



Eletrobras

**MANAGERIAL SELECTION AND
APPOINTMENT POLICY**

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Managerial Selection and Appointment Policy

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Introduction

The Managerial Selection and Appointment Policy in Eletrobras companies is an important instrument focused on meritocracy and career of employees, contributing to a corporate performance in the energy market in an integrated, profitable, and sustainable manner.

This document is aligned with Eletrobras' purpose of focusing all its energy into the development of society and its vision associated with innovation, excellence, and sustainability. Furthermore, the principles here presented are in tune with the company's values regarding respect for people and life, ethics, transparency, excellence, collaboration, and recognition.

The people management guidelines of the Business and Management Master Plan - PDNG 2020-24 provide important inputs for this policy, considering the commitment to organizational culture of high performance, excellence in people management and management associated to discipline of execution, agility, and optimization of resources.

The Articles of Incorporation of Eletrobras, regarding the powers of the Executive Board make clear their role in approving the names indicated by the directors to fill the positions directly subordinated to them, which makes this policy adhere to usual practices of the corporate environment.

The improvement of processes related to the managerial selection and appointment is associated with the principles that integrate the Code of Ethical Conduct and Integrity, especially in the commitments of Eletrobras companies in the exercise of good corporate governance practices.

Regarding the commitment of Eletrobras companies with their employees, it is noteworthy that the Code establishes the provision of conditions for improving their competencies, offering opportunities for function progression and ensuring equal opportunities.

The embracement of this policy also considers the observance of the policy of consequence, management of conflict of interest and anti-corruption, besides being aligned with the Cultural Transformation Project.

Another important reference is the People Management Policy, guiding the foundations of a dynamic, agile, and changing organization. In this context, the managerial selection and appointment connects to other instruments of career management in Eletrobras companies, such as the Career and Compensation Plan - PCR, System of Performance Management - SGD and Functions Plan.



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Finally, it is important to emphasize that this policy is aligned with the Sustainable Development Goals – ODS “Decent Work and Economic Growth,” whose guideline lies in fostering the culture of results, by the search for high performance, greater qualification of the staff, appreciation of diversity and gender equality in the workplace.

1 - Objective

To establish guidelines and responsibilities for the process of managerial selection and appointment of Eletrobras companies, aiming to ensure that it is carried out in a structured, integral and meritocratic manner, as well as to provide subsidies and options for the choice of decision-making bodies, contributing to the continuous search for excellence in people management.

2- References

Strategic Plan 2015-2030;

Business and Management Master Plan – PDNG 2020-2024;

Code of Ethical Conduct and Integrity 2018;

Sustainable Development Goals – ODS;

Career and Compensation Plan – PCR;

Performance Management System – SGD;

Corporate Education Policy;

People Management Policy;

Consequence Policy;

Management and Conflict of Interest Policy;

Anti-corruption Policy;

Internal Regulation of the Committee of Management, People and Eligibility.



3 – Principles

3.1 Talent Search

Eletrobras companies consider people as agents of business strengthening; therefore, they envision employees with personal attitudes and professional skills that allow them a long-term development in the company, seeking an intense alignment between their values and the culture of companies. The improvement of succession processes is an important initiative to attract, develop, recognize, and retain talent, which contributes decisively to the results and perspective of companies.

3.2 Commitment to the company

Managers are responsible for developing an environment in which people are committed to their work and committed to do their best to ensure the success of the company in which they operate. The adoption of a policy and a consistent naming process expands the possibilities of choosing professionals with appropriate skills to the most diverse positions of the organizational structures.

3.3 Respect for diversity

The process of managerial appointment is based on and guided by the respect for social and cultural diversity, individual differences, isonomic treatment, equity of opportunities and treatment without prejudices of social, cultural, ethnic or gender identity, color/race, age, religion, political opinion, sexual orientation, physical.

3.4 Culture of excellence

The organizational culture is continuously transformation in Eletrobras companies, making the absorption of new behaviors and the promotion of employees' expectations are based on daily practices that add value to their companies. This policy of selection and managerial appointment contributes to this change of paradigm that enhance the career perspectives of the staff.

3.5 Preserving of ethics

Eletrobras companies' employees must base their conduct on ethical principles, with emphasis on integrity, impersonality, transparency and professionalism. Career actions must ensure full compliance with the principles that integrate the Code of Ethical Conduct and Integrity.



3.6 Resolution of conflicts of interest

The selection of managers must consider the full observance of the rules related to conflict of interest and application and consequence management, whether in relation to the replacement of current managers, when applicable, or the choice of candidates to participate in the process.

3.7 Sinergy in career management practices

The areas of people management of the Eletrobras companies should act in an integrated way, aiming to improve career practices, concepts, rules and processes aligned to the strategic guidelines, expanding their synergies and potentiating the results.

3.8 Consistent evaluation

Every candidate to the process of managerial selection and appointment should, whenever possible, go through an assessment process with a specialized company, in addition to the internal evaluation by the area of people management supporting, bringing subsidies to the decision-making process of the Executive Board of the respective Eletrobras company.

4 - Guidelines

4.1 Career Planning

In conducting the selection and management appointment process, Eletrobras companies' people management areas shall:

- a) Seek the alignment of career practices, performance and succession management, compatible with the market and business strategy, favoring the meritocracy and professional development of employees;
- b) Develop instruments, periodically reviewed and improved, so that actions related to career and succession be guided by the culture of excellence, engagement, probity and equity of opportunities;
- c) Develop talent, aiming to identify potential leaders, preparing successors, minimizing risks of discontinuity and leverage the career of talent career in the company.
- d) Structure the process of managerial selection and appointment, addressing the responsibilities of all areas involved in it, as well as to ensure that, whenever possible, two or more candidates are evaluated for a certain position;
- e) Promote, when necessary, the hiring of specialized assessment companies, whose work provides subsidies for selection processes.



