C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Our Journey for 1,5oC

We are a 100% renewable electricity generation company, offering resilient, competitive and responsible solutions and customized solutions to meet the different demands and needs of our customers.

For over 20 years, we have promoted the supply of clean energy across the country.

Guided by the goal of being the top-of mind choice for customers in the free market , we have expanded our set of Generation. The Company expects to invest approximately R$ 3.8 billion in the period from 2022 to 2026, destined to the expansion of projects already contracted and with a defined construction plan.

Our Capacity:

2016: 2.658 MW

2017: + 386 MW (Wind Alto Sertão II) + 144 MW (Solar Ouroeste)

2018: + 150 MW (Solar Guaimbê)

2019: + 322 MW (Wind Tucano)

2020: + 346 MW (Wind- Mandacaru and Salinas and Ventus)

2021: + 479 MW (Cajuína) +216 MW (Remain Lote B)

2022: + 210 MW (Ventos do Araripe) + 182 MW (Caetés) + 64 MW (Cassino)

Total Capacity in 2022- 5.200 MW (51% hydroeletric, 43% wind and 6% solar)

Total Capacity in the Next Years: Total- 6,8 GW (39% hydroeletric, 51% wind and 10% solar)

23% wind and 11,249% solar)

Our Strategy

Resilience- We invest in projects for growth and diversification of the portfolio of generation assets, with sources that complement the seasonality between them (hydropower, wind, and solar). We operate with market intelligence to take advantage of opportunities in energy trading and mitigate risks while optimizing increasing the level of contracting of the generation park.

Competitiveness- The continuous search for greater operational and financial efficiency guarantees our leading role in the free energy market. We work with a focus on the customer to develop tailor-made products and solutions that exceed expectations in the provision of carbon-free energy, 24 hours a day, 7 days a week.

Responsibility- We conduct and develop our business with the aim of promoting positive impacts and avoid or mitigate any negative impacts. With ethics and transparency, our corporate governance and decision-making processes consider the best practices and criteria for the management of social and environmental aspects

2030 ESG Commitments related to our Climate Strategy

Our 2030 ESG Commitments, approved by the Board of Directors, were established at the end of 2021, considering 2020 as the base year.

§ To contribute through the generation of renewable energy so that our customers can prevent the emission of 582,000 tCO2e per year from 2025.

§ By 2030, to reduce Scope 1 and 2 greenhouse gas emissions by 18% tCO2e per MWh generated, compared to 2020. In 2022 our intensity emission reached 0,00011 t CO2/MWH, representing an increase of 139%, compared to the base year. This increase was related to an operational problem, for which AES developed an action plan that will be completed in 2023.

§ To maintain carbono neutral (Scope 1+2 +3). In 2020 and 2021 our Scope 1, 2 and 3 emissions were neutralized by offset program.

§ By 2025, to offset historical emissions since the beginning of AES Brasil's operations (Scope 1+2)

§ By 2030, to increase reforestation by at least 20% in addition to the commitment to recover occupied áreas. In 2022, 243.9 ha were reforested, and, since the beginning of the hydroelectric concessions, 4,937 ha have already been reforested.

External Commitments

• Business Ambition for 1,5ºC

• Recover Better

• Sustainable Development Goals: AES Brasil has been a signatory of the Global Compact since 2006 and has its CEO as a spokesperson for SDG 7 in the initiative Leadership with ImPact, in addition to integrating other voluntary commitments.

• Science Based Targets (Metas Baseadas na Ciência): We are already a net-zero company.

Note: The company joined the SBTi, however it was defined, along with SBTi and WRI representative, that the two methods available do not apply to its business model, because the Sectoral Decarbonization Approach is destined to companies that need to decarbonize their electric matrix (which is not the case, because the company is 100% renewable) and the Absolute Contraction Approach method sets the goal in absolute number without considering the growth in MWh for the coming years (AES Brasil is increasing its renewable generation). "The conclusion is that we don't have a good methodology for a 100% renewable energy company at the moment". SBTi and WRI representative in response to AES Brasil request to become a SBTi member.

2022 Highlights

MSCI Rating- AAA- Only energy company in Latin America rated AAA

R$169.4 million invested in modernization, maintenance, and expansion

R$6.3 million invested in research & development

R$2.8 billion in net operating revenue (+13.3% compared to 2021)

US$ 2.2 million revenue from our first carbon credits sale, originating from the Mandacaru and Salinas Wind Complexes

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for
2 years

Select the number of past reporting years you will be providing Scope 2 emissions data for
2 years

Select the number of past reporting years you will be providing Scope 3 emissions data for
2 years

C0.3

(C0.3) Select the countries/areas in which you operate.
Brazil

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.
BRL

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.
Operational control

C-EU0.7

(C-EU0.7) Which part of the electric utilities value chain does your organization operate in? Select all that apply.

Row 1

Electric utilities value chain
Electricity generation

Other divisions
Battery storage
Micro grids

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	BRAESBACNOR7

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?
Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board Chair	The company's board of directors and executive board are in charge of implementing the company's green growth strategy. These green growth targets are included in the variable remuneration program of all executives (directors, VP and CEO). This green growth plan refers to the company growth in renewable energy, mainly wind, which is making the company, already 100% renewable, even more resilient, with a diversified portfolio and less dependence on water sources. In 2022, the Board of Directors was responsible for evaluating and approving the company's capital increase, with the purpose of paying part of the acquisition price of all the shares representing the share capital of the Special Purpose Entities (SPEs) that make up the Wind Complexes Ventos do Araripe, Caetés and Cassino. This decision reinforces the Company's portfolio growth and diversification strategy, related to the acquisition of new assets from complementary sources to hydro.
Board-level committee	AES Brasil has a Sustainability Committee as one of the advisory bodies to the Board of Directors. This Committee is chaired by the CEO of the company and includes the participation of other directors of AES Brasil, the chairman of the Board of Directors, an independent member of the Board of Directors and an external expert member. At least every six months, according to the internal regulations, the Sustainability Committee reports to the Board of Directors on the recommendations and activities performed by the Committee. The purpose of this Committee is to support the Board of Directors in integrating sustainability into the entire management and governance process, proposing a strategy of action and the goals to be achieved, as well as following up on the execution of initiatives to generate value and monitor the positive and negative impacts on the economic, social and environmental dimensions. Since 2017, the Sustainability Committee includes a forum especially dedicated to climate change, the Climate Change Subcommittee, which is led by the company's COO.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring progress towards corporate targets	<Not Applicable>	By the end of 2021 the board approved 2030 ESG Commitments and targets, including climate targets. Discussion on the company's strategy and progress on the climate agenda are monitored by the Climate Change Subcommittee. This forum, established in 2017, defines and monitors the implementation of actions aimed at mitigating and adapting to climate change, qualifying the deliberations on these topics within the scope of the Sustainability Committee, and provides advisory services for the Board of Directors. The executive responsible for the topic in the company is the COO. The meetings of the Climate Change Subcommittee occur quarterly, on a regular basis, preceding the quarterly meetings of the Sustainability Committee. In all meetings, themes related to AES Brasil's objectives performance in mitigation and adaptation to climate change are discussed. The meetings have as a recurrent agenda the evaluation of greenhouse gas emissions in the period, their comparison with the previous period and the follow-up of action plans and initiatives aimed at reduction opportunities. Specific themes can be included in the meetings by the areas that make up the Subcommittee, such as the study of risks and opportunities arising from carbon pricing, conducted in 2020. Annually, the Sustainability Committee approves the Sustainability Report (in accordance with the GRI Standards and the Integrated Reporting framework) . The document is also validated by the Board of Directors and the Fiscal Council. In 2022, the main climate-related decision taken by the board was regarding the company's capital increase, with the purpose of paying part of the acquisition price of all the shares representing the share capital of the Special Purpose Entities (SPEs) that make up the Complex Araripe Wind Wind, Caetés and Cassino. This decision reinforces the Company's portfolio growth and diversification strategy, related to the acquisition of new assets from complementary sources to hydro. This is closely related to our climate transition plan, which, in the context of being a 100% renewable energy company, consists in the business plan itself.
Scheduled – some meetings	Reviewing and guiding the risk management process Other, please specify (Reviewing and guiding major plans of action)	<Not Applicable>	An example of a decision: In 2022 the executive board approved business risks as well as risk mitigation plans and measures, which are monitored periodically by the Statutory Audit Committee (CAE), which is an advisory committee of the Board of Directors, to fulfill various responsibilities, such as: it has a role of supervision of the internal control system and risk management of AES Brasil. Risks associated to water safety and climate change were as follows: Risk #R04: Deviation above expectations from the Commercial Margin; Risk #R05: Noncompliance with environmental constraints; Risk #R09: Structural rupture of dams; and Risk #R31: Impact of Climate Changes on energy generation . AES Brasil counts on Statutory Audit Committee that has the role of inspecting AES Brasil's internal controls and risk management system. The meetings of the Statutory Audit Committee have been held monthly since May 2021, on a regular basis. The body has a work plan that defines the topics on the agenda for each meeting. In this work plan, the supervision of the risk management process is carried out quarterly. The company has a corporate governance coordinator who assists the Statutory Audit Committee´s president in preparing the agenda, according to matters of interest and relevance, calling the meeting, and writing the minutes. Members of management are invited to present the topics on the agenda.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	The criterion adopted to assess the board member competence in climate changes is the board member experience in relevant forums on the theme. In the AES Brasil case, the board member with such competence is member of advisory boards of institutions directly associated to the theme, like WRI (World Resources Institute). Another criterion adopted to assess the board member competence in climate changes is his/her experience in leading carbon-intensive companies. In this case the board member was CEO at Alcoa for several years. The board member has degree from Fundação Getúlio Vargas' São Paulo School of Business Administration and obtained his MBA at IMD Program, in Lausanne. He started his professional career as consultant — Adela, Technomic, Booz, Allen & Hamilton — and later worked as business leader through a relationship with Alcoa that covers over twenty years, and in the last ten years he worked as Regional CEO for Latin America and Caribbean. Prior to this position, he worked as Financial Director for the region and, seated in New York, he was responsible for company's global financial planning and analysis. He is currently member of the Advisory Boards or Administrative Boards of five organizations — Ethos Institute, WRI Brasil (World Resources Institute), Sitawi-Finanças para o Bem, Unigel S.A. and Companhia Brasileira de Alumínio-CBA. In the last 5 years, the board member was not subject to any criminal conviction, or conviction in CVM (Security Commission) administrative process, or any other unappealable conviction at judicial or administrative level, that could have suspended or disabled the practice of professional or commercial activity.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee
President

Climate-related responsibilities of this position
Managing climate-related acquisitions, mergers, and divestitures
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
The CEO is primarily responsible for conducting business to ensure the execution of the company's strategy and the achievement of its objectives. The company's main strategic objective is directly climate-related: to remain a 100% renewable energy generation company. Therefore, as the main business position in the company, and being the top responsible for implementing business plan, the President is also responsible for implementing the climate transition plan. Consequently, the CEO already has climate-related responsibilities. In addition, she assumes the role of chairman of the Sustainability Committee, where she is informed about the main climate and sustainability issues that affect the business in order to advise and report to the board of directors.

Position or committee
Sustainability committee

Climate-related responsibilities of this position
Integrating climate-related issues into the strategy
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
The Sustainability Committee is chaired by the CEO and has an expert independent member, an independent member of the Board of Directors, the President of the Board of Directors and directors. With a relevant role in the dissemination of collective knowledge, it advises the Board in decision-making processes related to sustainability and regularly reports on social and environmental performance to the Council.

Position or committee
Chief Operating Officer (COO)

Climate-related responsibilities of this position
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
The COO is responsible for the operation and maintenance of all renewable assets, supply chain management, the Environmental Management System.
The highest level responsible for the environmental strategy and the Environmental Management System (EMS), in the administrative area, is in charge of the Director of Operations, who monitors AES Brasil's performance in terms of water management, biodiversity and land use, climate change and waste, among other environmental aspects. The executive participates in the Sustainability Committee, established within the scope of the Board of Directors and chaired by our CEO. In this context, the COO is responsible for reporting to the CEO on climate risks and opportunities.

