



Eletrobras

**ENVIRONMENTAL POLICY OF
THE ELETROBRAS COMPANIES**

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ENVIRONMENTAL POLICY OF THE ELETROBRAS COMPANIES

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1 Objective

To provide guidance for the treatment of environmental matters at Eletrobras's companies according to the principles of sustainability.

2 Principles

- To be consistent with public policies, the pertinent legal and regulatory frameworks, and the international agreements of which Brazil is signatory.
- To be consistent with corporate sustainability principles.
- To ensure the maintenance of a systematic and continuous process to improve management practices.
- To ensure the incorporation of environmental issues into the companies' processes
- To implement environmental programs and actions in coordination with other sectors and institutions.
- To promote relations with the various segments of society.
- To explore the potentialities of local and regional energetic resources consistently with the principles of sustainable development.
- To support technological and scientific development in respect of environmental matters.
- To execute and promote actions related to environmental management.

3 Guidelines

3.1 General Guidelines

3.1.1 Internal Coordination

- Public policies related to the environment should be taken into consideration in internal processes.
- Environmental issues involved in the company's undertakings should be addressed in a coordinated manner by the company's different departments.
- Environmental issues should be included in the decision-making processes.



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- The principles and guidelines under this policy should be applied to the contracts and partnerships established.

3.1.2 External Coordination

- Opportunities for sustainable local and regional development arising from company undertakings should be potentiated.
- An effort should be made to share institutional and financial responsibilities with other public and private agents engaged in the same activities
- Eletrobras's companies should contribute to the integrated management of water basins and to the sustainable use of water resources, in coordination with the agents involved.
- The specificities of ecosystems and local communities should be considered when environmental actions and programs are being coordinated with public actions and policies.

3.1.3 Relations with Society

- Eletrobras's companies should carry out a dialogue with the various social actors involved, from the time an undertaking begins to be planned, so that their expectations and needs may be identified.
- The language used in communication processes should be appropriate to the target public.
- Eletrobras's companies should establish a continuous process of communication with and enlightenment of the public about issues related to electric power and environmental actions.

3.1.4 Sustainable Use of Energetic Resources

- The use of renewable sources in expanding the supply of electric power should be encouraged.
- The mechanisms for encouraging the reduction of emissions of greenhouse effect gases should be used as business opportunities.
- Social and environmental costs and benefits in defining the use of energetic resources should be internalized.
- Eletrobras's companies should support energy preservation and energy efficiency programs as a strategy for rationalizing the use of natural resources.



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3.1.5 Scientific and Technological Development

- Eletrobras's companies should promote technical cooperation for the preparation of studies and research related to electric power, environment, and sustainable development interactions.
- The management of and the resources invested in studies and projects of common interest to Eletrobras's companies should be shared.
- Eletrobras's companies should support educational and research institutions in the development of studies and research of environmental interest.

3.1.6 Environmental Management

- Environmental management systems should be implemented in an integrated manner with other systems of the company's management.
- Eletrobras's companies should carry out actions that promote the improvement of environmental performance.
- Eletrobras's companies should use indicators to measure environmental management results.
- Eletrobras's companies should encourage compliance with environmental requirements by collaborators, business partners, and suppliers, as well as actions aimed at energy conservation and energetic efficiency, and at combating company waste.
- Collaborators, partners, and suppliers should be made sensitive and qualified in regard of their responsibilities toward the environment.
- Eletrobras's companies should promote actions to create environmental awareness in the areas of influence of their undertakings.

3.2 Thematic Guidelines

3.2.1 Biodiversity

- Eletrobras's companies should develop their activity in strict compliance with the national environmental legislation and international agreements of which Brazil is signatory.
- Issues related to biodiversity should be addressed in a coordinated manner with other areas of the company.
- Biodiversity should be taken into consideration in decision-making processes.
- Biodiversity conservation actions should be potentiated in the regions where the companies are located.



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- Mechanisms to encourage biodiversity conservation should be used as business opportunity.
- Biodiversity research should be fostered through Research and Development projects.
- Technical cooperation among Eletrobras's companies should be encouraged for the preparation of biodiversity studies and research.
- Biodiversity indicators should be used in studies of new projects and to measure the results of environmental management.
- Eletrobras's companies should promote actions to make their collaborators sensitive and qualified as regards their responsibilities toward biodiversity.
- The criteria for contracting suppliers should take into consideration issues related to biodiversity.

