

SUS TAI NA BILI

TY Report
2021



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We are pleased to present the third edition of the Comerc Energia Group Sustainability Report describing in detail our 2021 performance in economic, social, environmental and governance topics.

You will also learn about our approach to managing matters of relevance to the company and our stakeholders and our vision of the future for the company and the electricity sector. In addition, we outline the initiatives planned for the coming years as we strive to generate sustainable stakeholder value.

To find out more about how we produced this document, please refer to the section *About the Report*, where we present information on the practices and guidelines used to define the content herein.

Enjoy your reading!

Introduction

- Purpose and Values
- A Message from the President
- 2021 Highlights

Purpose and Values

GRI 102-16

Our Purpose

We believe in energy as inspiration to delight people and develop sustainable businesses.

Our Values



Collaboration

We collaborate, empathize and express our genuine interest to multiply partnerships and solid relationships. We are diverse and plural, we walk together united by our joint purpose.



Respect and Responsibility

We value and respect diversity of people, ideas, beliefs and experiences; we believe this is essential for us to learn from our differences, develop ourselves and contribute to the sustainable growth of the company and our society.



Innovation with Results

We innovate and exercise our creativity every day; we use our autonomy and courage to transform good ideas into results for all our partners.



Trust

Our attitudes are based on transparency, integrity and honesty. We walk the talk; we act ethically and correctly.



Delight

We strive to exceed expectations; we share knowledge so we can act with agility and flexibility and attain individual and collective excellence.

Leadership Message

GRI 102-14

Connecting strategy to ESG principles

As we celebrated 20 years of history, we took another decisive step in 2021 by bringing Perfin Investimentos as partners and thus incorporating renewable centralized and distributed generation into our portfolio; our other new partner Vibra added investment capacity, business synergies and focus on the clients of today and tomorrow.

The new corporate structure for the Comerc Energia Group has also improved governance and reinforced our objective: to be the fullest, integrated and open renewable energy platform in Brazil.

We diversified products and expanded service to different profiles of customers and consumers, offering complete solutions for several important links in the energy value chain in Brazil.

What is even more important is that our strategy embeds environmental, social and governance (ESG) aspects: we generate and deliver clean energy to customers; we promote sustainable development and are committed to diversity.

By connecting our decisions to the ESG principles, besides monitoring and offsetting 100% of our CO₂ emissions in 2021, we generate socio-environmental value from our activities. We contribute to a low-carbon economy not only by developing a cleaner energy matrix, but also through our other businesses that help reduce CO₂ emissions by enabling effective energy management and energy efficiency. It is worth mentioning that, as of 2022, our greenhouse gas inventory will also include our renewable energy generation plants, ensuring we can become carbon neutral across our entire energy service platform.

In the social pillar, the construction and operation of solar parks has a significant positive impact in less favored regions of the country. Our construction work provides employment opportunities, and the start of operation creates new jobs, in addition to qualifying labor for an increasingly dynamic market.

The implementation of a power generation plant leaves an important legacy for the population surrounding the project. We include families and workers in professional training and environmental education projects and we interact with the

communities and entities representing the population in the area of influence around the project. We communicate the importance and social benefits of the construction and raise awareness of the importance of protecting and preserving the local environment and biodiversity. In 2021 alone, we generated about 1,250 jobs in these regions.

For small local property owners, the regularization of titles to land brings income, peace of mind and security and ensures access to financing lines for agricultural machinery and implements.

This is another intangible contribution we make to local communities through the expansion of our renewable energy generation park.

We are firmly committed to our energy transformation goals; we will keep working to preserve a harmonious, collaborative environment with positive challenges and opportunities for our employees as we strive to provide more sustainable and efficient solutions to improve our customers' experience and reduce their CO₂ emissions and costs.

Cristopher Vlavianos

Founder of Comerc and Chairman of the Board of Directors



A new cycle of growth

GRI 102-14

The year 2021 was marked by the corporate and business restructuring of the Comerc Energia Group. Our goal was to prepare a sound basis to launch a new cycle of sustainable growth: we can now leverage an integrated platform of renewable energy sources and ensure the stamina we need to keep playing a relevant role in the Brazilian energy market for decades to come.

We took an important step to transform Comerc Energia into a well-rounded company that is prepared to meet the needs of our current and future customers and to face the worldwide trends shaping the energy market in Brazil and around the world. The arrival of our new partners Perfin Investimentos and Vibra Energia improved our governance and, most importantly, complemented our service offer, adding centralized and distributed generation to our portfolio.

The challenges of 2021 were many. We reorganized the company, aligned businesses in an efficient structure, invested in systems, created plans and assembled teams with new professionals and executives we attracted from the market. On another front, we procured funding, initially through an intense IPO process, which was then discontinued as we secured

Vibra Energia's capital contribution. These efforts will enable us to implement our plans and build many renewable energy plants, expanding our customer base and helping more and more consumers migrate to the free energy market in the near future.

Having overcome the challenges of this reorganization, we now enter a new phase, a natural evolution based on the Group's successful business strategies along our two-decade market trajectory. The strategic moves in 2021 took place in the midst of a pandemic, with much of the team still working remotely.

From a macroeconomic point of view, there was widespread concern about the advance of inflation and the increase in basic interest rates, with negative consequences for all sectors of the economy. Another cloud in the horizon was the imminent risk of blackouts or rationing given the pronounced water crisis caused by the long drought: water stress impaired major Brazilian hydroelectric power plants accounting for 70% of the country's electricity generation. By the end of 2021, hydroelectric plants represented only 57.9% of the Brazilian energy matrix. Heavy rainfall followed the dry season; while this helped recover production levels, our parks had to deal with unprecedented precipitation levels, unlike anything seen before in the history of the operation.

We are always alert to risks associated with our activity. We seek protection against events that may impact

our business and market strategies, such as climate change -- rising global temperatures may affect rainfall and wind regimes and lead to possible rationing and blackouts, destabilizing the market and compromising our financial results.

Our business management relies on conscientious and conservative risk assessment. This cautious approach enabled us to overcome the challenging water crisis with limited exposure to the risk environment.

Our management of the complex scenario was reflected in our economic and financial results. In such a challenging year for the electricity sector, our revenue in 2021 was R\$3.809 billion, an increase of R\$2.975 billion compared to 2020. Adjusted EBITDA reached R\$38.8 million, up 300%; our current gross profit rose to R\$173.9 million.

The advance of deregulation and increasing flexibility of the Brazilian electricity sector will bring us great business opportunities. A new promising market lies ahead – a great chance for us to offer more products, services and energy solutions to our customers.

We have become a solid, efficient and mature purpose-driven company thanks to a great team that is motivated and committed to the success of the Group, and equally excited to be part of the energy transition in Brazil and in the world.



Andre Dorf
CEO of Comerc
Energia Group

We are also grateful to the customers who trust our experience and our ability to contribute to their business.

More than ever, our well-organized businesses are prepared to offer the best portfolio in energy solutions.

CEO of the Comerc Energia Group

2021 Highlights

Financial Indicators



R\$ 3.8 billion net revenue



R\$38.8 million adjusted EBITDA



R\$173.9 million current gross profit

Environmental Indicators



Bon Nome photovoltaic solar power plant delivered **two months ahead of schedule**



More than 6 million tons of CO₂ have been avoided by Comerc Gestão's customers since 2011



100% of Comerc's total emissions **offset** by acquiring 331 RECs and promoting the restoration of **0.4943 hectare (4,943 m²) of Atlantic Forest**

Social Indicators



562 employees



87% confidence index in Great Place to Work (GPTW): for the fourth consecutive year, Comerc is an excellent company to work for



7,670 registered suppliers



About **1,250** jobs generated in the regions of our solar parks



The Comerc Energia Group

• Our operations



The Comerc Energia Group

Integrated renewable energy platform with sustainable solutions for all consumer profiles

Founded in 2001 soon after the creation of the free energy market in Brazil, the Comerc Energia Group expanded and evolved with every advance of the market. Leveraging innovation and technology, the Group grew significantly in its 20-year trajectory: we built our strength and expertise and spawned businesses that offer innovative energy services and solutions bringing savings, energy efficiency and sustainability to thousands of clients and consumer units of all sizes throughout the country. **GRI 102-1**

The Comerc Energia Group has become an integrated platform in the renewable energy sector thanks to its successful strategic partnerships. Consumers with different profiles can now find the sustainable solutions they need in a single place and count on the support, talent and commitment of the almost 600 Comerc Energia employees. **GRI 102-8**

Two important partnerships agreements signed in 2021 strengthen the foundation of this new phase of the company. Our new partners Perfin and Vibra

injected resources and added their respective market experiences to drive the expansion of the Group's renewable energy business, in line with the current global transformation in the electricity sector. **GRI 102-10**

While we did not go through with the intended IPO, the preparation for opening our capital in 2021 ratified the soundness and transparency of the Comerc Energia Group governance. This reassured our new partners and contributed to our positive image in the market. **GRI 102-5**

The Comerc Energia Group operates in Brazil with eight commercial and administrative structures, including its headquarters in the capital of the state of São Paulo. There are three commercial offices in the interior of the state of São Paulo, in Campinas, Ribeirão Preto and São José dos Campos; additional offices are located in Belo Horizonte (MG), Manaus (AM), Bento Gonçalves (RS) and Florianópolis (SC). **GRI 102-3, 102-4**

20 years of history

The Comerc Energia Group arose from the establishment of Comerc Gestão in 2001, two years after the effective opening of the free energy market in Brazil. Initially operating as a manager in the commercialization of electricity, the company helped build a culture of freedom among Brazilian consumers, who learned they could choose their electricity provider.

Over the course of two decades, the organization accumulated knowledge and recognition from the market and customers. Strategic partnerships contributed to business development and expansion into several complementary areas in the energy sector.

Comerc Energia became a reference in the energy market and known for its commitment to clean energy transition. Today we have almost 500 talents and more than 1,500 customers, and the plan is to keep growing.

With the recent arrival of Perfin, the Group incorporated distributed and centralized renewable energy generation, building a stronger portfolio and becoming a complete platform for energy services. With Vibra, Comerc has secured financial robustness for its bold sustainable growth program.

Operating in five fields, Comerc Energia offers solutions in centralized generation, distributed generation, trading, customer services and energy solutions through 12 business units and expert teams ready to provide access to clean energies, rationalization and consumption savings.

GRI 102-2, 102-6

Our operations

GRI 102-2, 102-6

The current structure of the Comerc Energia Group has five business verticals: Customer Services, Energy Marketing, Energy Solutions, Distributed Generation and Centralized Generation, making up a rich portfolio of customer-oriented solutions, technology and services to fully meet the needs of different customer profiles.

Customer Services



Comerc Gestão

This is the company that gave rise to the Comerc Energia Group in 2001, based on the regulation of the free energy market. Starting 20 years ago as a manager for consumers who were entitled to migrating to a still incipient market full of unanswered questions, Comerc Gestão became the largest energy management company in Brazil on both consumer and generator sides.

Comerc Gestão holds this a 16% market share within the universe of about 500 companies authorized by the National Electric Energy Agency (ANEEL) to engage in energy management in Brazil.

In 2021, the company portfolio featured 1,523 companies and 3,202 units under management, making up the 16% market share. The Comerc portfolio grew 436% between 2015 and 2021 vis-a-vis 360% free market growth in the same period.

In two decades of operation, the company strengthened its partnership with customers,

providing technical support in the development of consumption strategies and advice on the purchase and sale of electricity. Comerc Gestão also provides legal and regulatory support to clients.

The company added about 700 new consumer units and unified its operational and commercial structures in 2021. Service cells were consolidated creating customer-focused groups based on geography and market segment. The goal is to have closer, more personalized customer relationships: having the same service group interacting with the client means the company can map and solve problems with greater agility and assertiveness.



Zordon

Platform that uses Artificial Intelligence and Internet of Things to measure and analyze telemetry data on electricity, water, gas, temperature, steam, pressure, level, among other relevant items. Online remote monitoring and consumption management can help manage industrial, commercial and even residential environments.

The tool measures and transforms readings into actionable data and information that is instantly passed on to the customer. This enables free market consumers to monitor consumption and contract energy adequately; they can also correct anomalies and implement load automation, and even perform submeasurements and apportionments.

Based on energy data collected from the company as a whole, the Zordon platform enables contract management, as well as the issuance of balance sheets and statements in the case of the Frontier/Free Contracting Environment segment. In the Sectorized segment, measurement makes it possible to manage energy consumption or other measurable factors in different areas and machines within a company.

Energy Trading



Comerc Gás

Since 2014, Comerc Gás offers solutions and assistance in the decision-making process involved in contracting natural gas and other fuels in the free or captive gas market. Company differentials include legal and regulatory support and contract management for possible cost reduction.

Comerc Gás has a portfolio of 209 units totaling about 5.18 million m³/day, representing more than 140 customers in the country. In 2021, its portfolio accounted for 23% of the total national gas consumption.

Created to replace a third-party partner, Zordon was originally supposed to meet the measuring needs of energy customers, but the tool soon proved to be effective for other segments, including individual water consumption monitoring for units in residential condominiums and shopping malls, where it can help establish the air conditioning consumption of individual stores.

Zordon installed 3,106 measurement points in 2021.



Comerc Trading

Comerc Trading is responsible for energy purchase and sale operations and for selling other customized products offered by the Group. Founded in 2006, the company is one of the largest electric energy traders in the Brazilian market.

Its client portfolio features both Comerc consumers and other energy managers, generators and key companies in the segment. In 2021, Comerc Trading's energy purchase and sale operations totaled 30,097 GWh (15,365 GWh sold and 14,732 GWh purchased); 20% of the operations involved incentivized sources and the remaining refer to conventional sources.



NewCom

NewCom started operating in 2018 as an independent energy trader. The company operates directly in the commercialization of energy in the free market, serving companies from all segments of operation in the Brazilian electricity sector. NewCom ensures liquidity and structuring of short and long term operations, with agility, technical knowledge, experience and financial soundness. In 2021, the company traded 8,405 GWh (4,215 GWh purchased / 4,190 GWh sold), with 15% from renewable sources.

Energy solutions



Comerc Futuro

Created in 2020 to offer solutions to consumers, generators and energy self-producers operating in the free market, it is a retail merchant that offers a mix of products from Comerc Gestão and Comerc Trading. The company ensures simplicity, operational safety and sustainability while providing energy cost reductions in all segments, including industry, commerce and services.

The business gained an exclusive team in 2021, including an executive as president to develop the business and execution strategy for this project. The client portfolio is growing, and the company has a very bold target for 2024, which is when the market is expected to boom.