Position or committee
Chief Risks Officer (CRO)

Climate-related responsibilities of this position
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
The CRO is responsible for managing corporate risks, which include climate-related risks.

Position or committee
Environmental, Health, and Safety manager

Climate-related responsibilities of this position
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
The environment, health and safety manager is responsible for overseeing the environmental management system, including the monitoring of GHG emissions.

Position or committee
Environment/ Sustainability manager

Climate-related responsibilities of this position
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
Corporate Sustainability/CSR reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
The sustainability and ESG manager is responsible for supervising and managing the entire ESG agenda in the company, as well as preparing internal and external reports on the subject.

Position or committee
Other, please specify (Operation manager)

Climate-related responsibilities of this position
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
The operations manager is responsible for managing all of the company's generation assets, being responsible for managing and mitigating climate-related risks and opportunities that may impact the operation.

Position or committee
Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
The CSO is responsible for the ESG strategy and management of the ESG 2030 commitments. In addition, it coordinates the Sustainability Committee.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	100% of the executive team (directors, VPs and CEO) adopt the Green Growth target that considers business growth for the next years, only with renewable energies in their incentive plans. The 2030 ESG Commitments and targets are also contemplated in the variable remuneration of executive team and management members.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive
Board/Executive board

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Progress towards a climate-related target

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
100% of the executive board members (directors, VPs and CEO) adopt the Green Growth target. In 2022, the CEO's variable compensation, in particular, had the following breakdown:
40% of the CEO's variable compensation was
linked to ESG criteria, divided into:
5% Diversity
5% Organizational climate
30% Growth in renewables

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
100% of the executive board members (directors, VPs and CEO) adopt the Green Growth target that considers business growth for the next years, only with renewable energies in their incentive plans. In the context of performance indicators, efficiency and business growth targets through non-hydro renewable sources (green growth) contribute to expanding the supply of renewable energy to the market and directly affect executive compensation.

Entitled to incentive
All employees

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Energy efficiency improvement

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
All employees have incentives related to performance indicators and efficiency of the generation portfolio.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
Performance indicators and efficiency of the generation portfolio contribute to expand the supply of renewable energy to the market and directly affect the remuneration of all AES Brasil employees.

Entitled to incentive
Environmental, health, and safety manager

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Reduction in absolute emissions
Reduction in emissions intensity
Energy efficiency improvement

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
AES Brasil's Environment team has incentives linked to energy efficiency and emissions reductions.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
Goals in the scope of the Environmental Management System and project management for the reduction of greenhouse gases make up the variable remuneration of AES Brasil's Environment teams.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	The one-year horizon is considered short-term, as it reflects the period of time with the greatest predictability and is aligned with the short-term concept adopted for AES Brasil's strategic planning, budget planning, and the annual review cycle of the corporate risk matrix.
Medium-term	1	5	The two to five year horizon is considered medium term, as it reflects the period of time with a reasonable forecast of sectorial changes, such as the approval of legislation, and of market demand. This concept is aligned with AES Brasil's process of energy studies and scenario forecasting.
Long-term	5	20	The five to 20-year horizon is considered long-term, because it reflects the maximum time period analyzed in the climate and market scenario studies promoted by AES Brasil.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

For AES Brasil, a substantive financial risk is one that has a high probability of occurrence and a high impact. Financial Risk means the risk of economic and financial loss due to exposure to market variables such as interest rates, price indices, exchange rate, commodity prices. Additionally, it also includes the liquidity risk, represented by the Company's lack of financial capacity to pay its foreseen and unforeseen, effective and future debts, including operations with guarantees, without affecting its day-to-day operations and without incurring significant losses. A substantive strategic risk is the one that also has a high probability and impact. Strategic risks are related to the implementation of an inadequate or ineffective strategy that fails to achieve the company's objectives.

AES Brasil risk assessment is made in the ambit of the Company’s Strategic assessment. Under the ERM (Enterprise Risk Management), the climate risks were assessed in 3 main pillars: (1) probability of occurrence, (2) impact magnitude, and (3) risk rating. The risk rating analysis considers Probability vs Impact and classifies the risk as very low, low, medium, high and very high. The Board of Directors is responsible for reviewing and approving the risk rating criteria and ranges of financial impact.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Note: Frequency of assessment- ERM Monthly with annual review of the criteria, MMS- annual with monthly monitoring and MVF periodic with quarterly monitoring.

AES Brasil climate risk and opportunity assessment is made in the ambit of the company's strategic risk assessment, using COSO ERM methodology and through medium and long-term strategic studies, named respectively MMS (Market Management Strategy) and MVF (Multiple Future Visions). Risk and opportunity assessment is broken down in 3 main parts:
PART 1 – Identification of climate risks and opportunities
The AES Brasil risk management policy defines that strategic risk and opportunity identification including climate changes is made by experts from several areas, including energy studies, operations, sales, research and development, among others.
PART 2- Climate risk and opportunity assessment
AES Brasil climate risk and opportunity assessment is made in the ambit of the company's strategic risk assessment, using COSO ERM methodology and through medium and long-term strategic studies, named respectively MMS (Market Management Strategy) and MVF (Multiple Future Visions). Under the ERM, the climate risks and opportunities were assessed in 3 main pillars: (1) probability of occurrence, (2) impact magnitude, and (3) risk rating. Each element is classified according to the following criteria: (1) Probability: how much probable is the risk materialization in two-year horizon characterized as very low, low, medium, high and very high. (2) Impact on 6 risk dimensions: Financial, Reputation, Safety, Regulatory/Legal; Socio-environmental; Operational, characterized as very low, low, medium, high and very high, and (3) Risk rating: Probability vs Impact characterized as very low, low, medium, high and very high. The risks assessed in the ERM process have monthly updating and annual review of its criteria for prioritization and risk management.
MMS evaluates the company's business strategy for a medium-term horizon, in this study we access the climatic risks associated with the generation of our plants and the optimal level of contracting of our assets and the respective associated commercial strategy. This study is reviewed annually and identified risks monitored monthly in specific committees.
Within the MVF, the evolution of the Energy System and markets to a long-term horizon is evaluated, considering the evolution of regulation and risks of the company's portfolio in different climate scenarios, evolution of market regulation and penetration of new technologies. The time horizon characterized as short, medium and long term reflects the horizon of materialization of risk and opportunity. This study defines possible future scenarios, in addition to defining a Base Case that serves as reference for several strategic studies. The assumptions considered are monitored periodically to ensure that the Base Scenario remains the most representative. If relevant deviations are identified, a new future scenario may be selected as Base Case, or even a review of the study as a whole may be requested.
PART 3- Response to the risk identified –
Criteria for prioritization and management of risks are yearly presented and approved by the Board of Directors. Strategic risks and opportunities, including climatic risks and opportunities, as well as the plan of response to risks are monthly presented by the Risk Management to the Executive Team and Statutory Audit Board, and the evolution of risks, action plans, and associated risk metrics are discussed.
In 2022, the Executive team approved the following risks and opportunities directly or indirectly associated to climate changes as well as treatment measures, namely: Risk #R04: Deviation above the expectation from the Commercial Margin; Risk #R05: Noncompliance with Environmental Constraints; Risk #R09: Structural rupture of dams; and Risk #R31: Impact of climate changes on energy generation.

AES Brasil Risk Case Study in 2021: situation - Risk #R04: Deviation above the expectation from the Commercial Margin due to variations in hydroelectric generation. This risk is associated to the climate risk – chronic physical risk of water scarcity and droughts. More frequent water crises have occurred in the last years, which tend to increase the risk of compression in profit margins. In 2021 this situation was worsened the hydrology scenario, with values close to 70% of the historical average; the worst hydrology since 1931, year when such measurement started. Action: daily assessments of the situation and anticipated purchase of energy. Result: In 2021 AES Brasil achieved significant savings due to the anticipated purchase.

Opportunity case study: Transition opportunity - AES Brasil has invested in the diversification of its portfolio based on renewable sources that complement hydroelectric sources, like wind and solar farms. Result: considering only the completion of plants under construction, the hydroelectric generation participation will go from 72% to 57% and wind generation from 20% to 37%, while solar generation will reach 6%.

Opportunity case study: Transition opportunity - AES Brasil's sales team identified the opportunity of sales of I-REC certified renewable energy to its customers. Action: I-REC renewable energy certification with Totum Institute. Result: In 2021 we obtained acknowledgement from Totum Institute for being the company that issued more water source I-RECs in 2021. Publication link: https://www.linkedin.com/posts/aes-brasil_energia-reconhecimento-conquista-activity-6905463175236706304

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Example of regulatory monitored in 2022 and the associated mitigating measures and action plans were included in Risk #R05: Noncompliance with Environmental Constraints (Risk matrix assessment – Impact – Very High, Probability – Low, and Rating: High).
Emerging regulation	Relevant, always included	In 2022, one of the examples of legislation that was discussed and directly affects AES Brasil business, creating opportunities of access to new markets was decree 11075 of 2022, which establishes procedures for preparation of Sectoral Plans for Mitigation of Climate Changes, institutes the National System of Greenhouse Gas Emissions Reduction, and changes Decree nº 11.003, of March 21, 2022.
Technology	Relevant, always included	Represented by loss resulting from system failures, including possible information leaks, unavailability of IT infrastructure, weaknesses and threats of fraud or cyber attacks.
Legal	Relevant, always included	Example of legal risk monitored in 2022 and associated mitigating measures and action plans was Risk #R09: Structural rupture of dams (Assessment in Risk Matrix- Impact: Very High, Probability: Very Low and Rating: Medium). Represented by losses from legal/tax lawsuits with high or very high financial and/or economic impact.
Market	Relevant, always included	Example of market risk monitored in 2022 and associated mitigating measures and action plans was Risk #R04: Deviation above the expectation in Commercial Margin (Assessment in Risk Matrix- Impact: Very High, Probability: High and Rating: Very High). Represented by losses resulting from fluctuations in market values, such as prices, interest rates, exchange rates and inflation rates applicable to the instruments held by AES Brasil.
Reputation	Relevant, always included	The reputation of AES Brasil's business is fundamental for customers, as it reflects the success of its commitment to providing affordable, reliable and always clean energy. The strategic positioning based on renewable energy and energy management efficiency solutions is closely related to the transition scenario to a low-carbon economy and to climate change mitigation efforts.
Acute physical	Relevant, always included	Acute physical impacts could significantly affect AES Brasil's business and operations, limiting generation capacity, increasing production costs or even impairing the ability to serve customers. Extreme weather events may affect the availability of generation assets or even require high investments to restore activities and eventual compensation. The Weather Risk Committee, which brings together professionals from AES Brasil and other AES Corporation companies around the world, specifically analyses the physical risks associated with climate.
Chronic physical	Relevant, always included	Example of chronic physical risk monitored in 2022 and associated mitigating measures and action plans was Risk #R04: Deviation above the expectation in Commercial Margin (Assessment in Risk Matrix- Impact – Very High, Probability: High, and Rating: Very High). This risk is associated to the chronic physical climatic risk water scarcity and droughts. Chronic physical impacts can significantly affect the business and operations of AES Brasil, limiting generation capacity, increasing production costs or even impairing the ability to serve customers. Changes in rainfall parameters, river inflows, wind patterns and solar exposure indexes as a result of prolonged climatic imbalances may affect the availability of generation assets or even require heavy investments to restore activities and eventual compensation. The Weather Risk Committee, which brings together professionals from analyzes the physical risks associated with climate.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Precipitation and/or hydrological variability

Primary potential financial impact
Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Risk #R31: Impact of climate change on the operation of power generation assets - Possible meteorological changes that impact the hydrological regime, wind regime and sun exposure rates due to prolonged climate balances, which may impact the operation and availability of assets.
Weather changes can impact AES's 3 generation sources. The occurrence of more intense droughts and floods, floods downstream and forest fires can result in a change in the priority of water use, reducing the availability of the resource for energy generation. Sudden variations in wind and lightning can affect asset sizing and result in the need to adapt equipment and make operational changes. Additionally, climate change can impact solar generation, including the frequency of equipment maintenance.
In 2022, the operational area, responsible for this risk, had the challenge of creating risk indicators for monitoring: (i) changes in the situation of reservoir edges; (ii) wind speed through the anemometric towers of the parks; (iv) the intensity of rainfall through a contract with a specialized company; (v) wind speed at the Weather Stations of the solar plants and (vi) tracking the frequency of hailstorms.
In addition, in 2022, the project hydrograph was updated with the incremental series at 7-year intervals (RPS) to assess and revise the reference curve for the operation.
Additionally, to mitigate this risk, AES Brasil relies on a strategy to diversify its portfolio, reducing its water dependency.

