



US\$ 50 million Green Loan Impact Report

November, 2022

AES Andes

AES Andes is an affiliate of The AES Corporation (“AES”) with presence in Chile, Colombia and Argentina. We are committed to the sustainable development of South America through a diverse portfolio of energy generation facilities. We are the second largest generation company in Chile in terms of installed capacity and a relevant energy solutions provider in Chile.

We generate and sell electricity in Chile, Colombia and Argentina to customers, including distribution companies, commercial, industrial, and mining customers, and other generators, with the purpose of accelerating the future of energy, together. In addition, we sell energy to the spot market.

We operate a total installed capacity of 5.101 MW in the region, along with a large portfolio of renewable energy and battery projects under construction. In Chile, we have an installed capacity of 3.356 MW, consisting of 2.129 MW of thermoelectric, 771 MW of hydroelectric, 277 MW of wind, 104 MW of solar photovoltaic and 13 MW of biomass capacity, in addition to 62 MW of battery energy storage systems, seawater desalination plants, transmission lines, and gas pipelines. We also have hydroelectric and solar plants in Colombia for a total capacity of 1,102 MW, in addition to a combined-cycle natural gas power plant in Argentina with an installed capacity of 643 MW.

Company overview (as of November 2022)



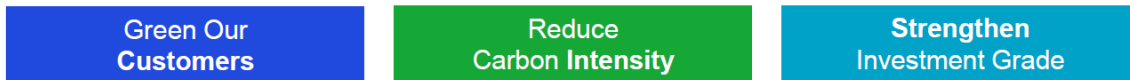
(1) Net Debt / EBITDA includes equity credit treatment of hybrid debt

Our Greentegra Strategy: accelerate the future of energy

At AES Andes our ultimate goal is to be the “energy solution provider of choice in South America” through the execution of our Greentegra strategy that has three main objectives: make our customers' electricity supply more sustainable and competitive, reduce the carbon intensity of our portfolio and strengthen our company's investment grade.

Our strategy considers the needs and concerns of our stakeholders and of both national and international clean energy agendas. In this way, we also help to accelerate a more sustainable energy matrix for the markets where we operate.

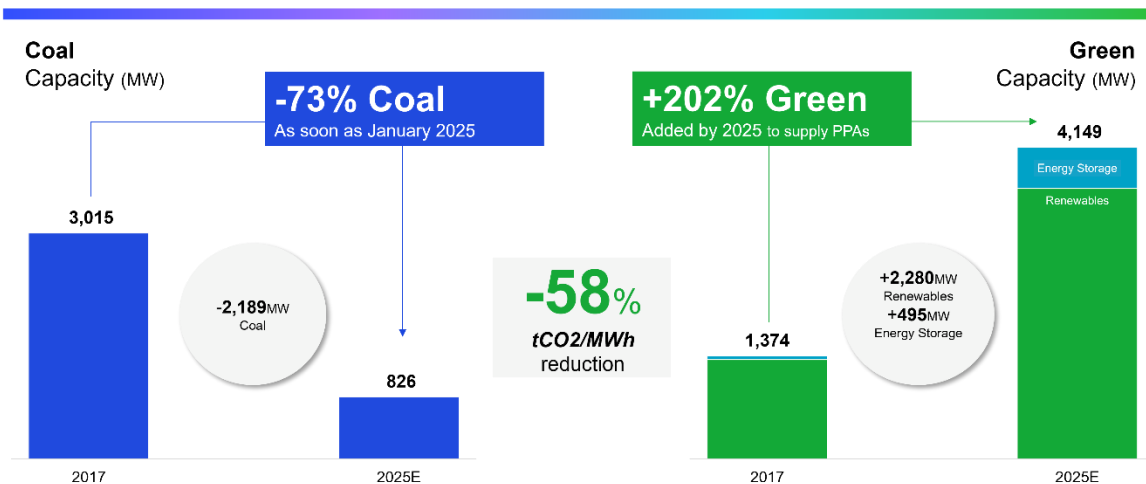
Transform AES Andes into a Leading Renewable Business in South America



We are committed to working toward a more sustainable future for all, transforming our portfolio and increasing our renewable power generation capacity by 202% from 2017 to 2025, including the incorporation of renewable projects through development and acquisition and the retirement of coal-fired power plants as part of the gradual and responsible process agreed with the authorities for the decarbonization of Chile's energy matrix.

