

Interview with Neoenergia

Company informations

Neoenergia, part of the Spanish Iberdrola group, is Brazil's leading electricity company by number of customers through its five distribution companies and operates not only in distribution but also in transmission, generation and energy trading, with a presence in 18 states.

In distribution, we operate in six states: Bahia, Pernambuco, Rio Grande do Norte, São Paulo, Mato Grosso do Sul and the Federal District (Brasília). In total, we serve around 17 million customers, representing more than 40 million Brazilians.

In May, for example, we formalised with the Ministry of Mines and Energy the extension of the concession contracts for three of our electricity distribution companies for a further 30 years: Neoenergia Coelba (Bahia), Neoenergia Cosern (Rio Grande do Norte) and Neoenergia Elektro (São Paulo and Mato Grosso do Sul). The concession for Neoenergia Pernambuco had already been extended in September 2025.

Alongside this milestone, we announced a new investment plan for the company, with BRL 50 billion allocated to distribution between 2026 and 2030, an increase of 82% compared with the previous cycle. These resources will strengthen the reliability of the electricity system and expand network capacity to support growing demand, digitalisation and new energy requirements across the country.

Neoenergia was also recognised in 2025 by the Brazilian Association of Electric Energy Distributors (Abradee) as the Best Electricity Distributor in Brazil (Neoenergia Cosern) and as the Best Distribution Company in the Southeast region (Neoenergia Elektro).

Q&A:

1 – Neoenergia ranks #2 out of 180 brands in Brazil and is the only energy provider to achieve Leader status. What do you think sets Neoenergia apart from other energy providers in the eyes of Brazilian consumers?

For us at Neoenergia, what sets us apart in the eyes of Brazilian consumers is precisely our ability to combine operational excellence, innovation and socio-environmental commitment, putting sustainability into practice every day.

Operational excellence is reflected in our investments in the modernisation and digitalisation of networks, as well as in the customer experience. In 2025, BRL 6.5

billion was invested in distribution, focusing on network expansion, connecting new customers and digitalising infrastructure, making it more resilient to climate events and contributing to improved quality and reliability of supply for around 17 million customers. Smarter networks also support loss reduction, increased efficiency and greater integration of renewable sources.

This technological progress has been accompanied by improvements in the customer experience, with greater digitalisation, enhanced network monitoring and faster responses to incidents, contributing to a more transparent and reliable relationship over time.

In terms of innovation, we have advanced our energy transition agenda through decarbonisation projects and new energy sources. One example is the green hydrogen pilot plant in Brasília, which has received more than BRL 30 million in R&D investment and has already produced its first molecule to supply fuel cell vehicles. Initiatives such as this reinforce the company's role in replacing fossil fuels and developing new decarbonisation solutions.

Another flagship sustainability project is being implemented in Fernando de Noronha. The "Noronha Verde" project, a landmark initiative in the energy transition aimed at decarbonising energy generation in the archipelago. With an investment of BRL 350 million, the initiative includes the installation of more than 30,000 photovoltaic solar panels integrated with advanced battery energy storage systems (BESS).

Our operations also stand out for their social and regional commitment, with initiatives aimed at expanding access to energy and promoting affordable tariffs, in partnership with the federal government. In this context, the company contributes to the Luz para Todos (Light for All) programme, which brings electricity to rural areas, particularly in Bahia, where BRL 337 million was invested in 2025 to enable more than 6,000 new connections. In addition, it supports the Luz do Povo (Light for the People) programme, launched in 2025 by the federal government to expand access to energy at more affordable prices.

Today, more than 3.8 million consumer units served by Neoenergia are classified as low-income, representing around a quarter of residential customers. In addition, the company proactively supports the automatic enrolment of beneficiaries in the Social Electricity Tariff, having incorporated more than 11,000 new customers in 2025.

We also believe that being sustainable means being diverse. I am very proud of what we have achieved with our "School of Electricians for Women", which aims to create real economic and social opportunities while reshaping a traditionally male-

dominated sector. Our project has already trained more than 1,300 women, of whom more than 1,000 have been hired into our team of electricians.

This consistent operational performance is complemented by significant recognition in the sustainability agenda. Neoenergia achieved a “double A” rating in Carbon Disclosure Project (CDP - Water and Climate), has been included for the seventh consecutive year in the S&P Global Sustainability Yearbook, and has improved its position in the Clean200 ranking, placing 2nd among publicly listed utilities and 28th overall. The company was also recognised as the second most sustainable company in Latin America, reinforcing its position as a benchmark in integrating operational excellence with sustainability.

All these advances translate into a more reliable relationship with customers and reinforce the company’s position as a provider that goes beyond energy supply, acting as an active agent of sustainable development in the country.