Time horizon
Long-term

Likelihood
Unlikely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1700000

Potential financial impact figure – maximum (currency)
0

Explanation of financial impact figure
The value of BRL 1.7 million inserted as “potential financial impact figure (currency)" is a reference of a possible impact based on a reduction of solar EBITDA due lower generation at Guaimbê Solar Complex in the period 2022 due to lower irradiance as a result of higher rainfall in the region. This is an example, using the recent (2022) financial impact value as a reference.

Cost of response to risk
2001800000

Description of response and explanation of cost calculation
Situation: In 2021, Brazil experienced an intense water crisis, which directly impacted AES Brasil's operations. From 2020 to 2021, there was a 22% reduction in energy generation, due to the great dependence on water. Task: To reduce the risk of suffering major impacts due to dependence on water, the company pursued a strategy of diversifying its portfolio of energy generating sources. Action: Since 2021, the company has been developing an R&D project to analyze the climate risk of its assets in order to have qualified information for decision-making regarding portfolio diversification and new investments. For example: AES Brasil has started to growth and diversify its portfolio through acquisitions and development of projects with energy sources that complement the hydro asset seasonality between them (wind and solar), as a way to mitigate exposure to hydro risks. The diversification strategy continues, as some of the projects acquired are under construction, with the expectation to come online between 2023 and 2024. Result: In 2022, the company acquired 3 new wind farms, helping to reduce its dependence on water sources. The diversification strategy continues, as some of the projects acquired are under construction, with the expectation to come online between 2023 and 2024. In 2022, BRL 1.8 million were invested on climate risk project and BRL 2 billion were invested in the acquisition of the new wind complexes. Therefore, the cost of response to this risk is around BRL 2,001,800,000.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Markets

Primary climate-related opportunity driver
Access to new markets

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
Search of projects that can be certified to I-REC and/or carbon credit.
In line with the strategy to contribute to its customers' decarbonization, AES Brasil is attentive to trends and new technologies. In this context, the company identified the opportunity to access new markets by offering instruments such as carbon credits and I-RECs. This offer supports customers in neutralizing their carbon dioxide emissions.
Since 2017, the company has offered I-RECs and, in 2022, began its participation in the voluntary carbon market.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
10000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
In 2022, AES began operating in the voluntary carbon credit market. For the first time, AES Brasil sold 465,807 carbon credits from the Mandacaru and Salinas wind farms, corresponding to BRL 10 million in revenue expressed in 3Q22. The carbon credits where registered on the American Carbon Registry, prior to AES acquisition of these assets. The Company is also evaluating the possibility of selling another 2,770,115 credits from wind and solar farms with COD (Commercial operations date) as of 2016.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
Situation: AES Brasil's strategy has a guideline to diversify its portfolio and to support customers on their climate strategy. Task: To diversify its portfolio, the company had an investment strategy that includes acquiring new assets, mainly wind and solar complexes. Action: In 2020, AES acquired Mandacaru and Salinas wind complexes, which had registered carbon projects. Result: In 2022, AES Brasil sold 465,807 carbon credits from the Mandacaru and Salinas wind farms, corresponding to BRL 10 million in revenue expressed in 3Q22. The carbon credits where registered on the American Carbon Registry, prior to AES acquisition of these assets. Therefore, the costs related to this opportunity are the same as maintaining the operation of the wind complexes.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan
Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan
Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan
We have a different feedback mechanism in place

Description of feedback mechanism
The growth plan is the company's strategy given the pipeline it has. This strategy is presented in all profit disclosures to shareholders, including the expected investment value for the coming years showing that the company will maintain its 100% renewable matrix. There is no transition plan because it is already 100% renewable, but the plan is to maintain that. In the disclosure materials we show the installed capacity per source and the expected for the coming years also opening by generation source which evidences the renewables, in addition to the information that AES Brazil plans to invest approximately R$ 3.8 billion in the period from 2022 to 2026 for the expansion of projects already contracted and with a defined construction plan, with emphasis on the construction of the Complexes
Wind Farms Tucano and Cajuina, Additional Information of the Business Plan and other factors with relevant influence is contained in the Reference Form 2022 AES Brasil Energia SA in items 10.8 and 10.9.

Frequency of feedback collection
Annually

Attach any relevant documents which detail your climate transition plan (optional)
Reference Form 2022 AES Brasil Energia SA in items 10.8 and 10.9
FRE AES Brasil v12 (3).pdf

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future
<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios | RCP 2.6	Company-wide	<Not Applicable>	The controlling shareholder of AES Brasil is AES Corporation, which conducts climate scenario analyses covering all the company's facilities worldwide. In this analysis, the resilience of the AES Corporation portfolio is tested under a number of scenarios, aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). While the scenarios used are not necessarily aligned with AES' vision for the future, they provided a standardized way to analyze the business under various climate mitigation pathways. The scenarios were selected by an internal task force from Legal, Sustainability, Technology, Financial Planning, Risk, Investor Relations and Strategy, with the decision to use the global and regional inputs and assumptions exactly as provided by the reference scenarios for the model and quantitative analysis, with minor regional adjustments to represent where AES businesses have a stronger presence and more exposure. Where AES has a different view of the future from the scenarios, a decision was made to identify them qualitatively with the directional impact of the scenarios. All AES portfolio companies were considered as part of the scenario analysis, including new technologies and efficiencies that AES sees as maturing in the future. The time horizon includes the present and future (through 2040) and was selected to align with the IEA's most recent set of scenarios in the 2017 World Energy Outlook, which defines 2040 as the time horizon. The test results highlight the resilient nature of AES's strategy, especially in the case of Brazil for the completeness of the renewable-based portfolio and the increasing diversification of the small generator. The results also highlight how AES Corporation is positioned to capture value from the accelerated deployment of low carbon and efficient energy management technologies and solutions. These findings reinforce the alignment of corporate strategy with the global transition needed to keep the planet's temperature increase within 1.5°C - 2°C.
Transition scenarios | IEA 2DS	Company-wide	<Not Applicable>	The controlling shareholder of AES Brasil is AES Corporation, which conducts climate scenario analyses covering all the company's facilities worldwide. In this analysis, the resilience of the AES Corporation portfolio is tested under a number of scenarios, aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). While the scenarios used are not necessarily aligned with AES' vision for the future, they provided a standardized way to analyze the business under various climate mitigation pathways. The scenarios were selected by an internal task force from Legal, Sustainability, Technology, Financial Planning, Risk, Investor Relations and Strategy, with the decision to use the global and regional inputs and assumptions exactly as provided by the reference scenarios for the model and quantitative analysis, with minor regional adjustments to represent where AES businesses have a stronger presence and more exposure. Where AES has a different view of the future from the scenarios, a decision was made to identify them qualitatively with the directional impact of the scenarios. All AES portfolio companies were considered as part of the scenario analysis, including new technologies and efficiencies that AES sees as maturing in the future. The time horizon includes the present and future (through 2040) and was selected to align with the IEA's most recent set of scenarios in the 2017 World Energy Outlook, which defines 2040 as the time period. The test results highlight the resilient nature of AES's strategy, especially in the case of Brazil for the completeness of the renewable-based portfolio and the increasing diversification of the small generator. The results also highlight how AES Corporation is positioned to capture value from the accelerated deployment of low carbon and efficient energy management technologies and solutions. These findings reinforce the alignment of corporate strategy with the global transition needed to keep the planet's temperature increase within 1.5°C - 2°C.
Physical climate scenarios | RCP 4.5	Company-wide	<Not Applicable>	Since 2021, AES Brasil has been developing, along with two renowned consulting firms in climate change and modelling, studies to estimate the economic impact of climate change on the generation ow renewable energy to build a more resilient electrical system. The studies focus on updating climate modeling by applying modeling to AES Brasil's hydroelectric, wind and solar plants - operational and planned - with the adoption of a set of global IPCC models for the horizons of 2030 and 2050. In addition, it seeks to assess, through the construction of scenarios, the acute (eg severe storms) and chronic (eg heat wave) risks arising from the variation in intensity and frequency of precipitation, temperature, wind and dirt. Three main activities have already been developed: 1) Climate Change assessment; 2) Hydrological Model and operative flexibility; 3) Climate change economic impacts. Each was based on two scenarios: SSP2-4.5 (RCP 4.5 equivalent) and SSP3-7.0 (RCP 7.0 equivalent). For wind assets, the projection of future scenarios is carried out considering the power curve characteristics of wind turbines. For each project, the specific characteristics of the wind turbine were considered, including initial and cut-off speeds. Each scenario has data generated by four different models, all of which present a period considered as a reference for comparing trends, both in terms of wind speed and wind generation. For solar assets, generation is calculated based on irradiance data for each climate change scenario. The simulation considers basic characteristics of photovoltaic modules, such as panel area and efficiency. In the case of these assets, the generation trend analysis is performed in comparison with two variables, defined for each set of assets, used as a reference for projecting the generation values. As regards to hydroelectric power generation, based on the available inflow scenarios, with daily discretization, the Hydropower Optimizer computational model was used to simulate the operation of hydroelectric assets.
Physical climate scenarios | RCP 7.0	Company-wide	<Not Applicable>	Since 2021, AES Brasil has been developing, along with two renowned consulting firms in climate change and modelling, studies to estimate the economic impact of climate change on the generation ow renewable energy to build a more resilient electrical system. The studies focus on updating climate modelling by applying modelling to AES Brasil's hydroelectric, wind and solar plants - operational and planned - with the adoption of a set of global IPCC models for the horizons of 2030 and 2050. In addition, it seeks to assess, through the construction of scenarios, the acute (eg severe storms) and chronic (eg heat wave) risks arising from the variation in intensity and frequency of precipitation, temperature, wind and dirt. Three main activities have already been developed: 1) Climate Change assessment; 2) Hydrological Model and operative flexibility; 3) Climate change economic impacts. Each was based on two scenarios: SSP2-4.5 (RCP 4.5 equivalent) and SSP3-7.0 (RCP 7.0 equivalent). For wind assets, the projection of future scenarios is carried out considering the power curve characteristics of wind turbines. For each project, the specific characteristics of the wind turbine were considered, including initial and cut-off speeds. Each scenario has data generated by four different models, all of which present a period considered as a reference for comparing trends, both in terms of wind speed and wind generation. For solar assets, generation is calculated based on irradiance data for each climate change scenario. The simulation considers basic characteristics of photovoltaic modules, such as panel area and efficiency. In the case of these assets, the generation trend analysis is performed in comparison with two variables, defined for each set of assets, used as a reference for projecting the generation values. As regards to hydroelectric power generation, based on the available inflow scenarios, with daily discretization, the Hydropower Optimizer computational model was used to simulate the operation of hydroelectric assets.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Economic impacts of climate change, and exposure and resilience of the assets to climate change effects.

