

Open Letter to Eletrobras Shareholders

Rio de Janeiro, April 22, 2025, Centrais Elétricas Brasileiras S/A – Eletrobras presents attached the document entitled “Letter to Eletrobras shareholders”.

Eduardo Haiama
Vice President of Finance and Investor Relations

Rio de Janeiro, April 22, 2025.

LETTER TO SHAREHOLDERS

Dear Shareholders,

In connection with our upcoming Annual Meeting of Shareholders, scheduled for April 29th, 2025, and considering the voting recommendations issued by Institutional Shareholder Services ("ISS"), Eletrobras' Board of Directors recommends shareholders vote "FOR" the election of management proposed board members.

Highlights:

- Eletrobras reached out to ISS several times offering to engage to clarify and answer any questions they may have had, what would have been essential to justify Board's recommendations.
- When referring to Eletrobras' nominees, ISS clearly states in their report that **"there are no known concerns with the nominated candidates"**.
- ISS further states that **"the overall independence level will remain above the one-third independence recommended under ISS policy guidelines for companies listed in the Nivel 1 segment of the São Paulo Stock Exchange, meeting the expectations of institutional investors."**
- ISS' recommendation to vote for shareholder nominees was justified simply with "[they] would likely bring greater independence and diversity".
- Given the **dissident shareholders group did not present a compelling rationale for change (in fact, no rationale was presented at all) or justified how their nominees would add value to the Board**, it is unclear how they would add real value to the Company.
- **ISS ended recommending altering almost 50% of the Board (three out of seven)**. By supporting the term of conciliation, the number of seats shareholders can vote on is automatically reduced from ten to seven (given the Federal Government will have the right to separately elect three members to the Board). Therefore, recommending changing three

Directors means giving 43% of the Board to a group of shareholders who jointly are not so representative.

- In the Assembly to be held on the same day, another proposal from the administration is submitted to the shareholders, which guarantees the largest shareholder of the Company 3 seats on its board of directors. However, the ISS recommendation ends up allowing a group of shareholders holding less than 5% of the share capital, to also be represented by 3 members on the board.
- Furthermore, it is important to note that a part of them are not long-term shareholders of Eletrobras and their current holding in the stock does not constitute a large enough representation that would warrant even one seat on the Board.
- **Eletrobras feels that all of the above supports the idea that NO CASE FOR CHANGE was made and NO REASON was presented.**

Eletrobras strongly disagrees with ISS' recommendation, which disproportionately favors the dissident nominees, while giving no substantive analysis to support this recommendation, especially considering **no case for change was even presented by the dissident group, either to Eletrobras, ISS, or publicly.** Its recommendation do not give appropriate consideration to the concerning absence of relevant skills and new ideas among the dissident nominees and more importantly to the actions Eletrobras is taking to unlock the value of its businesses.

Notably, "an alternative" plan for the Company that would be better for shareholders than the Board's current strategy was not presented. Certainly not one that justifies replacing nearly 50% of the Board.

We do not agree with the position that the "most important attribute" that dissident nominations should have is their "independence and diversity." In fact, they would not bring to the Board a broad understanding about our business, our industry or skills to enhance what was proposed by Eletrobras.

While one of the shareholder nominees has gone through the board evaluation and succession process which resulted in the decision not to reconduct his nomination, the other two shareholder nominees failed to show an understanding of our Company by not looking to engage with any directors ahead of or post their nomination. Furthermore, these nominees have no executive experience relevant to the businesses in which we operate.

We believe that we have established a comprehensive evaluation and thorough nomination process done in alignment with Eletrobras' strategic goals and largely supported by active shareholder engagement.

The process was diligently conducted by the Board and led by the Nomination Committee, carefully respecting the critical importance of maintaining stability and continuity within the board at this critical milestone in Eletrobras' trajectory.

Under the current Board of Directors, the Company has taken significant actions to benefit all shareholders and following ISS' recommendations to significantly change the company's trajectory may jeopardize its strategic plans which is not in the best interest of the Company's shareholders and other stakeholders.

Thus, and considering the clarifications provided herein, Eletrobras urges its shareholders to carefully make their own assessments before making a decision on how to vote.

Eletrobras is committed to keeping the highest standards of corporate governance and transparency, consistently and timely providing all information necessary to help its shareholders make a well-informed decision.

We have been in ongoing discussions with shareholders and value the feedback we have received. We look forward to continuing these conversations and are committed to continue doing what is in the best interest **of all** Eletrobras' shareholders.

Finally, we reiterate that your vote is important, and we ask that you participate **and vote "FOR" all Eletrobras' nominees** at our upcoming Annual General Meeting of Shareholders, and "ABSTAIN" on all dissident Director Nominees.

We thank you for your continued support.

Sincerely,

Vicente Falconi Campos

Chairman of the Board of Directors