

Our Biodiversity Commitment

At AES Andes, our approach to biodiversity is based on the Management System policy and the compliance with the Corporate Standard for Biodiversity Evaluation and Protection.

The AES Andes integrated Environment and Safety policy commits to: "Analyze, monitor and manage environmental impacts, preventing and mitigating their potential effects, promoting a commitment to caring for the environment, the efficient use of natural resources, the conservation of areas of high biodiversity value in the vicinity of our operations and the protection of species of conservation concern in those areas and the relationship with the communities in which we develop our activities"

The Biodiversity Standard mentions that AES Andes businesses promote Biodiversity by following the mitigation hierarchy described by the International Finance Corporation's Performance Standard 6 which includes avoidance, minimization, restoration, and offsets, where appropriate.

Our Biodiversity approach translates into a commitment to promote the conservation of areas of high value for biodiversity and ecosystems in the surroundings of our operations, protecting and promoting knowledge of species in the conservation category with the ultimate goal of achieving no net loss in biodiversity, in our operations.

The scope of our Biodiversity approach and commitments applies to all AES Andes businesses. Together with our local teams we work with external partners to fulfill this commitment.



Risk and impact assessment

According to the standard, each AES Business must include Biodiversity impacts and/or enhancements in project planning for all new construction projects as well as a review of its existing and ongoing Biodiversity impacts and opportunities for enhancement.

The analysis of risk and Impact of biodiversity is carried out from the development of our projects considering construction and operation phases.

During project development, biodiversity risks assessment is based on the characterization of the area of influence of the project and the identification of the degree of impact it will have in biodiversity of such area. The processes are carried out based on Guidelines developed by local environmental authorities as well as international frameworks such as International Finance Corporation's Performance Standard for biodiversity.

Once the impacts are identified, appropriate mitigation, avoidance, reparation or compensation measures are established in order to take care of significant impacts. This information is included as part of the Environmental Impact Studies, that are evaluated by the relevant authorities, and the actions plans established are categorized by the company in three main lines of action:



We believe our Biodiversity Management plans (including risk assessment, impact assessment, and management and monitoring plans) undergo a due quality assurance process as the biodiversity studies that support the plans are reviewed by Environmental Authorities. In some cases, depending on the complexity of the project this also is open to the public for comments during consultation phase.

We have 17 operational sites, covering more than 5 thousand hectares. Of such sites, 8 are in close proximity to critical biodiversity (over 4,000 hectares) and have biodiversity management plans in place.

Country	N° of sites	Area in hectares	Management plans
Chile	13	3238	8
Argentina	1	105	0
Colombia	3	1875	1



AVOID, MINIMIZE, RESTORE AND COMPENSATE

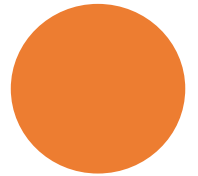
One of the Biodiversity standard purposes is to strive to promote Biodiversity by following the mitigation hierarchy which includes avoidance, minimization, restoration, and offsets, where appropriate.

Over the years AES Andes has carried diverse actions to comply with the biodiversity plans established as part of the projects and operations. During construction phase, to comply with the established mitigation actions, our target is that all the fauna that has been rescued has to be properly relocated.

As of 2022, we have fully executed the appropriate actions: we have carried out the rescue and relocation of more than 2,200 specimens of reptiles, micro-mammals and amphibians, as well as flora rescue with more than 2,500 specimens of cacti and shrubs from our projects under construction in the central zone of Chile.

For flora and vegetation, we provide compensation based on the cut area and the number of individuals removed aiming at no net deforestation. As of 2022, we have reforested more than 156 hectares (ha). And more of more than 250.000 trees, representing 97° of our reforestation goal by 2037.

To rescue the genetic material and reproduce native flora species of the north central zone in Chile, as well as for the implementation of revegetation plans, we have two nurseries, one in the San José de Maipo commune and the other in the Ovalle commune.



MAINTENANCE AND CONSERVATION AREAS OF BIODIVERSITY

The Foundation for the Sustainability of the Gaviotín Chico, to which the companies Eléctrica Angamos and Eléctrica Cochrane belong, has two protected areas for the Conservation of the Gaviotín Chico called Pampa 1 and Pampa 2 in the commune of Mejillones in the north of Chile, with a total area of 2,027 ha. In 2020, the Foundation began the creation of a Nature Sanctuary in the área of Punta Itata and Punta Gualaguala with an área of approximately 903 hectares, which was completed on July, 2022 with the signing of the Supreme Decree for the creation of the “Itata Gualaguala Nature Sanctuary”, published in the oficial Gazette on August of the same year.

AES Colombia maintains a 1,750-hectare natural reserve located in the zone called Very Humid Tropical Forest, which has been maintained in natural regeneration by the Chivor Hydroelectric Power Plant for more than 45 years. As part of the conservation and protection activities between 1998 and 2020, biodiversity inventories have been carried out in collaboration with the Institute of Natural Sciences of the National University of Colombia. These works strengthen not only scientific knowledge but also the vision of turning the protection of biodiversity into an opportunity for social development for the inhabitants of the municipality of Santa María. A permanent surveillance program is also in place to prevent potential damage from third parties.



MAINTENANCE AND CONSERVATION AREAS OF BIODIVERSITY

During 2022, we continued the development of the volunteer Project called “El Pangué Ecological Corridor” in Central Chile. The aim of this Project is to create a biological corridor that will facilitate the mobility of individuals and allow the conservation of the genetic material of native fauna and flora between the different fragments of natural habitats, as well as providing a space for research and environmental education activities such as bird watching and botanical research.

As of 2022, our biodiversity Conservation goal has a progress rate of 74%.



TRAINING AND INVESTIGATION

The Foundation for the Sustainability of the Gaviotín Chico, works for conservation of the tern through the development of research capabilities, the generation of new knowledge about the species and the implementation of technical measures to protect it. Starting of 2019, the Foundation has a “Research, Education and Dissemination Center for the Conservation of the Little Tern” (located in the Playa Grande sector of Mejillones) with a training room and educational trail that generates spaces for education and dissemination of information about the species. During 2022, educational conferences continued in terrain, guided tours, as well as educational workshops for Environmental Forgers in Mejillones. Additionally, The Foundation has agreements with international organizations and collaborates in international census of the species with the aim of promoting inter-institutional cooperation of activities related to the conservation of the little tern.

In order to communicate he biodiversity close to our operations, since 2016 AES Colombia participates in an alliance with the National University of Colombia in biodiversity research in the Integrated Management District (DRMI) of Cuchilla Negra or Guanque with the permanent development of research, elaboration of open field guides for the community and a specialist public.

In order to promote research and dissemination of the biodiversity present in the central area of Chile, we have developed research on the flora and fauna in areas surrounding our facilities, specifically in El Fundo El Pangué. These studies have resulted in the publication of scientific studies in the Journal of the Museum of Natural History of Valparaíso, as well as in the preparation of field guides on flora and fauna and biological risks for distribution among community members.