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4.2 People Management Planning

In conducting the selection and management appointment process, Eletrobras companies' people management areas shall:

- f) Establish, when applicable, criteria for mobility between companies associated to processes of managerial selection;
- g) Continuously improve career management policies, procedures and processes, contributing to the improvement of the organizational climate.
- h) Structure knowledge management actions, preserving technical memory and reducing the risk of discontinuity associated with succession processes;
- i) Observe warnings, disciplinary sanctions and cases of conflict of interest that may influence succession processes, in full compliance with the Code of Ethical Conduct and Integrity of Eletrobras Companies and other internal regulations;
- j) Regularly promote the assessment of the holder of a managerial position, to provide subsidies for their professional development and the evaluation of their superiors.

4.3 Ethics and Integrity

During the conduction of the selection process and managerial appointment, the integrity areas of Eletrobras companies shall:

- k) Provide additional and essential subsidies for the process of managerial appointment regarding to the integrity evaluation of the candidate, whose nomination is subject to Executive Board approval, which constitutes good corporate governance practice and development of the integrity program management environment.
- l) Observe the application of the regulations of consequence regarding the application of administrative and/or punitive measures to employees duly responsible in a regular process that may culminate, when applicable, in the dismissal of the current manager and its immediate replacement.



5 - Responsibilities

- **Employees of Eletrobras companies** – to observe the principles and guidelines established in this policy in relation to the possibilities of developing their professional career and effective participation in selection processes, when applicable, collaborating to strengthen the meritocracy.
- **Areas of People Management of Eletrobras companies** - to implement this policy, to structure and to operationalize internal selections, to participate, together with the organizational units and Boards, in the process of managerial selection and appointment and manage the assessment contracts performed by specialized companies.
- **Integrity Areas of Eletrobras companies** – contribute so that the employee appointed to managerial position undergoes an ethics and integrity analysis, in order to provide essential subsidies for the Executive Board's decision making, in alignment with the Eletrobras 5 Dimensions Integrity Program (Compliance).
- **Board of Directors / Applicant area of the selection process** - propose and report to the Executive Board of Eletrobras or the respective Eletrobras company, based on the subsidies resulting from the process, the candidate nominated to fill the vacancy, as well as provide feedback to employees who have participated in a certain selection process.
- **Executive Boards of Eletrobras** - to approve this policy and ensure its implementation.
- **Executive Boards of Eletrobras companies**– to ratify the approval of this policy and ensure its implementation.
- **Committee of Personnel, Management and Eligibility of Eletrobras holding** - to evaluate this policy, monitoring its implementation and its results, proposing to the Board of Directors of Eletrobras updates and improvements, when necessary.
- **Board of Directors of Eletrobras** – to approve this policy.
- **Board of Directors of Eletrobras companies**— to ratify the approval of this policy.



6 - Concepts

Assessment - Evaluation method that allows to indicate behavior trends, identify potential and evaluate performance of professionals to assume new challenges in companies, in a leadership position, either in the formal organizational structure or in strategic projects, based on the profile of the position and professional and personal skills.

Sustainable Development Goals - Document composed of objectives and goals, defined at the General Assembly of the United Nations, as one of the greatest global challenges to be faced to ensure the development and sustainable growth of the planet.

Conflicts of interest - Situations caused by the confrontation between public and private interests, which may compromise the interests of Eletrobras companies or improperly influence the performance of the functions performed by Eletrobras companies.

Consequences - Disciplinary measures applied to any Eletrobras employee as a result of any deviation from integrity and ethical conduct, non-compliance with policies, regulations and internal rules, and violation of the legislation to which the Eletrobras companies are subject.

Performance Management System - Systematized process of planning, monitoring and evaluation of each employee's performance, according to the competencies required for the development of their activities, the results to be achieved and their development potential, aligning the management of people to the achievement of organizational objectives.

Job and Salary Plan - Document that regulates a set of guidelines governing the career of Eletrobras companies' employees. It aims at aligning people management policies and practices to the corporate strategic direction, as well as integrating people management processes, seeking the improvement of organizational performance.

Function Plan - Document attached to the PCR that deals with policies and procedures for career management for functions linked to activities inherent to Eletrobras companies.

Selection Process - Structured and isonomic process for attracting employees within the Eletrobras companies, which aims to meet the personnel demands of each board of directors for certain area, as well as providing space for the professional growth of employees.

Ethical Conduct and Integrity - ethical principles and commitments that guide the actions with all Eletrobras' stakeholders, such as communities, suppliers, service providers, partners, customers, press, control agencies, government, among others.



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Business and Management Master Plan - Five-year plan whose main objective is to demonstrate to the stakeholders and the market in general which strategies and initiatives Eletrobras should pursue in order to achieve its most relevant business goals.

7 General Disposition

7.1 It is expressly stated that any terms used in this policy, such as employees and the like, which are referred to by the generic term representing the male, refer to the entire collective.

7.2 This policy can be unfolded in regulations for Eletrobras companies and also in specific internal normative documents for each company, always aligned with the principles and guidelines established herein.

7.3 This policy can be unfolded in regulations for Eletrobras companies and also in specific internal normative documents for each company, always aligned with the principles and guidelines established herein. For such positions, the formal process of proposition of the candidate by the Board of Directors in which the position is open, for approval with the Executive Board, applies.

7.4 The cases omitted from this policy must be evaluated by the Management Board or its equivalent from each of the Eletrobras companies.