



The AES Corporation

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

[Terms of disclosure for corporate questionnaire 2024 - CDP](#)

Contents

C1. Introduction	8
(1.1) In which language are you submitting your response?	8
(1.2) Select the currency used for all financial information disclosed throughout your response.	8
(1.3) Provide an overview and introduction to your organization.	8
(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.	9
(1.4.1) What is your organization’s annual revenue for the reporting period?	9
(1.5) Provide details on your reporting boundary.	9
(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?	9
(1.7) Select the countries/areas in which you operate.	12
(1.16) In which part of the electric utilities value chain does your organization operate?	12
(1.16.1) For your electricity generation activities, provide details of your nameplate capacity and electricity generation specifics for each technology employed.	12
(1.24) Has your organization mapped its value chain?	20
(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?	21
C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities	22
(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?	22
(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?	23
(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?	24
(2.2.2) Provide details of your organization’s process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.	24
(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?	33
(2.3) Have you identified priority locations across your value chain?	34
(2.4) How does your organization define substantive effects on your organization?	35
(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?	37
(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.	37

C3. Disclosure of risks and opportunities 40

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future? 40

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future. 41

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks. 48

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent? 50

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations? 52

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)? 52

(3.5.1) Select the carbon pricing regulation(s) which impact your operations. 52

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by. 52

(3.5.3) Complete the following table for each of the tax systems you are regulated by. 56

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by? 57

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future? 58

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future. 58

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities. 64

C4. Governance 66

(4.1) Does your organization have a board of directors or an equivalent governing body? 66

(4.1.1) Is there board-level oversight of environmental issues within your organization? 67

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board’s oversight of environmental issues. 67

(4.2) Does your organization’s board have competency on environmental issues? 70

(4.3) Is there management-level responsibility for environmental issues within your organization? 71

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals). 72

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets? 75

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals). 76

(4.6) Does your organization have an environmental policy that addresses environmental issues? 78

(4.6.1) Provide details of your environmental policies.	78
(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?	80
(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?	81
(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?	82
(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.	92
(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?	101
(4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.	101
C5. Business strategy.....	105
(5.1) Does your organization use scenario analysis to identify environmental outcomes?	105
(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.	105
(5.1.2) Provide details of the outcomes of your organization’s scenario analysis.	112
(5.2) Does your organization’s strategy include a climate transition plan?	114
(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?.....	115
(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.....	116
(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.	119
(5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?	120
(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization’s climate transition.	121
(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?	122
(5.5.7) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.	122
(5.7) Break down, by source, your organization’s CAPEX in the reporting year and CAPEX planned over the next 5 years.	125
(5.7.1) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).	135
(5.9) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?.....	136
(5.10) Does your organization use an internal price on environmental externalities?	137
(5.10.1) Provide details of your organization’s internal price on carbon.	138
(5.10.2) Provide details of your organization’s internal price on water.	140

(5.11) Do you engage with your value chain on environmental issues?	141
(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?	142
(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?	142
(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?	143
(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.	145
(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.	148
(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.	150

C6. Environmental Performance - Consolidation Approach 156

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.....	156
--	-----

C7. Environmental performance - Climate Change..... 158

(7.1) Is this your first year of reporting emissions data to CDP?	158
(7.1.1) 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?.....	158
(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?	158
(7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?....	159
(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.	160
(7.3) Describe your organization’s approach to reporting Scope 2 emissions.	160
(7.4) 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?	160
(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.	160
(7.5) Provide your base year and base year emissions.	162
(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?	166
(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?	167
(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.	167
(7.9) Indicate the verification/assurance status that applies to your reported emissions.	176
(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.	177
(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.	178

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.	180
(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?	186
(7.10.1) 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.	186
(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?	191
(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?	192
(7.12.1) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO ₂	192
(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?	192
(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).	192
(7.15.3) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.	195
(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.	197
(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.	200
(7.17.3) Break down your total gross global Scope 1 emissions by business activity.	200
(7.19) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO ₂ e.	200
(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.	201
(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?	202
(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.	202
(7.29) What percentage of your total operational spend in the reporting year was on energy?	204
(7.30) Select which energy-related activities your organization has undertaken.	204
(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.	205
(7.30.6) Select the applications of your organization’s consumption of fuel.	207
(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.	208
(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.	215
(7.33) Does your electric utility organization have a transmission and distribution business?	223
(7.33.1) Disclose the following information about your transmission and distribution business.	223
(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO ₂ e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.	228
(7.46) For your electric utility activities, provide a breakdown of your Scope 1 emissions and emissions intensity relating to your total power plant capacity and generation during the reporting year by source.	230

(7.52) Provide any additional climate-related metrics relevant to your business.....	235
(7.53) Did you have an emissions target that was active in the reporting year?	236
(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.....	236
(7.54) Did you have any other climate-related targets that were active in the reporting year?.....	240
(7.54.3) Provide details of your net-zero target(s).....	240
(7.55) 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.....	242
(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.....	242
(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.....	243
(7.55.3) What methods do you use to drive investment in emissions reduction activities?	247
(7.58) Describe your organization’s efforts to reduce methane emissions from your activities.....	248
(7.74) Do you classify any of your existing goods and/or services as low-carbon products?	248
(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.....	248
(7.79) Has your organization canceled any project-based carbon credits within the reporting year?.....	251

C9. Environmental performance - Water security..... 252

(9.1) Are there any exclusions from your disclosure of water-related data?.....	252
(9.1.1) Provide details on these exclusions.....	252
(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?	255
(9.2.1) For your hydropower operations, what proportion of the following water aspects are regularly measured and monitored?.....	263
(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?	264
(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.....	267
(9.2.7) Provide total water withdrawal data by source.....	269
(9.2.8) Provide total water discharge data by destination.....	273
(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.....	276
(9.2.10) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.....	281
(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?.....	282

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.....	283
(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?	287
(9.5) Provide a figure for your organization’s total water withdrawal efficiency.	290
(9.7) Do you calculate water intensity for your electricity generation activities?	290
(9.7.1) Provide the following intensity information associated with your electricity generation activities.	290
(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?	291
(9.14) Do you classify any of your current products and/or services as low water impact?	292
(9.15) Do you have any water-related targets?	292
(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.	293
(9.15.2) Provide details of your water-related targets and the progress made.	294

C13. Further information & sign off 297

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?.....	297
(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?	297
(13.2) 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.	301
(13.3) Provide the following information for the person that has signed off (approved) your CDP response.	301
(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.....	302

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

USD

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

Publicly traded organization

(1.3.3) Description of organization

*The AES Corporation NYSE AES is a Fortune 500 global energy company accelerating the future of energy. Together with our many stakeholders were improving lives by delivering the greener smarter energy solutions the world needs. Our diverse workforce is committed to continuous innovation and operational excellence while partnering with our customers on their strategic energy transitions and continuing to meet their energy needs today. As of December 31st. 2023 we had a global workforce of approximately 9600 people and a diverse portfolio in 13 countries with total gross capacity 34596 megawatts MW (24047 MW ownership adjusted) and distribution networks serving over 26 million customers. AES 2023 revenues were US12.7 billion. We are organized into four technology oriented Strategic Business Units SBUs: * Renewables: Solar wind energy storage and hydro generation facilities in ten countries Our Renewables SBU is the highest growth segment for AES. * Utilities Regulated utilities and their generation facilities. * Energy Infrastructure Natural gas liquified natural gas coal pet coke diesel and oil generation facilities. * New Energy Technologies Green hydrogen and initiatives in Fluence Uplight and 5B. We were incorporated in Delaware in 1981 and are headquartered in Arlington VA.*

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/31/2023	Select from: <input checked="" type="checkbox"/> Yes	Select from: <input checked="" type="checkbox"/> No

[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

12668000000

(1.5) Provide details on your reporting boundary.

(1.5.1) Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?

Select from:

No

(1.5.2) How does your reporting boundary differ to that used in your financial statement?

We use the equity approach to disclose our environmental data. Our emissions and water data has been adjusted by the ownership that AES has, but we do not apply the equity ownership to financial statement process. The consolidated financial statements include financial information in its entirety from The AES Corporation and its controlled subsidiaries. In addition, financial statements does not make adjustments on historic data after acquisitions or divestures, which could be the case for emissions reported data if deemed relevant for base year recalculations.

[Fixed row]

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

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

US00130H1059

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

00130H1059

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

NYSE AES

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

2002479 US

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

- Chile
- Brazil
- Jordan
- Mexico
- Panama
- Netherlands
- Puerto Rico
- Dominican Republic
- United States of America
- Bulgaria
- Colombia
- Viet Nam
- Argentina
- El Salvador

(1.16) In which part of the electric utilities value chain does your organization operate?

Electric utilities value chain

- Distribution
- Electricity generation
- Transmission

Other divisions

- Battery storage
- Gas storage, transmission and distribution

(1.16.1) For your electricity generation activities, provide details of your nameplate capacity and electricity generation specifics for each technology employed.

Coal - Hard

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

4239

(1.16.1.3) Gross electricity generation (GWh)

20329

(1.16.1.4) Net electricity generation (GWh)

18021

Lignite

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

690

(1.16.1.3) Gross electricity generation (GWh)

2175

(1.16.1.4) Net electricity generation (GWh)

1813

Oil

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

38

(1.16.1.3) Gross electricity generation (GWh)

0

(1.16.1.4) Net electricity generation (GWh)

0

Gas

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

6695

(1.16.1.3) Gross electricity generation (GWh)

22311

(1.16.1.4) Net electricity generation (GWh)

Sustainable biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:

No

Other biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

13

(1.16.1.3) Gross electricity generation (GWh)

60

(1.16.1.4) Net electricity generation (GWh)

52

Waste (non-biomass)

(1.16.1.1) Own or control operations which use this power generation source

Select from:

No

Nuclear

(1.16.1.1) Own or control operations which use this power generation source

Select from:

No

Fossil-fuel plants fitted with carbon capture and storage

(1.16.1.1) Own or control operations which use this power generation source

Select from:

No

Geothermal

(1.16.1.1) Own or control operations which use this power generation source

Select from:

No

Hydropower

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

4668

(1.16.1.3) Gross electricity generation (GWh)

14377

(1.16.1.4) Net electricity generation (GWh)

14305

Wind

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

3134

(1.16.1.3) Gross electricity generation (GWh)

6580

(1.16.1.4) Net electricity generation (GWh)

6540

Solar

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

3041

(1.16.1.3) Gross electricity generation (GWh)

3449

(1.16.1.4) Net electricity generation (GWh)

3431

Marine

(1.16.1.1) Own or control operations which use this power generation source

Select from:

No

Other renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

6

(1.16.1.3) Gross electricity generation (GWh)

31

(1.16.1.4) Net electricity generation (GWh)

26

(1.16.1.5) Comment

Landfill gas

Other non-renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:

Yes

(1.16.1.2) Nameplate capacity (MW)

544

(1.16.1.3) Gross electricity generation (GWh)

3192

(1.16.1.4) Net electricity generation (GWh)

2882

(1.16.1.5) Comment

Petcoke

Total

(1.16.1.2) Nameplate capacity (MW)

23068

(1.16.1.3) Gross electricity generation (GWh)

72504

(1.16.1.4) Net electricity generation (GWh)

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

- Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

- Upstream value chain
 Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

- Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

- Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

Only a portion of the value chain for AES is currently being mapped based on the business that has been judged to be subject to CSRD reporting requirement. We are using a CSRD-aligned method, involving stakeholder interviews and confirmation with experts within the business, and documenting within a comprehensive document. We are collecting information on major business activities, risks and opportunities and internal and external stakeholders involved in each section (upstream, owned and downstream).

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Primary reason for not mapping plastics in your value chain	Explain why your organization has not mapped plastics in your value chain
	<i>Select from:</i> <input checked="" type="checkbox"/> No, and we do not plan to within the next two years	<i>Select from:</i> <input checked="" type="checkbox"/> Judged to be unimportant or not relevant	<i>Judged to be unimportant or not relevant.</i>

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

2

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We define our time horizon based on our contract sales

Medium-term

(2.1.1) From (years)

2

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We define our time horizon based on our contract sales

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

Select from:

No

(2.1.3) To (years)

40

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We define our time horizon based on our contract sales

[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

(2.2.1) Process in place

Select from:

Yes

(2.2.2) Dependencies and/or impacts evaluated in this process

Select from:

Impacts only

(2.2.4) Primary reason for not evaluating dependencies and/or impacts

Select from:

No standardized procedure

(2.2.5) Explain why you do not evaluate dependencies and/or impacts and describe any plans to do so in the future

Environmental Impact Assessments are specific to each business and hence are conducted on the local level to identify and classify potential risks, informing decision-makers and the public about the environmental consequences of existing processes and new projects. That practice is described in our Environmental Management System. Dependencies are still not included in our Standards, but one of AES' businesses, AES Chile is working to align their processes with TNFD, which includes the screening, mapping, assessment and management of dependencies (and impacts). They are currently on the stage of screening dependencies.
[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: <input checked="" type="checkbox"/> Yes	Select from: <input checked="" type="checkbox"/> Both risks and opportunities	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- Impacts
- Risks
- Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- Direct operations
- Upstream value chain
- Downstream value chain

(2.2.2.4) Coverage

Select from:

- Full

(2.2.2.5) Supplier tiers covered

Select all that apply

- Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

- Short-term
- Medium-term
- Long-term

(2.2.2.10) Integration of risk management process

Select from:

- Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- Site-specific

(2.2.2.12) Tools and methods used

Enterprise Risk Management

- Internal company methods

International methodologies and standards

- IPCC Climate Change Projections
- ISO 14001 Environmental Management Standard

Other

- Materiality assessment
- Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

- Drought
- Wildfires
- Heat waves
- Heavy precipitation (rain, hail, snow/ice)
- Flood (coastal, fluvial, pluvial, ground water)

- Storm (including blizzards, dust, and sandstorms)

Chronic physical

- Changing precipitation patterns and types (rain, hail, snow/ice)
- Changing temperature (air, freshwater, marine water)

Policy

- Carbon pricing mechanisms
- Changes to national legislation

Market

- Changing customer behavior

Reputation

- Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

Technology

- Transition to lower emissions technology and products

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- Customers
- Employees
- Investors
- Suppliers
- Local communities

Regulators

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

No

(2.2.2.16) Further details of process

AES's corporate strategy is driven by the need to transition to less carbon-intensive energy sources, influenced by risks and opportunities around climate change concerns, new environmental laws, and regulations. This strategy is approved by the AES Board of Directors. Climate change assessments occur at multiple levels within AES, considering potential regulations and impacts on contract fulfillment. Business-level impacts are discussed at the Strategic Business Unit (SBU) level, with consolidated impacts reported to senior management and the Board of Directors. Discussions include short-term quantification and long-term action plans to manage climate-related risks. Many key business decisions must be approved by the AES Investment Committee, a multi-disciplinary team of the Company's most senior leaders and are measured against the company's strategic objectives or the Risk Oversight Committee (ROC), comprised of the Company's CFO, COO, CRO and Segment President's. The planning process identifies key internal and external drivers impacting value creation, with climate change being a key input. These forums meet monthly to consider decisions with short, medium, and long-term impacts. The corporate strategic process is complemented by monthly reviews of financial performance risks, including those driven by climate (like El Nino o la Nina), facilitated by the Financial Planning & Analysis (FP&A) and Strategy functions. Additionally, medium-term periodic reviews at the business level include formal scenario analysis called Multiple Views of the Future, led by Global Risk Management, Commercial, and Market Strategy teams. This process provides insights into market-shaping factors, including climate change impacts and expected market reactions. Risk Management Committees (RCMs) approve long-term market curve assumptions for business investment and risk decisions, anticipating impacts of climate-related regulation, new technologies, consumer behavior, and commodity pricing. The Incubation Subcommittee, led by the President of AES Next, monitors medium and long-term technological advancements. At the core of AES's strategic processes is a risk management approach, identifying, quantifying, and managing risks and opportunities across various categories, including environmental, political, physical, regulatory, technology, and market-based risks. Annually, each SBU presents their Market Management Strategies (MMS) at the ROC, providing market updates, risk mitigation proposals, and strategic guidance. Additional risk management processes include the Global Weather Risk Committee, that help to identify, assess and manage the potential impacts of climate change, quantify and track weather-related risks (such as weather uncertainties involving wind, irradiance and hydrology) due to climate change. As a power company, climate change risks and opportunities are intrinsic to our industry and thus deeply rooted in our corporate strategy. They inform our decisions for how to best achieve our customers energy needs, drive impact through access and insights and secure a sustainable future.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- Risks
- Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- Direct operations

(2.2.2.4) Coverage

Select from:

- Full

(2.2.2.7) Type of assessment

Select from:

- Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- Annually

(2.2.2.9) Time horizons covered

Select all that apply

- Short-term
- Medium-term
- Long-term

(2.2.2.10) Integration of risk management process

Select from:

- Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- Site-specific

(2.2.2.12) Tools and methods used

Other

- Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

- Heavy precipitation (rain, hail, snow/ice)

Chronic physical

- Changing precipitation patterns and types (rain, hail, snow/ice)
- Precipitation or hydrological variability

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- NGOs
- Customers
- Employees
- Investors
- Suppliers
- Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

No

(2.2.2.16) Further details of process

The planning process is designed to identify the key internal & external drivers that have a significant impact on value creation, with climate change being a key input. This corporate strategic process is complemented by periodic review at the business level, with a formal scenario analysis that we internally call "Multiple Views of the Future". This process provides deep insights into the factors shaping our markets, including the impacts of climate change (such as water related), and expected market reactions over a 10-year period. We have several internal structures and processes to identify, quantify and manage risks across many categories, including environmental, political, physical, regulatory, technology and market-based risks. The Global Weather Risk Committee. Working with Commercial, Operational and Meteorological expert counterparts this committee is responsible for the quantification and tracking of our risk to key weather uncertainties involving wind, irradiance and hydrology across our global markets. We also explore the dynamism of these uncertainties due to climate change looking at long term trends and patterns. This cross functional committee explores the risk diversification that AES has at a global level associated with weather, works to identify new opportunities and relationships to improve AES development efforts and reports and advises on the realized and forecasted risk associated with weather. The (WRC) meets annually and considers all the businesses with hydro plants (Argentina, Brazil, Chile, Panamá, Colombia) and renewable assets (like wind in Mexico and Brazil, or solar like Chile or The United States) Additional tools used for assessing water-related risks: Field inspections supported by geological cartography of the contour of the reservoir, Standard Methods of Examination of Water and Wastewater, 22 Edition 2012", CNO Monohaz and multibeam technology As an example AES Brasil also engages in the basin committees that operate in the regions where its hydro power plants are located. In these forums, the company articulates with other local players initiatives for the shared use of water and the conservation of biodiversity. AES Brasil has a specific area, which continuously monitors this critical aspect of the hydroelectric generation sector and is subject to regulation by the National Electric Energy Agency (Aneel).

Row 3

(2.2.2.1) Environmental issue

Select all that apply

Climate change

Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

Impacts

(2.2.2.3) Value chain stages covered

Select all that apply

- Direct operations

(2.2.2.4) Coverage

Select from:

- Full

(2.2.2.7) Type of assessment

Select from:

- Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- Every two years

(2.2.2.9) Time horizons covered

Select all that apply

- Short-term
- Medium-term
- Long-term

(2.2.2.11) Location-specificity used

Select all that apply

- Site-specific

(2.2.2.12) Tools and methods used

International methodologies and standards

- Environmental Impact Assessment

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- Local communities
- Water utilities at a local level

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- No

(2.2.2.16) Further details of process

Environmental Impact Assessments (EIA) are conducted to identify and classify potential risks, informing decision-makers and the public about the environmental consequences of existing processes and new projects. The assessment is completed at least every 2 years or when major changes at the business occur per the Global Standard. If in this environmental risk analysis an aspect and impact is deemed significant an environmental objective and action plan are created to bring the risk number of the significant aspect and impact down to non-significant.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

- Yes

(2.2.7.2) Description of how interconnections are assessed

The Corporate Strategy formulation process combines analytical tools and innovation principles to assess long-term risks and opportunities and define the strategy to be followed. The process incorporates data and analysis to quantify multiple long-term views of the future and their impact on our businesses with a view to enhancing our decision-making process. This strategy process considers the risks of climate change but also the opportunities available as we develop

products/services to address climate change. Environmental Impact Assessments (EIA) are conducted to identify and classify potential risks, informing decision-makers and the public about the environmental consequences of existing processes and new projects. The assessment is completed at least every 2 years or when major changes at the business occur per the Global Standard. If in this environmental risk analysis an aspect and impact is deemed significant an environmental objective and action plan are created to bring the risk number of the significant aspect and impact down to non-significant. In that sense, the EIAs are capable of providing information interconnecting risks and impacts.

[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

- Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

- Direct operations

(2.3.3) Types of priority locations identified

Sensitive locations

- Areas of limited water availability, flooding, and/or poor quality of water

(2.3.4) Description of process to identify priority locations

AES uses the World Resources Institute WRI Aqueduct Global Water Tool to identify exposure of facilities to water stressed areas. By providing the geographic coordinates of the facilities the system delivers a file with information about which assets are located in water stressed areas. Sites located in areas of Extremely High (80%) and High (40-80%) risk are categorized as sites that are in a water-stressed areas based on the climate information in the tool. Regions with water stress are considered those with a per capita water supply of less than 1,700 cubic meters per year. We narrow our exposure only to those assets that use freshwater considering that when possible our powerplants use seawater for their processes which does not meaningfully compete with other water users.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

- Yes, we will be disclosing the list/geospatial map of priority locations

(2.3.6) Provide a list and/or spatial map of priority locations

2023-AES-ESG-Indicators.xlsx

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

- Qualitative
- Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- Other, please specify :Earnings per share (EPS), Adjusted (EPS), Adjusted EBITDA and Parent Free Cash Flow, and net income attributable to AES as well as trends or impacts that would change an investors decision making process about the company

(2.4.3) Change to indicator

Select from:

- % decrease

(2.4.6) Metrics considered in definition

Select all that apply

- Frequency of effect occurring
- Time horizon over which the effect occurs

- Likelihood of effect occurring

(2.4.7) Application of definition

At the core of our strategic processes is our risk management approach. We have several internal structures and processes to identify, quantify and manage risks across many categories, including environmental, political, physical, regulatory, technology and market-based risks. When determining what constitutes a substantive financial impact, we consider what the impact of the risk will be on the diverse aspects including Earnings per share (EPS), Adjusted (EPS), EBITDA, Adjusted EBITDA and Parent Free Cash Flow, and net income attributable to AES as well as trends or impacts that would change an investors decision making process about the company. The time horizons considered (short, medium, or long term) and the frequency of the effect will depend on the specific risk.

Opportunities

(2.4.1) Type of definition

Select all that apply

- Qualitative
- Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- Other, please specify :It can vary but may include: production capacity, market share, strategic customers, revenues

(2.4.3) Change to indicator

Select from:

- % increase

(2.4.6) Metrics considered in definition

Select all that apply

- Frequency of effect occurring
- Time horizon over which the effect occurs
- Likelihood of effect occurring

(2.4.7) Application of definition

The time horizons considered and the frequency of the effect will depend on the specific opportunity
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

Businesses must comply with local regulations, which may include parameters like temperature, suspended solids, and pH levels. Metrics and indicators are based on the regulatory framework and permits of each market. To ensure compliance, some of our businesses have permits for water discharge requiring sampling and testing before disposal. Environmental Impact Assessments are conducted to identify and classify potential risks, informing decision-makers and the public about the environmental consequences of existing processes and new projects. Water discharges are a specific aspect evaluated. Compliance risks are assessed by comparing known discharge parameters with existing and new criteria. Regulations are enforced by local regulatory agencies through operating permits in some instances, which specify the quality of water allowed to be released. Additional sampling data may be required during the review process. In the US, some plants must conduct studies to assess water impacts, including groundwater quality and flow direction, to ensure pollutants like heavy metals are not leaching into the groundwater. Businesses must identify and comply with local regulations for wastewater and industrial stormwater discharges. In 2024, AES established the Wastewater and Industrial Stormwater Discharge Standard to enhance environmental performance by setting minimum expectations and requirements and mandate the development and maintenance of a water pollutant discharge inventory for sites.

[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

Oil

(2.5.1.2) Description of water pollutant and potential impacts

Relation with activities - Oil can be used in our operations as lubricant for different equipment. Leakages in this equipment can reach the water used in the generation processes that is later discharged to the original body of water. Eventual spills or leaks in the storage system and piping could also occur and impact soil and nearby bodies of water. To prevent such risk, our facilities have oil water separator that removes oils, grease and hydrocarbons from the water before it is discharged. - Specify chemicals: oil is around 90% petroleum Hydrocarbon with around 10% additives - Potential impact - If oil spreads over the water surface it creates a thin layer that prevents oxygen getting to ecosystems that live in the water.

(2.5.1.3) Value chain stage

Select all that apply

Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

Implementation of integrated solid waste management systems

Industrial and chemical accidents prevention, preparedness, and response

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Other, please specify :Compliance with Effluent Quality Standards

(2.5.1.5) Please explain

The following procedures allow for risk approach based on avoidance, control, and mitigation: AES Environmental Standard (Environmental Management System-EMS), Chemical and Raw Material Management Standard, Spill Standard and Waste Standard. Several locations also have the ISO 14001 certifications. Each site has its own emergency and contingency plan. AES Businesses conduct internal audits on local regulations and internal standards. Those are conducted during a 6 month window and are part of the continual improvement process outlined in EMS. In addition, we conduct preventive inspections/maintenance on our equipment to prevent/minimize leaks, spills and increase lifespan/resilience. Our inspection/maintenance program allows us to identify equipment that needs to be replaced. AES follows the indications of the supplier's safety data sheet for the use of the product. To prevent discharge into water above limits, our facilities have oil water separator that removes oils, grease and hydrocarbons from the water before it is discharged. The presence of oil is monitored in the discharge to ensure compliance with water quality standards. Waste Standard considers generation/storage/disposal of solid/liquid waste. As it pertains to water discharge/treatment we operate within the

confines of the state and local regulatory requirements and in some cases water discharge permits. Success is measured by 100% permits/regulations compliance. This is an example of processes to manage/minimize potential impacts.

[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

Not an immediate strategic priority

(3.1.3) Please explain

*Our main product is electricity
[Fixed row]*

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

Changing precipitation patterns and types (rain, hail, snow/ice)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

Brazil

Chile

Colombia

Panama

(3.1.1.9) Organization-specific description of risk

Our businesses are affected by variations in general weather patterns and unusually severe weather. Our businesses in the 13 countries where we operate forecast electric sales based on best available information and expectations for weather, which represents a long-term historical average. While we also consider possible variations in normal weather patterns and potential impacts on our facilities and our businesses, there can be no assurance that such planning can prevent these impacts, which can adversely affect our business. Our hydroelectric generation facilities are sensitive (i.e.: AES Changuinola or Bayano power plants in Panama, Chivor in Colombia, Coordillera in Chile or Tiete in Brasil) to changes in the weather, particularly the level of water inflows into generation facilities. In the past, dry hydrological conditions in Panama (2019), Brazil (2021), Colombia and Chile have presented challenges for our businesses in these markets. Low rainfall and water inflows have caused reservoir levels to be below historical levels, reduced generation output, and increased prices for electricity. If our hydroelectric generation facilities cannot generate sufficient energy to meet contractual arrangements, we may need to purchase energy to fulfill our obligations, which could have a material adverse impact on our results of operations.

