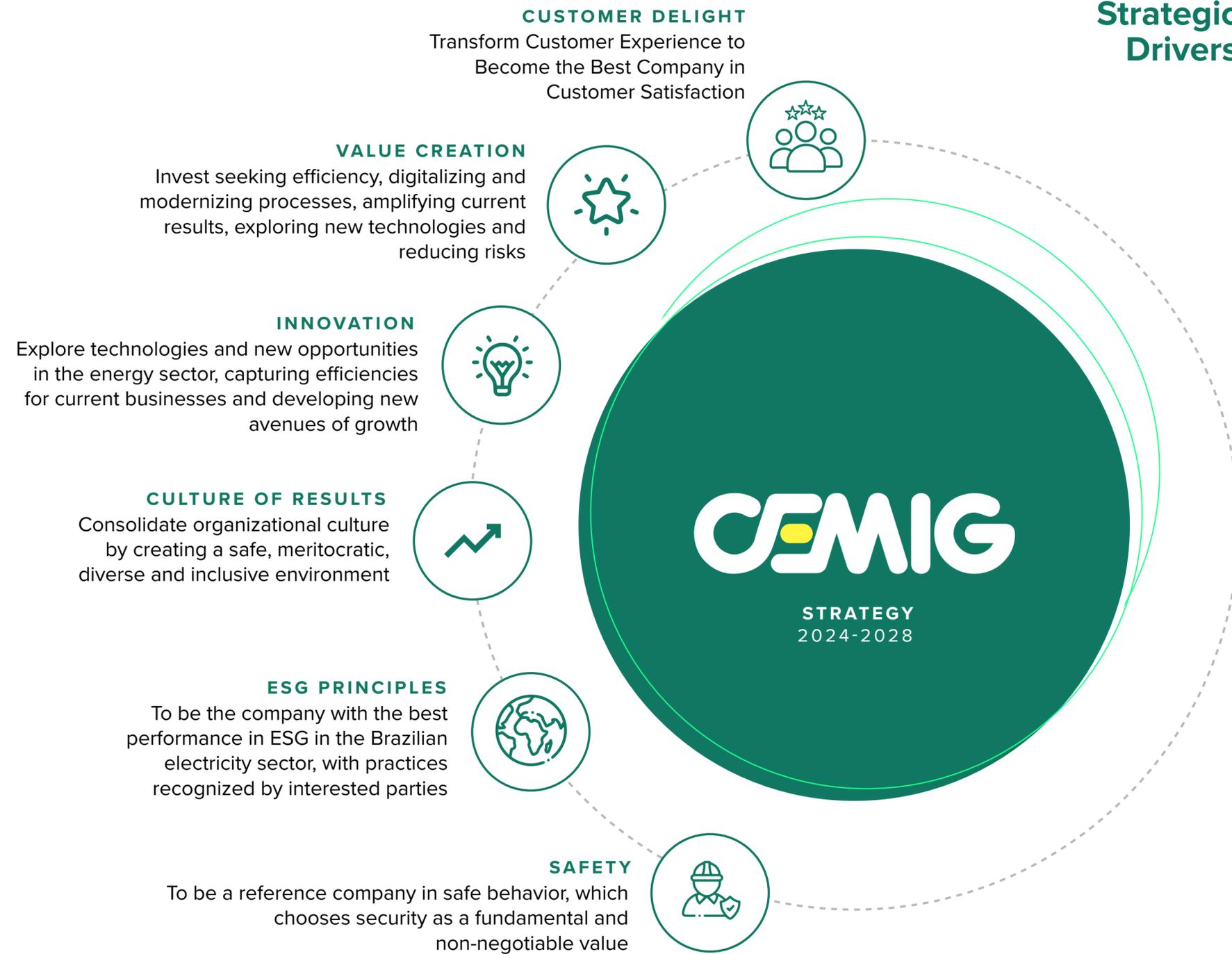


CEMIG'S STRATEGY

Cemig's strategic planning was updated in December 2023 and currently covers the periods from 2024 to 2028. The plan aims to speed up the transformation, based on six main pillars:



Strategic Drivers



The strategic plan’s ambition is to “be a leader in customer satisfaction, safety and achieve efficiency levels higher than regulatory levels, through modern, sustainable management, with value generation and promotion of a culture of results, investing with a focus on Minas Gerais”.

The following objectives stand out:

- **Transform the customer experience, reaching the zone of excellence in NPS⁴ (Net Promoter Score) in 2028;**
- **Reconfigure capital allocation with a focus on creating value, investing BRL 35.6 billion with TSR⁵ (Total Shareholder Return) > 20%;**
- **Increase operational efficiency, achieving EBITDA of BRL 12.2 billion;**
- **Invest BRL 1.4 billion in innovation and digital transformation;**
- **Promote a culture of results, with modern and sustainable management, in a safe, meritocratic, diverse, and inclusive environment;**
- **Be a reference in ESG in the Brazilian electric sector, promoting sustainable development and seeking leadership in the energy transition;**
- **Undertake BRL 6.2 billion of divestitures in low-performing assets;**
- **Be a reference in safe behavior, with safety as a fundamental and non-negotiable value at all stages of its processes to preserve the lives of employees, contractors, and the public..**

The Company’s ambition unfolds for each business unit in a particular way, as shown below:

Cemig Distribution:

a. Ambition: Transform Cemig D into a reference in the distribution sector and driver of the development of the state of Minas Gerais: leader in customer experience, with service excellence, and leader in safety, with performance above regulatory standards; with EBITDA of BRL 5.4 billion (2028), DEC⁶ 95% of regulatory and FEC⁷ 70% of regulatory; company prepared for the future through investments in smart networks, digitalization and analytical capabilities.

b. Strategic options:

Put the customer at the center of its actions, to transform their journey experience by investing in digitization;

Optimize revenue management, leveraging the use of analytical capacity and data to maintain regulatory levels of losses and defaults;

Raise operational efficiency, applying innovative and technological solutions to keep costs below regulatory coverage;

To be an inducer of market expansion through increased investments, to create a virtuous cycle of expanding regulatory remuneration and improving performance;

Be a reference in safe behavior, with safety as a fundamental and non-negotiable value at all stages of its processes to preserve the lives of employees, contractors, and the public.

Cemig Transmission:

a. Ambition: Focus on investments in reinforcements and continuous improvement of efficiency, in addition to boosting its share of transmission in Minas Gerais, achieving approximately BRL 1.1 billion of EBITDA in 2028.

b. Strategic options:

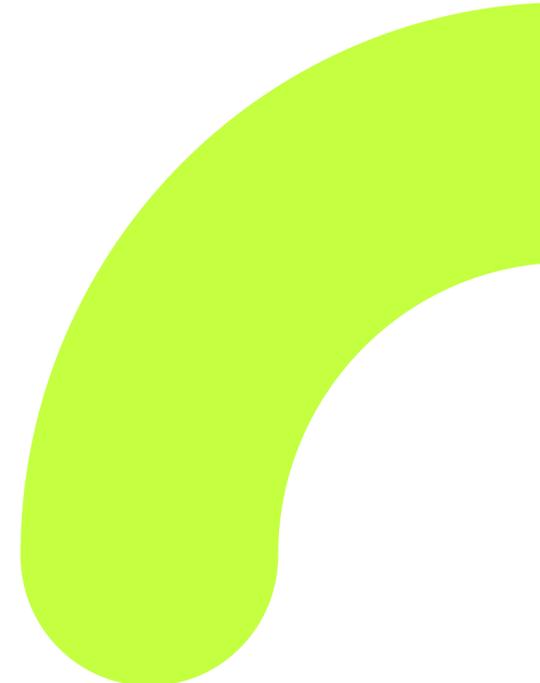
- Intensify the plan for Reinforcements and Improvements to renew the depreciated base through sound investments (meeting deadlines, low financing costs, and returns above the regulatory WACC⁸;
- Expand the Transmission portfolio in MG via auctions and project M&As⁹;
- Continue with operational efficiency, staying below the level of regulatory PMSO (Personnel, Material, Services, and Others).

Gasmig

a. Ambition: Boost Gasmig’s presence in Minas Gerais with greater transparency in management and governance, placing the customer at the center of all decisions, optimizing commercial efficiency and network expansion, with a CAPEX¹⁰ of BRL 1.8 billion by 2028, achieving approximately BRL 1.4 billion in EBITDA by 2028.

b. Strategic options:

- Preparing Gasmig for the IPO (Initial Public Offer) capital opening, aiming for greater efficiency, effectiveness, and management transparency;
- Increase saturation of the existing network to expand the customer base in the urban segment;



4. Score of the likelihood of promotion (or recommendation) of a company by its customer network.
 5. Total Shareholder Return.
 6. Equivalent Duration of Interruption per Consumer Unit.
 7. Equivalent Frequency of Interruption per Consumer Unit.
 8. Weighted Average Capital Cost.
 9. Mergers and Acquisitions.
 10. Capital Expenditure.

- Expand HDPE (high-density polyethylene) and steel network, reaching selected large urban centers and investing in serving large industrial customers.

Cemig Generation:

a. Ambition: Add 870 MWm by 2028 with a focus on renewable sources and increase portfolio efficiency, with investments in expansion of BRL 150 million by 2028, achieving EBITDA of BRL 2.6 billion in 2028.

b. Strategic options:

- Adding approximately 870 MWm by 2028 to Cemig’s portfolio through projects in hydropower, wind and solar sources with adequate financial returns;
- Raise operational efficiency, bringing Personnel, Material, Services, and Other (PMSO) to market levels;
- Divesting from value-destroying assets without a turnaround opportunity, in scenarios of decline and low performance;
- Expanding generation capacity via new products.

Commercialization:

a. Ambition: Consolidate leadership in end customers, placing them at the center of all decisions to ensure their satisfaction, achieving sales volume in the free market of an average 3.7GW from 2026 with a gross margin higher

than the market average, adopting best risk management practices in the sector, achieving EBITDA of approximately BRL 1.7 billion in 2028.

b. Strategic options:

- Seek growth in profitable customers, offering an experience superior to that of competitors;
- Sell energy at competitive prices and close positions when there is adequate margin;
- Adopt the best industry practices to monitor and manage all relevant risks, giving the organization transparency;
- Develop digital service channels and adapt the operating model.
- Adjust the offering of energy products and other commodities.

Cemig Distributed Generation:

a. Ambition: achieve market leadership in distributed generation in the State of Minas Gerais, with a focus on excellence in customer service. Invest BRL 3.3 billion in 2026 in own projects of vertical solar farms (reaching 600 MWp) with an IRR (Internal Rate of Return) equivalent to the market average, with EBITDA of approximately BRL 500 million in 2028. Develop and implement a third-party energy leasing model, limited to the capacity of projects in development. Ensure market leadership (approximately 14% in 2028).

b. Strategic options:

- Develop projects of solar farms in distributed generation in an organic way;

- Establish a digitalized commercial model and optimized customer service, to operate with the minimum viable structure;
- Intervene so that the insertion in the distributed generation model is sustainable in the long term, considering the inclusion of benefits in the tariff model.

Participation and divestments:

a. Ambition: Execute the plan for divestments and investments. Apply the resources in new ventures with majority ownership control, and proper governance, located in Minas Gerais.

b. Strategic options:

- New avenues of growth based on sector transformations, regulation, and technology;
- Engage with innovation environments to create and foster an innovative culture within the company;
- Enhance investment mechanisms in innovative initiatives for the development of solutions or the implementation of innovations.

Information Technology:

a. Ambition: Provide digitalization with the customer at the center, maximize operational efficiency, and provide timely high-quality information in a resilient, secure, and stable environment, investing BRL 1.0 billion (in 2028).

b. Strategic options:

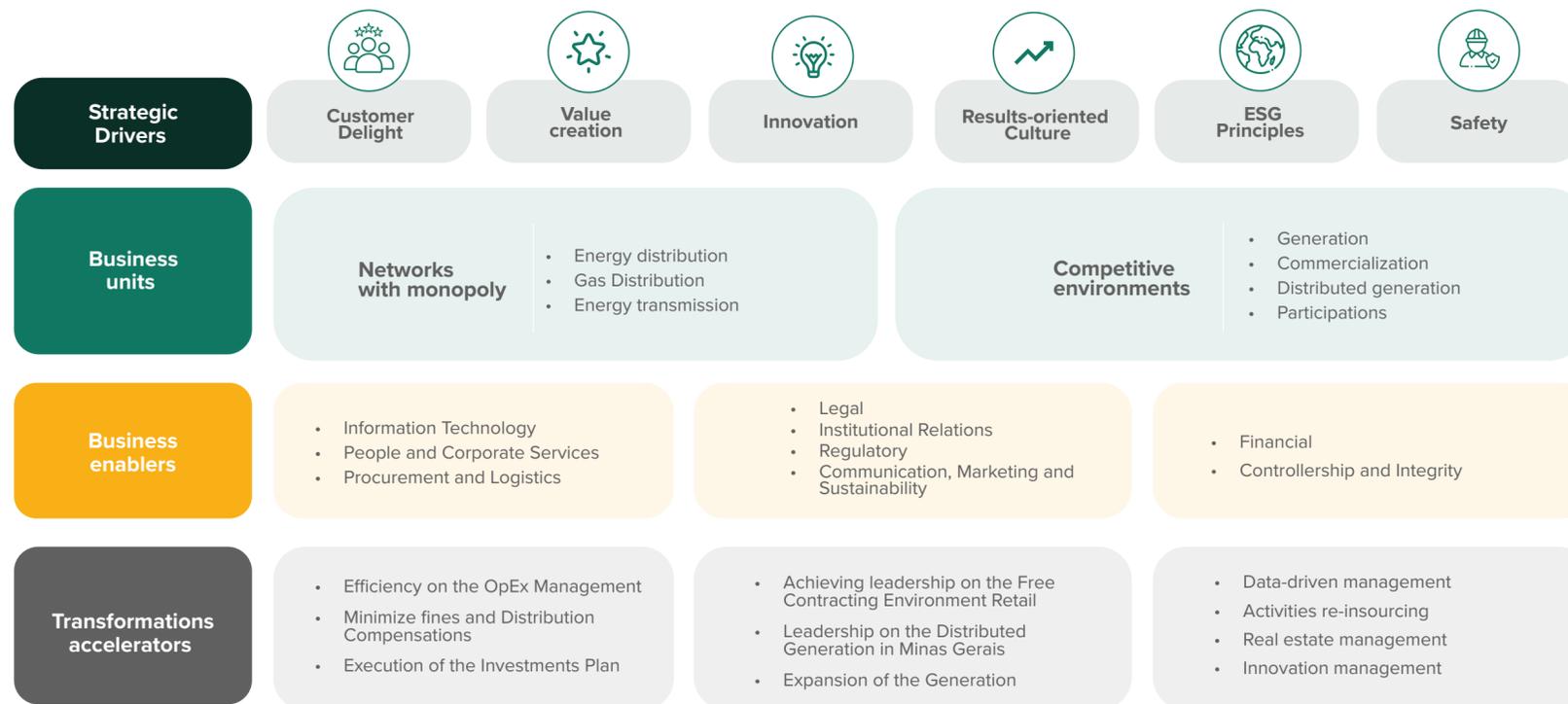
- Focus on the quality of customer service delivery;

- Increment productivity through process automation and better use of data;
- Eliminate obsolescence and high customization by adopting market solutions;
- Increase the resilience of information applications and technological changes, aiming to reduce the cost of ownership.

To implement the respective strategies, the business units rely on various business-enabling units.

Each will focus on new practices and initiatives to enable the company's expansion in an agile, efficient, and sustainable manner. Additionally, for this cycle, there are initiatives known as "Transformation Accelerators", listed alongside.

The pillars associated with the business-enabling units are also listed.



ENABLING UNITS

Transform the business' enabling units with new practices and initiatives to allow the company's expansion in a safe, agile, efficient, and sustainable way.

INFORMATION TECHNOLOGY

- T11: Platforms modernization
- T12: Automation, integration, and analytical capacity
- T13: Digital competencies
- T14: Infrastructure modernization

PEOPLE AND CORP. SERVICES

- PSC1: Health
- PSC2: Competencies
- PSC3: Processes efficiency
- PSC4: Personnel Planning

PROCUREMENT AND LOGISTICS

- CL1: Optimize the contracting model
- CL2: Revise the logistics operation model and optimize inventory management
- CL3: Reinforcement of the Supply Chain in Minas Gerais

LEGAL

- JR1: Proactive legal action
- JR2: Operational Efficiency
- JR3: Liabilities Management

INSTITUTIONAL RELATIONS

- R11: Risk Mitigation
- R12: Opportunities Capture

REGULATORY

- R1: Risk Mitigation
- R2: Opportunity Capture

COMMUNICATION, MARKETING AND SUSTAINABILITY

- CM1: Brand, Image and Reputation
- CM2: Marketing
- CM3: Sustainability

FINANCIAL

- F1: Investors Relations
- F2: Operational Efficiency
- F3: Financial Control

INNOVATION

- I1: Businesses of the Future
- I2: Market Connection
- I3: Structure and Governance

CONTROL AND INTEGRITY

- CI1: Risk Management
- CI2: Compliance and Integrity
- CI3: Data Protection and Information Management

Investment in energy generation, transmission and distribution

The availability of energy is a determining factor for the development of any society, as it contributes to attracting investments to the region and, consequently, to generating jobs and developing the local economy and culture. To achieve this, ongoing investments in the expansion and maintenance of the electrical system are necessary, within the technical, safety, and regulated quality criteria.

Regarding its investments in other companies, Cemig oversees the management and development of its subsidiaries and affiliates through active participation in governing bodies, adhering to good corporate governance practices, and ensuring the fulfillment of their business plans.

Below are the main investments of Cemig’s Group and their highlights in the year 2023.

Investments in Electric Power Generation and Distributed Generation

Aliança: On March 28, 2024, Cemig announced that its subsidiary, Cemig GT, completed the sale of a 45% stake in Aliança Energia to Vale for R\$2.7 billion. Aliança Energia’s portfolio includes seven hydroelectric plants in Minas Gerais, two operational wind complexes in Rio Grande do Norte, and a wind complex nearing completion in Ceará. These projects together have an installed capacity of 1,438 MW and a guaranteed physical supply of 755 average MW.

Boa Esperança e Jusante: In September 2022, the construction of the Boa Esperança and Jusante Photovoltaic Solar Power Plants (UFVs) began. Both projects have about 85% of the construction completed and are expected to start operations at the end of the first quarter of 2024.

UFV Boa Esperança will have 85 MW of installed capacity (approximately 100,4 MWp), located on property owned by the Company in the municipality of Montes Claros, MG. In turn, UFV Jusante will consist of 7 plants of 10 MW each, totaling 70 MW of installed capacity (approximately 87 MWp), also located on property owned by the Company in the municipality of São Gonçalo do Abaeté, MG.

With estimated investments of BRL 850 million, the construction of these plants is aligned with Cemig’s group strategic planning, strengthening its presence in the renewable energy segment, with profitability compatible with the Company’s cost of capital for this type of project.

Cemig SIM: SA wholly-owned subsidiary of the Cemig Group focused on innovation and energy solutions, invested, in 2023, BRL 212 million in the acquisition and participation in solar photovoltaic power generation plants in Minas Gerais.

In terms of generation, the company has an installed capacity of 88 MWp through 23 solar farms located in various regions of Minas Gerais, which produced 166.9 GWh in 2023.

The company reached the milestone of 14,000 solar energy subscription consumer units in 2023,

distributed among commercial, residential, and industrial customers.



The company is looking to expand its installed capacity in line with Cemig’s strategic planning, exploring the development of new projects (including 50 new solar power plants) and planning to invest the equivalent of BRL 800 million in the period between 2024 and 2025 in the Distributed Generation segment.

50 new solar power plants are under construction and in prospecting, a strategy that aligns with the growth goals defined by the group’s planning.



Investments in Transmission

Cemig GT: Cemig GT won the dispute for Lot 1 of Transmission Auction No. 2/2022, held by Aneel on December 16, 2022. The proposal presented by the Company corresponded to a RAP¹¹ value of approximately BRL 17 million for the new 230 kV transmission line from Governador Valadares 6 substation to Verona, with an extension of 165 km. The deadline for entry into operation is March 30, 2028, and the concession period is 30 years. The lot bought at auction has important synergies and takes advantage of the existing operation and maintenance structure at Cemig GT, in addition to forecasts of CAPEX optimizations and early delivery of the project, with profitability compatible with the Company's cost of capital for this type of project. The result of the event consolidates Cemig GT's strategic positioning as one of the largest electricity transmission companies in Brazil, in line with the objectives of sustainable growth and value generation, following the commitment to transmit energy with reliability, transparency, and security to society, respecting the environment.

Centroeste: On April 13, 2023, the Board of Directors approved the allocation of resources, of BRL 221,519 by Cemig GT in the invested company Center-West of Minas Transmission Company ("Centroeste") during the period from 2023 to 2026, as needed and based on Centroeste's cash generation. The goal is the implementation of the kV transmission line from Governor Valadares 6 to Verona, which will be operated and maintained by Centroeste. Currently, activities related to land and environmental regularization, preparation of the executive project, and basic project validation by the National System Operator (ONS)

are underway. Construction is scheduled to begin in January 2025.

Taesá: Transmissora Aliança de Energia Elétrica S. A. – TAESA – is one of the largest private electricity transmission groups in Brazil in terms of Annual Permitted Revenue (RAP). The company is exclusively dedicated to the construction, operation, and maintenance of transmission assets, with 13,832 km of lines in operation and 1,323 km under construction, totaling 15,155 km of extension and 109 substations. Additionally, it has assets in operation with voltage levels between 230 and 525 kV, presence in all five regions of the country (18 states and the Federal District), and a System Operation Center (COS) in Rio de Janeiro. Currently, TAESA holds 43 transmission concessions: (i) 13 concessions within the holding company (TSN, Novatrans, ETEO, GTESA, PATESA, Munirah, NTE, STE, ATE, ATE II, ATE III, Saíra, and Sant'Ana); (ii) 11 wholly-owned investees (Brasnorte, São Gotardo, Mariana, Miracema, Janaúba, São João, São Pedro, Lagoa Nova, Ananaí, Pitiguari, and Tangará); (iii) 19 participations (ETAU, Transmineiras, and the AIE and TBE Groups).

Investments in Natural Gas

Minas Gerais Gas Company (Gasmig), a publicly traded corporation registered in category B by the Brazilian Securities and Exchange Commission (CVM), is headquartered in Belo Horizonte. It operates as a public utility for piped gas services, with shareholders including Cemig and the Municipality of Belo Horizonte (MBH). Its main objective is the acquisition, storage, transportation, transmission, distribution, and

commercialization of fuel gas or its by-products and derivatives, either directly or through third parties.

Gasmig is the exclusive distributor of piped natural gas in Minas Gerais, granted by concession, serving industrial, residential, commercial, and thermoelectric segments. It supplies compressed natural gas (CNG), liquefied natural gas (LNG), and automotive natural gas (CNGV). Cemig holds 99.57% of Gasmig's capital.

The company obtained the concession for the industrial, institutional, and residential exploitation of piped gas services in the State of Minas Gerais for a period of 30 years, extendable according to contractual terms, starting from the publication of State Law No. 11,021, dated January 11, 1993.

On December 26, 2014, the Second Amendment to the Concession Agreement was signed, extending the concession period until January 10, 2053.



In 2023, Gasmig invested amounts of around BRL 301.8 million and the focus of investments was on expanding its Natural Gas Distribution Networks (RDGNs) in the State of Minas Gerais, with its customer base increasing by 16%, reaching 82,582 consumer units in 2022 to 95,887 consumer units in 2023. The Company is focusing its investments on expanding the gas distribution network in line with Cemig's Strategic Planning and plans to invest the equivalent of BRL 4.8 billion in the period between 2024 and 2033.

In 2023, Gasmig distributed 1,5 billion m³ of gas, of which 96% were destined for the industrial, commercial, and thermic segments.

¹¹ Annual Permitted Revenue.

CEMIG AND THE SUSTAINABLE DEVELOPMENT – ESG PLAN

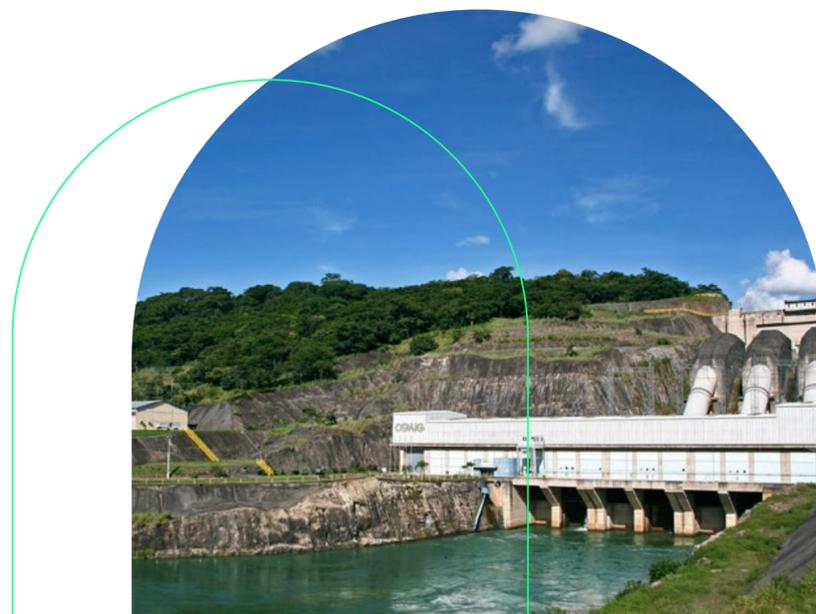
In 2023, Cemig began revising its ESG Strategy. The revision was guided by a comprehensive study of global market and electric sector trends and their correlation with its material themes, business strategy, and the Sustainable Development Goals.

The revision process included analyzing internal documents related to both the company’s strategy and operations, as well as reviewing sectoral reports and international frameworks, particularly those focused on the electric power and utilities sector.

Based on the definition of the most relevant themes, strategic pillars are being structured. These will consist of short, medium, and long-term goals that will form the 2024-2027 ESG Strategic Plan, which will be published soon.

Below are the results of the targets set for 2023.

Indicator	2023 Target	Result
IPTD - Distribution Total Losses Index	10.84%	10.71%
DEC - Equivalent Duration of Interruption per Consumer Unit	9.24 h	9.71 h
TFA (D) - Accident Frequency Rate with Leave (Workforce)	1.11 accidents/million HHT	1.07 accidents/million HHT
TFA (GT) - Accident Frequency Rate with Leave (Workforce)	0.88 accidents/million HHT	1.90 accidents/million HHT
IASC - Customer Satisfaction Index	66%	60.4%
MAPRISK - Top Risks Matrix Risk Mapping Index	100%	110%
P-Vol - Volunteer Participation in Corporate Initiatives	200 volunteers	183 volunteers
PESP - Number of Beneficiaries in Sports Projects	4,000	9,018
ICC - Environmental Compliance Index	100%	100%
ILOI - Environmental Licensing Index - Cemig GT	4	8
IDFSP - Index of Safety Corridor Clearance Demands Responded Within Deadline	95%	226.09%
IURI - Utilization Index of Incentivized Resources (Sports, Elderly, and FIA)	90%	99.8%
P-Vol - Percentage of Volunteer Participation in Corporate Initiatives Relative to Total Employees	4%	3.72%
Development and Implementation of the SIMBIOSE System (Measures the percentage of compliance with the SIMBIOSE Development and Implementation Plan according to the following modules: Fish Database Upload - 100%, Contract Management - 30%, Environmental Licenses Entry - 100%, Environmental Conditions Entry - 100%, Report Processing - 30%)	100%	100%
PE-AI6% - Employee Participation in the AI6% Program - Forming Citizens	27.33%	28.92%
Press Favorability	Greater than 85%	87.08%
Cultural Tax Incentive	Greater than 95%	117%
ISUSTENT - Cemig's Participation in Major Sustainability Ratings in Brazil and Worldwide	89%	92.61%





GOVERNMENT AND SECTORIAL ENTITIES

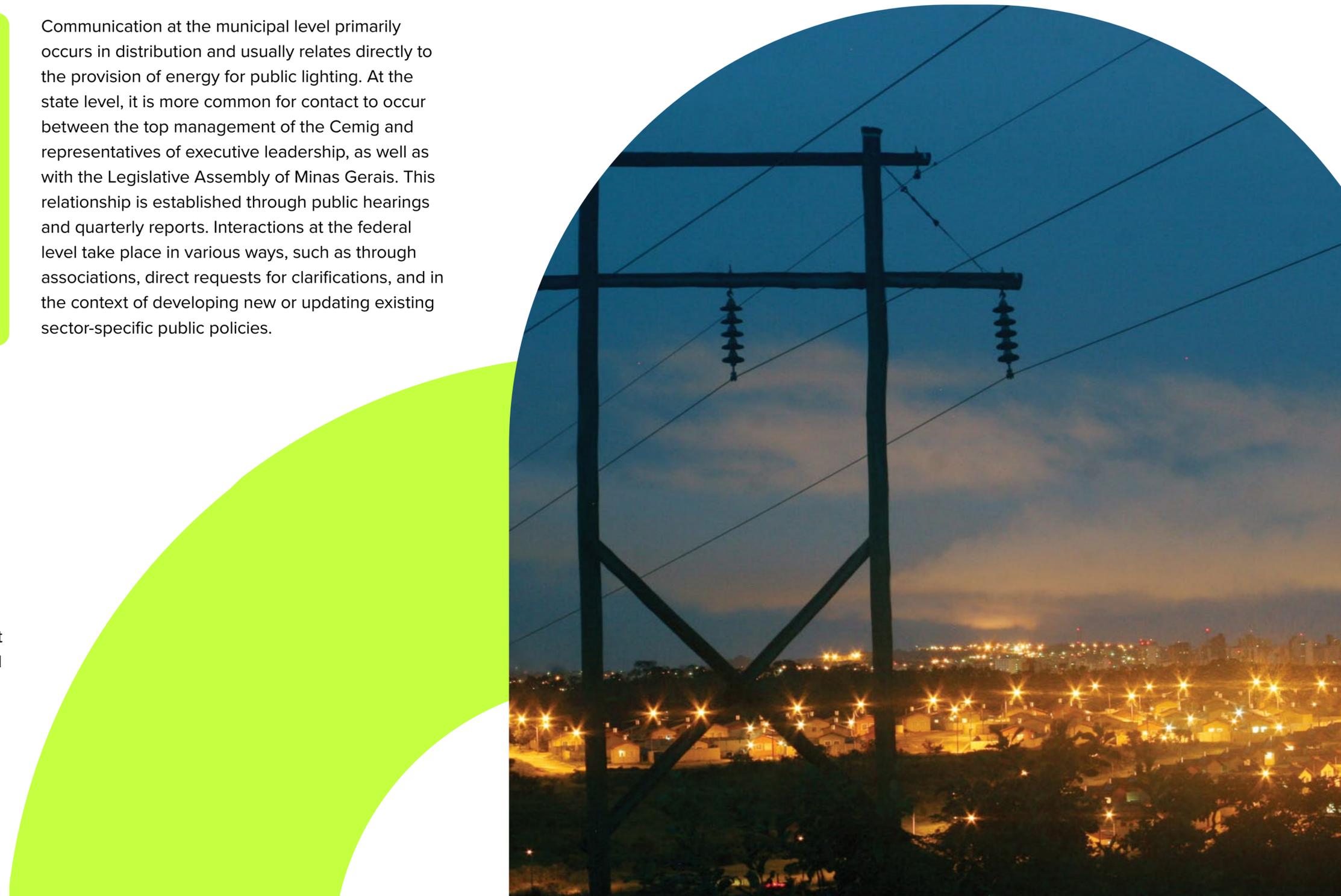
Cemig does not allocate resources to organizations whose main role is to create or influence public policies, nor does it contribute to campaigns and/or political organizations, or tax-exempt groups whose function is to influence political campaigns or legislative activities, including chambers of commerce, trade boards, and similar entities. It also does not register lobbyists or lobbying groups.

All company operations are guided by the Anti-Fraud Policy¹² and Sponsorship Policy.

The electricity sector is regulated by the Brazilian Electricity Regulatory Agency (ANEEL), which establishes standardization for the services of generation, transmission, distribution, and commercialization of electrical energy in Brazil through technical standards. Additionally, the agency economically regulates tariffs, the functioning of the market, and even research and development projects and energy efficiency initiatives. Therefore, Cemig must comply with the established public policy demands and report to the responsible public bodies at municipal, state, and federal levels.

Communication at the municipal level primarily occurs in distribution and usually relates directly to the provision of energy for public lighting. At the state level, it is more common for contact to occur between the top management of the Cemig and representatives of executive leadership, as well as with the Legislative Assembly of Minas Gerais. This relationship is established through public hearings and quarterly reports. Interactions at the federal level take place in various ways, such as through associations, direct requests for clarifications, and in the context of developing new or updating existing sector-specific public policies.

| 12. Available on the [Cemig Anti-Fraud Policy page](#).





CORPORATE GOVERNANCE

[2-9] Cemig’s corporate governance is based on transparency, equity, and accountability. The Company is managed by a Board of Directors and the Executive Board, and it also has a permanent Fiscal Council. They are all governed by the Company’s Bylaws and applicable laws.

Governance model and main practices

[2-13] The main characteristic of Cemig’s governance model is a clear definition of the roles and responsibilities of the Board of Directors and the Executive Board in the formulation, approval, and execution of the policies and guidelines that relate to conducting the Company’s business. The members of the Board of Directors, who are appointed by the General Shareholders’ Meeting, elect their Chairman and appoint Cemig’s Executive Board. The structure and composition of the Board of Directors and the Executive Board are identical in wholly owned subsidiaries Cemig D and Cemig GT, with possible exceptions, to be approved by the Board of Directors.

The focus of the Company’s governance has been the balance among Cemig’s economic, financial, environmental, and social aspects, to continuously contribute to sustainable development, and geared at improving its relationship with shareholders, customers, employees, society, and other interested parties. To support a well-structured corporate governance model, Cemig follows the good practices and recommendations

of the Brazilian Corporate Governance Institute (IBGC), fostering a relationship of trust and integrity with its stakeholders. Since 2001 Cemig has followed Level 1 Corporate Governance practices from B3, the São Paulo stock exchange.

[2-15] Cemig has a formal practice to ensure the prevention and/or management of possible conflicts of interest. The Company, its shareholders, administrators, and members of the Fiscal Council undertake to resolve, through arbitration preceded by mediation before the B3 CAM (Market Arbitration Chamber) or the FGV¹³ Mediation and Arbitration Chamber, any disputes or controversies that may arise among them. Besides decision-making processes, conflicts of interest are stated to the stakeholder public through official notices posted on the Company’s website.

[2-9; 2-17] The decision-making processes of Cemig’s top management and by supervision of the organization impact management are subsidized by the Technical Committees. These committees are established by a specific decision of the Board of Directors to analyze more in-depth the matters of their specialty and to issue expert opinions and recommendations on decisions and actions to be carried out.

[2-9; 2-10] In Cemig, committees do not have executive function or decision-making power, but their purpose is to ensure objectivity, consistency, and quality in the decision-making process by thoroughly examining matters within their specialty and issuing

recommendations for decisions or actions and opinions to the Board of Directors.

It is the responsibility of Cemig’s shareholders to nominate the positions of Board of Directors and Fiscal Advisor of the Company which must be elected by the General Meeting, except for the election of the Board of Directors member representing the employees.

An effort is being made to include a greater diversity of gender, age group, creed, professional experiences, cultural and educational background, race, and ethnicity among the members of the Board of Directors, the Audit Committee, the Executive Board, and the Fiscal Council, to evaluate different and complementary viewpoints in discussions and decision-making about the business.

Below is a table showing the number of members of Cemig’s governing bodies by gender declaration and by color/race declaration.

Currently, 8 out of 9 Board members are independent.

13. Getúlio Vargas Foundation

Number of members by gender declaration

Administration Body	Female	Male	Non-binary
Executive Board	1	6	0
Board of Directors - Full Members	0	11	0
Fiscal Council - Full Members	1	4	0
Fiscal Council - Alternates	0	4	0
Total Members	2	25	0

Number of members by declaration of color and race

Administration Body	Yellow	White	Black	Brown	Indigenous	Other
Board of Directors	0	7	0	0	0	0
Board of Directors - Effective Members	0	10	0	1	0	0
Fiscal Council - Effective Members	0	5	0	0	0	0
Fiscal Council - Alternates	0	3	0	1	0	0
Total Members	0	25	0	2	0	0



Cemig’s Corporate Governance Structure

[2-10] [A2-10] The General Shareholders’ Meeting takes place annually in compliance with the Bylaws and current legislation. There are also extraordinary General Shareholders’ Meetings, which take place on spontaneous demand. Convening is made at least 30 days before the meeting using widely circulated communications vehicles, on the Company’s website and on the CVM (Securities and Exchange Commission)¹⁴, and the minutes are also available for consultation on the investor relations website¹⁵.

Election for the unified two-year term of office of the Chairperson and his vice-chairperson takes place at the first meeting held, followed by the formation of the Board of Directors, reelection being possible for a maximum of two consecutive terms. Both positions are dismissible, as long as there is a justified reason, by the General Meeting.

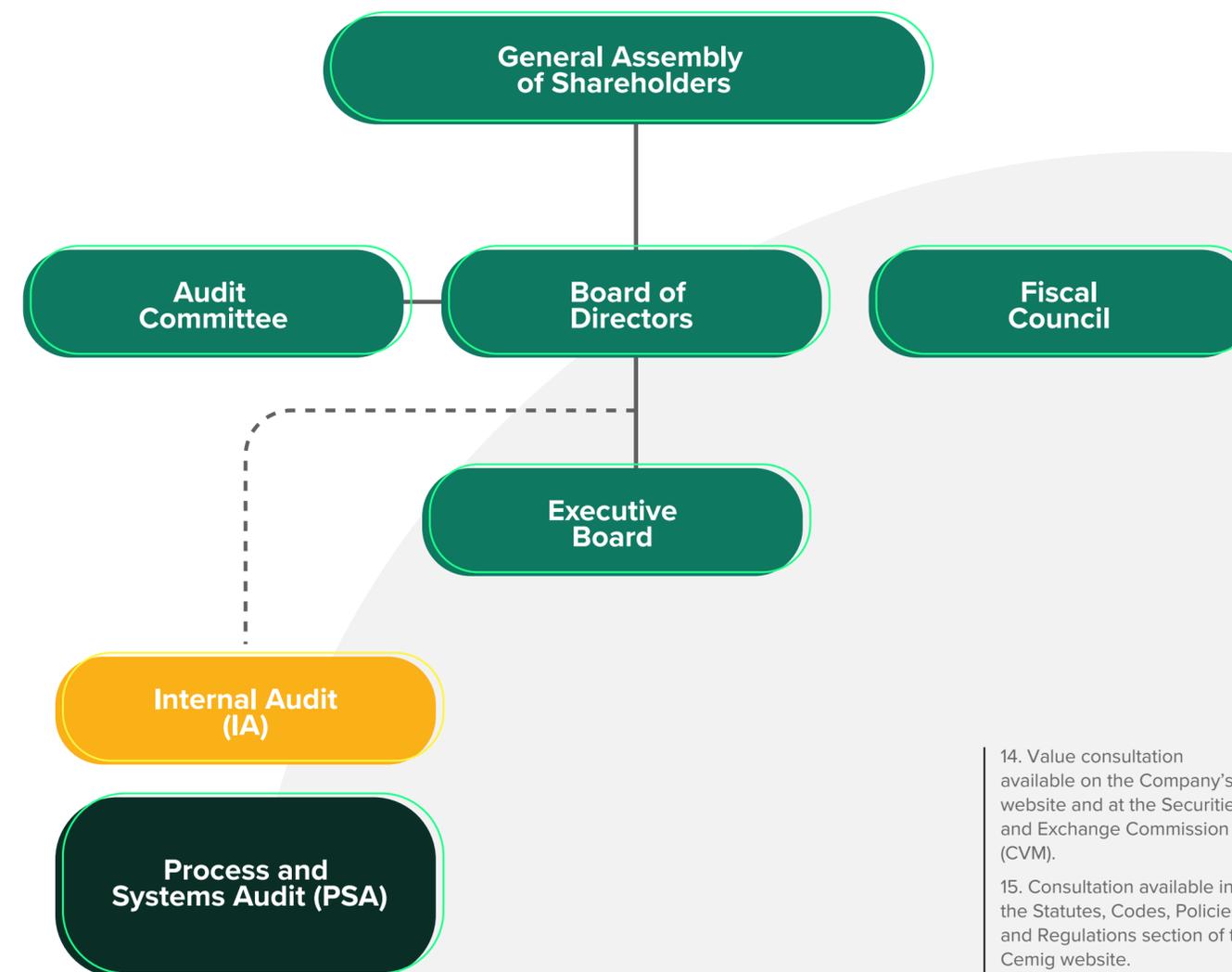
[2-11] It is important to stress that, according to Cemig’s Articles of Incorporation, the positions of Chairman of the Board of Directors and Chief Executive Officer of the Company cannot be vested into the same person. The President and Vice-President of the Board of Directors are chosen by their peers at the first Board of Directors meeting held after the election of its members. The Vice-President is responsible for substituting the President in their absences or impediments. Nominations also follow the guidelines of Cemig’s Nomination and Eligibility Policy, available online¹⁶.

[2-16; 2-27] The matters sent to the Executive Board for inclusion in the agenda, issued by the PD (Deliberation Proposal) of the Executive Board and/or the Board of Directors, must be accompanied by recommendations, reports, expert opinions and, as the case may be, a statement of compliance with Cemig’s long-term strategy and Multiannual Business Plan and included in the annual budget.

In 2023, 819 PDs were forwarded to the Executive Board for analysis and filtering which were accepted and forwarded for deliberation to the Board of Directors and the General Meeting, according to the decision-making responsibility.



Cemig’s Corporate Governance Structure



14. Value consultation available on the Company’s website and at the Securities and Exchange Commission (CVM).
 15. Consultation available in the Statutes, Codes, Policies and Regulations section of the Cemig website.
 16. Consultation available in the Referrals and Eligibility Policy.

Board of directors

[2-9; 2-10; 202-2] The Board of Directors of the Company, as per the Bylaws, consists of nine effective members, with eight appointed and elected by the shareholders and one member elected by the employees, following Law No. 12,353 of December 28, 2010. The members of the Board of Directors may be elected and removed at any time by the General Meeting. The Bylaws provide for a unified term of two years for Board members, with a maximum of three consecutive reappointments permitted, subject to the requirements and prohibitions established in applicable laws and regulations.

The current term of the Board of Directors commenced at the AGO (Ordinary General Meeting) held on April 29, 2022, through the mechanism of cumulative voting. More information about the composition of the Board of Directors, its duties, and the Curriculum Vitae of its members are available on the Company's website¹⁷.

Until December 31, 2023, the Board of Directors convened 23 times to address strategic planning, acquisitions of new assets, and various investments, among other matters.

[2-9] Of the nine members of its Board of Directors, eight meet the criteria for Independent Directors, according to the criteria adopted by the DJSI (Dow Jones Sustainability Index), while nine members meet these criteria according to the guidelines outlined in the IBGC (Brazilian Institute of Corporate Governance's) Code of Best Corporate Governance Practices, as certified in the Board's Independence Declaration.

The number of independent directors may change whenever there is a change in the composition of the Board of Directors or when one of the members of said Board no longer meets any of the adopted criteria.

Cemig has set a target for the participation of a 25% percentage of independent directors on the Board of Directors, as outlined in the Company's Bylaws, Section I, Article 13, Paragraph 2, Subsection C.

The average attendance rate of members at Board of Directors meetings in 2023 was 98.41%, exceeding the minimum requirement of 80% set by Cemig. The average term of office for members of the Board of Directors is three years. The date of first appointment for each current member is presented in the Company's Form 20-F annually, under item 6 – Directors, Senior Managers, and Employees.

[2-9; 2-17; 2-18] Annually, the members of the Board of Directors undergo independent, individual, and collective performance evaluations to enhance their roles. The following minimum criteria are observed:

- Disclosure of management actions regarding the lawfulness and effectiveness of administrative action;
- Contribution to the financial results;
- Achievement of objectives outlined in the Multi-Year Business Plan and adherence to the long-term strategy and annual budget.

[2-17] The evaluation encompasses items related to strategy, business plans, and budgeting; risk management, internal controls, audit, and compliance; governance, management, and the board's performance, including:

- Contribution to uphold the principles of good corporate governance – equity, transparency, accountability, and responsibility;
- Contribution to achieving corporate and business strategy, systematically monitoring the implementation of actions;
- Awareness and consideration of shareholders' and other stakeholders' expectations and interests in strategic decision-making;
- Proactive planning, assessment, and discussion of the Company's stance on socio-environmental criteria and the ESG agenda.

Members of the Board of Directors can propose measures to improve practices and processes, and when they find any evaluated item unsatisfactory, they can propose action plans for correction or enhancement.

It is the responsibility of the Audit Committee to independently verify the compliance of the Board of Directors evaluation process.

¹⁷. Available on Cemig's official website.

[2-17] Also annually, administrators and board members undergo governance improvement training, covering issues such as compliance with the content criteria of Law 13,303; strategic direction; risks and compliance; and ESG. Every month, the Director of Communication and Sustainability presents the main achievements of the Company's ESG agenda for the period.

Every year, Cemig also prepares its Annual Social and Environmental Responsibility Report for Electric Energy Companies, a regulatory requirement of the Aneel (Brazilian Electricity Regulatory Agency). The report follows guidelines defined by the regulatory body and includes data and information from the Company's wholly-owned subsidiaries, to provide a broad, consistent, and consolidated view of relevant issues peculiar to the electricity sector, outlined in its regulatory framework, and general issues of socio-environmental responsibility. Before its publication, the Report is guided and discussed by the Corporate Communication and Sustainability Department with the Company's Board of Directors. At this time, Cemig's social and environmental issues are presented to the counselors, promoting their awareness of the importance of these issues and joint discussion to define areas for improvement.

[2-13; 2-17] The analysis of the Socio-Environmental Responsibility Reports is the main moment of discussion and engagement by the Board of Directors in the Company's socio-environmental issues. Additionally, throughout the year, whenever necessary, the Company's various areas can promote presentations and discussions within the Board of Directors by submitting a Deliberative Proposal addressed to the

Board. This mechanism exists precisely to bring the Board of Directors closer to the critical concerns of the different areas of Cemig.

Fiscal Council

[2-9] Cemig has a permanent Audit Committee, composed of five effective members and their respective substitutes, elected by the General Assembly for a two year term.

The Supervisory Board is responsible for monitoring the actions of administrators, as well as compliance with their duties under the law and statutes. The Board is also responsible for enforcing what is established in national and international laws in countries where Cemig shares are traded, as long as they are not contrary to Brazilian laws. The body evaluates the content of the Annual Management Report, complementing it, if necessary, and expressing the Board's opinion for deliberation at the General Shareholders' Meeting.

In the composition of the Supervisory Board, the following nomination rules are observed:

- minority shareholders holding common shares and shareholders holding preferred shares are guaranteed the right to elect, in a separate vote, a member, respectively, following applicable legislation;
- the majority of members must be elected by the Company's controlling shareholder, with at least one public servant, with a permanent link with the public administration.

In 2023, the Company's Fiscal Council operated permanently and was elected¹⁸ with five effective members and their respective alternates. The members are all independent and were appointed by the Board of Directors for a non-coincident three-year term, with re-election permitted. The appointment of members of the Fiscal Council takes place at the first meeting held after the Ordinary General Assembly. The composition of the Fiscal Council is available on the institutional website¹⁸⁹.

The Fiscal Council is responsible for evaluating complaints considered relevant to Cemig's assets by the Ethics Committee and non-operational complaints, which are linked to fraud and misconduct in matters relating to financial statements, disclosure of results, and reports directed to regulatory bodies. It is also up to the Council to suggest treatments for them. At the same time, the Council is responsible for examining all non-operational complaints sent by the Ethics Committee. The Supervisory Board is responsible for proposing treatment actions to be carried out by Internal Audit. In 2023, the Supervisory Board met 14 times.

More information about the composition of the Fiscal Council and curricular information about its members is available on the [institutional website](#).

18. Available in the Election Minutes of April 27, 2023.

19. Available on the "Institutional – Board" page of Cemig's official website

Executive Board

[2-9] It is incumbent upon the Executive Board to manage the business in its entirety, except in cases where the law or the bylaws instruct the Board of Directors or the Administrative Assembly to make the decision. In line with Minas Gerais State Decree-Law No. 47,154/17 and with the Law of State Companies (Act No. 13,303/16), the Executive Board is responsible for preparing a proposal for the Company's strategic planning comprising, at least, five years, reviewing it annually, and in both cases submit it for approval by the Board of Directors. Currently, the strategic planning covers the 2021-2030 cycle.

Cemig's Executive Board is composed of seven members, whose jobs are defined in the Company's Bylaws. Its members are elected and can be taken out of office at any time by the Board of Directors and are in office for two years, subject to the requirements of applicable legislation and regulations, with a maximum of three consecutive reappointments being permitted.

The exercise of a concomitant and unpaid position in management positions in wholly-owned subsidiaries, controlled and affiliated companies of Cemig is permitted, at the discretion of its Board of Directors, but they must exercise the corresponding positions in Cemig Geração e Transmissão S.A. and Cemig Distribuição S.A.

The term of office of the current vice presidents and president expires at the first meeting of the Board of Directors that occurs after the 2024 Ordinary General Assembly.

The composition of the Executive Board will be evaluated annually by the Board of Directors itself, to implement a gradual change, aim to increase its diversity, to achieve the established goals.

[2-13] The Executive Board will follow and comply with targets and limits defined by the Board of Directors, relating, in particular, to indebtedness, liquidity, rates of return, investments, and regulatory compliance. In this sense, it is the role of the executive officers to coordinate and manage the work of the Company, as well as all strategic and institutional activities of its affiliates and controlled companies, and consortia it is a part of. To discuss solutions and strategies for the best performance of the Company in all its areas of operation, in 2023 the Executive Board met 66 times.

Responsibilities for economic, environmental, and social topics pervade the entire executive structure, and their management is consolidated by the Corporate Communication and Sustainability Assistant Board, which answers directly to the CEO. Economic and financial issues are the responsibility of the executives appointed by the Finance and Investor Relations Department who answer to the four superintendent departments that make up that department (Controllership, Corporate Planning and Control, Investor Relations, and Corporate Finance Management). Environmental issues are the primordial responsibility of the executives appointed by the CEO's Office to make up the Strategy and Environment Superintendent Department and the Environmental Management Department.

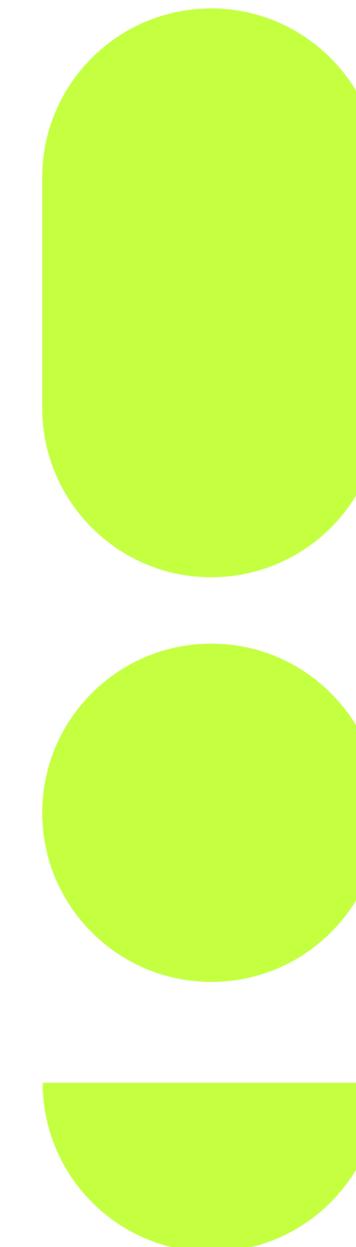
The composition of the Executive Board, duties, and curricular information about its members are available on the institutional website²⁰.

Audit Committee

[2-9] The COAUD (Audit Committee) was created with the amendment of the Bylaws in June 2018 and in compliance with the provisions of Act 13,303/2016. It is a collegiate advisory body linked to the Board of Directors, with the function of auditing and supervising the quality and integrity of financial statements, adherence to legal, statutory, and regulatory standards, and the effectiveness of internal control and internal and independent audit systems.

In 2023, the Committee had four members, all independent members appointed by the Board of Directors for a three-year non-coincident term of office, one re-election being permitted. The appointment of the Audit Committee happens at the first meeting after the General Shareholders' Meeting.

The members of the Audit Committee must participate in specific training sessions provided by Cemig (which are held when they are inaugurated, annually). Reelection of those who have not attended the annual training provided by the Company in the past two years is prohibited. Besides the process of assessing the members of the Audit Committee, the Board of Directors members are also responsible for verifying the conformity of the evaluation process of the other



²⁰. Available on the "Institutional- Board" page of Cemig's official website

Company administrators, the members of the advisory committees to the Board of Directors, and the members of the Fiscal Council. Additionally, the Committee quarterly assesses the Company's ESG performance through meetings and inquiries.

The Audit Committee is also responsible for conducting a background check on potential candidates to compose Cemig's strategic boards and committees. The background check is a procedure carried out regarding the professional history and legal records of all the names appointed to occupy strategic positions in the Company.

The Audit Committee's duties are available on [Cemig's website](#)²¹. In 2023, the Audit Committee met 29 times.

Remuneration of members of the governance bodies

[2-19] The guidelines to be observed for the fixed and variable remuneration of members of the Executive Boards of Cemig and its wholly owned or controlled subsidiaries are established by the Remuneration Policy for Executive Directors of the Cemig Group, per the bylaws of these companies, based on the long-term strategy, the multi-year business plan and the annual budget.

According to the Bylaws, the overall or individual remuneration of the Board of Directors, the

Executive Board, and the Audit Committee will be set at a Shareholder's Meeting according to applicable law. Any Company-shared profit payment is forbidden to the Audit Committee and the Board of Directors members, except for the employees' representative member.

At the General Meeting held on April 27, 2023, the global remuneration of the Administrators, members of the Fiscal Council and the Audit Committee was set at the value of BRL 27,965,000.00 (twenty-seven million, nine hundred and sixty-five thousand reais) for the cycle from April 2023 to March 2024, establishing the Board of Administration of individual distribution, respecting the approved global annual limit.

In 2023, a clause for the Return of Variable Remuneration due to extraordinary events (Clawback) was included in the Remuneration Policy for Executive Directors of the Cemig Group.

The amount allocated to Fixed and Variable Salary is covered by the annual global amount for remuneration, established at the Ordinary General Meeting, following corporate legislation.

Fixed Salary comprises payments in kind whose objective is direct compensation for services provided, in line with market practices. Variable Salary is a bonus or reward for Executive Directors, conditioned on performance and delivery of measurable results over a certain period and which leads to the Company's success. Its value must result from the fulfillment of annual targets established in Target Contracts determined by the Board of Directors.

The Directors' Variable Remuneration is linked to the Company's results indicators and the achievement of individual corporate goals established by the Board of Directors, depending on the Company's strategy. In 2023, in addition to corporate indicators, indicators linked to ESG goals were incorporated, which reflect the company's strategic challenges and sustainable growth, including:

- Rating on the Dow Jones Sustainability Index;
- Reduction of greenhouse gas emissions in accordance with the Net Zero commitment;
- Cemig Code of Conduct (CCC) Implementation Index
- % compliance with SOx Internal Controls;
- % of compliance with the Action Plan on non-conformities identified by Internal Audit.

²¹ Available on the Cemigs website.

The members of the Company's Board of Directors receive fixed remuneration, consisting of fees and direct benefits. The monthly remuneration aims to reward the members of the Board of Directors for the time dedicated to performing their duties and for their contributions to the Company, established based on the assessment of their duties and responsibilities, also enabling, in return, the performance charge of each one of its members, by the Chairman of the Board of Directors.

The remuneration of the Board of Directors includes the Company's contribution to the INSS, corresponding to their salary and participation in meetings. Direct benefits include, for those who are not residents of the municipality where the meeting is taking place, reimbursement of travel and accommodation costs (nationally), and those invited by the CEO are entitled to reimbursement for travel. Optionally, Directors can sign up for group life insurance, paid in full by Cemig, as well as participation in the private pension plan with payment shared equally between the parties.

Fiscal advisors receive fixed remuneration and benefits. For those residing in another municipality, travel and accommodation expenses will be fully reimbursed. Optionally, they have life insurance coverage paid for by Cemig and the Company's contribution to the INSS on the salary received.





ETHICS AND TRANSPARENCY

[2-23; 2-24] It is Cemig's objective to act ethically, transparently, and honestly, to lead and successfully operate the organization and continuously improve performance.

In 2023, as part of its efforts in this regard, Cemig joined the 100% Transparency Movement, an initiative to promote corporate integrity and transparency linked to the UN Global Compact Brazil Network.



The initiative aims to advance Sustainable Development Goal No. 16 (SDG16) of combating all forms of corruption. Adhesion also aligns with the governance pillar of the ESG Plan 2024-2030 and links Cemig to the movement's goals, which range from senior leadership to its value chain.

Among the internal norms instituted to promote an ethical environment, Cemig established the Cemig Code of Conduct. This document aims to guide and discipline the conduct of people who act on behalf of Cemig or who interact with it, seeking ethics, commitment, value creation, integrity, sustainability, innovation, and respect for life, following the law and all regulations.

Cemig's Code of Conduct complies with constitutional, legal, normative, and regulatory rules to which Cemig is subject, and also is in line with the Company's Vision and Values. It must be complied with by all those it is directed to, namely: administrators, fiscal advisors, employees, interns, contractors, and subcontractors. In 2022, this document was revised and a specific chapter on fraud and corruption prevention was included.

The Code of Conduct must be used in all relationships established as a result of Cemig's activities with its managers, members of the fiscal council, employees, shareholders, society, customers, contractors, subcontractors, interns, and everyone they interact with. The Audit Committee, linked to the Board of Directors, is responsible for supervising the Company's ethical conduct matters, with annual training and awareness raising of all employees and third parties audited by management and independent external auditors in light of the North American Sarbanes Act Oxley (SOx).

In addition to the Code of Conduct, Cemig has a set of policies and procedures that guide employees to carry out their activities following applicable legislation and regulations. In February 2024, the Compliance Policy was updated incorporating the Company's anti-bribery guidelines, renamed Compliance and Anti-Fraud Policy, in an objective, accessible document that complies with legal requirements.

[205-1] Management of the topic is also informed by the Company's Risk Matrix, which assesses risks

related to corruption. The compliance risks, approved by the Board of Directors on December 16, remained valid and, in 2023, Cemig reassessed with all directors the existence or permanence of compliance risks in its operations. This assessment is carried out during the risk identification phase, focusing on fraud, corruption, and conflict of interest. The identified risks were analyzed (assessed regarding their probability of occurrence and impacts) and treated (with records of controls and mitigation action plans), with nine compliance risks being validated, and approved by the principal directors. Among the risks identified, it is worth mentioning:

- Negotiation of undue advantages, directly or indirectly, to public agents to facilitate the process of obtaining documents or benefits;
- Receiving undue advantages directly or through third parties for the performance of services;
- Fraud in the hiring process;
- Manipulation or falsification of non-financial reports or supporting documents that serve as a basis for their preparation;
- Fraud in the preparation or disclosure of financial statements due to the manipulation of accounting records and supporting documents or the incorrect and intentional application of accounting principles;
- Embezzlement of goods or values.