Nexway Eficiência

This company focused on energy efficiency has been in Comerc Energia's portfolio since 2015. It has accumulated experience in projects for large clients in several industries, including manufacturing plants, shopping malls, commercial buildings and even biomass plants. In 2021, the company attracted more than R\$ 100 million in investments.

The entry into the low carbon hydrogen segment in partnership with Casa dos Ventos, specialized in wind energy, was one of Nexway's 2021 highlights. The project is still under development, with evaluations of sites, machinery and equipment, as well as definition of markets to be explored in Brazil or abroad. There are also dealings with a foreign company that can result in a pilot project for low carbon hydrogen supply.



Sou Vagalume

Sou Vagalume ("I'm a Firefly") combines Comerc's knowledge in energy management, Mori Energia's technical know-how in the structuring and construction of solar farms and the advanced technology of DOC88, the group's business and information technology area. Born in 2021, the company proposes to democratize final consumer access to cheaper and renewable energy.

Strategically, Sou Vagalume prepares the Group for a market that tends to lean towards retail from 2024, when restrictions on access to the free market begin to be lifted. Acquiring B2C experience now means the company will be proficient in the processes, technology, accounting and team sizing that will be decisive for winning in a more retail-oriented market.

After one year of activity, Sou Vagalume is airing campaigns on radio and TV, another unprecedented fact for the Group, which has so far operated mostly in B2B deals. The advertising pieces aim to reach a more widespread audience, emphasizing the simplicity of the tool and its benefits.



MegaWhat

News, price and meteorology projections, regulatory and industry analysis, courses and real-time connectivity for decision making in the energy, oil, oil and gas markets. This is the proposal of Comerc Energia's integrated relationship and intelligence platform.

Created in 2017, the platform offers express courses, events and debates with experts and energy sector authorities, in addition to relevant content about the energy sector. In 2021, MegaWhat became a wholly owned subsidiary of the company.

MegaWhat ended the year with 17,000 users compared to 12,400 in 2020. From 2021, access to the platform's content collection requires a subscription, reflecting the value of the materials on energy.



Micropower

A joint venture incorporated in 2017 with Micropower USA, owner of the technology, and Siemens and Equinor, as investors. The project also has an individual as a partner. Comerc Energia's minority stake in this business involves its relevant customer portfolio and deep knowledge of the local market, as well as proprietary telemetry software that enhances project competitiveness.

A highlight in 2021 was the installation of a Micropower super battery in the port of Mangaratiba, on the north coast of Rio de Janeiro (RJ). The 10-megawatt battery is the largest installed in the Brazilian market. It kicks in at peak hours to help reduce energy costs and is used as backup in case of outages in power supply to the Vale iron ore port terminal on Guaíba Island.



Infinito Energy

A joint venture between Comerc Energia, Seta Engenharia and Araxá Solar (a company of the Seta group). Created in 2019, it develops renewable energy projects, structuring, construction, operation and trading, especially in centralized solar energy.

Comerc brings in its solid experience in energy solutions while Seta adds its expertise in infrastructure projects. Araxá in turn contributes with its knowledge of photovoltaic plant projects.

The resulting business model involves energy trading, projects and partnership with large consumers interested in becoming self-producers, and ensures predictability, lower costs and sustainability.

Infinito Energy has approximately 6.1 GW from six projects in different stages of development in the states of Minas Gerais, Rio Grande do Norte and Piauí.

Distributed Generation



Mori Energia

The 2021 acquisition of 20% of the capital of the Comerc Energia Group by the Perfin Group brought in one of the largest distributed generation platforms in Brazil: Mori Energia, founded in 2019 by the Perfin Group.

Mori Energia has 34 solar power plants in operation in the state of Minas Gerais and one in Pernambuco, generating a total of 186 MWp. Another 51 plants are under implementation to generate an additional 162 MWp, almost doubling the current installed capacity.

The company serves more than 5,000 active customers. By generating green energy, Mori plants contribute to avoiding 215,635 tons of CO₂ emissions annually. This is the equivalent to planting 1.3 million trees.

Mori figures

R\$750 million investments

417 ha: total built area

186 MWp: installed capacity
+ 162 MWp in implementation

34 plants in **26 municipalities**
of MG +1 plant in operation in PE +51
plants in implementation

3k+ jobs generated (direct and indirect)

5k+ Customers

355 GWh generation per year

Centralized

MERCURY RENEW

Generation

Mercury Renew

Another large renewable energy generation company entering the Comerc Energia portfolio in 2021 through Perfin Group's equity interest.

One of Mercury's highlights last year was the two-month anticipation of the completion of UFV Bon Nome, one of the largest photovoltaic complexes in Brazil, installed in São José do Belmonte, in the state of Pernambuco. With a production capacity of 130 MWp, the plant was energized on January 27, 2022, and started commercial operation with Aneel authorization on February 2.

Production capacity

Mercury plans to build a portfolio with 1.6 GWp capacity by 2024, primarily in solar energy



Minas Gerais

Brisas and Januária

14.6 MWp

Operational in 2020

Paracatu

275 MWp

Operational in 2023

Helio Valgas

645 MWp

Operational in 2023

Várzea de Palma

120 MWp

Operational in 2024

São Paulo

Brígidas

78.5 MWp

Operational in 2021

Castilho

270 MWp

Operational in 2022

Pernambuco

Bon Nome

130 MWp

Operational in 2022

Corporate Governance

- Ethics and transparency
- Risk Management

Corporate Governance

Improved internal controls enhance transparency

The entry of new partners and incorporation of businesses into a broad energy services platform brought the need to upgrade our governance structure in 2021. Our new partners monitored the proposals and execution of the long-term strategic plan through the Board of Directors.

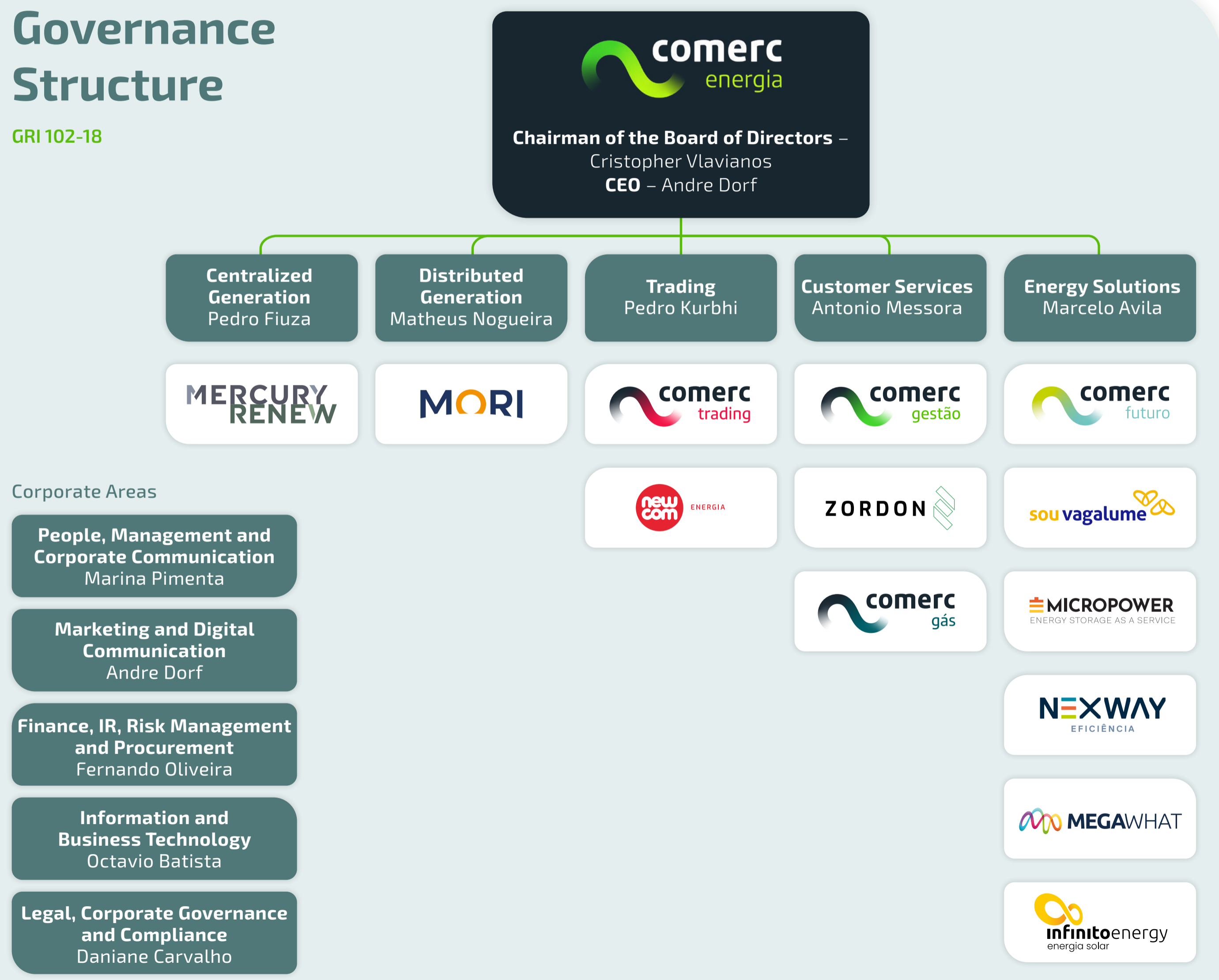
Chaired by company founder Cristopher Vlavianos, Comerc Energia's Board of Directors defines the strategic guidelines with the support of company CEO Andre Dorf. Five vice presidents lead the business verticals of Centralized Generation, Distributed Generation, Trading, Customer Services and Energy Solutions. **GRI 102-18**

In 2021, the Perfin Fund acquired a 20% minority stake in Comerc Energia. As a result, Perfin now has two seats on the Board of Directors and is present in the advisory committees to the Board.

The new structure meets stringent market transparency requirements. Improved internal controls assure reliable financial information and statements, especially since the arrival of our partner Vibra Energia. Vibra will help capitalize the company by purchasing 50% of the company's capital: the first 33% stake was acquired in the first quarter of 2021, and the option to purchase the balance can be exercised until year-end 2022.

Governance Structure

GRI 102-18



Ethics and Transparency

GRI 102-16 | 103-2, 103-3 | 205

Ethics and Transparency have always underpinned our business activities since Comerc Energia was established 20 years ago, and they remain at the core of every stakeholder relationship we have.

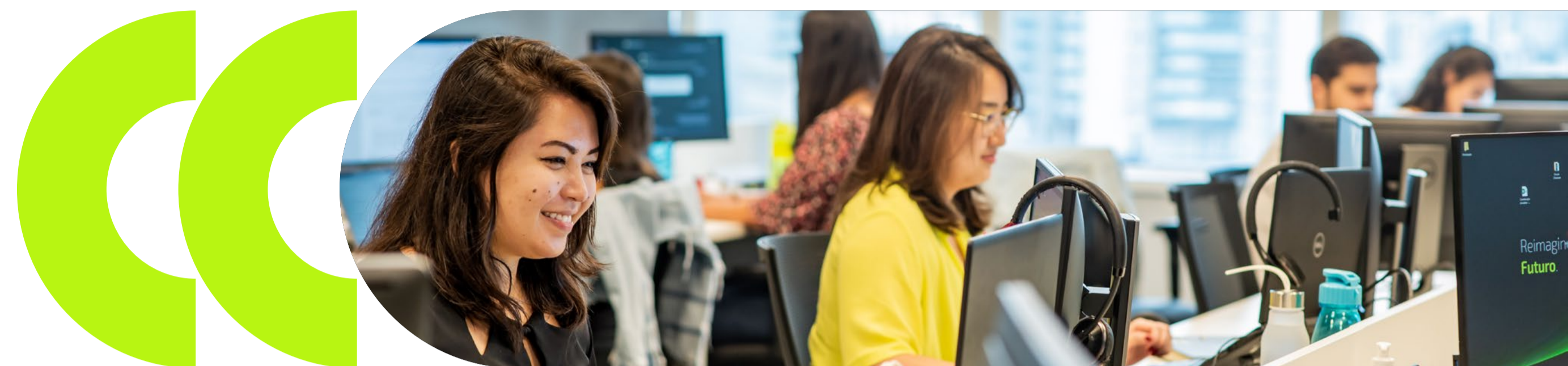
Described in detail in the Comerc Code of Ethics and Business Conduct, these values and principles guide the way we behave in any situation. The 2021 updated Code underscores company expectations regarding professional ethics, respect for others and the environment; compliance with the laws in force in the country and unconditional adherence to Brazilian and international anti-corruption public policies.

Clear guidelines expressly prohibit discrimination, moral and sexual harassment, conflicts of interest and insider trading. The Code is regularly disseminated among Comerc Energia employees and must be signed by all new hires. Suspected incidents of non-compliance are investigated and addressed by the Comerc Ethics and Compliance

Committee. For employees, penalties may vary from verbal warning to termination of the employment contract. Customers and suppliers may receive notifications or have their contracts terminated.

The Code also addresses discrimination. Reports are monitored and investigated immediately after the communication is received through the Open Channel (former name of the company's Ethics Channel), and then handled by the Ethics and Compliance Committee.

As in 2019 and 2020, no cases of discrimination were recorded in 2021. [GRI 103-2, 103-3 | 406, 406-1](#)



Anticorruption Practices

Comerc Energia developed its Anti-Corruption, Fraud Prevention and Money Laundering Policy to fight such illegal practices. The company also promotes wide dissemination of the Code of Ethics and Business Conduct and its specific guidelines on corruption, bribery and related crimes.

Operations and contracts are mapped and monitored through internal controls and independent audits. Periodical meetings with all partners are held to identify possible Politically Exposed Persons (PEPs). No significant risk related to corruption was identified in the 2021 Risk Assessment; the next review is scheduled for the second half of 2022. [GRI 205-1](#)

We have identified 1,256 active contracts (368 purchase contracts and 888 sale contracts) subject to corruption-related risk assessments from 2022. [GRI 205-1](#)

Acceptance and signature of the Term of Adherence to the Code of Ethics is mandatory for all employees; in line with the best market practices, they must also formally renew their agreement with the Code every year. Training and communication actions coordinated by the Compliance area ensure all stakeholders are fully aware of the Code. In 2022, the goal is to reinforce communication and extend training to 100% of the professionals working for the Comerc Energia Group. [GRI 205-2](#)

Employees who fail to comply with the provisions of the Code are subject to disciplinary action under the regulatory terms applicable to the infractions committed. Suppliers and service providers bound by the Code are subject to the measures or sanctions established in their respective contracts. [GRI 205-2](#)

Open Channel GRI 103-2

Until 2021, Comerc had a reporting tool called the “Open Channel”; it was replaced in 2022 by the “Ethics Channel”. Employees and third parties can use the Channel to report suspected incidents of non-compliance with the Code of Ethics and Conduct, internal policies and standards, or with current legislation.

