



# **Sustainability** Report

**2021**

# Presentation

The year of the insourcing. This is how the year 2021 can be described, a period full of great events for NTS, as we became an independent natural gas transportation company with our own operational center, paving the way for new customers and recognition as a world class company, leading the transformation of the gas transportation sector in the country.

The internalization of the operation involved a lot of planning and preparation, with the hiring of more than 150 new employees, mainly allocated to technical and operational areas, investments and performance of maintenance and safety works in NTS pipeline network, focusing on asset integrity and risk mitigation, in addition to

new facilities such as operational and support bases as well as control and backup centers. Theoretical and practical training was also provided to the teams.

The company's insourcing process was extremely successful, as a result of a long period of management, structuring and support of all internal areas of NTS, which enabled a safe transition, following good practices of the natural gas industry and in compliance with applicable law.

Read about the main highlights of the year and our vision of the future for an ever-changing market - and world - on the following pages

**Enjoy your reading!**

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## The year we made NTS an independent company

The year 2021 marked the consolidation of an intense work to prepare Nova Transportadora do Sudeste S.A - NTS for its operational transition, in a context that imposed additional challenges, requiring adjustments to the restrictions imposed by the COVID-19 pandemic. We successfully concluded the internalization of the operation of the gas pipeline network, which from then on was carried out

From our own Operational Control Center - OCC, reproducing best practices and process automation. After three years of planning, investments, hiring more than 150 new members for our team, training and certifications, we celebrated the successful results achieved, which translated into a safe transition, with no operational disruptions or impacts to customers.

**Wong Loon** was the Chief Executive Officer and Chief Operating Officer of NTS until December 31, 2021. As of 2022, he was elected as a permanent member of the Company's Board of Directors, a position he took over in 2022.

**Erick Portela Pettendorfer** took over as CEO of NTS on January 1, 2022.



Wong Loon

Erick Portela  
Pettendorfer



That was a great achievement For 2021! Even in the Face of all adversities, we managed to train our people both in theoretical and practical aspects to be able to turn the key without any interruption of gas transportation services.

Our assumptions have always been, First and Foremost, to ensure the safety and health of our employees and their Families, ensure reliability of our deliveries and guarantee our revenues. Three pillars that were strictly Followed by our team.

Our operational performance in the First 100 days of the transition included preparation For the scheduled maintenance shutdown of our customers' Facilities, during which we also performed maintenance work and integrity inspections of the pipelines.

We also continued to work in the communities close to our operations, sponsoring social

projects and actions to combat the pandemic and providing humanitarian aid. On this Front, continuing with the program implemented in 2020, we allocated another R\$6 million, aimed at Fighting hunger and providing logistical and structural support For municipal vaccination campaigns, in partnership with the initiative "Unidos pela Vacina", led by Grupo Mulheres do Brasil. We also joined the BNDES "Salvando Vidas" Project, via matchFunding, to support the construction of oxygen plants and donations of PPE to hospitals. The projects selected through public notices and sponsored by laws For Fostering culture, sport, education, health and care For children and the elderly totaled R\$20.5 million in 2021.

Altogether, around 170,000 people located in the communities and territories surrounding the gas pipelines were impacted. This is the central pillar that directs the resources of our Social Investment Program.



## The year of the insourcing

The challenge of insourcing the company's operations was my biggest motivation to return to the job market. When I took over the company, every care was taken so that there were no failures, that is, accidents, incidents or delivery problems.

In 2018, we designed our Long-Term Project with a detailed action plan for insourcing our activities, a fundamental condition for transforming NTS into an independent company. In the three years that followed, we worked hard to achieve this goal and we had one more challenge that was the COVID-19 pandemic and all adjustments we had to make to continue operating in the face of the new reality. And we made it!

The company's foundations are solid, and I am proud of the results

achieved in the three years I was CEO. I leave the position in peace and with the feeling of duty fully accomplished. I was retired when I accepted the challenge of making NTS an independent company, and now I will resume my retirement plans, but I remain a member of the company's Board of Directors. Therefore, I remain committed to the company's long-term vision.

As of 2022, NTS will be in the experienced, competent and talented hands of Erick Pettendorfer. I am absolutely sure that he has all it takes to successfully lead this new stage and within the new market context, guiding NTS team to overcome challenges and leading the company along the best paths to reap important achievements from now on.

**Wong Loon**



The new gas market will stimulate investments in infrastructure and competition in the Brazilian industry, which brings visibility to new businesses



**Erick Portela  
Pettendorfer**

CEO

## A year of transformation for NTS and the national gas sector

I have followed NTS trajectory since its first stage, when it was still an asset operated by Transpetro. I was present when Wong proposed to the board the insourcing of operations and when the challenge was accepted, marking the company's entry into its second stage. In recent years, NTS has gone through a major process of material business structuring that, after reaching important milestones in the execution of its strategy, culminated in 2021 with the operational transition supported by a new gas law.

In addition to this organizational transformation, in April, Nova Infraestrutura Gasodutos Participações S.A. (NISA), a company owned by the current controlling shareholders (Nova Infraestrutura Fundo de

Investimento em Participações Multiestratégia (FIP) and Itaúsa S.A.) completed the acquisition of 10% of the share capital of NTS, sold by Petrobras, another important step towards sector de-verticalization.

In May, we concluded the public consultation stage to map the demand for transportation capacity in the NTS network. Nineteen companies participated in the process, including producers, importers, traders, distributors and industrial and thermal consumers of natural gas, and the requests included the construction of receiving and delivery points, in addition to new pipelines. Demand mapping represents the initial stage of the first NTS Incremental Public Call.

Our next steps include refining these requests, thermal-hydraulic simulations of the requested capacities and preparing proposals for an incremental capacity project. In August, we entered into a partnership with TAG (Transportadora Asociada de Gás) and TBG (Transportadora Brasileira Gasoduto Bolívia-Brasil), to share the Capacity Offering Portal (POC), a digital tool aligned with the New Gas Law and the first marketplace that will allow equal access of market agents to new products and services of the natural gas transportation system in the country, through Annual Extraordinary Products, Public Calls for Existing and Incremental Capacity, in addition to Short-Term Products.

I thank Wong for his commitment to consolidating NTS as an independent company and for leading an integrated and winning

team that exudes talent and continuously works for superior results. None of our achievements over these years would have been possible without his leadership, the support of the board of directors and the teamwork, dedication and performance of the entire NTS team.

Now, we look to the future, focusing on operational consolidation and strengthening of the ESG (Environmental, Social and Governance) agenda within a new market context. In this third stage, regulation will introduce innovations related to the activities performed by NTS, such as new rules for operation and balancing of gas pipelines and natural gas transportation systems and the determination of rules of independence and autonomy of transportation companies in relation to agents engaged in competitive activities in the natural gas industry.



Now, we look to the future, focusing on operational consolidation and strengthening of the ESG (Environmental, Social and Governance) agenda within a new market context.





For 2022, we will focus on the execution of projects such as the Cabiúnas and GASIG interconnection, which are essential for the flow of pre-salt gas through Route 3. We will strengthen the safety culture and focus on the Zero Harm program. We will advance in the transition to the new gas market, holding public calls and operating in the multi-customer market, bringing new carriers to our system.

In 2021, we initiated the actions foreseen in NTS 2021-2025 Sustainability Plan, which establishes goals, metrics and practices that will guide actions that guarantee an increasingly more sustainable gas transportation. The plan was developed under three axes of action: People, Environment and Governance. Among the objectives for the next 5 years,

NTS will seek to be recognized in the surroundings of its operation, establish and disseminate environmental management processes, and establish a formal program for the qualification and development of suppliers.

We will work to maintain volume, increase customer relationships and expand the range of services offered, in addition to the gas pipeline with guaranteed supply. We are also attentive to the market and studying diversification into other modes. Based on the lessons learned, we will prepare a new Long-Term Project to transform NTS into a low-carbon and hydrogen-based fluid logistics solutions company, as we are in a position to lead the transformation of this sector in Brazil as a sustainable model for energy and heat generation.

**Erick Pettendorfer**

# Highlights of the year



We ended 2021 with an average volume of natural gas delivered of 45.5 million m<sup>3</sup>/day



55.9 million m<sup>3</sup> of gas: record volume transported on a single day.



Net Income of BRL 3.1 billion, up BRL 532 million against 2020.



EBITIDA de R\$ 5,2 bilhões, a result BRL 944 million higher than in 2020.



For the Fourth consecutive year, we won the Valor 1000 Award, promoted by the Valor Econômico newspaper, as the best company in the Transportation and Logistics sector.



Launch of the country's first multi-transportation digital environment: the Capacity Offering Portal (POC), a virtual space shared among NTS, TBG (Transportadora Brasileira Gasoduto Brasil-Bolívia) and TAG (Transportadora Associada do Gás), which allows free access of market agents to products and services of the country's Natural Gas Transportation System.



23% increase in net revenue, to BRL 5.8 billion.



## Independent company

The sale of Petrobras' minority interest in the share capital of NTS (completed at the end of April), in line with the Consent Decree entered into by Petrobras with the Administrative Council for Economic Defense - CADE, closed a cycle of significant advances from the regulatory point of view. The transaction reinforced the separation and independence between the activities of NTS, as a gas transportation company, and Petrobras, as a natural gas carrier.





# About the Report

102-50, 102-51, 102-52, 102-54







NTS publishes its sustainability report following the standards of the Global Reporting Initiative (GRI), in its Standard version, in the Essential option, which encompasses the Company's performance during the year in the economic, environmental, social and governance areas. The most recent report, for the year 2020, was published in the third quarter of 2021.

Data reported herein cover the period from January 1 to December 31, 2021, and present, with transparency and objectivity, the main results related to the topics considered material by the company. The production of the report had the participation of a specialized consultancy, but it was not subject to external audit, an improvement already considered for the coming years.

## Material Themes

102-42

This report focuses on the topics considered material for NTS, that is, the topics considered most significant for the company's strategy, from the perspective of its stakeholders.

The materiality process was prepared through the analysis of sector studies and methodologies related to ESG ratings, national and international trends and their potential impacts on our business.

The process also involved interviews with our key executives and shareholders to learn about ESG topics considered essential for the

sustainable management of the business, as well as an online survey with around 100 representatives of the company's main stakeholders: customers, employees, community, suppliers, public bodies, universities and Civil Society Organizations (OSC).

The material topics considered priority for the development of NTS activities and the audiences impacted are listed below.

The materiality of the first NTS reports was revisited, and the themes in this report bring a new prioritization, after consultation with our stakeholders.

102-44, 102-46, 102-47, 103-1

MATERIAL THEMES 2021	OBJECTIVE OF THE THEME	RELATED GRI ASPECT	AUDIENCES IMPACTED	RELATED SDG
People Attraction and Development	Offer attractive benefits, promote a healthy work environment and mechanisms that allow for the development of talents and returns on performance.	Employment Training and education	Internal	Goal 4.4
Ethics and Compliance	Promote an ethical conduct in relationships throughout the value chain; fighting any type of corruption and acting in compliance with laws and regulations.	Anti-Corruption Antitrust Practice Non-compliance	Internal and External	Goal 16.5



MATERIAL THEMES 2021	OBJECTIVE OF THE THEME	RELATED GRI ASPECT	AUDIENCES IMPACTED	RELATED SDG
Risk Management	Anticipate and mitigate possible economic and financial, operational or compliance risks, creating strategies to respond to these events and planning the enhancement of opportunities.	Environmental Compliance, Economic Compliance, Anti-Corruption, Indirect Economic Impacts	Internal	Goal 9.1 Goal 16.6
Social and Environmental Impacts on Neighboring Communities	Measure, assess and address the social and environmental impacts of infrastructure projects, being attentive to aspects licensing through to generating positive impact.	Indirect economic impact, Water, Emissions, Biodiversity, Waste, Environmental Non-Compliance, Local communities	Internal and External	Goal 6.1 Goal 7.1 Goal 16.6
Operational Integrity and Efficiency	Invest in technologies that prevent pipeline corrosion, techniques and equipment that assist in leak detection and effective monitoring of the entire system.	SASB indicators	Internal and External	Goal 9.1
Climate Change and GHG Emissions	Promote strategies to contain climate change, reduce greenhouse gases and environmental impacts, develop energy efficiency initiatives at our sites and throughout the value chain, in order to foster a more sustainable business and manage our risks.	Emissions, Environmental Compliance, Environmental Assessment of Suppliers	External	Goal 13.2
Health and SaFety in Operations	Develop mechanisms that guarantee the integrity of workers and service providers, as well as provide training to local communities for an effective response in case of emergencies.	Health and SaFety	Internal and External	Goal 8.8



The theme “Social and environmental Impacts on Neighboring Communities” was maintained and NTS activities in this sector were intensified. We carried out a survey of environmental aspects and impacts of all NTS activities, including those related to the generation of discomfort, risk or impact to the neighborhood. According to the methodology developed, they were all classified as not significant, that is, low potential or low Frequency/ probability of occurrence.

At the same time, surveys were conducted for the social diagnosis of priority municipalities for the company, in which the communities located in the areas of direct influence of the pipeline right-of-way are mapped, with the purpose of establishing dialogue channels, mapping vulnerabilities, resources and potential locations.

The toll-free 168 telephone number, available 24 hours a day and managed by our partner Transpetro, was maintained as a communication channel with the population so that they can make complaints, get questions answered and forward other types of requests regarding interference of the right-of-way. A communication flow was created between NTS and Transpetro for the handling and solution of calls, monitored by monthly reports of data consolidation by type of occurrence.

