

Integrated Annual Report AES Andes

[GRI 2-1, 2-3]

AES Andes S.A.

94.272.000-9

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- This Integrated Annual Report was published on April 6, 2023 and provides information for the year ended December 31, 2022.
- Translation of the Memoria Anual Integrada de AES Andes, originally in Spanish.





References

US Dollars	US$	Development Unit (Unidad de Fomento)	UF
Thousands of US Dollars	ThUS$	Giga watt	GW
Chilean Pesos	CLP$	Giga Watt per hour	GWh
Thousands of Chilean pesos	ThCLP$	Tera Watt	TW
Colombian Pesos	Col$	Tera Watt per hour	TWh
Thousands of Colombian pesos	ThCol$	Mega Watt	MW
Argentine Peso	Ar$	Mega Watt per hour	MWh
Thousands of Argentine Pesos	ThAr$		

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Company **Profile**

[GRI 2-1, 2-6; NCG 461 6.1, 6.2]



We are an Energy Company that accelerates the future of energy.

Together with our many stakeholders, we are improving lives by delivering the smarter, more sustainable energy solutions the world needs. The Company's diverse workforce is committed to continuous innovation and operational excellence, while partnering with our customers in their strategic energy transitions and continuing to meet their energy needs today.

SEN

National Electrical System in Chile.

SIN

National Interconnected System in Colombia.

SADI

Argentine Interconnection System in Argentina.

→ Installed Capacity: 5,133 MW

Chile: 3,361 MW

We are one of Chile's first largest company in terms of generation and installed capacity. Combining different generation sources and technologies, as well as geographic diversification, gives us the competitive advantage of not being dependent on any one resource to produce electricity.

Colombia: 1,129 MW

We are one of the main operators of the SIN, with the third largest reservoir in the country and the largest solar self-generation plant in Colombia.

Argentina: 643 MW

Our subsidiary TermoAndes currently sells exclusively to the SADI and is also connected to Chile through a transmission line owned by us.

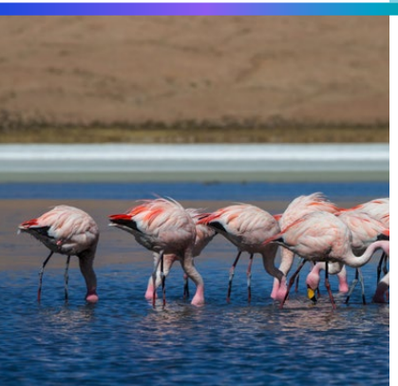
** For more details on the location and technology of our plants, go to Chapter 2, "2.1 Our main assets".*

→ Market Share
[based on installed capacity]

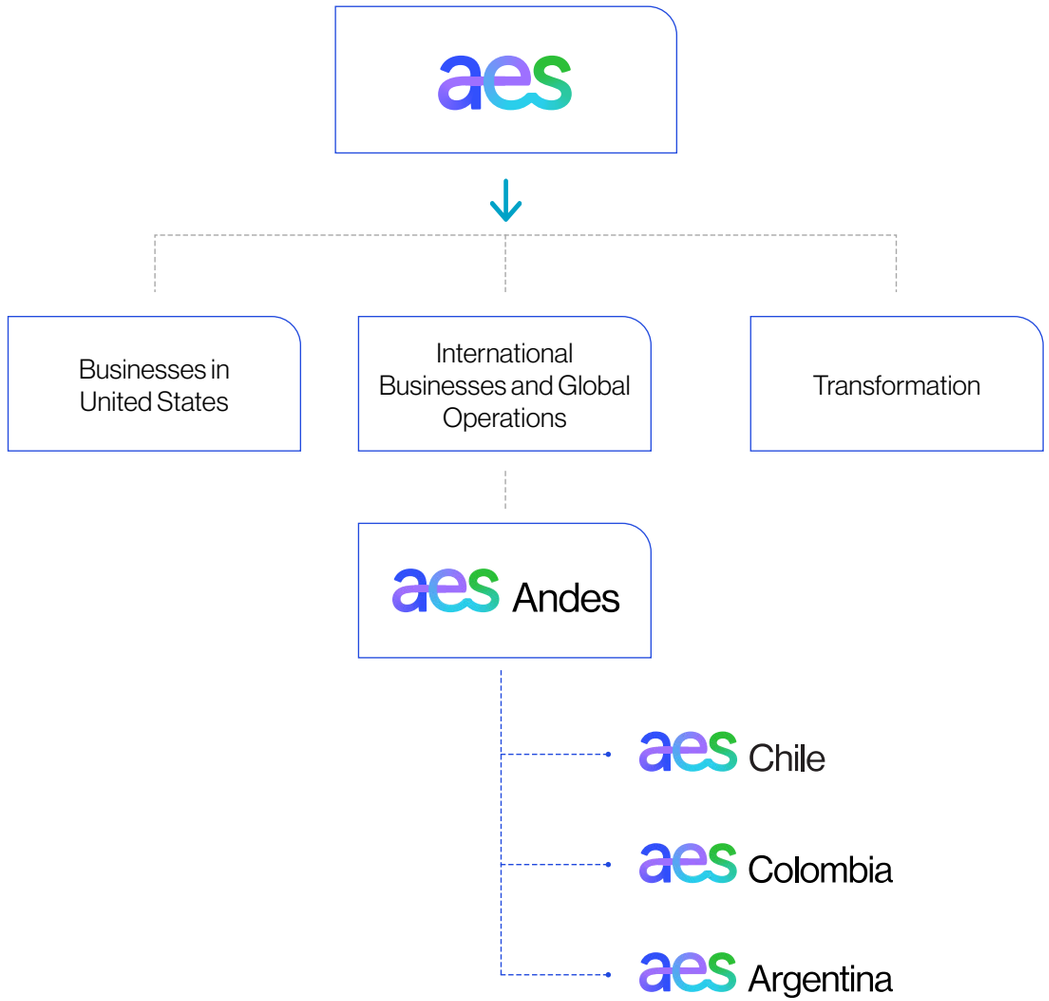
12.9%	5.4%	1.5%
Chile	Colombia	Argentina

We are an open corporation listed in two Chilean stock exchanges: the Santiago Stock Exchange and the Electronic Stock Exchange of Chile, and we are part of the FTSE4Good Index.

The US company, AES Corporation, is the indirect controller of AES Andes, through its 99% shareholding interest as of December 31, 2022.



→ Organizational Structure
[NCG 461 6.2]



Our purpose is

to accelerate the future of energy, together.

[GRI 2-23; NCG 461 2.1, 4.1, 4.2]





In AES Andes we know that each country, community and client with whom we work, is advancing in its path towards energy transition to meet the challenges imposed by climate change.

We are working with each of them to help them make the transition by providing sustainable and innovative energy solutions.

We combine our expertise in power generation with our ongoing innovation and technology solutions to transform and create value for society as a whole.

Together, we improve lives by delivering the most sustainable and intelligent energy solutions the world needs.

aes Andes



We are redefining and reimagining the next energy frontier for the world's changing needs.



We provide new and proactive solutions to our customers' challenges.



We leverage our global and local perspective to deliver solutions wherever we do business.



We combine our collective experience and work together to think outside the box to deliver innovative energy solutions.



We work with all our stakeholders to achieve ambitious sustainability goals.

Corporate Values

[GRI 2-23; NCG 461 2.1]



Our values guide how we work with each other and with our stakeholders. They are the essence of our culture and our drive. We strive to act on them every day to achieve our goal of accelerating a more sustainable energy future together.

Safety first

Safety is at the heart of everything we do. We always identify potential risks to our people, contractors, customers, partners, and communities. We measure success by the certainty with which we work together, while contributing to a more sustainable energy future.

Highest standards

We act with the highest integrity toward our people, customers and partners. Together, we deliver solutions that meet global standards of excellence.

All together

We work as a team with our customers and partners. We are agile in our response to changing customer needs, and we celebrate the successes of others by solving big challenges as a team.

AES Andes at a Glance

[GRI 2-6; NCG 461 2.3.4 c]

Capital Structure

Shareholders' Equity
↓
US$ 1,328 Million

Financial Indebtedness
↓
US$ 2,878 Million

Cash Balance
↓
US$ 186 Million

Capital Reduction paid in 2022
↓
US$ 256 Million

Stock exchange capitalization
↓
US$ 1.4 Billion
Share Price: $114/share

Number of Shares
↓
10,376,645,776
(840 shareholders*)



(as of December 31, 2022)
* Individual shareholders at brokers and other dealers are not included.

Value Creation Capitals in 2022

Operating Capital

Generation-based Market Share

12.9% Chile

5.7% Colombia

2.5% Argentina

877 MW under Construction

- Wind: 160 MW
- Solar: 418 MW
- BESS*: 299 MW

5,487 MW under Development

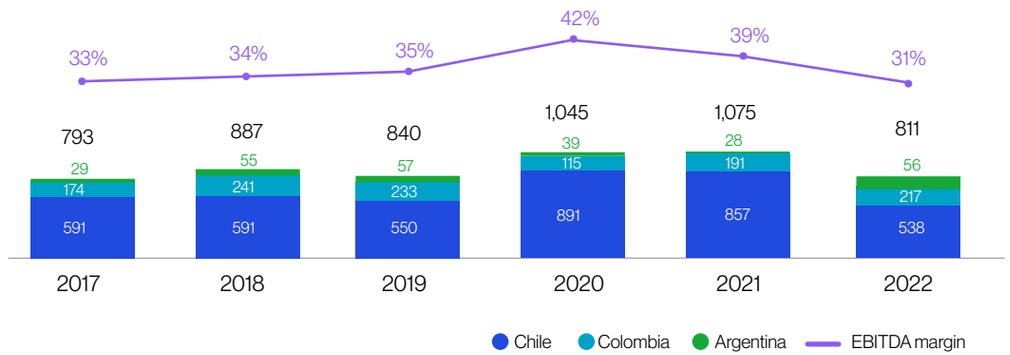
- Wind: 2,896 MW
- Solar: 1,515 MW
- BESS*: 1,076 MW

(894 MW contract / 4,593 MW non-contract)

(as of December 31, 2022)
* Battery Energy Storage System, BESS.

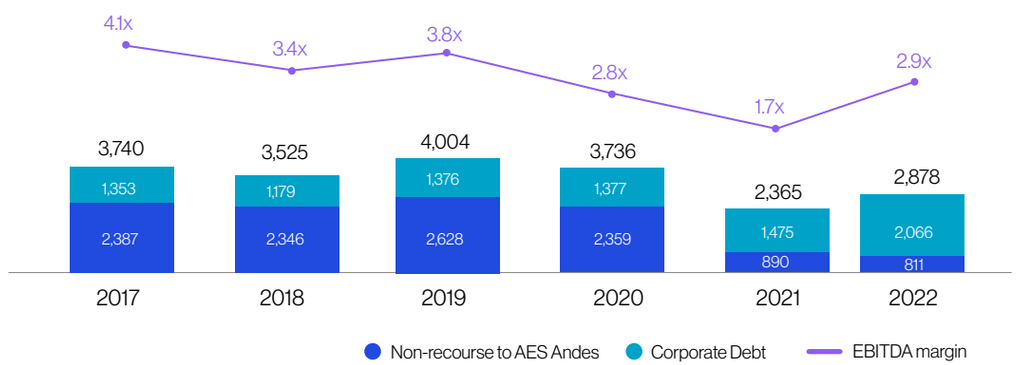
Financial Capital

EBITDA & EBITDA MARGIN



Total Debt and Net Debt/EBITDA

(Includes "equity credit" treatment of hybrid debt)



Rounding differences may arise in the graphs.

Value Creation Capitals in 2022

Human Capital

- Recognized as Great Place to Work in Chile, Colombia, Argentina.
- 1120 employees
  17% women
  83% men
- 75.7% unionized employees.
- 0 fatalities among our own employees and contractors in 2022.
- US$ 831,932 invested in training and education.
- Total payment to suppliers US$ 2,317 million.
- 2158 number of providers

1,533	231	394
Chile	Colombia	Argentina

* fuel suppliers are not considered

Capital Stock and Relational Capital

- US$ 3.4 million in social investment between Chile and Colombia.
- In Chile, we will implement 44 social investment programs and initiatives related to the following SDGs during 2022: Quality Education, Gender Equity, Affordable and Clean Energy, Decent Work and Economic Growth, and Sustainable Cities and Communities.
- In Chile, two participatory funds were launched to benefit communities in the vicinity of Los Cururos and Los Olmos wind plants.
- More than 285 new jobs were created in the region between April and December 2022 during the construction of the Brisas Solar Plant in Colombia. 73% directly benefited the project's neighbors, while 22% of the total jobs were filled by women and 35% involved hiring young people between the ages of 18 and 28.
- AES Andes in Colombia has a comprehensive human rights management program for all of its operations.

Environmental Capital

- Accelerating decarbonization
  1,097 MW of coal-fired installed capacity committed for closure after 2025. In addition, 114 MW of coal-fired capacity was permanently retired in June 2022 and 208 MW of coal-fired capacity is expected to be retired in 2023.
- Renewable installed capacity completed during 2022
  200 MW of solar and wind generation, not including 531 MW from Alto Maipo, which began commercial operation in April 2022.
- Investment in renewable energy projects
  More than US$480 million in wind, solar and battery capacity.
- Environmental expenditures
  US$ 17.5 million.
- Energy storage systems under construction in 2022
  299 MW (5 hours).

(as of December 31, 2022)

Our Story
1889 - 2022

1889 Foundation of the Chilean Electric Tramway and Light Company.

1921 Merger between Chilean Electric Tramway and Light Company and Compañía Nacional de Fuerza Eléctrica, giving rise to Compañía Chilena de Electricidad (Chilectra).

1981 Company restructuring Chilectra Generación begins its independent operations, ending the privatization process.

1989 Change name to Chilgener.

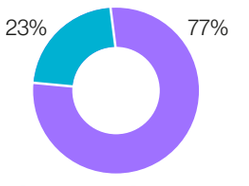
1996 Beginning of operations in Colombia through the acquisition of the Chivor plant in the region of Boyacá.