The Ethics Channel is available on the company's website and is operated by an independent company. Whistleblowers remain anonymous and the information received is treated as confidential. Reports are forwarded to the Heads of Compliance

and Legal Department and People & Management and Communication to be investigated and discussed in the Monthly Ethics and Compliance Committee Meetings. Investigations must be closed within 30 days.

The Comerc Energia Group will not condone any retaliation against the person who made the report in good faith, even if the suspected incident is not confirmed by the investigation. Any retaliation will be considered a violation of the Code of Ethics and Conduct, subjecting the offender to appropriate disciplinary measures.



Data Protection

GRI 103-2, 103-3 | 418

Our commitment to the protection of personal data is expressed in the Policy on Best Practices in Privacy and Personal Data Protection, the Information Security Policy and the Definition of the DPO responsible for data protection and compliance with the General Personal Data Protection Law (LGPD), as well as in the Information Security Working Group.

The efficiency of these controls is guaranteed by mapping LGPD risks with the support of an independent consulting firm. The Group is implementing actions to mitigate risks and ensure full compliance with the law.

As in previous years, there were no proven occurrences related to the violation of privacy and/or loss of customer data in 2021. GRI 418-1



Comerc Energia Group Ethics Channel

Website:

<https://canaldeetica.com.br/grupocomercenergia>

0800-882-0607 (Monday to Sunday, 24/7)

Complaints Mechanisms GRI 103-2

Complaints	2020	2021
No. of complaints identified through the mechanism	12	10
No. of complaints addressed	12	10
No. of complaints resolved	12	10
No. of complaints filed prior to this reporting period and resolved during this reporting period	0	0

Risk management

In 2021, the Comerc Energia Group prepared a consolidated risk management policy applying to all subsidiaries. Approved by the Board of Directors in September 2021, the policy defines the risks to which the company is exposed in its activities and points out the appropriate measures to be taken to ensure they do not compromise strategic objectives nor expected results and deliveries to customers.

The company follows corporate risk management standards recognized in the market. The approach is also aligned with the integrated internal control structure prescribed by COSO-ERM (Committee of Sponsoring Organizations of the Treadway Commission – Enterprise Risk Management).

The Group's risk management policy consolidates the principles and guidelines to be followed in all

The Group's risk management policy consolidates the principles and guidelines to be followed in all activities associated with exposure to risks.

activities associated with exposure to risks. It aims to weigh risks and prevent crises and problems by mapping internal and external factors that can impact the development of the business as a whole.

The Comerc Energia Group strives to protect the organization from developments that may impact the company objectives outlined by its management. Identified risks are classified into

eight groups: strategic, operational, financial, technological, socio-environmental, legal, reputational and market.

Environmental licensing for photovoltaic energy projects is subject to different rules in each Brazilian federative unit (state). Aiming to standardize its risk assessment methods, in 2021 Mercury Renew implemented an initial due diligence process for all projects based on an ESG requirements manual; this assessment defines the threshold requirements for future company projects. Due diligence may indicate the need for improvement actions and adjustments or may even lead to rejection of the project. [GRI 102-11, 307-1](#)

Environmental compliance is monitored and evaluated with the support of specialized independent consultants. No instances of non-compliance with environmental laws and/or regulations have been flagged or identified in the company's Risk Assessment. [GRI 103-2, 103-3 | 307, 307-1](#)



Strategic Management

- Innovation and Technology
- Customer Focus
- Quality Information

Strategic Management

To operate as an integrated and open renewable energy platform



Strategic Planning

The arrival of new partners in 2021 and resulting incorporation of renewable centralized and distributed generation companies required a new corporate configuration for the Comerc Energia Group. The new developments also created the need to adjust the company's strategic plan: the company is now focused on operating in the market through the most complete integrated and open renewable energy platform in Brazil.

Comerc has consolidated and expanded its services to different client and consumer profiles, offering complete solutions to several important links in the energy value chain in Brazil. The strategy is increasingly connected to ESG principles: generating and delivering clean energy to customers and promoting sustainable development and diversity.

New business and vision for the future

The recently acquired distributed and centralized power generation assets and skills and the company's 20 years' experience as a platform for placing energy, products and solutions in the free market in Brazil are a powerful combination to generate attractive new business opportunities for the Group, including the very concrete possibility of increasing cross-selling to customers of other business verticals within the expanded organization.

Comerc restructured the organization in 2021 to launch a new growth cycle in line with worldwide trends shaping the industry. The future of electricity lies in clean and renewable generation, improved efficiency in the use of resources in all layers of society, and greater market awareness of the energy transition.

Innovation and Technology

GRI EÜ8

Comerc Energia's business development, growth and relevance have always been driven by innovation and technology: our talented and committed employees deploy them to enhance service quality and create the best solutions for our customers and for the market.

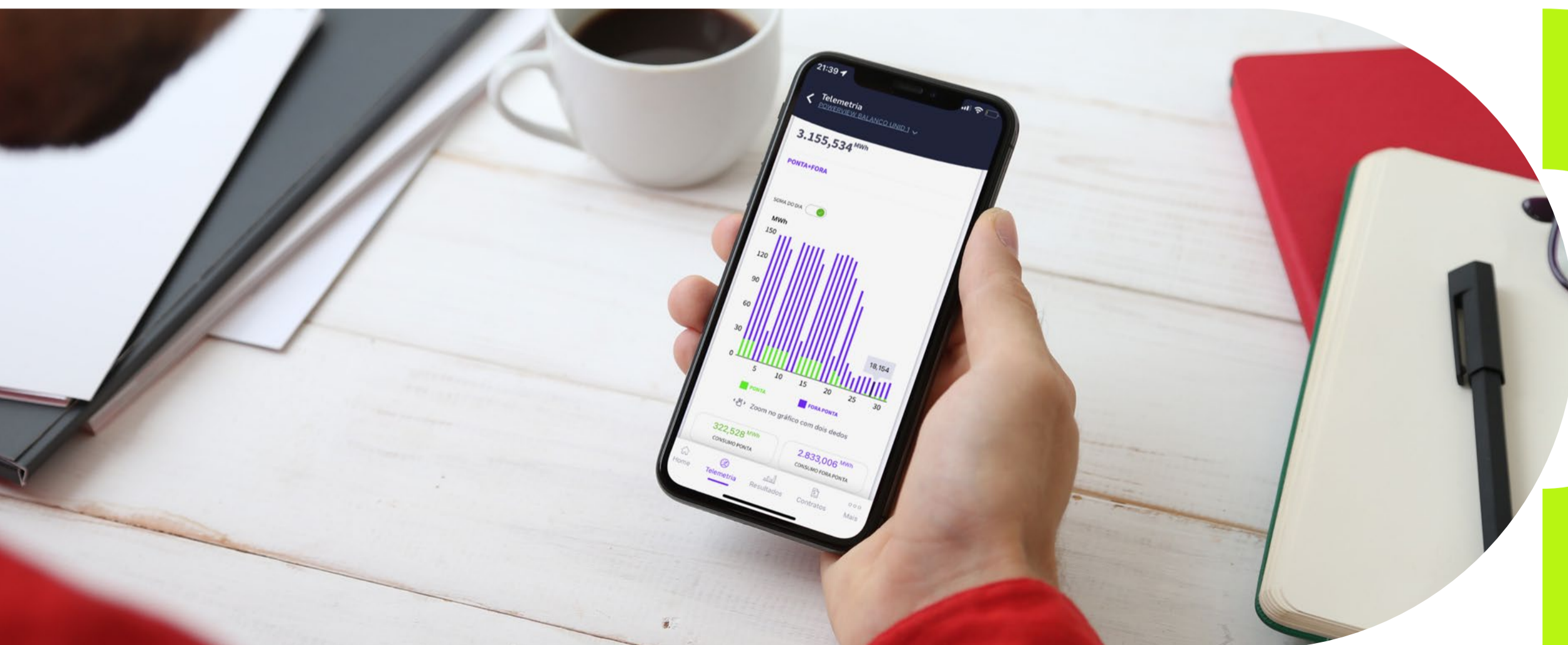
The company has a team of about 100 professionals dedicated to developing technologies such as the groundbreaking platforms Sou Vagalume, Zordon and PowerView.

One highlight in this respect was the 2021 launch of the PowerView mobile app. With the new app, our

customers have the market information they need literally at their fingertips. This is another example of our constant efforts to integrate technological innovation in solutions that simplify our customer's life and improve their business.

Investing in innovation and technology is also strategic for the future of the company. Restrictions to entering the free market are being gradually lifted; from 2024, additional consumer segments will be eligible for purchasing their electricity in the free market. With the massive entry of new buyers, digitalization will be fundamental to operate in this segment with retail traits.

Comerc is getting ready to make the most of this trend. The company is flexing its muscles and gaining experience in consumer needs and relationships through the retail-like operation of Sou Vagalume. This will certainly be an important competitive edge in the near future.



The company has a team of about 100 professionals dedicated to developing technologies such as the groundbreaking platforms Sou Vagalume, Zordon and PowerView

Customer Focus

Comerc has always focused on serving customers by delivering efficiency and cost savings through solutions that combine quality and technology. The company's personalized service was further upgraded in 2021 with new service cells based on region and customer profile. Currently, the company has offices in São Paulo (SP), São José dos Campos (SP), Ribeirão Preto (SP), Campinas (SP), Belo Horizonte (MG), Manaus (AM), Bento Gonçalves (RS) and Florianópolis (SC).

Customer experience will be further enhanced with the new app scheduled for launch in 2022. The company makes continuous investments in training, especially for those employees serving customers directly: they must be prepared to respond quickly and effectively to customer needs. The appointment of a Vice President of Customer Services was also part of the reorganization of Comerc's business structure.

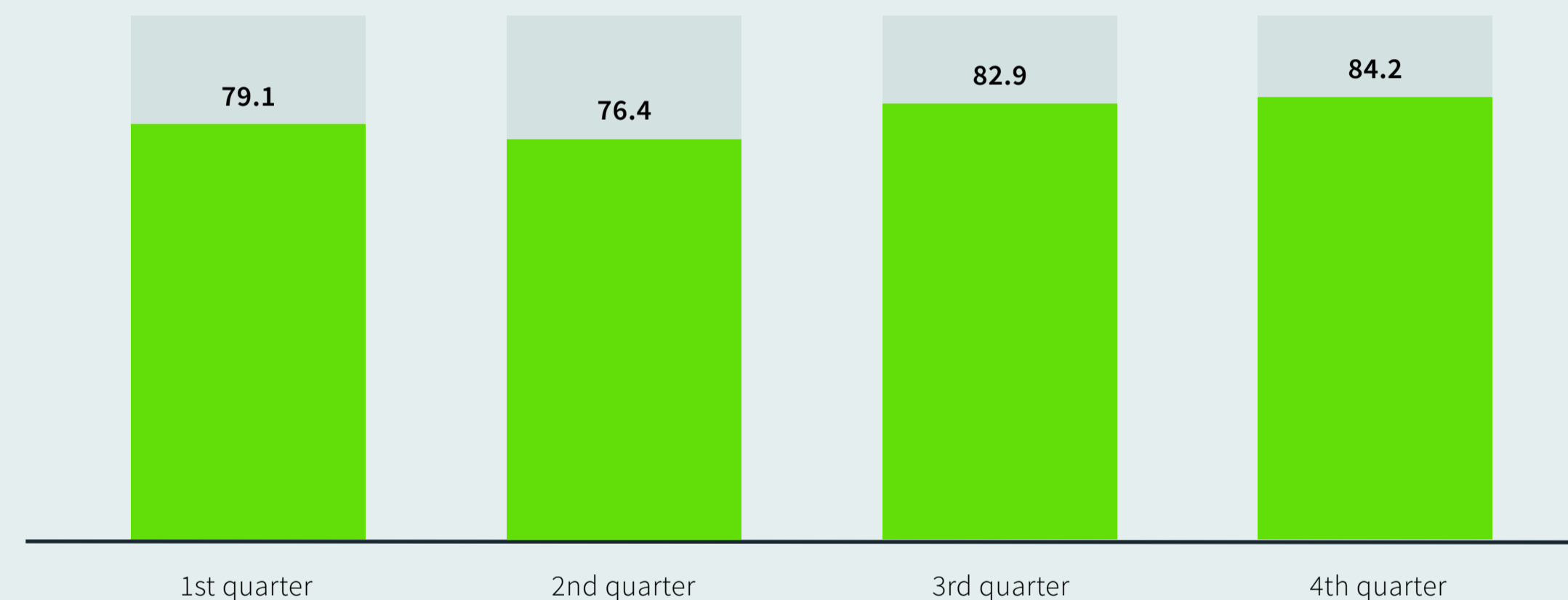
The company sets bold targets for customer satisfaction. Despite its high Net Promoter Score (NPS), an annual customer satisfaction indicator,

Comerc's ambition is to improve year over year. The positive results reflect frequent visits and close relationships with customers, with prompt response to their questions and requests (see *graphic*).

Number of consumer units managed (number of customers) GRI EU3

Categories	2019	2020	2021
Distributors	4	4	6
Traders	3	3	3
Consumers	2,188	2,767	3,275
Generators	112	153	213
Total	2,307	2,940	3,497

NPS – evolution in 2021 (%)



Quality Information

GRI 102-43, 103-2, 103-3 | 417, 417-1, EU24

The Comerc Energia Group is committed to providing quality information to its stakeholders. The company strives to improve its communication channels year after year, making them easier to access and understand. Materials include market analyses, projections, explanatory materials and negotiated prices. Check out our main channels!

Comerc maintains close and transparent relationships with its customers

Content production

The Comerc Energia Group also produces content on the energy market. An important highlight in 2021 was the online event "Hydrological Crisis – current situation and risk for the coming months", an opportunity to get together with clients and discuss the water crisis and current reservoir levels.



800 participants at the live event

Panorama Comerc

This Comerc channel publishes news, indicators, articles, videos and important explanatory information about the sector.

