ENGIE Brasil Energia S.A.
Results Presentation
4Q19 and 2019

February 18, 2020

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HIGHLIGHTS



MAIN FINANCIAL AND OPERATIONAL INDEXES

(in R$ million)	4Q19	4Q18	Chg.	12M19	12M18	Chg.
Net Operating Revenue (NOR)	2,795.1	2,302.3	21.4%	9,804.5	8,794.8	11.5%
Results from Operations (EBIT)	1,074.3	903.1	19.0%	4,294.9	3,667.1	17.1%
Ebitda [1]	1,317.1	1,083.3	21.6%	5,163.1	4,366.6	18.2%
Ebitda / NOR - (%) [1]	47.1	47.1	0.0 p.p.	52.7	49.6	3.1 p.p.
Net Income	617.5	761.6	-18.9%	2,311.1	2,315.4	-0.2%
Return On Equity (ROE) [2]	33.0	36.6	-3.6 p.p.	33.0	36.6	-3.6 p.p.
Return On Invested Capital (ROIC) [3]	21.0	23.1	-2.1 p.p.	20.8	23.0	-2.2 p.p.
Net Debt [4]	10,191.8	6,856.3	48.6%	10,191.8	6,856.3	48.6%
Power Production (avg. MW) [5]	5,185	5,474	-5.3%	5,030	4,491	12.0%
Energy Sold (avg. MW) [6]	4,546	4,266	6.6%	4,329	4,157	4.1%
Average Net Sales Price (R$/MWh) [7]	190.53	185.17	2.9%	189.45	181.23	4.5%
Number of Employees – Total	1,429	1,370	4.3%	1,429	1,370	4.3%
EBE Employees	1,405	1,322	6.3%	1,405	1,322	6.3%
Employees on Under Construction Plants	24	48	-50.0%	24	48	-50.0%

Notes:
[1] Ebitda represents: net income + income tax and social contribution + financial result + depreciation and amortization + impairment.
[2] ROE: net income of the past 4 quarters/shareholders' equity.
[3] ROIC: effective tax rate x EBIT / invested capital (invested capital: debt – cash and cash equivalents – deposits earmarked for debt servicing + SE).
[4] Adjusted amount, net of gains from hedge operations.
[5] Total gross electricity output from the plants operated by ENGIE Brasil Energia.
[6] Disregarding sales for quotas regime (Jaguara and Miranda HPPs).
[7] Net of taxes and trading operations.

HIGHLIGHTS



The Company announced the **acquisition of Transmissora Novo Estado Energia**, of up to R$ 410 million, which will expand EBE's presence in the transmission segment.



EBE received **R$ 351 million in dividends**, substantially arising from retained profits from the jointly held **Transportadora Associada de Gás (TAG),** in 4Q19.



For the 15th consecutive year, EBE was included as a component of the **Corporate Sustainability Stock Index (ISE).** The Company is one of the seven companies comprising the ISE since the latter's inception.

HIGHLIGHTS



EBE and Banco Itaú renewed their partnership to the benefit of the environment and sustainable development. The bank is to offset 35,354 tons of CO_2 related to emissions of greenhouse gas emissions reported in 2018, via the acquisition of **carbon credits from the Lages Cogeneration Unit (UCLA).**

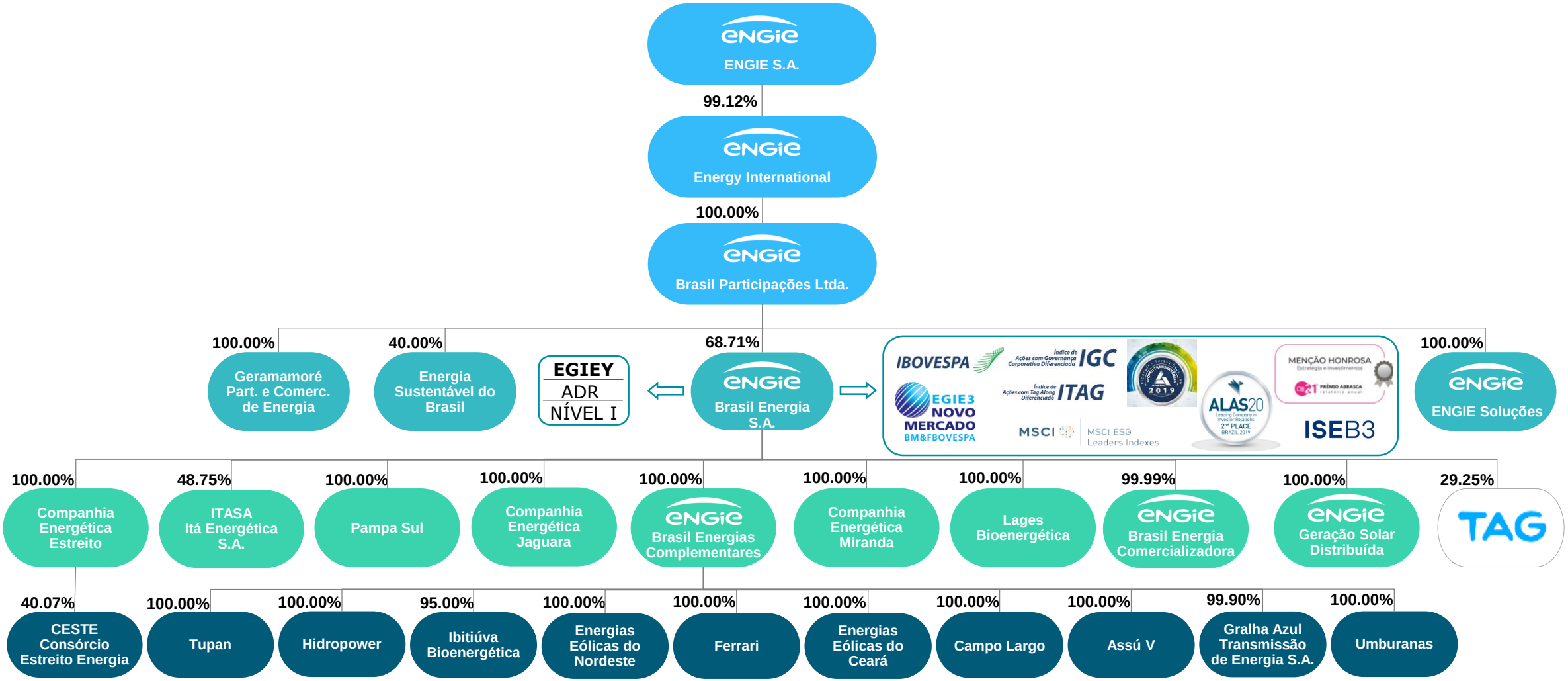


Approved the **proposal for distributing complementary dividends** of R$ 949.7 million (R$ 1.1640/share), to be ratified by the Annual General Meeting. With that, total earnings to be distributed for fiscal 2019 will amount to R$ 2,197.1 million (R$ 2.6928/share), equivalent to **100% payout by the fourth consecutive year**.



SHAREHOLDING STRUCTURE AND BUSINESS SEGMENTS

SHAREHOLDING STRUCTURE[1]



Note:
[1] Simplified chart for illustrative purpose only.

CONSISTENT EXPANSION

IN A DIVERSIFIED PORTFOLIO OF ASSETS

GENERATION

60 power plants operated with own installed capacity of **8,710.5 MW** (as from 12/31/2019)

TRANSMISSION

~2,800 Km of transmission lines under implementation

DISTRIBUTED SOLAR GENERATION

Total of **2,413 installed systems,** with **35,935 kWp** of capacity (as from 12/31/2019)

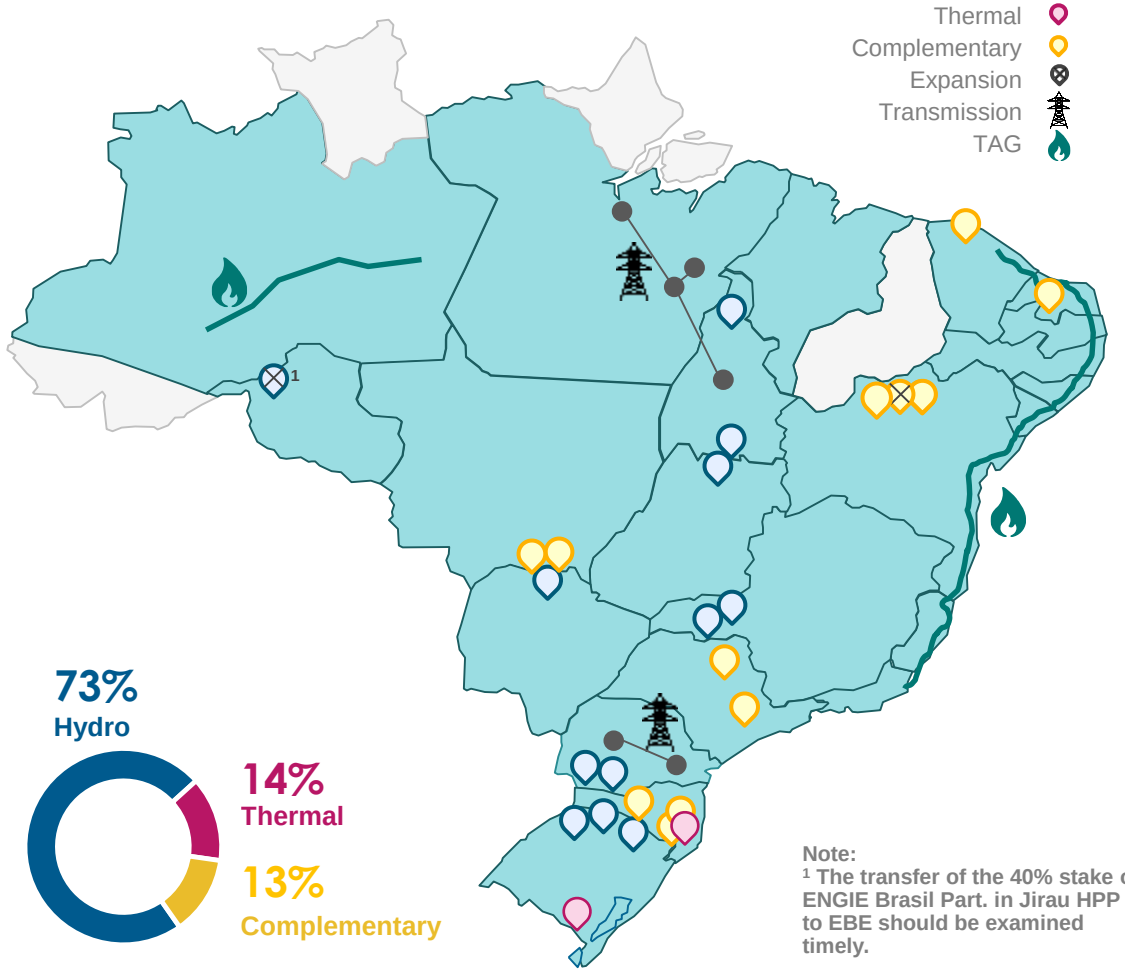
NATURAL GAS (TAG)

4,500 Km of pipelines in the Southeast, Northeast and North regions

- EBE's stake of **29.25%**

TRADING

Start of operations in **2018**



73% Hydro

14% Thermal

13% Complementary

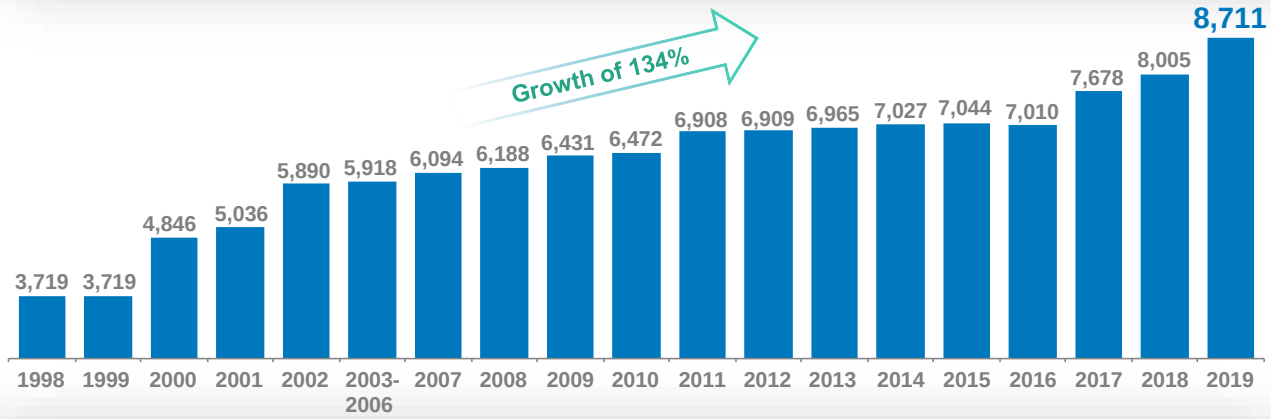
Note:
[1] The transfer of the 40% stake of ENGIE Brasil Part. in Jirau HPP to EBE should be examined timely.

ENERGY GENERATION

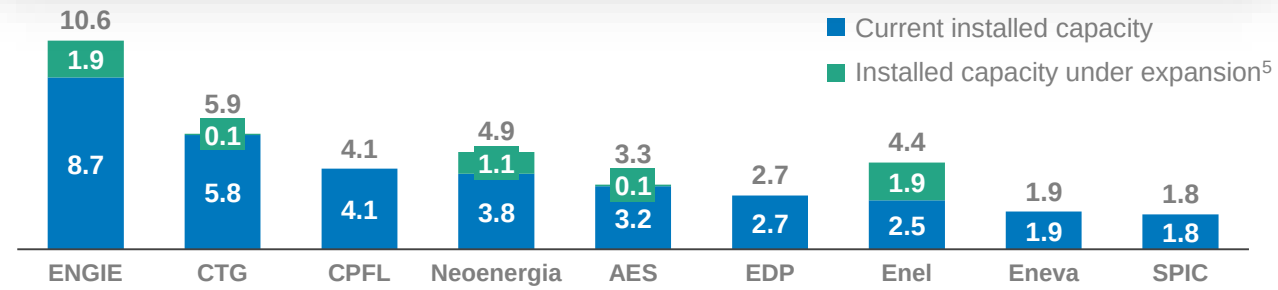
RELEVANCE AMONG POWER PRODUCERS

EBE is part of the largest independent power producer group in the country and is positioned to capture business opportunities.