1998 Change of name to Gener as a result of the internationalization of the company.

1999 TermoAndes starts operations in Salta, Argentina.

2000 AES acquires control of the company and changes its name to AES Gener.

Installed Capacity



7.5TW
in Chile, Colombia, Argentina and Dominican Republic

2006 Expansion stage begun in response to the Argentine gas crisis.

2009 Chile's first battery energy storage system is installed adjacent to Norgener Plant.

2016 AES Andes' first solar power plant in Antofagasta.

Installed Capacity

5.8TW
in Chile, Colombia and Argentina

2018 Transformational Greentegra Strategy: Renewable Energy expansion begins.

Greentegra

2019 Execution of the agreement for the decarbonization of Chile's energy matrix.

2020

- Inauguration of the Smart Center: remote operation of all plants in Chile and Digital Solutions Innovation Center.
- AES Andes requests retirement of Ventanas 1 and 2.
- Ventanas 1 starts the Strategic Reserve Status (ERE).

2021

- Change of brand and name to AES Andes.
- Incorporation of GIP as partner in our renewable growth.
- Sale of the subsidiary Guacolda.
- AES Andes announces the early retirement of the Ventanas 3 and 4 and Angamos 1 and 2 coal-fired units, which will be ready for closure by January 2025.

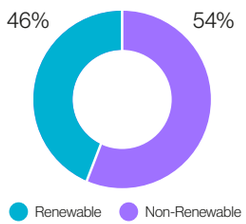
Continued year 2022

Continued

Our Story
1889 - 2022

2022

Installed Capacity



5.1TW
in Chile, Colombia and Argentina

Enero

- AES Corporation completes the Takeover Bid process for AES Andes shares, reaching 98.13% ownership.
- Start of commercial operation of Los Olmos in the Region of Biobío.



February

Juan Ignacio Rubiolo is appointed Chairman of the Board.



March

Start of commercial operation of Las Lajas and unit 2 of Alfalfal II of Alto Maipo in San José de Maipo.



April

- Start of commercial operation of unit 1 of Alfalfal II of Alto Maipo in San José de Maipo.
- AES Andes signs a supply agreement with Microsoft.

May

Alto Maipo's restructuring process is completed.

June

Final disconnection of the coal-fired unit Ventanas 1.

July

Start of operations of the first stage of Mesamávida in the Region of Biobío.



August

Launch of the Energy4Talent program campaign in universities.



Javier Dib is appointed Chief Executive Officer of AES Andes.

September

October

- AES Andes initiates the first green hydrogen public offering process in Chile.
- The Alba project to convert the Angamos power plant, currently coal-fired, into a molten salt storage plant is submitted to the Environmental Impact Assessment Service.

November

COAL *to* GREEN

- AES Andes signs Coal to Green contract with Teck - Quebrada Blanca for Cochrane.



December

COAL *to* GREEN

- AES Andes signs Coal to Green contract with Codelco.
- AES Andes a new supply agreement with Google.
- Beginning of energy export from Chile to Argentina.
- Start of commercial operation of Brisas in Colombia.
- Start of tests at Andes Solar IIb.

Letter from the **Chairman of the Board** and the **Chief Executive Officer**

[GRI 2-22; NCG 461 4.2]

2022 was a year of new achievements in the execution of our Greentegra strategy. Execution and innovation were at the core of our goal to accelerate the future of energy, together. Our values of putting safety first, working to the highest standards and always working together, close to our customers, investment partners and communities, enabled us to successfully navigate a year of complex and varied challenges.

We achieved important milestones and made significant progress in a challenging global and local context, with the impact of Russia's invasion of Ukraine, the global rise in inflation, supply chain challenges, tighter financial conditions in markets, and the impact of the COVID-19 health crisis, albeit to a lesser extent than in previous years.

As a company we show a high degree of resilience thanks to our financial and operational strength to continue to grow in a sustainable and responsible manner, building on the three pillars of our strategy.

Almost 5 years after the launch of Greentegra, we are proud to see that its realization is reflected in concrete milestones. Our first pillar, decarbonizing our matrix, accelerating the retirement or conversion of our coal-fired power plants and incorporating new renewable projects, was reflected in 2022 with the commissioning of a total of 731 MW of renewable energy in Chile and Colombia.

We also received approval to permanently retire Unit 1 of the Ventanas power plant in mid-2022. As a company, we remain committed to retire, sell or make available 100% of the coal-fired power plants we operate. This statement is reflected in concrete actions: while our portfolio was 23% renewable in 2017, it is now 46%, and we continue to work on developing our renewable pipeline to accelerate the future of energy.

Our second pillar, making our customers' energy supply more sustainable by jointly developing competitive, sustainable, and innovative energy solutions, delivered very encouraging results. We greatly value the trust that our customers - who are our strategic business partners - place in us to be able to help them achieve their sustainability goals. This has allowed us to sign contracts in Chile to provide 100% renewable energy to leading business partners such as Microsoft, Google, Teck, and Codelco.

At the same time, we continued to strengthen our strategic relationship with Ecopetrol in Colombia. In December we were able to start the commercial operation of Brisas, a 27









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MW capacity self-generation solar power plant. In addition, our commitment as a long-term investor in the country was reflected in the inauguration of the 50-year life extension of the Chivor hydroelectric plant, the third and largest installed capacity plant in Colombia.

With respect to our third strategic pillar, we continue to make progress in improving our debt position and access to financing to accelerate the growth and transformation plan of our portfolio.

In a clear vote of confidence in the transformation we are undertaking with our Greentegra strategy, AES Corporation increased its stake in our company from 67% to 99% last year.

But as always, we continue to look to the future and remain committed to the markets in which we operate. Our goal to accelerate the future of energy together is as motivating today as it was on day one, and to that end, we continue to search for sustainable, competitive, and innovative energy solutions that will drive the success of our transformation.

Throughout 2022, we promoted innovative initiatives for the future that seek greater efficiency and breakthrough energy solutions. Alba, a unique project worldwide that seeks to convert the Angamos Thermoelectric Power Plant -located in Mejillones, Antofagasta Region- into a molten salt plant with zero CO_2 emissions, entered environmental processing in the fourth quarter of 2022.

In 2022, we continued with the construction of innovative battery storage solutions, with the second stage of the Virtual Reservoir in the central area and the Andes Solar IIb and Andes Solar IV projects in the Antofagasta Region. Andes Solar will be the largest photovoltaic power plant connected to the largest battery bank in Latin America, which will help displace thermoelectric generation by providing energy at times of high demand, such as at night.

Another important milestone was the completion of the first shipments of renewable energy from Chile to Argentina over our InterAndes transmission line. These exports are an enabler in the energy transition process, as they allow for the reduction of renewable energy discharges in the north of our country, in addition to the efficient use of energy resources of both countries.

In addition, committed to the country's policy of making Chile the world leader in the production and export of green hydrogen, we have launched our first project, Adelaida, in the north of the country, to begin the experience of supplying the mining demand. After receiving the environmental permit, we launched the first Open Season in Chile for this energy vector.

All these advances have allowed us to continue to accelerate the process of decarbonizing our energy matrix in a responsible and safe manner, to continue to accelerate the future of energy, while continuing to work hard towards carbon neutrality by integrating more renewable energy and new solutions into the power systems of the countries where we are present.

We are aware of the need to relate to our surroundings and to integrate ourselves appropriately into the communities in which we are present. We therefore reaffirm our commitment

Andes Solar will be the largest photovoltaic power plant connected to the largest battery bank in Latin America.

to continue promoting development through open dialogue and initiatives that foster social development.

Similarly, last year we continued to work hard to make AES Andes a great place to work in Chile, Colombia and Argentina through our ongoing efforts to create a diverse and inclusive work environment, and we made great progress toward our goals:

- Today, 17% of our workforce is female and 27% of our leadership positions are held by women. But this work does not end here. We will continue to make progress on concrete actions that will enable us to achieve the 2030 gender equality goal.

- For the second year in a row, we were certified in accordance with Chilean Standard 3262 on Gender Equality and the Reconciliation of Work, Family and Personal Life, becoming the first company in the energy sector to achieve this standard, which was recognized by the Ministry of Women's Affairs with the award of the Iguala Conciliación seal.

- We recognize that the replacement of our energy matrix must also consider the human being. As a result, we have implemented several work conversion initiatives and retirement incentive plans.

- In Chile, we continue to be an outstanding example of one of the 50 best companies to work for, according to the Great Place to Work rankings, where we are very proud to have been ranked sixth for the first time in the category of companies with between 251 and 1,000 employees.

We are proud to have taken on the challenge of leading our company after assuming the responsibilities of Chairman of the Board and Chief Executive Officer in 2022, following the outstanding work of our colleagues Julián Nebreda and Ricardo Falú, respectively, whom we thank for their great work during their leadership.

In this enormous responsibility, we are fortunate to have the commitment and dedication of a great team of leaders and employees to continue to deepen AES Andes' energy transformation to accelerate the future of energy together.

We thank you for your support and invite you to read our Integrated Annual Report 2022, whose pages reflect the road we have traveled and the challenges we have faced to transform AES Andes into a leading renewable energy company in South America, always hand in hand with our values such as safety first, operating with the highest standards, and with the trust of our employees, communities, customers, partners and investors, whose loyalty allows us to continue growing together in a sustainable way.



Juan Ignacio Rubiolo

Chairman of the Board
AES Andes



Javier Dib

Chief Executive Officer
AES Andes



I. Our Management Approach: Accelerating a Sustainable Future

1. Our Management Approach: Accelerating a Sustainable Future

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[GRI 3-3]

This chapter covers the following important topics:

- Commercial excellence and customer management
- Human rights practices and assessment
- New businesses and innovation
- Regulatory compliance
- Employee-company relationship
- Training and development
- Local communities
- Diversity and equal opportunities

1.1 Our Purpose: Accelerate the Future of Energy Together

[GRI 3-3 ; NCG 461 4.1]

GREENTEGRA 2018-2025

The energy sector has undergone a series of changes and transformations in recent years, driven primarily by technological advances and innovations that enable the use of cleaner and more sustainable energy sources, as well as the significant progress being made around the world to address climate change.

Aware that as AES Andes we are a key player in this transformation, with a sustainable and innovative vision, since 2018 we have taken a firm step towards the implementation of a transformation strategy that we have defined as Greentegra.

With sustainability as a cross-cutting principle, we seek to effectively manage the risks and opportunities of our present and future and create value for all stakeholders through our three strategic objectives.



→ Strategic Goals

Decarbonize our customers electricity supply.

Reduce CO_2 intensity in our portfolio.

Strengthen our investment grade.

These strategic goals motivate us every day to continue decarbonizing our portfolio, growing our renewables business, and contributing to local development and social value in the communities where we operate.

We focus our efforts on three time horizons: short, medium and long term. The short term is typically a 1-2 year period, which we review and update frequently to maintain an accurate view of the market and the company's results. In the medium term, we see a window of generally 5 years, including updating our project portfolio, reviewing Greentegra's compliance with objectives, project construction, etc. Long-term is generally considered to be a 20-year window for evaluating the development of new projects to be added to our portfolio, as well as for evaluating long-term renewable supply agreements.

Guided by our mission to improve lives by accelerating a more secure and sustainable energy future, and with our clear and well-defined values, we have set out to become South America's leading renewable energy company.

Transforming AES Andes into South America's leading renewable company.

Through the implementation of Greentegra, we are transforming ourselves into a company of the future in the present, in line with society's expectations regarding sustainable energy and climate change. During the year we continued to make progress toward achieving our objectives.

- We have completed the final shutdown of Unit 1 of the Ventanas Thermoelectric Power Plant.
  – June 30, 2022 – 114 MW.
- We have completed the construction of the first two phases of Mesamávida
  – 63 MW of Wind Power.
- We have started the construction of the San Matías (wind) and Andes Solar IV (solar) projects.
- We have continued with the construction of Virtual Reservoir II
  – 40 MW x 5 hours of BESS.
- We have continued with the construction of Andes Solar IIb
  – 180 MW of Solar Power + 112 MW x 5 hours of BESS.
- We have completed the construction of Brisas
  – December 2022; 27 MW of Solar Power.
- In Chile, we have executed a renewable energy supply agreement with Codelco, Teck and Google.
- In Colombia, we have executed a renewable energy supply agreement with CHEC.
- We have reactivated the exchange of energy between Chile and Argentina through the InterAndes line.
- We launched the first green hydrogen open season in Chile with the Adelaida project.
- We have been recognized as a Great Place to Work in Colombia, Chile and Argentina.

As part of our decarbonization process, to make supply more sustainable for our customers and reduce the carbon intensity of our portfolio, we are accelerating the retirement of Unit 1 of the Ventanas power plant in 2022. This unit ceased operations and was removed from the National Electric System on June 30, 2022, after receiving approval from the National Energy Commission to complete its early retirement after 58 years of operation in the country.

We maintain our commitment made in 2021 to advance the date for the retirement of coal-fired power plants, as part of the Decarbonization Agreement entered into with the Chilean Government in 2019. We have committed to retire 4 additional units: Ventanas Units 3 and 4, located in Puchuncaví, and Angamos Units 1 and 2, located in Mejillones, which will be retired as of January 1, 2025, as soon as the safety, adequacy and economics of the system allow. Once these 4 units are decommissioned, approximately 6 million tons of CO_2 will be reduced, the equivalent of removing more than 2.4 million private vehicles from the roads of Chile.

Accelerating the sustainable energy transition in Chile, Colombia and Argentina, we continue to design and build smart, competitive and sustainable energy projects and solutions. This will allow us to add 2.8 GW* of renewable and battery capacity to our portfolio by 2025.

During the year, we completed the construction and commercial operation of the first two phases of the Mesamávida wind plant in southern Chile, representing 13 of the 14 towers that make up the plant, equivalent to 63 MW. We also continued construction of our 40 MW Virtual Reservoir II project in Chile, which will provide up to 5 hours of energy storage; Andes Solar IIb, a solar plant that includes a battery storage system; and the 27 MW Brisas Solar project in Colombia. During the year, we also started the

* Based on projects announced as of December 31, 2022.

construction of the 82 MW San Matías wind project and the 238 MW Andes Solar IV + 147 MW x 5 hours BESS project in Chile.

