

# Our commitment to biodiversity

Plant nursery





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South American Red Brocket (*Mazama gouzoubira*)

## Biodiversity

Biodiversity is essential for the maintenance of life on Earth and for the sustainability of several economic activities. In the electric power sector, where operations frequently interact with and depend on natural ecosystems, focusing on biodiversity is a strategic pillar aimed at mitigating negative environmental impacts and promoting conservation and protection initiatives, prioritizing nature-based solutions.

The management and concern for biodiversity are of immense relevance to the CPFL Group, as we understand that the entire value chain and lifecycle of the Group's enterprises, across many segments – generation, transmission, and distribution of electric power – generate impacts and require care that must be addressed through the promotion and strengthening of best environmental practices, aiming for the rational and sustainable use of biodiversity resources and ecosystem services.

The CPFL Group values the reduction of direct and indirect pressures from our activities on biological diversity. We also seek to increase the benefits of biodiversity and ecosystem services throughout our production chains, in all the biomes where we operate.

This document reflects the alignment of the CPFL Group with national and international guidelines aimed at biodiversity protection, reinforcing our role as a transformative agent for a fairer and more environmentally balanced future.



# Our responsibility



As a company in the electric power sector operating in Brazil, the CPFL Group recognizes our fundamental role and responsibility in the protection, enhancement, and sustainable management of biodiversity and the various ecosystem services provided by nature. We are aware of the environmental challenges related to our activities and strive to minimize our impacts by promoting ecosystem restoration, responsible use of natural resources, and stakeholder engagement. Additionally, we understand that biodiversity management must be integrated into the planning, operation, and monitoring processes of our activities across all our businesses.

This Biodiversity Commitment is the starting point for the CPFL Group to consolidate the various existing fronts of action and to define a more coordinated way of working among our teams and partners, including guidelines for decision-making and the implementation of actions in all areas that have some direct or indirect impact on biodiversity.



# Our commitment

In alignment with the main national and international standards and directives aimed at the protection and enhancement of biodiversity, and particularly with the recommendations of the Kunming-Montreal Global Biodiversity Framework, adopted at the 15th Conference of the Parties to the Convention on Biological Diversity (CBD), and its extension into the National Biodiversity Targets for 2030 (CONABIO Resolution No. 9/2024), the CPFL Group commits to ensuring that the impacts of our operations and value chain on biological diversity, including ecosystems, their functions, and services, are avoided and mitigated, valued, maintained, and enhanced, while also promoting the restoration of fragile ecosystems.



We are committed  
to adhering to the  
following guidelines:





## Identification of business impacts, dependencies, risks, and opportunities on biodiversity

Brazilian Squirrel (*Guerlinguetus brasiliensis*)

The CPFL Group seeks to map, within our activities and businesses, those with the potential to cause the most significant impacts on biodiversity, in accordance with the recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD). Additionally, we identify the risks, dependencies, and opportunities related to nature that arise from our operations and value chain.

We are aware that a significant portion of these impacts occur in the energy generation and transmission businesses, particularly during the construction and implementation phases of transmission lines and substations. To this end, we conduct environmental technical studies and prepare Environmental Feasibility Reports (RAVT) to map, assess, and quantify the potential environmental impacts resulting from the implementation of new projects, providing recommendations to technical areas to minimize them during both the construction and operation phases.

The CPFL Group has been committed to deepening the understanding of the impacts of its activities. In recent years, it has become common for studies and analyses of new projects to conclude that repowering and reinforcing existing electrical network installations provide safer results for the Group's operations, in addition to ensuring neutrality regarding the potential impacts of new installations.



