



Management Report

2021

TAG

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PRESENTATION

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It is remarkable how much TAG has grown over the last year, taking a leading role with new opportunities being presented as Brazil's natural gas market opens up, through concrete measures within the sector. At the end of 2021, we signed new contracts for transporting natural gas with six economic groups; the result of the outstanding work carried out by teams in the Company, together with the market and the regulatory body. This milestone has opened up the gas market to the present day, consolidating a positive move forward that will provide a series of benefits for Brazil.

Since 2019, TAG has been implementing its business plan, based on value generation, financial control and consistent delivery of results, in line with Shareholder's guidelines. Based on the commitments we have made and focusing our efforts to adapt our operations to the restrictions placed upon us by the COVID-19

As a consequence of the progress made within TAG, in July 2021, the Company obtained its first credit risk assessment, published by Fitch Ratings and Moody's, achieving the best possible rating for a Brazilian company with only local operations.

pandemic, we have followed the plan throughout 2021, and ended the year with excellent results - reflecting the company's increasingly strong and healthy corporate structure.

In 2021, we approved the Company's 2022-2026 Investment Plan, which includes modernization, autonomy and operational efficiency, the integrity and safety of existing assets and the construction of new operating units. These initiatives provide long-term business sustainability, in line with the best socio-environmental practices. The Board of Directors has supported the company's strategy, approving projects such as GASFOR II in Fortaleza (State of Ceara), and the connection of the Sergipe Terminal. Indicating the resumption of investments in the expansion of TAG's network, and contributing to the ongoing changes in the Brazilian gas industry.

As a consequence of the progress made within TAG, in July 2021, the Company obtained its first credit risk assessment, published by Fitch Ratings and Moody's, achieving the best possible rating for a Brazilian company with only local operations. These results

MESSAGE FROM THE BOARD

represent an important demonstration of TAG's management credibility

In regard to the adaptations required to combat the Covid-19 pandemic, TAG maintained its transport operations of natural gas, ensuring the health and safety of its employees and partners, while contributing to Brazil's wellbeing at such a difficult time. As such, the company took part in an emergency solidarity initiative together with ENGIE, Vale and other major companies, donating R\$ 3.4 million for medicines used in intubation procedures

We believe in the engagement, technical capacity, dedication and resilience of the

entire TAG team has positioned the company at the forefront of the changes in the New Gas Market. The New Gas Law introduced the basic assumptions for promoting a free, open and competitive market, which, in addition to directly benefiting the energy sector, can transform the Brazilian economy, and speed up the energy transition under way.

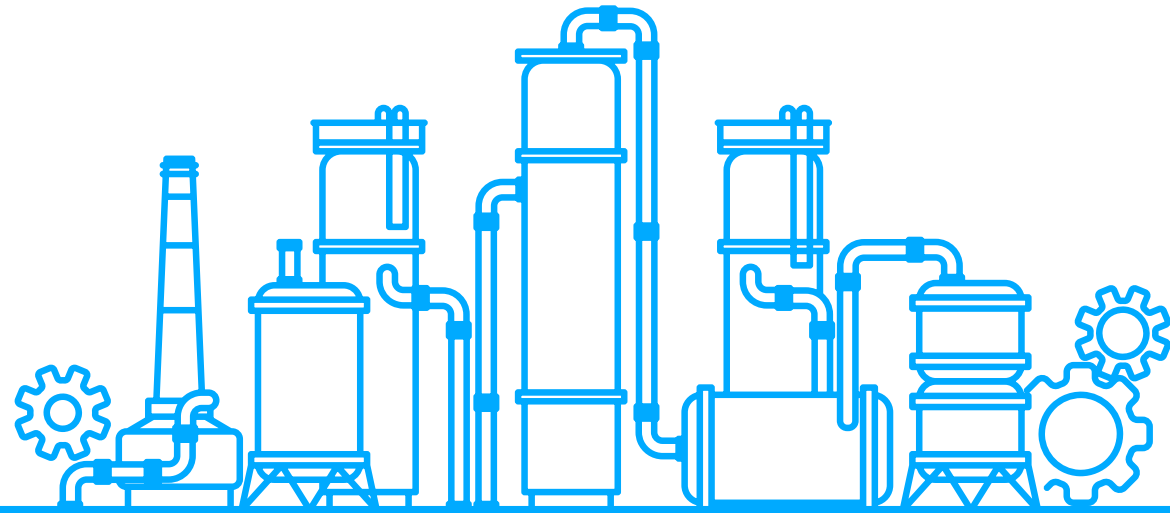
Thank you very much to all our employees, partners and other stakeholders who have contributed to yet another successful year for TAG against a challenging backdrop with many transformations.



Maurício Stolle Bähr

Chairman of the Board
of Directors

MESSAGE FROM THE CEO



Two and a half years after the new TAG was established, with countless challenges overcome and many others ahead, I am faced with a whirlwind of feelings and achievements. I would like to share with you my feelings of incredible pride for the results achieved, and gratitude, both for the commitment and dedication of our employees and for the unconditional support of our shareholders. Our team has made a big difference!

2021 was a year of significant changes, bringing new perspective of further development for the natural gas market and rolling out important initiatives at TAG. We have strengthened our ties with the market, expanded opportunities giving new customers equal access to

our network infrastructure, and managed to enhance information transparency in our segment, showing how important transport is to all agents in the natural gas supply chain.

It is important to highlight our partnership with the UNIGEL group, which started during the first few weeks of the year. This partnership has made us the first Brazilian natural gas transporter to provide new, viable access to the gas supply chain for a high-volume client, against a backdrop of sector deverticalization in Brazil.

At the end of 2021, after the constant effort of the TAG teams, and in full compliance with the regulatory

requirements, 30 new extraordinary contracts have been signed under the Entry and Exit Regime with six different economic groups, in addition to Petrobras, totaling around 11.2 million m³/d of transport capacity. This further consolidates our position as a multi-client company focused on meeting the needs of a growing market.

On other fronts, we continued to work together with ATGÁS (Association of Natural Gas Pipeline Transport Companies) along strategic guidelines for sustainable development in the sector. In collaboration with TBG and NTS, we have provided greater access to the gas transport system with the launch of the Capacity Trading Portal (POC), a pioneering digital scope in

TAG is staffed by a fully qualified team and in 2021, 44% of its staff were women, making further progress towards achieving the diversity goals established by the shareholders.

the country aiming at offering gas transportation capacity to the market in a simple, standardized way, allowing streamlined access for different clients and boosting network usage. This allows us to offer solutions to the medium and long-term market, consolidating gas transport operations in a “marketplace”, which, by connecting different sources of supply, promotes the long-awaited National molecular competition, helping to reduce prices and benefiting the entire market.

2021 was also greatly affected by the impact of the COVID-19 pandemic. However, TAG’s operations - essential to the country’s infrastructure - continued full throttle without interruption, ensuring full efficiency and total safety. We maintained our focus on caring for the health and safety of our employees and partners, strictly in line with all prevention protocols.

We ended 2021 with 149 full time employees who continued to build a solid, agile and multifaceted organizational structure. TAG is staffed by a fully qualified team and in 2021, 44% of its staff were women, making further progress towards achieving the diversity goals established by the shareholders.

To strengthen our corporate culture, we moved to new, more modern and attractive headquarters, further integrating the various disciplines within the company. These new headquarters host our Control and Supervision Center (CSC), through which we will remotely operate our gas pipeline network commencing in the first quarter of 2022, with full support from ENGIE, which will be in charge of local asset operation and maintenance. This internalization of TAG’s operational management is essential for its strategic planning, to open up the market and expand our customer base; in which logistics intelligence is increasingly becoming part of our core business.

The company continued to implement its Investment Plan, totaling R\$ 167 million for the year – 74% higher than 2020 – with two main focal points: asset maintenance and integrity in order to guarantee the safety, availability and reliability of the pipeline network; and preparation for new opportunities to expand the existing infrastructure, ranging from the removal of bottlenecks to the setting up of new city gates and entry points, and the expansion of the pipeline network.

The 2022-2026 Investment Plan approved by the Board of Directors sets investments at around R\$ 2.0 billion over this period. Three of the largest projects are worthy of note: (I) GASFOR II, in Ceará, which aims to move part of the current flow of high-pressure transport from the central region of Fortaleza, extending the network pipeline by 83 km, increasing operational safety and allowing for future expansion to the state of Rio Grande do Norte if demand increases in that region; (II) Connection to the Sergipe Terminal, with the construction of 25 km of gas pipeline to integrate the LNG terminal at the port of Sergipe into TAG's network; and (III) A new compression station in Itajuípe (State of Bahia) to maximize the Southeast-Northeast flow. These projects will enhance TAG's pipeline network in the Northeastern region and will be important milestones in the development of the Brazilian natural gas transport industry, with the return of large investments.

The Company's sustainability has been further consolidated by the financial results achieved in 2021, with net revenue of R\$ 7.1 billion, EBITDA of

R\$ 6.0 billion and net income of R\$ 1.9 billion. These performance figures show the robust nature of our business model and encourage us to continue with our Investment Plan, helping to expand the availability of our natural gas infrastructure and ensure that safety standards are maintained.

That said, 2021 was about learning and growth in all senses of the words. As the market opens up, we begin to understand the needs as they emerge; our work is underpinned by our strategic objectives and commitment to our customers and the environment.

The manner in which TAG has developed over the past year is admirable, playing a leading role in the process of opening up the gas market, overcoming challenges, achieving milestones for the entire natural gas supply chain in Brazil and paving the way for future achievements.

Let's move forward, safely!

Enjoy your reading



Gustavo Henrique Labanca Novo
Managing Director

HIGHLIGHTS 2021

COMMERCIAL

Contracts signed for residual balancing and congestion elimination service, meeting the requirements for system stability and the purchase of linepack gas - to offer transport capacity for new entrants

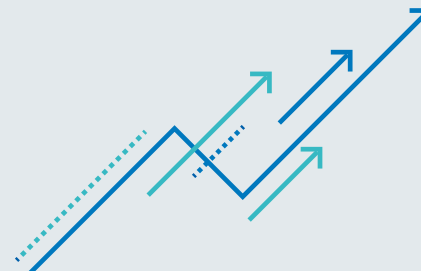


Start of the **interruptible contract to transport natural gas with the Unigel Group** to supply fertilizer plants leased by the company in Bahia and Sergipe. Partnership was the first to be signed with a new agent to open up the natural gas sector in Brazil

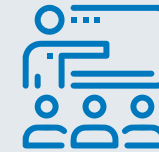


Partnership with TBG and NTS to create the Gas Capacity Platform (POC), creating the first marketplace, making the system agile and equal for everyone to contract transport capacity

30 NEW CONTRACTS were signed with **eight shippers from six different economic groups**, each lasting one year and starting in January 2022, confirming TAG's leading role in opening up the market



New agreement signed to reduce capacity flexibility with **Petrobras** approved by the **ANP**, which allows new interested agents



Active participation in important **industry events and seminars** to publicize the new gas market and TAG's operations, with emphasis on the **Rio Pipeline**

HIGHLIGHTS 2021

OPERATIONAL



Construction of the Control and Supervision Center (CSC) inside the new TAG's office in Rio de Janeiro, which will allow all the Company's assets to be remotely operated, a very important milestone for greater operational control, in line with strategic objective number 3.



High levels of **OPERATIONAL EFFICIENCY**, with availability index of compression stations above **98% and 0% for delivery service failure**



Average contracted transported volume **38.7 million m³/day** of natural gas, with a contractual peak of **58 million m³/day**



Execution of the mobilization contract and execution of the **Operating and Maintenance contract with ENGIE Soluções em Operação & Manutenção – ESOM**, a company of the ENGIE Group.



R\$ 167 million. INVESTED IN PROJECTS FOR THE MAINTENANCE of assets and the implementation of new structures

7 projects completed and **11 in progress**

HIGHLIGHTS 2021

FINANCIAL



TAG received the **BEST RATINGS** from **Fitch Ratings** and **Moody's** for a company with operations in Brazil: AAA(bra) on the National Scale and BB and Ba1 on the International Scale by **Fitch e Moody's**, respectively

R\$ 6.0 billion
EBITDA;

R\$ 7.1 billion
in net revenue;



R\$ 2.1 billion
in dividends distributed
to shareholders;

R\$ 1.9 billion
in net income;



INVESTMENT PLAN approved by the Board of Directors for the period 2022-2026, of approximately **R\$ 2.0 billion**.

SOCIO-ENVIRONMENTAL



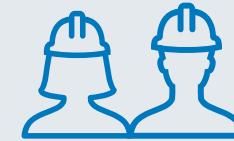
94 risk analyzes of new contracts were carried out for Health, the Environment and Safety issues;



TAG has teamed up with large companies to donate **3.4 million intubation medicines** to the Ministry of Health.

106 Preventive Safety Visits

carried out by TAG's management team.



36 new professionals HIRED, bringing the workforce to

149 employees at the end of the year.



Active participation, together with other Brazilian gas transporters, in **ATGAS (Association of Natural Gas Transport Companies by Gas Pipeline)**, with the implementation of an SMS Committee, discussions of regulatory matters, opening up of the gas market and the definition of independence criteria for the transporters.

ATGAS's main strategic objective is to increase the institutional representation in the midstream, which is fundamental to strengthening the entire natural gas chain.

MISSION



Transporting energy safely, integrating the natural gas market for sustainable development of the society.

VISION



Be the protagonist of the natural gas market transformation, connecting energy to life.