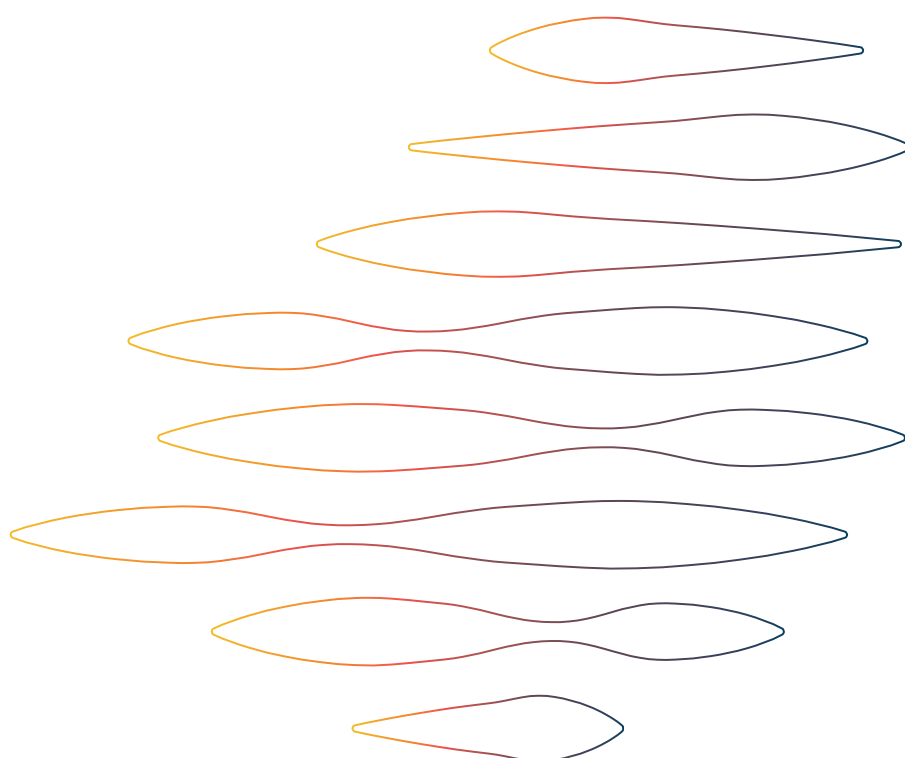
As of July 2021, NTS began operating the gas pipeline network and implemented, in addition to the network's Social Communication Plan, its own communication and relationship program with the communities neighboring the right-of-way. Trained communicators specialized in community relations follow a weekly calendar of in-person contacts with the residents and owners of the right-of-way areas, creating a direct channel for exchanging information.



## Our stakeholders

102-40

Stakeholder	Scope	Theme/Subject
Shareholders and Management	Shareholders, members of the Board of Directors and Fiscal Council, debenture holders.	Financial and operational performance, Health and Safety, Long Term, others.
Market	Regulatory bodies, companies in the sector, Institutes and associations.	Long Term, Quality in transportation, integrity, Operation, governance, others.
Employees	Own employees and third parties.	Health and safety, quality of life, benefits, culture, development, others.
Community	Owners in the right-of-way, population neighboring the Facilities and the right-of-way, communities in the regions of influence of the company's assets.	Right-of-way maintenance, works, population safety, branching, social projects.
Suppliers	Companies providing services and materials for NTS.	Health and safety, contracts, compliance, qualification, standards.
Press	Public information communication means.	Community relationship, social projects, operation, financial performance.
Customers	Large and potential customers of the New Gas Market.	Financial and operational performance, Health and Safety, Long Term, others.
Institutional	Government bodies and representatives.	Long Term, Quality in transportation, integrity, Operation, governance, licenses, conditions and others.







## Engagement of potential customers to NTS network

102-43

NTS, through its commercial area, engages its potential customers (distributors, producers, traders, thermal plants and Free consumers) in different ways, the main way being through meetings, presentations and public calls. We use class associations (ABEGAS, IBP, ABRACE, ATGÁS, among others) to communicate with a greater number of

companies in each approach, promoting our services.

NTS subscribes to a market intelligence platform whose database includes gas consumption companies located in the network surroundings. Reports are extracted from it, helping us engage potential customers, map demands and get closer to the market.





# A long-term view

102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 203-1





NTS is a publicly-held gas transport company whose shareholders are Nova Infraestrutura - FIP Multiestratégia, with 91.5% of the shares and Itaúsa S.A., with 8.5% of the shares\*.

The company operates long-term authorizations with 100% of the contracted capacity (ship or pay mode). In 2021, our main contracts were with Petrobras, transporting natural gas to distributors, thermal plants and refineries.

NTS transports natural gas through a solid pipeline system, connecting the most industrialized region of Brazil safely and reliably. The services provided by NTS currently include the firm, extraordinary and interruptible transportation of natural gas.

We have contractual transportation capacity of 158.2 million m<sup>3</sup> of gas per day that passes through more than 2 thousand kilometers of gas pipelines, 6 gas compression stations (5 owned and 1 outsourced), 47 delivery points and 3 interconnection points.

*\* Position as of April 2022.*

NTS gas pipelines connect the states of Rio de Janeiro, Minas Gerais and São Paulo (responsible for approximately 50% of gas consumption in Brazil) with the Bolivia-Brazil gas

pipeline, LNG terminals and gas processing plants. The gas transported by NTS serves the thermoelectric, industrial, vehicular, commercial, residential and cogeneration sectors.



## Operational transition

In July 2021, we successfully concluded the internalization of the gas pipeline network operation, which from then on was carried out from our own Operational Control Center - CCO, a remote and centralized operation solution that has a highly qualified team operating in uninterrupted shift, and reproducing best practices and process automation.

After three years of planning, investment, hiring more than 150 new employees, training and certifications, we celebrated the successful results achieved, which translated into a safe transition for our teams, with no operational disruptions or impacts to customers.



## Timeline

### 2017

The Fundo FIP - Nova Infraestrutura Fundo de Investimentos em Participações, managed by BrookField Brasil Asset Management Investimentos Ltda., an entity affiliated with BrookField Asset Management, acquired 90% of the shares of NTS. On the same date, FIP sold part of its shares in NTS to Itaúsa S.A.

### April

The New Gas Law is sanctioned, a new milestone for the gas production sector in Brazil, which aims to attract new investors, increase competition and generate more competitiveness.

### June

The National Petroleum, Natural Gas and BioFuels Agency - ANP attested to NTS technical qualification to act as a direct operator of its gas pipelines, allowing the operational transition.

### 2021

On April 30, 2021, Nova Infraestrutura Gasodutos Participações S.A. (NISA), a company whose shareholders are the current controlling shareholders of the Company, FIP and Itaúsa completed the purchase of the entire remaining stake of Petrobras in NTS. With this move, we reinforced the separation and independence between the activities of NTS, as a gas transport company, and Petrobras, a natural gas carrier, which remains our customer.

### May

We concluded the public consultation stage to map the demand for transportation capacity in the NTS network. Nineteen companies participated in the process, including producers, importers, traders, distributors and industrial and thermal consumers of natural gas, and the requests included the construction of receiving and delivery points, in addition to new pipelines. Demand mapping represents the initial stage of the first NTS Incremental Public Call. The next steps include refining these requests, thermal-hydraulic simulations of the requested capacities and preparing proposals for an incremental capacity project.

### July

NTS definitively took over the operation and maintenance activities of the gas transportation pipelines owned by it, until then carried out by Petrobras Transporte S.A. - Transpetro. The transition was extremely successful, as a result of a long period of management, structuring and support of all internal areas of NTS, which enabled a safe transition, following good practices of the natural gas industry and in compliance with applicable legislation.

## Markets served

NTS is a natural gas transportation company that makes up the gas logistics chain in Brazil. The company receives natural gas from the carrier and transports it according to the carriers' program. NTS

duties include meeting requests for transportation service, installation of new sections of pipelines, delivery and reception points, complying with regulatory requirements established by the applicable agency.

**41.8%**

NTS share of total natural gas produced in the domestic market

**49%**

NTS share of total Gas produced X Gas made available to the market

**19.7%**

NTS share of contracted gas in electricity contracting auctions/total contracted

**12.7%**

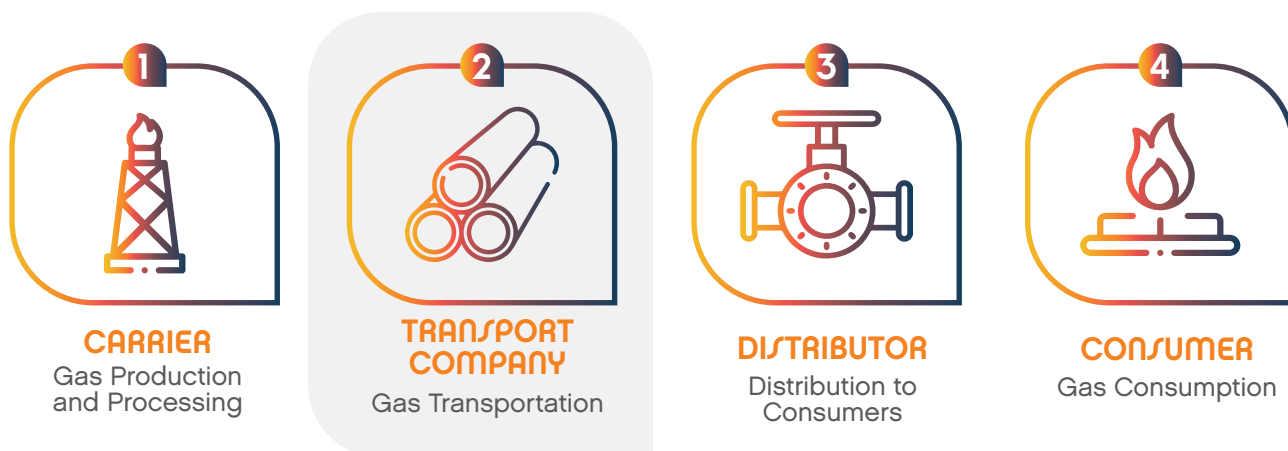
NTS share of natural gas projects participating in electricity contracting auctions/total projects

**7%**

NTS share of the natural gas energy matrix in Brazil

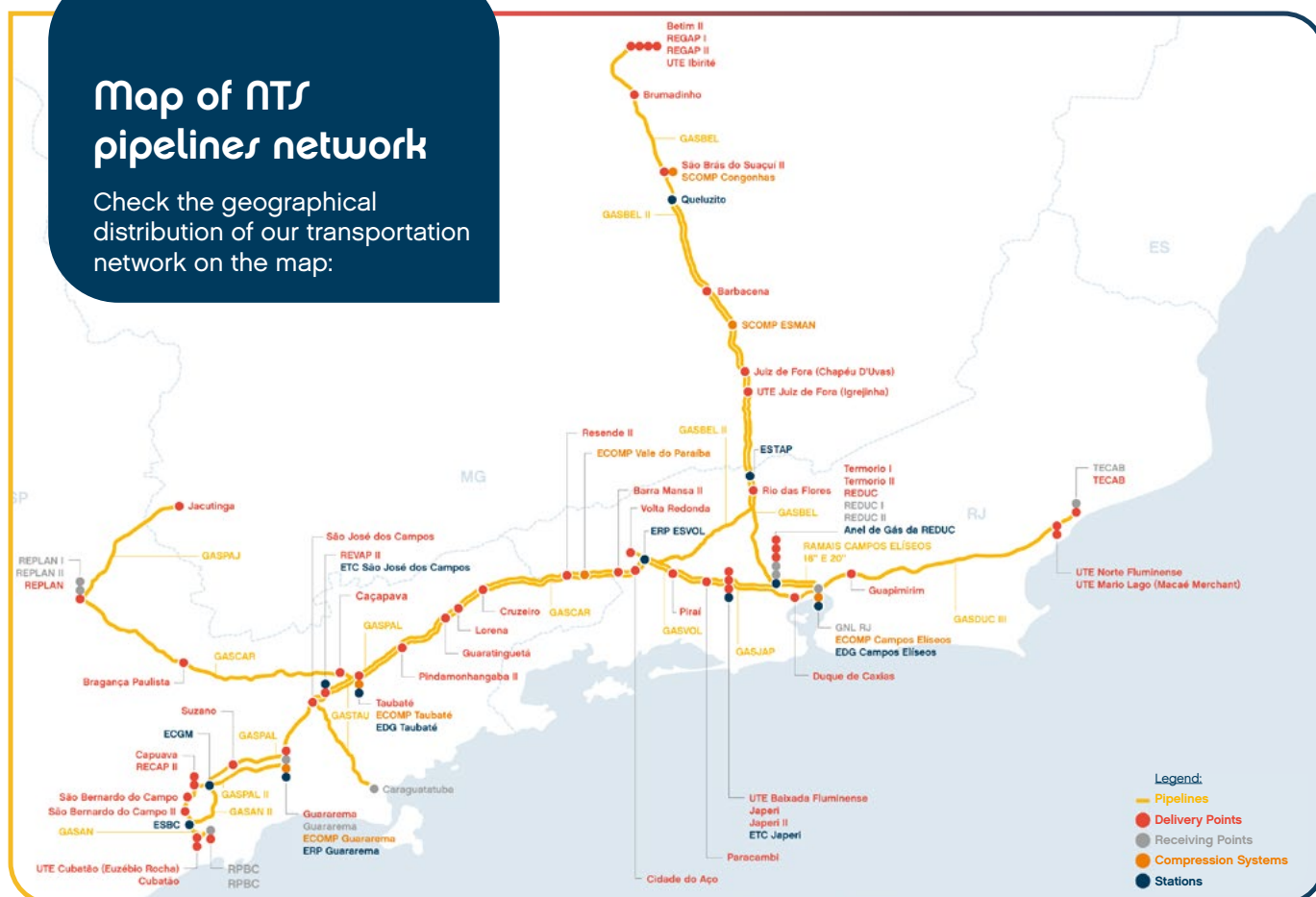


## Gas logistics chain



## Map of NTS pipelines network

Check the geographical distribution of our transportation network on the map:





## Key businesses

We provide three different types of service: Firm Transportation Service (STF), Extraordinary Transportation

Service (STE), Interruptible Transportation Service (STI). Check out the details of each of them below.