Woodpecker (*Picumnus temminckii*)

## Among the potential impacts of our businesses on biodiversity, we list the following:

- Suppression of native vegetation for the formation of reservoirs, construction of lines and substations, and maintenance of right-of-way areas.
- Installation of transmission and distribution lines in protected and/or sensitive areas.
- Impacts during the construction of projects, such as truck movements, noise, use of heavy machinery, which may result in the displacement or flight of animals, dismantling of nests, loss and/or fragmentation of habitats, etc.
- Collision of birds with operating wind turbine blades.
- Siltation of rivers and reservoirs.
- Eutrophication of artificial reservoirs related to lentic environments.
- Use of mechanical and chemical methods (herbicides) for vegetation control and containment.
- Leakage of mineral oil from transformers or other equipment.
- Occurrence of fires and burnings.



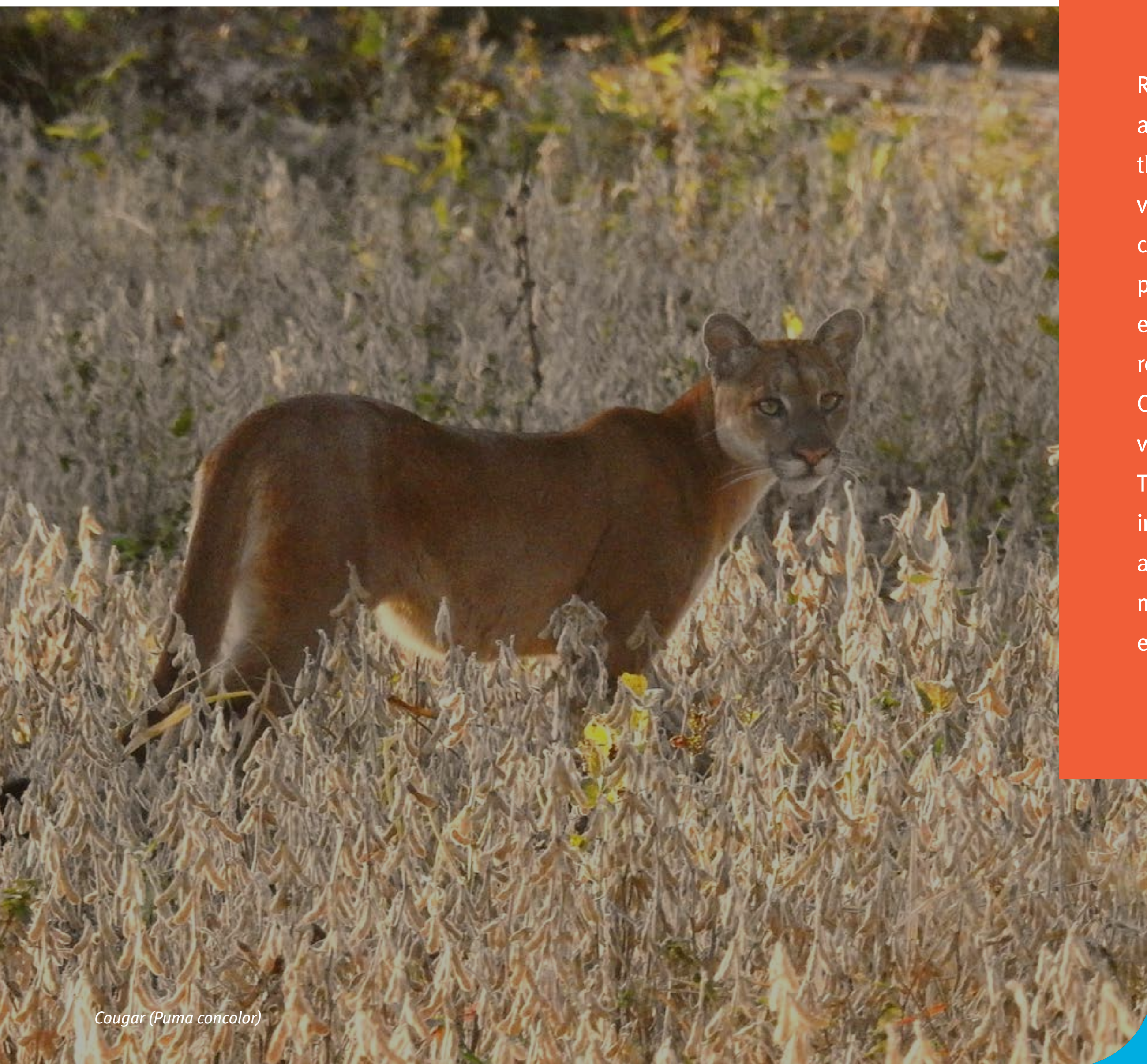
**In addition to the impacts caused by operations, we also map some potential business risks related to biodiversity, such as:**