TAG

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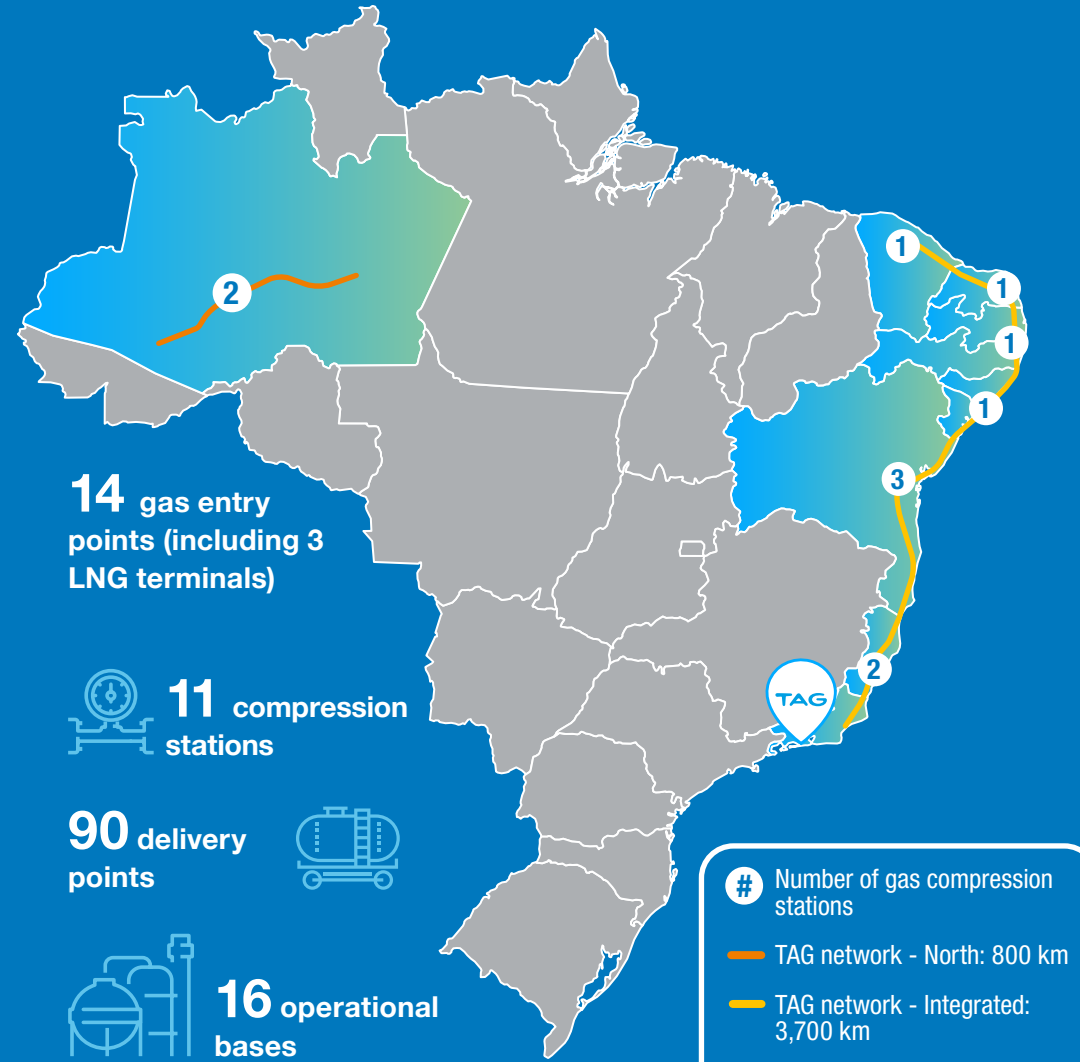
CORPORATE PROFILE

Transportadora Associada de Gás S.A. – TAG, headquartered in Rio de Janeiro (RJ), operates in the transportation of natural gas and holds 47% of the gas transportation infrastructure in the country. In all, there are about 4,500 kilometers of gas pipelines that run through ten Brazilian states, with 3,700 kilometers in the coastal region of Brazil (Ceará, Rio Grande do Norte, Paraíba, Pernambuco, Alagoas, Sergipe, Bahia, Espírito Santo and Rio de Janeiro) and another 800 kilometers in the section that connects the oil region from Urucu to Manaus, in the Amazonas. In its entirety, it represents the most extensive network of gas pipelines in Brazil.

TAG’s network includes 11 gas compression stations, of which six are owned and five are subcontracted. It also adds 14 gas entry points – including three Liquefied Natural Gas (LNG) terminals – and 90 delivering points, supplying, with high levels of reliability and supply safety, refineries, fertilizer plants and thermoelectric plants in different locations around the country, always integrated into the distribution network.

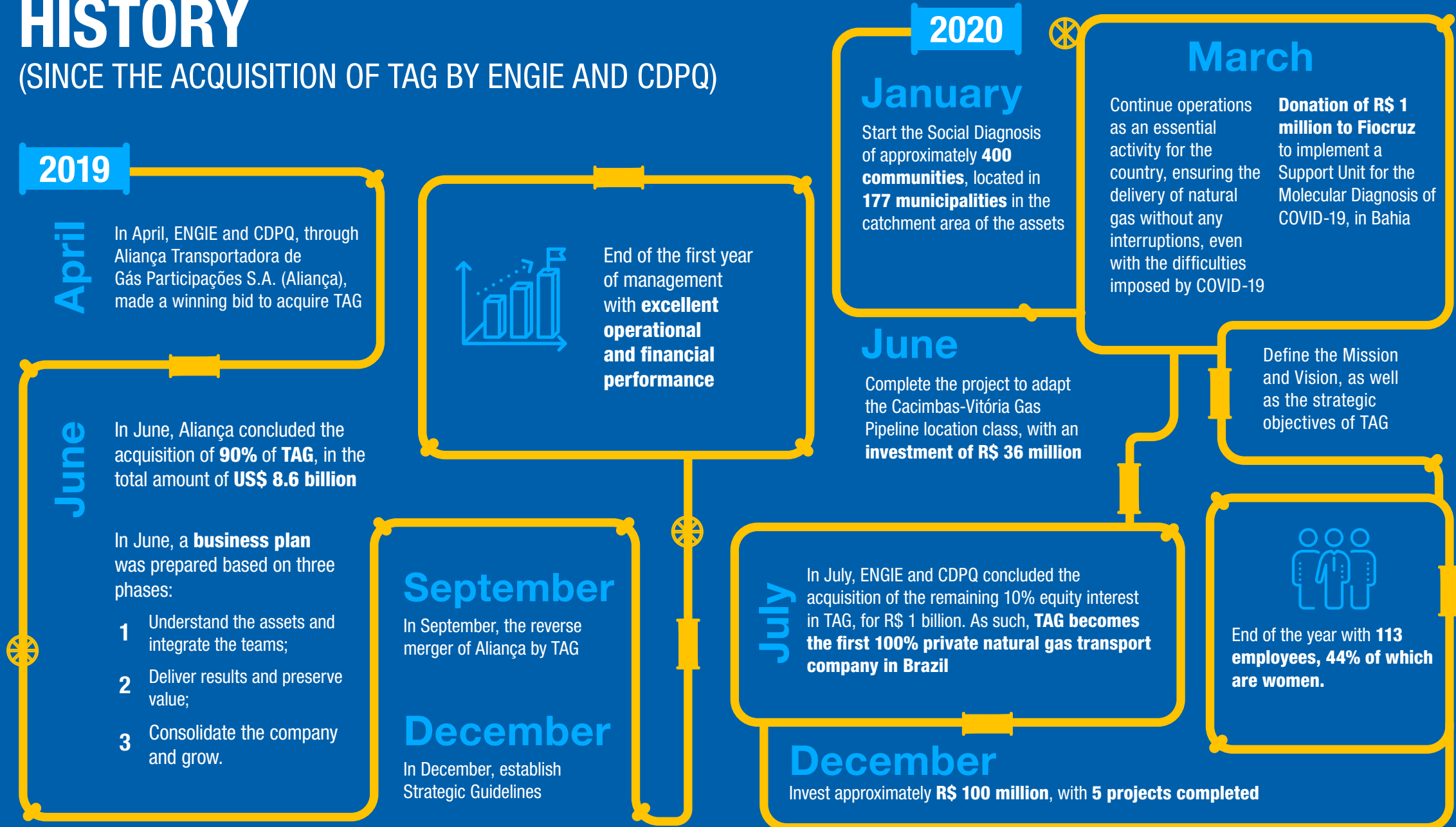
Given the backdrop of the gas market opening up, the infrastructure belonging to the Company has several opportunities to connect new offers both onshore and offshore – such as those generated by the exploration of the pre-salt layer in Brazil.

GEOGRAPHIC DISTRIBUTION OF ASSETS



HISTORY

(SINCE THE ACQUISITION OF TAG BY ENGIE AND CDPQ)



Presentation

TAG

Corporate Governance

Business

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Financial Performance

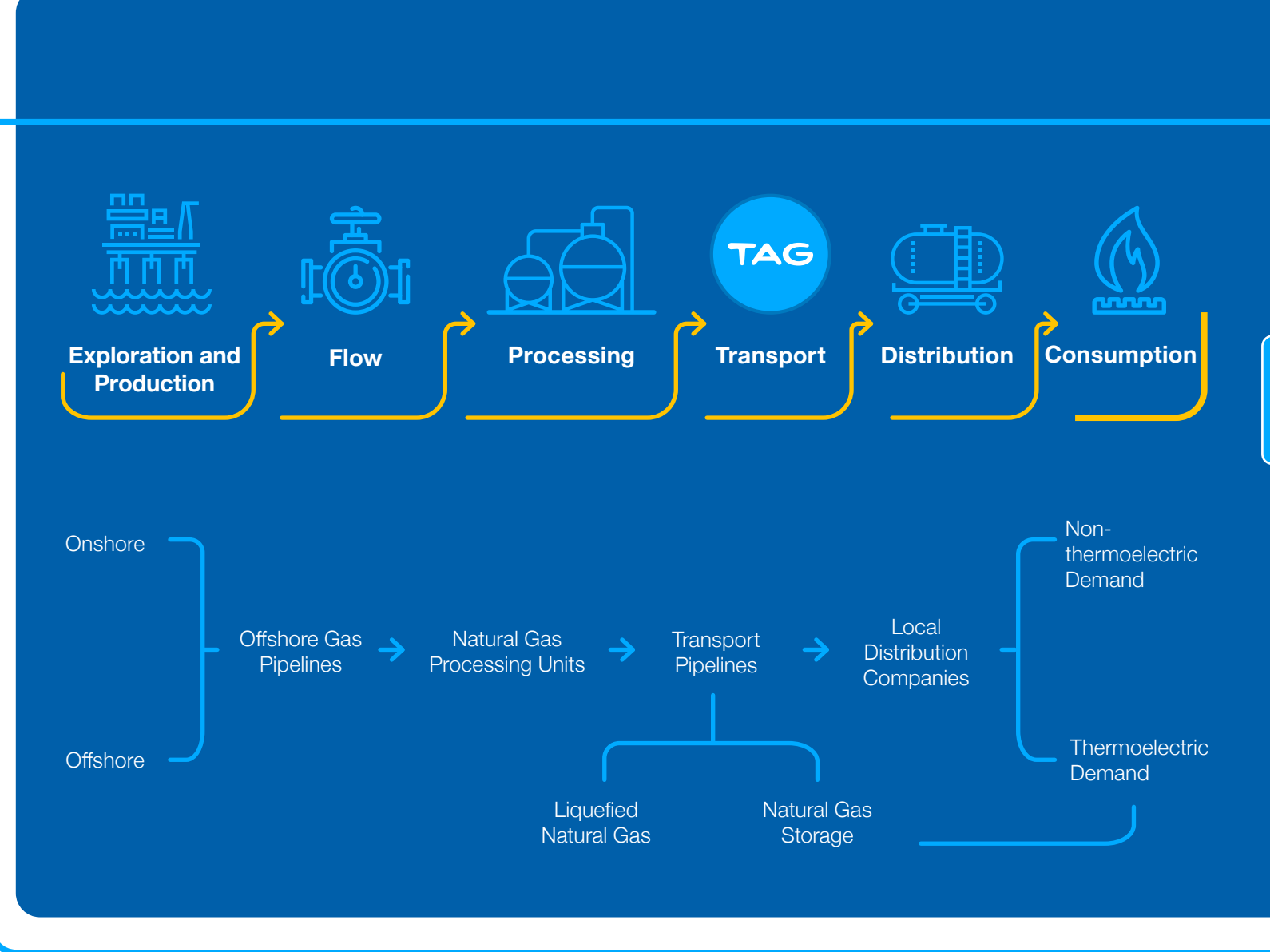
Social and Environmental Management

BUSINESS MODEL

The trade relationship between a natural gas transporter and its customers – called shippers – is governed by Natural Gas Transport Service Contracts, regulated by the National Agency of Petroleum, Natural Gas and Biofuels (ANP).

As such, the Company receives the custody of natural gas daily at the entry points in its network and delivers it back to the shipper at the City Gates. On the other hand, it receives revenue from the transport service, made up of the portion of effective movement of the gas, and the ship-or-pay.

In 2021, TAG's network fulfilled 5 contracts signed with Petrobras, which together reached the contracted transport capacity of 73.6 million m³/day (contracts per segment). In addition, it



fulfilled the interruptible contract with Proquigel, in the Unigel group, with a contracted output and input capacity of 2.3 million m³/day each, which was a milestone for the sector, being the first contract with a significant volume as well as Petrobras in the TAG's network

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STRATEGIC GUIDELINES

TAG's strategic guidelines, as defined in 2020, clarify the company's performance, as well as reflect the assumptions in the 2022-2026 Business Plan, reviewed at the end of 2021 by the Board of Directors.

5 STRATEGIC OBJECTIVES

1

Create value for shareholders in a sustainable manner

2

Consolidate the Company's structure, focusing on people, processes and systems

3

Have greater control over operations, ensuring the availability of the pipeline network and the integrity of assets

4

Ensuring ethics, diversity and compliance with high standards of Health, Environment and Safety (HSE), promoting the development of the TAG culture

5

To be recognized by stakeholders as a benchmark company in the gas market

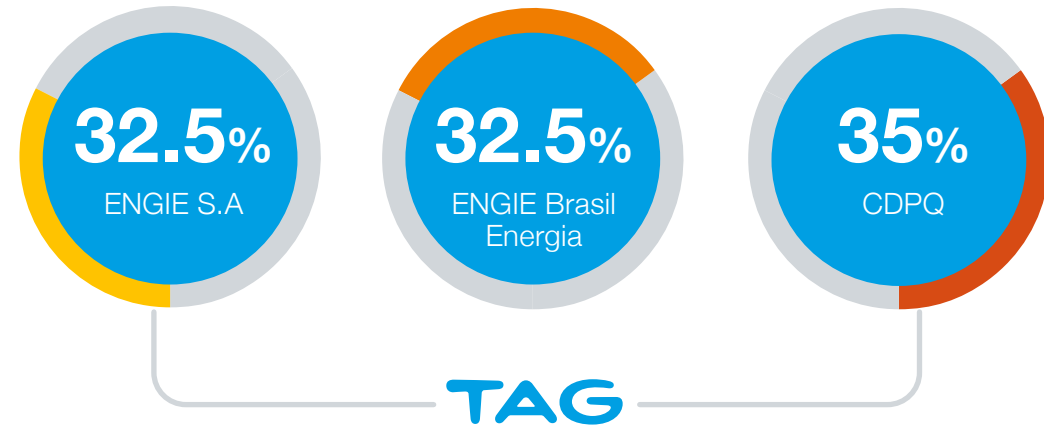


GOVERNANCE

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CORPORATE STRUCTURE

At the forefront of the sector, TAG was the first 100% natural gas transporter to become privatized in Brazil, with ENGIE and Canadian institutional investor Caisse de Dépôt et Placement du Québec (CDPQ). The process of acquiring all the company's shares - previously under the control of Petrobras - took place in 2 stages, with 90% in June 2019 and the remaining 10% in July 2020.



THE SHAREHOLDERS

ENGIE

World reference in energy and low carbon services, the ENGIE Group holds 65.0% of TAG's shares, 32.5% of which are held through its local subsidiary ENGIE Brasil Energia.

In Brazil, ENGIE operates in the generation, sale and transmission of electricity, gas transport and energy solutions. With its own installed capacity of 10 GW in 69 plants, the company has 97% of its installed capacity from renewable sources.

CDPQ

Long-term global institutional investor managing funds primarily for public and para-public pensions and insurance plans in the province of Quebec in Canada. As of December 31, 2021, CDPQ had approximately C\$ 420 billion in assets under management. It is one of the largest global infrastructure investors, with approximately C\$ 45 billion of investments in this asset class. With operations in more than 65 countries, it maintains strategic investments in companies in the energy sector, contributing to a global energy transition to decarbonize its portfolio and become Net Zero in emissions by 2050. CDPQ has a 35.0% stake in TAG's share capital.