Results of the climate-related scenario analysis with respect to the focal questions

AES Brasil conducts the Multiple Visions of the Future (MVF) process to assess short, medium, and long-term energy scenarios. These studies serve to assess what kind of risks exist for the assets AES operates, on how should evolve the energetic matrix in the country and how does the company positions itself in this scenario. In sum, the results of the analyses are price and generation scenarios, which, in turn, impacts both the company's valuation and corporate strategy, in the medium and long-term, as well as price and sales in the short-term. The MVF process considers climate projections, analysing factors like precipitation, wind, and sunlight incidence, which affect renewable energy generation. In addition, it considers market trends, technological advances, and regulatory factors to assess its impact on business. Strategic planning relies on these projections to test the resilience of the strategy and make informed decisions regarding pricing, expansion investments, and overall business performance. As examples of decisions informed by these assessments in 2022, one can mention the company's decision to accelerate the sale of short-term energy due to the price being at a minimum, and, therefore, to have 100% of the energy contracted for 2023 and 2024. From a medium to long-term perspective, some M&A decisions were taken considering, for example, the evaluations of scenarios of increased average winds in certain regions of the country, such as the Northeast. In 2022, an additional wind pipeline of up to 305 MW was acquired in Rio Grande do Norte, a region with excellent prospects for average wind speed, currently and in the future.

In the context of the Climate Risks Project, the results revolve around focal questions regarding the economic impacts of climate change and climate and environmental risks to AES assets. For example: for hydrological assets, floods and landslides tend to remain stable or slow down, while the risk of forest fires is expected to worsen across all assets. To calculate the financial impact of climate change scenarios on asset returns, the generation obtained in simulations is evaluated based on price profiles. Among the results for wind assets, for example, two complexes show an increase in generation capacity, with estimated increases in average annual revenue in both scenarios 1 and 2. Although the project has not yet been completed and the results have not yet been analyzed from the perspective of the business strategy, they will likely support decisions in line with our strategic plan for growth and diversification of complementary sources to water.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Our Journey for 1,5°C We are a 100% renewable electricity generation company, offering resilient, competitive and responsible solutions and customized solutions to meet the different demands and needs of our customers. For over 20 years, we have promoted the supply of clean energy across the country, with excellence in asset management, expansion of the generation complex, and development of innovations and complementary solutions for our portfolio. Guided by the goal of being the top-of mind choice for customers in the free market , we have expanded our set of Generation. The Company expects to invest approximately R$ 3.8 billion in the period from 2022 to 2026, destined to the expansion of projects already contracted and with a defined construction plan. Our Strategy Three pillars support our strategy and will lead us to be the best customer choice in the free energy market: Resilience- We invest in projects for growth and diversification of the portfolio of generation assets, with sources that complement the seasonality between them (hydropower, wind, and solar). We operate with market intelligence to take advantage of opportunities in energy trading and mitigate risks while optimizing increasing the level of contracting of the generation park. Competitiveness- The continuous search for greater operational and financial efficiency guarantees our leading role in the free energy market. We work with focus on the customer to develop tailor-made products and solutions that exceed expectations in the provision of carbon-free energy, 24 hours a day, and 7 days a week. Responsibility- We conduct and develop our business with the aim of promoting positive impacts and avoid or mitigate any negative impacts. With ethics and transparency, our corporate governance and decision-making processes consider the best practices and criteria for the management of social and environmental aspects
Supply chain and/or value chain	Yes	Since 2021 we have been capturing several opportunities associated to our value chain. Among them we can mention: AES Brasil and Alcoa entered into long term agreement for energy supply; AES Brasil and BRF constituted joint venture for supply of renewable energy in Cajuína Wind Farm; AES Brasil and Unipar entered into new agreement for self-production of renewable energy, among other opportunities. Development opportunities in the renewable energy value chain is one of the main drivers of AES Brasil's business model. In its strategy, the company has defined the goal of "being the best customer choice in the free market, with resilience, competitiveness, and responsibility. For this definition, completed in 2020 after the strategic planning cycle, AES Brasil analyzed Brazilian market trends and the growing demand from companies for sustainable renewable energy solutions. Considering the supply chain, one of the main focuses of action is the development of suppliers for the construction and maintenance of wind farms, which have been gaining increasing representation in the company's portfolio. In this context, the evaluations involve criteria such as the durability of the equipment, adaptability to local installation conditions and logistics conditions to the operational sites, and the availability of labor and materials for the proper maintenance of these assets throughout the operation period.
Investment in R&D	Yes	Example of investment in R&D in 2022 was the Climate Risk R&D Project 1) Project name: Economic Impacts of Climate Change on Renewable Generation for Optimization of the Brazilian Electric Matrix Project 2) Technology area: Renewable energy AES Brasil has a research, development and innovation (RD&I) area, which manages resources whose allocation to research is mandatory by regulation of the National Electric Energy Agency (Aneel) and efforts focused on the relationship with startups and promoting innovation in the company. Given the strategic relevance of the RD&I Program for the business, the corporate governance of the sector in Latin America underwent a major restructuring in 2020. A specific directorate was created (Transformational Solutions & Innovation), with headquarters in Chile, to which the RD&I of the Brazilian unit reports matrixially. In Brazil, the sector now reports directly to the president. In the context of this restructuring, AES Brasil has also strengthened its client-centered vision. The goal is that, by 2025, new solutions projects geared to customer demands will account for about 10 percent of the EBITDA for the whole of South America. The selection of research projects takes into account the market potential, the connection with the business strategy (based 100% on renewable energy), and the evaluation of trends. In the 2022 portfolio, projects such Climate Risk and Electromobility Project were highlighted.
Operations	Yes	The risks and opportunities related to climate change impact AES Brasil's operations on a daily basis. The most obvious example is the management of hydrological risk, applicable to the company's hydroelectric units and foreseen by the regulatory body. In this context, the plants must have enough allocated generation to honour their sales contracts. If this energy delivery is not met, the generator must acquire the difference in the market. Efforts to mitigate this regulatory risk include active portfolio management and the adoption of integrated commercial strategies established with the support of commercial and market intelligence teams.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Acquisitions and divestments Access to capital	The study of scenarios, risks , and opportunities contributes to AES Brasil's strategic planning, which in turn is the basis for the company's annual budget review. In forecasting revenues and direct and indirect costs for each year, the company makes certain assumptions, for example, about water inflow and wind and sunlight intensity. Similarly, the evaluation of new assets considers future climate forecasts. This analysis occurred, for example, when acquiring the Caetés Wind Complex and Ventos do Araripe Wind Complex in 2022 (together, they represent 456 MW of wind operating capacity). When evaluating these projects, AES Brasil forecasted future expectations of energy generation based on physical factors, as well as projections of demand and growth of the renewable energy generation market. These factors, among others considered in the technical and financial evaluation of the assets, contribute to determine the amount the company intends to invest in their acquisition. These analyses consider projections of short, medium, and long-term climate aspects, prepared by the Energy Studies area. Another even more dynamic factor in the management of revenues and costs is the hydrological risk. Monitored daily by the Weather Risk Committee, this aspect is one of the main drivers for the portfolio's contracting strategy. Based on climatological scenarios that forecast inflow conditions, precipitation, etc. for the coming days and weeks, AES Brasil's teams define the amount of energy available for commercialization (which impacts revenues) and the need to purchase energy in the short term (which impacts costs).

C3.5

(C3.5) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization’s climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with our climate transition plan	<Not Applicable>

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric
Revenue/Turnover

Type of alignment being reported for this financial metric
Alignment with our climate transition plan

Taxonomy under which information is being reported
<Not Applicable>

Objective under which alignment is being reported
<Not Applicable>

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)
2845100

Percentage share of selected financial metric aligned in the reporting year (%)
100

Percentage share of selected financial metric planned to align in 2025 (%)
100

Percentage share of selected financial metric planned to align in 2030 (%)
100

Describe the methodology used to identify spending/revenue that is aligned
100% of our revenue is associated to sale of energy from renewable sources since we are a 100% renewable company. In 2022 our energy generation came from the following sources: 64% hydro, 29% wind and 7% solar.

Financial Metric
CAPEX

Type of alignment being reported for this financial metric
Alignment with our climate transition plan

Taxonomy under which information is being reported
<Not Applicable>

Objective under which alignment is being reported
<Not Applicable>

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)
2160700

Percentage share of selected financial metric aligned in the reporting year (%)
100

Percentage share of selected financial metric planned to align in 2025 (%)
100

Percentage share of selected financial metric planned to align in 2030 (%)
100

Describe the methodology used to identify spending/revenue that is aligned
The 2022-2026 CAPEX plan covers growth only with renewable energy. We will keep existing assets (100% renewable) and we have a plan to increase our capacity primarily with wind growth.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?
Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number
Int 1

Is this a science-based target?
No, but we anticipate setting one in the next two years

Target ambition
<Not Applicable>

Year target was set
2021

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Intensity metric
Other, please specify (Metric tons of CO2e per MWh generated)

Base year
2020

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)
0.000023616

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)
0.000022285

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)
0.000045901

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure
100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure
100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure
<Not Applicable>

% of total base year emissions in all selected Scopes covered by this intensity figure
100

Target year
2030

Targeted reduction from base year (%)
18

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

% change anticipated in absolute Scope 1+2 emissions
0

% change anticipated in absolute Scope 3 emissions
0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)
0.000077

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)
0.000037

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)
0.00011

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
The target covers 100% of emissions from scope 1 and 2 of AES Brasil. There was no exclusion in these scopes.

Plan for achieving target, and progress made to the end of the reporting year
Scope 1 and 2 emissions are followed quartely through an online system, together with other ESG indicators. The environmental and operational areas are responsible for including indicators used to calculate emissions. The sustainability area is responsible for reporting the final numbers. These numbers are presented to the ESG Committee, which is responsible for defining action plans to reduce emissions. Additionally, the emissions value is reported the same frequency on AES Investors Relations website.

There was a deviation from the target, due to the scope 1 increase due to SF_6 leakage in some wind assets newly acquired. Feeder cubicles are being replaced power on these units to remedy the problem. By observing the intensity indicators (tCO2e/Gwh) for each quarter of 2022, it is possible to observe a reduction in the last quarter, indicating that the leakage was being addresed.

Intensity indicator (tCO2e/GWh)

1st quarter 2022: 0.14

2nd quarter 2022: 0.30

3rd quarter 2022: 0.46

4th quarter 2022: 0.22

Note: The company joined the SBTi, however it was defined, along with SBTi and WRI representative, that the two methods available do not apply to its business model, because the Sectoral Decarbonization Approach is destined to companies that need to decarbonize their electric matrix (which is not the case, because the company is 100% renewable) and the Absolute Contraction Approach method sets the goal in absolute number without considering the growth in MWh for the coming years (AES Brasil is increasing its renewable generation). "The conclusion is that we don't have a good methodology for a 100% renewable energy company at the moment". SBTi and WRI representative in response to AES Brasil request to become a SBTi member.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2021

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify	Other, please specify (Historical Emissions neutralization)

Target denominator (intensity targets only)
<Not Applicable>

Base year
1999

Figure or percentage in base year
0

Target year
2025

Figure or percentage in target year
100

Figure or percentage in reporting year
100

% of target achieved relative to base year [auto-calculated]

Target status in reporting year
Achieved

Is this target part of an emissions target?
No.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions
The company has assumed the goal of neutralizing its historical emissions (scopes 1, 2 and 3 from 1999 until 2020) by 2025.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
The target was achieved in 2022 through the purchase of carbon credits: 11,500 purchased and cancelled in 2022 and 11,500 purchased and cancelled in 2023.