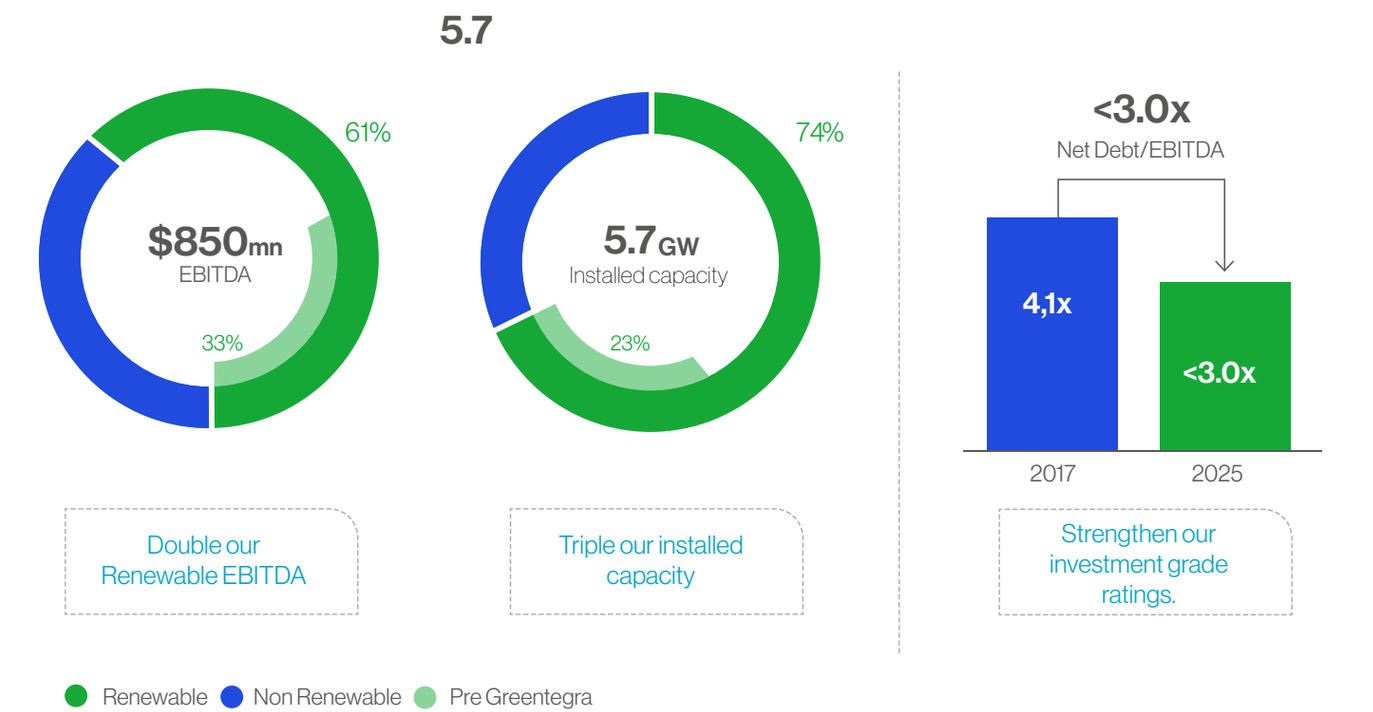
As part of the Company's participation in the United Nations Climate Change Conference 2022 - known as COP27 - we announced the reactivation of energy exchanges between Chile and Argentina. The electrical exchange is performed through our InterAndes line. It is a 345 kV transmission line with a length of 409 km between the Andes substation in Chile and the Cobos substation in Argentina. This will accelerate the energy transition of both countries, allowing up to 80 MW to be exported from Chile to Argentina during the day and up to 200 MW to be imported at night. In this way, it will be possible to displace diesel generation in Chile during the night, reducing systemic costs, emissions and also the input of renewable energy into the Chilean electrical system.

During the year, we also announced the first green hydrogen Open Season in Chile with the Adelaida project, which will be located in the facilities of the current Angamos Power Plant in the municipality of Mejillones. The process aims to activate the green hydrogen market for the first time and to generate a concrete demand from companies in the Antofagasta region interested in using green hydrogen to make their operations more sustainable. Our goal is to pave the way for large-scale use of this fuel in the future.

To support our customers in their sustainability goals, we executed important energy sales agreements. In Chile, we signed long-term renewable energy supply agreements for nearly 3TWh with key customers such as the mining companies Codelco and Teck, helping to make the national mining sector more sustainable, and with Google, a multinational technology company with important environmental goals. Meanwhile, in Colombia, we signed a renewable energy supply agreement for 208 GWh/year with CHEC, a player in the Colombian electricity sector.

Finally, thanks to a sound financing strategy for our transformation and efficient debt management, by 2025 we will have strengthened our Investment Grade rating by optimizing our net debt to EBITDA ratio to less than 3.0x, which will ensure the financing of the projects that will start construction.

→ Structure as of 2025
based on what we have achieved so far



Our commitment

[NCG 461 4.3]

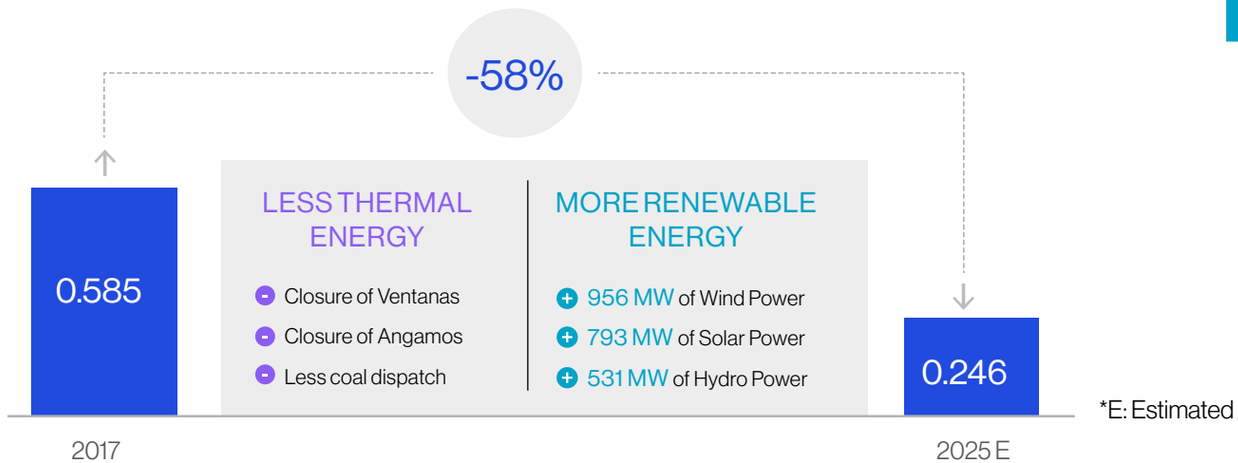
With the implementation of Greentegra, more than 70% of our capacity and two-thirds of our EBITDA will come from renewable energy sources by 2025. The integration of renewable energy projects into our portfolio and a gradual and responsible decarbonization process will reduce our CO_2 intensity by 58%.

We are committed to ensuring that our coal-fired plants do not operate one day longer than necessary to meet our contractual obligations and ensure the reliability of the electrical system.

By 2025, given our achievements since 2018, we will have increased our renewable capacity by 202% and reduced our coal-based installed capacity by 73%. We know that the path to carbon neutrality will not be without challenges, but at AES Andes, we see a 100% renewable future.

We have developed an efficient financing strategy that includes the integration of partners, contributions from our shareholders, debt and cash from the sale of non-strategic assets and our operations. Thanks to this strategy and effective debt management, we are strengthening our Investment Grade rating and are on track to achieve our target of a net debt to EBITDA ratio of less than 3.0x by 2025. The majority of the investment needs of the projects built to date have been covered by AES Andes' capital, and we are also incorporating additional financing through partnerships with third parties for the development of renewable energy projects. The investment required to finance our growth in renewables is nearly $3 billion,

Carbon Intensity Reduction (tCO_2e/MWh)



Based on projects announced as of December 31, 2022.

driving the transformation of our portfolio with solar, wind and battery projects in Chile and Colombia.
Our majority shareholder, AES Corporation, has expressed full confidence in our strategy. At the end of December 2021, it launched a Takeover Bid to acquire all the shares it did not already own, i.e. 33% as of December 31, 2021. This operation was completed in January 2022 and was considered very convenient and positive by the directors of AES Andes, allowing the purchase of 31% of the company by AES Corporation, which increased its participation in the company to 98% at the closing of the takeover bid in January 2022. This operation meant a disbursement of approximately US$ 530 million for AES Corporation. At the end of 2022, AES Corporation's ownership in AES Andes reached 99.44% through additional purchases on the stock exchange.

1.2 Sustainability Strategy and Management

[GRI 3-3 ; NCG 461 3.1]

Together with the communities in our sphere of influence, our partners and our customers, we are committed to reducing emissions to mitigate climate change, thereby joining the effort to keep the global temperature below 2°C compared to pre-industrial levels, as set out in the 2016 Paris Agreement.

In pursuit of this goal, which is at the heart of our management, we are leading the development of new innovative technologies that will allow us to decarbonize the electricity supply of our energy matrix and, consequently, the electricity supply of our customers.

From this perspective, sustainability is an integral part of this process, which manages risks and opportunities and generates material impact through the three Greentegra objectives described in the previous section.

We have gathered the requirements from AES Corporation standards, national regulations and international standards (ISO 14001 and ISO 45001), to develop our own integrated management system, called CONECTADOS. Through CONECTADOS, we manage Occupational Health and Safety, Environment, Quality and Asset Management issues, covering all operations of the Company and its subsidiaries in Chile, Argentina and Colombia. One of the tools of our parent company that we replicate locally to manage the business sustainably is our Management System Policy, which incorporates commitments and guidelines for Occupational Health and Safety, Environment, Quality, Asset Management, and our commitment to Cybersecurity in every process.

As AES Andes we also have a Human Rights Policy, which formalizes its commitment and support to the Universal Declaration of Human Rights of 1948, consistent with the United Nations Guiding Principles on Business and Human Rights.



1.3 Business Model

[NCG 461 6.1]

Greentegra

Our resources to operate in the territories are given mainly by: people, who are the source of our human capital strength; the primaries sources of wind, sun, water, fuel and its transportation.

Our key processes seek progressive integration of renewable generation, adding value to the company and to all our stakeholders.

Our main results for the future are the generation of renewable energies and the development of new innovations that allow us greater efficiency in the energystorage and solutions.

We create value by attending the needs of our stakeholders, from our customers, shareholders, and communities where we are inserted, always keeping in mind our values and the social and environmental license for the projects development and operation.

Inputs → Key processes → Outputs → Outcomes

Inputs / Resources

- Employees
- Water, Sunl, Wind
- Coal, Diesel, Gas
- Raw Materials
- Suppliers

Productive processes

- Run-of-the-rive r hydroelectric power plant
- Solar Generation
- Wind Generation
- Reservoir hydroelectric power plant
- International transmission line (InterAndes)
- Gas/Diesel Thermoelectric Plant
- Business Support Area
- Coal-fired thermoelectric plant
- In transition route

Development of projects

- Solar and Wind Generation
- Storage Batteries
- Storage Battery Interconnected System
- Distributed Energy
- Electromobility
- Development and innovation of new products. Customer management
- Project and innovation area
- Green Hydrogen Reconversion of Power Plants
- Desalination Plant Solutions of desalinated water
- Digital Application of Energy Management
- Distributed generation Operating flexibility

Customer management

- Understand the needs of the customer
- Digital information
- Consultancies
- Services to mining companies
- New personalized solutions

Customers

- Customers

Capital

Human:
Skills, experiences and capabilities of our employees.

Productive:
Facilities and equipment of our operations, generation plants, storage, transmission infrastructure and renewable energy structures.

Intelectual:
Reputación de la marca, el profundo conocimiento de los negocios en que operamos, conocimiento y habilidad para desarrollar nuevas tecnologías, productos y servicios que generan ventajas competitivas y valor para el negocio.

Environmental:
Natural sources, renewable and non-renewable, used/consumed by our operations.

Social and Engagement:
Ethical and transparent engagement commitment of companies and their stakeholders.

Financial:
Funds contributed by our shareholders, issuances in the capital markets and bank loans.

Our results - Outcomes

• Investors and shareholders

- EBITDA 2022 US$810 Mn.
- Credit rating: Baa3 / BBB- / by Moody's, S&P and Fitch.
- Distributed capital reductions US$256 Mn. (2022).

• Employees

- Payments to employees US$ 76 Mn.
- Lost time accidents in own personnel: 0
- Occupational exams at our employees.
- 0 fatalities in own employees and contractors.

• Customers

- Energy sold to customers 15,721 GWh.
- Number of customers: 324 Chile, Argentina, Colombia.

• Communities

- More than US$3.4 Mn. social investment.
- 100% of AES Andes operations have social investment programs and participation of the communities.
- At the end of 2022, 94% of the plan established by the AES Colombia's Human Rights Management System had been fulfilled.

• Suppliers

- Payments to suppliers at AES Andes: US$ 2.317 Mn.
- Nº of suppliers (non-fuel) at AES Andes: 2.158
- Compliance to 100% contracts >US$ 100,000

• Environment

- Commitment to retire Ventanas 3 and 4 and Angamos 1 and 2 as soon as 2025.
- Goal to increase renewable capacity by 175% and reduce carbon intensity by 58% between 2017 and 2025.
- US$481 Mn. of investment in renewable energy in 2022.

1.4 Safety and Health of our People

[GRI 3-3, 403-2, 403-3, 403-4, 403-5, 403-6; NCG 461 5.6]

At AES Andes, safety is our number one priority, so at the beginning of 2022, we took a hard look at how we could continue to strengthen the safety of our workplaces based on the lessons learned in 2021. We apply the highest safety standards to create and maintain an incident-free workplace, believing that by working together with our people, our contractors and the many stakeholders we serve, we can take care of ourselves and each other.

This is how we have achieved our goals for 2022:

- Zero fatalities.
- Achieve a serious injury potential (SIP) rate of 1.2.
- Achieve 95% or greater attendance at safety meetings.
- Perform all assigned Safety Walks.