Presentation

TAG

Corporate
Governance

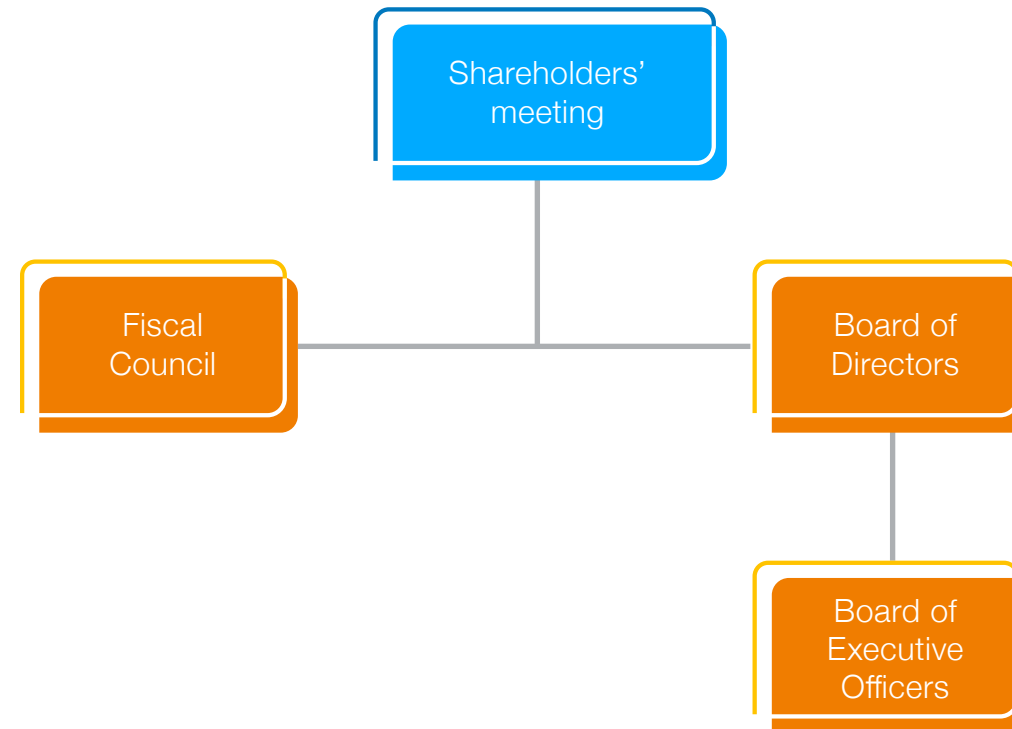
Business

Operations

Financial
PerformanceSocial and
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Management

MANAGEMENT STRUCTURE

In line with the best corporate governance practices, TAG's management is overseen by decision-making and executive bodies, which act in an integrated manner, as provided for in Law No. 6,404/76 (Corporate Law) and the Company's Bylaws. As such, the management structure establishes the Shareholders' Meeting as the highest decision-making body.



BOARD OF DIRECTORS

Responsible for defining the business strategy, as well as policies and guidelines that guide its execution. The directors are also responsible for supervising the Board of Executive Officers and assessing risks and opportunities related to the Company's operations – including, in this analysis, economic, social and environmental aspects.

All Board members are elected at the General Meeting, assuming a two-year term of office – with a maximum of three consecutive reappointments being allowed.

Position	Name	Mandate	
Chairman of the Board	Maurício Bähr	06/13/2021	06/13/2023
Board member	Eduardo Sattamini	06/13/2021	06/13/2023
Board member	Edouard Sauvage	06/13/2021	06/13/2023
Board member	André Canguçu	06/13/2021	06/13/2023
Board member	Alexandre Atallah	06/13/2021	06/13/2023
Board member	Nathalie Viens	06/13/2021	06/13/2023

Composition on 12.31.2021: All board members were elected on 06.01.2021 for a new term as of 06.13.2021. Mauricio remains Chairman of the Board.

FISCAL COUNCIL

Its main duties are to represent the shareholders in the analysis of the Company's financial statements, as well as inspecting the acts of the Executive Board and evaluate the risk management systems and internal controls. Independent from the Management, it is composed of three members elected at the General Meeting, and may be reappointed to the position for a maximum of two consecutive times.

Composition (12/31/2021)	
Incumbent Board Members	Paulo Mantuano
	Alexandre Chequer
	Vespasiano Salerno
Alternate Council Members	Manoel Bouzan
	Victor Galante
	Carla de Carvalho

BOARD OF EXECUTIVE OFFICERS

Guided by the strategic guidelines defined by the Board of Directors, TAG's officers conduct business, guiding employees in the development of measures that contribute to the generation of value for the Company, as well as to the integrity and ethical relationship with different *stakeholders*.

The Board of Executive Officers is made up of five members, of which three are statutory members (see table below) and elected by the Board of Directors for three-year terms, with a maximum of three consecutive reappointments being allowed. As such, the officers work under a matrix structure, dividing activities and functions according to the objectives and expertise of the area they lead.

Composition (12/31/2021)

Chief Executive Officer (Statutory)	Gustavo Labanca
Chief Financial Officer (Statutory)	Joaquim Saboia
Chief Operating Officer (Statutory)	Eric Courtalon
Legal and Ethics Officer	Felipe Batista
Chief Commercial and Regulatory Officer	Ovidio Quintana

ETHICS AND INTEGRITY

Ethics and integrity constitute fundamental and non-negotiable values for TAG, expressed in guidelines and management mechanisms that are applicable across the Company's operations and interactions. As such, in line with the provisions of the Anti-Corruption Law (Law n° 12.846/13) and global references in compliance, the ENGIE Group's Code of Ethics, adopted in its entirety by TAG, brings together the foundations that guide corporate and individual behavior in relation to the matter.

The Company's Ethics Committee – formed by the Legal and Ethics Officer and the Human Resources & Culture and Communication and Risks & Internal Controls and Documentation managers – are responsible for monitoring compliance with policies, procedures and processes related to the prevention of

corruption, bribery and any ethical misapplication. It also works to answer questions that stakeholders may have on the subject and offer guidance on the applicability of the Company's internal regulations.

In addition to the Committee's activities, TAG maintains a team dedicated to disseminating ethical values to all employees, through a Communication and Training Plan. Focused on raising awareness, this Plan is defined by the Ethics Committee, undergoing periodic adjustments based on business risks. Announcements are made via e-mail, posters, publications on the internal social network, training sessions and videos.

Another fundamental platform for raising awareness of the matter is the integration meetings for new employees, whether in-house or outsourced, in which the Code of Ethics, The Health, Safety and

the Environment (HSE) guidelines and other related guidelines are shown. In 2021, six of these meetings were held, advising professionals, recently admitted to the Company. On another front, in line with shareholder practices, employees underwent training and updating in ethical measures, subdivided into four knowledge trails: (i) Our Group, Our Ethics, (ii) Protection of Personal Data and Privacy Policy of Personal Data, (iii) Fraud, Corruption and Zero Tolerance

and (iv) Human Rights. A fifth trail, on Competition Laws, was offered on a non-mandatory basis.

Ethical issues are reported to Senior Management, allowing for the supervision of measures and the recommendation of efforts to mitigate risks, including those related to fraud and corruption.

In 2021, an independent outsourced company was hired to receive reports of cases that contradict the Company's values and policies, with investigations being carried out by the Ethics Committee. Complaints, of a confidential nature – allowing the whistleblower to remain anonymous – can be made by telephone or via the dedicated area of the outsourced company's website, ensuring the confidentiality of all information and any people involved.

Complaints are received directly by the members of the Ethics Committee.



E-mail: etica@ntag.com.br



or personally



Whistleblowing channel

www.canalintegro.com.br/tag

INTERNAL CONTROLS

The Company develops a series of normal practices for the prevention, detection and correction of ethical variances, in addition to the compliance of its processes. In this sense, in 2021, it continued its Internal Controls Program (INCOME), incorporating new processes, following the principle of self-assessment or self-assessment, as well as updating, optimizing, action plans and annual tests, formalized by an Attestation Letter, signed by the Board of Executive Officers.

INCOME adds to the due diligence, registration, investigation and monitoring of incidents and the application of appropriate disciplinary measures. In addition, TAG monitors the receipt/ offering of gifts and hospitality, the occurrence of conflicts of interest, making donations and sponsorships, the management of business consultants, the use of standardized ethics clauses in its contracts and the management of internal control of activities.

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CORPORATE POLICIES

TAG's values and organizational culture are detailed in policies guidelines formally sanctioned by the Board of Directors. Coupled to internal procedures and other supporting documentation, they guide the conduct of business and the relationship with stakeholders, reinforcing the commitment to ethics, compliance and the integrity of processes.

Since 2020, TAG's policies and procedures are in line with the General Personal Data Protection Law (LGPD). Among the measures developed in this regard, the following stand out:

- The Privacy and Data Protection and Information Security Policies, prepared and approved by the Board of Directors.
- The appointment of the Data Protection Manager, a role assigned in TAG, to the Legal and Ethics Officer.
- Creation of the Information Security and Privacy Committee, formed by the Personal Data Protection Manager (DPO) and representatives from the Information Technology and Digitization areas; Legal and Ethics; People & Culture; Risks and Internal Controls; and the SCADA Project.
- Preparation of amendments and new templates for employment contracts, in addition to new standardized contractual clauses, including the aspects provided for in the LGPD.
- Notifying suppliers about contractual changes.
- Carry out training on the matter and awareness campaigns for employees, in order to ensure the proper treatment of personal data in the Company.

PROCESS AND RISK MANAGEMENT

Highlighted policies

Policies and regulations approved in 2021

Code of Conduct for Supplier Relations	Human Rights Policy
Code of Ethics	Integrity Benchmark
Guidelines for receiving and offering gifts and hospitality	Human Rights Framework
Supplies Directive	Ethics and <i>Compliance</i> Benchmark
Business Advisors Policy	Business Advisors Policy
Conflict of interest prevention policy	Procedure for Handling Ethical Allegations (update)
Privacy and data protection policy	Embargo Policy
Procurement Policy	Guidelines for the Use of Information and Digital Technologies
Supplier <i>Due Diligence</i> Procedure	Guidelines for Management and Security of Information and Digital Technologies
Procedure for handling ethical claims	Privacy and Personal Data Protection Guidelines
Safety, the Environment and Health Policy	Social Responsibility Policy

TAG's corporate risk management process considers macroeconomic, regulatory, financial, operational, commercial, social and environmental aspects in its matrix, in addition to those related to information technology and security. From monitoring the company's risks and opportunities, specific action plans arise, focused on eliminating or mitigating risks and capturing opportunities. Carried out by different departments, the plans are monitored by the Board of Executive Officers and their results are regularly evaluated by the Board of Directors.

In 2021, given the advances in assuming the remote operation of our entire gas pipeline network through the Control and Supervision Center (CSC) and the transfer of maintenance activities and field operational support to ENGIE, in its operating arm in Operation & Maintenance Services, as part of the structuring activities, the Company incorporated a new perspective of analysis to its Risks and Opportunities Matrix, reporting the results of the analyzes to its shareholders.



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NATURAL GAS MARKET IN BRAZIL

SECTORIAL CONTEXT

The drive to modernize the natural gas sector gained strength with the launch of the 'Gás para Crescer' initiative, in 2016, and the 'Novo Mercado de Gás' program in 2019. After the Agreement to Cease the Practice (TCC) had been signed by Petrobras and the Administrative Council for Economic Defense (CADE), the state-owned company committed to selling a series of assets and interests in the natural gas chain, and to waive exclusivity in the use of contracted capacity in Brazil's gas transport network, it reduced the flexibility of existing contracts and allowed other companies to negotiate access to existing transport infrastructures.

In 2020 and 2021, the Brazilian natural gas market accelerated significantly, with milestones set that are transforming the industry towards an environment of greater transparency, equality and competition. These milestones include the sale of stakes by Petrobras in gas transporters and distributors, as well as thermoelectric plants, refineries and production

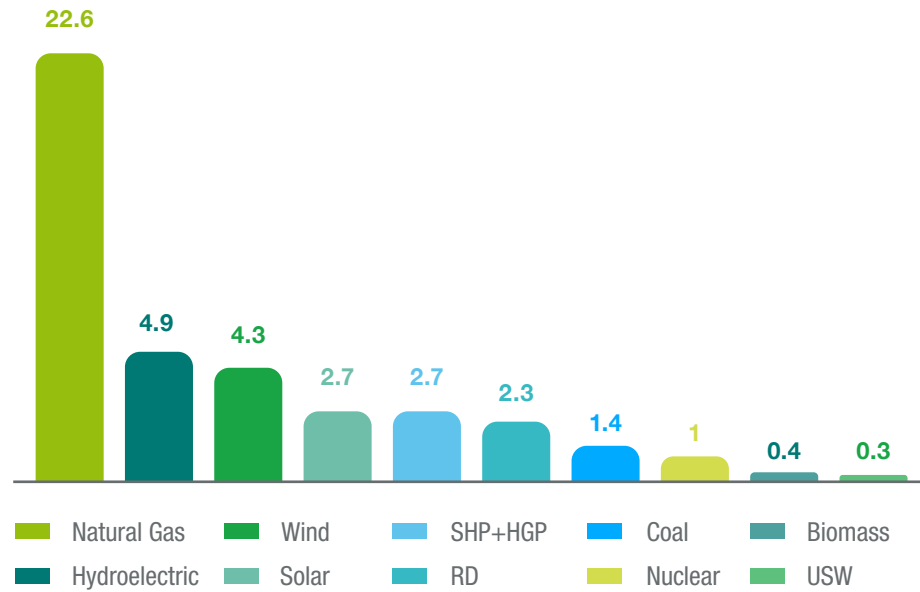
In 2020 and 2021, the Brazilian natural gas market accelerated significantly, with milestones set that are transforming the industry towards an environment of greater transparency, equality and competition.

fields, and extend to the approval of the New Gas Law, which provides the legal certainty needed for this new environment.

In addition, projections by the Brazilian Energy Research Company (EPE) indicate that between 2022 and 2031, natural gas should be the generation source that will expand the most in Brazil, adding up to 23 GW of capacity. In the same period, the net production of natural gas in Brazil is expected to grow from 64 to 136 million m³/day if it follows the benchmark, and could reach 149 million m³/day, if there is a decrease in the share of natural gas re-injection. The role of natural gas as a strategic fuel for the energy transition towards a low carbon economy contributes to this outlook. This is because when replacing other fossil fuels, with greater polluting potential, it offers more safety and flexibility for a system where there are more intermittent renewable sources, such as solar and wind power.