Target reference number
Oth 2

Year target was set
2021

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify	Other, please specify (Annual neutralization of emissions (scopes 1, 2 and 3))

Target denominator (intensity targets only)
<Not Applicable>

Base year

2021

Figure or percentage in base year
0

Target year
2022

Figure or percentage in target year
100

Figure or percentage in reporting year
100

% of target achieved relative to base year [auto-calculated]

Target status in reporting year
Achieved

Is this target part of an emissions target?
No.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions
AES has committed to continue to neutralize its carbon emissions (scopes 1, 2 and 3) and be carbon positive annually.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
In 2022, AES neutralized 100% of its 2021 emissions through the purchase of I-REC for scope 2- maket based approach (10.024 retired I-RECs) and also offsetting (scopes 1+ 2 +3) using carbon credits.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	1	778.32
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Fugitive emissions reductions	Other, please specify (SF6 leakage reduction)

Estimated annual CO2e savings (metric tonnes CO2e)
778.32

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
17775

Investment required (unit currency – as specified in C0.4)
11915965

Payback period
No payback

Estimated lifetime of the initiative
21-30 years

Comment
In 2022, AES identified an SF6 leak. The problem consisted of problems in unit cubicles in wind generation complexes. The leak presents risks of unavailability of the autogenerators, risks of short circuits and explosions. In addition to presenting security risks for the maintenance team. Therefore, a project was implemented to repair and replace cubicles with problems, reducing SF6 consumption and leakage and, consequently, the company's scope 1 emissions.
In average, this project avoids the emission of 778.32 tCO2e per year (estimate emissions related to the leakage in 2021).
The cost to compensate these emissions would be BRL 17,755.35, which represents the monetary savings reported here.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for low-carbon product R&D	AES Brasil annually allocates resources to the R&D Program, which includes projects focused on energy efficiency, renewable energy generation and electric mobility, among other topics. In 2022 R$ 6.3 million were invested in the development of new products or services. Main projects: H2 on demand Phase II micro-networks Human reliability Move Platform (Electromobility) Mitsidi Platform (Energy diagnosis) Energy counter (Blockchain) Digital Platform for energy management Electromobility (Strategic 22) Urban greenhouses Chimerism phase II
Other (Prioritized use of ethanol)	About 80% of AES Brasil's own fleet is made up of light vehicles, fueled by ethanol. The company has also been studying alternatives for sharing or carpooling among employees, in order to reduce the need for travel.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?
Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation
Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon
The IEA Energy Technology Perspectives Clean Energy Technology Guide

Type of product(s) or service(s)

Power	Other, please specify (Solar, Wind and Hydro)

Description of product(s) or service(s)
Our Capacity:

2016: 2.658 MW
2017: + 386 MW (Wind Alto Sertão II) + 144 MW (Solar Ouroeste)
2018: + 150 MW (Solar Guaimbê)
2019: + 322 MW (Wind Tucano)
2020: + 346 MW (Wind- Mandacaru and Salinas and Ventus)
2021: + 479 MW (Cajuína) +216 MW (Remain Lote B)
2022: + 210 MW (Ventos do Araripe) + 182 MW (Caetés) + 64 MW (Cassino)
Total Capacity in 2022- 5.200 MW (51% hydroeletric, 43% wind and 6% solar)
Total Capacity in the Next Years: Total- 6,8 GW (39% hydroeletric, 51% wind and 10% solar)

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)
Yes

Methodology used to calculate avoided emissions
Guidelines for Assessing the Contribution of Products to Avoided Greenhouse Gas Emissions (ILCA)

Life cycle stage(s) covered for the low-carbon product(s) or services(s)
Gate-to-gate

Functional unit used
t CO2 e/ GWh

Reference product/service or baseline scenario used
Emission factor of Brazilian National Interconnected System

Life cycle stage(s) covered for the reference product/service or baseline scenario
Cradle-to-gate

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario
481729.3

Explain your calculation of avoided emissions, including any assumptions
GWh generated (hydro + wind + solar) * Emission factor t CO2e/ GWh of the Brazilian National Interconnected System.
In base year 2021:

9,533.080 GWh
Hydro 6,795.600 GWh
Wind 2,160.300 GWh
Solar 577.180 GWh
SIN= 0.1264 t CO2/MWh = 126.4 t CO2 / GWh
t CO2e avoided = 9,533.080 GWh * 126.4 t CO2/GWh = 1,204,981.31 t CO2e

In the report year 2022: 11.308,2 GWh

Hydro 8.398,6 GWh
Wind 2.315,7 GWh
Solar 593,9 GWh
SIN= 0.0426 t CO2/MWh = .42,6 t CO2 / GWh
t CO2e avoided= 11.308,2 GWh * 42.6 t CO2/GWh = 481.729,3 t CO2e

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year
100

C-EU4.6

(C-EU4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Methane emissions are not significant in the company's business, since its generating facilities are composed exclusively of renewable sources (hydroelectric, wind, solar). In 2022, methane emissions were 12 tCO2e, representing 0.6% of total emissions.

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Name of organization(s) acquired, divested from, or merged with

Ventos do Araripe Wind Power Complex
Caetés Wind Power Complex
Cassino Wind Power Complex
Cajuína Wind Power Complex

Details of structural change(s), including completion dates

In 2022, AEs acquired 456 MW of wind capacity from Cubico Brasil S.A., including three Wind Power Complexes 100% operational and fully contracted in the regulated market until 2035: Ventos do Araripe (PI), Caetés (PE) and Cassino (RS). This acquisition enabled AES to almost double its installed MW volume compared to six years ago.

Additionaly, AES acquired more 305 MW of installed capacity pipeline additional to the Cajuína Wind Power Complex, in Rio Grande do Norte.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the operations acquired or divested did not exist in the base year	<Not Applicable>	AES Brasil considers, in its emissions report, only existing and operating assets. For acquired assets, the company assumes that their past emissions were reported by the previous owners.	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

288.667

Comment

We considered direct emissions from mobile, stationary, fugitive and effluent sources. The base year of 2020 was chosen because it represents the year considered as a reference for the goals established by AES Brasil in its 2030 ESG Commitments.
All emissions figures presented here in the CDP consider the consolidated metric tons of CO2e of AES Brasil Energia S.A. and all subsidiary companies. In the GHG Protocol public tool, until 2019, emissions were presented separately by company.

Scope 2 (location-based)

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
272.388

Comment
We considered emissions from energy consumption interconnected to the SIN. The base year of 2020 was chosen because it represents the year considered as a reference for the targets set by AES Brasil in its Sustainability Guidelines.
All emissions figures presented here in the CDP consider the consolidated CO2e metric tons of AES Brasil Energia S.A. and all subsidiary companies. In the GHG Protocol public tool, until 2019, emissions were presented separately by company.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
3.74

Comment
The main assets and services acquired in 2020 were considered. Most of them represent emissions referring to maintenance services hired by the company. This emission source started to be accounted for in 2020, expanding the scope of sources inventoried in scope 3. AES Brasil estimated the fuel consumption of large equipment that was rented for maintenance activities of the generating units, calculating the GHG emissions associated with this consumption. All emissions figures presented here in the CDP consider the consolidated CO2e metric tons of AES Brasil Energia S.A. and all subsidiary companies. In the GHG Protocol public tool, until 2019, emissions were presented separately by company.

Scope 3 category 2: Capital goods

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
72.468

Comment
Calculated. Refers mainly to vehicle acquisition by the company. This emission source began to be accounted for in 2020, expanding the scope of sources inventoried in scope 3.Emissions related to the acquisition of vehicles were calculated, and in 2020 AES Brasil acquired a flex vehicle for its own fleet. All emission values presented here in the CDP consider the consolidated CO2e metric tons from AES Brasil Energia S.A. and all subsidiary companies. In the GHG Protocol public tool, until 2019, emissions were presented separately by company.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
71

Comment
Calculated. Refers to emissions associated to fuel production and energy activities that were not included in scopes 1 and 2. Emissions calculated according to the parameters of the GHG Protocol calculation tool.

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
8.8

Comment
Emissions calculated according to parameters of the GHG Protocol calculation tool. The tool calculated the GHG emissions resulting from the disposal of 7.82 tons of food waste in landfill (class D), located in the city of Bauru (SP) and without methane recovery. Calculated according to the Brazilian GHG Protocol methodology. AES Brasil continuously monitors waste disposal, by means of waste manifests. This disposal is done by third parties. To determine the data necessary to calculate emissions, the company gathered the amounts sent to landfill in the period, the type of waste, and the conditions of the landfill that received the waste. In 2020, due to the lower number of employees at the company's facilities because of the Covid-19 pandemic, emissions from waste treatment showed a reduction of 40.64%. All emissions figures presented here in the CDP consider the consolidated CO2e metric tons from AES Brasil Energia S.A. and all subsidiary companies. In the GHG Protocol public tool, until 2019, emissions were presented separately by company.

Scope 3 category 6: Business travel

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
62.909

Comment
Calculated according to the Brazilian GHG Protocol methodology. AES Brasil's contracted air travel company provides the report of business trips made by employees. Based on ticket data and departure and arrival airports, trips are classified as short distance (< 500 km), medium distance (500 < 3,700 km) and long distance (> 3,700 km). The consolidated data is entered into the calculation tool. In 2020, due to the Covid-19 pandemic scenario, emissions from air travel were reduced by 71.18%. All emissions figures presented here in the CDP consider the consolidated CO2e metric tons from AES Brasil Energia S.A. and all subsidiary companies. In the GHG Protocol public tool, until 2019, emissions were presented separately by company.

Scope 3 category 7: Employee commuting

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
65.996

Comment
Calculated according to the Brazilian GHG Protocol methodology. Emissions calculated according to the parameters of the GHG Protocol calculation tool. The tool calculated the GHG emissions resulting from the commuting of employees from the average daily fuel consumption in private vehicles and the average distance of minibuses chartered by the company for this purpose. The company hired by AES Brasil to transport employees to and from work provides information on fuel consumption and average daily distance in this transport. This data is then entered by AES Brasil into the GHG Protocol calculation tool. In 2020, these emissions were 164.92% higher, because there was a change of assumption in the accounting. Until 2019, the data from the company's minibuses treated for this transport were classified as "public transport". In the process of ensuring the inventory, it was identified that the most appropriate accounting would be as "transport with private vehicles. All emission values presented here in the CDP consider the consolidated CO2e metric tons of AES Brasil Energia S.A. and all subsidiary companies. In the GHG Protocol public tool, until 2019, emissions were presented separately by company.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)

Comment
Not calculated and not relevant, Investments that AES Brasil businesses make are in the construction of new greenfield plants and/or major improvements to existing plants. The emissions associated with these types of investments are included in scopes 1 and 2. AES Brasil does not make other types of equity or debt investments, nor does it finance projects, managed investments and client services.

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
Brazil GHG Protocol Programme
IPCC Guidelines for National Greenhouse Gas Inventories, 2006
ISO 14064-1

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
866.95

Start date
January 1 2022

End date
December 31 2022

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
1657.3

Start date
January 1 2021

End date
December 31 2021

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
288.7

Start date
January 1 2020

End date
December 31 2020

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
426.97

Scope 2, market-based (if applicable)

Start date
January 1 2022

End date
December 31 2022

Comment

Past year 1

Scope 2, location-based
1461.3

Scope 2, market-based (if applicable)

Start date
January 1 2021

End date
December 31 2021

Comment

Past year 2

Scope 2, location-based
272.4

Scope 2, market-based (if applicable)

Start date
January 1 2020

End date
December 31 2020

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
33.15

Emissions calculation methodology
Supplier-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
This emission source started to be accounted for in 2020, expanding the scope of sources inventoried in scope 3. AES Brasil estimated the fuel consumption of large equipment that was rented (at least 30 days) for maintenance activities of the generating units, calculating the GHG emissions associated with this consumption.

Capital goods

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
48.31

Emissions calculation methodology
Supplier-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
This emission source began to be accounted for in 2020, expanding the scope of sources inventoried in scope 3.Emissions related to the acquisition of vehicles were calculated. In the GHG Protocol public tool, until 2019, emissions were presented separately by company. Emission factors from vehicles acquired were considered in the Energy-Consumption study and Carbon-Emission Analysis of Vehicle and Component Manufacturing (2010).

