

QUALITY POLICY

Updated on May 22, 2019.

The Board of Directors of NEOENERGIA S.A (the “**Company**”) believes that outstanding management of all processes and resources is an indispensable tool in the creation of value for all of its stakeholders and for compliance with the provisions of the Purpose and Values of NEOENERGIA Group.

From this perspective, the Board of Directors conceives of quality as one of the basic principles making up the third of the corporate values of the NEOENERGIA Group, the driving force, which reflects its commitment to innovation and seeks to make into reality small and large changes that make life easier for people through efficiency, self-discipline and the constant search for ongoing improvement, which encompasses a commitment to other values like simplicity, agility and foresight.

1. Purpose

NEOENERGIA Group’s model of value creation is based on three strategic pillars: profitable growth, operational excellence and optimization of capital, with the people to whom the NEOENERGIA Group supplies energy, i.e. with its customers, as the central element of all of its activities.

Combining this model with digitization and innovation, the NEOENERGIA Group contributes to the achievement of the Sustainable Development Goals approved by the United Nations.

Specifically, this *Quality Policy* seeks to contribute to NEOENERGIA Groups’ sustainable growth model within the context of the culture of excellence and quality management procedures, thus contributing to goals seven, nine and twelve of the Sustainable Development Goals.

In this regard, pursuant to the provisions of the General Sustainable Development Policy, the purpose of this policy is to develop the instruments of NEOENERGIA Group to strengthen the competitiveness of the energy products supplied through efficiency in energy generation, transmission and distribution processes, paying special attention to excellent management of processes and resources.

The Company supports and coordinates compliance with this *Quality Policy* by all the companies of NEOENERGIA Group through the Innovation and Sustainability Area.

2. Main Principles of Conduct

To achieve these goals, NEOENERGIA Group accepts and promotes the following main principles that inform all of its quality activities:

- a) Improvement in the satisfaction of the customer, both internal and external, which is a central element of the Group's activities and of the design and configuration of its products and services, such that they meet or exceed the expectations thereof.
- b) The drive towards operational excellence, strengthening a culture of continuous improvement and excellence in management in order to increase competitiveness and the creation of value for shareholders, the NEOENERGIA Group's professionals and other stakeholders.
- c) Advancement of quality management systems, giving priority in the implementation thereof to contributing value to the various organizations of NEOENERGIA Group. The transformation of the energy model towards greater electrification and the impact of digitization and the new business models on the activities of NEOENERGIA Group make it necessary to continuously evaluate the tools supporting the processes, including quality management systems, in order to achieve operational excellence.
- d) The orientation to identify and meet or even surpass the expectations of the groups of interest of NEOENERGIA Group.
- e) The commitment of all of NEOENERGIA Group's professionals by means of teamwork, an appropriate flow of information, internal communication, training, equality of opportunity and recognition of achievements.

3. NEOENERGIA'S Quality Model

NEOENERGIA's quality model forms an integral part of the Group's Business Model, established through a global quality management system that coordinates and supervises the quality management systems of the various corporate areas and businesses of NEOENERGIA Group to take advantage of the synergies deriving from the main principles of conduct referred to above.

As part of such model, in order to properly supervise compliance with the provisions of this Quality Policy, the NEOENERGIA Group has quality guidelines which defines the strategic global quality lines, consistently with the basic principles set out above and with the commitment to ongoing improvement, and which are communicated to the companies of the NEOENERGIA Group, which further develop and specify them in quality goals and challenges among their various organizational levels, respecting their corporate and governance structure.

Furthermore, to ensure homogeneous quality practices and levels within the NEOENERGIA Group, it has also approved a manual and certain general quality procedures, as well as a global scoresheet that regularly monitors the goals and action plans of the various corporate areas and businesses.

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This *Quality Policy* was initially approved by the Board of Directors on July 19, 2018 and was last amended on May 22, 2019.