Cemig seeks to maintain constant communication through its internal channels related to the subject of Ethics and Integrity. Annually, in-house and outsourced employees, take mandatory training on Cemig's Code of Conduct. Its disclosures aim to guide and inform the workforce on matters such as misconduct, conflicts of interest, fraud, and corruption.

[205-2] In 2023, 100% of the members of the governance bodies (37) and active own employees (4,794) were informed about the anti-corruption policies and procedures adopted by the organization.

Communication also reached 81% (10,726) of outsourced employees from 400 business partners. Training was carried out on the topic, which reached 92% of members of governance bodies, 100% of active own employees, and 81% of outsourced employees and business partners.

By monitoring the progress of the degree of maturity of Compliance, carried out on an annual survey, since 2019, the growing interest of people on the subject is remarkable, as well as the perception of its importance for the Company and in everyday life of all. The survey is an important tool for assessing the effectiveness of measures to prevent and mitigate potential negative impacts by strengthening the Company's compliance culture.

Unethical behavior is inadmissible at Cemig. With a focus on the active and permanent management of corporate ethical conduct, and as a way of detecting actions and behaviors that are not in accordance with

the expected conduct for all those who act on behalf of the Company, there is the Whistleblowing channel, available to all employees and related parties at the Ethics page on the [Company's website](#)²².

[2-25; 2-26] Cemig's Whistleblowing channel is confidential and can be accessed via the website or by calling a 0800 number.

It is available to all people interested in reporting possible misconduct on the part of Cemig and its representatives. The Channel has a guarantee of non-retaliation and non-identification and the Company has internal investigation procedures and systems for complaints received.

Any complaints or suspicions of corruption, legal non-compliance, or any detection of inconsistencies are investigated. More than a matter of corporate reputation, transparency is a duty towards the State, its shareholders, and all those who trust the Company and its services.

All reported complaints undergo verification, investigation, and addressing. The result is individual, and the negotiations arise from individual classification. The Ethics Committee is responsible for ensuring the proper investigation and investigation of all complaints received and, once completed, the responses are made available to the complainants. Furthermore, Cemig annually reevaluates its Integrity Program considering the complaints received and promoting changes and improvements to minimize the future occurrence of similar reports and situations.

Cemig values the good functioning of the Whistleblowing channel and the transparency of information, guaranteeing the necessary confidentiality throughout the entire process. In 2023, 535 complaints were received from both internal and external audiences.

[2-15] Among the various internal regulations, the Company has a Conflict of Interest Policy (NO-2.45). This document aims to guide some situations of possible real, potential, or apparent conflicts, as well as on situations that are not permitted, and which ones must be communicated to the Company. It is not possible to identify or define in advance all actual situations capable of characterizing the occurrence of a conflict of interests, so NO-2.45 outlines criteria, rules, and guidelines, exemplifying, as the case may be, the most frequent or most sensitive situations to the "Cemig Group", without intending to exhaust the subject.

The Conflict of Interests Policy lays down criteria to guide the performance of professionals, to mitigate possible questions, including by control and inspection bodies, as well as reputation problems. As a result of this policy, two other internal regulations set out specific criteria for particular cases. They are as follows: Instruction on Offering and Receiving Gifts, Presents, and Courtesies (IS-67) and Instruction on Conflict of Interests in the Exercise of External Professional Activity (IO-15).

In addition to the aforementioned internal regulations, the Cemig Code of Conduct, and constant communications on the Conflict of Interests Policy (booklet, mailing, articles), there is Cemig's Complaint Channel. Cases of real conflicts of interest can be reported through this channel, and the complaints will



Cemig's Whistleblowing channel is confidential and can be accessed via the website or by calling a 0800 number.

²². Available on the Ethics page of Cemig's official website.

be investigated and verified as valid or not and will be followed up by the complainants. The compliance system is audited by an independent auditing company.

In the event of a conflict of interest, the Company declares the condition to its stakeholders through its official channels, before the deliberation that must be resolved through mediation before the B3 CAM (Market Arbitration Chamber) or the FGV Mediation and Arbitration Chamber.

[205-3] Of the 535 charges received in 2023, 68 were related to corruption, representing a 19% decrease against the previous year. Of these complaints, 16 were considered valid and/or partially valid. The table below shows the nature and number of complaints that occurred in 2023.

[406-1] Of the 11 cases relating to discrimination in 2023, one was considered valid and 10 were considered unfounded, and repair plans were implemented. The measures taken generally consist of guidelines, written warnings, and referrals to the responsible areas.

In 2023, the case of a reported leak or misuse of information does not refer to the violation of the privacy of holders whose data is under the responsibility of Cemig.

[206-1] Additionally, in 2023, there have been no lawsuits relating to unfair competition, violation of antitrust laws, and monopoly.

Main Topics of Complaints

Complaint Received by Kind	No. of complaints	Addressed/Completed	Valid complaints	Analysis in progress
Power abuse	9	8	3	1
Building administration	2	2	0	0
Moral harassment	55	39	7	16
Sexual harassment	12	6	2	6
Commercial service	22	19	1	3
Inappropriate behavior	137	110	42	27
Third party conduct	11	10	5	1
Conflict of interests	16	12	4	4
Corruption	68	48	16	20
Negligence	6	6	1	0
Discrimination	11	11	1	0
Favoring customers	6	6	3	0
Favoring service providers	5	4	2	1
Contract management	55	48	16	7
Corporate governance	17	14	1	3
Corporate infrastructure	2	2	0	0
Money laundering or insider trading	0	0	0	0
Bids	2	2	0	0
Environment	5	4	1	1
Material handling	1	1	1	0
Nepotism	1	1	0	0
Heritage protection	9	9	3	0
Working relationships	39	31	17	8
Health and safety	25	25	6	0
Information security	2	2	0	0
Misuse of resources	11	10	4	1
Leakage or misuse of information	6	4	1	2
Total Geral	535	434	137	101

Anti-corruption behavior practices

[3-3 (205); 205-1; 2-23] Cemig recognizes that taking on public commitments is a strong tool for endorsing an ethical posture and seeking continuous improvement to guarantee reliable and clear processes. In this regard, the Company is a signatory to the Business Pact for Integrity and Against Corruption, coordinated by the Ethos Institute, which is aligned with Objective 10 of the Global Compact of “Fighting corruption in all its forms, including extortion and bribery”.

Any occurrence related to corruption is considered a risk and can cause instabilities and external noise, and even make decision-making difficult for stakeholders, mainly because it is a mixed economy company. This type of situation goes against the Company's commitments and vision and can generate significant economic impacts. Furthermore, these cases can interfere with stakeholder decision-making processes. The instability generated by any misconduct by the Company and its representatives represents a considerable risk to business continuity.

We are aware of the importance of ensuring an environment of integrity and the harmful consequences for the image and reputation of companies involved in cases of corruption.

[205-1] The awareness of the workforce is also an effort made to make it clear which are the expected behaviors and which are those that are not accepted by the Company. Annually, there is mandatory training on the Code of Conduct and an extensive list of communication actions and engagement of all employees.

Another good compliance practice adopted by the Company is the background check of 100% of Cemig's managers and fiscal council members, as well as those appointed to the Cemig Group.

All contracts for:

- i) Purchase and Sale of Assets;
- ii) Purchase and Sale of Energy related to tender processes promoted by the Company;
- iii) Loans and Financing; iv) Shareholders' Agreements;
- v) Agreements;
- vi) Sponsorships;
- vii) Decentralized contracts for the acquisition of materials and services and
- viii) Centralized contracts for the acquisition of materials and services contain anti-corruption clauses.

[205-1] Through these clauses, it is possible to state that all of Cemig's commercial partners, whose contracts cover the objects listed above, have been informed about anti-corruption rules and about the “Cemig Code of Conduct”.

In addition to the clauses mentioned above, Cemig's website (internet) has a page on Compliance²³, where people outside the organization can find information about the Company's culture of integrity.

In cases of confirmation of non-conformities, opportunities for improvement are assessed, and mitigation of process weaknesses and actions to be taken to repair are implemented.

Cemig's Code of Conduct dedicates an exclusive section to the topic of preventing fraud and corruption. We also have a Compliance and Anti-Bribery Policy that focuses on preventing and combating fraud, corruption, and any acts that may represent deviations from the required ethical conduct or established internal and external standards.

We count on the dedication and diligence of all professionals working at Cemig to ensure that illicit or unethical acts are not committed in their name.

23. Available on the Compliance page of Cemig's official website.



RISK MANAGEMENT

In the Company's commitment to creating and preserving value for its shareholders, customers, employees, suppliers, society, and other interested parties, Cemig considers the integrated management of risks associated with the execution of its activities to be essential. In this context, it works by identifying and implementing the internal controls necessary to prevent risks, whether internal or external, to achieve strategic objectives. This management is done to guide Senior Management in decision-making, according to the risk appetite that the organization is willing to assume.

Risk management planning considers factors that may pose risks to the health and safety of employees, suppliers, customers, the general population, and the environment, besides taking into account other business factors that are obstacles to achieving the strategic objectives. Eventually, opportunities are identified and developed according to the Company's objectives and business plans, especially regarding process efficiency. The risks inherent to Cemig's business activities are assessed by their probability of occurrence and by their impact on the various businesses in the value chain.

The Company has structured governance to support decision-making related to risk management, supported by the competent levels, be they business

areas, Executive Board, Corporate Risk Monitoring Committee, Board of Directors Risk Committee, Audit Committee, Fiscal Council, and Board of Directors.

[2-23] Since 2003, the Risk Management Process has played a fundamental role in the Company, aligning its activities with Strategic Planning, the Master Plan, and having the Corporate Risk Management and Internal Controls Policy as its main guiding element. The most recent version of this policy was approved by the Board of Directors in 2023, as provided for in Cemig's Bylaws, and establishes the guidelines and responsibilities related to the identification, analysis, treatment, and monitoring of risks.

The Board of Directors is the body that charts the Company's strategic directions and plays an important role in risk management. In addition to approving the Policy, he ensures and supervises the risk management system and internal controls; approves the Company's Risk Matrix, which is revisited and updated annually, and approves the Risk Appetite, highlighting the Precautionary Principle as one of the factors considered in the decision-making flow related to risk management.

Since 2016, the corporate risk management activity at Cemig has been subordinated to the presidency. In 2019, the Deputy Directorate of Compliance, Corporate Risks, and Internal Controls was created,

unifying the processes under the same administration. In June 2023, there was only a name change, currently being the Compliance Department.

This unification of risk management and internal control processes reinforced the synergy between these processes and the independence between the others, to support Senior Management in decision-making, preserving the Company's value.

Senior Management also has the support of the following specific committees to discuss risk management topics:

a) Corporate Risk Monitoring Committee - CMRC

The CMRC was created about 15 years ago to manage the company's corporate risks and internal controls, monitoring and issuing its position on the reports presented periodically, especially regarding Top Risks and Compliance risks. It consists of 9 members with technical, scientific, or business knowledge, recognized for their ability to add value to the monitoring of the organization's corporate risks and internal controls. This Committee is coordinated by the Corporate Risk Management and Internal Controls Department.

Among the CMRC's duties are:

- Recommend, for approval by the Executive Board, guidelines and procedures to be adopted in the Corporate Risk Monitoring Process, aiming at the effectiveness and continuous improvement of the process;

- Continuously monitor the scenario in which the Company operates, as well as its corporate risk matrix, aiming to identify the main risks and recommend priority mitigating actions to be proposed to the Executive Board;
- Monitor the internal control structure and the actions taken to minimize the occurrence of events that compromise the achievement of Cemig's strategic objectives;
- Advise the Executive Board, as an executive body, in fulfilling responsibilities related to risk management and internal controls;
- Promote the discussion of strategic and operational issues in the corporate risk management and internal controls process;
- Serve as a forum for discussing suggestions for adjustments and continuous improvement in processes involving corporate risk management and internal controls..

b) Risk Committee of the Board of Directors – CRI

The CRI was created in June 2022 for contributions to analyze compliance with the requirements of regulatory and supervisory agents; definition of the main risks (Top Risks) and monitoring of treatment; identification and measurement of mitigation action plans and controls for identified risks; and assessment of tolerance limits to the risks to which the Company is exposed. This Committee includes 5 Board Members and 4 Cemig directors.

The guidelines adopted for risk management planning adhere to recognized structures and standards, such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and ABNT NBR ISO 31.000. The methodology used meets mandatory policies, standards, and legal requirements, with standardization of concepts and practices, ensuring a reliable database for decision-making and planning, with a dynamic and efficient flow of information. They also guide for better-identifying opportunities and threats, preventing and/or reducing losses, and, consequently, increasing the confidence of interested parties and ensuring transparency for all stakeholders, market analysts, and credit agencies.

Regarding Cemig's strategic drivers, to ensure that they are fulfilled, an association and assessment of risks is made versus strategic planning, considering all risks, whether business, economic-financial, legal compliance, compliance, operational, socio-environmental, and data security risks.

The Company understands that each employee plays a fundamental role in the risk management process, not limited only to health and safety risks, but acting to strengthen and properly function the environment, and disseminate the corporate risk culture. The governance of these roles is well defined in the Three Lines Model.

Summarized in the figure below, the model is a simple and effective way of defining and clarifying the roles and responsibilities related to risk management, coordinating all integral parts - first, second and third lines - so that there is no duplication of efforts or gaps in controls, thus improving the performance of risk management and internal controls. The model proposes

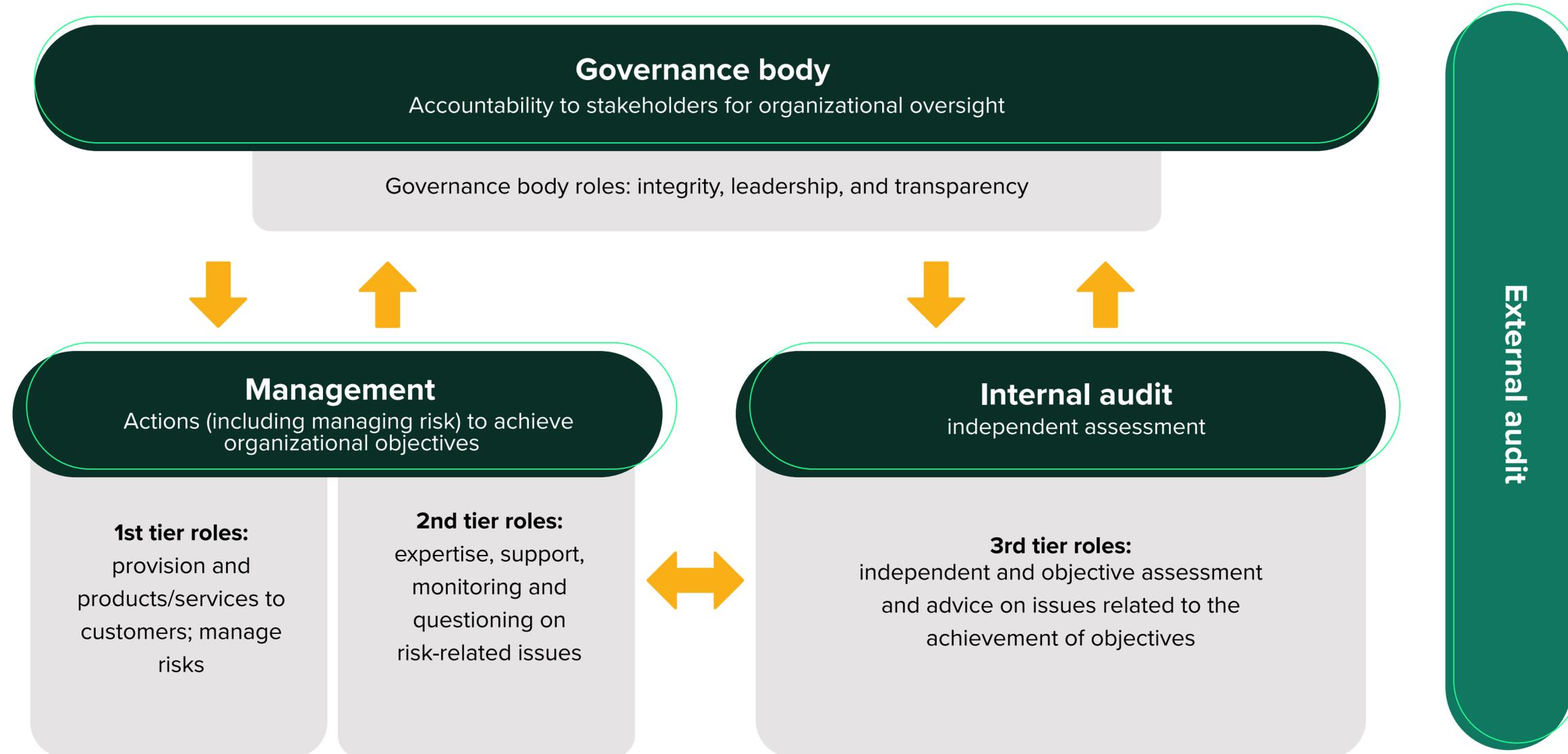
the orientation of responsibilities and not the creation of departmental structures to serve it, with the holder of each risk being responsible for managing their own risk and/or control mechanism. In this way, the risk management process is managed by each area of Cemig, holder of their respective risks, and monitored and supported centrally by the Risk Management and Internal Controls Department.

Three Lines of Defense Model Diagram

The risk management process is regularly evaluated by Internal Audit. In 2023, a report was issued to the General Comptroller of the State of Minas Gerais (CGE-MG) in which the risk process score reached the maximum score. The work is continuous and action plans are agreed upon, when necessary, meeting the agreed-upon deadlines.



The three-line model



The risk management process at Cemig

The process is guided by the guidelines established in the Risk Management and Internal Controls Policy and aligned with globally recognized risk management standards. So, based on the guidelines defined in its Risk Management and Internal Control Policy, Cemig has put together a risk management process that allows for the mapping and assessment of both strategic risks and those arising from operational activities. This process is coordinated by the Risk Management and Internal Controls Management Department, which provides technical support to several areas of the Company. The process also has the support of the focal point, which is the professional who, as indicated by the Risk Holder or Director, is responsible for assisting in the process of mapping risks and internal controls. It is extremely important in supporting the boards, supporting possible treatment actions and addressing remediation, and ensuring compliance with deadlines and the quality of negotiations, within the scope of their activities, forwarding the results obtained for approval by the Risk Holder.

Given this internal context and also considering external challenges, at Cemig, the risk management process consists of planning, identifying, analyzing, treating, and monitoring the mapped risks. To this end, the Company classifies the identified risks as:

- i. Process risks, which are those related to operations and are limited to the activities of each of the processes;
- ii. Macro-process risks, the impacts of which include different processes and departments of the Company; and

iii. Top Risks, which are the risks measured on the heat map, in their worst-case scenario, are positioned in the red zone or the financial dimension with high and very high impacts. Top Risks may also be flagged by the Corporate Risk Monitoring Committee, Executive Board, Board Risk Committee, and the Board of Directors, through consultation or explicit deliberation as relevant and in need of priority treatment.

In the risk identification activity, the area responsible for centralized risk management and internal controls promotes a technical discussion together with the focal point and team, for the proposition, inclusion, or exclusion of risks from the current Risk Matrix, or the validation of these. Still identifying, the risk management process evaluates its external environment through market trend reports, such as the Global Risk Report, released annually by the World Economic Forum.

Once identified, the risks are analyzed by the responsible areas. At this stage, risks are assessed according to their impact (in the financial, image and reputation, environmental, compliance, and continuity dimensions) and their probability. Determining the probability of risks involves carrying out an analysis of the potential for the risk to occur, based on probability range options from 1 (unlikely) to 6 (almost certain). To measure impacts, each dimension impacted by the risk is assessed considering a range from 1 (very low) to 6 (critical).

After identifying potential risk events that could compromise the achievement of strategic objectives, and evaluating their probability and impact on the company, action plans and internal controls are developed to treat the risks.

Risks and their treatments are continuously monitored, with action plans updated at least twice a year (semiannually), constituting a review of risk exposure. Controls are periodically tested, with frequency defined within their scope.



Once the risks are mapped, they are validated by their respective director, and a Risk Matrix proposal is presented to the Corporate Risk Monitoring Committee (CMRC), which comprises members from different directorates, for consideration and recommendations to higher approvals. Subsequently, the Matrix is forwarded for analysis and approval by the Executive Board, and then to the Risk Committee (CRI) and the Board of Directors, and may also be presented to the Audit Committee and the Fiscal Council.

As a result of this process, and adhering to the Company's current Strategic Planning, Cemig builds its Top Risks Matrix, covering its strategic pillars like Generation, Transmission, Distribution, Commercialization, Information Technology, Regulatory, and Institutional.

See the 5 steps of the corporate risk management process at Cemig in the next page image.

Corporate Risk Management Process

5 steps CEMIG



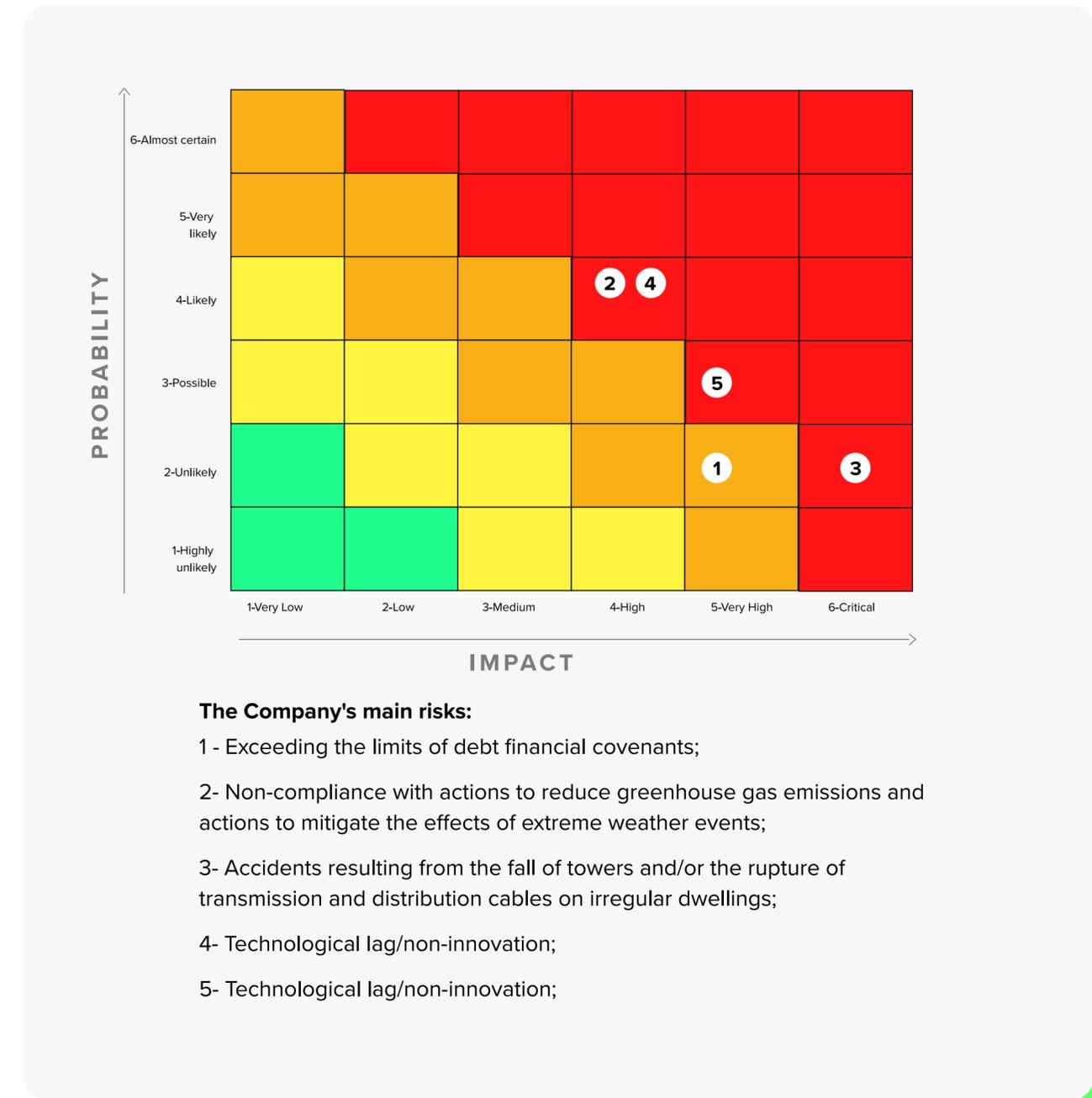
[2-25] Highlighted below are some of Cemig's corporate risks, classified as economic-financial and socio-environmental, prioritized by the Board of Directors:

	Top Risk 1 (Economic)	Top Risk 2 (Environmental)	Top Risk 3 (Social)
Name	Exceeding debt financial covenant limits.	Non-compliance with actions to reduce greenhouse gas emissions and actions to mitigate the effects of extreme climate events.	Accidents resulting from falling towers and/or breaking transmission and distribution cables on illegal housing.
Description	It is the possibility of the Company exceeding the limits of financial covenants stipulated in debt contracts.	Refers to inefficiency in climate risk management processes, preventing the achievement of mitigation objectives, increasing the company's vulnerability.	Irregular occupation in the safety lanes of airlines in Cemig's concession area occurred over many years and, for the most part, by low-income families, exposing these people to accidents that could affect their lives and property (improvement) of these.
Probability	2- Unlikely Financial projections for the upcoming years indicate that financial covenants will be below the threshold, even with the anticipated increase due to the Company's investment program and higher leverage.	4 – Likely Considering that extreme weather events may be more frequent, the probability of this risk occurring was considered probable.	2- Unlikely Considering the worst-case scenario of an electric shock accident, and the history of this type of accident in communities located in areas of power transmission lines in Brazil and around the world.
Impact	5- Very high i) Acceleration of debt maturity may cause the Company to become insolvent.	4 – High i) Damage to the company's image and reputation ii) Loss of revenue and market, due to new low-carbon solutions made by competitors.	6- Critical This major accident will have widespread global repercussions against the Cemig brand in all media.
Exemples of mitigation actions	Internal Controls, such as management of contractual clauses and monitoring of indicators.	1-Expansion of photovoltaic and wind generation 1-Expansion of photovoltaic and wind generation.	To tender the construction of underground distribution lines.

Among the Top Risks identified in the 2023 matrix, the following emerging risks stand out, which are medium and long-term and can significantly impact the company's business:

Attribute	Emerging Risk 1	Emerging Risk 2
Name of the "Top Risk" category risk	Technological lag/non-innovation.	Negative repercussions related to the exclusion of ESG ratings and the company's inadequate human rights practices.
Description	No success in the business strategy due to: technological lag; adverse impacts from disruptive emerging technologies affecting existing businesses; non-participation in the new businesses and markets based on emerging technologies. The electricity industry is undergoing transformative changes, driven by the intersection of several factors detailed in the Innovation Chapter .	This is the failure to adopt practices that promote the company's sustainability, which may be related to governance, environmental or social issues. Failure to meet the ESG criteria required by sustainability and investor ratings may limit access to green resources (green bonds) or reduce investor attractiveness. This type of credit is an important source of financial resources for the company, which raised BRL 2 billion in green bonds in 2023.
Probability	4- Probable Currently, there is a need to increase a portfolio of innovation projects aiming to adhere to new avenues of growth in the sector.	3- Possible Due to the characteristics of the company's activities that cause significant socio-environmental impact and the contracting of services related to construction, maintenance and renovation of assets.
Impact	4- High, as several initiatives associated with innovation can impact the company's results. Example: Lack of expertise in certain disruptive technologies or inability to structure specialist teams to evaluate and explore businesses based on new technologies, such as prosumer.	5- Very high, considering the increase in operational costs, if regulated carbon market is established in Brazil.
Examples of Mitigation Actions	- Create structures dedicated to accumulating technical knowledge and developing business proposals. - Create an appropriate forum for discussion and validation of innovation strategies.	- Review of the Sustainability Plan, detailed in the Cemig and The Sustainable Development - ESG Plan Chapter .

In the heat map below, the main risks mentioned were plotted, considering the current estimated exposure. This graphical visualization is a tool that facilitates risk monitoring.



In addition to monitoring risks through the heat map, when necessary, an additional analysis is carried out considering the scenarios.

The Company carries out sensitivity and stress tests depending on the expected scenario of the internal and external environments in which it operates.

An example of this is the analysis, in extreme climate scenarios, of water scarcity behavior and its impact on the hydroelectric plants of the group's companies, as detailed on page 39 of the TCFD report (Climate-Related Financial Disclosures Report)²⁴.

To provide greater robustness to Cemig's risk management, several initiatives were carried out in 2023, aiming to maintain an integrated risk governance model to ensure the achievement of the Company's strategic objectives and acculturation.

Highlighted activities are:

- Review and approval of the 2023/2024 Top Risks Matrix by the Cemig's various governance forums;
- Evolution in the description of the Top Risks concept, calibrating risk exposure in the measurement ranges, giving greater assertiveness to the process;
- Launch of the 2nd Module of the Risk Management and Internal Controls Course, achieving a significant participation of Cemig's employees;
- Update and approval of the Risk Management and Internal Controls Policy and the Risk Appetite Statement;

- Hiring renowned consultancies to diagnose maturity, improve risk management methodology and report market risk trends;
- Training, for the risk management team and focal points of the risk-bearing areas, on the interpretation and implementation of the ISO 31000 standard;
- Promotion of a risk culture with the intensification of materials disclosed in the Company's communication channels, and
- Dissemination of the risk culture in Cemig's Executive Committees, participating in monthly and/or bimonthly meetings..

As an evolution of the risk management process, the achievement, in 2023, of the Declaration of Conformity ISO 31000:2018, issued by Bureau Veritas, is also noteworthy. ISO 31000 is an international standard and an essential tool to assist in planning and, mainly, risk management.

This Declaration of Conformity is the result of a thorough external audit carried out in all of Cemig's directorates, which verified, analyzed and validated the process, structure, document management, environment, and culture of risk management in the Company, which refers to the criteria established by the standard.

²⁴. Available in the 2023 Climate-related Financial Disclosures Report..





INNOVATION

[3-3 (203)] The electricity industry is undergoing transformative changes, driven by the intersection of several factors such as:

- Increasing decentralization of power generation systems;
- Progress in energy storage technologies;
- The proliferation of digital technologies, which allow energy to be produced, transmitted, and consumed more intelligently and efficiently;
- Growth of variable renewable energy sources, such as wind and solar and
- The trend towards decarbonization of the energy system, as part of global efforts to mitigate climate change.

With a view to this set of changes, Cemig's ambition in the innovation area is to explore new technologies and new businesses in the energy industry. The strategic pillars for this are:

- Develop new avenues of growth based on transformations in the industry, regulation, and technology;
- Getting closer to innovation environments to create and explore an innovative culture in the Company;
- Create specialized cells for the development of new businesses or the implementation of innovations.

Internal Innovation Program

Within this strategy, the internal program Movimenta stands out, which aims to encourage the active participation of employees in the search for innovative ideas, which contribute to boosting revenue, reducing expenses, raising quality standards and promoting greater sustainability corporate, aiming to add value to the company.

To achieve this purpose, the program operates through the submission of proposals that range from modifications to existing procedures to the development of new working methods and various solutions that are aligned with the objective of generating value for Cemig.

The proposals submitted by employees are validated by the team responsible for the Movimenta Program. They are then analyzed by the Target Management and, if they are worthy, they are recommended by the Multidisciplinary Team. They are subsequently approved by the CEO, and implemented in collaboration with other areas or the facilitating company. Project developments are monitored by Target Management. If the implemented solution is successful, it is awarded by the Board and the CEO.

In the previous year, one of the highlighted initiatives was the reuse of surplus materials from Cemig's direct measurement adaptation kits.

The remaining material from the use of direct measurement adaptation kits began to be used to replace Advanced Metering Infrastructure (AMI) meters and energy quality meters. However, there is potential to expand their use to all digital electronic meter installations, making them essential for changing protection after measurement.

With more than 250 thousand AMI kits already installed, and a projection of 1.25 million during the 2024-2027 cycle, there is also a forecast for expansion of 300 thousand per year after 2027, subject to management approval. Furthermore, there is the possibility of expanding the use of these kits to all installed digital electronic meters, still under analysis by the responsible management teams.

The program is also aligned with the ESG practices adopted by Cemig, contributing to UN's sustainable development goals 11 (Sustainable Cities and Communities) and 12 (Responsible Consumption and Production).



Research and development program

Cemig's Research, Development, and Innovation Program (PDI in Portuguese) publishes public calls with a focus on establishing partnerships for the development of technologies of interest to Cemig and the electricity sector, aiming to meet the interests of society.

Institutions are invited to present PDI project proposals that aim to: (i) develop or improve solutions for the challenges of Cemig or companies in the electricity sector, consumers or users of Energy Generation, Transmission, Distribution, and Commercialization of Electric Energy services, and/or (ii) the industrial and/or commercial exploitation of the solutions developed.

In these calls, Cemig seeks to identify and develop projects:

- Innovative and practical, capable of solving real issues within the electrical sector;
- Strategic, addressing topics that are pertinent to the Company;
- Concrete and generating solutions with economic and financial feasibility as well as implementation viability.

In 2023, the Company invested in 16 PDI projects across various themes, with Cemig Distribution investing BRL 27.3 million, Cemig Generation and Transmission BRL 5.9 million, and subsidiaries investing approximately BRL 0.25 million. The following projects stood out:

Projects that stood out

Integrated Computer Vision System for Revenue Protection and Occupational Safety

Proposes gains in productivity and operational optimization. The technology used is artificial intelligence (AI). It promotes, in addition to capturing and interpreting images, and replicating functions conditioned to human vision, it is also capable of classifying, grouping, and even distinguishing them according to a pre-established pattern.

Satellite Data Collection, Processing, and Analysis Platform

Utilizing data and images gathered by nanosatellites, this research and development project aims to establish a proprietary methodology for classifying and detecting situations, assisting system operators in decision-making processes.

Analysis of Technical and Commercial Arrangement Based on a Pilot Plant of a Distributed Energy Storage System in a Critical Feeder of the Distribution Network

Battery Energy Storage Systems (BESS, in English; or SAEBs, in Portuguese) stand out for their versatility, as they are capable of providing different services, such as back-up, arbitration and compensation of wind and solar generation variability, for example.

Investment Ranking Method

An integrated system operating with a focus on anticipating risks and potential failures in Cemig's distribution network.

Investment Prioritization System in the Distribution Segment from the Perspective of Regulatory Concepts of Tariff Review and Return on Capital

A computational system guided by optimization methods, tasked with evaluating various projects and prioritizing those with the highest profitability for the company. The objective is to enhance supply reliability, minimize costs, and maximize results based on regulatory criteria.

Development of photovoltaic modules using Perovskite

The objective of this initiative is the formulation and assembly of photovoltaic modules based on the exploration of the potential of the mineral Perovskite, which presents some advantages in comparison with crystalline silicon, the main material currently used in photovoltaic cells.

Integrated Photovoltaic Electric Energy and Food Production System – Agrivoltaic

The proposal will unite agriculture, one of the strongest points of Minas Gerais' economy, and solar energy generation, a form of clean generation that has gained importance in recent years.



R\$ 33 MILLION

Invested in 16 projects

3

WHERE OUR POWER COMES FROM

Power is a word that has accompanied Cemig since its foundation. It is present in everything the Company does in fulfilling its Mission and achieving its Vision in its day-to-day work with all its stakeholders.

Focus on the customer	49
Employees	64
Suppliers	92
Social performance	104
Environmental performance	124
Economic performance	160





FOCUS ON THE CUSTOMER

The continuous search for customer satisfaction is part of Cemig's vision. The commitment to excellence in service delivery and maintaining good relationships with customers is one of the principles stated in Cemig's Code of Conduct.

Our customers and consumers

[2-6; IF-EU-000.A] The relationship with Cemig customers, both in regulated and free contracts, is based on the Energy Trading Policy. To provide the best customer service, the Company has a dedicated superintendence and a team of professionals with specific technical knowledge, who manage contracts and all customer demands, in addition to prospecting and attracting new customers.

Cemig's types of customers are:

- Captive consumers, linked to a distribution company with a demand of less than 500 kWh/month. Located in Minas Gerais, they fall into the residential, industrial, commercial, rural, public power, public lighting, and public service classes;
- Free clients, with no connection to distribution companies with consumption demand above 500 KWh/month are divided among the industrial, commercial, and rural classes in Minas Gerais, Federal District, or in other 22 Brazilian states.
- Independent energy traders, generators, and producers that are agents of the electricity industry and serve in the Free Contracting Environment (ACL).
- Distribution companies that work in concessions in other areas and are serviced in the Regulated Contracting Environment (ACR).

Market development

In the tables below, one can analyze the general service data, energy sales by customer class, and the variation between 2022 and 2023.

When detailing sales to final consumers, it can be seen that industry is the most representative sector, with approximately 40% share in total sales.

Additional information about each class is available in the financial statements.

General data and customer service data	2020	2021	2022	2023
Number of captive customers	8,695,421	8,882,293	9,032,513	9,211,723
Number of free clients	2,293	3,415	3,922	4,783

[IF-EU-000.B] Energy sales by consumer class (MWh)	2021	2022	2023	Variation in relation to the previous year
Sales to Final Consumers	43,229,477.49	44,863,966	45,805,727	2.0%
<i>Residential</i>	<i>11,185,772.01</i>	<i>11,216,803</i>	<i>12,086,770</i>	<i>7.8%</i>
<i>Industrial</i>	<i>16,360,861.36</i>	<i>18,203,747</i>	<i>18,092,769</i>	<i>-0.6%</i>
<i>Commerce, Services and others</i>	<i>8,334,094.81</i>	<i>8,956,518</i>	<i>9,468,724</i>	<i>5.7%</i>
<i>Rural</i>	<i>3,975,397.61</i>	<i>3,092,931</i>	<i>3,071,062</i>	<i>-0.7%</i>
<i>Public Power</i>	<i>729,312.35</i>	<i>855,672</i>	<i>955,516</i>	<i>11.67%</i>
<i>Street Lighting</i>	<i>1,225,733.13</i>	<i>1,139,039</i>	<i>1,055,544</i>	<i>-7.33%</i>
<i>Public Utilities</i>	<i>1,418,306.22</i>	<i>1,400,256</i>	<i>1,045,679</i>	<i>-25.32%</i>
<i>Private Consumption</i>	<i>33,074.07</i>	<i>30,942</i>	<i>29,663</i>	<i>-4.13%</i>
Supply to other concessionaires	10,824,709	14,647,293	15,266,293	4.23%
Total	54,087,260	59,542,201	61,072,020	2.57%

Sales in the Free Contracting Environment (ACL) and bilateral contracts

In 2023, total sales of energy in the Free Energy Market (ACL) were 13,095 GWh, or 4.2% higher than 2022, due to new sales contracts starting in January 2023.

With the changes²⁵ in energy trading regulations starting in 2024, Cemig can operate with an even greater presence in the Free Energy Market. In this new scenario, a larger portion of businesses and industries may migrate to this market, obtaining better prices and contracting conditions. These conditions will contribute to making electricity more accessible for small and medium-sized enterprises, allowing them to contract and negotiate energy directly with energy retailers.

At the end of 2023, Cemig already held approximately 15% of the market share in the Free Energy Market (ACL) in Brazil, being the leading seller to end customers. Since then, it has been promoting campaigns to publicize this contracting modality. For the Company, this also allows for the expansion of its operations to other states in the country – currently, Cemig’s Group companies have customers in 25 states and the Federal District.

Sales in the Regulated Contracting Environment – ACR

Energy sales in the Regulated Contracting Environment (ACR) totaled 2,083,816 MWh in 2023, a 0.001% decrease against 2022.

[EU-03] Cemig Group's market performance is detailed in the following table:

Number of customers per class and amount of energy.

Discrimination	Number of customers	Energy (MWh)
Residential	7,725,836	12,086,770
Industrial	30,424	18,092,769
Commercial	946,593	9,468,724
Rural	422,863	3,071,062
Public Power	69,670	955,516
Street Lighting	6,659	1,055,544
Public Utilities	13,703	1,045,679
Sales to end consumers (subtotal)	9,215,748	45,776,064
Own Consumption	758	29,663
Others	533	15,266,293
Total	9,217,039	61,072,020

Corporate Customers

Potential corporate customers²⁶ are subjected to a thorough credit analysis. Before the sale is concluded, the operation is submitted for approval to the Energy Risk Management Committee (CGRE)²⁷, to assess feasibility and verify compliance with commercial guidelines. After their approval, the operation is submitted to the Executive Board for deliberation.

Cemig's corporate customers operate mainly in the commercial and service sectors and work with high consumption of power, thus representing a

significant percentage in the share of energy sales and, consequently, in its revenue. To deal with this important segment of customers, Cemig has a specially qualified internal structure, which allows it to continuously develop and improve its technical and commercial relationship with its customers.

Considering the complexity of the electricity industry, which requires extensive knowledge of legislation, rules, and procedures for the sale of energy that govern the market, Cemig provides a personalized commercial relationship structure, in addition to teams and processes aimed at serving corporate customers.

These processes and services include, among other aspects, customer prospecting; diversification of the product portfolio; contracting and management of commercialized energy; contracting the distribution system; risk analysis, forecasting and monitoring of energy prices, and personalized customer service.

The segmentation of Cemig's Corporate customers is quite diversified. These are customers that operate in various sectors of the economy, both in the industrial sectors (manufacturing, basic, electro-intensive industries) and in the services, commerce, and agribusiness sectors.

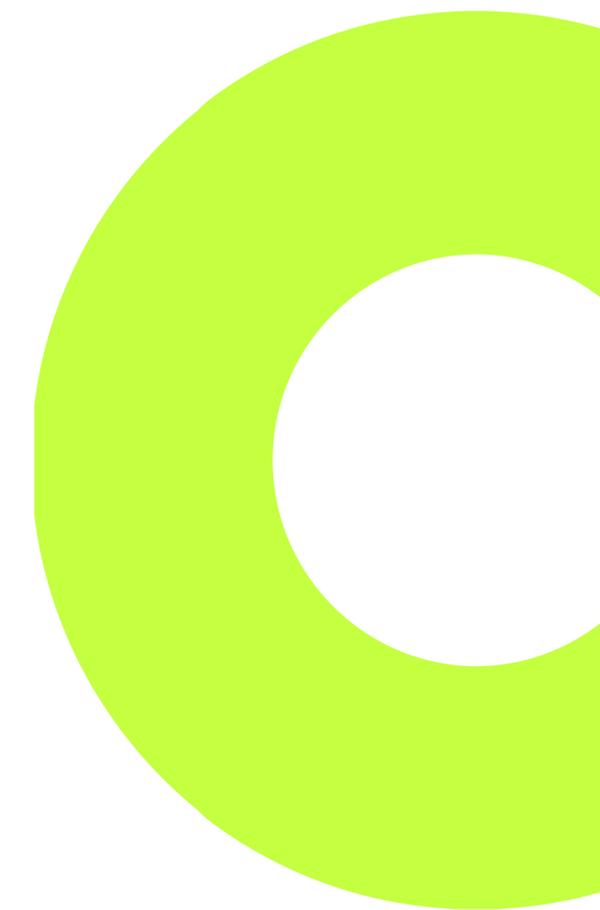
To serve this very diverse public, whether in Minas Gerais or Brazil, Cemig uses, in addition to standard relationship channels, Cemig Customer Portal, Virtual Service Center, and Relationship A Platform – Salesforce.

In 2023, Cemig launched the new Cemig Free Energy Portal, the first energy e-commerce in the country. In addition to digital channels, Cemig seeks to get closer to its potential customers through corporate events and personalized service with its commercial relationship agents.

25. From January 1st, 2024, consumers classified as Group A, that is, high and medium voltage, can choose to purchase electricity from any SIN (National Interconnected System) concessionaire, permittee or authorized electric energy provider. and consumers with an individual load of less than 500kW will need to be represented by a retail agent before the CCEE (Electric Energy Trading Chamber).

26. Types of customers described in items (II), (III) and (IV) are called Cemig's "corporate customers".

27. The CGRE is made up of members from different areas of Cemig.



Energy Market

The energy billed to captive customers and the energy transported to free customers in 2023 increased by 2.2% compared to 2022. This result is composed of a 0.4% increase in consumption in the captive market and a 4.2% increase in network usage by free clients.

Despite a better economic scenario than the previous year, with elevated temperatures observed mainly in the fourth quarter and a 2% increase in the consumer base, captive consumption only grew by 0.4%. This was primarily due to the significant migration of customers to micro and mini-distributed generation.

The performance of energy consumption classes is described as follows.

Residential

Home consumption accounts for 19.8% of the energy distributed by the Cemig group and totaled 12,086,770 MWh, a 7.8% increase in 2023, against 2022. This behavior is related to aspects such as:

- Increase of 3.0% in the number of consumers.
- Increase of 4.6% in the average monthly consumption per consumer (rising from 124.6 kWh/month in 2022 to 130.4 kWh/month in 2023), driven by improvements in the economic scenario and high temperatures, especially in the fourth quarter.
- The improvement in economic indicators has contributed to increased household consumption and consequently to increased energy consumption:

- *GDP: Considering the average of the first three quarters of 2023, the real GDP of Minas Gerais' economy was 3.2% higher than that recorded for the same period in 2022.*
- *Income: In the third quarter of 2023, the average real usual earnings from all work in Minas Gerais were 4.1% higher compared to the previous quarter. Compared to the third quarter of 2022, there was an increase of 9.1%.*

- Loss recovery actions.

Industrial

Energy billed to captive and free clients in Minas Gerais and other states amounts to 29.6% of the volume of energy sold by the Cemig Group and totaled 18,092,769 MWh in 2023, a variation of 0.2% against 2022.

Industrial consumption reflects the slowdown throughout the year in physical industrial production in Minas Gerais. According to IBGE²⁹, there was a variation of 2.7% in the accumulated result for the last 12 months until November 2023 in relation to the previous 12 months.

Regarding the main branches of economic activity in the industry, here are the highlights in order of impact on the class variation:

Increased energy consumption in the following sectors: Ferroalloys (5%), Food and Beverages (4%), Non-Ferrous Metals (4%), Pulp and Paper (6%), Extractive Industries (1%), Rubber and Plastic Production (3%), and Non-Metallic Mineral Production (2%). Energy consumption decreased in the following sectors: Chemical (-8%),

Textile (-17%), Metal Production (-10%), Foundry (-5%), Ferrosilicon (-7%), Petroleum (-9%), Cement (-1%), and Wood Production (-7%).

Considering the type of consumer, energy used by captive customers decreased by 15.1% compared to 2022, primarily due to the migration of consumers to micro and mini-distributed generation and the free market. On the other hand, the latter contributed to a 1.4% increase in energy transported from industrial free clients.

Commercial and Services

Energy billed to captive and free clients in Minas Gerais and other states amounts to 15.5% of the volume of energy sold by the Cemig Group and totaled 9,468,724 MWh in the year 2023.

The total energy consumed by the captive class and the energy transported to free clients increased by 1.6% in 2023 compared to the previous year. This increase is composed of a reduction of -3.5% in captive market consumption and an increase of 14.8% in network usage by free clients.

Commercial consumption was impacted by the significant migration of customers to micro and mini-distributed generation, resulting in low growth even in a better economic scenario than the previous year, influenced by above-average temperatures in the fourth quarter.

According to IBGE, the volume of services increased by 8.5% in the accumulated 12 months up to November 2023 compared to the previous 12 months. Additionally,

28. Gross domestic product.

29. Brazilian Institute of Geography and Statistics.

retail sales volume increased by 2.9% in the same comparison.

In addition to the migration to micro and mini-distributed generation, the reduction in the captive market is also related to the migration of consumers to the free market, which, on the other hand, contributed to the growth in the volume of energy transported to free clients (an increase of 17.2% in the consumer base).

Rural

The consumption of the rural class, amounting to 3,071,062 MWh, corresponds to 4.9% of the energy marketed by Cemig and showed a reduction of 0.7% in 2023 compared to 2022. This decrease was mainly due to the migration of consumers to distributed micro and mini-generation and an 8.5% reduction in the consumer base due to reclassification to other classes, following the cadastral review defined by ANEEL Normative Resolution No. 901/2020.

In 2015, Cemig Distribuição, aiming to universalize the supply of power in its concession area, established the Rural Service Regularization Plan (PRAR), which aimed to provide to approximately 50,000 rural properties. A program of high logistical complexity, with the construction of over 15,000 km of networks, the installation of 40,000 transformers, thousands of poles, and investments of around BRL 800 million.

PRAR started in October 2015 and provided for over 53,000 customers by August 2018, connecting 30,000 old requests and over 23,000 new requests, surpassing the initial goal of 50,000 connections.

After the Rural Service Regularization Plan in Cemig D's concession area, natural growth is booming, demanding a vigorous number of works in the rural distribution networks to meet new load requests and to install a Photovoltaic Distributed Generation, as follows:

Number of construction work carried out over the years in rural distribution networks

2021	2022	2023
16,778	23,113	21,467

In 2023, the 21,467 projects involved an investment of BRL 958.5 million. For 2024, there is a projection of around 19,000 construction work to meet the requests of rural customers.

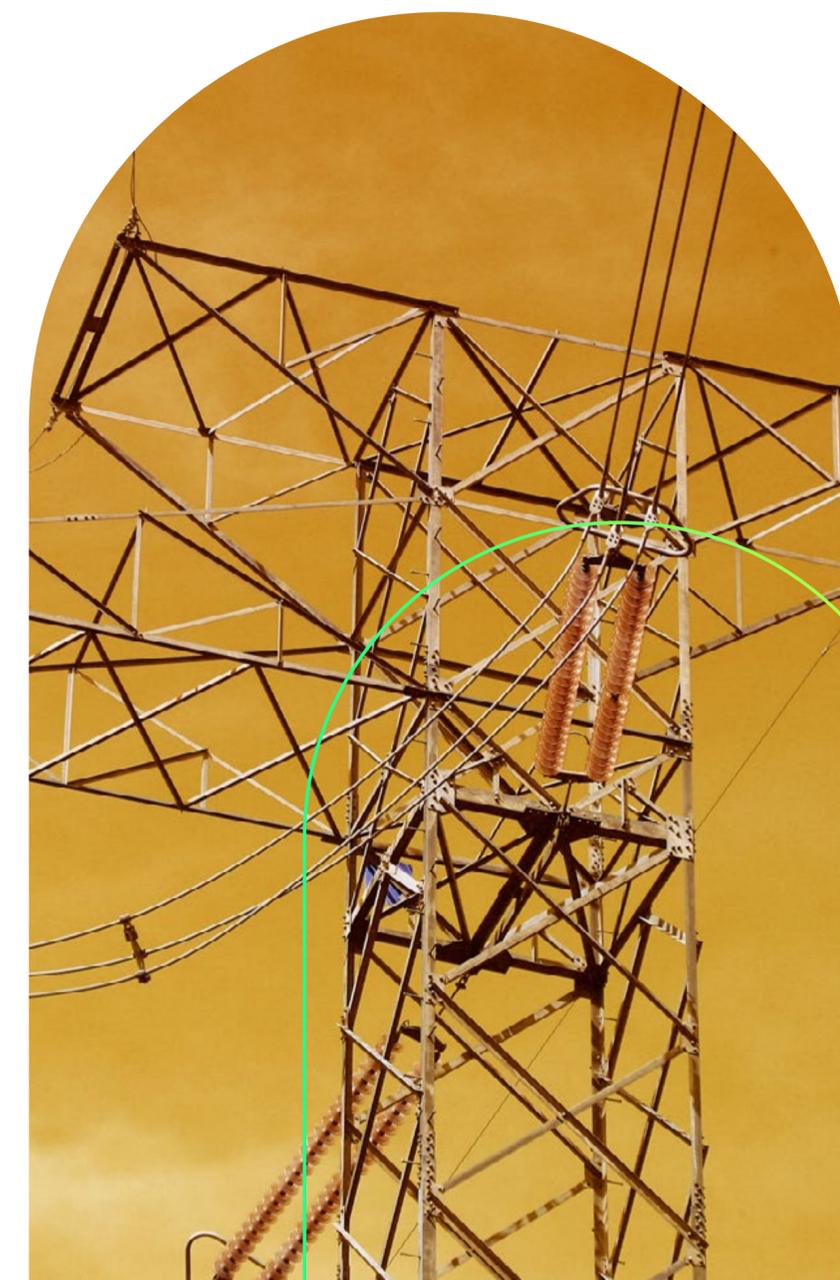
For services classified as the first point of energy for the property and installed load of up to 50 kW, the works are carried out with resources from Cemig D, with no financial participation from customers, as defined in Aneel Resolution 1000/2022, a provision similar to that which was already contained in Aneel Resolution 414/2010. For other services, any financial participation from customers for the execution of works is calculated according to the parameters also defined in this Aneel resolution.

Other Classes

The power supplied to the other classes - Public Power, Public Lighting, Public Service, and In-House Consumption - amounted to a total of 3,801,084 MWh

in 2023, an increase of 1.6%, against the same period in 2022.

Highlights include the reduction in Public Lighting due to the replacement of lamps with LEDs and the increase in the Public Power class due to the low base (gradual return to pre-pandemic levels) associated with high temperatures in the 4th quarter.



Energy quality

Product quality is the result of several internal actions, from operations management, logistical planning for emergency response, inspections, and preventive maintenance of substations and distribution lines and networks. There is also investment in the qualification of human resources, new technologies, and standardization of the work process.

[EU-28; EU-29; IF-EU-550a.2] Effectiveness of the actions listed above is validated through the Equivalent Duration of Interruption per Consumer Unit (DEC), and Interruption Equivalent Frequency of Interruption per Consumer Unit (FEC) indicators. Based on them, the period and how many times on average the consumer was left without power, it is possible to analyze whether the stoppage was scheduled or resulted from accidents, whether it could have been predicted and what action to take.

In 2023, the DEC indicator showed a result of 9.71 hours, above the regulatory limit of 9.59 (hours). The FEC shows a significant reduction over the years until 2022, with the value recorded as 4.86 in 2023, compared to the regulatory limit of 6.00 interruptions.

The indicators for scheduled DEC and FEC showed improvement compared to the previous year. However, there was a deterioration in the indicators for accidental DEC and FEC. This outcome is related to an increase in extreme weather events, including more intense and prolonged heatwaves, as well as severe storms across virtually the entire concession area of the Cemig in 2023. These events have posed

challenges for companies in the sector, particularly for the distribution service, leading to a slight increase in power supply interruptions.

In response to this scenario, Cemig Distribution has been implementing various initiatives to reduce the number and duration of interruptions. Recently, the Company announced an increase in its investment program, which includes a significant allocation for new substations, lines, and distribution networks throughout the state of Minas Gerais over the next five years (2024-2028). In addition to increasing the availability of electricity for the state's development, these projects will improve the reliability and resilience of the electrical system. Concurrently, the Company has been mobilizing additional field teams to reduce the time for power restoration, which has already yielded positive results in terms of system performance, enhancing the quality of energy supply.

In 2023, approximately BRL 114.89 million was paid in compensation to Cemig D's customers for breach of individual electricity supply continuity indicators (DIC, FIC, DMIC, and DICRI). This compensation amount was 35% higher than in 2022. Below are the amounts spent on indemnities during the past 3 years.

Equivalent Interruption Duration per Consumer Unit (DEC)

DEC	2021	2022	2023	Variação no último ano
Scheduled	1.06	1.48	1.33	-10.14%
Accidental	8.40	8.00	8.41	5.13%
DEC per unit	9.46	9.48	9.71	2.43%
Regulatory Limit	10.09	9.98	9.59	-3.91%

In the transmissions system the DEC (SAIDI (in hours)) was 0.055 hours.

Equivalent Interruption Frequency per Consumer Unit (FEC)

FEC	2021	2022	2023	Variação no último ano
Scheduled	0.46	0.63	0.58	-7.94%
Accidental	4.14	3.95	4.29	8.61%
FEC per unit	4.60	4.58	4.86	6.11%
Regulatory Limit	6.56	6.43	6.00	-6.69%

Amounts spent in Indemnities (BRL M)

2020	2021	2022	2023
54	48	84	114

Protection against losses: technical and non-technical losses

The reduction of energy losses is one of Cemig's strategic objectives since losses represent unearned revenues and indirectly impact the environment by increasing greenhouse gas emissions. Additionally, controlling electrical losses is also related to the quality of the energy supply and the safety of the population, both of which are considered highly relevant topics for the Company.

[EU-12] Cemig monitors the Total Distribution Loss Indicator (IPTD), which results in the difference between the total energy injected into the distribution system, as determined by the Electric Energy Trading (CCEE), and the total energy billed. IPTD is internally segmented into Technical Losses (PPTD), which are inherent to energy transport, and Non-Technical Losses (PPNT).

Technical losses are those inherent in the process of transportation, transformation, and distribution of energy along equipment and transmission and distribution lines. Their result is influenced by the dispatch conditions of power plants, the implementation of improvement works in the electrical system, changes in consumer behavior, and the presence of distributed generation (DG), among other factors. Technical losses are calculated according to the current regulatory methodology (Distribution of Electrical Energy Procedures - PRODIST - module 7).

Non-technical losses, on the other hand, are largely caused by irregularities in the measurement of consumption in consumer units, the existence of clandestine connections in the distributor's network, losses in public lighting, and deficiencies in measuring equipment, among others. Non-technical losses are obtained by the difference between total losses and technical losses. At each tariff revision, ANEEL defines

the percentage limit of non-technical losses for the distributor, based on statistical models and benchmarking (PRORET - module 2.6).

It is noteworthy that Cemig D, over the past three years, through intensifying actions to combat losses, has achieved excellent results, keeping losses below regulatory limits. The challenge for the coming years remains, as the models adopted by ANEEL have been setting increasingly challenging loss limits for companies in the sector.

In 2023, the IPTD was 10.71%. Of this total, 8.31% is related to technical losses (PPTD), while 8.31% is related to non-technical losses (PPNT), values expressed in relation to the total energy injected into the distribution system. This result was below the limit established by ANEEL for Cemig in the year (target of 10.84%) and was 0.40 percentage points lower than that of 2022 (11.11%).

Losses rate

Ano	PPTD	PPNT	Total losses	Regulatory Limit
2020	8.77%	3.8%	12.56%	11.49%
2021	8.77%	2.46%	11.23%	11.28%
2022	8.77%	2.34%	11.11%	11.22%
2023	8.31%	2.40%	10.71%	10.84%

To maintain the level of non-technical losses below the regulatory limit, Cemig has implemented 2023 a loss reduction project office, which includes a robust set of projects. Key results in 2023 include:

- Conducting 379 thousand inspections in consumer units suspected of irregular energy metering.
- Replacement of 661 thousand obsolete meters.
- Implementation of 73 thousand smart meters (AMI) ³⁰ in the metropolitan region of Belo Horizonte (reaching 315 thousand since the beginning of the project, an increase of 12% compared to the total number in 2022), providing benefits for meter reading, billing, energy recovery, and delinquency management (remote connection and disconnection).
- Regularization of energy supply for 10 thousand families living in low-income areas and occupations, using a differentiated network standard to minimize possibilities of energy theft recurrence (Zero BT network).
- Retroactive revenue collection from irregularity charges of approximately BRL 99 million.
- Reduction of technical losses provided by the implementation of reinforcement works in the electrical system at high, medium, and low voltage, within the Distribution Development Plan (PDD). In 2022 and 2023, there was the energization of 39 new substations and 120 feeders.
- Control of technical losses through the reconfiguration of medium-voltage networks and installation of capacitor banks, resulting in a reduction of energy losses by 1,851 MWh per year.