### Firm transportation service (STF)

The transportation company undertakes to receive, move and deliver, on a daily basis, the amount of gas requested by the carrier

### Extraordinary transportation service (STE)

The transportation company also undertakes to receive, move and deliver the amount of gas requested by the carrier, on a daily basis, but limited to a maximum period of one year, and may be interrupted in the event of demand for Firm contracting of available capacity.

### Interruptible transportation service (STI)

The transportation company works to receive, move and deliver, on a daily basis, the amount of gas requested by the carrier, without guarantee of continuity.

## Capacity Offering Portal (POC)

In 2021, the Brazilian natural gas market gained the country's first multi-transportation digital environment: the Capacity Offering Portal (POC), a virtual space shared between Nova Transportadora do Sudeste (NTS), Transportadora Brasileira Gasoduto Bolívia-Brasil (TBG), and Transportadora Associada de Gás (TAG).

This digital environment allows market agents to have equal access to new products and services of the natural gas transportation system in the country, through Annual Extraordinary Products, Public Calls for Existing and Incremental Capacity, in addition to Short-Term Products, available since the second half of 2020.

This is a pioneering tool in Brazil and works as a marketplace for the sector, bringing the transparency and flexibility necessary for the development of free trading, with a model similar to that in place in Europe, in which several operators provide the most varied products and services to agents in the natural gas market, through integrated platforms, such as Prisma, which brings together in a single environment the supply of capacity from several transportation companies, allowing competition and movement through a network of gas pipelines that integrates states that represent more than 90% of the industrial GDP Brazilian.



Accessible through the link  
[www.ofertadecapacidade.com.br](http://www.ofertadecapacidade.com.br)

The POC offers users an experience similar to that of the main e-commerce platforms in the country, supported by sophisticated and modern software. The partnership signed between TBG, NTS and TAG provides for the sharing of the POC, with co-participation for administration, development, maintenance and operation of the digital platform.





# Robust Governance

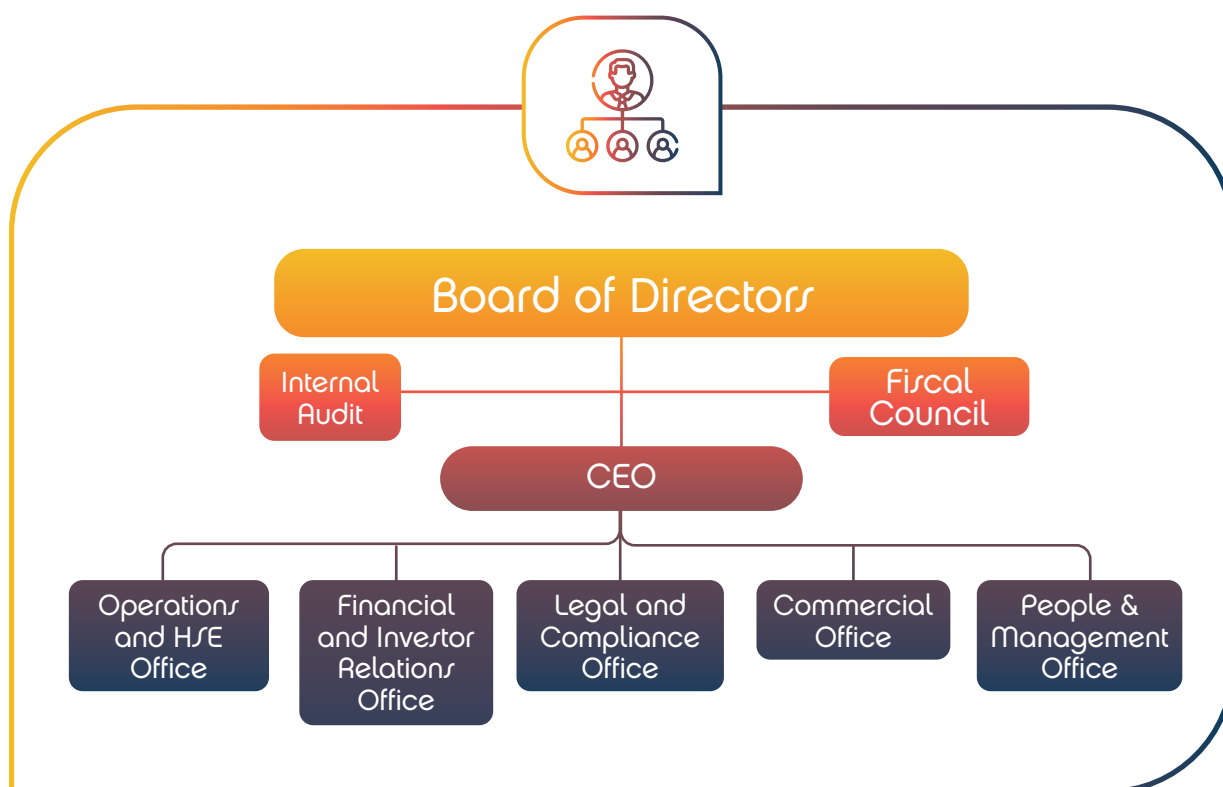
102-18



Our governance model is committed to guaranteeing a high corporate reputation through the highest ESG standards in the market to ensure the safe and sustainable transportation of natural gas. This commitment is reflected in the way we are organized and in

our corporate governance structure.

Our Board of Directors is the company's guidance and direction body and is composed of ten permanent members and four alternates.



The Executive Board is composed of five members, three of which are Statutory Officers, elected under the terms of NTS Bylaws, with a term of office until April 4, 2023. The members of the Executive Board represent the operational, financial, commercial and regulatory,

people and management, and legal and compliance areas, as well as the investor relations area. Their main responsibilities include conducting business in accordance with the strategic planning and reporting results to the company's Board of Directors.



Additionally, we have a permanent Fiscal Council that is currently made up of three permanent members and three alternates. Its responsibilities and duties are provided for in the Brazilian Corporate Law (Law No. 6.404/76). In addition, we also work with an independent external audit, which examines the company's quarterly and annual financial statements. Every five consecutive fiscal years, the independent auditors must be replaced to ensure isonomy, independence and

transparency in the audit process.

NTS also has an internal audit structure, which is responsible for independently evaluating the effectiveness of processes, standards and policies, as well as conduct and ethics issues received through the Confidential Channel, in accordance with the NTS Code of Professional Ethical Conduct. The internal audit reports directly to the Board of Directors.





## Conduct and Compliance

102-16

Act with ethics, transparency, discipline and respect for the law. These are attitudes that are part of our daily lives and of the behavior of each of our professionals. These are non-negotiable values that constitute the guiding principles of NTS culture.

We are registered with the Brazilian Securities Commission (CVM) as a publicly-held, category B company (one that does not have its shares traded on the market and, consequently,

is exempt from disclosing certain information provided for by the CVM), and follow high governance standards established by the market.

The instruments that support the management of corporate integrity include the NTS Code of Professional Ethical Conduct, the Anti-Bribery and Anti-Corruption Policy, the Information Disclosure Policy, the Positive Work Environment Policy and the Confidential Channel.

Compliance standards and policies are updated and reviewed annually in accordance with best practices. All employees and third parties who perform activities at NTS attend annual training on the Code of Ethics, the Anti-Bribery and Anti-Corruption Policy, Conflicts of Interest and

Interaction with the Government, and also need to update the declarations of inexistence of Conflicts of Interest, of Compliance and regarding reading of the Anti-Bribery Policy. We also carry out training for certain groups of suppliers.



Click here to access our codes and policies:

<https://ri.ntsbrasil.com/en/code-of-ethics-policies-and-bylaws/>

We have a robust Compliance Program, which quarterly monitors all actions related to compliance and integrity management and, every two years, carries out an assessment of Fraud and corruption risks with a focus on improving Fraud prevention, detection and combatting, as provided for in the legislation and in accordance with good practices.

This commitment to acting within the highest standards of compliance is an essential pillar for conducting our activities within a zero-tolerance approach to bribery and other acts of corruption. To this end, we work within a framework that places all our employees as advocates for the business through regular training and communications.





**CONEXÃO**  
COMPLIANCE



## Compliance Connection

102-16

In 2021, we successfully disseminated knowledge and compliance rules and strengthened ethics, diversity, integrity and compliance as elements of the company's culture.

Given the insourcing of NTS activities and accountability for the actions of grassroots teams, we identified the need to launch a campaign to transmit and consolidate the company's values.

The Compliance Program was then expanded, with the creation of the "Compliance Connection" campaign, with the slogan: "We are distant, but connected with Ethics and Integrity".

This campaign continued with our integrity program and allowed us to be more dynamic, objective, fast and assertive. The success of this initiative has been built on the commitment of each NTS employee to connect and engage our teams.



One of the Program's result indicators, developed during the year, was the anonymous survey with employees, to measure their perception of themes and the area. The results were positive, with emphasis on:



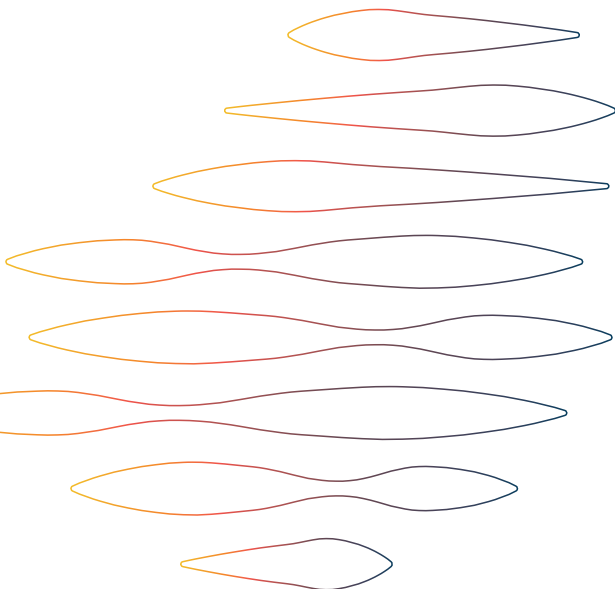
**Clarity of expected ethical behaviors:** 100% of respondents stated that NTS makes it clear what ethical behaviors are expected;



**Responsibility For the Compliance Program:** 99% of respondents also report being responsible for the NTS Program;



**Position of Senior Management:** 99% understand that the attitudes of senior management are consistent with the guidelines of the Compliance Program.



## Confidential Channel

We have a hotline managed by an independent, specialized, third-party company that receives reports of misconduct and suspicious, unethical or illegal behavior. With guaranteed confidentiality, the possibility of anonymity and the prohibition

of retaliation against complaints made in good faith, all complaints received are forwarded and investigated by Internal Audit and reported to the company's senior management.



Available 24 hours a day,  
7 days a week.

<https://canalconfidencial.com.br/nts/>

**0800 721 5955**  
(Portuguese and English)



## Risk Management

102-11

In accordance with the precautionary principle or approach, NTS, through its Risks & Internal Controls area, monitors internal and external events that may prevent continuity of its operations, the achievement of the Company's strategy and objectives. Such events are regularly mapped and monitored.

To support our risk management and mitigation process, we adopted the Enterprise Risk Management (ERM) model, based

on the principles of the Committee of Sponsoring Organizations of the Treadway Commission (COSO 2017).

Each of the risks defined by the company has an owner (Officer or General Manager), who is responsible for monitoring the action plans, metrics and goals of each mapped item.

Management and mitigation actions are shared quarterly with the Board of Directors.

Since 2018, we have analyzed the risks that may affect the continuity of our operations, understanding their consequences and determining actions to be implemented in accordance with the established deadlines. We seek to improve our ERM management and governance model by defining and providing training for the internal qualification of our professionals in the methodology, thus ensuring the dissemination of knowledge and the perpetuity of this management model.

In 2020, we concluded the implementation process, and reassessed risk inventory, impact measurement and probability of occurrence, establishing action plans for each risk in order to reduce them to an acceptable residual level, supported by a Risk Management Standard and

having as deliverable a list of risks and their respective measurements on a heat map.

In 2021, this mapping became a regular process, being carried out every year, to reassess the risks already identified, evaluate whether they should be maintained or excluded, when applicable, as well as identifying new ones and any change in the measurement of risks, as a result of external and internal factors and/or in the evaluation of the effectiveness of the action plans implemented by the Company. Finally, risk indicators were implemented and management reports were improved to assess the evolution of potential adverse events and communication to the Risk Committee. In 2022, it will be incorporated into the NTS Financial risk analysis mapping procedure.



## Corruption Risk

205-1, 205-2

The management and assessment of corruption risks are carried out by the Compliance and Internal Controls areas, which work together to strengthen NTS commitment to acting ethically and in compliance with applicable laws. As provided for in our Program, we periodically prepare and review a corruption and bribery risk matrix, which maps the potentially most exposed processes. During the year, the mapped processes are monitored and support the planning of communication actions, training content, any adjustments to policies and regulations,

quarterly monitoring and internal audits.

In addition, to mitigate risks involving contracting of certain suppliers and in donation and sponsorship processes, NTS carries out an assessment from the point of view of Compliance, which is periodically renewed and includes anti-corruption clauses and adherence to the Code of Ethics as a rule for the contracts executed. It also holds anti-bribery and anti-corruption training for some of these third parties.



More than 2,200 Compliance risk assessments were carried out during 2021.

We monitor the Compliance Program on a quarterly basis and periodically assess Fraud and corruption risks, with a view to improving Fraud prevention, detection and combatting, as provided for in legislation and in accordance with good practices.

With a permanent calendar of periodic training, we update all of our employees on good integrity practices, legal compliance issues and changes in internal policies related to these topics. The Anti-Bribery and Anti-Corruption Policy is communicated to third parties with which we maintain or will maintain a contractual relationship, and other business partners, among others. As appropriate, third-party training applies primarily to those classified as high risk.

Additionally, as often as necessary, we communicate to all third parties (in contractual arrangements or otherwise) our zero-tolerance policy regarding bribery and acts of corruption, emphasizing that business conducted with or on behalf of NTS must comply with such policy, aiming to ensure transparency in the conduct of business.