(3.1.1.11) Primary financial effect of the risk

Select from:

Other, please specify :Reduced revenues due to reduction of production capacity and increase cost due to having to buy energy in the market to fulfill contract obligations

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

Very likely

(3.1.1.14) Magnitude

Select from:

High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Low rainfall and water inflows have caused reservoir levels to be below historical levels, reduced generation output, and increased prices for electricity. If our hydroelectric generation facilities cannot generate sufficient energy to meet contractual arrangements, we may need to purchase energy to fulfill our obligations, which could have a material adverse impact on our results of operations. To the extent that hydrological conditions result in droughts or other conditions negatively affect our hydroelectric generation business, such as has happened in Panama in 2019 and Brazil in 2021, our results of operations can be materially adversely affected. Additionally, our contracts in certain markets where hydroelectric facilities are prevalent may require us to purchase power in the spot markets when our facilities are unable to operate at anticipated levels and the price of such spot power may increase substantially in times of low hydrology.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

10100000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

10100000

(3.1.1.25) Explanation of financial effect figure

Dryer than normal conditions generally mean lower generation from AES' hydroelectric plants which could have a negative financial impact (for example the total energy that was not produced (amount of GWh) due to dry hydrology multiplied by spot prices, as a proxy for the revenues that would have been generated by selling the energy to the spot market). To the extent that hydrological conditions result in droughts or other conditions negatively affect our hydro generation business, our results of operations can be materially adversely affected. Additionally, our contracts in certain markets where hydro facilities are prevalent may require us to purchase power in the spot markets when our facilities are unable to operate at anticipated levels and the price of such spot power may increase substantially in times of low hydrology. The magnitude of impact and financial impact figure above is only a reference example of the most recent impact that AES Brasil had in its Water EBITDA due to bad hydrology: a reduction of R 56.6 million (US10.1million) (calculated based on the difference of AES Brazil's water EBITDA of 2021 compared to 2020) as a reflection of the higher volume of energy purchases in the period due to the hydro conditions.

(3.1.1.26) Primary response to risk

Diversification

Develop new products, services and/or markets

(3.1.1.27) Cost of response to risk

471000000

(3.1.1.28) Explanation of cost calculation

Part of the cost of response is associated to manage this risk and diversify the portfolio of AES Brasil. In 2023, investments (Capex) added R2,600 million (US471 million), 23.2% increase if compared to 2022. Additionally, the Company has continued investments in the construction of the AGV VII solar park in the state of São Paulo, and the common structure of Cajuína for the development of its pipeline.

(3.1.1.29) Description of response

AES' businesses closely monitors (through a Weather Risk Committee) hydro forecasts of its basins to make sure it has adequate resources to meet its customers energy requirements. As a mitigation measure, AES has invested in thermal, wind, & solar generation assets (for example in Panama we reduced total generation exposure to dry hydrological conditions through investments in complementary assets as the Colon LNG facility, the Penonome Wind Farm, & solar projects), which have a complementary profile to hydroelectric plants. These plants are expected to have a higher generation in low hydrology scenarios, which allows them to generate additional revenues from the spot that offset purchases on the hydroelectric side. Further, investments made in thermal, wind, & solar generation may benefit from uncontracted spot sales at higher market prices. S-While our operations in Panama, Colombia, Brazil & Chile have experienced challenges arising from dry hydrology from time to time, the dry hydrological conditions in Brazil in 2021 exceeded historical levels. T-Over the past 3 years, AES Brasil has looked for ways to diversify its portfolio to reduce exposure to hydrology. A&R-As response strategy to address the impact, AES Brasil operates with market intelligence to take advantage of opportunities in energy trading and mitigate risks by optimizing contracting of the generation park. Also, in the past 3 years it started to diversify its portfolio through acquisitions & development of projects with a complementary profile to hydro seasonality, as a way to mitigate exposure to hydro risks. AES Brasil acquired & developed 3 solar plants (295 MW) and invested in wind generation. In 2021, AES Brasil acquired 485 MW of wind greenfield projects. In 2022, AES Brasil won the competitive process to acquire a wind complex and acquired 4 wind complexes (834MW). Timescale: Diversification continues, as some of the projects acquired are under construction with expectation to come online 2023-2024.

Water

(3.1.1.1) Risk identifier

Select from:

Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

Precipitation or hydrological variability

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- Brazil
- Chile
- Colombia
- Panama

(3.1.1.7) River basin where the risk occurs

Select all that apply

- Rio Prado

(3.1.1.9) Organization-specific description of risk

Our businesses are affected by variations in general weather patterns and unusually severe weather. Our businesses in the 13 countries where we operate forecast electric sales based on best available information and expectations for weather, which represents a long-term historical average. While we also consider possible variations in normal weather patterns and potential impacts on our facilities and our businesses, there can be no assurance that such planning can prevent these impacts, which can adversely affect our business. Our hydroelectric generation facilities are sensitive (i.e.: AES Changuinola or Bayano power plants in Panama, Chivor in Colombia, Coordillera in Chile or Tiete in Brasil) to changes in the weather, particularly the level of water inflows into generation facilities. In the past, dry hydrological conditions in Panama (2019), Brazil (2021), Colombia and Chile have presented challenges for our businesses in these markets. Low rainfall and water inflows have caused reservoir levels to be below historical levels, reduced generation output, and increased prices for electricity. If our hydroelectric generation facilities cannot generate sufficient energy to meet contractual arrangements, we may need to purchase energy to fulfill our obligations, which could have a material adverse impact on our results of operations.

(3.1.1.11) Primary financial effect of the risk

Select from:

- Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

Very likely

(3.1.1.14) Magnitude

Select from:

High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Low rainfall and water inflows have caused reservoir levels to be below historical levels, reduced generation output, and increased prices for electricity. If our hydroelectric generation facilities cannot generate sufficient energy to meet contractual arrangements, we may need to purchase energy to fulfill our obligations, which could have a material adverse impact on our results of operations. To the extent that hydrological conditions result in droughts or other conditions negatively affect our hydroelectric generation business, such as has happened in Panama in 2019 and Brazil in 2021, our results of operations can be materially adversely affected. Additionally, our contracts in certain markets where hydroelectric facilities are prevalent may require us to purchase power in the spot markets when our facilities are unable to operate at anticipated levels and the price of such spot power may increase substantially in times of low hydrology.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

10100000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

(3.1.1.25) Explanation of financial effect figure

Dryer than normal conditions generally mean lower generation from AES' hydroelectric plants which could have a negative financial impact (for example the total energy that was not produced (amount of GWh) due to dry hydrology multiplied by spot prices, as a proxy for the revenues that would have been generated by selling the energy to the spot market). To the extent that hydrological conditions result in droughts or other conditions negatively affect our hydro generation business, our results of operations can be materially adversely affected. Additionally, our contracts in certain markets where hydro facilities are prevalent may require us to purchase power in the spot markets when our facilities are unable to operate at anticipated levels and the price of such spot power may increase substantially in times of low hydrology. The magnitude of impact and financial impact figure above is only a reference example of the most recent impact that AES Brasil had in its Water EBITDA due to bad hydrology: a reduction of R 56.6 million (US10.1million) (calculated based on the difference of AES Brazil's water EBITDA of 2021 compared to 2020) as a reflection of the higher volume of energy purchases in the period due to the hydro conditions.

(3.1.1.26) Primary response to risk

Diversification

Develop new products, services and/or markets

(3.1.1.27) Cost of response to risk

471000000

(3.1.1.28) Explanation of cost calculation

Part of the cost of response is associated to manage this risk and diversify the portfolio of AES Brasil. In 2023, investments (Capex) added R2,600 million (US471 million), 23.2% increase if compared to 2022. Growth in Modernization and Maintenance reflects mainly, anticipation of the Turnaround of the Caetés, Cassino and Araripe Wind Complexes, (R95.1 million/US17.2 million) and main maintenance in Alto Sertão II (R34.3 million in 2023/US6.2 million). Additionally, the Company has continued investments in the construction of the AGV VII solar park in the state of São Paulo, and the common structure of Cajuína for the development of its pipeline.

(3.1.1.29) Description of response

AES' businesses closely monitors (through a Weather Risk Committee) hydro forecasts of its basins to make sure it has adequate resources to meet its customers energy requirements. As a mitigation measure, AES has invested in thermal, wind, & solar generation assets (for example in Panama we reduced total generation exposure to dry hydrological conditions through investments in complementary assets as the Colon LNG facility, the Penonome Wind Farm, & solar projects), which have a complementary profile to hydroelectric plants. These plants are expected to have a higher generation in low hydrology scenarios, which allows them to

generate additional revenues from the spot that offset purchases on the hydroelectric side. Further, investments made in thermal, wind, & solar generation may benefit from uncontracted spot sales at higher market prices. S-While our operations in Panama, Colombia, Brazil & Chile have experienced challenges arising from dry hydrology from time to time, the dry hydrological conditions in Brazil in 2021 exceeded historical levels. T-Over the past 3 years, AES Brasil has looked for ways to diversify its portfolio to reduce exposure to hydrology. A&R-As response strategy to address the impact, AES Brasil operates with market intelligence to take advantage of opportunities in energy trading and mitigate risks by optimizing contracting of the generation park. Also, in the past 3 years it started to diversify its portfolio through acquisitions & development of projects with a complementary profile to hydro seasonality, as a way to mitigate exposure to hydro risks. AES Brasil acquired & developed 3 solar plants (295 MW) and invested in wind generation. In 2021, AES Brasil acquired 485 MW of wind greenfield projects. In 2022, AES Brasil won the competitive process to acquire a wind complex and acquired 4 wind complexes (834MW). Timescale: Diversification continues, as some of the projects acquired are under construction with expectation to come online 2023-2024.

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

Other, please specify :Gigawatts

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

51

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

81-90%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

 11-20%**(3.1.2.7) Explanation of financial figures**

Transition Risks: financial metric refers to the total US Development Pipeline in GW (at the end of 2023) and the % refers to the GWs in US / Global GWs of development pipeline. In the US, AES' renewable energy generation growth strategy depends in part on federal, state and local government policies and incentives that support the development, financing, ownership and operation of renewable energy generation projects, including investment tax credits, production tax credits, accelerated depreciation, renewable portfolio standards, feed-in-tariffs and similar programs, renewable energy credit mechanisms, and tax exemptions. If these policies and incentives are changed or eliminated, or AES is unable to use them, there could be a material adverse impact on AES' U.S. renewable growth opportunities, including fewer future PPAs or lower prices in future PPAs, decreased revenues, reduced economic returns on certain project company investments, increased financing costs, and/or difficulty obtaining financing. Physical Risks: financial metrics refers to the GW of installed capacity of our hydro assets (at the end of 2023), and the % refers to the proportion of hydro capacity / total installed capacity. Our businesses are affected by variations in general weather patterns and unusually severe weather. Our hydroelectric generation facilities are sensitive (i.e.: AES Changuinola or Bayano power plants in Panama, Chivor in Colombia, Cordillera in Chile or Tiete in Brasil) to changes in the weather, particularly the level of water inflows into generation facilities. In the past, dry hydrological conditions in Panama (2019), Brazil (2021), Colombia and Chile have presented challenges for our businesses in these markets. Low rainfall and water inflows have caused reservoir levels to be below historical levels, reduced generation output, and increased prices for electricity. If our hydroelectric generation facilities cannot generate sufficient energy to meet contractual arrangements, we may need to purchase energy to fulfill our obligations, which could have a material adverse impact on our results of operations.

Water**(3.1.2.1) Financial metric**

Select from:

 Other, please specify :Gigawatts of installed capacity**(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)**

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

11-20%

(3.1.2.7) Explanation of financial figures

Physical Risks: financial metrics refers to the GW of installed capacity of our hydro assets (at the end of 2023), and the % refers to the proportion of hydro capacity / total installed capacity. Our businesses are affected by variations in general weather patterns and unusually severe weather. Our hydroelectric generation facilities are sensitive (i.e.: AES Changuinola or Bayano power plants in Panama, Chivor in Colombia, Coordillera in Chile or Tiete in Brasil) to changes in the weather, particularly the level of water inflows into generation facilities. In the past, dry hydrological conditions in Panama (2019), Brazil (2021), Colombia and Chile have presented challenges for our businesses in these markets. Low rainfall and water inflows have caused reservoir levels to be below historical levels, reduced generation output, and increased prices for electricity. If our hydroelectric generation facilities cannot generate sufficient energy to meet contractual arrangements, we may need to purchase energy to fulfill our obligations, which could have a material adverse impact on our results of operations.

[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

Panama

Other, please specify : Hydro condition in our hydroelectric power plants for example, Brasil, Panama (Changuinola, Bayano, Estí), Chile and Colombia

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

 1-25%**(3.2.8) % organization's annual electricity generation that could be affected by these facilities**

Select from:

 1-25%**(3.2.10) % organization's total global revenue that could be affected**

Select from:

 Unknown**(3.2.11) Please explain**

We do not provide information by individual facility. We were not able to select multiple river basins. Our response is in aggregated. We do not provide information about revenues. Our hydroelectric generation facilities are sensitive to changes in the weather, particularly the level of water inflows into generation facilities. In the past, dry hydrological conditions in Panama, Brazil, Colombia and Chile have presented challenges for our businesses in these markets. Low rainfall and water inflows have caused reservoir levels to be below historical levels, reduced generation output, and increased prices for electricity. If our hydroelectric generation facilities cannot generate sufficient energy to meet contractual arrangements, we may need to purchase energy to fulfill our obligations, which could have a material adverse impact on our results of operations. As a mitigation measure, AES has invested in thermal, wind, and solar generation assets, which have a complementary profile to hydroelectric plants. These plants are expected to have a higher generation in low hydrology scenarios, which allows them to generate additional revenues from the spot that offset purchases on the hydroelectric side. In Panama, consistent with expected El Niño impacts, local hydrological forecasts indicate below historical average inflows persisting into Q2 of 2024, which could impact our results of operations. AES reduced its total generation exposure in Panama to dry hydrological conditions through investments in such complementary assets as the Colon LNG power facility, which commenced operations in 2018, the Penonome Wind Farm, and solar projects, providing a stable and independent diversified energy supply during periods of drought or when hydroelectric generation is limited. In Panama, the La Niña phenomenon in contrast to El Niño typically means wetter conditions than average, although local system impacts may vary due to other factors. Higher hydrology may result in energy surpluses after covering the contracted hydro positions, available to be sold in the spot market after fulfilling contract obligations. In Brazil, El Niño generally means more rainfall in the South and higher temperatures in the central region of the country, as seen in the last quarter of 2023, while La Niña results in more rainfall in the North, drier conditions in the South and milder temperatures in the central region, which could result in lower demand.

[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

(3.3.1) Water-related regulatory violations

Select from:

No

(3.3.3) Comment

During 2023, none of the businesses we operate paid significant fines or penalties related to 2022 environmental issues (this includes water or ecological issues). Significance is determined by a threshold and this only refers to fines that were equal to or more than 10,000 [Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

California CaT - ETS

Chile carbon tax

EU ETS

RGGI - ETS

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

California CaT - ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

8.95

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

2335009

(3.5.2.6) Allowances purchased

615000

(3.5.2.7) Verified Scope 1 emissions in metric tons CO₂e

2990354

(3.5.2.8) Verified Scope 2 emissions in metric tons CO₂e

0

(3.5.2.9) Details of ownership

Select from:

Facilities we own and operate

(3.5.2.10) Comment

Includes the following facilities: Southland Alamitos, Southland Alamitos CCGT, Southland Huntington Beach, Southland Huntington Beach CCGT and Southland Redondo Beach. 2023 Total Scope 1 2,990,354 & Scope 2 0 (verification July, 2024): Alamitos Scope 1 456,471 & Scope 2 3,184, Huntington Beach Scope 1 103,849 & Scope 2 1,818 Redondo Beach Scope 1 268,950 & Scope 2 2,344, Alamitos CCGT Scope 1 1,027,421 & Scope 2 967 Huntington Beach CCGT Scope 1 1,133,663 & Scope 2 862. Total Site Reported Scope 2 emissions 9,175. Please note that we are reporting 0 Scope 2 emissions above since it's not required by California CaT.

EU ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

7.74

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0.64

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

0

(3.5.2.6) Allowances purchased

2584968

(3.5.2.7) Verified Scope 1 emissions in metric tons CO₂e

2584968

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

3003

(3.5.2.9) Details of ownership

Select from:

Facilities we own and operate

(3.5.2.10) Comment

Includes Maritza power plant

RRGI - ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

2.33

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0.82

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

0

(3.5.2.6) Allowances purchased

0

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

777594

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

3882

(3.5.2.9) Details of ownership

Select from:

Facilities we own and operate

(3.5.2.10) Comment

*Includes Warrior Run Power Plant (this power plant was retired in May 2024)
[Fixed row]*

(3.5.3) Complete the following table for each of the tax systems you are regulated by.

Chile carbon tax

(3.5.3.1) Period start date

01/01/2023

(3.5.3.2) Period end date

12/31/2023

(3.5.3.3) % of total Scope 1 emissions covered by tax

(3.5.3.4) Total cost of tax paid

36946994

(3.5.3.5) Comment

*The thermal power plants in Chile, larger than 50MW of installed capacity, are subject to emission taxes at a rate of 5 per metric ton of CO2.
[Fixed row]*

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

During 2023 a limited percentage (<15%) of AES' Scope 1&2 emissions were covered under emission trading schemes: California Cap-and-Trade, Regional Greenhouse Gas Initiative (RGGI) and European Union Emissions Trading Scheme (EU ETS). AES Southland California businesses operate in compliance with regulations where such schemes (CaT) exist and apply. The program has been in place from 2013 and was in place through 2023. Based on contractual agreements with the electricity off taker, AES' businesses have limited exposure in complying with carbon regulation under the CaT. AES Warrior Run operates in compliance with regulations where such schemes (RGGI ETS) exist and apply (please note this plant was retired in May 2024). The program has been in place from 2021 and was in place through 2023. AES' businesses have limited exposure in complying with the regulation under the RGGI. AES Maritza operates in compliance with regulations where such schemes (EU ETS) exist and apply. The program has been in place since 2009 and was in place through 2023. AES' businesses have limited exposure in complying with regulations under the EU. Our business has many strategies such as: reducing its GHG emissions and to this aim, the decarbonization of the energy mix is a key pillar, as well as to achieve the coal phase-out (timeframe: intention of phase out majority of coal by 2025 and total by 2027) and increase renewable installed capacity (continuous timeframe at least until 2025, 14-17 GW of renewables from 2023-2025). AES has included as part of its strategy its intention to exit the majority of coal generation by the end of 2025 (Through asset sales, fuel conversions and retirements, while maintaining reliability and affordability, and subject to necessary approvals). Another strategy example: Is the use of an internal carbon price (timeframe: continuous until the carbon taxes exist), like the one being used in our business AES Andes in Chile to estimate the costs in which the company will incur to comply with the "green taxes" established on Chilean Tax Reform. The Internal carbon price strategy is based on Chilean Law N 20.780 (Chilean Tax Reform of 2014), which came into effect in 2017. The law establishes for Co2 air emissions a tax of 5 US/ton which remained in place through 2023. The price is also used for evaluating future business opportunities and decisions. AES supports the objectives of the Paris Agreement to limit the average rise in global temperatures to well below 2C above preindustrial levels and to pursue efforts to limit it to 1.5C. There are many policy tools available to pursue these objectives, and we support the following policies: Placing a price on carbon The pricing mechanism should be market-based and could take the form of a carbon tax, cap and trade system or other mechanism designed to incentivize a substantial reduction in greenhouse gas (GHG) emissions while fostering the development of new technologies. Another strategy example: To develop projects under the Clean Development Mechanism or certify carbon credits to create offset for use by the facilities or to be sold on the open market. Another strategy could be the use of a emission controls systems: GHG Emissions Data Control System is in conformance with the installation's Regulator approved Monitoring Plan and Permit, and is in compliance with the California Global Warming Solutions Act of 2006 (AB 32) ((MMR)) - externally verified.) Another strategy is to have a proper risk management process in place (timeframe: continuous. Our Risk management process evaluates short-medium- and long-term risks). The current regulations of the markets we operate in are considered throughout our risk and investment processes (timeframe: Climate change risk is assessed and discussed at several levels within our

company. The discussions can include near-term quantification and longer-term action plans to manage climate-related risks). The Environmental Managers are also responsible for monitoring any proposed new or modified environmental laws, regulations, AES Environmental Standards, and emerging issues that could affect the businesses. The sources of information that are drawn upon to identify and track new/modified requirements and emerging issues include but not limited to email subscriptions to regulatory agency updates, subscriptions to environmental associations, regulatory agency contacts, industry and professional publications, participation of environmental conferences/seminars/workshops/rulemaking working groups, and communications with AES Corporate and regional environmental group (timeframe: this strategy is ongoing basis).

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	<i>Select from:</i> <input checked="" type="checkbox"/> Yes, we have identified opportunities, and some/all are being realized
Water	<i>Select from:</i> <input checked="" type="checkbox"/> Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

- Expansion into new markets

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

- Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- Brazil
- Chile
- Colombia
- Dominican Republic
- Panama

(3.6.1.8) Organization specific description

AES is an industry leader in developing and growing the solutions that will enable the transition to low-carbon sources of energy and achievement of the Paris Agreement's goal of net-zero emissions by 2050. Today we see an enormous business opportunity from the once-in-a-lifetime transformation of the electricity sector driven by decarbonization, electrification, and digitalization. There is a substantial need for more renewable energy as well as an opportunity for innovation to develop new products and solutions that help customers accomplish their individual decarbonization goals. At the core of AES' strategy is a dual focus on growing our portfolio of low-carbon products and solutions and working to develop and incubate new solutions and business models to help change the industry in the future. Our renewable growth strategy includes taking steps to ensure and enable growth in future years and we are massively expanding our pipeline of development projects. Companies with renewable assets can capitalize from the development in the financial market of investment instruments with sustainability differentials and capture additional opportunities by offering instruments such as carbon credits and I-RECs for their renewable assets, which supports customers in their emissions goals. Currently projects in Brazil, Chile, Colombia and Dominican Republic have registered credits. With others under evaluation in El Salvador and Panama.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The financial impact figure is the result of the revenues obtained from the selling of RECs for AES Brasil and AES Chile. In 2023, AES sold more than 4 million RECs, corresponding US 790,000 in revenue (please note that the magnitude of impact and the potential financial figure are specific to the AES Brasil example, a business that among all AES portfolio is diversifying its portfolio and growing its renewable installed capacity and can serve as reference to other businesses).

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

2200000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

2200000

(3.6.1.23) Explanation of financial effect figures

The financial impact figure is the result of the revenues obtained from the selling of RECs for AES Brasil and AES Chile. Recently our businesses in these countries sold more than 4 million RECs, corresponding to more than US 2.2 million in revenues (please note that the magnitude of impact and the potential financial figure are specific to the AES Brasil example, a business that among all AES portfolio is diversifying its portfolio and growing its renewable installed capacity and can serve as reference to other businesses).

(3.6.1.24) Cost to realize opportunity

285000

(3.6.1.25) Explanation of cost calculation

The calculation is example of the costs related to the expenses of verifying and certifying credits and emitting RECs. In this case, for Los Cururos wind farm in Chile the cost (145,000) is the result of the fees paid to consultant, the auditor, the recertification as well the gold standard. In the case of AES Brasil (140,000), to annually renew the Company's REC certifications and certificate new generation units, we rely on a technical partner responsible for this process in Brazil.

(3.6.1.26) Strategy to realize opportunity

- Situation: Companies with renewable assets can capitalize from the existence of the carbon credit market. Some AES Businesses (like AES Andes and AES Brasil) are expanding its renewable portfolio. AES Brasil, for example, is a company with a renewable expanding portfolio (both acquiring and constructing solar and wind farms). AES Andes, in Chile, is transitioning its portfolio and growing the renewable generation capacity (solar and wind projects are being included in the portfolio). - Task: AES business in Brasil and Chile have looked for opportunities to certify some of its renewable assets and access new markets by offering instruments such as carbon credits and I-RECs. - Action: In 2020, AES Brasil acquired Mandacaru and Salinas wind complexes, which had registered carbon projects and in 2022 AES Brasil studied new asset certification possibilities. Another AES Business like AES Andes started the certification process of a wind asset (Los Cururos). - Result: In 2022 AES Andes, in Chile, completed the process to verify and certify the carbon credits for the 2016-2021 period for Los Cururos wind farm and sold the credits which represented revenues for the company. During 2022, AES Andes, for the same asset, continued with the renewal of the credit periods for the years 2021 to 2028 under the Gold Standard which is expected to be completed in the first quarter of 2023.

Water

(3.6.1.1) Opportunity identifier

Select from:

Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

- Expansion into new markets

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

- Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- Brazil
- Colombia

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

- Parana

(3.6.1.8) Organization specific description

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 renewable energy certificate (REC) from different energy generation sources such as hydro, wind and solar, which allows our customers to neutralize their Scope 2 emissions, and is traceable back to the generation source. Since 2017, the Company has been offering RECs and is the market leaders in REC certification, with more than 4 million issued in 2023. The certificates are issued and registered on the International REC Standard (I-REC) platform and most of them also have the REC Brazil certification, which guarantees compliance with sustainability criteria in accordance with the UN Sustainable Development Goals (SDGs). Hydro source is the leading generator for RECs in our portfolio, which makes it an opportunity in terms of Water.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.12) Magnitude

Select from:

High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

In 2023 AES Brasil increased its revenue by selling 3,722,081.49 RECs from hydro sources, which resulted in a income of BRL 3,655,842.23 (US660,000).

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

660000

(3.6.1.23) Explanation of financial effect figures

In 2023 AES Brasil increased its revenue by selling 3,722,081.49 RECs from hydro sources, which resulted in a income of BRL 3,655,842.23 (US660,000). (please note that the magnitude of impact and the potential financial figure are specific to the AES Brasil example, a business that among all AES portfolio with hydro in its portfolio).

(3.6.1.24) Cost to realize opportunity

140000

(3.6.1.25) Explanation of cost calculation

The cost refers to the expenses that AES Brasil incurred to renew the Company's REC certifications and certificate new generation units.

(3.6.1.26) Strategy to realize opportunity

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 2023 AES Brasil increased its revenue by selling 3,722,081.49 RECs from hydro sources, which resulted in a income of BRL 3,655,842.23 (US660,000).

[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

Other, please specify :At AES, we see an enormous business opportunity from the once-in-a-lifetime transformation of the electricity sector. There is a massive need for more renewable energy as well as an opportunity for innovative products and solutions that help customer

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

5.1

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

51-60%

(3.6.2.4) Explanation of financial figures

At AES, we see an enormous business opportunity from the once-in-a-lifetime transformation of the electricity sector. There is a massive need for more renewable energy as well as an opportunity for innovative products and solutions that help customers achieve their individual decarbonization goals. The focus of our strategy is to partner with large corporations that are transitioning to carbon-free sources of electricity. One example of our successful execution is our collaboration with large

technology companies. Specifically, demand from data centers in the U.S. is expected to nearly double in the next three years. Our well-established relationships with these customers, combined with our proven track record of delivering our projects, positions us well to take advantage of this opportunity. The 5.1 refers to the GW of renewables capacity that was under construction at the end of 2023. Almost 60% of that capacity under construction was located in US under the Renewable SBU.

Water

(3.6.2.1) Financial metric

Select from:

Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

660000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

Less than 1%

(3.6.2.4) Explanation of financial figures

(This answer is based on AES Brasil as a reference) In 2023, AES Brasil increased its revenue by selling BRL 3,655,842.23 (US660,000) from RECs from hydro sources, which divided by the revenue of BRL 3.4bi totals 0.11%.

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

Executive directors or equivalent

Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

Our Corporate Governance Guidelines (page 3 of the document) establishes the following: "Board Membership Criteria: Nominees for director are selected on the basis of, among other things, knowledge, experience, skills, diversity (including diversity with respect to race, ethnicity, national origin, gender, sexual orientation, and age), expertise, integrity, ability to make independent analytical inquiries, understanding of the Company's strategies and global business environment and willingness to devote adequate time and effort to Board responsibilities."

