

# **Climate Positions and Lobbying Activities Report**

**2026**



## Summary

1. Introduction.....	3
2. Climate Policy Position .....	3
3. Clear framework for dealing with misalignments .....	5
4. Public Policy Engagement Guidelines.....	10
4.1 Trade Association Climate Due Diligence.....	12
4.2 Management and monitoring system .....	12
4.3 Governance .....	13
5. Climate Lobbying Expenditures .....	13
6. Conclusion .....	14

## 1. Introduction

Climate change is currently one of the most important problems and requires immediate and coordinated action, involving the cooperation of various actors in the search for sustainable solutions, aiming at the implementation of public policies and business incentives that promote the mitigation of greenhouse gas (GHG) emissions.

We understand that companies, governments, associations, and NGOs must support the climate goals of the Paris Agreement and commit to science-based actions to keep the increase in global temperature well below 2°C or 1.5°C above pre-industrial levels, as well as ensure a neutral balance between emissions and removals by sinks of Greenhouse Gases (GHG) in the period from 2050 to 2100.

We support the energy transition and influence public policies that promote renewable energies through our participation in business associations and groups. We invest in networks, technological development for energy transition and energy storage, contributing to Brazil achieving a 100% renewable electricity matrix. Currently, the matrix electric Brazil's energy is 92% renewable.

Cemig is part of industry associations, and all are aligned with the ambition of limiting global warming to 1.5°C. We do not engage in political positioning activities individually, only through associations. As we are located exclusively in Brazil, our focus is on the national level.

These organizations provide a forum for members to focus on advocating for issues and promoting the sharing of best practices. Through our participation in associations, we can collaborate and combine efforts with others in the sector on a range of issues we face, including climate change, and review and monitor engagements. These associations express their position through "position papers" that are previously reviewed by the Sustainability area. This ensures that the positions are aligned with Cemig's stance. Similarly, 100% of Cemig's statements are previously aligned and validated by the Sustainability area, ensuring their alignment with the ambition to limit global warming to 1.5°C.

In 2024, Cemig will join the Utilities Alliance for Net Zero (UNEZA), established at COP28 with the adoption of the UAE Declaration of Action. This Alliance brings together leading global utilities and energy companies with the goal of leading the development of renewable energy-ready grids, promoting clean energy solutions, and advancing electrification efforts. UNEZA operates under the guidance of the International Renewable Energy Agency (IRENA) and the UN High-Level Champions for Climate Change, ensuring a focused and strategic approach to achieving a sustainable energy future.

## 2. Climate Policy Position

Cemig participates in advocacy and institutional relations activities in a transparent and ethical manner, contributing technically to the development of public policies related to climate change, energy transition, and energy security.

Our involvement in climate policy includes contributing to public consultations, sectoral forums, and dialogue with public authorities, always in accordance with legislation and internal guidelines. Cemig does not engage in direct lobbying activities.

The company does not engage in direct lobbying activities related to climate public policy. Therefore, there are no financial expenditures or direct engagement with policymakers on an independent basis

Cemig provides technical contributions to the development of public policies related to climate change, including:

- reduction of GHG emissions
- promoting renewable energy
- carbon pricing
- adaptation actions
- energy transition
- access to energy
- energy efficiency

All public policy engagement is conducted through industry associations, which are subject to structured monitoring, governance oversight, and alignment checks with the Paris Agreement.

Internal processes ensure that any indirect advocacy conducted through trade associations is consistent with the company's climate strategy and its net-zero emissions commitments.

These guidelines apply to all jurisdictions in which the company operates, which are currently limited to Brazil.

### ***Active influence and engagement :***

Within the sectoral associations for distribution and generation, respectively ABRADDEE and ABRAGE, Cemig contributes to sectoral discussions on energy transition, regulatory modernization, and decarbonization of the electricity sector. Through CEBDS and the Global Compact, the company engages in corporate-led climate advocacy, aligned with international frameworks (e.g., SDGs, Paris Agreement). Within the Municipal Committee on Climate Change - COMCLIMA BH, Cemig collaborates with the public sector on local climate policies and urban climate governance, including adaptation and mitigation strategies.