► Expansion of Electrical Energy 2022 - 2031

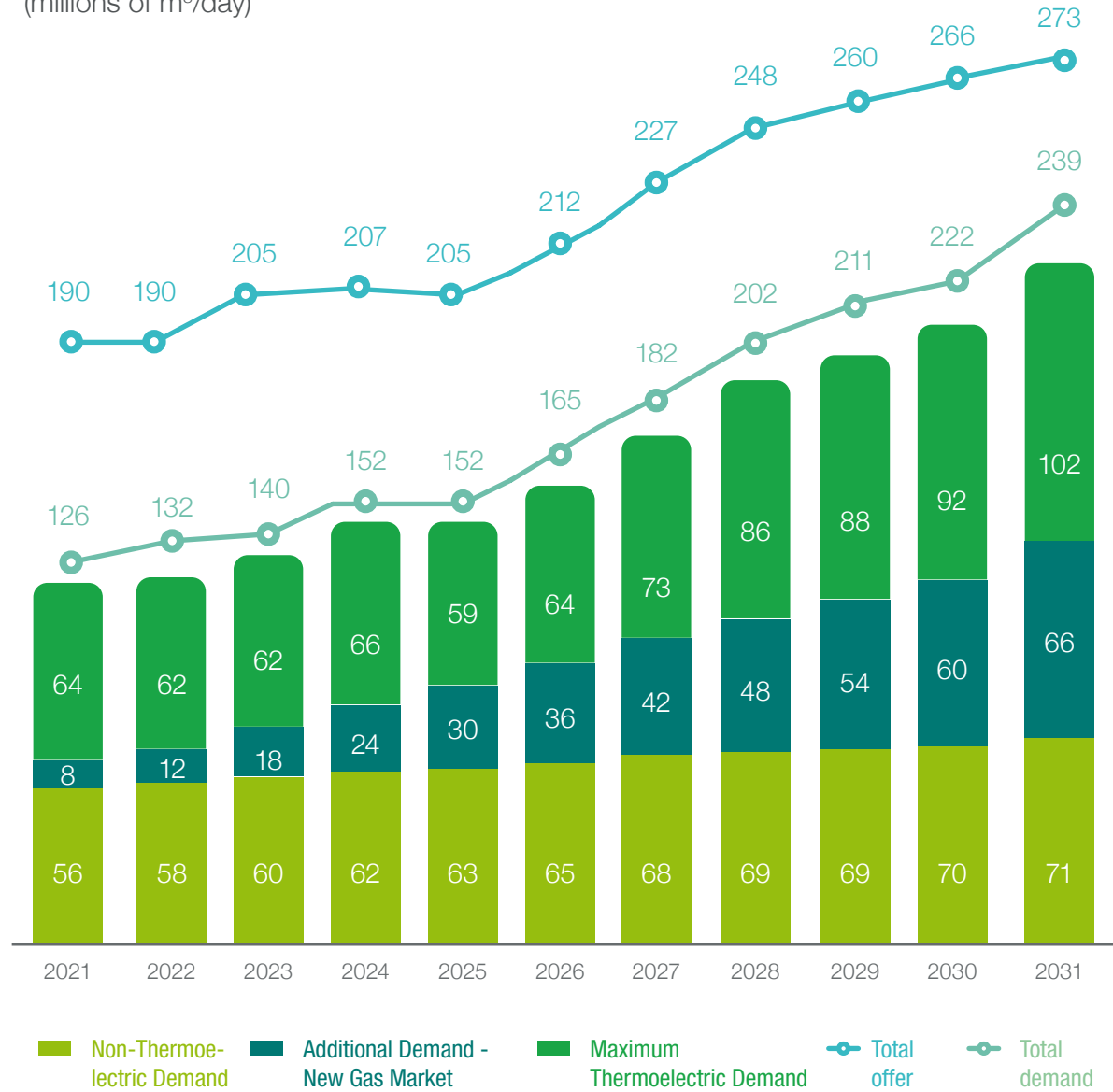
(in GW)



► Natural gas balance - total Brazil

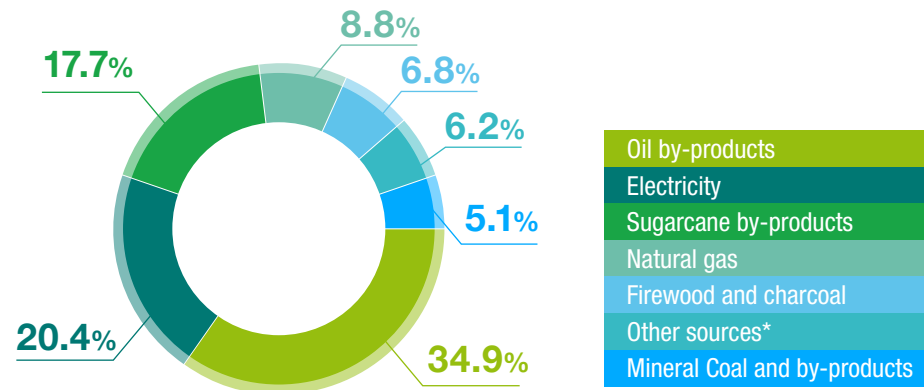
New Gas Market Sensitivity

(millions of m³/day)



► Final energy consumption by source

(333 MTep - 2031)



ESSENTIAL RESOURCE

Within the context of the gradual deactivation of the most polluting thermoelectric plants in Brazil and with the assistance in modulating the intermittence of renewable sources, natural gas appears as a great alternative to the balance of the national energy system and an important input to strengthen the industry in Brazil

The entry of new agents in the segment, through the integrated transport system, enables competitiveness in the supply of the gas molecule, which is the main component of the final price of natural gas delivered to the market. In addition, the shared use of network infrastructures (transport and distribution) by a greater number of agents leads to an increase in the volume of transactions, which results in a lower unit cost for the users.

All this movement should also boost the expansion of the available infrastructure, through new investments, leading to greater supply and competitiveness and, as a consequence, to a reduction in prices to the final consumer. As such, the optimization of the natural gas chain is fundamental for strengthening the sector, as well as supplying the market, ensuring energy sustainability in the long term.

TRANSPORTATION CONTRACTS

The gas transport service is remunerated according to the availability of the pipeline's infrastructure, and as such, transport contracts have a clause called ship-or-pay, whereby shippers (customers) shall pay for the contracted transport capacity, regardless of the volume transported. This methodology is in line with good international practices in the sector, aiming to promote a safe environment to attract long-term investments, at the same time enabling mechanisms for low tariffs to serve users in the market. On the other hand, it receives revenue from the transport service, made up of the portion of the effective movement of the gas, and the ship-or-pay.

In 2021, Petrobras or Unigel were the shippers in TAG's current contracts. In all, the Company operated five transport contracts: Gasene (split between South and North sections); Malha NE; Pilar-Ipojuca and Urucu-Manaus with Petrobras;



In the year, the **AVERAGE CONTRACTED VOLUME TRANSPORTED** by TAG was **38.7 million m³/day of natural gas**, with a peak of **58.1 million m³/day**.



and, with Unigel, TAG entered into an interruptible gas transport service contract to supply two fertilizer plants operated by the petrochemical company, in Bahia and Sergipe, based on the legacy Malha Nordeste contract.

In the year, the average contracted volume transported by TAG was 38.7 million m³ /day of natural gas, with a peak of 58.1 million m³ /day.

At the end of 2021, TAG signed 30 new gas transport contracts with eight new shippers from six different

economic groups, starting in January 2022 and valid for one year: Equinor, Galp, Shell, PetroReconcavo, Potiguar E&P, SPE Miranga and Origem, in addition to Unigel. As a result of pioneering measures carried out by TAG, these contracts represented an important milestone for opening the sector, in line with the progress resulting from the approval of the New Gas Law, by the ANP and other institutions involved in opening up the gas market in Brazil.

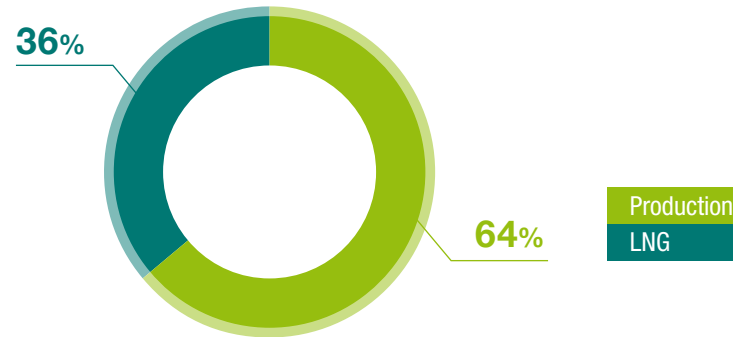
TARIFF INDEXATION

The tariffs in the contracts signed by TAG with Petrobras are indexed to different economic indices. In 2021, approximately 65% of contractual revenue was indexed to the annual correction under the General Market Price Index (IGP-M), 15% indexed to the National Consumer Price Index - Wide (IPCA) and 20% fixed to the US dollar (USD) and indexed to the US Producer Price Index (PPI).

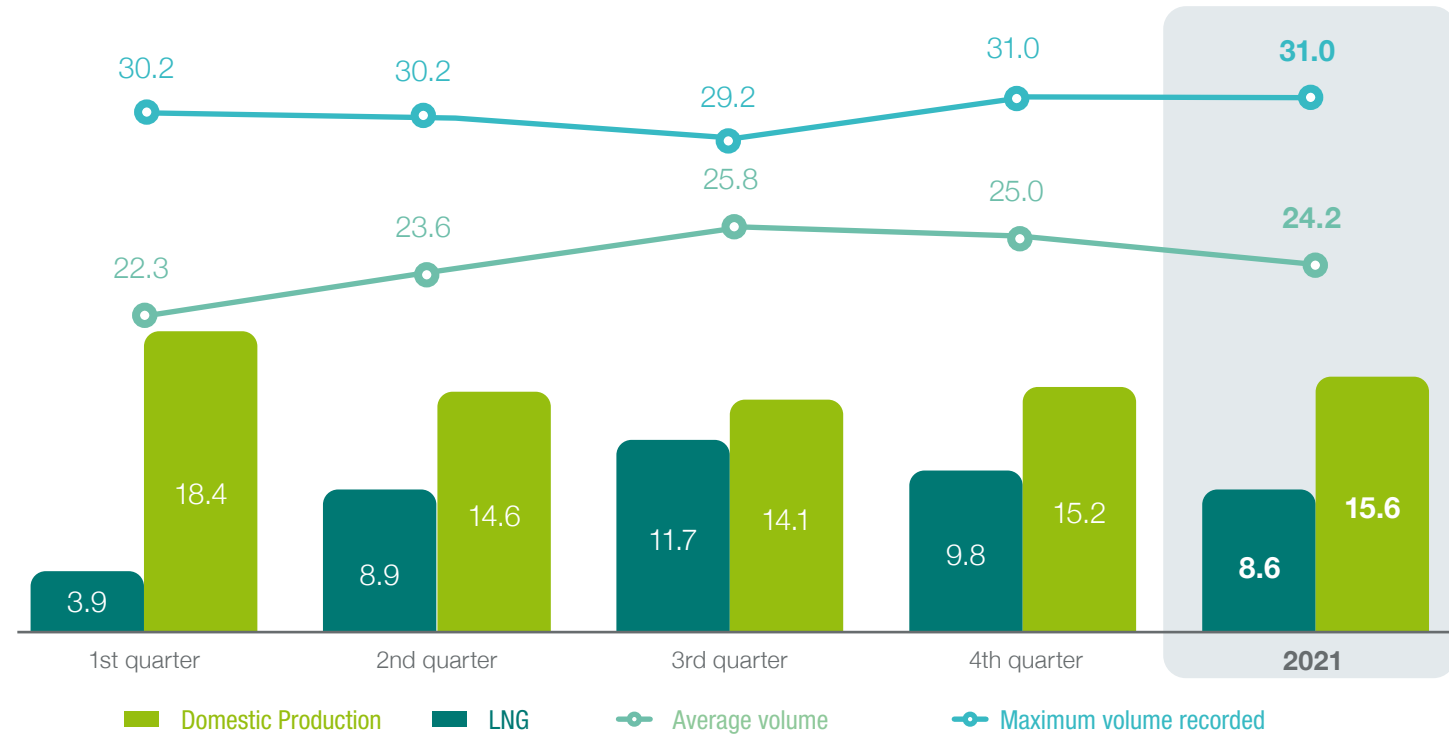
GAS RECEIPT

In 2021, 64% of the total natural gas injected into the TAG's network was produced and processed in Brazilian territory, and it was received at 11 of the 14 entry points destined for the North, Northeast and Southeast regions. The other three points correspond to injections into the TAG network from imports (36%), through Liquefied Natural Gas (LNG) Terminals – one located in Pecém (CE) and two in Bahia (BA). The average volume of gas input in 2021 was 24.2 million cubic meters daily, about 7% more than in 2020, driven by the higher volume of LNG imports, which in the previous year represented 22% of the total received in the TAG network.

▷ Receipt and natural gas in the TAG network, by source of supply



▷ Volume received by source of supply
2021 Quarterly average (million m³ /day)



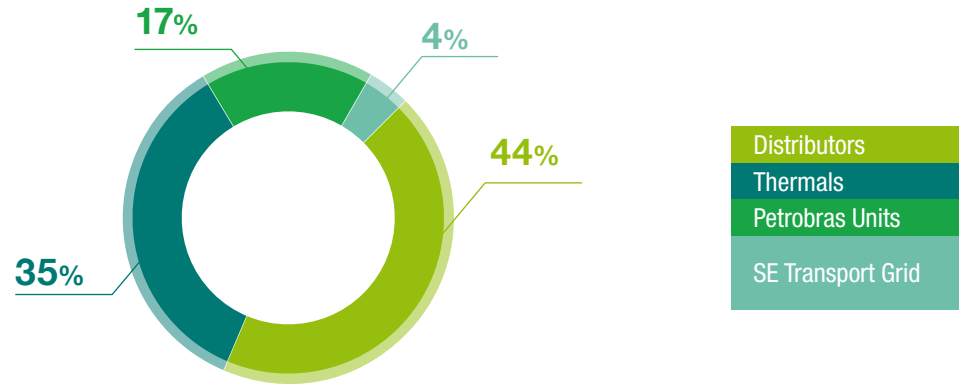
DELIVERY TO THE MARKET

In addition to Petrobras industrial facilities - refineries, fertilizer plants, hydrogenated products and exploration and production units - gas transported by TAG in 2021 and delivered to its city gates served the thermal and fertilizer segments, local piped gas distributors and the industrial, commercial, residential, cogeneration and vehicle sectors.

Throughout the year, Petrobras used the two-way Gasene System, in order to transfer natural gas to the NTS pipeline system (Nova Transportadora do Sudeste S.A.), through the Cabiúnas terminal (TECAB) – with a maximum of 8.2 million m³/day, recorded on September 24.

The graph at the side shows the average deliveries at city gates by region, in each quarter and in the aggregate for the year, as well as the maximum daily volumes recorded in each period. In 2021, the monthly average reached 24.0 million m³/day, with a volume that was 7% higher than in 2020, explained by more delivered to thermoelectric plants and fertilizer units. The maximum volume delivered was 32.6 million m³/day.

▷ Segmentation of natural gas delivery - Average 2021



▷ Volume delivered per region
2021 Quarterly average (million m³ /day)



OUTLOOK FOR THE NEW GAS MARKET

OUTLOOK FOR THE SECTOR

The development of the natural gas sector in Brazil involves updating legal and regulatory aspects, with emphasis on the so-called “New Gas Law” – Law nº 14.134/21 enacted on April 8, 2021. Drawn up after years of dialogue with the agents in the sector, the new law proposes, among other developments, measures that value transparency, independence and equality, allowing broad and non-discriminatory access to the transport system and essential infrastructures, in addition to stimulating competition and the development of the natural gas market.