(4.1.6) Attach the policy (optional)

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	Select from: <input checked="" type="checkbox"/> Yes
Water	Select from: <input checked="" type="checkbox"/> Yes
Biodiversity	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board’s oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- Board-level committee

(4.1.2.2) Positions’ accountability for this environmental issue is outlined in policies applicable to the board

Select from:

Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

Other policy applicable to the board, please specify :Charter of the Governance Committee of the Board of Directors of The AES Corporation

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

Reviewing and guiding annual budgets

Overseeing the setting of corporate targets

Approving and/or overseeing employee incentives

Overseeing and guiding major capital expenditures

Overseeing and guiding the development of a business strategy

Overseeing and guiding acquisitions, mergers, and divestitures

Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Governance Committee of the Board of Directors shall be responsible for the periodic review and oversight of the Company's environmental and safety programs policies and practices related to climate change and employee health and safety. The Committee shall also be responsible for the periodic review and oversight of the risks related to such environmental and safety matters. The Board is involved in reviewing the Company's strategy and budget, including how these items impact climate-related issues. The Board receives a strategy update and annually conducts an in-depth review of the Company's long-term strategy. AES' strategy and risk profile are discussed as part of the Board meetings cycle. The full Board approves our corporate strategy, which considers risks and opportunities relating to climate change as well as the plan to the portfolio transition/transformation. The Board receives a risk report as part of the Board meetings cycle that identifies top risks and major market trends. They then oversee the risk management practices implemented by management and maintain oversight over such risks through receipt of reports from the Committee Chairpersons. The Compensation Committee of the Board is responsible for oversight of the Company's compensation practices and performance incentive plan. As part of the Company's Performance Score Targets the Company has implemented goals for Green Growth (that includes growth but decarbonization as well), for example. The Board receives updates on the implementation of the Company's strategy which is aligned with the Performance Score

Ambitions and the Compensation Committee oversees the performance of those objectives. The primary functions of the Compensation Committee are to oversee the Company's compensation and employee benefit plans and practices, including its executive compensation plans and its incentive-compensation and equity-based plans, among others. As an example, the Board has set and approved climate related ambitions for the company that were announced in 2021, 2022 and 2024: a) net zero carbon emissions from electricity sales by 2040. Also a broader ambition to achieve net zero carbon emissions for all business scopes by 2050(). b) reduce the carbon intensity of our generation portfolio by 2030 based on the Sectoral Decarbonization Approach for power generation based on 2016 baseline and modeled 2030 portfolios (**) and c) the intention to have zero coal in our portfolio through asset sales, fuel conversions and retirements, while maintaining reliability and affordability, and subject to necessary approvals(***). (*) Actions assume new policies that facilitate transition to low emissions energy systems, such as a price on carbon. Includes scope 1, 2 and 3 emissions. (**) Based on renewables growth and the feasibility of multiple possible asset scenarios. (***) The majority of coal by year end 2025. AES may delay the exit of a few select plants through 2027 to support continued electricity reliability*

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- Other policy applicable to the board, please specify :Charter of the Governance Committee of the Board of Directors of The AES Corporation

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- Reviewing and guiding annual budgets

- Overseeing the setting of corporate targets
- Approving and/or overseeing employee incentives
- Overseeing and guiding major capital expenditures
- Overseeing and guiding the development of a business strategy
- Overseeing and guiding acquisitions, mergers, and divestitures
- Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Committee shall be responsible for the periodic review and oversight of the Company's environmental ((including water related issues) and safety programs, policies, and practices related to climate change, and employee health and safety. The Committee shall also be responsible for the periodic review and oversight of the risks related to such environmental and safety matters

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

- No, and we do not plan to within the next two years

(4.2.4) Primary reason for no board-level competency on this environmental issue

Select from:

- Other, please specify :Important but not an immediate priority

(4.2.5) Explain why your organization does not have a board with competence on this environmental issue

While we believe certain of our Board Members have direct and indirect experience of climate-related issues, it is not an aspect that is specifically assessed as part of the comprehensive process described below. As part of the Board evaluation, the Board assesses the attributes, competencies and experiences required in light of the Company's strategy, changing business needs, and the future of the business. When considering director nominees, including incumbent directors eligible for re-election, nominees to fill vacancies on the Board, and nominees recommended by Stockholders, the Governance Committee generally measures the candidates

against a set of nine leadership attributes, competencies and experiences grouped below: -Energy Sector Experience -Finance and Investment experience -Strategy and Growth -Technology and Cybersecurity experience -Senior Business Operations - Global Business/International Affairs - Public Policy and Regulatory - Sustainability and Governance -Innovation and Customer Solutions

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

No, and we do not plan to within the next two years

(4.2.4) Primary reason for no board-level competency on this environmental issue

Select from:

Not an immediate strategic priority

(4.2.5) Explain why your organization does not have a board with competence on this environmental issue

Experience in water related issues is not an aspect that is specifically assessed as part of the comprehensive process described below. As part of the Board evaluation, the Board assesses the attributes, competencies and experiences required in light of the Company's strategy, changing business needs, and the future of the business. When considering director nominees, including incumbent directors eligible for re-election, nominees to fill vacancies on the Board, and nominees recommended by Stockholders, the Governance Committee generally measures the candidates against a set of nine leadership attributes, competencies and experiences grouped below: -Energy Sector Experience -Finance and Investment experience -Strategy and Growth -Technology and Cybersecurity experience - Senior Business Operations - Global Business/International Affairs - Public Policy and Regulatory -Sustainability and Governance -Innovation and Customer Solutions

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	Select from: <input checked="" type="checkbox"/> Yes
Water	Select from: <input checked="" type="checkbox"/> Yes
Biodiversity	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

Other C-Suite Officer, please specify :Chief Financial Officer, Senior Vice President, Mergers and Acquisitions and Strategy, Chief Operating Officer, Chief HR Officer

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

Assessing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

Monitoring compliance with corporate environmental policies and/or commitments

Strategy and financial planning

- Developing a business strategy which considers environmental issues
- Implementing the business strategy related to environmental issues
- Managing acquisitions, mergers, and divestitures related to environmental issues
- Managing annual budgets related to environmental issues
- Managing major capital and/or operational expenditures relating to environmental issues

Other

- Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

- Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- Quarterly

(4.3.1.6) Please explain

Climate related issues are managed by different C-Suite officers within our CEO reporting line: AES' strategy (led by the SVP, Mergers and Acquisitions and Strategy) is influenced by the continuing risks and opportunities stemming from the overall concern regarding climate change and drives our business decisions, both at the portfolio level and the business level and sets our decarbonization ambitions. Our strategy, which is to grow our renewable solutions and sell or retire our coal-fired generation portfolio, is based on the fundamental view that there is a need to transition to less carbon-intensive sources of energy. This strategy is set at the highest level of management—with approval by the AES Board of Directors—and directly incorporates the findings from our risk management processes. Many key business decisions (including acquisitions, mergers and divestitures) must be approved by the AES Strategic Investment Committee, comprised of the Company's most senior leaders and are measured against the company's strategic objectives. The CFO has oversight over the company's Risk Management (RM) process as well as capex and opex, mergers and acquisitions. The Chief Risk Officer reports to the CFO and chairs the Risk Oversight Committee. Under the RM process the Company's Weather Risk Committee analyses the impacts of climate change. The CFO has also oversight of the financial planning and analysis process which facilitates the Company's aggregation of key risks, including quantification of Climate Risks. AES' global operations managed by the COO drive our businesses' operational excellence, performance and efficiencies; including climate mitigation activities, achievement of KPIs, etc. Our progress toward meeting strategic climate ambitions is

directly linked to executive compensation. The Chief Human Resources Officer -instructed by the Comp. Committee-provides information to the Comp. Committee that is required for developing compensation programs & determining executive compensation.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- Other C-Suite Officer, please specify :Chief Financial Officer and Chief Operating Officer

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- Assessing environmental dependencies, impacts, risks, and opportunities
- Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

- Monitoring compliance with corporate environmental policies and/or commitments

Strategy and financial planning

- Implementing the business strategy related to environmental issues
- Managing annual budgets related to environmental issues
- Managing major capital and/or operational expenditures relating to environmental issues
- Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

- Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

Quarterly

(4.3.1.6) Please explain

Water related issues are managed by different C-Suite officers within our CEO reporting line: The CFO has oversight over the companies Risk Management (RM) process as well as capex and opex, merge and acquisitions (which might include investments in low water impact projects such as wind or solar generation). The Risk Officer reports to the CFO and chairs the Risk Oversight Committee (ROC) which oversees market and commercial risks including the impact on hydrology. The ROC on annually reviews and approves Market Management strategies, including those seeking to monitor and ameliorate the impact of climate risks. Under the RM process we have the Weather Risk Committee which analyses the impacts of climate change as it manifests through renewable resource availability (such as hydrology) and financial results. The CFO has also oversight of the financial planning and analysis process which facilitates the Company's aggregation of key risks, including quantification of Climate Risks such as hydrology. The CFO presents this content in summary for to the Board of Directors. AES' global operations managed by the COO drive our businesses' operational excellence, performance, environmental regulatory compliance and efficiencies; including water activities, achievement of KPIs, etc

[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

25

(4.5.3) Please explain

100% of Named Executive Officers (NEOs), but no Board level participation. AES directly links a portion of compensation to environmental metrics, which relates to Climate Change. AES' 2023 Performance Incentive Plan included a goal weighted at 25% to achieve growth in renewable energy generation. In addition, since 2021, AES granted Restricted Stock Units ("RSUs") with modifiers for environmental and social performance conditions (RSUs are 20% of the long-term compensation mix) For each NEO, the third tranche of the 2023 RSU awards vests on the third anniversary of the grant date based on continued service with the Company. A 7.5% has

been established for the Reduction of gigawatt hours from coal generation across the Company's portfolio of fuel sources by the end of the fiscal year ending December 31, 2025

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

No, and we do not plan to introduce them in the next two years

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

Corporate executive team

(4.5.1.2) Incentives

Select all that apply

Bonus - % of salary

Shares

(4.5.1.3) Performance metrics

Targets

Progress towards environmental targets

Emission reduction

Other emission reduction-related metrics, please specify :Exit of coal generation portfolio

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

AES directly links a portion of compensation to environmental and social metrics. AES' 2023 Performance Incentive Plan included a goal weighted at 25% to achieve growth in renewable energy generation. In addition, since 2021, AES granted Restricted Stock Units ("RSUs") with modifiers for environmental and social performance conditions (RSUs are 20% of the long-term compensation mix) - The timeframe of the performance indicator(s): s. For each NEO, the first and second tranches of the 2023 RSU awards vest on the first and second anniversaries of the grant date, respectively, based solely on continued service with the Company. The third tranche vests on the third anniversary of the grant date based on continued service with the Company but subject to a modifier based on the achievement of environmental and social goals measured over the 3 year period ending December 31, 2025 - Quantitative details of the incentive(s) and the performance indicator(s): The number of restricted stock units in the third tranche that are eligible to vest on the third anniversary of the grant date will be adjusted up or down by an amount equal to up to 15% of the target number of restricted stock units comprising the full award granted on the grant date, based on the achievement of the ESG aspirations established: A 7.5% has been established for the Reduction of gigawatt hours from coal generation across the Company's portfolio of fuel sources by the end of the fiscal year ending December 31, 2025. - Operational context: Global thermal Generation portfolio For short term compensation there are two metrics that are considered: 1) Green Growth and Commercial Operations Date (COD) Megawatts (MW) acquired, signed, and closed through various projects during the year, as well as projects that commenced commercial operations 2) New Business Models New Businesses or Products that are low or carbon free solutions.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Our compensation structure incentivizes the achievement of annual objectives related to the growth of renewable energy generation and long-term goals for reducing gigawatt hours from coal generation which linked to our business strategy and play a part in achieving our decarbonization goals. We see an enormous business opportunity from the once-in-a-lifetime transformation of the electricity sector driven by decarbonization, electrification, and digitalization. This shift creates a substantial demand for more renewable energy as well as an opportunity for innovation to develop new products and solutions that help customers accomplish their individual decarbonization goals. As part of our commitment to combating climate change and reducing emissions, our core business strategy focuses on transitioning our portfolio to low-carbon and carbon-free energy sources. We aim to achieve our decarbonization goals by reducing coal generation and increasing the share of renewables in our portfolio. The above described incentives are structured to support the attainment of the decarbonization goals: 1. Performance-Based, Short-Term Cash Compensation: This is tied to the achievement of pre-set objectives and specific performance thresholds related to strategic goals. By setting these objectives and thresholds around environmental commitments, such as increasing renewable energy generation in the portfolio, the short-term incentives directly contribute to our decarbonization ambition of reduce the carbon intensity of our portfolio (measured as tons of Carbon Dioxide by Megawatt-Hour) as will increase the

renewable generation. 2. Long Term Compensation: Awards align the interests of executives with those of stockholders, ensuring the attainment of long-term objectives. These long-term goals include reducing gigawatt hours from coal generation across our business portfolio, which also contributes to our decarbonization ambitions as it reduces emissions.

[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

- Climate change
- Water
- Biodiversity

(4.6.1.2) Level of coverage

Select from:

- Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

- Direct operations
- Portfolio

(4.6.1.4) Explain the coverage

Our Environmental Sustainability Policy's content covers upstream, direct operations and downstream of our operation. Both our Global policy and the partnering standards govern the activities of all our employees and contractors working at our facilities. We encourage our suppliers (through contractual policies) to adopt our environmentally responsible practices in their own businesses and supply chains. There are no exclusions to the coverage of our policy there for all biomes and ecoregions on our property is covered.

(4.6.1.5) Environmental policy content

Environmental commitments

- Commitment to comply with regulations and mandatory standards
- Commitment to take environmental action beyond regulatory compliance
- Commitment to stakeholder engagement and capacity building on environmental issues
- Other environmental commitment, please specify :Environmental audits. Incidents identification and correction.

Climate-specific commitments

- Commitment to net-zero emissions

Water-specific commitments

- Commitment to control/reduce/eliminate water pollution
- Commitment to reduce water consumption volumes

Additional references/Descriptions

- Description of environmental requirements for procurement
- Reference to timebound environmental milestones and targets

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

Yes, in line with another global environmental treaty or policy goal, please specify

(4.6.1.7) Public availability

Select from:

Publicly available

(4.6.1.8) Attach the policy

AES Environmental Sustainability Policy-21_1_1.pdf

[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

Task Force on Climate-related Financial Disclosures (TCFD)

UN Global Compact

(4.10.3) Describe your organization's role within each framework or initiative

TCFD - in 2018 we became supporters of the Task Force on Climate-related Disclosures (TCFD) and made a commitment to adopt the recommendations of the Task Force. Since then we have published two Climate Scenario Reports following TCFD recommendations. UN Global Compact - some of our businesses (Colombia, Dominican Republic, Panamá, Brasil, El Salvador) are signatories of UN Global Compact, and report in its Communication on Progress.

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

- Yes, we engaged directly with policy makers
- Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

- Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

- Paris Agreement

(4.11.4) Attach commitment or position statement

Political Lobbying & Political Activities _ Future of Energy.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

- Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

US lobby Register. House Registrant ID: 376230000 Senate Registrant ID: 298615-12

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

AES has an assigned team within the company to ensure our corporate strategy is well coordinated with executive leadership and consistently and effectively communicated to all businesses and external stakeholders. This leads to a common approach to multiple climate engagement activities across business divisions and geographies consistent with your strategy on climate change. The team assigned to this position is responsible for direct communications and interactions with policy makers and is the company contact for key industry organizations with a focus on climate policy such as Edison Electric Institute, American Clean Power Association, and The Business Roundtable, among others. All AES company-level policy setting with regards to greenhouse related issues includes this assigned person from our corporate offices in Arlington, VA. AES subsidiary businesses are expected to ensure local policy related activities are aligned with business objectives, climate related targets, and carried out in a coordinated fashion with the corporate office. AES maintains memberships in trade and other associations which help advance our business objectives. AES maintains an active role in the trade associations in which we belong so that we may address any significant conflicts between our values and perspectives of the trade associations. We continuously monitor our membership in trade associations and the positions they endorse. If we identify any actual or potentially significant misalignment on these or other high-priority issues, we will advocate for our views within the trade association and, depending on the circumstances, we may publicly dissent from a trade association position. Before considering withdrawal from any trade association due to misalignment, we would consider the overall benefits from continued membership and the impact we can have from remaining in the association.

[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

H.R. 5376: Inflation Reduction Act of 2022

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

- Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

- Renewable energy generation

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

- National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

- United States of America

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

- Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

- Regular meetings
- Ad-hoc meetings

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

We continue to see an enormous opportunity from the once-in-a-lifetime transformation of the electricity sector driven by decarbonization, electrification, and digitalization. We are committed to lowering our greenhouse gas emissions and accelerating a greener energy future by shifting our portfolio towards less carbon-intensive sources of generation with an emphasis on technologies like wind, solar, and battery storage. The Inflation Reduction Act is the most consequential environmental policy ever enacted in the United States and is a critical element to accelerate the energy transition. Helping shape the enacting regulations and continuing to keep this law in force will be successful outcomes.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

Paris Agreement

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

H.J. Res. 39 / S.J. Res. 15: Solar Tariff Congressional Review Act

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

- Renewable energy generation

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

- National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

- United States of America

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

- Oppose

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

Completely opposed to this proposed legislation that would have removed the 2 year pause on new solar tariffs and slow down the decarbonization of the power sector.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

- Regular meetings
- Ad-hoc meetings

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

We continue to see an enormous opportunity from the once-in-a-lifetime transformation of the electricity sector driven by decarbonization, electrification, and digitalization. We are committed to lowering our greenhouse gas emissions and accelerating a greener energy future by shifting our portfolio towards less carbon-intensive sources of generation with an emphasis on technologies like wind, solar, and battery storage. Keeping the 2 year pause on new solar tariffs in place is critical to providing the time needed to mature and grow the domestic clean energy manufacturing industry. Keeping this in place for the full 2 years is our measure of success.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

Paris Agreement

Row 3

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

S. 1793: Grid Resiliency Tax Credit

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

- Electricity grid access for renewables

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

- National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

- United States of America

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

- Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

- Regular meetings
- Ad-hoc meetings

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

We continue to see an enormous opportunity from the once-in-a-lifetime transformation of the electricity sector driven by decarbonization, electrification, and digitalization. We are committed to lowering our greenhouse gas emissions and accelerating a greener energy future by shifting our portfolio towards less carbon-

intensive sources of generation with an emphasis on technologies like wind, solar, and battery storage. Encouraging the development of additional transmission with tax incentives will be essential to providing grid access to renewables. Continuing to keep this issue top of mind in fiscal discussions will be our measure of success.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

Paris Agreement

Row 4

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Clean Energy and Transmission Acceleration Act

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

Electricity grid access for renewables

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

United States of America

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

Some concern with specifying a specific minimum inter-regional transfer capacity so encouraged flexibility on this number going forward.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

Regular meetings

Ad-hoc meetings

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

We continue to see an enormous opportunity from the once-in-a-lifetime transformation of the electricity sector driven by decarbonization, electrification, and digitalization. We are committed to lowering our greenhouse gas emissions and accelerating a greener energy future by shifting our portfolio towards less carbon-intensive sources of generation with an emphasis on technologies like wind, solar, and battery storage. Reforming the grid development and interconnection processes are important elements of developing further capacity available for transmission of energy generated from renewable resources. We continue to work with lawmakers to improve this piece of legislation with hopes of it moving forward in the near term (that will be considered a measure of success).

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

- Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

- Paris Agreement

Row 5

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

BIG WIRES draft legislation

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

- Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

- Electricity grid access for renewables

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

- National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

- United States of America

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

- Support with major exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

While we support the intent of the overall bill, we have ongoing concerns over costs to our utility customers so have offered to be a resource to update these provisions to be more customer friendly.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

- Ad-hoc meetings
- Submitting written proposals/inquiries

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

We continue to see an enormous opportunity from the once-in-a-lifetime transformation of the electricity sector driven by decarbonization, electrification, and digitalization. We are committed to lowering our greenhouse gas emissions and accelerating a greener energy future by shifting our portfolio towards less carbon-intensive sources of generation with an emphasis on technologies like wind, solar, and battery storage. Interregional transfer capacity will be important to better utilize grid assets currently in place and allow more renewables to connect to the grid. We will continue to support this bill moving forward with the objective of elements of it making it into an end of the year or early next year piece of legislation.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

- Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

- Paris Agreement

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

- Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

- Edison Electric Institute (EII)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

AES is part of EEI because is the association that represents all U.S. investor-owned electric companies. The members provide electricity for nearly 250 million Americans, and operate in all 50 states and the District of Columbia. EEI member companies are committed to being part of the solution to climate change and have undertaken many initiatives over the last 30 years to reduce, avoid, or sequester greenhouse gas emissions. The CEO of AES is a member of the EEI board and AES is actively involved in several energy and climate related committees. A key factor for his participation in the Executive Committee is the leadership he and AES have shown on clean energy and technology investments. Our CEO continuously works to forward EEI's clean energy agenda and to do so safely, reliably and affordably. EEI's position is that climate change presents one of the greatest energy and environmental policy challenges this country – and the world – has ever faced. In January of 2021, EEI issued a statement stating: "We support America rejoining the Paris Agreement. U.S. electric companies collectively have reduced their carbon emissions more than every nation in the world since 2010 and have achieved a 33-percent reduction from 2005 levels as of the end of 2019. That is a decade earlier than what was called for in the original U.S. commitment under the Paris Agreement. To achieve meaningful worldwide action on climate change, it is essential that we continue to engage in these global conversations and that we continue to build on the progress we already have made." This industry association works on a multitude of various issues important to the member companies, including climate related issues. We pay annual membership dues, however there is not a portion specifically designated for climate issues.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

- Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

- Paris Agreement

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

- Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

- American Clean Power Association (formerly AWEA)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

- Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

- Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

- Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

ACP is a trade association that represent a broad cross-section of America's clean energy industry—from land-based and offshore wind, solar, transmission, and storage companies to manufacturing and construction businesses, developers and owners/operators, utilities, financial firms, and corporate purchasers. ACP gives a voice to the renewable power sector to speak at a time when renewable investments can help rebuild our economy and address climate change. Shortly after their formation in January 2021, ACP issued a statement after U.S. committed to rejoin the Paris Climate Agreement. "Climate change is a global threat that requires international collaboration to address, and American Clean Power applauds the Biden-Harris Administration for re-asserting America's place in the Paris Agreement." Further, ACP issued the report, "A Majority Renewables Future," conducted by Wood McKenzie highlighting the role that clean energy policies and programs can have in stimulating investment and creating jobs while helping meet the climate goals of the Paris agreement. "In addition to reducing harmful air pollutants that can lead to asthma and other respiratory illness, this clean energy deployment will lower emissions from the electric sector by 76 percent below 2005 values, helping meet most of the target set under the Paris Agreement." An AES Senior Executive sits on ACP's board and AES is actively involved in several ACP committees. A key factor in adding him to the Board is the leadership he and AES have shown on clean energy and technology investments. Our President continuously works to forward ACP's clean energy agenda and to do so safely, reliably and affordably. An AES Senior Executive sits on ACP's board and AES is actively involved in several ACP committees. ACP's goal is to make clean energy the dominant electricity source in the United States by uniting the power of solar, wind, storage, and transmission companies along with manufacturers and construction companies, developers and owners/operators, utilities, financial firms, and corporate purchasers in the clean energy value chain. This industry association works on a multitude of various issues important to the member companies, including climate related issues. We pay annual membership dues, however there is not a portion specifically designated for climate issues.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

- Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

- Paris Agreement

Row 3

(4.11.2.1) Type of indirect engagement

Select from:

- Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

- Other trade association in North America, please specify :Business roundtable

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

- Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

- Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

- Yes, we publicly opposed their current position

(4.11.2.8) Describe how your organization’s position is consistent with or differs from the organization or individual’s position, and any actions taken to influence their position

Business Roundtable is an association of more than 200 chief executive officers (CEOs) of America’s leading companies, representing every sector of the U.S. economy. Business Roundtable CEOs lead U.S.-based companies that support one in four American jobs and almost a quarter of U.S. GDP. Through CEO-led policy committees, Business Roundtable members The CEO of AES is active with BRT leadership and the company has engaged with BRT in the development of its climate policy. AES participates in BRT because is an association of chief executive officers of America’s leading companies working to develop and advocate directly for policies to promote a thriving U.S. economy and expanded opportunity for all Americans. In its September 2020 report, “Addressing Climate Change,” BRT states that addressing climate change and its impacts demands a robust, coordinated effort with a sound policy portfolio. Business Roundtable CEOs called for a well-designed market-based mechanism and other supporting policies to provide certainty and unleash innovation to lift America toward a cleaner, brighter future. Specific to the Paris Agreement, the report states the following: “Business Roundtable believes that to avoid the worst impacts of climate change, the world must work together to limit global temperature rise this century to well below 2 degrees Celsius above preindustrial levels, consistent with the Paris Agreement.” This industry association works on a multitude of various issues important to the member companies, Including climate related issues. We pay annual membership dues, however there is not a portion specifically designated for climate issues.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select from:

- Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Select all that apply

- Paris Agreement

Row 4

(4.11.2.1) Type of indirect engagement

Select from:

- Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

- Solar Energy Industries Association (SEIA)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

- Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

- Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

- Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

We are part of the SEIA as is the national trade association for the solar and solar storage industries. Founded in 1974, SEIA is building a comprehensive vision for the Solar Decade through research, education and advocacy. SEIA, along with their members and allies across the energy system, have set an ambitious goal: solar energy will comprise 30% of all U.S. electricity generation by 2030. The Solar Energy Industries Association (SEIA) backed the Paris Agreement when it was signed

in 2016 and continues to support this agreement and other global efforts to combat climate change. The Vice President of External Affairs for AES's U.S. renewables business is a member of the SEIA Board and AES is active on several committees. This industry association works on a multitude of various issues important to the member companies, including climate related issues. We pay annual membership dues, however there is not a portion specifically designated for climate issues.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

Paris Agreement

Row 5

(4.11.2.1) Type of indirect engagement

Select from:

Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

Other, please specify :Energy Advocacy Organization

(4.11.2.3) State the organization or position of individual

American Energy Action (The organization primary focus is to advocate for sound policies that will promote renewable energy).

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

American Energy Action was formed with the purpose of educating the public and raising awareness of the issues impacting renewable energy, advocating for policies necessary for the economic, social, and environmental benefits of renewable energy, and holding elected officials and policy makers accountable for their positions on renewable energy issues.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

100000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

As described in their webpage, AEA takes the U.S. forward by creating a powerful voice respected by policy makers and elected officials. AEA defines success as bringing about shifts in legislative votes, statements, and other indications of support for renewable energy by targeting lawmakers and government officials. These shifts demonstrate that AEA has achieved public policy influence commensurate with renewable energy's size, economic investment, and geographic footprint. AEA

also defines success according to the size and effectiveness of its network of advocates. As a result of AEA's work, key segments of the public are being educated about policymakers' positions and are engaged in making renewable energy a significant part of the policy debate at both the state and federal levels.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

Paris Agreement

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

- Climate change
- Water
- Biodiversity

(4.12.1.4) Status of the publication

Select from:

- Complete

(4.12.1.5) Content elements

Select all that apply

- | | |
|---|---|
| <input checked="" type="checkbox"/> Strategy | <input checked="" type="checkbox"/> Water accounting figures |
| <input checked="" type="checkbox"/> Governance | <input checked="" type="checkbox"/> Content of environmental policies |
| <input checked="" type="checkbox"/> Emission targets | |
| <input checked="" type="checkbox"/> Emissions figures | |
| <input checked="" type="checkbox"/> Biodiversity indicators | |

(4.12.1.6) Page/section reference

Our 2023 Sustainability Report (Improving Lives Report) sections: Our business Strategy (pp 12-17); Our Climate Ambitions (pp 18-20); Planet (pp 41-47); Accountability (48-52) Our 2023 ESG Indicators tabs: Planet – Emissions; Planet – Water; Planet – Biodiversity; Planet- Energy Consumption.