In 2021, we promoted several initiatives to disseminate the concepts contained in the Code of Ethics, such as training sessions, the Conversations with Compliance (annual) event for debate and reinforcement of ethical values, which are also addressed in monthly meetings - among other actions using various forms of communication.



## Training/Anti-Bribery and Corruption

205-2

		2019	2020	2021
Officers/General Managers	Total number	5	4	5
	Total number trained	5	4	5
	% trained	100%	100%	100%
Managers (coordinators and managers)	Total number	22	31	36
	Total number trained	22	31	36
	% trained	100%	100%	100%
Employees	Total number	102	227	302
	Total number trained	102	226*	302**
	% trained	100%	99%	100%

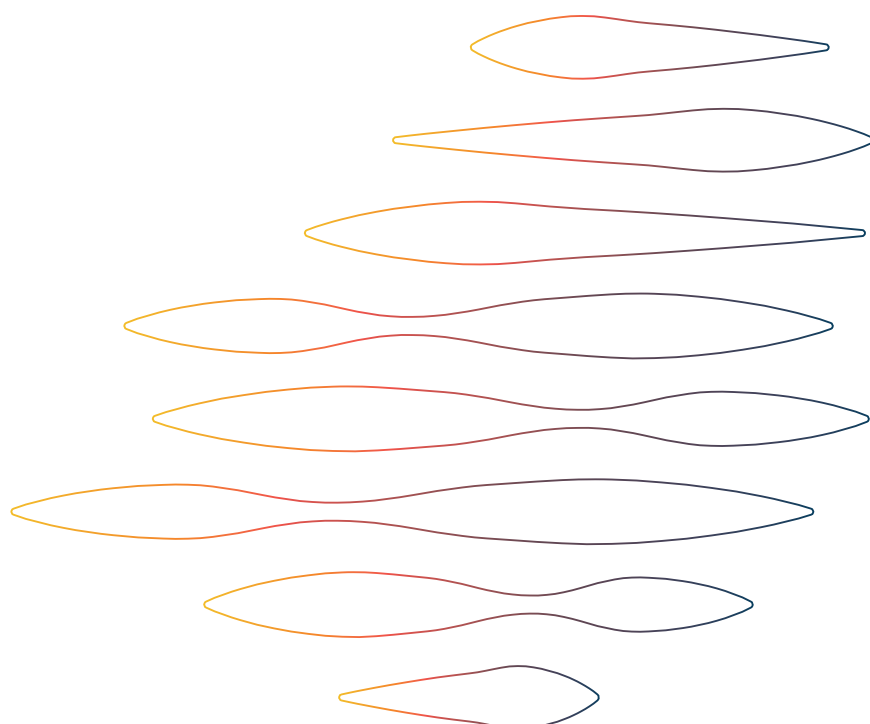
\* 1 on leave.

\*\* considering allocated third parties

## Training on the Code of Ethics, Interaction with the Government and Conflict of Interest

205-2

		2019	2020	2021
Officers/General Managers	Total number	5	4	5
	Total number trained	5	4	5
	% trained	100%	100%	100%
Managers (coordinators and managers)	Total number	22	31	36
	Total number trained	22	31	36
	% trained	100%	100%	100%
Employees	Total number	102	227	302
	Total number trained	97	221	301
	% trained	95%	97%	99%





# Growth and Consolidation





The Final approval of the New Gas Law and the process of internalizing the operation of the gas pipeline network were the two major milestones in 2021. For NTS operations, consolidating our company as an

important player in the natural gas transportation market. We know the challenges, but also the various opportunities that arise with the diversification of activities and the expansion of our client portfolio.

## New Gas Law

On April 8, 2021, law 14134/21 was sanctioned, bringing a series of opportunities for innovations related to the activities performed by NTS:

- Establishment of an authorization regime for all natural gas transportation activities, for an indefinite term;
- New rules for operation and balancing of gas pipelines and natural gas transportation systems;
- Determination of rules for the independence and autonomy of natural gas transportation companies in relation to agents engaged in competitive activities in the natural gas industry.

It also contains provisions to ensure the rights of transportation companies in the transportation service contracts in force, including those related to the protection of revenue currently achieved by transportation companies to adapt to the new system of contracting capacity on an inflow and outflow basis.

The new regulatory framework will stimulate investments in infrastructure and competition in the Brazilian industry, which brings visibility to new businesses in the sector, with the entry of new carriers. As a result, all consumers will benefit, whether industries, power

generation companies, final consumers and NGV.

By expanding the national pipeline network, we will be able to make the country more competitive on the world stage. The opening of the market - with operation on an inflow and outflow basis and with multi-customers- is a scenario for which NTS had already been preparing itself with investments in training and improvements in the network. It is worth mentioning that the law brings in the due legal certainty, as it guarantees respect for existing contracts and grants an adequate transition period for companies to adjust to the new model.

## Results

We closed 2021 with Net Income of R\$3.1 billion, up by R\$532 million against 2020. Net Operating Revenue ("NOR") in 2021 was R\$5.8 billion, up by 23% against the amount of R\$4.7 billion posted in 2020.

In 2021, NTS recorded EBITDA of R\$ 5.2 billion, an increase of 22% in relation to the EBITDA presented in 2020.

As a result, we were able to distribute approximately R\$2.7 billion to shareholders, in dividends and interest on equity, without capital reduction. The long-term national rating was reaffirmed by Fitch Ratings, that is, we maintained the "AAA(bra)" rating with a stable outlook, and all covenants related to the debentures were complied with.

### Direct economic value generated and distributed 201-1

Direct economic value generated (in thousands of R\$)	2019	2020	2021
Revenues (R\$)	5,215,967	5,605,407	6,782,943
Operating costs	- 733,041	- 773,997	- 793,254
<b>Total</b>	<b>4,482,926</b>	<b>4,831,410</b>	<b>5,989,689</b>

Direct economic value distributed (in thousands of R\$)	2019	2020	2021
Employee salaries and benefits	36,322	56,536	85,129
Remuneration of Equity	2,217,519	2,527,984	3,059,674
Government payments	1,861,285	2,023,512	2,474,858
Investments in the community	367,800	223,378	370,028
<b>Total</b>	<b>4,482,926</b>	<b>4,831,410</b>	<b>5,989,689</b>

Financial HPI's	2019	2020	2021
Net operating revenue	4,406,215	4,671,168	5,765,779
Gross margin	83.1%	82.4%	84.6%
EBITDA	3,924,398	4,261,505	5,205,517
EBITDA Margin	89.1%	91.2%	90.3%
Net income	2,217,519	2,527,984	3,059,674
Net debt	4,445,149	4,321,591	3,106,627
Net debt*/EBITDA	1.1	1.0	0.9
EBITDA/Net Financial Expense	13.9	39.7	24.8
Distribution (dividends and interest on equity paid)	2,166,126	2,376,330	2,736,741
CAPEX (includes environmental constraints)	124,150	182,431	205,539

\* For this calculation, NTS Net Debt + NISA Gross Debt, guaranteed by NTS, corresponding to R\$1,566.2 million.

## Investments

Our investments in 2021 totaled approximately R\$206 million and were mainly allocated to the operational transition, with completion of the implementation of operating systems such as SCADA, warehouse structuring, training and transition support contracts.

Additionally, investments were made to start the civil works of the Cabiúnas interconnection, ECOMP Taubaté turbine Overhaul, property security projects (city

gates), replacement of sections within the lease class project, including the exchange of more than 9.5 km, excavations within the stress corrosion cracking mitigation plan (SCC) and other operational integrity and safety projects, which include inspections and repairs of gas pipelines (through pigs, specialized tools, excavations), in addition to investments in safety assets and compliance with environmental constraints.



Throughout the year, NTS opened a market consultation with the aim of identifying potential demands for contracting transportation capacity at NTS Entry Points or Exit Points, whether new or existing, that cannot be supplied by available capacity and require expansion of NTS infrastructure.

## Completion of the insourcing process

On July 28, 2021, we successfully concluded the internalization of the operation of the gas pipeline network, which from then on was from our own Operational Control Center - OCC, reproducing best practices and process automation. The transition process was extremely successful, as a result of a long period of management, structuring and support of all internal areas of NTS, which enabled a safe transition, following good practices of the natural gas industry and in compliance with applicable law.

The project involved a lot of planning and preparation, with the hiring of more than 150 new

employees, mainly allocated to the technical and operational areas (field operations, coordination of regional bases, operational support, Operational Control Center - OCC, in addition to expanding the engineering teams, integrity, maintenance and Health, safety and environment), investments and performance of maintenance and safety works in NTS pipeline network, focusing on asset integrity and risk mitigation, in addition to new facilities such as operational and support bases, as well as control and backup centers. Moreover, theoretical and practical training were also provided to the teams.



All this effort translated into a safe transition for our teams, with no operational disruptions or impacts to customers. Our operational performance in the first 100 days included the preparation for the scheduled maintenance shutdown of our customers' facilities, during which we also performed maintenance work and integrity inspections of the pipelines to identify along the

entire length of the right-of-way and adjacent areas anomalies or irregularities that could impact integrity, the rights-of-way or the pipelines. Maintenance of the rights-of-way, in turn, was intended to ensure their integrity, by cleaning, maintenance of signage, maintenance of drainage systems, among other actions.



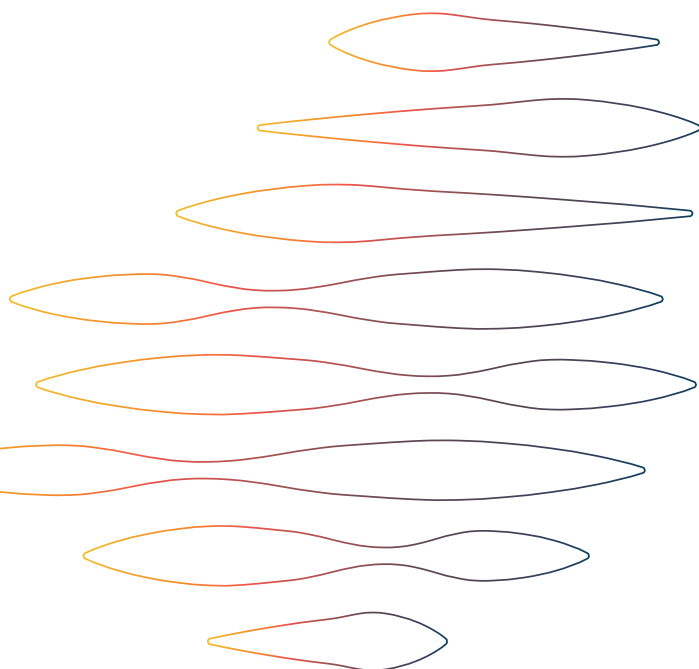
In 2021, we reached the daily record of volume of gas transported on a single day, or 55.9 MM m<sup>3</sup>/day. Again, ensuring stability and reliability in gas transportation, in a sensitive context due to the high demand for thermal energy generation.



## Safety in our operations

Due to the operational transition, essential activities directly linked to the operation have been carried out in person, following the necessary health protocols. To accompany the transition, we also mobilized the Incident Management Team - IMT, in order to provide greater security during the internalization of the operation.

Our Crisis Committee remained in place, monitoring the effects of the COVID-19 pandemic on operations and basing their decisions on recommendations from the health and sanitary authorities, always focusing on the pillar of health and safety of all and for all.







# People: our main assets



## Our culture is what sets us apart and energizes us

The principles that govern NTS guide all our attitudes, our decisions and our behavior with all stakeholders. They are immutable and non-negotiable. Furthermore,

they are correlated: it is not possible to speak of one without invoking and impacting the other. They represent our culture.







## Mission

Ensure safe and sustainable transportation of natural gas.



## Vision

To be recognized as a world-class company For excellence in management of natural gas transportation, leading the transformation of this sector in Brazil.



## Values

Our actions in all spheres are guided by inviolable beliefs, which can be perceived in our daily lives: Respect for life and the environment, Integrity, Focus on results and Ownership.

## Our Behaviors



### Guiding Principles



Act with **integrity**, **transparency** and based on **legality**



### Transforming Principles



**Innovate responsibly**



### Supporters



Recognize people for their **merit**, celebrate and promote **relaxation**



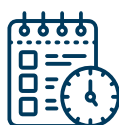
Prioritize **life, safety** and the **environment**



Act like the **owner** and deliver **results**



**Take care of yourself**, take **care** of others and allow yourself to be **taken care of**



**Simplify** and execute with **discipline**



**Learn** continuously and **adapt** quickly



Connect with **diversity** and **collaborate**



## People

- What sets us apart and brings us a competitive edge is our people.
- Our relationship is one of mutual respect and appreciation of everyone's contribution.
- We work as a team prioritizing collaboration to achieve results.
- We are passionate about our business and have deep knowledge of our sector.
- We use meritocracy to recognize performance and encourage individual development.

## Employees

We ended 2021 with 223 own employees and 11 interns.

### Employees by gender\* 102-8

	Men			Women			Total	
	2019	52		2019	35		2019	87
	2020	161		2020	45		2020	206
	2021	170		2021	53		2021	223

\* The data are in accordance with those reported to the CVM, and do not include Interns.  
The total number of interns add up to 11 in 2021, 5 in 2020 and 12 in 2019.