Our position is to support initiatives that promote laws and regulations related to issues such as:

- I. **Greenhouse gas emissions** : we support laws that impose emission limits on industries, incentives for renewable energy sources, and policies that reduce the use of fossil fuels.

- II. **Adapting to climate change:** we work to promote initiatives that aim to finance measures to protect against extreme weather events, such as droughts and floods.
- III. **Carbon pricing:** We support groups that can lobby for the implementation of carbon pricing mechanisms, such as the implementation of a regulated carbon market in Brazil.

### 3. Clear framework for dealing with misalignments

Cemig has established a framework to identify, assess, and address potential misalignments between its own climate strategy and the climate-related policy positions adopted by trade associations and external initiatives in which it participates.

#### *This structure includes :*

- I. Systematic monitoring and periodic review of public positions, advocacy activities, and climate-related lobbying by trade associations, ensuring alignment with Cemig's climate commitments, decarbonization targets, and energy transition strategy.
- II. A structured internal assessment process, supported by governance, compliance, and risk areas, to evaluate the materiality and reputational risks associated with any identified misalignment.
- III. Defined escalation procedures, including the involvement of senior management, allow for informed decision-making when a misalignment is detected.
- IV. Active engagement and influence mechanisms through which Cemig works directly with associations (e.g., ABRADÉE, ABRAGE, CEBDS, Global Compact, and Conclima BH) to promote alignment with science-based climate policies and low-carbon trajectories.
- V. Clear decision criteria that allow the company to reassess, limit, or discontinue participation in associations in cases of persistent or significant misalignment.
- VI. In cases of disagreement, Cemig acts through direct engagement with associations, seeking to influence the alignment of positions with principles of decarbonization, energy transition, and sustainability.
- VII. When necessary, the Company reassesses its level of participation or association, considering criteria of consistency with its climate strategy.
- VIII. Integrating this process into Cemig's broader ESG governance and compliance structure ensures transparency, accountability, and consistency between its public climate commitments and its external representation.
- IX. Criteria for evaluating the alignment of associations with the Paris Agreement, climate policy position on the following topics: energy transition, carbon, carbon pricing and emissions, use of fossil fuels.
- X. Criteria for analyzing the associations: Consistency with 1.5°C, actual political action, and track record of activity.

The associations and alignment levels are presented below.

Table 1: Presentation of Public Associations data aligned with the Paris Agreement

Association Name	Category Association	Description	Level of alignment with the Paris Agreement	There is a gap between the association's performance and the Paris Agreement in 2025.	How Cemig operates, reviews, and monitors within the Association.
Global Compact – Net Zero Ambition Movement	Civil Society – Non-governmental organization (NGO)	The initiative aims to adopt rigorous and immediate measures to reduce global emissions by 2030 and achieve net-zero greenhouse gas emissions by 2040.	Level of alignment with the Paris Agreement considered "high":	no	<p>Cemig participates in meetings and seeks to influence other stakeholders in the pursuit of net-zero emissions. By joining the Net Zero Ambition Movement, Cemig has committed to publishing an annual inventory of greenhouse gas (GHG) emissions and reducing GHG emissions in line with the criteria of the Science Based Targets initiative (SBTi).</p> <p>The Global Compact expresses its position through "position papers" that are previously reviewed by the Sustainability area. This ensures that the positions are aligned with Cemig's stance.</p> <p>By 2024, the targets aimed to limit global warming to 1.5°C.</p>
Brazilian Business Council for Sustainable Development (CEBDS)	Civil Society – Non-governmental organization (NGO)	Organized in 1997, CEBDS aims to disseminate the debate on Sustainable Development in Brazil and works to consolidate itself as a benchmark initiative in the country and the world in combating the main crises affecting the climate, nature and society.	Level of alignment with the Paris Agreement considered "high":	no	<p>Cemig participates in meetings, contributing to influencing public policies and strategic guidelines that promote a development model focused on a cleaner and more inclusive economy.</p> <p>The organization supports the regulated carbon market in Brazil and the promotion of sustainable development. Cemig positions itself through "position papers," previously reviewed by the Sustainability area. This ensures that the positions are aligned with Cemig's stance.</p> <p><b>Electricity Sector Coalition Report</b>, coordinated by CEBDS and PSR, was launched by CEMGS with the direct participation of Cemig. It shows how Brazil can consolidate its leadership in the <b>global energy transition</b>, with <b>90%</b></p>