(4.12.1.7) Attach the relevant publication

2023-AES-ESG-Indicators.xlsx

(4.12.1.8) Comment

ESG Indicators Report: <https://www.aes.com/sites/aes.com/files/2024-07/2023-AES-ESG-Indicators.xlsx>

Row 2

(4.12.1.1) Publication

Select from:

- In mainstream reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

- Climate change
- Water

(4.12.1.4) Status of the publication

Select from:

- Complete

(4.12.1.5) Content elements

Select all that apply

- Risks & Opportunities
- Strategy
- Emissions figures

(4.12.1.6) Page/section reference

Our Annual Report and 10K sections: Strategy (pp 16-21); Risk factor (pp 65-82)

(4.12.1.7) Attach the relevant publication

2023 annual report wrap 10-K FINAL.pdf

(4.12.1.8) Comment

Annual Report
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

Yes

(5.1.2) Frequency of analysis

Select from:

Every three years or less frequently

Water

(5.1.1) Use of scenario analysis

Select from:

Yes

(5.1.2) Frequency of analysis

Select from:

Every three years or less frequently

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

Customized publicly available climate physical scenario, please specify :We leveraged scenarios by the IPCC for physical risk (IPCC AR5; RCP 2.6 -0.9 - 2.3°C- & 6.0 - 2 - 4°C-). As these two sets of third-party scenarios are not formally harmonized, we grouped them for our stress test Covering 2 - 4°C Scenario.

(5.1.1.3) Approach to scenario

Select from:

Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

Acute physical

Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

3.5°C - 3.9°C

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2040

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Other finance and insurance driving forces, please specify :Captive insurance model that provides a unique understanding of our underlying physical risks.

Stakeholder and customer demands

☑ Consumer attention to impact

Direct interaction with climate

☑ On asset values, on the corporate

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Our Climate Scenario Report was published in 2021. Our stress test was conducted over the projected time period of 2020 to 2040 & includes all of AES' businesses and global assets, both current and anticipated. Our stress test includes varying growth trajectories for building new renewable energy assets and future growth in our asset-light product lines. We account for our equity stake in each asset and any publicly announced retirements or divestments. Our physical risk analysis expands upon our 2018 approach by incorporating additional weather and climate peril datasets from insurance and reinsurance models, simulations of how those perils intensify in the future & expanding the scope of the stress test to incorporate the breadth of our product lines, with a notable addition of analysis of our transmission and distribution assets. The stress test assesses how a changing climate affects the risk exposure of our current and future assets. Fundamentally, we analyzed how our total and average insured value changes in the future and the expected exposure of those assets to intensifying climate perils. Total insured value (TIV) represents exposure to loss due to damage to physical assets or interruption to business operations. Starting with asset-specific information such as geographic locations and the TIV from our captive insurer, we then incorporate multiple forward-looking third party catastrophe loss data sets to allow us to understand the risk of extreme weather events for each asset location. We leverage the Coupled Model Intercomparison Project Phase 5 climate model data sets and a have great circle mapping methodology to stress these risk levels under different climate scenarios that tie directly to the IPCC's RCPs. We also include reasonably projected future market share assumptions to allow us to simulate the growth of future renewable energy assets we will build globally, and to reflect the physical risk associated with different types of assets into our model. For this analysis we created a peril exposure taxonomy that takes into consideration primary threats, such as floods, wind and wildfires, based on the geographic positioning of each asset.

(5.1.1.11) Rationale for choice of scenario

We selected internationally recognized, 3rd party climate scenarios to stress test the resilience of our portfolio. We leveraged scenarios by the IPCC for physical risk (IPCC AR5; RCP 2.6 -0.9 - 2.3C- & 6.0 - 2 - 4C-). As these two sets of third-party scenarios are not formally harmonized, we grouped them for our stress test Covering 2 - 4C Scenario.

Water

(5.1.1.1) Scenario used

Climate transition scenarios

Customized publicly available climate transition scenario, please specify :We leveraged scenarios developed by the International Energy Agency (IEA) for transition risk (STEPS & SDS) and the Intergovernmental Panel on Climate Change (IPCC) for physical risk (IPCC AR5; RCP 2.6 & 6.0).

(5.1.1.3) Approach to scenario

Select from:

Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

Acute physical

Chronic physical

Policy

Market

Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

- 2.5°C - 2.9°C

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

- 2040

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- Climate change (one of five drivers of nature change)

Finance and insurance

- Other finance and insurance driving forces, please specify :Power, fuel and carbon prices

Stakeholder and customer demands

- Consumer attention to impact

Regulators, legal and policy regimes

- Global regulation

Direct interaction with climate

- On asset values, on the corporate

Macro and microeconomy

- Other macro and microeconomy driving forces, please specify :Regional electricity market dynamics

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Our Climate Scenario Report was published in 2021. Our stress test was conducted over the projected time period of 2020 to 2040 and includes all of AES' businesses and global assets, both current and anticipated. Our stress test includes varying growth trajectories for building new renewable energy assets and future growth in our asset-light product lines. We account for our equity stake in each asset and any publicly announced retirements or divestments. Our transition risk analysis focus on the potential impact of carbon policies and other changes in the electricity market associated with the low-carbon transition. The key third-party variables considered: power, fuel and carbon prices, regional electricity market dynamics and the potential for energy efficiency and demand side response. Also includes AES-specific assumptions so our modeling approach enables us to assess our profitability at an individual asset and product line level to identify areas of risk, and where we are positioned for growth. We also consider expected asset retirement and potential divestment scenarios, our ownership structure for different assets, market share and margin considerations across our product lines. Our physical risk analysis expands upon our 2018 approach by incorporating additional weather and climate peril datasets from insurance and reinsurance models, simulations of how those perils intensify in the future and expanding the scope of the stress test to incorporate the breadth of our products, with a notable addition of analysis of our transmission and distribution assets. The stress test assesses how a changing climate affects the risk exposure of our current and future assets. Fundamentally, we analyzed how our total and average insured value changes in the future and the expected exposure of those assets to intensifying climate perils. Total insured value (TIV) represents exposure to loss due to damage to physical assets or interruption to business operations. Scenarios are both quantitative & qualitative.

(5.1.1.11) Rationale for choice of scenario

We selected internationally recognized, third-party climate scenarios to stress test the resilience of our portfolio. We leveraged scenarios developed by the International Energy Agency (IEA) for transition risk (STEPS & SDS) and the Intergovernmental Panel on Climate Change (IPCC) for physical risk (IPCC AR5; RCP 2.6 & 6.0). As these two sets of third-party scenarios are not formally harmonized, we grouped them for our stress test covering 1.5C - 4C Scenario.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

Customized publicly available climate transition scenario, please specify :We leveraged scenarios developed by the International Energy Agency (IEA) for transition risk (STEPS - 2.7°C- & SDS - 1.5 - 2°C-). As these two are not formally harmonized, we grouped them for our stress test covering 1.5°C - 2°C Scenario.

(5.1.1.3) Approach to scenario

Select from:

Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

- Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

- Policy
- Market
- Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

- 1.6°C - 1.9°C

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

- 2040

(5.1.1.9) Driving forces in scenario

Finance and insurance

- Other finance and insurance driving forces, please specify :Power, fuel and carbon prices

Regulators, legal and policy regimes

- Global regulation

Direct interaction with climate

- On asset values, on the corporate

Macro and microeconomy

- Other macro and microeconomy driving forces, please specify :Regional electricity market dynamics

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Our Climate Scenario Report was published in 2021. Our stress test was conducted over the projected time period of 2020 to 2040 and includes all of AES' businesses and global assets, both current and anticipated. Our stress test includes varying growth trajectories for building new renewable energy assets and future growth in our asset-light product lines. We account for our equity stake in each asset and any publicly announced retirements or divestments. Our transition risk analysis focus on the potential impact of carbon policies and other changes in the electricity market associated with the low-carbon transition. The key third-party variables considered: power, fuel and carbon prices, regional electricity market dynamics & the potential for energy efficiency and demand side response. Also includes AES-specific assumptions so our modeling approach enables us to assess our profitability at an individual asset and product line level to identify areas of risk, and where we are positioned for growth. We also consider expected asset retirement and potential divestment scenarios, our ownership structure for different assets, market share and margin considerations across our product lines. Our modeling approach enables us to assess our profitability at an individual asset and product line level to identify areas of risk and where we are positioned for growth.

(5.1.1.11) Rationale for choice of scenario

We selected internationally recognized, third-party climate scenarios to stress test the resilience of our portfolio. We leveraged scenarios developed by the International Energy Agency (IEA) for transition risk (STEPS - 2.7C- & SDS - 1.5 - 2C-). As these two sets of third-party scenarios are not formally harmonized, we grouped them for our stress test covering 1.5 - 2C Scenario.

[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

- Risk and opportunities identification, assessment and management
- Strategy and financial planning
- Resilience of business model and strategy
- Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Based on the scenario analysis performed in 2021: 1) AES strategy is resilient under various climate scenarios based on the results of our stress tests, as we transition our portfolio to smaller, globally-dispersed assets that diversify our exposure to localized extreme weather events and reduce our exposure to higher risk locations. The stress test highlights the effectiveness of our efforts to mitigate direct risks from carbon policies, including new laws or regulations that increase the cost of carbon emissions. Our transition risk stress test focuses on direct carbon exposed margin. Across both scenarios, our direct carbon exposed margin declines to less than 1% of our total margin by 2030 and 0% by 2040, due to 3 major factors: - Our focus on renewables and low-carbon technologies. - Diversifying our business into growing product lines - For thermal assets, ensuring their gross margin is largely derived from capacity payments under long-term PPA, which are not directly exposed to carbon policy risk. Our strategy enables us to shift our portfolio from fewer large conventional power assets to a portfolio of smaller, more distributed risk exposure in renewables. 2) Stress test demonstrates that our portfolio becomes even more diversified as we transition to more renewables & asset-light product lines, & that we effectively reduce our physical risk exposure across each of the scenarios & time horizons evaluated. We expect our existing geographic diversification will be magnified naturally as a result. For example, our stress test shows that by 2040 approx. 76% of our assets will be in low-risk locations in the 1.5 - 2C scenario compared to 64% today. We see a reduction in the proportion of our assets in medium & high risk locations due to 3 major factors: - Our anticipated growth in new renewable capacity. - Our continual investments in hardening our assets proportionate to the expected risk exposure in their respective locations. - Our continued transition away from large thermal assets which create concentrations of risk exposure at individual geographic locations to a larger number of smaller renewable assets 3) Our results highlight the significant growth potential of our products, which are positioned to lead the transition to a low-carbon economy & also to reduce AES' portfolio-wide physical risks. We expect to be a global leader in renewables, which reduces the carbon intensity of our generation (In 2021 we set the targets (i) By 2030 have a generation portfolio carbon intensity in line with a well-below 2C scenario, (ii) By 2040 have net-zero carbon emissions from electricity sales and (iii) By 2050 have a net zero carbon emissions for entire business portfolio (Actions assume new policies that facilitate transition to low emissions energy systems, such as a price on carbon. Includes scope 1 and 2 emissions for 2040 and Scope 3 for 2050.); also in 2023 we updated our coal target with the (i) Intend to exit the majority of coal by year-end 2025 -AES may delay the exit of a few select plants through 2027 to support continued electricity reliability-) & capitalizes on the tremendous market opportunity for low-carbon electricity (we set the ambition to add 14-17 GW of renewables from 2023-2025). We observed limited variance in the proportion of total margin across our 4 product lines in both scenarios & minimal direct carbon exposed margin in either scenario. Furthermore, the transition to a low-carbon economy creates tremendous growth potential for our business, as our product lines are positioned to deliver key infrastructure and services needed for the transition to be successful. Our product lines significantly diversify our financial exposure to physical risks from climate change.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

Risk and opportunities identification, assessment and management

- Strategy and financial planning
- Resilience of business model and strategy

(5.1.2.2) Coverage of analysis

Select from:

- Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Based on the scenario analysis performed in 2021: Physical climate risk is most relevant to our asset-intensive product lines that have significant infrastructure in the ground and that are directly tied to electricity generation — today, our physical risk is relatively concentrated in larger thermal and hydropower assets. As a long-time owner of power infrastructure across the globe, we have understood the risks described and continuously improve the way we run our portfolio by enhancing the design, construction, operation and diversification of our assets. Our strategy includes growth in new renewable capacity (short and medium term) that we believe will be able to build in low risk locations. Continual investments in hardening our assets proportionate to the expected risk exposure in their respective locations. Continued transition away from large thermal assets (short and medium term) which create concentrations of risk exposure at individual geographic locations to a larger number of smaller renewable assets. We design our wind and solar assets for the regions and sites they are intended to serve and, as a result, the costs to build and insure assets in high-risk locations are greater than in low-risk locations. Over time, we expect to be able to reduce potential losses at a portfolio level, because we anticipate that the design of, and lessons learned from, renewable generation assets will continue to evolve.

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

- No and we do not plan to develop a climate transition plan within the next two years

(5.2.15) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

Select from:

- No standardized procedure

(5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

AES' corporate strategy and vision for the future is based on the fundamental premise that there is a need for the power sector to transition to low-carbon and carbon-free sources of generation. Our strategy, which is set at the highest level of management and approved by the Board of Directors, is focused on both growing our four product lines and selling or retiring much of our coal-fired generation fleet. Our product lines are each positioned to be an integral solution to accelerate the global transition to less carbon intensive sources of energy. Our strategy is reinforced by the expectations of our stakeholders, customer demand for low-carbon energy solutions, feedback from investors and a focus on integrating sustainability into everything we do. As we work to accelerate the future of energy, we seek to do so across all sectors. To chart a path towards achieving this aspiration, we wanted to establish a picture of what a decarbonized energy system might look like in 2050. At AES, we envision a future powered by an energy system that is highly electrified, interconnected and digital. We have drawn on industry-leading research and modeling of net zero and 100% renewable energy systems to craft a vision of the energy systems we seek to create. Based on these insights, not only do we believe that it is critically necessary to decarbonize by 2050 to mitigate climate change and impacts, we believe it is both affordable and feasible to achieve a significant portion of this goal by relying predominantly on existing technology. In this electrified future, we believe demand for new renewable capacity supporting grid infrastructure will be tremendous, leading us to view the portfolio of solutions we are constructing as particularly well suited to meet society's energy needs. In crafting our portfolio of products and product lines, we seek to develop solutions that will actualize a vision of the future of energy synthesized from leading industry research. Our strategy is backed by short and long-term measurable aspirations and a clear path for how to get there, informed by our vision for a decarbonized energy future of the entire sector. One of the aspirations is set to have the carbon intensity of our generation portfolio in-line with a well below 2C scenario. We envision a future energy system that has been massively electrified, with extraordinary increases in renewable generation and widespread use of synthetic fuels.

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

Products and services

Upstream/downstream value chain

Investment in R&D

Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change
- Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Our strategy is influenced by the continuing risks and opportunities stemming from the overall concern regarding climate change, new environmental laws, changing environmental regulations, and new technologies that add value today and will drive our business in the future, among others. The Strategy is reviewed every 3-4 years and approved by our Board of Directors. Changes in the environmental compliance costs may have a low impact on our ability to provide the same products and services at a similar level of quality, but may have a high cost impact for our customers. If new products are required for the same service (i.e. renewable energy certificates for providing energy to our customers) then the costs may be impacted. The Corporate Strategy formulation process combines analytical tools and innovation principles to assess long-term risks and opportunities and define the strategy to be followed. The process incorporates data and analysis to quantify multiple long-term views of the future and their impact on our businesses with a view to enhancing our decision-making process. This strategy process considers the risks of climate change but also the opportunities available as we develop products/services to address climate change. We of course find these opportunities within our Renewables Business Unit, which supports our renewables growth strategy in countries like Chile and US, but we also find opportunities within our Energy Infrastructure Business Unit. For instance, though we maintain LNG assets in the Mexico, Central America and Caribbean region we can leverage our LNG terminals (Panamá and Dominican Republic) to substitute fuel oil and diesel, traditionally used in power plants and the transportation sector in this region, with cleaner natural gas. Also, we have invested in new and innovative business ventures that provide leading-edge and greener energy solutions, such as the creation or acquisition of subsidiaries like Fluence, our joint venture with Siemens, which is a global leader in scalable energy storage technology and services. AES' investment in Uplight has allowed AES customers to implement digital technology and data to manage energy use, resulting in greater efficiency. Maximo is an autonomous solar installation robot that assists the solar workforce with heavy lifting and repetitive portions of the solar installation process. Incubated out of AES, Motor partners with utilities to accelerate consumer adoption of electric vehicles.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change
- Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Corporate strategy is reviewed every 3-4 years and monitored monthly. When changes in hydrology occur, the entire value chain for energy can change in locations with large penetrations of renewable energy. As we see these shifts from low to high hydrology, we modify our commercial strategies to account for this. In markets where this shift in hydrology can have a medium impact on our business, such as Panama, we have made investment decisions, like the Colon and Gatún generation plants and LNG terminal to diversify and decrease this risk to our customers and our value chain AES Colón is a significant step toward diversifying the energy mix, introducing cleaner alternatives in Panama and beyond; offering a cleaner alternative to petroleum-based fuels in Central America and also in the Caribbean. AES has pushed to adapt to climate change risks by investing in new technologies such as battery storage, demand-side management or Energy Analytics (the impact could be low to moderate depending on the investment). This has the ability to materially improve our stakeholder management, mitigate potential environmental factors, and prepare us for new technologies that may disrupt our markets. One example of a consequential strategic decision in this area was the announcement of a new Strategic Business Unit at AES called New Energy Technologies. Within this Business Unit, AES invests in new and innovative technologies to support leading-edge green energy solutions that will support both AES decarbonization efforts and efforts in other industry sectors. AES has three types of innovation processes to deliver on our strategy: 1) Core: transforms how we operate and grow our existing offerings, 2) New: solves for customer needs, bringing us closer to our customers and advances AES growth. For example, we announced a first-of-its-kind 24/7 carbon free energy supply agreement with Google. AES will manage a diverse portfolio of green energy resources to guarantee 90% or better carbon-free energy measured on an hourly basis, 3) Exponential: we identify new and innovative business ventures that provide leading-edge and green energy solutions such as Fluence, 5B and Maximo.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Corporate strategy is set every 3-4 years and monitored monthly. AES has pushed to adopt and adapt to climate change risks by investing in new technologies such as battery storage, demand-side management and Energy Analytics (the impact could be low to moderate depending on the investment). This has the ability to materially improve our stakeholder management, mitigate potential environmental factors, and prepare us for new technologies that may disrupt our markets. One example of a consequential strategic decision in this area was the announcement of a new Strategic Business Unit at AES called New Energy Technologies. Within this Business Unit, AES invests in new and innovative technologies to support leading-edge green energy solutions that will support both AES decarbonization efforts and efforts in other industry sectors. AES has three types of innovation to deliver on our strategy: 1) "Core" innovation processes transform how AES operates and grows its existing offerings, 2) "New" innovation processes solve for customer needs, bringing us closer to our customers and advance AES growth, 3) "Exponential" innovation processes develop new businesses models based on strategic insights. Our AES Innovation processes demonstrate our company's focus on fostering new ideas and fast-tracking their development and implementation. Within our Core Innovation processes, we continuously strive to improve our operations and global impact. Within our New Innovation processes, we develop new products and services throughout our footprint. As our customers strive to reduce their carbon impact and become more energy-efficient, we help them reach those goals. For example, in our renewables business in the US we announced a first-of-its-kind 24/7 carbon free energy supply agreement with Google. AES is managing a diverse portfolio of green energy resources to guarantee 90% or better carbon-free energy measured on an hourly basis. Within our Exponential Innovation processes, we identify new and innovative business ventures that provide leading-edge and green energy solutions. Fluence, Uplight, and 5B are three such ventures that well represent the Exponential model and focus on accelerating the low carbon future of energy.

Operations

(5.3.1.1) Effect type

Select all that apply

Risks

Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

Climate change

Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

The most important components of the short-term strategy (over the next five years) that have been influenced by climate change have been the impact of hydrological changes on our businesses, changing environmental regulations in the various markets in which we operate and emerging technologies that provide low carbon solutions to our customers. Our businesses are affected by variations in general weather patterns and unusually severe weather. Our businesses forecast electric sales based on best available information and expectations for weather, which represents a long-term historical average. Changes in weather can also affect the production of electricity at power generation facilities, including, but not limited to, our wind and solar facilities. Low rainfall and water inflows have caused reservoir levels to be below historical levels, reduced generation output, and increased prices for electricity. When hydrological conditions cause droughts or other conditions that negatively impact our hydroelectric generation business (which happened in Panama in 2019 and Brazil in 2021) our operational results can be materially adversely affected. For instance, positive or negative changes in precipitation have a positive or negative impact (versus average) on the electric generation production of AES's hydroelectric facilities. Bad hydrology had an impact in 2014 of 0.10 EPS (US100m ownership adjusted), but changes and mitigations led to a nominal impact on earnings from similar hydrology in 2017. If our hydroelectric generation facilities cannot generate sufficient energy to meet contractual arrangements, we may need to purchase energy to fulfill our obligations, which could have a material adverse impact on our operational results. As a mitigation measure AES has invested in thermal facilities (e.g. gas plants such as Colón and Gatún in Panamá), wind, and solar generation assets (Brasil, Chile, Colombia), which have a complementary profile to hydroelectric plants.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

- Acquisitions and divestments

(5.3.2.2) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

Climate change

Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

AES's businesses work to identify risks of our business (in the short and medium term 5 years) due to many factors including climate change. The Corporate 5 year strategy set in 2016 established a ambition to reduce the carbon intensity of the portfolio, which was updated in 2021 to an ambition to have a generation portfolio carbon intensity in-line with a well below 2C scenario by 2030 (based on renewables growth and the feasibility of multiple possible asset scenarios. Sectoral Decarbonization Approach ambition for power generation of 0.16 tCO2e/MWh based on 2016 baseline and modeled 2030 portfolios). To achieve such target the company plans to reduce coal generation(which might be through asset sales, fuel conversions and retirements) while increasing the share of renewables in our portfolio (that can be through acquisitions or construction). In 2023 the company acquired Rexford (a 300 MW solar and 240 MW BESS project), Petersburg Solar Project (a 250 MW solar and BESS project.), Calhoun (a late development-stage 125 MW solar project.), Bellefield (consisting of two late development-stage solar and BESS projects of 1 GW each) and Bolero Solar Park (146 MW solar). Also during 2023 AES announced it has reached an agreement with Se.ven Global Investments to sell its 51% equity stake in the Mong Duong 2 coal-fired plant in Vietnam. Following approvals by the Government of Vietnam and the Ministry of Industry and Trade, the anticipated close for the transaction is in line with AES' intent to exit the majority of its coal assets by the end of 2025. In addition, to mitigate the risk of Changing precipitation patterns (S- our operations in Panama, Colombia, Brazil & Chile have experienced challenges arising from dry hydrology from time to time). T-Over the past years the company has looked for ways to diversify its portfolio to reduce exposure to hydrology. A&R-As response strategy to address the impact it started to diversify its portfolio through acquisitions & development of projects (acquired in Panamá the Penonomé wind farm, The Cubico and Cajuina wind farms in Brasil and solar park Bolero in Chile) with a complementary profile to hydro seasonality, as a way to mitigate exposure to hydro risks. Since 2017, we have announced the sale or retirement of almost 13.5 GW of coal generation.

[Add row]

(5.4) 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	Methodology or framework used to assess alignment with your organization's climate transition
	Select from: <input checked="" type="checkbox"/> Yes	Select all that apply <input checked="" type="checkbox"/> Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

Other, please specify :Internal - review revenues based on Business Categorization

(5.4.1.5) Financial metric

Select from:

Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

2415000000

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

19.1

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

AES remains an industry leader in developing and operating the innovative solutions that enable the transition to zero and low-carbon sources of energy. We continue to see an enormous opportunity from the once-in-a-lifetime transformation of the electricity sector driven by decarbonization, electrification, and digitalization. We are committed to lowering our greenhouse gas emissions and accelerating a greener energy future by shifting our portfolio towards less carbon-intensive sources of generation with an emphasis on technologies like wind, solar, and battery storage. We are also developing and incubating new technologies that add value today and will drive our business in the future. We understand that the energy industry is changing rapidly, and aim to proactively seek solutions that will give us a continued competitive advantage. In that sense, we are organized into four technology-oriented SBUs: Renewables (solar, wind, energy storage, and hydro generation facilities); Utilities (AES Indiana, AES Ohio, and AES El Salvador regulated utilities and their generation facilities); Energy Infrastructure (natural gas, LNG, coal, pet coke, diesel, and oil generation facilities, and our businesses in Chile); and New Energy Technologies (green hydrogen initiatives and investments in Fluence, Uplight, and 5B). In this case, we consider the revenues coming from the Renewables (which include solar, wind, hydro and battery storage) and New Energy Technologies (initiatives and investments in Fluence, Uplight, and 5B) aligned with our strategy (no third party assurance but our financial statements have an

external auditor review). There might be other revenue elements within the other two SBUs that are also aligned, but we do not provide that level of details in our financial disclosures. (please note we do not disclose information related to our future revenues)
[Add row]

(5.5) 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
	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(5.5.7) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Row 1

(5.5.7.1) Technology area

Select from:

Other, please specify :Energy Management Services

(5.5.7.2) Stage of development in the reporting year

Select from:

Large scale commercial deployment

(5.5.7.3) Average % of total R&D investment over the last 3 years

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

50

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

As we decarbonize our portfolio, we are also allowing other sectors and our customers to decarbonize as well. At AES, we are reimagining how we provide energy and how our customers can best manage their energy use. One area of focus is digital systems, which enable energy efficiency and resource optimization. This R&D investment includes projects such as Uplight— a digital energy solution that creates new customer experiences. Uplight partners with more than 80 leading electric and gas utilities, serving more than 110 million customers. It provides home energy management tools, marketplaces through which utilities offer energy management solutions, and demand management services, among many other products. Note: The % value in the column "Average % of total R&D investment planned over the next 5 years" is an estimated value.

Row 2**(5.5.7.1) Technology area**

Select from:

 Other, please specify :Renewable energy**(5.5.7.2) Stage of development in the reporting year**

Select from:

 Small scale commercial deployment**(5.5.7.3) Average % of total R&D investment over the last 3 years**

22

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

35

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

We understand that the energy industry is changing rapidly, and we aim to proactively seek solutions that will give us a continued competitive advantage. We're removing the barriers to widespread solar energy adoption to accelerate decarbonization for businesses worldwide, ushering in a new wave of customers to meet their short-term and long-term clean energy goals. This R&D spending includes investment in technology such as 5B: MAVERICK design (a prefabricated solar solution), enabling customers to add solar resources at a faster pace while providing more energy within the same footprint of traditional solar facilities. Note: The % value in the column "Average % of total R&D investment planned over the next 5 years" is an estimated value.

Row 3

(5.5.7.1) Technology area

Select from:

Other, please specify :Robotics

(5.5.7.2) Stage of development in the reporting year

Select from:

Full/commercial-scale demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

6.2

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

13.3

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

AES is fundamentally changing the way solar is installed to make it more affordable, accessible, faster, safer, efficient, and scalable to accelerate decarbonization for businesses worldwide. This R&D includes investment in projects such as Maximo, an autonomous solar installation robot that assists the solar workforce doing the

heavy lifting and repetitive portions of the solar installation process. This reduces construction timelines while improving safety. Note: The % value in the column "Average % of total R&D investment planned over the next 5 years" is an estimated value.

Row 4

(5.5.7.1) Technology area

Select from:

Other, please specify :Robotics

(5.5.7.2) Stage of development in the reporting year

Select from:

Applied research and development

(5.5.7.3) Average % of total R&D investment over the last 3 years

0.8

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

1.7

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

We are working to develop and incubate technologies that help us accelerate our deployment of renewables to achieve our decarbonization strategic objectives. As part of our robotics development, this includes investments such as applied research for computer vision combined with artificial intelligence for construction environments to detect many parts of a solar power plant to support solar module installation and other activities involved on building renewable plants. Note: The % value in the column "Average % of total R&D investment planned over the next 5 years" is an estimated value.