We have great demands and challenges in safety, and our leaders play a fundamental role in communicating, establishing and clearly defining safety as our first value and priority in everything we do. Together, we share the goal of ensuring that every one of our employees goes home safe and sound, and that is what motivates us to continue working to maintain a robust safety culture and an incident-free workplace.

Our organization has an Integrated Policy that is cross-cutting across all of our business units and focuses on ensuring that our actions and decisions are consistent with our values, beliefs, cardinal rules and safety principles.

→ Preventive Management

As an organization with a strong commitment to safety, our actions and efforts are focused on maintaining and promoting a culture of safety that is sustainable over time for our own employees, contractors and neighboring communities.

As a result, we have implemented a robust and active work plan to ensure that we are all aligned and committed to putting safety first by developing various activities and proactive tools such as:

Monthly Safety Message:

This activity is carried out every month in all business units. This activity takes place every month in all business units. It is led by the leaders of each business unit and involves all employees and external collaborators to raise awareness and reflect on our incidents, disseminate a monthly theme related to our indicators (trends) or relevant contingencies such as COVID-19.

Stop Work Authorization:

It is the authorization issued by our top management to every employee of AES Andes, including contractors and visitors, that authorizes us to stop a work in progress if a situation is identified that poses a risk to people. This tool is considered as the ultimate preventive barrier to prevent incidents.

Safety Day:

This is a day when all of our facilities focus their activities on the celebration of Safety Day. During this activity, leaders deliver a powerful message to strengthen our safety culture and support our commitment to our first value.

Safety Walks:

It is one of the most effective preventive tools we have in the company and is based primarily on interventions by our managers in the various workplaces. This is an on-site interaction between the leader and employees while performing the usual activity or task, which allows for the identification of unsafe conditions and behaviors, thus eliminating potential incidents at the site. Visible and close leadership has strengthened our strong Occupational Health and Safety culture.

Personalized Activity Program (observations and inspections):

These preventative activities are conducted on a monthly

basis and focus on work in progress, equipment and facilities, with the involvement of supervisors to identify deviations, opportunities for improvement and existing strengths in the field.

Behavior-Based Safety Program (PCS, for its acronym in Spanish)

It is a psychology-based methodology applied to occupational safety and can be used in the areas of operations, transmission, and construction projects. The purpose of the PCS is to study human behavior and seeks to teach and re-educate people through tools that achieve effectiveness in the modification of both behaviors and attitudes.

The program contributes to the continuous improvement of the safety culture and management systems, becoming a great preventive tool and supporting the function of the Safety and Organizational Development departments, considering the mental health of people as a determining variable in cognitive processes and safe decision making.

Safety Monitors:

The Safety Monitor is an employee trained in various techniques to promote safe behaviors and attitudes, and to consider and identify some emotional states that may be risky in people's work. The monitor's role is to promote good practice in both occupational safety and mental health.

Interventions are aimed at behavioral correction or psychological first aid (if needed) from a positive approach to achieve a correct internalization. In 2022, we worked to increase the impact of feedback on people, identify aspects of behavior that may be a risk, and create deep awareness to promote high-impact learning in terms of promoting safe work.

→ Management System, AES Audits (Internal, External and SMS Scorecard) [GRI 03-12]

As a company, we have an occupational health and safety management system structure in each of our subsidiaries, based on the international standard ISO 45001:2018 and integrated with the international environmental standard ISO 14001:2015. In 2022, we achieved EHS multisite certification for our AES Andes operations in Chile, thanks to a comprehensive standardization and implementation effort: Norgener, Angamos, Cochrane, Andes Solar, TSING, Los Cururos, Ventanas, TSIC, Cordillera and Laja, as well as other businesses IN Argentina and Colombia.

The Integrated Policy of our management system is reviewed annually and it is the Senior Management that defines its commitments, which are mainly aimed at:

- Promote our organizational culture based on Occupational Health and Safety, Environment, Quality, Asset Management and Cybersecurity, and integrate their management into every process and task.
- Ensure compliance with the applicable requirements, including the regulatory framework applicable to the business, the AES benchmark regulations, programs, policies, standards, principles, and beliefs, and voluntary commitments to our customers and stakeholders.
- Identify hazards and assess their risks, define and implement measures according to the control hierarchy to eliminate hazards and minimize risks, and provide safe and healthy conditions to prevent injuries, occupational illnesses and property damage related to our activities.
- Promote continuous improvement of the Management Systems and provide the necessary resources to ensure compliance with the obligations of this policy.
- Promote the participation and consultation of all the people who work and their representatives, including contractors, to collaborate in the development of its activities.

Each year, we set goals to manage improvements in Occupational Health and Safety performance. To this end, specific targets are set with corresponding periodic action and follow-up plans to ensure compliance in the various business units.

Internal and external audits are conducted to evaluate compliance with occupational safety and health regulatory requirements, standards and protocols. Audits are performed by qualified personnel, and based on the results, specific action plans are developed to address any gaps.

In addition to the review of the system through audits, the Safety Culture in AES Andes' businesses is measured annually through the Safety Management System Scorecard (SMS Scorecard) tool, which allows us to obtain a real perception of the employees (our own and contractors), as it is conducted through on-site interviews to obtain first-hand feedback on occupational health and safety issues, and thus generate action plans according to the results obtained.



1.5 Transformation and Innovation to Improve Lives

[GRI 3-3; NCG461 3.1]

We define innovation as the creation and capture of value, both for our business and our environment, by developing new solutions for our customers and the markets in which we operate that enable us to improve processes and introduce more efficient technologies into our operations.

Our mission to **accelerate the future of energy, together**, allows us to lead the transformation of the energy industry from each of our subsidiaries, being innovation the engine of these changes and what has allowed us to be highly competitive in the region and have the recognition of our customers, communities and respective authorities.

→ Innovation in the Corporate Identity

Innovation is fostered throughout the Company, and we live it through three pillars to focus processes and governance. These are the Core, New, and Exponential Innovation Systems, which operate with independent focuses but share synergies and drive innovation together.

In this way, all AES employees around the world can find a place where they can add value, either by helping to identify opportunities and generate new ideas, or by participating in the development of innovation projects. Employees can also access training to improve their skills and knowledge in the field.



AES Andes Innovation System

Core	New	Exponential
Transforms how we operate by improving our processes and generating value.	**Creates** solutions to meet the needs of our customers.	**Develop** new business models in line with our strategic vision.

The **Core System** seeks to develop initiatives that improve internal processes by transforming the way we operate. As part of the AES Performance Excellence (APEX) program and the strategy defined by AES Corporation, we are optimizing our internal management to drive greater innovation, efficiency and process improvement in our daily operations.

Open competitions are held annually within the Company in which any AES member globally can submit an APEX project. Winning projects are implemented.

The **New System** aims to develop additional solutions to complement electricity supply to meet the needs of our customers and help them meet the challenges of the energy transition. Under the direction of the New Solutions and Innovation Department, an Innovation Committee, chaired by the President of AES Corporation's International Business Region and including the country managers, meets monthly to provide support and strategic guidance for projects in this area. In addition, there is an instance of follow-up of projects led by the region, where the CEO of AES Andes and the leaders of each country provide their strategic vision. AES Corporation also has corporate resources dedicated exclusively to this objective, managed by the New Solutions and Innovation Department.

The Exponential System is under the umbrella of AES Next, an AES Corporation company created to develop new businesses with a focus on technologies whose areas of interest include digitization and the application of clean energy in industries. AES Next has an Incubation Committee that defines innovation priorities and investment amounts, in which AES Andes participates through the Chairman of the Board.

Open Innovation

As stated in our mission statement, at AES Andes we believe strongly in collaboration to accelerate the future of energy, and innovation is no different. We foster relationships and work with startups, research centers and universities to accelerate our innovation initiatives and contribute to the development of the innovation ecosystems where we operate.

High Impact Innovations for Energy Transformation

We are introducing large-scale technologies in the markets where we operate, facilitating the integration of renewable energy sources into the energy matrix, supporting the sustainable growth of new customers in the region, and staying at the forefront of changes in the electricity market to provide our customers with comprehensive, reliable and clean solutions. Examples of this type of innovation include Green Hydrogen and Storage applications. For more information, see Chapter 2.4. Our Projects under Construction and Development

1.6 Moving Forward Together with our People

[NCG 461 3.1]

Our people represent our greatest asset, and they are the ones who make it possible to achieve our organizational strategy. Our goals are based on our operations, cross-divisional and corporate functions, people management and talent development. For this reason, we are constantly striving to improve our employees' skills, foster a spirit of innovation, and promote a pleasant working environment that allows our employees to balance work and personal or family life.

The workforce of AES Andes and its subsidiaries is made up of people from diverse backgrounds and cultures. Diversity is seen not just as a responsibility to be fulfilled, but as part of the company's DNA, with an ongoing commitment to respect all employees' rights, in full compliance with applicable labor laws.

We have made significant progress in the inclusion and advancement of women, with a clear goal of achieving gender parity by the end of this decade.
Since 2021, we have promoted gender diversity and inclusion as a permanent guideline of our management, achieving the implementation of a Gender Policy, as well as the establishment of the Integrated Management System on Gender Equality and Work-Life Balance, which allowed us to be the first company in the sector in Chile to obtain the certification of the Chilean Standard NCh3262:2012: Management of Gender Equality and Reconciliation of Professional, Family and Personal life. In 2022, the Company was recertified, demonstrating our commitment to equality and work-life balance.

We also continued our participation in the Gender Parity Initiative (GPI), a public-private initiative promoted by the World Economic Forum and the Inter-American Development Bank to implement best practices that help close the gender gap. Likewise, we continue to be part of the public-private plan called "Energía más Mujer," promoted by the Chilean Ministry of Energy, which shares the goal of closing gaps and integrating more women into the energy sector - which is highly male-dominated - by participating in its labor fair, forums, and sharing our learning experiences in the implementation of the NCh3262 standard.



With regard to our goal of developing the female talent of our Company, we carried out the internal communication campaign "Mujeres con Energía" (Women with Energy), which encouraged and inspired through real stories of achieving professional goals and becoming leaders in the organization.



We also continued to work on the design of training plans for women, addressing the issues that are fundamental to ensuring growth with equity.



We will also continue to pay daycare and kindergarten benefits to all eligible women to help them care for their children during the pandemic so they can continue to work.

Our People

It is made up of AES Andes employees, trade union organizations and Company management and is our most important internal Stakeholder Group. We maintain constant communication through various channels and activities. During 2022, a new normality has been implemented in our corporate offices, making use of our Home Office Policy, where people can visit the office 2 or 3 times a week according to their work contract annexes. Similarly, in our production sites, all employees whose positions allow them to telecommute have gradually begun to return, with all the appropriate measures and safeguards in place.

Mixed celebratory and informational meetings were held (face-to-face and virtual simultaneously), and face-to-face activities such as the anniversary party were resumed.

Ongoing e-mail communication was maintained.

1.7 Our Environmental Policy

[GRI 2-23; NCG 461 3.1 4.2]

Respect for the environment and the preservation of biodiversity are key factors in our management and corporate policies. For this reason, our Management System Policy, which defines the commitments and guidelines for Occupational Health and Safety, Environment, Quality, Asset Management and Cybersecurity, is reviewed from time to time, with the most recent version dated July 2022, as we are committed to constantly adapting to the needs of the environments in which we operate.

Our policy applies equally to AES Andes and all of its subsidiaries, which in their daily operations recognize environmental protection as an essential part of business performance and consider the following commitments:

- Incorporate Occupational Health and Safety, Environment, Quality, Asset Management and Cybersecurity in each process and in every task promoting the organizational culture in these requirements.
- Ensure compliance with the applicable requirements, including the regulatory frameworks applicable to the business, the AES Corporation benchmark regulations, programs, policies, standards, principles, and beliefs, and voluntary commitments to our customers and stakeholders.
- Analyze, monitor and manage environmental impacts, prevent and mitigate their potential effects, promote a commitment to environmental stewardship, efficient use of natural resources, 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 relationships with the communities in which we develop our activities.
- Incorporate climate change mitigation and adaptation into business analysis and development, in line with the regulations and commitments adopted by each country.
- Drive and accelerate initiatives related to the transformation of our asset portfolio and the digital transformation of the business.
- Promote continuous improvement of Management Systems and provide the necessary resources to ensure compliance with the obligations of this policy.

All of our business units are responsible for implementing this policy in their day-to-day operations, whether it is in the selection or evaluation of suppliers, the development of new services or projects, logistics planning, biodiversity, water, effluent, emissions and waste management, engineering or maintenance operations, and due diligence for mergers and acquisitions.

More information in the Integrated Safety, Hygiene and Environment Management Policy in the following link.



Corporate Environmental Standards
[GRI 3-3]

As AES Andes, we have corporate guidelines that correspond to those of the AES Corporation, and are materialized mainly in the lines of action defined by the EHS (Environmental, Health and Safety) Standards. These guidelines, which are updated from time to time, establish performance requirements in addition to local regulations applicable to the management of each business in Chile, Colombia and Argentina, which are adapted to local requirements through their own procedures and instructions.

AES Corporation Environmental Standards

AES Corporation's Environmental Management System Framework.	Environmental Emergency Response Planning.
Spill Prevention and Containment Corporate Standard.	Requirements for Dams and Hydroelectric Plants
Hazardous Waste Requirements, Corporate Standard.	Financial Reporting Obligations concerning Environmental Issues.
Handling of Chemicals and Raw Materials, Corporate Standard.	Management of Contractor's Potential Environmental Impacts.
Quality Assurance for Data and Reporting on Compliance of The AES Corporation Environmental Standards.	General Environmental Requirements and Prohibitions.
Environmental Incidents (Environmental Non-conformance Events (ENEs) and Environmental Near Misses) and Management of Environmental Operating Events (EOE).	Biodiversity Assessment and Protection



ISO 14001 Certified Management System

To develop our integrated management systems and manage environmental, safety and health issues in all of our operations, we gather requirements from AES Corporation standards, local regulations and international standards. As of 2021, we have begun the process of unifying the management systems in Chile, Colombia and Argentina, which will allow us to obtain a single certification in accordance with the international standard ISO 14001 and to have it validated by a single certification body. The first phase covered 13 operating companies in Chile and Argentina, and the remaining companies will be added in 2022, reaching 100% of our operating companies in this unified certification

The company is currently working on the implementation of the management system for the Alto Maipo power plant, which was commissioned in 2022, with the goal of achieving certification in 2023.