2021 Highlights



65 publications



2,939 monthly accesses
35,264 accesses in the year

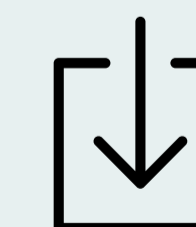
Comercast

Streaming channel for podcasts featuring different specialists from the Comerc Group. Topics such as AGP: new guidelines for self-producers and for retailer trading are available on this channel.

2021 Highlights



51 episodes



21,575 monthly downloads
Total **18,909 downloads**

MegaWhat

This Comerc company focuses on education and market intelligence on energy, oil and gas. Megawhat provides news, price projections and meteorology, regulatory and sector analysis, courses and real-time connectivity on the energy, oil and gas markets.

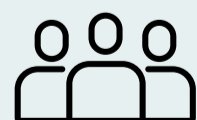
2021 Highlights

Event – **From Blackout to Transition:** The future of Energy in Brazil, sponsored by B3, Comerc Energia, Enel, Eneva and Isa Cteep

Launch of the Plus Subscription: subscribers include major organizations such as CCEE, Enel, ONS, Abeeólica, State Grid, Alcoa, Ternium, Abraceel, Jirau Energia and Itaipu.



Launched **8** courses



More than **5,000** participants in all courses

Comerc Industry Index

Published for more than ten years, the monthly Comerc Energia Index is based on the electricity consumption of the Comerc portfolio: more than 3,200 consumer units belonging to approximately 1,525 companies buying electricity in the free market.

Social Media

As an important player in the industry, Comerc has the responsibility to inform, communicate and raise awareness of this key moment for the planet. The company uses its profiles on Facebook, LinkedIn, Twitter, YouTube and Instagram to reach out to its audiences.



Brand Evolution

A new brand and visual identity were launched in 2021 in celebration of Comerc Energia's 20th anniversary. The change reflects the new phase in the company's trajectory as the Group consolidates its business units and expands to new areas of operation.

The rebranding process was led by Voltz, the Comerc Group house marketing agency. The new brand should not be seen as change, but rather as evolution. Over the course of two decades, the energy market has undergone several transformations, and so has the company. Comerc wanted the brand to reflect the changes, and the main color green underscores the company's essential purpose – to use energy as the inspiration to delight people and develop sustainable businesses; to be a company focused on sustainability and energy transition.

The trademark handshake used for more than ten years was replaced by a link – in addition to being a symbol for partnerships, the link represents water, sun, earth and human essence.

Financial Performance

- Industry performance
- Economic and financial results

Industry Performance

Water crisis, risk of blackout and rationing, and uncertainties regarding the continued covid-19 pandemic loomed over the electricity sector in 2021. The prolonged drought reduced reservoir levels and affected major hydroelectric power plants in Brazil. Generating 57.9% of its electricity from hydropower sources, Brazil was exposed to a major water crisis.

The risk of an electrical blackout forced the government to dispatch thermal power plants. Expensive and polluting, these alternative sources pushed prices higher and introduced another risk: the return of high inflation levels.

In parallel to this crisis, the ups and downs in the pandemic introduced a significant change in the electricity consumption patterns of large Brazilian cities. Many companies reduced their consumption while residential bills rose far above the average, impacting consumer budgets and causing market concerns regarding possible consequences for the economy.

This combination of factors drove production down and prices up, in addition to weakening the national consumption of goods and services. The situation

was reversed in the last quarter of 2021 and beginning of 2022, yet the respite was short lived – new threats emerged with persistently high inflation rates, rising basic interest rate and devaluation of the Brazilian currency.

In late February 2022, the Russian invasion of the Ukraine was another blow to the power industry – the uncertainties of war and its consequences for the global economy, skyrocketing prices for oil, gas and other commodities shook the market again.

Regulatory environment

With respect to the legal and regulatory aspects of the Brazilian electricity sector, the highlight in 2021 was the projected end of subsidies in the Tariffs for the Use of Transmission and Distribution Systems for small hydroelectric plants and enterprises based on solar, wind, biomass and qualified cogeneration sources. Another relevant milestone was the publication of Law no. 14.182/2021 authorizing the privatization of Eletrobras, which may result in one of the largest operations in the history of the national electricity sector.

Published on January 6, 2022, Law No. 14,300 establishes the legal framework for microgeneration and distributed minigeneration, the Electric Energy Compensation System (SCEE) and the Social Renewable Energy Program (PERS). For Comerc, one of the key points is the maintenance of the current energy compensation regime for existing projects and a transition rule to preserve investments already made. The text guarantees the application of the current rules for existing projects until 2045, providing stability and contractual security.

An important milestone expected in 2022 is the approval of the new regulatory framework for the Brazilian electricity sector. The so-called agenda for the modernization of the electricity sector under discussion for at least five years is now moving along advanced proceedings in the National Congress.

Among other provisions, PLs no. 1.917/15 and no. 414/21 propose the expansion of access to the Free Contracting Environment. This means that all consumers, regardless of load or voltage, will be entitled to choosing the free market with portability of their energy bills within 42 months of the law's sanction date.

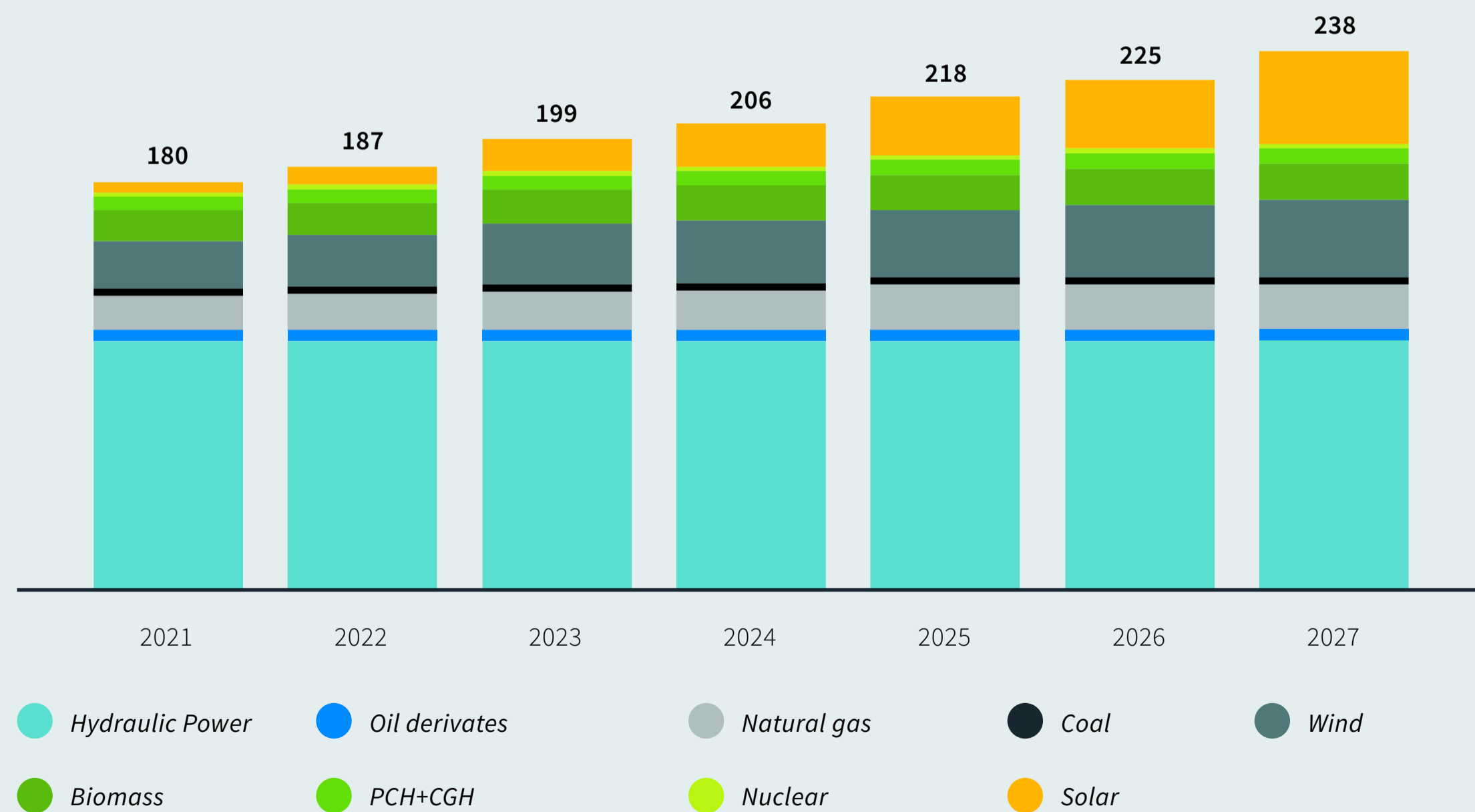


Installed Power

Power expansion considers projects intended to operate 100% in the Free Trade Environment (ACL), in addition to those already existing and those contracted through regulated auctions (see graph).

In this scenario, the installed power of the National Interconnected System (SIN) is expected to reach 188 GW. By 2026, the installed capacity is projected to be 232 GW.

Evolution of installed power¹ (GW)



Source: Adapted from a Quarterly Study prepared by MegaWhat (<https://megawhat.energy/analyses/3667>).
¹ Existing projects, expansion contracted through auctions and 100% ACL.

Contract Balance

As in the regulated environment, oversupply is expected in the free market scenario, with greater competition among sellers and more favorable deals for buyers. Both the moderate projection of load growth and the termination of contracts in the Regulated Trading Environment (ACR) releasing capacity to the FTA environment favor overcontracting.

Captive market decontracting mechanisms also contribute to greater supply in the free environment. There is an increase in guarantees in the ACL as a result of the entry of new generation ventures with no contracts in the captive environment, especially in solar sources, which will add about 2 GWm of physical guarantee in 2022. In addition, expected contractual termination in ACR will release more energy for ACL contracting.

Highlights in 2021



Expected **end of subsidies** in tariffs for small hydroelectric plants and projects based on **solar, wind, biomass and qualified cogeneration sources**



Privatization of Eletrobras

Economic and financial results

GRI 102-7

The implementation of the integrated renewable energy platform reinforced Comerc's performance in trading, customer services and energy solutions. In addition, the organization incorporated Distributed Generation and Centralized Generation companies as a result of

its corporate reorganization and the entry of new partners *(read more on pages 9 and 16)*.

The integration of generation companies in the fourth quarter of 2021 and the corporate reorganization increased Comerc's net revenue

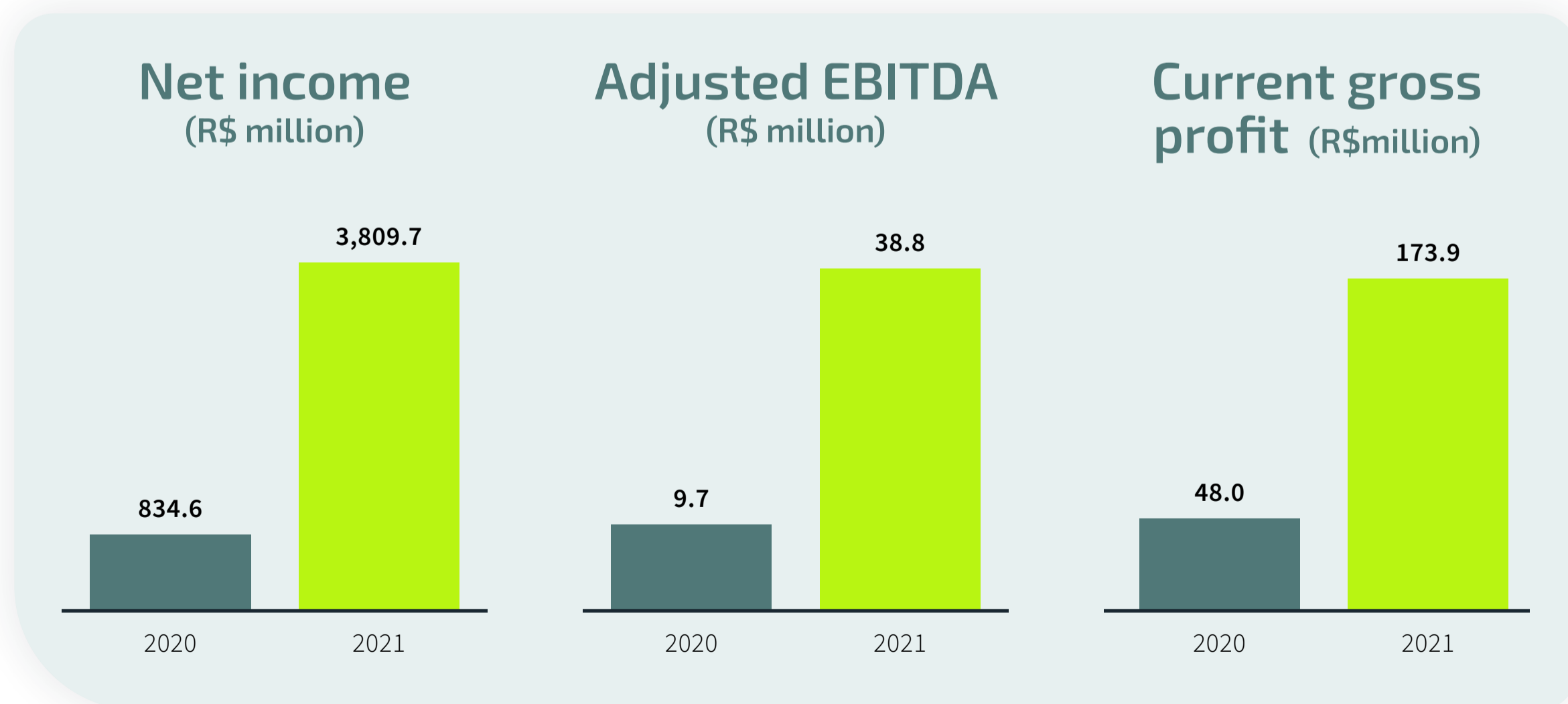
and EBITDA. The company ended the year with R\$3.809 billion net revenue, R\$2.975 billion more than the previous year.

Adjusted EBITDA reached R\$38.8 million in 2021, 300% above the previous year. This significant growth can be attributed mostly to the consolidation of Comerc Gestão's results (Customer Services Vertical), with an increase of R\$30.7 million in EBITDA.

In 2021, current gross profit was R\$173.9 million, an increase of R\$125.9 million compared to 2020, as a result of the consolidation of the gross profit of the verticals Services (+R\$84.7 million); Trading

(+R\$39.1 million); and Centralized and Distributed Generation (+R\$15.9 million).