[Add row]

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

Coal – hard

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

0.1

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

2012

(5.7.5) Explain your CAPEX calculations, including any assumptions

We do not provide Capex data by technology, only total Capex US\$7,724 million. We do not provide data for future capex but we included 0.1 so we were able to include the most recent year in which a new power plant using this source was approved year for transparency.

Lignite

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

0.1

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

2005

(5.7.5) Explain your CAPEX calculations, including any assumptions

We do not provide Capex data by technology, only total Capex US\$7,724 million. We do not provide data for future capex but we included 0.1 so we were able to include the most recent year in which a new power plant using this source was approved year for transparency.

Oil

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

(5.7.5) Explain your CAPEX calculations, including any assumptions

No CAPEX associated with this source

Gas

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

0.1

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

2021

(5.7.5) Explain your CAPEX calculations, including any assumptions

We do not provide Capex data by technology, only total Capex US\$7,724 million. We do not provide data for future capex but we included 0.1 so we were able to include the most recent year in which a new power plant using this source was approved year for transparency.

Sustainable biomass

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

(5.7.5) Explain your CAPEX calculations, including any assumptions

No such generation type

Other biomass

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

(5.7.5) Explain your CAPEX calculations, including any assumptions

We do not provide Capex data by technology, only total Capex US\$7,724 million. We do not provide data for future capex.

Waste (non-biomass)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

(5.7.5) Explain your CAPEX calculations, including any assumptions

No such generation technology

Nuclear

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

(5.7.5) Explain your CAPEX calculations, including any assumptions

No such generation type

Geothermal

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

(5.7.5) Explain your CAPEX calculations, including any assumptions

No such generation type

Hydropower

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

0.1

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

2011

(5.7.5) Explain your CAPEX calculations, including any assumptions

We do not provide Capex data by technology, only total Capex US\$7,724 million. We do not provide data for future capex but we included 0.1 so we were able to include the most recent year in which a new power plant using this source was approved year for transparency.

Wind

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

0.1

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

2023

(5.7.5) Explain your CAPEX calculations, including any assumptions

We do not provide Capex data by technology, only total Capex US\$7,724 million. We do not provide data for future capex but we included 0.1 so we were able to include the most recent year in which a new power plant using this source was approved year for transparency.

Solar

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

0.1

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

2023

(5.7.5) Explain your CAPEX calculations, including any assumptions

We do not provide Capex data by technology, only total Capex US\$7,724 million. We do not provide data for future capex but we included 0.1 so we were able to include the most recent year in which a new power plant using this source was approved year for transparency.

Marine

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

(5.7.5) Explain your CAPEX calculations, including any assumptions

No such generation technology

Fossil-fuel plants fitted with CCS

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

(5.7.5) Explain your CAPEX calculations, including any assumptions

No such generation technology

Other renewable (e.g. renewable hydrogen)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) 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

0.1

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

2023

(5.7.5) Explain your CAPEX calculations, including any assumptions

Considers Battery Storage. We do not provide Capex data by technology, only total Capex US\$7,724 million. We do not provide data for future capex but we included 0.1 so we were able to include the most recent year in which a new power plant using this source was approved year for transparency.

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

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

[Fixed row]

(5.7.1) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Row 1

(5.7.1.1) Products and services

Select from:

Smart grid

(5.7.1.2) Description of product/service

AES Indiana, an AES Company, provides retail electric service to more than 500,000 residential, commercial and industrial customers in Indianapolis, as well as portions of other Central Indiana communities surrounding Marion County. The company is currently undertaking a seven-year plan to invest 1.2 billion in the modernization of AES Indiana's electric grid, to continue meeting the rapidly changing needs of our customers throughout the Indianapolis area. Smart Grid includes upgrades and replacement of aging equipment, hardware and other assets, new technology, equipment and systems, which include: A self-healing electric grid, allowing AES Indiana, to isolate problems automatically and re-route power around the problem, reducing the customer impact and duration of service interruptions. "Smart" AMI meters and other corresponding technology that automatically let AES Indiana, know when the power is out, as well as inform estimated time of restoration during outages. It also provides customers improved service reliability, efficiency and performance; fewer outages; improved safety; enhanced equipment performance and reliability. Improved Customer experience and communications. (the value included in the "Percentage of total CAPEX planned products and services" is approximate and refers only to the total executed capex of AES Indiana in smart grid.)

(5.7.1.3) CAPEX planned for product/service

1200000000

(5.7.1.4) Percentage of total CAPEX planned for products and services

59

(5.7.1.5) End year of CAPEX plan

2027

[Add row]

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

-45

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

44

(5.9.3) Water-related OPEX (+/- % change)

8

(5.9.5) Please explain

(Please note that the entire answer for this question only considers AES Brasil). AES Brasil considered Capex of water assets to calculate the year-on-year change. In 2023, R55 million was invested, -45% compared to the R99.1 million invested in 2022. The decrease was expected due to the investments in modernization of hydroelectric plants already done in 2022. For 2024, a 44% increase in CAPEX is expected. In 2023 OPEX totalized BRL 438.2 million, an increase of 8% over 2022 (BRL 403.7 million). The decrease is related mainly to non-recurring expenses such as the biennial maintenance of locks that was carried out in 2022. In line with the good transparency practices of B3's Novo Mercado, AES Brasil does not disclose guidance on future operational and financial results.

[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: <input checked="" type="checkbox"/> Yes	Select all that apply <input checked="" type="checkbox"/> Carbon <input checked="" type="checkbox"/> Water

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

- Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

- Drive low-carbon investment
- Identify and seize low-carbon opportunities
- Navigate regulations

(5.10.1.3) Factors considered when determining the price

Select all that apply

- Alignment with the price of a carbon tax
- Scenario analysis

(5.10.1.4) Calculation methodology and assumptions made in determining the price

The internal carbon price is being used in our business AES Andes in Chile to estimate the costs in which the company will incur to comply with the "green taxes" established on Chilean Tax Reform. The price is also used for evaluating future business opportunities and decisions. For example AES Andes is constructing several renewable projects in Chile. This constitutes an advantage and positive implication, because under the current regulation run of rivers, solar and wind power plants, will always be dispatched (because of their zero variable cost). Also, if in the future the regulation becomes more restrictive in terms of emissions, renewable plants can serve as a trade off plant. The internal carbon price is not determined internally in the company but is established according to the national regulations associated with the green tax Law 20780 which is determined on the basis of the social cost of CO2 estimated by the Chilean Ministry of Social Development. Also, for our climate scenario report, in our transition risk analysis the key third-party variables considered in our stress test included power prices, fuel prices, carbon prices, regional electricity market dynamics and the potential for energy efficiency and demand side response.

(5.10.1.5) Scopes covered

Select all that apply

Scope 1

(5.10.1.6) Pricing approach used – spatial variance

Select from:

Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

Static

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

5

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

5

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

Operations

Opportunity management

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

Yes, for some decision-making processes, please specify :Evaluation of future business opportunities and decisions.

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

99.9

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

The internal carbon price is being used in our business AES Andes in Chile to estimate the costs in which the company will incur to comply with the "green taxes" established on Chilean Tax Reform. The price is also used for evaluating future business opportunities and decisions. For example AES Andes is constructing several renewable projects in Chile. This constitutes an advantage and positive implication, because under the current regulation run of rivers, solar and wind power plants, will always be dispatched (because of their zero variable cost). Also, if in the future the regulation becomes more restrictive in terms of emissions, renewable plants can serve as a trade off plant. The internal carbon price is not determined internally in the company but is established according to the national regulations associated with the green tax Law 20780 which is determined on the basis of the social cost of CO2 estimated by the Chilean Ministry of Social Development
[Add row]

(5.10.2) Provide details of your organization's internal price on water.

Row 1

(5.10.2.1) Type of pricing scheme

Select from:

Shadow price

(5.10.2.2) Objectives for implementing internal price

Select all that apply

Influence strategy and/or financial planning

Navigate regulations

(5.10.2.3) Factors beyond current market price are considered in the price

Select from:

No

(5.10.2.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

We apply such schemes in Panamá and Chile. Details considering our hydro asset Bayano in AES Panamá: Water concession contracts are an integral part of the power generation concession contracts granted by ASEP (Public Services Authority). Payment for water use is determined in Law No. 35 of September 22, 1966, which regulates the Use of Water; Executive Decree 70 of July 27, 1973, which regulates the granting of water use permits and concessions; and CNA Resolution No. 002-2009, which regulates the collection by MiAmbiente for the right to use the resource. The price considered is US 0.0000318 m3. Details considering AES Chile: The coordinator of the Chilean system values the water that is in reservoirs of hydro assets in the country to be able to plan the dispatches. Despite AES Chile do not have hydro assets with reservoirs (so this value is not directly applicable for the energy we can sell with our assets), the value of the water in the system affects spot prices and therefore it can affect analysis of new projects evaluation. On answers for "Objectives for implementing internal price" we considered "Influence strategy and/or financial planning" for AES Chile and "Navigate regulations " for AES Panamá.

[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	Select from: <input checked="" type="checkbox"/> Yes	Select all that apply <input checked="" type="checkbox"/> Climate change <input checked="" type="checkbox"/> Water
Customers	Select from: <input checked="" type="checkbox"/> Yes	Select all that apply <input checked="" type="checkbox"/> Climate change
Investors and shareholders	Select from: <input checked="" type="checkbox"/> Yes	Select all that apply <input checked="" type="checkbox"/> Climate change <input checked="" type="checkbox"/> Water
Other value chain stakeholders	Select from: <input checked="" type="checkbox"/> Yes	Select all that apply <input checked="" type="checkbox"/> Climate change <input checked="" type="checkbox"/> Water

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

	Assessment of supplier dependencies and/or impacts on the environment
Climate change	<i>Select from:</i> <input checked="" type="checkbox"/> No, we do not assess the dependencies and/or impacts of our suppliers, and have no plans to do so within two years
Water	<i>Select from:</i> <input checked="" type="checkbox"/> No, we do not assess the dependencies and/or impacts of our suppliers, and have no plans to do so within two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

- Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

- Material sourcing
- Procurement spend
- Product lifecycle
- Regulatory compliance
- Business risk mitigation

- Reputation management

(5.11.2.4) Please explain

For Renewables businesses we request environmental information/reports for critical suppliers, as well as continuously engage with our suppliers in order to follow up on the compliance on environmental regulations/laws. These practices are prioritized for suppliers of critical materials, like batteries or solar panels. We also have a process of providing questionnaires that cover Environment (which includes water and GHG emissions questions), Safety, Technical issues, among other themes, to be filled in by potential vendors, in order to have a pre-approved pool of suppliers for critical materials. In that sense, we engage with these vendors on water and climate-related issues. We are also considering as part of the answer here AES Brasil GHG related data collection. AES Brasil criteria to prioritize engagement with suppliers on this environmental issue is its significancy on specific Scope 3 categories. 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.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

- Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

- Business risk mitigation
- Regulatory compliance

(5.11.2.4) Please explain

We have a process of providing questionnaires that cover Environment (which includes water and GHG emissions questions), Safety, Technical issues, among other themes, to be filled in by potential vendors, in order to have a pre-approved pool of suppliers for critical materials. In that sense, we engage with these vendors on water and climate-related issues.

[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

- Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

- Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Our Supplier Code of Conduct states that our suppliers: 1) must comply with all applicable laws (which can include environmental regulations for air emissions, for example). 2) shall act in accordance with the applicable statutory and international standards regarding environmental protection. 3) shall maintain work practices and environments that support sustainability. Our Suppliers shall provide solutions that support a sustainable social, economic, and environmental future. AES Procurement Handbook states that "Suppliers must follow AES' Safety, Health, and Environmental policies, applicable legal regulations and compliance; suppliers must conduct work in a safe, healthy and environmentally responsible manner.". Also, Purchase Order Terms and Conditions can include environmental requirements, United States one for example states that "Seller shall abide by all applicable provisions of Buyer's Environmental Health, Safety and Security (EHS&S) and all other Buyer's site policies" and "Seller shall perform all Work in an environmentally responsible manner", this document also refer to situations of non-compliance once "Buyer reserves the right to audit the Seller's records to assure compliance with the requirements of this Section." and "If Seller's fault or non-compliance causes such a work stoppage, then Buyer shall not be liable for stand-by time, start-up time, or other related costs and expenses."

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

- Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

- Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Our Supplier Code of Conduct states that our suppliers: 1) must comply with all applicable laws (which can include environmental regulations for water, for example). 2) shall act in accordance with the applicable statutory and international standards regarding environmental protection. 3) shall maintain work practices and environments that support sustainability. Our Suppliers shall provide solutions that support a sustainable social, economic, and environmental future. AES Procurement Handbook states that "Suppliers must follow AES' Safety, Health, and Environmental policies, applicable legal regulations and compliance; suppliers must conduct work in a safe, healthy and environmentally responsible manner.". Also, Purchase Order Terms and Conditions can include environmental requirements, United States one for example states that "Seller shall abide by all applicable provisions of Buyer's Environmental Health, Safety and Security (EHS&S) and all other Buyer's site policies" and "Seller shall perform all Work in an environmentally responsible manner", this document also refer to situations of non-compliance once "Buyer reserves the right to audit the Seller's records to assure compliance with the requirements of this Section." and "If Seller's fault or non-compliance causes such a work stoppage, then Buyer shall not be liable for stand-by time, start-up time, or other related costs and expenses."

[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

- Other, please specify :Complying with regulatory requirements

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

- Grievance mechanism/ Whistleblowing hotline
 Supplier scorecard or rating

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

100%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

None

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

None

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

Suspend and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

Providing information on appropriate actions that can be taken to address non-compliance

Re-integrating suppliers back into upstream value chain based on the successful and verifiable completion of activities

(5.11.6.12) Comment

Our Supplier Code of Conduct states that our suppliers: 1) must comply with all applicable laws. 2) shall act in accordance with the applicable statutory and international standards regarding environmental protection. 3) shall maintain work practices and environments that support sustainability. Our Suppliers shall provide solutions that support a sustainable social, economic, and environmental future. AES Procurement Handbook states that “Suppliers must follow AES’ Safety, Health, and Environmental policies, applicable legal regulations and compliance; suppliers must conduct work in a safe, healthy and environmentally responsible manner.” Also, Purchase Order Terms and Conditions can include environmental requirements, United States one for example states that “Seller shall abide by all applicable provisions of Buyer’s Environmental Health, Safety and Security (EHS&S) and all other Buyer’s site policies” and “Seller shall perform all Work in an environmentally responsible manner”. Also, AES’ Contractor Environmental Risk Management Standard states that all contractors must be screened against a Contractor Risk Assessment and all contractors posing environmental risk must assure compliance with legal environmental obligations; these contractors will also receive a regular oversight from an AES person. Please note that on “% of non-compliant suppliers engaged” we answered 100% because we didn’t have any suppliers non-compliant in 2023 but that option is not available.

Water

(5.11.6.1) Environmental requirement

Select from:

- Other, please specify :Complying with regulatory requirements

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

- Grievance mechanism/ Whistleblowing hotline
- Supplier scorecard or rating

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

- 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

- 100%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

- Suspend and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

- 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

- Providing information on appropriate actions that can be taken to address non-compliance
- Re-integrating suppliers back into upstream value chain based on the successful and verifiable completion of activities

(5.11.6.12) Comment

Our Supplier Code of Conduct states that our suppliers: 1) must comply with all applicable laws. 2) shall act in accordance with the applicable statutory and international standards regarding environmental protection. 3) shall maintain work practices and environments that support sustainability. Our Suppliers shall provide solutions that support a sustainable social, economic, and environmental future. AES Procurement Handbook states that “Suppliers must follow AES’ Safety, Health, and Environmental policies, applicable legal regulations and compliance; suppliers must conduct work in a safe, healthy and environmentally responsible manner.” Also, Purchase Order Terms and Conditions can include environmental requirements, United States one for example states that “Seller shall abide by all applicable provisions of Buyer’s Environmental Health, Safety and Security (EHS&S) and all other Buyer’s site policies” and “Seller shall perform all Work in an environmentally responsible manner”. Also, AES’ Contractor Environmental Risk Management Standard states that all contractors must be screened against a Contractor Risk Assessment and all contractors posing environmental risk must assure compliance with legal environmental obligations; these contractors will also receive a regular oversight from an AES person. Please note that on “% of non-compliant suppliers engaged” we answered 100% because we didn’t have any suppliers non-compliant in 2023 but that option is not available.

[Add row]

(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

- Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

- Provide training, support and best practices on how to measure GHG emissions
- Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

- Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

- 100%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

- 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

In 2023, AES Brasil supplier portfolio had 2,600 companies from all Brazilian states and operating in the most different business areas. In order to strengthen these partnerships, the team structured the Supplier Connection (Conexão Fornecedor) Program, grounded on the following pillars: Selection and approval policies and processes; Continuous performance assessment and risk; management; Supplier and buyer development; Recognition for the best results. During the year we conduct two major work fronts focusing on Capacity building, providing training, support and knowledge to 100% of suppliers: recurring newsletters throughout the year and trainings in the workshop format. The team also invited them to participate in hybrid trainings, in person and online, more than 230 attended, with the following themes: Climate Change; Circular economy; Innovation; Health and Safety; Ethics and compliance; Human Rights; Diversity, Equity and Inclusion. 100% of tier 1 supplier related Scope 3 emissions were covered by these engagements, these suppliers are counted for our scope 3 categories: employee commuting, business travel and purchased goods and services. (Please note that the entire answer for 5.11.7 is based on AES Brasil).

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

- Yes, please specify the environmental requirement :GHG Emissions Inventory, CDP, ISO14001, in compliance with environmental legislations)

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

- Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

- No other supplier engagement

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

- Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

- Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services
- Share information on environmental initiatives, progress and achievements

Innovation and collaboration

- Align your organization's goals to support customers' targets and ambitions

(5.11.9.3) % of stakeholder type engaged

Select from:

- 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

- 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Our distribution businesses offer renewable energy and demand-side efficiency programs, which result in GHG emission reductions by their customers. The method varies from programs to replace light bulbs, rebates for energy efficiency appliances, to lectures, educational programs and information, tools and tips in the companies website or bills. We have chosen customers as part of our engagement given the scope of our business (distribution of electricity) and the impact it can have in the reduction of emissions. Each utility offers different levels and types of programs, depending on market conditions, thus the prioritization varies: in some cases, the methods are available for all customers (such as education campaigns using diverse media such as social media, in person lectures, information in bills, among others), in others the target are low income customers or specific customers as a result of a partnership or type of program (such as rebates, for example, for US utilities -about 67% of our utility customers-). Also, the company disclose public information about the strategy and climate performance through different channels (press releases, web page and sustainability Reports which reaches all our customers). Please note that on question “% stakeholder-associated scope 3 emissions” we considered the % of Scope 3 - Category 3 (Fuel- and Energy-Related Activities) emissions, which includes the “generation of purchased electricity that is sold to customers” emissions in our Utilities businesses (AES Ohio, AES Indiana and AES El Salvador). In addition to that, in the center of our renewables' growth strategy is a focus on customer collaboration and co-creation, which helps us develop unique solutions based on specific customer needs. This approach has led to the co-creation of several first-of-a-kind industry innovations. In 2021, AES made history with an agreement to supply 24/7 carbon-free energy for Google data centers in Virginia, enabling the energy powering those data centers to be 90% carbon-free when measured on an hourly basis. AES also signed an agreement with Microsoft to support the company goals by providing around-the-clock renewable energy to power its data centers located in the state.

(5.11.9.6) Effect of engagement and measures of success

The measure of success varies depending of the program and can include but is not limited to: people reached out through communication efforts or lectures; amount of energy saved, among others. As an example, in the United States, AES Ohio had programs that allowed customers save enough energy to power over 150,000 homes for a year (the measure of success was achieved by increase the amount of energy savings). In El Salvador, AES El Salvador has installed over 30500

efficient public lighting systems in the municipalities of Atiquizaya, Nejapa, Colón, Soyapango, Sonsonate, Ahuachapán, Santa Ana, Ciudad Barrios and San Bartolomé Perulapía, that has allowed its customers to saved over 3,100 MT of CO2. (the measure of success achieved by maintaining the increase in participating municipalities in the program every year and when customers can reduce consumption)

Water

(5.11.9.1) Type of stakeholder

Select from:

- Other value chain stakeholder, please specify :Local communities

(5.11.9.2) Type and details of engagement

Education/Information sharing

- Other education/information sharing, please specify :Educate and work with local communities on understanding and measuring exposure to water risks

(5.11.9.3) % of stakeholder type engaged

Select from:

- 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

AES businesses engage with communities & other stakeholders located in the same watershed areas on a bi-lateral or multi-lateral basis. These engagement are important: 1) water is a shared resource 2) creating awareness in stakeholders of the surroundings can reduce risk of damages in the reservoirs that can impact operations 3) bring awareness to stakeholders around the possible risks and procedures when an emergency can occur in the reservoirs. Engagements might include communication campaigns (such as public hearings), development of contingency plans, CSR programs, and participation in NGOs or governmental and inter-governmental initiatives. AES Brasil, as part of its risk management process, evaluates, prioritizes and defines mitigation measures, whenever necessary, for situations such as conflicts related to the use of reservoirs, leaks in operations, emergencies in the integrity of dams and adverse conditions of river inflow and rainfall. AES Brasil identified the risk of silting in its hydroelectric operations. One mitigation strategy was to collaborate with local organizations for reforestation, to reduce such risk. AES Brasil provides the planting area, seedlings, & the management expertise, & relies on investments from partners to multiply the scale and positive impacts of the recovery of areas. The AES Brasil nursery produces about 1 million seedlings/year. The project supports other socioenvironmental projects. AES Colombia has a communication program with the authorities and communities to inform them about the reservoir management protocols, release warnings during the rainy periods, and hydrological behavior. For the mobility of the communities in the area surrounding the reservoir, the traditional access roads to the water body have been identified and a permanent maintenance plan and a river transport system for vehicles, people and livestock is in place. There is also a monitoring program for the river that receives excess water during the rainy season, which includes inspection of community infrastructure such as pedestrian and vehicular bridges. The

company supports the communities in the M&O of this infrastructure. AES Panamá maintains an Emergency Action Plan that considers the monitoring of areas downstream of discharges and reservoirs. Periodic meetings and drills are held at least once a year, in which the communities and stakeholders are included. Overall, the engagements on the 3 businesses happen at least on an annually basis.

(5.11.9.6) Effect of engagement and measures of success

Engagements are relevant in areas where we operate hydro facilities as exercising practices for the safety of the surroundings and the integrity of the dams is a fundamental condition for the operations and the availability of assets. In that sense, success is considered when a majority of the neighboring communities of our hydro assets are engaged through these programs. Please note that on question “% of stakeholder type engaged” we answered based on the number of neighboring communities of our hydro assets that were engaged in Brazil, Colombia and Panamá.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

- Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

- Share information about your products and relevant certification schemes
- Share information on environmental initiatives, progress and achievements
- Other education/information sharing, please specify :Share information about organization strategy, including climate change and water matters

(5.11.9.3) % of stakeholder type engaged

Select from:

- 76-99%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

- None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Investors and shareholders play an important role in the success and growth of AES. They provide the necessary capital for the company to fund projects, expand operations, and innovate in the energy sector. In that sense, we keep them informed about our strategy and our performance. In recent years, there has also been increased interest in climate-related topics. We regularly communicate with our investors regarding our business strategy and plan, risk management, financial returns, growth, capital allocation, and governance, among others via: quarterly earnings presentations, investor relations website, investor calls, investor and public forum events, such as the Annual Shareholder Meeting and Investor Days, annual, quarterly and current corporate reports, Proxy communications, traditional and social media, regulatory filings & our annual sustainability report and conferences & global forums, among others. Since our strategy is directly linked to the energy transition (and consequently climate change and weather conditions), this engagement could address those topics including emission targets, renewables growth and portfolio transformation, and also how and if the weather conditions impacted our businesses

(5.11.9.6) Effect of engagement and measures of success

Measuring the success of investor engagement can involve different indicators and qualitative assessments, such as increased investment, capital raised, stock price performance; measuring the frequency and quality of engagement activities, such as investor meetings, conferences, and communications.

Water

(5.11.9.1) Type of stakeholder

Select from:

- Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

- Share information about your products and relevant certification schemes
- Share information on environmental initiatives, progress and achievements
- Other education/information sharing, please specify :Share information about organization strategy, including climate change and water matters

(5.11.9.3) % of stakeholder type engaged

Select from:

- 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Investors and shareholders play an important role in the success and growth of AES. They provide the necessary capital for the company to fund projects, expand operations, and innovate in the energy sector. In that sense, we keep them informed about our strategy and our performance. In recent years, there has also been increased interest in climate-related topics. We regularly communicate with our investors regarding our business strategy and plan, risk management, financial returns, growth, capital allocation, and governance, among others via: quarterly earnings presentations, investor relations website, investor calls, investor and public forum events, such as the Annual Shareholder Meeting and Investor Days, annual, quarterly and current corporate reports, Proxy communications, traditional and social media, regulatory filings & our annual sustainability report and conferences & global forums, among others. Since our strategy is directly linked to the energy transition (and consequently climate change and weather conditions), this engagement could address those topics including emission targets, renewables growth and portfolio transformation, and also how and if the weather conditions impacted our businesses

(5.11.9.6) Effect of engagement and measures of success

Measuring the success of investor engagement can involve different indicators and qualitative assessments, such as increased investment, capital raised, stock price performance; measuring the frequency and quality of engagement activities, such as investor meetings, conferences, and communications.

[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

Equity share

(6.1.2) Provide the rationale for the choice of consolidation approach

Our GHG data is compiled and disclosed in accordance with the GHG Protocol requirements. We adopt the equity share organizational boundary for reporting for assets with operational control

Water

(6.1.1) Consolidation approach used

Select from:

Equity share

(6.1.2) Provide the rationale for the choice of consolidation approach

Our GHG data is compiled and disclosed in accordance with the GHG Protocol requirements. We adopt the equity share organizational boundary for reporting for assets with operational control

Plastics

(6.1.1) Consolidation approach used

Select from:

Other, please specify :No reporting / Not applicable

(6.1.2) Provide the rationale for the choice of consolidation approach

No reporting / Not applicable

Biodiversity

(6.1.1) Consolidation approach used

Select from:

Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

*We report certain biodiversity metrics that are based on the projects we have under operation
[Fixed row]*

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

No

(7.1.1) 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?

	<p>Has there been a structural change?</p>
	<p>Select all that apply</p> <p><input checked="" type="checkbox"/> No</p>

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	<p>Change(s) in methodology, boundary, and/or reporting year definition?</p>	<p>Details of methodology, boundary, and/or reporting year definition change(s)</p>
	<p>Select all that apply</p> <p><input checked="" type="checkbox"/> Yes, a change in boundary</p>	<p>In 2023, we recalculated the baseline year emissions, due to portfolio changes.</p>

[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

Scope 1

Scope 2, location-based

Scope 2, market-based

Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

AES has established 2016 as the base year for our Scope 1 greenhouse gas (GHG) emission calculation. We aim to adjust our base year emissions inventory to account for significant changes in accordance with the GHG Protocol guidance Tracking Emissions Over Time. An adjustment will be necessary if the any of the changes described below drive an increase/decrease in emissions greater than 10%. • Reflect for structural changes that might occur as mergers, acquisitions, and divestments as well as the outsourcing and insourcing of emitting activities. • Significant changes in calculation methodology or emission factors that result in a significant impact on the base year. • Discovery of significant errors, or a number of cumulative errors, that are collectively significant. The revision and recalculation -if needed- should be done at the end of the year at the latest. According to the last Base Year revision the Scope 1 Base Year was recalculated due to structural changes in the AES portfolio. For Scope 2 and 3 the baseline year were recalculated because of significant changes in calculation methodology.