AES Andes and Subsidiaries Environmental Management Approach

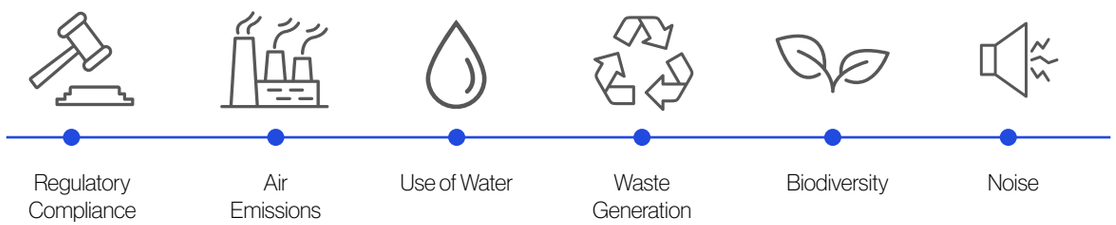
As part of the management of each business, we set environmental targets and indicators for the key environmental aspects of the power generation processes, as shown below. Chapter 2, Key Environmental Performance Indicators, presents the annual results of these indicators, along with the definition and scope of each indicator.

In this way, based on our environmental management, we respond to our material issues and work to contribute to the following Sustainable Development Goals (SDG).



→ Main Environmental Aspects Managed by AES Andes

Power Generation and Other Businesses





See the "Key Indicators of Environmental Performance" section for more details on the definition and scope of each key performance indicator.

1.8 Commitment to Local Development

[GRI 2-12, 2-23, 3-3, EU19; NCG 461 2.1, 4.2]



Our community engagement strategy has common elements across our operations and projects in Chile, Colombia and Argentina.

However, our actions are adapted to the realities of the different territories, recognizing our neighbors, local governments, territorial and functional organizations as key players in our medium- and long-term strategy.

On the other hand, our social investment activities are framed within Greentegra and articulated in accordance with the 2030 Agenda for Sustainable Development led by the United Nations, in line with the Sustainable Development Goals (SDGs), and within the UN Guiding Principles on Business and Human Rights. This provides a general framework for our social management strategies and how we contribute to social, economic and environmental balance in the areas where we operate.

Our performance is governed by AES Andes' Local Community Engagement and Relations Policy, which sets the guidelines for our relationship with the environment. The ultimate goal is to achieve business goals by acting in a responsible, effective, efficient, participatory and sustainable manner for a collaborative and lasting relationship that allows the communities in the area of influence of our operations and/or projects to benefit from our social programs and our purpose to contribute to the local development of each of the territories.

The relationship is established at an early stage, from the development of the projects, and in continuous work with the communities and the relevant local authorities.

We work through bilateral and tripartite meetings, working groups, consultation procedures and constant contact with the representatives of the territorial and functional social organizations of the communities in which we operate. This work is systematic and long-term, as is our commitment in each sector.

Our social investment strategy therefore focuses on the Sustainable Development Goals that impact local development, such as quality education, decent work and economic growth, and sustainable cities and communities. In 2022, we began incorporating the SDG on gender equality across the pillars of our social investment strategy.

Greentegra

Greentegra as a strategy is applied to our businesses in Chile, Colombia and Argentina. Success is measured by four pillars, one of which is creating value for our stakeholders, including communities.

Social Investment Strategy

Develop, implement and execute social investment projects for the communities in which we operate or build, based on the principle of Local Development:

Local Development

We work in three focus areas

- Technical education and training/social investment in line with business strategy.
- Development of community-use infrastructure projects/improving the quality of life by reclaiming public spaces.
- Contribute to local development /economic ventures of mutual interest.

Our areas are guided by the Sustainable Development Goals set forth in the United Nations 2030 Agenda for Sustainable Development

- 4 EDUCACIÓN DE CALIDAD — Quality Education
- 5 IGUALDAD DE GÉNERO — Gender Equality
- 8 TRABAJO DECENTE Y CRECIMIENTO ECONÓMICO — Decent Work and Economic Growth
- 11 CIUDADES Y COMUNIDADES SOSTENIBLES — Sustainable Cities and Communities

This is how we attain our goals

1. Create sustainable programs, social benefits and long-term commitments.
2. Build public-private partnerships, increase legitimacy, share costs and risks.
3. Permanent engagement and work with stakeholders.
4. Social impact management and measurement system

1.9 Risk Management

[GRI 2-23, 2-12, 3-3; NCG 461 3.6]

The energy industry is exposed to a variety of external factors, including weather conditions, international prices, and macroeconomic variables. Therefore, modern risk management based on best market practices is essential to protect the capital and assets of AES Andes in the face of uncertain future scenarios.

For us, risk management is part of the company's DNA, as it allows us to anticipate our strategy and its long-term execution in each of our operations, seeking to anticipate situations where there is a possibility of suffering a deviation from an expected result and which we have identified as a strategic process, managing it responsibly, efficiently and effectively towards profitable growth and value creation with a view to our stakeholders, in both normal and exceptional circumstances.

For this reason, we have a Risk Unit that performs qualitative and quantitative scenario analysis through the Xtrategy and Multiple Views of the Future business risk management processes, taking into account contexts related to the impact of geopolitical and economic partnerships and regulation in the electricity sector, which includes Environmental, Social and Governance (ESG) issues that could affect the implementation of the strategy and its results.

→ Risk Governance

AES Andes' management is responsible for managing and evaluating the Company's risks, including communicating the most significant risks to the Board of Directors.
The Board oversees the risk management practices implemented by management. In addition, if a particular risk is material, or when appropriate, the Board may assume oversight of a particular risk. The Board's oversight is provided primarily through management's regular reporting on risk areas and discussions with management regarding risk assessment and management, as described below:

The Board has delegated oversight of the risk management process to management. To this end, we have a Risk Management Committee and a Regional Risk Director. The Risk Committee, a body in which the CEO of AES Andes and the Risk Director actively participate, meets monthly to analyze situations and operations that could pose a risk to the Company, and then to express and adopt resolutions. The powers of the Risk Committee are limited according to the nature of the risks identified and the assessment of their estimated materiality.

Based on information provided by the Chief Risk Officer, the Risk Committee, Internal Audit and the external auditors, the Board of Directors periodically assesses the quality and adequacy of management control procedures and policies. At least twice a year, the Chief Risk Officer or other members of management involved in risk assessment attend Board meetings to provide an update on risk assessment and policies.

→ Enterprise Risk Management Program

In our fourth year of the Enterprise Risk Management program, we continue to make progress in analyzing the state of the Company's risk culture and identifying the strategic and tactical risks that distract us from executing our strategy.

We assign risk management responsibilities to individuals, create action plans and implement a systematic follow-up of risks reported to the Risk Management Committee. We review the status of our plans on an annual basis through our ongoing risk measurements, and we have developed methods to measure effectiveness and efficiency prospectively and retrospectively.

We use and document various qualitative and quantitative measurement methods to adjust risk mitigation strategies and assess impact.

Risk Model

Our policies and systems are designed to manage, mitigate and transfer the potential risks to which our business is exposed, using a model consisting of the following lines of action:

1. Risk Area: Establishes policies and procedures and advises the business units on creating a risk culture.

2. Internal Audit: an independent function that evaluates the design and effectiveness of risk mitigation plans and makes recommendations to improve processes.

3. Management Control of each Area: with their respective monitoring and follow-up resources, manages the risks in the normal course of the Company's business.

Sustainability risk is also part of our comprehensive risk analysis as we transition to a new business model within the Company that aims to increase the renewable capacity in our portfolio.

Sensitivity Analysis and Stress Tests

We continuously monitor water stress, solar radiation, wind speed, and other potential impacts on both energy prices and financial results for all of our businesses.
To inform stakeholders about the strengths and resilience of its global business portfolio, AES Corporation published its second Climate Scenario Analysis report in accordance with the recommendations of the Task Force on Climate Financial Disclosures (TCFD), which provides guidance on managing the uncertainties and opportunities associated with climate change.

This report focuses on the main risks associated with climate change: transition risk and physical risk, and how they would affect our portfolio. Transition risk includes a regulatory risk with economic implications that would arise if the portfolio is not decarbonized in a timely manner, while physical risk refers to the potential damage to generation assets from extreme weather events such as hurricanes, floods, or fires.

The modeling showed that the portfolio's resilience to transition risk is significantly high, as the portion of the margin exposed to coal is insignificant (3% in 2020, <1% in 2030, and 0% in 2040). The strategy of the coal plants is to provide sufficient capacity payments to the grids, free from the regulation associated with decarbonization.

In terms of physical risk, the portfolio's resilience is also very high, mainly because the proportion of assets in locations considered risky is already very low (10%). This percentage is expected to shrink further in the coming decades as we shift our underlying business from a relatively modest number of large conventional energy sources to an accelerated development of a large number of smaller, low-risk renewable assets.
It is also expected to increase the supply of AES Andes' service-based, rather than asset-based, business.

Climate Risk Committee [GRI 201-2]

Risk management is one of the key strategic guidelines of our Greentegra Roadmap, which considers the collaborative work of the different professional teams of AES Andes to ensure safe growth and value creation as a competitive advantage.

Given the staggering effects of climate change, in 2022 we continued the Climate Risk Committee, which aims to identify and mitigate risks associated with hydrology, wind and solar radiation and their impact on AES Andes' assets. The succession of Climate Risk Committees held in recent years has enabled us to generate a database in 2022 that allows us today to estimate the volatility of our portfolio generation and to understand the impact of the technological and geographic diversification of our assets.

We also continued to expand the scope of our market risk metrics to include operational risk.



Cybersecurity

Cybersecurity aligns with our first corporate value, "Safety First," and at AES Andes we work to protect the confidentiality, integrity, and availability of our digital assets and all the information we store, process, and transmit within them.

In general, the number of cyber-attacks has increased worldwide. This is because it is a more efficient and less exposed way to make illegal profits. We are exposed to IT risks on a daily basis, and therefore the main task, in fact the main task of everyone in the Company under the leadership of the Cybersecurity team, is to be prepared to mitigate them and avoid impacts that could negatively affect the image of our Company, the results of our operations and our financial situation.

Our cybersecurity infrastructure is based on an "in-depth defense" model, which means that there are multiple controls that support each other in the event that one fails.

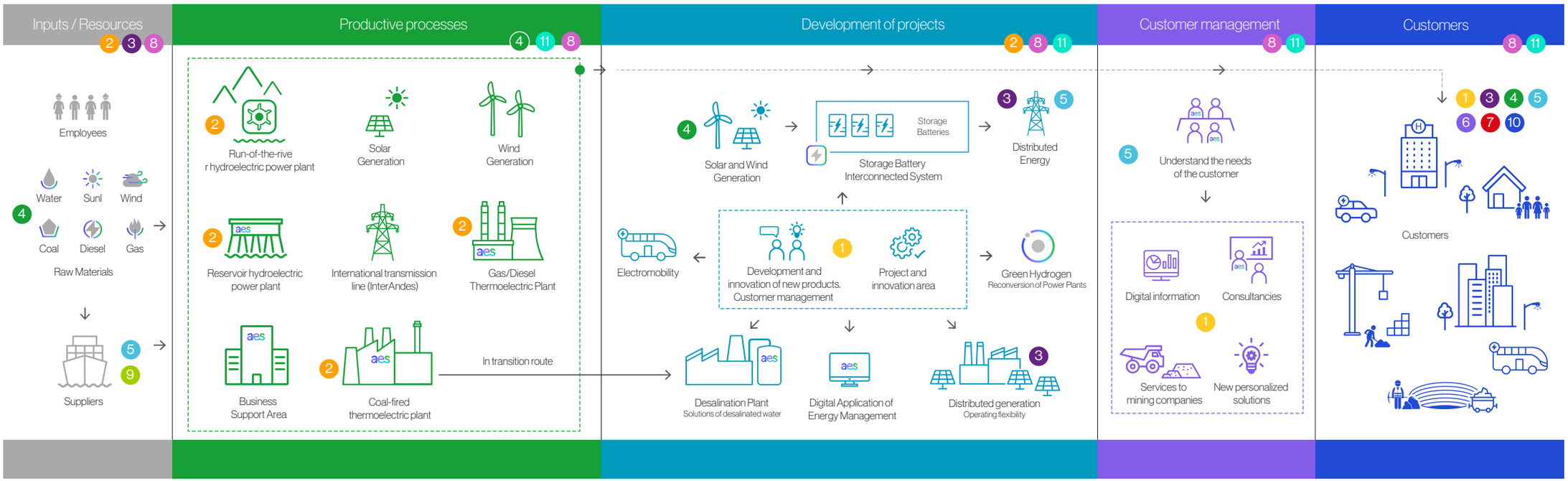
Regular cybersecurity training is provided to all AES Andes members to help us better protect ourselves at home and in the office, and to help us identify potential risks. We place a high priority on ensuring that all employees understand and know how to respond to phishing - computer fraud via email - as it is one of the most common methods used by cybercriminals to attack large organizations. In terms of the organizational structure for data security, we have an IT Security and Cybersecurity Department with dedicated staff. The Chief Information Security Officer (CISO), who reports to the VP and Chief Operations Officer, is responsible for the implementation and execution of the Company's programs in the region, as well as compliance with the cybersecurity standards of each country's regulating agencies.

Cybersecurity Risks

Security controls are measures designed to prevent, mitigate, or minimize risks associated with the Company's digital assets, such as information and computer equipment. In Chapter 2 of this report, Digital Transformation in our Operations, you will find the 2022 Cybersecurity improvements that will mitigate cybersecurity risks.



Strategic Risk Analysis in our Value Chain



Strategic Risks

1. Technological Change Risk
2. Climate Change Risk
3. Regulatory Risk
4. Risk of Natural Disasters
5. Foreign Exchange Risk
6. Interest Rate Risk
7. Liquidity Risk
8. Sustainability Risk
9. Commodities Price Risk
10. Credit Risk
11. Information security / Cybersecurity Risks

1.10 Transparency and Availability of Financial Information

[NCG 461 3.7]

Our Investor Relations department is the primary link between the Company and the financial markets. AES Andes and its subsidiaries communicate with investors and analysts through meetings, conference calls, road shows, quarterly results presentations, events and conferences in Chile and abroad.