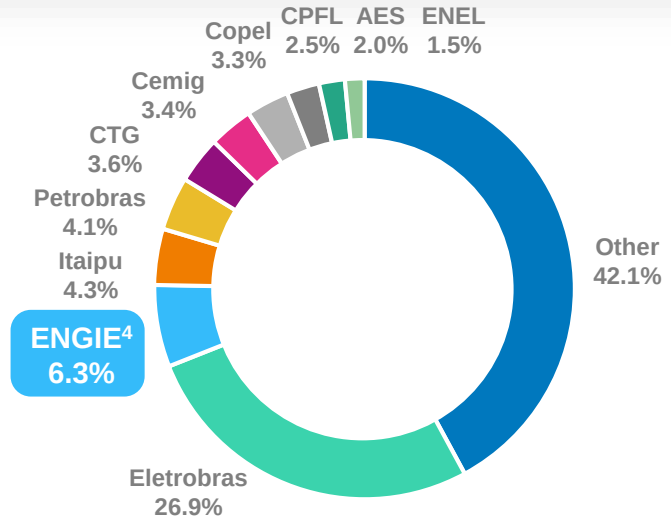
Energy Generation | Proprietary Operating Installed Capacity (MW)



Private Sector – Own Installed Capacity[1] (GW)



Brazil – Existing Installed Capacity[2,3]



Source: Aneel, Companies' websites and in-house studies.
Notes:

1 Apparent sum-related errors are a result from rounding of addends.
2 Amount corresponding to National Interlinked System (SIN), considering the Operation Monthly Program (PMO) as of January 2020.
3 Includes only the Brazilian part of Itaipu.
4 Considering the consolidated installed capacity of the group in Brazil, including HPP Jirau.
5 Based on information from Aneel, ONS and internal study.

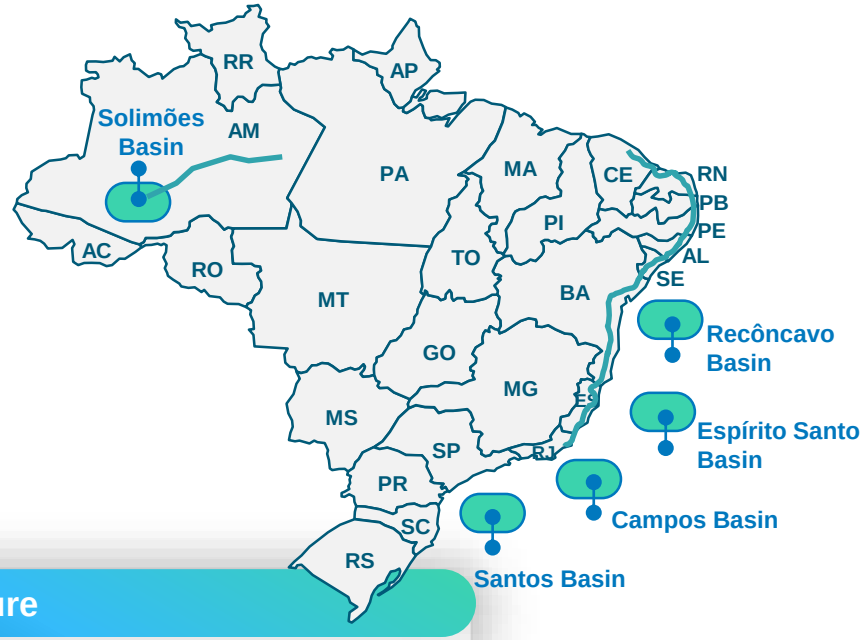
NATURAL GAS

TRANSPORTADORA ASSOCIADA DE GÁS (TAG)

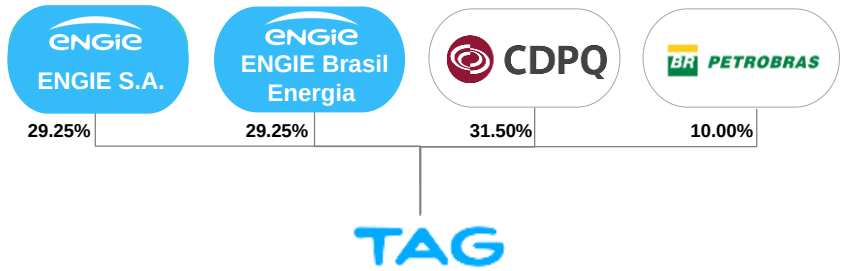
Entry into the natural gas segment materializing the strategy of becoming a key player in the Brazilian infrastructure energy sector.

Technical Characteristics

- ~4,500 km of high-pressure gas pipelines:
  3,700 km on the coast
  800 km in the Amazon region
- Contracted firm capacity for transporting more than 70 million m^3/day.
- 11 compression stations.
- Network with various interconnection points:
  - 10 gas distributors
  - 90 delivery points
  - refineries, fertilizer and power production plants supplied
  - 13 active gas entry points (including 2 LNG terminals)



Shareholding Structure



NATURAL GAS

TRANSPORTADORA ASSOCIADA DE GÁS (TAG)

High level of contracted volume, for an average term of approximately 10 years, in the regulated market.

Contracts breakdown

Gas Pipelines	Size (km)	Agreement Maturity	Termination of Authorization	Contracted Volumes (MM m³/day)	% of the Net Operating Revenue[1]
Gasene	1,401	Nov-2033	Mar-2039	30.3	36.9%
Malha NE	2,002	Dec-2025	Mar-2039	21.6	24.0%
Pilar-Ipojuca	189	Nov-2031	Nov-2041	15.0	6.6%
Urucu-Coari-Manaus	802	Nov-2030	Nov-2040	6.3	32.5%
Lagoa Parda Vitoria	81	Under negotiation	Mar-2039	0.7	-
Total	**4,475**			**73.9**	**100.0%**

- No construction and volume risk (ship or pay contracts).
- Following the expiry of the current agreements, a five-year tariff revision cycle will be triggered under the responsibility of ANP[2], which will decide the revised maximum permitted revenue flow:
  - calculation of the regulated WACC
  - validation of the regulated asset base
  - check of Opex and depreciation

Notes:
[1] Variations in revenue representativeness between GTAs may occur.
[2] Agência Nacional do Petróleo/National Petroleum Agency.

TRANSMISSION

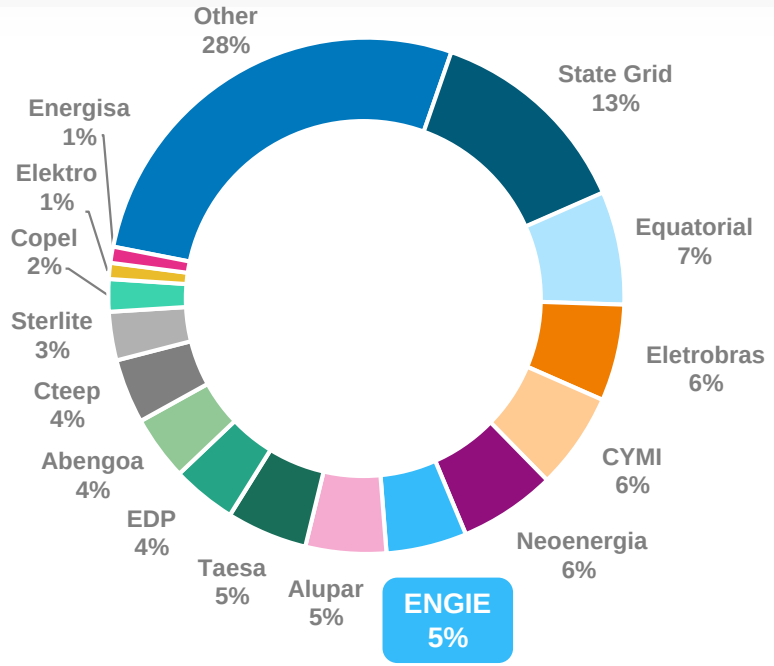
EXPANDING ITS SHARE IN THE ELECTRIC POWER INDUSTRY

Presence in the energy transmission segment materializing the strategy of diversification in energy infrastructure.

Transmission Segment – Main numbers

- Total Maximum Annual Allowed Revenue (RAP) of transmission companies: R$ 25.8 billion[2].
- Considering all auctions from 2013 to 2019, over than 55 thousand km of lines (R$ 12 billion RAP) were auctioned.
- 2 power transmission auctions scheduled for 2020 by the Ministry of Mines and Energy (MME).

Brazil Auctions 2013-2019 – Market Share (%RAP)[2]



Notes:

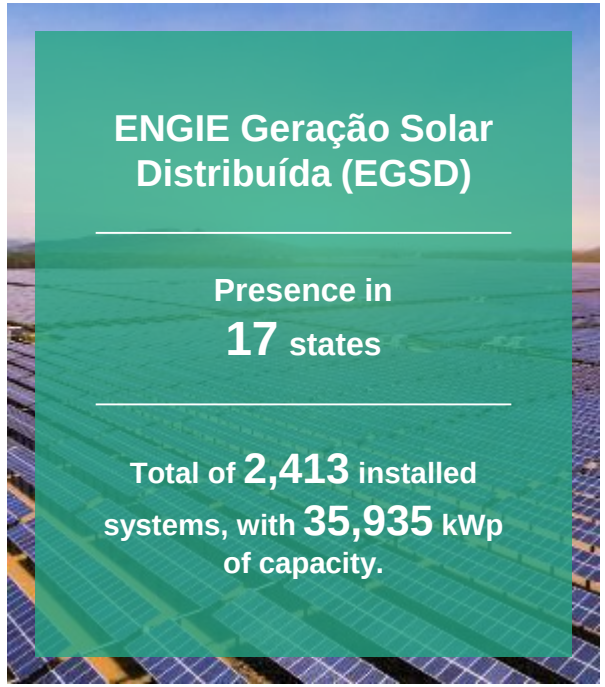
[1] Total RAP of transmission companies in the 2019-2020 cycle was approved in REH 2,565/2019.

[3] Considering the winners in the auctions and the acquisition of Transmissora Novo Estado Energia by EBE .

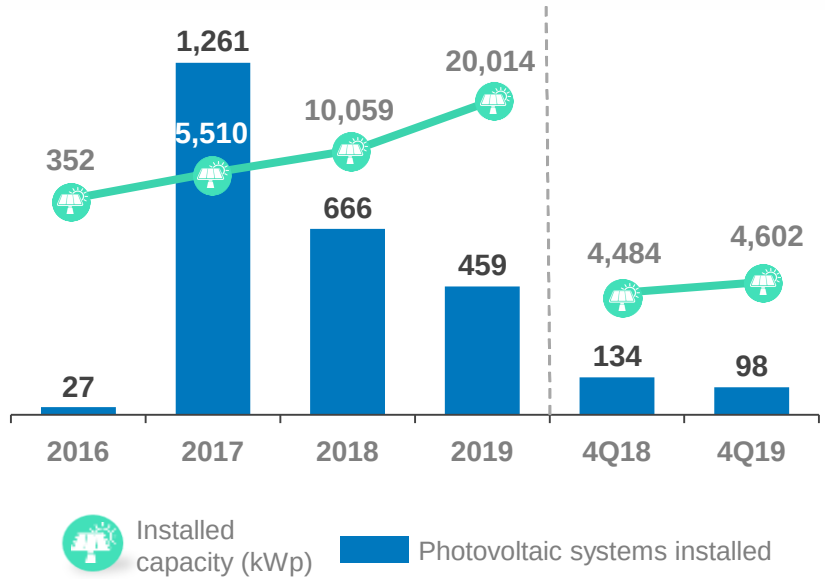
DISTRIBUTED SOLAR GENERATION

GREATER PROMIXITY TO THE FINAL CONSUMER

The B2B segment, responsible for projects involving larger installed capacity, accounted for 91.4% of commercialized capacity in 2019.



Number of units and installed capacity





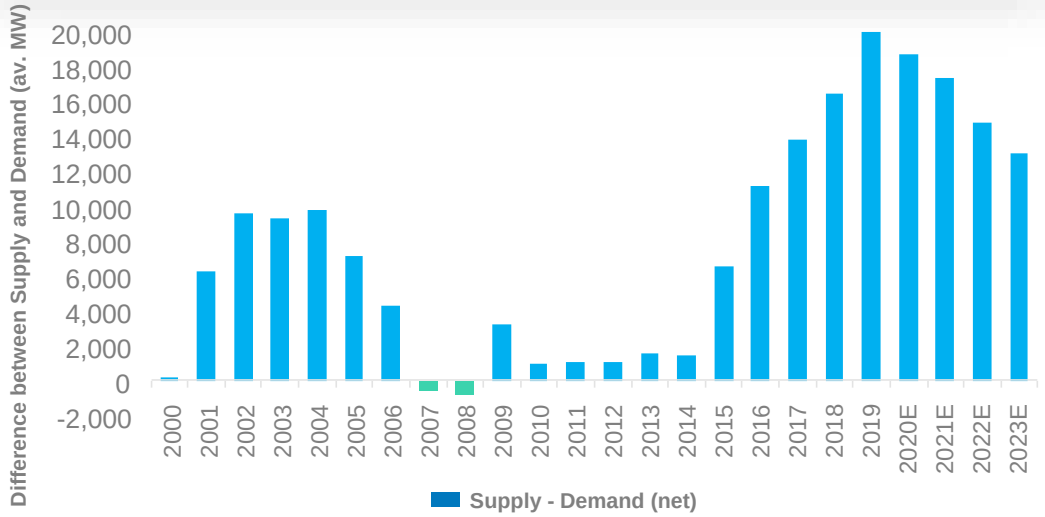
ENERGY MARKET IN BRAZIL

ENERGY MARKET

- **Supply:** in the past, supplied by hydroelectric plants with reservoirs. Currently, a greater presence of thermoelectric and hydroelectric run-of-river plants. Continuous expansion of supply from intermittent sources and water shortages recurrence
- **Demand:** the recovery in consumption will accelerate the over-supply reduction.

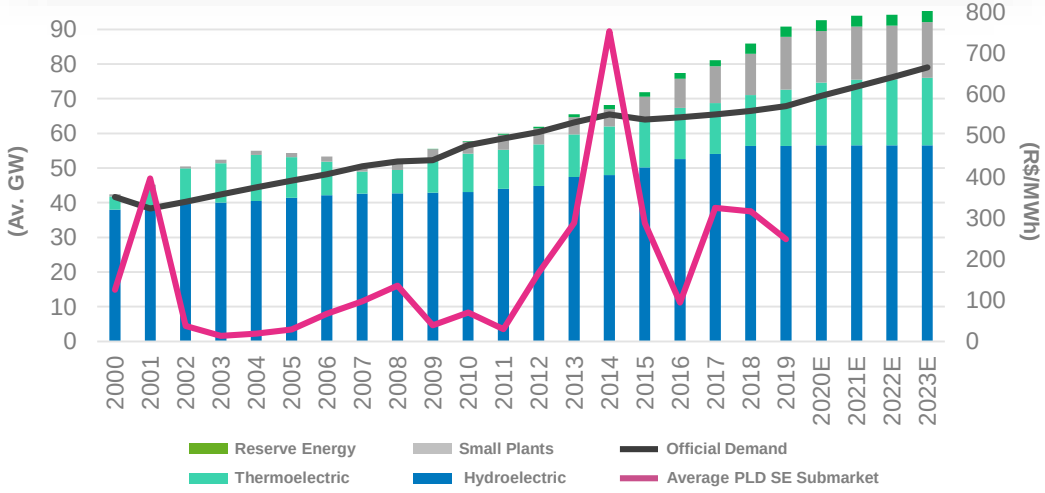
- **Surplus of capacity in the short-medium term, with a scarcity of energy and storage**
- **Greater volatility of spot prices at a high level**

Theoretical Supply x Demand (ignores GSF impact)



Source: ENGIE Brasil Energia internal study based on official sector documents.

Distribution of Supply by Source



Source: Internal study based on Aneel and ONS data.

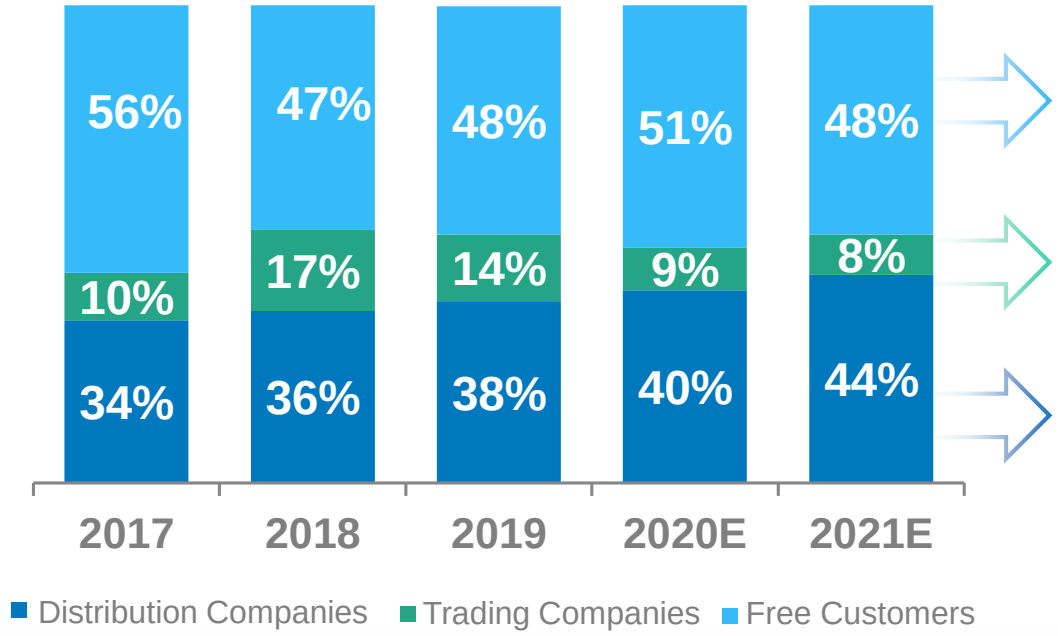
SALES AND ENERGY TRADING STRATEGY



DIVERSIFIED PORTFOLIO

AMONG DISTRIBUTION, FREE CUSTOMERS AND TRADING COMPANIES

Client Breakdown (based on contracted energy)



First to consistently serve the free market…

- Flexibility (prices, terms and conditions) → Maximizes portfolio's efficiency
- Opportunistic contracts (purchase/sale) → Product assembly
- Largest consumer market
- Regulated and unregulated contracts (signed until 2004) → Long-term cash flow predictability

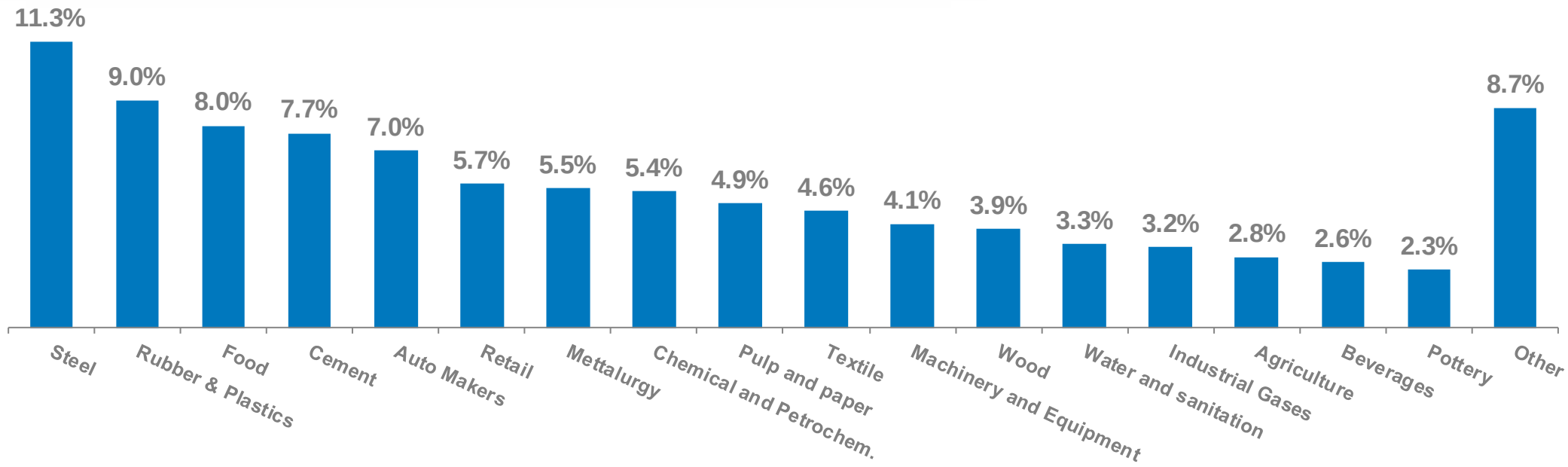
…to minimize risks and to maximize portfolio's efficiency.

The portfolio of free customers rose from 515 in 2018 to 621 in 2019, an increase of 21%.

DIVERSIFICATION ALSO WITHIN THE FREE CUSTOMERS PORTFOLIO

Free customer industry diversification and a strict credit assessment policy allow for a zero-default reality in the Free Contracting Environment (ACL).

Free customers total sales volume for 2020: 2,656 average MW



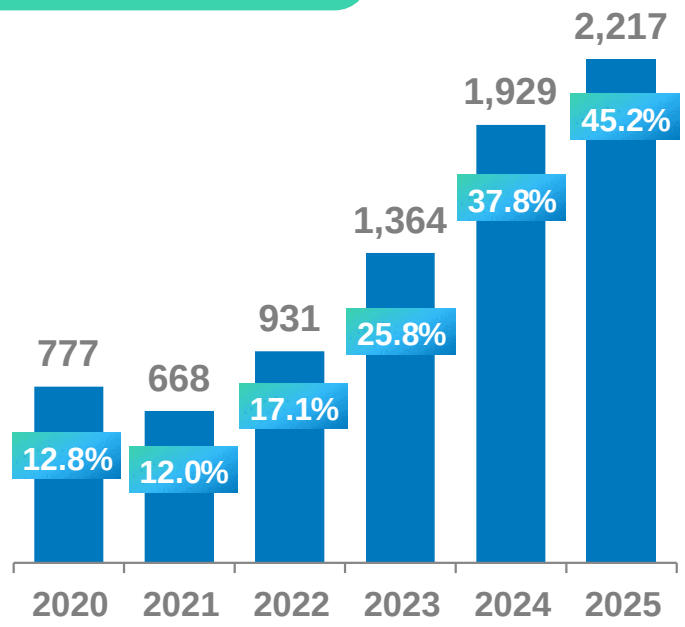
Source: Internal study based on IBGE's classification.

COMMERCIAL STRATEGY

CONSIDERS THE GRADUAL SALE OF FUTURE ENERGY AVAILABILITY

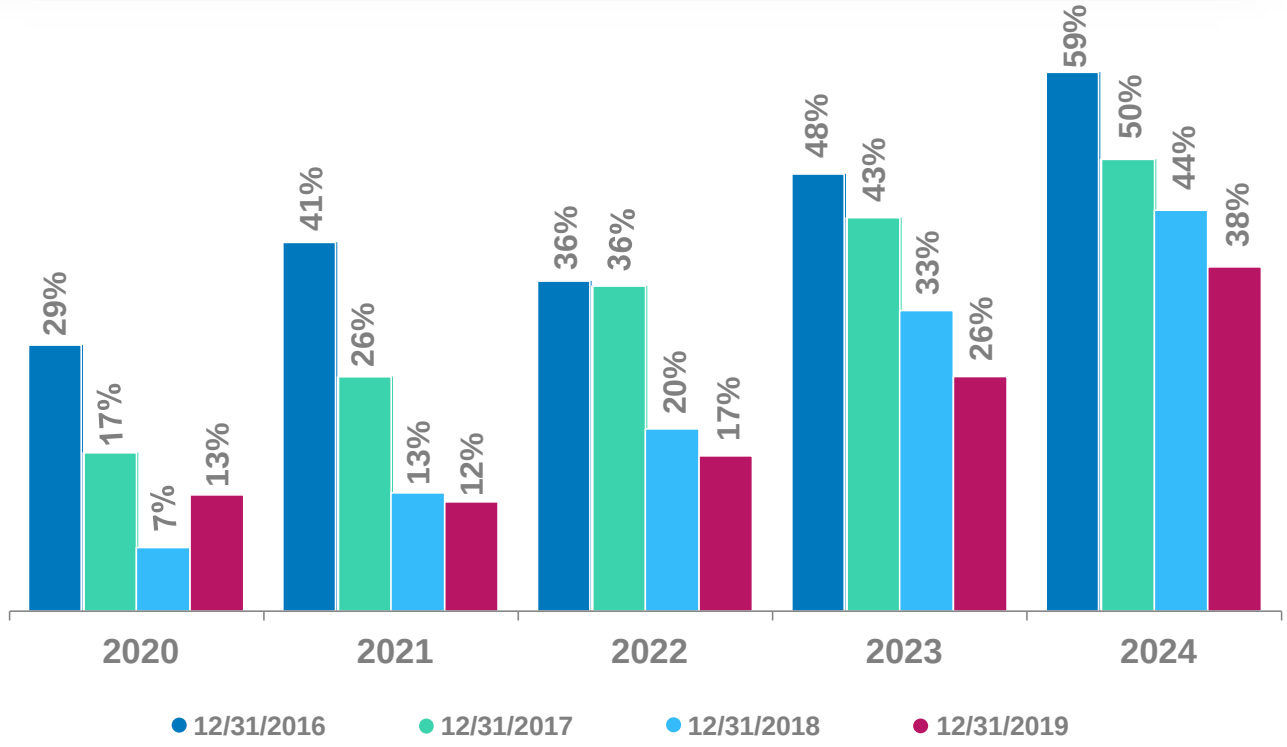
Uncontracted energy[1] (average MW)

as of December 31, 2019



Note:
[1] Percentage of total resources.

Uncontracted energy compared to the availability of a given year



ENERGY BALANCE AS OF DECEMBER 31, 2019

	(in average MW)	2020	2021	2022	2023	2024	2025	Auction **Gross** Price (R$/MWh)	Reference Date	**Gross** Price Adjusted (R$/MWh)	**Net** Price of PIS/COFINS/P&D (R$/MWh)
	Own Resources	4,706	4,864	4,921	4,917	4,917	4,731				
+	Purchases for Resale	1,376	703	533	374	185	174				
=	**Total Resources (A)**	**6,082**	**5,567**	**5,454**	**5,291**	**5,102**	**4,905**				
	Government Auction Sales[1]	2,010	2,010	2,010	2,010	2,005	2,005				
	2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	236.1	212.2
	2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	259.4	233.0
	2006-NE-2011-30	148	148	148	148	148	148	135.0	Nov-06	270.2	242.8
	2007-NE-2012-30	256	256	256	256	256	256	126.6	Oct-07	243.7	218.9
	Proinfa	19	19	19	19	19	19	147.8	Jun-04	286.6	276.2
	1st Reserve Energy Auction	12	12	12	12	12	12	158.1	Aug-08	284.7	274.3
	Auction Mix (New Energy / Reserve / DG)	14	14	14	14	9	9	-	-	279.3	269.1
	2014-NE-2019-25	295	295	295	295	295	295	183.5	Mar-14	235.7	211.7
	2014-NE-2019-25	10	10	10	10	10	10	206.2	Nov-14	261.0	251.5
	2014-NE-2019-20	82	82	82	82	82	82	139.3	Nov-14	176.4	160.1
	2015-NE-2018-20	46	46	46	46	46	46	188.5	Aug-15	223.5	202.8
	8th Reserve Energy Auction	9	9	9	9	9	9	303.0	Nov-15	356.3	323.3
	2014-EN-2019-20	48	48	48	48	48	48	136.4	Nov-14	176.7	160.4
	Government Auction - Quotas regime										
	2018 - Quotas (UHJA) - 2018-30	239	239	239	239	239	239	-	Jul-17	148.8	142.0
	2018 - Quotas (UHMI) - 2018-30	139	139	139	139	139	139	-	Jul-17	167.8	160.1
+	Bilateral Sales	3,295	2,889	2,513	1,917	1,168	683				
=	**Total Sales (B)**	**5,305**	**4,899**	**4,523**	**3,927**	**3,173**	**2,688**				
	Balance (A - B)	**777**	**668**	**931**	**1,364**	**1,929**	**2,217**				
	Sales Average Price (R$/MWh) **(net)**[2,3]:	190.2	189.3	189.0							
	Purchases Average Price (R$/MWh) **(net)**[4]:	176.3	178.1	173.0							

[1] XXXX-YY-WWWW-ZZ, where:
XXXX -> year of auction
YY -> EE = existing energy or NE = new energy
WWWW -> year of delivery start
ZZ -> supply contract duration (in years)

[2] Sales price, including trading operations, net of ICMS and taxes over revenue (PIS/Cofins, R&D), i.e. future inflation is not being considered.
[3] Disregarding sales for quotas regime (Jaguara and Miranda HPPs).
[4] Purchase net price, considering trading operations and benefits from PIS/Cofins credits, i.e. future inflation is not being considered.

Notes:
- The balance refers to the settlement point (net of losses and internal consumption of the plants).
- The average prices are considered simply estimates and are based on financial planning revisions, not capturing volume changes, which are updated quarterly.


EXPANSION

EXPANSION:

JIRAU HPP | UPDATE



CAPEX: approximately R$ 20 billion

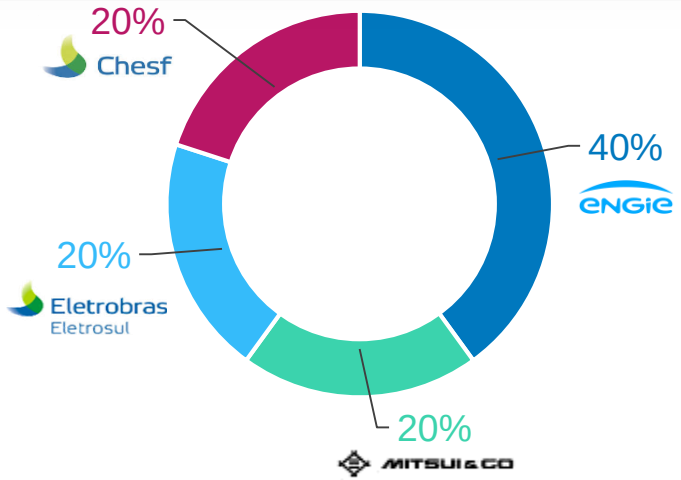
Financing conditions:

- R$ 9.5 bilhões (initial R$ 7.2 billion + R$ 2.3 billion) with amortization in 20 years: 100% financed by BNDES
- interested rate: TJLP + spread from 2.25% to 2.65%

Majeure lawsuit - recognition of 535 days in First Instance. Analysis processing in the Second Instance.

The transfer of the stake of ENGIE Brasil Part. in Jirau HPP to EBE has put on hold, awaiting more favorable conditions for the discussions to resume.

Energia Sustentável do Brasil (ESBR) Shareholding Structure



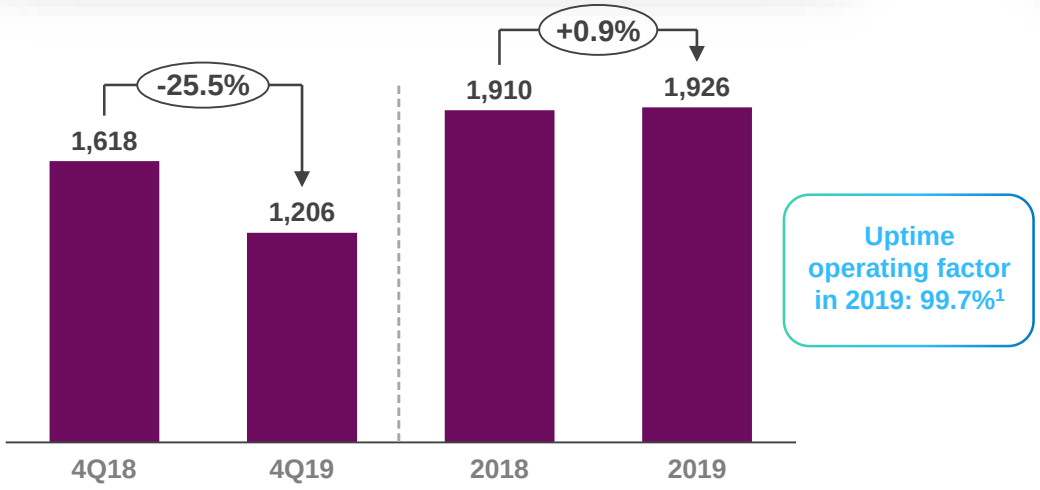
EXPANSION:

JIRAU HPP | UPDATE

Options to create additional value

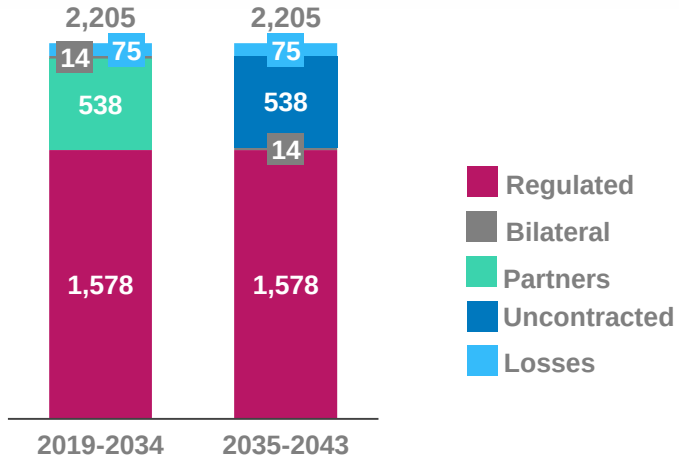
- Constant reservoir level
- Recalculation of transmission tariff
- Sale of carbon credits
- Additional long-term tax breaks
- Recalculation of GFOM/Renegotiation of GSF
- Rebalancing of the agreement

Production (MW average)[1]



Uptime operating factor in 2019: 99.7%[1]

ESBR PPA's portfolio (MW average)



Note:
[1] Subject to final CCEE booking.

WIND PROJECT UNDER CONSTRUCTION:

CAMPO LARGO WIND COMPLEX (PHASE II)

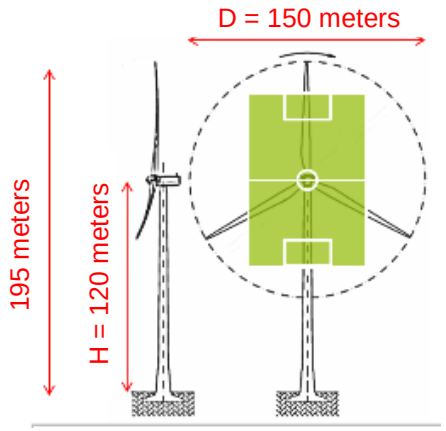
Sales contracted in the free market enables the installation of the project
Synergies with the Company's other wind power complexes in the region.

- Significant progress in civil construction work on accesses and assembly platforms during 4Q19.
- Installation of medium voltage networks which connect the wind turbines to the collector substation - work in progress.

Campo Largo Wind Complex (Phase II)



General view of the 230kV substation.





CE Campo Largo
Sento Sé and Umburanas (BA) (Phase II)

Total Installed Capacity:
361.2 MW

Commercial Capacity:
196.5 aMW

Investment (R$mm)[1]: ~R$ 1,600

Start of construction: 2019	Start of operation: 2021

Nº of wind turbines: 86 (~ 4.2 MW each)

Note:
[1] Value as of January 2019.

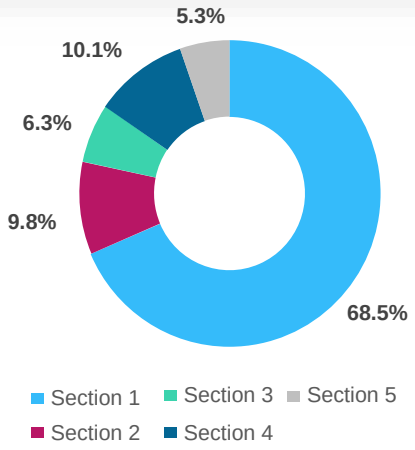
TRANSMISSION LINE UNDER CONSTRUCTION:

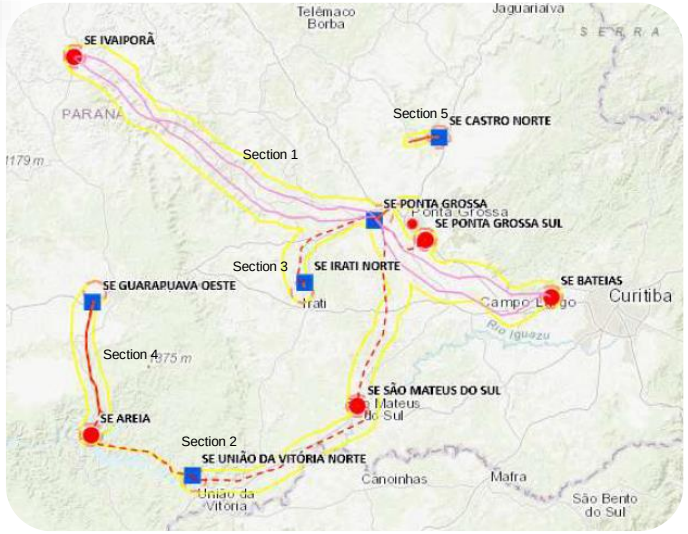
GRALHA AZUL TRANSMISSION SYSTEM

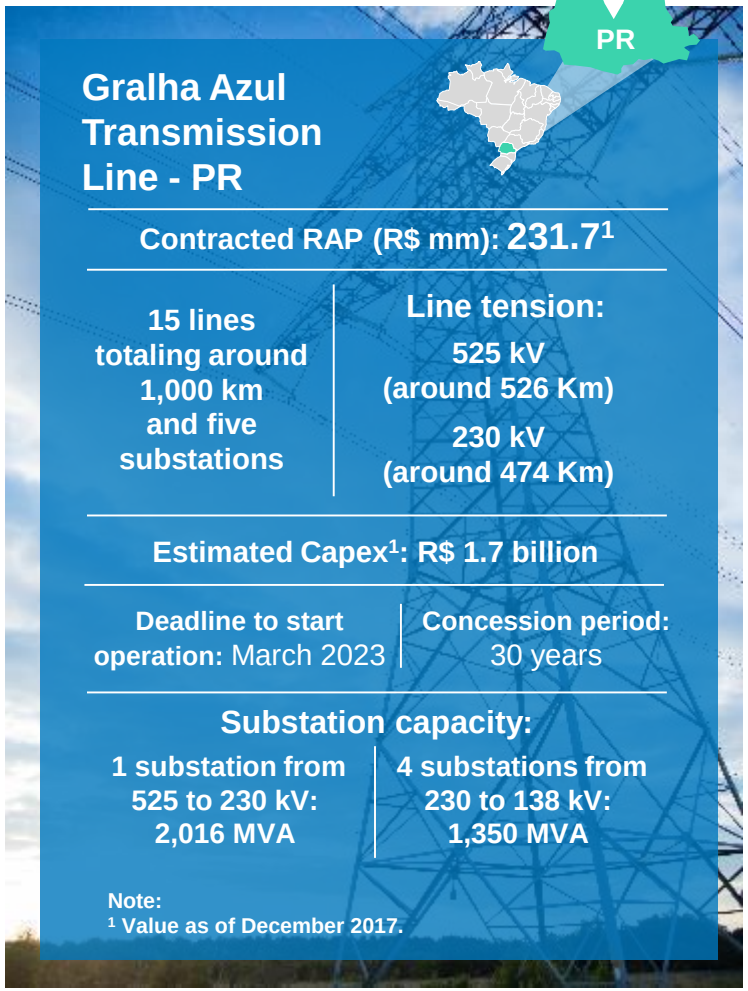
Investment below Aneel projections

- All Installation Licenses for the project have been issued.

RAP by section (%)





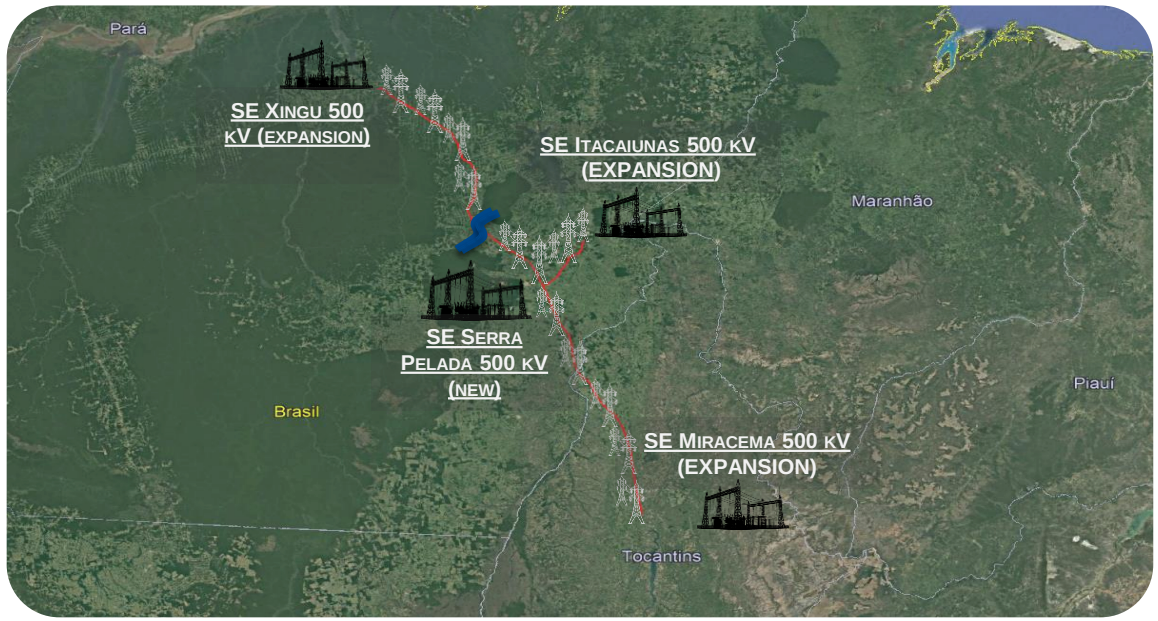


TRANSMISSION PROJECT UNDER IMPLEMENTATION:

TRANSMISSORA NOVO ESTADO ENERGIA

The project's installation license has already been issued by IBAMA and construction is scheduled to begin in the first half of 2020

- Expanded participation in energy transmission via acquisition
- Closing scheduled to occur in 1Q20



Novo Estado Transmission Project – PA/TO



Contracted RAP (R$ mm): 313.1[1]

- **Around 1,800 km of 500 kv transmission lines, crossing 22 municipalities**

Estimated Aneel Capex: R$ 2.8 billion[1]

Deadline to start operation: March 2023

Concession period: 30 years

Substations:

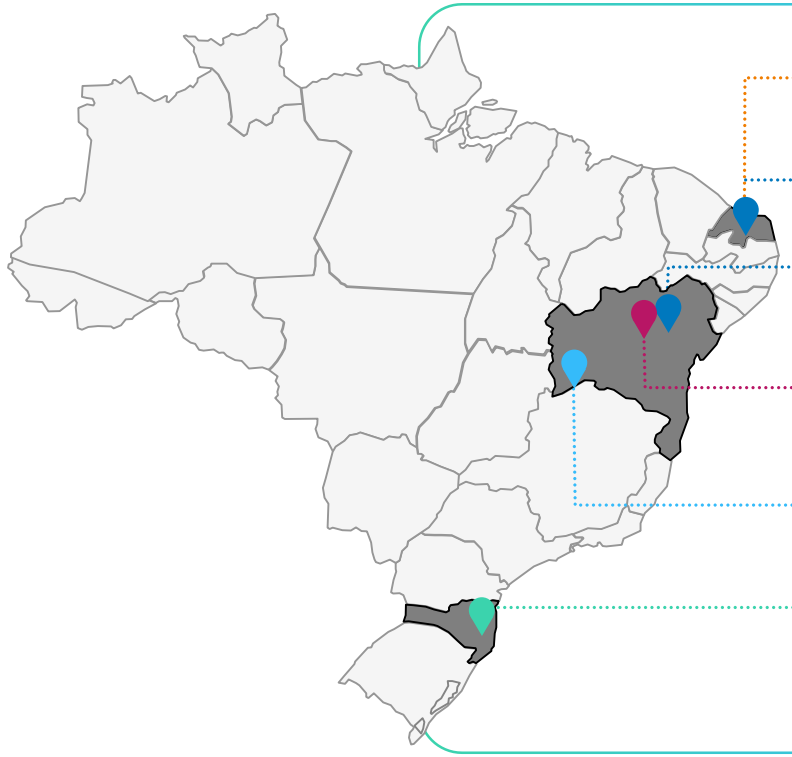
1 new substation of 500 Kv

Expansion of 3 existing substations

Note:
[1] Value as of December 2017.

PROJECTS UNDER DEVELOPMENT

ENGIE Brasil Energia has also a portfolio of assets under development. Some of them are presented below.



Assú I, II, III and IV Photovoltaic Centrals - RN
Installed Capacity: 120 MW

Sto. Agostinho WC - RN
Installed Capacity: 800 MW

Umburanas WC – BA (Phase II)
Installed Capacity: 300 MW

Campo Largo WC – BA (Phase III)
Installed Capacity: 250 MW

Alvorada Photovoltaic Complex - BA
Installed Capacity: 90 MW

Norte Catarinense TPP - SC
Installed Capacity: 600 MW
Fuel: natural gas

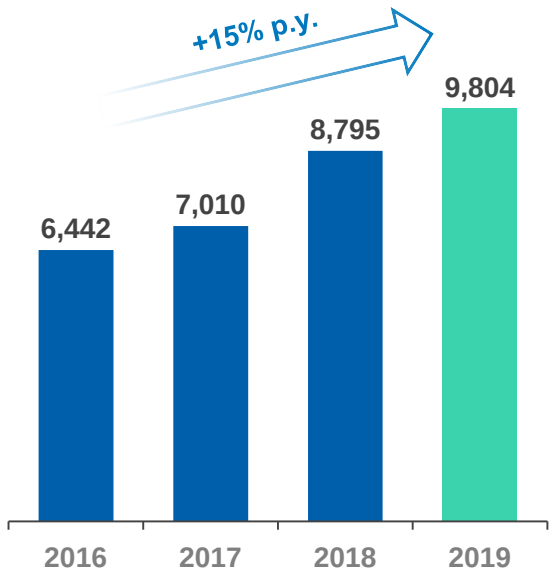


FINANCIAL PERFORMANCE

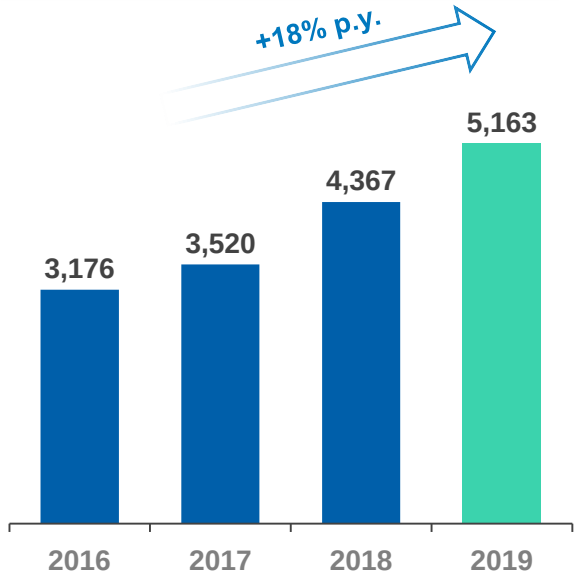
SOLID FINANCIAL PERFORMANCE

Efficiency in the management of the portfolio and the focus on contracting strategies has enabled the Company to report consistent results despite periods of economic instability and accelerated investment cycles.

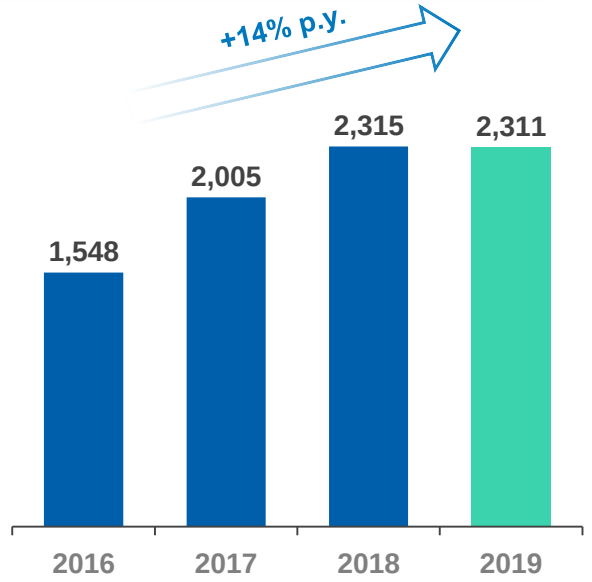
Net Operating Revenue
(R$ million)



Ebitda
(R$ million)

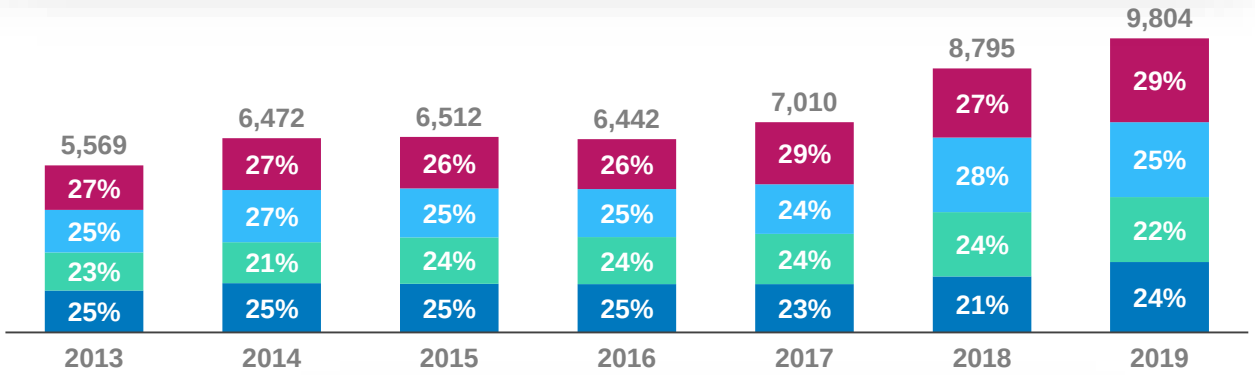


Net Income
(R$ million)



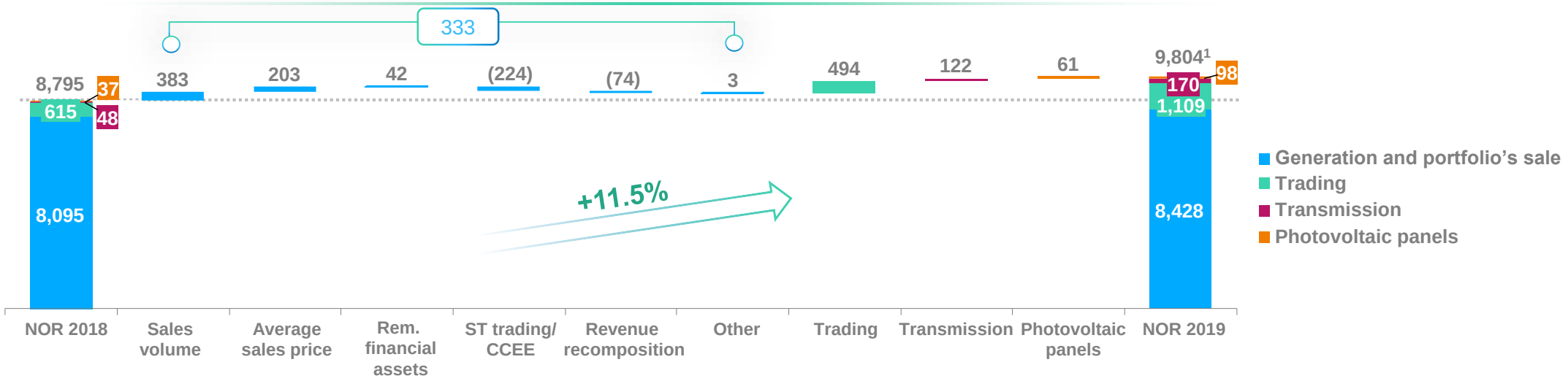
NET OPERATING REVENUE CHANGE

Net operating revenue change (R$ million)



4th Quarter
3rd Quarter
2nd Quarter
1st Quarter

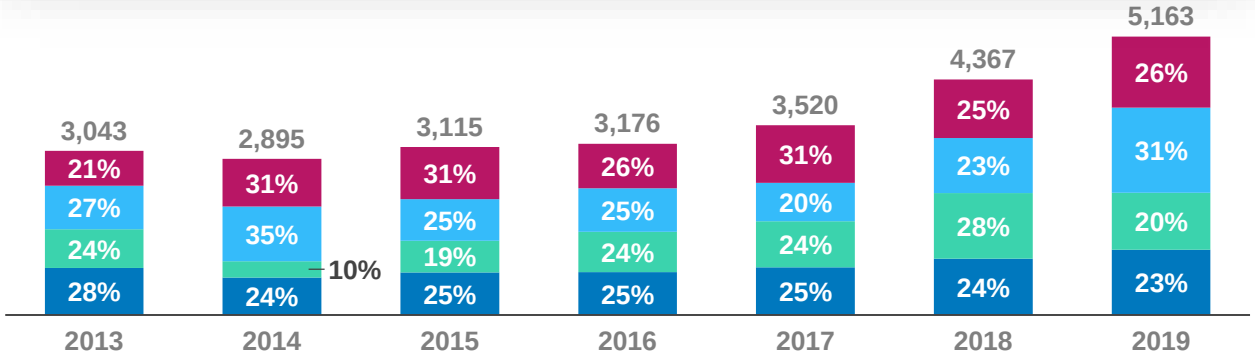
% of the net operating revenue



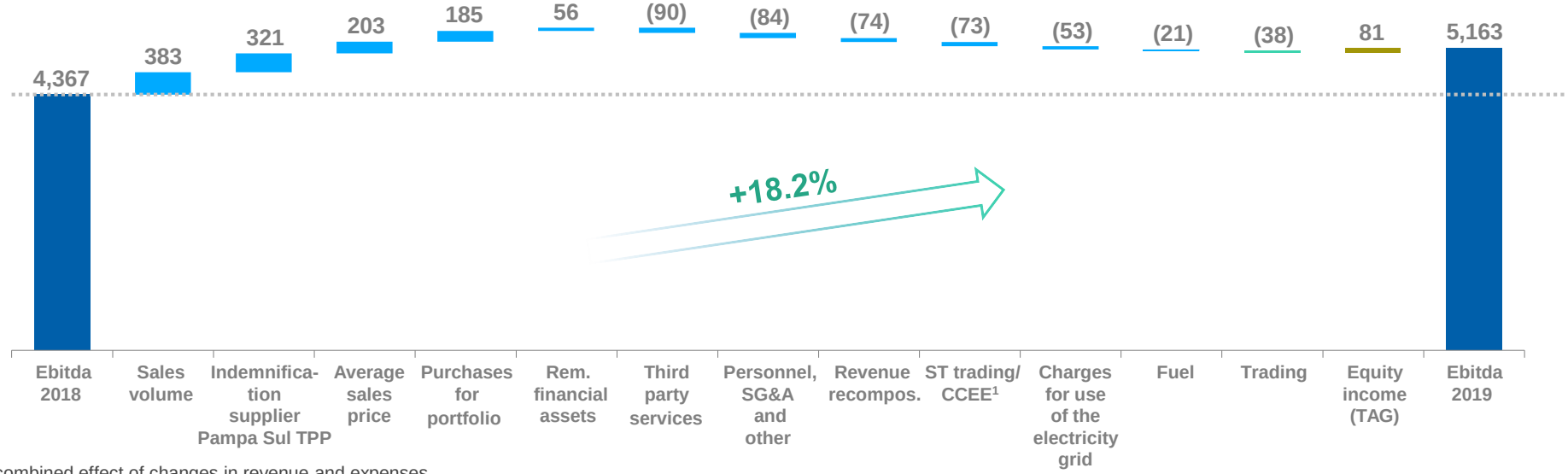
Note:
[1] Apparent sum-related errors are a result from rounding of addends.

EBITDA CHANGE

Ebitda change (R$ million)



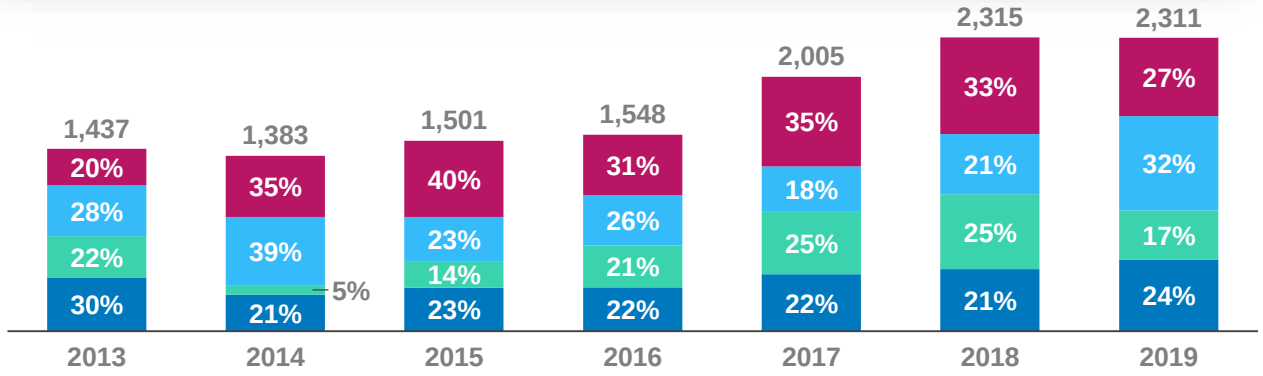
% of the accumulated annual Ebitda



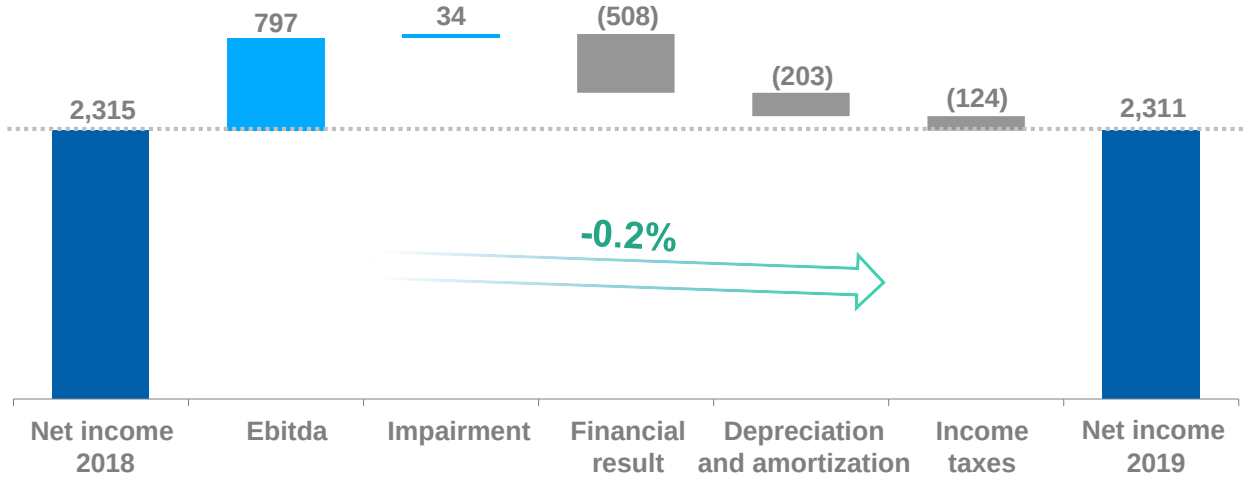
Note:
[1] Considers the combined effect of changes in revenue and expenses.

NET INCOME CHANGE

Net income change (R$ million)



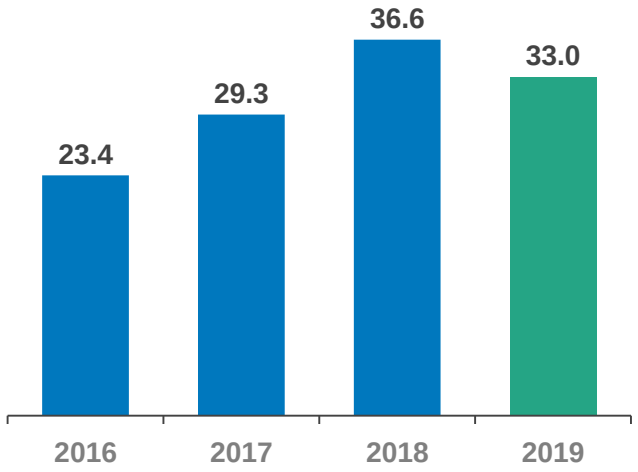
% of the accumulated annual net income



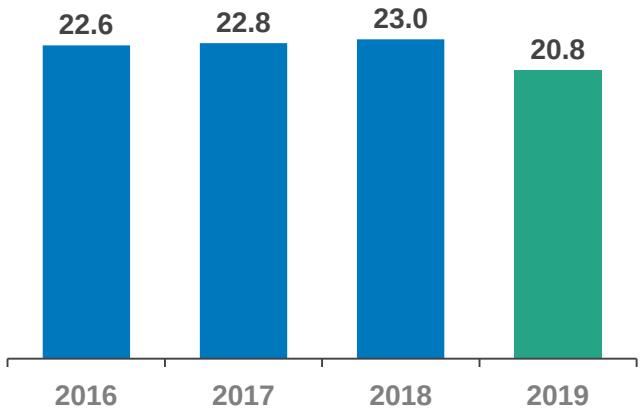
CONSISTENT FINANCIAL INDICATORS

Creation of shareholder value: high levels of ROE and ROIC.

ROE[1] - Return on Equity (%)



ROIC[2] - Return Over Invested Capital (%)



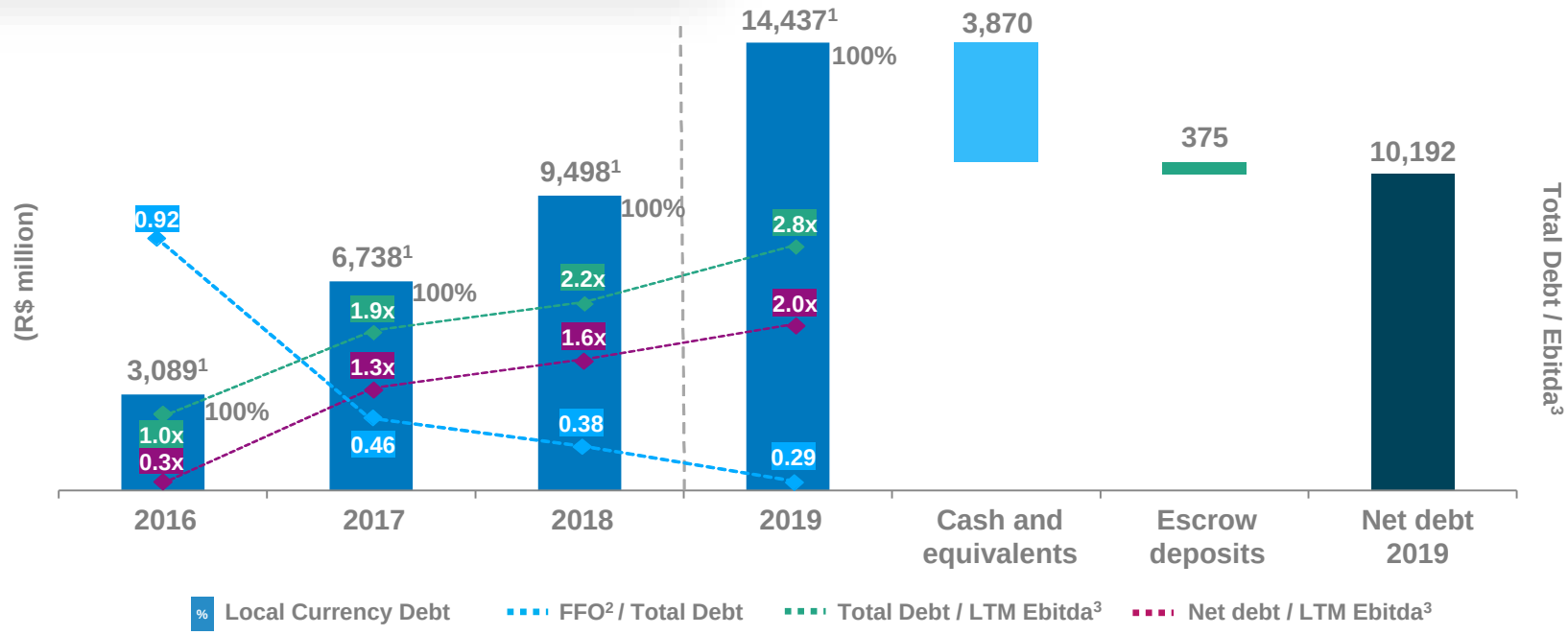
Source: ENGIE Brasil Energia internal study based on the Company's Financial Statements.
Notes:
[1] ROE: net income of the past 4 quarters / shareholders' equity.
[2] ROIC: effective tax rate x EBIT / invested capital (invested capital: debt – cash and cash equivalents – deposits earmarked for debt servicing + SE).

BALANCED DEBT

WITH NO CURRENCY EXPOSURE

Adjustment in leverage, at competitive cost, fostering growth opportunities.

Debt Overview (R$ million)

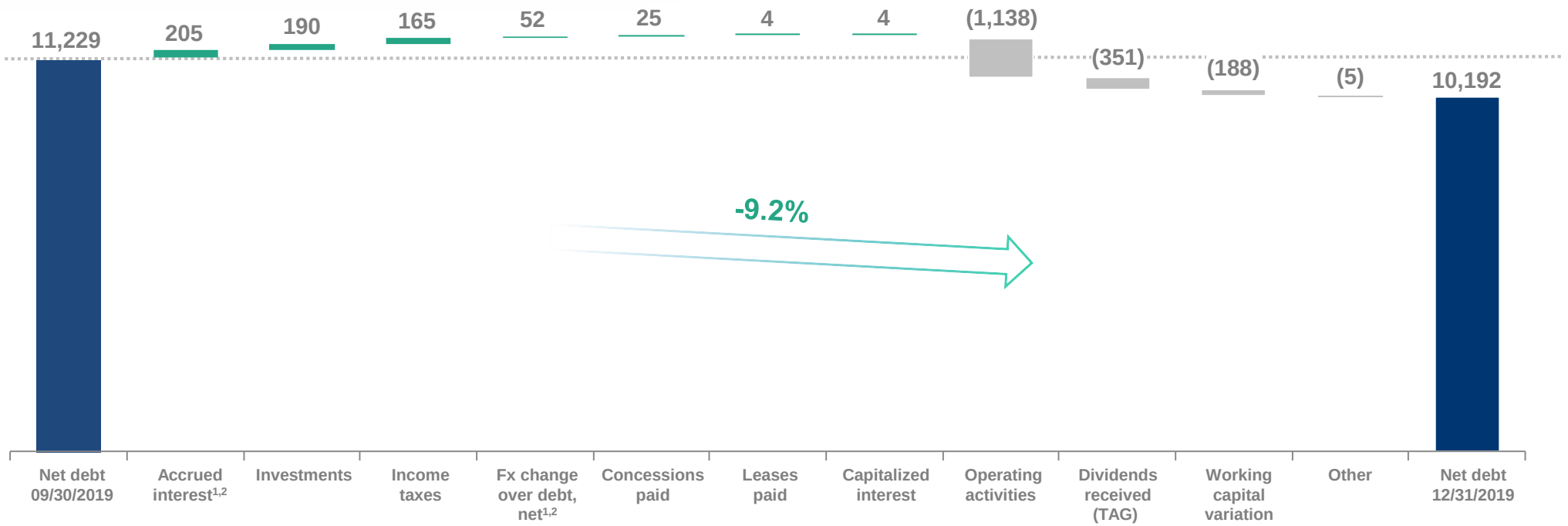


Notes:

[1] Debt net of hedge operations.
[2] Funds from Operations.
[3] Ebitda in the past 12 months.

NET DEBT CHANGE

Net debt change (R$ million)



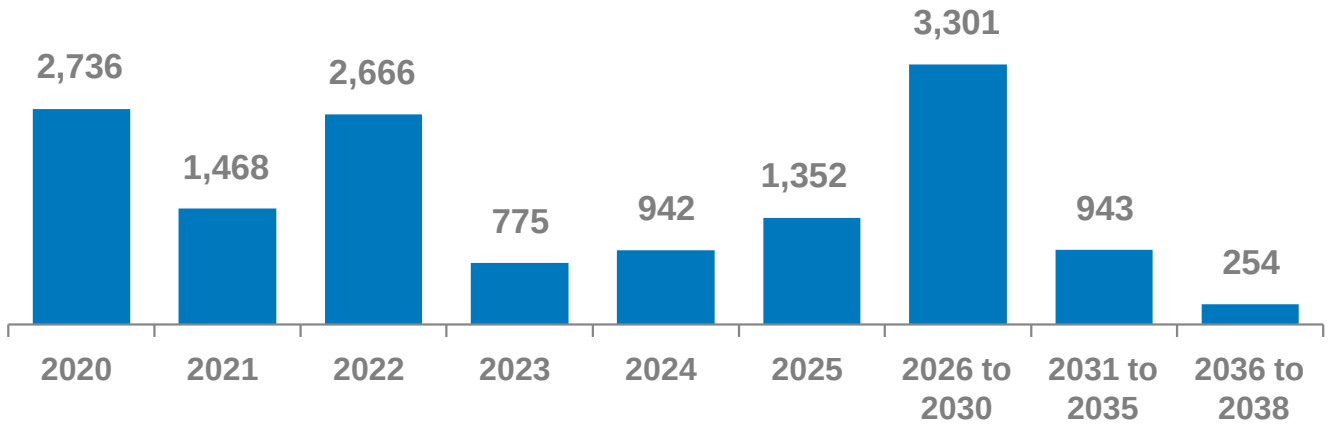
Notes:
[1] Does not impact the Company's cash position.
[2] The interests and FX change refer only to the Company's financial debt (loans, financing and debentures).

DEBT PROFILE AND COMPOSITION

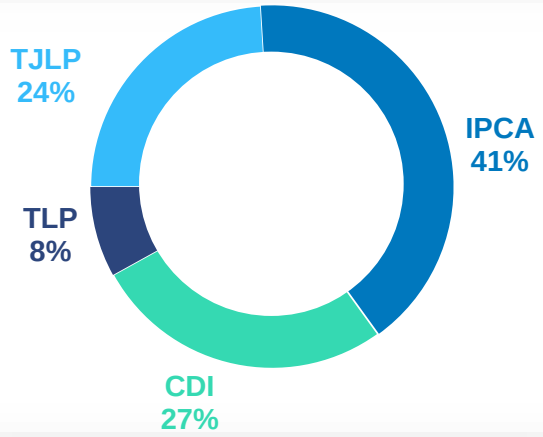
COMPETITIVE COSTS AND DEFENSIVE INDEXES

AAA rating and robust cash generation translate into competitive costs of debt for financing growth.

Maturity debt schedule (R$ million)



Breakdown of debt



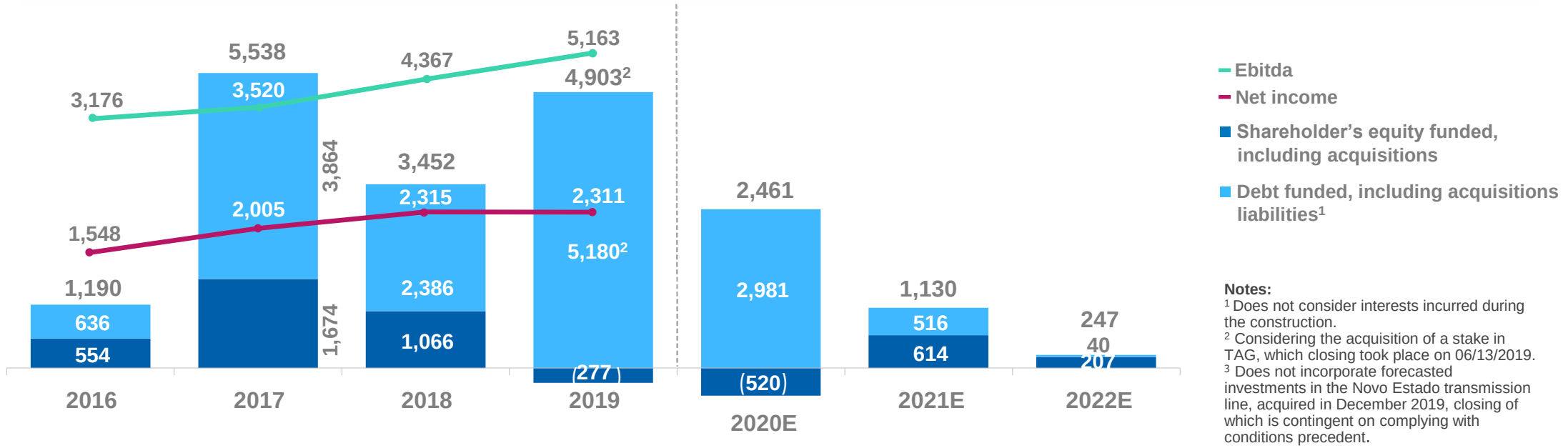
Nominal cost of debt: 7.6% (8.6% in 4Q18)

New expansion cycle represented an opportunity to optimize EBE's capital structure.

CAPEX

The expansion plan and maintenance CAPEX are supported by a strong cash flow generation and prudent funding strategy.

Accomplished/expected CAPEX and corresponding financing sources (R$ million)[3]

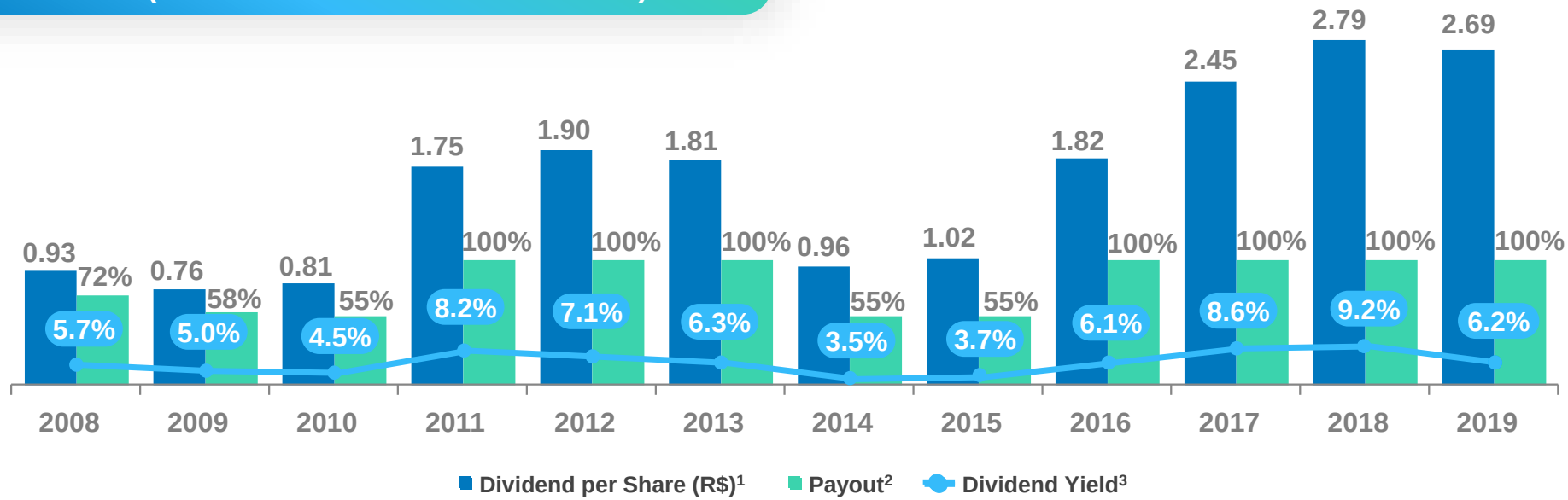


Notes:
[1] Does not consider interests incurred during the construction.
[2] Considering the acquisition of a stake in TAG, which closing took place on 06/13/2019.
[3] Does not incorporate forecasted investments in the Novo Estado transmission line, acquired in December 2019, closing of which is contingent on complying with conditions precedent.

DIVIDEND POLICY

- By-law minimum payout: 30% of payable net income
- Management commitment: minimum payout of 55% of payable net income
- At least 2 dividends per year

Dividends (based on distributable net income)



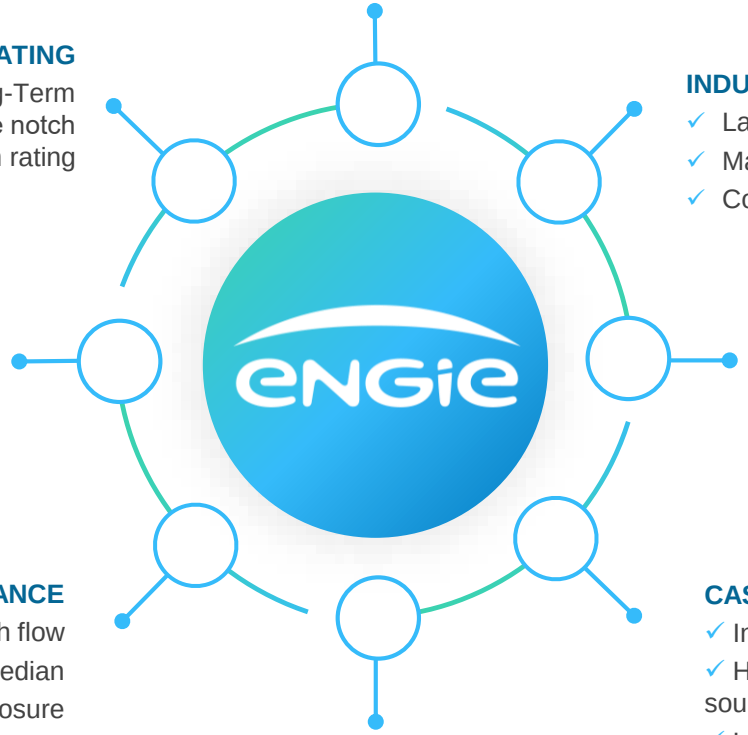
Notes:
[1] For the purposes of comparability between fiscal years, an adjustment in dividend per share was made in the light of the share bonus approved on December 07, 2018.
[2] Considers the annual payable net income.
[3] Based on volume-weighted closing price of ON shares in the period.

COMPETITIVE ADVANTAGES

STRATEGIC INDUSTRY
- ✓ Defensive profile in times of crisis
- ✓ Projects with high bankability
- ✓ Diversification among segments in the power sector

PREMIUM RATING
- ✓ Fitch Ratings rated the Company's Local Long-Term Rating as 'AAA(bra)' and in global scale "BB", one notch above the Brazilian sovereign rating

INDUSTRY LEADERSHIP
- ✓ Largest independent power producer group in Brazil
- ✓ Market cap: R$ 41.4 billion in 12/31/2019
- ✓ Controlled by ENGIE S.A., world leader in energy



HIGH-CALIBER CORPORATE GOVERNANCE AND SUSTAINABILITY
- ✓ Diversified and qualified team
- ✓ First class controlling shareholder
- ✓ Component of B3's Novo Mercado and ISE (since its inception in 2005)

CLEAR COMMERCIAL STRATEGY
- ✓ Heavily contracted in the next years
- ✓ Diversified portfolio between free customers and regulated ones
- ✓ Benefits from windows of opportunities

STABLE FINANCIAL PERFORMANCE
- ✓ Strong cash flow
- ✓ ROE and ROIC above sector median
- ✓ No FX exposure

CASH FLOW PREDICTABILITY
- ✓ Inflation-indexed contracts
- ✓ Hydro based, with diversification on complementary sources and active portfolio management
- ✓ Long-term contracting strategy

HIGH OPERATIONAL PERFORMANCE
- ✓ Benchmark indexes of availability
- ✓ ISO 9001, 14001 and OHSAS 18001 certified plants
- ✓ Use of advanced technology for remote operations and predictive maintenance

SUPPORTING DATA



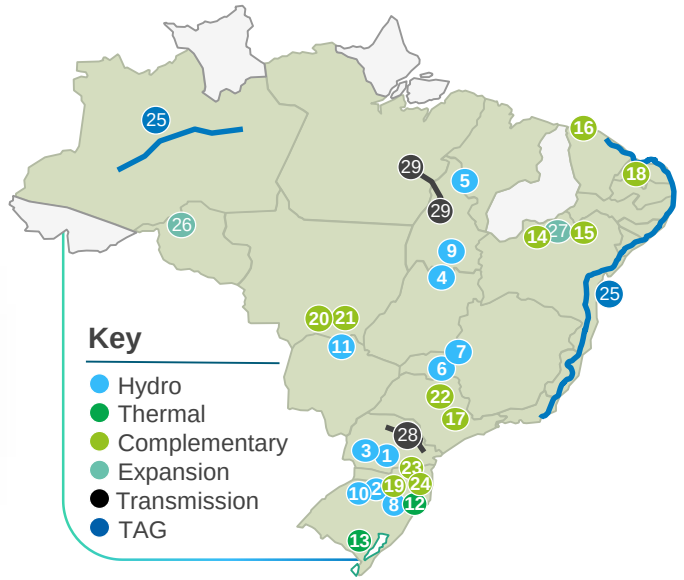
DIVERSIFIED PORTFOLIO OF ASSETS

	Hydro Power Plants	Installed Capacity (MW)	Commercial Capacity (aMW)[7]
1	Salto Santiago	1,420.0	733.3
2	Itá	1,126.9[1]	564.7[1]
3	Salto Osório	1,078.0	502.6
4	Cana Brava	450.0	260.8
5	Estreito	435.6[1]	256.9[1]
6	Jaguara	424.0	341.0
7	Miranda	408.0	198.2
8	Machadinho	403.9[1]	165.3[1]
9	São Salvador	243.2	148.2
10	Passo Fundo	226.0	113.1
11	Ponte de Pedra	176.1	133.6
	Total	6,391.7	3,417.7

	Thermal Power Plants	Installed Capacity (MW)	Commercial Capacity (aMW)
12	Jorge Lacerda Complex[2]	857.0	649.9
13	Pampa Sul	345.0	323.5
	Total	1,202.0	973.4

	Complementary P. Plants	Installed Capacity (MW)	Commercial Capacity (aMW)
14	Umburanas Complex (Wind)[3]	360.0	213.3
15	Campo Largo I Complex (Wind)[4]	326.7	169.6
16	Trairi Complex (Wind)[5]	212.6	100.8
17	Ferrari (Biomass)	80.5	35.6
18	Assú V (Solar)	30.0	9.2
19	Lages (Biomass)	28.0	16.5
20	Rondonópolis (SHP)	26.6	14.0
21	José G. da Rocha (SHP)	24.4	11.9
22	Ibitiúva (Biomass)	22.9[1]	12.0[1]
23	Nova Aurora (Solar)	3.0	n/a
24	Tubarão (Wind)	2.1	n/a
	Total	1,116.8	582.9

Installed capacity of **8,710.5 MW (4,974.0 aMW)**, **4,500 Km** of operating pipelines and **~2,800 Km** of transmission lines under implementation.



	Gas Pipelines	Size	Compression Stations
25	Transportadora Associada de Gás (TAG)	4,500 Km	11

Expansion

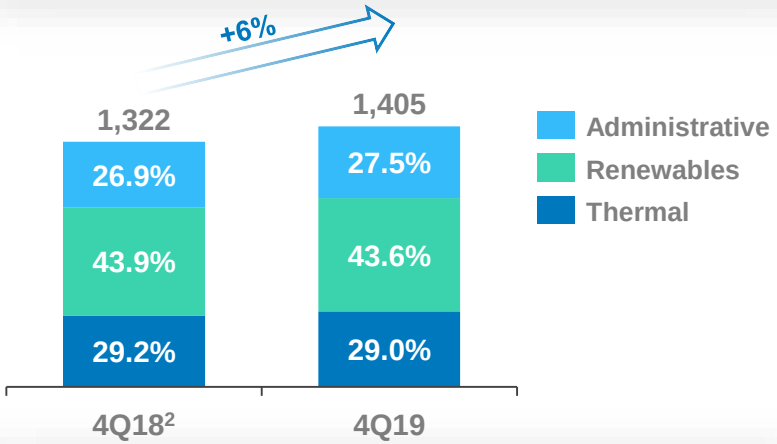
	Generation	Installed Capacity (MW)	Commercial Capacity (aMW)
26	Jirau (Hydro)[6]	1,500.0	883.2
27	Campo Largo II Complex (Wind)	361.2	196.5
	Total	1,861.2	1,079.7

	Transmission	Size	Substations
28	Gralha Azul	~ 1,000 Km	5
29	Novo Estado	~ 1,800 Km	1 new and expansion of 3 existing
	Total	~ 2,800 km	

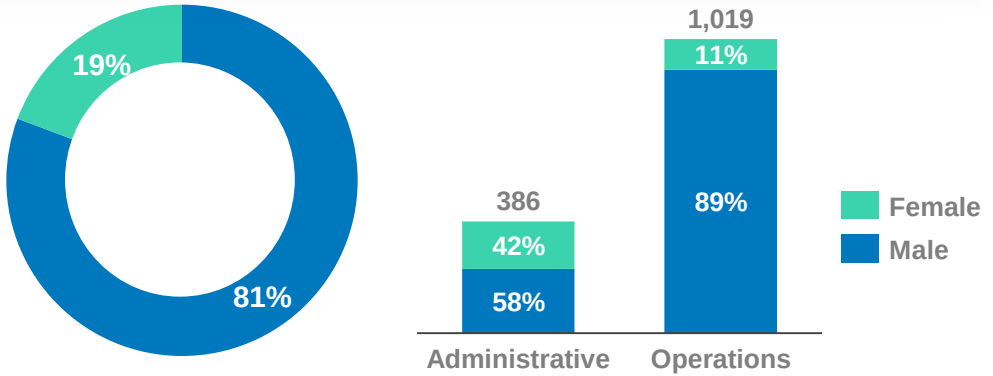
Notes:
[1] Portion owned by ENGIE Brasil Energia.
[2] Complex comprised by three power plants.
[3] Complex comprised by 18 wind farms.
[4] Complex comprised by 11 wind farms.
[5] Complex comprised by eight wind farms.
[6] The transfer of the 40% stake of ENGIE Brasil Part. in Jirau HPP to EBE should be examined timely.
[7] Considers the physical guarantee revision in effect from January 1, 2018, pursuant to MME Ordinance 178/2017.

HEADCOUNT[1]

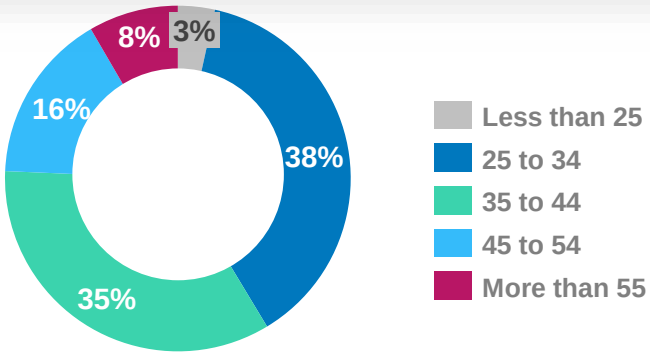
Number of employees



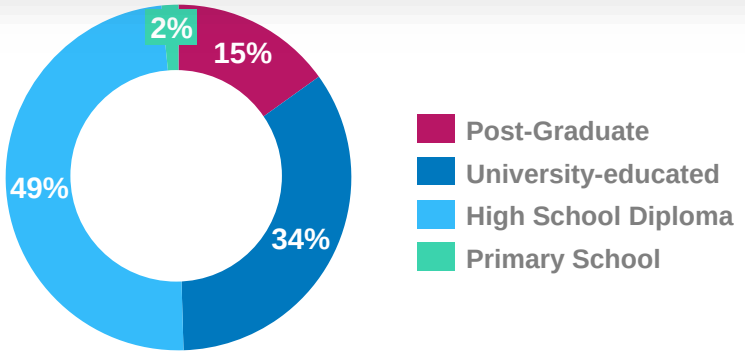
By gender



By age group



By academic qualifications



Notes:
[1] Does not consider employees posted to projects under construction.
[2] Reclassification of employes in 4Q18 for comparison purposes between periods under analysis.

SUSTAINABLE DEVELOPMENT



PRINCIPLES

ENGIE is a global bellwether in low carbon energy and services. In response to the urgency of combatting climate change, our ambition is to become a world leader in transition to a zero-carbon economy for our clients, especially global companies and local/municipal authorities.

Mission: Provide innovative and sustainable solutions in energy

Vision:
Transform people's relationship with energy aiming at a sustainable world

Values:
professionalism, sense of partnership, teamwork, creation of value, respect for the environment, and ethics

Commitment with Sustainable Development:

- Provide sustainable solutions from the economic, social and environmental points of view
- Control the impact of the Company's operations
- Create value for shareholders and society

COMMITMENT WITH SOCIETY



Together with the stakeholders, we want to transform society in the search for harmonious progress in alignment with the UNO's Sustainable Development Objectives.

- Continually upgrade the Management of the Environment together with Quality, Health and Safety, Social Responsibility and Energy Efficiency
- Contribute towards the mitigation of climate change
- Build a more inclusive and diverse society
- Adopt fair competitive practices
- Combat fraud and corruption
- Not to countenance child or compulsory labor
- Not to accept discrimination
- Engage all stakeholders in the sustainable development concept, acting with ethics and transparency and sharing values, principles and practices.

OUR PRODUCTS AND SOLUTIONS



Energia is the basis of human progress. ENGIE Brasil Energia in the last few years has expanded its activities with a focus on diversification and on the sustainability of the business in support of the energy transition.

- ENGIE Group's proprietary installed capacity in Brazil represents **6.3**% of the country's total.
- The Company reported **annual generation during the year of 44,058 GWh**, equivalent to 5,030 aMW, being **88.5% from renewable sources.**
- Presence in the **energy transmission segment** materializing the strategy of diversification in energy infrastructure, with approximately 2,800 km of lines under implementation.
- In **gas transmission, through TAG**, we are responsible, along with other partners, for **47%** of transmission capacity in the country.
- Headcount: **1,429 on the payroll at year-end 2019**, including ENGIE Brasil Energia itself and its subsidiaries, together with several outsourced professionals.

PUBLIC DOCUMENTS



Our policies and other documents are the expression of our commitments, values and way of operating. We share these documents with all our stakeholders.

- Corporate Bylaws
- Charters: Board of Directors and Sustainability Committee
- ENGIE Policy for Sustainability Management:
  - ✓ Quality
  - ✓ Energy Management
  - ✓ Environment
  - ✓ Climate Change
  - ✓ Occupational Health and Safety
  - ✓ Social Responsibility
  - ✓ Stakeholders Engagement
- Human Rights Policy
- Environment Code
- Ethics Code and Ethics Code Guide

INNOVATION AND RESEARCH

Essential to the longevity of the business and the capture of new opportunities, innovation has been gaining a growing connection with corporate strategy, considering the context of the highly dynamic energy transition and the expansion of the free energy market.

- **Research and development**: Compulsory legal minimum investment of 1% of net annual operating revenue. The amount allocated in 2019 was R$ 19.4 million.

  Objectives:

  - To seek sustainable solutions in order to add value to the operations.
  - To interact with academic and research institutions for each region, fostering institutional and social development.

- **ENGIE Labs**: the Group's 11th ENGIE Lab was installed in 2018 in Brazil, a laboratory for open innovation-disruptive projects, incubation and a venture capital fund.

- ***Inove* Program**: the program is designed to identify innovative ideas and solutions from within the Company itself. The program was recently restructured, fostering not only the proposition and management of ideas, but also the system of compensation linked thereto.

CULTURE AND SUSTAINABILITY CENTERS





- Implemented in regions adjacent to the plants
- Provides spaces for community gatherings for all and any kind of cultural or educational manifestation
- Up to 100% built using Law Rouanet, tax incentives or own resources
- Autonomous management independent of Government or Company
- There are 6 Centers in operation:
  - Entre Rios do Sul - RS
  - Alto Bela Vista – SC
  - Capivari de Baixo – SC
  - Quedas do Iguaçu - PR
  - Concórdia – SC
  - Minaçu – GO (inaugurated in 2019)
- The assessment for two new Culture and Sustainability Centers has just been approved by the Citizenship Ministry and the Culture Secretariat for execution of the work in the municipalities of Saudades do Iguaçu (PR) and Trairí (CE).

INDEXES, CERTIFICATION AND ACCOUNTABILITY

- B3's new ISE portfolio is valid from January 6, 2020 to January 1, 2021 and composed of shares from 30 companies. ENGIE Brasil Energia is one of seven that has remained a component of the ISE since its inception in 2005.

- The Company is on the Vigeo Eiris' ranking of the 100 emerging market companies with the best socio-environmental performance and corporate governance, analised by Vigeo Eiris.

- 77.9% of the installed capacity operated by the Company in 2019 is certified according to NBR ISO 9001 and 14001 (Quality and Environment), and NBR OHSAS 18001 (Occupational Health and Safety). The Jorge Lacerda Thermoelectric Complex is also certified according to the Energy Efficiency NBR ISO 50001 norm.

- The Sustainability Report is published annually according to the GRI Standards and since 2014 adopted Integrated Report guidelines.

SOME AWARDS RECEIVED IN 2019



- **Época Negócios 360º Magazine** – Company of the Year and best company in the electric sector
- **Broadcast Economática of Publicly Held Companies ranking** – second place in the general ranking with focus on Sustainability
- **Best of Istoé Dinheiro Magazine –** Best company in the electric sector
- **Transparency Trophy**, of the National Association of Finance, Administration and Accounting Executives (Anefac), in the “Companies with net revenues up to R$ 5 billion”.
- **Institutional Investor 2019 Ranking – Electric & Other Utilities**
  - Best CEO – 1st position – sell-side analysts
  - Best CFO – 1st position – sell-side analysts
  - Best ESG Metrics – 1st position
  - Best Analyst Day – 2nd position
- Mention in **Exame Sustainability Guide 2019** – Energy Sector

SUSTAINABILITY KPIs[1]

Item	Dimension[2]	Index[3]	Material themes	GRI disclosure[4]	4Q19	4Q18	Change	12M19	12M18	Change
1	Quality	Operating plants	- Prioritization of renewable sources for energy generation - Emissions Managemen	102-7, EU1	60	41	19	60	41	19
2		Installed capacity		102-7, EU1	10,431	9,726	7.3%	10,431	9,726	7.3%
3		Proprietary capacity		102-7, EU1	8,711	8,005	8.8%	8,711	8,005	8.8%
4		Number of certified plants		102-16, EU6	12	12	0	12	12	0
5		Certified installed capacity (MW)		102-16, EU6	8,127	8,127	0.0%	8,127	8,127	0.0%
6		Certified installed capacity in relation to the total		102-16, EU6	77.9%	83.6%	-5.7 p.p.	77.9%	83.6%	-5.7 p.p.
7		Installed capacity from renewable sources		102-7, EU1	9,228	8,869	4.0%	9,228	8,869	4.0%
8		Installed capacity from renewable sources in relation to the total		102-7, EU1	88.5%	91.2%	-2.7 p.p.	88.5%	91.2%	-2.7 p.p.
9		Energy generation (GWh)		EU2	11,448	12,087	-5.3%	44,058	39,340	12.0%
10		Certified energy generation		102-16, EU6	8,558	10,536	-18.8%	34,895	34,647	0.7%
11		Certified energy generation in relation to the total		102-16, EU6	74.8%	87.2%	-12.4 p.p.	79.2%	88.1%	-8.9 p.p.
12		Energy generation from renewable sources (GWh)		EU2	9,933	11,233	-11.6%	39,006	35,206	10.8%
13		Energy generation from renewable sources in relation to the total		EU2	86.8%	92.9%	-6.2 p.p.	88.5%	89.5%	-1.0 p.p.
14		Uptime ratio, excluding scheduled stoppages		EU30	97.1%	97.0%	0.2 p.p.	97.1%	97.2%	0.0 p.p.
15		Uptime ratio, including scheduled stoppages		EU30	89.7%	92.5%	-2.8 p.p.	89.7%	91.6%	-1.8 p.p.
16	Environment and climate change	Saplings donated and planted (sum-total of planted and donated saplings)	- Emissions Management - Boost of prosperity on local communities - Biodiversity	304-2, 413-1	96,479	98,854	-2.4%	404,643	414,883	-2.5%
17		Number of visitors at the plants		413-1	22,639	28,862	-21.6%	90,673	106,865	-15.2%
18		CO2 Emissions (fossil fuel plants) (t/MWh)		D305-1, D305-2, D305-3	1.054	0.961	9.7%	1.013	0.945	7.2%
19		CO2 Emissions from Tractebel Energia's generation complex(t/MWh)		D305-1, D305-2, D305-3	0.139	0.068	104.9%	0.116	0.099	17.0%
20	Occupational Heath and Safety (OH&S)	Frequency Rate ("Taxa de Frequência" - TF) own employees[5]	- Teams and community safety - Foster good social and environmental practices between suppliers and customers.	403-2	0.000	0.000	-	0.000	0.000	-
21		Severity Rate ("Taxa de Gravidade" - TG) own employees[6]		403-2	0.000	0.000	-	0.000	0.000	-
22		Frequency Rate ("Taxa de Frequência" - TF) own employees + long term service providers[5]		403-2	1.700	2.690	↓	1.720	1.390	↑
23		Frequency Rate ("Taxa de Frequência" - TF) short term service providers + ongoing constructions[5]		403-2	0.000	0.550	↓	0.630	1.640	↓
24	Social Responsibility[7]	Non-incentivized investments	- Generation of economic result and value sharing with society - Boost of prosperity on local communities	203-2, 413-1	1,498.0	1,280.7	17.0%	4,179.0	3,497.0	48.5%
25		Investments through the Infancy and Adolescence Fund (FIA)		203-2, 413-1	507.1	623.2	-18.6%	2,609.0	1,837.0	50.1%
26		Investments through the Culture Incentive Law (Rouanet)		203-2, 413-1	2,144.9	1,310.5	63.7%	9,375.0	8,798.0	24.7%
27		Investments through the Sport Incentive Law		203-2, 413-1	1,400.0	950.0	47.4%	2,490.0	1,610.0	74.5%
28		Investments through National Program of Support to Oncology Care (Pronon)		203-2, 413-1	2,775.0	1,597.0	73.8%	2,535.0	1,597.0	73.8%
29		Investments through the National Care Support Program for People with Special Needs (Pronas/PCD)		203-2, 413-1	2,444.2	1,607.4	52.1%	2,546.0	1,607.4	52.1%
30		Investments through the Municipal Fund for the Elderly		203-2, 413-1	2,035.5	738.4	175.7%	2,286.0	1,430.9	81.7%

Notes:
[1] Additional indices are available at Sustainability Report (www.engie.com.br/en/investors/financial-information).
[2] Reference: ENGIE Sustainable Management Policy.
[3] Value as of 12/31/2019.
[4] GRI: Global Reporting Initiative, *Standards version* and sector supplement version G4.
[5] TF = number of occupational accidents for every million hours of exposure to hazards.
[6] TG = number of days lost due to occupational accidents for every one thousand hours of exposure to hazards.
[7] Amounts in thousand of reais (R$).

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