Until the beginning of 2021, Comerc had no indebtedness. Growth was funded by shareholder contributions since the company was fundamentally an asset-light company. At the end of 2021, total gross indebtedness was R\$2.979,4; R\$2.0 billion came from the Vibra debenture converted into equity on March 18, 2022, completing the first phase of Vibra's entry into Comerc.



million) ¹ GRI 201-1

	2019	2020	2021
Revenues	801,555	840,964	3,807,409
Distributed economic value			
Operational costs	3,336.5	3,026.0	3,789.0
Employee salaries and benefits	49.4	57.3	84.0
Payments to capital providers	39.5	25.6	0
Payments to government	100.4	71.6	76.0
Investments in the community	63.1	53.3	0
Total	3,588.9	3,233.8	3,949.0
Distributed economic value (%)			
Operational costs	92.97	93.57	90.36
Employee salaries and benefits	1.38	1.77	2.00
Payments to capital providers	1.10	0.79	0
Payments to government	2.80	2.21	1.81
Investments in the community	1.76	1.65	2.92
Remuneration of third-party capital	-	-	2.91
Total	100	100	100
Retained economic value			
“Direct economic value generated” minus “Distributed economic value”	22.8	-8.4	-261.0

¹ Data from 2018 and 2019 were adjusted to reflect a change in the accounting rule for the recognition of future energy contracts (derivatives), affecting financial results and taxes (in addition to revenues/costs).

 Consolidated financial performance
(R\$ million)

Results	2020	2021	Var. R\$
Net operating revenue	834.6	3,809.7	2,975.1
Gross profit	39.7	66.9	27.2
Current gross profit	48.0	173.9	125.9
Administrative, commercial and general expenses, other income/ expenses, equity equivalence	(38.3)	(224.7)	(186.4)
EBITDA	1.1	(157.9)	(159.2)
Adjusted EBITDA	9.9	38.8	29.1
Financial Result	(0.1)	(115.9)	(115.8)
Net income (loss) for the year	(1.2)	(260.1)	(259.0)
Adjusted net income	4.4	3.2	(1.2)



Our Team

- Recruitment
- Diversity and inclusion



Our Team

GRI 103-2, 103-3 | 401

Our employees are firmly committed to our company values

Very special people support the solid performance of Comerc Energia. Their skills and talents come together to build a great team and forge a great company. These professionals are proficient in their functions at all levels and share an all-important differential: they are all closely aligned with our company values.

To join this winning team, you must embrace ownership, customer focus, adaptability, collaborative development, user relationship, autonomy and protagonism. These competencies found in each Comerc employee help us build a lasting and fruitful relationship for both parties.

Our precious human and intellectual capital is managed and inspired by competent people management leaders. The company seeks to attract, retain and value people through training, benefits

and career management, providing opportunities for professional growth within the company.

For the fourth consecutive year, in 2021 Comerc maintained its position as an excellent company to work for in the Great Place to Work (GPTW) ranking, with a confidence index of 87%.

By December 2021, Comerc's staff had grown 23% over 2020: a total of 562 employees now contribute their expertise and entrepreneurial spirit and help us leverage value generation. **GRI 102-8**

The fact that the company is growing fast not only in businesses and markets but also in number of employees poses a strategic challenge for people management. Defining the agenda for structuring the area, fostering leadership and engagement in the changes shaping the Comerc Energia Group and

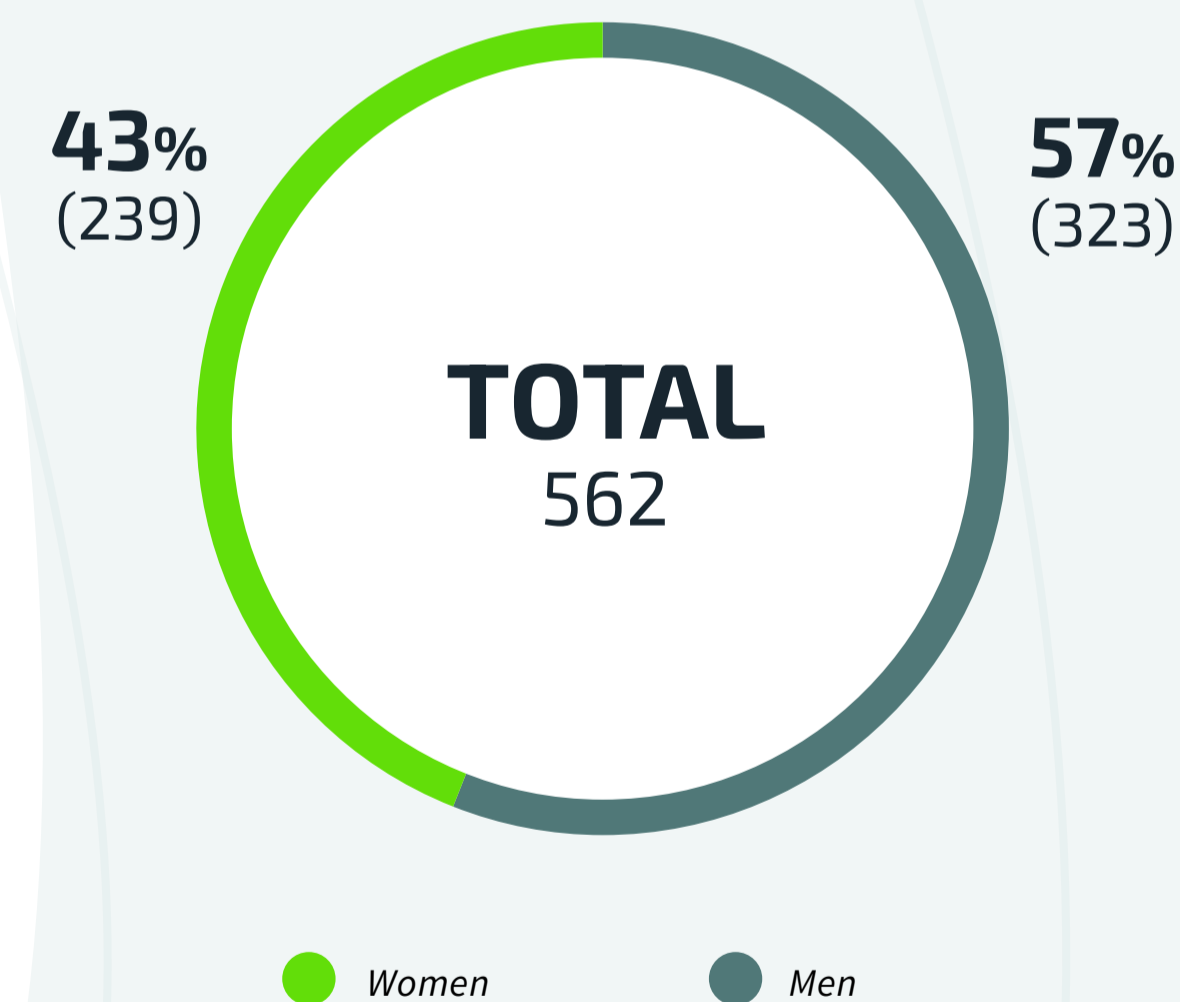
advancing the inclusion and diversity agenda in all its aspects – these are all important projects.

Performance analysis

Comerc adopts a well-structured performance evaluation system to reinforce corporate competencies and characteristics such as ownership, customer focus, adaptability, collaborative development, user relationship, autonomy and protagonism.

In 2021, the company extended performance assessments to 100% of its staff. In the previous year, this percentage was 76.52%. **GRI 103-2, 103-3 | 404, 404-3**

Employees by gender 2021



Employee profile

Employees by functional category and age group^{1,2} GRI 102-8

	2020	2021
Functional Category		
Executive Board	38	45
Management	27	30
Leadership/Coordination	55	35
Administrative	315	322
Operational	0	8
Trainees	22	0
Apprentices	-8.4	6
Interns	-8.4	36
Total	457	482
Age groups		
< 30 years	186	221
30 to 50 years	233	217
> 50 years	38	44
Total	457	482

1 In 2021, there were 45 members of the governance bodies. No data for 2019 and 2020 is available in GRI format for this category.

2 2019 data was not available in GRI format

Employees by contract and employment type, by gender GRI 102-8

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Type of contract									
Open-ended	251	158	409	250	185	435	247	199	446
Temporary ¹	18	12	30	14	8	22	22	14	36
Total	269	170	439	264	193	457	269	213	482
Type of employment²									
Full time	-	-	-	250	185	435	269	213	482
Part time	-	-	-	14	8	22	-	-	-
Total	-8.4	-8.4	-8.4	264	193	457	269	213	482

1 Temporary: considering internship contracts. **2** Data not available in GRI format in 2019.

Employees by contract type and region¹ GRI 102-8

Region ²	2020			2021		
	Temporary	Permanent	Total	Temporary	Permanent	Total
North	1	4	5	-8.4	4	4
Southeast	17	396	413	33	402	435
South	4	35	39	3	40	43
Total	22	435	457	36	446	482

1 Data was not available in GRI format in 2019

2 There are no employees in the Northeast and Midwest regions.

Recruitment

GRI 103-2, 103-3 | 401

Open positions at Comerc are preferably posted internally. Internal recruitment expands opportunities for employee development, strengthening motivation and fostering ownership.

The Recruitment and Selection Policy also establishes guidelines for external recruitment and rehiring, as well as process structuring in the different companies of the Comerc Group.

The Attraction & Development area uses an internal and external recruitment platform that includes a dashboard showing all open and developing positions, as well as customized reports, a field for requests from leaders, and a comprehensive view of the process (candidates being screened, in different interview stages and in the final hiring process). **GRI 401-1**

In 2021, 48 of the 158 openings posted were filled through internal recruitment. For external recruitment, openings are widely disseminated in several communication channels; one of the gateways to join Comerc is the selection process for interns.

The young and attractive profile of the Internship Program attracted about 1,600 candidates in 2021, of which 20 were hired.

Employees hired **GRI 401-1**

	2019		2020		2021	
	No.	Rate	No.	Rate	No.	Rate
By gender						
Men	106	0.39	72	0.27	91	0.18
Women	58	0.35	49	0.25	85	0.17
Total	164	0.37	121	0.26	176	0.36
Age groups						
< 30 years	72	0.33	78	0.41	109	0.22
30 to 50 years	84	0.45	41	0.17	57	0.11
> 50 years	8	0.26	2	0.04	10	0.02
Total	164	0.37	121	0.26	176	0.36
By region¹						
North	1	0.33	3	0.60	1	0.001
Southeast	153	0.39	106	0.26	149	0.30
South	10	0.27	12	0.30	26	0.05
Total	164	0.41	121	0.26	176	0.36

¹ There are no employees in the Northeast and Midwest regions.

Employees who left the company **GRI 401-1**

	2019		2020		2021	
	No.	Rate	No.	Rate	No.	Rate
By gender						
Men	18	0.06	72	0.27	94	0.19
Women	26	0.15	19	0.09	56	0.11
Total	44	0.10	91	0.19	150	0.31
Age groups						
< 30 years	29	0.13	41	0.21	57	0.11
30 to 50 years	14	0.07	47	0.20	79	0.16
> 50 years	1	0.03	3	0.07	14	0.02
Total	44	0.10	91	0.19	150	0.31
By region¹						
North	-8.4	-8.4	-8.4	-8.4	1	0.001
Southeast	40	0.10	87	0.20	136	0.28
South	4	0.10	4	0.10	13	0.02
Total	44	0.10	91	0.19	150	0.31

¹ There are no employees in the Northeast and Midwest regions.

Turnover rate ¹ **GRI 401-1**

	2019	2020	2021
Total headcount	439	457	482
By gender			
Men	0.12	0.16	0.19
Women	0.11	0.01	0.15
Age groups			
< 30 years	0.12	0.13	0.06
30 to 50 years	0.11	0.10	0.24
> 50 years	0.01	0.01	0.04
By regional distribution²			
North	0	0	0
Southeast	0.22	0.21	0.30
South	0.22	0.02	0.04
Total	0.24	0.23	0.34

¹ Calculation methodology: [(contracted + dismissed)/2]/total headcount.

² There are no employees in the Northeast and Midwest regions.

Senior management hired in the local community^{1,2} GRI 202-2

	2019	2020	2021
Total Board Members	25	38	40
Board Members hired in the local community	25	34	40
Percentage of the Board hired in the local community	100%	89,5%	100%

1 The following positions were considered: CEO, Presidents, Vice Presidents and Directors.
2 Geographical region: Brazil.

Positions and Salaries

GRI 103-2, 103-3 | 202

Comerc's Jobs & Salaries policy establishes fixed compensation through a salary table. The initial remuneration for new hires or employees approved for a new position in internal selection processes is equivalent to what others in the same position already receive based on widely disseminated criteria and rules. The company also uses a biannual market salary survey to assess remuneration for all positions in the Group. **GRI 202-1**

Aiming to recognize, encourage, retain and attract talent, the Comerc Energia Group has a robust variable compensation program for all hierarchical levels of the company, including trainees. Our Long-Term Incentive program (ILP) launched in 2021 is a new way to recognize and encourage not only top leaders but all high performance employees, whatever their level.

There is no significant pay gap between men and women at Comerc. Annual remuneration is calculated as fixed monthly salary + thirteenth salary + vacation pay + variable remuneration (PLR).

Benefits

GRI 103-2, 103-3 | 401, 401-2

Comerc Energia encourages employees to combine quality of life and productivity: the company believes life-work balance fosters productivity and team engagement. Also, caring about our employees'

quality of life helps us to attract and retain talents. The Comerc Quality of Life Program "Energy for You" brings together several company initiatives in three pillars: Health, Balance and Leisure & Culture, as follows:



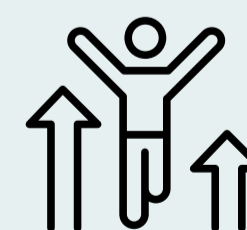
Health

- Medical Plan
- Executive checkup
- Dental Care
- Discounts at a partner gym
- Gympass
- Bike rack (SP)
- Good Timing Program (pregnant women)



Balance

- Birthday Day Off
- iFood Birthday Voucher
- Hybrid work and flexible working hours
- Mental Health Program
- Financial Education Program



Leisure & Culture

- Cultural Voucher
- Tickets to the Masp Museum

The company also offers other usual benefits in the market:

- Food and meal vouchers
- Parking
- Chartered bus
- Transportation allowance

Salary Ratio

GRI 202-1

Variation between lowest wage and minimum wage, by gender¹

Operation Unit	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Percentage ratio	1	1	1	1	1	1

¹ The salary of an underage apprentice was considered as the basis for this information.