### New hires and employee turnover 401-1

Total number and rate of new hires by age group, gender and region

		2019		2020		2021	
		Men	Women	Men	Women	Men	Women
Total number of hires	Under 30 years	0	2	16	0	0	2
	From 30 to 50 years	14	9	84	11	13	6
	Over 50 years	3	0	9	0	0	0
		Men	Women	Men	Women	Men	Women
Hiring rate	Under 30 years	0%	25%	267%	0%	0%	22%
	From 30 to 50 years	64%	64%	233%	48%	11%	18%
	Over 50 years	43%	0%	90%	0%	0%	0%

Total number and rate of employee turnover by Age group, gender and region

		2019		2020		2021	
		Men	Women	Men	Women	Men	Women
Total number of employees	Under 30 years	6	10	22	9	18	11
	From 30 to 50 years	36	23	120	34	133	40
	Over 50 years	10	2	19	2	19	2
		Men	Women	Men	Women	Men	Women
Employee turnover rate	Under 30 years	33%	20%	0%	33%	22%	55%
	From 30 to 50 years	14%	9%	5%	18%	9%	10%
	Over 50 years	0%	0%	0%	0%	21%	0%



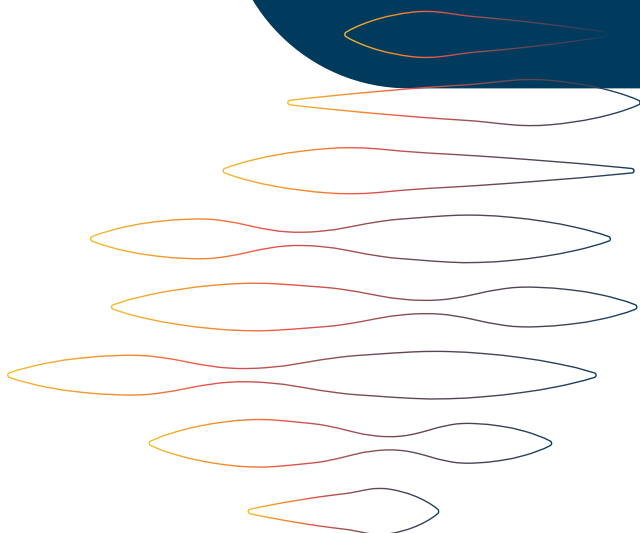
## Diversidade & Inclusão

The Diversity and Inclusion Program began in 2019. Since then, we have carried out an annual action plan to provide a more diverse, inclusive work environment where our Employees feel comfortable being who they are, regardless of race, belief, gender, sexual orientation or any other attribute that declares our human particularities.

In order to create an increasingly plural, egalitarian, inclusive and

performance-focused work environment, throughout 2021 we carried out training focused on developing awareness and initial understanding of the topic for professionals assigned to work in the Diversity & Inclusion group.

We mapped suppliers to form partnerships with a focus on the active search for candidates who represent minorities, bringing more diversity to NTS.





We also reviewed institutional materials to ensure they present inclusive language and images that are representative of the company's population and of society. We trained the team in behaviors that are not tolerated by employees, aiming to reinforce a safe environment, especially for women and LGBTQIA+ people..

In addition, throughout the year we worked on topics such as accessibility and development of PDs and implemented conversation circles on topics such as Women's Careers, LGBTQIA+, ethnic-racial, PD and generations. The purpose was to discuss each of the themes, as well as their related concepts and terminology, and jointly build good practices in the organizational environment.



## NTS joins the list of global signatories to the UN WEPS platform

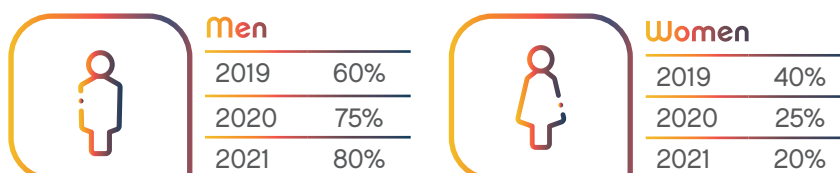
NTS has been promoting actions to increase gender diversity. One of these measures was subscribing to the Women's Empowerment Principles - WEPS. The UN platform aims to guide companies towards empowering women and promoting gender equity in all business instances, including the value chain and the communities where they operate.



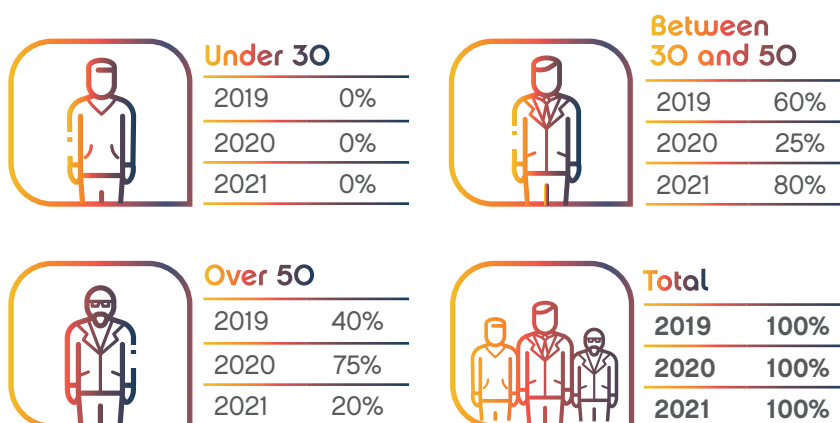
## Diversity Profile

405-1, 103-2, 103-3

Percentage of employees by gender who are part of the governance bodies in each of the diversity categories



Percentage of employees by age group that are part of the governance bodies in each of the diversity categories



Number of employees and percentage per functional category in each of the following diversity categories

Executive Board



Men

2019	2	4%
2020	3	2%
2021	4	2%



Women

2019	2	6%
2020	1	2%
2021	1	2%

Management



Men

2019	15	29%
2020	16	10%
2021	18	11%



Women

2019	2	6%
2020	3	7%
2021	4	8%

Leadership/coordination



Men

2019	6	12%
2020	14	9%
2021	14	8%



Women

2019	2	6%
2020	0	0%
2021	1	2%

Administrative



Men

2019	27	52%
2020	51	32%
2021	54	32%



Women

2019	25	71%
2020	36	80%
2021	41	77%

Technical/supervision



Men

2019	0	0%
2020	76	47%
2021	80	47%



Women

2019	1	3%
2020	3	7%
2021	4	8%

Apprentices



Men

2019	2	4%
2020	1	1%
2021	0	0%



Women

2019	3	9%
2020	2	4%
2021	2	4%

Total



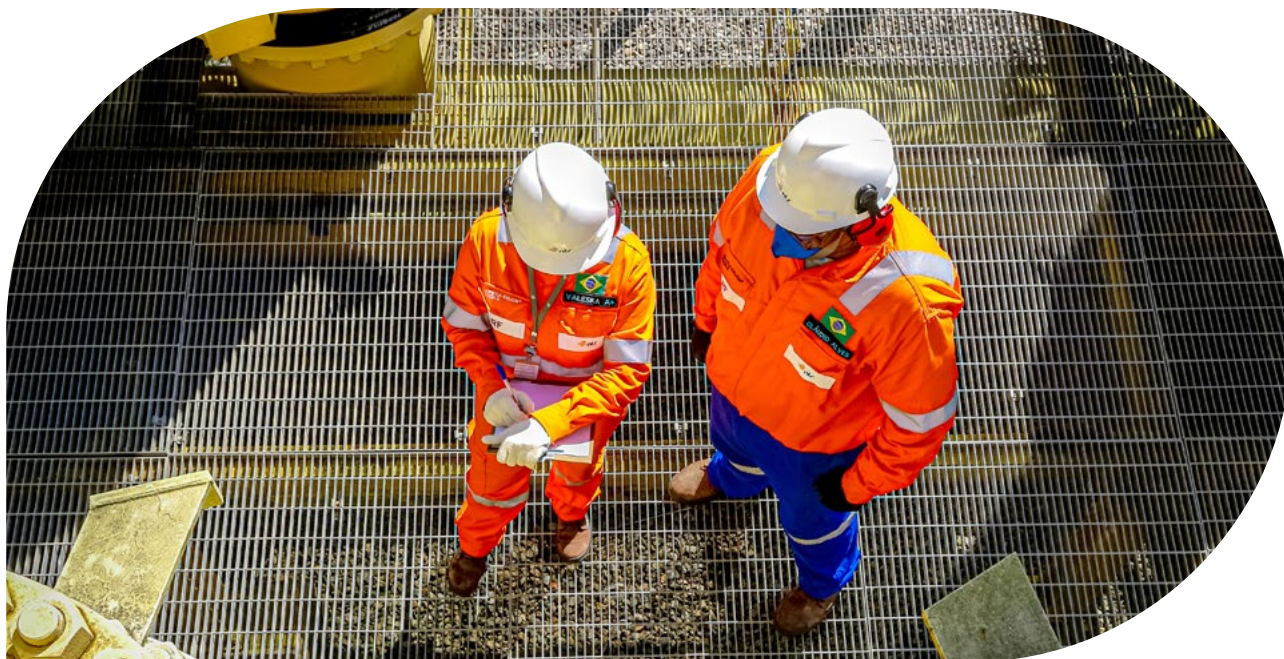
Men

2019	52	100%
2020	161	100%
2021	170	100%



Women

2019	35	100%
2020	45	100%
2021	53	100%



## Training and Career Development

404-1, 404-3, 103-2, 103-3

NTS has a culture of continuous learning and development. To this end, each professional has an Individual Development Plan (PDI) agreed in advance with their direct manager based on the result of annual performance reviews, including participation in fairs and congresses and development of technical and behavioral skills.

In addition, we have a corporate training plan involving Leadership, Compliance, Health and Safety, Culture, among others.

All new professionals undergo an onboarding training aimed at a quick adaptation to the company and with the processes and activities that will be performed.

### Average hours of training by gender

404-1

	2019			2020			2021		
Gender	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total employees	56	38	94	161	45	206	170	53	223
Hours of training	3,397	2,407	5,804	2,684	874	3,558	31,065	3,409	34,474
Average hours of training	60.7	63.3	61.7	15.9	20.3	17.3	182.74	48.01	154.6



Average hours of training by employee category 404-1

## 2019

Employee category	Executive Board	Management	Leadership/ coordination	Technical/ supervision	Administrative	Total
Total employees	4	17	8	1	52	87
Hours of training	147	845	529	0	4,283	5,804
Average hours of training	24.5	52.8	66.1	0	66.9	61.7

## 2020

Employee category	Executive Board	Management	Leadership/ coordination	Technical/ supervision	Administrative	Total
Total employees	4	19	14	79	90	206
Hours of training	47	429	598	4,706	1,929	7,709
Average hours of training	11.8	30.6	39.9	62.7	18.7	36.5

## 2021

Employee category	Executive Board	Management	Leadership/ coordination	Technical/ supervision	Administrative	Total
Total employees	5	22	15	84	97	223
Hours of training	81	406	637	29,755	3,595	34,474
Average hours of training	10.13	20.30	39.81	365.31	51.36	486.91

## Performance Review

404-1, 404-3, 103-2, 103-3

In 2021, NTS implemented the Oracle HCM Cloud system for the processes of goal management, performance review, individual development plan and training. The system will help our team interact more quickly and efficiently, improving our employees' experience.

Through the Oracle system it is possible to access the Technical Training Track for CCO Operators, Gas Pipeline Technicians, Occupational Safety Technicians and Inspection Technicians.

The track comprises several courses and also includes a final learning assessment, the result of which conditions the certification of participants.

Although intended for Technical Training, the track's content is available to the entire company, aiming at training and improving technical skills for delivery of sustainable and safe results that adhere to NTS strategy, with a focus on operational excellence.



## Actions to combat Covid-19

Throughout 2021, NTS maintained constant care for all its employees and their families. To this end, it offers a series of solutions:



Provision of furniture to be used at home during teleworking.



Sending tips on Ergonomics



Offer of online gym and stretching classes.



Psychological support for teams and their families



Influenza vaccination campaign



Delivery of a cake to employees' homes on their birthdays.



Sending flowers to employees' home on Mother's Day.



Conducting NTS CEO and leadership meetings with 100% of the team.



Continuous training and development of teams through online training.



Delivery of onboarding kit and computer to new employees' homes

## The Future is made in the present

With the purpose of dialoguing and exchanging experiences with young professionals who will build the history of the oil and gas industry in the future, NTS sponsored the Young Summit Rio Oil & Gas, an event organized by the Brazilian Institute of Petroleum (IBP) that connected the entire industry to new generations, encouraging the construction of an increasingly innovative, transparent, diverse and sustainable space.

The convention had as its theme “The Future is made in the present - join the construction of

the new tomorrow” and offered more than 20 hours of round tables and debates focused on career, diversity and inclusion, entrepreneurship and digital transformation and sustainability.

NTS interns and young apprentices watched the rounds of conversation directly from Fábrica de Startups, where the content was sent to the Rio Oil & Gas hub. There, our young talents were able to exchange experiences with the speakers and participate in debates with questions.





## Annual meeting

In addition to celebrating the company's 4th anniversary, the NTS annual meeting was also held in 2021, in an online version. It highlighted our insourcing process and the Long-Term

Program, and brought together leaders, their teams and third parties, who took advantage of the moment to reinforce the feeling of integration.



## Work environment

In 2021, NTS once again consolidated the results of the Great Place to Work survey, being certified and surpassing the result obtained in 2019. We registered 84% of satisfaction in the perception of employees and adherence of 94% of our employees, who voluntarily participated in the survey and expressed their pride to belong to our team.

Participation in this survey is essential for us to understand what is good, what can be better and what we need to change to improve our work environment. For 2022, we already have a structured action plan approved by the executive board so that employee experience is enhanced and we can work on improvements in terms of workload, compensation, recognition and diversity.

## Occupational Health and Safety

In order to build an even safer environment at NTS, we created the Zero Harm program, which seeks zero harm, reaffirming the commitment that everyone's safety is always our top priority. The program comprises a committee, involving the company's leadership and 3 other subcommittees, acting on the following pillars:

- **Our Facilities:** improve environments and equipment through technology and innovation to prevent any type of high-risk incidents.
- **Integrated management system:** implementation of a system to improve our practices and procedures.
- **Our people:** development of teams to transform NTS safety culture.

To achieve these goals, we have adopted health, safety, environment and quality management systems and practices in all operations, ensuring a strategic understanding of the issues related to these topics, which are essential to achieve the results expected by the company.