- Interference from animals and presence of nests in substations and structures, which can impact operations and require maintenance interruptions;
- Proliferation of invasive species that can impact operations, such as the golden mussel, which can obstruct pipes and equipment in hydroelectric and supply installations, as well as influence the natural habitat of fish and aquatic animals;
- Proliferation of aquatic macrophytes, which, although playing an important role in maintaining biodiversity, metabolism, and structure of aquatic environments, their excessive and disordered growth can cause problems for the ecosystem, as well as damage to hydroelectric plants due to obstruction of water intake grids in reservoirs, affecting multiple uses and impacting other stakeholders;
- Collision of birds with wind turbine blades, which may require temporary stoppage of operations, incurring costs and interruptions in the generation, transmission, or distribution of electric power to consumers;
- Interference of vegetation in transmission and distribution networks, which, in situations of falling branches and trees, can cause interruption in the operation of this activity;
- Risks of fires and burnings, which can impact electrical infrastructure and cause temporary interruptions;

Agile Gracile Opossum (*Gracilinanus microtarsus*)







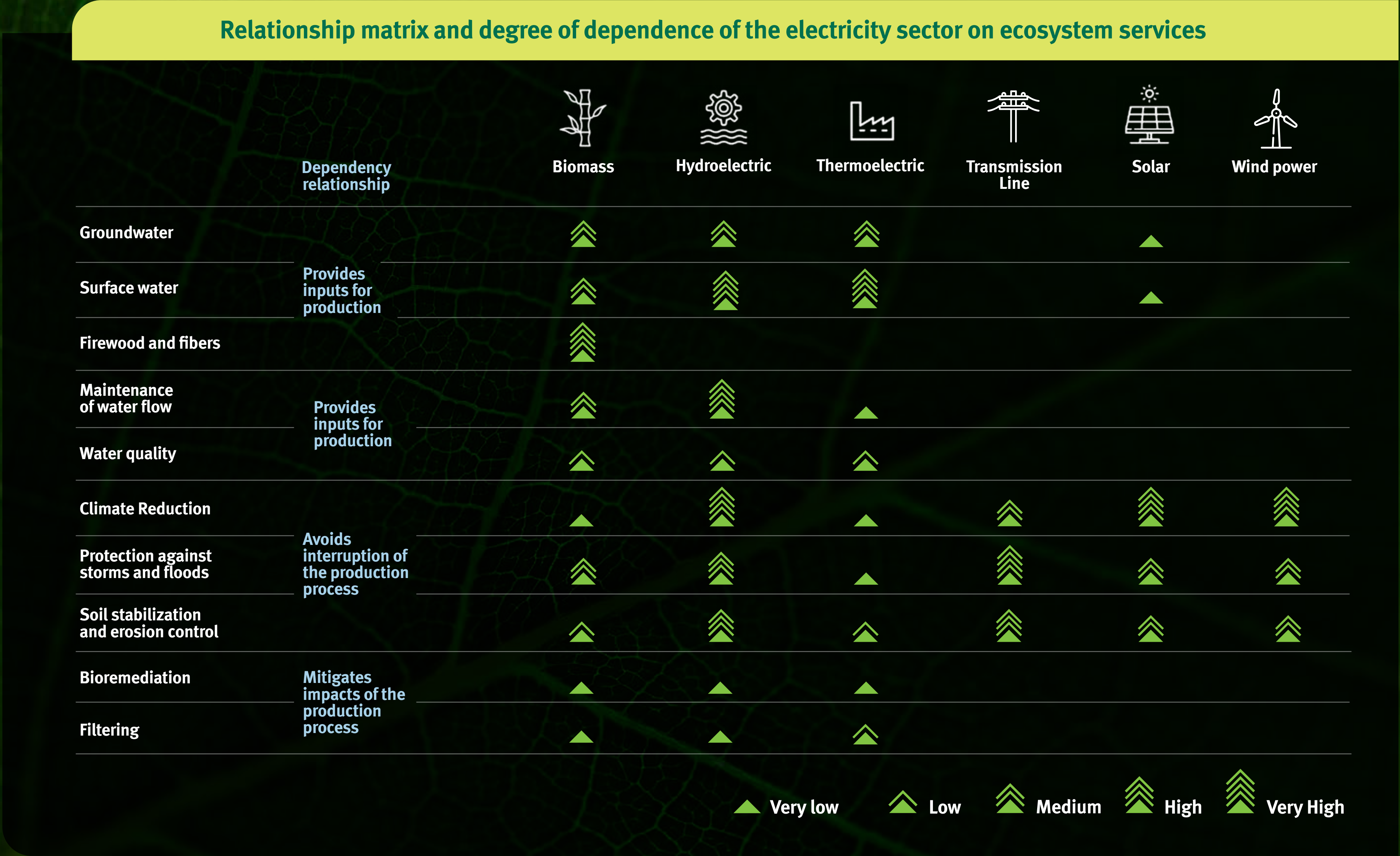
Cougar (*Puma concolor*)