CLIMATE POSITIONS AND LOBBYING ACTIVITIES REPORT

Association Name	Category Association	Description	Level of alignment with the Paris Agreement	There is a gap between the association's performance and the Paris Agreement in 2025.	How Cemig operates, reviews, and monitors within the Association.
					<p>of its electricity matrix already renewable and enormous potential to expand electrification and reduce emissions throughout the economy. The study brings together data, analyses, and concrete proposals to accelerate the decarbonization of the sector, boost innovation, investment, and green competitiveness.</p> <p><a href="#">Full Report of the Energy Coalition - CEBDS</a></p>
Utilities for Net Zero Alliance (Uneza)	Civil Society – Non-governmental organization (NGO)	UNEZA (Utilities Alliance for Net Zero) is an international platform that aims to accelerate the adoption of renewable energy and overcome common obstacles to achieving global net-zero ambitions. UNEZA was launched at COP28 and is coordinated by IRENA (International Renewable Energy Agency). UNEZA members and partners recognize that the key to unlocking the global energy transition potential of the utilities sector lies in the ability to deliberately address existing structural, regulatory, and financial impediments and challenges that may hinder progress.	Level of alignment with the Paris Agreement considered "high":	no	<p>In 2024, Cemig joined UNEZA, an initiative that brings together the main concessionaires and public service companies in the electricity sector with the aim of promoting clean energy solutions and advancing the global energy transition process and decarbonization of the economy. Cemig is a member of the UNESCO Steering Group. Uneza presents its positions through "position papers" that are previously reviewed by the Sustainability area. This ensures that the positions are aligned with Cemig's stance. By 2024, all positions aimed to limit global warming to 1.5°C.</p> <p>Cemig is the first Brazilian company in the electricity sector to be part of this alliance.</p>
Public Registry of Emissions – Brazilian GHG Protocol Program	Civil Society – Non-governmental organization (NGO)	The Public Emissions Registry is a pioneering platform in the country for the transparent, fast, and simple disclosure of corporate greenhouse gas (GHG) emissions inventories of organizations participating in the Brazilian GHG Protocol Program.	Level of alignment with the Paris Agreement considered "high":	no	Cemig has been publishing its greenhouse gas emissions inventory on the RPE Platform since 2024. Our goal is to make our information more transparent and contribute to advancing emissions disclosure and strengthening the initiative in the country.