30. Smart meters are one of the components of the Advanced Metering Infrastructure (AMI). They are integrated into computer systems that allow the recording of consumed energy every 5 minutes and are used in the billing process, energy accounting, as well as connection and disconnection processes.

It's important to highlight that the Company conducts remote monitoring of large captive and free clients at high, medium, and low voltage levels (a total of 226 clients at high voltage, approximately 16 thousand clients at medium voltage, and 331 thousand clients at low voltage), which represents the safeguarding of around 65% of the distributor's billed energy. This approach enables the identification of anomalies in the metering system data, assisting in the fight against irregularities in energy metering that could result in losses.

The Transmission losses in 2023 was 1.5%. It was calculated from Cemig's energy balance, carried out by the Electric Energy Trading Chamber - CCEE, by the ratio between the participation in the apportionment of losses from the basic network and the total energy generated and consumed.

Action against payment default

In 2023, the Company maintained a robust plan to combat payment default, enabling control of default and achieving historical collection rates.

The Company has achieved excellence in collection indices with the implementation of a sustainable credit recovery plan. The annual collection rate on billing reached 99.79%, 1.71 percentage points above the average of the last 5 years. As a result, the level of provisioning for Allowance for Doubtful Accounts (ADA) reached R\$ 159.6 million, approximately R\$ 7 million below the average of the previously analyzed period.



Among the initiatives and strategies adopted, the following stand out:

- Intensification and improvement in the use of collection actions, more than 30% of actions compared to 2022;
- Use of optimization and Machine Learning techniques to classify patterns on customer solvency, aiming to apply the most appropriate and cost-effective billing tool for that customer profile and behavior;
- Administrative collection, through a specialized company, for retail debts that are more difficult to receive – that is, those overdue for more than 12 months or arising from irregular consumption billing;
- Reinforcement and restructuring of the team dedicated to the collection of irregular consumption, with selected portfolio management;
- Encouragement for the adoption of more accessible electronic payment methods. In 2023, Cemig D carried out the “2 years with no bills” promotional campaign and implemented QRCode PIX on retained accounts,

which contributed to boosting the share of payments in this modality to X% of monthly invoices collected;

- Negotiation campaigns, along with digital channels, the Federal Public Ministry and Procons in selected audiences, allowing not only the collection and negotiation of credits but also the approach to professional bodies and a better user experience;
- Participation in the Federal Government program “Desenrola Brasil”, with the opportunity to negotiate debts that are difficult to receive and linked to customers with low solvency or purchasing power;
- Improvement of rules linked to Expected Credit Losses (PCE).

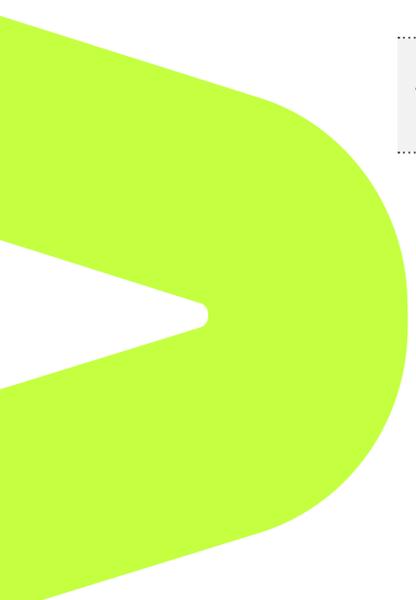
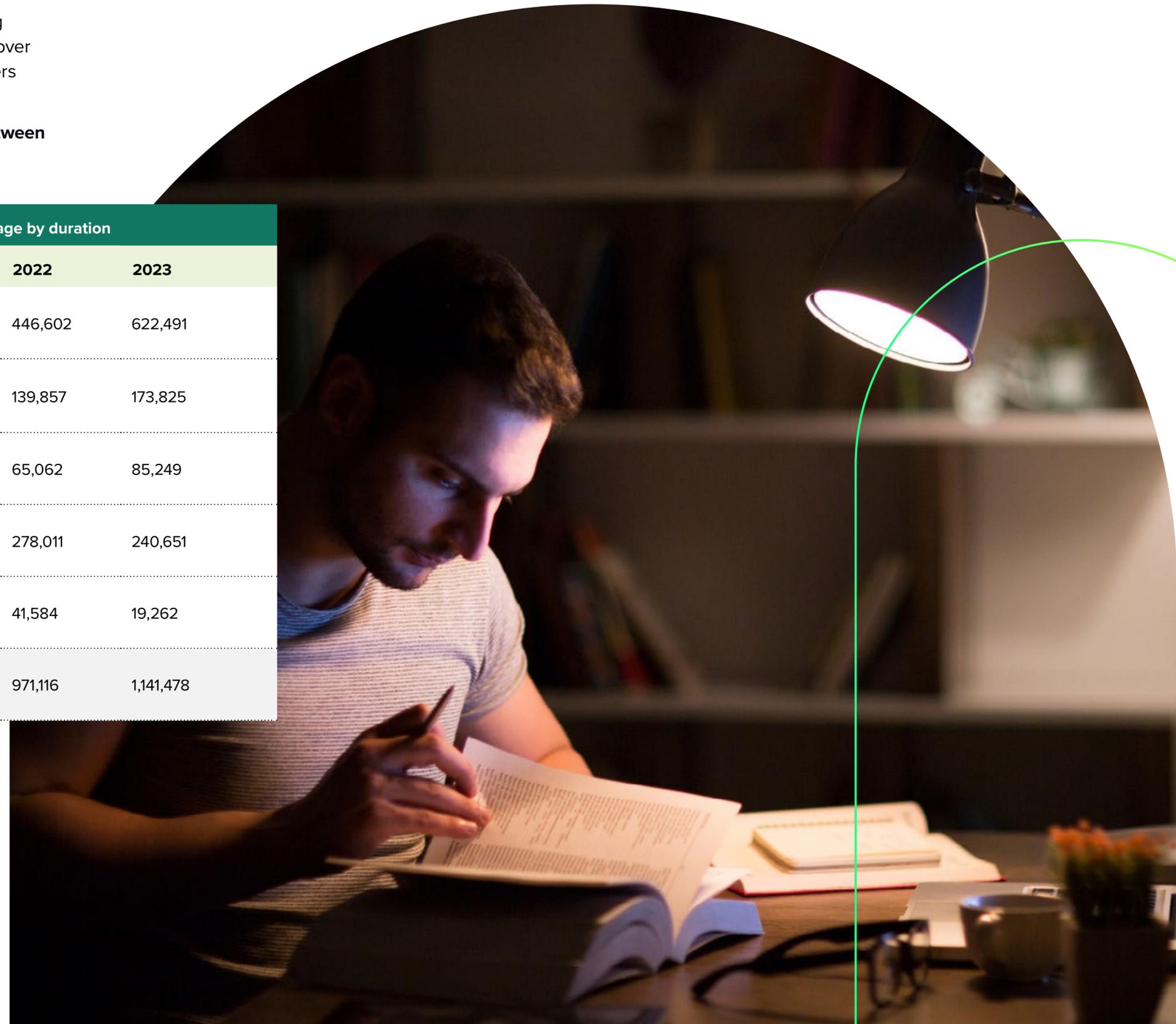
These actions also impact the indicators of the quantity of power outages by duration, which reflects the volume of consumer units that experienced suspensions in energy supply due to non-payment. In 2023, there was



a significant improvement in the numbers of outages lasting between one month and one year, as well as those lasting over one year, indicating that compared to 2022, fewer consumers were affected by non-payment for extended periods.

[EU-27; IF-EU-240a.3] Residential outages per duration between 2020 and 2023:

Outage duration	Quantity of outage by duration			
	2020	2021	2022	2023
<48 hours	252,248	512,561	446,602	622,491
48 hours - 1 week	100,752	173,873	139,857	173,825
1 week - 1 month	61,660	85,276	65,062	85,249
1 month - 1 year	50,173	289,348	278,011	240,651
> 1 year	2,785	11,939	41,584	19,262
Total	467,618	1,072,997	971,116	1,141,478



Relationship with customers

The company is always seeking customer recognition for the intense work carried out daily, aiming to be a reference in service provision in the energy market. It is possible to recognize the relevance that the issue has internally when the effective monitoring of customer perception regarding the services provided to them is identified in Cemig D's strategic map. This monitoring takes place regularly by checking the results of Customer Satisfaction indicators and is spread across all levels of the Company, as defined in the management model.

Customer satisfaction is a continuous topic in internal communication vehicles, reinforcing the awareness of employees and contractors about their responsibility and contribution to this process. Throughout 2023, various content was published portraying the commitment of senior management and the engagement of all areas.

In 2023, a specific page for Customer+ Project³¹ was created within the Distribution HUB on the Intranet. The goal is to disseminate best practices in customer service and share news about project actions and progress. The space is also used to publish tutorial videos, links to service channels, available services per channel, and other information that can support employees in their daily work.

The next step was the redefinition of the service strategy, which included a new segmentation of customers, a new visual identity for channels, a tone of voice in line with the project's proposed new experience, a map of service positioning among channels, among other aspects.

The transformation process utilized IBM's Customer Experience (CX) methodology and began with the identification of different customer types and needs

(personas and segments) compared to the experience that Cemig aimed to provide (being simple, accessible, reliable, and delightful). Based on this, the channel strategy was defined: as cognitive, digital, and human channels.

In 2022 and 2023, the strategies and positions defined were implemented through channel transformation, implementation of advanced technologies with artificial intelligence, cognition, and integration of service channels to build omnichannel.

In 2023, workshops were also conducted to promote awareness of the IASC³² and ISQP³³, reinforcing the importance of engagement from all employees and departments in the results of the customer satisfaction survey. Every action of the company ultimately aims at customer satisfaction, which is why everyone needs to see themselves in the process. Maintaining these actions continuously and consistently is key to success in the survey.

Furthermore, Cemig has a Consumer Council that represents the interests of all consumption classes collectively and promotes the defense of their rights. It consists of six full members and six deputies, representing the following classes of consumption: residential, industrial, commercial, rural, and government

The Council is charged with giving due treatment to the suggestions received, cooperating in inspections, and accepting charges and complaints made to Cemig, based on the general conditions of power supply.

In 2023, Cemig maintained the Customer Committee, to integrate the distributor's areas, and to monitor the results of indicators that translate and demonstrate

the quality of customer service. The Committee holds monthly meetings to identify and map actions aimed at improving the experience and satisfaction.

Major relationship channels

Due to the scope of Cemig's concession area (a presence in 774 municipalities), diversity in relationship channels is an essential resource to provide quality service to its customers. With a focus on the customer, Cemig aims to get closer to and strengthen relations with its consumers and offer a modern and streamlined service with quality and transparency.

Cemig is aware of the growing demand for virtual channels and has invested in the diversification of these service channels without failing to offer the same quality required to guarantee the satisfaction of consumers in other channels. All this apparatus is essential to provide adequate service to its over 9 million customers.

Face-to-face service is provided by the “Cemig Fácil de Atendimento” customer service network, through 88 branches and 635 customer centers. Telephone service, in turn, is carried out through “Fale com a Cemig” (Talk to Cemig), including the availability of a number for assistance to the hearing impaired. This channel is also responsible for customer service via Social Networks (Facebook and X, formerly Twitter).

In 2023, 142 million service contacts were recorded across various channels. This number represents a 36% increase compared to 2022.

31 Created in 2021 from a strategic partnership with the International Business Machines Corporation (IBM), enabling an omnichannel operation, that is, the convergence of service channels, which provided cognitive and integrated service between the various platforms used by customers.

32 ANEEL Consumer Satisfaction Index.

33. Perceived Quality Satisfaction Index.

In addition to its website, with more than 38 million contacts in 2023, the Company has service channels via WhatsApp and Chatbot, for its main services, which had more than 32 million registered contacts. Also noteworthy is the “Cemig Atende” application, available for Smartphones and Tablets, on Android and iOS platforms, which registered 29 million contacts.

Through self-service machines, located inside the branches and also in five external equipment, more than 2 million contacts were made.

Alongside is the chart demonstrating the participation of channels in the performance of 2023 compared to 2022.

[EU-24] In line with its new Materiality and the commitments it has made to Human Rights, Cemig is also concerned with providing better service and interaction for its customers with special needs. For this reason, Cemig offers personalized assistance in its various channels, such as Fale com a Cemig (Talk to Cemig) (0800 723 8007), Cemig Torpedo, online channels, and the Cemig Atende app.

All these channels have services for the hearing impaired. The online channels can be used by users with special needs through adapted devices and software. Service centers have adequate facilities in line with Brazilian accessibility standards (ABNT-NBR 9050), and there is a special phone number for hearing-impaired people. Besides that, Cemig also has an option for providing power bills in Braille for the visually impaired.

[EU-24] To address language-related barriers, the virtual branch can be automatically translated into English and Spanish in addition to the default Portuguese language. Finally, to serve people without or with limited access to technology, or who are illiterate, there is also face-to-face service at Cemig branches.



CUSTOMER SERVICE CHANNELS	2022	2023	
Internet (digital)	51%	25.8%	
Whatsapp (digital)	13%	19.9%	
Pocket Agency	11%	19.3%	
Service Agency	8%	9.1%	
CAC ³⁴	7%	5.7%	
PCFA ³⁵ (digital)	4%	9.7%	
Cemig Mais (digital)	2%	3%	
Self-service (toten)	1%	1.5%	
URA ³⁶ (digital)	3%	4.5%	
Cemig Torpedo (digital)	0%	0.1%	
Social Networks (digital)	0%	1.4%	

34. Cemig Customer Service Center
 35. Cemig Easy Service Station
 36. Audible Response Unit

Path to Understanding and Ombudsman Office

The management of the relationship channels includes monitoring and control via contact panels, which allow for obtaining information on records and customer service provided on all channels.

It is also possible to check the amount of services provided by following the logic of the Path of Understanding established by Aneel. This reasoning includes guidelines to establish a tiered order of the levels of treatment by which the consumer complaint must follow, namely:

- It is first dealt with by the area in charge (1st level);
- Then, by the distribution company utility's Ombudsman (2nd level);
- Finally, by Aneel (3rd level).

All the relationship channels mentioned above make up the first level for handling customer demands. At the first level, the granularity and the volume of interactions are immense, considering Cemig's over 9 million customers.

If requests or complaints are not resolved at this first level, the customer has the option of calling the Company's Ombudsman Office.

The ombudsman's panel is a management and control tool for manifestations registered with the ombudsman's office, which aims to demonstrate information such as: number of complaints and reports registered; main issues complained of; service channels used by consumers when registering complaints; number of complaints closed whether valid or unfounded, processes handled within and after the deadline, etc.

The Ombudsman Office records, instructs, analyzes, and - in the best possible way - deals with complaints made by consumers through the Distribution Company customer

service channels (first level), which have been answered in a non-satisfactory way according to legislation in effect.

As a second-level channel, the ombudsman is an administrative and appeals body for resolving conflicts related to assistance and requests regarding the provision of Cemig services. Finally, if the customer is still dissatisfied, they can resort to the third level of service, making a request directly to the Aneel ombudsman, the sector's regulatory agency.

If the consumer submits their complaint outside of this sequence, their request will be forwarded to the correct channel, and they will be informed about the order of steps in the consumer complaint process.

In 2023 the total number of 2nd and 3rd-level statements increased, respectively, 20.98% and 57.7%. The number of 2nd and 3rd level charges increased, respectively, 35% and 1% from 2022 to 2023. The number of complaints, in turn, rose 36% at the 2nd level, and 22% at the 3rd level.

Major subjects of complaints recorded in 2023 were microgeneration connection, grid extension, and other demands, as one can see alongside.

Technical Note 11/2017_SMA/ANEEL established assessment goals for Ombudsman in the Electric Sector, laying down criteria that define what would constitute a Model Ombudsman. The criteria analyzed are handling complaints, ombudsman structure, and qualification criteria based on REN 470/2011.

Out of 100 disputed points in the three analyzed criteria, Cemig Ombudsman obtained, in 2017, 69.2 points, 82.9 in 2018, 84.2 points in 2019 and 73.1 points in 2020, 78.7 points in 2021, and 48.7 points in 2022. The result for 2023 has not been released by ANEEL yet.

Customer service channels – kinds of statements received in the reporting period	Cemig's Ombudsman Office (2nd Level)			Aneel Ombudsman Office (3rd Level)		
	2021	2022	2023	2021	2022	2023
Information	12,017	11,741	9,588	23,054	30,329	55,306
Claims	22,486	30,041	40,911	20,313	20,708	25,245
Reports	618	350	474	87	79	80
Compliments	18	23	28	6	6	4
Suggestions	10	21	22	11	17	9
Total	35,149	42,176	51,023	43,471	51,139	80,644

Major complaint subjects (%)	2021	2022	2023
1. Microgeneration Connection	15%	13%	17%
2. Network Extension	6%	11%	5%
3. Consumption Variation/Excessive Consumption	11%	9%	9%
4. Supply Interruption	8%	7%	8%
5. Charges for Irregularities	7%	6%	4%
6. Connection	6%	5%	5%
7. Refunding of Electrical Damages	6%	4%	4%
8. Voltage Fluctuation/Variation/Oscillation	3%	3%	4%
9. Reconnection	3%	3%	3%
10. Penalty for Arrears/Self Reclosing	3%	1%	1%
11. Other	32%	38%	40%
Total	100%	100%	100%

Consumer Satisfaction

[2-29] Customer satisfaction is inherent to the Company's culture and is the responsibility of all employees. The positive impacts of this stance are brand appreciation and good standing for the Company in the markets it operates in and acknowledgment through satisfaction surveys, particularly: Aneel's Residential Consumer Satisfaction Index (IASC) and Abradee's Perceived Quality Satisfaction Index (ISQP).

As a reference for the work carried out by the concessionaire to improve service to its customers, it is relevant to highlight the ISQP Award (Perceived Quality Satisfaction Index), carried out by Abradee (Brazilian Association of Electricity Distributors), which is held annually. ISQP assesses residential customer satisfaction and is performed annually.

In the 25th edition of the survey, for the year 2023, Cemig obtained a satisfaction score of 76.2, which was 12.55% higher than the value obtained in the previous year, ranking 15th among companies with more than 500 thousand consumers and 3.7 above the sector average. This score was higher than the overall result of Abradee, which was 72.5 points. This fact indicates the result of the efforts made by the concessionaire to improve its customer service.

The main areas of improvement identified were: significant enhancement in the perception of quality in the triangle and northern regions, and the company's information provision services and response speed during power outages, which were the focus of actions for the 2023 survey.

Historical series of Cemig's ISQP and Abradee's average (2020-2023)

	2020	2021	2022	2023
Cemig	78.9	69.8	67.7	76.2
Abradee Average	74.9	65.5	67.0	72.5

The IASC 2023 survey was carried out from August to October 2023, with the application of questionnaires in municipalities selected in the concession areas. The 2023 result was 60.45 points, 4.6% above the 2022 result. Cemig was in 30th place in the general ranking, among the 51 companies surveyed that year, and in 16th place among the 33 companies with more than 400,000 consumer units. The result obtained was higher than the Brazilian average, which recorded 59.91 points. In this research there was improvement in 4 of the aspects evaluated: Perceived quality, satisfaction, trust, and value; with regression only in the loyalty item.

Cemig continues with improvement work within its target plan, actions aimed at improving the quality perceived by its customers, where all the company's business areas are committed to carrying out targeted and structured actions to guarantee the recovery of this index.

Aneel Consumer Satisfaction Index – IASC (2020-2023)

	2020	2021	2022	2023
	58.90	52.67	57.8	60.45

In the pursuit of continuous improvement in customer service, Cemig implemented monthly Net Promoter Score (NPS) surveys to improve understanding of customer needs and thus act more efficiently. NPS surveys also allow customers to comment on their experience with Cemig, opening up another space for expressing opinions about the services provided by the Company.

In 2023, Cemig's average annual score was 40 points, 13 points above the average for 2022. The result demonstrates that Cemig is on track to reach an average of 50, the level established at the beginning of the improvement and development phase.



Communication and marketing

[417-1; 417-2; 417-3] Cemig's communication pieces respect the recommendations of the Brazilian Association of Business Communication (ABERJE) and guarantee that companies hired for campaigns follow the Brazilian Code of Advertising Self-Regulation (Conar). In 2023, as in previous years, there were no cases of non-compliance with regulations and voluntary codes related to marketing communications or information about the Company's services, in addition to complying with all clauses established in current contracts.

Number of press articles published per year:

Communication channel	2022	2023
TV	1,879	2,623
Rádio	2,690	3,263
Prints	2,449	2,682
Digital	20,644	23,826
Videocast	-	25
Podcast	-	18

In 2023, 125 press releases were issued, resulting in 14,529 (17% more than in 2022) positive media articles and a financial measurement of BRL 78,616,361.92. During the period, 6,151 media inquiries were handled (4,046 in the interior and 2,105 in the Belo Horizonte Metropolitan Region, including national and international media).

Information security and data privacy

[3-3 (418)] In a fully connected world with unlimited possibilities for accessing and using information, there is a need for great control and security over Cemig's entire data network. Poor management of technological resources and/or security failures can expose the Company to major risks in the event of leakage and misuse of personal data, or unauthorized access to strategic information, databases, and confidential information.

The topic of Information Security is a permanent concern for Cemig, which increasingly invests in its Information Technology (IT) structure, seeking robustness in the governance and management of IT services, as well as in the management of information security:

- To meet the requirements of the Sarbanes Oxley Act, to which the Company is subject due to having its shares registered with the Securities and Exchange Commission (SEC), the main regulator of the North American stock market, its IT security control system is based on Cobit 5 and verified annually by internal and external audits;
- The effectiveness of internal controls, governance, and risk management is monitored through regular reports from internal and external audits, on the results of their activities, including the board's responses to recommendations made on controls and non-conformities, following up the notes and recommendations;
- Information security is ensured by a management system based on the Brazilian Standard (ABNT)

NBR ISSO/IEC 27001: 2013, aligned with best market practices, which includes processes for managing and controlling policies, risks, communication, classification information, and information security.

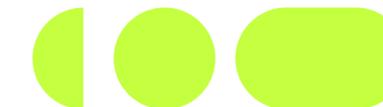
In addition, Cemig has a Privacy, Data Protection, and Cybersecurity Committee, coordinated by the Compliance Department.

The Committee is secretariat by the Privacy and Data Protection Management, in matters of privacy and data protection, and by the Systems Architecture and Software Engineering Management, in matters of information security and cybersecurity. It involves the IT, Compliance, Legal, and Human Resources Directorates.

Cemig constantly monitors the IT environment and develops processes and actions to prevent and reduce the risk of cyber-attacks and has a team dedicated to monitoring and responding to incidents, CSIRT (Computer Security Incident Response Team). As a result of this monitoring, 17 records were cataloged, but in no case was there any financial, or operational impact or data leakage.

Since 2022, the Cyber and Information Security Management area has been implemented, dedicated exclusively to the topic, which allows greater focus and specialization to ensure a secure IT environment.

To ensure greater protection against data leaks, Cemig carries out electronic document classification and uses the DLP (Data Lost Prevention) tool.



All office documents and emails sent are necessarily labeled according to the classification and encryption protection is automatically applied when a critical label is chosen. The DLP tool protects against leakage of personal and confidential data.

The computer network where corporate workstations are located is also monitored and protected by an EDR (Endpoint detection response) tool that detects threat patterns on workstations and allows a quick response. Cemig has implemented a process for detecting and correcting vulnerabilities in the IT environment. Additionally, double-factor authentication was implemented for accessing the IT environment from an external network. Access by employees working from home or service providers via VPN has become much safer.

In the field of cyber defense, Cemig carries out a pentest annually and maintains a vulnerability analysis process to proactively identify possible threats, and carry out the necessary corrections, thus reducing exposure to the risk of an attack.

Additionally, the threat intelligence service was hired in 2023, which consists of monitoring the Cemig brand carried out by an external company that covers the topics of Phishing, fake domains, Brand abuse, fake profiles, messages, Deep and Dark Web, leakage of credentials, fraud, fake applications, leaks, fraud, and code leakage.

Information about the company's Cybersecurity and Information is available to employees on an intranet page. On the website, users can find information about events, rules and instructions, information classification, and various relevant safety topics, gathered in one place.

Cemig's management monitors information security performance through the Information Security Index (ISI) indicator used to evaluate the level of protection that the currently implemented security solutions offer to the Cemig environment.

In 2023, Cemig's Board of Directors set a target value of 92% for evaluating the Information Security Index indicator, and the result obtained was 100%.

The Company's information security mechanisms are ensured by a management system based on the Brazilian Standard (ABNT) NBR ISO/IEC 27001:2013. This standard presents a model to establish, implement, operate, monitor, critically analyze, maintain, and improve an Information Security Management System (SGSI), aligned with best market practices. Cemig's information security management system includes processes for managing and controlling policies, risks, communication, information classification, and information security. Furthermore, recurring actions to improve processes, communication, awareness, and training strengthen the Company's information security.

Cemig participates in several groups that develop studies related to the area of information security. Among these, the ABNT Safety Techniques Study Committee stands out, as well as the Strategic Committee for Safety in Installations of the Brazilian Association of Electricity Generating Companies (CESI/ABRAGE).

Cemig also carries out vulnerability analysis of the IT infrastructure conducted by third parties. **No customer, consumer, or employee was affected by IT system failures in 2023.**

Information security training and campaigns

Aiming to raise awareness about risks and establish a culture of prevention, Cemig carries out training and constant information campaigns aimed at its employees.

In 2023, several prominent initiatives were promoted:

1. Simulation of phishing:

To alert the workforce, Cemig runs regular phishing campaigns to educate the workforce to identify and report this type of attack.

Users who fell for phishing received an invitation to take quick training with guidance on identifying this type of attack. For those who were repeat offenders in 2 out of 3 campaigns, mandatory training on information security was conducted through the UniverCemig E-learning platform.

The results of phishing campaigns are presented to the company's management team through periodic meetings and specific communication channels such as the Leadership Channel, which consists of information disseminated via email and intranet to the company's managers.

2. Trainings:

- First energy: Targeted at new employees, this training consists of a presentation of various topics related to information security, such as proper use

of company assets, security policy and threat alerts, information classification and phishing prevention;

- Information communications: Through the company's intranet and the cyber and information security page, information is disseminated on topics related to security and phishing and guidance on the best form of prevention, reinforcing the culture of safe behavior;
- Virtual training carried out in March 2023 on information classification;
- Virtual training carried out in July 2023 on information classification;
- Training available to all new employees, training on information security on the company's E-learning platform, UniverCemig.

Data Protection

[3-3 (418)] Cemig recognizes its responsibility to protect the personal data of its over 9 million customers who use its services and respects the privacy of its employees, service providers, suppliers, and partners. It also believes that the personal data of its interested parties must be used responsibly in alignment with Brazilian laws, especially with Aneel Normative Resolution No. 414/2010, which regulates the supply of electric energy, and the General Data Protection Act (LGPD)³⁷.

To bring robustness to the existing management system, and to adapt to LGPD, Cemig has a structure dedicated to complying with all legal regulations related to the subject. This structure includes:

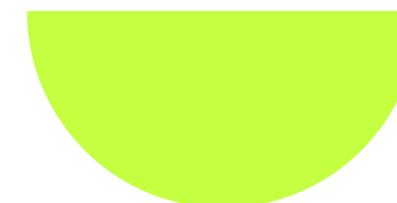
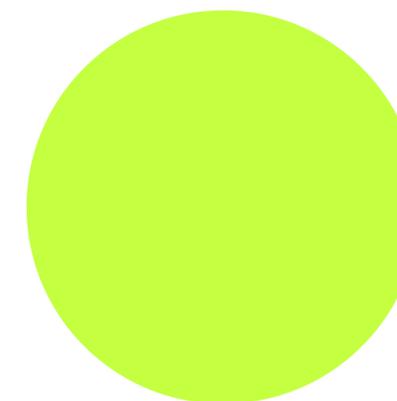
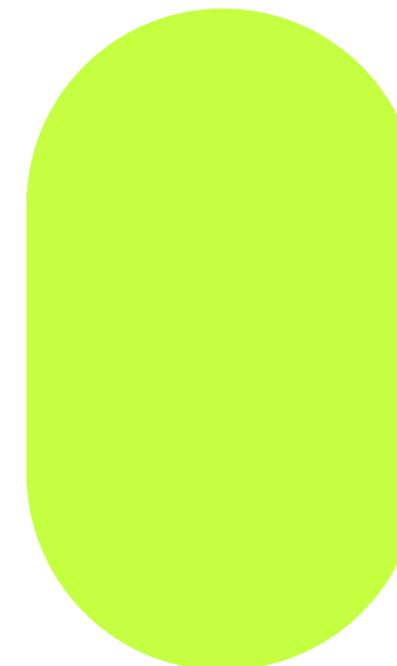
- Deputy Director of Compliance (Data Protection Officer - DPO), in charge of addressing personal data;

- Privacy and Personal Data Protection Committee composed of five Company Directors (Compliance, IT, Distribution, HR, and Legal);
- A team dedicated to Privacy and Personal Data Protection;
- Policies and procedures on privacy issues, including: Privacy Policy for customers and the general public, Privacy Policy for employees, suppliers, and service providers, and the International Personal Data Transfer Policy, available on the Cemig portal³⁸;
- An exclusive service channel so that holders of personal data can exercise their rights provided for in Art. 18 of the LGPD, available on the Cemig Portal ³⁹;
- Internal audit to verify compliance with Privacy and Data Protection policies and procedures;
- Solução Onetrust, a market leader solution, supporting the entire Cemig Privacy and Data Protection program, assisting in the operationalization of regulations and legal requirements in managing all personal data processing.

The personal data of Cemig data holders may be collected:

- for and due to matters related to the provision of energy supply services directly to the data owner;
- for and due to the provision of energy supply services to the companies they represent.

[418-1; IF-EU-550a.1] In 2023, there were no substantiated complaints concerning breaches of the privacy of holders whose data is under the responsibility of Cemig.



37. Law No. 13,709/2018, of international relevance, which deals with the protection and privacy of personal data of all Brazilian citizens. The law is based on the General Data Protection Regulation, better known as GDPR, a European law that came into force on May 25, 2018, aiming to protect citizens' data privacy across Europe. Its main foundation is the respect for privacy, requiring companies to process personal data they have (customers, employees, suppliers, etc.) in accordance with the prescribed guidelines and establishes rights for data subjects.

38. Available on Cemig's Privacy Portal.

39. Available on Cemig's website



EMPLOYEES

Profile of employees

[3-03(401)] Cemig considers its human capital to be fundamental for fulfilling its commitment to economic, social, and environmental sustainability and, with this focus, seeks to adopt the best labor market practices in people management.

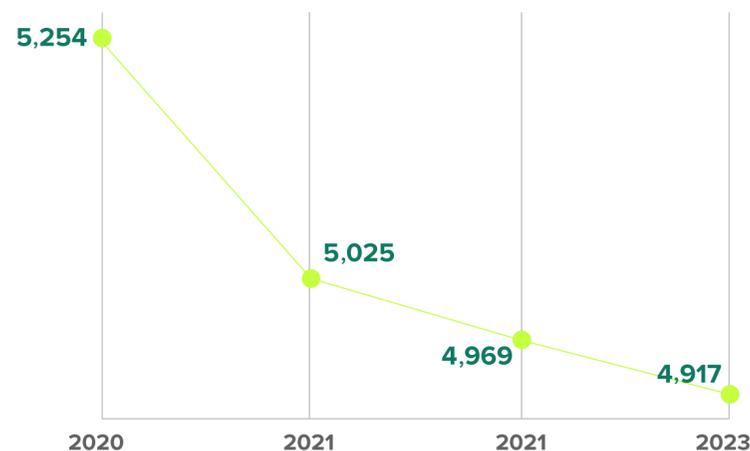
[2-7] Faced with the reality imposed by the current regulation conditions in the energy sector, Cemig continues to work in search of greater efficiency and greater alignment with the sector's benchmarks.

Seeking to incorporate new talent, promoting the natural staff turnover, also taking advantage of opportunities for reviewing processes and greater efficiency, the Company has been implementing voluntary severance programs.

Over the last 5 years, there has been a reduction of around 12% in the total number of Cemig employees, as a result of these programs that have been carried out annually.

[2-7] The workforce in 2023 in terms of gender, location, and working period was distributed according to the tables below. All contracts are for an indefinite period and only employees occupying the roles of “social worker” and “occupational physician” work part-time for 6 hours a day. The remaining workers work full-time for 8 hours a day.

Number of employees



Employees by company

Company	Nº of Employees
Cemig Holding	117
Cemig Distribuição S. A	3,710
Cemig Geração e Transmissão	1,090

Employees by gender and country region

Region	Men	Woman
Center west	5	2
Northeast	4	1
Southeast	4,212	693
Total	4,221	696

[401-1] Most employees are between 30 and 50 years old (74.22%); around 22.67% are over 50 years old, and 6.22% of employees are under 30 years old. Regarding the racial aspect of employees, 57.22% consider themselves white, 38.17% brown or black, 0.45% yellow, and 0.12% native people.

Admissions are focused on areas that require greater technical knowledge, with positions targeting technical-operational, administrative, and university levels, mainly.

In 2023, there were 225 admissions at Cemig, with an average hiring cost per employee of R\$1,300.00. More than half of the new hires are men aged between 30 and 50.

In 2023, 279 employees were terminated, a 35% decrease from 2022, all from the Southeast region, with 218 of them (78% of the total) at the request of the employee. Of these, 154 departures resulted from voluntary participation in the Voluntary Separation Plan, in effect since April 2022.

In compliance with Labor Laws, the program provided for the payment of legal severance payments under the "At Request" termination mode, including proportional amounts for salaries, vacations, vacation bonuses, and 13th salary, as well as an additional award as compensation. The severance payments followed the criteria below:

Time at Cemig (years)	Multiple each year
0 a 15	20% of salary per year of work
16 a 24	30% of salary per year of work
Higher or equal to 25	Fixed value of 12 salaries

Of the total of 279 terminations in 2023, 218 were voluntary, including employee-initiated terminations and participation in the VSP - Voluntary Separation Plan.

Additionally, a change in the personnel policy was approved, allowing the hiring of market professionals for managerial positions in the Company, in cases where the external recruitment process is more suitable, up to a limit of 40% of managerial positions. It is important to note that the Company will continue to encourage and prioritize the professional growth of its staff, valuing their recognized technical expertise and commitment. This is evidenced by the percentage of open positions filled by current employees (internal hires), which was 45% in 2023.

The total turnover rate (5.11%) was 36% lower than the rate in 2022 (8.01%). In turn, the voluntary turnover rate of employees was 4.49%.

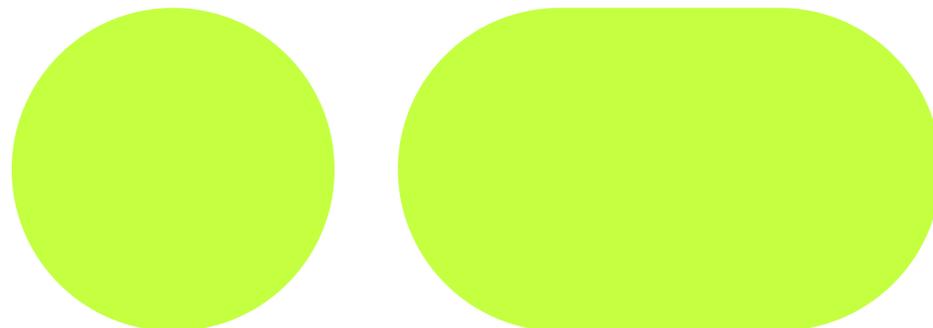
[401-1]	Total Number of Employees	%	Total Number of Terminations	%	Total Number of Hires	%	Turnover	
TOTAL	4,917		279		225		5.11%	
Gender	Male	4,221	85.85%	244	87.45%	218	96.89%	5.36%
	Female	696	14.15%	35	12.55%	7	3.11%	2.77%
Age Group	Below 30 years	368	7.48%	19	6.81%	47	20.89%	10.78%
	Between 30 and 50 years	3,047	61.97%	110	39.43%	167	74.22%	4.26%
	Above 50 years	1,502	30.55%	150	53.76%	11	4.89%	5.91%
Management Level	Leadership	201	4.09%	21	7.53%	16	7.11%	0.18%
	Technical	3,653	74.29%	65	23.30%	0	0%	0.32%
	University	1,063	21.62%	193	69.17%	209	92.89%	2.01%

Social Balance 2023	Cemig D	Cemig GT	Cemig H	Total
Employees at the end of the period	3,710	1,090	117	4,917
Admissions during the period	202	18	5	225
Outsourced employees	20,541	1,957	4	23,210
Interns	64	33	0	97
number of employees over 45 years old	1,731	450	59	2,240
number of women working in the company	514	159	23	696
% of management positions held by women	21.11%	17.46%	18.75%	19.40%
number of black people working in the company	225	52	2	279
% of management positions held by black people	2.22%	3.17%	0%	1.99%
Employees with disabilities ⁴⁰	117	30	1	148

Social Balance 2023 - Education	Cemig D	Cemig GT	Cemig H	Consolidated
higher education and university extension	720	461	90	1,271
secondary education	2,959	626	27	3,612
primary education	31	3	0	34

Cemig aims, whenever possible, to recruit new employees to achieve a diverse and inclusive workforce. The long-term perspectives of employees regarding the corporate culture of training and respect are among the reasons behind the low employee turnover rate.

40. Considers active people with disabilities and those undergoing rehabilitation by the INSS (The National Institute of Social Security).



Retirement and social security

The Company acts preventively when dealing with the issue of retirement and takes actions before and after this period involving its employees. Regarding retirement plans, Cemig contributes with a shared payment to pension plans, life insurance, health, and dental plans.

Cemig systematically carries out the Retirement Preparation Program (PPA), participation in which is voluntary. This program aims to contribute to building the employee's life project after leaving, providing them with a better quality of life from a sociocultural, medical, financial, social security, psychological, and philosophical point of view, among others. Since 2023, Cemig has made the PPA available remotely, through UniverCemig. In 2023, 14 participants completed a total of 280 hours of training.

Also, there is permanent preparation connected to the Forluz Social Security and Financial Education Program – “Para Viver Melhor” (For a Better Life), through which issues such as budget management, investments, overcoming indebtedness, and how to live better according to one's finances are addressed.

[EU-15] The numbers for employees able to retire are presented below:

Job level	Number of employees (until 2028)	Number of employees (until 2034)
Leadership	0	30
PNU (University level)	117	162
PTAO (Technical-operational level)	650	515
Total	767	707

Job level	Jan/2024	Next 5 years	Next 10 years
Leadership	177	0.0%	16.9%
PNU (University level)	1,105	10.6%	14.7%
PTAO (Technical-operational level)	3,643	17.8%	14.1%

The estimates were prepared considering the points system rule, with managerial projections, for the coming years. The data may vary as some employees do not provide all the information regarding their work experience in other companies.

[201-3; 404-2] In September 2023, the retirement plan (Explanatory Note 21 of the Financial Statements⁴¹) amounted to a liability of BRL 5,699,393 for the Cemig group. There is no specific fund to cover deficits in post-employment benefit plans.

For the retirement pension plan, Forluz annually carries out an actuarial study to verify the deficits generated by plan A, which is the defined benefit, to support the Deficit Equation contracts.

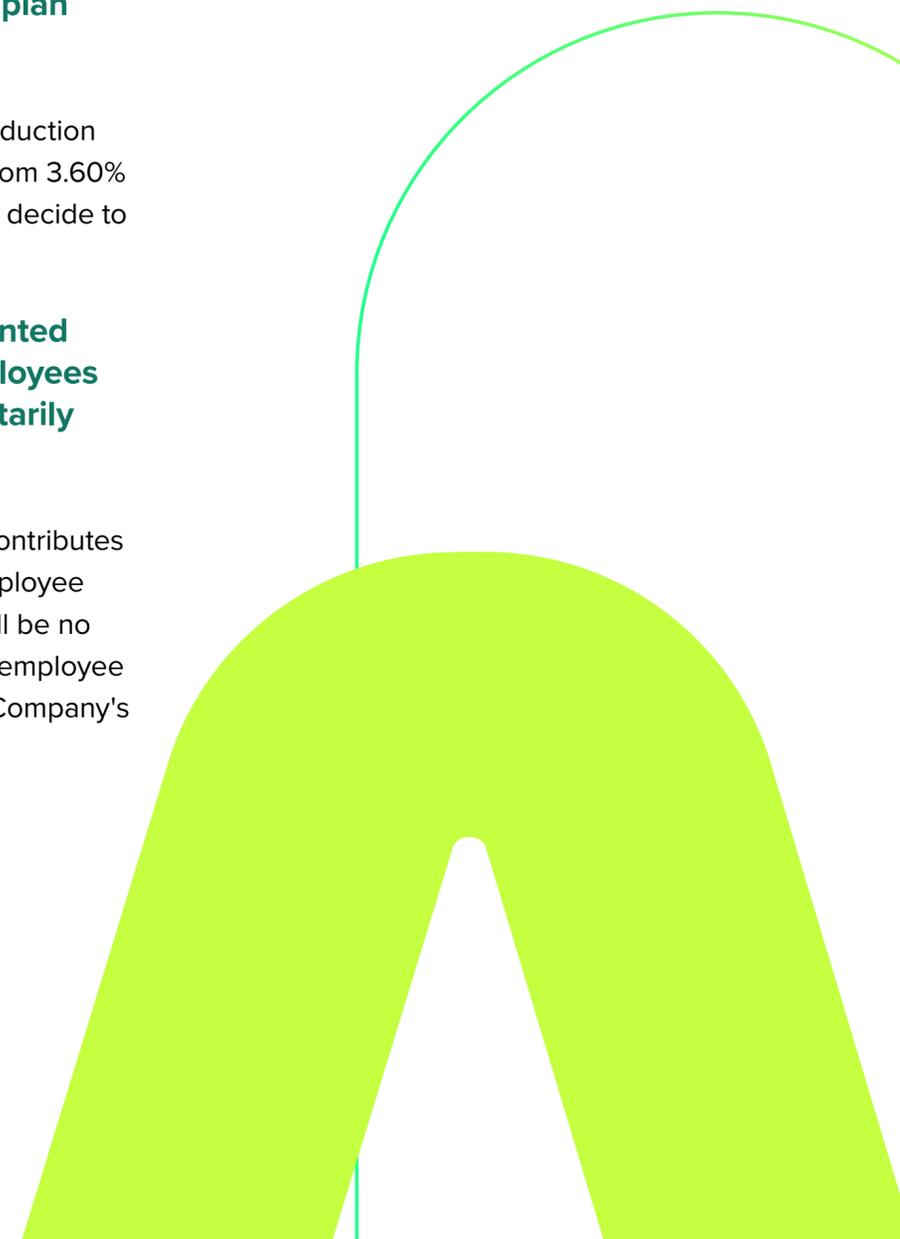
In the retirement plans, the Company participates with up to 100% of the rate, while in the health plan, it participates with a fixed payment of BRL 1,090.85 per employee and in the dental plan with BRL 78.74.

Regarding the pension plan, the salary deduction varies according to the bracket, ranging from 3.60% to 14.29%. Each employee has the right to decide to pay below or above the stipulated rate.

In 2023, Cemig Saúde implemented new health plans, allowing employees participating in the PSI to voluntarily migrate.

For employees who have joined, Cemig contributes 100% of the monthly payments for the employee and their direct dependents, and there will be no contribution from the company when this employee leaves. This measure aims to reduce the Company's post-employment liabilities.

41. Access the Financial Statements Report here.



Other employees

[2-8] Additionally, Cemig employs a temporary workforce and manages these specific contracts and their labor relations. The purpose of this type of hiring is to meet a complementary demand for work or to replace, temporarily, in-house employees, in cases where it is not possible to reassign.

This group's contract is carried out by a third-party company and has a duration of 180 days, which may be extended for another 90 days. These employees are managed through specific contracts for the contracting areas, including health and safety issues, a topic present in the various hiring stages.

In 2023, the activities performed by temporary employees did not represent a significant portion of all activities comprising Cemig's operations. There were 85 temporary workers, which represents 1.73% of Cemig's workforce.

Referring to the Internship Program, hiring is governed by Act No. 11,788, of 2008. The objective of the internship is to prepare students for their introduction and insertion in the labor market through an adequate learning environment and pedagogical monitoring supervised by the teacher in the classroom, to correlate theoretical learning with the hands-on experience developed in the Company. In 2023, 100 interns were hired, 15 from high school technical courses and 85 from university courses.

The Cemig Industrial Apprenticeship Program professionally certified 88 young adults in 2023, through a partnership with the Brazilian National Industrial Apprenticeship Service (SENAI). Upon completion of the course, all were dismissed from the Company, as per legislation.

Remuneration and benefits

[2-20] To determine employee compensation, the Company conducts market salary surveys, to build a comparative base. The remuneration strategy adopted by the Company is decided by the Executive Board, supported by the technical area and by consultants, and aligned with the strategic planning and taking the general market and/or the energy market as a reference. Periodically, market research is carried out with the support of an independent external consultancy hired for this purpose, to maintain the internal and external balance of salaries paid.

[2-20] The Company's new job, career, and compensation plan, called "Functional Structure", was built with the support of an external consultancy and implemented in June 2022. Together with the Functional Structure, the "Career Opportunities Program" was created, which establishes how employees can participate in professional opportunities that arise in the Company.

[2-21] The ratio between the total annual remuneration of the highest-paid individual in the Company and the average annual remuneration of all employees (excluding the highest-paid) rate is 9.55. The increase in the remuneration of the best-paid person was 50.52%, and the increase in average annual total compensation of all employees (excluding the highest-paid) was 7.03%, resulting in a ratio of 7.18.

[202-1] Ratio of lower salary paid by gender in relation to the minimum wage

Men	Lowest salary paid		Ratio between the base salary and the minimum wage	
	2022	2023	2022	2023
Cemig H	R\$ 4,947.25	R\$ 4,346.30	4.08	3.29
Cemig GT	R\$ 3,199.77	R\$ 3,199.77	2.64	2.42
Cemig D	R\$ 2,877.34	R\$ 2,877.34	2.37	2.18

Women	Lowest salary paid		Ratio between the base salary and the minimum wage	
	2022	2023	2022	2023
Cemig H	R\$ 12,960.25	R\$ 6,616.46	10.69	5.01
Cemig GT	R\$ 3,763.37	R\$ 4,115.13	3.11	3.12
Cemig D	R\$ 3,301.21	R\$ 3,332.24	2.72	2.52

The Job and Career Plan assumes equal remuneration for equal positions, regardless of gender. Salary and remuneration differences in the table are due to promotions and additional benefits, such as additional for hazardous work. One of the objectives of the Diversity Program is to promote equity and equal opportunities, monitoring indicators and proposing actions aimed at inclusion and valuing diversity.

[2-30; 2-20] The negotiation of Technical Cooperation Bargaining Agreements (ACTs) and Specific Bargaining Agreements for Profit Sharing or Results follows the guidelines set by the Company's Board of Directors. These agreements are negotiated and signed with unions of different categories, such as engineers, industrial technicians, administrators, and lawyers, and with electricians' unions, which represent the employees of the administrative-operational technical staff.

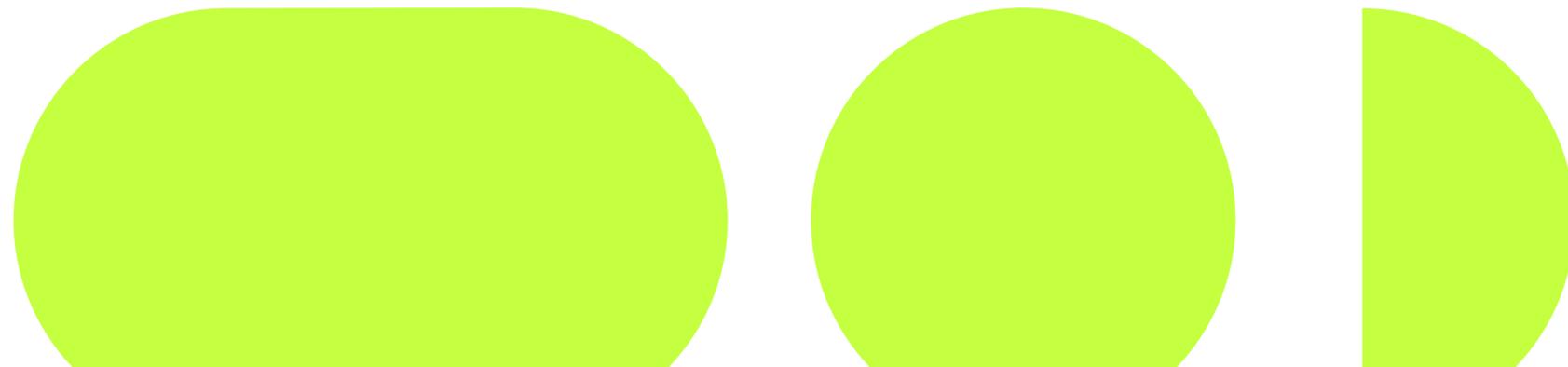
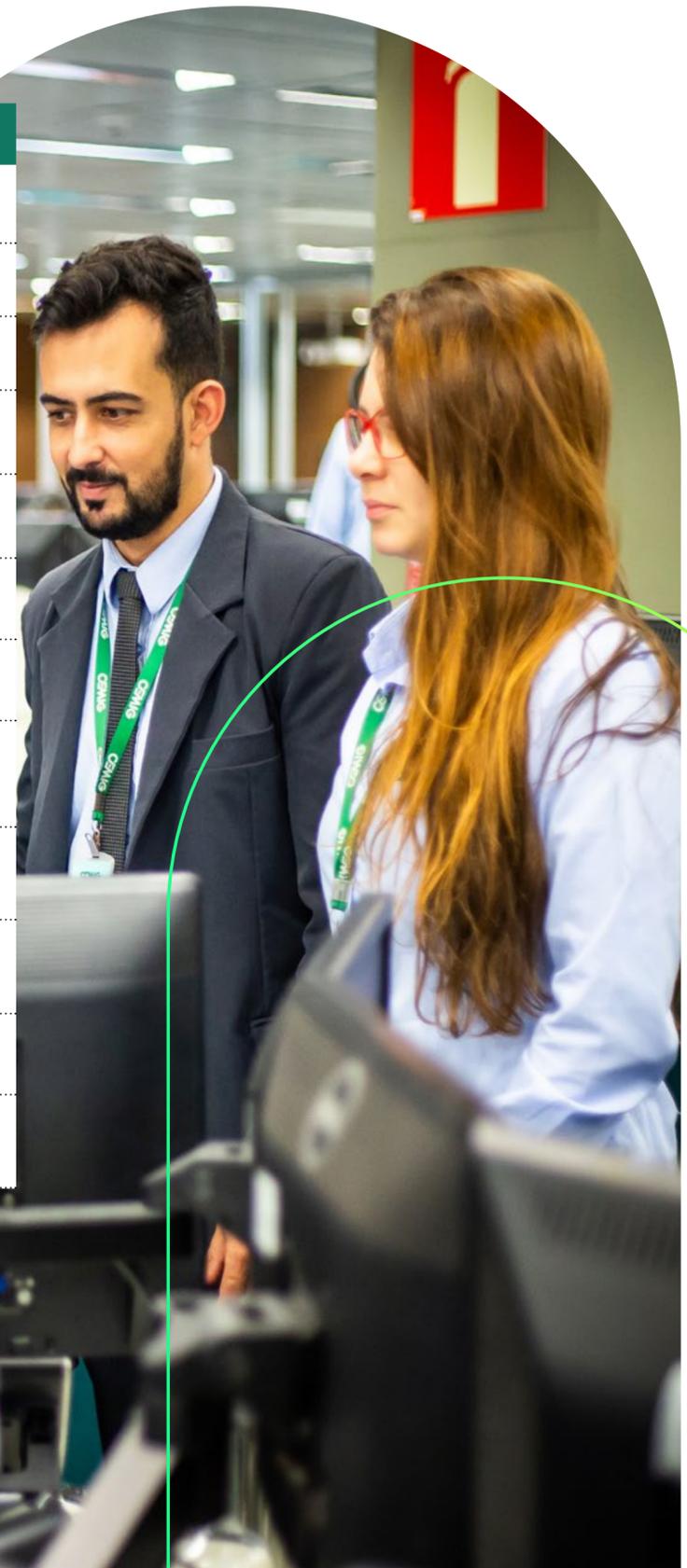
[402-1] Employees are informed of operational changes and significant events through internal communications, within the deadlines specified in Cemig's current collective agreement, in the clauses referring to the application of changes.

[201-3] It is known that benefits are also strong instruments for employee retention; along these lines, the Company seeks to develop its practices in line with the largest companies in the market, having as a reference, especially, companies in the industry. In addition, it seeks to establish control of overtime work to enable a balance between personal and professional life.

[401-2] The Benefits Package is widely communicated to employees and is governed by internal policies, procedures, or manuals.

Benefit Type	Benefit	Description
Family	PAM . Support Program for Minors and Special Efficient Persons	The program is aimed at employees with disabilities or employees who are parents of children with disabilities. providing support for the specific needs arising from this condition: reimbursement of 50% of expenses for specialized school tuition. therapies (such as art therapy. music therapy. play therapy. hydrotherapy. equine therapy. swimming. physiotherapy. speech therapy). prosthetics. and disposable diapers. Additionally. employees may have 1 hour per day. week. or month (depending on the need) to accompany their dependent with physical disabilities to specialized treatment,
Family	Maternity leave extension	Extension of maternity leave to six months. as a participant in the Empresa Cidadã (Citizen Company) Program,
Family	Paternity leave extension	Extension of paternity leave to 20 days. as a participant in the Empresa Cidadã (Citizen Company) Program,
Family	Newborn child nutrition	The employee may have a 1.hour reduction in her daily working hours for breastfeeding a child up to 1 year old (breastfeeding/lactation benefit),
Family	Daycare assistance	Reimbursement of daycare expenses. including enrollment and monthly fees for children of female employees. widowed. single or legally separated employees with custody of children. up to the month they turn 07 years old,
Family	Funeral assistance	Amount refunded in case of death of dependents of employees who are not entitled to funeral assistance covered by Life Insurance,
Econômico	Private Pension Plan	Cemig offers a supplementary pension plan with co.participation,
Financial	Profit and Earnings Sharing . PLR	Payment of profit sharing and company results – variable remuneration. subject to corporate indicator targets (covering the entire company) and by team,
Financial	Life insurance	Group life insurance. in case of death or accident with permanent functional loss,
Financial	Retirement Premium	Retirement premium corresponding to 1,7 times the monthly remuneration for employees with 17 years of service. plus 10% of said monthly remuneration for each additional year. up to a maximum of 35 years of service to the Company,
Financial	Vacation loan	Upon returning from vacation. Cemig allows employees to advance the payment of days not worked (vacation) at 25. 50. 75. and 100% with payment in up to 10 interest.free installments,

Benefit Type	Benefit	Description
Financial	Special loan	Benefit administered by Cemig's social service aiming to assist employees with high.cost health treatment expenses not covered by health insurance. delayed payment of sickness benefits (INSS). or supplementary income. fortuitous events such as fire. theft. floods. etc,
Financial	Housing loan	Benefit administered by Cemig's social service,
Leave	Special leave without pay	The employee may request special unpaid leave for up to 2 (two) years for professional improvement,
Flexibility	Working-from-home arrangements	This refers to a working arrangement by which employees can work from their own homes or other locations of their choice outside of the company facilities. Benefit offered to some specific categories of employees.
Flexibility	Flexible work hours	Flexible departure and arrival times,
Education	Educational aid/training allowance	Financial assistance for work.related training expenses at external institutions or seminar attendance,
Education	Language Course Assistance	Financial assistance for taking language courses at language schools or private classes,
Education	Partners in Education Assistance for Graduation/Higher Course/ Specialization	Benefit corresponding to 20% scholarship on the value of semester fees for various undergraduate courses, Thus. employees and dependents (spouses and children) can obtain the same percentage of 20% for undergraduate courses offered via distance learning. and a 15% discount on the value of all latu sensu postgraduate courses (specialization and MBA). offered by the university,
Sports and Health	Corporate physical activity platform	Corporate physical activity Platform focused on quality of life. health and well.being that gives access to gyms and classes,
Sports and Health	Health plan	Benefit administered by Cemig Health, Employee enrollment is optional, The health plan features an extensive network of affiliated providers and also offers virtual care for emergency services and elective consultations,
Sports and Health	Psychological counseling	Offers counseling through a specialized psychology service aimed at the mental and emotional health of employees,
Sports and Health	Canteen	Various menus are available such as low.salt. vegan and low.calorie meals as well as regular meals considering the health of employees,



[401-2; 401-3] Cemig grants paid maternity leave extension to 6 (six) months and paternity leave to 20 days, as a member of the Empresa Cidadã (Citizen Company) Program.

After 12 months, the total number of employees returning to work after the end of their leave and remaining employees was 159 people (96%) of a total of 163 people who took the leave in 2023: 126 men (97%) and 33 women (100%).

To encourage parenting, the Company provides courses on responsible parenthood, special paternity leave in cases of incapacity on the part of the mother, monitoring of employees throughout pregnancy, postpartum and the first trimester of the child's life, daycare assistance for employees and employees under special conditions (widowed, single or divorced who have custody of their children).

Return to work and retention rates of employees who took maternity/paternity leave, broken down by gender:

	2021			2022			2023		
Gender	Nº of leaves	Nº of returnees	Rate %	Nº of leave	Nº of returnees	Rate %	Nº of leaves	Nº of returnees	Rate %
Women	31	31	100	19	19	100	33	33	100
Men	118	110	93	110	110	100	130	130	100
Total	149	141	95	129	129	100	163	100	100



Corporate learning

[3-3 (404); 404-2] Cemig considers its employees as strategic partners in fulfilling its mission, responsible for economic, technical, social, and environmental sustainability. Therefore, it promotes training and continuous development, to improve their skills, and professional and personal growth.

Cemig continually invests in building and managing its corporate knowledge. This assertive corporate knowledge goes, firstly, through a well-executed selection process, in which the technical requirements of the vacancies are adapted to the needs of the function, the area, and the Company. In this way, the Company seeks to develop employees' skills due to the specificities of the electrical sector and to keep its workforce trained and updated.

[EU-14] As employee performance management, Cemig carries out internal and external recruitment, ensuring a qualified workforce and meeting strategic and operational demands. Selection processes include public competitions for external hiring, with the establishment of some specific requirements, and internal recruitment, promoting employee mobility, providing opportunities for professional development, and enhancing their careers. The evaluation of candidates considers mandatory and desirable criteria, defined by the areas responsible for the vacancies.

After hiring professionals, the Company provides a portfolio of technical, behavioral, and management training, to enable each employee to develop their

knowledge to carry out their role and career progression.

One of the highlights of the Company's organizational learning portfolio is the Training Program for Consumer Units Enhancement.