Proportion between basic salary and remuneration received by women and men by functional category¹ GRI 405-2

	Gender	2019	2020	2021
Directors ²	Women	-	-	13.33
	Men	-	-	13.33
Manager/Specialist	Women	15.10	17.93	13.33
	Men	15.49	16.76	13.33
Coordinator/Consultant	Women	15.04	15.88	1.06
	Men	15.17	16.20	1.06
Assistant/Analyst/ Relationship Executive	Women	14.49	14.41	13.33
	Men	14.64	14.70	13.33
Interns	Women	12.67	14.41	12.00
	Men	12.76	13.72	12.00

¹ Base salary: average for this job level. Remuneration: average salary for job level + 13th salary + 1/3 vacation bonus.

² In 2019 and 2020, the company decided not to share the compensation of directors, vice presidents and president -- as partners, they had a differentiated compensation format.

Proportion of total annual remuneration¹ GRI 102-38

	2019	2020	2021
Ratio	3.29	5.57	6.65

¹ The company decided not to share the compensation of directors, vice presidents and president -- as partners, they have a differentiated compensation format. All areas of the companies were considered: Comerc Energia, Comerc Trading, Comerc Gas, Nexway, MegaWhat and Voltz.

Percentage increase in total annual compensation^{1, 2} GRI 102-39

Remuneration	2019	2020	2021
Ratio	0.64	9.21	3.20

¹ For safety reasons, data for the highest remuneration paid and the average annual remuneration paid to all employees are kept confidential.

² Calculated as employee's fixed remuneration (salary + 13th + vacation bonus) plus the variable remuneration (PLR). Both CLT (full-time) employees and interns were considered.

Percentage of employees who received performance reviews by functional category in 2020^{1, 2} GRI 404-3

	2020			2021		
	Men	Women	Total	Men	Women	Total
Executive Board	70.96	57.14	68.42	100.00	100.00	100.00
Management	81.81	80.00	81.48	100.00	100.00	100.00
Leadership/Coordination	92.59	79.31	85.71	100.00	100.00	100.00
Administrative	61.40	88.19	73.65	100.00	100.00	100.00
Trainees	100.00	100.00	100.00	100.00	100.00	100.00
Total	69.54	86.08	76.52	100.00	100.00	100.00

¹ 2019 data not available in GRI format.

² Operational employees are included in Administrative data.

Training and Development

GRI 103-2, 103-3 | 404

The Training area creates opportunities for employees to develop their skills and reach their maximum potential: our people are encouraged to grow professionally by taking charge of their careers as protagonists.

The area was structured in 2021 and a minimum number of training hours was set across the Comerc Energia Group. Actions in 2021 included hiring a professional with a focus on training, implementing a new LMS platform, and structuring a Training and Development Policy. This 2021 goal was fully achieved and Comerc provided 203 hours of training in 2021.

The Training & Development area can now use the resources offered by Comerclass, a Learning Management System (LMS) that provides customized reports, reaction assessment for all courses, meetings and events, as well as attendance lists for participants.

The table below shows the average number of training hours per year broken down by functional category.

Average hours of employee training GRI 404-1

By functional category 2021

Executive Board	0.61
Management	2.85
Leadership/Coordination	2.45
Administrative	0.30
Operational	-
Total	1.55
Per employee	
Apprentices	-
Interns	0.64
Trainees	-
Total	0.64

Diversity and Inclusion

GRI 103-2, 103-3 | 405, 405-1

The company recognizes and values diversity in its Board of Directors and among its employees. We believe a diverse and inclusive environment is enriching in that it boosts talent, knowledge and energy for the sustainable growth of society as a whole.

With the growing importance of this topic within the Group, a professional was appointed to coordinate the affinity groups of Gender, Racial Ethnicity, People with Disabilities (PCDs) and LGBTQIA+, which make up the Comerc Diversity program, called Tamo Juntxs. The team promotes awareness actions in diversity and inclusion, such as lectures with special guests on LGBTQIA+ Pride, a conversation with Comerc men about masculinity and with Comerc women on feminism, a live meeting of the president with a group of women in engineering, as well as lectures on People with Disabilities and an online course on anti-racism developed by employees and made available on a virtual training platform.

Comerc monitors this topic through Ethos Social Responsibility Indicators and through our annual

climate survey. The questionnaire includes a series of questions related to diversity and the inputs collected are used to develop initiatives and implement improvements.

Among its 562 employees, in 2021 Comerc had 5.76% of people who identified themselves as LGBTQIA+ and 13.46% of people who declared themselves to be of color, black or belonging to indigenous ethnicities.



Diversity Manifesto

A public manifesto on diversity summarizes the company's clear position on the subject. It materializes Comerc's willingness to treat this important topic with respect. Diversity has been a recurring subject in training programs, lectures and meetings with all employees, including the company's leadership.

Humans. We are born without breastplates, claws or fangs. Fragile beings. We soon discovered that, as a group, we could survive. That together we would be stronger -- as we are. We add experiences, intelligences and opinions, because, of course, we are different. We are diverse. We multiply our knowledge. Our understanding. Our talents. We learn from each other. We are plural. A sum of identities and realities. We are not limited by gender, physical condition, sexual orientation, ethnicity, creed or skin color. We will not tolerate injury or any kind of discrimination. Because it is the energy of each individual that, together, creates our greatness and our beauty. Because it is the freedom of the other that allows me to live in equality. And our work only makes sense if there is energy to share with everyone."

Individuals within the governance bodies of the organization GRI 405-1

Year	By gender	100%	Year	Age groups	100%
2019	Men	77.77	2019	< 30 years	0
	Women	22.22		30 to 50 years	61.11
	Total	100		> 50 years	38.88
2020	Men	81.57	2020	Total	100
	Women	18.43		< 30 years	0
	Total	100		30 to 50 years	60.52
2021	Men	65.00	2021	> 50 years	39.47
	Women	35.00		Total	100
	Total	100		< 30 years	6.03
2021	Men	65.00	2021	30 to 50 years	77.59
	Women	35.00		> 50 years	16.38
	Total	100		Total	100

Employees by functional category and gender (%) GRI 405-1

	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Executive Board	77.77	22.22	81.57	18.42	85.00	15.00
Management	84.61	15.39	81.48	18.52	68.97	31.03
Leadership/Coordination	54.34	45.65	48.21	51.78	44.68	55.32
Administrative	59.06	40.93	54.28	45.71	53.03	46.97
Trainees	57.89	42.10	62.5	37.50	-	-
Total	66.84	33.15	65.60	34.39	55.76	44.24

Generating value for *stakeholders*

- Stakeholder Engagement
- Supplier Partnerships
- Positive impact on society

Generating value for stakeholders

The Comerc Energia Group leverages value generation by keeping close, transparent relationships with its stakeholders.

We develop and implement initiatives for suppliers and society, as well as actions to benefit employees and customers.

Stakeholder Engagement

GRI 102-12, 102-13, 102-43

The Comerc Energia Group interacts proactively with its many audiences using different channels, initiatives and communication platforms: online surveys, podcast channels, webinars, blogs and social media such as YouTube share information and address relevant market topics and important developments in the electricity sector.

After consulting our different audiences, in 2021 we identified the topics our stakeholders found most relevant for Comerc's sustainability, strategic plans and reporting process (*learn more in Materiality*).

Comerc boosts innovative ideas and solutions through DocLabs: this is where you will find the company's Information and Business Technology

area, called DOC88. With interior design inspired by the film "Back to the future", the interaction space has a bike rack, five lounges and an auditorium for 34 people.

Another engagement front involves the participation in external initiatives of positive impact. Since 2019, Comerc has been a member of the Ethos Institute, which aims to raise awareness, mobilize and support companies in sustainable business management, so they can operate responsibly and meet the broader needs of society.

In 2021, we joined the Brazil Global Compact Network, a United Nations (UN) initiative to mobilize the business community to adopt and promote the universally accepted Ten Principles of human

rights, labor, environment and anti-corruption; we are committed to embedding them in our business practices and to issuing annual reports on our progress in relation to these principles.

Comerc also seeks to contribute to the evolution of the electricity sector through interactions with associations. We currently have the CEO of Sou Vagalume, Josiane Palomino, and the CEO of Mercury, Pedro Fiúza, as directors of Absolar. Daniel B. Parke, a partner and Board Member at MegaWhat, is a member of the WWF-Brazil Deliberative Council. WWF or the World Wide Fund for Nature is a non-governmental organization that strives to mitigate environmental impacts.



Supplier Partnerships

GRI 103-2, 103-3 | 308

Comerc's supply chain consists of energy companies, business partners and providers of materials and services. The company monitors and evaluates its suppliers and disseminates value initiatives aimed at strengthening healthy partnerships.

Energy suppliers represent 51% of the registered companies in our supplier database: energy traders, power generators, self-producers and other players in the free energy market, including customers that can sell their surplus energy in the spot market. The state of São Paulo holds 41% of the total registered energy suppliers. Most Purchasing Department suppliers are concentrated in the state of São Paulo, with 72.80% of the total. [GRI 102-9](#)

To mitigate counterparty risk in our portfolio, energy suppliers receive a credit score based on their financial information. Trading units have weekly evaluations of the buy and sell positions involving counterparties and analyze their risks of failing to deliver based on the Comerc risk matrix.

In addition, the Credit Committee monitors and reevaluates credit scores and counterparty

positions every six months. See *Risk Management* for more information.

Out of the suppliers registered in the Purchasing Department, 72.80% are concentrated in the state of São Paulo

For other suppliers, criteria and procedures related to contracting services and business partners are described in our Purchasing Policy revised in 2020. The guidelines in this Policy describe the duties of the Purchasing area and the responsibilities of the department requesting third-party products or services, including airline tickets, car rental, cleaning and information technology services, among others.

The policy also determines the criteria for choosing suppliers, in line with Comerc's values and culture. Comerc will only hire partners who:

- Have passed the supplier approval process carried out by the Purchasing area;

- Are not involved in cases of corruption or in situations that violate the ethical and moral principles under the terms of the Comerc Code of Ethics and Conduct;
- Comply with the current safety standards for the execution of the service;
- Issue an invoice containing the number of the purchase order for the service or for the product to be delivered; the fiscal service code in the invoices issued for services rendered must be compatible with the registered activity of the company.

During the approval process, the supplier must include specific data on the good or service to be provided. The documents are analyzed by the Purchasing area and the Tax department, also responsible for the approval or rejection of the prospective supplier.

Besides guidelines on invoices, the Policy also sets out our payment terms. Comerc will not accept invoices with incorrect corporate name, CNPJ, state registration or any other incorrect data, nor do we accept invoices issued in the name of

individuals, past payment date or sent later than the agreed terms.

Specific geographies are also considered in terms of shorter distances, logistics and mobility. At the end of 2021, Comerc had 7,670 registered suppliers, an increase of 31% over the previous year. The number of suppliers registered by Purchasing rose 53% over 2020. This significant increase can be attributed to services hired to adapt the organization to the company's new business model, and to the execution of works and remodels of our physical spaces in the last year. [GRI 102-9](#)

Positive impact on society

GRI 103-2, 103-3 | 413

The Comerc Energia Group engages in initiatives that have a positive impact on society. In addition to financial contributions to associations that support socially vulnerable groups, the company encourages employees to participate in social actions through voluntary work or donations.

Comerc is committed to leveraging the strength and energy of the team to transform important aspects of society. One example is the Leadership Development Program. During approximately one year, employees explore themes such as autonomy, protagonism, legacy and Y-shaped

careers; in the final activity of the program, participants develop social initiatives.

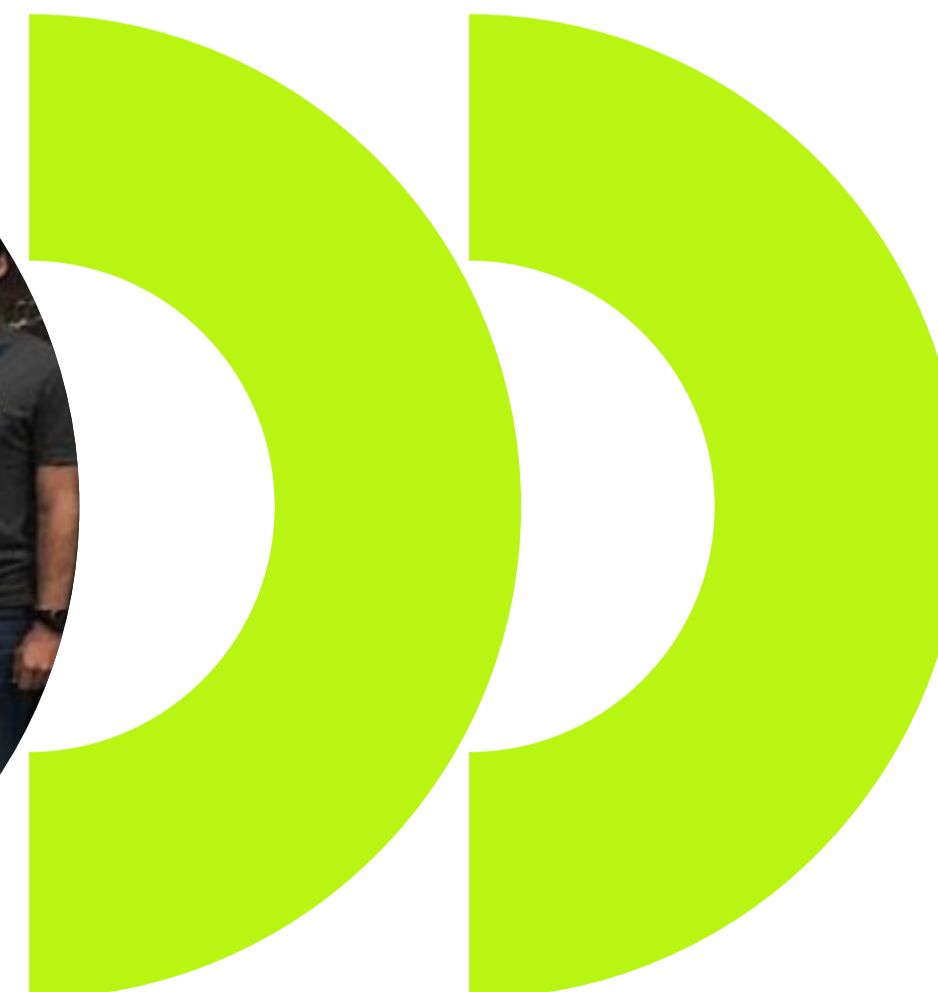
Our Corporate Volunteering program had 50 employees participating in a workshop promoted by the NGO A Liter of Light. Participants received tools

to assemble solar lamps at home after a hands-on workshop. In December, the lamps they produced were delivered to six riverside communities, including two indigenous groups, bringing solar lighting to about 50 vulnerable families.