The law brings innovations relating to the work carried out by TAG, such as:

- The concession regime for authorization to build new pipelines and existing authorizations (in the case of TAG) are now indefinite or perpetual;

- Greater autonomy for the ANP to regulate the activities of the natural gas industry and define the characteristics of a transport pipeline;
- New rules for operation and balancing in gas pipelines and natural gas transport systems;
- Determination of rules for the independence and autonomy of natural gas transporters in relation to agents that carry out competitive activities in the natural gas industry; and
- Provisions to ensure the rights of transporters in the transport service contracts in force, including those related to protecting the revenue currently earned by transporters to adapt to the new tariff model for entry and exit of natural gas.

We believe that legal and regulatory developments, always backed by the principle of legal certainty with respect to contracts, attract new investors to the market,

According to estimates by the CNI (National Confederation of Industry), the new law could generate investments of around R\$150 billion by 2030

increase competition and generate more competitiveness, allowing multiplier effects for the entire economy.

According to estimates by the CNI (National Confederation of Industry), the new law could generate investments of around R\$150 billion by 2030. One of the main changes proposed is the adoption of the authorization regime, replacing the current concession, streamlining the process to construct new transport and gas pipelines in Brazil, as is successfully carried out in other countries.

In this new context, transport continues to be the main link connecting the different gas offers, with the strength needed to create a solid market environment, in which different supply options can carry out transactions with different links in the demand chain, in a way that has been integrated into distribution networks. The more optimized this dynamic is, the greater the price competition for gas will be and the faster the desired tariff affordability will be achieved.

Connecting offers in an integrated manner through the transport system, at a national level and ensuring equal access to interested agents, is a fundamental pillar to develop a market environment that offers

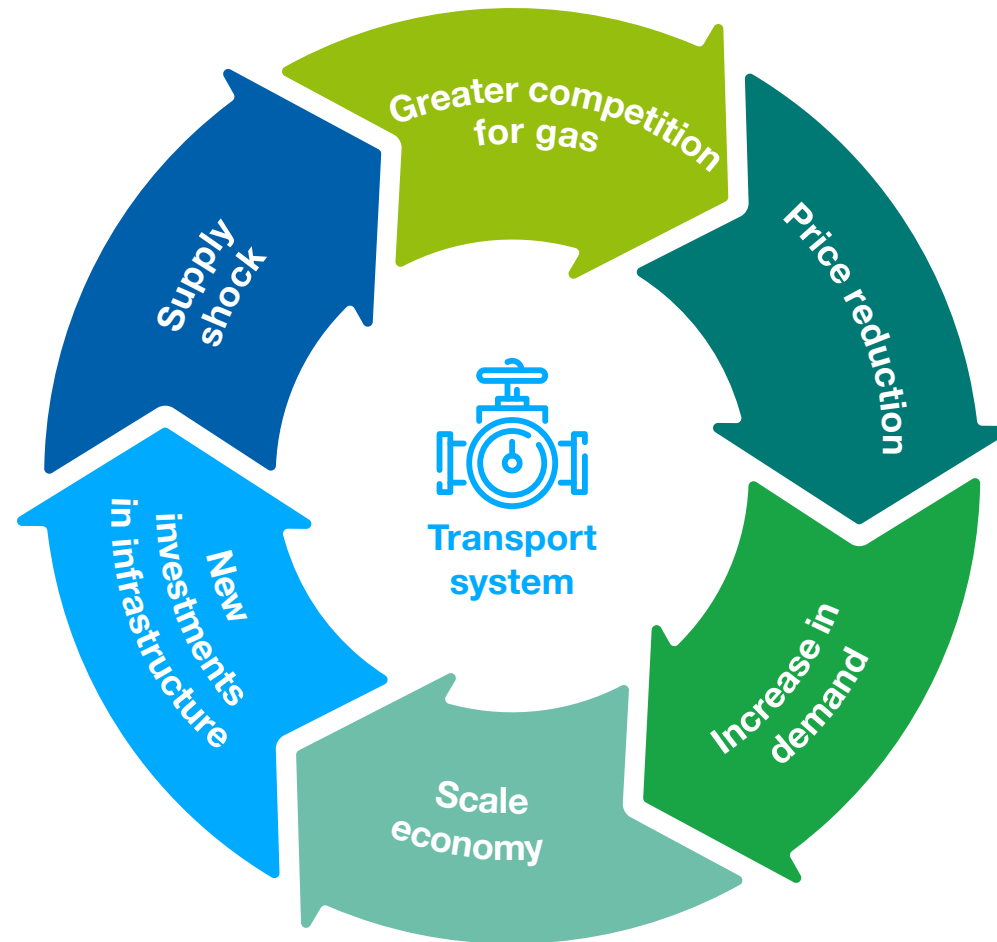


supply alternatives to an entire value chain located along the of the network infrastructure.

TAG IN THE NEW GAS MARKET

After internal studies to identify new opportunities for expansion, which can occur either along the existing infrastructure (for example, in compression), as well as through new pipelines / branches, entry points or exit points of the transport system, in 2020, TAG started the process for the first Incremental Public Call, mapping the market and identifying agents interested in natural gas transport capacity, which will demand the expansion of TAG's infrastructure. Also in 2021, TAG started discussions on access to new entry and exit points with market players.

GAS MARKET VIRTUOUS CIRCLE



Throughout the year, TAG held discussions with stakeholders regarding the improvement of the sector's legislation, such as government organizations, associations in the sector, control bodies and representative entities. In this sense, the Company working with other players in its segment, through ATGÁS (the Association of Natural Gas Transport Companies by Gas Pipeline), stands out since it creates the conditions needed to build an open, dynamic market and competitive.

A fundamental milestone for opening the market was the signing of the Agreement to Reduce Flexibility to use TAG network by Petrobras. This agreement was signed by TAG and Petrobras and ratified by the ANP, and ensures the conditions for new agents to access TAG's network

In addition, the Company structured contracts for the purchase and sale of gas in its network, as a way of increasing the efficiency of transporting gas in its pipelines, giving shippers more flexibility, which is essential for the increase in commercial and operational complexity that the New Market requires.

For the next few years, the outlook is very positive. We will continue to invest in expansion and in ways to attract more customers to our infrastructure. In addition, the Company structured contracts for the purchase and sale of gas in its network, as a way of increasing transport efficiency in its gas pipelines, giving shippers more flexibility, essential for the operation with the market opening. In this sense, TAG should launch new products to develop the portfolio of solutions to offer to the

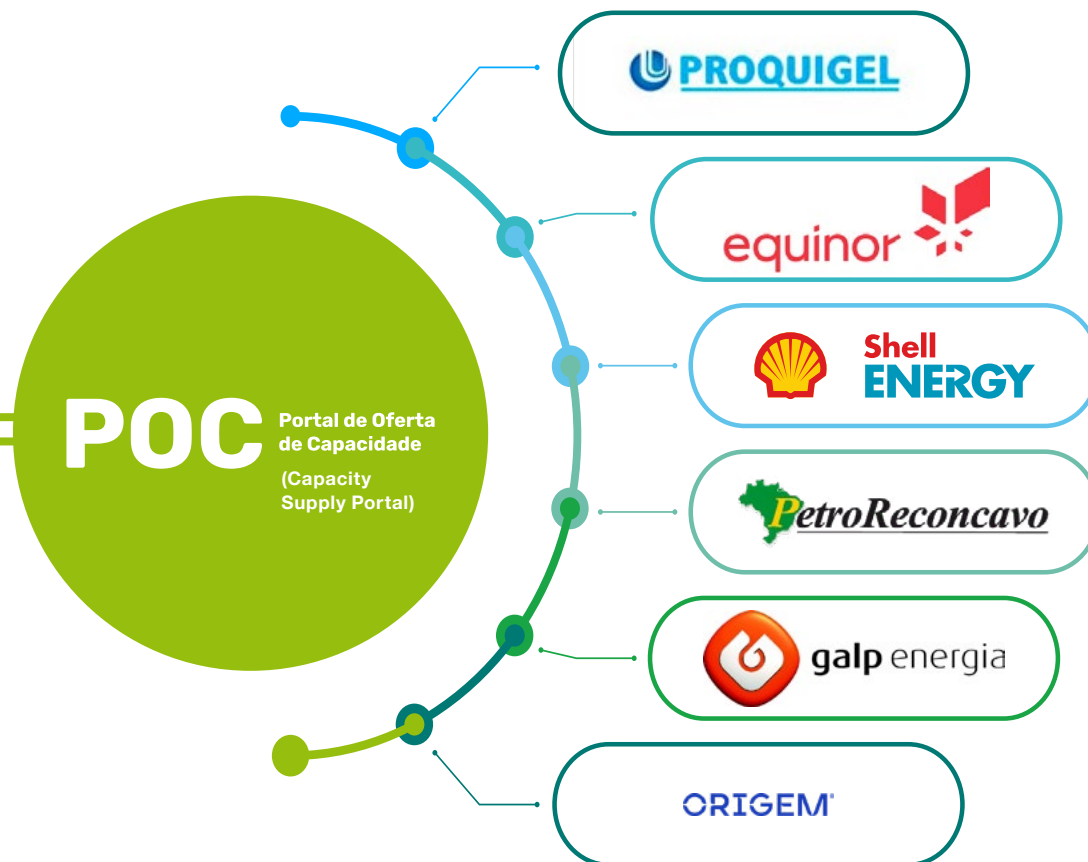


market throughout 2022:

- Loosening up the schedule to offer transport capacity, through extraordinary contracts, entered into at any time, expiring on December 31, 2022;
- Allow current agents to increase the capacity of existing contracts;
- Offer capacity via interruptible contract;
- Firm contract, with terms exceeding 1 year.

From the items above, it is worth highlighting the offer of a firm contract, which should take place in the second half of the year, when we will launch a Public Call in the market. This type of contract stands out for its term, which will mature in more than one year, and will be another important seal of confidence for agents to open up the market. This type of contract stands out since it can contract different maturities.

We have excellent prospects for the next few years, where we see ourselves as becoming increasingly stronger as the leading figure in transforming the natural gas market, and becoming a more multi-client company, through new offers via (POC).



8 new shippers with signed GTAs

New extraordinary contracts resulted in **30 Transport Agreements**

11 authorized shippers
3 registered shippers



OPERATIONS

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OPERATIONAL SUMMARY

KEY NUMBERS



0% failure
in the delivery service

4,500 kms
of pipeline



16
Operational Bases

2 Control and Supervision Centers in the final phase of construction (main and back-up) in the city of **Rio de Janeiro**



Presence in
181 municipalities
in **10** different
states



8.8 billion m³
of gas
delivered in 2021



90 gas delivery
points



11
compression stations

98.2% availability of
compression stations



TFA 0.66

(0 for own employees)

10 Distributors;
3 refineries
8 thermoelectric plants;
2 fertilizer units



14

gas entry points



Investments of
R\$ 274 million
between 2019 and 2021

INVESTMENT PLAN
of **R\$ 2.0 billion**
for the next 5 years

7 projects
completed and

11 in
progress

Presentation

TAG

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SAFE TRANSITION

In 2019, when they took control of TAG, the Company's shareholders signed an operation and maintenance service agreement with Petrobras Transporte S.A. (Transpetro), a wholly-owned subsidiary of Petrobras, recognized for its expertise in the natural gas transportation industry. The objective was to ensure that the transition of control did not pose any risk to the operation, maintaining the level of excellence, reliability and consistency of the service.

During 2021, TAG signed a mobilization contract with ENGIE Soluções de Operação & Manutenção - ESOM, ENGIE Brazil company, and in December 2021, the Company signed a long-term maintenance contract, starting in January 2022, replacing the current contract with Transpetro. As of February 2022, ESOM begins the gradual transition from maintenance and support activities to field operations, aiming to assume full management of the activity



in June 2022. In parallel, TAG will take on an essential part and strategy of the operations, internalizing the remote operation of all assets and the commercial dispatch of the entire network, with planning and scheduling integrated with the remote operation.

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INVESTMENTS MADE

The excellent indicators from availability and failure in the delivery service confirm the importance and success of such investments.

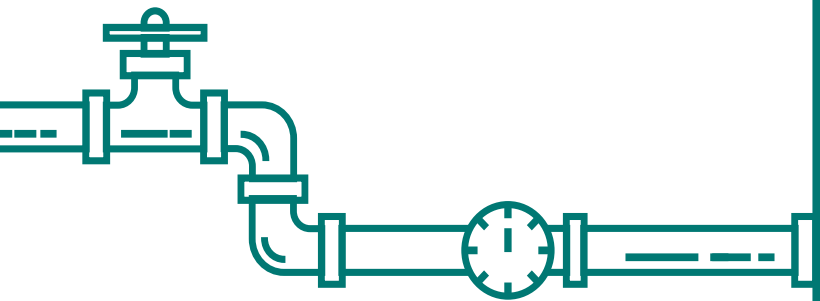
Throughout 2021, TAG developed a series of projects that were fundamental to upgrading its natural gas transport infrastructure, which led to a positive impact on the market, given the share of the Company's network in Brazil - equivalent to 47% of the country's gas infrastructure.

Although the Covid-19 pandemic has affected some schedules, especially due to constraints faced in the supply chain, all projects planned for 2021 have already started. Among those completed in the year, the Overhaul Program for the turbines at the Catu Compression Station (BA), the replacement of the turbine at the Piúma Compression Station (ES) and materials for future overhauls of the North Malha turbines, all stand out. The project required approximately R\$ 85 million in investments between 2020 and

2021, and will continue in 2022, including overhauling the turbines at the Coari (AM) and Juaruna (AM) Compression Stations, totaling R\$ 9 million. R\$ 4.2 million to improve the turbines at the Catu compressor station, increasing the reliability of the turbo-compressor assemblies. In addition, construction work dedicated to maintaining industrial safety, compliance, availability, reliability and integrity of assets, respect for the environment and services to the new gas market were all intensified. The excellent indicators from availability and failure in the delivery service confirm the importance and success of such investments.

Several other projects dedicated to the maintenance of assets were started, in different units and regions of Brazil, such as the replacement of equipment, parts and critical materials, in addition to the upgrade

and the execution of civil construction work to improve the installed infrastructure, among other activities, to ensure operational efficiency. Among the projects of this nature, that were carried out in 2021, are the adjustments needed in the Industrial Safety System of the six TAG Compression Stations, two of which were completed in the same year, the continuity of the Measurement and Chromatography Program, where TAG's measuring park was updated for the metrological compliance, renovations of the river crossings of the Northeast network, which included the five rivers that were crossed by the Pilar-Cabo gas pipeline (GASALP) in this stage: Camaragibe II River, Jacuípe River, São José River, Sirinhaém River and Tapamundi River.



With a total planned investment of R\$ 500 million, of which R\$ 280 million is to complete the remaining construction work, the resumption of the implementation of the Guamaré-Pecém Gas Pipeline (GASFOR II), is among the main projects under development, reinforcing the network in the Northeast region.