The program trains employees responsible for executing construction, maintenance, and operation of the network, inspection, connection, and disconnection of consumer units. This training brings several benefits to the company, such as the expansion of the energy distribution system due to new customer demand and, a reduction in compensation payments to consumers for violations of individual electricity supply continuity indicators. It also contributed to a 0.08% reduction in non-technical losses related to the low-voltage market and a 4% increase in the accuracy index of inspections conducted.

The "Risk Management and Internal Controls" training is another example, providing employees with a critical understanding of how Cemig, considering best market practices and a strategic approach, interacts with governance, risk management, internal controls, and procedures aimed at risk prevention and mitigation.

Program: "Course on Improvement in Consumer Units"

Program Description	Objectives and Benefits	Quantitative Impacts
The Inspection Course in energy consumer units is aimed at the technical improvement of electricians for tasks related to identifying irregularities in the energy measurement process. Since these professionals work directly in the field, the Company prepares them to perform an additional task of extreme importance in the Brazilian electrical context: the inspection of energy consumer units, aiming to prevent non-technical losses. The training includes theoretical and practical classes, developed in training fields that faithfully reproduce the characteristics of the installations found in the field,	<ul style="list-style-type: none"> Contributes to the increase in the accuracy index of inspections carried out; as well as has been collaborating to increase revenue from irregular consumption, Reduction in non-technical loss rates, 	<ul style="list-style-type: none"> Contribution to the reduction of 0,08% of non-technical losses, relative to the low-voltage market; Increase of 4% in the accuracy index of inspections carried out,
N° of participants: 149		% of FTE (Full-Time Equivalent) workforce that participated in the training: 3%

Training: "Risk Management and Internal Controls"

Program Description	Objectives and Benefits	Quantitative Impacts
The course presents the principles, process, and methodology of corporate risk management and internal controls, essential for eliminating and/or reducing potential financial losses, as well as maximizing opportunities for gains and value generation for the Company, making the process more effective and integrated into the organization's culture,	<ul style="list-style-type: none"> Contribute to developing in participants a systemic, questioning, and critical view of work and its impact on company results, transforming the organization's culture, Contribute to an overall view of the risk management and internal controls process, Disseminate knowledge about the tools used in risk management and internal controls mapping and management, following Cemig's guidelines, 	<ul style="list-style-type: none"> Increase in the maturity level of the Company's internal controls, resulting in the elimination of Material Weakness in its SOX Certification, improving compliance with Sarbanes-Oxley requirements, (This "weakness" is the highest level of failure for SOX Certification), Zero relevant internal control failures in Cemig's audits, 96% reduction in the number of remediations, Resolution of 100% of gaps identified by audits,
N° of participants 1.207		% of Full-Time Equivalent (FTE) who participated in the training: 25%

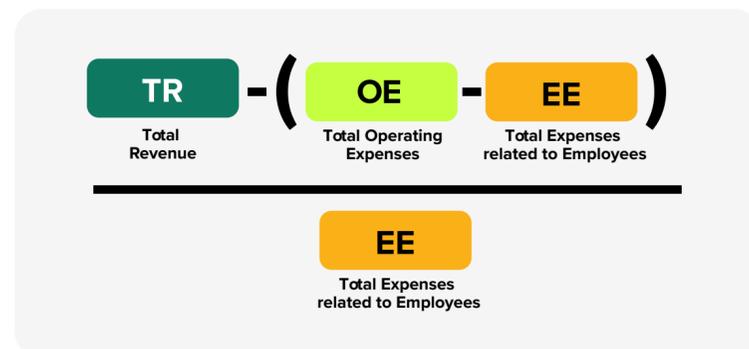
The People Management Policy is the main internal guide that deals with the topic of training and qualification. The policy establishes that training and development programs are prepared in a proactive, continuous, and integrated manner, based on the Individual Performance Assessment and the development plan, which, in turn, is constructed together with the employee, considering his duties, skills and expected results. Furthermore, the programs are guided by the permanent search for improvements in activities, ensuring health and safety at work, complying with legislation, internal requirements applicable to job requirements, the evolution of work processes, and the Company's technological stage.

In addition to the policy, other documents systematize mechanisms such as criteria and procedures relating to employee participation in training and development programs, and criteria and procedures for reimbursement of expenses relating to training courses in foreign languages. In addition, there are also procedures aimed at the participation of employees occupying University Plan positions in postgraduate courses, with co-participation from the Company.

Cemig calculates the return on investment in human capital as a way to measure the company's profitability in relation to total employee costs.

The value is calculated using the following formula:

Return on Human Capital Investment formula



[404-1] Trained man-hours and average training by Company, job category, and by gender, in-person modality.

Trained man.hours

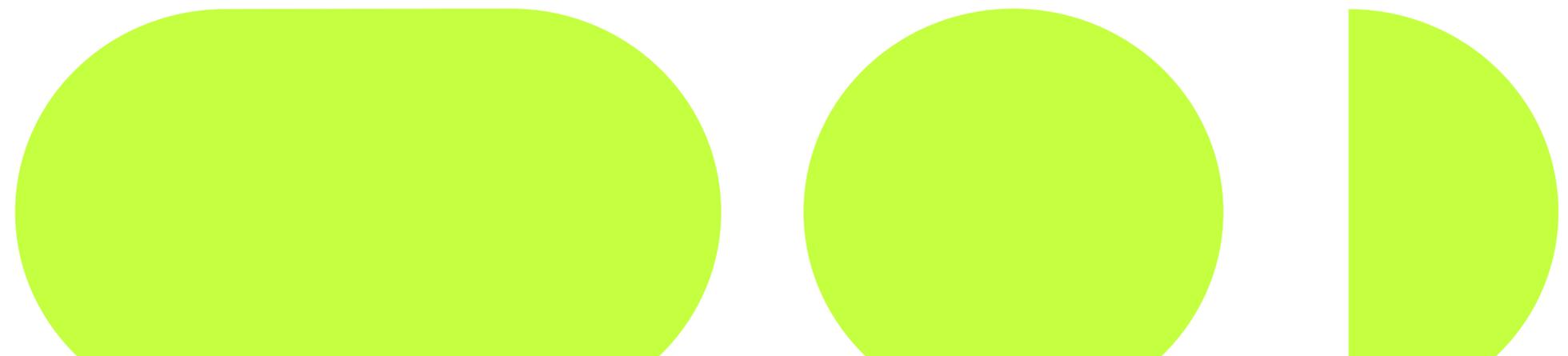
Trained man-hours	2020	2021	2022	2023
Total number of employees	5,254	5,025	4,969	4,917
Training hours	275,155	326,125	237,551	269,450
Average training hours	14.83	64.9	47.81	54.43

Trained man.hours (in.house employees)

Trainings (per type)	2022	2023
In person	179,635	212,754
Distance Learning (EAD)	48,586	18,278
Languages	688	816
Foreign	312	816
Postgraduation	8,330	8,417
Total	237,551	241,081

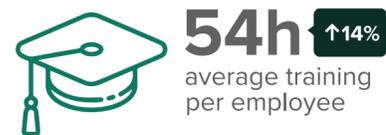
Return on Human Capital Investment (BRL thousand)

Return on Human Capital Investment (BRL thousand)	2020	2021	2022	2023
Total Revenue	25,227,625	33,646,118	34,462,808	36,849,769
Total Operating Expenses	21,431,871	28,236,343	27,652,015	28,465,929
Total Employee.related Expenses (salaries + benefits)	1,276,076	1,240,468	1,351,999	1,307,900
The resulting Return on Human Capital Investment formula: (TR . (OE . EE)) / EE	3.97	5.36	4.54	7.41



[EU-18] From the 2023 results, it stands out that there were 3,171 participations in face-to-face training sessions due to legal requirements, with 3,047 participations from employees of the company's staff and 124 from outsourced employees, totaling 45,960 hours, of which 43,536 hours were related to the participation of staff employees and 2,424 hours were related to outsourced employees.

In 2023, there were 269,450 training hours conducted, resulting in an average of 37.36 training hours per participant. The average amount invested per employee in training and development was BRL 4,942.00, which is 27% lower than the amount invested in 2022, which was BRL 6,795.00.



[404-1] Trained man-hours and average training by Company, job category, and by gender, in-person modality.

JOB CATEGORY	Number of employees				Trained man-hours				Average				
	2022		2023		2022		2023		2022		2023		
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	
Cemig H	LEADERSHIP	5	44	5	19	72	299	345	643	14	7	69	32
	GRADUATE	1	1	10	56	.	.	62	260	.	.	6	5
	TECHNICIAN	.	.	8	19	.	.	37	536	.	.	5	28
Cemig GT	LEADERSHIP	11	52	8	118	686	1,571	215	1,464	62	30	27	12
	GRADUATE	98	333	92	306	4,095	14,699	2,322	11,942	42	44	25	39
	TECHNICIAN	67	620	59	507	2,490	37,176	1,019	40,517	37	60	17	80
Cemig D	LEADERSHIP	10	75	30	237	292	1,582	273	2,395	29	21	9	10
	GRADUATE	165	517	160	458	5,781	16,428	4,741	13,764	35	32	30	30
	TECHNICIAN	349	2,621	324	2,501	8,991	143,389	4,779	182,352	26	55	15	73
TOTAL		706	4,263	696	4,221	22,407	215,144	13,793	253,873	27	31	20	60

Performance management

[404-3] Cemig's Performance Management aims at encouraging the achievement of organizational goals and fostering the development of the skills required by the Company. The deployment of an effective Performance Management process contributes to better performance by aligning the activities carried out by employees and the initiatives defined by the strategic planning.

Annually, through its leaders, Cemig manages the performance of its employees by applying performance assessments, feedback, construction, and monitoring of development plans for employees. The objective is to develop competencies and increase the performance of employees and, in turn, increase the performance of the Company itself.

Performance Management includes the stages of performance self-assessment, structured feedback meetings, and the development and monitoring of development plans for each employee assessed. These steps are subsequent and are taken annually.

The following criteria are assessed during the Process:

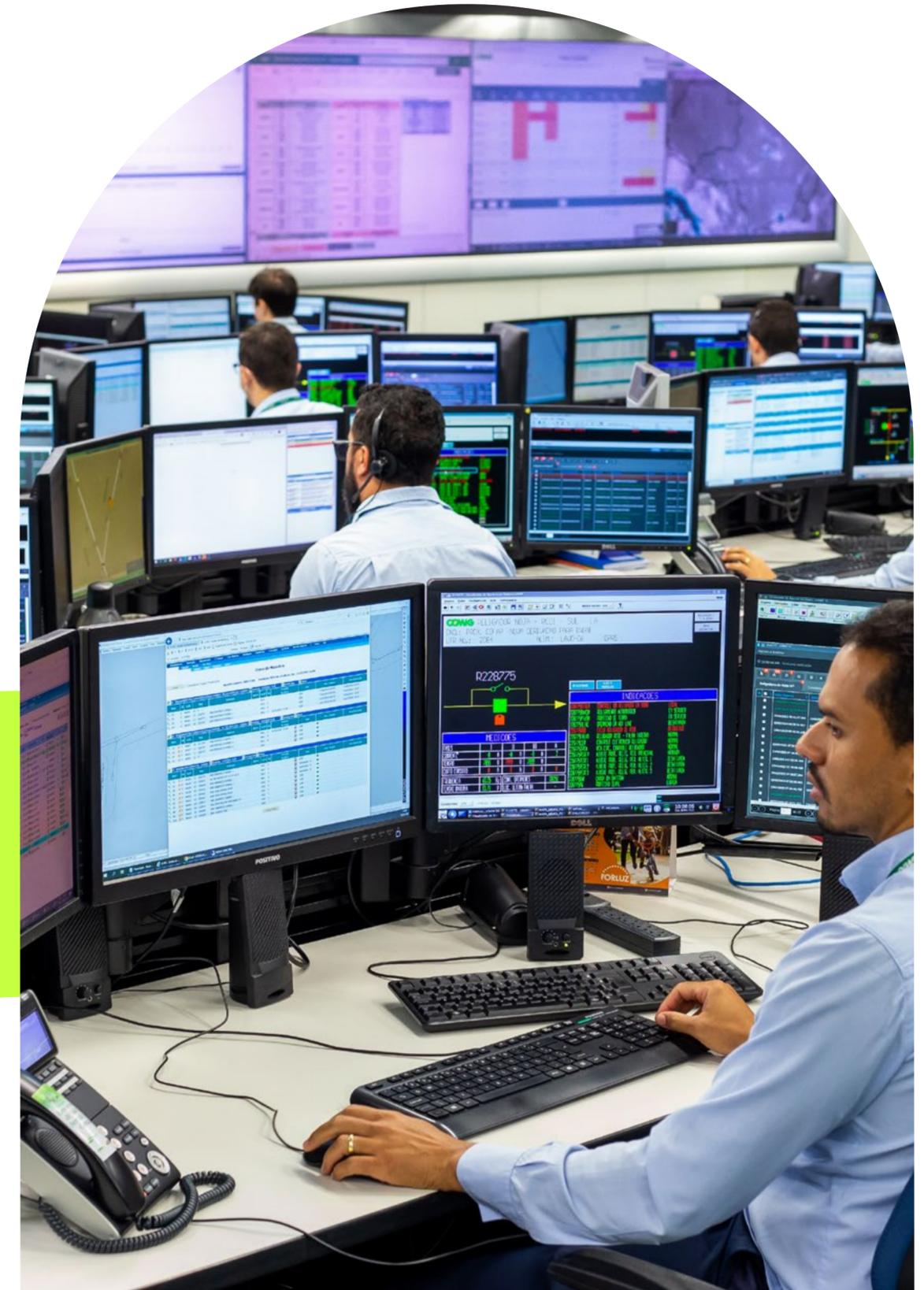
- Expected behaviors: sense of urgency to provide service to the customer, risk management with ethics and compliance, leadership with high performance, integration with co-responsibility, valuing people and performance (valuing diversity and inclusion);
- Technical skills: knowledge and skills, applied in carrying out assignments, obtaining results and deliveries, considering their job and job role;

- Agreed-upon Deliverables: Deliverables provided according to agreed requirements (scope, term, and quality), considering the existence of resources and conditions necessary for the employee's job and job role.

The assessors are encouraged not only to conduct formal feedback meetings with goal setting but also to have regular ongoing conversations (continuous feedback).

Team performance evaluation occurs at the time of variable remuneration, with common corporate indicators for all employees and by team (based on common deliverables in management).

[404-3] In 2023, 4,507 of the Company's employees had their performance assessed. Employees with low performance are monitored differently, with assessments at shorter intervals. The goal is to leverage their performance through an effective Development Plan, built together with the leader at the time of feedback, and timely adjustments to actions, if necessary.



Leadership Development Program

The Cemig Leadership Development Program's main objectives are the application of Cemig leadership principles; the development of skills and abilities considered critical, in alignment with the pillars of the intended cultural transformation; stimulating the ability of participants to influence their operating context and the results delivered.

The Program includes structured actions over time, through chained and integrated projects, since 2021. The objective is to promote the continuous development of Cemig's various leadership levels, using the 70-20-10 learning model.

This model combines theory and practice, with the following premise: 10% of learning must be formal (classroom, books, etc.), 20% from relationships with other people in the work area, and 70% is only acquired through practice.

In 2023, in addition to development actions aligned with the cultural transformation project, New Energies, training in Diversity began. In 2024, a new phase will begin in partnership with Dom Cabral Foundation (FDC).

Partners in education

Cemig, through Cemig Distribuição and Cemig Saúde, maintains the Partners in Education Program. The program is an initiative of the Pontifical Catholic University (PUC Minas) in partnership with institutions such as companies, professional associations, and public administration bodies.

PUC Minas offers the partner a benefit corresponding to a 20% scholarship on the tuition fees for various undergraduate courses.

Thus, employees and dependents (spouses and children) can obtain the same 20% discount for undergraduate courses offered in the distance learning mode and a 15% discount on all postgraduate courses (specialization and MBA) offered by the university.





Labor and union practices

[3-3 (402)] Cemig, through a public commitment to adhere to the Global Compact and, internally, through its Human Resources Policy, recognizes union entities as legitimate representatives, respecting the membership options of its employees and even passing on to these entities the amounts deducted from the payroll of associated employees.

3,708 employees are members of a union, which represents 74% of the workforce.

Benefits are negotiated in Collective Bargaining Agreements (ACTs) and of Specific Bargaining Agreements for Profit or Results Sharing, as set out by Cemig's Board of Directors.

All claims made by unions and employee representatives are negotiated at each base date, or at the end of the collective bargaining agreement. Besides unions, opinions are obtained through surveys among employees, discussion groups, and meetings with the leadership.

These agreements are negotiated and signed with unions of different categories, such as engineers, industrial technicians, administrators, and lawyers, and with electricians' unions, which represent the employees of the administrative-operational technical staff.

The agreements cover 100% of the employees, who are all guaranteed the rights they provide.

The whole negotiation process is communicated to employees and once signed, all agreements are broadly disseminated.

[2-30] Cemig's collective bargaining agreements expire annually on October 31st, the date agreed between the employees and their representatives. The table below shows the total percentage of employees covered by collective bargaining agreements.

Total percentage of own employees covered by collective bargaining agreements

Employees ⁴²	2021	2022	2023
Employees covered by collective bargaining agreements	5,025	4,969	4,917
Total of employees	5,025	4,969	4,917
Percentage	100%	100%	100%

⁴². The presented data does not include members of the Executive Board.

Occupational health and safety

[3-3 (403)] Protecting its entire workforce is a central focus of Cemig's activities, reinforced by the value of "Respect for Life" in its Code of Conduct, aligned with its Occupational Health, Safety, and Well-being Policy.

[403-2; 403-7] Cemig adopts a comprehensive approach to prevent and mitigate significant impacts on health and safety at work, directly linked to its operations, products, and services, as well as its business relationships. Based on its Occupational Health, Safety, and Well-being Policy, the company prioritizes respect for life as a core value, reflected in its processes from project conception to equipment and facility operation and maintenance. The commitment to safety is disseminated throughout the organization, including its employees, contractors, and impacted communities, and is supported by a management system aligned with ISO 45001:2018. Additionally, the company invests in awareness campaigns, and regular audits, and provides resources such as internal thematic portals, training at UniverCemig, and occupational health programs, demonstrating a continuous commitment to promoting the safety and well-being of its workforce.

Occupational Health and Safety management at Cemig is a priority reflected in its Policy and operational practices. The company adopts a proactive approach to identify, assess, and control risks at all stages of its activities, from planning to execution. This includes providing appropriate personal protective equipment, preventive medical exams, and guidance and medical care programs. Additionally, the company actively involves its employees in promoting a safe work environment through CIPAs, which act as a forum for

discussing and addressing health, safety, and well-being issues. With an organizational culture rooted in a commitment to safety and health, Cemig demonstrates ongoing efforts to ensure that all stakeholders, internal and external, are protected against the risks associated with its operations.

[EU-16] Widely disclosed, the Policy serves as a guiding instrument and demonstrates the importance of managing the topic for Cemig's business. Its principles include risk identification and control, proactivity in promoting health and safety, compliance with standards and regulations, striving for "zero accidents," and employees' right to refuse unsafe tasks. The commitment to safety is shared by all involved parties, and negligence leads to accountability.

Employee safety and health care are a priority for Cemig. All employees undergo preventive medical examinations, the focus and frequency of which depend on the type of work they perform. Caring for employee health also includes specifying and providing the necessary personal protective equipment (PPE) according to the nature of their work.

[403-5] As a follow-up to the policy, since 2009, the Company has published on its intranet the Specialized Services in Safety and Occupational Medicine (SESMT) Portal focusing on Health and Safety at Work, containing a series of internally mandatory compliance instructions. Cemig also conducts periodic audits and establishes criteria and procedures for accountability and penalties for policy violations, in addition to norms, instructions, procedures, or guidance on the topic.

Moreover, various information dissemination campaigns are conducted on its website to encourage safety practices that contribute to the continuous reduction of accidents, both among its employees and third parties and customers. The Health Service also guides health and prevention of epidemiologically relevant diseases, through weekly dissemination on Cemig Online and monthly live sessions, the "Health Dialogues," online or in-person with live streaming for the entire workforce.

[403-3] Cemig's Health Service is composed of occupational physicians, occupational nurses, and occupational nursing technicians who manage the occupational medical exams required by law, considering the risks to which employees are exposed in their roles. The Service also includes social workers and a work psychologist who, together with the medical and nursing team, provide care to employees in various health situations, beyond what is legally required, allowing access to the Service by employees on demand.

[3-3 (403); 403-1; 403-8] The Cemig Occupational Health Management System is made up of a series of policies, procedures, and practices, and covers 100% of the Company's employees. The most used are listed below:

- Occupational Health and Safety Technical Manual;
- Internal compulsory compliance instructions;
- Non-Conformity Registration and Management System ("ClickSegurança");



- Statistical reports using the Labor Accident and Risk Monitoring System (SMART);
- Risk analysis before operational activities;
- Data analysis and generation of safety indicators by type of risk and location;
- Risk Management Program (PGR), as required by legislation;
- Internal Commission for Accident Prevention (CIPA), as required by legislation;
- Occupational Health Medical Control Program (PCMSO) in accordance with Regulatory Standards (NRs), especially NR – 1 (General Provisions and Occupational Risk Management);
- Safety, Health, and Well-being Manual for Contractors⁴³.

[403-4] Workers are represented by CIPAs (Internal Committees for Accidental Prevention) as provided for in NR 05, being sized according to the Degree of Risk and number of workers in the establishment.

Currently present in 42 establishments, the CIPAs acts as a forum for discussion and treatment of health, safety, and harassment in the workplace, with representatives elected by workers and representatives appointed by the Company.

CIPAs hold ordinary monthly meetings, according to the pre-established calendar, and may meet extraordinarily, in the event of a serious or fatal accident, or at the

request of one of the representations. The CIPAs main objective is to work towards the prevention of accidents and work-related illnesses, to make work permanently compatible with preserving life and promoting the health of workers.

The Cemig has goals for Accident Frequency Rate (TF) and Accident Frequency Rate with Lost Time (TFA) that are monitored by SESMT. To prevent accidents and work-related illnesses, safety inspections are conducted, which generate action plans in case of non-compliance. Additionally, Cemig has integrated its Risk Management Program - RMP, in which workplace risks and their respective controls are also recorded.

Occupational Health

Programs for Social Support to Employees

Due to technological developments in the electricity sector, with the consequent need for revising work methodologies, the Company maintains internal forums that debate technical matters directly or indirectly related to Health, Hygiene, and Safety issues. Besides that, Cemig also actively participates in several work groups throughout Brazil and in ABNT (The Brazilian Association of Technical Standards) commissions and study groups.

List of programs for social support to employees:

- **Professional Re-adaptation Program:** It aims at relocating employees whose work capacity was reduced due to an accident or illness, thus requiring a job change. The program is carried out in an integrated way by the medical, psychological, and social assistance areas.

⁴³ Access the Contractor Health, Safety, and Well-being Manual here.

- **Professional Rehabilitation Program:** It aims to meet the referrals made by the INSS (Brazilian National Social Security Institute) regarding employees who had their work capacity reduced due to an accident or illness requiring a change of job. The program is carried out in an integrated way by social analysts from the INSS, the company's medical area, and the INSS, psychology and social assistance.
- **Personal and Family Budget Planning Program:** Using lectures, social services, and lending, it aims at making employees aware of the importance of financial balance.
- **Social Intervention:** It aims at guiding and covering health care expenses for employees on leave, injured at work, and retired due to disability resulting from an accident at work or occupational disease.
- **Monitoring of Social Workers from Contractors Companies:** Management of Social Workers from contractor Companies, monitoring the monthly and annual work plan, and recording the work carried out. Cemig holds 2 annual meetings with the entire team from contractors.
- **Social Inventory:** It consists of surveying the social variables that predispose the employee to an accident at work. Individual interviews are conducted, the social diagnosis is presented, the action plan is prepared, and its deployment is monitored to improve points displayed by the work carried out in the areas. The action plan is built together with the management of the respective departments.

Health Service

The Cemig health service, through the Occupational Health Medical Control Program - PCMSO, conducts occupational medical exams as required by the regulatory standard NR07, with the periodic health inventory (IPS) performed annually for employees exposed to occupational risks and biennially for those performing activities without exposure to risks.

In addition to the mandatory exams required by legislation, Cemig offers employees the opportunity to undergo health promotion and prevention exams at the time of the IPS, free of charge. Thus, according to age range, starting from 35 years old, employees can undergo exams and medical consultations to early diagnose alterations and/or common diseases in the population: diabetes, dyslipidemia, cardiovascular diseases, breast, prostate, and intestinal cancer, and receive early guidance from the doctor at the time of the IPS for specialized monitoring and treatment.

Another important cyclical and continuous occupational health process is the Hearing Conservation Program - PCA, which aims to inform and sensitize employees exposed to high sound pressure levels about the importance of positive attitudes for health and safety at work and the proper use of hearing protection equipment. Since 2022, the program has been providing mandatory training

through UniverCemig for employees in operational areas exposed to noise and optional for employees in administrative areas. The Program goes beyond compliance with legislation, raising awareness among employees about the effects of noise on health, quality of life, and the environment, as well as raising awareness about everyone's responsibility to reduce noise generated by daily activities.

The More Health Program (Programa Mais Saúde), also initiated in 2022, aims to provide longevity to employees, initially those exposed to occupational risks, through a partnership with the Vida Project, for individualized guidance on physical activity, and with Conexão Saúde, for primary health care. The Program's pillars are regular physical activity, healthy eating, prevention, and monitoring of chronic diseases, personalized, allowing employees to have more health and safety to remain active in their roles throughout their journey at Cemig.

In October 2022, the Cemig health team implemented Health Dialogues to encourage care for body and mind, so that the entire workforce, armed with more knowledge, can disseminate learning in their communities, and achieve more health, well-being, and quality of life. It is a monthly action, carried out online or in-person with live streaming, covering own employees and partner companies, addressing various topics.

In 2023, between February and November, there were ten editions covering topics such as sexually transmitted infections, vaccines, dengue, Zika, and chikungunya fever, spotted fever, breast cancer, prostate cancer, among others..

Occupational Diseases

At the beginning of 2022, the Health Absenteeism Management Program was implemented with the goal of monitoring and analyzing the main reasons for workers' absences, aiming to identify underlying causes and develop effective strategies to mitigate associated risks. This program includes a multi-professional approach carried out by occupational nursing technicians with employees, scheduling and conducting medical consultations via telemedicine or in-person with occupational physicians, who identify the reason for the absence and provide support and guidance to the employee. When necessary, they refer them for evaluation and follow-up by occupational psychology and social services.

The focus of the team's approaches is on welcoming the employee and providing health guidance tailored to their condition, promoting their well-being, clinical recovery, and health. Through the information obtained from the Program's absences and the analysis of incidence by roles, management levels, workplaces, and cities, among others, it is possible to propose and structure preventive actions and programs.

In 2023, considering absences of 15 days or less, there were a total of 16,794 days of absence for employees. The distribution of these days among the different companies in the group is represented in the table below.

Absences of 15 days or less

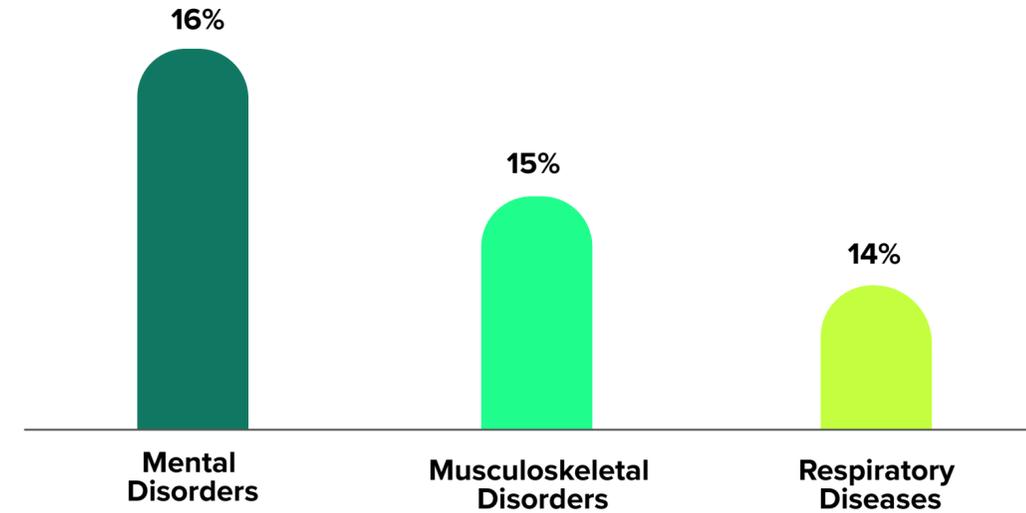
2023	Days	%
Cemig D	13,460	80.1%
Cemig GT	3,289	19.6%
Cemig H	45	0.3%
Total	16,794	100%

The main causes of absenteeism due to medical reasons at Cemig in 2023 were mental disorders, musculoskeletal and connective tissue diseases such as back and joint pain, and respiratory diseases, accounting for 16%, 15%, and 14% of the days of absence, respectively.

A Cemig has a program for assessing employees' health after work absences to identify the causes of illness, guide employees on the best medical care for their situation, and identify health problems that may pose a risk of accidents, especially for field workers.

The company has a culture of caring for the physical and mental health of its employees. In this regard, evaluations and support are also provided by professionals in the fields of psychology and social assistance, especially when illness is related to a mental disorder.

Main Causes of Medical Absenteeism at Cemig in 2023



If necessary, work activities are adapted and restricted according to the individual's health situation. The goal is to ensure the physical and mental well-being of employees while always respecting life and safety.

[403-10] In 2023, there were no recorded cases of occupational diseases that must be reported, or deaths resulting from this type of disease.

Performance results

Safety Inspections

[403-2; 403-9] One of the tools used by Cemig to help manage health and safety issues with employees is ClickSegurança, a system that standardizes and unifies Cemig's work safety inspections. This indicator portrays the compliance of the work of employees and contractors with safety inspection requirements and procedures.

In 2023, 83,339 safety inspections were carried out on Cemig's workforce, including vehicles, tools, and work procedures, among others.

Accidents among the workforce and absenteeism

[IF-EU-320a.1] For the management of aspects related to safety at work, in addition to the Accident Frequency Rate (TF), the Accident Frequency Rate with Lost Time (TFA) and the Severity Rate (TG) of accidents are monitored, adopting the standard referenced in the Brazilian Standard ABNT NBR 14.280:2000 Occupational Accident Registration – Procedure and Classification. The Accident Frequency Rate, relative to Cemig's workforce, is one of the main indicators for monitoring the strategic objective of implementing safety as a value in corporate culture.

TF is an indicator calculated as follows:

$$TF = \frac{\text{Number of work accidents with injury (with and without leave)} \times 1,000,000}{\text{TOTAL HOURS WORKED}}$$

The corporate indicators TF and TFA have been decreasing over the years, showing the company's commitment to the health and safety of its workforce.

In 2023, 396 work accidents with the workforce were recorded, with 76% of this total occurring with contractors' workers. All accidents recorded occurred in the state of Minas Gerais.

117 accidents with lost time were recorded, 14 involving in-house employees and 103 involving contractors, resulting in a total of 1,642 lost days, a figure 1% greater than the one in 2022.

Compared to the year 2022, there was an increase in total accident rates, due to 4 fatal accidents occurring among the workforce (two in-house and two outsourced), breaking a sequence of reduction that had been observed since 2019. The Company has been promoting internal actions and reviewing processes to resume the trend of reducing TFA and TF in the coming years, including educational campaigns aimed at raising awareness among professionals who make up the workforce.

In 2023, TG determined for own and contract employees was 1,441 and 309, respectively. Mainly in relation to in-house employees, there was a significant increase, due to the fatal accidents that occurred in 2023. In 2022, the rate was 30 for in-house employees, and, for contractors, 38.

Annual accident rate comparison

	2020		2021		2022		2023	
	TF	TFA	TF	TFA	TF	TFA	TF	TFA
Workforce	4.57	1.66	3.37	1.17	3.64	1.48	3.64	1.13
In.house staff	3.48	1.31	2.44	1.66	1.97	0.7	2.47	1.06
Outsourced employees	4.84	1.75	3.59	1.06	3.97	1.63	3.81	1.14
Limits	.	.	1.90	1.52

The Company has been promoting internal actions and reviewing processes to resume the trend of reducing the Frequency Rate of Accidents (TFA) and the Frequency Rate (TF) in the coming years, including educational campaigns aimed at raising awareness among the professionals that make up the workforce.

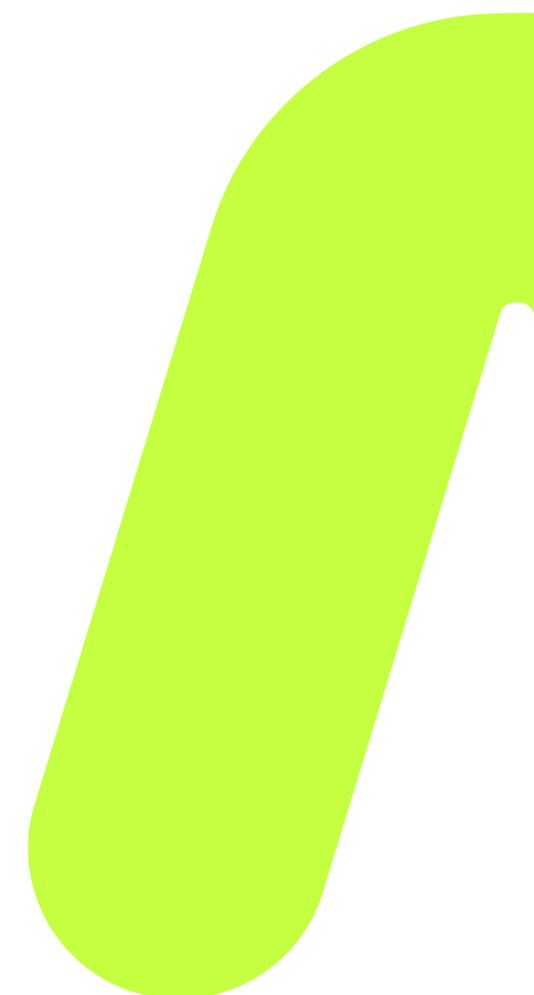


Kinds of injuries and frequency rate of in-house employees, by gender

Labor accidents	2020			2021			2022			2023		
	Women	Men	Total									
Fatal accidents	0	0	0	0	0	0	0	0	0	0	2	2
Severe accidents (except for fatalities)	0	2	2	0	2	2	0	2	2	0	2	2
Minor accidents (injuries)	0	0	0	1	19	20	0	11	11	0	19	19

Severity rate and lost days in 2023 for employees due to work-related accidents

Computed time	2020			2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Total of lost days due to accidents and injuries	-	-	271	15	260	275	0	253	253	-	184	184
Total of deducted days due to impairment or death	-	-	0	0	0	0	0	0	0	-	12,000	12,000
Total	-	-	-	15	260	275	0	253	253	-	12,184	12,184
Total hours worked in the year	-	-	9,193,160.69	1,353,479.12	7,669,715.05	9,023,194.17	-	-	8,628,800	-	8,458,039.86	8,458,039.86
Severity rate	-	-	29	11	34	30	-	-	37	-	1,433	1,433



Kinds of injuries and frequency rate of service providers, by gender

Labor accidents	2020			2021			2022			2023		
	Women	Men	Total									
Fatal accidents	-	-	4	0	3	3	0	0	0	0	2	2
Severe accidents (except for fatalities)	-	-	12	0	11	11	1	15	16	1	36	37
Minor accidents (injuries)	-	-	173	0	122	122	4	99	103	6	176	182

Severity rate and lost days in 2023 for third parties due to work-related accidents

Computed time	2020			2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Total of lost days due to accidents and injuries	-	-	1,004	0	843	843	65	1,312	1,377	5	1,451	1,456
Total of deducted days due to impairment or death	-	-	24,000	0	18,000	18,000	0	300	300	0	16,500	16,500
Total computed time	-	-	25,004	0	18,843	18,843	65	1,612	1,677	5	17,951	17,956
Total hours worked in the year	-	-	37,811,788.35	0	37,843,502.30	37,843,502.30	-	-	44,052,601	-	-	58,051,498.50
Severity rate	-	-	661	0	498	498	-	-	38	-	-	309



Diversity

[3-3 (405)] Following Cemig's Diversity and Inclusion Valuing Policy, Cemig has the guideline of "Respect people, valuing the differences and individuality of each one. Create an environment free of prejudice". This guideline is in line with the Code of Conduct, the Commitment to Human Rights, and the Policy for Valuing Diversity and Inclusion⁴⁴, formal documents that guide relations with stakeholders. These documents are aligned with globally recognized values and principles, such as those advocated by the UN through the Universal Declaration of Human Rights and the Global Compact, besides other instruments.

Cemig recognizes the importance of ensuring an honest environment and the consequences for the image and reputation of companies involved in cases of discrimination. This type of situation goes against the commitments and vision of a responsible company like Cemig.

The instability generated by misconduct by the Company and its representatives poses a considerable risk to business continuity. Additionally, suspicions of discrimination brought to the Company are investigated seriously and appropriate measures are taken when necessary.

[3-3 (405); 3-3 (406)] Since 2019, Cemig has had the Diversity Valuation Group, subordinated to the Corporate Sustainability Committee and with participants from different areas. Its responsibility is to identify and implement actions that promote gender equity and value diversity in the Company.

In 2023, Cemig's Diversity Program began three work fronts:

- 1) literacy and mentoring on the topic for all hierarchical levels of the company;
- 2) carrying out quantitative and qualitative research to map the participation of minority groups in its staff;
- 3) creation of diversity governance and goal setting.

The launch of the Program included an initial lecture, promoted by a specialized consultancy for middle managers, who committed to valuing and practicing diversity. More than 30 literacy classes were carried out for Cemig's most varied audiences, which were divided into groups, in addition to online sessions for all employees, including third parties. Until the end of 2023, the following topics were worked on: gender, unconscious biases, anti-racist education, and the value of diversity. Additional themes will be worked on and are scheduled for 2024.

The results of the diversity engagement survey demonstrate that, in addition to the actions already consolidated by Cemig, there are opportunities for improvement in terms of representativity and visibility related to gender, PWDs, LGBTQIA+, race, and generations. In this way, based on the results of the census, the next steps for Cemig on the topic were established: proposing affirmative actions in the Company's strategic core, consolidating governance practices, implementing actions aimed at minority groups, and monitoring metrics along with the high leadership.

The goals defined by the Program were approved by Cemig's Senior Leadership and cover a medium and long-term period. In addition to enabling effective monitoring of the advancement of this agenda at Cemig, they reflect the Company's commitment to seeking representation that reflects Brazilian society in all its hierarchies.

Committed goals

- **25% of women in manager/superintendent positions in all directorates by 2026.**
- **15% of women in Supervisor positions by 2026.**
- **6% of people with disabilities by 2030.**
- **Increase the percentage of Generation Y Managers/Superintendents to 50% by 2026.**
- **Increase the percentage of Generation Y Supervisors to 50% by 2026.**
- **Increase the representation of Black people to 55% by 2030.**
- **20% of Black people in Manager/ Superintendent positions by 2030.**
- **Increase perception/favorability in the LGBTQIA+ segment to 70% by 2026.**
- **Increase the percentage of allies to the LGBTQIA+⁴⁵ cause.**
- **30% of leadership position candidates must belong to marginalized groups by 2025.**
- **Approve the legal feasibility of having quotas in state public exams by 2026.**



44. Access the Diversity and Inclusion Valuing Policy here.

45. Measurement will be done through the Diversity Census Survey, following a specific methodology already applied at Cemig. Participation in the Census Survey is voluntary and involves 100% of the employees. The target is based on historical data (previous results at Cemig), meaning that this percentage of allies should exceed the previous result (the higher, the better).

Challenges arise from the established goals that require the proposal of bills, since, as it is a mixed-capital company, Cemig is subject to compliance with section II of art. 37 of the Federal Constitution, which requires approval in a public competition to hire employees. Although this form of selection allows anyone to apply, revealing its democratic character, there is, historically, a segmentation of professions between men and women. In other words, the percentage of applications from women to compete for positions related to the core activity of the electricity sector is still lower than that of men.

For positions on freely appointed and dismissed committees, for the first time in Cemig's history, the executive board has three women, this action being an important initiative by the company in relation to representation.

From this perspective, the organization seeks alternatives to increase the participation of all minority groups within its framework and expand the perspective of diversity to other audiences. One example is the industrial learning program: in 2023, Cemig received 1st place in the Ser Humano (Being Human) award by the Brazilian Human Resources Association (ABRH), for having allocated places to homeless people and 50% of the open competition places for women in the electrician course for overhead lines and networks. The objective of the program is to combine the rescue of young people in conditions of social vulnerability with the opportunity for specialized training, in addition to promoting greater participation of women in this market segment.

[3-3 (401); 401-1] Linked to these actions, there is an external recruitment strategy aimed at hiring and developing young talents with projects such as young apprentices, interns, and young electricians. These actions are described in the topic "Inclusion Actions", on page 90.

Within the Diversity Program, the hybrid work regime was also resumed for employees identified as people with

disabilities, those with serious illnesses, and pregnant and breastfeeding women. The hybrid regime rules were formalized and published through procedural instructions with details of the Collective Bargaining Agreement - ACT 2023-2025.

Cemig also invests in raising awareness and educating its employees. In 2022, the annual Cemig Code of Conduct training included a specific module on diversity appreciation, combating discrimination, and any form of moral or sexual harassment. This training involved 13,811 employees, with 4,891 being company employees (100% of the total active workforce) and 8,920 being contractors.

In 2023, aligned with the commitment made with the launch of the Diversity and Inclusion Valuing Policy, the company intensified internal and external awareness actions. This included organizing and implementing various literacy programs covering topics such as gender equity, anti-racism education, unconscious biases, and the value of diversity. There were over 62 hours of training involving:

- 19 mentorships for directors and the president;
- 2 training sessions for the board;
- 11 classes for supervisors;
- 7 classes for managers and superintendents;
- 4 live sessions for employees across the company.



Inclusion and diversity data

[405-1] Cemig – IN-HOUSE EMPLOYEES	2022	2023	Topic
Percentage of women at Cemig	14.57%	14.15%	Gender
Percentage of women in university.level positions	24.06%	23.80%	Gender
Percentage of women in leadership positions	14.06%	19.40%	Gender
Number of women in the Board of Directors and Executive Board	2	3	Gender
Percentage of women in STEM (Science, Technology, Engineering, and Mathematics) positions	10.19%	9.8%	Gender
Percentage of women in managerial roles, in revenue-generating functions	11.7%	17.3%	Gender
Percentage of women in senior management positions	10.4%	17.2%	Gender
Percentage of women in junior management positions	14.3%	18.6%	Gender
Percentage of women in technical positions	11.63%	11.06%	Gender
Percentage of Black individuals at Cemig	5.66%	5.67%	Race / Ethnic Origin
Percentage of Black individuals in university.level positions	3.34%	3.20%	Race / Ethnic Origin
Percentage of Black individuals in leadership positions	1.04%	1.99%	Race / Ethnic Origin
Percentage of Black individuals in technical positions	6.62%	6.60%	Race / Ethnic Origin
Percentage of Brown individuals at Cemig	30.65%	32.50%	Race / Ethnic Origin
Percentage of Brown individuals in university.level positions	24.23%	24.84%	Race / Ethnic Origin
Percentage of Brown individuals in leadership positions	15.63%	15.42%	Race / Ethnic Origin
Percentage of Brown individuals in technical positions	33.45%	35.67%	Race / Ethnic Origin
Percentage of Black and Brown individuals at Cemig	36.31%	38.17%	Race / Ethnic Origin
Percentage of Black and Brown individuals in university.level positions	27.57%	28.03%	Race / Ethnic Origin
Percentage of Black and Brown individuals in leadership roles at Cemig	16.67%	17.41%	Race / Ethnic Origin
Percentage of Black and Brown individuals in technical positions	40.08%	42.27%	Race / Ethnic Origin
Percentage of PWDs (Persons with Disabilities)	3.12%	3.01%	People with Special Needs
Percentage of PWDs in university.level positions	4.65%	4.99%	People with Special Needs
Percentage of PWDs in leadership positions	0.52%	0.50%	People with Special Needs
Percentage of PWDs in technical positions	2.78%	2.57%	People with Special Needs

[406-1] Also linked to the program, Cemig is committed to strengthening its culture of non-discrimination. This is closely monitored through the Whistleblowing channel. Of the 534 complaints received in 2023, 11 were related to suspected discrimination, none of which were conclusive.

Specific data on discrimination and harassment can be found in the following table:

THEME	REPORTS	RESULT
Harassment	55	7 substantiated; 16 ongoing; 32 concluded
Sexual Harassment	12	2 substantiated; 6 ongoing; 4 concluded
Discrimination	11	0 substantiated; 1 ongoing; 10 concluded

It is noteworthy that, in January 2024, Cemig published the Policy to Combat Harassment and other Violence at Work. The policy will serve as a guide for the review of People Management processes, starting in 2023, aiming to adapt rules, criteria, and procedures related to diversity and inclusion.



Gender equality

Although Cemig recruits and selects employees through public tenders, a fact that ensures equal conditions for competitors, there is a greater number of men applying and, consequently, approved.

[405-1] In 2023, the number of women employed by Cemig was 696 (14.15%) against 4,221 men (85.85%), totaling 4,917 employees for the reported period, 100% of whom work full time. The table below shows the total number of in-house employees by job category and by gender in the last 3 years, without considering senior governance positions.

The positions corresponding to each job category are described in the table below:

Job category	Positions
Senior Executives	Statutory Directors
Leadership	Advisor. manager. manager. superintendent. deputy director. ad nutum positions and some employees assigned to other companies occupying managerial positions,
Graduate	All positions that have higher education as a training requirement,
Technical	All positions that require high school or vocational technical education as a training requirement,

Total number of own employees by functional category and by gender

Job category	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Leadership	25	165	190	27	165	192	39	162	201
Graduate	238	875	1,113	274	865	1,139	253	810	1,063
Technical	431	3,291	3,722	423	3,215	3,638	404	3,249	3,653
Total	694	4,331	5,025	724	4,245	4,969	696	4,221	4,917

Total number of own employees by functional category and by age group in 2023

Age Group	Leadership		Graduate		Technical		Percentage in relation to all employees
	Quantity	Percentage	Quantity	Percentage	Quantity	Percentage	
Under 30 years old	0	0	32	8.70%	336	91.30%	7.48%
Between 30 and 50 years old	135	4.43%	746	24.48%	2,166	71.09%	61.97%
Over 50 years old	66	4.39%	285	18.98%	1,151	76.63%	30.55%

[405-1] In 2023, among Cemig's governance bodies, only the Fiscal Council did not include female members. In terms of age range, none of the members of the governance bodies are under 30 years old. The details are presented in the table below:

[405-2] Concerning the salary aspect, it is noticeable that, at the technical level, women receive, on average, more than men and this difference increased in the compared period. At the university level, the gap between women's average salary and earnings has narrowed compared to 2022. The average mathematical ratio of women's base salary and earnings relative to men has increased at the university level over the past two years. In relation to leadership, it is clear that the average salary of women has decreased compared to that of men, in the last two years, in Companies Cemig D and Cemig GT.

The average salary difference between men and women in the company in 2023 was -11.17%, with the median difference being -11.33%. Regarding the disparity in bonuses/Profit Sharing, a reduction of -16.55% was observed, with the median being -52.96%. The data reveal that women receive a higher average base salary than men.

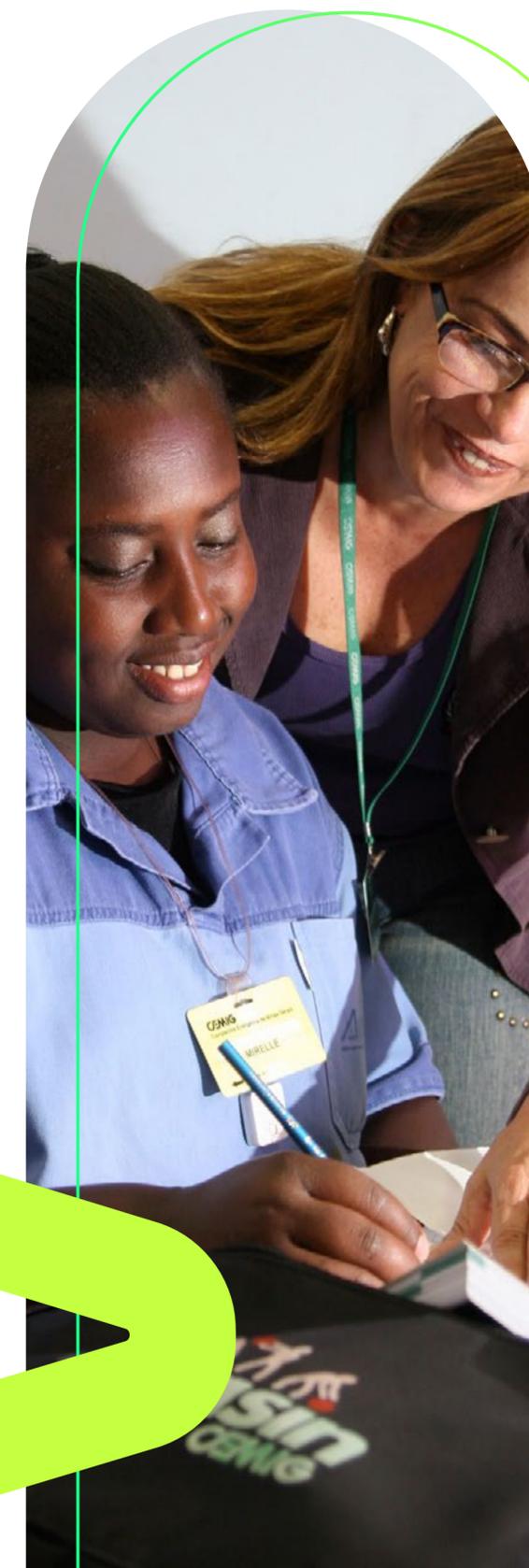
In 2023, this difference occurred due to the lack of agreement by the base category union on Profit Sharing, which is composed mostly of men.

[401-1] Diversity in Cemig's Governance Bodies

		Board of Directors		Fiscal Council		Audit Committee		Statutory Board	
		Count	%	Count	%	Count	%	Count	%
Gender	Male	11	100%	7	70%	3	100%	6	86%
	Female	0	0%	3	30%	0	0%	1	14%
Age Group	Below 30 years old	0	0%	0	0%	0	0%	0	0%
	Between 30 and 50 years old	2	18%	6	60%	1	33%	1	14%
	Over 50 years old	9	82%	4	40%	2	67%	6	86%
Race/Ethnicity	Yellow	0	0%	0	0%	0	0%	0	0%
	White	2	18%	4	40%	0	0%	2	29%
	Indigenous	0	0%	0	0%	0	0%	0	0%
	Uninformed	9	82%	6	60%	3	100%	5	71%
	Black	0	0%	0	0%	0	0%	0	0%
	Brown	0	0%	0	0%	0	0%	0	0%

Mathematical ratio between base salary and remuneration of women against men

Cemig Group's Company	Average salary difference			Average Remuneration difference		
	Leadership	Graduate	Technical	Leadership	Graduate	Technical
Cemig H	0.85	1.22	1.32	0.80	1.29	1.12
Cemig D	0.87	0.86	1.05	0.81	0.79	0.88
Cemig GT	0.84	0.89	1.01	0.83	0.84	0.81
Cemig Consolidated	0.85	0.88	1.06	0.81	0.82	0.87



People with disabilities

[405-01] About the number of staff who are People with Disabilities (PWD), in 2023, Cemig had 148 employees with disabilities, amounting to 3% of the total staff. There are employees with physical, hearing, visual, and multiple disabilities, and in rehabilitation. Of employees with disabilities, 63.51% fall into the technical functional category, 35.81% have a university degree, and 0.67% are in leadership positions. The small number of people with disabilities among employees is a result of the Company's legal framework and entry requirements.

The company, following current legislation, allocates 10% of the vacancies offered in public competitions to people with disabilities, observing the requirements of compatibility between disability and job duties. All information about reserving places for people with disabilities is included in the competition notices.

PWD Ratio 2023	Cemig D	Cemig GT	Cemig H	Total
Active People with Disabilities	65	19	1	85
INSS rehabilitation	52	11		63
Total	117	30	1	148

Cemig supports the adaptation of all people with disabilities through specialized professionals and, when necessary, adapts the workspace. Soon after the person with a disability joins, the social worker

interviews employee, to check how their integration into the work environment is going and whether there is a need for any adaptation. Secondly, a meeting is held with employee leaders. At any time during their career, the disabled employee can request support from the social service for any necessary adaptation, awareness-raising for the team/management, and other demands.

Cemig also offers employees and/or their family members with disabilities guidance and support through the Special Care Program (PAM).

As part of PAM, the Company reimburses 50% of the expenses of employees and dependents with physical and intellectual disabilities. Reimbursed expenses may include tuition from specialized schools, therapeutic alternatives (art therapy, music therapy, play therapy, hydrotherapy, equine-assisted therapy, swimming, physiotherapy, and speech therapy), prostheses, and disposable diapers.

Cemig's physical facilities and buildings are accessible to all people, considering the aspects of use, safety, and autonomy, following current legislation and standards.

Cemig's concern with accessibility also extends to its customers. Efforts in this regard were detailed in the Customer Relationship Channels section, in the Our Customers and Consumers chapter.



Inclusion Initiatives

In 2023, Cemig reserved 50% of the positions for women in the Cemig Apprenticeship Program. This initiative, in partnership with the National Service for Industrial Training (SENAI), aims to train specialized labor for the energy sector in the state of Minas Gerais.

There were 100 positions (50 for women) distributed across the cities of Belo Horizonte, Governador Valadares, Juiz de Fora, Uberlândia, and Montes Claros. The goal of these positions is to reduce the male predominance in the electrician role by providing tools and career learning opportunities for women.

Additionally, 20 extra positions were offered to children of individuals who have experienced homelessness. Like the reserved positions for women, these extra positions aim for inclusion by breaking the cycle of extreme poverty and vulnerability for these families, providing opportunities for their children. The program lasts one year, and upon completion, apprentices can be hired by companies that provide services to Cemig.

Classes were conducted by SENAI, with all teaching materials and equipment provided by Cemig through UniverCemig, which has expertise in the curriculum of this type of training. While participating in the course, apprentices have a special employment contract with a signed labor card by Cemig and receive uniforms, a stipend, meal vouchers, vacation, a 13th salary, transportation vouchers, and life insurance, as well as contributions to the Severance Indemnity Fund (FGTS).

Another inclusion initiative is the training program for meter readers, in partnership with UniverCemig. The project aims to qualify professionals who currently work or may work in the meter reading process, low voltage,

an essential activity for Cemig and an important part of the billing process. Furthermore, the training encourages more women to join this process, increasing diversity in the company's workforce. The curriculum includes important topics such as safety, training in interpreting analog, cyclometric, and digital meters, professional conduct, quality management, and moral and sexual harassment. The course is a requirement to apply for the selection processes and thus for the role.



Organizational climate and culture

After three years of a cultural transformation project, Cemig has been strengthening the desired pillars of culture, consolidating important changes in 2023:

- The sense of urgency to serve the customer is the focus of actions on the front line, supported by a digital transformation project and implementation of new contact and solution channels, as well as investments in new substations and energy sources, transmission and power lines energy distribution and structural improvements;
- Risk management with ethics and compliance has already become part of the routine and is measured annually through the following tools: (1) validation of employees' learning and knowledge about the code of conduct, (2) handling of complaints made through the whistleblowing channel, and (3) constant review of internal norms and policies, such as the recent development of the Program to Combat Harassment and Other Workplace Violence.
- Integration with co-responsibility is encouraged in internal communication channels and also by the transversality of some activities and processes;
- Protagonism with high performance and valuing the person and performance are some of the bases for making decisions about career opportunities and recognition.

Cemig has invested in implementing a new organizational culture through the "Novas Energias" (New Energies) program, which started in 2020. This program develops specific people management practices.

These practices include creating models for internal governance based on strategic leagues, career paths, internal and external recruitment, integration, recognition programs, internal communications, performance management, development of future leaders, and succession. Additionally, theoretical leadership development modules were offered to keep managers aligned with the program's practices.

All this investment in people—leaders and other employees—processes, technologies, and organizational structure has contributed to transforming the company's reality in terms of operational efficiency, skills development, and the co-creation of corporate culture.

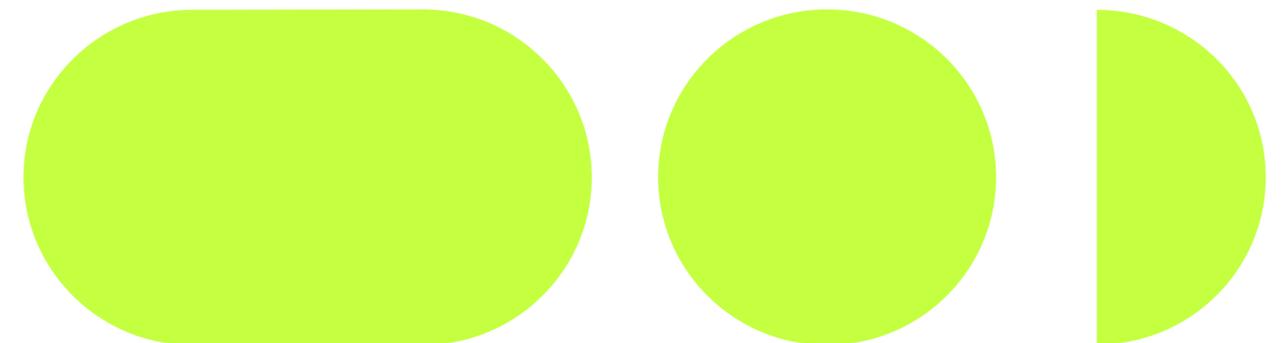
Additionally, Cemig conducts an Engagement and Climate Survey biennially. The next survey is scheduled for 2024 and aims to monitor aspects that highlight the bond, connection, and engagement of employees.

The last survey, conducted in October 2022, aimed to identify aspects that highlight bond, connection, and engagement, bringing objectivity to issues that might affect the organizational climate. The survey saw participation from 59% of the company's employees and achieved a favorability rate of 75%. This result marks an 11% increase in employee satisfaction indices compared to the survey conducted in 2021. Regarding the overall satisfaction index, the result in 2022 was 86%, a 6% increase from the previous year.

Overall favorability



Overall satisfaction



SUPPLIERS

Cemig understands that the success of its business is closely related to the supplier strategy and adopts the same principles and values concerning its supply chain. Therefore, Cemig establishes a relationship with its supply chain guided by the document “ESG Requirements for the Supply Chain”⁴⁶, the Declaration of Ethical Principles and Code of Professional Conduct, and federal and state legislation.

[308-1; 414-1] Because of its legally structured nature (a mixed-capital company), Cemig is subject to the Competitive Bidding Law, which lays down rules for tenders and direct Public Administration contracts. Thus, the Company must maintain an isonomic relationship, without promoting distinctions and preferences for contracting local suppliers or only based on social or environmental criteria. The contracting stage complies with Cemig’s Internal Regulations for Tenders and Contracts, which establishes conditions, rules, and procedures relating to works contracts, provision of services, acquisition and rental of goods, disposal of goods and assets, and the implementation of real liens.

Respecting legal limitations, Cemig seeks to establish partnerships and supports specific programs that promote the development of local products and suppliers sponsored by representative corporate and governmental development entities. At the same time, partnerships in Research and Development projects are also carried out with suppliers, seeking innovative solutions, product improvements, and technological modernization.