2 – Programmes like Vale Luz, where consumers exchange recycled waste for discounts on their electricity bills, and the replacement of over 630,000 LED bulbs in low-income communities take sustainability out of the abstract and into daily life. Which of these community-level initiatives do you think consumers feel most, and what makes them work?

Community-level initiatives that we have developed, such as Vale Luz, are those that generate the greatest perceived impact among consumers, as they establish a direct and immediate link between sustainable behavior and economic benefits. By allowing recyclable waste to be exchanged for discounts on electricity bills, the program makes sustainability tangible in everyday life, particularly for more vulnerable populations.

Last year, Vale Luz granted bill credits totaling over BRL 1.5 million in exchange for materials such as aluminum, PET, glass and carton packaging, which were directed to cooperatives and recycling industries. This model creates a clear, day-to-day incentive whereby consumers directly perceive the financial return of sustainable practices, while also strengthening local recycling chains and the circular economy.

Other initiatives, such as energy efficiency programs, also have a strong impact, although in a more structural way. In 2025, the replacement of more than 350,000 inefficient light bulbs with LED technology, along with 630 old refrigerators in low-income households, helped reduce energy consumption and generated long-term savings, without requiring behavioral changes after installation. These actions are

expanded through mobile units, door-to-door activities and educational initiatives, ensuring reach and inclusion.

More than just a concept, sustainability proves its value when it transforms people's daily lives. The success of these initiatives lies in the combination of immediate and tangible benefits, long-term structural efficiency gains, and strong community engagement, while also contributing to energy access, reducing inequalities, and promoting dignity.

3 - Powering Rock in Rio, Lollapalooza and The Town with renewable energy, and commissioning a web series on sustainability with Mari Moon, turns energy transition into something millions of Brazilians experience at the country's biggest cultural moments. How deliberate was the decision to connect sustainability to culture rather than keep it as an infrastructure story?

The significant investments we make to improve Brazilians' lives through sustainable, modern, and resilient energy infrastructure must be complemented by engagement and education initiatives that inspire more conscious behaviors.

In Brazil, we see music as one of the most effective ways to share relevant values from our operations, while also promoting culture and creating value for the regions where we operate. We use it as a channel to raise awareness and help prevent accidents involving electrical networks through world-class music festivals such as Rock in Rio, The Town and Lollapalooza last year, as well as through artists creating exclusive songs for our campaigns, such as Carlinhos Brown also last year, and Alceu Valença and Baiana System this year.

In this way, we have been able to deliberately engage millions of Brazilians and make the energy transition more tangible and relevant in their daily lives.

4 - The Electricians School for Women, recognised by the World Economic Forum, creates economic pathways in communities where formal employment is scarce. How do you see the relationship between social inclusion and the energy transition story, and do consumers connect the two?

The School of Electricians for Women exemplifies how social inclusion is a central element in enabling a fair and effective energy transition. By expanding access to opportunities in a historically male-dominated sector, the initiative, pioneer by its

design, has contributed both to economic development and to the creation of a more diverse workforce, better prepared for the challenges of the future energy landscape.

Established in 2013, the initiative provides free technical training and promotes employability in the regions where the company operates. Since the introduction of women-only classes in 2019, more than 1,300 professionals have been trained and over 1,000 have already been hired, demonstrating a tangible impact on income generation and productive inclusion. Last year, for example, 388 women graduated, of whom 232 secured employment.

Beyond being recognized by the World Economic Forum, the initiative has also been acknowledged by the Women's Empowerment Principles (WEPs) as a benchmark in diversity, equity and inclusion.

From an energy transition perspective, social inclusion is essential. The shift to a low-carbon economy requires a skilled and diverse workforce capable of supporting the expansion of new technologies and infrastructure, while ensuring a fair distribution of opportunities.

When impact is visible, sustainability moves beyond rhetoric and becomes recognized as transformation. Although consumers do not always make an explicit connection between diversity and energy transition, they do recognize clear outcomes in communities, such as job creation, increased income, and greater inclusion.

5 - If you were advising another brand on how to make sustainability resonate with consumers, what is one practical rule you would give them, and one thing you would tell them to avoid?

If we had to highlight a guiding principle, it would be to make sustainability transparent, measurable, and clearly connected to the value customers perceive in their daily lives. In Neoenergia, this approach is underpinned by robust governance, which ensures consistency, credibility, and the integration of sustainability into decision-making. Initiatives are not treated as isolated messages, but as structured commitments, supported by targets, continuous monitoring, and oversight from senior leadership.

For consumers, this translates into concrete initiatives that directly impact their reality, such as energy efficiency programs, inclusion and accessibility actions, continuous improvements in service quality, and educational initiatives promoting the safe and efficient use of energy.

When sustainability is not linked to solid results, clear targets, and tangible benefits, it tends to be perceived as abstract, weakening trust and engagement. On the other hand, when it is well structured and communicated with transparency, it becomes something that customers recognize, value, and experience in their everyday lives.