3.2.2 Environmental Education

- Environmental education programs should be implemented in all undertakings throughout the construction, operation, and decommissioning stages.
- Eletrobras's companies should act in the undertakings' pre-construction stages, gathering information that may later support the Environmental Education Programs, with quality and at competitive costs.
- Eletrobras's companies should dialogue and act across borders with the various social and environmental programs and projects of the companies, of other institutions, and of the different social groups that intervene in the quality of the environment in the undertakings' area of influence.
- Eletrobras's companies should ensure structured and formalized internal integration, with representation of the areas involved, such as the Environment, Social Responsibility, Communication, Legal, and technical areas.
- Environmental education programs should be based on a participative social and environmental diagnosis.
- The management of environmental education programs should be participative and shared.
- Eletrobras's companies should take into consideration and coordinate pertinent public policies and seek access to them.
- Eletrobras's companies should establish public and private partnerships.
- The continuity of environmental education programs should be ensured by monitoring and evaluation systems based on social and environmental indicators.
- In the undertakings' construction phase it should be ensured that the workers involved come under the specific Environmental Education Program-PEAT.



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- Eletrobras's companies should systematically establish environmental education programs for the internal public.
- In the undertakings' operational phase it should be ensured that the workers involved are qualified as environmental agents also.
- Eletrobras's companies should be endowed with qualitative and quantitative personnel support and with financial resources compatible with the recommended environmental education standard.
- Data, reports, and records generated in the context of environmental education should be stored in a structured manner in a data bank.

3.2.3 Environmental Communication

- Environmental communication actions should be integrated into other communication actions of the companies.
- Environmental communication actions should be implemented prior to any field action involving the communities in an undertaking's area of influence.
- Environmental communication should be contemplated in all phases of the undertaking: studies, project, construction, operation, and decommissioning.
- The population should be kept informed of its rights, as well as of the policies, stages, norms, and procedures inherent to the undertakings under construction or operation.
- Eletrobras's companies should establish communication strategies that promote interaction with the population, giving rise to a participative process.
- A permanent dialogue channel should be established to ensure continuous service to the population.
- Environmental communication actions should be based on social, cultural, environmental, and economic knowledge of the local context.
- The language used should be appropriate to the target public.
- Environmental communication to the internal public should be promoted.
- Eletrobras's companies should ensure that the actions developed by the company to make the undertaking viable observe the recommendations of environmental communication.
- The reports and records generated in the environmental communication context should be stored in a data bank.

3.2.4 Climate Change

- The strategy of Eletrobras's companies for the adoption of practices that minimize or compensate their Greenhouse Gas Emissions-GHG Emissions should be unified.



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- Eletrobras's companies should prioritize in its portfolio of projects the participation of renewable sources of energy.
- Eletrobras's companies should identify the main risks and opportunities of climate change for their business.
- Eletrobras's companies should ensure the implementation of GHG management actions, maintaining a systematic and continuous process, as well as searching for best practices.
- Eletrobras's companies should ensure both the internal and external public's access to information, particularly through the annual publication of the "Inventory of Emissions of Greenhouse Effect Gases of the Eletrobras's Companies".
- Eletrobras's companies should foster studies related to climate change, in an effort to identify and comprehend its impact on the Brazilian energy sector, and look for new technologies to minimize its effects.
- Eletrobras's companies should act in conjunction with the productive chain, aiming at reducing the GHG emissions of suppliers and clients.
- Eletrobras's companies should support and participate in the establishing of norms pertaining to issues related to climate change, both in government and in civil society.

3.2.5 Environmental and Social-Patrimonial Management of Reservoirs

- The use and occupation of reservoirs should be defined under specific norms consistent with the legislation.
- The responses to requests of consent for the use of borders, islands, and reflecting pools should be standardized according to the nature of each request, so as to ensure the transparency of processes.
- Whenever allowed by operating conditions, multiple uses of the reservoirs should be made compatible.
- Eletrobras's companies should care for the recovery and maintenance of the Permanent Preservation Areas-APPs and of their reservoirs, promoting the preservation of the water resources, the landscape, the geological balance, and the biodiversity, facilitating the fauna and flora gene flow, protecting the soil, and ensuring the well-being of the human populations.
- Eletrobras's companies should adopt the best practices of social patrimony and environmental management of reservoirs, so as to prevent the undue use and occupation of the APP's under their responsibility.
- The environmental and operational risks resulting from the use of reservoirs intended for power generation should be monitored, and emergency plans should be kept up-to-date.