(7.1.3.4) Past years' recalculation

Select from:

No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- The Greenhouse Gas Protocol: Scope 2 Guidance
- Other, please specify :The GHG Protocol: Technical Guidance for Calculating Scope 3 Emissions (version 1.0)

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: <input checked="" type="checkbox"/> We are reporting a Scope 2, location-based figure	Select from: <input checked="" type="checkbox"/> We are reporting a Scope 2, market-based figure	Location and Market based figures reported in equity adjusted basis

[Fixed row]

(7.4) 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?

Select from:

- Yes

(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Row 1

(7.4.1.1) Source of excluded emissions

Administrative offices and associated activities (i.e. energy consumption, etc)

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

Scope 2 (location-based)

(7.4.1.4) Relevance of location-based Scope 2 emissions from this source

Select from:

Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

According to AES analysis emissions from our administrative office locations are de minimis compared to our operational facilities. Therefore are not considered relevant.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

For the administrative offices, we compared the consumption of some offices with the electricity purchased in many of our power plants for own consumption. The values were under 4% of the total Scope 2 emissions.

Row 2

(7.4.1.1) Source of excluded emissions

Fugitive methane emissions from coal piles

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

Scope 1

(7.4.1.3) Relevance of Scope 1 emissions from this source

Select from:

Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

According to AES' analysis, methane emissions from coal pile storage locations are de minimis compared to those from power generation and other non-power generation sources. Therefore are not considered relevant

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

The methane emissions from coal piles storage at coal power plants are estimated using coal purchases and the emission factor average applied to the coal mining sector. The estimated CO2e emissions are less than 0.1% of the total Scope 1 emissions.

[Add row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2016

(7.5.2) Base year emissions (metric tons CO2e)

51809568

(7.5.3) Methodological details

We follow the principles and requirements of the GHG Protocol's Corporate Accounting and Reporting Standard (equity share approach) to collect activity data and calculate emissions. Our GHG emissions inventory includes all GHGs covered by the Kyoto Protocol, except for PFCs and NF3, since these are not used in our operations. In addition to power generation, the use of light and heavy-duty vehicle fleets, as well as other equipment, represents another source of direct emissions which our businesses monitor. Scope 1 emissions are calculated using emissions factors that we review every 3 years. Emissions and conversion factors sources

used are: - EPA Emission Factors for Greenhouse Gas Inventories (2023) - GHG Protocol Global Warming Potential Values (March 2017) - The Climate Registry, Default Emission Factor Document 2021. The baseline year was recalculated in 2023 according to the recalculation policy.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO₂e)

478719

(7.5.3) Methodological details

Based on the GHG Protocol's Scope 2 Guidance, AES has taken a dual reporting approach to estimate emissions from energy purchases for our own use because we identified that some of our businesses are in markets, where consumers have the opportunity to make decisions about purchasing electricity from providers of their choice. Our Scope 2 emissions include tracking of: - Electricity purchased from non-AES generated sources for a business's own use; - Transmission and distribution losses of non-AES generated electricity sold to end users of AES distribution companies. Conversion factor sources are: - Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report, 2014 (AR5), 2014 - U.S. Environmental Protection Agency, eGRID Summary Tables 2022 - International Energy Agency, 2023 edition- Emissions Factors 2021

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO₂e)

478719

(7.5.3) Methodological details

Based on the GHG Protocol's Scope 2 Guidance, AES has taken a dual reporting approach to estimate emissions from energy purchases for our own use because we identified that some of our businesses are in markets, where consumers have the opportunity to make decisions about purchasing electricity from providers of their choice. Our Scope 2 emissions include tracking of: - Electricity purchased from non-AES generated sources for a business's own use; - Transmission and

distribution losses of non-AES generated electricity sold to end users of AES distribution companies. Conversion factor sources are: - Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report, 2014 (AR5), 2014 - U.S. Environmental Protection Agency, eGRID Summary Tables 2022 - International Energy Agency, 2023 edition- Emissions Factors 2021

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

515

(7.5.3) Methodological details

We are only accounting for emissions related to municipal water use. (DEFRA 2022)

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

72468

(7.5.3) Methodological details

Calculated. Refers to emissions from our AES Brasil business. This emission source began to be accounted for in 2020. Emissions related to the acquisition of vehicles were calculated, and in 2020 AES Brasil acquired a flex vehicle for its own fleet.

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

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

3437298

(7.5.3) Methodological details

Includes purchased electricity sold to end users, mining and transportation of coal used for generation to facilities in Puerto Rico and Chile. Conversion factors sources are: • Intergovernmental Panel on Climate Change (IPCC), 2019 • WRI GHG Emissions Factors Compilation 2017 • Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report, 2014 (AR5) • U.S. Environmental Protection Agency, eGRID Summary Tables 2022 • International Energy Agency, 2023 edition- Emissions Factors 2021

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

9963

(7.5.3) Methodological details

Includes waste from various non-hazardous waste streams generated at our facilities, that was sent to landfill for disposal. (U.S. Environmental Protection Agency, 2022 - Emission Factors for Greenhouse Gas Inventories)

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

(7.5.3) Methodological details

Includes only those registered through the corporate travel tracking platform. Conversion factors sources are: (UK Department for Environment Food & Rural Affairs (DEFRA 2022), U.S. Environmental Protection Agency, 2022 - Emission Factors for Greenhouse Gas Inventories, Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report, 2014 (AR5))

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

91

(7.5.3) Methodological details

*Includes employee commute for our headquarters offices in Arlington, VA, and an office location in Brasil that uses external transportation services for employees. Conversion factors sources are: (Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report, 2014 (AR5), National Inventory Of Atmospheric Emissions for Road Motor Vehicles 2013, National Energy Target (BEN) 2021, Intergovernmental Panel on Climate Change (IPCC), 2006 Stationary Combustion CH2 & CH3, Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report, 2014 (AR5), Petroleum National Agency (ANP summary for fuels) 2021, Petroleum National Agency (ANP summary for Natural Gas) 2021.
[Fixed row]*

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

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

33401594

(7.6.3) Methodological details

We follow the principles and requirements of the GHG Protocol's Corporate Accounting and Reporting Standard (equity share approach) to collect activity data and calculate emissions. Our GHG emissions inventory includes all GHGs covered by the Kyoto Protocol, except for PFCs and NF3, since these are not used in our operations. In addition to power generation, the use of light and heavy-duty vehicle fleets, as well as other equipment, represents another source of direct emissions which our businesses monitor. Scope 1 emissions are calculated using emissions factors that we review every 3 years. For 2023, we reviewed the latest emission factors available and no updates on historical data was needed. Emissions and conversion factors sources used are: - EPA Emission Factors for Greenhouse Gas Inventories (2023) - GHG Protocol Global Warming Potential Values (March 2017) - The Climate Registry, Default Emission Factor Document 2021
[Fixed row]

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

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

472668

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

472668

(7.7.4) Methodological details

Based on the GHG Protocol's Scope 2 Guidance, AES has taken a dual reporting approach to estimate emissions from energy purchases for our own use because we identified that some of our businesses are in markets, where consumers have the opportunity to make decisions about purchasing electricity from providers of their choice. Our Scope 2 emissions include tracking of: - Electricity purchased from non-AES generated sources for a business's own use; - Transmission and distribution losses of non-AES generated electricity sold to end users of AES distribution companies. Conversion factor sources are: - Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report, 2014 (AR5), 2014 - U.S. Environmental Protection Agency, eGRID Summary Tables 2021 - International Energy Agency, 2023 edition- Emissions Factors 2023
[Fixed row]

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

Purchased goods and services

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

317.5

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

AES businesses report emissions due to the use of Municipal Water. We believe that the direct GHG emissions from this source (Municipal Water) are negligible compared to our direct emissions from our power generation plants. We have not assessed the emission from other purchased good and services, hence the responses in this row refer only to purchases of municipal water.

Capital goods

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

48.31

(7.8.3) Emissions calculation methodology

Select all that apply

- Supplier-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Please note that all values presented in this category consider only the consolidated CO2e metric tons from AES Brasil Energia S.A. and its subsidiary companies. This emission source began to be accounted for in 2020. Emissions related to the acquisition of vehicles were calculated. Emission factors from vehicles acquired were considered in the Energy-Consumption study and Carbon-Emission Analysis of Vehicle and Component Manufacturing (2010). We have not assessed emissions for all Capital Goods for Entire Company.

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

(7.8.1) Evaluation status

Select from:

- Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2438427.7

(7.8.3) Emissions calculation methodology

Select all that apply

- Average data method
- Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

(7.8.5) Please explain

AES businesses report emissions due to sale of electricity to customers by our T&D locations and emissions resulting from the transportation from Coal purchases in AES Andes in Chile and Puerto Rico in its Scope 3 emissions inventory. Methodology: GHG Protocol "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and associated "Technical Guidance for Calculating Scope 3 Emissions(version 1.0)". ii) Activity data: each T&D location reports data on electricity sold to customers (in MWh) on a monthly basis into our EHS Data Management System. The system calculates GHG emissions based on this data and country grid factors. iii) Emission factors: Country grid factors are provided in "CO2 emissions from fuel combustion highlights" report issued by International Energy Agency (IEA, 2020 edition). For US facilities, U.S. EPA for Greenhouse Gas Inventories (Modified: 26 March 2020) Table 6 Electricity, eGRID emission factors are used.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Upstream transportation and distribution consist mainly of suppliers delivering goods and services to our businesses. These goods and services are limited to those we need to operate our electric power generation and electric T&D businesses. We believe that the direct GHG emissions from this source are negligible compared to our direct emissions from our power generation plants.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

9963.2

(7.8.3) Emissions calculation methodology

Select all that apply

Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Beyond the CCRs, our facilities do not generate significant amounts of waste. Our mixed municipal solid waste generated in operation is sent to landfill for disposal. Our coal fired power generation plants can generate residual coal combustion by-products (CCBs), but these are primarily managed onsite and do not result in significant Scope 3 GHG emissions (e.g., the electricity used to manage CCBs onsite is either generated onsite or purchased).

Business travel

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1569.6

(7.8.3) Emissions calculation methodology

Select all that apply

Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Business travel includes travel by AES employees worldwide by air. Methodology: GHG Protocol “Corporate Value Chain (Scope 3) Accounting and Reporting Standard” and associated “Scope 3 Calculation Guidance (Category 6 – Business Travel)”. ii) Activity data: travel by person is collected by International SOS (ISOS) Travel Tracker system from travel agencies contracted by AES around the world. Air distance in miles is calculated based on departure and destination airport for each flight. iii) Emission factors: U.S. EPA for Greenhouse Gas Inventories (Modified: 26 March 2020) Table 10 Scope 3 Category 6: Business Travel and Category 7.

Employee commuting

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

127.8

(7.8.3) Emissions calculation methodology

Select all that apply

Supplier-specific method

Fuel-based method

Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Employee commute emission estimates presented here are for our employees located at AES corporate headquarters in Arlington, VA, and who use motor vehicle parking benefits. Also include the fuel consumption in Brazil employee commuting. Methodology: GHG Protocol “Corporate Value Chain (Scope 3) Accounting and Reporting Standard” and associated “Scope 3 Calculation Guidance (Category 7 – Employee Commuting)”. ii) Activity data: distance in miles per day roundtrip;.iii) Emission factors: U.S. EPA for Greenhouse Gas Inventories (Modified: 26 March 2021) Table 10 Scope 3 Category 6: Business Travel and Category 7: Employee Commuting These emission factors do not include additional impacts of radiative forcing.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

AES businesses do not extensively utilize upstream leased assets -- our electric power generation businesses and electric T&D businesses are the prime activities of our business and these are usually directly owned and managed by AES businesses. We believe that the direct GHG emissions from this source are negligible compared to our direct emissions from our power generation plants.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Activities for downstream transportation and distribution of the electricity that we directly generate are not a significant source of CO₂e emissions. As we are a utility and generation company, our products are electricity and gas. These are transported through pipes and wires as opposed to vehicles. Following GHG Protocol, emissions related to electricity and gas transportation and distribution are calculated in "Fuel-and-energy-related activities (not included in Scope 1 or 2)". Therefore, there are no emissions related to downstream transportation and distribution, and this category is not relevant

Processing of sold products

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

There is no additional processing of the electricity our power generation businesses sell that would result in additional CO2e emissions

Use of sold products

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

AES sells electrical energy that is consumed by customers. Therefore, this Scope 3 emissions category is de minimus, not material to the business.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

End of life treatment issues for the electricity we generate at our power plants or that we distribute to customers via our electricity T&D businesses does not result in additional Scope 3 emissions.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

AES does not generally extensively utilize downstream leased assets -- our electric power generation businesses and electric T&D businesses are the prime activities of our business and these are usually directly owned and managed by AES. We believe that the direct GHG emissions from this source are negligible compared to our direct emissions from our power generation plants

Franchises

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

AES does not avail itself of business franchise arrangements, therefore, the Scope 3 CO₂e emissions due to AES franchise related activities is zero.

Investments

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Investments that AES' businesses make such in the construction of greenfield new power generation plants, major improvements at existing power generation plants, and/or improvements in our electric Transmission and Distribution networks can result in direct Scope 3 CO₂e emissions. Emissions associated with these types of investments would be included as Scope 1 or Scope 2. AES does not make other types of equity or debt investments or project finance or managed investments and client services.

Other (upstream)

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

We are not aware of any other upstream activities of our business that could result in Scope 3 GHG emissions.

Other (downstream)

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

We are not aware of any other downstream activities of our business that could result in Scope 3 GHG emissions.

[Fixed row]

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

	Verification/assurance status
Scope 1	Select from: <input checked="" type="checkbox"/> Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Select from: <input checked="" type="checkbox"/> Third-party verification or assurance process in place
Scope 3	Select from: <input checked="" type="checkbox"/> Third-party verification or assurance process in place

[Fixed row]

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

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

Annual process

(7.9.1.2) Status in the current reporting year

Select from:

Complete

(7.9.1.3) Type of verification or assurance

Select from:

Limited assurance

(7.9.1.4) Attach the statement

CY23 AES Assurance Statement 03-26-2024.pdf

(7.9.1.5) Page/section reference

The details of AES' verification/assurance of Scope 1 emissions can be found on page 2, Section Terms of Engagement, Table 1.

(7.9.1.6) Relevant standard

Select from:

ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

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

Row 1

(7.9.2.1) Scope 2 approach

Select from:

Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.2.3) Status in the current reporting year

Select from:

Complete

(7.9.2.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.2.5) Attach the statement

CY23 AES Assurance Statement 03-26-2024.pdf

(7.9.2.6) Page/ section reference

The details of AES' verification/assurance of Scope 2 location-based emissions can be found on page 2, Section Terms of Engagement, Table 1.

(7.9.2.7) Relevant standard

Select from:

ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.2.3) Status in the current reporting year

Select from:

Complete

(7.9.2.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.2.5) Attach the statement

(7.9.2.6) Page/ section reference

The details of AES' verification/assurance of Scope 2 market-based emissions can be found on page 2, Section Terms of Engagement, Table 1.

(7.9.2.7) Relevant standard

Select from:

ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

[Add row]

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

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

Scope 3: Purchased goods and services

(7.9.3.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.3.3) Status in the current reporting year

Select from:

Complete

(7.9.3.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.3.5) Attach the statement

CY23 AES Assurance Statement 03-26-2024.pdf

(7.9.3.6) Page/section reference

The details of AES' verification/assurance of Scope 3 Purchase Goods and Service emissions can be found on page 2, Section Terms of Engagement, Table 1.

(7.9.3.7) Relevant standard

Select from:

ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.3.1) Scope 3 category

Select all that apply

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

(7.9.3.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.3.3) Status in the current reporting year

Select from:

Complete

(7.9.3.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.3.5) Attach the statement

CY23 AES Assurance Statement 03-26-2024.pdf

(7.9.3.6) Page/section reference

The details of AES' verification/assurance of Scope 3 Fuel-and-energy-related-activities (not included in Scope 1 or 2) emissions can be found on page 2, Section Terms of Engagement, Table 1.

(7.9.3.7) Relevant standard

Select from:

ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 3

(7.9.3.1) Scope 3 category

Select all that apply

Scope 3: Waste generated in operations

(7.9.3.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.3.3) Status in the current reporting year

Select from:

Complete

(7.9.3.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.3.5) Attach the statement

CY23 AES Assurance Statement 03-26-2024.pdf

(7.9.3.6) Page/section reference

The details of AES' verification/assurance of Scope 3 Waste generated in operations emissions can be found on page 2, Section Terms of Engagement, Table 1.

(7.9.3.7) Relevant standard

Select from:

ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 4

(7.9.3.1) Scope 3 category

Select all that apply

Scope 3: Business travel

(7.9.3.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.3.3) Status in the current reporting year

Select from:

Complete

(7.9.3.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.3.5) Attach the statement

CY23 AES Assurance Statement 03-26-2024.pdf

(7.9.3.6) Page/section reference

The details of AES' verification/assurance of Scope 3 Business Travel emissions can be found on page 3, Section Terms of Engagement, Table 1.

(7.9.3.7) Relevant standard

Select from:

ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 5

(7.9.3.1) Scope 3 category

Select all that apply

Scope 3: Employee commuting

(7.9.3.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.3.3) Status in the current reporting year

Select from:

Complete

(7.9.3.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.3.5) Attach the statement

CY23 AES Assurance Statement 03-26-2024.pdf

(7.9.3.6) Page/section reference

The details of AES' verification/assurance of Scope 3 Employee Commuting emissions can be found on page 3, Section Terms of Engagement, Table 1.

(7.9.3.7) Relevant standard

Select from:

ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100

[Add row]

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

Select from:

Decreased

(7.10.1) 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 renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

802252

(7.10.1.2) Direction of change in emissions

Select from:

Decreased

(7.10.1.3) Emissions value (percentage)

1.99

(7.10.1.4) Please explain calculation

*We shut down a coal power plant in September 2022, the emissions from this plant 2022 were 757,836 tCO2e (Scope 1 and 2) and 0 in 2023. Our total Scope 1 and Scope 2 emissions in the 2022 were 40,279,996 tCO2e, therefore we arrived at 1.88 % through $(0-802,252/40,279,996)*100=1.88\%$. We are also considering here projects of company fleet vehicle replacement and operational improvements.*

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

83194

(7.10.1.2) Direction of change in emissions

Select from:

Decreased

(7.10.1.3) Emissions value (percentage)

0.21

(7.10.1.4) Please explain calculation

AES decreased its equity in assets in the Dominican Republic and Colon power plant in Panama from 85% to 65%, contributing to decreased emissions of 83194 tCO2e. Our total Scope 1 and Scope 2 emissions in the 2022 were 40,279,996 tCO2e, therefore we arrived at 0.21% through $(0 - 83,194 / 40,279,996) * 1000.21\%$.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Various Solar facilities in the United States. The renewables acquisitions during the year do not affect emissions.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No mergers during the year.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

5518265

(7.10.1.2) Direction of change in emissions

Select from:

Decreased

(7.10.1.3) Emissions value (percentage)

13.7

(7.10.1.4) Please explain calculation

The decrease in emissions because of changes in output is due to less generation from Coal (23%) and Petcoke (17%), which represents 5,562,681 tCO2e less in 2023; therefore we arrived at 13.81% through $(0 - 5,518,265 / 40,279,996) * 100 = -13.70\%$

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No changes in the methodology

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No changes in boundary.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No changes in physical operating conditions

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

N/A

[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:

Location-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:

Yes

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

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
	126794	Biologically sequestered carbon (Biomass and Landfill Gas)

[Fixed row]

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

Select from:

Yes

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

Row 1

(7.15.1.1) Greenhouse gas

Select from:

CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

33156151

(7.15.1.3) GWP Reference

Select from:

IPCC Fifth Assessment Report (AR5 – 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

97856

(7.15.1.3) GWP Reference

Select from:

IPCC Fifth Assessment Report (AR5 – 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

129865

(7.15.1.3) GWP Reference

Select from:

- IPCC Fifth Assessment Report (AR5 – 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:

- SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

15191

(7.15.1.3) GWP Reference

Select from:

- IPCC Fifth Assessment Report (AR5 – 100 year)

Row 5

(7.15.1.1) Greenhouse gas

Select from:

- HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

2531

(7.15.1.3) GWP Reference

Select from:

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

Fugitives

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

2531

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

15191

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

17722

Combustion (Electric utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

33059495

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

97856

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

33157351

Combustion (Gas utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

Combustion (Other)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

96656

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

96656

Emissions not elsewhere classified

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

129865

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

129865

[Fixed row]

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

Argentina

(7.16.1) Scope 1 emissions (metric tons CO2e)

2799432

Brazil

(7.16.1) Scope 1 emissions (metric tons CO2e)

677

Bulgaria

(7.16.1) Scope 1 emissions (metric tons CO2e)

2018677

Chile

(7.16.1) Scope 1 emissions (metric tons CO2e)

6372591

Colombia

(7.16.1) Scope 1 emissions (metric tons CO2e)

314

Dominican Republic

(7.16.1) Scope 1 emissions (metric tons CO2e)

1163923

El Salvador

(7.16.1) Scope 1 emissions (metric tons CO2e)

33887

Jordan

(7.16.1) Scope 1 emissions (metric tons CO2e)

409572

Mexico

(7.16.1) Scope 1 emissions (metric tons CO2e)

4081625

Netherlands

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

Panama

(7.16.1) Scope 1 emissions (metric tons CO2e)

959755

Puerto Rico

(7.16.1) Scope 1 emissions (metric tons CO2e)

2733013

United States of America

(7.16.1) Scope 1 emissions (metric tons CO2e)

9199390

Viet Nam

(7.16.1) Scope 1 emissions (metric tons CO2e)

4101405
[Fixed row]

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

Select all that apply

By activity

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	<i>Non-power Generation sources</i>	96656
Row 3	<i>Releases</i>	17721
Row 4	<i>Power Generation sources</i>	33287217

[Add row]

(7.19) 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	Comment
Electric utility activities	33401594	<i>This is our total Scope 1.</i>

[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

33390029

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

471422

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

471722

(7.22.4) Please explain

Includes all the emissions associated with the consolidated accounting group.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

11565

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

1246

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

1246

(7.22.4) Please explain

Includes emissions of some facilities not considered under the financial consolidated accounting group, but that are included under the Company's investments accounted under the equity method.

[Fixed row]

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

Select from:

Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

AES Andes

(7.23.1.2) Primary activity

Select from:

Energy services & equipment

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

7375040

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

821

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

824

(7.23.1.15) Comment

Please note that AES Andes was listed in the Santiago Stock Market until April 2024 under the ISIN code: AESANDES. AES Andes is an energy company with thermal and renewable assets (coal, gas, hydro, solar, wind and battery storage) We have many subsidiaries, all of which are considered in our emission accounting disclosed in section 7. This is only an example.

Row 2

(7.23.1.1) Subsidiary name

AES Brasil

(7.23.1.2) Primary activity

Select from:

Other renewable generation

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

ISIN code - equity

(7.23.1.5) ISIN code – equity

BRAESBACNOR7

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

144

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

144

(7.23.1.15) Comment

AES Brasil is a fully renewable energy company (portfolio of hydro, wind and solar assets) We have many subsidiaries, all of which are considered in our emission accounting disclosed in section 7. This is only an example.

[Add row]

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

Select from:

More than 55% but less than or equal to 60%

(7.30) 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)	Select from: <input checked="" type="checkbox"/> Yes
Consumption of purchased or acquired electricity	Select from: <input checked="" type="checkbox"/> Yes

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of purchased or acquired heat	Select from: <input checked="" type="checkbox"/> No
Consumption of purchased or acquired steam	Select from: <input checked="" type="checkbox"/> No
Consumption of purchased or acquired cooling	Select from: <input checked="" type="checkbox"/> No
Generation of electricity, heat, steam, or cooling	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

445715

(7.30.1.3) MWh from non-renewable sources

123328667

(7.30.1.4) Total (renewable and non-renewable) MWh

123774382

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

86225

(7.30.1.3) MWh from non-renewable sources

108268

(7.30.1.4) Total (renewable and non-renewable) MWh

194493

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:

Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

130667

(7.30.1.4) Total (renewable and non-renewable) MWh

130667

Total energy consumption

(7.30.1.1) Heating value

Select from:

Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

662606

(7.30.1.3) MWh from non-renewable sources

123436935

(7.30.1.4) Total (renewable and non-renewable) MWh

124099542

[Fixed row]

(7.30.6) 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	Select from: <input checked="" type="checkbox"/> Yes
Consumption of fuel for the generation of heat	Select from:

	Indicate whether your organization undertakes this fuel application
	<input checked="" type="checkbox"/> No
Consumption of fuel for the generation of steam	Select from: <input checked="" type="checkbox"/> No
Consumption of fuel for the generation of cooling	Select from: <input checked="" type="checkbox"/> No
Consumption of fuel for co-generation or tri-generation	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

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

Sustainable biomass

(7.30.7.1) Heating value

Select from:

Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

No consumption from this fuel

Other biomass

(7.30.7.1) Heating value

Select from:

Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

331241

(7.30.7.3) MWh fuel consumed for self-generation of electricity

76620

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

Biomass from wood. The fuel for cogeneration is the same consumed for electricity generation. CDP

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

114474

(7.30.7.3) MWh fuel consumed for self-generation of electricity

16633

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

Landfill gas

Coal

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

63536266

(7.30.7.3) MWh fuel consumed for self-generation of electricity

7545666

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

Includes Bituminous Coal, Subbituminous Coal, Lignite, Anthracite

Oil

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

No generation with this source

Gas

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

50683829

(7.30.7.3) MWh fuel consumed for self-generation of electricity

1515687

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

No comments

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

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

9108572

(7.30.7.3) MWh fuel consumed for self-generation of electricity

884487

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

Pet Coke

Total fuel

(7.30.7.1) Heating value

Select from:

Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

123774382

(7.30.7.3) MWh fuel consumed for self-generation of electricity

10039093

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.6) MWh fuel consumed for self-generation of cooling

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

*No comments
[Fixed row]*

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Argentina

(7.30.16.1) Consumption of purchased electricity (MWh)

69193

(7.30.16.2) Consumption of self-generated electricity (MWh)

199686

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

268879.00

Brazil

(7.30.16.1) Consumption of purchased electricity (MWh)

1069

(7.30.16.2) Consumption of self-generated electricity (MWh)

63799

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

64868.00

Bulgaria

(7.30.16.1) Consumption of purchased electricity (MWh)

7976

(7.30.16.2) Consumption of self-generated electricity (MWh)

362456

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

370432.00

Chile

(7.30.16.1) Consumption of purchased electricity (MWh)

1408

(7.30.16.2) Consumption of self-generated electricity (MWh)

872039

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

873447.00

Colombia

(7.30.16.1) Consumption of purchased electricity (MWh)

1586

(7.30.16.2) Consumption of self-generated electricity (MWh)

14573

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

16159.00

Dominican Republic

(7.30.16.1) Consumption of purchased electricity (MWh)

9180

(7.30.16.2) Consumption of self-generated electricity (MWh)

76733

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

85913.00

El Salvador

(7.30.16.1) Consumption of purchased electricity (MWh)

23847

(7.30.16.2) Consumption of self-generated electricity (MWh)

4503

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

28350.00

Jordan

(7.30.16.1) Consumption of purchased electricity (MWh)

4151

(7.30.16.2) Consumption of self-generated electricity (MWh)

17574

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

21725.00

Mexico

(7.30.16.1) Consumption of purchased electricity (MWh)

11227

(7.30.16.2) Consumption of self-generated electricity (MWh)

380775

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

392002.00

Netherlands

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Panama

(7.30.16.1) Consumption of purchased electricity (MWh)

662

(7.30.16.2) Consumption of self-generated electricity (MWh)

76509

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

0

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

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

77171.00

Puerto Rico

(7.30.16.1) Consumption of purchased electricity (MWh)

2140

(7.30.16.2) Consumption of self-generated electricity (MWh)

366773

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

368913.00

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

57959

(7.30.16.2) Consumption of self-generated electricity (MWh)

915218

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

973177.00

Viet Nam

(7.30.16.1) Consumption of purchased electricity (MWh)

4095

(7.30.16.2) Consumption of self-generated electricity (MWh)

431783

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

435878.00

[Fixed row]

(7.33) Does your electric utility organization have a transmission and distribution business?