CLIMATE POSITIONS AND LOBBYING ACTIVITIES REPORT

Association Name	Category Association	Description	Level of alignment with the Paris Agreement	There is a gap between the association's performance and the Paris Agreement in 2025.	How Cemig operates, reviews, and monitors within the Association.
Science Based Targets Initiative (SBTi)	Civil Society – Non-governmental organization (NGO)	<p>The Science Based Targets Initiative ( SBTi ) is a corporate climate action organization that enables companies and financial institutions worldwide to contribute to combating the climate crisis.</p> <p>We develop standards, tools, and guidelines that enable companies to set greenhouse gas (GHG) emission reduction targets aligned with what is needed to keep global warming below catastrophic levels and achieve net zero by 2050 at the latest.</p>	Level of alignment with the Paris Agreement considered "high":	no	<p>In 2022, Cemig committed to defining scientifically based emissions reduction targets (short- and long-term targets) in accordance with SBTi 's criteria and recommendations , submitting them to SBTi for validation and publishing them within 24 months of approval.</p> <p>In January 2025, the short-term and long-term (net zero) targets were approved by SBTi .</p>
Municipal Committee on Climate Change and Eco-efficiency - CMMCE of Belo Horizonte	Local Government - Municipality of Belo Horizonte	<p>The CMMCE is a collegiate and advisory body that aims to support the implementation of the Belo Horizonte City Hall's municipal policy on climate change, acting in the articulation of public policies and private initiatives aimed at reducing greenhouse gas emissions and air pollutants, reducing solid waste production and increasing efficiency in waste reuse and recycling processes; encouraging the use of renewable energy sources, improving energy efficiency and the rational use of energy, and raising environmental awareness among citizens.</p>	Level of alignment with the Paris Agreement considered "high":	no	<p>Cemig participates in meetings, contributing to the search for initiatives to reduce GHG emissions and to the formulation of legislation on the subject.</p> <p>By 2024, all operations and positioning aimed to limit global warming to 1.5°C.</p>
Environmental Thematic Group – Preparing the Technical Seminar on the Climate Crisis in Minas Gerais (MG)	Local government – Legislative Assembly of the State of Minas Gerais (ALMG)	<p>The Legislative Assembly of Minas Gerais (ALMG) discusses public policies necessary to combat extreme weather events in the state of Minas Gerais. In March 2024, the Technical Seminar on the Climate Crisis in Minas Gerais – Challenges was launched.</p>	Level of alignment with the Paris Agreement considered "high":	Yes	<p>Cemig participates in meetings, supporting the search for technological solutions and public policies, promoting continuous, structural actions in the medium and long term, mitigating the impacts of climate change in the most affected regions of the state of Minas Gerais.</p> <p>By 2025, all operations and positioning aimed to limit global warming to 1.5°C.</p>

CLIMATE POSITIONS AND LOBBYING ACTIVITIES REPORT

Association Name	Category Association	Description	Level of alignment with the Paris Agreement	There is a gap between the association's performance and the Paris Agreement in 2025.	How Cemig operates, reviews, and monitors within the Association.
Alliance for Climate Action (ACA-Brazil)	Society - NGO	A coalition of actors from different sectors of society, such as business leaders, investors, and state and municipal governments, to strengthen the subnational climate agenda.	Level of alignment with the Paris Agreement considered "high":	no	Cemig participates in meetings with the goal of influencing the proposal of initiatives that promote the energy transition and combat climate change.  By 2025, all operations and positioning aim to limit global warming to 1.5°C.
Council for Environment and Development - CEMA of the Federation of Industries of Minas Gerais - Fiemg	Society - NGO	The council's objective is to propose changes to the environmental policy of Minas Gerais and Brazil, aiming to improve the business environment for the state's productive industry.	Level of alignment with the Paris Agreement considered "high":	no	Cemig participates in the meetings of the CEMA Working Group on Climate Change and Air Quality, with the aim of influencing the proposal of environmental policies that promote the energy transition and combat climate change.
ABRAGE – Brazilian Association of Electric Power Generating Companies	Business Association	ABRAGE aims to facilitate the exchange of technical, commercial, financial, and legal information regarding electricity generation activities. This association includes both renewable and non-renewable energy generators.	Level of alignment with the Paris Agreement considered "high":	no	By 2025, all operations and strategies aim to limit global warming to 1.5°C. Cemig is positioned to support the energy transition in the country, contributing to achieving a more renewable energy matrix.
APINE – Brazilian Association of Independent Electricity Producers	Business Association	APINE's purpose is to make the association a strategic asset for Cemig. Its main objective is to promote the defense of the interests of the electricity generation segment, especially regarding independent producers and equivalent generators, promoting the expansion of their market share and the preservation of their profitability.	Level of alignment with the Paris Agreement considered "high":	no	By 2025, all operations and positioning aim to limit global warming to 1.5°C. Cemig supports the energy transition and invests in infrastructure lines and networks to connect new renewable energy sources.
Brazilian Association for Clean Energy Generation – Abragel	Business Association	ABRAGEL currently represents the most relevant agents in the generation of Small Hydroelectric Power Plants (CGH), Small Hydroelectric Power Plants (PCHs), and Hydroelectric Power Plants (UHEs) up to 50 MW in the country. Its main objective is to promote the union of small and medium-sized electricity producers, companies, entities, and associations interested in this market, representing	Level of alignment with the Paris Agreement considered "high":	no	All materials and publications produced by ABRAGEL in 2025 were aligned with the Paris Agreement.  Cemig supports the energy transition and invests in infrastructure lines and networks to connect new renewable energy sources.