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- The procedures of communication to government agencies about environmental damages caused by third parties in APPs under the responsibility of Eletrobras's companies should be standardized.
- Eletrobras's companies should seek solutions for social-patrimonial and environmental liabilities in reservoirs, by establishing specific norms and procedures, as well as partnerships, sponsorships, and agreements with public and private entities.
- Eletrobras's companies should care for compliance with the legal and technical requirements related to the main instruments of social-patrimonial and environmental management:
 - Social-patrimonial and Environmental Management Plan for Reservoirs – PGSPAR;
 - Environmental Plan of Conservation and Use of the Surroundings of Artificial Reservoirs– PACUERA;
 - Norms for Use and Occupation of Reservoir Borders, Islands, and Waters;
 - Procedures for the Management of Permanent Preservation Areas-APPs of Reservoirs.
- The instruments of social-patrimonial and environmental management of Eletrobras's companies should be aligned with the Municipalities' Master Plans, Water Basin Committees' Plans, and other management instruments of different agents.
- The language of social-patrimonial and environmental management should be standardized in Eletrobras's companies.
- The active participation of Eletrobras's companies in Water Basin Committees should be promoted.
- The relevance of the conservation of APPs and the aspects related to the proper use and occupation of reservoirs should be stressed in environmental education and institutional communication actions, as well as being publicized at different public events.
- The PGSP should be consistent with the norms, policies, procedures, and concepts common to the various plants, as well as with the legislation, the operating conditions, the protection and vigilance of property, and the control of concessions and grants, thereby contributing to biodiversity conservation and to the effective connectedness of the ecosystems.
- A social-patrimonial and Environmental Management Guide of Reservoirs-MGSPAR should be prepared for each power plant, detailing activities and procedures.

3.2.6 Resettlement of populations affected by electric energy ventures

- Location alternatives and projects of the electric sector shall be conceived in order to propose, whenever possible, the reduction of physical shifting and socioeconomic impacts on the population.
- The process of identifying the affected population shall consider the provisions of the legal framework.



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- Eletrobras companies shall promote a broad process of interaction with the involved social groups based upon the principles of dialogue, social participation and transparency.
- Information on projects regarding impacts, compensation and reparation measures, assessment criteria, forms of compensation and rights of the affected population shall be provided to those involved permanently, transparently and accessibly through proper channels and through the disclosure of the project.
- Eletrobras companies shall promote the participation of different representation forms – formal or informal – recommended by the population itself.
- There must be negotiations in the reparation process.
- The negotiation process shall include multiple choices of action, including collective resettlement, self-relocation and simple compensation.
- The affected population shall be treated with isonomy criteria, observing individual situations.
- Informal relations existing regarding the possession and use of the land shall be considered for the purposes of relocation.
- Sociocultural and family ties of the affected populations shall be considered.
- Eletrobras companies shall ensure compensation with fair values allowing for the re-composition of the affected population's living conditions at an equal or superior level of quality compared to that before the intervention.
- Eletrobras companies shall support actions that develop the independence of economic activities.
- Eletrobras companies shall provide, when applicable, legal and technical assistance for the regularization of ownership of the property to be acquired.
- Eletrobras companies shall provide, when applicable, technical advice and agricultural extension to the resettled rural population meeting the deadlines established by environmental licenses and/or negotiations.
- In the process of resettlement, Eletrobras companies shall provide social assistance to vulnerable people, especially the elderly and those bearing special needs that are directly affected by the enterprise.
- Resettlement projects, collective or individual, including their conception and location, shall be previously negotiated with the participation of the population to be resettled.
- Resettlements shall be located, whenever possible, in the same region, in order to attenuate the sociocultural impact on those resettled, on hosting communities and on social and economic local and regional flows.
- Collective resettlements shall include roads, water, hygiene infrastructures and electric energy and, when applicable, social equipment.



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- Sustainable economic activities shall be stimulated in compliance with the qualification of the resettled family unit.
- One must avoid provisional relocation and, in case it is necessary, it shall occur for the shortest time possible and enable the affected population sufficient conditions to maintain their basic rights.
- Eletrobras companies shall promote articulations with public and private agents in order to ensure the socioeconomic development of the resettled population and the host communities.
- Eletrobras companies shall monitor the evolution of socioeconomic conditions of the resettled population and host communities with quantitative and qualitative assessments, at least for the period established by the environmental licenses.

4 Responsibilities

- **Eletrobras's Board of Executive Directors** - to approve this integrated policy and ensure its implementation.
- **Eletrobras Superintendence of Planning, Strategic Management, and Sustainability** - to support the implementation of this policy.
- **Board of Executive Directors of Eletrobras's Companies** - Also ensure the implementation of this policy in the companies.
- **Eletrobras's Environmental Area** - to act as manager of the implementation and dissemination of this policy.
- **Environmental Sub-committee of Eletrobras's Companies-SCMA** - to follow up and evaluate the implementation of this policy and propose its updating.
- **Environmental Areas of Eletrobras's Companies** - to make operational the activities of implementation, dissemination, follow-up, and evaluation of this policy.

5 General Provisions

- To attend to the specificities of each company, this policy may be broken down into other specific normative documents, which should be consistent with the principles and guidelines herein established.
- This policy was approved by Resolution 001/2016 of 01/04/2016.