

COMPANHIA ENERGÉTICA DE MINAS GERAIS-CEMIG
Publicly Held Company
Corporate Taxpayer's ID (CNPJ): 17.155.730/0001-64
Company Registry (NIRE): 31.300.040.127

BOARD OF DIRECTORS' PROPOSAL TO THE ANNUAL AND EXTRAORDINARY SHAREHOLDERS' MEETINGS - ASM/ESM, TO BE REMOTELY HELD ON APRIL 29, 2022, AT 11 AM.

Dear Shareholders:

Considering that the Board of Directors of Companhia Energética de Minas Gerais-Cemig forwarded the proposals to the Annual and Extraordinary Shareholders' Meetings - ASM/ESM, in order:

At the Annual Shareholders' Meeting:

(i) to approve the Management Report and the Financial Statements for the fiscal year ended December 31, 2021, accompanied by their respective supplementary documents; **(ii)** to approve the Allocation of Net Income for the 2021 fiscal year; **(iii)** to elect the new members of the Board of Directors; **(iv)** to elect the new members of the Fiscal Council; **(v)** to set the overall compensation for Management, and the members of the Fiscal Council and the Audit Committee.

At the Extraordinary Shareholders' Meeting:

(vi) to increase the Company's Capital Stock through bonuses; **(vii)** to change the Company's business purpose with a view to including the activity of retail electricity trade; **(viii)** to amend paragraph 2 of Article 38 of the Bylaws to better establish the declaration of interest on equity; **(ix)** to amend paragraph 6 of Article 43 of the Bylaws to better define the scope of the Comfort Letter; **(x)** to consolidate the Company's Bylaws, so as to reflect the mentioned changes; and **(xi)** to authorize management to take all the necessary measures to formalize the resolutions above.

The following proposals are recommended to be forwarded to the Annual and Extraordinary Meetings - AEM/ESM:

1) Approval, on the date of this meeting, of the closing of the Financial Statements for the 2021 fiscal year. To forward, to the Annual Shareholders' Meeting, to be held in 2022, the Management Report, the Financial Statements for the 2021 fiscal year, and the respective supplementary documents;

2) Approval of the allocation of Net Income for 2021. To forward, to the Annual Shareholders' Meeting (ASM), to be held in April 2022, the following proposal for allocation of Net Income for 2021, in the amount of R\$3,751,321 thousand, of the balance of realization of cost attributed to PP&E, in the amount of R\$15,020 thousand, of unrealized profit reserve, in the amount of R\$834,603 thousand, and debtor adjustment of R\$39,267 thousand against Retained Earnings referring to post-employment benefits, to be allocated as follows:

- R\$186,505 thousand to Shareholders' Equity, in the Legal Reserve account, pursuant to Law 6,404/1976;
- R\$1,966,538 thousand to mandatory dividends for Company shareholders, to be paid in two equal installments, with the first installment paid by June 30, 2022, and the second by December 30, 2022, as shown below: (a) R\$955,282 thousand declared as interest on equity (IoE) and applied to the mandatory dividends, as resolved by the Executive Board on December 07, 2021; and (b) R\$1,011,256 thousand declared as mandatory dividends payable to shareholders registered in the Book of Registry of Registered Shares on the date of the holding of the ASM;
- R\$1,552,818 thousand to Shareholders' Equity, in the account of Retained Earnings Reserve, to guarantee the Company's consolidated investments planned for 2022, as per the capital budget; and
- R\$21,213 thousand to Shareholders' Equity, in the account of Tax Incentive Reserve, referring to tax incentives linked to investments in the Sudene region.

The Unrealized Profit Reserve will remain in the balance of R\$834,603 thousand, considering the reversal of reserve created in 2020 and the new reserve of the same value created in 2021.

Mandatory dividends will be paid in two equal (2) installments, with the first installment paid by June 30 and the second by December 30, 2022. The Executive Board will be responsible for determining the places and processes of payment.

3) Election of the new members of the Board of Directors.

4) Election of the new members of the Fiscal Council.

5) Setting of the overall compensation for Management, and the members of the Fiscal Council and the Audit Committee, in the amount of twenty-five million six hundred reais (R\$25,600,000.00).