By the end of the year, 7 projects had been fully completed and another 11 were in different stages of development - most having passed the stages of technical and socio-environmental studies (for environmental licensing), with effective start of field activities scheduled for 2022.

With a total planned investment of R\$ 500 million, of which R\$ 280 million is to complete the remaining construction work, the resumption of the implementation of the Guamaré-Pecém Gas Pipeline (GASFOR II), is among the main projects under development, reinforcing the network in the Northeast region. 83.7 kilometers long – located between the municipalities of Horizonte and Caucaia in Ceará –, the section will be a variant of the current GASFOR gas pipeline, mitigating risks relating to urban and population growth in the vicinity of the asset. In 2021, TAG prepared all the studies needed to obtain the Installation License issued by IBAMA in February 2022, with the other intervening bodies being involved.

The new pipeline is expected to come into operation in 2023.

In 2021, the Company also moved forward with the implementation of SCADA (the Operational

Data Acquisition and Supervision System) and the Commercial Control and Dispatch System, which aims to enable the remote operation of assets, in Rio de Janeiro (RJ) in a Control and Supervision Center (CSC). We also built a control center back-up, ensuring the continuity of the operation in case of operational failures. This initiative meets the strategic objective of having greater control over operations, providing quality, safety, availability and the integrity of the network.

Remote operation is in line with the continuous search for innovative solutions in all of the Company's activities, with a strong appeal to the digitization of processes and the adoption of state-of-the-art technological tools in the projects developed. In addition, it is essential to internalize the control of the operation in the context of opening up the market, which will enable TAG to better serve the new customers in the network.

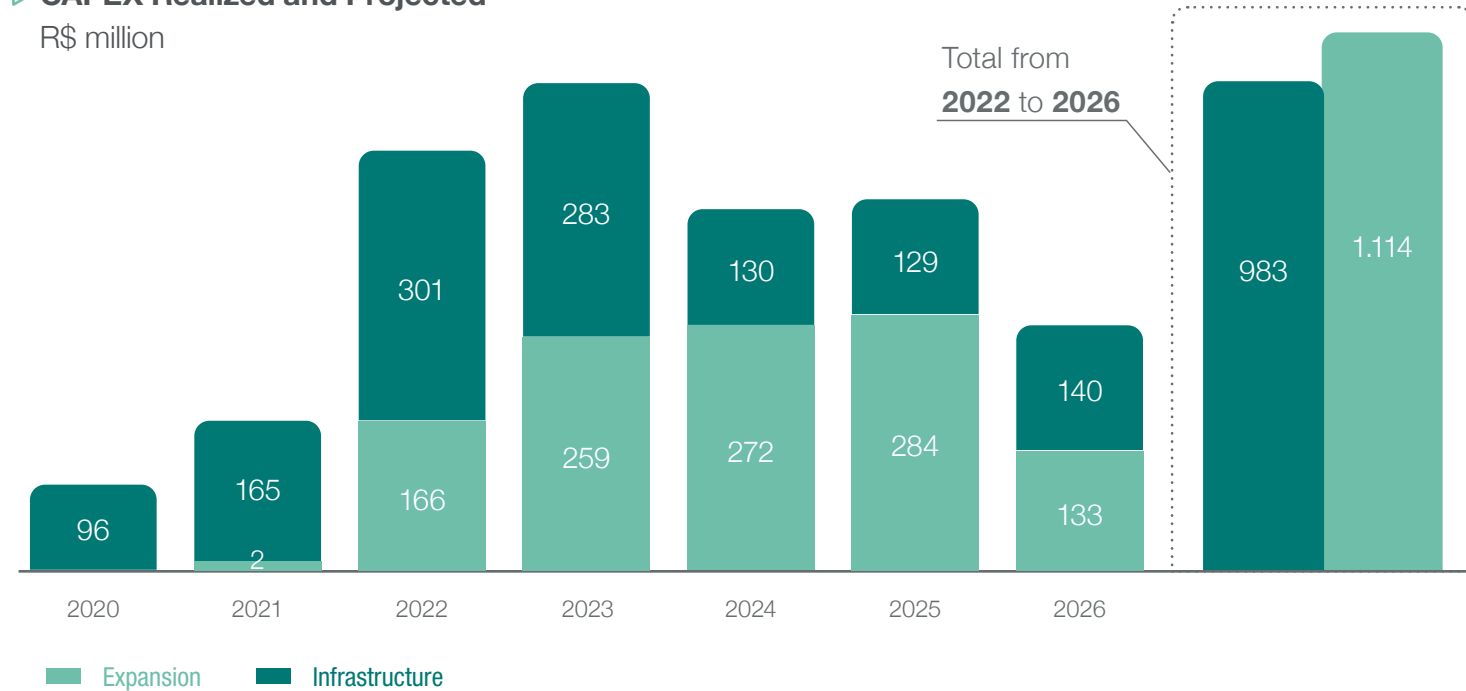
INVESTMENT PLAN

Investments

R\$ 2.0 billion
between 2022 and 2026.

In line with the Company's vision of taking a leading role in the transformation of the natural gas market, TAG's Investment Plan for the period 2022-2026 expects to cover approximately R\$ 2.0 billion, focusing on the maintenance and integrity of assets, in order to ensure the availability and reliability of the gas pipeline network, and in new opportunities to expand the existing infrastructure. This represents a significant and consistent acceleration of investments in natural gas infrastructure in Brazil. Approximately 55% of the Investment Plan will be allocated to projects to expand the network, and 45% to construction work to intensify industrial safety, compliance, availability, reliability and asset integrity.

▷ CAPEX Realized and Projected
R\$ million



To contribute to the new dynamics of the market, in 2021, TAG started to map access needs to its network that requires new investments. These findings will serve as a basis for defining additional offers of input or output capacity, expanding access to the transport system and creating opportunities to implement new projects in natural gas logistics.

The initiative preceded the launch of an Incremental Public Call, a procedure supervised by the ANP to ensure access to all those interested in contracting natural gas transport capacity at new or existing entry points or exit zones.

The connection of new agents in the network is expected to leverage the supply shock and the market opening process, strengthening integrated operations in

the sector. In addition, it is expected that new investments in the industrial and infrastructure segments will generate more jobs and income for the population.

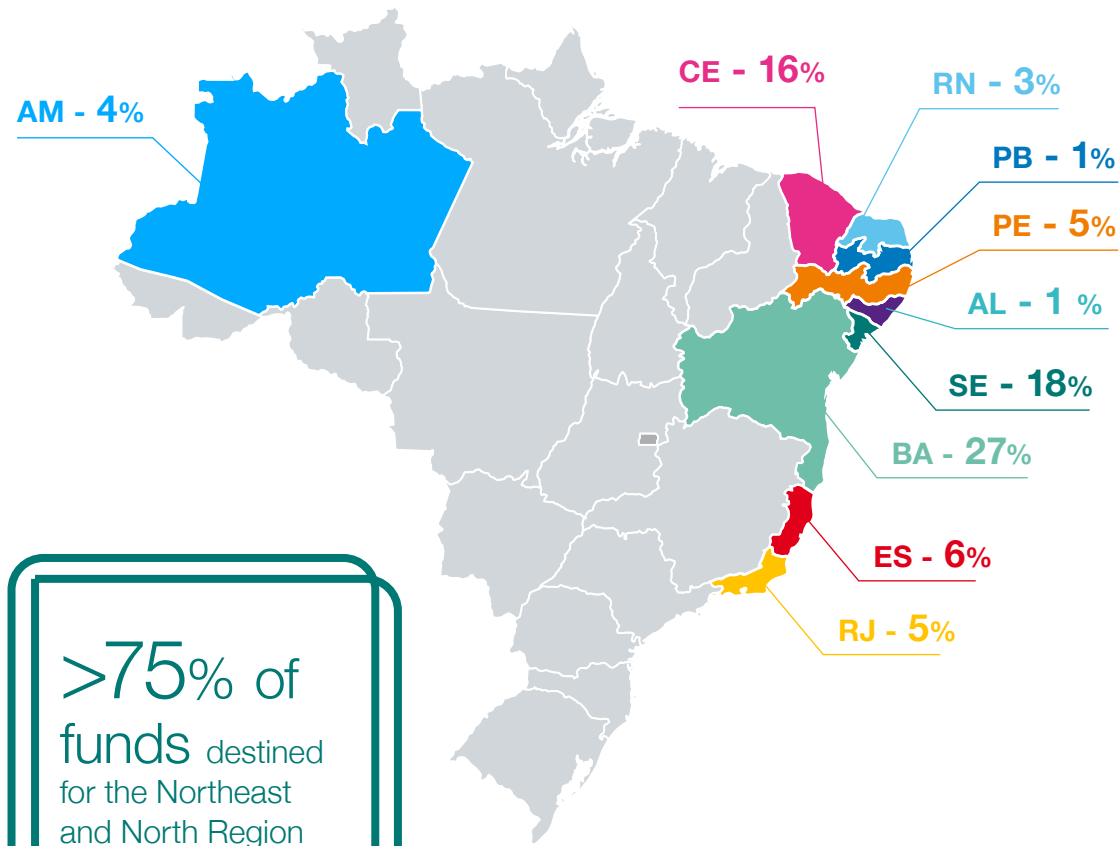
In five years, TAG increased its Investment Plan by approximately R\$ 500 million, compared to the 2020 estimate, understanding that by opening up the market, it will lead to a new profile of projects, with major engineering works to expand the infrastructure of its transportation network, such as compression stations, City Gates and entry points, as well as new pipelines.

It is important to highlight that out of the R\$ 2.0 billion forecast for the next five years, approximately 71% will be invested in the Northeast of Brazil, with emphasis on the states of Bahia, Sergipe and Ceará.



DISTRIBUTION OF INVESTMENTS 2022-2026

Several Brazilian states are covered by the Investment Plan



>75% of funds destined for the Northeast and North Region

UF	Estimated investments (R\$ million)	%	
BA	574	27%	●
SE	376	18%	●
CE	341	16%	●
ES	122	6%	●
PE	102	5%	●
RJ	102	5%	●
AM	82	4%	●
RN	68	3%	●
PB	28	1%	●
AL	20	1%	●
Other expansions (locations to be defined)	281	13%	●
Total Investments	2,000	100	

HIGHLIGHTED PROJECTS

TAG's Investment Plan includes strategic projects for the sector in Brazil, which consider the process of opening up the market in Brazil and the prospects for boosting investments that enable the optimization and expansion of the network.

An example of the relevance of these projects is the connection of the Liquefied Natural Gas (LNG) Terminal in Sergipe to TAG's transport network/gas pipeline network, in order to extend the service to various businesses segments throughout the Brazilian Grid. Currently, the terminal operates exclusively to supply one thermoelectric plant. This is a strategic investment for the Company and for the market, given that the gas is available off the Brazilian coast, but not available to the Grid. The project goes further, aiming to connect this terminal, as well as a future connection with the Sergipe



Basin (Alagoas), where offshore reserves represent a great economic potential in the Northeast region.

Also note that the Measurement and Chromatography Program, throughout the Company's network, which aims to ensure metrological compliance of TAG's assets, in accordance with the standards established by the ANP, adding even more reliability to operations. This project covers the adaptation of the main systems, including measurement, regulation, heating, filtration and chromatography.

Another highlight is the implementation of a new City Gate to service Bahiagás, which will be connected to the GASCAC Gas Pipeline, in the municipality of Itagibá (BA), with the purpose of filtering, heating, regulating the pressure, and measuring the gas to be supplied to the local distribution company. With this investment, TAG will enable Bahiagás to connect new customers to its distribution network.



FINANCIAL PERFORMANCE

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RATINGS AND MANAGEMENT SYSTEM

TAG underwent its first credit risk assessment process in 2021, with Fitch and Moody's Ratings. In the evaluation of the National Long-Term Rating, the company achieved the maximum rating (AAA) from both agencies. The results obtained were the best possible for a Brazilian company with operational activities in the country, reaching the international rating of BB and Ba1 by Fitch and Moody's, respectively, one level above Brazil's sovereign risk rating.

In the reports, the credit rating agencies point out that this first assessment of TAG reflects its solid business model, supported by long-term contracts, which gives predictability to its revenues, with high margins and a strong and

The results obtained were the best possible for a Brazilian company with operational activities in the country, with an international rating of BB and Ba1 by Fitch and Moody's.

stable operating cash flow. Also of note is the solid financial profile and the expectation of deleveraging, with net financial indebtedness around 2x by 2023. These results represent a strong sign of maturity and credibility of TAG's management within the natural gas industry in Brazil.

In 2021, the Company completed the implementation of the Oracle Cloud ERP management system, which allowed its administrative and financial processes to be redefined and standardized, optimizing resources and bringing greater governance and reliability to the financial consolidation of the company's results. The project went live in October 2021.

Presentation

TAG

Corporate Governance

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Financial Performance

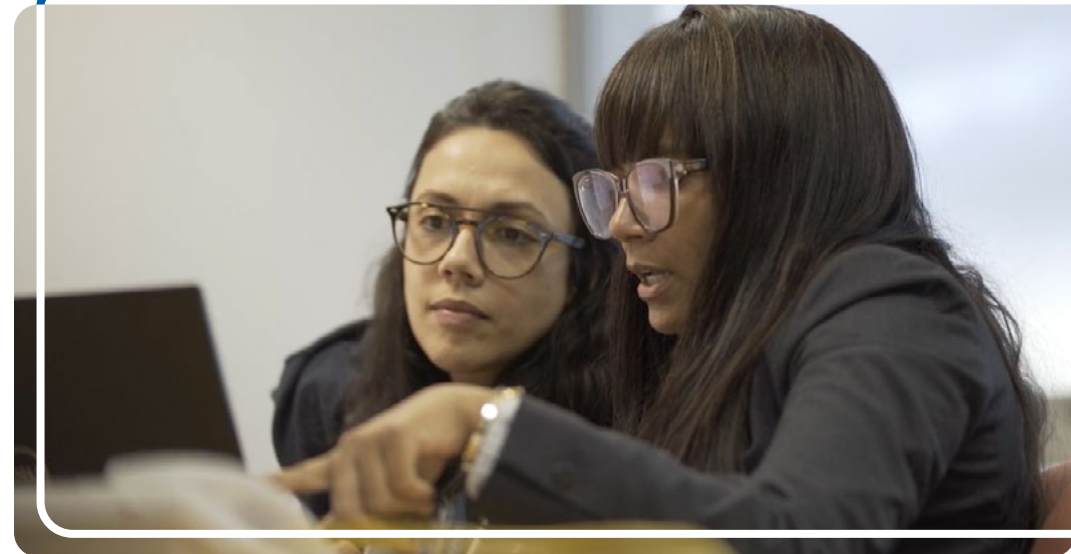
Social and Environmental Management

FINANCIAL RESULTS

The consistency of the financial results achieved by TAG in 2021 confirms the resilience of the Company's business model, which combines strategic assets for the Brazilian energy grid, operational excellence, long-term contracts and protection against inflation and exchange variation, among other relevant aspects. Combined with an adequate capital structure, the solidity of TAG's performance places it positively in relation to the Investment Plan to be carried out in the next few years.