Regarding the CPFL Group's dependency on biodiversity and ecosystem functions and services, it is known that healthy ecosystems play an essential role in regulating the hydrological cycle, fundamental for hydroelectric power generation. Additionally, vegetation and soils help prevent erosion, protecting reservoirs from sediments that could reduce their capacity and efficiency. Finally, the conservation of biodiversity around plants, transmission and distribution lines, and substations reduces risks related to extreme weather events, such as floods and landslides, ensuring the sector's long-term resilience. Thus, the protection of ecosystem functions and services is strategic for the CPFL Group not only for environmental balance but also for the economic and operational viability of our businesses.

The Energy Research Company (EPE) published a Technical Note (EPE/DEA/SMA/022/2021) in 2021, which establishes guidelines for the development of a matrix of the relationship and degree of dependency of the electric sector on ecosystem services. The CPFL Group's matrix, below, highlights a clear interrelationship between our operations and priority ecosystem services and biodiversity.



From the perspective of opportunities, we know that investing in ecosystem preservation can generate business benefits, such as reducing operational costs by preventing reservoir siltation, for example, as well as ensuring water availability for hydroelectric generation.



1.Fonte: Nota Técnica EPE/DEA/SMA/022/2021.



Bons Ventos Aracati II Wind Complex - CE

**In alignment with the main national and international guidelines on the protection and enhancement of biodiversity, the CPFL Group commits to:**

## Our operating principles

### General principles

- Promote harmonious coexistence between human activities and nature.
- Fully comply with current environmental legislation regarding the identification, mitigation, and management of environmental risks and impacts from our operations and value chain.
- Conduct various forms of environmental compensation, prioritizing formats that bring positive impacts to biodiversity and local communities.
- Conduct studies and research that can generate greater knowledge of the biological diversity in our areas of operation, enhancing protection, conservation, and recovery actions.