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
174.5

Emissions calculation methodology
Other, please specify (Emissions calculated according to the parameters of the GHG Protocol calculation tool.)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Emissions calculated according to the parameters of the GHG Protocol calculation tool. AES used the data provided by DEFRA as a conversion factor. The DEFRA study is updated annually.

Upstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This emission source became accounted for in 2020, expanding the scope of sources inventoried in scope 3. Transportation and distribution consist mainly of suppliers providing goods and services to the business. These goods and services are limited to those necessary to operate the power generation business. The company believes that direct GHG emissions from this source are insignificant compared to the direct emissions from its power generation plants. All emissions figures presented here in the CDP consider the consolidated CO2e metric tons from AES Brasil Energia S.A. and all subsidiary companies. In the GHG Protocol public tool, until 2019, emissions were presented separately by company. AES Brasil does not make transportation and distribution of products and services. It only works with generation. So, this category is not relevant to AES Brasil.

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
9.13

Emissions calculation methodology
Supplier-specific method
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
AES Brasil continuously monitors waste disposal, by means of waste manifests. This disposal is done by third parties. To determine the data necessary to calculate emissions, the company gathered the amounts sent to landfill in the period, the type of waste, and the conditions of the landfill that received the waste. Brazilian GHG Protocol methodology was used for estimates of GHG emissions associated to wastes.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
306.38

Emissions calculation methodology
Supplier-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
AES Brasil's contracted air travel company provides the report of business trips made by employees. Based on ticket data and departure and arrival airports, trips are classified as short distance (< 500 km), medium distance (500 < 3,700 km) and long distance (> 3,700 km).Brazilian GHG Protocol methodology was used for estimates of GHG emissions associated to business travels. All emissions figures presented here in the CDP consider the consolidated CO2e metric tons from AES Brasil Energia S.A. and all subsidiary companies. In the GHG Protocol public tool, until 2019, emissions were presented separately by company.

Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
57.58

Emissions calculation methodology
Supplier-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
The company hired by AES Brasil to transport employees to and from work provides information on fuel consumption and average daily distance in this transport. This data is then entered by AES Brasil into the GHG Protocol calculation tool. Brazilian GHG Protocol methodology was used for estimates of GHG emissions associated to commuting.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AES Brasil does not own leased assets nor is it a lessee of leased assets. This category is not applicable to AES Brasil operations.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Transportation and distribution consists primarily of suppliers providing goods and services to the business. These goods and services are limited to those necessary to operate the power generation business. The company believes that direct GHG emissions from this source are insignificant compared to direct emissions from its power generation plants. This category is not applicable to AES Brasil operations.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This category does not apply to AES Brasil's business, since the company sells energy, which is not subject to any kind of processing. This category is not applicable to AES Brasil operations.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
The energy generated and commercialized by AES Brasil comes 100% from renewable sources, generating no scope 3 gross emissions when used. This category is not applicable to AES Brasil operations.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This category does not apply to AES Brasil's business, since the company sells energy, which is not subjected to any kind of treatment at the end of its useful life. This category is not applicable to AES Brasil operations.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AES Brasil does not own leased assets nor is it a lessee of leased assets. This category is not applicable to AES Brasil operations.

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AES Brasil does not have franchises in its business. This category is not applicable to AES Brasil operations.

Investments

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Investments that AES Brasil businesses make are in the construction of new greenfield plants and/or major improvements to existing plants. The emissions associated with these types of investments are included in scopes 1 and 2. AES Brasil does not make other types of equity or debt investments, nor does it finance projects, managed investments, and client services. This category is not applicable to AES Brasil operations.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AES Brasil is not aware of any other activities that may result in scope 3 GHG emissions. This category is not applicable to AES Brasil operations.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AES Brasil is not aware of any other activities that may result in scope 3 GHG emissions. This category is not applicable to AES Brasil operations.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date
January 1 2021

End date
December 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)
28

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
121.26

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)
9.43

Scope 3: Business travel (metric tons CO2e)
79.753

Scope 3: Employee commuting (metric tons CO2e)
59.363

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Past year 2

Start date
January 1 2020

End date
December 31 2020

Scope 3: Purchased goods and services (metric tons CO2e)
3.74

Scope 3: Capital goods (metric tons CO2e)
72.47

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
71

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)
8.8

Scope 3: Business travel (metric tons CO2e)
62.91

Scope 3: Employee commuting (metric tons CO2e)
66

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	395.57	AES considers relevant regarding the order of magnitude of non biogenic emissions from scope 1. Scope 1 – non biogenic - 866.95 . Biogenic emissions from scope 1 – 352.73

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.0000004548

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
1293.92

Metric denominator
unit total revenue

Metric denominator: Unit total
2845100000

Scope 2 figure used
Location-based

% change from previous year
30

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities
Other, please specify (Change in emission factors)

Please explain
In 2022, AES implemented scope 1 emission reduction measures related to SF6 leaks in wind complexes. The solution consists of replacing and adapting the feeder cubicles of the wind complex, reducing SF6 consumption. Regarding Scope 2, the decrease is related to the significant reduction of the GRID conversion factor (national), consequently reducing the generated emissions.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	312.172	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	0.116	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	0.02	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	0.088	IPCC Fifth Assessment Report (AR5 – 100 year)
SF6	0.016	IPCC Fifth Assessment Report (AR5 – 100 year)

C-EU7.1b

(C-EU7.1b) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

	Gross Scope 1 CO2 emissions (metric tons CO2)	Gross Scope 1 methane emissions (metric tons CH4)	Gross Scope 1 SF6 emissions (metric tons SF6)	Total gross Scope 1 emissions (metric tons CO2e)	Comment
Fugitives	1.62	0.09	0.02	545.033	Fugitive emissions related to fire extinguishers and air conditioning.
Combustion (Electric utilities)	25.79	0.001	0	25.81	Stationary combustion. Diesel consumption in GAE (plants/office).
Combustion (Gas utilities)	0	0	0	0	Not applicable
Combustion (Other)	0	0	0	0	Not applicable
Emissions not elsewhere classified	284.76	0.12	0.02	293.29	Emissions associated to mobile combustion and land use change.

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Brazil	866.95

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Mobile combustion	281.92
Stationary combustion	25.81
Industrial processes	0
Solid wastes and liquid effluents	0
Fugitive	545.03
Agricultural activities	0
Change in soil use	11.36

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions , metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	866.95	<Not Applicable>	
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	803.65	Decreased	25.77	In 2022, AES implemented scope 1 emission reduction measures related to SF6 leaks in wind complexes. The solution consists of replacing and adapting the feeder cubicles of the wind complex, reducing SF6 consumption. 2021 – Scope 1+2 = 3,118.54 2021 – Scope 1= 1657.291 2021 – Scope 1 SF6 fugitive emissions = 1,154.95 2021 – Scope 2= 1461.25 2022 – Scope 1+2 = 1.293,92 2022 – Scope 1= 866.95 2021 – Scope 1 SF6 fugitive emissions = 351.30 2022 – Scope 2=426.97 Change in emissions calculation: 351.30 – 1,154.95 = -803.65 Emissions value (percentage) calculation: (803.65 / 3,118.54)*100= 25.77
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other	1034.28	Decreased	33.16	Scope 2 emissions in 2022 presented a decrease of 70.78% (1,034.28 tCO2e) in relation to 2021, due to the reduction of the emission factor of the energy consumed from the National Integrated System 2021 – Scope 1+2 = 3,118.54 2021 – Scope 1= 1657.291 2021 – Scope 2= 1461.25 2022 – Scope 1+2 = 1.293,92 2022 – Scope 1= 866.95 2022 – Scope 2=426.97 Change in emissions calculation: 426.97-1461.25= 1,034.28 Emissions value (percentage) calculation: (1,034.28 / 3,118.54)*100=33.16

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	1433.06	1045.83	2488.89
Consumption of purchased or acquired electricity	<Not Applicable>	10188	0	10188
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	41692	<Not Applicable>	41692
Total energy consumption	<Not Applicable>	53323.06	1045.83	54368.89

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
LHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
This fuel was not consumed during the reporting year.

Other biomass

Heating value
LHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
This fuel was not consumed during the reporting year.

Other renewable fuels (e.g. renewable hydrogen)

Heating value
LHV

Total fuel MWh consumed by the organization
1443.06

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
1443.06

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Hydrous ethanol consumption in 2022 – 4,624 GJ = 1,284.44 MWh

Anhydrous ethanol – 218.3 GJ= 60.64 MWh

Biodiesel- 308,6 GJ= 98 MWh

Coal

Heating value
LHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
This fuel was not consumed during the reporting year.

Oil

Heating value
LHV

Total fuel MWh consumed by the organization
1045.38

MWh fuel consumed for self-generation of electricity
87.48

MWh fuel consumed for self-generation of heat
957.9

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Stationary combustion
Diesel: 313.36 GJ = 87.04 MWh

Mobile combustion
Diesel: 2859.95 GJ = 794.43 MWh

Gasoline- 590.10 GJ= 163.91 MWh

Gas

Heating value
LHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
This fuel was not consumed during the reporting year.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
LHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
This fuel was not consumed during the reporting year.

Total fuel

Heating value
LHV

Total fuel MWh consumed by the organization
2488.44

MWh fuel consumed for self-generation of electricity
87.48

MWh fuel consumed for self-generation of heat
2400.96

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Sum of the consumption of hydrous ethanol, anhydrous ethanol, biodiesel, diesel, gasoline.

C-EU8.2d

(C-EU8.2d) For your electric utility activities, provide a breakdown of your total power plant capacity, generation, and related emissions during the reporting year by source.

Coal – hard

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Lignite

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Oil

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Gas

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Sustainable biomass

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Other biomass

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Waste (non-biomass)

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Nuclear

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Fossil-fuel plants fitted with CCS

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Geothermal

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Hydropower

Nameplate capacity (MW)
2658.4

Gross electricity generation (GWh)
8398.6

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Wind

Nameplate capacity (MW)
1187.5

Gross electricity generation (GWh)
2315.7

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources. The nameplate capacity reported here does not include de Wind power complexes under construction (Complexos Eólicos Tucano e Cajuína).

Solar

Nameplate capacity (MW)
295.1

Gross electricity generation (GWh)
593.9

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Marine

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Other renewable

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Other non-renewable

Nameplate capacity (MW)
0

Gross electricity generation (GWh)
0

Net electricity generation (GWh)
0

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

Total

Nameplate capacity (MW)
4141

Gross electricity generation (GWh)
11308.2

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)
0

Scope 1 emissions intensity (metric tons CO2e per GWh)
0

Comment
AES Brasil generates electricity from renewable sources only: Hydro, wind and solar sources.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
Brazil

Consumption of purchased electricity (MWh)
10188

Consumption of self-generated electricity (MWh)
41692

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
2488.89

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

C-EU8.4

(C-EU8.4) Does your electric utility organization have a transmission and distribution business?
No

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Land use

Metric value
0.02

Metric numerator
Area reforested in the year

Metric denominator (intensity metric only)
GWh of raw energy generated

% change from previous year
15.38

Direction of change
Decreased

Please explain
In 2022, 253.9 hectares were restored, representing an increase of 1% in relation to the past year.
The intensity metric decreased 15.38 %, since the gross generation increased 18,54% in relation to 2021. At the same time, 10 ha beyond the legal requirements were reforested, representing 2.8% of AES's goal to
Conserve, protect and preserve biodiversity
By 2030, to increase reforestation by at least 20% in addition to the commitment to recover occupied areas.

Change= ((hectares restored in 2022/GWh generated in 2022)- (hectares restored in 2021/GWh generated in 2021))/((restored in 2021/GWh generated in 2021)*100
Change=(0.022 -0.026/ (0,026)*100= -15.38%

Input data
2021: 251.4 hectares restored and 9,522.8 GWh generated
2022: 253.9 hectares restored and 11,308.2 GWh generated

C-EU9.5a

(C-EU9.5a) Break down, by source, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

Coal – hard

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Lignite

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Oil

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Gas

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Sustainable biomass

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Other biomass

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Waste (non-biomass)

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Nuclear

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Geothermal

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Hydropower

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
104727833.79

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
55.35

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
50.03

Most recent year in which a new power plant using this source was approved for development
2012

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies. Capex for the next 5 years refers to the modernization of existing assets.