NET REVENUE

In 2021, TAG had net sales of R\$ 7.1 billion, which was 18% higher than in 2020. Some factors explain this growth, such as the tariff indexation of contracts, mainly impacted by inflation indices (IGP-M and IPCA) and the exchange rate variation (with the appreciation of the US dollar); the interruptible contract with Unigel and the incremental revenue from new City Gates in the GTA Malha NE, combined with the efficiency of operational management, with no gas delivery failures recorded in 2021.



Contract/Section	Revenue Sharing	Tariff Indexation
Gasene Sul	22.8%	48% IGP-M + 52% USD + PPI
Gasene Norte	17.3%	47% IGP-M + 53% USD + PPI
Malha NE	23.8%	100% IGP-M
Pilar-Ipojuca	6.5%	100% IGP-M
Urucu-Manaus	29.4%	50% IGP-M + 50% IPCA
Lagoa Parda-Vitória	0.3%	100% IGP-M
Total	100%	Average indexation 64%IGP-M 21% USD 15%PCA

COST OF SERVICES PROVIDED AND ADMINISTRATIVE EXPENSES

Operating costs and expenses, excluding depreciation and amortization, totaled R\$ 1,056 million, an increase of 26% compared to 2020, as a result of contractual adjustments due to inflation, additional hiring to form TAG's workforce and the beginning of the mobilization of ESOM, which are fundamental steps to execute the Business Plan and structure the Company.

Net profit reached

R\$1.9 billion

↑ **16%** compared to 2020.

EBITDA AND NET INCOME

EBITDA reached R\$ 6.0 billion, corresponding to a margin of 85% on net revenue, an increase of 16% compared to 2020.

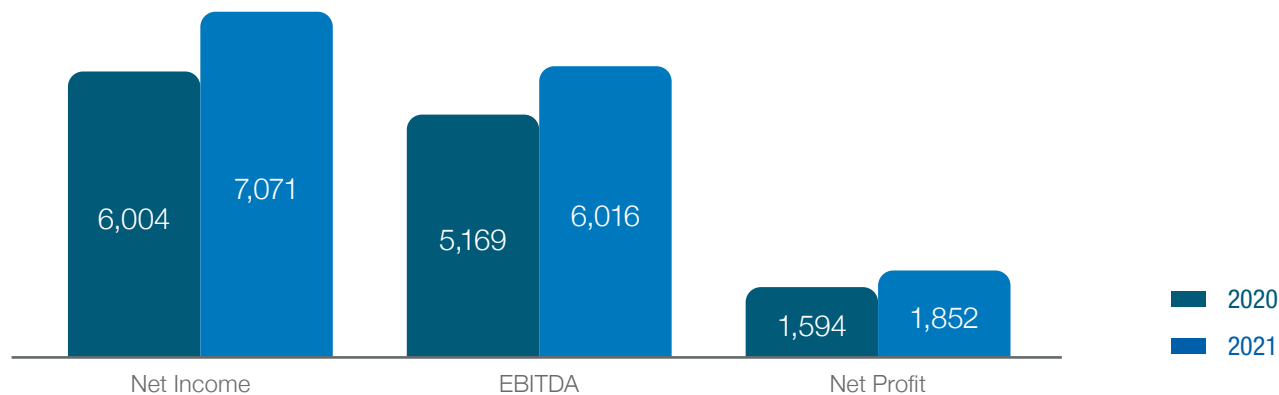
Finance expenses totaled R\$ 1.6 billion in 2021, 7% above 2020. This result can be explained by the increase in the CDI rate throughout the year, which went from an average of 2.6% in 2020 to 4.8% in 2021, impacting the interest expenses on debentures.

Corporate Income Tax (IRPJ) and Social Contributions on Net Income (CSLL) calculated on income in 2021 totaled R\$959 million, 65% higher than in 2020, mainly due to the higher taxable income base.

Net profit reached R\$ 1.9 billion, an increase of 16% compared to 2020.

► Financial highlights

R\$ million



CASH FLOW

With the improvement in the results above, the company generated approximately R\$4.9 billion in cash flow from operating activities, 29% higher than in 2020. Out of this amount, R\$ 2.5 billion was used for debt amortization, following TAG's rapid deleveraging plan, R\$ 167 million was allocated to CAPEX, and the difference, of R\$ 2.1 billion, was allocated to the distribution of dividends to shareholders.

DEBT

TAG ended 2021 with a gross debt of R\$23 billion, divided between debentures and lines of working capital issued in the domestic market and financing in the foreign market, as described below:

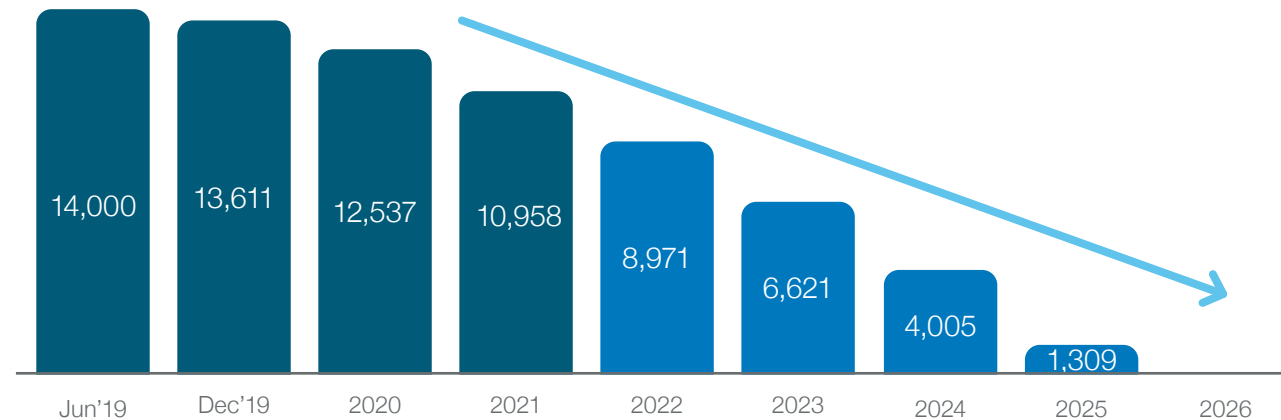
- **Debentures**

Original amount of R\$14.0 billion obtained in June 2019 with part of the financing for the acquisition of TAG, financed by the banks Itaú, Bradesco and Banco do Brasil, remunerated by the Interbank Deposit Certificate (CDI) plus 1.80% p.a.,

with semiannual amortizations and maturity in June 2026. The balance as of 2021.12.31 was R\$ 11.0 billion.

► Debentures

(Principal – in millions of Reais)



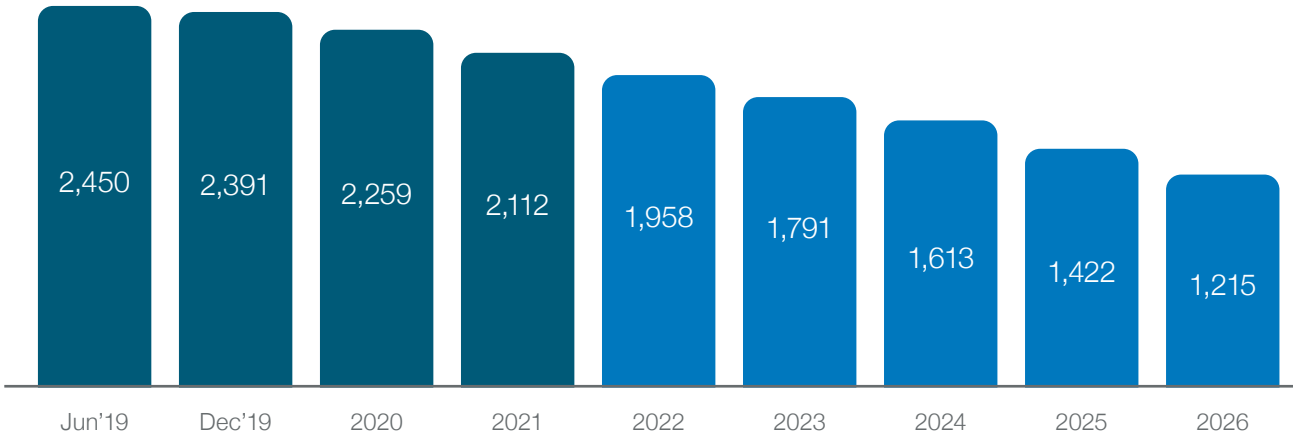
As a way of mitigating the risk of interest rate variation, TAG contracted, throughout 2020 and 2021, swaps to fix the interest rate, in an amount equivalent to half of the debt balance in 2021 and 2022, and 25% for the first six months of 2023. During 2021, these operations contributed positively to the net results by R\$ 52 million, due to the increase in fixing the interest rate above the amount fixed in the swaps.

- **USD Facility**

The original amount of US\$ 2.45 billion obtained in June 2019 with part of the financing to acquire TAG, financed by a pool of 13 international financial institutions, at the cost of Libor plus an initial spread of 2.3% (ending in 3.6%), with semi-annual amortizations and maturity in June 2027. The balance as of 2021.12.31 was R\$11.8 billion (considering an exchange rate of R\$5.57).

► **USD Facility**

(Principal – in millions of US dollars)



The two macroeconomic risk variables linked to this debt (exchange rate and interest rate) are fully hedged by the Company. In the acquisition financing process of TAG, the company and creditors aligned, along with obtaining the loan, the contracting of a hedge to fix the Libor rate during the term of the indebtedness. This hedge covers 100% of the debt flow over the entire duration of the financing.

In addition, the size of this financing in the foreign market was set so that fluctuations in foreign currency on the debt varies according to the revenue,

also in US dollars, of a portion of the GTA Gasene contract.

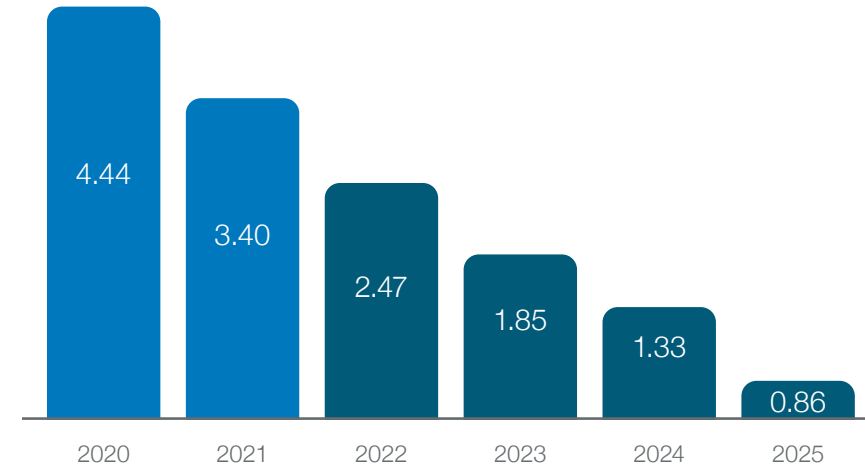
This ensures symmetry between revenue and debt service, eliminating the risk of exchange rate and interest rate fluctuations in relation to the USD Facility.

Working Capital Loan

A TAG has three loans to finance working capital, contracted with Bradesco, remunerated by CDI plus an average spread of 1,23%. The balance as of 2021.12.31 was R\$511 million.

► **Leverage**

(Net Debt / EBITDA)



Due to the company's strong cash generation and the well-structured project finance obtained in 2019, TAG has a fast financial deleveraging schedule, with the Net Debt / EBITDA ratio reducing from 4.4x in December 2020 to 3.4x in 2021 and 2.5x projected for late 2022.

This schedule will allow, with greater certainty, the company to face the investment plan for the coming years, contributing to the expansion of the gas pipeline network and the growth of the natural gas industry in Brazil.



SOCIAL AND ENVIRONMENTAL MANAGEMENT

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PEOPLE MANAGEMENT

EMPLOYEES

Employees are the foundation for the company's development and achievement of the strategic objectives defined by TAG in the financial, operational, governance, environmental and social spheres.

Since 2019, the company's organizational culture has been strengthening, in line with business guidelines and anchored in different integration and communication platforms, expanding the use of online resources involving events, training, internal campaigns and opportunities to exchange experiences. In addition, TAG continued to invest in the development of its leaders so that they could act as multipliers of the Company's ethical conduct and strategy,

building a work environment based on commitment, collaboration, integrity and respect.

Caring for employees and partners is a priority for TAG, in any given situation. Therefore, since the beginning of the COVID-19 pandemic, the company has been adopting a series of preventive and protective measures to ensure the health and safety of all and the continuity of administrative and operational activities. In 2021, the company also implemented a hybrid work model, providing flexibility for employees to make the gradual transition to the office, following the highest security protocols. As a result, TAG kept adapting its processes, systems and work formats, as well as projects and programs dedicated to people management.

95% of employees are proud to be associated with TAG

98% of employees recommend TAG as a good place to work

In 2021, TAG carried out its second Engagement Survey, reaching a participation rate of 109 employees, which also revealed, among other positive results, that 95% of employees are proud to be associated with the organization and 98% of employees recommend the organization as a good place to work.

TAG continued to expand its own staff, seeking to form a multidisciplinary and diverse team, which contributes to the development of the Company from different experiences and perspectives. As such, recruitment and selection processes were intensified throughout

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At the end of 2021
TAG reached the milestone of

149
full-time
employees,
49
service
providers
(outsourced) and
10
Interns.

the year, resulting an increase of 36 employees compared to 2020. Due to the restrictions imposed by the Covid-19 pandemic, which did not subside in 2021, the company followed the learning and adaptation process, both for the People & Culture departments and for managers, requiring more intense use of available technological resources to make the experience positive for candidates, even in a virtual environment. At the end of 2021, there were 149 in-house professionals, 49 (outsourced) service providers and ten interns on TAG's staff.

In 2021, TAG inaugurated its new headquarters, in Rio de Janeiro, an open space office, fully modernized and built following high standards of sustainability, aimed at integrating people and strengthening the organizational culture. The new office also houses the Control and Supervision Center (CSC), through which the company will remotely operate its gas pipeline network from 2022, with 13 new employees hired and trained for this role.

During the year, TAG maintained its Internship Program, aimed at training and qualifying young talents in various areas of the Company. The initiative includes monitoring the development of each participant throughout their learning period.



DIVERSITY AND INCLUSION

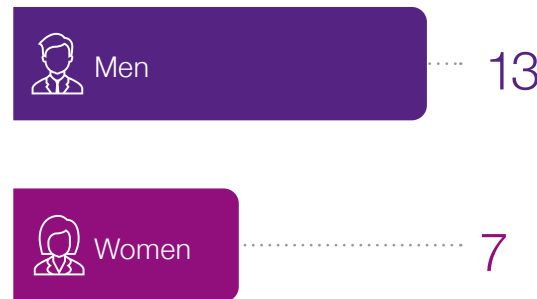
In line with the guidelines of its shareholders, TAG believes that diversity in the work environment contributes to the productivity of teams, speeds up decision-making, improves risk management and accelerates innovation. Therefore, its people management policies focus on an increasingly inclusive culture, which allows equal opportunities, regardless of gender, age group, ethnicity, beliefs, among other aspects.