More than R\$500.000 were donated in 2021 to support social projects in different communities through the Rotary Club, GRAAC, Associação Operação Sorriso and Darcy Vargas Hospital, among others.

The licensing process for the solar plant Complexo Solar Bon Nome mapped actions for socio-environmental management and prevention of possible impacts; the defined measures were implemented during construction in 2021. This Environmental Quality Management Plan is developed for all projects and then implemented during construction. **GRI 413-2**

More than R\$700.000 was donated to social projects in different communities during 2021



Social actions

The implementation of a photovoltaic plant in communities in the interior of the country has positive impacts in the region: more jobs, taxes and municipal development, besides the generation of clean and renewable energy itself. On the other hand, during construction, there are impacts on the environment and on the daily lives of communities, which must deal with the intense movement of people, vehicles and materials.

In 2021 alone, 1,250 jobs were generated during the construction of the projects. The Comerc Energia Group also develops Social Communication and Environmental Education programs for local populations and employees who work on the site. The objective is to help communities surrounding the project to understand the importance of the plant and associated social benefits, and to raise awareness of the need to value and preserve the local environment and biodiversity.

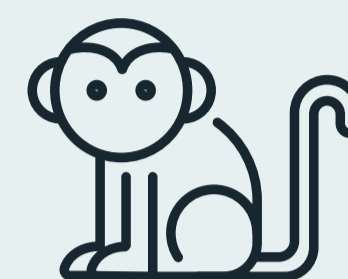
An example was the communication effort developed with the Rural Community Sítio Inveja in the municipality of São José do Belmonte, in Pernambuco, around the Photovoltaic Plant Bon Nome 5 and 6. Throughout the construction phase, 145 resident families had to live with the presence of 445 construction workers.

Mori always sells waste material generated during construction so it can be recycled. The proceeds from such sales are used to acquire food baskets that are then donated to needy families around the solar plants. In 2021, about 300 families received food baskets.

Donations

City ¹	Qty. of food baskets
Bocaiuva	150
Porteirinha	76
Nanuque	40
Coramandel ²	31
Januária	30
Total	327

¹ Municipalities in the state of Minas Gerais.
² Donation made in 2022.

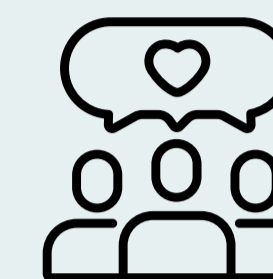


Environmental Education Project

Objective: To involve the community and employees and disseminate knowledge about the importance of natural resources and the need to preserve the region's biodiversity

Audience reached: 145 families and 445 contractors

Actions: mini-course on the Management of Caatinga Serpents; visit of students from the Pedro Leão Technical School to UFV Bon Nome including a vocational and professional stimulation activity (with certificates for students); Campaign to Combat Abuse and Exploitation of Children and Adolescents for project employees; educational blitz with the community on wetting the roads; environmental education activities for construction workers. Other initiatives were implemented at the José Pires da Silva School – Sítio Inveja (writing contest, Campaign to Combat Abuse and Exploitation of Children and Adolescents and information campaign).



Social Communication Project

Objective: communication and interaction with institutions representing the local population, as well as with communities in the area of influence of the project

Audience reached: 145 families

Actions: communication of the start of operations of the Photovoltaic Plant Bon Nome 5 and 6, disclosure of the enterprise, collection of signatures in an authorization term for tree pruning and for the installation of speed bumps and disclosure of the Ombudsman's communication channel

Support through Tax Incentives

GRI 413-1

In 2021, we allocated approximately R\$305.000 to social projects linked to different incentive laws: the Rouanet Law, the Sports Law, the Fund for the Elderly, the Children's Fund and Pronon.

The topics are monitored throughout the year: we follow projects, search for new sustainable solutions and engage our internal audiences.

These are the projects:

Who are these women? Female protagonists

There were 40 free presentations on empowerment and female protagonism, with distribution of illustrated books and 2,000 card games with illustrations and historical information about remarkable women.

Region: São Paulo

Rouanet Law

GADECAMP – adults and children

Offering wheelchair basketball to about 20 high performance athletes with physical disabilities to promote the sport and develop athletes for the Brazilian Team.

Region: Campinas – SP

Casa do vovô (Grampa's Home)

Support to maintain the institution that houses and provides quality of life to about 90 elderly people.

Region: Ribeirão Preto – SP

Fund for the Elderly

Mostra Ecofalante

The largest South American event for films on socio-environmental issues. In addition to film screenings, the festival promotes debates on current global challenges.

Region: São Paulo and other capitals

Rouanet Law

Inspire – training of socio-environmental agents

Promoting knowledge, values and skills for environmental preservation involving the community of Jardim São Luís and neighboring districts.

Region: São Paulo – SP

Children's Fund

Hospital Pequeno Príncipe

The largest pediatric hospital in Brazil dedicates up to 70% of its service capacity to the Unified Health System (SUS). A national reference for medium and high complexity medical procedures, the hospital serves children and adolescents from all over the country in 32 medical specialties.

Region: Curitiba – PR

PRONON

Environmental Agenda

- Climate Strategy
- Certificates
- Energy

Environmental Agenda

Energy efficiency projects

The National Energy Plan (PNE 2050) considers hydrogen as a technology of interest for the decarbonization of areas such as transportation and chemical industry, in addition to its role as a source of clean energy generation in the Brazilian transition towards a low-carbon economy.

Brazil is one of the few countries in the world that can produce low-carbon hydrogen competitively and in large scale thanks to the abundance of renewable sources such as solar and wind, among other factors.

With this promising market in mind, Nexway Efficiency signed important partnerships in 2021 to provide energy efficiency solutions:

- **Memorandum of Understanding** with a manufacturing company in Brazil for the supply of low-carbon hydrogen (H2).

- **Partnership with Casa dos Ventos** (largest Brazilian developer of renewable generation projects) for the development of low-carbon H2 projects. Both companies signed a Memorandum of Understanding with the government of the state of Piauí for the implementation of a green hydrogen pilot project within the Parnaíba Export Processing Zone (ZPE).

Below are the main projects developed for Nexway customers:

- **GS Inima Triunfo** – the project developed for the sanitation company serving the Industrial Pole of Triunfo (RS) brought savings of 383 MWh/month, reducing power consumption by 39 percent. This avoids 1,281 tCO₂ per year; in addition, thanks to the Nexway reforestation project, 1,600 trees will be donated for planting in the Jurupará reserve.
- **Fernandez Papéis** – in this paper company in the city of Amparo (SP), Nexway is building a substation of 40/50 MVA at 138 kV: the different tariff category will generate approximately 40 percent savings in energy bills. As an additional benefit from this project, 4,000 trees will be donated to the reserve.
- **Votorantim Cimentos** – the cement company in the city of Cantagalo (RJ) hired Nexway to carry out an efficiency project in medium voltage motors. The project generated savings of 492 MWh/month, reducing consumption by 59 percent and avoiding 1,637 tCO₂ emissions per year, with an additional Nexway donation of 800 trees.

- **Riachuelo** – a lighting system optimization project was implemented in this textile factory in Natal (RN). The installation of 8,034 LED lighting points replacing the 19,154 conventional lamps with better efficiency systems was completed in October 2021. Installed power was practically halved, reducing consumption by 340 MWh/month.
- **CBA** – in this aluminum manufacturing plant located in the city of Alumínio (SP), Nexway is implementing upgrades in air compressors, lighting and motorization systems to generate combined savings of 3.6 GWh/month and avoid 455 tCO₂ per month; the project includes the donation of 7.4 thousand seedlings to the reforestation project.

In 2021, the Comerc Group joined Ambev in the initiative that will produce medical-grade oxygen at the Colorado plant in Ribeirão Preto, in the interior of São Paulo. The company subsidized the energy consumption required for the daily production of 120 cylinders of 10 cubic meters each, a volume that is sufficient to serve up to 166 patients per day. The energy used in the Colorado plant comes from renewable sources, reducing CO₂ emissions and environmental impacts.



Climate strategy

GRI 103-2, 103-3 | 201, 201-2

Contributing to a low-carbon economy has always been an important goal for Comerc. The incorporation of clean and renewable energy generation assets in 2021 takes this to a new level. This shows Comerc Energia Group is fully aligned with the current global shift from polluting sources to clean sources.

The company's solutions in energy management and power generation help customers reduce their GHG emissions for the benefit of our planet. Several photovoltaic solar plants belonging to the Group are now starting operations, while others are under construction within the planned schedule.

In 2021, Mercury Renew (now controlled by Comerc) delivered the photovoltaic solar power plant of Bon Nome in Pernambuco two months ahead of schedule, adding 130 Mw installed capacity from clean and renewable energy to the National Interconnected System (SIN). Group investments are fully aligned with the commitment to sustainability and governance.

By 2024, new plants will be energized throughout the country. Planned investments total approximately R\$6 billion to generate 1,556 MWp from solar energy plus 280 MW from Mercury wind farms and 286 MWp from Mori projects.

Comerc activities do not cause any significant environmental impacts. Business expansion and innovations rely on efficient use of resources and help to generate positive impacts. The company sets ESG targets, has socioeconomic and educational projects in solar assets and its strategic planning includes compliance policies for all business areas. Comerc is also a signatory to the UN Global Compact.

Background

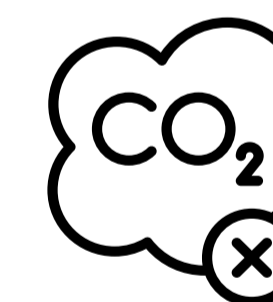
The new photovoltaic plants incorporated by the Comerc Energia Group represent a fundamental contribution to the diversification of the Brazilian energy matrix. Of the total electricity consumed in

Brazil, 57.9% are still generated in hydroelectric plants; while hydropower is one the cleanest sources available, such plants are being impacted by increasingly frequent droughts.



Early delivery

The Bon Nome photovoltaic solar power plant started operating two months ahead of schedule, adding 130 M Wp of installed clean power to the SIN



+ 6 million

tons of CO₂ have been avoided by Comerc Gestão's customers since 2011

Clean renewable energy for all

Initiatives such as Sou Vagalume bring renewable energy to small and medium consumers who do not yet meet the current minimum requirements to migrate to the free electricity market. Private homes, retail outlets and small rural enterprises are beginning to benefit from lower electricity bills while fostering sustainability by reducing environmental impacts.

Estimated savings in relation to conventional distributor tariffs can be as high as 20 percent for retail, 14 percent in rural areas and 12 percent for households.

Energy efficiency

Wasted energy still generates an important economic impact across Brazilian economic sectors. This helps explain the growing popularity of energy efficiency projects in the country. Producing more with less impact and using fewer resources has become an important goal for a large number of consumers.

Greater awareness among industrial consumers has boosted business at Nexway, the energy efficiency

company belonging to the Comerc Energia Group: many new customer projects in 2021 involve upgrading lighting, refrigeration, motors and compressed air, among others. Nexway's energy efficiency projects can reduce monthly energy consumption by more than 70 percent.



Nexway Forest

Floresta Nexway was launched 2021 in partnership with Reservas Votorantim to build an even closer connection between energy efficiency and the environment. The reforestation project covering an area of 6 thousand square meters planted about 25,000 native Atlantic Rainforest trees throughout the year.

The trees planted in the Jurupará State Park (Ibiúna, SP) offset 3,400 tons of GHG emissions in 2021 alone.

Certificates

Renewable Energy Certificates are gaining more and more relevance in the market and serve as an added incentive to adhere to a cleaner energy matrix. Comerc Energia Group customers can acquire International REC Standard Certificates (I-REC). This global, audited and reliable certification can offset CO₂ emissions by confirming the consumption of renewable energy.

The certificates also attest that the energy generated and marketed by Comerc complies with the United Nations Sustainable Development Goals. In 2021, we traded a total of 816,428 I-RECs.

I-RECs can be acquired by free or regulated consumers. They are used to report scope 2

emissions under the Brazilian GHG Protocol Program. Customers need to provide information on the volume of emissions and the period for which they would like to receive certification.

I-REC contracting can be requested by customers when purchasing energy for future use, or retroactively after a year of consumption. Certification is the most practical and reliable way to prove the origin of energy and to value the environmental and social attributes of renewable energy generation sources.

The key difference between the Comerc-Sinerconsult Renewable Energy Certificate and the International REC Standard (I-REC) certificate

is traceability, especially regarding the rights to renewable generation attributes in offsetting carbon emissions under GHG Protocol rules.

Comerc Energia created the Comerc-Sinerconsult Renewable Energy Certificate back in 2011. The certificate confirms the consumption of renewable energy and states the amount of CO₂ emissions avoided annually by the customer. Close to 10,000 certificates have been issued since 2011, verifying that more than 6 million tons of CO₂ emissions have been avoided.

The Energy Efficiency Certificate has been available since 2017: 20 companies (40 consumer units) received confirmation of the savings generated by their projects in 2021. The implementation of these projects has avoided more than 44,595.2 tons of CO₂ so far: this is equivalent to preserving 185,813 trees.

With climate change gaining increasing attention worldwide, Renewable Energy Certificates will no longer be a mere differential: they will become a basic consumer requirement. This is why certificates can boost the development of renewable energy projects.

Almost 10,000 Comerc Renewable Energy Certificates have been issued since 2011, avoiding more than 6 million tons of CO₂ emissions

GHG Emission Inventory



The Comerc Energia Group believes it is essential to measure and establish plans and targets to reduce and offset climate impacts arising from its operational activities. We want to speed the transition to a low-carbon economy. In 2021, Comerc carried out its first Greenhouse Gas Emissions Inventory for base year 2020, one of the first steps to contribute to combating climate change. [GRI 413-1](#)

The Comerc GHG Inventory carried out by the H₂O Company followed the methodology of the Brazilian GHG Protocol Program and accounts for all emissions within the Brazilian territory. The survey did not include generation assets; it was based solely on operational control, reporting 100% of emissions from sources under control. Emissions were classified in direct (scope 1), indirect by energy consumption (scopes 2) and indirect (scope 3).

The sum of all scopes (1+2+3) and emission categories of its seven locations was 162.68 tCO₂e. Scope 1 (mobile combustion and fugitive emissions) accounted for 42.1% of total emissions. Scope 2 (electricity consumption – location) accounted for 9.38% of the total. Scope 3 (commuting and business trips) represented 48.52% of the company's total emissions.