Wind

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
80043867.87

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
76.46

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
49.3

Most recent year in which a new power plant using this source was approved for development
2022

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies. Capex for the next 5 years refers to the modernization of existing assets.

Solar

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
4422589.37

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
5.52

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0.67

Most recent year in which a new power plant using this source was approved for development
2022

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies. Capex for the next 5 years refers to the modernization of existing assets.

Marine

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Fossil-fuel plants fitted with CCS

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Other renewable (e.g. renewable hydrogen)

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

Other non-renewable (e.g. non-renewable hydrogen)

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)
0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year
0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years
0

Most recent year in which a new power plant using this source was approved for development
<Not Applicable>

Explain your CAPEX calculations, including any assumptions
AES Brasil is 100% renewable and its growth strategy contemplates only renewable energies.

C-EU9.5b

(C-EU9.5b) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Products and services	Description of product/service	CAPEX planned for product/service	Percentage of total CAPEX planned products and services	End of year CAPEX plan
Other, please specify (Energy trading in free market (Energia+))	AES Brasil launched Energia+, a digital platform for the commercialization of electric energy for companies with lower load consumption who wish to enter the free market. Developed to simplify migration, contract negotiation and management, the new product seeks to improve the experience of entering the free market, as well as the relationship and purchase for the customer, offering resources for the precise obtaining of data that optimize the generation of value energy management. The launch of Energia+ is in line with the context of modernization of the regulatory framework of the Brazilian electricity sector, which expands the access ranges to the free market. In this market, companies can buy energy directly from generators, including guaranteed traceability of the renewable source of this energy.	0	100	2023

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)	Average % of total R&D investment planned over the next 5 years	Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan
Unable to disaggregate by technology area	<Not Applicable>	11.38	1769658.4	0	Project – Economic Impacts of Climate Change in Renewable Generation for optimization of the Brazilian Electric Matrix Studies under the Impacts Project Economics of Climate Change in Renewable Generation for Matrix Optimization Elétrica Brasileira or, simply, Project Climate Risk, are carried out based on in the application of global climate models and socioeconomic scenarios of Coupled Phase 6 Model Intercomparison Project (CMIP6). The objective is to analyze the effects of climate change in front of our generation assets, in the horizons of 2030 and 2050. Studies use our parks generators to simulate, through the technique of digital twins, the possible effects on hydroelectric, solar and wind power plants, with as a starting point prediction and models natural long-term. We believe that constant monitoring of the evolution of extreme resource events natural is essential to make the best decisions for AES's growth strategy and portfolio diversification. This project will end in 2023.
Other, please specify (Electromobility)	Applied research and development	14	901241.98	0	AES leads the Electromobility Project alongside MovE, Barassa & Cruz Consulting, Netz Engenharia and Movida, which seeks to develop and test models of business in Electromobility and the conditions to make them viable from the point of view of a generator of renewable energy, with the vision of becoming a aggregator on the demand side. The project is directly linked to AES's guideline to develop new technologies and improve the business model, by providing innovate and sustainable solutions to its clients. The project is the result of Research and Development Call No. 22, from Aneel. In 2022, in partnership with companies of the urban mobility sector, the project carried out a new proof of concept for evaluating the technical and financial parameters linked to the use transport by app with electric vehicles. This project will end in 2023.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
AES_CDP_Verification.pdf

Page/ section reference
1 - 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
AES_CDP_Verification.pdf

Page/ section reference
1 - 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services
Scope 3: Capital goods
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
AES_CDP_Verification.pdf

Page/section reference
1 - 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Progress against emissions reduction target	NBC TO 3000 (ISAE 3000)	The Sustainability Integrated Report of 2022 was submitted to a third-party limited assurance process. This report includes information on progress against emission reduction targets and other climate-related targets.
C8. Energy	Energy consumption	NBC TO 3000 (ISAE 3000)	The Sustainability Integrated Report of 2022 was submitted to a third-party limited assurance process. This report includes energy and fuel consumption data.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?
Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Project type
Hydro

Type of mitigation activity
Emissions reduction

Project description
Project title: BT Geradora de Energia Elétrica S. A. – Ferradura Small Hydro Power Plant – Small Scale CDM Project (hereafter referred to simply as “BT SSC-CDM Project” or “BGEE”). The primary objective of the BT Project is to help meet Brazil’s rising demand for energy due to economic growth and to improve the supply of electricity, while contributing to the environmental, social and economic sustainability by increasing renewable energy’s share of the total Brazilian (and the Latin America and the Caribbean region’s) electricity consumption.

The BGEE is located in the south of Brazil, where the largest coal reserves are located as well as all thermal power plants using this fuel. The project consists of a small-hydro power plant (9.2 MW) in the Guarita River, town of Erval Seco, state of Rio Grande do Sul. Erval Seco is a town with 8,650 inhabitants and a GDP per capita of BRL 5,8282 (IBGE, 2004).

BGEE, a greenhouse gas (GHG) free power generation project, results in GHG emissions reductions as the result of the displacement of generation from fossil-fuel thermal plants that would have otherwise delivered to the interconnected grid.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)
11500

Purpose of cancellation
Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?
No

Vintage of credits at cancellation
<Not Applicable>

Were these credits issued to or purchased by your organization?
Purchased

Credits issued by which carbon-crediting program
CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project
Barrier analysis

Approach(es) by which the selected program requires this project to address reversal risk
No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed
Other, please specify (Not applicable (GHG emissions by the project activity are zero).)

Provide details of other issues the selected program requires projects to address
The project was not required to assess leakage emissions, since GHG emissions by the project activity are zero.

Comment

Project type
Wind

Type of mitigation activity
Emissions reduction

Project description
Project name: MS Renovaveis Wind Power Complex: Mar e Terra, Areia Branca, Embuaca and Icaraí

The proposed project activity consists of four wind power plants: Mar e Terra, Areia Branca, Embuaca and Icaraí, with 23.1 MW, 27.3 MW, 27.3 MW and 16.8 MW of installed capacity, respectively. All the plants are located in the northeast region of Brazil. The project generates renewable energy, replacing the baseline, which would be dispatching fossil fuel based energy to supply the National Grid.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)
2000

Purpose of cancellation
Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?
Yes

Vintage of credits at cancellation
2018

Were these credits issued to or purchased by your organization?
Purchased

Credits issued by which carbon-crediting program
ACR (American Carbon Registry)

Method(s) the program uses to assess additionality for this project
Investment analysis

Approach(es) by which the selected program requires this project to address reversal risk
No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed
Other, please specify (Not applicable.)

Provide details of other issues the selected program requires projects to address
The project was not required to assess leakage emissions. According to CDM methodology ACM0002, v.15.0.0, EB 79, leakage must not be considered.

Comment

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect GHG emissions data at least annually from suppliers

% of suppliers by number
100

% total procurement spend (direct and indirect)
100

% of supplier-related Scope 3 emissions as reported in C6.5
100

Rationale for the coverage of your engagement
AES Brasil collects information from its suppliers to account for Scope 3 emission sources, such as commuting, purchased goods and services, capital goods, waste treatment and other energy-related activities not covered by Scopes 1 and 2.

Impact of engagement, including measures of success
Gathering primary data with suppliers has allowed the consolidation and disclosure of Scope 3 emissions more precisely. For four years, AES Brasil has been awarded the Gold Seal of the Brazilian GHG Protocol Program for submitting the complete inventory to an external audit, which includes Scope 3 emissions and data provided by business partners for its consolidation. In the future, new opportunities may arise for working together with key suppliers to drive their improvement in emissions, also impacting Scope 3 of the company's GHG inventory.

As we use this data to build our inventory, a successful engagement figure here is 100% of the suppliers, so we can have a complete Scope 3 picture.

This engagement effort is directly related to our 2030 ESG commitment of positively impacting the mitigations of climate related effects. This commitment, in turn, is accompanied by the target of maintaining the GHG emissions' neutralization. The yearly achievement of this target is a form of measuring the success of this engagement activities with our suppliers.

Comment

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect other climate related information at least annually from suppliers

% of suppliers by number
24

% total procurement spend (direct and indirect)
57.47

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
The Equipo Form is sent to all AES' suppliers before they become our suppliers, during the assessment stage. It aims on getting information on socio-environmental-related issues from AES' potential suppliers.

Among the questions, the suppliers are required to report whether they report to CDP; if they prepare their GHG emissions inventory and if the inventory is registered on the GHG Protocol Public Registry.

In November 2022, 24% of the suppliers registered had fulfilled the form (434 from a 1800 total). Until the end of 2022, there was no setting on the procurement system that forced the potential supplier to complete the form, but this process is currently under review.

Impact of engagement, including measures of success
Our coverage target and success measure for this engagement action is 11%, which represented, in 2022, all our critical suppliers. Critical suppliers are considered those from whose purchases exceeded 350,000.00 Reais.
It is important, to AES, that the strategic suppliers disclose data that can inform whether they are committed to medium and long-term nature and climate goals, and if they are implementing actions to meet that. It also shows whether we are building substantial business relations with partners that are align with our goals, commitments, and strategic plans.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number
35

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement
In 2022, AES promoted a series of lectures with the theme “Trends in the Energy Markets in Brazil and in the World”, mainly aimed at its customers. Among the speakers were executives from consulting companies and the electricity sector in Brazil and around the world. Three main topics were addressed: decarbonisation, competitiveness, and flexibility. The first topic is the one that is most related to climate change, since it dealt with the need for the world to reach “net zero” and the ways to achieve this goal. 100% of the free-market customers were invited, and an equivalent of 35% of all the clients base attended. We prioritize this groups because it is the portion of our customers with whom we can relate directly, unlike customers in the captive market, and because they are the largest drivers of annual revenue.

Impact of engagement, including measures of success
The impact of this kind of engagement consists of costumers well informed and updated on climate and sustainability matters and news. This connects directly with our strategic objectives and goals of being an important actor on the climate-transition. And, since the free market is an important share of our sales, it its extremely relevant that they are aligned to out views of the future, especially when considering a long-term relationship building. Furthermore, when compared to actions via e-mail, this is a more effective action in strengthening relationships, which can also improve value chain engagement on these topics. We do not have a % or numerical figure we consider as a successful engagement for this specific action.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number
76

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement
In 2022, there were 87 free-market clients out of a 114 total, so, 76%. This corresponds to the coverage of this action because it is the portion of our customers with whom we can relate directly, unlike customers in the captive market. Additionally, because they are the largest drivers of annual revenue.
Every two weeks, AES sends all of its free-market customers a newsletter with relevant content on the energy sector.. The newsletter contents are informative and address topics related to the energy transition, climate change, SDGs, etc.,in addition to more specific information, such as precipitation, monthly PLD, reservoir levels, etc.

Impact of engagement, including measures of success
We consider a relevant impact on our customers and a success measure when 100% of our free-market customers are reached. In 2022, 100% of our free-market costumers were equivalent to 76% of the total. The percentage of clients covered by this action in 2022 was considered successful then.
Additionally, this number corresponded, in 2022, to 75,3% of the annual revenue, which is also a significant percentage.
The impact of this kind of engagement consists of costumers well informed and updated on climate and sustainability matters and news. This connects directly with our strategic objectives and goals of being an important actor on the climate-transition. And, since the free market is an important share of our sales, it its extremely relevant that they are aligned to out views of the future, especially when considering a long-term relationship building.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Since 2019 we have been developing the Electromobility Project alongside mobility and project consulting companies MovE, Barassa & Cruz Consulting, Netz Engenharia and Movida. The project seeks to develop and test business models in Electromobility and the conditions to make them viable from the point of view of a renewable energy generator, with a vision of making an aggregator on the demand side. The project is the result of Call for Research and Development No. 22, by Aneel.