*Bamboo Frog (Aplastodiscus perviridi)*

## Assessment, prevention, and mitigation of negative impacts on biodiversity

- Apply the mitigation hierarchy to prevent, mitigate, recover, and, when unavoidable, compensate for the damages of our activities to biodiversity;
- Evaluate the possibility of not undertaking a particular project during the planning phase, prioritizing the repowering and reinforcement of existing infrastructure;
- Assess the routes of transmission and distribution lines and the location of assets during the technical feasibility analysis of projects, prioritizing less sensitive areas from a biodiversity perspective;
- Define the best routes for transmission and distribution lines and substation installations, reducing presence in indigenous areas, quilombo areas, Conservation Units (UC), Permanent Preservation Areas (APP), and habitats of threatened species;
- Adopt construction techniques or methods with lower impact, using towers and cables that avoid habitat fragmentation and allow fauna passage, employing low-impact machinery to minimize soil compaction and vegetation damage, and using drones and geoprocessing tools to reduce necessary interventions;
- If right-of-way maintenance is required, adopt selective cutting practices, avoiding fragment suppression throughout the entire lifecycle of the projects;
- Conduct pruning, removal, or replacement activities of exotic species and tree species that have the potential to reduce safety in electrical networks;
- Implement substation models with barriers that prevent animal entry and reduce the risk of electric shocks;
- Ensure proper management of simple, organic, industrial, and complex waste, such as PCB-contaminated soils (Ascarel), with mitigation plans against oil and other harmful substance leaks, as well as actions to replace equipment using contaminating mineral oil with alternatives using vegetable oil;
- Develop Environmental Plans and Programs for projects, whether in compliance with legal requirements during the environmental licensing process or voluntarily, addressing negative impacts on physical, biotic, and socioeconomic environments, as well as mitigation measures adopted during installation and throughout the entire operation cycle of the projects;



## Monitoring of biodiversity impacts

- Periodically monitor and measure the impacts and dependencies between our activities and biodiversity, promoting the strengthening of ecosystem functions and services in the regions where we operate;
- Conduct fauna monitoring programs during the implementation and operation phases of projects, even if there is no legal obligation;
- Control venomous animals and check for nests in substations;
- Define criteria for the removal of trapped fish during turbine operation, inspection, or maintenance;
- Conduct periodic technical inspections to check erosion control, reservoir siltation, and invasive species proliferation;
- Conduct monthly inspections by project managers with support from the environmental area to identify and correct any irregularities in processes;
- Provide field teams with equipment and environmental kits for controlling oil or other substance leaks, as well as emergency response action guidelines;
- Adopt mechanisms for preventing and combating fires and burnings, in partnership with local public authorities, including the removal of transmission and distribution lines from sensitive locations;

## Conservation of biodiversity and ecosystem services and promotion of restoration initiatives

- Promote biodiversity conservation through planting in own areas and engagement with partners in external initiatives;
- In addition to executing compensatory planting and management in Legal Reserve areas and Permanent Preservation Areas, use the Legal Reserve Surplus (RLE) instrument, provided for in Federal Law No. 12.651/2012, which allows the maintenance of forest remnants exceeding the mandatory percentage on third-party rural properties, to create ecological corridors that favor biodiversity conservation;
- Have forest compensation areas in the forms of reforestation and exotic species management in Conservation Units;
- Conduct voluntary projects for ecological restoration, reforestation, community nurseries, and indigenous agriculture (with direct involvement of indigenous communities in environmental management of villages and native forest recovery), as well as training community agents for agroecological environmental management, and initiatives aimed at community development, strengthening sustainable production chains, and biome recovery;
- Have a structured Degraded Area Recovery Program (PRAD);



Power subtransmission line CPFL Piratininga - SP



## Education and awareness on biodiversity

- Develop training actions aimed at raising awareness and environmental consciousness among own and third-party teams, such as Safety and Health Dialogue (DSS), with specific guidelines on environmental risks and e-learning training on vegetation management and waste control;
- Conduct environmental education programs during construction and operation, directed at workers, schools, and local, traditional, and indigenous communities;
- Raise awareness and integrate service providers through clear contractual clauses on compliance with environmental standards;
- Promote environmental awareness among family farmers, emphasizing the importance of environmental preservation, recovery of degraded areas, and rational use of natural resources in rural production;