Association Name	Category Association	Description	Level of alignment with the Paris Agreement	There is a gap between the association's performance and the Paris Agreement in 2025.	How Cemig operates, reviews, and monitors within the Association.
		its members before public authorities, national and international organizations and institutions, defending their rights, interests, and aspirations, promoting the expansion of their market share and the preservation of their profitability. This association includes both renewable and non-renewable power generators.			

#### 4. Public Policy Engagement Guidelines

We are committed to setting a target aligned with a 1.5°C decarbonization trajectory. In 2022, we joined the UN Global Compact's Net Zero Ambition Programme and committed to reducing greenhouse gas emissions by 90% by 2040.

In 2024, we joined the Utilities Alliance for Net Zero (UNEZA), which aims to accelerate the adoption of renewable energy and overcome common obstacles to achieving global net-zero ambitions. UNEZA has a significant impact on accelerating the global energy transition by providing a platform for collaboration and investment to achieve net-zero goals. By promoting cooperation among energy companies and advocating for public policies, UNEZA contributes to a more sustainable and resilient energy future.

By 2025, we will secure the approval of the short-term and long-term (net zero) science targets of the Science-Based Targeting Initiative.

Therefore, our Strategic Plan foresees investments for the expansion of renewable energy generation, modernization and reform of the electricity distribution infrastructure, investments in R&D projects including energy storage and hydrogen, electric mobility, integration of distributed energy resources, and energy efficiency initiatives.

Our association engagement management system includes the following premises:

- a) Our executives and leaders do not directly or indirectly support policies or initiatives that increase the risks and impacts of climate change.
- b) We participate in industry associations that advocate for climate change policies.

c) We monitor participation in direct and indirect associations, evaluating the alignment of these associations with the commitment to limit global warming to 1.5°C. We typically communicate our position through "position papers " that are previously reviewed by the Sustainability area. This ensures that the positions are aligned with Cemig's stance.

d) We have established political positions aligned with strategic planning, as well as with climate commitments.

(e) Company representatives seek to influence or support research projects, specialized studies on the subject, and political and business forums favorable to businesses aligned with the Paris Agreement.

f) Participation in trade associations, forums, committees, working groups, and NGOs is conditional upon political alignment with initiatives that contribute to the reduction of GHG emissions and policies that encourage a climate transition limiting global warming to 1.5°C. If the company is unaware of the actions of any trade association in which it participates, the company's representatives will express their opinion, reaffirming their commitment to supporting regulatory changes that promote a sustainable future and informing their leadership on the subject.

(g) Company representatives in these associations, together with the executive board, analyze the positions and influences of trade associations regarding climate policy and, when policy inconsistencies occur, consider the option of distancing themselves from or discontinuing participation in these associations, which has not yet happened.

h) We support coalitions that act in alignment with climate policies.

At Cemig, the Sustainability and Innovation Directorate is responsible for monitoring public policies related to the ESG agenda and climate change, including the Paris Agreement.

The Board considers ESG issues an integral part of overseeing its business strategy.

Based on recommendations from the Communication and Sustainability Board, the Executive Board makes public commitments and validates goals related to addressing climate change.

The Sustainability Department supports the Company's areas in implementing actions that impact greenhouse gas emissions; it monitors and tracks the Company's performance in relation to this issue, in accordance with legislation, sustainability requirements, and corporate goals.

#### **To ensure the transparency of our actions:**

- a) We publicly disclose our participation in trade associations, NGOs, forums, committees, and our position in support of climate policies or initiatives that promote measures for the growth of renewable energy or the introduction of a carbon price aligned with achieving net zero by 2050.
- b) We make this information available annually in the Annual Sustainability Report and in the CDP Climate questionnaire. Change , reporting the connection with the company's strategic planning and business.