Portfolio Transformation

AES Andes Decarbonization Plan

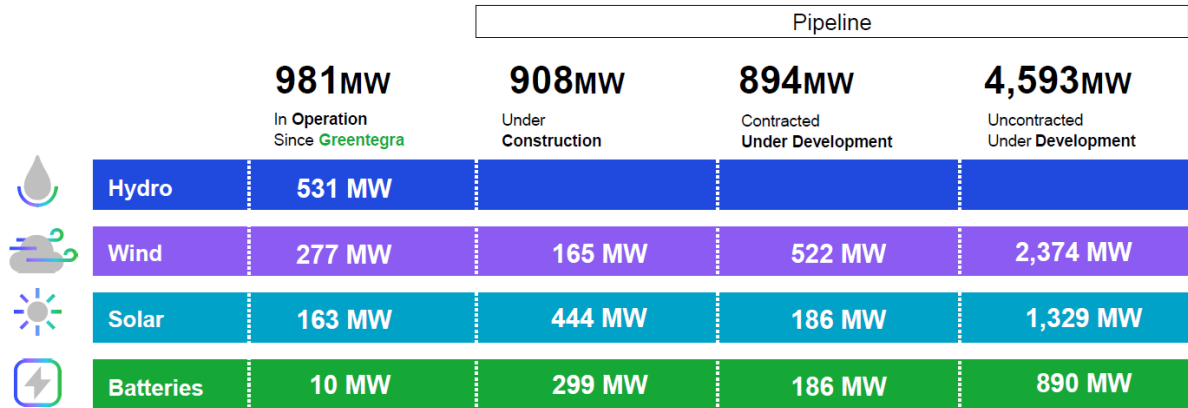


2025 Estimate based on contracted growth projects and AES' global intention to exit coal-fired generation by the end of 2025 by means of conversion to less carbon intensive technology, asset sales and retirements, all subject to the necessary regulatory process and approvals and while ensuring the grid's security, sufficiency and competitiveness.

Currently, we have under construction 908MW of renewable energy totaling a pipeline of 7,376 MW to support commercial agreements.

Renewable Projects

7,376 MW to Support Commercial Agreements



Project progress and commercial operation status as of October 31, 2022

Green loan impact

On August 2022, AES Andes entered into a green credit agreement with a Chilean bank for an amount of US\$50 million. The green loan agreement, which is due in five years (2027), was placed at SOFR 3m plus a spread. The following report refers to the period of October 01, 2021, to November 30, 2022.

Allocation of proceeds

AES Andes has an internal tracking system to monitor and account for an amount equal to the net proceeds.

An internal committee comprised of members from the Sustainability, Finance, and Development teams evaluate the projects to ensure meeting the criteria of development, construction, installation, and/or acquisition of renewable energy.

The proceeds from the loan have been used to finance the construction of wind renewable projects that are part of AES Andes renewable growth pipeline. The following table summarizes the proceeds allocated since October 01, 2021, through November 30, 2022. The amount of net proceeds allocated to Eligible Green Projects is US\$50 million. Therefore, there is no pending amount to be allocated.

Type of project	Country	Amount disbursed 2021-2022 (US\$)
Wind	Chile	50,000,000

Projects funded

Renewable Energy	Commissioning (COD)	Lifetime	Yearly Generation ¹	Capacity	GHG Emissions avoided ¹
<i>Project name</i>	<i>Date</i>	<i>In years</i>	<i>GWh</i>	<i>MW</i>	<i>Annual Tonnes of CO2e</i>
Mesamávida	2022/2023	25	216	68	133,155
Campo Lindo	2023	30	210	73	129,528

¹ Values are estimated

Mesamávida – Wind



- Location: Biobio region, Chile. Located 10 km in the west of Los Angeles Commune, Biobío Region.
- Installed Capacity: 68 MW // 13 turbines
- The Mesamávida Wind Farm Project is currently under construction and consists of wind turbines with a nominal power of 4,8 MW each.
- Total Annual Generation estimated: 245,000 MWh
- Annual Estimated GHG avoided: 101,602 tCO₂

Campo Lindo - Wind



- Location: Biobio region, Chile. located in the commune of Los Angeles and Laja, Biobío Region, Chile, 10 km northwest (NW) of the city of Los Angeles.
- Installed Capacity: 73 MW // 23 turbines
- Campo Lindo wind farm is currently under construction, and it comprises the installation of wind turbines with a nominal power of 4,3 MW each.
- Total Annual Generation estimated: 210,000 MWh
- Annual Estimated GHG avoided: 129,528 tCO₂

Calculation for avoided emissions were made according to the following formula: $ER_y = EG_{\text{facility},y} * EF_{\text{grid,CM},y}$

- ER_y = Emission reduction in year y (tCO₂)
- $EG_{\text{facility},y}$ = Quantity of net electricity generation supplied by the project plant to the grid (MWh)
- $EF_{\text{grid,CM},y}$ = CM CO₂ emission factor in year y (*CM: Combined Margin)

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Open Corporation

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