6) Approval of the capital increase through share-based bonuses:

(i) approval of the Capital Stock increase from eight billion, four hundred and sixty-six million, eight hundred and ten thousand, three hundred and forty reais (R\$8,466,810,340.00) to eleven billion, six million, eight hundred and fifty-three thousand, four hundred and forty-two reais (R\$11,006,853,442,00), with the issue of five hundred and eight million, eight thousand, six hundred and twenty (508,008,620) new shares, of which one hundred and sixty-nine million, eight hundred and ten thousand, nine hundred and ninety (169,810,990) registered common shares, in the nominal value of five reais (R\$5.00) apiece and three hundred and thirty-eight million, one hundred and ninety-seven thousand, six hundred and thirty (338,197,630) registered common shares, in the nominal value of five reais (R\$5.00) apiece, through the capitalization of two billion, five hundred and forty million, forty-three thousand, one hundred and two reais (R\$2,540,043,102.00), arising from the "Retained Earnings Reserve", thus distributing to shareholders a 30% bonus consisting of new shares of the same type of the former ones, in the nominal value of five reais (R\$5.00);

(ii) (1) item "i" above approved by the Shareholders' Meeting, authorizing amendment to the "head provision" of article 4 of the Bylaws, which will have the following wording: *"Article 4 - The Company's Capital Stock is eleven billion, six million, eight hundred and fifty-three thousand, four hundred and forty-two reais (R\$11,006,853,442.00), represented by: a) seven hundred and thirty-five million, eight hundred and forty-seven thousand, six hundred and twenty-four (735,847,624) registered common shares, in the nominal value of five reais (R\$5.00) apiece; b) one billion, four hundred and sixty-five million, five hundred and twenty-three thousand and sixty-four (1,465,523,064) registered preferred shares, in the nominal value of five reais (R\$5.00) apiece."*; (2) the following measures, referring to the bonuses, to be taken by the Executive Board: a) to grant a 30% bonus consisting of new shares of the same type of the former ones, in the nominal value of five reais (R\$5.00), to shareholders holding shares that are part of the capital stock, who are registered in the Book of "Registry of Registered Shares" on the date of the holding of the Shareholders' Meeting that will resolve on this proposal; b) to determine that all shares resulting from said bonus will be entitled to the same rights granted to shares that gave rise to the bonus, excluding resolved payments; c) to trade, on the stock exchange, whole numbers of registered shares resulting from the sum of remaining fractions arising from said bonus; d) to proportionally distribute to shareholders the net result of the sale of fractions on the same date of payment of the second installment of mandatory dividends for the 2021 fiscal year, i.e. December 30, 2022.

7) Amendment to the bylaws:

(i) Approval of the change in the Company's business purpose with a view to including the activity of retail electricity trade:

Item "i" above approved by the Shareholders' Meeting, to authorize amendment to article 1 of the Bylaws, which will now have the following wording: *"Article 1 - Companhia Energética de Minas Gerais - CEMIG, founded on May 22, 1952, a publicly held and government-controlled private company, shall be governed by this Bylaws and the applicable legislation, and it has the purpose of building, operating and exploring systems of generation, transmission, distribution and trade of electricity, including retail trade and correlated services; developing activities in various electricity fields, in any of its sources, with a view to economic and commercial exploration; providing consulting services related to its area of operation for companies in Brazil and abroad;*

and performing activities that are directly or indirectly related to its business purpose, including the development and exploration of telecommunications and information systems, research, the development of technologies, and innovation.”

(ii) Amendment to Paragraph 2 of Article 38 of the Bylaws to better establish the declaration of interest on equity:

Item “ii” above approved by the Shareholders’ Meeting, to authorize amendment to Paragraph 2 of Article 38 of the Bylaws, which will now have the following wording: *“Paragraph 2 - The Board of Directors may declare interest on equity and intermediary dividends, as interest on equity, applied to the account of retained earnings, profit reserves, or income calculated in half-yearly or intermediary balance sheets.”*

(iii) Approval of amendment to Paragraph 6 of Article 43 of Bylaws to better define the scope of the Comfort Letter:

Item “iii” above approved by the Shareholders’ Meeting, to authorize amendment to Paragraph 6 of Article 43 of the Bylaws, which will now have the following wording: *“Paragraph 6 - The company shall issue a Comfort Letter to the members of the Board of Directors, the Fiscal Council, Management, the Executive Offices, and the Audit Committee, covering all acts performed in good faith, observing the legal provisions.”*

8) Approval of the consolidation of the Company’s Bylaws, so as to reflect the mentioned changes; and

9) Authorization of management to take all the necessary measures to formalize the resolutions above.

As it can be verified, this proposal aims to serve the legitimate interests of the Company and its shareholders, the reason why the Board of Directors expects it will be approved.

Belo Horizonte, March 29, 2022.

Márcio Luiz Simões Utsch

José Reinaldo Magalhães

Afonso Henriques Moreira Santos

Marcelo Gasparino da Silva

Franklin Moreira Gonçalves

Marcus Leonardo Silberman

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