With the insourcing of operations, we reinforced the structure of our health area by mobilizing a support service at our headquarters, expanding the clinical and psychological support service, hiring a dedicated occupational physician and expanding occupational health services in several locations along the gas pipeline network.

Since 2020, we have in place a multidisciplinary group responsible for creating preventive health care actions for all NTS employees, considering the importance of well-being to ensure a collaborative and high-performance work environment.

## Health, safety and environment management system

403-8, 103-2, 103-3

NTS integrated management system is being implemented. Its health and safety policies, standards, procedures and work instructions have been developed and disclosed. Any company that participates in a contracting process for activities with significant risk exposure submits its management system to NTS. This system is evaluated and approved by the health, safety and environment team, attesting to its compliance with internal standards and requirements.

This system is evaluated and approved by the health and

safety team, attesting to its compliance with internal standards and requirements.

The external certification of NTS integrated management system is scheduled for 2023. However, we carry out the internal management of contracted companies periodically through audits based on their management systems. It is important to note that, in 2021, there were no cases of death or occupational diseases involving NTS employees and contractors.

### Workers covered by a health, safety and environment management system

	2019	2020	2021
Number of employees* and workers who are not employees but whose work and/or workplace is controlled by the organization and who are covered by this system	1012	216	1322
Number of employees* and workers who are not employees but whose work and/or workplace is controlled by the organization and who are covered by this system that has been internally audited.	931	0**	461
Number of employees* and workers who are not employees but whose work and/or workplace is controlled by the organization and who are covered by this system that has been internally audited or certified by an external party.	694	0**	851

\* Employees: NTS own employees.

Workers: the company's entire workforce, including outsourced workers.

\*\* in 2020 there was no internal audit as the SGI procedures were being implemented.

## Community and the environment

413-1, 413-2, 102-12, 103-2, 103-3

In 2021, we carried out a survey of environmental aspects and impacts of all NTS activities, including those related to the generation of discomfort, risk or impact for the neighboring community. According to the methodology developed, they were all classified as not significant, that is, low potential or low frequency/probability of occurrence.

In this survey, the emission of particulate matter, the emission of combustion gases, noise generation, vibration generation, fire potential, forest fire potential and explosion potential were considered.

In the second half of 2021, NTS reached a new stage of its relationship strategy with

communities by contracting social management services to support the execution of the Social Responsibility strategy and stakeholder engagement.

We especially highlight the entry of social communicators in the field to support the execution of the gas pipelines maintenance works, expanding the company's presence in the communities in the area of direct influence of the rights-of-way, introducing NTS and creating a direct communication channel. In addition, we publicized the toll-free 168 telephone number, a 24x7 service channel. NTS receives monthly call monitoring reports and responds directly to calls under its responsibility.

We especially highlight the entry of social communicators in the field to support the execution of the gas pipelines maintenance works







We also developed a program of in-person activities, according to the calendar of the works, listing those with the greatest impact on the community for the issuance of door-to-door notices and meetings with the owners of the rights-of-way through which the pipelines pass.

At the same time, social diagnoses started in the second half of 2021, prioritizing data collection and recognition of the social reality, beginning with the priority municipalities for the company, of which six have already been fully mapped.

The methodology used, in addition to collecting significant social and economic data for strategic decision-making, provides for interviews with formal and informal leaders in the areas of direct influence of the pipelines,

in order to understand their wishes and opinions, establishing a relationship of trust and dialogue for the formation of partnerships and design of actions that can mitigate impacts in the future.

Social and health equipment, non-profit organizations and local initiatives are also mapped to establish future partnerships that can be integrated into the NTS social investment program.

The goal for 2022 is to improve this process by creating a social engagement plan, in which all activities developed by NTS, by its various departments that have a relationship with the community, can be in tune and aligned with the company's commitments and values, with this extremely important audience.

## Investment in social projects

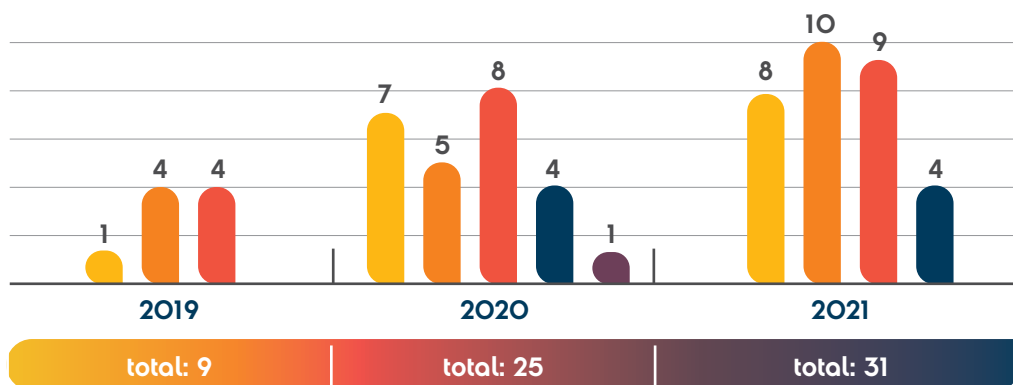
201-4, 103-2, 103-3

In 2019, NTS and Instituto da Criança signed a partnership to structure a database made up of social indicators from the 92 municipalities surrounding the company's operations to guide investment in social projects sponsored by Tax Incentive Laws in these locations. Today, NTS has a private social investment Program that has sponsored more than 60 initiatives, benefiting the communities of

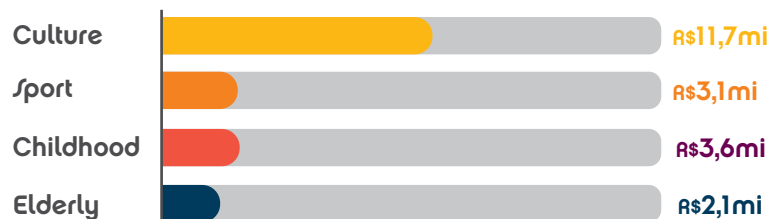
these municipalities. In 2021, NTS social investment amounted to R\$20.5 million for the sponsorship of projects selected via public notice, of the Brazilian Symphony Orchestra (OSB) and its Musical Connections project. In all, 31 social projects received support through laws to encourage sports, health (Pronon/Pronas), childhood and adolescence, the elderly and culture.

### Projects by Tax Incentive Law

401-1



### Social Investment 2021



Total: R\$20,5mi



## Projects executed in 2021

Between the stage of payment for the sponsorship of projects by incentive laws and their effective execution, there are several stages to be overcome. This process is also monitored

by NTS, which approaches each initiative, monitoring the progress of activities. In 2021, 16 projects were started, of which 13 have already presented results. These are:

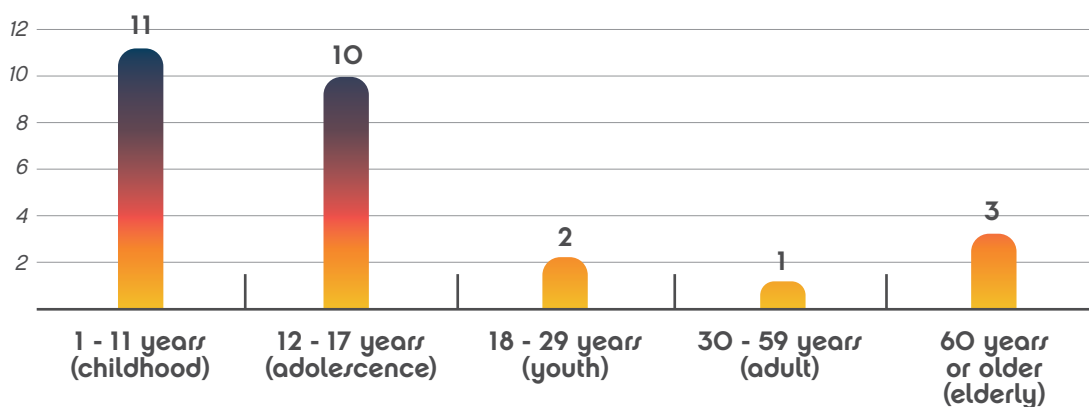
PROJECT NAME	INSTITUTION	LAW
OSB Annual Plan - Musical Connections Project	Orquestra Sinfônica Brasileira	Culture
Judo more than gold	Instituto SOS Reviver	Sports
Rhythmic Gymnastics Mauá - Year I	Tryade - Educação, Esportes E Cultura	Sports
Accessible Literature	Instituto Superar	Culture
ADAV Space: Quality of Life Program	Associação a Casa de Helena Antipoff - ADAV	Elderly
Renovation and revitalization of NAEPT's internal and external physical space	NAEPT - Núcleo Assistencial Espírita Paz e Trabalho	Elderly
Laundry Renovation	NAEPT - Núcleo Assistencial Espírita Paz e Trabalho	Elderly
Comprehensive health for quality of life	Fundação Julita	Childhood
Cultural Condominium Project	Instituto Dagaz	Childhood
Cultural Workshops	Instituto Brantz Social	Childhood
Inclusion of children and adolescents diagnosed with ASD (Autism Spectrum Disorder) through equine-assisted therapy	Associação de Reabilitação e Equoterapia Coração Valente	Childhood
Eating Well is Good	Instituição Beneficente Lar De Maria	Childhood
Orchestrating the Future	Instituto Ramacrisna	Childhood



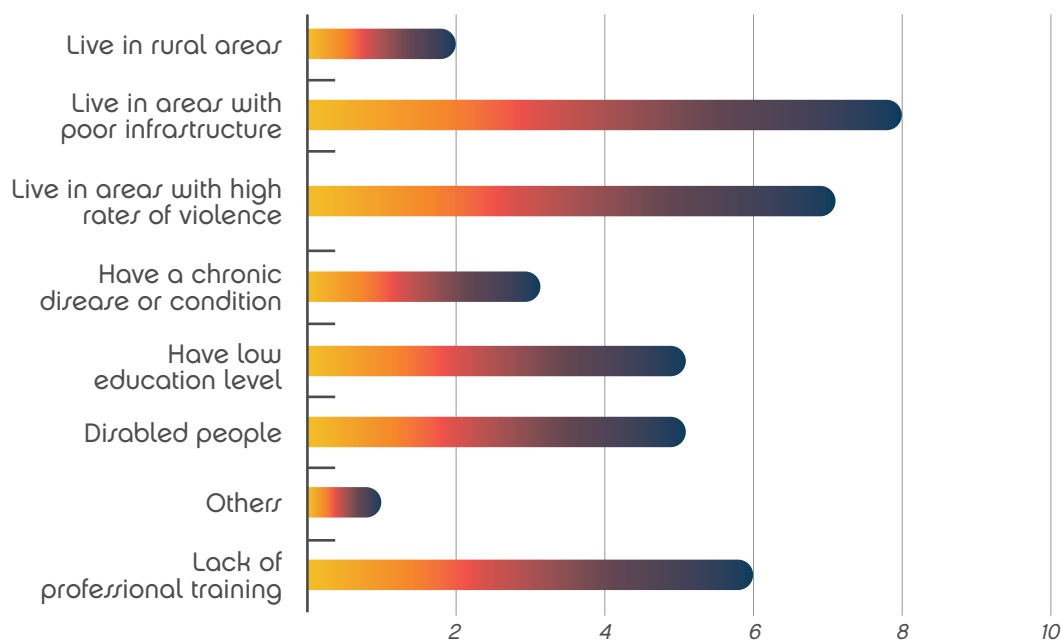
## Direct Beneficiaries

With the 13 projects developed throughout 2021, 11,256 people were directly benefited, most of them children and adolescents, with schooling deficit, living in places with low infrastructure and high rates of violence.

Age group - Direct beneficiaries



Profile - Direct Beneficiaries\*



\*This profile of beneficiaries was indicated by the managers of the projects running in 2021. The numerical axis represents the number of times when the profile trait of the beneficiary of the project was listed by the managers.



## We remain attentive to our social role in the Face of the Covid-19 pandemic

Faced with the 2021 health crisis, resulting from the continuity of the Covid-19 pandemic, NTS again implemented a humanitarian aid project, this time aimed at donating 33,000 food and hygiene baskets, in order to help the families located close to the right-of-way face the consequences of job loss and income reduction.

We also formed a partnership with the “Unidos pela Vacina” movement, led by the Mulheres do Brasil group, with the aim of offering logistical and

structural support to municipalities, accelerating the vaccination program for the Brazilian population. In this axis, more than 1 million items of personal protective equipment were donated to 18 municipalities in the southeastern states where NTS operates. In partnership with BNDES “Salvando Vidas” project, we installed two oxygen plants in Suzano and Barbacena to increase the capacity of local hospitals to care for the population with respiratory diseases.



These axes guided our social responsibility actions in 2021, for which we allocated R\$6 million.

Our employees were involved in and supported with voluntary donations of food baskets and Christmas gifts to two of our main relationship communities, reaching 221 families in Juiz de Fora and Japeri.

At the end of 2021, another 11,000 families were supported in 35 communities located in Rio de Janeiro, Minas Gerais and São Paulo. In this way, the visible consequences of the Covid-19 pandemic guided a part of our social responsibility actions that also extended to the internal audience of employees.

These axes guided our social responsibility actions in 2021, for which we allocated R\$6 million.



## Sector Relationship

102-12, 102-13

NTS values collaboration in the sector environment and actively participates in debates on key issues for the natural gas sector in Brazil to reach maturity. To this end, it participates in important entities for the development of a regulatory environment that generates safety in natural gas transportation projects and for the development of a competitive and sustainable industry, such as ATGÁS (Association of Natural Gas Transportation Companies by Gas Pipeline) and the IBP (Brazilian Institute of Oil and Gas). ATGÁS is responsible for representing transportation companies in discussions with industry stakeholders, such as regulatory bodies (ANP and state regulators), government bodies (MME, EPE, MECON, among others) and main associations (ABEGAS, ABRACE, IBP, among others). The Association acted intensively on several fronts throughout 2021,

with emphasis on the representation of transportation companies in the discussions of the Gas Law with members of parliament and different government bodies. In addition, NTS participates in committees at ATGÁS dedicated to other topics such as: pipeline integrity, legal and tax issues.