We continue to focus on the quality, transparency and availability of information to the market. For this reason, we publish various announcements, presentations and reports through our AES Andes web portal, Investors section, available in Spanish and English.

The Investor Relations team is led by the Investor Relations Manager, who reports to the Vice President of Finance.

AES Andes Investor Relations Team:

- John Wills
  (Investor Relations Manager)
- Constanza López
- Diego Lathrop

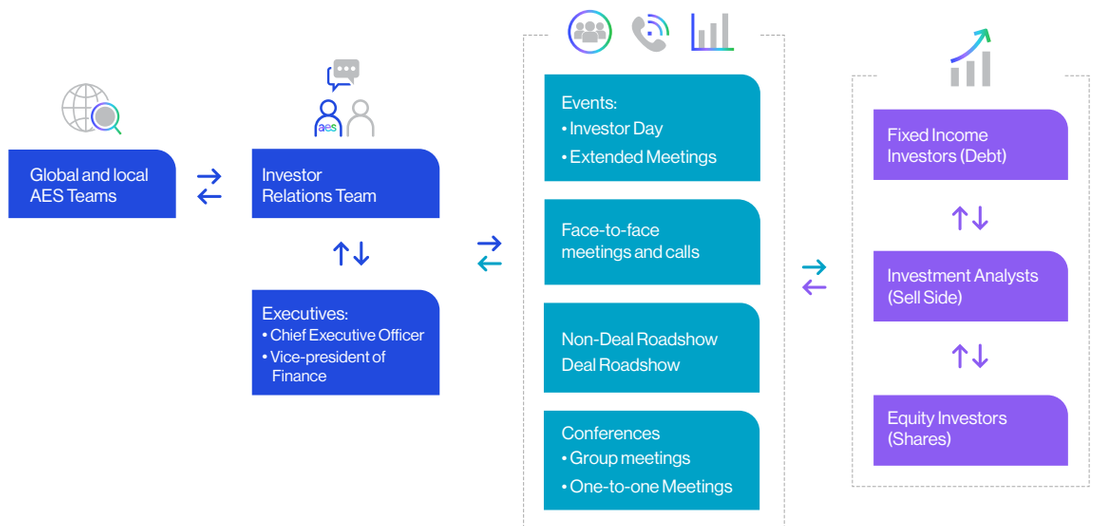
Main Activities with Investors and Investment Analysts in 2022

During 2022, we resumed some face-to-face activities as a result of the easing of pandemic preparedness measures. We participated in two face-to-face conferences in Miami and organized a non-deal roadshow in December where our CEO, VP Finance and Investor Relations Manager met with 19 investors between face-to-face visits in New York and Boston and virtual meetings with investors from Latin America and Europe. We also resumed in-person meetings with investors at our offices.

In addition, we participated in three virtual conferences focused on fixed income and ESG (Environmental, Social and Governance) investors.

We also coordinated, together with the Vice-Presidency of Legal Affairs, the Ordinary and Extraordinary Shareholders' Meetings held on April 28, August 24 and October 14.

→ Permanent Flow of Information with Investors and Analysts



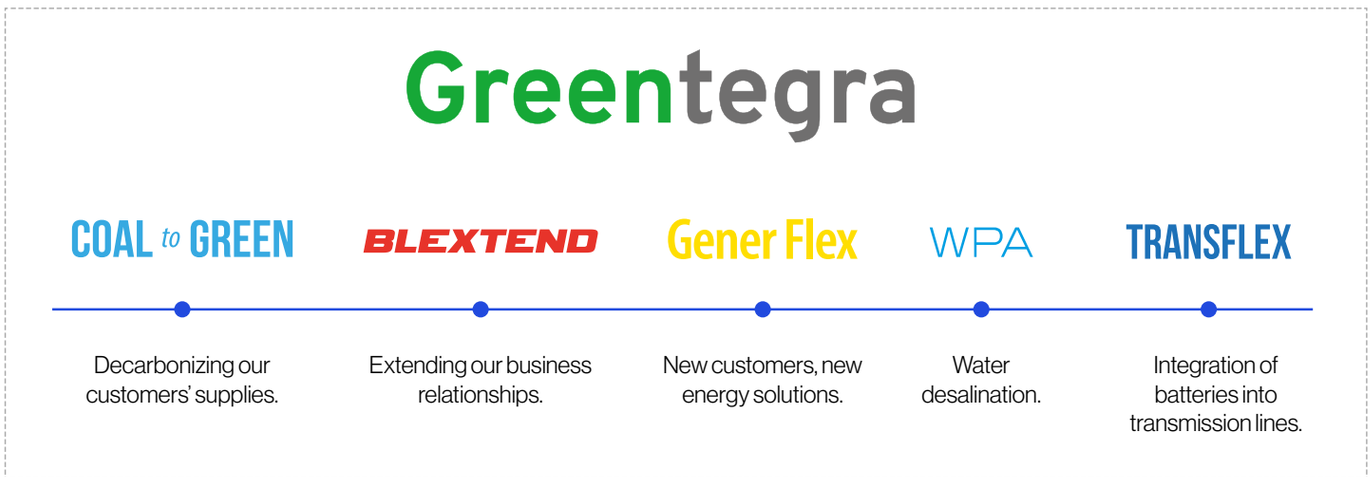
For the second year in a row, in 2022, the efforts of our team and the Investor Relations department were recognized in various categories by the magazine Institutional Investor in its ranking of Latin American companies in the sector.

We were recognized in the categories of Best ESG, Best Investor Event, Crisis Management amid COVID-19, Best CEO, Best CFO, Best Investor Relations Team, and Best Investor Relations Professional.

Our Investor Relations team welcomes any questions or concerns about the Company at investor@aes.com

1.11 Customer Engagement: Excellence and Quality

Our customers are always at the center of our decisions, and during 2022 we worked to design a strategy to support the Greentegra strategy at AES Chile. Its objective is to positively impact all the results of our business by providing an optimal, quality experience with the highest standards for all customers, focusing on their needs to deliver innovative energy solutions that add value, increase their competitiveness, reduce their risk and allow them to achieve their sustainability goals. In this way, we explore, co-create and develop together projects based on five business solutions that are part of Greentegra: Coal to Green, Blextend, Transflex, GenerFlex and WPA.



Energy solutions for our customers

Coal to Green
Based on existing tolling type PPAs (Power Purchase Agreements), i.e. where there is a fixed fee covering the return on the capital invested in the construction of the plant and a variable fee for the sale of energy, invoiced at the cost of supply to the customer, the variable fee is replaced by a renewable energy contract, while the fixed fee remains unchanged. In this way, AES Andes has no impact on the margin of the original contract and incorporates an additional margin for the new renewable energy contract. The customer continues to pay the fixed charge of the original PPA, but replaces the variable charge based on the cost of coal energy with renewable energy at a fixed price.

Blextend
Based on existing conventional agreements due to expire in the next few years, the customer is offered an immediate discount on the price of its energy supply in exchange for an extension of the duration of the PPA or a price premium in the last years of the PPA and a switch to renewable energy sources. In this way, the profitability of the contract is maintained, the relationship with the customer is preserved without loss of value, and the customer benefits from a renewable supply and lower energy costs in the short term, without having to wait for the conventional contract to expire.

GenerFlex
They are new contracts offering the full range of renewable energy solutions available to the company.

1.12 Relationship with External Stakeholders

[GRI 2-23; 2-29; NCG461 3.1 6.1 6.3]

We define our stakeholders as all those in society who may be affected by the decisions and objectives we set as a Company. Since 2018, we have been using two corporate management tools that drive the way and nature of our relationships with stakeholders in each of the areas where we operate and have projects.

We follow AES Corporation's stakeholder relations policy and guidelines for developing sustainable social programs. In addition to the above, we have our Local Community Relations and Engagement Policy .

The Stakeholder Relations Plan provides a set of definitions aimed at strengthening relationships that are important to the Company over the long term. We define the purpose and scope of the engagement, establish roles and responsibilities, identify relevant stakeholders, and establish methods for disclosure and external communication.
In addition to the above, inquiries and complaint mechanisms are implemented from the earliest stages of the projects.

The stakeholder identification and selection process is conducted jointly by the corporate team and the field team. They do this through internal working meetings to evaluate and continually monitor AES Andes' sustainability practices.

In operations and projects, we establish a transparent and continuous dialog process with the various stakeholders through the following stages:

- Identify stakeholders and determine the nature of their needs.
- Identify the areas and actors in the Company that interact with these groups.
- Develop their responses at the organizational level.
- Develop, implement, monitor and control social investment programs.
- Track initiatives by evaluating their impact.

To this end, we use engagement mechanisms such as one-on-one meetings, dialogue and participation forums, working groups, public hearings, publications in national, regional and local media, consultation and complaint procedures, site visits, website publications, letters, e-mails and phone calls, and studies and measurements, among others.
In addition, we consider it essential to comply with all applicable legal and ethical requirements that are relevant to the Company.





External Stakeholders



Stakeholder Engagement

We maintain an ongoing relationship with our stakeholders to learn about and discuss relevant issues of mutual interest regarding our social, environmental and economic performance and impact.

In 2022, as a result of the reopening measures taken by the health authorities, we resumed face-to-face meetings with many of our *stakeholders*. We did this primarily with the communities and investors, respecting all the protocols in place. We also maintained the use of technological tools for certain remote meetings.

Below we present, one by one, the actions that define our engagement and relationship strategy with the different groups.

Stakeholders	Frequency	Activities 2022
Customers This group includes non-regulated customers (commercial, industrial and mining companies) and regulated customers (distribution companies). In addition, we consider potential customers, such as those who are entering the unregulated sector or who will bid for their contracts and any intermediaries that may exist (demand aggregators, traders). It also considers other generating companies as potential customers.	Ongoing interaction with our clients, from periodic meetings to regular communications, such as sending newsletters, invitations to Sustenta (an annual event exclusively for our clients, whose objective is to promote tools to achieve sustainability goals), invitations to Introductory Courses on the Electricity Market, through which we help them continue to acquire relevant knowledge that will help them make better decisions, sending monthly performance reports, among others.	Some face-to-face meetings were resumed and virtual meetings were maintained. In addition, new virtual instances have been created to inform our customers about relevant issues and to strengthen the connection with these stakeholders. The annual Sustenta event was also held in person, with top-level panelists speaking about the economy and the electricity market.
Government and Regulating Agencies This group includes the central, regional and local governments, and their representatives; the Congress; the electricity and environmental sector authorities; and the electricity and environmental regulating agencies.	Monthly and bi-monthly meetings to discuss regulatory issues. Inspections (with no specific frequency). Meetings to update information about projects or operations. All meetings requested by AES Andes will be conducted in accordance with the current Chilean Lobbying Law.	Face-to-face meetings were resumed and virtual meetings were held. Closer contact has been made with local authorities to arrange everything necessary to keep the facilities running during the pandemic. Extraordinary meetings were also held at the end of the year with the Electricity Authority to evaluate measures to secure the payment chain in the sector.
Investors This group is made up of our shareholders, our partners with equity interests in AES Andes subsidiaries, note holders, and the financial market, including financial analysts, banks, asset managers, and risk rating agencies.	Regular one-on-one meetings, calls and communications, quarterly reports, extended meetings to discuss progress on our corporate strategy, relevant news and actions, financial results, ESG issues, etc.	Face-to-face meetings were resumed and virtual meetings were maintained. Participation in international roadshows and face-to-face conferences has resumed. An e-mail address (investor@aes.com) has been set up for Investor Relations contacts.

Cont. from previous table.

Stakeholders	Frequency	Activities 2022
Media and Opinion Leaders [NCG 461 3.7] We consider industry leaders, academics, the media, and the leaders of social networks to be spokespersons for public opinion.	Ongoing informative communication through press releases and social networks.	Face-to-face and virtual meetings were held. There is an e-mail address (comunicaciones.andes@aes.com) for contacts, in addition to the Company's social networks.
Industry - Electricity Sector This group is made up of companies in the electricity sector, including their unions and associations.	Permanent engagement through trade associations such as Association of Chilean Generating Companies, Chilean Association of Renewable Energy (ACERA), Chilean Association of Hydrogen, Amcham Chile, Cámara Chileno Argentina de Comercio A.G., Asociación Chilena de Desalinización A.G., among others. Every month, we participate in various committees of these associations for the promotion and exchange of best practices in the industry.	Some face-to-face meetings have begun to be held again, but virtual meetings continue to be held as a normal way of working. Coordination meetings were held with the Government to ensure the proper implementation of the Customer Protection Mechanism (MPC, for its acronym in Spanish) (stabilization of MPC tariffs). In general, the trade union agenda was resumed and a legislative and regulatory follow-up work of interest to the sector was carried out.
Communities This group is made up of our neighbors, local communities and social leaders, as well as other companies in the area with whom we have a relationship. We also include civil organizations of the territory.	Regular meetings with neighbors and community leaders; radio programs as needed; annual public hearings; ongoing communication and dialog, in person and through various media, including social networks.	Working groups on specific topics; Open Doors Program at operating facilities and projects under construction; participation in community events throughout the year; provision of all necessary conditions for the development of Citizen Participation Processes (PAC, according to its acronym in Spanish) as required by the Environmental Assessment Service (SEA, according to its acronym in Spanish); development of social programs.

Cont. from previous table.

Stakeholders	Frequency	Activities 2022
Academy and civil organizations Includes universities and NGOs, both national and international, as well as other innovation-oriented reflection and research organizations.	Participation in seminars and direct dialogue where appropriate. Participation in advisory boards. Systematic delivery of information.	Our leaders participated in technical and working sessions with various audiences.
Suppliers Suppliers of raw materials, technology, and products or services. In addition, this group includes external employees from outsourced services who work on our premises.	Periodic communication in the form of invitations to tender, ongoing communication between users and contractors.	We gradually resumed face-to-face meetings with suppliers and contractors, with the goal of establishing a close relationship with our employees.At the same time, we continued to provide support and assistance to suppliers in using the ARIBA Procurement Portal to increase transparency and control of our transactions.