Select from:

Yes

(7.33.1) Disclose the following information about your transmission and distribution business.

Row 1

(7.33.1.1) Country/area/region

Select from:

El Salvador

(7.33.1.2) Voltage level

Select from:

Distribution (low voltage)

(7.33.1.3) Annual load (GWh)

4439

(7.33.1.4) Annual energy losses (% of annual load)

5.8

(7.33.1.5) Scope where emissions from energy losses are accounted for

Select from:

Scope 2 (location-based)

(7.33.1.6) Emissions from energy losses (metric tons CO2e)

27898

(7.33.1.7) Length of network (km)

40796

(7.33.1.8) Number of connections

1586000

(7.33.1.9) Area covered (km2)

17938

(7.33.1.10) Comment

The Annual load (GWh) refers to the approximate GWh of energy sold to customers. The number of connections refer to the number of customers of the distribution company

Row 2

(7.33.1.1) Country/area/region

Select from:

United States of America

(7.33.1.2) Voltage level

Select from:

Distribution (low voltage)

(7.33.1.3) Annual load (GWh)

1428

(7.33.1.4) Annual energy losses (% of annual load)

3

(7.33.1.5) Scope where emissions from energy losses are accounted for

Select from:

Scope 2 (location-based)

(7.33.1.6) Emissions from energy losses (metric tons CO₂e)

20746

(7.33.1.7) Length of network (km)

19666

(7.33.1.8) Number of connections

523000

(7.33.1.9) Area covered (km²)

1370

(7.33.1.10) Comment

The Annual load (GWh) refers to the approximate GWh of energy sold to customers. The number of connections refer to the number of customers of the distribution company (AES Indiana)

Row 3

(7.33.1.1) Country/area/region

Select from:

United States of America

(7.33.1.2) Voltage level

Select from:

Distribution (low voltage)

(7.33.1.3) Annual load (GWh)

13305

(7.33.1.4) Annual energy losses (% of annual load)

5.5

(7.33.1.5) Scope where emissions from energy losses are accounted for

Select from:

Scope 2 (location-based)

(7.33.1.6) Emissions from energy losses (metric tons CO2e)

351260

(7.33.1.7) Length of network (km)

23338

(7.33.1.8) Number of connections

539000

(7.33.1.9) Area covered (km2)

15540

(7.33.1.10) Comment

The Annual load (GWh) refers to the approximate GWH of energy sold to customers. The number of connections refer to the number of customers of the distribution company (AES Ohio)

Row 4

(7.33.1.1) Country/area/region

Select from:

Chile

(7.33.1.2) Voltage level

Select from:

Transmission (high voltage)

(7.33.1.3) Annual load (GWh)

4802

(7.33.1.4) Annual energy losses (% of annual load)

0.7

(7.33.1.5) Scope where emissions from energy losses are accounted for

Select from:

Scope 2 (location-based)

(7.33.1.6) Emissions from energy losses (metric tons CO2e)

12573

(7.33.1.7) Length of network (km)

1416

(7.33.1.8) Number of connections

2055

(7.33.1.9) Area covered (km²)

33

(7.33.1.10) Comment

The Annual load (GWh) refers to the approximate GWH of energy sold to customers. The number of connections refer to the number of transmission lines and substations

[Add row]

(7.45) 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.

Row 1

(7.45.1) Intensity figure

0.47

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

33874262

(7.45.3) Metric denominator

Select from:

- megawatt hour generated (MWh)

(7.45.4) Metric denominator: Unit total

72504200

(7.45.5) Scope 2 figure used

Select from:

- Location-based

(7.45.6) % change from previous year

9.6

(7.45.7) Direction of change

Select from:

- Decreased

(7.45.8) Reasons for change

Select all that apply

- Other emissions reduction activities
- Change in output

(7.45.9) Please explain

In addition to the shutdown of the AES Hawaii coal power plant, the decreasing in intensity for changes in output is due to less generation from Coal (23%) and Petcoke (17%) and increasing in renewable generation.

[Add row]

(7.46) For your electric utility activities, provide a breakdown of your Scope 1 emissions and emissions intensity relating to your total power plant capacity and generation during the reporting year by source.

Coal – hard

(7.46.1) Absolute scope 1 emissions (metric tons CO₂e)

18531282

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

911.57

(7.46.4) Scope 1 emissions intensity (Net generation)

1028.32

Lignite

(7.46.1) Absolute scope 1 emissions (metric tons CO₂e)

2015339

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

926.59

(7.46.4) Scope 1 emissions intensity (Net generation)

1111.60

Oil

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

0

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

Gas

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

9566572

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

428.78

(7.46.4) Scope 1 emissions intensity (Net generation)

441.83

Other biomass

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

1322

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

22.03

(7.46.4) Scope 1 emissions intensity (Net generation)

25.42

Hydropower

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

6276

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.44

(7.46.4) Scope 1 emissions intensity (Net generation)

0.44

Wind

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

2322

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.35

(7.46.4) Scope 1 emissions intensity (Net generation)

0.36

Solar

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

3989

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

1.16

(7.46.4) Scope 1 emissions intensity (Net generation)

1.16

Other renewable

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

121

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

3.90

(7.46.4) Scope 1 emissions intensity (Net generation)

4.65

Other non-renewable

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

3247369

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

1017.35

(7.46.4) Scope 1 emissions intensity (Net generation)

1126.78

Total

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

33374592

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

460.31

[Fixed row]

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

Row 1

(7.52.1) Description

Select from:

Waste

(7.52.2) Metric value

(7.52.3) Metric numerator*Metric Tons***(7.52.4) Metric denominator (intensity metric only)**

N/A

(7.52.5) % change from previous year

26

(7.52.6) Direction of change*Select from:* Decreased**(7.52.7) Please explain***AES has seen a reduction in Non-Hazardous Waste for several reasons. Waste minimization best practices, recycling/reuse efforts, completion of several construction projects and shutdowns of coal plants.**[Add row]***(7.53) Did you have an emissions target that was active in the reporting year?***Select all that apply* Intensity target**(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.****Row 1****(7.53.2.1) Target reference number**

Select from:

Int 1

(7.53.2.2) Is this a science-based target?

Select from:

No, but we anticipate setting one in the next two years

(7.53.2.5) Date target was set

12/31/2020

(7.53.2.6) Target coverage

Select from:

Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

Scope 1

(7.53.2.11) Intensity metric

Select from:

Metric tons CO2e per megawatt hour (MWh)

(7.53.2.12) End date of base year

12/31/2016

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

0.651

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

0.6510000000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/31/2030

(7.53.2.56) Targeted reduction from base year (%)

75

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.1627500000

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

-50

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

0.46

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

0.4600000000

(7.53.2.81) Land-related emissions covered by target

Select from:

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

(7.53.2.82) % of target achieved relative to base year

39.12

(7.53.2.83) Target status in reporting year

Select from:

Underway

(7.53.2.85) Explain target coverage and identify any exclusions

As part of our decarbonization ambitions we have a company-wide ambition to achieve Scope 1 carbon intensity in-line with a well below 2C scenario based on renewables growth and the feasibility of multiple possible asset scenarios. Sectoral Decarbonization Approach ambition for power generation of 0.16 tCO2e/MWh based on 2016 baseline and modelled 2030 portfolios

(7.53.2.86) Target objective

As part of our effort to combat climate change and reduce emissions, the core of our business strategy focuses on transitioning our portfolio to low-carbon and carbon-free sources of energy. At AES, we see an enormous business opportunity from the once-in-a-lifetime transformation of the electricity sector. There is a massive need for more renewable energy as well as an opportunity for innovative products and solutions that help customers achieve their individual decarbonization goals.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

At AES, we see an enormous business opportunity from the once-in-a-lifetime transformation of the electricity sector. There is a massive need for more renewable energy as well as an opportunity for innovative products and solutions that help customers achieve their individual decarbonization goals. We aim to achieve this target by reducing our coal generation while increasing the share of renewables in our portfolio.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

Yes

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

Net-zero targets

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

NZ1

(7.54.3.2) Date target was set

12/31/2020

(7.54.3.3) Target Coverage

Select from:

Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

Int1

(7.54.3.5) End date of target for achieving net zero

12/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

No, and we do not anticipate setting one in the next two years

(7.54.3.8) Scopes

Select all that apply

Scope 1

Scope 2

Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

As part of our decarbonization ambitions we have Net zero carbon emissions for entire business portfolio. (Established during end of 2020- March, 2021) by 2050. Actions assume new policies that facilitate transition to low emissions energy systems, such as price on carbon. Includes Scope 1, 2 and 3 emissions).

(7.54.3.11) Target objective

As part of our effort to combat climate change and reduce emissions, the core of our business strategy focuses on transitioning our portfolio to low-carbon and carbon-free sources of energy. At AES, we see an enormous business opportunity from the once-in-a-lifetime transformation of the electricity sector. There is a massive need for more renewable energy as well as an opportunity for innovative products and solutions that help customers achieve their individual decarbonization goals.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

Unsure

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

No, and we do not plan to within the next two years

(7.54.3.17) Target status in reporting year

Select from:

Underway

(7.54.3.19) Process for reviewing target

*Every year emissions and emissions intensity is monitored. Target will be reviewed when significant portfolio changes or external factors occur
[Add row]*

(7.55) 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.

Select from:

Yes

(7.55.1) 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	`Numeric input
To be implemented	0	0
Implementation commenced	3	27050
Implemented	7	2191177
Not to be implemented	0	`Numeric input

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

Other, please specify :Coal assets retirement

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

2146761

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

Select all that apply

Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

Voluntary

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

0

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

0

(7.55.2.7) Payback period

Select from:

No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

>30 years

(7.55.2.9) Comment

As part of our effort to combat climate change and reduce emissions, the core of our business strategy focuses on transitioning our portfolio to low-carbon and carbon-free sources of energy, We have a public intention to exit the majority of coal by year-end 2025 and, in 2023, we retired 2 of our coal generation sites (Ventanas 2 and Petersburg 2). The value is based on an average of emissions of both sites within the last three years of operation.

Row 2

(7.55.2.1) Initiative category & Initiative type

Transportation

Company fleet vehicle replacement

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

41216

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

Select all that apply

Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

Voluntary

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

370000

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

2000000

(7.55.2.7) Payback period

Select from:

4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

6-10 years

(7.55.2.9) Comment

Partial replacement of fuel fired vehicles with electric vehicles.

Row 3

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

Other, please specify :Upgrade in air filtration system

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

3200

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

Select all that apply

Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

Voluntary

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

1300000

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

180000

(7.55.2.7) Payback period

Select from:

<1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

Ongoing

(7.55.2.9) Comment

Upgrade in air filtration system for the Gas turbines in a gas asset in Panamá.

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

Dedicated budget for energy efficiency

(7.55.3.2) Comment

AES' businesses have a dedicated budget for capital investments that will support operational improvements in its facilities such as improving its assets' heat rate and fuel efficiency, installation of efficient light bulbs or HVAC; reducing technical and non-technical distribution losses which ultimately has an impact on emissions or implementing and investing in Smart Grid solutions.

Row 2

(7.55.3.1) Method

Select from:

Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

AES has three types of innovation to deliver on our strategy. Our Core process transforms how AES operates and grows its existing offerings. New solves for customer needs, bringing us closer to our customers and advances AES growth. Our Exponential process develops new businesses models based on strategic insights. Our AES Innovation processes demonstrate how our company is focused on fostering new ideas and fast-tracking their development and implementation. Within our Core Innovation process, we continuously strive to improve our operations and how we impact the world around us. For example, in our US Utilities we leverage an innovative mindset to bring Smart Grid technologies, among other things, to deliver reliable and affordable energy to our customers while accelerating integration of green energy sources into the grid. These improvements will enable our customers to make use of new products, such as electric vehicles, and lower their carbon impact. Within our New Innovation process, we develop new products and services throughout our footprint. As our customers strive to reduce their carbon impact and become more energy efficient, we help them reach those goals. For example, in our renewable business in the US we announced a first-of-its-kind 24/7 carbon free energy supply agreement with Google. AES will manage a diverse portfolio of green energy resources to guarantee 90% or better carbon-free energy measured on an hourly basis. Within our Exponential Innovation, we identify new and innovative business ventures that provide leading-edge and greener energy solutions. Fluence, Uplight, and 5B are three such ventures that well represent the Exponential model and focus on accelerating the low carbon future of energy. Fluence is an energy storage technology and services provider with a mission to create a more sustainable future; it enables wide-spread deployment of green energy by addressing the intermittent nature of renewable resources, among other things. Uplight's digital technologies engage customers in new ways for the more efficient use of energy, improving customer satisfaction while reducing the carbon footprint of utility companies. 5B is a solar technology innovator on a mission to transform the world's energy sources by delivering world-class technology that makes clean energy more competitive and accessible than ever before.

[Add row]

(7.58) Describe your organization's efforts to reduce methane emissions from your activities.

We consider methane emissions to be not relevant for our activities. In 2023 the releases of methane gas were negligible as it relates to AES's total greenhouse gas emissions (less than 0.5% of total Scope 1 emissions). For this reason, we consider methane emissions a de minimis emissions source for our overall emissions. AES businesses combusting natural gas have employ a system of industry best management practices including a maintenance and inspection program to reduce methane emissions (natural gas leaks on equipment) from our electricity generation activities. Leaks are detected using natural gas detectors (for example our Harding Street power plant in Indiana has leak detection systems that alarm in the event of a leak). Our sites have routine checks by the operation team on the natural gas system (for example our Eagle Valley power plant in Indiana has "auditory, visual and olfactory (AVO)" program for leak detection in addition to leak detection that will shut down the gas feed in the unit if tripped). The other source is the automatic venting during start up and shut down by design it is very minimum. For example, AES Jordan /AES Levant have detectors which automatically shuts off the natural gas if a leak is detected. Sites such as Merida in Mexico strive to reduce the amount of vented natural gas by implementation of a maintenance program for combustion turbines. Colon Panama, has terminal systems designed with equipment and systems that are leak-proof, and in the case of excess pressure, the LNG is burned in a flare for safety and to avoid the direct emission of methane into the atmosphere.

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

Select from:

Yes

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

Row 1

(7.74.1.1) Level of aggregation

Select from:

- Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

- The IEA Energy Technology Perspectives Clean Energy Technology Guide

(7.74.1.3) Type of product(s) or service(s)

Power

- Other, please specify :Solar, wind, hydro, landfill gas and biomass energy generation

(7.74.1.4) Description of product(s) or service(s)

During the reporting year of 2023, AES' renewable portfolio of 11,800 MW (equity adjusted) allowed our customers to avoid Scope 2 CO2 emissions. In addition to allowing customers to avoid additional Scope 1 CO2 emissions by generating electricity or other type of energy (such as steam for heating purposes) with more carbon intensive processes. Also, AES utility companies provide customers diverse energy efficiency products or services. Our renewable portfolio is comprised of solar, wind, hydro, landfill gas and biomass assets and is growing year by year (21% comparing 2023 with 2022).

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

Select from:

- Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

- Guidelines for Assessing the Contribution of Products to Avoided Greenhouse Gas Emissions (ILCA)

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

Gate-to-gate

(7.74.1.8) Functional unit used

Generating 24,497,501 MWh with renewable energy sources (solar, wind, hydro, landfill gas and biomass) vs. Generating the same amount of energy with the average of local energy sources

(7.74.1.9) Reference product/service or baseline scenario used

The baseline used was the grid factor for each country where AES operates in 2023 - for United States, we used the grid factor for each subregion.

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

Gate-to-gate

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

5763673

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

*The estimated avoided emissions correspond to the generation of our renewable assets (hydro wind solar biomass landfill gas) in MWh * Emission factor t CO₂e/ MWh of the specific market. For that, we breakdown our renewable generation (MWh) per country and mapped the emission factor (t CO₂e/ MWh) of the country (for United States, we also breakdown the generation and mapped the emission factor per subregion). The result of the calculations show that in 2023 AES avoided 5,763,673 t CO₂e with our renewable energy generation. Please note that for the % Revenue generated from low-carbon product we considered the revenues coming from the Renewables and New Energy Technologie SBUs - AES is organized into four technology-oriented SBUs: Renewables (solar, wind, energy storage, and hydro generation facilities); Utilities (AES Indiana, AES Ohio, and AES El Salvador regulated utilities and their generation facilities); Energy Infrastructure (natural gas, LNG, coal, pet coke, diesel, and oil generation facilities, and our businesses in Chile); and New Energy Technologies (green hydrogen initiatives and investments in Fluence, Uplight, and 5B.)*

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

19.06

[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:

Yes

(9.1.1) Provide details on these exclusions.

Row 1

(9.1.1.1) Exclusion

Select from:

Facilities

(9.1.1.2) Description of exclusion

Water data excludes our solar and wind assets in the United States, the majority of them are small projects with less than 20MW. These types of projects have minimal water use and we estimate it represents approximately less than 1% of our current water withdrawal.

(9.1.1.3) Reason for exclusion

Select from:

Data is not available

(9.1.1.4) Primary reason why data is not available

Select from:

We are planning to collect the data within the next two years

(9.1.1.7) Percentage of water volume the exclusion represents

Select from:

Less than 1%

(9.1.1.8) Please explain

Water data excludes our solar and wind assets in the United States, the majority of them are small projects with less than 20MW. These types of projects have minimal water use and we estimate it represents approximately less than 1% of our current water withdrawal

Row 2

(9.1.1.1) Exclusion

Select from:

Facilities

(9.1.1.2) Description of exclusion

All AES Office locations are excluded from our 2023 reporting boundary.

(9.1.1.3) Reason for exclusion

Select from:

Other, please specify :Unable to account for water in shared building or stand-alone facility accounts for less than 1%

(9.1.1.7) Percentage of water volume the exclusion represents

Select from:

Less than 1%

(9.1.1.8) Please explain

This exclusion is non-significant as we estimate it represent a small fraction of our total water withdrawal (

Row 3

(9.1.1.1) Exclusion

Select from:

- Other, please specify :Storm water or water that results from precipitation

(9.1.1.2) Description of exclusion

Storm water from all AES properties is excluded from 2023 Water Withdrawal and Discharge Inventory

(9.1.1.3) Reason for exclusion

Select from:

- Small volume [rainwater]

(9.1.1.7) Percentage of water volume the exclusion represents

Select from:

- Less than 1%

(9.1.1.8) Please explain

Storm water is not regarded as water discharge. In some of our businesses this water is not used for operations and run in a separate circuit to the water used for operations. This exclusion is non-significant as we estimate it represent less than

Row 4

(9.1.1.1) Exclusion

Select from:

- Other, please specify :Recycled water

(9.1.1.2) Description of exclusion

All AES Recycled water is excluded from 2023 Water Withdrawal and Discharge Inventory

(9.1.1.3) Reason for exclusion

Select from:

- Data is not available

(9.1.1.4) Primary reason why data is not available

Select from:

- Judged to be unimportant or not relevant

(9.1.1.7) Percentage of water volume the exclusion represents

Select from:

- Less than 1%

(9.1.1.8) Please explain

We have not yet implemented a system to track these types of discharges globally. This exclusion is non-significant as we estimate it represent less than [Add row]

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

- 100%

(9.2.2) Frequency of measurement

Select from:

- Quarterly

(9.2.3) Method of measurement

Flowmeters, volume measurements. Some plants use an engineering calculation using the run time & capacity of the withdrawal pumps to get the total volume for any time period. Other plants use calculations with measurements of level differences in tanks or seal pits. Hydro power plants may measure rainfall and water level in the river, pluviograph & pluviometers installed in hydroelectric plants' reservoirs. Municipal sources have totalizing flow meters that are read for any given time period.

(9.2.4) Please explain

Water availability is a critical risk factor for the generation of energy for both thermal and hydro power plants as they need water to operate and to operate efficiently. On an annual basis, our individual facilities may use from only a few hundred cubic meters of water (such as wind generation sites) to more than 1 billion cubic meters of water (such as in a large thermal power plant). In addition, water aspects and use are usually regulated. Plants may monitor on a variety of intervals such as daily, weekly, monthly or quarterly depending on internal needs or regulatory requirements, but at the very least every plant enters quarterly the measured amount into our internal system called Intellex.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

100%

(9.2.2) Frequency of measurement

Select from:

Quarterly

(9.2.3) Method of measurement

Flowmeters, volume measurements. Some plants use an engineering calculation using the run time and capacity of the pumps to get the total volume for any time period. Other plants use calculations with measurements of level differences in tanks or seal pits. Hydroelectric facilities may measure rainfall and water level in the river, pluviograph and pluviometers installed in hydroelectric plants' reservoirs

(9.2.4) Please explain

Water availability is a critical risk factor for the generation of energy for both thermal and hydro power plants as they need water to operate and to operate efficiently. Knowing all the sources of water available may not only dictate the siting of a power plant, but also the technologies available in that particular region. Water withdrawals are measured and monitored at a minimum quarterly and tracked by source type (surface water, groundwater, municipal water) and by fresh vs. salt/brackish/ocean water. Plants may monitor on a variety of intervals such as daily, weekly, monthly or quarterly depending on internal needs or regulatory requirements, but at the very least every plant enters quarterly the measured amount into our internal system called Intalex.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

51-75

(9.2.2) Frequency of measurement

Select from:

Quarterly

(9.2.3) Method of measurement

Water samples are collected and sent to laboratories for analysis. Some plants have devices on site to measure some parameters.

(9.2.4) Please explain

Some plants dont have requirements to monitor water withdrawn as it is a known source such as seawater or municipal supply (that is why 100% is not selected). Water quality is monitored for different reasons including to avoid equipment damage or wear and tear, for operational performance measures and control and to understand impacts at final discharge to properly treat it for further use. For hydroelectric plants, water quality can impact efficiency of energy production and amount of maintenance needed (eg solid particles in the water can damage and wear out the turbine blades over time). Quality is measured at the frequency required by regulation or by the internal preventive maintenance program for example by taking a grab sample and send it to a laboratory for analysis using the prescribed EPA method for each parameter.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

100%

(9.2.2) Frequency of measurement

Select from:

Quarterly

(9.2.3) Method of measurement

A flow meter is used on the discharge so that the sites can total daily flow amounts. Other plants use calculations with measurements of level differences in tanks or seal pits.

(9.2.4) Please explain

Water availability is a critical risk factor for the generation of energy for both thermal and hydro power plants as they need water to operate and to operate efficiently. Water discharges are a function of water withdrawals and monitoring volumes allow us to determine our total consumption. On an annual basis, our individual facilities may use and discharge from only a few hundred cubic meters of water (like wind generation sites) to more than 1 billion cubic meters of water (such as in a large thermal power plant). In addition, water aspects and discharges are usually regulated. Plants may monitor on a variety of intervals such as daily, weekly, monthly or quarterly depending on internal needs or regulatory requirements, but at the very least every plant enters quarterly the measured amount into our internal system called Intalex.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

100%

(9.2.2) Frequency of measurement

Select from:

Quarterly

(9.2.3) Method of measurement

A flow meter is used on the discharge so that the sites can total daily flow amounts. Where there are no flow meters, the plants will calculate flow. Other plants use calculations with measurements of level differences in tanks or seal pits.

(9.2.4) Please explain

Water availability is a critical factor for the electric power industry and in particular for our operations (like thermal or hydro) where we need water to operate and to operate efficiently. Knowing all the sources of water available and ability to discharge and return water to the environment may not only dictate the siting of a power plant, but also the technologies available in that particular region. Water discharges are monitored and further tracked by destination (ocean, surface, subsurface/well, off-site water treatment plant). Plants monitor on a variety of intervals such as daily, weekly, monthly or quarterly depending on site-specific internal needs or regulatory requirements, but at the very least every plant measure and enters -quarterly- that measured amount into our internal system called Intalex.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

100%

(9.2.2) Frequency of measurement

Select from:

Quarterly

(9.2.3) Method of measurement

Flowmeters in the discharge are used for volume measurements

(9.2.4) Please explain

Water quality is important to all of our locations, many of which are also sensitive to the composition of water and where local regulations require treatment and adherence to certain water quality standards and limits. Many plants have flow meters on the discharge that total up flow amounts and are read and recorded daily. Plants monitor on a variety of intervals such as daily, weekly, monthly or quarterly depending on site-specific internal needs or regulatory requirements.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

76-99

(9.2.2) Frequency of measurement

Select from:

Quarterly

(9.2.3) Method of measurement

The parameters measured will vary by local requirements and permits, but typically total suspended solids can be measured daily, and pH can be measured daily or weekly according to the local regulation. Water samples are collected and sent to the laboratory for analysis. Some plants has devices in situ to measure some parameters.

(9.2.4) Please explain

Water quality is important to our thermal power plants, many of which are sensitive to the composition of water and where local regulations require adherence to certain water quality standards and limits. The parameters measured will vary by local requirements and permits, but typically total suspended solids can be measured daily, and pH can be measured daily or weekly according to the local regulation. Some facilities are not subject to this regulatory requirement and do not measure these parameters.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

76-99

(9.2.2) Frequency of measurement

Select from:

Quarterly

(9.2.3) Method of measurement

Water samples are collected and sent to the laboratory for analysis.

(9.2.4) Please explain

Water quality is important to our thermal power plants, many of which are sensitive to the composition of water and where local regulations require adherence to certain water quality standards and limits. Plants may monitor on a variety of intervals such as daily, weekly, monthly or quarterly depending on internal needs or regulatory requirements. Some facilities are not subject to this regulatory requirement and do not measure these parameters.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

76-99

(9.2.2) Frequency of measurement

Select from:

Daily

(9.2.3) Method of measurement

Many plants have continuous temperature monitors that record discharge temperature data. Others measure it on a less frequent basis such as hourly or daily depending on site-specific requirements using a manual temperature probe.

(9.2.4) Please explain

Water quality is important to our locations, many of which are sensitive to the composition of water and where local regulations require adherence to certain water quality standards and limits, including temperature. Most AES sites measure the temperature of discharge water (many continuously) but there are a few that do not measure because there is no local requirement, or they make use of a holding pond to discharge at ambient temperatures (that is why 100% is not selected). AES has a range of facilities and types and varied locations where some are zero discharge facilities. For example, in Vietnam, the temperature is monitored continuously by probe but additionally a certified laboratory must visit monthly and obtain an official monthly reading for regulatory validation.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

100%

(9.2.2) Frequency of measurement

Select from:

Quarterly

(9.2.3) Method of measurement

Water consumption is calculated by subtracting the amount discharged (measured using a flow meter) from the amount withdrew (engineering calculation using the run time and capacity of the pumps to get the total volume).

(9.2.4) Please explain

The water is predominantly used for the steam cooling process at our thermal power generation plants. As part of the process, a small portion of the water evaporates while most of it is returned to the water source body. Tracking consumption of water allows for better monitoring of processes and efficiencies. Water consumption is calculated by subtracting the amount discharged (measured using a flow meter) from the amount withdrew (engineering calculation using the run time and capacity of the pumps to get the total volume). Plants do such monitoring on a variety of intervals such as daily, weekly, monthly or quarterly depending on site-specific internal needs or site-specific regulatory requirements, but at the very least, every plant monitor and record and enters the measured volumes to calculate water consumption into our internal system called Intalex quarterly.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

Not relevant

(9.2.4) Please explain

Only few facilities in our portfolio recycle/reuse water, hence we consider this aspect not to be relevant because it is estimated to represent much less than 1% of total water use.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

100%

(9.2.2) Frequency of measurement

Select from:

Continuously

(9.2.3) Method of measurement

Employees can report malfunctioning of WASH services to management at any time. The administration areas are in charge to monitoring continuously the provision of fully functioning, safely managed WASH services to all workers. The maintenance areas are in charge of supervision and ensuring that the WASH services infrastructure are working properly.