IBP, which fulfills the role of connecting the entire oil and gas industry, disseminating knowledge, encouraging research, promoting iconic events and conferences in the sector, is an important partner of NTS, offering the opportunity to bring the company closer to the main players in the market, in addition to engaging in discussions on material and priority topics in our operations, such as technological innovation and sustainability, among other subjects.





# Ready for the future







Respect for the environment and life is a non-negotiable value of NTS.

This is a company-wide responsibility, covering from maintenance of operations through to the development of new activities. Our actions respect strict safety standards, mitigate environmental externalities and enhance social benefits inherent to our activities. Therefore, at each venture, studies and

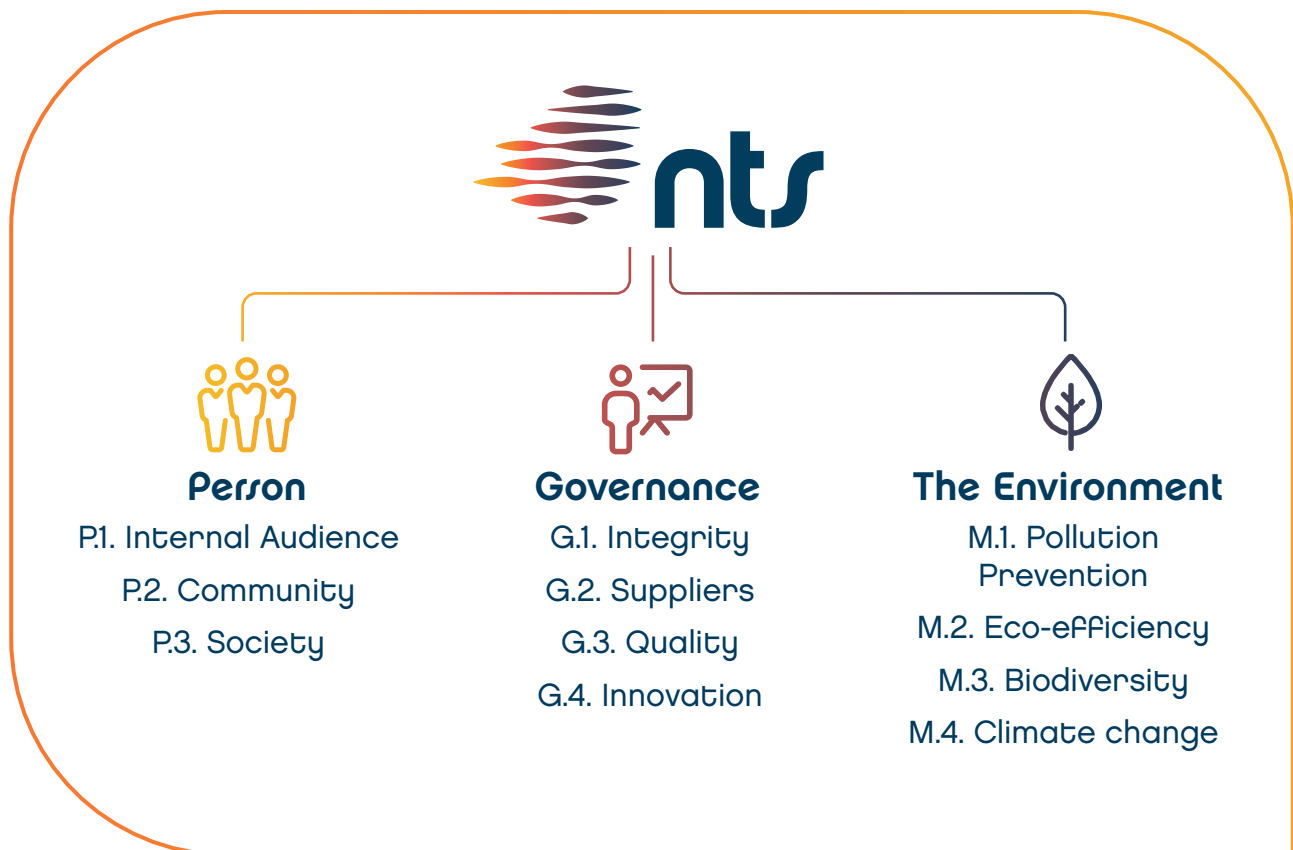
programs are developed to identify and assess impacts on communities, fauna and flora, soil, water resources and the air. In addition, measures are proposed to eliminate, minimize or compensate for negative impacts. The integration of the venture to the location is a vital assumption of NTS.

## 2021-2025 Sustainability Plan

To be recognized as a world-class company for excellence in the management of natural gas transportation, leading the transformation of this sector in Brazil, we have to be connected to this new vision of the market. Thus, we set up the NTS 2021-2025 Sustainability Plan, which establishes goals, strategic indicators, metrics and

practices that should guide our actions in this period.

The plan includes actions to be carried out in 3 dimensions, which in turn were divided into 11 theme axes. The themes defined for each axis aim to achieve the strategic objectives of the sustainability plan.





## People

- Consolidate by 2025 our position as a company committed to "Zero Harm" for its own and outsourced employees, disseminating policies, procedures and processes, based on the training of the internal audience and reinforcement of the culture.
- Be recognized in the surroundings of our operations as a company committed to the care and development of the communities where we operate, through the engagement of our stakeholders.
- Be recognized as a company that encourages the well-being, quality of life and satisfaction of its internal audience, encouraging the attraction and retention of talent, diversity & inclusion, a positive environment and genuine care.





## The Environment

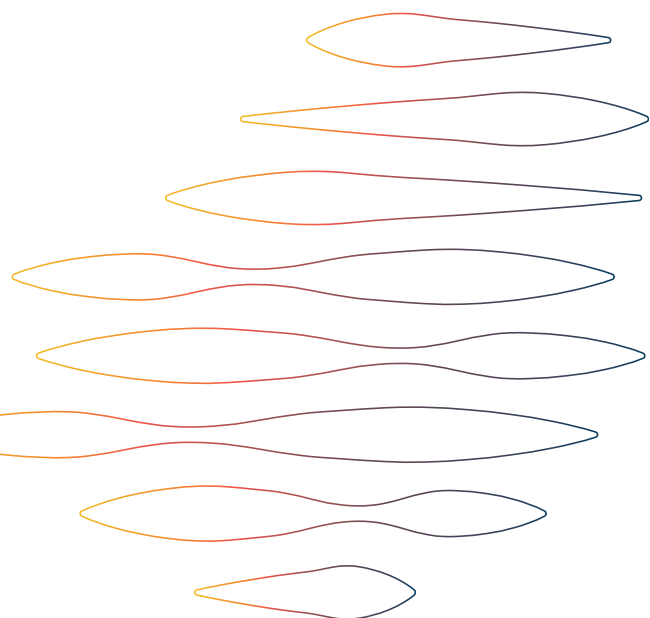
- Establish and disseminate, by 2025, environmental management processes, as well as their controls, in order to efficiently monitor the impacts of the operation and mitigate them as required by the main rules and standards related to the subject.
- Continue ensuring compliance with the conditions, with special attention to biodiversity and pollution prevention issues.





## Governance

- Increase by 2025 the quality management processes with a focus on insourcing and the new gas market, risk management, integrity and good governance practices, fostering innovation and making us a reference in the sector in terms of operation.
- Establish by 2025 a formal supplier qualification and development program highlighting safety, integrity (compliance) and human rights issues. 102-9



## 2021-2025 Sustainability Plan

NTS is consolidating its environmental management by updating procedures, contracting services and acquiring equipment, to control

all processes and thus develop programs with environmental goals in line with the 2021-2025 Sustainability Plan.

**Throughout 2021, we worked on the following actions of the 4 axes of the Environment dimension:**

### ● **Pollution prevention**

Preparation of procedures and training of employees, in addition to hiring a licensed company to monitor water and effluents.  
Beginning of the hiring process

### ● **Eco-efficiency of operations**

Control and monitoring of environmental indicators of companies contracted to carry out works and projects.

### ● **Mitigation of impacts and maintenance of biodiversity**

Survey of environmental aspects and impacts of all NTS activities.  
Mapping of protected areas to prevent possible environmental impacts resulting from local interventions.

## Environmental Licensing

Environmental Licensing allows the development of the company's activities in compliance with the legislation, throughout its life cycle. In this process, compliance with legal requirements, compliance with environmental conditions, the execution of environmental programs and, finally, the deadlines established for the requirements for renewal of Operating Licenses are monitored.

NTS obtained from IBAMA the Broad Authorization to carry out maintenance activities in gas pipelines and respective rights-of-way. Such authorization had been requested and aligned with the body since 2019 and allowed NTS to perform the works and activities both in the gas pipelines and in the rights-of-way, without losing the environmental quality of its processes.

## Social and environmental impact of operations on the neighboring areas

304-2, 103-2, 103-3

The potential social and environmental impact on the areas surrounding our operations is among the material themes that guide our activities. In this way, in all interventions carried out in the NTS network, training of the team is required regarding prohibition to capture, sell, keep or mistreat any species of wild or domestic animals, as well as extracting, selling and cultivating native plant species.

Access to native Forest along the pipeline route remains as it was before the construction work, as

well as water resources. There was no fine or record of significant non-compliance related to compliance with legislation or environmental conditions in 2021. A study is being retained to survey all Conservation Units and Environmental Protection Areas along the NTS network.

Regarding significant environmental impacts related to biodiversity, we identified only one direct and positive impact, the reforestation resulting from consent decrees or environmental compensation.



## Protected or restored habitats

304-3, 103-2, 103-3

The NTS Forest Restoration Program promotes the restoration of native forests in anthropized areas and the compensation of vegetation suppressed during the installation or operation of the projects. We have assumed a commitment to restore and compensate more than 1,000 hectares distributed in the states of Rio de Janeiro, São Paulo and Minas Gerais. We are currently proceeding with the monitoring and maintenance of forest restoration areas of approximately 720 hectares, of which 545 have already been restored and submitted to evaluation by environmental agencies. Of that total, 10 hectares are located in a

mangrove area, which are fully under maintenance. In this project, more than 25 thousand seedlings have already been planted.

The NTS Forest Compensation project, on the other hand, promotes the payment of environmental services provided through perpetual environmental rights-of-way in third-party areas for the conservation of "standing forest" and land regularization in Conservation Units, with subsequent donation to the government, totaling approximately 230 hectares. Additionally, around 85 hectares in the state of Rio de Janeiro will be preserved through a financial mechanism.

We are committed to restoring and compensating more than 1,000 hectares distributed in the states of Rio de Janeiro, São Paulo and Minas Gerais



## Waste management

306-1, 306-2, 306-3, 306-5, 103-2, 103-3

In 2021, we carried out a survey of environmental aspects and impacts of all NTS activities, including those related to the generation, management and disposal of waste. According to the methodology developed, they were all classified as not significant, that is, low potential or frequency/probability of occurrence. We also train all employees regarding awareness about waste generation, management and proper disposal.

As a result of the insourcing of activities by NTS, a survey of the generation of waste in each unit was conducted, to diagnose and propose reduction measures. Based on this diagnosis, policies, programs and goals related to this topic will be developed. The contractors' waste generation follows the Environmental Management Standard in Works and Projects, in addition to the development of their own Management Plan (PGRS) and monitoring of disposals through waste transportation manifests (MTR).



### Waste Generated

In July 2021, when we started operating our own assets, we started to account for hazardous and non-hazardous solid waste generated in the operations. A clear increase in the generation resulting from this fact can be seen. Until July 2021, only generations of contractors were considered.

After that month, the generation of contractors was added to the generation of our own operation. For waste from the operation, the estimated weight of the waste was considered in this sum, obtained by controlling the emission of MTRs (waste transportation manifest).

(in tons)	2019	2020	2021
Solid waste	235.75	30.51	287.03
Hazardous waste	47.65	29.32	314.42
Total	283.4	59.83	601.45

**Waste destined for final disposal (in tons)**

	2021
Burned out lamps	0.01
Oily water	248.34
Miscellaneous waste contaminated with paints and oils (Filters, blankets, scraps of cloth, packaging)	0.79
Electronic waste	0.2
Sanitary effluent	108.94
Non-recyclable waste - Common garbage	13.23
<b>Total</b>	<b>371.51</b>

**Hazardous waste destined for final disposal (in tons)**

	2021*
Incineration (with energy recovery)	0
Incineration (without energy recovery)	0
Landfill confinement	0
Other disposal operations:	
• Blending For Co-processing	0.99
• Decontamination of Lamps	0.01
• Effluent treatment	248.34
<b>Total</b>	<b>249.39</b>

**Non-hazardous waste destined for final disposal (in tons)**

	2021*
Incineration (with energy recovery)	0
Incineration (without energy recovery)	0
Landfill confinement	13.23
Other disposal operations	108.94
<b>Total</b>	<b>122.17</b>

\*The indicator started to be accounted for in 2021. The information in the tables above refers only to the generation of waste from our own operation as of July 2021.



## Water efficiency

303-1, 303-3, 303-4, 303-5

The use of water is part of our processes, being a management topic for the Company both at the headquarters and at the assets and contractors. At the headquarters, there is only consumption of potable water that is provided by the local concessionaire (CEDAE), except in special situations. As for the Company's assets, at some of them water is obtained from a well and at others, it is supplied by water trucks or by the concessionaires; and there are still cases of surface catchment, for use in heaters, in addition to faucets and toilets, when existing, and gardening. In cases of catchment, license must be

granted by the proper body and water must be treated to guarantee the standards of potability and/or required by the industrial process.

In 2021, we purchased a total of 2,390 m<sup>3</sup> (2.39 ML) of water from third parties (local concessionaire - surface catchment) for consumption. We disposed of 2,550 m<sup>3</sup> (2.55 ML) in the period and consumption totaled 450 m<sup>3</sup> (0.45 ML).