Regarding gender equality, TAG remains committed to advancing the inclusion of more women in operational and leadership positions. In 2021, they represented 44% of total employees and 32% of leadership positions. To progress in this direction, TAG seeks to ensure that at least one woman is included among the finalists of the selection processes it carries out. Added to this initiative is the effort to search for women with expertise in the Oil and Gas market (in technical careers); the offer of benefits that reconcile professional and personal life; training to ensure a healthy environment of inclusion and self-knowledge and promoting the advancement of diversity within the organization.

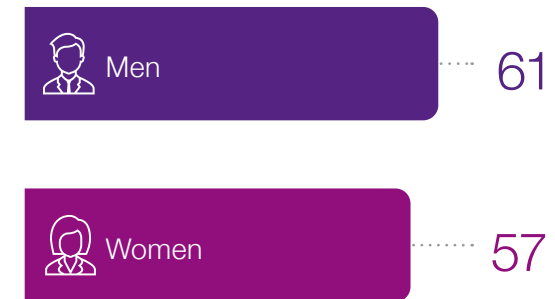
DIVERSITY BY GENDER



DIRECTORS AND MANAGERS



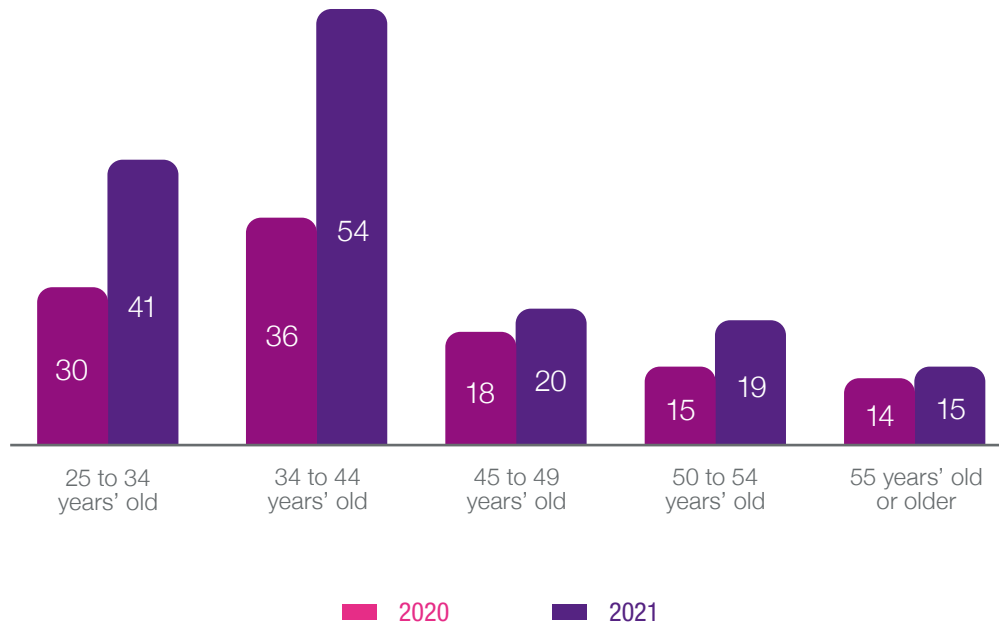
ANALYSTS AND SPECIALISTS



OPERATORS



► Age groups



YOUNG TALENTS (trainees, interns, young apprentices)



2 permanent interns



PWD

2 analysts

1 Person declared as PWD was hired in 2021

TRAINING AND DEVELOPMENT

For TAG, the continuous development of the skills of its professionals represents an essential practice for the sustainability of the business. Therefore, the Company encourages employees to seek knowledge, offering training programs that contribute to the strengthening of the corporate culture, the improvement of performance in the execution of activities and the development of individual performance.

In 2021, 13.606 hours were dedicated to face-to-face training, others were carried out through online platforms, enabling greater participation of the workforce in technical, behavioral and leadership training.

In line with the global initiatives of its shareholder ENGIE, TAG creates opportunities for its employees to have access to ENGIE University, a corporate university that centralizes an extensive range of educational and development programs. Among them, U.Camp stands out, a physical structure temporarily installed in one of the 70 countries where the Company does business, to reaffirm the group's commitments and challenges in the context of the energy transition and the integration between different areas and structures, in search of synergies and the exchange of experiences. In addition, TAG professionals can also access U.learn, a digital learning platform on which more than 3.000 courses in the most diverse areas of knowledge are available to any Group employee. The contents deal with the development of personal skills (leadership, entrepreneurship, career management), techniques (interviews, project management) and behavioral skills (ethics, diversity management, organizational culture).

TAG professionals can also access U.learn, a digital learning platform on which more than 3.000 courses in the most diverse areas of knowledge are available for any employee in the ENGIE Group to access



13,606
hours of training
carried out



143
people underwent
training



841
Online courses

Approximately
R\$ 3 million
invested in employee
training in 2021



REMUNERATION AND BENEFITS

To remain competitive in the job market, TAG seeks to offer its employees fair, attractive and business-compatible remuneration, based on salary practices both in the regions and in the segment in which it operates. In addition, it offers an additional benefits package in order to provide more safety and comfort to employees and their families.

The benefit program includes a supplementary pension plan (with 100% co-participation by the Company), a health plan extended to families; childcare assistance; gym allowance; food/meal allowance (including during the vacation period); transport; quality of life programs; language policy to carry out work and an ongoing educational program, resulting from the assessment of skills and needs for the position. Since 2020, as a result of the pandemic, a new telemedicine service and an employee assistance program have been implemented, offering flexibility and service options for employees and their families, aimed at maintaining physical and mental health.

Outsourced workers also have a permanent benefit program, consisting of food vouchers and health plans, where values are included in contracts with service providers.



HEALTH AND SAFETY

In parallel with the measures to combat the pandemic, TAG has strengthened other Occupational Health and Safety activities, provided for in the Environmental Risk Prevention Program (PPRA) and in the Medical Control and Occupational Health Program (PCMSO).

Faced with the health crisis related to Covid-19, TAG demonstrated agility, adaptability and resilience. As soon as the pandemic was declared by the World Health Organization (WHO), in March 2020, the Company developed and implemented its Contingency Plan, in line with the recommendations of Brazilian and international authorities, adapting it when necessary, in accordance with how the pandemic progressed. This plan included several measures to monitor the progress of the virus and preserve the health and safety of employees and partners, ensuring that operations continued, given the essentiality of the service provided to society.

In parallel with the measures to combat the pandemic, TAG has strengthened its other Occupational Health and Safety activities,

Health and Safety provided for in the Environmental Risk Prevention Program (PPRA) and in the Medical Control and Occupational Health Program (PCMSO) In addition to adopting all health protocols, TAG maintained the occupational examination plan, such as periodic examinations, ensuring the updating of the Occupational Health Certificate - ASO of its employees, in accordance with PCMSO and NR-07.

TAG directed all efforts to ensure the safety of its own team and of suppliers, visitors, customers and communities close to its facilities. With risks managed in a systematic manner, TAG has been improving practices related to the topic, in order to avoid accidents occurring or to minimize their effects. TAG's health and safety indicators demonstrate its good performance in this regard.

A fundamental part of this process, suppliers of goods and services, are engaged in the Company's safety culture from the moment they are contracted. In this sense, in 2021, the HSE Guidelines for the Contracting of Goods and/or Services were approved, which define the minimum Health, Safety and Environment (HSE) requirements at all stages of the process of contracting goods and/or services of the TAG (qualification, selection, contracting, mobilization, execution and demobilization of services, with the evaluation of the performance after the contract has finished).

For each contract, the HSE risks inherent to the activities are categorized to be

In line with the global guidelines of its shareholders, TAG's safety culture is based on three pillars

carried out, as well as classified according to their criticality. To mitigate risks during the provision of the service, the HSE guidelines to be complied with by the contracted company are defined. In 2021, TAG carried out more than 90 HSE risk analyses on new contracts.

In addition, with the objective of strengthening the relationship with its contracted companies, aligning the safety culture and the ways that TAG can operate, as well as presenting new tools and work practices, Periodic HSE Forums were promoted. In 2021, three events were held, dealing with relevant topics such as process safety, care in traffic, fundamental concepts and health and safety guidelines, among others. At each forum, a partner company was invited to present a good HSE practice, which generated participant engagement.

Added to these initiatives are the drills carried out at TAG's facilities, to promote adequate training in emergency response processes and communication flows. In 2021, several drills were carried out by the contracted companies.



No Life at Risk



No Mind at Risk

Prevention of risks related to the context of carrying out work, development of well-being at work and prevention of psychosocial risks.



No Assets at Risk

Prevention of risks related to industrial processes.



To support safety systems, in 2021, TAG's 2nd Internal Commission for Accident Prevention (CIPA) was elected, composed of 16 employees, eight of whom are appointed by the Company and another eight elected by employees. With monthly meetings, CIPA actively participates in the investigation of accidents and incidents, in the assessment of risks and prevention measures and in the development and implementation of programs related to safety and health at work, contributing positively to the control of risks in the professional environment. With the support of CIPA, through the Internal Week for the Prevention of Accidents at Work - SIPAT, TAG developed the Safe Behavior Campaign, strengthening the safety culture supported by 9 Commitments for Well-being in the Workplace.

Among the tools used in 2021, we highlight the Preventive Safety Visits (VPS), dedicated to the dissemination of the health and safety culture and risk management. Despite the restrictions still imposed by the Covid-19 pandemic, 164 VPS were carried out, of which 106 were conducted by officers and managers of the Company. Some of these visits were adapted to the remote model, with conversations organized by operational teams, in the field, and conducted by managers online, via video conference.

Throughout the year, TAG also advanced in the implementation of GoSafe, the Management System for Operational Excellence and Process Safety. Applied to the transport of gas by the ENGIE Group, this system complies with the best market practices and the requirements established under current legislation. Process safety manuals and procedures were developed, as well as risk analysis studies of TAG's assets.

COMMUNITIES

Aware of the social role it plays in the regions where it operates, TAG seeks to establish a relationship of partnership and mutual respect with local communities, focused on generating and sharing value. To this end, it remains open to dialogue, in an ethical and transparent manner, committed to respecting human rights, citizenship and diversity.

In 2021, TAG continued the social diagnosis of around 350 communities, located in 177 municipalities in the catchment area of its assets. This process aims to identify socio-environmental issues experienced by these communities, whether or not as a result of the Company's operations, in order to collaboratively build solutions that promote local prosperity and strengthen the relationship established between TAG and its stakeholders. This work is in addition to the Stakeholder Relationship Program, which aims to establish awareness-raising and relationship initiatives with stakeholders in the pipelines and accessory installations, in addition to preventing damage caused by third-party measures.

Throughout the year, the Company promoted an initiative of solidarity focused on facing the health crisis and its consequences and on more vulnerable social groups, especially those located in the vicinity of TAG's assets, including:

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SOLIDARITY ACTIONS



Donation of **R\$ 225,000.00** to the **BNDES Campanha Salvando Vidas (Saving Lives Campaign)** to supply **8 hospitals** located around TAG's assets, with more than **160,000 items** purchased, including masks, gloves, caps, aprons and hand sanitizer gel.



Donation to the Ministry of Health of 3.4 million medications for intubation, enough to manage 500 beds for a period of one and a half months. This initiative had the engagement and support of ENGIE, TAG, Itaú Unibanco, Klabin, Petrobras and Raízen, in addition to Vale, which initiated this measure.

TAG contributed with a donation of R\$ 1 million in this initiative.

Promotion of solidarity campaigns for Easter, Children's Day and Christmas, with institutions and communities located around TAG's facilities, involving TAG employees and partner companies



Donation of **R\$ 120,000.00** to **FIOCRUZ** for emergency initiatives to support families in areas affected by heavy rain in the state of Bahia



A donation of approximately **600 basic food baskets** to social institutions.

ENVIRONMENT

In this context, one of the main milestones in 2021 was the process of obtaining the Installation License for the GASFOR II project.

The commitment to the environment is reflected in the continuous identification of aspects and impacts of its operations, as well as in the development of programs and initiatives aimed at environmental conservation. All of the Company's activities are carried out in compliance with current legislation and with the conditions established in the environmental licenses for its assets, which are periodically renewed.

As such, both in the implementation of new projects and maintenance of operational assets, the company prepares studies and

programs dedicated to the assessment of impacts on communities, fauna, flora, soil, water resources and the air. Based on these studies, measures are proposed to eliminate, minimize or compensate for possible external factors. In this context, one of the main milestones in 2021 was the process of obtaining the Installation License for the GASFOR II project. For this, the Environmental Studies needed updating, in accordance with the Term of Reference issued by the environmental agency, as well as to update the Basic Environmental Plan, detailing the socio-environmental programs to be developed in the implementation and operation phases of the project, in addition to

negotiations with bodies involved in the process to obtain the necessary approvals.

Also note that, throughout 2021, TAG moved forward in the process of implementing the License and Condition Management Systems and the Monitoring and Compliance System with Legal Requirements, which will allow for optimization and improvement in processes and controls, which will be essential for the gas pipeline network expansion plan in the coming years.

In addition to special measures related to implementation or intervention projects, TAG develops environmental programs, meeting the requirements set out in the asset operating licenses, which involve the activities described below



1 Inspection and maintenance of sections and facilities;



2 Monitoring and control of erosive processes;



3 Waste and effluent management;



4 Monitoring and control of atmospheric pollution and noise;



8 Ecosystem conservation;



7 Environmental education;



6 Social Communication;



5 Control and monitoring of population growth;



9 Reforestation



10 Fauna monitoring



11 Risk Management; and



12 Emergency response plan.



In addition to these programs, during the year, the 2021 cycle of environmental audits of legal compliance took place, in compliance with CONAMA Resolution No 306/2002 and other associated legislation, contributing to the continuous improvement of the Company's processes.

In June, marking the month in which World Environment Day is celebrated, TAG launched an internal publicity campaign for four initiatives carried out by the organization in different regions of Brazil. The highlighted projects were:

- Forest Restoration Project of the GASCAC Gas Pipeline, in Bahia, which covers an area of approximately 112 hectares;
- Atmospheric Emissions Management Project, started in 2021, to identify, quantify and manage greenhouse gas emissions;
- Catu-Carmópolis Gas Pipeline Fauna Monitoring Program, in Sergipe, to support the preservation of an endangered species such as the Guigó monkey;

- Environmental Education Program, aimed at the socio-environmental development of communities and the execution of educational initiatives that stimulate their capacities.

Also in 2021, TAG continued the environmental diagnosis work of all its reforestation programs, covering an area of more than 400 hectares in the following states: Espírito Santo, Bahia, Ceará, Alagoas, Pernambuco and Rio de Janeiro. Based on this diagnosis, the Company will outline strategies to optimize the environmental gains of reforestation areas, seeking to rescue biodiversity, with a view to an ecological function and sustainability in the long term.

Also for the conservation of biodiversity, TAG installed overhead passages for fauna in stretches of Mata do Sabão, separated by the opening of the right-of-way of the Catu-Carmópolis Gas Pipeline, in order to restore connectivity and allow animals that inhabit the region to move easily.



Management
Report **2021**

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TAG