(9.2.4) Please explain

Health and safety of our employees and contractors are of utmost importance to AES. We are committed to providing our employees with decent working environment. Employees can continually report malfunctioning of WASH services to management at any time. It is emphasized via safety talks and via emails/newsletter communications to all AES employees that every employee has the right to use their Stop Work Authority to address any unsafe conditions. Signage is in place to encourage healthy sanitary practices. AES supplies janitorial services, usually on a daily basis to check washroom supplies such as soap and towels and to clean the facilities. Safety walks are also conducted at all sites on a regular interval, at least monthly, with the participation of the management at each site to identify and correct unsafe conditions and include interviewing employees from all areas of the facility.

[Fixed row]

(9.2.1) For your hydropower operations, what proportion of the following water aspects are regularly measured and monitored?

Fulfilment of downstream environmental flows

(9.2.1.1) % of sites/facilities/operations measured and monitored

Select from:

100%

(9.2.1.2) Please explain

AES operates hydroelectric operations in five countries throughout the world. At these facilities, water flow is monitored in order to conform with environmental permits and licenses.

Sediment loading

(9.2.1.1) % of sites/facilities/operations measured and monitored

Select from:

76 - 99%

(9.2.1.2) Please explain

AES operates hydroelectric operations in five countries throughout the world. At these facilities sediment loading is monitored in all reservoirs in Brazil, Panama, Chile, and Colombia and within a portion of reservoirs in Argentina.

Other, please specify

(9.2.1.1) % of sites/facilities/operations measured and monitored

Select from:

26 - 50%

(9.2.1.2) Please explain

AES operates hydroelectric operations in five countries. At several of these facilities, livestock activities on the banks of reservoirs and sensitive biomedical plant species are monitored. Hydroelectric plants in Argentina also monitor fish. Hydroelectric plants in Panama monitor residual and superficial water, aquatic species, riparian vegetation, geomorphologic fluid affectations, and regressive erosion of drainage systems
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

2742142

(9.2.2.2) Comparison with previous reporting year

Select from:

About the same

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

Other, please specify :(No significant operational or market changes)

(9.2.2.4) Five-year forecast

Select from:

Much lower

(9.2.2.5) Primary reason for forecast

Select from:

Divestment from water intensive technology/process

(9.2.2.6) Please explain

Our water withdrawal was about the same as 2022 (only 0.6 % less) because the variation in the generation values compared to last year didn't impact the total water withdrawal. Total future water withdrawal values can vary over time depending on plant operations, process improvements, portfolio changes, and market dispatches. When looking at a future forecast we estimated that there might be changes in the withdrawals as we continue our portfolio transformation and decarbonization strategy, expanding on renewables and reducing the coal installed capacity. The primary reason for the forecast is the consideration of our intent to exit coal generation (given that approx. 65% of our water withdrawal comes from coal assets), through asset sales, fuel conversions and retirements, while maintaining reliability and affordability, and subject to necessary approvals. (Our definition for change: About the same: 5% & 20%)

Total discharges

(9.2.2.1) Volume (megaliters/year)

2674059

(9.2.2.2) Comparison with previous reporting year

Select from:

About the same

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

Other, please specify :(No significant operational or market changes)

(9.2.2.4) Five-year forecast

Select from:

Much lower

(9.2.2.5) Primary reason for forecast

Select from:

Divestment from water intensive technology/process

(9.2.2.6) Please explain

In comparison to 2022, our water discharge was about the same as 2022 (only 0.3 % more) because the variation in the generation values didn't impact the total water discharge. When looking at a future forecast we estimated that there might be changes in the discharges as we continue our portfolio transformation and decarbonization strategy, expanding on renewables and reducing the coal installed capacity. The primary reason for the forecast is the consideration of our intent to exit coal generation (given that approx.. 65% of our water discharges comes from coal assets), through asset sales, fuel conversions and retirements, while maintaining reliability and affordability, and subject to necessary approvals. (Our definition for change: About the same: 5% & 20%)

Total consumption

(9.2.2.1) Volume (megaliters/year)

(9.2.2.2) Comparison with previous reporting year

Select from:

 Much lower**(9.2.2.3) Primary reason for comparison with previous reporting year**

Select from:

 Increase/decrease in business activity**(9.2.2.4) Five-year forecast**

Select from:

 Much lower**(9.2.2.5) Primary reason for forecast**

Select from:

 Divestment from water intensive technology/process**(9.2.2.6) Please explain**

In comparison to 2022, our 2023 water consumption was 26% lower due to less generation in few large facilities in South America, United States and Europe because of market operation conditions during 2023. When looking at a future forecast we estimated that there might be changes in the consumption as we continue our portfolio transformation and decarbonization strategy, expanding on renewables and reducing the coal installed capacity. The primary reason for the forecast is the consideration of our intent to exit coal generation (given that aprox. 65% of our water discharges comes from coal assets), through asset sales, fuel conversions and retirements, while maintaining reliability and affordability, and subject to necessary approvals. (Our definition for change: About the same: 5% & 20%)

[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

9675

(9.2.4.3) Comparison with previous reporting year

Select from:

Lower

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:

Increase/decrease in business activity

(9.2.4.5) Five-year forecast

Select from:

Lower

(9.2.4.6) Primary reason for forecast

Select from:

Facility closure

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

0.35

(9.2.4.8) Identification tool

Select all that apply

WRI Aqueduct

(9.2.4.9) Please explain

In comparison to 2022, fresh water withdrawal in water-stressed areas was 18.2% lower due to: 1) less generation in thermal and hydropower plants in Argentina, and 2) the thermal power plant Ventanas in Chile stopped using well water in mid-2022. AES uses the World Resources Institute (WRI) Aqueduct Global Water Tool to identify exposure to water-stressed areas as follows: The geographic coordinates of all our facilities (60) in 14 countries were entered into the tool, the system delivers a file from which the current value of water risk for each site is considered. With this information, sites located in areas of Extremely High (80%) and High (40-80%) risk are categorized as sites that are in water-stressed areas based on the climate information in the tool. Based on the analysis, we identified that 36 of our facilities and projects in 7 countries are located in areas of water stress (regions with water stress are considered those with a per capita water supply of less than 1,700 cubic meters per year). The percentage of water extracted from these areas is calculated based on freshwater, which is a resource subject to stress. This information can be used as a strategic tool to evaluate new project development initiatives. (Our definition for change: About the same: 5% & 20%)

[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:

Relevant

(9.2.7.2) Volume (megaliters/year)

571628

(9.2.7.3) Comparison with previous reporting year

Select from:

Much lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

Increase/decrease in business activity

(9.2.7.5) Please explain

Freshwater is needed at thermal plants for the steam generating boilers and for cooling and condensate steam. AES also operates hydroelectric power plants for which a continuous supply of fresh water is needed to turn the plant's turbines. Therefore, fresh water is vital (relevant) for our operations. AES' withdrawal of fresh surface water was lower than in 2022 by 23% percent because of less generation in two large facilities in South America and Puerto Rico because of market operations conditions during 2023. (Our definition for change: About the same: 5% & 20%)

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:

Relevant

(9.2.7.2) Volume (megaliters/year)

2149395

(9.2.7.3) Comparison with previous reporting year

Select from:

Higher

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

Increase/decrease in business activity

(9.2.7.5) Please explain

AES operates several thermal electric power plants that use brackish/seawater for steam boiler supply, condensate steam, and cooling purposes, which is why the direct use of these types of waters is considered vital (relevant) for operations. The increase in seawater withdrawal (8% more than in 2022) is due to more

generation in thermal power plants in Panama, Vietnam, and the United States because of market operations conditions during 2023. (Our definition for change: About the same: 5% & 20%)

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

Relevant

(9.2.7.2) Volume (megaliters/year)

18958

(9.2.7.3) Comparison with previous reporting year

Select from:

About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

Other, please specify :(No significant operational or market changes)

(9.2.7.5) Please explain

Renewable groundwater is needed at thermal plants as a supplement to fresh surface water for the steam generating boilers, for cooling, condensate steam and other processes. 2023 withdrawal of renewable groundwater was about the same as 2022 (only 4.3 % less) as the variation in the generation of assets that use groundwater in their process didn't impact the total withdrawal value. (Our definition for change: About the same: 5% & 20%)

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

Not relevant

(9.2.7.5) Please explain

Not relevant

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

Not relevant

(9.2.7.5) Please explain

Not relevant

Third party sources

(9.2.7.1) Relevance

Select from:

Relevant

(9.2.7.2) Volume (megaliters/year)

2161

(9.2.7.3) Comparison with previous reporting year

Select from:

Much lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

Increase/decrease in business activity

(9.2.7.5) Please explain

A small portion (less than 0.2%) of the total water supply needed by our over 60 facilities for sanitary and drinking water as well as some process water is supplied by outside entities such as government public municipal water supply and private water companies, and while relatively small, since it is still essential to operations (especially employee health), it is relevant. AES' use of water from third-party sources (municipal freshwater) was much lower than in 2022 (21 % less) due to a decrease in some large thermal power plants in Puerto Rico, Chile, and the United States. (Our definition for change: About the same: 5% & 20%)
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:

Relevant

(9.2.8.2) Volume (megaliters/year)

530357

(9.2.8.3) Comparison with previous reporting year

Select from:

Much lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

Increase/decrease in business activity

(9.2.8.5) Please explain

AES considers freshwater discharges measured by its businesses as relevant because: a) the quality and availability of fresh surface water is relevant for operations and the environment; b) it represents 20% of our discharges; c) the importance of this resource for communities and other activities around our operations. AES' fresh surface water discharge was 22% lower than 2022 because of less generation in two large facilities in South America and United States because of market operations conditions during 2023. (Our definition for change: About the same: 5% & 20%)

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:

Relevant

(9.2.8.2) Volume (megaliters/year)

2142587

(9.2.8.3) Comparison with previous reporting year

Select from:

Higher

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

Increase/decrease in business activity

(9.2.8.5) Please explain

AES considers brackish surface water/seawater discharges measured by its businesses as relevant because: a) destination of water discharge is important (accounts for 80% of our discharges); b) the quality of our discharge is important when caring for the environment; c) this is an important resource for communities and other activities around our operations. The increase in seawater withdrawal (8% more than 2022) is due to more generation in thermal power plants in Panama, Vietnam, and the United States because of market operations conditions during 2023. (Our definition for change: About the same: 5% & 20%)

Groundwater

(9.2.8.1) Relevance

Select from:

Relevant

(9.2.8.2) Volume (megaliters/year)

809

(9.2.8.3) Comparison with previous reporting year

Select from:

About the same

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

Other, please specify :(No significant operational or market changes)

(9.2.8.5) Please explain

AES considers groundwater discharges measured by its businesses as relevant because: a) are relevant for groundwater quality and recharge issues. Sometimes this is a preferred option for the environment and from a regulatory standpoint. The discharge was about the same as 2022 (only 3.8 % more) as the variation in the generation of assets that use groundwater in their process didn't impact the total withdrawal value. (Our definition for change: About the same: 5% & 20%)

Third-party destinations

(9.2.8.1) Relevance

Select from:

Relevant

(9.2.8.2) Volume (megaliters/year)

305

(9.2.8.3) Comparison with previous reporting year

Select from:

Much higher

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

Other, please specify

(9.2.8.5) Please explain

Some facilities that include T&D, renewable and thermal power plants as well as construction projects discharge their effluents to sanitary companies without treatment. The quantity of water discharged to a third party was 3 times higher in 2023 due to one important project that finished the construction and other operational sites increased the discharge. (Our definition for change: About the same: 5% & 20%)
[Fixed row]

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Tertiary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

Relevant

(9.2.9.2) Volume (megaliters/year)

7995

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

Much higher

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

- Change in accounting methodology

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

- 11-20

(9.2.9.6) Please explain

Effluent treatment is one of the actions necessary to comply with the regulatory requirements for the water quality of discharges in some of our plants. The discharges of our businesses could be classified in two types of effluents: - Effluents of water for sanitary use, which are sent to local concessionaires or treated in septic tanks, which is considered as primary treatment. -Process water effluents; composed mainly of cooling water and, to a lesser extent, effluents from other power generation processes. The type of treatment (primary, secondary, or tertiary) depends on the composition of the effluent, the receiving water body, and the applicable regulations in the country or region where the plant is located. There are also plants in which the physical-chemical composition of the effluent complies with the regulations and does not require treatment; this applies mainly to effluents from renewable plants and from cooling circuits in thermal plants The quantity of water treated reported was seven times higher in 2023 due to improvements in the accounting methodology. (Our definition for change: About the same: 5%, Much lower/higher 20%).

Secondary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

- Relevant

(9.2.9.2) Volume (megaliters/year)

5822

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

- Much higher

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

- Change in accounting methodology

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

- 11-20

(9.2.9.6) Please explain

Secondary treatment is needed to comply with certain local regulations. Some specific stages of the thermal power generation process produce effluents that require secondary treatment. Effluents from demineralizing water to be used in the boiler, water used in the cleaning of equipment, water used in the regeneration of ion exchange columns, etc. could be treated by physical-chemical treatment to comply with the regulations. The quantity of water reported under secondary treatment was 98% higher in 2023 due to improvements in the accounting methodology. (Our definition for change: About the same: 5%, Much lower/higher 20%).

Primary treatment only

(9.2.9.1) Relevance of treatment level to discharge

Select from:

- Relevant

(9.2.9.2) Volume (megaliters/year)

1014669

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

- Much lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

- Change in accounting methodology

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

- 11-20

(9.2.9.6) Please explain

Primary treatment is needed to comply with certain local regulations. AES uses the primary treatment for sanitary effluents, this effluent is destined to septic tanks, considered as primary treatment, and their cleanings are performed by specialized company when necessary, and downstream. Also, the primary treatment is used in some water process that have suspended solids to comply with the regulations. The quantity of water treated reported under this category was 45% lower in 2023 because of improvements in the accounting methodology. (Our definition for change: About the same: 5%, Much lower/higher 20%.)

Discharge to the natural environment without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

- Relevant

(9.2.9.2) Volume (megaliters/year)

1645431

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

- Much higher

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

- Change in accounting methodology

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

31-40

(9.2.9.6) Please explain

The quantity of water discharged was 190% higher in 2023. The difference was because of improvements in the accounting methodology. There are renewable plants in which the physical-chemical composition of the effluent complies with the regulations and does not require treatment. Same situation applies to cooling water effluents from some thermal power plants. (Our definition for change: About the same: 5%, Much lower/higher 20%.)

Discharge to a third party without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

Relevant

(9.2.9.2) Volume (megaliters/year)

142

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

Much lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

Change in accounting methodology

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

21-30

(9.2.9.6) Please explain

Some facilities that include T&D, renewable and thermal power plants as well as construction projects discharge their effluents to sanitary companies without treatment, it is allowed by the local regulation. The quantity of water discharged to a third party reported was 99% lower in 2023 due to improvements in the accounting methodology (Our definition for change: About the same: 5%, Much lower/higher 20%.)

Other

(9.2.9.1) Relevance of treatment level to discharge

Select from:

Not relevant

(9.2.9.6) Please explain

*There are no other type of treatments in AES facilities.
[Fixed row]*

(9.2.10) Provide details of your organization's emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

(9.2.10.1) Emissions to water in the reporting year (metric tons)

2.88

(9.2.10.2) Categories of substances included

Select all that apply

Nitrates

Phosphates

- Priority substances listed under the EU Water Framework Directive

(9.2.10.3) List the specific substances included

Cadmium, lead, mercury, nickel.

(9.2.10.4) Please explain

Water quality is important to our thermal power plants, many of which are sensitive to the composition of water and where local regulations require adherence to certain water quality standards and limits. In many plants the substances are below the detection threshold of the analysis laboratory method. The monitoring and measurement are reported to the authority as concentration in the discharge (ppm, mg/l) for the parameters required.

[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

- Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

25

(9.3.3) % of facilities in direct operations that this represents

Select from:

- 1-25

(9.3.4) Please explain

Our businesses operate forecast electric sales based on best available information and expectations for weather, which represents a long-term historical average. While we also consider possible variations in normal weather patterns and potential impacts on our facilities and our businesses, there can be no assurance that such planning can prevent these impacts, which can adversely affect our business. Significant variations from normal weather where our businesses are located could have a material impact on our results of operations. Changes in weather can also affect the production of electricity at power generation facilities, including, but not limited to, our wind and solar facilities. Our hydroelectric generation facilities are sensitive to changes in the weather, particularly the level of water inflows into generation facilities. In the past, dry hydrological conditions in Panama (2019), Brazil (2021), Colombia and Chile have presented challenges for our businesses in these markets. Low rainfall and water inflows have caused reservoir levels to be below historical levels, reduced generation output, and increased prices for electricity. If our hydroelectric generation facilities cannot generate sufficient energy to meet contractual arrangements, we may need to purchase energy to fulfill our obligations, which could have a material adverse impact on our results of operations. As a mitigation measure, AES has invested in thermal (for example AES reduced its total generation exposure in Panama to dry hydrological conditions through investments in such complementary assets as the Colon LNG power facility) wind, and solar generation assets, which have a complementary profile to hydroelectrics. These plants are expected to have a higher generation in low hydrology scenarios, which allows them to generate additional revenues from the spot that offset purchases on the hydroelectric side. (The number of facilities refer to the hydro facilities)

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years

(9.3.4) Please explain

AES' businesses value chain includes suppliers of fuels (for the operation of our thermal plants including coal, oil, LNG, diesel) and suppliers of equipment components such as cables, solar panels, turbines, or transformers, among others (for all our generation, transmission and distribution businesses in the 13 countries where we operate). AES' businesses have three key areas that perform supply chain activities with more than 12,000 suppliers in 2023.

[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:

- Facility 1

(9.3.1.2) Facility name (optional)

Our hydro facilities which can be located in Chile, Panamá, Colombia, Argentina and Brazil.

(9.3.1.3) Value chain stage

Select from:

- Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

- Impacts
- Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

- Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Brazil

- Rio Prado

(9.3.1.8) Latitude

-19.86

(9.3.1.9) Longitude

-50.35

(9.3.1.10) Located in area with water stress

Select from:

Yes

(9.3.1.11) Primary power generation source for your electricity generation at this facility

Select from:

Hydropower

(9.3.1.13) Total water withdrawals at this facility (megaliters)

18972

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

Much higher

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

18946

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

25

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

5

(9.3.1.21) Total water discharges at this facility (megaliters)

18944

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

Much higher

(9.3.1.23) Discharges to fresh surface water

18844

(9.3.1.24) Discharges to brackish surface water/seawater

86

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0

(9.3.1.27) Total water consumption at this facility (megaliters)

28

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

Much lower

(9.3.1.29) Please explain

AES businesses do not include water for power generation at its hydroelectric plants, and the only major source of water withdrawal is for use in power plant clean and cooling processes and sanitary use. On answers "River basin", "Latitude", "Longitude" and "Located in area with water stress" we used as an example our hydro asset Água Vermelha in Brazil. For all other answers we grouped all our hydro assets, as our risk disclosure refers to hydro facilities without providing specific values per facility. (Our definition for change: About the same: 5% & 20%)

[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:

76-100

(9.3.2.2) Verification standard used

Limited assurance was performed by Lloyd's Register Quality Assurance, Inc. (LRQA) using the principles of ISO 14064-3:2006 and LRQA's own robust assurance processes.

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:

76-100

(9.3.2.2) Verification standard used

Limited assurance was performed by Lloyd's Register Quality Assurance, Inc. (LRQA) using the principles of ISO 14064-3:2006 and LRQA's own robust assurance processes.

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

Not verified

(9.3.2.3) Please explain

While we monitor the standard water quality parameters, at this stage, our external assurance process/verification process include only quantity and not quality of the water. It is not anticipated to include this in future verifications at the moment.

Water discharges – total volumes

(9.3.2.1) % verified

Select from:

76-100

(9.3.2.2) Verification standard used

Limited assurance was performed by Lloyd's Register Quality Assurance, Inc. (LRQA) using the principles of ISO 14064-3:2006 and LRQA's own robust assurance processes.

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:

76-100

(9.3.2.2) Verification standard used

Limited assurance was performed by Lloyd's Register Quality Assurance, Inc. (LRQA) using the principles of ISO 14064-3:2006 and LRQA's own robust assurance processes.

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:

Not verified

(9.3.2.3) Please explain

While we account for the treatment levels, at this stage, our external assurance process/verification process include only quantity and not quality of the water nor final destination. It is not anticipated to include this in future verifications at the moment.

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

76-100

(9.3.2.2) Verification standard used

All standard effluent parameters are verified by certified laboratories.

Water consumption – total volume

(9.3.2.1) % verified

Select from:

76-100

(9.3.2.2) Verification standard used

Limited assurance was performed by Lloyd's Register Quality Assurance, Inc. (LRQA) using the principles of ISO 14064-3:2006 and LRQA's own robust assurance processes.

[Fixed row]

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

(9.5.1) Revenue (currency)

12668000000

(9.5.2) Total water withdrawal efficiency

4619.75

(9.5.3) Anticipated forward trend

We anticipate there might be changes in the short and medium term as we continue our portfolio transformation and decarbonization strategy, expanding on renewables and reducing the coal installed capacity (given that approximately 60% of our water withdrawal comes from power plants that use coal as fuel). Please note that our water data is presented in equity adjusted values while our revenues are not.

[Fixed row]

(9.7) Do you calculate water intensity for your electricity generation activities?

Select from:

Yes

(9.7.1) Provide the following intensity information associated with your electricity generation activities.

Row 1

(9.7.1.1) Water intensity value (m3/denominator)

0.9

(9.7.1.2) Numerator: water aspect

Select from:

Total water consumption

(9.7.1.3) Denominator

Select from:

MWh

(9.7.1.4) Comparison with previous reporting year

Select from:

Lower

(9.7.1.5) Please explain

AES started calculating the water consumption intensity value for year 2016, and the value is used to compare trends across 2023 and future years. i) Numerator is total water consumption in 2023 (68.083 megaliters) divided by denominator total electricity generated in 2023 (72,504 GWh). Intensity is 0.9 which is lower than 2022 (1.2). The decrease in intensity (from 1.2 in 2022 to 0.94 in 2022) was because some large thermal power plants that use fresh water in their processes decreased the water consumption (lower numerator). In other hand, renewable power plants increased the generation (denominator) in relation to 2022. ii) This intensity value is used in a few ways in our company, we use it to compare trends year to year, we use it to verify the efficiency in the use of water in our operations and construction projects. iii) Total future water consumption values can vary over time depending on plant operations, process improvements, portfolio changes and market dispatches. We anticipate that the values in the future will be lower for the reasons explained following:. iv) Our decarbonization strategy should drive changes in our intensity as we move from thermal assets (that represent over 70% of our water consumption) to more renewables and asset-light product lines (that requires less or no water at all). Hence our numerator will be lower.

[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
	Select from: <input checked="" type="checkbox"/> No	Our product is electricity.

[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:

Yes

(9.14.2) Definition used to classify low water impact

Definition applies to water quantity: those assets that do not rely on large amounts of water withdrawal (less than 1500 m3 of water in a year) to generate electricity.

(9.14.4) Please explain

Renewable power generation such wind and solar are under of definition of low water impact as they do not rely on the withdraw of large amounts of water to produce electricity (more than 26% of the installed capacity of our portfolio is comprised of wind and solar and the water withdrawal represents approximately less than 1% of the total water withdrawal of our portfolio)

[Fixed row]

(9.15) Do you have any water-related targets?

Select from:

Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

Water pollution

(9.15.1.1) Target set in this category

Select from:

No, and we do not plan to within the next two years

(9.15.1.2) Please explain

The category of target is not relevant to our operations: the most of water withdrawal volumes passing through the cooling systems is returned to the original source with similar quality as the raw water extracted.

Water withdrawals

(9.15.1.1) Target set in this category

Select from:

Yes

Water, Sanitation, and Hygiene (WASH) services

(9.15.1.1) Target set in this category

Select from:

No, and we do not plan to within the next two years

(9.15.1.2) Please explain

While Health and safety of our employees and contractors are of utmost importance, and hence the access to WASH services in our premises, we do not have targets related to this topic, as we provide WASH services in our facilities and our use of WASH services is de minimis compared to our total water consumption.

Other

(9.15.1.1) Target set in this category

Select from:

No, and we do not plan to within the next two years

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:

Target 1

(9.15.2.2) Target coverage

Select from:

Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

Reduction in total water withdrawals

(9.15.2.4) Date target was set

12/31/2022

(9.15.2.5) End date of base year

12/31/2022

(9.15.2.6) Base year figure

2758671

(9.15.2.7) End date of target year

12/31/2027

(9.15.2.8) Target year figure

2200000

(9.15.2.9) Reporting year figure

2742142

(9.15.2.10) Target status in reporting year

Select from:

Underway

(9.15.2.11) % of target achieved relative to base year

3

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

None, alignment not assessed

(9.15.2.13) Explain target coverage and identify any exclusions

The target coverage is the 100% of our operations and constructions projects.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

We refer as our ambition related to water withdrawals. Please note that the value for year 2027 is not a formal target but represents the anticipated estimated ambition of water withdrawal reductions as a consequence of our intent to exit all coal by year-end 2027 (Through asset sales, fuel conversions and retirements, while maintaining reliability and affordability, and subject to necessary approvals).

(9.15.2.16) Further details of target

The ambition year figure is an approximate estimation considering the announced shutdowns of assets and the coming online of new gas plant that is currently under construction, without considering other factors such as changes in generation or market dynamics.

[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Introduction

Other data point in module 1, please specify :Electricity generation

(13.1.1.3) Verification/assurance standard

General standards

- ISAE 3000
- ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

Climate change-related standards

- ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

The AES verification/assurance process occurs annually. The scope of this assurance encompasses our direct operations. The level of insurance the verification provided is "Limited Assurance". The validation data is the total Gross, Net generation and steam by AES generation facilities.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

CY23 AES Assurance Statement 03-26-2024.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

- Electricity/Steam/Heat/Cooling consumption
- Electricity/Steam/Heat/Cooling generation
- Fuel consumption
- Waste data

(13.1.1.3) Verification/assurance standard

General standards

- ISAE 3000
- ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

Climate change-related standards

- ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

The AES verification/assurance process occurs annually. The scope of this assurance encompasses our direct operations. The level of insurance the verification provided is "Limited Assurance". Energy use (fuel consumed for electricity generation) and Energy use (purchased electricity for own use). Solid Waste Generation: Ash & Gypsum from coal combustion and Solid Waste Recycling: Ash & Gypsum from coal combustion. Other Air Emissions (SO₂, NO_x, PM & Hg), Non-hazardous water. Hazardous Waste.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

CY23 AES Assurance Statement 03-26-2024.pdf

Row 3

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- Water

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Water security

- Water discharges– total volumes
- Water withdrawals– total volumes

(13.1.1.3) Verification/assurance standard

General standards

- ISAE 3000
- ISAE 3410, Assurance Engagements on Greenhouse Gas Statements
- Other general verification standard, please specify :ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

The AES verification/assurance process occurs annually. The scope of this assurance encompasses our direct operations. The level of the insurance verification is "Limited" Assurance. Water withdrawal and water discharge.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

CY23 AES Assurance Statement 03-26-2024.pdf

Row 4

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Introduction

- Other data point in module 1, please specify :GHG Emissions Scope 1, 2 & 3

(13.1.1.3) Verification/assurance standard

General standards

- ISAE 3000
- ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

Climate change-related standards

ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

The AES verification/assurance process occurs annually. The scope of this assurance encompasses our direct operations. The level of insurance the verification is "Limited" Assurance. GHG Emissions Scope 1, 2 & 3.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

CY23 AES Assurance Statement 03-26-2024.pdf

[Add row]

(13.2) 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.

	Additional information
	None

[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Global Sustainability Director

(13.3.2) Corresponding job category

Select from:

Environment/Sustainability manager

[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:

No

