

NPC 0303 - SUSTAINABILITY POLICY
SUSTAINABILITY
Version 6 of September 24, 2018

1. PURPOSE

Establishing the sustainability guidelines orienting the actions of Companhia Paranaense de Energia - Copel, its wholly-owned subsidiaries and controlled companies, with due regard for their corporate procedures.

This policy is also applicable, as a recommendation, to joint ventures, affiliated companies and other companies Copel invests in, with due regard for their corporate procedures.

For the purpose of this policy, the set of companies listed in the previous paragraphs will hereinafter be referred to as Copel.

2. PRINCIPLES

The present policy is based on the sustainable development commitments made to the United Nations Global Compact, on the principles of corporate governance, as well as on the values and guiding principles of the Code of Conduct of Copel.

3. GUIDELINES

3.1 - SUSTAINABILITY

3.1.1 - Manage the Company's business in a sustainable manner, taking economic, social and environmental factors into account, as well as related risks and opportunities.

3.1.2 - Value and protect the environment, with inclusion and social justice, taking the principles of sustainable development into account in its activities.

3.1.3 - Comply with the requirements of environmental laws, health and safety, ethics and corporate social responsibility, and further requirements applicable to Copel's activities, as well as with voluntary commitments.

3.1.4 - Be mindful of the factors that define the socio-environmental dynamics, constantly reviewing such principles, in quest of an appropriate performance through continuous improvement actions.

3.1.5 - Integrate sustainability into each step of the business process in the value chain.

3.1.6 - Manage Copel's intangible assets by adding institutional knowledge and sustainability to the business, through the recognition, dissemination and preservation of intangible values.

3.2 - HUMAN RIGHTS

3.2.1 - Respect the Universal Declaration of Human Rights in all of its activities and sphere of influence.

3.2.2 - Promote activities aimed at advancing diversity, inclusion and combating discrimination based on gender, sexual orientation, race, belief, ethnicity and disabilities.

3.2.3 - Combat the sexual exploitation of children and adolescents in the value chain, sparing no effort in situations of greater vulnerability, such as construction works and travel.

3.2.4. - Eliminate all forms of forced or child labor.

3.2.5 - Secure freedom of association and the right to collective bargaining.

3.3 - INNOVATION

3.3.1 - Promote and encourage research, technological development and innovation, in order to continuously obtain the best solutions for the businesses of Copel and other stakeholders.

3.3.2 - Promote business development in the area of distributed power generation.

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3.4 - INTEGRITY

3.4.1 - Prevent and combat corruption and fraud in all its forms in its sphere of influence.

3.4.2 - Promote the adoption of the principles of the Code of Conduct as decisionmaking guidelines for its workforce and for other stakeholders.

3.5. - ENVIRONMENT

3.5.1 - Manage environmental risks and indicators in order to foster continuous improvement of environmental performance, mitigating negative impacts of its businesses and activities, and enhancing positive ones.

3.5.2 - Promote eco-efficiency in all of Copel's processes, with a view to reduced consumption and the sustainable use of natural resources and ecosystem services.

3.5.3 - Take climate change into account in the operation and expansion of its assets.

3.5.4 - Mitigate negative and enhance positive impacts on biodiversity arising from its activities, particularly those related to vulnerable areas and endangered species.

3.5.5 - Apply the best practices to the management of natural resources and ecosystem services.

3.6. - RELATIONSHIP WITH STAKEHOLDERS

3.6.1 - Promote a transparent, regular and structured dialog with stakeholders, taking their demands, priorities and expectations into account.

3.6.2 - Purchase sustainable products and services and promote supply chain sustainability.

3.6.3 - Respect the principles of free and fair competition.

3.6.4 - Value the contributions of communities in the regions where Copel's facilities are located and promote local sustainable development with shared value creation.

3.6.5 - Promote actions that encourage the safe, efficient and sustainable use of the Company's products and services.

3.6.6 - Report relevant information regularly or whenever necessary, adapting the language and medium to the needs of different stakeholders.

3.7 - CORPORATE SOCIAL RESPONSIBILITY

3.7.1 - Promote corporate social responsibility actions guided by Copel's mission and values and by the voluntary commitments made by the Company.

3.7.2 - Manage private social investment and tax incentives with transparency and in accordance with Copel's values, with a view to maximizing social return on investment.

3.7.3 - Encourage the Company's employees to engage in volunteer work, in support of a better social reality.

3.7.4 - Promote awareness raising activities and sustainability education for internal audiences and other stakeholders.

3.7.5 - Promote accessibility in all of its forms, upholding the rights of disabled persons.

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4. REFERENCES

This policy stems from the following rules:

- Code of Conduct
- Copel Policy NPC 0308 - Corporate Governance

This document updates NPC 0303, of June 30, 2016.

This is a free translation of the original document in Portuguese signed by:

JONEL NAZARENO IURK
Chief Executive Officer

This policy shall come into effect on the date of its publication.