The supplier management process, including purchasing practices, is continually reviewed to ensure alignment with best practices and ESG requirements. To ensure compliance with the ESG strategy and objectives, the team is properly trained in the role they play.

Since 2015 Cemig has included in all contracts the prerequisite relating to compliance with the Anti-Corruption Law by suppliers. In this way, the Company’s value chain assumes the commitment not to commit acts capable of harming the public administration, as well as to report the practice of irregularities of which it is aware, through the Whistleblowing channel available at the contractor.

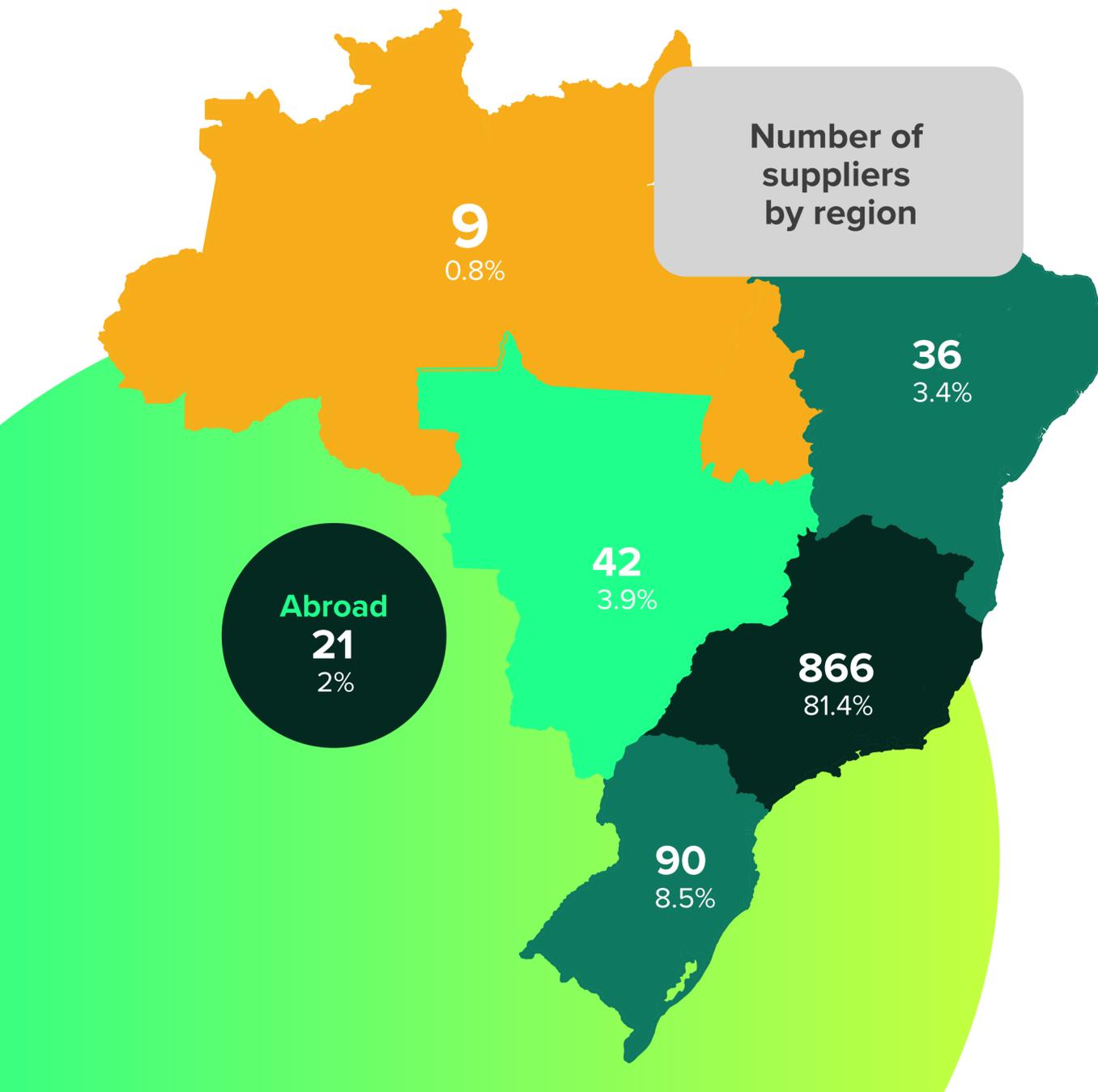
[2-06] Cemig’s diverse supplier base includes, among others: suppliers of electrical and hydraulic equipment, microcomputers and office materials, construction companies for retrofit works, construction of new units or provision of services linked to energy distribution, generation and transmission equipment, such as photovoltaic modules, transformers and reactors, and call center, conservation and cleaning services.

In 2023, the Company saw an increase in the number of registered suppliers, reaching a total of 6,087 suppliers, as shown in the table below. Of these, 17% have an active contract.

Key numbers	2020	2021	2022	2023
Number of Registered Suppliers	4,485	4,923	5,397	6,087
Number of Suppliers with Active Current Contract(s)	1,668	1,474	1,096	1,064
Number of Contracts Signed	1,329	968	1,237	3,696
Number of Registered Local Suppliers (Minas Gerais)	2,128	2,292	2,476	2,721
Number of Contracts Signed with Local Suppliers (Minas Gerais)	685	343	604	238
Number of New Critical Suppliers	227	609	143	401
Number of Critical Suppliers with Active Contracts	646	782	623	907
Biddings	367	493	1,237	390

46. Available here.

[2-06] Cemig is a Brazilian company and carries in its name the strength of the state of Minas Gerais. For this reason, most of its suppliers are from the Southeast region. However, in recent years, Cemig has expanded its contracting of suppliers beyond the region and now has companies from the North, Northeast, Midwest, and South regions. The chart below shows the number of suppliers by region in 2023.



In 2023, contracts were signed with 238 local suppliers, that is, from the state of Minas Gerais (Southeast region). The value of contracts in force during 2023 with this category of suppliers increased by 150% compared to the previous year. The table below presents the total contracted values and current contracts of the Company for the last three years, segregating them by local suppliers:

[204-1] Contract amounts and expenses with suppliers

	2021	2022	2023
Value of Active Contracts	R\$ 19,542,007,974.84	R\$ 32,793,861,583.69	R\$ 39,805,939,417.80
Value of Contracts Signed	R\$ 7,271,939,593.00	R\$ 12,174,092,106.00	R\$ 10,702,911,975.07
Value of Active Contracts with Local Suppliers (MG)	R\$ 12,222,943,079.20	R\$ 8,905,526,638.83	R\$ 22,315,912,434.64
Value of Contracts Signed with Local Suppliers (MG)	R\$ 3,740,108,906.97	R\$ 7,278,942,257.40	R\$ 6,106,810,348.59
Disbursed cost	R\$ 3,859,587,183.00	R\$ 5,656,525,610.00	R\$ 17,079,257,677.00

Contracts and costs by type of supplier

	Category	Contracted Amount	Disbursed Amount	Signed contracts	Number of Suppliers with active contract
2022	Material	R\$ 3,829,054,972.00	R\$ 1,129,721,870.00	482	229
	Service	R\$ 11,739,403,713.00	R\$ 1,132,942,372.00	846	326
2023	Material	R\$ 8,003,115,431.26	R\$ 4,459,888,835.85	731	278
	Service	R\$ 31,802,823,986.54	R\$ 12,619,368,841.15	2,965	821
Total in 2023		R\$ 39,805,939,417.80	R\$ 17,079,257,677.00	3,696	1,064

Supply chain management

The Supplier Management process begins at Cemig with the demand from the business areas identifying the need for contracting or with the identification of the need by the Service and Material Planning areas. Based on this input, the Supply department begins its efforts of prospecting, developing, and registering - when necessary - the supplier, budgeting, market analysis, and preparing the monitoring of the supplier performance.

After these steps, the contracting process takes place, through the bidding modalities applicable to current legislation and provisions, meeting Cemig's business and governance requirements. When starting to carry out the activities provided for in the contract and throughout its term, there are management and monitoring as specified in the bidding notice.

[3-03 (308); 3-03 (414)] Before the contracting process, the Company acts through the Registration and

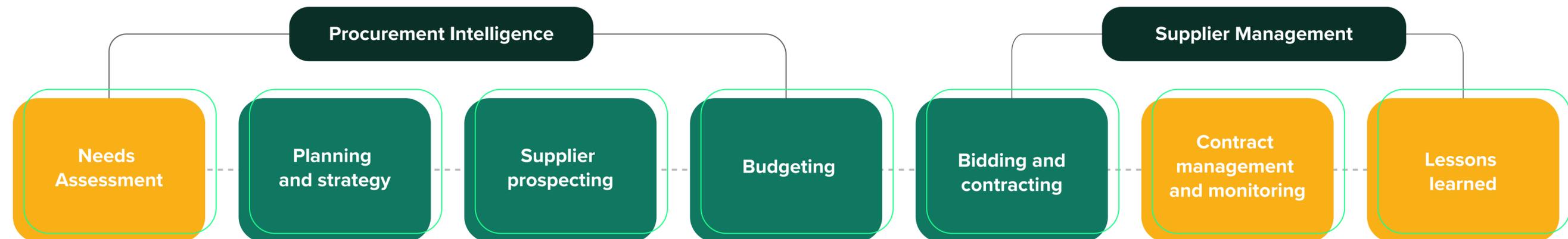
Qualification of Suppliers, defining the documents and minimum requirements necessary for the provision of the service or material. This process includes requiring specific documentation from supply groups identified as having ESG risk and carrying out visits for technical assessments. by carrying out visits for Industrial Technical Assessment (ATI), for material suppliers, and Contractor Technical Assessment (ATE), for service providers.

Supplier Registration and Qualification is the process that allows for the effective participation of a company in a procurement process carried out by Cemig. The major objectives of this registry are: to ensure that the tenderers in Cemig's procurement processes meet the participation requirements set out in the bid notices; provide services to suppliers and internal customers with quality and timeliness; and ensure an updated and solid base of suppliers registered with Cemig.

The following aspects are considered for this stage of suppliers' screening, selection and qualification:

- Documentation (including governance) and system;
- Receipt inspection of goods;
- Production lines;
- Inspection and testing;
- Maintenance and calibration;
- Shipping, inventory, and layout;
- Personnel training and management;
- After-sales;
- Health and safety;
- Social responsibility and environment.

The company adopts ESG practices in its bidding processes, ensuring social and environmental responsibility. Suppliers are rigorously evaluated based on ethical and sustainable criteria, as described in the following points:



Steps in the management of the Cemig supply chain

Stage performed by the business area

Stage performed by the supply management area

- Prohibition of worker exploitation and commercial relations with organizations that practice forced labor.
- Transparency in supplier registration processes and contracts, explaining the prohibition of child and forced labor in the supply chain.
- Use of the Electronic Purchasing Portal to facilitate registration, bidding, and access to information, promoting transparency in interaction with society.
- The company's ethical commitment, highlighted in the Declaration of Ethical Principles and Code of Professional Conduct, covering the appreciation of diversity and the prohibition of discrimination.
- Supply policy that incorporates ESG principles, including social and environmental responsibility, and respect for the principles of legality, business ethics, equality and transparency.

Furthermore, for some contracts, the Company also acts during the contracting process, monitoring indicators focused on environmental aspects, to verify whether the Contractor has met the required requirements, including sustainability. The requirements for registering suppliers and hiring are more rigorous as the object supplied involves greater risk in aspects of Environment, Social Responsibility, and Health and Safety.

Cemig has procedures that verify the compliance of these aspects in contracted and non-contracted suppliers. For all contracted or potential suppliers, there is an assessment of some socio-environmental requirements.

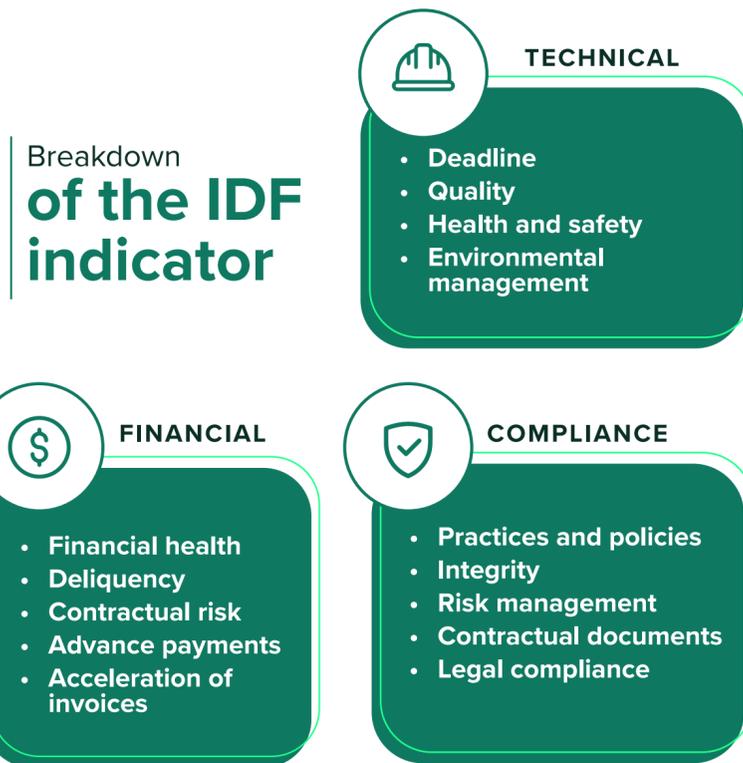
The Company has a process for identifying sustainability risks in the supply chain, applicable to all of Cemig's current contracting processes, encompassing the economic, environmental, and social responsibility risks to which the Company is exposed, due to the actions of its suppliers. These risks can lead to damage to Cemig's brand, image, and reputation among its various stakeholders, market losses, and competitiveness, and Cemig may be held jointly responsible criminally and in court.



Supplier performance

Suppliers are monitored using a system where the supplier, the supply area, and the technical area responsible for contract management interact. In this system, suppliers considered strategic are monitored, and the main indicator used is the Supplier Performance Index (IDF).

The main aim of IDF is to monitor the performance of suppliers individually and in comparison with other suppliers, with set and standardized rules for indicators, penalties, and bonuses. It is calculated monthly, and is based on the assessment of three aspects:



IDF helps Cemig monitor and understand the financial health of its suppliers and intervene in the event of a possible need for assistance and support, such as sharing knowledge and good management practices, to avoid losses for both sides. Supplier Integrity actions are monitored by the index through a questionnaire and the result allows for a bonus of up to 3% on the IDF result. Monitoring the Compliance aspect encourages suppliers to establish a code of ethics and an anti-corruption policy and to invest in training their employees.

When the performance of the supplier falls below expectations and what is determined in the contract, or there is a breach of a legal or contractual requirement, a Punitive Administrative Process is carried out to investigate what happened and, when necessary, enforce the penalty determined by the competent authorities. Results above expectations are identified by the Ensured Material Supply program and/or acknowledged in the annual Cemig Suppliers Award.

All the contracts have a Service Level Agreement and are assessed by managers. However, IDF currently only applies to critical suppliers, and the intention is to gradually expand its scope. Below, the IDF result for suppliers is presented, where it is noted that between 2022 and 2023 the index for suppliers increased by 3 percentage points.

Supplier Performance Index history

	2020	2021	2022	2023
IDF Total	94.40%	84.8%	85.68%	88.70%

Suppliers’ performance in the health and safety items is assessed via the Work Accidents with Leave Frequency Rate (TFA) specific for contractors; one of the indicators for assessing environmental performance is the Percentage of Waste destined for recycling, regeneration, and reuse. That indicator is part of suppliers’ monitoring since contractor companies carry out services that produce a significant amount of waste from customer service, tree pruning, construction of grids, cleaning of power transmission line bands, and other services.

Relevant Socioenvironmental Indicators

		2021	2022	2023
Social	Frequency of Work Accidents with Sick Leave (TFA) – Contractors	1.75	1.63	1.14
Ambiental	Percentages of Waste destined to sale, recycling, regeneration and reuse	98.22%	99.27%	98.53%

In 2023, Cemig filed 16 administrative proceedings, nine less than in 2022. Of these, 15 were due to contractual breaches (non-compliance with deadlines, non-delivery of service or material, irregular service), and one was due to fraud (presentation of false documentation during the registration and bidding process, irregularities in customer service cut).

Five suppliers had their relationships terminated as a result of punitive administrative proceedings.

Cemig Best Suppliers Award

Cemig Best Suppliers Award aims to externalize values beyond the organization, recognizing and honoring companies that strongly contribute to Cemig fulfilling its social objective of generating, transmitting, and distributing electricity, meeting the expectations of its consumers, shareholders, and society in general.

The initiative seeks continuous improvement of results and a generation of sustainable attitudes.

The 2023 performance award will be held in the first half of 2024, with specific awards in the Environmental, and Social and Governance categories ⁴⁷.



47. More information about the award available [here](#).

Supplier development

To encourage good practices in the supply chain, Cemig provides training and booklets linked to the Sustainable Development Goals (SDG)⁴⁸.

In 2023, through a partnership between the areas of supplies, sustainability, health and safety, and environmental responsibility, Cemig launched an ESG supplier development program. The training covers economic and governance dimensions; social and environmental issues, involving topics such as SDGs, ethics and compliance, workplace harassment and violence, human rights, decent work, workplace safety, waste management and climate change.

In 2023, the program totaled seven days of training, 344 hours of training for 27 supplier companies and 86 participating people.

In addition to the ESG Supplier Development Program, Cemig offers training to contractors and third parties at UniverCemig.

⁴⁸. More information available here.

Total third party trained at UniverCemig

2021	2022	2023
12,900	12,800	15,231

Total third party attendance to training at UniverCemig

2021	2022	2023
25,028	30,888	23,305

Total trained man-hours - total course load (Third parties under training at UniverCemig)

2021	2022	2023
52,423	70,201	111,772



Environmental and social impacts on the supply chain

[308; 407; 408; 409; 414] The Company is concerned about the environmental and social impacts of its supply chain and is aware of its responsibility in the event of infractions or crimes committed by a supplier, as well as possible financial and image consequences. For this reason, it acts preventively to eliminate or mitigate situations that could cause damage to the brand, image, and reputation, losses concerning the market and its competitiveness, and legal actions involving civil and/or criminal co-responsibility.

Given the importance of the topic, the supervision of suppliers' ESG programs is the responsibility of the Purchasing and Logistics Department, in partnership with the Corporate Communication and Sustainability Department.

The requirements for registering and retaining suppliers are stricter as the object supplied involves greater risk in terms of the environment, social responsibility, and health and safety. Throughout the supply chain management process, protection instruments are adopted to mitigate exposure to those risks:

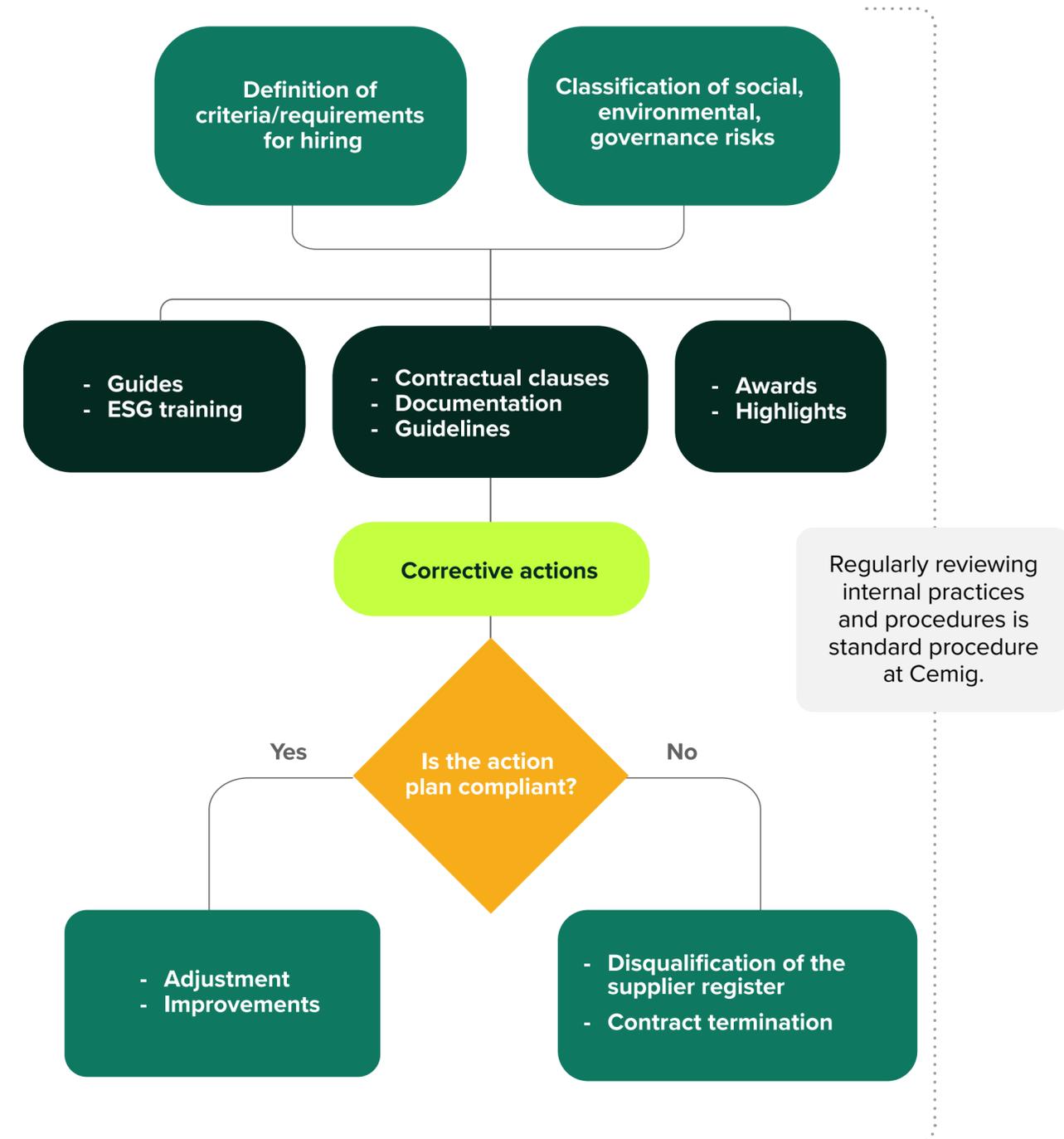
- When prospecting for new suppliers, those that do not meet socio-environmental requirements or that have a compromised reputation are disregarded for prospecting and development activities.
- When performing a new registration or an annual register update, Cemig's suppliers must sign the

Statement on Basic Registration Requirements stating that they:

- Do not employ children under 18 in night-shift, hazardous or unhealthy work; do not employ children under 16 in any job, except from 14 years of age as apprentices;
- Do not adopt a labor relationship amounting to forced labor or analogous to slave labor;
- Do not acquire or use ores (tantalum, tungsten, tin, and gold) from areas of armed conflict in the Democratic Republic of Congo and its neighbors, which are characterized by extreme levels of sexual and gender violence;
- Ensure diversity valuing and do not adopt discriminatory practices based on race, gender, age, nationality, sexual orientation, physical disability, and religion;
- Know and comply with Cemig's Code of Conduct and Anti-Fraud Policy;
- Strictly and fully complies with environmental legislation and personnel safety requirements;
- Guarantee the validity of the Operating Licenses, if applicable, of their industrial facilities, transportation, and their sub-suppliers, and compliance with the respective environmental conditions.

The following are considered when assessing negative impacts: (I) factors connected to environmental license for operation, products, and services; (II) waste management; (III) water grants; (IV) human rights related to child and forced labor, freedom of association, working conditions, and occupational safety and health; (V) corporate ethics, corruption, and antitrust practices.

Supplier ESG Program



Risk identification

[2-25; 3-3 (308); 3-3 (414); 308-2; 407-1; 408-1; 409-1; 414-2] Cemig identifies its significant suppliers to develop tailored tools to manage and mitigate associated risks. They are suppliers of goods and/or services that may have a negative reputational, operational, or sustainability impact in the event of non-compliance with contractual requirements or policies.

Based on the company's strategic and emerging risks, industry and commodity standards, and trends in supply chain management, 11 risks (country-specific, sector-specific, and commodity-specific) were identified that could have an impact on business, if they manifest themselves in the Company's supply chain.

Social Dimension

- Non-compliance with labor legislation, payment of salary and social security
- Non-compliance with human rights
- Impact on the community, inappropriate behavior or lack of engagement in the community
- Inappropriate health and safety conditions at work and inadequate work practices

Environmental Dimension

- Non-compliance with environmental legal requirements
- Lack of environmental impact management
- Inappropriate use of natural resources

Economic and Governance Dimension

- Lack of risk management
- Non-compliance with quality parameters or service levels
- Non-compliance with business ethics

Some suppliers are also classified according to their criticality, considering the specific risk aspects of the country of origin.

The Company categorizes its suppliers into risk levels (low, medium, and high). To do this, it considers the negative environmental and social impacts, potential or real, identified during the registration stage or resulting from relevant non-conformities.

[308-2] In 2023, there were 148 suppliers with current contracts categorized as high environmental risk and 663 categorized as high social risk. Of this set, 663 are classified as suppliers with high sustainability risk, as they involve objects that have high environmental and social risk, and these two are classified as high financial risk.

Information to identify social and environmental impacts is collected through several sources: monitoring the IDF indicator; internal and external audit recommendations; Whistleblowing channel; inputs from specialized areas, such as ombudsman, compliance risks; and reports from Cemig employees scheduled for technical visits to suppliers.

The permanent assessment of these impacts provides inputs to promote changes in the supply

chain management process, training and awareness actions for suppliers, and the application of punitive administrative proceedings.

[408-1; 409-1] In 2023, there was no record of significant risk of cases of child labor, forced or compulsory labor, nor any risk to freedom of association and collective bargaining. The main category where this type of occurrence could occur is the provision of network, transmission and civil works services, in addition to the supply of simpler materials, such as hardware in national and international factories. There was also no record of significant negative environmental impacts in the supply chain. Furthermore, it was also not necessary to agree on improvements or terminate contracts with suppliers based on social and environmental performance assessments.

Classification	2022	2023
Total number of Tier.1 suppliers	1,096	1,064
Total number of suppliers classified as high sustainability risk at Level.1	137	663
% of total spend with significant suppliers in Tier 1	40%	43%



Risk monitoring and mitigation

After identifying suppliers with the greatest risks of environmental, social, and governance impacts, Cemig monitors these aspects during Industrial Technical Assessments (ATI) through a 2nd party assessment (contracted company). This process is continually reviewed with the aim of improvement, and suppliers that do not meet the requirements must take corrective actions and, depending on the severity of the non-compliance, are excluded from contracting.

Internal and external audits in accordance with the quality (ISO 9001), environmental (ISO 14001), and health and safety (ISO 45001) management system implemented in the Company, and the particularities of each contract are taken into account in these processes.

Material providers

To supply more critical materials for Cemig's business, an assessment is carried out with systematic verification of evidence - the Industrial Technical Assessment (ATI), which consists of document analysis and visits to the manufacturer's facilities to verify, through objective evidence, the compliance of the production process with the requirements defined by Cemig. The ATI is carried out by a contracted company (2nd party assessment) and an employee, using a methodology developed based on certifications (ISO). In ATIs, items related to ESG risks are checked.

Guaranteeing the quality of materials to be acquired by Cemig also goes through the approval process, which includes carrying out specific tests and inspections.

Service providers

For contractors working in distribution services, a Technical Assessment in Contractor (ATE) is required; for contractors working in private construction works that will become part of Cemig's Electric Power System (SEP), the Verification of Technical Conformity in Contractor (VCTE) is required. ATE and VCTE aim to assess suppliers according to specific criteria, such as team composition, personnel, training, tooling, equipment, vehicles, facilities (offices, warehouses, cafeterias, locker rooms), documentation, and other items. On-site visits are performed and defined in the contract.

The table below shows the number of visits performed in 2023 for confirmation of suppliers, reception inspections, and VCTE and ATE.

Visits performed	2022	2023
Suppliers confirmation	332	334
Receipt	6,265	5,012
VCTEs	22	43
ATEs	73	44

In 2023, 0.6% more suppliers were approved than in 2022, reception inspections decreased by 20%, as well as ATEs decreased by 39%. 95% more VCTEs were carried out compared to 2022. This increase was due to the flow of contracts – VCTEs last for two years, and the last large volume occurred in 2021.

The total amount of ATIs in 2023 increased by 19% against 2022:

	Total evaluations	Approved	Failed	Pending
2022	117 entries (37 cancellations)	60	12	8
2023	140 entries (60 cancellations)	53	17	10

Coverage and progress of suppliers with corrective action plans:

Support for corrective action plan	2022	2023
Total number of suppliers supported in implementing the corrective action plan	13	10

100% of suppliers that fail to comply with the minimum requirements relating to damage to the environment or to the physical or psychological integrity of people or the supplier's systematic failure to protect people or the environment are obliged to take corrective actions.

Highlights and advances in supplier management

[102-10] The highlights of supplier management progress in 2023 are detailed below:

- Review of supplier groups concerning the ATI requirement, aiming for a more assertive qualification of suppliers of critical materials;
- Creation of the Supplier Forum to strengthen the partnership relationship with Cemig's strategic suppliers, thus ensuring greater alignment of these suppliers with Cemig's Investment Plan;
- Advancement in supplier risk management through the hiring of a specialized monitoring tool;
- Implementation of the new Purchasing Portal, providing an integrated and easily accessible system for the supplier, facilitating the bidding and registration processes, and allowing greater speed in registration analysis;
- Start of the purchasing and inventory planning process, aiming to reduce the Company's inventory and inspection costs.





SOCIAL PERFORMANCE

Cemig acknowledges that its business causes direct and indirect impacts on several communities. The Company also believes that the success of its business and the quality of its products depend on the relationship with various stakeholder categories. Thus, it values a harmonious interaction, respecting and considering the needs and contributions of each stakeholder. The primary focus of the Company's social management has been strengthening relationships and promoting social development in the communities (i) surrounding hydroelectric plants, (ii) along transmission networks, and even (iii) in places mostly influenced by Distribution, such as large urban centers.

Relationship with the community

Cemig's relationship with stakeholders is based on clear guidelines and criteria to ensure integrity, ethics, responsibility, and enthusiasm for work and valuation of the Company.

Cemig's strategic position concerning local communities in the areas where it operates includes social, environmental, and economic aspects to be considered in all the Company's projects.

Its Policy of Communication with the Community determines that communication and engagement with

stakeholders is the major route for corporate social responsibility.

This policy reinforces Cemig's commitment to transparency in its management efforts, with a focus on joint responsibility with the community, and the encouragement of local economic and social development, making public the fundamentals and premises that guide the definition of communication strategies and practices. They include the objectives to create and perfect adequate communication tools between the stakeholders and the Company's main areas of activity, mainly those of generation, transmission, distribution, and energy development.

[2-25; 413-1] Feasibility studies are performed for the development and implementation of new projects demanding the acquisition or expropriation of a property. These studies are prepared by Cemig internal teams. The previously defined layout options are compared with areas of statutory reserve, preservation, consolidated land subdivisions and, simultaneously, with the mapping of impacted areas; this shows, for example, if there are leasehold improvements to be suppressed when deploying projects and provides for confirmation of the people that will be affected by the projects. From those studies, the Company gathers views on project acceptance by the impacted owners, indemnity amounts, and other relevant factors.

The Company respects the individual integrity of each citizen, the history and culture of the communities affected by the projects, and also values friendly negotiations, seeking compensation at fair market price based on appraisal reports prepared following the Brazilian Association of Technical Standards NBR-14.653.

Cemig also has a **Communication Plan**, which, together with the Policy of Communication with the Community, makes up the set of communication strategies adopted in the relationship with communities and directs the Social and Environmental Diagnostics prepared for each project or program. Other documents that support and guide practices in the relationship with the community are the instruction on Social and Environmental Negotiations at Cemig (IS-48) and the Code of Conduct.



Territory management and population safety

[3-3 (413); 413-1; 413-2; 416-1] Considering a territory as a space defined by power relations - where there is a presence and/or human or political activity - its management is vital to outline strategic guidelines and fair practices when Cemig carries out its activities. In this context, the relationship with the community is essential to mitigate negative impacts and optimize opportunities.

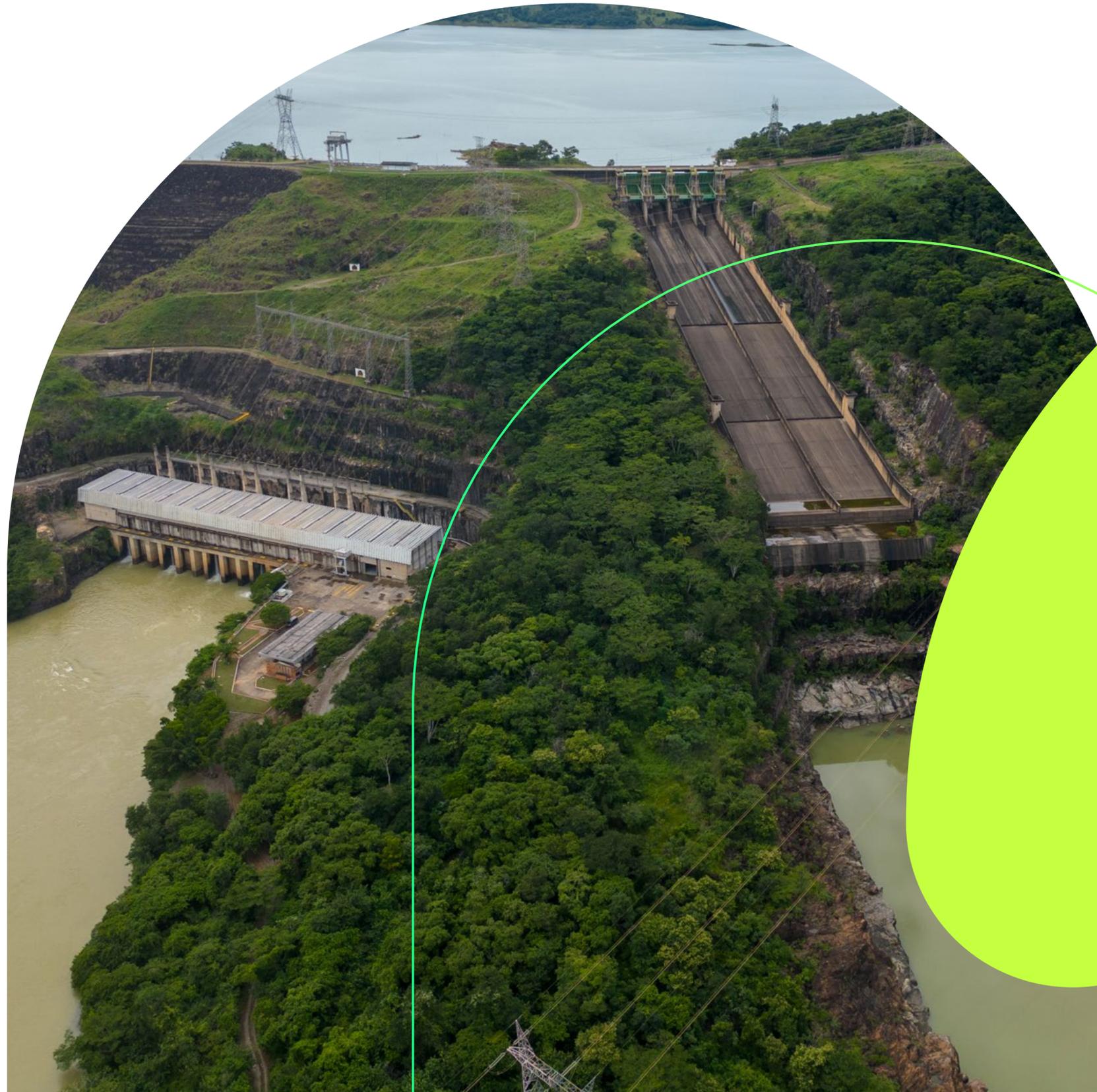
Power generation

Dam safety

[EU-21] The process aimed at ensuring the safety of the dams operated and maintained by Cemig is based on a methodology supported by the best domestic and international practices and in specific legislation in all its stages.

Dam safety measures include procedures for field inspections, collection and analysis of instrumentation data, drafting and updating of dam safety plans, planning and monitoring of maintenance services, analysis of results, and ranking of civil structures. Based on the ranking of the structures, the frequency of safety inspections and the monitoring routine are defined.

Each dam vulnerability is automatically monitored and calculated continuously by a system specialized in dam safety. The activities also include periodic reviews of dam safety, involving both Company professionals and, sometimes, multidisciplinary teams of external consultants. At those times, all issues related to dam



safety are carefully checked over by professionals of recognized qualifications.

Also as part of these activities, Cemig prepared the Emergency Action Plans (ERP) specific to each dam and prepared a new Proximity Program Proposal to interact more intensively with the Municipal Civil Defenses (COMPDEC). Furthermore, it established the “Work Group: “Dam safety of hydroelectric plants operated and maintained by Cemig GT Working Group”, and prepared the Crisis Management Plan for the dams.

I. Emergency actions plans

Cemig pioneered Emergency Readiness Plans (ERP) in Brazil for dam failure, having started studies on the matter in 2003.

In compliance with the law regarding dam safety, Cemig prepared the Internal and External ERPs detailed below:

- Internal ERP: a document where all detection, prevention, and correction procedures to be adopted by Cemig in an emergency are detailed. The document aims to impart a relative degree of certainty and agility to the decision-making process of the technical staff involved, and, where possible and appropriate, to preserve the structure of the dam, thus preventing accidents;
- External ERP: document in which interfaces are designed between Cemig, emergency response bodies (Municipal Civil Defenses, Fire Department, etc.), and the population mapped in the dam's Self-Rescue Zone (ZAS), to be put into place when emergencies are detected.

In compliance with Aneel Normative Resolution No. 696/2015, internal ERPs have been addressed by the Company's internal department responsible for the operation and maintenance of hydroelectric plants; these ERPs are now being made available for the projects and the dam and civil maintenance and technical staff. External ERPs must be available at the ventures, in the city halls involved, and be handed to the competent authorities and civil defense organizations. The external document focuses on presenting the risk of flooding caused by normal floods and possible dam breach events. The objective is to build a culture of readiness for flood situations in the communities established along the rivers where Cemig's plants are located.

Cemig prepared specific External ERPs for the 18 dams, as determined in ANEEL's (Brazilian Electricity Regulatory Agency) Normative Resolution nº 1,064/2023. These 18 dams run by Cemig impact the life dynamics of 33 municipalities, and in some cases, the same municipality is covered by two ERPs, since two dams are operating in its territory. ERPs specific to each dam comprise the following items:

- Identification and analysis of possible emergencies;
- Procedures for identifying malfunctions or potential failure conditions;
- Notification procedures;
- Preventive and corrective procedures to be adopted in emergencies;
- Responsibilities and contact list

The ERPs also focus on presenting flood risks caused by ordinary floods, in addition to possible dam rupture events.

[EU-21] In compliance with the National Dam Safety Policy, Law 12,334/2010 (Revised by Law 14,066/2023) and ANEEL resolution 1,064/2023, the company prepared and made available the ERPs for its dams, keeping them duly updated and filed with Municipal Protection and Civil Defense Coordination from the Municipal Civil Defense, established, for their proper integration into the respective Municipal Contingency Plans (PLANCON).

After the constitution of the 17 ERP Integration Committees (IC) for 18 Cemig dams in 2022, the year 2023 was characterized by the execution of their respective activity schedules, as per the script below:



Cemig pioneered Emergency Readiness Plans (ERP) in Brazil for dam failure, having started studies on the matter in 2003.

VAMOS

Vigilância **A**tenção Mobilização Organização **S**alvamento
Surveillance Attention Mobilization Organization Rescue



STAGE 1
Integration Committee
Composition - Roles and
Schedules & Responsibilities
(Integration Committee)



REVIEW
Revision of the PAE of the
Power Plants (PAE 14,066/20
and 696/22 ANEEL in the
regulatory phase)
(Cemig)



STAGE 2
Work Plan with planning of the
activities and execution schedule
(Cemig)



STAGE 3
2nd Socio-economic
Registration Campaign
(Cemig)



STAGE 4
Preparation of the External
Communication Plan
(Integration Committee)



STAGE 5
Execution of the
Communication Plan
(Integration Committee)



STAGE 6
Preparation of the Evacuation
Plan: points and routes
(Integration Committee)



STAGE 7
Review and update of the
Municipal Contingency Plan
(Cemig)



STAGE 8
Implementation of the
notification system
(Cemig)



STAGE 9
Execution of training and
simulations
(Integration Committee)



Within the 2023 schedule, the following were carried out:

- Six Evacuation drills with the population mapped in the ZAS (Self-Rescue Zones) for the PCHs (Small Hydroelectric Plants) dams: Coronel Domiciano, Dona Rita and Piau, and for the UHEs (Hydroelectric Plants): Rosal, Sá Carvalho and Queimado;
- Seven ZAS diagnoses carried out for the UHEs: Três Marias, Sá Carvalho, Rosal, e para as PCHs: Dona Rita, Coronel Domiciano, Peti e Piau;
- Seven work plans delivered to the UHEs: Três Marias, Sá Carvalho, Rosal e para as PCHs: Dona Rita, Coronel Domiciano, Peti e Piau;
- Five ZAS population registration actions carried out, for the UHEs: Três Marias, Rosal e Sá Carvalho e para as PCHs: Peti e Coronel Domiciano;
- Eight Communication plans in preparation, for the UHEs: Rosal, Sá Carvalho, Queimado e Três Marias e para as PCHs: Coronel Domiciano, Dona Rita, Piau, Peti, e
- Six evacuation plans in progress, for the UHEs: Três Marias, Sá Carvalho e Rosal e para as PCHs: Coronel Domiciano, Dona Rita e Piau.

The progress of the negotiations includes training for disasters/emergencies and subsidizes municipal civil defenses, in their recovery/restoration plans, indicated in the PLANCON.



[413-1] Created by Cemig in 2005, the Proximity program has the objective of strengthening the relationship with the communities surrounding the hydroelectric plants and, together with other areas of the Company, bringing technical knowledge and promoting the social development of the communities. Meetings are held in which experts give objective technical talks to clarify the common themes of the program, such as: Meteorology, Operational safety of reservoirs/plants, Structural (Civil) Safety of dams, Ichthyofauna and Water Quality and the Socio-environmental Actions of the enterprises.

For 2023, in addition to the usual themes mentioned, the theme “ERP Reports” on the dams of the projects was included, and the disclosure and availability of the App. PROX (Mobile App for Risk Management). In 2023, five meetings were held at the UHEs: Camargos/Itutinga, Irapé, Rosal, Queimado and Theodomiro Carneiro Santiago, with a total audience of 242 people, representing the public from the communities and territories surrounding the respective reservoirs.

The Proximity Program is audited within the ISO 9,000 Standard and has a Satisfaction indicator of 95.18%. Its minimum goal is 90%.

II. Crisis management plan

Cemig has a crisis management plan for dams, whose main objective is to establish synchronized actions to be taken in the event of emergencies involving dams, with a view to:

- Formalizing synchronized actions that will be taken in case of dam emergencies, aiming at avoiding human losses and reducing material losses;
- Ensuring continuity of the company's activities;
- Preventing the Company's critical business processes from being affected;
- Preserve the company's image;
- Provide information to the several public; and
- Minimize impacts on the potentially affected population



River Basin Committees

Even though it does not consume water in its hydroelectric generation process, Cemig is a major user of this resource in powering turbines to produce electricity. Thus, it actively participates in regulatory forums dedicated to water resources in its area of operation, such as the National and State Water Resources Councils, Hydrographic Basin Committees, Technical Chambers and Working Groups, etc. Operating in Minas Gerais, Cemig is a member of 19 state river basin committees and 4 federal committees, in addition to being a member of the Brazilian Association of Power Generating Companies (ABRAGE).

In these forums, the Company monitors, accompanies and proposes the drafting of laws and norms for the water sector, suitable for the power industry, always reconciling that with the multiple uses of river basins, together with the other participating stakeholders (government and civil society).

In critical situations, whether severe drought (as occurred between 2013 and 2019), isolated water crisis (that occurred in 2021) and intense rainfall (experienced during the rainy seasons of 2021/2022 and 2022/2023), the Company's actions in weather forecasting, monitoring and operating the reservoirs was essential for flood control in several neighboring municipalities along various river basins and for ensuring public water supply during dry periods.

After the year 2022, with an abundance of rain, the year 2023 was characterized by presenting a record for stored energy in the central south region of the country, reaching around 86% in June. Monitoring and forecasting reservoir levels and constant dialogue with public authorities, civil society, and river basin users are essential actions to guarantee energy generation and other uses of water resources.

With the abundance of rain, Cemig's communication took on a strengthening role in dealing with flood events, adopting the best practices for controlling the waiting volume, as well as timely communication to municipal response bodies.

To strengthen this dialogue with other agents, Cemig provides various information regarding the operation of its plants, such as the variation in levels and flows of rivers and reservoirs in the region. The data is published through the PROX application, as well as via the Company's website and social media. In addition, Cemig produces guidance videos and uses the community relationship program, called Proximidade, for clarification meetings with the population.



Distribution and transmission

Safety in occupancy belts

[413-2, EU-21] Human occupation of the safety belts around high-voltage overhead lines is a problem that several Brazilian power utilities are subject to. Most of the occupations are from low-income families with no housing options, who find safety belts as an area available to establish themselves in, even in precarious conditions of life and safety.

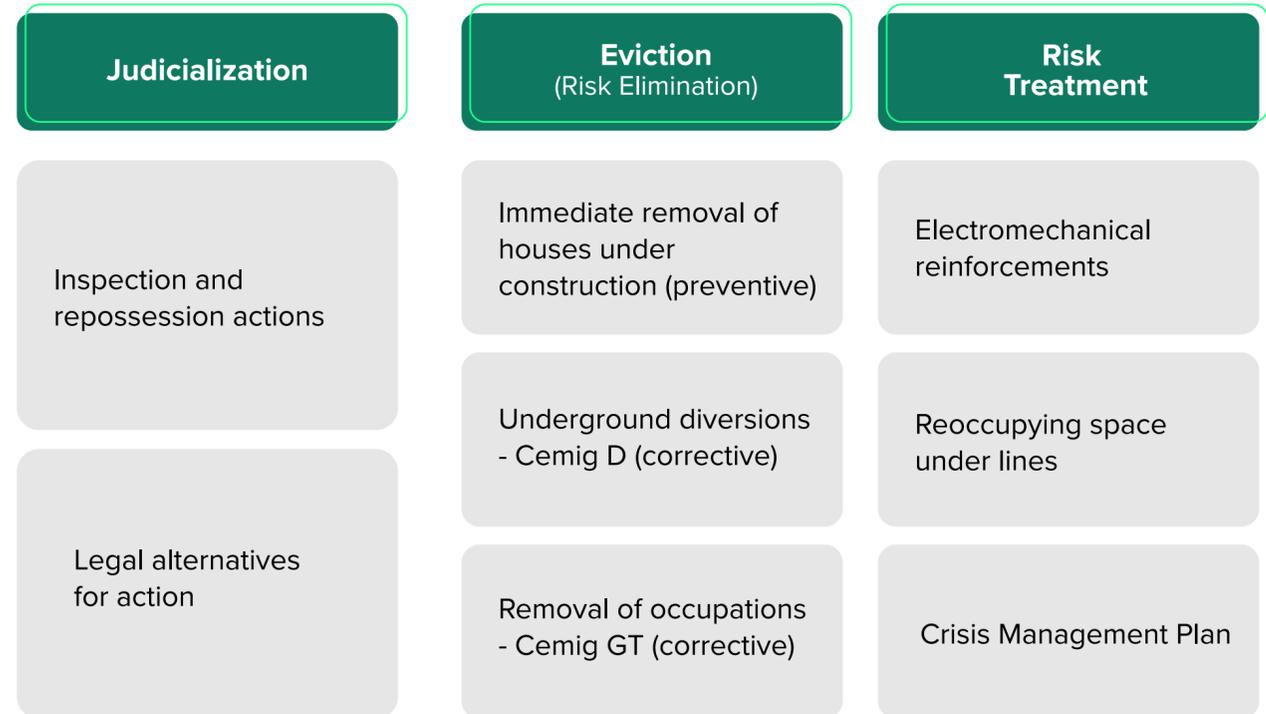
Given this situation, and aligned with its strategic planning, Cemig identified the need to work on safety solutions for the population. The objective is to revert this critical situation represented by the occupations of the safety belts of electric power transmission and distribution lines. This is done by the implementation of short-, medium- and long-term measures capable of restraining the spread of occupations via continuous surveillance, and of reducing the existing amount of irregular occupations that are already there. This second action front is developed in partnership with the municipalities by signing agreements that allow the removal of illegal households and the resettlement of families to decent housing units.

Through a land inspection contract, Cemig periodically covers the lines where there are lane invasions, and, when it detects any new occupation, it promotes judicialization and raises awareness of those responsible for the invasion about the risks that exist there. Cemig also uses another contract to verify invasions using a satellite system, to complement land inspection. When complying with court decisions for repossession, the object is removed as determined in the court order.

The topic is managed through an indicator that measures the number of families that occupy the safety zone and were relocated during the calculation period based on the historical average, and the number of families that occupy the security zone that were impacted by electromechanical reinforcement works carried out on high voltage lines.

In 2023, 87 trespasses to try title writs were enforced throughout the Company's concession area with the demolition of 35 irregular dwellings in the security lanes by court order, and no compensation was determined.

[EU-22] In 2023, no family was resettled by court demand due to security reasons.



Integrated Communication Plan for Population Safety

[3-3 (416); 417-1] Cemig has its Strategic Integrated Communication Plan for Safety with the Population, reviewed annually to ensure the updating of actions and strategies to guarantee their effectiveness concerning the safe use of electrical energy among its different stakeholders.

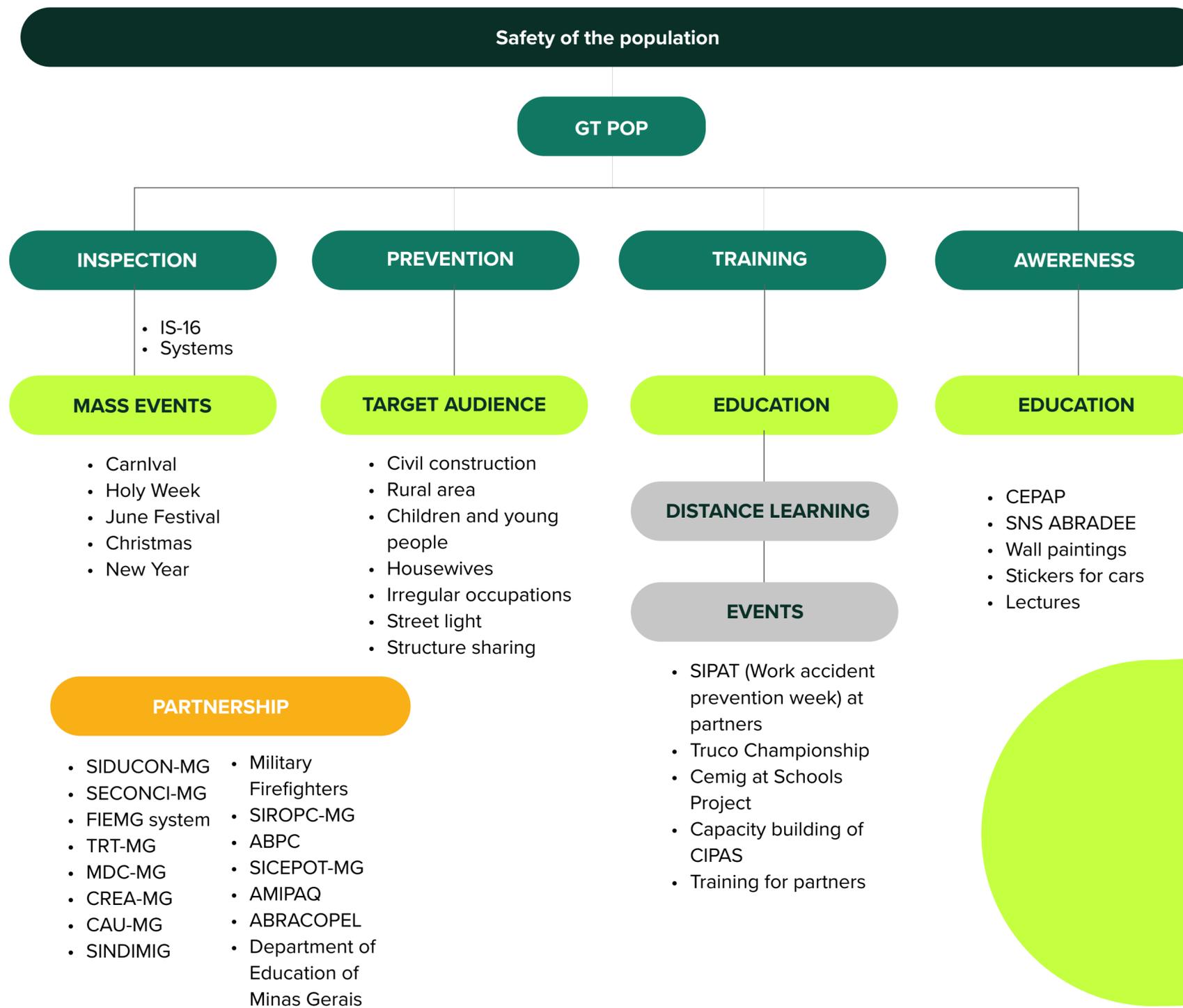
Among the objectives of this plan are raising awareness among the population, mobilizing the Company's various stakeholders to include guidelines on safety in the use of energy, and raising awareness among employees about preventive actions within and outside the Company. The plan also aims to: i) disseminate mass communication campaigns, providing information of public benefit to a wide audience, and ii) launch targeted communication campaigns, providing information of interest to specific audiences.

Cemig continually provides information and clarifications regarding the safe use of energy and promotes public awareness regarding the care necessary to live with energy networks, avoiding accidents and saving lives.

The safe use of energy is an important issue for Cemig precisely because it directly addresses issues that include customer and public safety. The Company is aware of the risks and dangers inherent to the use of electrical energy by the population and is dedicated to preventing and monitoring the occurrence of accidents throughout its concession area.

Cemig invests in communication for the safe use of energy, carrying out information campaigns, providing technical

Organizational chart of the Strategic Plan for Integrated Communication for Population Security



instructions on its relationship channels, providing teams for verification and guidance on risk situations, to inform about the safe use of electricity, among others.

Throughout its concession area, Cemig promotes accident prevention actions, guiding the population directly, through articles (radio, newspaper, digital media and TV) and posts on social networks; and indirectly, with different types of educational material published electronically and in the form of booklets, folders and posters, in addition to occasional campaigns in communities.

Cemig established technical cooperation agreements with 26 entities that have common objectives regarding the prevention of accidents with the population, such as the Union of Civil Construction Industries of the State of Minas Gerais (SINDUSCON/MG), Council of Architecture and Urbanism of Minas Gerais (CAU/MG), and the Fire Department. The capillarity and specificities of these entities assist Cemig in the dissemination of safety information, in addition to providing support in risk situations identified by the parties.

Focusing on education, Cemig offers the "Electrical Safety" training program, which is a free, online course aimed at the general public, starting from age 10. The course is also accessible to people with hearing and visual impairments. The training aims to enhance the dissemination of information on safety with the use of electrical energy and expand public knowledge on the topic. The course and other training offered free of charge by Cemig are available online⁴⁹.

Furthermore, Cemig provides various information to the population on its website regarding the safe use of electricity, both in urban and rural areas. These precautions involve the use of energy inside homes, on the streets, in the countryside, near buildings, during rainy periods, festivities, etc. All security campaigns carried out in 2023 can be accessed on the Company's website⁵⁰.

[416-2] Therefore, the Company considers that 100% of the customer segments served in its Concession area are covered by its communication initiatives, especially concerning the safety of the population. There are no records of non-compliance with laws and/or voluntary codes about health and safety impacts caused by products and services during the period covered by the report.

49 The training can be accessed here.

50. Security campaigns can be accessed here.



Accidents with the population

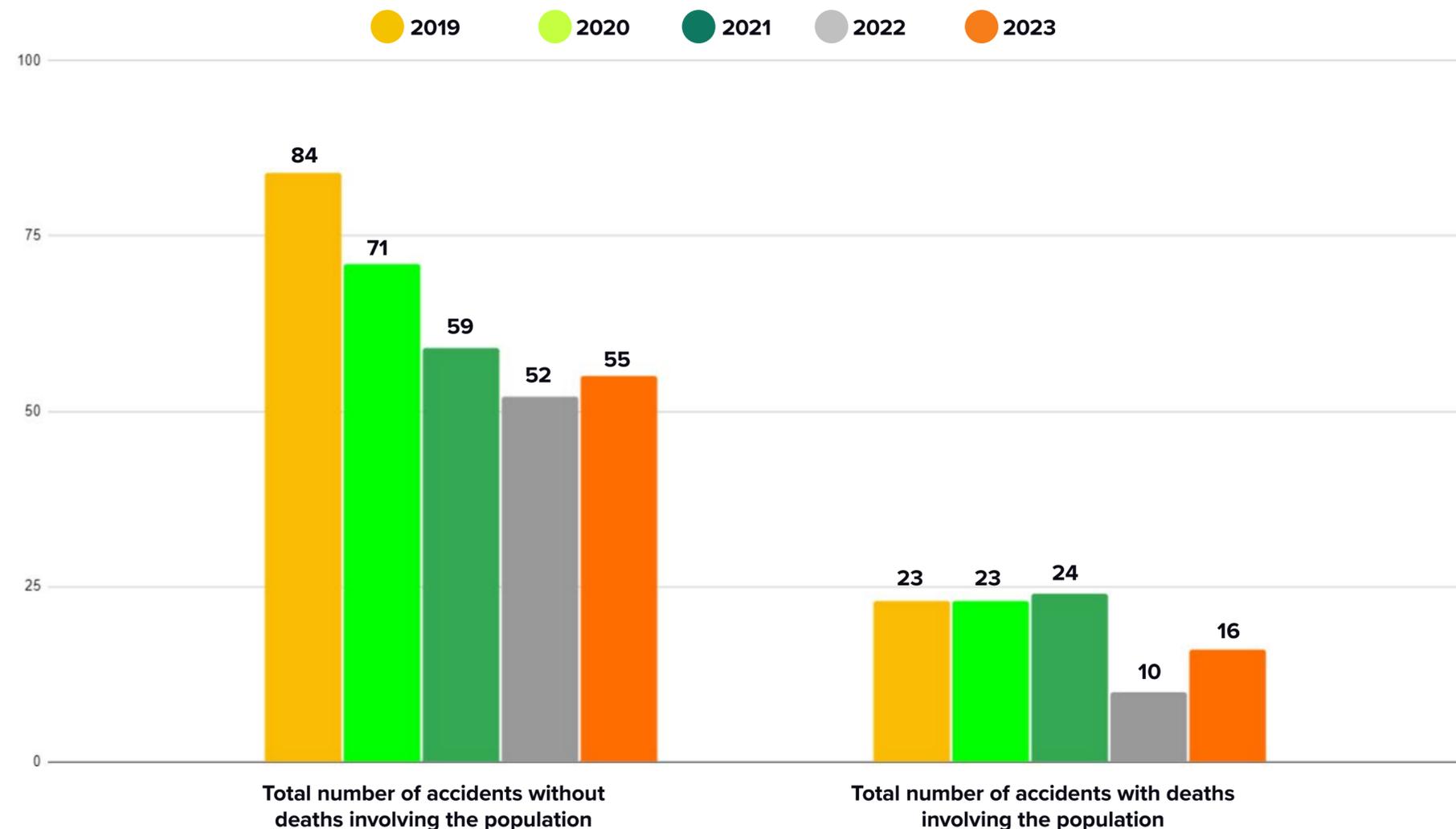
[EU-25] Even with all Cemig's efforts throughout 2023, accident records involving the population in the Company's concession area showed an increase of 5.45% compared to 2022. Among these accidents, those resulting in death increased by 37.5% compared to the previous year. The following chart shows accidents with and without deaths recorded in the last 5 years.