When we started managing our assets, in July 2021, we hired a licensed company to implement the monitoring and management of water resources and effluents.

### Purchase from third parties (local utility - surface capture)

	2021
Water From third parties (m <sup>3</sup> )	2,390 (2.39ML)
Water Discharge (m <sup>3</sup> )	2,550 (2.55ML)
Consumption in the period (m <sup>3</sup> )	450 (0.45ML)





### Water catchment

In July 2021, NTS started operating its own assets (insourcing of operations). From that date onwards, catchment for operational units began to be accounted for. Before that, only water catchment for the company's headquarters was accounted for.

Water catchment (m <sup>3</sup> )	2019	2020	2021
TOTAL	1,469.99	2,931.05	3,001.65



### Effluent disposal

We have only one unit that disposes of effluents in a water body. For this case, frequent analyses of disposal conditions and standards are carried out, in compliance with applicable Federal and state legislation.

Effluent disposal (m <sup>3</sup> )	2019	2020	2021
TOTAL	1,467.4	2,860.2	2,550



Energy intensity  
2021 (in MWh/  
MMm<sup>3</sup>) 14.52

302-3

## Energy

302-1, 302-3, 302-4, 302-5

In 2021, there were still no actions aimed at reducing energy consumption. With the insourcing of our assets, we started to

monitor operational energy consumption in 2022, establishing programs and goals for its reduction.

### Energy consumption within the organization (in MWh) 302-1

	2021*
Non-renewable sources	517,158.13
Renewable sources	39,967.36
<b>Total (MWh)</b>	<b>557,125.49</b>

\*The indicator started to be counted in 2021.

## Emissions

305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7

Until July 2021, the monitoring of air emissions was carried out by the operator of NTS assets. With the insourcing of our operations, we are implementing a plan for monitoring air emissions and managing climate change. So we started to use the indicators established by the GHG Protocol.

Greenhouse gas emissions from our processes have already been identified as a risk, and two actions are in progress to mitigate it:

- Monitoring of environmental legislation through a computerized system.
- Survey of greenhouse gas emission sources and implementation of an annual inventory with a reduction plan.

In 2022, the sources of greenhouse gas emissions will be mapped for preparation of the first inventory of GHG emissions (scope 1 and 2) in 2023. Emissions of substances potentially depleting the ozone layer (ODS) are not yet monitored.

GHG emissions in tonCO <sub>2</sub> e (ton of CO <sub>2</sub> equivalent)	2021*
Total Direct Emissions (Scope 1)	132,442
Total Direct Emissions (Scope 2)	5,989

*\*The indicator started to be measured, following the methodology of the GHG Protocol in 2021.*





# GRI Content Index

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	102-6 Markets served		19
	102-7 Scale of the organization		19
	102-8 Information about employees and other workers		51
	102-9 Supply chain		77
	102-10 Significant changes in the organization and its supply chain	NTS asset operations started in July 2021. The organization of this relationship with suppliers is under development.	90
	102-11 Precautionary principle or approach		35
	102-12 External initiatives		64; 71
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GRI 102: General Disclosures 2016	102-16 Values, principles, standards and norms of behavior		30
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GRI 102: General Disclosures 2016	102-18 Governance structure		27
<b>Stakeholder engagement</b>			
	102-40 List of stakeholder groups		17
GRI 102: General Disclosures 2016	102-41 Collective bargaining agreements	NTS currently does not have a collective bargaining agreement covering its employees. The only agreement in force addresses employees on uninterrupted work shifts, which correspond to 6% of the workforce. NTS has always been open to negotiation. In 2021, the negotiation with part of the audience was concluded, as agreed with the union.	91
	102-42 Identification and selection of stakeholders		13; 14
	102-43 Approach to stakeholder engagement		18
	102-44 Key topics and concerns raised		13

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Reporting practice</b>			
GRI 102: General Disclosures 2016	102-45 Entities included in the consolidated Financial statements	NTS does not disclose consolidated Financial statements, only individual Financial statements.	92
	102-46 Definition of report content and topic Boundary		13
	102-47 List of material topics		13
	102-48 Restatements of information	None.	92
	102-49 Changes in reporting	None.	92
	102-50 Reporting period	2021.	11
	102-51 Date of the most recent report	2020.	11
	102-52 Reporting cycle	Yearly.	11
	102-53 Contact point for questions about the report		107
	102-54 Claims of reporting in accordance with the GRI Standards		11
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	102-56 External assurance	None.	92



GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Economic Performance</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	NTS does not disclose consolidated Financial statements, only individual Financial statements.	
	103-2 The management approach and its components		43
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GRI 201: Desempenho Econômico 2016	201-1 Valor econômico direto gerado e distribuído		43
	201-2 Implicações Financeiras e outros riscos e oportunidades decorrentes de mudanças climáticas	None	93
	201-4 Apoio Financeiro recebido do governo	None.	93
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		
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GRI 203: Indirect Economic Impacts 2016	203-1 InFrastructure investments and services supported		19

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Anti-corruption</b>			
	103-1 Explanation of the material topic and its Boundary		
GRI 103: Management Approach 2016	103-2 The management approach and its components		37
	103-3 Evaluation of the management approach		37
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption		37
	205-2: Communication and training about anti-corruption policies and procedures		37
	205-3: Confirmed cases of corruption and actions taken	In 2021, there were no cases of corruption, unfair competition or antitrust practices of which the Company is aware.	94
<b>Anti-Competitive Behavior Competition</b>			
	103-1 Explanation of the material topic and its Boundary		
GRI 103: Management Approach 2016	103-2 The management approach and its components		94
	103-3 Evaluation of the management approach		94
GRI 206: Anti-competitive Behavior 2016	206-1 Lawsuits for unfair competition, trust and monopoly practices	In 2021, there were no cases of corruption, unfair competition or antitrust practices of which the Company is aware.	94

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Energy</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		
	103-2 The management approach and its components		95
	103-3 Evaluation of the management approach		95
GRI 302: Energy 2016	302-1 Energy consumption within the organization		87
	302-3 Energy intensity		87
	302-4 Reduction of energy consumption	NTS started operating its assets in 2021, having then insourced its operations. It still has no management over operational energy consumption. In 2022, NTS will begin to monitor operational energy consumption and, consequently, set reduction goals.	87; 95
	302-5 Reductions in energy requirements for products and services		87; 95

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Water and Effluents</b>			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		
	103-2 The management approach and its components		85
	103-3 Evaluation of the management approach		85
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource		85
	303-2 Management of water discharge-related impacts	NTS has only one unit that disposes of effluents in a water body. For this case, frequent analyses of conditions and standards of release are carried out, in compliance with applicable Federal and state legislation. The results found are compliant with the legislation.	96
	303-3 Water withdrawal		85
	303-4 Water discharge		85
	303-5 Water consumption		85



GRI STANDARD	DISCLOSURES	PAGE
<b>Biodiversity</b>		
	103-1 Explanation of the material topic and its Boundary	
GRI 103: Management approach 2016	103-2 The management approach and its components	80
	103-3 Evaluation of the management approach	80
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	80
	304-3 Habitats protected or restored	81

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GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		88
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	305-6 Emissions of Ozone Depleting Substances (ODS)		88
	102-54 Claims of reporting in accordance with the GRI Standards		88
	305-7 Nitrogen oxides (NOx), sulfur oxides (Sox) and other significant air emissions		88

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		82
	103-2 The management approach and its components		82
	103-3 Evaluation of the management approach		82
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		82
	306-2 Management of significant waste-related impacts		82
	306-3 Waste generated		82
	306-4 Waste diverted From disposal	All waste was disposed of.	99
	306-5 Waste directed For disposal		82

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Environmental Compliance</b>			
	103-1 Explanation of the material topic and its Boundary		
GRI 103: Management Approach 2016	103-2 The management approach and its components		100
	103-3 Evaluation of the management approach		100
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	There were no fines or records of significant non-compliance with legislation or environmental conditions in 2021. NTS manages its environmental processes, as well as compliance with environmental conditions and regulations. In addition, it has a transparent relationship with environmental agencies, informing and participating in all environment-sensitive matters.	100



GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Environmental Assessment of Suppliers</b>			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		
	103-2 The management approach and its components		101
	103-3 Evaluation of the management approach		101
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers selected based on environmental criteria	Health, safety and environment are qualifying criteria at NTS, so that if a supplier is not considered suitable for the service, it is disqualified from the claim. Procedures PRO-SM-041- HSE Management for service providers and PRO- GP-005 - Supplier Assessment set forth the minimum requirements to provide service to NTS and (ii) establishes the rules for participation in the annual program for recognition of the best HSE service provider.	101
	308-2 Negative environmental impacts on the supply chain and environmental measures taken		101

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Employment</b>			
	103-1 Explanation of the material topic and its Boundary		
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	103-3 Evaluation of the management approach		51; 66
	401-1 New hires and employee turnover		51; 66
GRI 401: Employment 2016	401-2 Benefits offered to Full-time employees that are not offered to temporary employees	<ul style="list-style-type: none"> <li>• Meal/Food vouchers distributed to all employees, including interns and young apprentices.</li> <li>• Reimbursement of medicine, which is a benefit through which the company subsidizes 80% of the amount of medicines purchased by employees.</li> <li>• Dental plan, which is a benefit that provides various dental coverages for employees and young apprentices.</li> <li>• Life insurance</li> <li>• Christmas gift for employees' children.</li> <li>• Christmas Food vouchers for employees.</li> <li>• Daycare/Nanny allowance for employees. Its objective is to help the employee bear the costs inherent to the use of day care or hiring a nanny to take care of the child. The benefit is granted to mothers, single fathers or widowers who have custody of the child upon due proof.</li> </ul>	102

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
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GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system		63
	403-9 Work-related injuries accidents	We did not record any case of occupational disease or employee death in 2021.	103
	403-10 Work-related ill health	We did not record any case of occupational disease or employee death in 2021.	103
<b>Training and Education</b>			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		
	103-2 The management approach and its components		56
	103-3 Evaluation of the management approach		56
GRI 404: Training and Education 2016	404-1: Average hours of training per year, per employee		56
	404-2: Programs for the improvement of employee skills and assistance for career transitions	NTS assists employees in career transition due to termination of employment contract in order to increase employability.	103
	404-3: Percentage of employees receiving regular performance and career development reviews		56

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Diversity and Equal Opportunity</b>			
	103-1 Explanation of the material topic and its Boundary		
GRI 103: Management approach 2016	103-2 The management approach and its components		54
	103-3 Evaluation of the management approach		54
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity in governance bodies and employees		54
<b>Non-Discrimination</b>			
	103-1 Explanation of the material topic and its Boundary		
GRI 103: Management approach 2016	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 406: Non-discrimination 2016	406-1 Discrimination cases and corrective measures taken	We have no history of reports of discrimination in the period covered by the report.	104

GRI STANDARD	DISCLOSURES	COMMENTS	PAGE
<b>Local Communities</b>			
	103-1 Explanation of the material topic and its Boundary		
GRI 103: Management approach 2016	103-2 The management approach and its components		64
	103-3 Evaluation of the management approach		64
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs		64
	413-2 Operations with significant actual and potential negative impacts on local communities		64
<b>Socioeconomic Compliance</b>			
	103-1 Explanation of the material topic and its Boundary		
GRI 103: Management approach 2016	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	We received two Fines From the CVM For late delivery of the 2019 and 2020 Financial Statements. One Fine has already been paid (in the amount of R\$39,839.65) and regarding the other (in the amount of R\$36,000.00), we Filed an administrative appeal.	105



## SASB

DISCLOSURES	DISCLOSURE
IF-GU-540a.1 Number of (1) reportable pipeline incidents, (2) Corrective Action Requests (ACP), and (3) Probable Violation Notices (AVP)	Zero.
IF-GU-540a.2. Percentage of distribution piping that is (1) cast and/or wrought iron and (2) unprotected steel	<p>100% of NTS pipelines are made of API 5L carbon steel, externally coated against corrosion and connected to a cathodic protection system.</p> <p>~37% of transmission pipelines were inspected (~760km).</p> <p>NTS does not have distribution pipelines.</p>
IF-GU-540a.3. Percentage of (1) transmission and (2) distribution pipelines inspected	<p>The GASBEL I, GASBEL II, GASVOL 18" and Branch 20" pipelines were inspected with special tools (Instrumented PIGs) in the year 2021. Tools capable of detecting and measuring corrosion defects, geometric defects, manufacturing defects, cracks (GASBEL I and GASVOL 18"), among others, were used. A section of the GASPAL pipeline was inspected internally with a technology capable of detecting locations with a concentration of tension.</p>
IF-GU-540a.4. Description of efforts to manage the integrity of the gas delivery infrastructure, including risks related to safety and emissions	<p>NTS has a robust team of experts, engineers and technicians in the area of Integrity to carry out inspections, analyses and studies.</p> <p>To mitigate the risk of SCC, NTS strictly follows an excavation and inspection plan made by the company ROSEN, a specialist in the subject. This plan takes into account cracks detected directly by EMAT-type inspection tools and points susceptible to the appearance of SCC. In 2021, more than 40 sites with suspected SCC were inspected and repaired, when necessary.</p> <p>To mitigate the risk of illegal diversion, NTS concluded in 2021 the installation of 374 km of warning tapes and signaling totems in the gas pipeline rights-of-way. In addition, Transpetro has a robust right-of-way patrol program.</p> <p>To mitigate the risk of internal corrosion, cleaning pigs were passed through almost 50% of the network, in addition to collecting data from probes and corrosion coupons along the network. These activities are in line with NTS planning.</p> <p>To mitigate the risk of external corrosion, NTS performs periodic inspections and one-off maintenance activities in the field in the cathodic protection system.</p> <p>To mitigate geotechnical risks, NTS implemented remote satellite monitoring throughout the right-of-way to assess potential geotechnical risks, in addition to meteorological monitoring specific to the pipelines.</p>

# Presentation

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