2. Our Performance 2022

2. Our Performance 2022

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[GRI 3-3]

This chapter covers the following important topics:

- Commercial excellence and customer management
- Occupational health and safety
- New businesses and innovation
- Quality of employment
- Environmental impact of suppliers
- Biodiversity
- Environmental regulatory compliance
- Employee-company relationship
- Spill of liquid or solid waste
- Training and development
- Local communities
- Economic performance
- Emissions
- Energy
- Efficient management and use of water

2.1 Our Main Assets and their Performance

[GRI 2-6, 201-1, EU1; NCG 461 6.2, 6.4]



Main Assets AES Andes

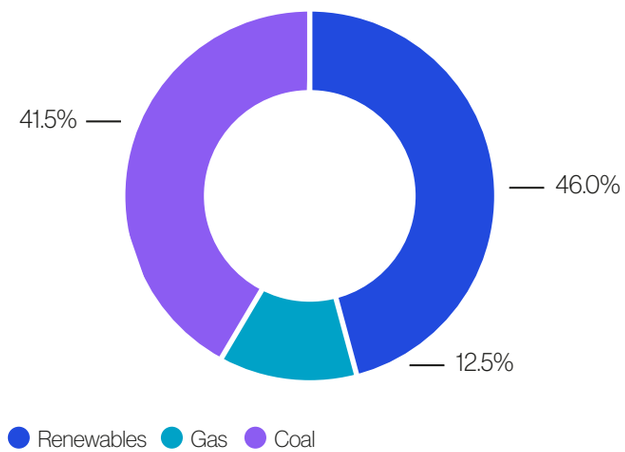
[GRI 2-6; NCG461 6.4]

We have a portfolio of generating assets from a variety of sources and technologies with an operating capacity of 5,133 MW as of December 31, 2022. Our operations are located in three countries: Chile, through the National Electrical System (SEN, for its acronym in Spanish), Colombia, through the National Interconnected System (SIN, for its acronym in Spanish) and Argentina, through the Argentine Interconnection System (SADI, for its acronym in Spanish).

Installed Capacity (in MW)

Technology (MW)	Chile	Colombia	Argentina	Total
Hydro	771	1,020	-	1,791
Solar	104	109	-	213
Wind	282		-	282
Biomass	13		-	13
Gas	-		643	643
Coal	2,129		-	2,129
Total	3,299	1,129	643	5,071
Storage Batteries	62	-	-	62
Total	3,361	1,129	643	5,133

Installed Capacity (in MW)



* Renewables include: Hydro, Solar, Wind, Biomass and Storage Batteries.

Our generation assets

[GRI 2-1, 2-6, 102-7; NCG 461 6.4]

The following is a summary of our principal subsidiaries and affiliates and their respective generation assets.

Chile

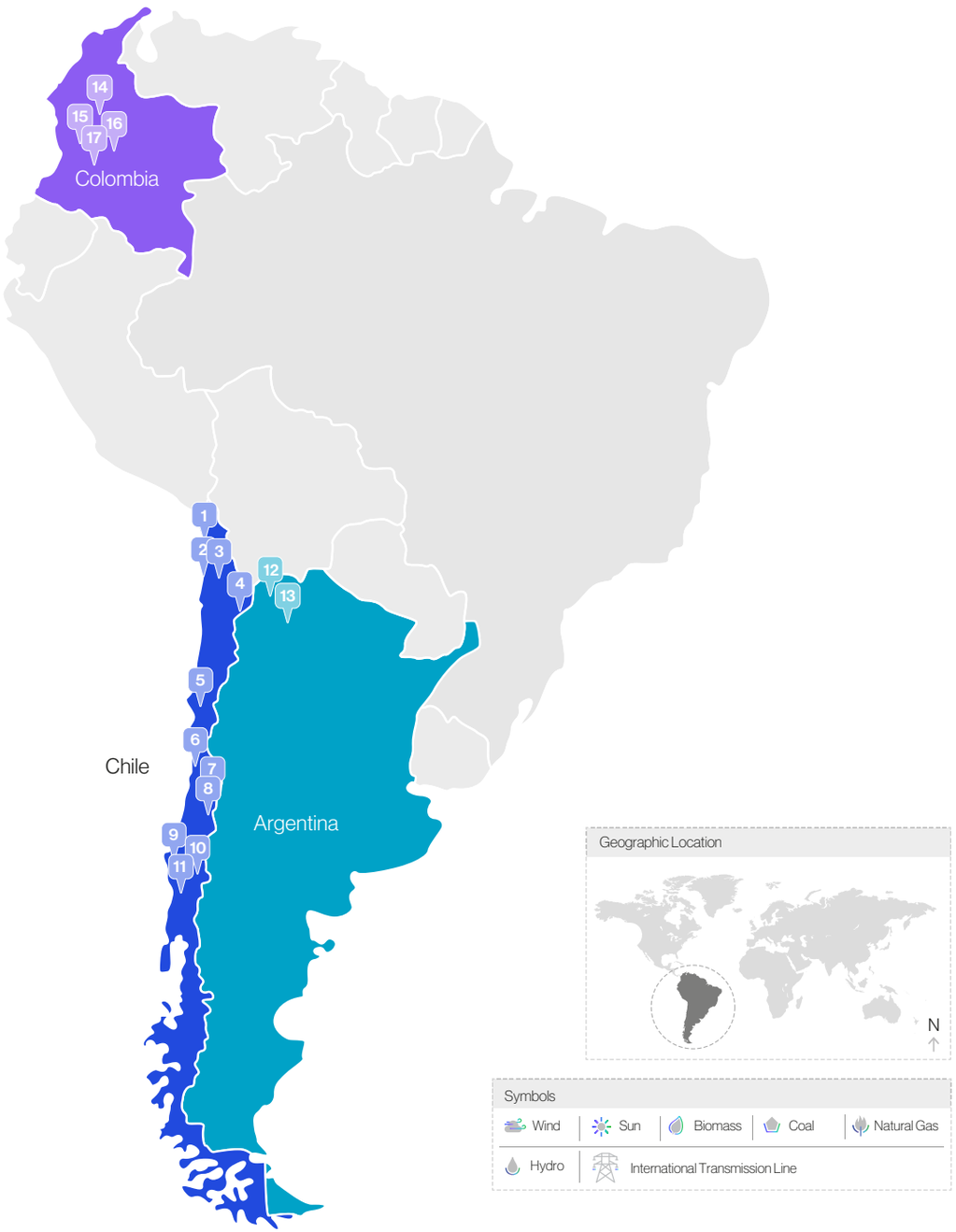
Type of energy	Plant / MW
	1 AES Andes S.A. Norgener Plant Region of Antofagasta - 276 MW 12 MW energy storage
	2 Empresa Eléctrica Cochrane SpA Region of Antofagasta - 550 MW 20 MW energy storage
	3 Empresa Eléctrica Angamos SpA Region of Antofagasta - 558 MW 20 MW energy storage
	4 Andes Solar SpA - 22 MW Andes Solar II SpA - 81 MW Region of Antofagasta - 103 MW
	5 Parque Eólico Los Cururos SpA. Region of Coquimbo - 109 MW
	6 AES Andes S.A. - Ventanas Region of Valparaíso - 208 MW Empresa Eléctrica Ventanas SpA Region of Valparaíso - 537 MW
	7 AES Andes S.A. - Hydroelectric Power Plants Metropolitan Region – 240 MW (Alfalfal, Queltehues, Maitenes, Volcán) 10 MW energy storage
	8 Alto Maipo SpA Metropolitan Region – 531 MW
	9 AES Andes S.A. - Laja Region of Bío Bío - 13 MW
	10 Energía Eólica Los Olmos SpA Region of Bío Bío – 110 MW
	11 Energía Eólica Mesamávida SpA* Region of Bío Bío – 63 MW * 5MW still under construction with commissioning expected to start in 2023.

Argentina

Type of energy	Plant / MW
	12 TermoAndes S.A. Salta - 643 MW
	13 InterAndes S.A. 410 KM (Chile-Argentina)

Colombia

Type of energy	Plant / MW
	14 AES Chivor & Cia S.C.A. E.S.P. Boyacá - Chivor: 1.000 MW Tunjita: 20 MW
	15 AES Chivor & Cia S.C.A. E.S.P. Castilla Solar Plant Huila - 21 MW
	16 AES Chivor & Cia S.C.A. E.S.P. San Fernando Solar Plant Huila - 61 MW
	17 AES Chivor & Cia S.C.A. E.S.P. Brisas Solar Plant Huila - 27 MW



Storage assets

We have 62 MW of energy storage capacity in four units:

- Andes BESS, adjacent to Andes Substation and with a capacity of 12 M - 15 min.
- Angamos BESS, adjacent to Angamos Plant, with a capacity of 20 MW - 15 min.
- Cochrane BESS, adjacent to Cochrane Plant, with a capacity of 20 MW - 15 min.
- Virtual Reservoir, integrated into Alfalfal plant, with a capacity of 10 MW - 5 hr.

Transmission Assets [IF-EU-000.C]

The total number of transmission lines and substations in Chile is 1,100 km: 872 km of transmission lines directly owned by the Company (including 138 km that join the InterAndes S.A. line to connect the SEN to the SADI), 228 km through leasing and 21 substations. The transmission losses of our SEN lines in 2022 were 0.56%.

In Argentina, we have the Salta 345 kV Substations (owned by TermoAndes S.A.) and the Altiplano Sectioning Station (owned by InterAndes S.A.) and the La Puna Transformer Station (owned by InterAndes S.A). Through our subsidiary InterAndes, we have the only transmission line (268 kilometers) that connects the SADI in Argentina with the SEN in Chile.

La Puna Transformer Station is where the plant of the same name is connected and is the starting point of the international line that connects Argentina with Andes. Through this line, energy transfers between Chile and Argentina were resumed as from December 15, 2022.

For more details about transmission losses and the SAIDI, see Chapter 6, Additional Information, 6.5 Overall Asset Performance.

Gas Transport Assets

We have a minority interest in Gasoducto GasAndes S.A. and Gasoducto GasAndes Argentina S.A.

Water Desalination Assets

The expansion of desalinated water production within the framework of decarbonization has meant the valorization of assets as part of the technological transformation and water needs of northern Chile.

In this regard, we have been operating a 56 l/s reverse osmosis desalination plant at the Angamos thermal power plant since 2015. This year, the control system was upgraded to Ovation, resulting in improved plant performance and reliability. This unit is used to generate electricity and the surplus is sold to industrialists in Mejillones and Antofagasta.

In addition, we have four TVC desalination units of 30 L/s each (two in Angamos Plant and two in Cochrane Plant) and four EDI

of 7 L/s each (two in Angamos Plant and two in Cochrane Plant).

Andes Bess



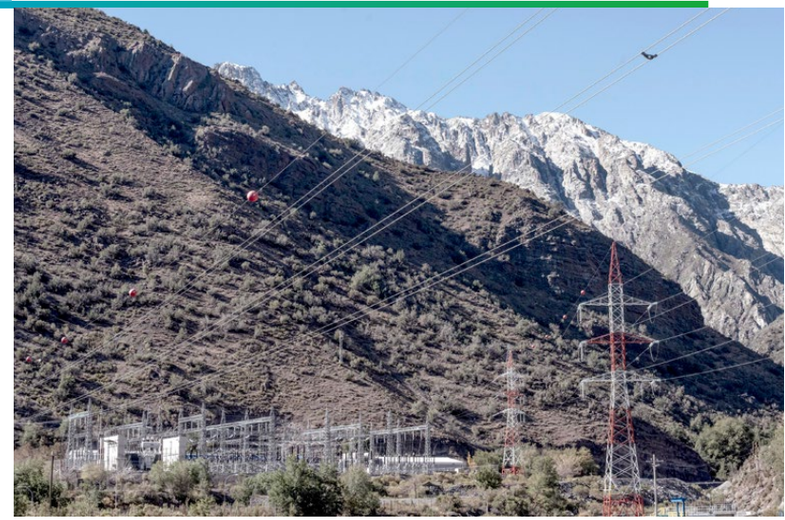
Throughout 2022, a total of 409,169 m³ of desalinated water and 8,878 m³ of demineralized water were sold to 10 customers. Sales volume increased by 31% and total sales were 41% higher than in 2021.

Main Licenses and Concessions [NCG461 6.2]

We have Concessions for Onerous Use granted by the Ministry of National Assets to develop photovoltaic and energy storage projects.

2.2 Operational Performance and Maintenance

Alfalfal Plant



The key milestones for 2022 in our operations are:

Chile

a) The Ventanas Power Plant was awarded second place in the Global Safety Gold Helmet Award by AES Corporation, recognizing the outstanding performance of its work teams in terms of people safety.

b) We make the correct transition of projects from construction to operation:

- Start of commercial operation of Los Olmos Wind Plant.
- Start of commercial operation of Mesamávida Wind Plant.
- Start of testing in Campo Lindo Wind Plant.
- Coordination of the start of the testing in Andes Solar IIB Solar Plant for the first quarter of 2023.

c) We enabled the reduction of the minimum stable capacity at the Cochrane units from 90 MW to 60 MW, making progress in increasing the operational flexibility of conventional power plants and helping to enable the introduction of new intermittent renewable generation technologies into the SEN.

d) We successfully performed the following maintenance services:

- Ventanas: Major maintenance of unit 3 (first overhaul).
- Alfalfal 1: Complete rewind of the generator (in service since 1991), robotic inspection of the tunnel using a remotely operated vehicle (ROV), and replacement of the ball valve of Unit 2.
- Volcán: Modernization of the control and protection systems of the turbines with technology dating back to the 1940s.
- Angamos: Major maintenance of Unit 2 and Unit 1 generator.
- Commencement of major maintenance at Cochrane Unit 1 and Norgener Unit 2, including turbine overhaul.
- Maintenance corresponding to eight years of operation of Los Cururos Wind Plant.
- Work on the boiler tubes of the Ventanas, Angamos and Norgener power plants to increase the reliability of these units and improve the stability of the electrical system.

Argentina

a) Completion of the major maintenance of TermoAndes' GT11 and GT12 turbines, which started at the end of 2021, and minor inspections according to the annual maintenance plan.