The transformation of mobility and fleet electrification, in order to make it more sustainable, are major challenges to which we want to actively collaborate, as renewable electricity is an important link in this new chain that is emerging. To this end, we took the first step in 2019 to accelerate towards electromobility, when we started our first R&D project related to the topic, which resulted in the development of a digital charging station management platform. In response to ANEEL's Strategic Call 22, we continued this initiative, strengthening and creating partnerships.

In 2022, in partnership with companies in the urban mobility sector, the project carried out a new proof of concept to evaluate the technical and financial parameters linked to the use of transport by application with electric vehicles. A series of workshops were held with dozens of audiences (companies, startups, universities, technology institutes and government agencies) to disseminate the e-book National Roadmap for Electric Mobility Infrastructure in Brazil. The book, promoted in partnership with Aneel, the National Electric Mobility Platform (PNME) and the Research Development Foundation (Fundep), details the experience of the Electromobility project.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization’s purchasing process?
No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate
Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Statement of Commitment to Climate Change
ESG Performance Report 4Q 2022 – P 4 to 7.
ESG Performance Report_4Q22_EN (1).pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

We participate as member of the Global Compact Brasil Network's Climate Action Platform. The company also participates in sectoral initiatives as an such as the Associação Brasileira de Energia Eólica (Abeeólica), Associação Brasileira de Energia Solar Fotovoltaica (ABSolar) and Associação Brasileira de Produtores Independentes de Energia Elétrica (Apine).

Regulatory Affairs Management is the area responsible for developing the relationship with the sector associations. These relationships are oriented by the Stakeholder Engagement Policy, that aims to assure that these are conducted in alignment with the Company's guidelines, Strategic Planning and goals for sustainable development.

Among its guidelines, the Policy states that anyone or area that relates to stakeholders must "Ensure that our relationships are aligned with the mission, values and our strategic sustainability commitments, contributing to our goal of improving lives through solid partnerships for the sustainable development of the Company and its neighbouring communities."

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (Associação Brasileira de Energia Eólica (Abeeólica))

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Abeeólica promotes the growth of the wind industry in Brazil, which contributes to expanding the presence of renewable sources in the national electricity matrix. Investing in renewable energy is essential for achieving the climate goals assumed by Brazil in the context of the Paris Agreement and for combating global warming more broadly. Abeeólica is attentive to the discussion of climate change and works strongly for the expansion of the electricity matrix with a renewable presence, in addition to promoting the development of new technologies, which have increasingly allowed the penetration of renewable sources, such as green hydrogen, renewable energy certificates, reversible hydroelectric plants etc. AES Brasil has expanded its operations in wind complexes. In the last three years, the company acquired the Ventus Wind Complex, with 187 MW of installed capacity, and Complexes MS and Santos.

Additionally, AES Brasil has a development portfolio and investment pipeline for the expansion of Alto Sertão II Wind Complex and construction of Cajuína Wind Complex, which add up to 1,700 GW of installed capacity.
As a democratically elected company on the Board of Directors of Abeeólica, AES Brasil directs its best efforts so that the association proposes, to the institutions that formulate and monitor policies in the electricity sector, measures aligned with environmental preservation and the proper valuation of energy sources. One example is the support of a study to develop an efficient mechanism for valuing the attributes of the generation sources.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (Associação Brasileira de Energia Solar Fotovoltaica (ABSolar))

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
ABSolar promotes the growth of the photovoltaic solar industry in Brazil, whether through centralized or distributed generation, equally in favor of the inclusion of renewables. Investing in renewable energy is essential for achieving the climate goals assumed by Brazil in the context of the Paris Agreement and for combating global warming more broadly. ABSolar is attentive to the discussion of climate change and works strongly for the expansion of the electricity matrix with a renewable presence, in addition to promoting the development of new technologies, which have increasingly allowed the penetration of renewable sources, such as green hydrogen, renewable energy certificates, reversible hydroelectric plants etc. AES Brasil has two Solar Complexes, Ouroeste and Guaimbê. In 2020, the company recertified the issuance of Green Bonds associated with these assets, carried out in 2019 and totalling R$ 820 million.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Associação Brasileira de Produtores Independentes de Energia Elétrica (Apine))

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
Apine promotes renewable energy generation sources, including wind, solar and hydro. Investing in renewable energy is essential for achieving the climate goals assumed by Brazil in the context of the Paris Agreement and for combating global warming more broadly. Apine is attentive to the discussion of climate change and works strongly for the expansion of the electricity matrix with a renewable presence, in addition to fostering the development of new technologies, which have increasingly allowed the penetration of renewable sources, such as green hydrogen, renewable energy certificates, reversible hydroelectric plants etc. AES Brasil has expanded its operations in wind complexes, diversifying its 100% renewable generation portfolio (hydro, wind and solar). In 2020, the company acquired the Ventus Wind Complex, with 187 MW of installed capacity. In 2021, two other Complexes were acquired: MS and Santos. Additionally, AES Brasil has a development portfolio and investment pipeline for the expansion of Alto Sertão II Wind Complex and construction of Cajuína Wind Complex, which add up to 1,700 GW of installed capacity.

As a democratically elected company on the Board of Directors of Apine, AES Brasil directs its best efforts so that the association proposes, to the institutions that formulate and monitor policies in the electricity sector, measures aligned with environmental preservation and the adequate valuation of energy sources. One example is the support of a study to develop an efficient mechanism for valuing the attributes of the generation sources.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Associação Brasileira do Hidrogênio (ABH2))

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
The Brazilian Association of Hydrogen (ABH2) aims to promote the chain of production, storage, distribution and use of hydrogen for energy purposes in Brazil.

The association actively brings together the main Brazilian actors involved in the field of hydrogen technology and fuel cells, including companies, legal entities and the scientific community interested in matters related to commercialization, research, innovation and professional development in the hydrogen industry. There are also members of the association participating in international discussions of norms and standards for these technologies as well as in the certification of hydrogen production.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
0

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Associação Brasileira das Empresas Geradoras de Energia Elétrica (Abrage))

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
ABRAGE is a non-profit civil association, made up of large companies generating electricity of predominantly hydraulic origin, which aims to achieve through research, studies and debates between its members, the better development of activities related to the generation of electric energy.

Through the elaboration of analyzes and studies of common interest, and the signing of technical cooperation and information exchange agreements and agreements with public and private, national and international entities, the entity acts to create and improve the conditions for the renewable energy generation scenario in Brazil.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
UN Global Compact Brazilian Network

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
52070

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
In the context of the UN Global Compact, AES participates, among other initiatives, in the Climate Action Platform.
The Climate Action Platform aims to mobilize its members to integrate the Climate Agenda into their organizational strategies, contributing to the construction of a resilient and carbon neutral economy. It has three main themes that guide its activities: mitigation, resilience, and climate adaptation, and means of implementation. And, in addition to these, it also fosters discussions related to topics such as carbon pricing and energy transition.
Through the sharing of information and engagement activities among its members, AES intends to position itself in relation to climate issues and as a relevant actor within the sector and the agenda. In addition, AES actively participates and contributes to the development of discussions in the Working Group.
In addition to this platform, AES also participates in other movements within the scope of the Global Compact, such as the Elas Lideram 2030 Movement, focused on female protagonism and leadership; the Platform for Action for Human Rights, and the Platform for Action against Corruption.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports

Status
Complete

Attach the document
__IntegratedSustainabilityReport_2022_AESBrasil (compressed).pdf

Page/Section reference
CEO message – pages 4 and 5
2022 Highlights – page 6
Strategy; Product and Solutions Portfolio – pages 14 to 17
Portfolio diversification – page 22
Energy transition – page 31
Climate Change; Risks and Opportunities – pages 68 and 69
GHG emissions – page 70

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
AES Brasil' Sustainability Report is published annually in accordance with the frameworks of the Global Reporting Initiative (GRI) and Integrated Reporting (IIRC). Submitted to external verification, the publication addresses the climate issue in a transversal way throughout its sections, showing the relationship of the topic with the company's business strategy and future vision . In addition, a specific chapter on Climate Change deepens accountability on management practices, risk and opportunity assessment, and emissions performance in the period.

Publication
In mainstream reports

Status
Complete

Attach the document
ESG Performance Report_4Q22_EN (1).pdf

Page/Section reference
ESG Performance: pages 30 to 31
ESG indicators: page 38

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
AES Brasil's ESG Performance Report is a publication which accompanies the disclosure of the quarterly Financial Statements. In a specific section of the Report, the company explains its ESG strategy and alignment with SDG 13 and references its engagement in the Brazilian GHG Protocol Program and in the CDP.

Publication
Other, please specify (2022 GHG Inventory)

Status
Complete

Attach the document
Modelo_CDP_2022_AES_Declaração_CLIENTE_Page_3 (1).pdf
Relatório de Verificação Inventário de GEE 2022_ENG_CLIENTE_Page_2 (1).pdf
AESCDPGHGinventoryVerificationreport (2).pdf

Page/Section reference
2022 GHG Inventory (full document)
Audit Verification Letter 2022 GHG Inventory (full document)

Content elements
Strategy
Emissions figures

Comment
AES Brasil annually prepares its GHG inventory within the scope of the Brazilian GHG Protocol Program. The information is made available in the program's Public Emissions Registry and covers the complete accounting of the company's emissions in the period for Scopes 1, 2 and 3, in addition to explaining the parameters and limits of consolidation. For four consecutive years, AES Brasil has been awarded the Gold Seal of the Brazilian GHG Protocol Program for submitting its inventory to independent external verification.

Publication
In mainstream reports

Status
Complete

Attach the document
FRE 2023 AES Brasil ENG v3.pdf

Page/Section reference
Efforts and methodology on GHG emissions reduction - Page 69
Opportunities – Page 186

Content elements
Governance
Risks & opportunities
Emission targets

Comment
AES also discloses its climate change responses and GHG emissions data in the Reference Form. The document is annually published as part of Brazilian CVM obligations. As issues related to climate change are incorporated not only in our operations, but also at the governance level, we also provide transparency for this information in this type of report.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	UN Global Compact	Since 2006 AES is signatory of UN Global Compact, engaging in specific matters and thematic platforms, and recurrently reporting its Communication on Progress, expressing AES' constant commitment to this global agenda. We are also part of Climate Action Platform, related to SDG 13 (Climate Action). The platform seeks to integrate its members around the Climate agenda and, based on its organizational strategies, contribute to building a resilient and carbon neutral economy in a transparent, socially fair and inclusive way. In 2022, AES participated on meetings focused on sharing good practices and benchmarking related to the carbon market and COP26.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	2030 ESG Commitments related to our Climate Strategy. Our 2030 ESG Commitments, approved by the Board of Directors, were established at the end of 2021, considering 2020 as the base year. Conserve, protect and preserve biodiversity By 2030, to increase reforestation by at least 20% in addition to the commitment to recover occupied areas. In 2022, 253.9 ha were reforested 3.49% higher than the legal commitments.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Other, please specify (Conserve, protect and preserve biodiversity By 2030, to increase reforestation by at least 20% in addition to the commitment to recover occupied areas. In 2022, 253,9 ha were reforested 3,49% higher than the legal commitments.)	SDG

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?
No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management Education & awareness Law & policy

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	Other, please specify (Conserve, protect and preserve biodiversity By 2030, to increase reforestation by at least 20% in addition to the commitment to recover occupied areas. In 2022, 253.9 ha were reforested 3,49% higher than the legal commitments.)

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Content of biodiversity-related policies or commitments Impacts on biodiversity Details on biodiversity indicators	Conserve, protect and preserve biodiversity. More details can be found on pages 72 and 73 of the Integrated Sustainability Report 2022. IntegratedSustainabilityReport_2022_AESBrasil.pdf __IntegratedSustainabilityReport_2022_AESBrasil (compressed).pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	CEO	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms