Proximity Program





Initiative to strengthen the relationship with local communities

☐ Introduction

Cemig's implemented stakeholder engagement programs indicate the company's commitment to actively involve, inform and address the concerns of local stakeholders in a proactive approach, working towards fostering positive relationships and sustainable practices.

Managing relationships with local stakeholders plays a crucial role in promoting Cemig's transparency, accountability and responsiveness, contributing to the overall success of the company's stakeholder engagement strategy.

☐ A stakeholder engagement program, applied throughout Cemig's concession area since 2005

The Proximity Program is one of the main stakeholder engagement programs developed by Cemig.

It actively involves, communicates with and addresses the concerns of stakeholders living near Cemig's power plants all over Minas Gerais, strengthening the dialogue and building better relationships with local populations.

The process starts by identifying and analyzing the various stakeholders involved with each plant. For the identification and knowledge of stakeholders and their perceptions, a local survey is conducted. Through the stakeholder analysis, Cemig prepares profiles and maps to define which are the high-priority stakeholders. In the Proximity Program, the surveys identify local mayors, politicians, Civil Defense, Military Fire Department, community leaders, Unions leaders, businessmen, religious representatives, and inhabitants of the cities involved.

The Proximity Program holds annual cycles of meetings to explain to the target population about the nearest plant's operating procedures, the structural safety adopted in the plants, the meteorological conditions that may affect the plants' operation and their consequences on the water level situation, as well as the aspects related to the environmental licensing and potential impacts of Cemig's operations in the area, such as local Emergency Action Plans (ERPs) related to possible damage in the dams close to the area. Cemig prepares specific External ERPs for its 42 dams, which impact the life dynamics of 122 municipalities. In some cases, the same municipality is covered by two ERPs, since there are two dams operating in its territory. In this plans, the company carries out the impact assessments. In addition, the Proximity Program also promotes guided tours to the plants' facilities.

In 2023, five meetings were held with a total audience of 242 people:

Hydroelectric Power Plant	Main city invited	
Camargos	Lavras	
Irapé	Grão Mogol	
Rosal	Bom Jesus do Itabapoana	
Queimado	Unaí	
Theodomiro Carneiro Santiago	Araguari	





Photos of Queimado Plant during the Proximity Program meeting

engagement strategy

After each meeting, there is a survey to measure the perceptions of the local stakeholders on the engagement strategy adopted. After analyzing the questionnaire answers, the satisfaction index about the local community's engagement promoted by Cemig in 2023 scored 95.18%, out of 90% (the minimum goal).

When the team returns to the same place to hold another meeting there to start a new cycle of meetings, the beginning of the encounter is dedicated to reading the main points raised in the last meeting, and to reviewing the strategies adopted so far.

☐ Meeting with local stakeholders to identify emerging concerns

Meeting with local stakeholders to identify emerging concerns and other points of views besides Cemig's is the key to the longevity of the Proximity Program, as that forum facilitates purposeful interactions between Cemig representatives and its surrounding communities.

During the meetings, there is an information dissemination part, which includes:

- the distribution of the booklet "The Rainy Season and the Operation of Reservoirs"
- the distribution of a map containing information of the specific municipality, the local hydrography, and the monitoring data of the reservoir water levels
- the exhibition of an explanatory video on reservoirs management during rainy seasons
- the lecture of Cemig's engineering, sustainability, and environment professionals to ensure greater reliability in the operation of the plant
- the explanation about local Emergency Action Plans (ERPs) related to possible damage in the dams close to the area.

However, the Proximity Program meetings go beyond information dissemination, as they create a collaborative space for constructive dialogue, fostering trust and understanding. This approach contributes to a comprehensive stakeholder engagement program, ensuring transparent and accessible communication with mechanisms to address emerging concerns in local communities.

☐ Clear communication channels for local stakeholders to communicate with Cemig and track of grievances

Cemig has invested in the diversification of service channels, to offer both physical and online channels with the same quality, ensuring maximum consumers satisfaction:

- o Local agencies in Minas Gerais: Cemig
- o Telephone number: 116
- o Telephone number for deaf people: 0800 723 8007
- o Ombudsman: https://www.cemig.com.br/en/compliance/
- o Chat Bot: https://www.cemig.com.br/
- o Twitter: @cemig_energia

- o Facebook: http://www.facebook.com/cemig.energia
- o Cemig Torpedo: SMS to 29810
- E-mail: <u>sustentabilidade@cemig.com.br</u> + cadastramentocemig@cemig.com.br

During the meetings of the Proximity Program, those service channels are publicly disclosed, in case the population wants more in-depth contact with Cemig.



Presentation shown in Queimado Plant during the Proximity Program meeting

In that way, Cemig ensures that its local stakeholders are given physical, online and accessible means to communicate their concerns and questions with the company all through the year.

Furthermore, during the Proximity Program meetings, Cemig's teams listen to and answer questions from the population who participate in the events, doing their best to get feedback and solve specific problems raised during the occasion. The goal is to establish a two-way communication flow, enabling local stakeholders to express thoughts, seek clarification and actively engage with the company.

In 2023 meetings, there were 95 doubts, problems and grievances raised:

City	Grievances received	Resolved	Unresolved (until jun/2024)
Araguari	31	28	3
Grão-Mogol	10	10	0
Lavras	14	14	0
Unaí	40	37	3
Total	95	89	6

The main grievances were about distributed generation, street lighting, network extension, and invoicing. We can highlight one example of e-mail received after a Proximity Program meeting, when a participant asked about

E-mail sent by Alan, a participant (personal data omitted)

De: Microsoft Power Apps and Power Automate <microsoft@powerapps.com>
Enviada em: segunda feira. 18 de setembro de 2023 22:13
Para: Cadastramento Cemig «cadastramentocemig@cemig.com.br>
Assunto: Novo Registro no Formulário Cadastramento Socioeconômico - Tire suas dúvidas

Prezado,
Foi inserido novo registro no formulário.

Nome: Alan

E-mail

Dúvida: A Fazenda Morada

De entram na zona de Autossalvamento?

Link para a planilha do formulário: Cadastramento Socioeconômico - Tire suas dúvidas.xlsx

Translation of the e-mail:

Dear Sirs,

A new record has been entered in the form.

Name: Alan (...)

Email: (...)

Phone: (...)

Question: Is Farm (...) included in the Self-Rescue zone?

E-mail sent by Cemig as a response to Alan (personal data omitted)

Classificação: Direcionado

De: Cadastramento Cemig <cadastramentocemig@cemig.com.br>
Enviada em: quarta-feira, 20 de setembro de 2023 17:33

Para: Alan Marione Sobre o Cadastramento Cemig <cadastramentocemig@cemig.com.br>
Assunto: RE: Resposta Sobre o Cadastramento nas Áreas de Influência da Cemig

Boa tarde Alan.

A Fazend Sobre o Stá fora da ZAS da Usina. O cadastramento de vocês não precisa ser realizado. Dessa forma, os cadastradores não irão à residência de vocês. Só irão procurar quem está na ZAS.

Qualquer dúvida estamos à disposição.

Translation of the e-mail:

Good afternoon, Alan.

The Farm (...) is outside the Plant's Self-Rescue zone. You don't need to register in the forms. In that way, Cemig employees won't go to your residence to register your family in the forms. They will only look for those who are in the Self-Rescue zone.

If you have further questions, we are at your disposal.