## Engagement with the supply chain and development of partnerships for biodiversity conservation and protection

- Require contracted companies to rigorously comply with current legislation and all technical standards, policies, records, and specific requirements of the CPFL Group regarding environmental preservation;
- Promote partnerships with local and regional entities to boost environmental awareness and sustainable use of biodiversity in territories;
- Establish partnerships with state agencies and municipalities in our areas of operation, such as the “Arborização + Segura” program, which aims to gradually replace compromised trees with smaller and more suitable ones for planting near power networks. This initiative reduces power supply interruptions due to urban vegetation interference in distribution networks, promotes the replanting of native trees, and contributes to the removal of pruning waste by the municipality;



# References

**CPFL Group Documents:**

- Sustainability Policy;
- Environmental Policy;
- Stakeholder Relationship Policy;
- Environmental Licensing (GED 18381);
- Environmental Licensing - Regulated Companies (GED 13020);
- Management of Compliance with Conditions (GED 18558);
- Procedures for Monitoring Environmental Programs (GED 18539);
- Environmental Assessment of New Projects (GED 12689);
- Basic Environmental and Land Guidelines for Selecting Areas for Installing Photovoltaic Solar Plants (GED 18489);
- Environmental Risk Assessment (GED 16722);
- Environmental Master Plan – Operations (GED 18559);
- Environmental Guidelines and Responsibilities in Project Management (GED 18926);  
Environmental Guidelines for Contracted Companies (GED 5656);
- Vegetation Management under Transmission/Distribution Line Safety Zones (GED 18328);
- Environmental Care in Substation Maintenance (GED 12022);  
Removal of Trapped Fish (GED 18486);
- Environmental Emergencies (GED 12672);
- Arborização + Segura (GED 17485);

**National and International Conventions, Standards, and Directives**

- National Biodiversity Policy;
- National Biodiversity Strategy and Action Plan;
- CONABIO Resolution No. 9/2024 – National Biodiversity Targets for 2030;
- Kunming-Montreal Global Biodiversity Framework (GBF) – 15th Conference of the Parties to the Convention on Biological Diversity (COP 15);
- Global Business For Nature Coalition;
- Taskforce for Nature-related Financial Disclosure (TNFD);
- Global Standard for Nature-based Solutions – International Union for Conservation of Nature (IUCN);
- Climate Policy Initiative (CPI);
- United Nations Sustainable Development Goals (SDGs), particularly SDG 13 “Climate Action,” SDG 14 “Life Below Water,” and SDG 15 “Life on Land”;

Blue Tufted Hummingbird (Stephanoxis loddigesii)





## Key definitions

### CPFL Group

Includes the CPFL Energia holding company and all its subsidiaries and affiliates.

### Subsidiaries

Companies controlled by CPFL Energia, directly or indirectly.

### Affiliates

Companies in which CPFL Energia holds 50% or less of participation.

### Stakeholders

All relevant publics with pertinent interests in the company, or individuals or entities that assume some type of direct or indirect risk in relation to the company. Among others, these include: shareholders, employees, community, customers, suppliers, creditors, governments, non-governmental organizations, unions, press, professional associations. Also known as strategic publics. Source: ISO 26000 – International standard providing guidelines for social responsibility.

### Community

Group of people geographically positioned in the areas of operation of the CPFL Group, subject to economic, social, or environmental impacts (positive or negative) resulting from the organization's operations. Source: Global Reporting Initiative (GRI).

### Biodiversity

Abbreviation for biological diversity – means the diversity of life in all its forms – the diversity of species, genetic variations within a species, and ecosystems. Source: Convention on Biological Diversity (CBD).

### Externalities

Effects of activities that, even involuntarily, generate benefits or impose costs on third parties, without them having the opportunity to prevent this and without the obligation to pay for the benefits or the right to be compensated for the costs. Source: ISE – Corporate Sustainability Index.