The Comerc Energia Group offset 100% of its 2020 GHG emissions inventory as recommended by the H₂O Company. Comerc employees participated in this effort by planting 1,220 seedlings of native Atlantic Rainforest trees; the company also acquired 391 I-RECs to certify power consumption from renewable sources.

In 2021, total emissions from scopes 1, 2 and 3 of Comerc Energia's seven operations totaled 198.23

tCO₂e, a 22% increase over the previous year. In 2021, Comerc scope 1 emissions made up 54.54% of the total volume; scope 2 emissions accounted for 21.05% and scope 3 for the remaining 24.41%. The increase in scopes 1 and 2 emissions is related to the gradual return to company offices -- since April 2020, the entire workforce had been working from home.

In 2021, the company offset 100% of its total emissions by acquiring 331 I-RECs and promoting the restoration of 0.4943 hectare (4943 m²) of Atlantic Rainforest.

To offset 100% of its total emissions, in 2021 Comerc acquired 331 I-RECs and promoted the restoration of 0.4943 hectare (4943 m²) in the Atlantic Rainforest, equivalent to planting 824 trees.

Renewable energy certificates issued and results obtained

	2019	2020	2021
Number of certificates issued	1,967	2,474	2,837
Tons of CO₂ equivalent avoided by certified companies	639,000	667,000	1.3 million
Equivalence in trees	4.48 million	4.67 million	9.11 million

Savings generated by energy efficiency projects¹

	2019	2020	2021
Tons of CO₂ avoided/year	8,617.1 tCO ₂	13,493.53 tCO ₂	18,891.6 tCO ₂
Number of trees preserved/year	35,904	56,223	78,715
Estimated savings (MWh)/year	25,719.3 MWh	48,422.2 MWh	54,228.2 MWh
Estimated savings (R\$)/year	R\$ 8.117.646,22	R\$ 13.914.234,90	R\$ 15.343.253,06

¹ Financial savings are estimated based on the reduction in energy consumption generated by Nexway Efficiency solutions compared to customer consumption before these solutions were implemented. This saving in energy consumption is also used to calculate avoided CO₂ emissions using the methodology developed by Comerc in partnership with Sinerconsult consultancy.

Energy

GRI 103-2, 103-3 | 302

Comerc does not burn fuels to generate the energy the company consumes. Currently, all the energy consumed in our facilities is purchased from distributors (utility companies). In 2021, the energy purchased and consumed at the company's offices was 179,216.40 GJ.

Energy consumption inside and outside the organization (GJ)^{1, 2}

GRI 302-1, 302-2

	2021
Inside the organization	
Energy generated	512.42
Energy consumed	1,188.00
Total Consumption	1,700.42
Outside the organization	
Employee transportation/travel	833.18

¹ Power consumption from distribution network.

² Values were not reported in 2019 and 2020.

Appendixes

- About the report
- Materiality
- GRI Content Summary
- Corporate information
- Crédits

About the Report

For the third consecutive year, the Comerc Group presents its Sustainability Report following the Global Reporting Initiative (GRI) standards, “Essential” option. [GRI 102-54](#)

This annual report provides information on the company's performance in social, environmental, economic-financial and governance topics for the period January 1 to December 31, 2021, besides describing risks, opportunities and the long-term vision for the company. [GRI 102-50, 102-52](#)

The chosen structure prioritizes the eight relevant topics raised by internal and external stakeholders during the materiality process carried out in 2021. The process involved consulting employees, customers, suppliers and regulatory bodies to define relevant content and expectations.

[GRI 102-42, 102-46](#)

Questions and suggestions about the report can be sent to comunicacao@comerc.com.br. [GRI 102-53](#)

Materiality

The 2021 Comerc Energia materiality process analyzed internal documents, benchmarked other companies in the energy sector and relied on sectoral studies such as the Sustainability Accounting Standards Board (SASB), SDG Industry Matrix KMPG, GlobeScan Radar and IFC Indicators.

Senior management executives were also interviewed and an online consultation was conducted with key internal and external stakeholders – employees, Board Members,

customers, suppliers and industry experts. [GRI 102-40, 102-42, 102-43, 103-1](#)

The eight priority topics identified through the process and validated by the Board of Directors are presented in this report.

The definition and assessment of materiality is aligned with management and strategy, as well as with ESG aspects and Sustainable Development Goals (SDGs) – see *table*.

The materiality process identified eight priority topics, which were then validated by the Comerc Energia Board of Directors



Material topics 2021-2022 GRI 102-44, 102-47, 102-49, 103-1

Material Topics ¹	Background	Approach (what the company does) ²	Extent of impact	GRI Topics	Related disclosures	SDG ³
1. Ethics, governance and transparency	Act proactively in the face of risks arising from climate change, mitigating the environmental impacts generated by the company's operation.	Ethics and Transparency	Internal: employees External: customers, market, suppliers and society	Anti-Corruption	205-1, 205-2, 205-3	16
2. Financial sustainability and business continuity	Be alert and detect possible changes in the electricity sector, identifying and creating innovative solutions for the business.	Economic Results	Internal: employees External: customers and market	Economic Performance	201-1, 201-3, 201-4	8 and 9
3. People management, diversity and careers	Promote professional excellence through the continuous development of our employees and professional networks; define and implement training policies, career plans and talent retention actions.	Our Team	Internal: employees	Employment, Training and Education, Diversity and Equal Opportunities, Non-discrimination	102-8, 401-1, 401-2, 401-3, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1	5 and 8
4. Product Quality and Safety	Ensure high quality standards in all products and services provided, with a focus on the safety and satisfaction of our employees and consumers.	Quality Information	Internal: employees External: customers and market	Marketing and Labeling, Energy Sector Supplement – Research and Development	417-1, EU24	12
5. Innovation and Technology	Investment in innovation and new businesses to better adapt to new scenarios and market trends.	Innovation and Technology	Internal: employees External: customers and market	Management approach: electric power sector	EU8	8, 9 and 12
6. Data Privacy	Adopt robust cybersecurity practices to protect private and confidential data, in accordance with current legislation and good data governance practices.	Ethics and Transparency	Internal: employees External: customers and market	Customer Privacy	418-1	16
7. Energy efficiency	Invest continuously in initiatives and products that enable energy efficiency, sustainable infrastructure and reduced energy consumption.	Environmental Agenda	Internal: employees External: customers, market, society and environment	Energy	302-1, 302-2	7, 8, 12 and 13
8. Climate Strategy	Act proactively in the face of risks arising from climate change, mitigating the environmental impacts generated by the company's operation.	Environmental Agenda	Internal: employees External: customers, market, society and environment	Economic Performance	201-2	13

1 There is no specific limitation as to topic Boundary.

2 The material topics are addressed in the respective chapters.

3 Sustainable Development Goals

GRI Content Summary GRI 102-55

GRI Standards	Content	Website/URL	Omission	SDG*
GENERAL CONTENTS				
GRI 101: Fundamentals				
No content on GR101				
Organizational Profile				
	102-1 Name of the organization	9	-	-
	102-2 Activities, brands, products and services	9, 10	-	-
	102-3 Location of headquarters	9	-	-
	102-4 Location of operations	9	-	-
	102-5 Ownership and legal form	9	-	-
	102-6 Markets served	9, 10	-	-
GRI 102: General contents	102-7 Scale of the organization	29	-	-
	102-8 Information on employees and other workers	9, 32, 33	-	8, 10
	102-9 Supply Chain	41	-	-
	102-10 Significant changes to the organization and its supply chain	9	-	-
	102-11 Precautionary Principle or Approach	19	-	-
	102-12 External initiatives	40	-	-
	102-13 Membership of associations	40	-	-
Strategy				
GRI 102: General contents	102-14 Statement from senior decision-maker	5, 6	-	-
Ethics and integrity				
GRI 102: General contents	102-16 Values, Principles, Standards, and Codes of Behavior	4, 17	-	16

GRI Standards	Content	Website/URL	Omission	SDG*
Governance				
GRI 102: General contents	102-18 Governance Structure	16	-	-
	102-38 Annual compensation ratio	36	-	-
	102-39 Percentage increase in total annual compensation ratio	36	-	-
Stakeholder Engagement				
GRI 102: General contents	102-40 List of stakeholder groups	53	-	-
	102-41 Collective bargaining agreements	100% of our employees are covered by collective bargaining agreements.	-	8
	102-42 Identifying and selecting stakeholders	53	-	-
	102-43 Approach to stakeholder engagement	24, 40, 53	-	-
	102-44 Key topics and concerns raised	54	-	-
Reporting practices				
GRI 102: General contents	102-45 Entities included in the consolidated financial statements	Comerc Energia, Mercury Renew, Mori, Comerc Trading, Comerc Gestão, NewCom Energia, Zordon, Sou Vagalume, Comerc Gás, Micropower, Nexway Efficiency and MegaWhat.	-	-
	102-46 Defining report content and topic Boundaries	53	-	-
	102-47 List of material topics	54	-	-
	102-48 Restatements of information	None.	-	-
	102-49 Changes in reporting	54	-	-
	102-50 Reporting period	53	-	-
	102-51 Date of most recent report	2020	-	-
	102-52 Reporting cycle	Annual	-	-
	102-53 Contact point for questions regarding the report	53	-	-
	102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards “Essential” option.	-	-
	102-55 GRI Content Index	55	-	-
	102-56 External assurance	None.	-	-

GRI Standards	Content	Website/URL	Omission	SDG*
MATERIAL TOPICS				
Economic Performance				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	47	-	-
	103-3 Evaluation of the management approach	47	-	-
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	30	-	8, 9
	201-2 Financial implications and other risks and opportunities due to climate change	47	-	13
	201-3 Defined benefit plan obligations and other retirement plans	-	Not applicable.	-
	201-4 Financial assistance received from government	In 2021, Banco de Fomento e Desenvolvimento financing for equipment purchases saved approximately R\$39,000 in annual interest payments referring to investments in energy efficiency projects.	-	-
Market presence				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	35	-	-
	103-3 Evaluation of the management approach	35	-	-
GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	35, 36	-	1, 5, 8
	202-2 Proportion of senior management hired from the local community	35	-	8
Indirect Economic Impacts				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary		-	-
	103-2 The management approach and its components		-	-
	103-3 Evaluation of the management approach	The indicator was not reported in this cycle as it is not part of the company's material topics revised in 2022.	-	-
GRI 203: Indirect economic impacts	203-1 Infrastructure investments and services supported		-	5, 9, 11
	203-2 Significant indirect economic impacts		-	1, 3, 8

GRI Standards	Content	Website/URL	Omission	SDG*
Anti-Corruption				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	17	-	-
	103-3 Evaluation of the management approach	17	-	-
GRI 205: Anti-Corruption	205-1 Operations assessed for risks related to corruption	17	-	16
	205-2 Communication and training about anti-corruption policies and procedures	17	-	16
	205-3 Confirmed incidents of corruption and actions taken	No incidents of corruption were reported in 2021.	-	16
Energy				
2016GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	51	-	-
	103-3 Evaluation of the management approach	51	-	-
GRI 302: Energy 2016	302-1 Energy consumption within the organization	51	-	7, 8, 12, 13
	302-2 Energy consumption outside of the organization	51	-	7, 8, 12, 13
Environmental compliance				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	19	-	-
	103-3 Evaluation of the management approach	19	-	-
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	19	-	16
Environmental assessment of suppliers				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	41	-	-
	103-3 Evaluation of the management approach	41	-	-

GRI Standards	Content	Website/URL	Omission	SDG*
GRI 308: Supplier environmental assessment	308-1 New suppliers that were screened using environmental criteria	Currently, there is no policy, target or initiative for approving or contracting suppliers based on environmental guidelines.	-	-
	308-2 Negative environmental impacts in the supply chain and actions taken	No previous study was carried out to identify possible negative environmental impacts to the supply chain.	-	-
Emprego				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	34	-	-
	103-3 Evaluation of the management approach	34	-	-
GRI 401: Employment	401-1 New employee hires and employee turnover	34	-	5, 8, 10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	35	-	3, 5, 8
	401-3 Parental leave	In 2021, three men and three women took parental leave; they all returned to work after the leave. The same happened in 2019 (five men and three women) and 2020 (three men and three women), resulting in a 1 to 1 retention rate for all three years. At Comerc, 100% of employees are entitled to parental leave.	-	5, 8
Training and education				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	32, 37	-	-
	103-3 Evaluation of the management approach	32, 37	-	-
GRI 404: Training and education	404-1 Average hours of training per year per employee	37	-	4, 5, 8, 10
	404-2 Programs for upgrading employee skills and transition assistance programs	The workforce at Comerc is very young, so the company does not have a program aimed at career transition.	-	8
	404-3 Percentage of employees receiving regular performance and career development reviews	32, 36	-	5, 8, 10

GRI Standards	Content	Website/URL	Omission	SDG*
Diversity and equal opportunities				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	37	-	-
	103-3 Evaluation of the management approach	37	-	-
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	37, 38	-	5, 8
	405-2 Ratio of basic salary and remuneration of women to men	36	-	5, 8, 10
Non-discrimination				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	17	-	-
	103-3 Evaluation of the management approach	17	-	-
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	17	-	5, 8
Local communities				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	42	-	-
	103-3 Evaluation of the management approach	42	-	-
GRI 413: Local communities	413-1 Operations with local community engagement, impact assessments, and development programs	44, 50	-	-
	413-2 Operations with significant actual and potential negative impacts on local communities	42	-	1, 2
Marketing and labelling				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	24	-	-
	103-3 Evaluation of the management approach	24	-	-
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	24	-	12

GRI Standards	Content	Website/URL	Omission	SDG*
Customer Privacy				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	54	-	-
	103-2 The management approach and its components	18	-	-
	103-3 Evaluation of the management approach	18	-	-
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	18	-	16
Organizational Profile				
Energy Sector Supplement – organizational profile	EU3 Number of residential, industrial, institutional and commercial socioeconomic consumer units	23	-	-
Research and Development				
Energy Sector Supplement – Research and Development	EU8 Research and development activity and expenditures aimed at providing reliable electricity and promoting sustainable development	22	-	7, 9, 17
Provision of information/Disclosure				
Energy Sector Supplement – Provision of information	EU24 Practices to address language, cultural, low literacy and disability barriers related to access and safe use of electricity services and customer support	24	-	1, 7

* Sustainable Development Goals.

Corporate information

GENERAL COORDINATION

Corporate Communications

<http://www.comerc.com.br>

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