When an accident occurs, an investigation process is triggered. The conditions of the event are assessed to check for a causal link between the occurrence and Cemig's asset activity or operation.

Concerning legal actions, there were a total of 72 new actions registered in 2023, related to accidents with third parties, of which nine would result in fatal victims. There was also a total of 121 third-party accident cases registered into the system in 2023, of which at least 22 were related to fatal third-party accidents.

Cemig continues to make efforts to improve safety among the population, with campaigns in schools and civil construction, as well as guidance on commemorative dates such as Carnival, June festival (Festa Junina), and Christmas, among others.

Total number of accidents with the population (with and without fatalities) – 2021 to 2023



Judicial disputes arising from accidents with the population – General Litigation Base	2021	2022	2023
Total	51	53	72

Corporate citizenship and social investments

[2-12] Cemig's philanthropic and corporate citizenship strategies are aligned with its mission, vision and values and aim at economic and social development in the places where it operates, through support for communities.

The corporate citizenship and philanthropy strategy defined by Cemig has as priorities: social and educational development, strengthening the cultural sector and increasing the sports sector, and strengthening the Company's brand and image in the market and society. To implement this strategy, the Company works in partnership with the Government (Secretariat of Health, Secretariat of Education, Secretariat of Sport, Secretariat of Culture, Ministry of Sport, and Ministry of Health), with municipalities (Municipal Councils for the Rights of the Child and of Adolescents) and with philanthropic institutions.

By supporting public benefit projects and collaborating with municipalities, states, and regions, Cemig strives to increase the quality of life throughout the community in which it operates.

[201-1] In this regard, several projects are developed and executed, prioritizing those that serve the largest possible number of beneficiaries in all regions of operation in the state of Minas Gerais. Here, diversity is taken into account and focused on entrepreneurship, income generation, health, culture, and digital inclusion. Cemig contributes to community institutions,

NGOs, and Research Institutes, providing infrastructure, facilities, and direct costs in artistic and educational events.

[203-1; EU-07] An example of a program is the SESI Energy Efficiency Space, which aims to educate the community on the good use of energy. This is an initiative of Cemig's Energy Efficiency Program, regulated by the Brazilian Electricity Regulatory Agency (Aneel), whose objective is to disseminate the culture of efficient use of energy, with a focus on sustainability and in line with the Sustainable Development Goals (SDGs) of the United Nations Organization (UN), mainly those related to the promotion of learning opportunities and access to innovation. Further project details are in the "Energy Efficiency" section.

Some projects that stood out in 2023 include:

- **Sponsorship program:** consists of collecting donations from third parties (sponsors) for selected institutions through the power bill, those donations being then transferred in full, via bank deposit. In 2023, 182 institutions received approximately BRL 76.7 million in donations.
- **A16% Program:** encourages employees and retirees to transfer 6% of their income tax due to the Childhood and Adolescence Funds (FIA). The 2023 A16% Campaign involved the participation of 1,427 employees who voluntarily allocated more than BRL 1.3 million, to benefit 137 institutions that serve around 20,000 children and adolescents in vulnerable situations. Cemig also allocated BRL 1.5 million of its income tax due to the same FIAs. In

total, BRL 2.8 million was allocated to entities distributed in 69 municipalities within the Company's area of influence.

- **Voluntariado Cemig - Você:** encompasses several actions to encourage and support employee involvement in voluntary activities. Structured to enhance ongoing volunteering actions, the program's trajectory gradually migrates from assistance to participatory

In total, R\$ 2.8 million was allocated to entities distributed across 69 municipalities in the Company's area of influence.



citizenship and social transformation. In 2023, The Cemig Volunteer Program published a total of 21 actions on its platform, including social assistance actions, information, donations of items, financial donations, and actions proposed by employees. 183 employees participated in the actions as volunteers, totaling more than 400 hours of voluntary work by the Cemig Group workforce.

- **Women Entrepreneurs:** Online and In-person: practical learning course composed of modules that cover topics relevant to self-knowledge, entrepreneurship, management tools, communication, sales, and female protagonism. The objective is to contribute to the generation of resources for women and family income, allowing them to invest in the future of their families and improve social well-being, in addition to being an excellent learning and networking opportunity. Twelve volunteers participated in the online and in-person actions, in Belo Horizonte, Pouso Alegre, as well as other cities in the interior, who gave classes and contributed to the training of beneficiaries.

- **Young Energy:** aims to train young people, public school students, for the job market, helping them understand how to start their professional lives and join an organization. The training consists of modules that cover topics relevant to entering the job market, such as self-knowledge, networking, skills to be developed, how to prepare for an interview, and prepare a CV, among others. In 2023, 30 young people were trained in the city of Montes Claros, guided by three Cemig volunteers.

In addition to these initiatives, actions such as **Volunteer Day** were also carried out, aiding hundreds of people at Vila Zilah Esposito, in Belo Horizonte. Additionally, several employees from the interior of Minas Gerais joined these volunteers in actions in the cities of Varginha, Pouso Alegre, Montes Claros, and Divinópolis, collecting donations for the benefit of elderly people assisted in local institutions.



Social Investments

Cemig invests resources in culture, sports, health, education, and citizenship, considering interests usually common to its 9.2 million clients, from 774 municipalities served in Minas Gerais. The priority of initiatives to encourage social projects, whether by allocating social investments or by sponsoring projects, is to contribute to social transformation in multiple municipalities.

[2-12] The Company works in partnership with the Government, represented by the respective Secretariats and Ministries, according to the project topic. Social Investment covers tax incentives and the voluntary transfer of private resources to public interest initiatives. For sponsorships, Cemig uses its policy and encourages the cultural, sporting, educational, and social sectors. Cemig also makes use of an Internal Service Instruction making the agents involved accountable and defining indicators to guarantee efficiency in the management of social projects.

The resources are invested, via incentive laws, in culture, sport, health, education and citizenship, since these interests end up being common among the clients spread throughout the 774 cities that Cemig serves. The main objective of these contributions is to generate a positive impact on the lives of thousands of families, and thus contribute and social development in the state.

Culture: Cemig is the largest promoter of culture in Minas Gerais and one of the largest in the country. In 2023, BRL 76.57 million was invested in around 146 cultural projects. Of this total, BRL 1.8 million comes from own resources, via direct investment. In addition to encouraging producers and artists, Cemig's support brings direct benefits to the population, who can access cultural assets more safely and democratically.

This investment in culture contributes to building the heritage of Minas Gerais and positions Cemig as a great promoter of the development of the creative economy, maintenance of traditional groups, and heritage equipment. In addition, the supported projects aim at occupying the urban space, transforming communities, and promoting innovative art.

Cemig plays a key role in sponsoring notable cultural spaces in Minas Gerais, including the Clóvis Salgado Foundation, Inhotim Institute, Minas Gerais Philharmonic Orchestra, Galpão Group, Corpo Group, and others.

Sports: For the community, sports projects generate social recovery and citizenship benefits, especially for children and adolescents, by encouraging the practice of sports and generating the possibility of becoming athletes. For Cemig, sports projects strengthen its image as a company committed to the development of healthy habits, well-being, and development of local communities.

In the last five years, Cemig has allocated over BRL 30 million to sports projects, with R\$ 12.1 million in

2023 alone, positively impacting the lives of over 20,000 children and adolescents, in 44 municipalities in all regions of Minas Gerais. Of this amount, 30% originated from the State Sports Act and 70% from the federal act.

In 2023 Cemig published notices to select social projects that will become part of the set of initiatives encouraged by the company in Minas Gerais. Public calls seek actions that work on sporting practices.

For Cemig, diversity is a value and must also be present in sports. Annually, around 12% of resources allocated to sports are directed to projects that work exclusively with people with disabilities in various sports and regions of the state.

The Company remains committed to making a difference in people's lives and contributing to the construction of a fairer and more inclusive society.

Elderly Funds: The population over 60 has increased⁵¹ and so has life expectancy. In this context, through the allocation of incentive resources, Cemig seeks to allow for projects of protection and assistance to the elderly in the state of Minas Gerais, aiming at expanding and improving actions geared to that population. Additionally, priorities for the Company also include supporting proposals that enable the structuring of Municipal and State Elderly Funds in the State, enhancing actions aimed at this demographic.



R\$76.6 million
invested in cultural
projects in the year
2023

⁵¹ Source: IBGE - 2022 Census.

In 2023, a public call for proposals was launched to select the elderly support projects most aligned with organizational guidelines. One of the institutions supported by Cemig in this context is Santa Casa de Misericórdia of Belo Horizonte, which, in the last five years, received approximately BRL 1 million in incentives from the Company. The number of beneficiaries of initiatives aimed at the elderly grows every year, with more than BRL 3 million having been invested in these projects in 2023.

Healthcare: In 2023, Cemig invested BRL 44.4 million in different regions of Minas Gerais, where 370 hospital units were served, involving the replacement of autoclaves, dryers, and surgical lights, in addition to the installation of photovoltaic plants.

SECTOR	2020	2021	2022	2023
Culture	R\$ 20,449,013.93	R\$ 22,393,958.64	R\$ 69,839,107.44	R\$ 77,328,141.27
Education	R\$ 2,413,165.44	R\$ 1,902,375.13	R\$ 9,929,492.28	R\$ 1,239,640.00
Sports	R\$ 4,940,834.11	R\$ 3,381,299.47	R\$ 4,886,008.30	R\$ 12,110,693.78
Social Actions	R\$ 55,739,000.00	R\$ 42,909,245.68	R\$ 96,404,639.42	R\$ 146,225,009.47
Healthcare	R\$ 5,000,000.00	R\$ 1,130,653.94	-.52	R\$ 2,332,126.43
Public Property	R\$ 0.00	R\$ 0.00	R\$ 0.00	R\$ 0.00
Total	R\$ 88,542,013.48	R\$ 71,717,532.86	R\$ 181,059,247.44	R\$ 239,235,610.95

52. The 2022 health investment reported refers to the Energy Efficiency program, described below. To avoid double counting, the value is not accounted for in this table.



Access to energy

[IF-EU-240a.4] Cemig also operates with the social tariff, a discount on the electricity bill for low-income families. In 2023, about 1.2 million Cemig consumers received monthly tariff benefits from the power bill tariff, totaling BRL 405 million that year, an increase of 26% in relation to 2022. The benefit is an important instrument in reducing socioeconomic inequalities, including between the different regions and Brazilian states, which have suffered different effects with the increase in the cost of electricity supply in recent years.

With the regulation of Act No. 14,203/2021 and the signing of a protocol between ANEEL, the Ministry of Mines and Energy and the Ministry of Citizenship, the Social Tariff started to be granted automatically as of November 30, 2021, for families entitled to it, and it is no longer necessary to ask the distribution company for that. Currently, around 17 million families in Brazil receive the social tariff.

The right to benefit is granted to consumers who are enrolled in the Single Registry for Social Programs of the Federal Government, or who receive the Benefit of Continued Provision of Social Assistance, according to Art. 20 and 21 of Act No. 8,742 of December 1993. The discount, in this case, only happens for cases where consumption is up to 220 kWh. In addition, the discount is cumulative and complies with the following consumption ranges:

- 65% discount for consumption in the 0 to 30 kWh range;

- 40% in the 31 to 100 kWh range;
- 10% in the 101 to 220 kWh range;
- 0% over 220 kWh.

Indigenous and quilombola families have a 100% discount up to a consumption limit of 50 kWh/month.

The risks related to this program come from delays in the transfer of these funds and the consequent impact on the distribution company utility's cash flow. Revenue losses from the distribution company utilities due to the subsidy granted to Low-Income residential consumers, as well as to other subsidies, are monthly covered by an investment of funds from the Energy Development Account (CDE).

Legal Energy Program

Cemig is committed to improving the supply of energy to the communities where it operates every day, prioritizing public safety regarding the risk of electrical accidents and promoting local development throughout its concession area.

To make this commitment viable, Cemig launched the Legal Energy Program, which aims to regularize access to electricity for approximately 240 thousand families, located in communities and occupations in the Metropolitan Region of Belo Horizonte (RMBH) and some regions of the state.

In these locations, new networks and individual energy measurement standards will be implemented between 2023 and 2027 with an investment of approximately BRL 1 billion.

The investment includes the use of various technologies, according to different local regularization strategies, considering areas of social complexity with high criticality of energy theft, risk areas with criticality of fraud, and areas with risk of service execution. These technologies range from the use of centralized measurement systems on poles to shielded measurement panels for vertical occupancies.

Mapping the reality of these communities that will receive the program includes surveying local leadership. All communications carried out follow the guidelines of Cemig's Communication Policy with communities, which ratifies the company's commitment, especially that of the executive board, to consult local populations in the initial stages of its work.

After an initial contact, more extensive visits and meetings are carried out before implementing the Program, so that the teams are aware of perceptions regarding the local situation and the services already provided in the region, to direct the most effective solution.

When interacting with populations, the Energy Program team guides the conscious and safe use and consumption of energy and also on rules for the inclusion of low-income families in the social electricity tariff (TSEE). In addition, it promotes Energy Efficiency Program initiatives, such as donating more environmentally friendly light bulbs and refrigerators.

The advantages of the Legal Energy Program include:

- More safety against electric shocks;
- Higher degrees of caution to avoid burning out household appliances;
- Energy regulation;
- Generation of proof of address, through electricity bill;
- Rights of accessing social benefits;
- Ease of making new energy connections;
- 24-hour assistance.

In 2023, 10.2 thousand families have already been regularized through the Program, especially in RMBH, with investments of BRL 92 million. The results are disseminated to communities throughout the Program.



Energy Efficiency

Cemig has historically invested in the dissemination of and awareness-raising on efficient consumption, aiming to combat the waste of electricity and to preserve natural resources.

[EU-07; 203-1; IF-EU-420a.3] Cemig D develops the Energy Efficiency Program (PEE) annually. This program is governed by sectoral legislation and determines the allocation of a percentage of the Company's annual net operating revenue to projects at consumer facilities, aiming to increase energy efficiency in the final use of electrical energy. The projects are carried out in different sectors, with emphasis on work in hospitals, philanthropic entities, schools, low-income communities, and government facilities, in particular the public lighting of streets and avenues with the Minas LED project. Some projects are developed directly by Cemig and others originate in annual Public Calls for Proposals.

Cemig D's Energy Efficiency Program maintains many projects running, reaching 44 initiatives at the end of 2023. In 2023, the program invested BRL 141 million in projects throughout Cemig D's concession area, in addition to the availability of another BRL 50 million in a new public call process to select proposals to compose the portfolio of projects to be financed throughout 2024 and 2025.

The program's actions always aim at energy efficiency associated with social responsibility and innovation, aligned with the strategic objectives of Cemig's business, with emphasis on operations in hospitals, philanthropic entities, schools, low-income communities, and government facilities, especially public lighting of streets and avenues with the Minas LED project.

Detailing of PEE actions by the target audience

Description of energy efficiency projects	Target Audience	Amount completed (consumers)	Investment (BRL)	Energy savings (MWh/year)	Reduction of peak demand (kW)	Avoided tCO2	Variation in avoided tCO2 in relation to 2022
Cemig in the communities: Carrying out orientation visits and replacing inefficient equipment, as well as working to regularize installations.	Families in low income urban communities	855	BRL 10,834,616.64	2,297	399	83	+20.3%
Cemig in schools (educational): Maintenance of the Cemig SESI Energy Efficiency Space and itinerant operation in schools throughout the concession area with experiments and plays and teacher training through webinars and distance learning.	Primary and secondary public-school students	85,828	BRL 1,239,640.00	0	0	0	-
Cemig in schools: Replacing lighting in schools.	Public schools in the Cemig concession area	682	BRL 6,266,668.48	4,362	1,101	158	-16%
Cemig in hospitals: Replacement of autoclaves, surgical lights, lighting and laundry equipment for hospitals.	Public and philanthropic hospitals	370	BRL 44,417,243.77	26,540	7,076	963	+58.6%
Cemig in the cities, Minas LED: Replacement of high, power points in public lighting.	Public lighting in municipalities in the Cemig concession area	312	BRL 64,062,136.99	58,344	2,528	2,118	+9,527.3%
Cemig in cities/towns, security force and courts: Replacing inefficient lighting with LED.	Facilities of the military police, prison system, civil police, military firefighters, and courts of justice	61	BRL 3,852,921.81	2,690	245	98	+28.9%
Cemig in the countryside: Carrying out orientation visits and replacing inefficient equipment, as well as working on the regularization of installations.	Families in rural low-income communities	3,072	BRL 712,952.06	127	29	5	-
Calls for proposals	Funding of projects tendered by society	6	BRL 9,937,048.07	7,730	1,587	281	+295.8%
TOTAL	-	91,186	BRL 141,323,227.82	102,090	3,706	12,965	-

Human rights

[2-23; 3-3 (412); 412-1; 412-3; 416-1] Aligned with the UN Universal Declaration of Human Rights and its Guiding Principles, with the fundamental norms of the International Labor Organization (ILO) and the UN Global Compact, Cemig declares that it respects and supports the protection of internationally recognized human rights in its area of influence.

For Cemig, human rights related to the workplace include, as a priority, the fight against corruption and moral and sexual harassment, respect for the individual, health and safety, development, fair and equitable employment practices, prohibition of discrimination, agreements of collective bargaining and prohibition of child labor and work analogous to slavery.

The Company publicly declares its commitment to the topic through the following documents, all approved by the Board of Directors:

- Commitment to Human Rights⁵³
- Cemig Code of Conduct⁵⁴
- The Diversity and Inclusion Appreciation Policy⁵⁵, approved by the Board of Directors in July 2022, explicitly states Cemig Group's commitment to promoting a culture of valuing diversity, equity, and inclusion in its various forms.

These documents highlight the commitment to:

- Fight against corruption;
- Health and safety;
- Fair and dignified employment and compensation practices;

- Freedom of association, effective recognition of the collective labor agreement and the right to strike;
- Equal opportunities;
- Elimination of child labor and all forms of forced and compulsory labor;
- Prevention of moral and sexual harassment and appreciation of diversity.

These commitments are reinforced with employees through internal communication, handbooks, and training. Additionally, Cemig publishes information about these documents on its website and in public reports. In 2023, the mandatory annual Code of Conduct training for the entire workforce reached 100% of active own employees and 81% of third-party employees. The training covered topics such as combating discrimination and valuing diversity, as well as reinforcing Cemig's Commitment to Human Rights. Several training sessions, online broadcasts, and communication actions were also conducted throughout the year on the topics of non-discrimination and zero tolerance for harassment, among others.

Percentage of employees trained in human rights policies			
	2021	2022	2023
Percentage	99%	100%	100%

According to the Human Rights Due Diligence Process⁵⁶ and Cemig's Human Rights Commitment⁵⁷, Cemig seeks to prevent or mitigate negative impacts on human rights in its operations and services through its commercial

relationships, including when it has not contributed to generates them, in alignment with the UN Guiding Principles on Business and Human Rights.

Cemig uses a specific methodology that makes it possible to assess the impact on 100% of its operations and those of its suppliers, as well as the impact on local communities.

The assessment of the impacts of Cemig's activities that pose a greater risk to fundamental rights results in a matrix of risks of violation of these rights, which is updated at least annually. The impact assessment included severity, extent, duration, remediability, and whether the Company is directly related or indirectly contributes to the risk of violation. To assess risks and identify real or potential impacts, in addition to the knowledge of internal specialists from the workforce, Cemig takes into account various sources of consultations such as Engagement Survey, Consumer Survey (ISQP), complaints channels, and ombudsman, and comments on the Company's official social networks.

53. Access Cemig's Commitment to Human Rights here.

54. Access the Code of Conduct here.

55. Access the Diversity and Inclusion Valuing Policy here.

56. Access the Human Rights Due Diligence process here.

57. Access the Commitment to Human Rights here.

After identifying the major risks and right holders, Cemig heavily invests in risk mitigation and monitoring actions.

Examples of mitigation actions conducted by Cemig include:

- Educational booklets and contractual clauses for suppliers;
- Lectures and educational work in schools on the use of energy.

As examples of monitoring actions, Cemig carries out:

- Field safety audits;
- Human rights audits of suppliers;
- Monitoring and investigation of harassment and discrimination cases.

Human Rights mitigation and monitoring actions are described in the human rights due diligence document⁵⁸.

According to the recommendations of the UN Guiding Principles on Business and Human Rights, Cemig defines actions geared to mitigate, prevent, and monitor, and defines a formal reparation process, when rights are violated. For example, when an accident occurs with employees or the population within the Company's operations or area of influence, the health, safety, and social service teams accompany the entire process, supporting the victim and their family. Expenses related to the accident that are not covered by Unified Healthcare System (SUS) are paid - including accommodation, transportation, medications, medical appointments, exams, and prostheses.

Depending on the severity of the accident, the victim is granted lifelong monitoring.

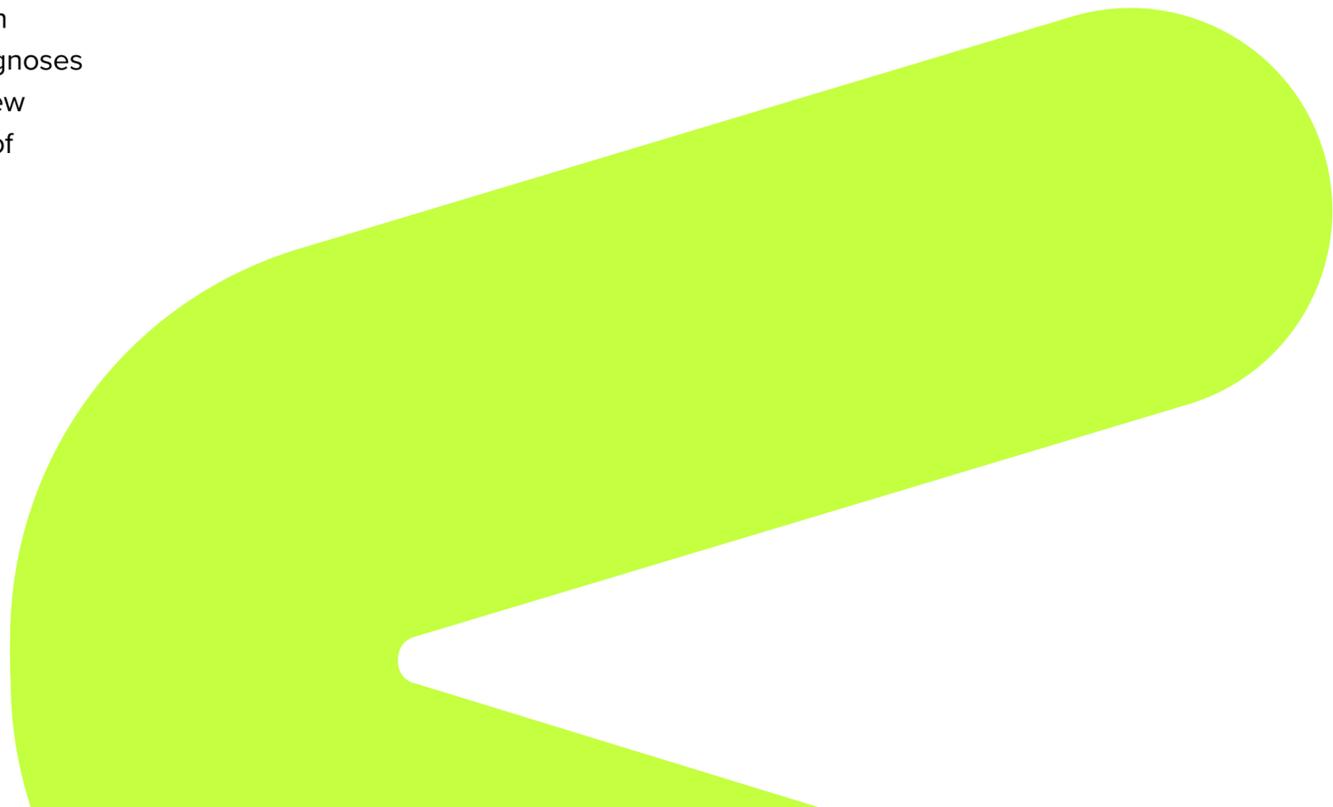


Annually, Cemig submits accounts on its human rights actions via the United Nations Global Compact Report, the Sustainability Report, ISE B3, and the Dow Jones Sustainability Index (Global S&P).

Participation in business groups of the Global Compact and the main world investment ratings not only measure the Company's performance in human rights but also point out the main points for improvement. Based on the diagnoses obtained, Cemig continually seeks to review its actions and promote changes in favor of corporate sustainability and society.

⁵⁸. [Access the Human Rights Due Diligence process here.](#)

Groups / individuals	Consultation source
Employees and leaders	Climate Survey, Organizational Culture Survey and Whistleblowing channel.
Suppliers	Human rights audits and Whistleblowing channel.
Customers and community	Survey with customers, engagement actions with the community and Cemig's ombudsman office, comments on Company official social networks.
Vulnerable or minority groups (women, immigrants, black people, native people, children, people with disabilities, LGBT+), inside and outside Cemig	Internal and external surveys, Whistleblowing channel, investigation of cases of harassment, discrimination or violence in Cemig's operations and/or involving employees and suppliers and forums on the subject of Human Rights, Diversity and Inclusion.



Asset and industrial security

[410-1] Cemig has an Industrial and Asset Security team at its units. This team is outsourced and specialized, carrying out security tasks to control access to the Company's premises and buildings, and to prevent theft on these facilities.

For the provision of services, it is required that subcontractors comply with the legislation and that their employees are properly trained in the applicable aspects of the security services provided and relevant human rights, including compliance with the law, non-discrimination, respect for individuals and health care and occupational safety.

In 2023, 100% of the staff was trained, which corresponds to 150 team members.





ENVIRONMENTAL PERFORMANCE

Environmental management

[3-3 (303); 3-3 (304)] Cemig acknowledges its responsibility towards the environment and is committed to adopting and disseminating good environmental management practices. The Company has an Environmental Policy⁵⁹ available to the public, which contributes to taking environmental aspects into account in the Company's decision-making processes and establishes respect for the environment as a value that must be practiced by all employees and other stakeholders acting on its behalf, including its suppliers. As a tool to measure its environmental performance, Cemig uses indicators related to inputs (e.g., material, energy, water) and outputs (e.g., emissions, effluents, waste). In addition, monitoring related to biodiversity, environmental compliance, and other relevant information, such as the impacts of products and services throughout the value chain, is also carried out.

Cemig's Environmental Strategy

Cemig aims to reconcile its development with environmental protection, biodiversity preservation, rational use of natural resources, and compliance with environmental legislation. This objective is based on its business mission and vision and is reinforced in the Company's Strategic Planning. The planning considers current and future risks and opportunities, challenges, medium and long-term scenarios, and the expectations of its stakeholders.

This entire process is guided by the Environmental Policy, Biodiversity Policy⁶⁰ Water Resources Policy, Commitment to Climate Change, and internal procedures. Based on these guidelines, the Company constantly contributes to creating shared value in the regions where it operates, as well as to achieving the UN Sustainable Development Goals, especially goals 7 (Affordable and Clean Energy), 13 (Climate Action), and 15 (Life on Land).

The Environmental Adequacy Program, multi-year and with a transversal approach throughout Cemig, is the instrument that details the corporate strategy at a tactical level, in which several guidelines are established. Through a prioritization matrix, the operationalization of the environmental strategy is conducted based on the definition of programs and initiatives, with their respective responsibilities, actions, goals, objectives, indicators, and resource allocation, composed of themes such as Biodiversity, Water, Waste and Climate Change. The goals related to these and other themes are listed in the Strategy chapter of this Report.

The Environmental Adequacy Program is periodically monitored by the Socio-Environmental Adequacy Committee, made up of representatives from Cemig's management, in which compliance with the proposed actions is assessed.

Therefore, it is considered essential to involve multiple stakeholders through action networks, as well as

building partnerships in the preparation and execution of all environmental programs. Based on this bias, the Company continually invests in R&D and new technologies that aim to mitigate impacts and reduce environmental risks.

STRATEGIC PILLARS

- Strengthen Cemig's performance on environmental issues;
- Minimize environmental risk, avoiding fines, disputes and lawsuits;
- Strengthen the company's sustainability.

DRIVERS

- Preparation of the company for future environmental issues;
- Conservation of Ichthyofauna;
- Adequate waste management;
- Adequate management of vegetation;
- Climate change management;
- Water management.

PROGRAMS AND INITIATIVES

- Peixe Vivo (Fish Alive Program);
- Afforestation Management Program;

59. The Environmental Policy is available on the Cemig website.

60. The Biodiversity Policy is available on the Cemig website.

- Management of corporate goals related to GHG emissions, water and energy use;
- Assessment of carbon risk in new ventures;
- Relationship with the community and environmental agencies;
- Strengthening reserve logistics;
- Reservoir management.

When conducting its activities, Cemig faces the need to obtain various government authorizations and approvals, involving state and federal bodies, city halls, and environmental departments. Historically, the company has been successful in fulfilling environmental obligations, obtaining authorizations for its operations, such as hydroelectric plants, transmission lines and wind farms.

Compliance with municipal, state, and federal legislation is essential, and it is necessary to implement environmental projects and programs to mitigate impacts and be aligned with current environmental policies.

The protection of natural resources is governed by several regulations, such as the National Environmental Policy and the Forest Code, which limits deforestation and establishes areas where vegetation must be preserved. Environmental compensation is an adopted practice, with companies required to invest in protected areas to mitigate impacts. Cemig has Private Natural Heritage Reserves and an Ecological Station, playing

an important role in environmental education and the production of seedlings of native species. The company is also subject to forestry compensation due to the suppression of vegetation, legally authorized and necessary for its operation.

Specific legislation, such as the Fauna Law, regulates the protection of wild animals, while the management of water resources is guided by the National Water Resources Policy. Cemig monitors the quality of water in its plants, ensuring compliance with regulations. In waste management, the company follows the National Solid Waste Policy, disposing of it appropriately.

Environmental responsibility includes environmental education programs for the community and employee training.

Environmental licensing is essential for projects, involving several studies and obtaining specific licenses. The environmental conditions established in the licenses guarantee compliance with legal obligations and the execution of environmental programs.

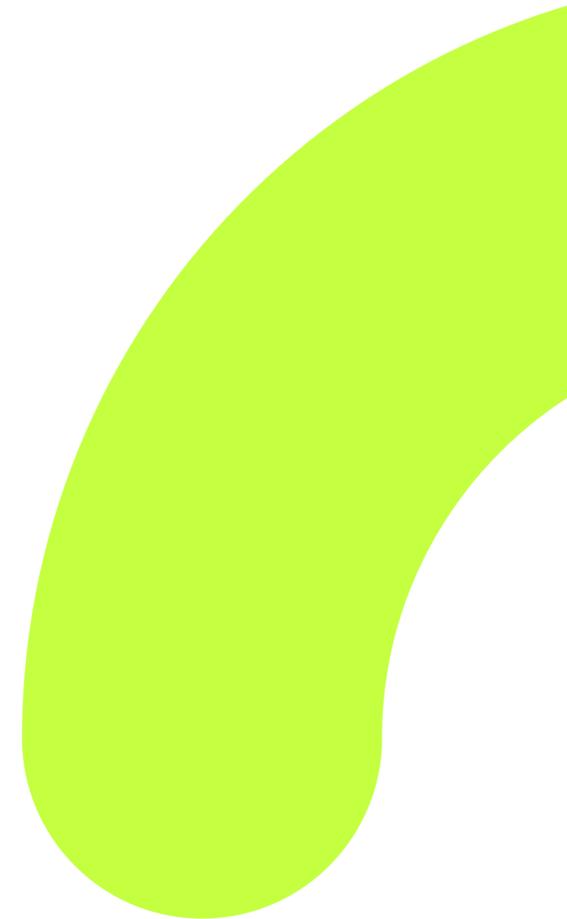
- Cemig develops a series of environmental programs, including monitoring fauna, fish, erosion, recovery of degraded areas, and actions with the community. The conservation of Permanent Preservation Areas is fundamental, with measures being adopted to avoid irregular occupations.
- In addition to complying with legal obligations, Cemig adopts internal initiatives to control and

reduce environmental impacts, following a corporate Environmental Policy. The company seeks sustainability in its activities, establishing programs to prevent and control socio-environmental impacts, in line with the principles of sustainable development. These actions go beyond legal requirements, reflecting Cemig's commitment to protecting the environment.

• Policy is based on six fundamental pillars that consider the development of the business, the preservation of/ lesser impact on biodiversity and the conscious use of natural resources, as follows:

- Strategy;
- Management;
- Compliance with legal requirements;
- Pollution prevention;
- Commitment to continuous improvement; and
- Communication and environmental education, which guide Cemig's management processes and routine.

The development of Cemig's Environmental Education Programs is based on the application of Participatory Socio-Environmental Diagnoses, conducted through workshops with local communities and complemented by surrounding municipalities. The main objective is to raise awareness and involve the population around the reservoirs, including employees, promoting socio-environmental awareness. The specific objectives include the search for partnerships with municipal bodies, the promotion of local socio-environmental actions, the development of activities aligned with the needs identified



in the diagnosis, the training of the population to fully exercise citizenship, and the training of workers to identify and mitigate environmental impacts. The target audience includes public bodies, NGOs, associations, and plant workers, covering environmental, social, and health aspects.

It includes all its operational and support processes, whether planning, construction, operation, or decommissioning of projects. Thus, the way the Management Systems are structured ensures that the premises are considered and applied by the whole of Cemig's workforce.

To that end, the Environmental Management System (SGA), based on ISO 14001:2015 standard, allows for the adoption of best practices to minimize environmental risks and optimize operating costs. Working preventively, it aims at reducing possible environmental impacts and sporadic occurrences tied to them, prepare employees appropriately to respond to emergencies, and achieve greater assertiveness in both the execution of the environmental strategy and the commitments taken on before the competent bodies.

Overall, the standard is Cemig's main environmental management tool, as it considers environmental aspects influenced by the organization and others that can be controlled by it.

Therefore, ISO guides the Company in understanding the needs and expectations of interested parties

and in assessing the environmental impacts of undertakings, from the beginning to the end of its value chain.

In SGA, all enterprises are classified: those that have environmental licenses are certified in the NBR ISO 14001:2015 standard, and those that are still in the process of corrective licensing have the Internal Management System called EMS Level 1. All certified areas now conduct their activities in a controlled manner, with a focus on complying with legal requirements applicable to environmental management. To ensure control, the areas undergo independent internal and external audits conducted annually by a certifying body accredited by the General Coordination for Accreditation of Inmetro (Cgcre).

The normative requirements are applied and met by Cemig pursuant to the provisions in its Management System Manual. The manual, published for instructional purposes, serves to specify the most relevant environmental topics and, thus, guide internal management so that the requirements demanded by the standards are met. At the same time, online training is carried out to present, clearly and objectively, the content of the Management System Manual and to train and engage all employees to meet the normative requirements of NBR ISO 9001:2015, NBR ISO 14001: 2015 and ISO 45.0001:2018. Below is the coverage of Cemig's Environmental Management System:ISO 45.0001:2018. Abaixo, apresenta-se a cobertura do Sistema de Gestão Ambiental da Cemig.

Coverage of Cemig's Environmental Management System

Activity	2023		
	ISO 14001	SGA Level 1	Minimum Requirements
Generation	65%	20%	15%
Transmission	72%	28%	0%
Distribution	0%	0%	100%

Considering the percentage of EBITDA for each activity (Generation, Transmission and Distribution), Cemig is 43.33% certified (35.53% for Generation and 7.8% for Transmission) according to international standards (ISO 14001 and Environmental Management System) and internally audited in the rest of the operations by the company's own professionals.



In 2023, the concessionaire was successfully recertified in its Environmental Management System, maintaining the certification it has had since 2014. The certification covers the Generation Maintenance Planning and Execution Processes, as well as the Transmission Maintenance Planning and Execution Process of the Vice-Presidency of Generation and Transmission (VPG). This achievement reaffirms the company's commitment to environmentally responsible practices in its energy generation and transmission operations.

In addition to certification, Cemig developed and uses several internal indices to measure and monitor its environmental performance:

- **Condition Compliance Index (ICC):** which measures compliance with environmental constraints annually, respecting the deadlines and definitions imposed by environmental agencies. Thus, the aim is to guarantee environmental compliance of Cemig Generation and Transmission projects.
- **Forest Compensation Compliance Index (ICCF):** which measures the annual fulfillment of forest compensations established in environmental licenses or in authorization acts that are related to the reconstitution of flora.
- **Environmental Licensing Index for generation and transmission installation operation (ILOI):** intended to show the percentage of Cemig G and T facilities in operation with an environmental license in force.

As well as these indices, external audits of Legal Compliance and the Environmental Management System are carried out, which aim to assess the Company's performance in relation to the principles

defined in the Environmental Policy. Besides that, it is also designed to monitor compliance with current environmental legislation, as well as control the environmental impacts of its activities.

Legal compliance audits take place every two years, and only one Cemig Geração management is evaluated, that is, the facilities located in the Centro Sul region, which have NBR ISO 14001:2015 certification. Within a period of 10 years, 100% of Cemig Geração's facilities are evaluated, with the aim of verifying compliance with all environmental legislation within the scope of the SGA.

At Cemig Transmissão, Legal Compliance audits are held every two years, and all facilities that are certified under NBR ISO 14001: 2015 are evaluated.

[2-27] The results of the main indices are presented below:

Index ⁶¹	2022 Results		2023 Goals		2023 Results	
	Cemig D	Cemig GT	Cemig D	Cemig GT	Cemig D	Cemig GT
Condition Compliance Index (ICC)	N/A	98.60%	N/A	100%	N/A	100%
Forest Compensation Compliance Index (ICCF)	100%	N/A	100%	N/A	100%	N/A
Environmental Licensing for generation and transmission installation operation (ILOI)	N/A	86%	N/A	100%	N/A	100%

61. The Forest Compensation Compliance Index (ICCF) is only applicable to Cemig D (Distribution), and the Environmental Licensing Index for generation and transmission installation operations (ILOI) is only applicable to Cemig GT (Generation and Transmission).



The table below presents the monetary value of the fines considered significant (above R\$50,000.00) received in 2023.

[2-27] Monetary value of fines considered significant received in the last 4 years:

[2-27]	2020	2021	2022	2023
Number of violations of legal obligations/regulations	1	0	0	2
Fines paid in the period (referring to the same year)	0	0	0	0
Total value of fines/penalties related to previous years	R\$ 83,511.00	0	R\$ 77,922.16	R\$ 143,835.24



Environmental controls in transmission and distribution

[304-2] Through an internal directive on environmental controls, Cemig establishes measures to control and mitigate environmental impacts along its transmission and distribution networks.

One of the main measures adopted is to redraw the lines and distribution networks in areas of high tree density, to avoid or reduce the suppression of local vegetation, as well as to prioritize the elevation of its structures to reduce deforestation. Towards that, measures are adopted to preserve the cultural, speleological, or tourist heritage, consisting of actions that eliminate any impact, from alternative routes to underground networks.

[304 (EU)] About vegetation management on transmission lines, in 2023, Cemig manually and/or mechanically cleaned a total area of 58.7 million m² and carried out chemical weeding on 3.5 million m², totaling 62.2 million m² along structures and transmission lines. The management cost was BRL 12.79 million. The practice is crucial to preserve the availability of lines, guarantee a safe energy supply, and avoid significant financial impacts of maintenance.

As for fauna and flora, measures are adopted to relocate nests present in distribution networks and substations, in addition to actions to prevent birds and small animals from getting close to the equipment.

Financial resources invested

In 2023, Cemig invested a total of BRL 45.44 million in funds invested in the environment. Investments increased by 11.7% compared to the previous year (BRL 40.68 million), due to the Company's development project.

The following investments fronts stand out:

- BRL 104 thousand for waste management;
- BRL 829 thousand to Research and Development projects;
- BRL 21 million was allocated to expenses related to labor and execution of environmental services and improvements, including compliance with conditions;
- BRL 2 million used to monitor water quality in reservoirs, including physical-chemical and biological analyses;
- BRL 5 million in land regularization;
- BRL 3 million in reforestation.

The prioritization and allocation of these resources are periodically reviewed by the Monitoring Group for the Environmental Adequacy Plan.

Alongside, it is possible to assess investments in the environment performed by subsidiaries (Generation Três Marias, Salto Grande, Itutinga, Camargos, Sul, Leste, Oeste, wind farm Volta do Rio, Sá Carvalho, Rosal, Cemig Small Hydroelectric Plant (PCH), Poço

Fundo, Horizonte, Centroeste and wind farm Praias de Parajuru) The main destinations of these resources are related to compliance with environmental conditions of licenses (monitoring, forest restoration, etc.), third-party services (labor), various fees, and regularization of properties.

Série histórica de investimentos realizados nos últimos 4 anos:

Investment Operation of the Company (BRL)	2020	2021	2022	2023
Capital investment	3,142,000.00	1,997,226.00	15,333,607.87	23,419,676.99
PMSO (expenses)	25,573,023.51	31,084,618.75	19,068,659.09	21,187,558.48
R&D	7,870,057.53	4,145,804.92	6,281,033.87	829,835.69
Total	36,585,081.04	37,227,649.67	40,683,300.83	45,437,071.16

Investimentos em meio ambiente realizados pelas subsidiárias

Funds invested in the environment (subsidiaries) (BRL)	2020	2021	2022	2023
Total	2,347,718.4	4,165,873.2	3,042,212.59	7,673,791.55

Natural resource management

Through responsible management of its operations, Cemig always seeks to implement the practice of efficient consumption and, in this way, contribute to the conservation of natural resources. The approach to natural resource management converges with the environmental commitments established by Cemig and the Sustainable Development Goals (SDGs) defined by the United Nations (UN).

Energy consumption

In carrying out its operations, Cemig consumes energy in the form of fuel and electricity.

[302-1] Cemig inventories its gases using the GHG Protocol method and, with that, analyzes in detail its consumption of fuel and energy (self-generated or purchased), considering the classifications of the framework. Based on these, Cemig consistently seeks to identify, measure, and control the so-called scopes 1 and 2, which are, respectively, the organization's direct consumption and indirect energy (or thermal) consumption.

Regarding scopes 1 and 2, the results for 2023 are presented in the table alongside.

[302-3; 302-4] For comparison purposes, Cemig's consumption history is presented grouped up into the major kinds of fuel: electric energy, fuel for the vehicle fleet, emergency generators, machinery, and equipment.

[302-1] Power consumption in the organization

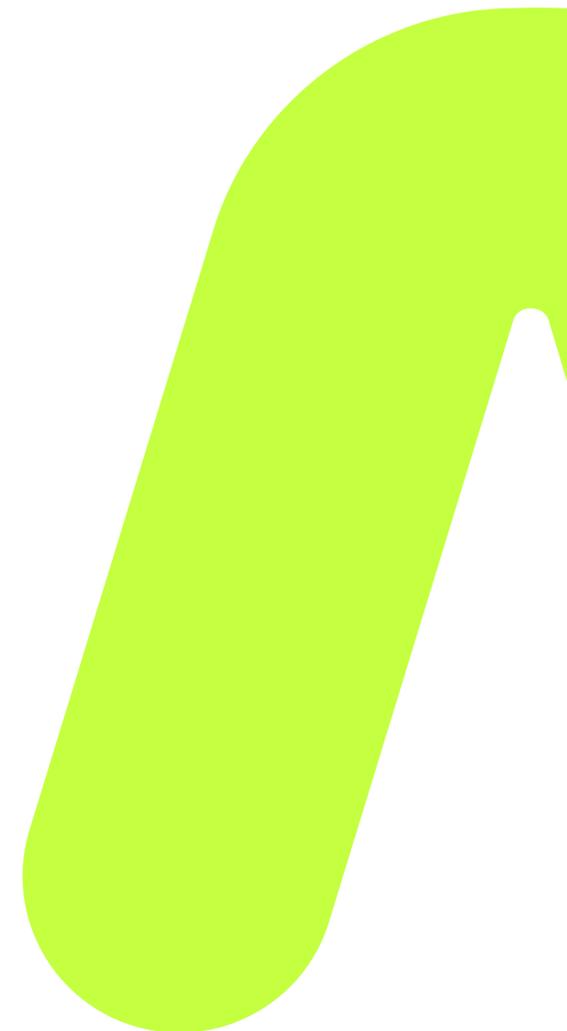
Forerunner	Consumption	
Non.renewable fuel	(MWh)	(GJ)
Diesel - Brazil	27,848	100,251
Gasoline - Brazil	5,613	20,208
Liquid Petroleum Gas (LPG)	10,018	36,065
Natural Gas	41	343
Natural Vehicle Gas (NVG)	95	343
Jet fuel	539	1,942
Fuel oil	N/A	N/A
Renewable fuel	(MWh)	(GJ)
Hydrous ethanol	611	2,201
Total fuel consumption	44,765	161,353
Power consumption	61,871	222,737
Total energy consumption	106,636	384,090

The company implements various actions aimed at reducing energy consumption and transitioning to renewable sources. These initiatives represent a crucial step in mitigating the company's environmental impacts and promoting a sustainable future.

Key energy management actions include:

1. Energy Consumption Reduction:

- **Guidance on efficient energy use:** The company recognizes that individual behavior change is essential for consumption reduction. By guiding employees on how to use energy more efficiently.
- **Use of LED lighting:** Replacing traditional bulbs with LEDs is an effective measure to reduce energy consumption and lighting costs.
- **Energy efficiency training at UniverCemig for employees:** Through specific training, the company invests in empowering its employees to become agents of change within the organization. By disseminating knowledge about energy efficiency practices, the company ensures its employees are engaged in the sustainability journey.
- **Fleet Management:** As a measure to reduce energy consumption within the company, Cemig requires, as a guideline, that the average manufacturing date of vehicles in its fleet be less than five years, the legal depreciation period set by the granting authority. Thus, the company renews its vehicle fleet annually, enabling fuel consumption reduction. Additionally, Cemig continually invests in fleet electrification.



2. Replacement of Non-Renewable Energy with Renewable:

- Mandatory use of ethanol instead of gasoline in the vehicle fleet: Adopting ethanol as the main fuel for the company's vehicle fleet is a significant step in reducing greenhouse gas emissions. Ethanol is a renewable and clean energy source derived from sugarcane, an abundant resource in Brazil.
- Certified renewable electricity consumption: Using electricity from renewable sources such as solar or wind power demonstrates the company's commitment to sustainability and clean energy generation. Certification ensures that the energy's origin is traceable and meets the highest environmental quality standards.
- Investments in Energy Storage Systems: Developing Battery Energy Storage Solutions (Mobile BESS) installed in a mobile structure allows its use in various activities related to the maintenance and operation of the electrical system. Developing a mobile battery energy storage system will enable the company to use renewable energy more efficiently and flexibly, optimizing resource use and further reducing its operational environmental impact.

Past 4-year history of renewable or non-renewable energy consumption at the organization

Consumption type	2019	2020	2021	2022	2023
Non-renewable energy (MWh)	178,333	40,738	56,115	34,916	44,154
Renewable energy consumption (MWh)	38,388	32,446	13,835	35,331	62,482
Total energy consumption (MWh)	216,721	73,184	69,950	70,247	106,636

The data shown above follow the conversion factors confirmed by the Brazilian Energy Policy Council (CNPE), the Intergovernmental Panel on Climate Change (IPCC), the Brazilian GHG Protocol Program, and the Brazilian National Energy Balance.

Cemig has set a target of reducing non-renewable energy consumption by 40% by 2027, based on 2021. Furthermore, the company demonstrates its commitment to energy efficiency by carrying out quarterly measurements of electricity consumption by employees, reaching an average of 1.67 MWh per employee in 2023, representing a reduction compared to 2022 and demonstrating its continuous search for more sustainable practices.

Cemig also accounts for energy consumption in its value chain, in the following categories of the GHG Protocol: stationary combustion, mobile combustion, acquisition of electric energy, commuting of employees (home-to-work), movement and distribution (upstream and downstream), and

use of goods and services sold. Energy consumption data outside the organization is presented in the table below.

[302-2; 305-1; 305-2]

Energy consumption outside of the organization

Forerunner	Consumption	
Non-renewable fuel	(MWh)	(GJ)
Diesel - Brazil	167,022	601,280
Gasoline - Brazil	7,872	28,339
Liquid Petroleum Gas (LPG)	N/A	N/A
Natural Vehicle Gas (NVG)	4,368	15,726
Renewable fuel	(MWh)	(GJ)
Hydrous ethanol	531	1,913
Total fuel consumption	179,793	647,258
Power consumption	N/A	N/A
Total energy consumption	179,793	647,258

Consumption of materials

[301-1; 306-1] Since 2018, Cemig has used its methodology to measure materials consumed, based on materials of greater intensity and relevance in the operation.

With the intensification of the Company's investment plan for modernization, reinforcement, expansion, and improvements of the power system in Minas Gerais, the trend for the coming years is to continue increasing this materials consumption.

The main categories responsible for the consumption of materials were:

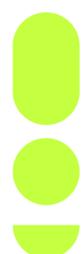
- 1) Post, structure, crosspiece, and concrete accessory
- 2) Wooden post, frame, crosspiece, and accessory
- 3) Power conduit
- 4) Transformer and regulator for transmission
- 5) Electrical hardware, screw, and fastenings

Equipment refurbishment (distribution transformers) and insulating mineral oil regeneration were also carried out, which, after refreshing all the physical and chemical characteristics of the oil after the process, returns the input to its post-treatment operations.

[301-2] The reform of transformers also contributes to the reduction in the generation of scrap, returning the equipment to the Company's power system. In 2023, 542 transformers were renovated, generating savings of approximately BR 1,252 thousand (expense with the purchase of new transformers avoided).

Consumo de materiais em 2023

Year	Distribution Transformers	Refurbished Transformers / Consumed Transformers (%)	Poles – Concrete, Wood, and Fiberglass	Cables	Measurement Equipment	Reclosers	Hardware
2020	18,048 units	15.24%	97,559 units	3,859,163 km	543,563 units	6,139 units	3,255,971 units
2021	59,100 ton.	3.40%	15,600 ton	8,300,000	ND	ND	2,553,293 units
2022	28,033 units	2.78%	Concrete and Wood = 111,710 units Fiberglass = 193 units	3,755,906.607 kg (coated cables) 11,059,274.17 m (uncoated cables)	1,010,805 units	6,709 units	4,233,249 units
2023	31,365 pieces	1.73%	151,660 pieces	6,441,784 kg (uncoated cables) 14,946,749 meters (coated cables)	1,159,444 units	2,900 pieces	6,001,100 units



Waste produced

[3-3 (306); 306-5] Cemig undertakes to manage its waste by the National Solid Waste Policy (PNRS). Therefore, its units follow the process of identifying, segregating, packaging, and transporting their waste to the Cemig GT and D temporary waste storage facility at Igarapé Advanced Distribution Center (CDA-IG). From that point on, the Superintendence of Material and Service Supplies is responsible for the final destination of the waste.

The Company controls and tracks its waste through the SAP system and ensures monitoring and improvement of the management process through certification of the Level 1 Environmental Management System and compliance with NBR ISO 9001:2015. The contracting of a software specialized in solid waste management is also being tendered, with operations expected to begin in August/2024.

[306-1] Maintenance activities on distribution lines and networks are responsible for the majority of waste generation, with waste contaminated by insulating mineral oil accounting for the main portion of hazardous waste generated by the Company. To reduce the impact, procedures are adopted to reduce oil leaks in equipment and the recycling of insulating mineral oil as a destination.

The majority of Cemig's waste is by-products of other processes, as it has commercial value and consists mainly of scrap metal, cables and wires, and poles. Storage, identification, and final disposal procedures are adopted to reduce risks related to the disposal of this waste. Cemig adopts a mitigation hierarchy, prioritizing actions to reduce

waste generation, to subsequently adopt recycling, to ultimately avoid disposal in industrial landfills.

[306-3; 306-4; 306-5] In 2023, 60.9 thousand tons of industrial waste were sent to final disposal: 60.7 thousand tons of this waste were disposed of or recycled. With the disposal of scrap and used oil, Cemig Holding obtained a gross revenue of BRL 43,647,803.49, which represents a lower gross revenue than in 2022, as a high volume of poles were sold, material that has a low commercial value.

Furthermore, 142 tons of industrial waste were co-processed, sent for treatment (effluents and sludge), or disposed of in industrial landfills.

In 2023, there was a variation in the final disposal of waste compared to the previous year, with an increase of 35.72%, an increase that is due to a greater disposal of poles, which are one of the heaviest materials in the electrical system.

Internally, Cemig has the practice of temporarily storing waste. Thus, there are materials destined for 2023 that may have been generated in previous years.

Waste disposal

Final disposal of waste (t)	Disposal, recycling and regeneration, reuse, or decontamination (t)	Coprocessing, Treatment (effluents and sludge), disposal in industrial landfill and incineration (t)	Total
2020	39,980	293	40,273
2021	50,978	201	51,179
2022	44,766	103	44,869
2023	60,755	142	60,897

[306-5] Total hazardous x non-hazardous waste generated (Tons)

Tipo	2020	2021	2022	2023
Hazardous	1,117	1,205	1,098	1,030
Non-hazardous	39,156	49,974	43,771	59,867
Total	40,273	51,179	44,869	60,897

[306-4; 306-5] Generally speaking, in 2023, Cemig generated 6% less hazardous waste and 37% more non-hazardous waste when compared to the previous year.

In relation to non-hazardous waste, the company set a target of reducing the average waste disposed of by 5% in the period from 2022 to 2023, with the target year to achieve this reduction being 2027. This initiative demonstrates Cemig's commitment to optimization the use of resources and minimization of the environmental impact of its operations.

Furthermore, regarding hazardous waste, the company has set an even more significant target, aiming for a 50% reduction compared to the base year of 2020, with the aim of reaching this mark by the year 2028. This commitment reflects the Company's focus on responsible waste management, seeking sustainable practices aligned with the principles of the circular economy.

Waste generated in environmental events, contaminated by insulating mineral oil, is 100% co-processed. The commitment is to remediate, in the shortest possible time, areas that may be affected by chemical products as a result of the Company's activities. To this end, a contract was signed with a company specialized in responding to environmental emergencies. Cemig's areas related to the topic are trained to minimize the risks of environmental damage, which may be caused by leaks of chemical products, mainly insulating mineral oil.

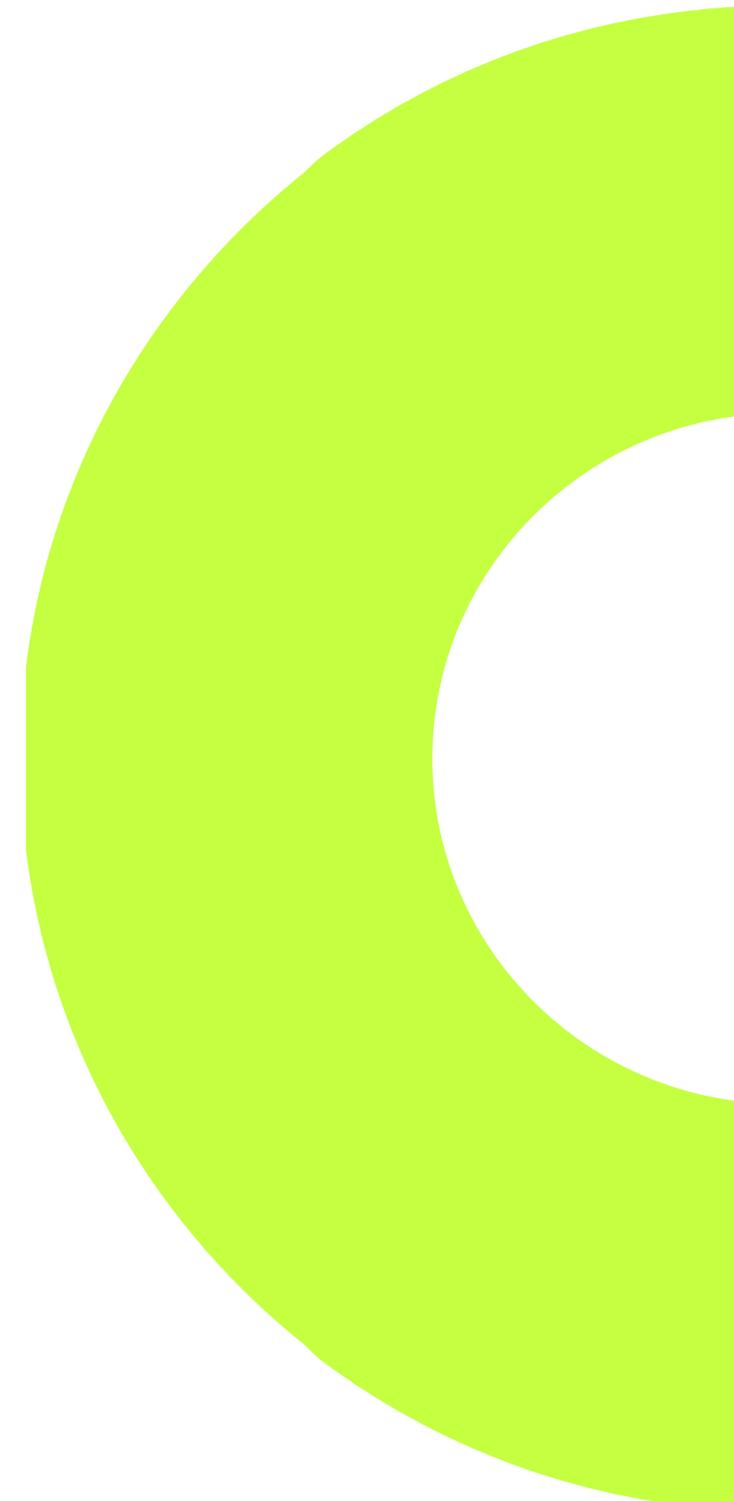
In 2023, 483,098 liters of mineral insulating oil were sold to be used again for other purposes, such as

Disposal of Non-Hazardous Waste (Tons)

TYPE	2020	2021	2022	2023
Total recycled/reused waste	39,105.00	49,928.00	43,766.00	59,852.30
Total waste disposed (sum of the categories below)	50.00	45.70	5.15	14.65
Landfilled waste	23.00	1.00	0	0
Incinerated waste with recovery	27.00	44.70	5.15	14.65
Incinerated waste without recovery	0	0	0	0
Waste disposed in another way, specify:	0	0	0	0
Waste with unknown disposal method	0	0	0	0
Total	39,155.00	49,973.70	43,771.15	59,866.95

Disposal of Hazardous Waste (Tons)

TYPE	2020	2021	2022	2023
Total hazardous waste recycled/reused	874.00	1,023.39	999.70	902.72
Total hazardous waste disposed (sum of the categories below)	241.28	181.61	98.10	127.34
Hazardous waste landfilled	0.28	0	1.00	5.20
Hazardous waste incinerated with energy recovery	241.00	0	97.10	122.14
Hazardous waste disposed in another way, specify:	0	0	0	0
Hazardous waste with unknown disposal method	0	0	0	0
Total	1,115.28	1,205.00	1,097.80	1,030.06



lubricating oil. Additionally, 459,000 liters (403.92 tons) of mineral insulating oil were regenerated and reused by the company, the same number as in 2022. Cemig's regeneration and reuse rate was 95.01%, compared to 40.40%, obtained in 2022. This activity, in addition to being environmentally responsible, prevents the company from spending on purchasing new oil.