- c) We annually disclose information on how climate risks impact business, report investment data to limit global warming to 1.5 ° C, as well as our decarbonization strategy, in the CDP Climate Change Questionnaire, the TCFD Report, and the Sustainability Report.

Finally, as mentioned earlier, we closely monitor the position of the associations we participate in regarding the Paris Agreement. To date, all support and strive to work towards limiting global warming. Should there be a lack of awareness regarding the actions of any association in which the company participates, company representatives will express their opinion, reaffirming their commitment to supporting regulatory changes that promote a sustainable future and informing their leaders on the matter.

#### **4.1 Trade Association Climate Due Diligence**

Before joining any trade association, Cemig conducts a structured climate-related due diligence to assess alignment with the Paris Agreement.

The monitoring of the associations is carried out continuously, with periodic reviews and a formal alignment assessment conducted at least annually.

This process includes:

- analysis of public positions
- evaluation of advocacy activities
- review of positioning documents
- verification of climate commitments

Associations are classified as:

- high alignment
- partial alignment
- potential misalignment

The assessment covers the areas of Sustainability, Risk and Compliance and is subject to internal approval before adoption.

In cases of partial alignment, Cemig defines engagement strategies to promote alignment with science-based climate policies. Associations with significant misalignment may not be accessed or may have their participation reassessed.

#### **4.2 Management and monitoring system**

Our engagement management system includes:

- periodic review (at least annually) of position papers
- Continuous monitoring of advocacy and public policy engagement activities
- Formal annual assessment of alignment with the Paris Agreement

- Internal validation by the Sustainability area.

This due diligence process is complemented by continuous monitoring of trade associations, ensuring alignment is maintained over time.

### 4.3 Governance

- Directorate of Sustainability and Innovation: monitoring of public policies
- Executive Board: Approval of climate commitments
- Sustainability Superintendence and Compliance Management: implementation and monitoring

All trade associations are subject to governance oversight and alignment checks with the Paris Agreement

## 5. Climate Lobbying Expenditures

Table 2: Climate lobbying Expenditures

Organization Name	2025 Expenditures	Climate Policy Position
Global Compact	R\$ 172,920.00	Action to fulfill the Paris Agreement and develop low-carbon solutions.
Brazilian Business Council for Sustainable Development (CEBDS)	R \$ 97,200.00	The organization supports the regulation of the carbon market in Brazil and the development of public policies that encourage sustainable practices.
APINE – Brazilian Association of Independent Energy Producers	R\$ 435,518.79	It works to disseminate technical information that contributes to the energy transition and interacts with the Executive and Legislative branches in the formulation of public policies aligned with sustainable development.
ABRAGE – Brazilian Association of Electric Power Generators	R\$ 307,260.60	It works to disseminate technical information that contributes to the energy transition and interacts with the Executive and Legislative branches in the formulation of public policies aligned with sustainable development.
Brazilian Association for Clean Energy Generation – Abragel	R\$ 251,820.00	ABRAGEL aims to further strengthen the importance of Small Hydroelectric Power Plants (PCHs), Hydroelectric Generating Plants ( CGHs ), and Authorized Hydroelectric Power Plants (UHEs) of up to 50 MW in the eyes of society and the Public Authorities, with the objective of

Organization Name	2025 Expenditures	Climate Policy Position
		continuing to promote the leading role of the segment alongside other renewable sources of energy production in Brazil.
Public Registry of Emissions – Brazilian GHG Protocol Program	R\$ 10,700.00	The Public Emissions Registry is a pioneering platform in the country for the transparent, fast, and simple disclosure of corporate greenhouse gas (GHG) emissions inventories of organizations participating in the Brazilian GHG Protocol Program.

## 6. Conclusion

Through this organized structure, Cemig ensures governance and transparency, risk management, and strategic alignment in all its external commitments. This approach reinforces the company's commitment to credible climate advocacy, safeguarding consistency between its stated climate ambitions and the positions it defends in public and institutional spheres, in line with ESG best practices and stakeholder expectations.