In 2023, around 450 tons of wood chip waste were sent for energy recovery. This wood chip residue is used in blast furnaces to generate heat in industrial processes. Also in 2023, 10,519 units of lamps were allocated for decontamination and recycling.

It is worth highlighting that 2023 was the second year in which Cemig implemented a new logistics operator, to carry out the company's reverse logistics, maintaining greater agility in the removal of scrap and unusable materials, in addition to optimizing and improving internal management controls. The new form of operation and logistics management was implemented with the aim of modernizing processes and making them more efficient. Since then, the company's logistics operation for delivering new materials and returning unusable materials has offered employees and customers more agility, efficiency, and technology.

The entire process of reverse logistics and waste disposal is carried out in an environmentally correct and responsible manner, following internal standards and current environmental legislation. With this, Cemig guarantees that all scrap and

Industrial waste generated are disposed of correctly.

The renovation of transformers continues constantly, reducing the generation of scrap, and returning the equipment to the Company's electrical system. In 2023, a total of 542 transformers were renovated, generating savings of approximately BRL 1,251,592.78.

The Company holds disposal certificates, as well as all documentation involving the waste sale, treatment, and recycling process. Waste is classified as hazardous and non-hazardous and follows the 2004 Stockholm Convention on Persistent Organic Pollutants for equipment contaminated with Polychlorinated Biphenyls (PCB), which will be removed from operation by 2025 and must be sent for treatment by 2028.

[301 (EU)] Currently, Cemig has only 4 large transformers contaminated by PCBs, 3 of which have been removed from operation. The remaining equipment contaminated by large PCBs has already been properly disposed of. Additionally, there are approximately 11 thousand kg of small, contaminated equipment to be disposed of together with SE Arcos transformers. It should be noted that all this waste is under control, being properly monitored and stored. Furthermore, there was no disposal of those contaminated with ascarel and PCBs in 2023.

The latest large equipment to be destined (forecast 2023 and 2024) has a content between 50 and 500 mg/kg. There is no large equipment identified with a content above 500 ppm.

Within this scope, Cemig encouraged the completion of a master's thesis and has already produced dozens of publications related to the topic, therefore being a technical reference on the subject. About small equipment and network equipment, the Company is making the necessary adjustments to comply with the new national regulations to align with good practices.

[306-4] It is important to stress that, following the provisions of the Basel Convention, Cemig does not import or export hazardous waste; therefore, all its unrecovered waste is sent to landfills or treatment, depending on the characterization.



Water consumption and effluents produced

[303-1] Water is the main raw material for Cemig's production of electricity, used to drive turbines, 100% of which is returned to watercourses. It is a resource sensitive to climate variations, vulnerable to the consequences of exploitation of other natural resources, greatly impacted by anthropic actions, and subject to the regulatory environment, making its management and conservation matters of high relevance for Cemig.

Water for power generation is taken from artificial reservoirs and/or dams built in watercourses and directed to powerhouses made up of equipment (turbines and electrical energy generators). After generating energy, the water is returned immediately downstream of the powerhouses, returning to the system without quantitative or qualitative loss.

[303-5] Administrative water consumption comes from taps, toilets, garden irrigation, and other potable and non-potable activities and, after passing through treatment systems, treated industrial and sanitary effluents are disposed of again in the watercourse.

[303-4] The largest volume of effluent generated by Cemig comes from sanitary installations. The Company considers that 80% of the water consumed becomes effluent, therefore, for 2023, 177,102.6 m³ of effluent were discarded. Disposal is mostly done directly in the public network and another part is destined to septic tanks.

Disposals are carried out in compliance with the National Environmental Council (Conama) Resolution No. 430/11 and Joint Normative Deliberation of the State Environmental Policy Council and the State Water Resources Council (COPAM/CERH-MG) No. 01/08, which

deal with the conditions and standards for releasing effluents into water bodies.

The Company does not dispose of effluents in water courses. Septic tanks or biodigesters that dispose of water in sinkholes installed in the ground are used and annual analyses of liquid effluents are carried out as determined by CONAMA Resolution No. 430, of May/13/2011.⁶²

[303-2] Some facilities have water and oil separator boxes that dispose of water in sinkholes installed in the ground and perform annual analysis of liquid effluents as determined by CONAMA Resolution No. 430.

Cemig has a target of a 6% reduction in water consumption, established in 2020 with a consumption base year of 2019 (254,094.8 m³) and a target year of 2025. In 2023, there was a reduction of approximately 6.4% in total administrative water consumption compared to the previous year, and, therefore, the Company reached the reduction target for 2022, obtaining a value 10.3% below the stipulated target. Although no specific actions have been implemented for this phenomenon, consumption varies depending on the activities carried out at the plants. The reduction in water consumption in 2023 was mainly related to surface and well catchment, driven by fewer long maintenance tasks or those involving large teams at the plants.

Additionally, Cemig adopts practices that contribute to reducing administrative water consumption, such as the use of taps with aerating nozzles and the implementation of new substations with a rainwater collection system. Below is a breakdown of total water consumption per source in m³:

Below is a breakdown of total water consumption per source in m³:

[IF-EU-140a.1] Total water consumption by source (in m ³)	2020	2021	2022	2023
Supply (public supply) ⁶³	122,134.0	146,175.1	160,053.4	169,799.1
Underground Source (well)	19,247.0	50,012.8	65,689.7	42,026.4
Surface Catchment (watercourses)	31,327.0	63,807.6	3,150.9	2,403.6
Total water withdrawal (in m³)	172,708.0	259,995.5	228,894.0	214,229.1
Total water discharge (in m³)	138,166.44	207,996.40	183,115.20	171,383.30
Total water consumption (in m³)	34,541.56	51,999.10	45,778.80	42,845.80



Water is the main raw material of Cemig



100% of this water returns to its watercourse

62. Provides for the conditions and standards for the release of effluents, complements and amends Resolution No. 357, of March 17, 2005.

63. The values for 2021 and 2022 have changed due to a change in the data calculation approach. From 2023 onwards, the consumption of UniverCemig and 14 operational units were included.

Water resource management

[3-03 (303); 303 (EU)] Water is the strategic main resource Cemig's business depends on since nearly 100% of the electricity generated comes from hydroelectric power plants. Cemig recognizes its role in conserving this resource and the potential impacts of its activities on water availability and considers water management and conservation to be highly relevant matters for governance, with management based on its Water Resources Policy, formulated in 2016⁶⁴, whose principles are detailed below:

Commitments: Adoption of practices for the rational, integrated, and sustainable use of water resources. Prevention and defense against critical hydrological events, both of natural origin and resulting from the inappropriate use of natural resources.

Goals: Conservation of water and preservation of water sources by establishing partnerships with public agencies and with society, aiming at the best use of this natural resource.

Responsibilities: Participation in public management and compliance with water resources legislation, with safe management of reservoirs, weather monitoring, water qualitative and quantitative monitoring, relationship with stakeholders, and encouragement of research and development.

Even though it does not consume water in its hydroelectric generation process, Cemig is a major user of this resource in powering turbines to produce electricity. In this way, it actively participates in

monitoring and proposing more appropriate decisions for the electricity sector, reconciling with the multiple uses of river basins. Cemig engages in the regulatory scenario, monitoring, following up, proposing and supporting the drafting of laws and norms for the water sector, suitable for the power industry, always reconciling that with the multiple uses of river basins, together with the other participating stakeholders (government and civil society).

Also, based on its Risk Management System, Cemig analyzes scenarios and the Company's degree of financial exposure to different risks. Regarding water resources, the following risks are mapped:

- Silting and rupture of reservoirs;
- Deviations in the weather forecast;
- Loss of physical guarantee of Small Hydroelectric Plants (PCHs), as a result of reduced water availability;
- Regulatory and pricing structure changes;
- Potential conflicts with stakeholders can arise both from prolonged droughts and the occurrence of flood events due to excessive rainfall.

[IF-EU-240a.4] In the year 2023, benefiting from abundant rains, the central-south region of Brazil achieved a record energy storage, reaching around 86% in June, something that had only occurred in 2011. This favorable condition allowed the National Interconnected System to operate with minimal costs, mainly using hydraulic and intermittent sources throughout the year to meet the country's energy demand.

Cemig, in particular, has seen significant recovery in reservoirs in the Paranaíba River basin, including the Theodomiro Carneiro Santiago and Nova Ponte plants. After facing low storage levels in 2020, these reservoirs ended 2023 with 68.2% and 64.5% of useful volume, respectively. It is noteworthy that, in December 2023, HPP Theodomiro Carneiro Santiago recorded the best storage in the last 24 years.

The storage records in the National Interconnected System, combined with the increased use of intermittent sources, resulted in a total-flow turbine of 6,045 average MW. This means that, at times, it was necessary to activate the overflows of the hydroelectric plants to control storage levels, since the amount of energy available in the system was excessive to be fully utilized by the turbines. This value was 2.33 times higher than that recorded in 2022.

Monitoring and forecasting reservoir levels, together with constant dialogue with the Government, civil society, and users of the river basin, constitute essential actions to guarantee energy generation and other uses of water resources.

With the abundance of rain, Cemig's communication took on a strengthening role in dealing with flood events, adopting the best practices for controlling the volume of waiting, as well as timely communication to municipal response bodies.

64. Access the Water Resources Policy here.

To strengthen this dialogue with other agents, Cemig provides various information regarding the operation of its plants, such as the variation in levels and flows of rivers and reservoirs in the region. The data is published through the PROX application, as well as via the Company's website and social media. In addition, Cemig produces guidance videos and uses the community relationship program, called Proximity (Proximidade), for clarification meetings with the population.

Cemig participates in all forums dedicated to Water Resources in its area of activity, such as National and State Water Resources Councils, River Basin Committees, Technical Chambers, and Working Groups. With operations mostly focused on Minas Gerais, the company is a member of 19

state river basin committees and 4 federal committees and is also a member of ABRAGE (Brazilian Association of Electricity Generating Companies).

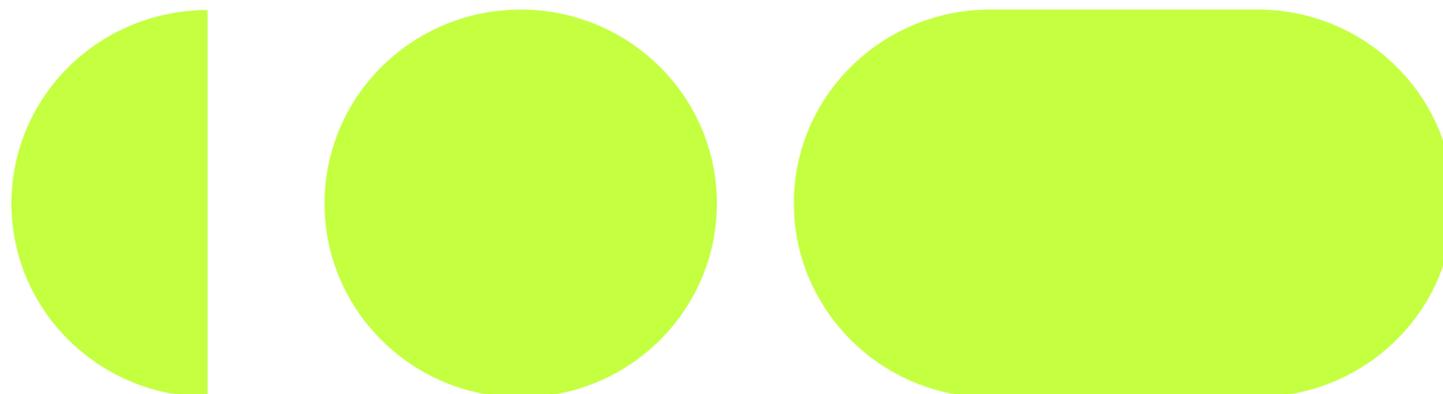
The majority of the volume of surface water captured is used to generate electricity and, therefore, does not result in the actual consumption of water, as is done in administrative units.

The amounts presented above consider Cemig's hydroelectric plants and wholly-owned subsidiaries.

The graph below shows storage information for Cemig's main accumulation reservoirs in December 2023, compared to the same period in previous years.

Surface water withdrawn and not consumed:

2020	2021	2022	2023
52,758,899,340 m ³	33,797,609,470 m ³	46,832,235,230 m ³	40,874,870,870 m ³



Evolution of storage (% of useful volume):

	2018	2019	2020	2021	2022	2023
Camargos	35.66	25.67	45.62	39.92	35.60	51.25
Emborcação	23.83	12.77	8.58	19.21	42.34	68.18
Irapé	31.34	22.99	41.32	52.20	82.96	35.78
Nova Ponte	24.67	16.69	10.80	15.65	40.86	64.49
Queimado	43.20	27.90	20.30	56.01	60.15	23.44
Três Marias	52.20	57.04	48.77	50.83	62.59	46.84



Hydrometeorological monitoring

Cemig takes a series of actions that enable the accurate management of possible impacts on its business related to water availability. In a preventive way, it invests in practices that place it in a situation of greater security, given the several possible scenarios, using modern techniques and several pieces of equipment, such as the Storm Location System, a Telemetry and Hydrometeorological Monitoring System, mathematical models of hydrological simulation and weather and climate forecasting. To this end, Cemig has a Meteorology sector with a permanent team, through which meteorological information is kept up-to-date for both Cemig D (Distribution) and Cemig GT (Generation and Transmission). Weekly meetings are held with all of Cemig's sectors, and the weather forecast for the next few days is presented.

Currently, Cemig operates a hydrometeorological network that monitors 372 data series, with 178 from rains, 104 from water course flow rates, 53 for monitoring reservoir and river levels, and 37 climatological stations that monitor temperature, air humidity, wind speed and direction, solar radiation, and atmospheric pressure. These stations are distributed throughout strategic locations in the states of Minas Gerais, Goiás, Rio de Janeiro, Espírito Santo, and Santa Catarina, and their data are received in real-time at the Company's headquarters in Belo Horizonte.

The main instrument for increasing assertiveness in hydrological forecasts, the Meteorological Radar, acquired by the Company in 2011, provides greater strategic security both for the control and operation of the reservoirs of hydroelectric plants, as well as for

society. Having early information on the direction of displacement and the intensity of rains, it is possible to estimate the amount of water that will reach a reservoir and adjust its hydraulic operation to minimize the effects of floods on the population and the project. Besides that, Cemig Company can issue alerts to the Civil Defenses about storms that could have serious consequences for the population, thus allowing for preventive actions.

Using the results of the climate model described above and a hydrological model of conversion of rainfall, Cemig prepared inflow scenarios for the main hydrographic basins of the national interconnected system. Based on these scenarios, the official hydrothermal optimization models (Newave and Decomp), used by the Brazilian power sector, are fed back. These models determine energy prices in the short-term market and provide data on the operational policies of Brazilian electricity parks.

In general terms, the methodology for defining the policy for operating reservoirs that Cemig uses for hydroelectric power generation essentially involves considering the multiple uses of water for generation and by other users of the hydrographic basin. This approach, in turn, leads to the need to consider a series of restrictions of an environmental nature, safety, irrigation systems, human supply, waterways, and bridges, among others, rigidly respected by Cemig.

Based on the Risk Management System, Cemig analyses the scenarios and determines the degree of exposure of the business and the risk for multiple uses.

Short, medium, and long-term meteorological and climate models are used, subsidizing the analysis of future water availability through hydrological models, allowing the management of reservoirs for energy generation purposes and guaranteeing other uses of water in dry and rainy seasons.

It is possible to highlight that Cemig applies the same methodology for estimating waiting volumes that is adopted for the plants of the National Interconnected System, and also for its Small Hydroelectric Plants (PCHs) with accumulation reservoirs. The best engineering practices are adopted, even if there is no regulatory requirement regarding this obligation, thus providing an essential service to the riverside population near these small plants.



Water quality

With an energy matrix predominantly based on renewable energy sources, Cemig attributes a fundamental value to the environment and, in particular, water. Fundamental to maintaining biodiversity, all natural cycles, and the preservation of life itself, water is increasingly becoming a strategic resource for humanity.

The Company adopts the identification of environmental aspects and impacts arising from its activities through monitoring programs. These act as essential tools in identifying and gathering management information to assess and control environmental impacts.

Cemig's Water Quality Monitoring Program includes 43 reservoirs, with quarterly or semi-annual sampling frequencies, and more than 176 collection stations. This monitoring integrates physical, chemical, and biological aspects, which reflect the ecological integrity of ecosystems and respond to a series of disturbances, synthesizing the history of environmental impacts. It is important to highlight that the achievement of objectives is gradual, and the continuity and standardization of monitoring have provided effective interaction between management bodies and users, intending to achieve sustainable management of water resources.

Cemig prepares environmental studies in the Water Quality Monitoring Programs, which are provided for in environmental licensing, always in partnerships with teaching and research institutions and specialized companies. In this way, the Company advances in identifying opportunities and improvements, which contribute to the implementation of methodologies and

innovations referenced by the best practices reported globally.

Minimizing environmental impacts on biological systems through the operation of these programs makes it possible to generate energy with environmental safety, tending to the sustainability of human processes compared to ecological ones.

Simbiose system and its database

Cemig has a rich collection of information on the quality of the water and the ichthyofauna of the rivers and reservoirs in its concession area, both through the carrying out of research projects with various institutions, as well as through carrying out environmental monitoring programs.

Furthermore, it has large volumes of data on Environmental Occurrence Reports (ROAs), licensing processes, and plant conditions. Faced with this extensive database, the growing demand for environmental information and the constant technological transformations, Cemig has been working on improving the Symbiosis system, developed as the base system to meet and integrate the specificities of the internal processes of environmental management to store, validate, integrate and make available the generated data.

The integration of this data will allow for macro-ecological and meta-analytical analyses, providing important support for understanding the data to assist in establishing guidelines and decision-making in business

management and strategy. Furthermore, Simbiose has a mobile application to guarantee the quality of collections, referring to water quality programs carried out in the field. This mobile application contributes to the certification of pre-determined points, through georeferencing using GPS, assisting in the data entry process, reducing errors in transcribing the form into the Web system, as well as facilitating the data collection routine limnological, both physical-chemical, and hydrobiological communities in Cemig's reservoirs.

The Simbiose system, therefore, becomes a strategic tool that assists in the control of activities, enabling integration between the areas of environmental management.



Water Quality Index (IQA)

[303-1; 303-2] The Brazilian electricity sector has been faced with several environmental issues during the planning, implementation, and operation of projects. It can be specifically highlighted that the implementation of dams in rivers causes considerable impacts due to hydro morphological changes in the water body. These changes can exert a direct or indirect influence on the balance of an aquatic ecosystem, which is mainly characterized by its ability to continuously assimilate and transform the matter and energy present. If there is an accumulation of matter and energy, the possibility of an imbalance in the ecosystem can be considered, which causes a series of physical, chemical, and biological changes in the system.

To assess the management condition of water resources, water quality indices are applied, which aim to simplify, quantify, analyze, and synthesize data generated in monitoring. Along these lines, to translate and facilitate communication with the public, Cemig uses and makes available the Water Quality Index (IQA), to provide basic information on water quality, as well as for the environmental management of the 43 monitored plants.

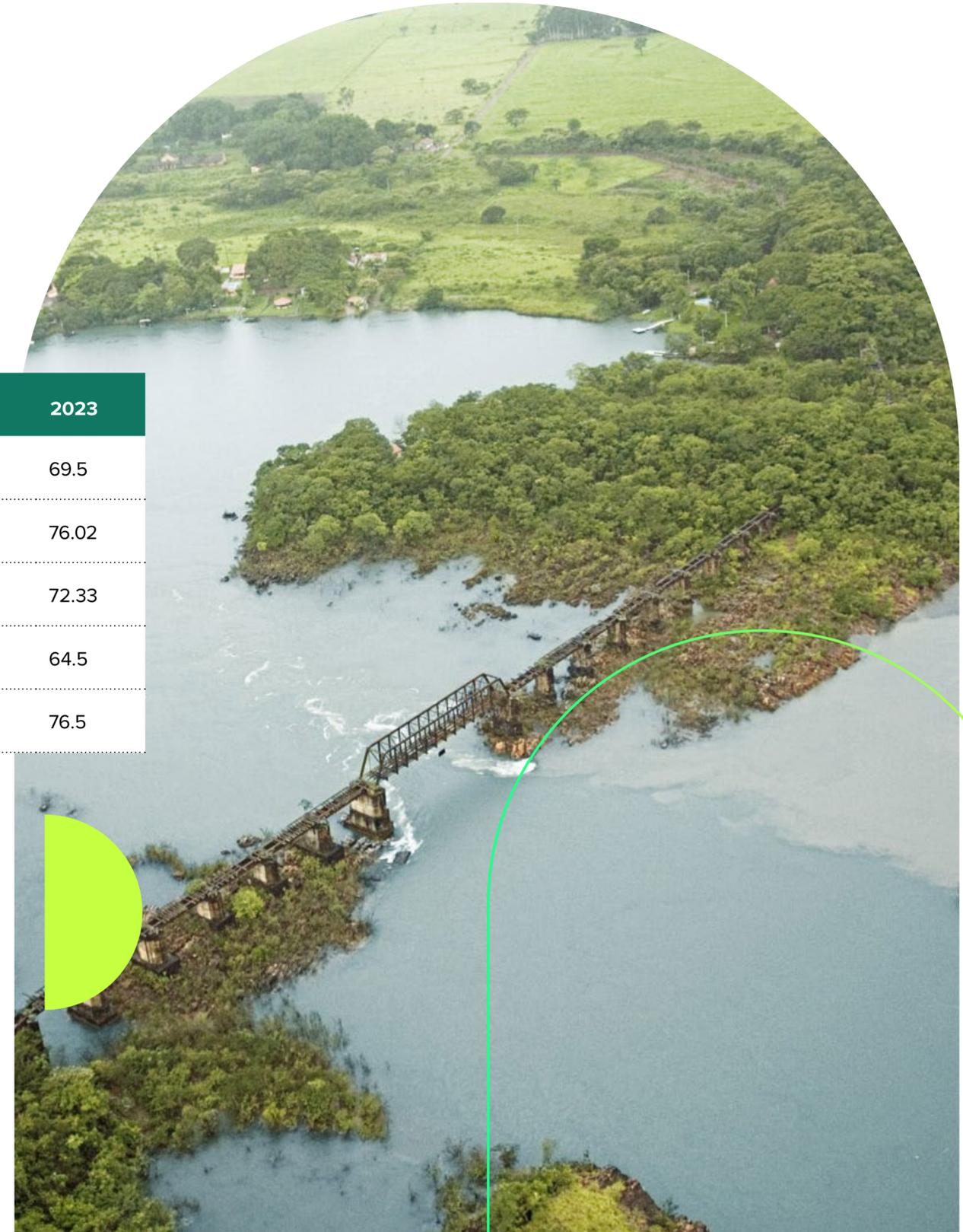
The IQA defines a set of nine parameters considered most representative for characterizing water quality: dissolved oxygen, thermotolerant coliforms, pH, biochemical oxygen demand, nitrate, total phosphate, variation in water temperature, turbidity, and total solids.

The Water Quality team monitors contracted companies for monitoring activities through internal audits of the collected samples, databases, and generated reports to ensure compliance with legal requirements.

The average IQA results for 2023 for five Cemig power plants located in various river basins are presented in the table below. IQA data is available in the Water Quality Program's databases and reports.

The PCH Cajuru and PCH São Bernardo units showed average water quality index levels, while the others showed good levels. The main justification for this average classification in these cases is related to specific test results for the indicator, which indicate organic pollution and are related to land use and occupancy near these facilities.

Average IQA	Water body	2020	2021	2022	2023
PCH Cajuru	Pará	75.87	76.75	76.7	69.5
UHE Emborcação	Paranaíba	79	77.2	75.5	76.02
UHE Nova Ponte	Araguari	77	81.8	87	72.33
PCH São Bernardo	Ribeirão São Bernardo	81.75	65	65.0	64.5
UHE Irapé	Jequitinhonha	86.44	81.7	76.5	76.5



Biodiversity

[3-3 (304)] Cemig dedicates special attention to the conservation of biodiversity in the environments where it operates. Its operation area interfaces with two terrestrial hotspots - Cerrado and Atlantic Forest - and with the aquatic environment, with the Company being responsible for managing more than 3,500 km² of freshwater in its reservoirs, by its commitments formalized in the Biodiversity Policy⁶⁵.

Biodiversity Risk Assessment

The Company operates in different businesses and, for each enterprise and operational unit with possible impacts on biodiversity, specialized studies are developed that characterize, evaluate, and establish environmental programs that aim to control, mitigate, compensate for negative impacts and enhance positive ones, depending on their nature, based on the hierarchy of impact mitigation (prevent, mitigate, rehabilitate/restore, compensate). In these studies, the environmental impact assessment methodology is used, where items such as impact magnitude, frequency, impact reversibility, and scope, among others, are considered. To this end, the specific characteristics of the location of the project and the areas adjacent to the operation under study and the company's dependence on the aspect (fauna, flora, relief, water resources, etc.) are always considered.

The effects related to biodiversity directly impact Cemig's operations, without significant risks concerning the use of electrical energy (downstream). However, possible impacts caused by some classes of Cemig suppliers (upstream) deserve attention. Therefore,

Cemig's Biodiversity Policy provides for the need to seek to acquire products from suppliers that promote the conservation of natural ecosystems, an aspect monitored in its supply chain.

In the context of this assessment, all risks related to legal compliance are relevant, since non-compliance (whether with deadlines, obtaining licenses or inadequately complying with environmental conditions and not validated by environmental agencies) can lead to loss of environmental licenses, penalties/fines, shutdown of units and loss of revenue.

Based on these analyses, species are monitored as part of environmental programs to comply with licensing conditions. Additionally, the Company has research projects and specific programs for ichthyofauna, terrestrial fauna, and reforestation, among others.

[304-4] The studies carried out by Cemig contribute to the creation of a portfolio of endangered species of the following initiatives:

- IUCN - International Union for Conservation of Nature and Natural Resources Red List⁶⁶;
- National List of the Chico Mendes Institute (ICMBio) and Ministry of the Environment (MMA) (2018);
- Red Book of Brazilian Fauna Threatened with Extinction; and
- List of the State of Minas Gerais in Copam Normative Deliberation n° 147/10.

Considering these references, Cemig mapped the impacted species and identified that one of the species is classified as “critically endangered”.

This entire risk assessment and management process is in line with the corporate risk management process. Using the “Three Lines Model”, the roles and responsibilities related to risk management are defined, coordinating all integral parts so that there is no duplication of efforts or gaps in controls, thus improving the performance of risk management and controls internal. The management of risks linked to biodiversity is classified in the first line, where managers and employees in business areas are responsible for leading and directing actions (including risk management) and applying resources to achieve the organization's objectives.

IUCN	Quantitative of species
Critically endangered	1
Data deficient	1
Endangered	3
Least concern	9
Near threatened	7
Vulnerable	7

65. Access the Biodiversity Policy here.
66. More information on this topic is available in Cemig's Biodiversity Report.



Care for the ichthyofauna

[EU-13] Given the large number of hydroelectric power plants that Cemig manages and their interference in the aquatic environment, the Company recognizes and values responsibility about this scope, specifically regarding impacts on ichthyofauna, which have a wide range and environmental relevance. Thus, just as it does with the management of water resources, it also promotes a series of actions focused on the topic of ichthyofauna.

[304-2] It is known that the operation of a hydroelectric power plant is responsible for drastic changes in watercourses and the organisms that inhabit them, especially fish. Considering the construction phase, there is a change from a flowing river to an area of stagnant or low-flow water, which alters the dynamics of the environment and can either favor or harm species in the process of adapting to the modified habitat. During the operation phase of the plants, a greater impact is usually observed in areas downstream of the generating units or spillways.

To mitigate these impacts resulting from the activity, all hydroelectric power plants of Cemig Generation and Transmission follow a service instruction aimed at protecting fish during the operation and maintenance of the plants. This instruction describes responsibilities and actions that must be taken to prevent and mitigate impacts on fish, of which at least five were considered of high importance for fish biodiversity.

Based on this procedure and exposure analysis, 14 plants are more exposed to fish mortality risks and have implemented management plans.

The Peixe Vivo⁶⁷ Program, created in 2007, has as its mission to minimize the impact on fish fauna, seeking solutions and management technologies that integrate the generation of electricity by Cemig with the conservation of native fish species, promoting community involvement.

Peixe Vivo's actions are supported by three pillars:

- Conservation and Management Programs, which aim to adopt the best practices for fish conservation, including the "Program for Risk Assessment of Fish Death at Cemig Group Hydroelectric Power Plants";
- Research and Development, which expand scientific knowledge about ichthyofauna and provide support for more efficient conservation strategies, and
- Community Relationship, which disseminates the Program's actions and results to society, seeking their involvement in the construction of strategic planning.

The positive impacts of the program are reflected in the significant reduction in fish deaths and, consequently, environmental fines, the improvement of management and conservation programs with solid scientific bases, and the participation in the company's sustainability indexes.

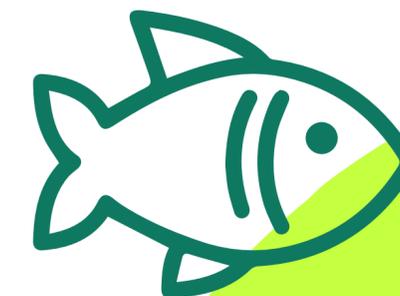
In search of continuous improvement of Cemig's environmental activities, the Peixe Vivo Program carries out several research projects. Some of the projects are developed together with the Research and Development Program (R&D) of the Aneel (Brazilian Electricity Regulatory Agency) and the other portion, with the Company's resources.

The program has 23 scientific projects in its portfolio, with the participation of 324 collaborators, researchers, and students, resulting in more than 690 publications. During 2023, two research projects were carried out, using own resources and R&D, with 12 works being published (two theses, four dissertations, one monograph, and five scientific articles) related to the projects or actions of the Peixe Vivo program. The research projects coordinated by the Peixe Vivo team directly involved a total of 29 people from teaching and research institutions in 2023.

Within this strategy of disseminating results, an important action by Peixe Vivo was the holding of the 6th Strategies for Fish Conservation Seminar, held for the first time in a hybrid format, increasing the reach of the event. The objective of the seminar is to bring together experts to discuss the environmental impacts caused to fish biodiversity by hydroelectric plants and share learning, strategies, and management and conservation measures that can be adopted to mitigate them. Furthermore, this edition was considered extraordinary, as it celebrated 15 years of the Peixe Vivo Program, with an exhibition recording highlights of the program and its members.

Considering the number of collaborators, undergraduate research internships, master's and doctorate students were counted, in addition to the researchers who

67. More information can be found on the page about the Peixe Vivo Program, on the [Cemig website](#) and in the [2023 Biodiversity Report](#)



coordinate and work on the projects. The training of human resources is an important pillar of the Peixe Vivo Program as these students will in the future be developing scientific projects in the area, working in environmental agencies, NGOs, and companies. With well-trained and qualified professionals, actions to preserve fish species will certainly be more effective over time.

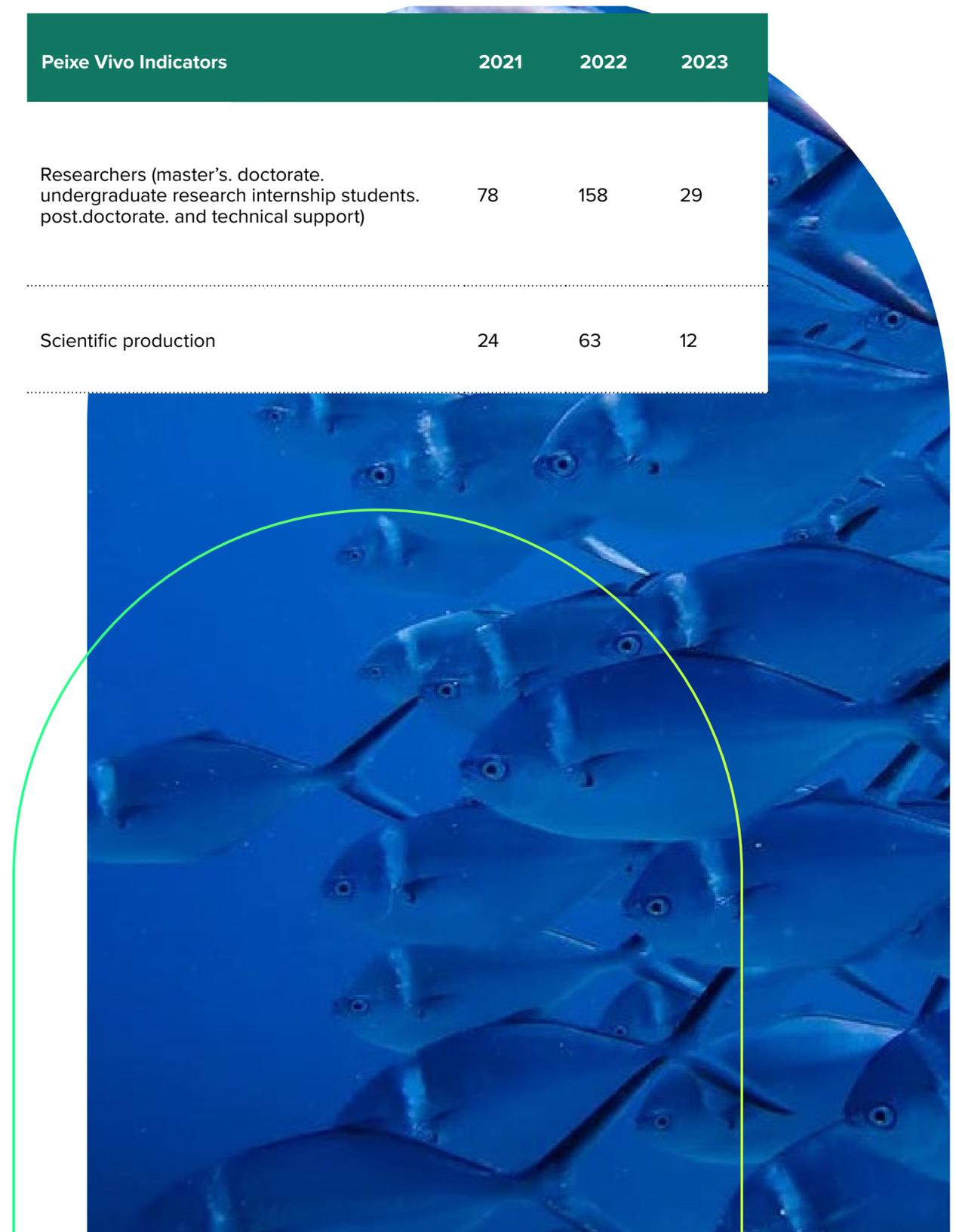
Considering scientific production, all works resulting from projects, presented at scientific congresses, works published in national and international scientific journals, and monographs, dissertations, and thesis were added. It is observed that in recent years this production has increased a lot as scientific projects advance in their development. The work is bringing new and important information to the scientific community on topics such as the behavior, physiology, reproduction, and ecology of native fish species. The partnerships developed with various national and foreign research institutions and universities are extremely important, as they make it possible to develop the projects that are currently underway.

Since 2009, the Peixe Vivo Program team has been developing the "Program for Risk Assessment of Fish Death at Cemig Group Hydroelectric Power Plants", the purpose of which is to mitigate potential risks to ichthyofauna associated with the operation of hydroelectric plants. The team involved seeks to fulfill this objective through periodic monitoring before plant maintenance and/or operation maneuvers, the data from which allows the assessment of fish density and environmental conditions downstream of hydroelectric plants.

This information, in addition to composing a database, supports corrective and operational actions related to the environmental safety of the procedures performed. Aspects of the biology of the fish species most affected by the maintenance procedures of generating units are also evaluated, to better understand the relationship between biological factors and the presence of these species downstream of the plants.

To evaluate and mitigate the impact of hydroelectric generation on ichthyofauna, the Peixe Vivo Program created the Affected Biomass (AB) indicator, which consists of the sum of the biomass of dead fish (in kilograms) due to the direct effects of the operation and maintenance of equipment and hydroelectric plants structures. In 2023, due to events during the year, the value was 13,456.5 kg.

Peixe Vivo Indicators	2021	2022	2023
Researchers (master's. doctorate. undergraduate research internship students. post.doctorate. and technical support)	78	158	29
Scientific production	24	63	12



Forest restoration and biodiversity conservation

Cemig has three conservation units, which function as places to preserve plant species native to the Atlantic Forest and Cerrado biomes: the Private Natural Heritage Reserve (RPPN) Fartura in the Municipality of Capelinha-MG, with 1,455 hectares; the RPPN Galheiro located in Perdizes-MG, with 2,695 hectares; and the RPPN Usina Coronel Domiciano located between the municipalities of Muriaé and Rosário da Limeira, in which the PCH Coronel Domiciano is located. The latter, measuring 263.56 hectares.

These units also serve as spaces for scientific research, environmental education for nearby communities, and refuge areas for fauna. There is also the Itutinga Environmental Station, which has a nursery with an average annual production of 22 thousand seedlings used in reforestation carried out by Cemig and/or donated to the population.

In addition to these areas, the Company also has projects to restore degraded areas and forest restoration that allow for the mitigation and compensation of impacts caused by the creation/maintenance of its operational units.

The following table shows the extent of protected and restored areas under Cemig’s management:

[304-1]	2023
Protected areas	4,413.56 ha
Restored areas	684.06 ha

Thus, for the year 2023, the Company made the following advances in forest restoration activities and land regularization as compensatory measures, in addition to maintenance of species already planted:

Project Type	Extension (ha)
Maintenance Actions	601.22
Cemig D	378.87
Cemig GT	222.35
Planting	208.92
Cemig D	204.97
Cemig GT	3.95
Land Property Regulation	80.68
Cemig D	80.68
Grand Total	890.82

[304-1; 304-3] In all areas considered environmentally relevant or sensitive concerning biodiversity, there is some type of operational unit, be it substations, transmission and/or distribution lines, hydroelectric and/or wind power plants, given the extent of Cemig's activities. Cemig has a mapping of the extensions of its projects and areas of influence, but it does not have a correlation of the projects located in each relevant or sensitive area in terms of biodiversity.

Complementary, it should be noted that, in some cases, the protected zone was defined after the existence of Cemig structures. Most of the Company's hydroelectric plants date back to the 1980s and 1990s, a period in which there was little representation of protected areas in the state of Minas Gerais or even assessed as relevant to biodiversity conservation. For example, the first systematic study of priority areas for conservation took place only in 2005, by the Biodiversitas Foundation.



Fauna monitoring

[EU-13] Cemig develops specific environmental programs for the conservation and reduction of impacts on aquatic and semi-aquatic fauna. The monitoring of the animals is carried out in the long term to verify the environments that are being used by them as places of feeding, nesting (act of building nests), and/or shelter. Also, the populations occupying the new environments are checked for whether they show decline or stability/growth. In addition, it also monitors which ecological parameters are most relevant in maintaining viable populations, how they behave in the face of the structural dynamics of the landscape, and which main phytophysionomies offer satisfactory conditions for survival.

At the Queimado Hydroelectric Power Plant, for example, the Fauna Monitoring Program in Recovery Areas includes five subprograms that monitor birds, flying mammals (bats) and non-flying mammals, amphibians, and reptiles, with special attention to swifts, otters, turtles, and crocodilians. The goal is to understand how animal populations interact with environmental changes related to the different land uses established after the construction of the project.

In general, these programs seek to effectively maintain the monitored populations around the reservoir, as well as to establish them in heterogeneous environments in terms of phytophysionomies, in addition to proving the reproduction of many species. Data obtained from monitoring is also passed on to local communities through environmental education strategies, encouraging engagement in the context of biodiversity conservation.

Vegetation management

[304-03] The presence of trees, green areas, and massive forests in the urban area is crucial for maintaining safe environmental conditions and for the development of society.

However, the interaction of vegetation with electricity distribution cables can cause serious risks to the population (for example, electrical injury and fire risks), in addition to interruptions in the power supply to consumers. Therefore, Cemig carries out regular preventive maintenance programs annually, both in urban and rural regions.

- In urban areas, maintenance mainly occurs through pruning trees that present a real or potential risk of reaching the power cables. Pruning is supervised by professionals legally qualified for this function and carried out by teams trained to preserve the power system and the health and safety of the trees.
- In rural areas, lane cleaning takes place, which consists of removing vegetation, whether herbaceous, bushy, or arboreal, located in grids and distribution lines right-of-way lanes. This activity is also supervised by qualified professionals and can be carried out on an occasional basis, to preserve the environmental conditions of the site as much as possible.

Prevention and combat of wildfires

Cemig currently has two projects to monitor and assist in combating wildfires. The first is a wildfire alert system in areas near operational transmission lines, and the other is the platform "Apaga o Fogo!" (Put Out the Fire!).

The wildfire alert system uses satellite data and meteorological models to identify, monitor, and predict the movement of wildfires near its distribution and transmission lines, allowing field teams to conduct inspections at specific points to assess the risks of potential outages. This proactive approach in combating wildfires reduces both the frequency and duration of these outages.

The goal of the "Apaga o Fogo!" platform is to reduce interruptions in power supply caused by fires and to assist in the preservation of environmental protection areas. The application of this technology should be an important ally in combating and preventing future wildfires in the monitored areas. An application for iOS and Android of the system is being developed and improved, facilitating access to information for the population.





CLIMATE CHANGE

Climate management and its implications and risks, and opportunities arising from climate change

Climate management and its implications

[201-2] Cemig spares no efforts to improve its processes, focusing on eliminating or mitigating the risks inherent to the operations of its facilities and the provision of its services. Along this line of reasoning, the Company acknowledges the dependence and importance of climate resilience for the business, so it measures the risks and opportunities present in its operation.

The global relevance of discussions on the effects of climate change reinforces the special attention that Cemig devotes to identifying business risks and opportunities, in addition to intensifying the search for solutions for adaptation and mitigation, avoiding risks and impacts on the Company's business.

Based on the guidelines established in the Risk Management Policy, Cemig structured a program that allows the mapping and assessment of both strategic risks and those arising from operational processes.

The program is coordinated by the Risk Management and Internal Controls Department and provides technical support to different areas of the Company.

The objective is to provide information to Senior Management to make decisions regarding the most relevant risks and opportunities.

Within the analysis, risks are classified into short, medium, and long-term risks. The short term is considered zero to one year, the medium term is one to seven years, and the long term is up to 21 years. Initially, the Company classifies the identified risks as (i) process risks, which are those related to operations, limited to the activities of each process; (ii) macro process risks, the impacts of which cover different processes and management of the Company; and (iii) Top Risks, which are macro process risks that can directly impact the Company's strategy.

During risk identification, the area responsible for centralized risk management and internal controls consults managers in areas related to the identified themes, including areas that interact with external stakeholders (investor relations, strategic planning, sustainability, and general secretariat). As a result of this process, the Top Risk related to climate events was characterized by the ineffectiveness of climate change mitigation and adaptation actions.

Major Impacts:

- Damage to the power generation, transmission, and distribution infrastructure, which may cause interruption of those services;
- Loss of revenue and market due to new low-carbon solutions implemented by competitors.

Sample of Mitigation Actions:

- Structuring and execution of the 2023– 2027 Distribution Development Plan (PDD) referring to the 2023 – 2027 period;
- Research and Development (R&D) Program - Distribution Operations Center of the Future (deployment of software based on the concepts of time-oriented and hyper-vision visual analytics, responsible for providing situational awareness to operators via a graphic interface);
- Diversification of the energy matrix with expansion in wind and solar sources.

Other operational risks identified are:

1. Chronic physical risk: Changes in rainfall patterns and extreme variability in weather patterns.

Water availability and energy generation are directly related to Cemig and, therefore, drought is a factor to be watched. Through proper management of water resources and planning of operational measures for hydroelectric plants, Cemig works to ensure the best use of water for energy generation and mitigate risks in drought scenarios, without impacting other uses of this resource.

Both scenarios are mitigated through the following practices: the use of weather, climate forecast models, and mathematical models of hydrological simulation, which make it possible to analyze the variability of rainfall and flow rates. Based on the analysis of these data, operational measures are defined in periods of floods and droughts, to ensure adequate flow for the different uses of this resource.

Cemig is also implementing adaptation measures, with investments in solar energy and distributed generation. The actions contribute to the diversification of the Company's generating complex and reduce water dependence.

Main impact: financial loss due to the reduction in the physical guarantee of PCHs and the reduction in water availability with impacts on commercialization.

Cemig has a specific organizational structure, entirely dedicated to managing the purchase and sale of energy and the operational management of the plants.

It has an Energy Risk Management Committee – CGRE, intending to minimize risks in energy purchase and sale contracts, in addition to mitigating the risk of short-term exposure, resulting from poor hydrological conditions.

Total risk management cost 1: BRL 842 million is the management cost, calculated based on the company's costs for operating the hydrometric network and the Company's hydro energy planning team (BRL 6.58 million). The cost of projects corresponds to investment in solar plants (BRL 706 million) and Cemig SIM (BRL 130 million).

2. Acute physical risk: Increased in the severity and frequency of extreme weather events

These phenomena represent a risk of damaging energy transmission and distribution facilities for Cemig, making the resource unavailable to customers.

Consequently, it may pose an expense for the repair of structures and reimbursement to consumers, due to energy unavailability.

Cemig manages these adverse events intending to reduce the magnitude of their impacts through adaptation measures such as tree pruning, monitoring by weather stations and weather radar, and through the emergency plan to immediately restore power. At the same time, the Company is carrying out improvements to its distribution system.

The total cost of managing this risk in 2023 was BRL 1.15 billion. To calculate the management cost, investments in expansion and reinforcement in high voltage lines (BRL 798 million), reinforcement of medium and low voltage grids (BRL 198 million), renovation of medium and low voltage grids (BRL 104) and medium voltage automation (BRL 46 million).

3. Transition risks: Adaptation to regulatory changes

The biggest climate risk to which Cemig is exposed today is the adaptation to possible regulatory changes, resulting from the commitments established in the National Policy on Climate Change. The main commitments refer to reducing emissions by 2030 and monitoring emerging regulations, which cover carbon pricing mechanisms.

The main resulting impact is the increase in indirect (operational) costs. The incidence of the risk would be in the application of regulations applicable to the consumption of fossil fuels. The carbon price applied in the fuel sector would imply an increase in the prices of fossil fuels or fossil thermal plants. The company also uses the internal carbon price in the feasibility analysis stages of new electricity generation projects. Currently, the stipulated price is USD 20.00/ton CO₂ or BRL 103.2/ton CO₂.

Cemig manages this risk in compliance with the guideline that establishes that the average manufacturing date of vehicles in its fleet is less than five years, the legal depreciation period set by the granting authority. Therefore, a periodic renewal of its vehicle fleet was established. The total cost is expected to be BRL 224,017,561.20 in rental contracts over five years.

It is important to mention that the Company seeks to increase its portfolio of clean and renewable energy generation, so as not to have to resort to fossil generation sources. In addition, it participates in industry associations with the purpose of benchmarking and continuous improvement.



Sale of CER in a cap-and-trade system

The establishment of a cap-and-trade emissions trading market in Brazil or worldwide, along the lines of the Clean Development Mechanism (CDM), for example, could lead Cemig to position itself as an important provider of emission reduction certificates. This opportunity could lead to an increase in revenue at Cemig.

Sale of certified renewable energy

The Emborcação Plant, located in the municipality of Araguari (MG), was certified by the “International Renewable Energy Certificate Standard” (I-REC) system. This is a certificate that attests that the energy produced comes from a renewable source. With certification, Cemig can sell energy to companies in RE100, a group that brings together companies committed to consuming 100% renewable energy and represents a demand of more than 170 TWh. In 2023, 1,518,154 I-RECs were sold, compared to 109,007 sold in 2022.

Considering the sale of I-REC and Cemig REC, 3,873,320 renewable energy certificates were traded in 2023, representing an increase of 103% compared to the previous year.

REFERENCE YEAR	Cemig REC	I-REC	SUBTOTALS
2023	2,355,166	1,518,154	3,873,320
2022	1,795,939	109,007	1,904,946
2021	1,106,545	1,591,114	2,697,659

Distributed generation services

Cemig SIM subsidiary may have an increased demand for its services with the implementation of projects for the use of lighting with LED, cogeneration, distributed generation, and other energy solution services.

Creation of its own certification, called Cemig REC

It meets international standards, such as the GHG Protocol and CDP, and ensures that the company's energy is renewable, through its controls and the methodology proposed by a specialized consultancy. With this certificate, companies can guarantee that the energy they consume comes from renewable sources. In 2023, 2,355,166 Cemig REC were traded, compared to 1,795,939 traded in 2022, coming from the hydroelectric plants (UHEs) Irapé, Rosal, Sá Carvalho, and Salto Grande.



Climate strategy and adaptation plan

[3-3 (305)] Despite the characteristics of Cemig's electric matrix, which are predominantly renewable and have low GHG emissions, the senior leadership is engaged in defining strategies to reduce GHG emissions. This is made clear by their establishment of voluntary targets for (i) emission reduction, (ii) electricity consumption, and (iii) energy losses. Cemig's strategic campaign for mitigating, adapting, and disseminating the topic to society and its investors is explained in the Report of Financial Disclosures Related to Climate, available at the Company website⁶⁸.

The main guidelines of Cemig's Climate Strategy are exemplified in the figure.

The Company's Strategic Planning (2024-2028) with approved investments in renewable energy generation expansion, modernization of distribution networks and smart grids, investments in distributed generation, and energy efficiency, is aligned with the low-carbon energy transition.

[305-4] Cemig has submitted the following greenhouse gas (GHG) emission reduction targets to the Science Based Targets initiative (SBTi), which are currently undergoing validation.

Main guidelines of Cemig's Climate Strategy

RISK IDENTIFICATION

Vulnerability

- Identification of regions more susceptible to extreme climate events and internalization in the project phase.
- Monitoring regulatory changes (taxation) and future impact on Cemig.

OPPORTUNITY IDENTIFICATION

Innovation: Promote new technologies and services

- CEMIG SIM! Cemig's arm for GD.
- Clean energy seal - IREC and Cemig REC.
- Use of Carbon Credits.

EMISSIONS MANAGEMENT

- Expansion based on renewable energies
- Development of emission reduction targets based on science
- Identification and support of GHG emission reduction projects

ENGAGEMENT AND DISCLOSURE

- Communication with the internal public and stakeholders about the commitments assumed
- Participation in indices: CDP (A- leadership), Dow Jones, etc.
- Participation in discussion groups and Climate Change Committees: Global Compact, Acende Brasil, FIEMG, Municipal Committee of BH and Betim

⁶⁸. More information can be found in Cemig's [Climate-Related Financial Information Report \(TCFD 2023 Report\)](#).



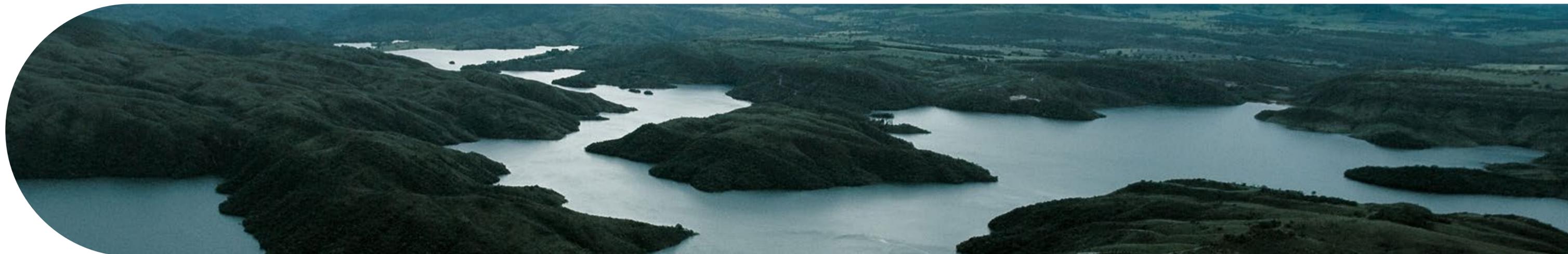
Proposed targets in 2023 for validation in the SBT initiative

- **Absolute long-term target 1:** Companhia Energética de Minas Gerais – Cemig commits to reducing absolute GHG emissions from scopes 1 and 2 by 69.4% by 2030, in relation to the base year of 2021.
- **Intensity target 1:** Cemig is committed to reducing GHG emissions from scopes 1 and 3 of activities related to fuels and energy, covering all energy sold, by 75.8% per MWh by 2030, in relation to the base year 2021.
- **Absolute target 2:** Cemig commits to reducing all absolute GHG emissions remaining in scope 3 by 42% within the same deadline (base year 2021 and target year 2030).



Long-term goals (until 2040)

- **Absolute long-term target 1:** Companhia Energética de Minas Gerais – Cemig commits to reducing absolute GHG emissions from scopes 1, 2, and 3 by 90% by 2040, in relation to the base year of 2021.
- **Long-term intensity target 1:** Companhia Energética de Minas Gerais also commits to reducing GHG emissions from scopes 1 and 3 of activities related to fuels and energy, covering all energy sold, by 92.40% per MWh until 2040 in relation to the base year 2021.
- **Long-term absolute target 2:** Companhia Energética de Minas Gerais finally commits to reducing all remaining scope 3 absolute GHG emissions by 90.0% by 2040, compared to the base year 2021.



Actions for physical risk adaptation

Physical Risk	Business Activity	Potential Impact on Business	Actions Implemented by 2023	Planned Actions for the Next 5 Years
Temperature Increase	Transmission/ Distribution	Increased equipment stress, leading to damage and reduced lifespan, e.g., transformers. Increased evaporation leading to decreased water resources and increased likelihood of wildfires.	<ul style="list-style-type: none"> Local and large-scale temperature monitoring. Identification of areas with observed high risk. Pilot Project at Betim 6, 345 kV system on LT dynamic capacity through Digital Twins. 	<ul style="list-style-type: none"> Improvements in meteorological forecasting system. Modernization of distribution lines. Wind maps from previous years to identify locations with high incidence of critical winds on overhead line structures.
Increased Wind Speed	Transmission/ Distribution	Damage to transmission networks	<ul style="list-style-type: none"> Monitoring of climatic events and use of weather alerts to prepare operations teams. Contingency Plan trainings for teams with adaptations and improvements from the last review of contingency plans. Technical meeting on practical applications of Contingency Plans from other companies in Brazil (Cemig D, CTEEP, TAESA, Seccional, and Geosystems Image). 	<ul style="list-style-type: none"> O&M team constant technical trainings for line reconstruction. Investment in emergency structures and optimization of service logistics for all transmission teams. Digitization of overhead line assets in geospatial environment, modernization of equipment and tools for line inspection. Development of R&D projects to measure the impact of climate changes on overhead line assets. Prospecting new engineering solutions in the national and international electric sector market. Technical meetings on new technologies applicable to contingency plans in the energy transmission sector.
Reduced Water Availability	Hydroelectric Generation	Decreased hydroelectric generation	<ul style="list-style-type: none"> Investments in new energy generation sources (solar and wind). 	<ul style="list-style-type: none"> Investments in new energy generation sources (solar and wind).
Intense Rains	Transmission/ Distribution	Disruption of electricity supply service	<ul style="list-style-type: none"> Modernization of distribution lines: automation of reclosers, digitization, and modernization of substations. Contingency Plan trainings for teams with adaptations and improvements from the last review of contingency plans. Technical meeting on practical applications of Contingency Plans from other companies in Brazil (Cemig D, CTEEP, TAESA, Seccional, and Geosystems Image). 	<ul style="list-style-type: none"> O&M team constant technical trainings for line reconstruction. Investment in emergency structures and optimization of service logistics for all transmission teams. Digitization of overhead line assets in geospatial environment, modernization of equipment and tools for line inspection. Development of R&D projects to measure the impact of climate changes on overhead line assets. Prospecting new engineering solutions in the national and international electric sector market. Technical meetings on new technologies applicable to contingency plans in the energy transmission sector.
Fires	Transmission/ Distribution	Damage to transmission networks	<ul style="list-style-type: none"> Mechanized right-of-way clearing. Fire monitoring system, online platform www.apagaofogo.eco.br. 	<ul style="list-style-type: none"> Mechanized right-of-way clearing. Fire monitoring system, online platform www.apagaofogo.eco.br.

Task Force on Climate-Related Disclosure (TCFD)

Considering the TCFD recommendations for climate management, Cemig's main practices stand out in the dimensions of governance, strategy, risk management, metrics, and goals.

Governance	Actions in progress
<p>Disclose the company's governance on risks and opportunities related to climate change.</p> <hr/> <p>Cemig's corporate governance is based on transparency, equity, and accountability. The Company's Senior Management is exercised by the Board of Directors and the Executive Board and has a permanent Fiscal Council. The members of the Board of Directors, elected by the General Shareholders' Meeting, elect their Chief Executive Officer, and appoint the Executive Board. The Council is responsible for approving the climate strategy, evaluating investment decisions that may impact the decarbonization trajectory, as well as long-term emissions reduction targets.</p>	<ul style="list-style-type: none"> • Definition of the generation growth strategy focused on renewable sources; • Adherence to the Net Zero Ambition Movement of the United Nations (UN) Global Compact; • Submission of science-based targets for approval by the Science Based Targets initiative; • Inclusion of the Company's performance metrics in Sustainability indexes (Dow Jones Sustainability Index, for example) and achieving the goal of net zero reduction to comprise the financial remuneration of the executive board.
Strategy	Actions in progress
<p>Disclose the real and potential impacts of risks and opportunities related to climate change on the organization's business, strategy, and financial planning, whenever such information is relevant.</p> <hr/> <p>To assess possible impacts of climate change, Cemig carried out mapping considering physical and transition risks, in a process that involved the Board of Directors, the Risk Committees and the respective areas exposed to the identified risks. The risk mapped in 2023 refers to “Non-compliance with actions to reduce greenhouse gas emissions and actions to mitigate the effects of extreme weather events”. Financial planning to mitigate this risk considers initiatives to reduce emissions and adapt to climate change.</p>	<p>The Strategic Plan, approved in January 2024, by the Board of Directors, includes the 5 trends that are transforming the sector. Among these trends, those related to the theme of climate change stand out: energy transition and reinvention of traditional utilities. From this perspective, in a future scenario the Company is evaluating the offer of new services, such as storage and electric mobility.</p> <p>Main initiatives of the climate risk adaptation strategy:</p> <ul style="list-style-type: none"> • Investments in hydrometeorological monitoring; • Modernization and reinforcement of the electricity transmission and distribution system; • Acquisition of meteorological radar; • Carrying out climate scenario analysis studies that aim to identify the impacts on the company's assets in the medium and long term. <p>Main opportunities:</p> <ul style="list-style-type: none"> • Expansion of business in distributed generation with investments of BRL 1 billion by 2025; • Investments of BRL 4.5 billion in solar and hydro plants; • Certified commercialization of electrical energy; • Business development for the future, with investments of BRL 0.5 billion in Innovation.

Risk management	Actions in progress
Disclose how the organization identifies, assesses, and manages risks related to climate change.	

The implementation of corporate risk management took place in 2003 and has been continuously improved by Cemig. This management is based on processes and is aligned with the Company's Master Plan and strategic planning, with the Corporate Risk Management and Internal Controls Policy as its main guiding element. Based on the guidelines established in the Risk Management Policy, Cemig structured a risk management process that allows the mapping and assessment of both strategic risks and those arising from operational activities.

This process is coordinated by the Risk Management and Internal Controls Department, which provides technical support to different areas of the Company.

In the risk identification activity, the area responsible for risk management and internal controls consults the managers of the areas related to the identified themes. Each area maps and reviews the risks associated with its activity, indicating the causes and classifying them according to the potential impact if the risk materializes and the probability of occurrence. After consultation with leaders, a proposed risk matrix is presented to the CMRC, which is made up of members from different boards and provides considerations for improvements. Subsequently, the matrix is forwarded for deliberation to the Executive Board, which also improves the product, forwarding it to the Risk Committee of the Board of Directors and the Board of Directors. Additionally, the proposed matrix can be presented to the support bodies of the Board of Directors, such as the Audit Committee and the Fiscal Council.

- The Sustainability Management is responsible for proposing, monitoring, and reviewing actions to mitigate climate risks. Periodically, upon request from the Risk Management, the Sustainability Management updates the control actions and action plan to mitigate climate risk.
- The entire process of updating, implementing, and monitoring control actions and action plans is presented to the executive board to ensure compliance with the actions and budget.
- The TCFD 2023 Report presents in detail the adaptation and mitigation actions to climate risk and the 2024 Climate Action Plan consolidates the Company's decarbonization strategy.

Metrics and goals	Actions in progress
Disclose the metrics and targets used to assess and manage risks and opportunities related to climate change whenever such information is relevant.	

In order to monitor its impact on the environment and measure progress in the climate change agenda, Cemig annually records the emissions of gases that contribute to the greenhouse effect in all its subsidiaries and activities.

- Greenhouse gas (GHG) emissions are calculated using the guidelines of the Brazilian GHG Protocol Program as a reference. The Sustainability Management is responsible for coordinating this activity.
- Performance against targets is presented together in the Greenhouse Gas Emissions section.

Clean Development Mechanisms (CDM) Projects

The Group participates in CDM projects registered at the United Nations Framework Convention on Climate Change (UNFCCC), including six PCHs with 96 MW capacity, and one hydropower plant with 96 MW generation capacity.

- At Guanhões Energia, the credit generation pot is 44,488, amounting to 49% from Cemig;
- At PCH Cachoeirão, it totals 34,059 credits, with 49% from Cemig; and
- At UHE Paracambi, it totals 33,993 credits, 49% from Cemig;

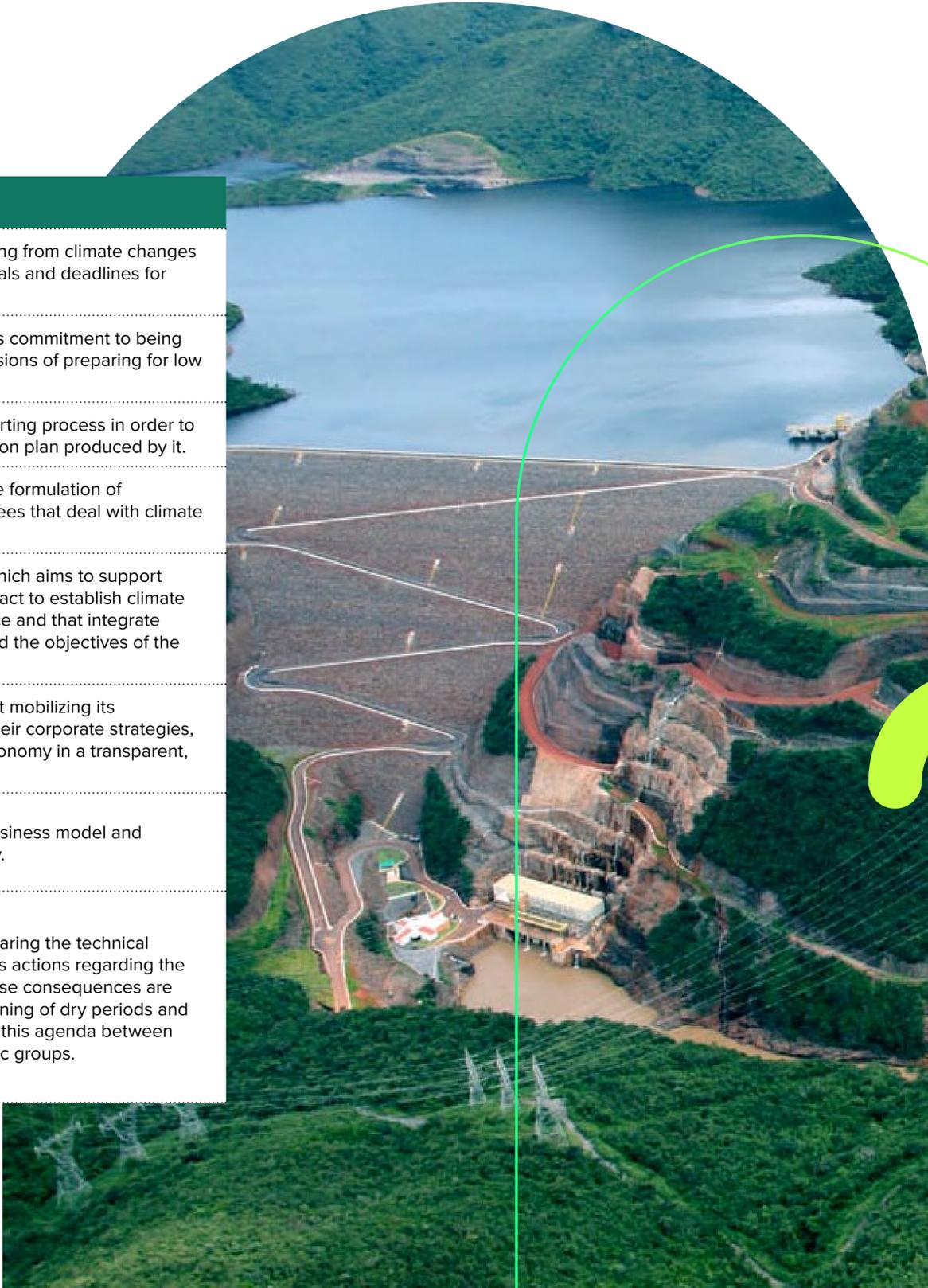
In 2023, 57,186.92 Cemig credits were monitored, through the projects shown in the table.

Project	Registry number	Status	Annual CO2eq (t) reduction estimate	Crediting period	Credits Emitted	Traceability
SPE Guanhões (4 PCHs. 44 MW)	3088	Registered	44,488	jan/13 - jan/20. renewed to jan/20 - jan/27	-	http://cdm.unfccc.int/Projects/DB/RINA1280831660.48/view
PCH Cachoeirão (27 MW)	4788	Registered	34,059	feb/19 - feb/26	47,680 (Jan/13 - Dec/20) 15,004 (Jan/21 – Apr/21)	http://cdm.unfccc.int/Projects/DB/RINA1305214649.79/view
PCH Paracambi (25 MW)	9893	Registered	38,161	jul/21 - jul/28	.	http://cdm.unfccc.int/Projects/DB/RINA1392324439.94/view

External Initiatives

[102-1; 102-2] Acknowledging the impact of its business in solidifying its image and participating in climate agendas, the Company acceded to several initiatives on the topic; below, the most relevant ones are highlighted.

Initiative	Accession Year	Objetive
CDP	2007	Report risks and opportunities for its businesses arising from climate changes and monitoring and control measures, and set out goals and deadlines for reducing impacts.
Efficient Carbon Index ICO2 (B3)	2020	By accessing to the index, the Company expresses its commitment to being transparent regarding its emissions, advancing the visions of preparing for low carbon economies.
CDP Benchmark Club	2019	Individually support the Companies in their CDP reporting process in order to improve data quality and the effectiveness of the action plan produced by it.
Thematic Committees	N/A	Participate in legal discussion forums and assist in the formulation of regulations and laws by acting on Municipal Committees that deal with climate issues.
Movimento Ambição Net Zero (Net Zero Ambition Movement)	2022	An initiative of the Global Compact Brazil Network, which aims to support companies that are members of the UN Global Compact to establish climate commitments that are ambitious and based on science and that integrate Sustainable Development Goal 13 (Climate Action) and the objectives of the Paris Agreement in their business strategies.
Platform of Action for Climate (Global Compact – UNO)	2020	Brazil Network’s Platform of Action for Climate aims at mobilizing its members to become part of the Climate Agenda in their corporate strategies, contributing to build a resilient and carbon,neutral economy in a transparent, socially just and inclusive way.
Brazilian Business Council for Sustainable Development (CEBDS)	2024	CEBDS aims to train the business sector for a new business model and contribute to solving the main challenges faced today.
Minas Gerais State Legislative Assembly - ALMG Environmental Thematic Group of the Technical Seminar "Climate Crisis in Minas Gerais: Challenges in Dealing with Drought and Extreme Rain", under the coordination of ALMG	2024	The Environmental Thematic Group will work on preparing the technical seminar, which aims to develop an agenda for ALMG's actions regarding the challenges of the current climate transformation, whose consequences are already being felt in the State, notably with the worsening of dry periods and the intensification of rainfall. The joint construction of this agenda between ALMG and society will be carried out through thematic groups.



Green House Gas (GEE) Emissions

Cemig makes an annual inventory of its Greenhouse Gases (GHG) emissions following calculation parameters set out by the Brazilian GHG Protocol Program.

Cemig's leadership is engaged and involved in discussions related to Greenhouse Gas (GHG) emissions, focusing on effective action, a fact demonstrated by the establishment of voluntary targets for reducing (i) emissions, (ii) power consumption, and (iii) energy losses.

[3-3(305); IF-EU-110a.3] Besides monitoring, inventories are also used to assertively manage emission risks and opportunities of Cemig emissions to set out reduction goals, systematize monitoring and mitigation, and actions to participate in climate dissemination actions and for purposes of comparing the Company to other players in the industry.

Cemig's inventory records CO2, CH4, N2O, and SF6 emissions and, as an optional, quantifies CO2 emissions from renewable sources. The document undergoes external verification and data are taken directly by those responsible for the departments through Enterprise Resource Planning (ERP) Cemig records, operating and corporate control systems, invoices, contracts, and record spreadsheets.

In 2022, Cemig's Board of Directors approved the Company's Net Zero Commitment, which aims to reduce the company's emissions and achieve emissions neutrality by 2040.

The company also committed to developing a science-based GHG emission reduction target, in line with the Science Based Targets initiative (SBTi) recommendations

establishing guidelines and methodologies for developing science-based emission reduction targets to limit global warming to 1.5°C. The goals were described in the Climate Strategy and Adaptation Plan chapter of this report.

For the 2023 GHG inventory, the reference adopted was NBR ISO 14064, together with the GHG Protocol specifications. Emission factors and Global Warming Potential (GWP) are taken from the Intergovernmental Panel on Climate Change (IPCC).

[305-1; 305-2; 305-3; IF-EU-110a.1; IF-EU-110a.2] All information used is subject to internal audits, including international reference ones such as NBR ISO 9001:2008, and NBR ISO 14001:2004. Known as an operational control approach, Cemig fully quantifies the emissions of companies it controls.

At Cemig, CO2, CH4, N2O and SF6 gases are generated by the following activities:

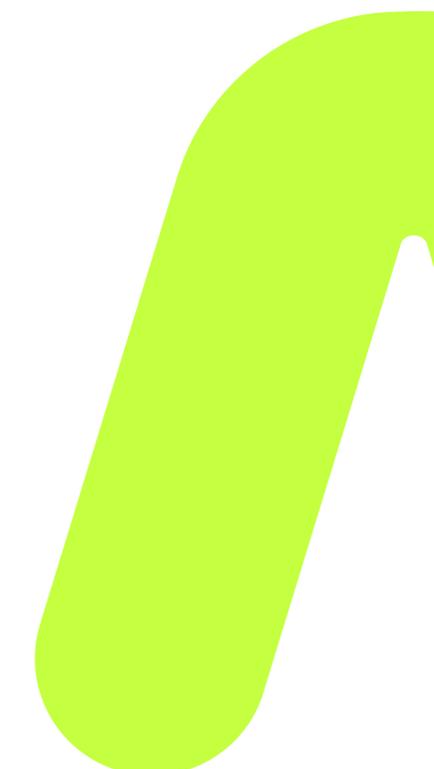
- CO2: generated by mobile and stationary sources burning fossil fuels (such as diesel, natural gas, kerosene, and liquefied petroleum gas). Also, there are CO2 emissions related to waste treatment and the use of agricultural fertilizers;
- CH4: generated by mobile and stationary sources burning fuels, by fugitive emissions in natural gas distribution lines, and by the decomposition of organic matter in solid waste treatment processes;
- N2O: generated by mobile and stationary sources burning fossil fuels (such as diesel, natural gas, kerosene, and liquefied petroleum gas). Also, there

are N2O emissions related to waste treatment and the use of agricultural fertilizers; and

- SF6: generated in the maintenance of energy transmission and distribution equipment, which use this gas as an insulator or to extinguish electrical arcs. In these maintenance actions, gas lost by fugitive emission is replaced.

Year	Treated SF6 Gas (Kg)
2020	181.5
2021	105
2022	170
2023	75.7
Total	532.2

[306-2] Cemig has developed an SF6 gas regeneration process, providing environmental benefits by reducing the volume of contaminated products, solving environmental liabilities, and saving on recycling and logistics expenses. Over four years, the process efficiently treated 532.2 kg of SF6, highlighting its positive impact. The Company maintains the goal of reducing 50% of the intensity (percentage of actual SF6 loss/total installed SF6 mass) of sulfur hexafluoride (SF6) losses, with 2019 as the base year and 2027 as the target year.



2023 Emissions by scope (tCO2e)

Scope	Emissions (tCO2e)
Scope 1	20,631
Scope 2	305,514
Scope 3	5,106,122

[305-5] Historical series of Cemig emissions (tCO2e)

Historical series of Cemig emissions (tCO2e)	2020	2021	2022	2023	Variation 2021 (base year)/ 2023
Scope 1	11,419	12,848	83,452	20,631	+61%
Scope 2	448,084	861,233	291,766	305,514	-65%
Scope 3	5,246,668	9,750,511	5,291,858	5,106,122	-48%



Total Cemig Emissions

Scope	Category	2022 – Emissions (tCO2e)	2022 – Representativeness (%)	2023 – Emission (tCO2e)	2023 – Representativeness (%)	Variation in relation to the previous year (%)
Scope 1	Stationary combustion	141	0.17%	250	1.21%	77%
	Mobile combustion	7,308	8.76%	7,604	36.86%	4%
	Fugitive emissions	6,314	7.57%	5,385	26.10%	-15%
	Farming activities	5,852	7.01%	59	0.29%	-99%
	Change in land use	63,837	76.50%	7,333	35.54%	-89%
	Scope 1 Total		83,452	1.47%	20,631	0.38%
Scope 2	Power Consumption	1,734.83	0.59%	2,383	0.78%	37%
	T&D Losses	290,031	99.41%	303,131	99.22%	5%
	Scope 2 Total	291,766	5.15%	305,514	5.62%	5%
Scope 3	Waste generated in operations	583	0.01%	205	0.00%	-65%
	Employee commuting (home,work)	141	0.00%	45	0.00%	-68%
	Activities related to fuel and power consumption, not related to Scopes 1 and 2	2,209,347	41.75%	2,585,631	50.64%	17%
	Transportation and distribution (upstream)	NA	NA	NA	NA	NA
	Transportation and distribution (upstream)	NA	NA	NA	NA	NA
	Business trips	329	0.01%	788	0.02%	140%
	Use of goods and services sold	2,695,945	50.95%	1,907,211	37.35%	-29%
	Purchased goods and services	385,513	7.29%	428,030	8.38%	11%
	Capital goods	NA	NA	111,631	2.19%	NA
	Investments	NA	NA	72,581	1.42%	NA
	Scope 3 Total		5,291,858	93.38%	5,106,122	94.00%

[305-1; 305-5] In 2023, Cemig's operations were responsible for direct emissions (Scope 1) of 20,631 tCO₂e, representing an reduction of 75% compared to 2022, mainly related to reductions in emissions from agricultural activities, change and use from soil.

Within scope 1, fugitive emissions are derived from natural gas leaks. The Natural Gas Leak Rate is calculated by surveying the volumes emitted into the atmosphere in routine operations, such as preventive or corrective maintenance, new connections with customers (purgings), rare interventions in the network to change traces and estimates of the few Emergencies in the High-Density Polyethylene (HDPE) grid, divided by the total volume of distributed gas. The volume of gas emitted in 2023 was 2,769.58 m³, related to operation and maintenance services, including emergencies, all purged (ventilated). The percentage of losses in relation to the total gas sold was 0.003%.

[302-4; 305-2] Indirect emissions relating to the acquisition of energy (Scope 2) in the year 2023 totaled 305,514 tCO₂e, amounting to a 5% increase against 2022 emissions. In terms of Transmission and Distribution losses (which amount to 99.22% of the Scope 2 emissions), there was an increase of 5.07% compared to 2022.

[305-4] Cemig uses two indicators of emission intensity to refer to its assessment of greenhouse gas emissions. The first lists total scope 1 emissions and 2 to net operating revenue (tCO₂e/BRL) and had a result of 0.009 tCO₂/BRL. The second indicator of intensity correlates emissions (scopes 1 and 2) to net energy

generation (tCO₂e/MWh) in the year. O result for 2023 was 0.021 tCO₂/MWh.

[305-3] Scope 3 Company emissions in the year 2023 totaled 5,106,122 tCO₂e, amounting to a 4% decrease in relation to the previous year. Scope 3 emissions are mainly associated with activities related to fuel and energy not included in Scopes 1 and 2. Emissions in this category make up the majority of Scope 3 emissions, representing 50.54% of the total, followed by the use of goods and services sold (37.35%), which includes the sale of energy and natural gas.

Other emissions

[305-7; IF-EU-120a.1] At Cemig, major atmospheric emissions come from mobile sources (light and heavy vehicles), accounting mainly for NO_x, Sox, and Particle Material (PM) emissions. The table below shows those pollutants emissions in tons (t) per year.

The data presented indicates that in 2023 there was a decrease of 2% in NO_x emissions and 9% in SO_x emissions compared to the previous year, the latter being due to a lower consumption of common diesel.

The target for NO_x reduction is a 50% reduction in vehicle emissions by 2025, with 2019 as the base year. For 2023, emissions were recorded with a 37.5% reduction.

The target for SO_x reduction is a 40% reduction in vehicle emissions by 2025, with 2019 as the base year. In 2023, SO_x emissions decreased by 33% compared to 2019 values.

Particulate matter emissions come from the mobile fleet. In 2023, Cemig emitted 0.063 tons, achieving the reduction target for the year and staying 44% below it, due to the reduction in diesel emission factors. In 2024, a target of an 80% reduction in vehicle emissions was set, with 2021 as the base year and 2027 as the target year.

[305-6] Emissions of ozone-depleting substances (ODS), although not relevant to the Company, are generated in specific cases of refrigeration. In 2023, Cemig consumed a total of 0.83525 tons of refrigerant gas, between types R141B and R22.

Pollutant emission (t)/year

	2019	2020	2021	2022	2023	Variation in relation to 2022	Variation in relation to 2019
NO _x	8.58	7.09	6.89	5.48	5.36	-2%	-38%
SO _x	0.76	0.60	0.66	0.56	0.51	-9%	-33%
MP	0.27	0.25	0.17	0.20	0.06	-70%	-78%



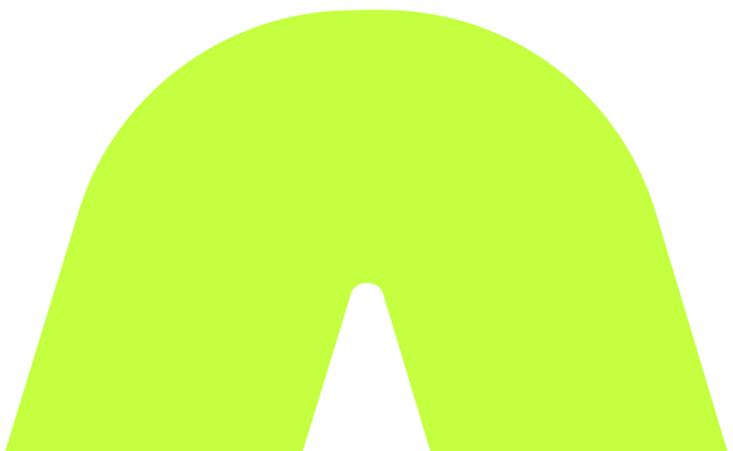
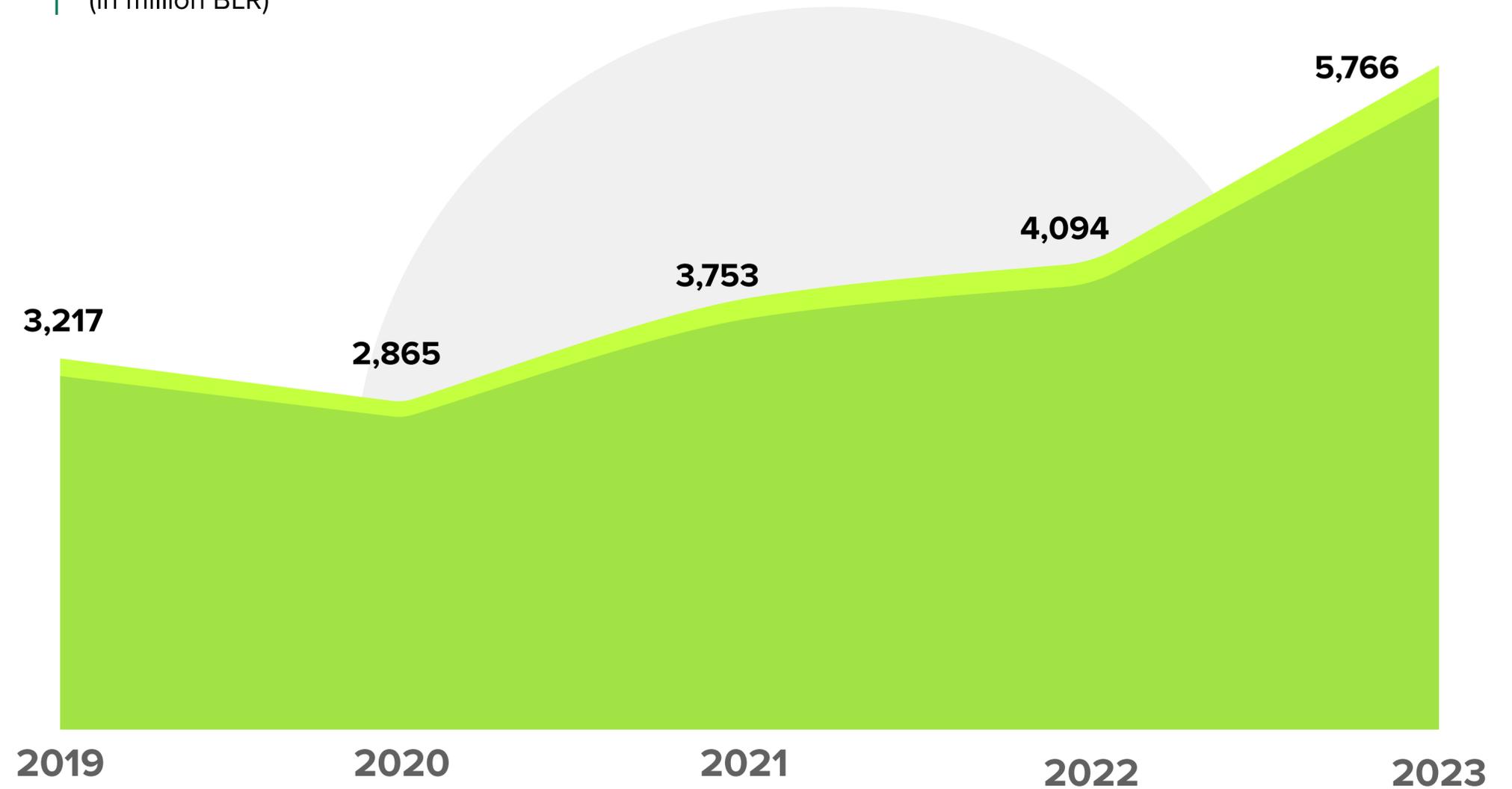
ECONOMIC PERFORMANCE

[2-2; 2-6] Cemig holding includes in its economic and financial indicators all the companies under its control and described in the organization chart on page 12.

In 2022, Cemig displayed a net income of BRL 5,766 million indicating an increase of 40.84% compared to the net profit of BRL 4,094 million obtained in 2022.

The positive variation in the Company's earnings is mainly due to the increase in profit in the energy trading segment, summarized as a 263.37% increase against the previous year. Profit in the generation segment also stands out, with an increase of 56.16%. The main variations in revenue, costs, and expenses, and financial results are presented below.

Net earnings historical series
(in million BLR)



Major financial indicators

EBITDA 2023

Cemig's consolidated EBTIDA, adjusted by the exclusion of non-recurring items, increased by 16.58% in 2023 against 2022, while the adjusted EBTIDA margin increased from 20.10% to 21.92%.

Operating revenue

[3-3 (201)] Generally, for the businesses of the Company and its subsidiaries, gas and other revenues are recognized when a performance obligation is met. The Company recognizes revenue only when it is probable that it will receive the consideration in exchange for the goods or services transferred, considering the customer's ability and intention to fulfill the payment obligation.

[102-7] The composition of operating revenue for fiscal years ending on December 31, 2023, is as follows:

	2021	2022	2023
Gross supplying of power (a)	29,619,254	30,158,388	31,671,465
Revenues from the use of power distribution systems – TUSD (b)	3,448,318	3,684,574	4,417,051
CVA and other financial components (c)	2,146,043	1,146,560	213,038
Refunding of PIS/Pasep and Cofins credits to consumers – Execution (1)	1,316,995	2,360,056	1,908,658
Revenues from transmission			
<i>Revenues from operation and maintenance (d)</i>	354,910	413,044	373,087
<i>Revenues from transmission construction (d)</i>	251,973	407,193	241,482
<i>Financial remuneration of the transmission contract asset (d) (note 14)</i>	660,457	575,449	523,772
Revenues from generation indemnity	NA	47,028	92,595
Revenues from distribution construction	1,852,263	3,245,688	3,899,245
Adjustment of the cash flow expectations for the recoverable financial asset of the distribution concession (e)	53,751	39,369	149,238
Revenue from the financial correction of the grant share dividend (f)	523,105	466,857	411,722
Winding-up at CCEE (g)	1,156,503	182,893	145,509
Transactions in the surplus sale mechanism (h)	452,896	453,131	(3,766)
Gas supplying	3,470,406	4,529,123	4,139,415
Penalty for violation of continuity indicator standard	(70,948)	(94,035)	(138,925)
Revenue from early service provision (i)	153,970	-	-
PIS/Pasep and Cofins credits to refund to consumers	NA	(829,783)	-
Other operating revenues (j)	1,935,273	2,657,114	2,315,759
Taxes and burdens on revenues (k)	(13,679,051)	(12,686,721)	(13,083,500)
Net operating revenues	33,646,118	34,462,808	36,849,769



Cemig's consolidated EBTIDA, adjusted by the exclusion of non-recurring items, increased by 16.58% in 2023 against 2022



Gross supplying of power revenue was R\$ 31,671 million in 2023



Net operating revenue of R\$ 36,849,769



Revenue from gross power supply was BRL 31,671 million in 2023, against BRL 30,158 million in the 2022 fiscal year, amounting to a 5.02% increase. The main impacts on revenue are due to the 2.02% reduction in the volume of energy sold in 2023 against 2022, and, additionally, the increase in the Tax on Circulation of Goods and Services (ICMS) rate in February 2023 equivalent to 6.47%. This generated an increase in the ICMS calculation base and consequently an increase in taxes and charges levied on revenue.

Major impacts on revenue in 2023 stem from the following factors:

- Increase of 7.81% in the amount of energy billed to residential consumers, due to the 3% increase in the number of consumers and 4.60% in the average monthly consumption per consumer, in addition to higher temperatures and energy recovery actions loss;
- Reduction of 15.33% in the amount of energy billed to industrial consumers, due to the migration of customers from the captive market to the free market and to distributed mini and microgeneration;
- 7.25% reduction in the amount of energy billed to consumers in the public lighting class, mainly due to the replacement of incandescent lamps with LED lamps, which occurred in some city halls;
- 11.71% increase in the amount of energy billed to the public power class, due to the slow recovery in the level of consumption of this class post-pandemic;

Revenues from the use of power distribution systems (TUSD)

It refers to the Tariff for the Use of the Distribution System (TUSD), arising from charges levied on free clients for distributed energy. In 2023, this revenue amounted to BRL 4,417 million, against BRL 3,685 million in 2022, representing a 19.86% increase.

This variation is mainly due to the effects on the ICMS calculation base, as well as the 1.62% increase in the average tariff for free clients in 2023, compared to the previous year.

Additionally, there was an increase of 4.62% in energy transported in the 2023 financial year, compared to the previous fiscal year.

Other revenues

Revenue from energy transactions at CCEE was BRL 146 million in 2023, against BRL 183 million in 2022, amounting to a 20.22% decrease. This reduction is mainly due to the reduction in energy surpluses during this period that are settled in the CCEE.

The Company recorded revenue from gas supply amounting to BRL 4,139 million in 2023, against BRL 4,529 million in 2022, amounting to an 8.61% decrease. The reduction is mainly due to the smaller volume of gas supplied.

Revenues from the construction of assets related to the electricity distribution concession infrastructure were BRL 3,899 million in 2023, against BRL 3,246 million in 2022, showing an increase of 20.12%. This increase is due, basically, to the greater execution of Cemig D's investment plan in relation to the previous year, with emphasis on carrying out a large volume of customer service work, due to the heating up of the market, especially in agribusiness, and the rise in prices for construction inputs (materials and services).

This revenue is fully offset by construction costs, in the same amount, and corresponds to Cemig D's investment in concession assets during the year.

The other revenues⁶⁹ from the Company and its subsidiaries were BRL 2,315 million in 2023 against BRL 2,657 million in 2022, a decrease of 12.87%.

69. The "other revenues" category includes: taxed service, provision of services, subsidies – low income, subsidy from the electricity compensation system, subsidy from Eletrobrás, subsidy from tariff flags, other subsidies, rent and leasing, contractual indemnities, among others aspects.

Operating Costs and Expenses

Operating costs and expenses amounted to BRL 30,061 million in 2023, against BRL 29,624 million in 2022, a 1.48% increase. The main variations in expenses are described below.

The cost of electricity purchased for resale was BRL 14,648 million in 2023, against BRL 14,614 million in 2022. The main impacts arise mainly from the reduction in the cost of purchasing energy in the free environment and with short-term energy and the increase in the cost of energy purchased at auction in a regulated environment and with distributed generation, in addition to the reduction in the cost of energy from Itaipu Binational.

Charges for using the electrical system totaled BRL 3,215 million in 2023, against BRL 2,925 million in 2022, amounting to a 9.91% increase. The variation is mainly justified by the greater need for thermal dispatches in 2023 due to high temperatures, in addition to the entry into operation of reserve energy contracts resulting from the 2021 Simplified Competitive Procedure (PCS), with a consequent increase in energy charges reserve in the 2023 financial year.

The expense with the participation of employees and administrators in the result was BRL 157 million in 2023, compared to R\$83 million in the previous year, representing an increase of 89.20%. This variation is basically due to the total adherence of unions to the 2023 collective agreement compared to 2022, the year in which some unions did not adhere to the agreement.

The amount of the Company's post-employment obligations in the 2023 operating result was an expense of BRL 591 million, compared to R\$626 million in 2022. This variation is mainly due to the voluntary adherence of active employees to the new health plan, called the Premium Plan, offered by the Company.

Expense with third-party services was BRL 1,902 million in 2023, against BRL 1,706 million in 2022, amounting to an 11.49% increase. Major variations that explain this increase are:

- a 20.20% increase in expenses with maintenance and conservation of power facilities and equipment, amounting to BRL 708 million in 2023, against BRL 589 million in 2022;
- a 19.18% increase in expenses with information technology, which was BRL 174 million in 2023, against BRL 146 million in 2022.



Net Financial Result

The financial result corresponded to a net financial expense of BRL 379 million in 2023 against a net financial expense of BRL 1,566,621 million in 2022. This variation is mainly associated with the following factors:

- In 2023, the Company had a lower net financial expense with updating tax credits relating to PIS/Pasep and Cofins resulting from the exclusion of ICMS from its calculation base, being BRL 41 million in 2023, compared to BRL 1,294 million in the previous year. This variation arises from the complement, in the second quarter of 2022, of the monetary update of the liability relating to the portion of tax credits corresponding to the period of the last 10 years, in compliance with the legal determination of full allocation by distributors, for the benefit of consumers, of the object values the repetition of the undue payment;
- Negative variation of the dollar against the real in 2023 of 7.21%, against the negative variation of 6.5% in 2022, generated a record of negative exchange rate variation, in 2023, in the amount of BRL 277 million compared to the record of negative exchange rate variation in 2022, in the amount of BRL 338 million;
- As a result of the reduction in the interest curve in relation to the expected growth in the Dollar rate in relation to the Real, the fair value of the financial instrument contracted to protect the risks linked to Eurobonds presented losses of BRL 177 million in 2023, compared to the recorded losses of BRL 438 million in 2022.

Income Tax and Social Security

In 2023, the Company recorded expenses with income tax and social contribution in the amount of BRL 1,068 million in relation to the profit of BRL 6,806 million, before tax effects. This value represented a 15.69% effective tax rate.

Cash and Cash Equivalents

Cash and cash equivalents on December 31, 2023, totaled BRL 1,537,482 million, against the BRL 1,440,661 million balance on December 31, 2022. The reasons for this variation are given below.

- Cash flow from operational activities

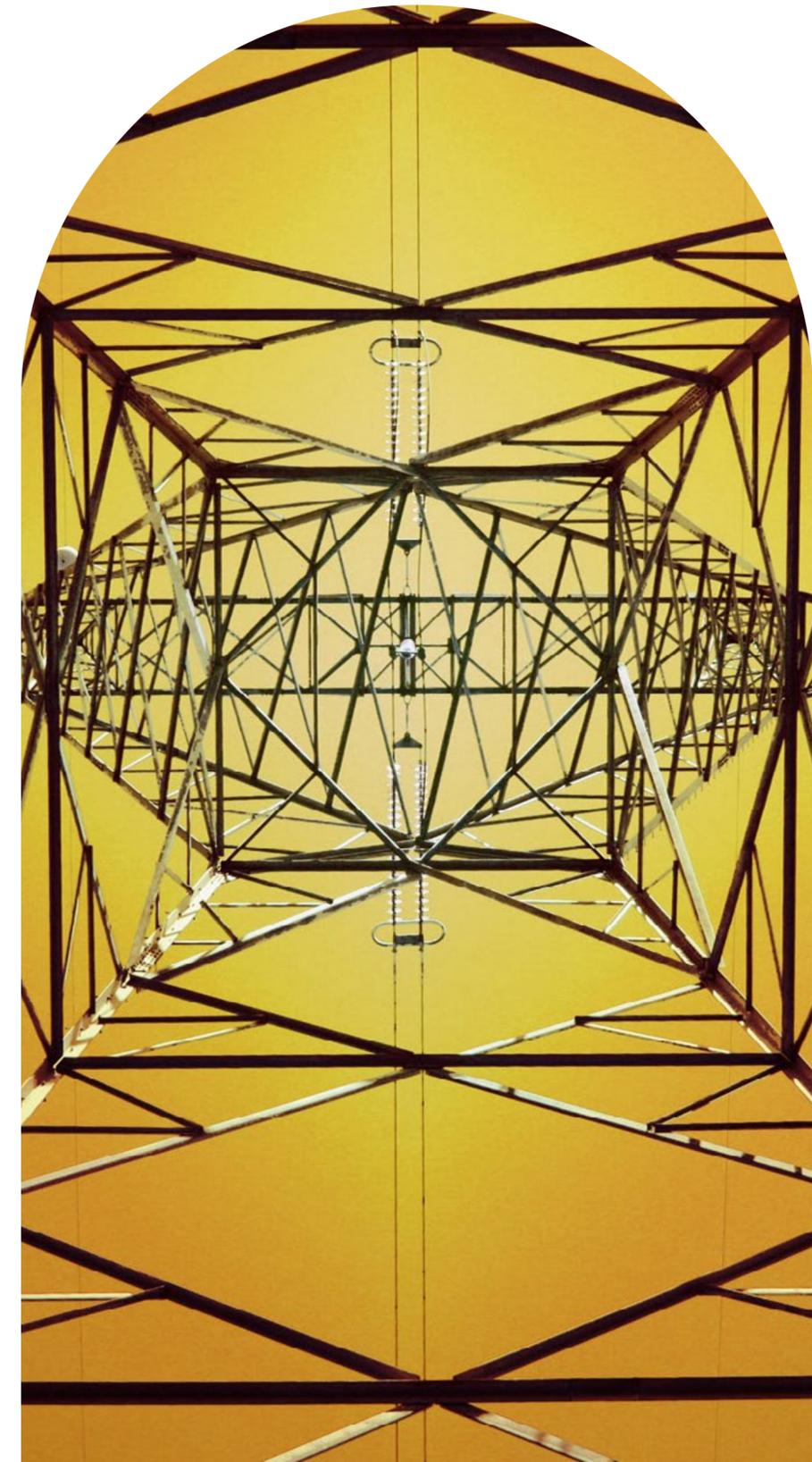
Net cash from operating activities in 2023 and 2022 totaled BRL 6,644 million and BRL 6,544 million, respectively. This variation is mainly due to the increase in interest received.

- Cash flow from investment activities

The net cash consumed in investing activities in 2023 totaled BRL 3,967 million, compared to a net cash generated in 2022 of BRL 3,137 million. This variation is mainly due to the increase in the movement of fixed assets in relation to the previous year.

Cash flow from financing activities

Cash flow consumed in financing activities during 2023 totaled BRL 2,580 million, against net cash consumed of BRL 2,792 million in 2022. This result is mainly due to the decrease in interest on equity and dividends paid in relation to the previous year.



Capital market and dividends

Cemig's shares were initially listed on the Minas Gerais State Stock Exchange as of October 14, 1960, and from 1972, on the São Paulo Stock Exchange (B3) with the CMIG3 (ON) and CMIG4 (PN) symbols. Since October 2001, they have been listed on Bovespa's Corporate Governance Level 1. In addition, the Company's shares have been traded on the New York Stock Exchange (CIG and CIG/C) since 1993, and at Level 2 of corporate governance since 2001. And on the Madrid Stock Exchange (XCMIG) since 2002.

Below are the closing quotes for years 2022 and 2023 of shares in São Paulo (B3), New York (NYSE), and Madrid (LATIBEX)⁷⁰.

Name	Symbols	Currency	2022 Closing	2023 Closing
Cemig PN	CMIG4	BRL	9.97	11.48
Cemig ON	CMIG3	BRL	14.95	15.13
ADR PN	CIG	US\$	1.80	2.31
ADR ON	CIG.C	US\$	3.12	3.12
Cemig PN (Latibex)	XCMIG	Euro	1.81	2.10

In 2023, the preferred shares, CMIG4, had a trading volume of BRL 32.57 billion, with a daily average of 131.35 million. This traded volume makes the preferred share (PN) one of the most traded on B3, providing security and liquidity to investors.

The average daily trading volume of preferred shares on the New York Stock Exchange in 2023 was 8.98 million and moved 2.24 billion, which consolidates Cemig's position as a global investment option. Among the ADRs in the Brazilian electricity sector traded on the NYSE, Cemig had one of the highest volumes traded in 2023.

In terms of performance, the Company's shares were among those that presented the best returns in the electricity sector on B3, being the fourth most traded Company.

Market Value

The market value is represented by the totality of the Company's shares at their market value on the last trading day of each year, remaining stable in relation to the previous year, with a reduction of 0.89%.

Market value - BRL millions:

Year	In million BRL
2020	22,605
2021	25,254
2022	28,200
2023	27,948

Sustainable finances

In 2023, Cemig GT concluded the settlement of its 9th Issue of Simple Debentures, unsecured with additional personal guarantee, in a single series, for public distribution under the automatic distribution regime, in accordance with CVM regulations. 2 million Debentures were issued, totaling R\$2 billion, at the remuneration rate of CDI + 2.05% with maturity in 3 years.

In March 2024, Cemig, through Cemig D, concluded its second funding via sustainable bonds. The debentures were issued in two series: one of BRL 400 million with a maturity period of five and ten years, with a CDI rate plus 0.80% per year; and another of BRL 1.6 billion, for ten years, with an IPCA rate plus 6.1469% per year, as communicated to the market.

Validated by an international certifier, the program has 20 eligible projects that support the issuance of the title, distributed among different generating units of Cemig. The expected impacts of the projects will be measured using impact indicators defined by Cemig GT and Cemig D, listed based on their socio-environmental benefits and divided into Renewable Energy and Energy Efficiency indicators. These benefits and indicators have also been aligned with the corresponding SDGs⁷¹.

70. Source - Econômica – quotes restated by proceeds, including dividends

71. The Verification Technical Opinion with more information about the project can be accessed here.



4

ATTACHMENTS

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Statement of use	Cemig reported in accordance with the GRI Standards for the period from 01/01/2023 to 12/31/2023.
GRI 1:	Foundation 2021
Applicable GRI Sector Standard(s)	G4 GRI Electric Utilities Sector Supplement

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	4; 12; 13			
	2-2 Entities included in the organization’s sustainability reporting	4			
	2-3 Reporting period, frequency and contact point	4			
	2-4 Restatements of information	4; 8			
	2-5 External assurance	4; 9			
	2-6 Activities, value chain and other business relationships	12; 49; 161			
	2-7 Employees	64			
	2-8 Workers who are not employees	67			
	2-9 Governance structure and composition	8; 27; 30; 31; 32			
	2-10 Nomination and selection of the highest governance body	27; 29; 30			
	2-11 Chair of the highest governance body	29			
	2-12 Role of the highest governance body in overseeing the management of impacts	7; 113; 115			
	2-13 Delegation of responsibility for managing impacts	27; 31; 32			
	2-14 Role of the highest governance body in sustainability reporting	4			
	2-15 Conflicts of interest	8; 27; 36			
	2-16 Communication of critical concerns	8; 29			
	2-17 Collective knowledge of the highest governance body	27; 30; 31			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	30			
	2-19 Remuneration policies	33			
	2-20 Process to determine remuneration	67			
	2-21 Annual total compensation ratio	67			
	2-22 Statement on sustainable development strategy	5			
	2-23 Policy commitments	35; 38; 39; 120			
	2-24 Embedding policy commitments	35			
	2-25 Processes to remediate negative impacts	36; 43; 100; 103			
	2-26 Mechanisms for seeking advice and raising concerns	36			
	2-27 Compliance with laws and regulations	8; 29; 126; 127			
	2-28 Membership associations	36			
	2-29 Approach to stakeholder engagement	7; 60			
	2-30 Collective bargaining agreements	67; 76			
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	7			
	3-2 List of material topics	7; 8			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
Material topic: CLIMATE CHANGE					
GRI 3: Material Topics 2021	3-3 (305) Management of the material topic “Emissions”	149; 157			
	3-3 (201) Management of the material topic “Economic performance”	162			
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	8; 146			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	8; 130; 157; 160			
	305-2 Energy indirect (Scope 2) GHG emissions	130; 157; 160			
	305-3 Other indirect (Scope 3) GHG emissions	157; 160			
GRI 305: Emissions 2016	305-4 GHG emissions intensity	148; 160			
	305-5 Reduction of GHG emissions	160			
	305-6 Emissions of ozone-depleting substances (ODS)	160			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	8; 160			
Material Topic: RENEWABLE ENERGY					
G4 Electric Utilities Sector Supplement	EU-5 Allocation of CO2e emissions allowances or equivalent, broken down by carbon trading framework	15			
	EU-12 Transmission and distribution losses as a percentage of total energy	54			
	EU-01 Installed capacity, broken down by primary energy source and regulatory system.	15			
	EU-02 Net energy production, broken down by primary energy source and regulatory system.	15			
	EU-30 Average plant availability factor, broken down by energy source and regulatory system.	16			
	EU-04 Length of overhead and underground transmission and distribution lines, broken down by regulatory system.	17			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
Material topic: ETHICS AND INTEGRITY					
GRI 3: Material Topics 2021	3-3 (203) Management of the material topic "Non-Compliance with Laws and Regulations".	46			
	3-3 (205) Management of the material topic "Fighting corruption".	38			
	3-3 (402) Management of the material topic "Labor Relations".	76			
	3-3 (412) Management of the material topic "Human rights assessment".	120			
	3-3 (418) Management of the material topic "Customer privacy".	63			
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	8; 30			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	8; 38			
	205-2 Communication and training about anti-corruption policies and procedures	8; 36			
	205-3 Confirmed incidents of corruption and actions taken	8; 37			
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	100			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	100			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	100			
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	122			
GRI 412: Human Rights Assessment 2016	412-1 Operations with actual or potential adverse impacts on human rights, in the value chain and in high-risk areas	120			
	412-3 Percentage of operations with suppliers and contractors that were assessed for impacts on human rights and the measures adopted	120			
GRI 415: Public Policy 2016	415-1 Political contributions			Not applicable	Cemig does not make political financial contributions.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	8; 63			
Material Topic: ENVIRONMENTAL IMPACT AND PROTECTION					
GRI 3: Material Topics 2021	3-3 (304) Management of the material topic "Biodiversity"	123; 141			
	3-3 (305) Management of the material topic "Emissions"	149			
	3-3 (308) Management of the material topic "Supplier environmental assessment"	100			
	3-3 (306) Management of the material topic "Waste"	132			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GRI 301: Materials 2016	301-1 Materials used by weight or volume	131			
	301-2 Recycled input materials used	131			
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	8; 144			
	304-2 Significant impacts of activities, products and services on biodiversity	8; 128; 142			
	304-3 Habitats protected or restored	8; 144			
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	8; 141			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	8; 131; 132			
	306-2 Management of significant waste-related impacts	157			
	306-3 Waste generated	132			
	306-4 Waste diverted from disposal	132; 133; 134			
	306-5 Waste directed to disposal	8; 132; 133			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	8; 92			
	308-2 Negative environmental impacts in the supply chain and actions taken	8; 100			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GRI 302: Energy 2016	302-1 Energy consumption within the organization.	8; 129			
	302-2 Energy consumption outside the organization.	8; 130			
	302-3 Energy intensity.	129			
	302-4 Reduction in energy consumption.	129; 160			
G4 Electric Utilities Sector Supplement	301 (EU) Disclosures on Management Approach: Describe long-term strategy for managing and phasing out high level and low level in-service PCBs (polychlorinated biphenyls).	134			
	304 (EU) Disclosures on Management Approach: Report approaches for pest and vegetation management along transmission and distribution corridors (e.g., use of Integrated Pest Management and Integrated Vegetation Management).	128			
	EU-13 Biodiversity of offset habitats compared to the biodiversity of affected areas	142; 145			
Tema Material: TRANSPARÊNCIA					
GRI 3: Material Topics 2021	3-3 (201) Management of the material topic "Economic performance"	162			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	113			
	201-3 Defined benefit plan obligations and other retirement plans	66; 68			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	61; 110			
	417-2 Incidents of non-compliance concerning product and service information and labeling	8; 61			
	417-3 Incidents of non-compliance concerning marketing communications	8; 62			
Material topic: SUSTAINABLE SOCIAL DEVELOPMENT					
GRI 3: Material Topics 2021	3-3 (401) Management of the material topic "Employment"	85			
	3-3 (413) Management of the material topic "Local communities"	104			
	3-3 (414) Management of the material topic "Supplier social assessment".	100			
	3-3 (203) Management of the material topic "Indirect economic impacts".	46			
	3-3 (404) Management of the material topic "Training and education".	71			
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	66; 68			
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	8; 30			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	8; 113; 119			
GRI 204: Procurement Practices 2016	204-1 Proportion of expenses with local suppliers	93			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	8; 64; 65; 85; 88			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	68			
	404-1 Average hours of training per year per employee	72			
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	66			
	404-3 Percentage of employees receiving regular performance and career development reviews	74			
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples			Not applicable	Cemig does not operate in territories where there is any presence of indigenous peoples.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	103; 104; 107			
	413-2 Operations with significant actual and potential negative impacts on local communities	104; 109			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	8; 92			
	414-2 Negative social impacts in the supply chain and actions taken	8; 100			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
	EU-03 Number of residential, industrial, institutional and commercial customer accounts	17; 50			
	EU-07 Demand-side management programs including residential, commercial, institutional and industrial programs	113; 119			
	EU-10 Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime regime regulatório	8		Information is not available	Cemig has, in its strategic planning, the ambition to increase installed capacity to meet energy demand trends. However, this planning has not been detailed over the years, in relation to energy sources and demand trends.
G4 Electric Utilities Sector Supplement	EU-14 Programs and processes to ensure the availability of a skilled workforce	71			
	EU-15 Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region	66			
	EU-24 Practices to address language, cultural, low literacy and disability related barriers to access and safely use electricity and customer support services	58			
	EU-27 Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime	56			
	EU-28 Power outage frequency	8; 53			
	EU-29 Average power outage duration	8; 54			
Material topic: CUSTOMER SATISFACTION					
G4 Electric Utilities Sector Supplement	EU-26 Percentage of population unserved in licensed distribution or service areas			Not applicable	Cemig does not report this indicator, as it has already achieved universal service in its Cemig D concession area, and does not have targets for this with the Brazilian Electricity Regulatory Agency (Aneel).

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
Material topic: WATER RESOURCES					
GRI 3: Material Topics 2021	3-3 (303) Management of the material topic “Water and effluents”.	123			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	8; 135; 140			
	303-2 Management of water discharge-related impacts	8; 135; 141			
	303-4 Water discharge	8; 135			
	303-5 Water consumption	8; 135			
G4 Electric Utilities Sector Supplement	303 (EU) Management approach - Multiple use of water	136			
Material topic: DIVERSITY AND EQUITY					
GRI 3: Material Topics 2021	3-3 (405) Management of the material topic “Diversity and equal opportunity”.	84			
	3-3 (406) Management of the material topic “Non-discrimination”	84			
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	68; 70			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	86; 87; 88			
	405-2 Ratio of basic salary and remuneration of women to men	88			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	8; 37; 86			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	8; 67			
Material topic: PEOPLE'S HEALTH AND SAFETY					

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GRI 3: Material Topics 2021	3-3 (403) Management of the material topic "Occupational health and safety"	77; 78			
	3-3 (416) Management of the material topic "Customer health and safety"	110			
GRI 401: Employment 2016	401-3 Parental leave	8; 70			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	78; 81			
	403-2 Hazard identification, risk assessment, and incident investigation	77; 81			
	403-3 Occupational health services	77			
	403-4 Worker participation, consultation, and communication on occupational health and safety	78			
	403-5 Worker training on occupational health and safety	77			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	77			
	403-8 Workers covered by an occupational health and safety management system	78		Information is not available	Cemig does not report details on the number or percentage of outsourced employees covered by the Company's health and safety management system because it does not yet have this data.
	403-9 Work-related injuries	81			
	403-10 Work-related ill health	81			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	8; 104; 120			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	8; 111			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
G4 Electric Utilities Sector Supplement	EU-16 Policies and requirements relating to the health and safety of employees and outsourced and subcontracted workers.	77			
	EU-17 Days worked by contractor and subcontractor employees involved in construction, operation & maintenance activities	8			Cemig does not report this indicator because it does not yet segregate the calculation of the number of days/man-hours (DMH) worked by activity. The DMH of outsourced workers for all activities, however, is reported on page 83 (in 2023, this number was 58,051,498.50).
	EU-18 Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	73			
	EU-21 Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans	104; 105; 109			
	EU-25 Number of injuries and fatalities to the public involving company assets including legal judgments, settlements and pending legal cases of diseases	112			

SASB CONTENT INDEX

SASB Topic	SASB Code	ACCOUNTING METRIC	LOCATION
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	157
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	157
	IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	157
Air Quality	IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	160
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	135
Energy Affordability	IF-EU-240a.3	(1) Number of residential customer electric disconnections for non-payment and, (2) percentage reconnected within 30 days	56
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	117
End-Use Efficiency & Demand	IF-EU-420a.3	Customer electricity savings from efficiency measures, by market	119
Grid Resiliency	IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	63
	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	53
Workforce Health & Safety	IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	81
Activity Metric	IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	49
	IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	49
	IF-EU-000.C	Length of transmission and distribution lines	17
	IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	15

INDEPENDENT VERIFICATION STATEMENT

BUREAU VERITAS

INTRODUCTION

Bureau Veritas Certification Brazil (Bureau Veritas) was contracted by Companhia Energética de Minas Gerais S.A. (CEMIG), to conduct an independent verification of its 2023 Annual and Sustainability Report (hereinafter referred to as Report).

The information published in the report is the sole responsibility of the CEMIG management. Our responsibility is defined according to the scope below.

SCOPE OF WORK

The scope of this verification covered the standards and Principles¹ of the Global Reporting Initiative™ for Sustainability Reports, including the Supplement for the electricity sector, and refers to the rendering of accounts for the period from January 01 to December 31, 2023.

RESPONSIBILITIES OF CEMIG AND BUREAU VERITAS

The preparation, presentation and content of the Report are the sole responsibility of the CEMIG management. Bureau Veritas is responsible for providing an independent opinion to the stakeholders, in accordance with the scope of work defined in this declaration.

METHODOLOGY

The verification covered the following activities:

- 1. Interviews with those responsible for the material topics and content of the Report;
- 2. Analysis of documentary evidence provided by the CEMIG for the period covered by the Report (2023);
- 3. Assessment of the systems used to compile data;
- 4. Analysis of engagement activities with stakeholders developed by CEMIG;
- 5. Evaluation of the system used to determine the material topics that form the basis of the Report, considering the context of sustainability and scope of the published information.

The verification level adopted was Limited, in accordance with the requirements of the ISAE 30002 standard, incorporated into Bureau Veritas' internal verification protocols.



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1. Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness and Verifiability.

2. International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information.

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LIMITATIONS AND EXCLUSIONS

Excluded from this verification was any assessment of information related to:

- Activities outside the reported period;
- Position statements (expressions of opinion, belief, objectives or future intentions) by CEMIG;
- Accuracy of economic and financial data contained in this Report, extracted from financial statements, verified by independent auditors;
- Inventory of Greenhouse Gas (GHG) emissions verified externally in an independent process;
- Data and information of affiliated companies or outsourced employees, over which there is no operational control by CEMIG.

The following limitations have been applied to this verification:

- The principles of Data Accuracy and Reliability were verified on a sample basis, exclusively in the light of the information and data related to the material themes presented in the Report;
- The economic information presented in the Report was specifically verified against the GRI Balance and Completeness principles.

OPINION ON THE REPORT AND THE VERIFICATION PROCESS

- CEMIG prepared the Report following the GRI Standards and Principles, in the "Compliance" option;
- We observed that the Report adequately presents environmental, social and economic indicators, considering material topics and following the GRI methodology;
- Throughout the verification process we found a reliable system of data collection and consolidation that make up the Report. Those responsible for the material topics, who responded to the verification, demonstrated adequate knowledge about the indicators and the process of preparing the Report;
- CEMIG has a materiality study, carried out in 2023 and in our understanding the result obtained realistically reflects the topics relevant to the Report;
- The data presented to meet GRI indicators 302-1, 302-2, 305-1, 305-2, 305-3 are part of
- CEMIG's Greenhouse Gas (GHG) emissions inventory, certified by a third party in 2023, using the GHG Protocol method;



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- With regard to Biodiversity, we verified the implementation of a water quality monitoring and ichthyofauna protection program in the operation and maintenance of hydroelectric plants.
- However, it was not possible to ensure the reliability of the number of plants and the flood area covered by the assessment related to the risk of fish mortality, as guided by indicator 304-2 of the GRI;
- We observed that CEMIG has the recognition of the negative environmental impacts of its suppliers, but it was not possible to identify the monitoring of corrective actions related to deviations found during the verification work with its suppliers;
- In the context of Diversity and equality of opportunity, we have identified over the last three years the predominance of men, with a representation of around 80% in leadership positions, demonstrating a stagnation of performance;
- We evidenced that the Management Statement strongly emphasizes the Company's economic results and presents too synthetically the performance and strategies related to CEMIG's other material topics;
- We observed that CEMIG does not have a formal process for analyzing the needs for rectification/reformulation of data and information published in the Report on past periods (Content 2-4).

RECOMMENDATIONS

- Systematize the information regarding the plants covered by the biodiversity programs, in order to account for the number of units and the area flooded by the fish mortality control program;
- Improve the supplier risk matrix, establishing measures in the monitoring of corrective actions for the high-risk group, associated with the actions pre-established by the organization;
- Establish criteria and measures that assist in the pursuit of gender equality of leadership;
- In the next publications of the Management Statement, seek a greater balance between the material topics, contextualizing the Company's results and strategies in the short and medium term, associated with sustainable development;
- Establish a formal process of analysis of needs for rectification/reformulation of data and information published in the Report on past periods and report the reformulations of information, including motivation and effects.



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CONCLUSION

As a result of our verification process, **nothing** has come to our attention that could indicate that:

- The information provided in the Report is not balanced, consistent, and reliable;
- CEMIG has not established appropriate systems for collecting, compiling and analyzing quantitative and qualitative data used in the Report;
- The Report does not adhere to the Quality Principles of the GRI standard for sustainability reporting and is not in accordance with GRI standards.

CLAIM OF INDEPENDENCE AND IMPARTIALITY

Bureau Veritas Certification is an independent professional services company specializing in Quality, Health, Safety, Social and Environmental management with over 195 years of experience in independent evaluation services.

Bureau Veritas has implemented and enforces a Code of Ethics throughout its business to ensure that its employees maintain the highest standards in their day-to-day activities. We are particularly attentive to prevention with regard to conflict of interest.

The verification team has no other link with CEMIG, other than the independent verification of the Sustainability Report and verification of Sustainability Bonds, related to the Company's sustainable investments. We understand that there is no conflict between other services performed by Bureau Veritas and this verification carried out by our team.

The team that conducted this verification for CEMIG has extensive knowledge in verification information and systems that involve environmental, social, health, safety and ethical issues, which combined with the experience in these areas, allows us a clear understanding of the presentation and verification of good corporate responsibility practices.

SÃO PAULO, MAY 2024

CONTACT

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Camila Pavão Chabar

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Bureau Veritas Certification – Brasil



2023 ANNUAL SUSTAINABILITY REPORT

TRANSFORMING LIVES WITH OUR ENERGY