Colombia

a) Commissioning and inauguration of the extension of the useful life of the Chivor power plant.

b) Properly completed annual maintenance on Chivor Units 1 and 2 and major maintenance on Unit 6.

c) Successful transition from construction to operation of Las Brisas Solar Plant (as of December 20, 2022).

Regional

a) We have put into operation the InterAndes line, which will allow us to import and export electricity between Chile and Argentina, thus encouraging the transfer of renewable energy between the two countries.

b) We recertified the management systems to ISO 14001:2015 and ISO 45001:2018 standards with the ISO55001 certification and recertification of asset management in most of the plants in Chile, TermoAndes and Colombia, in the latter case extending the certification to the Tunjita hydroelectric plant.

Chivor Plant





Tunjita Plant



Las Brisas Plant



Smart Center



Remote Operation Control Center

Smart Center and ROCC

During 2022, we were able to integrate the Los Olmos and Mesamávida Wind Plants and the remote operation of Ventanas Unit 3 into our Smart Center (Intelligent Operations Center), which centralizes our remote operations through the ROCC (Remote Operation Control Center).

Overall Asset Performance

We continuously monitor the performance of our units through key performance indicators (KPIs). The indicators we use are the same as those used by AES Corporation to monitor all of its plants around the world, which are based on the IEEE 762 standard.

The main annual indicators used are:

- EAF: Equivalent Availability Factor (%)
- EFOF: Equivalent Forced Outage Rate (%)
- NCF: Net Capacity Factor (%)
- ESOF: Equivalent Scheduled Outage Factor (%)
- ENPHR: Equivalent Net Plant Heat Rate (%)
- CA: Commercial Availability
- NFOM: Non Fuel Operational & Maintenance Cost

We also included the performance indicator for thermal plants, which is the ratio of thermal energy input expressed in British Thermal Units (BTU) to electrical energy output expressed in MWh.

To determine the first, the mass of fuel entering the process (kg) is determined and multiplied by the calorific value (BTU/kg) of the incoming fuel. The second variable is measured directly on the net energy meters of each plant.

$$ENPHR = \frac{\text{Fuel Consumption} * 1000}{\text{Net Generation}} \ (BTU/KWh)$$

By weighting the net power of each unit, we can obtain a single indicator for the entire fleet of the Company, where the units with the highest power are those that contribute most to each indicator, as shown in the following table for 2021:

Consolidated AES Andes KPI

	EAF %	NCF %	ESOF %	EFOF %	ENPHR BTU/MWh	CA %	NFOM US$/MWh
Norte Complex	78.32	50.40	9.67	12.01	10,406	-	-
Centro Ventanas Complex	68.74	36.94	11.10	20.16	10,083	-	-
Centro Cordillera Complex	73.53	29.61	18.63	7.83	-	-	-
AES Andes Chile	74.86	43.90	11.13	14.00	10,385	88.51	91.08
TermoAndes (Argentina)	88.52	62.98	0.05	11.43	7,234	91.61	18.19
AES Colombia	84.38	45.51	15.59	0.03	-	99.32	16.91
Consolidated AES Andes	79.63	47.46	10.49	9.88	9,410	91.11	59.46

Note: AES Andes Chile and Consolidated AES Andes do not include renewable units
Note 2: Centro Ventanas Complex includes Units 2, 3 y 4. Norte Complex includes Norgener, Angamos and Cochrane plants. Cordillera includes the run-of-the-river plants in the Metropolitan Region
Note 3: AES Andes Chile includes Norte Complex, Centro Complex (Ventanas + Cordillera) and Laja.
Note 4: AES Colombia includes Chivor and Tunjita plants.

Consolidated AES Andes KPI solar + wind

	EAF %	NCF %	ESOF %	EFOF %	ENPHR BTU/MWh	CA %	NFOM US$/MWh
Andes Solar IA (Chile)	99.09	27.44	0.37	0.54	-	98.77	0.00
Andes Solar IIa (Chile)	89.71	24.39	0.94	9.35	-	90.54	0.00
Los Cururos (Chile)	98.95	23.30	0.31	0.74	-	99.07	1.89
Los Olmos (Chile)	97.99	27.57	0.37	1.64	-	96.74	1.86
Castilla (Colombia)	99.74	15.81	0.02	0.24	-	99.74	0.00
San Fernando (Colombia)	97.82	17.01	0.51	1.66	-	99.51	0.00

For more information on the KPIs of each AES Andes Group plant in Chile, Argentina and Colombia, see Chapter 6. Additional Information, 6.5 Overall Asset Performance.

2.3 Financial management

[GRI 201-1, 3-3]

Results for the Fiscal Year

[NCG461 11]

For the year ended December 31, 2022, we recorded an EBITDA of US$ 811 million, which was US$ 264 million lower than the US$ 1,075 million recorded in the same fiscal year in 2021. During the fiscal year 2022, income attributable to the parent company was US$ 277 million, an increase of US$ 1,367 million from a loss of US $1,091 million at the end of the prior year. At the operating level, cumulative Gross Profit for the year ended December 31, 2022 was US$ 699 million, a negative variance of 28%, or US$ 278 million, compared to the same period in the prior year.

For more information, review the Reasoned Analysis and Financial Statements as of December 31, 2022, also available on the Financial Market Commission (CMF, for its acronym in Spanish) website.

Direct generated and distributed economic value

As stated in the GRI standard, economic value generated and distributed refers to how the organization distributes its income to its stakeholders.

Distributed Value (thousands of US$)

Items	2022	2021
Operating Income	2,806,393	2,710,201
Financial Income	1,086,332	267,192
Other Income/other profits	44,803	52,553
Total direct economic value generated (EVG)	3,937,528	3,029,946
Payments to suppliers of goods and services	-2,475,957	-2,025,732
Payments to suppliers of financing	-565,304	-389,430
Dividends and distributions to shareholders	-291,648	-89,177
Payments to the Government (income tax paid)	-37,213	-287,823
Salaries and allowances/employee benefits	-76,075	-74,272
Investments in fixed assets	-593,094	-675,584
Other expenses/other losses	116,476	373,569
Other operational payments	78,452	-11,275
Total economic value distributed (EVD)	-3,844,363	-3,179,724
Economic value withheld (EVW)	260,407	-47,737

Our Investment Grade

[NCG 461 4.3]

In order to incorporate the 2.8GW new renewable energy capacity into our portfolio, we are investing more than US$3 billion in Chile and Colombia between 2019 and 2025.

We have developed an efficient financing strategy that includes the integration of partners, the contribution of our shareholders, debt and cash from the sale of non-strategic assets and our operations.

Our financial policy focuses on stability and liquidity to sustain and grow our business, while maintaining our investment grade risk rating. Our primary financial objectives include balancing our capital structure, maintaining adequate minimum liquidity, managing our debt repayment schedule and actively mitigating risks that reduce cash flow and earnings volatility.

Level of Indebtedness

The Vice President of Finance of AES Andes continuously implements measures aimed at optimizing the level of debt we hold, as well as the most efficient hedging strategy to mitigate the risk of currency devaluation in Chile, Colombia and Argentina.

As of December 31, 2022, the financial debt was US$ 2,878 million, while cash, cash equivalents and other financial assets reached US$ 186 million, thus recording a net financial debt of US$ 2,692 million.

Total consolidated debt has an average maturity of 20.1 years and a manageable amortization schedule. Of the total debt outstanding at the end of 2022, 28% (US$ 811 million) is the debt of our subsidiaries without recourse to the parent AES Andes, and the remaining 72% (US$ 2,066 million) is corporate debt at the AES Andes level. In addition, 67% of the total debt is at fixed interest rates or subject to mechanisms that allow interest rates to be fixed (interest rate swap), and the remaining 33% is at variable interest rates.

Main Financial Activities

Our primary financial commitment is to maintain a balanced capital structure through an investment grade rating as determined by the major international rating agencies.

Through various initiatives, the Company has raised the funds to execute its transformation process, which have been fully utilized to strengthen its capital structure, prepay debt and accelerate its ongoing renewable growth plan. During 2022, we took important actions to achieve this goal, including the following:

- Acquisition of shares of AES Andes S.A. by the shareholder Inversiones Cachagua SpA.

On December 6, 2021, Inversiones Cachagua SpA published a notice of commencement of a Takeover Bid for up to a total of 3,426,432,504 shares of AES Andes S.A., representing 33.02% of the issued, subscribed and paid-up shares of the Company. The Bid remained in effect from December 7, 2021 until January 5, 2022.

As a result of this process, Inversiones Cachagua SpA increased its shareholding in the Company from 66.98% to 98.13% after acquiring 3,232,850,689 shares, which were added to the shares held at the beginning of the Bid.

Subsequent to the aforementioned purchase and through successive purchases on the stock market during 2022, Inversiones Cachagua acquired shares of the Company, increasing its ownership to 99.44% as of December 31, 2022.

- AES Colombia Financings

On April 21, 2022, AES Chivor & Cía S.C.A.E.S.P. entered into a credit agreement for up to ThCOP$ 227,500,000 (US$ 47.30 million) with Bancolombia and Scotiabank Colpatria. The Credit has a term of 5 years and is for the purpose of (i) advancing the construction of the Las Brisas Solar Plant and (ii) meeting general corporate needs in the ordinary course of business.

The total amount disbursed as of December 31, 2022, is ThCOP$ 227,500,000 (US$ 47.30 million).

On April 22, 2022, three promissory notes were entered into

with Bancolombia, Banco de Bogotá and Banco Occidente for a total amount of ThCOP$ 351,500,000 (US$ 73.07 million). The debt matures in 2025 and has no financial restrictions.

As of December 31, 2022, Angamos accounted for a debt in the amount of ThCOP$ 334,833,333 (US$ 69.6 million).

On December 5, 2022, AES Colombia entered into a credit agreement for up to ThCOP$ 1,000,000,000 (US$ 207.89 million) with Bancolombia and BBVA Colombia. The loan has a term of 5 years and is intended to meet the general needs of AES Colombia in the ordinary course of business and for corporate purposes. These proceeds were used to fund the prepayment of the US$ 450 million Junior Notes in December 2022 and to partially prepay short-term debt at the AES Andes level.

- **Financing, Accounts Receivable related to Law No. 21,185, Electricity Price Stabilization Procedure in Chile**

The Stabilization Fund is a financing solution to achieve financial liquidity, transfer collections and risks related to the change in the law regarding the Regulated Tariff Stabilization Mechanism under Chile's Tariff Stabilization Law No. 21,185, approved on October 30, 2019, as a result of the social crisis that existed at that time. This mechanism freezes regulated energy and power tariffs from July 2019 to December 2020 and then adjusts them according to the CPI (Consumer Price Index).

The differences between the actual contracts of regulated customers and these frozen prices are calculated by the National Energy Commission (CNE) and included in the CNE's semi-annual decrees. The maximum amount to be accrued is US$ 1.35 billion for all generating companies. The maximum date for the accrual of the differences is July 2023.

The difference generated by the tariff freeze will be refunded to generators as the average price of system contracts decreases, with the lowest-priced contracts starting to be delivered between 2021 and 2024 (auctions 2015-01 and 2017-01). Any difference must be paid no later than the end of December 2027, and any amount outstanding between January 2026 and December 2027 will bear interest at a rate equal to 6-month Libor plus the Chilean risk premium.

The differences registered by the CNE are recorded as receivables in favor of the generating companies and as liabilities in favor of the distributing companies, and may be transferred to third parties by the generating companies.

On January 20 and 27, 2021, we entered into an agreement with Goldman Sachs & Co. LLC, Goldman Sachs Lending Partners LLC for a committed amount of up to US$90.1 million and with Inter-American Investment Corporation ("IDB Invest") for an amount of up to US$44.1 million. Accordingly, and subject to certain conditions, AES Andes will sell to Chile Electricity PEC SpA ("Chile PEC") certain receivables due from various electricity distribution companies, in accordance with the provisions of Law 21,185, which "Creates a Transitional Electricity Price Stabilization Mechanism for Customers Subject to Tariff Regulation" and Exempt Resolution No. 72 of the CNE (collectively, the "Stabilization Mechanism Law").





In the first quarter of 2021, we sold the first and second group of receivables for a nominal amount of US$77.6 million.

On June 21, 2021, we entered into an agreement with the Noteholder AllianzGI pursuant to which, subject to certain conditions, the Noteholder AllianzGI agrees to finance the purchase of receivables for a committed amount of up to US$ 32.4 million.

On June 30, 2021, we sold the third group of receivables for a nominal amount of US$ 16.1 million.
On March 4 and July 14, 2022, we sold the fourth and fifth group of receivables for a nominal amount of ThUS$ 10,356 and ThUS$ 19,336, respectively.

As of December 31, 2022, AES Andes carried accounts receivable for a total amount of US$ 26 million related to the Stabilization Mechanism Law.

The exhaustion of the stabilization mechanism created by Law No. 21,185 in February 2022 and the accumulation of surpluses in the fund until June 2022 led to the approval of Law No. 21,472, published on August 2, 2022, which establishes a new temporary stabilization mechanism of electricity prices for regulated customers, the validity of which may not exceed December 31, 2032, according to which additional charges may be included in the regulated tariffs, called Customer Protection Mechanism Charges (MPC Charges). This new mechanism establishes a discount on the monthly bill of the generators to their respective regulated customers, which is reimbursed on a monthly basis to the supplier through the issuance of a payment document called "transferable credit title", which is issued by the Ministry of Finance, guaranteed by the Treasury and includes the accrual of interest at the time of issuance of the payment document. As of December 31, 2022, AES Andes' current accounts receivable include US$ 220 million of accounts receivable related to the new stabilization fund. We are currently working with an international bank to commercialize the accumulated balances during 2022.

- Incorporation of GIP as strategic partner

On July 15, 2021, Global Infrastructure Management LLC ("GIP") was incorporated as a strategic partner in our renewable growth efforts. AES Andes owns 51% and GIP owns 49% of the shares of Chile Renovables SpA, a company that has acquired and will acquire the companies that own more than 700 MW of renewable energy projects as they become operational and the other conditions agreed upon by the parties are met.

As a result of this transaction, and including all projects included in the agreement, AES Andes expects to receive more than US$ 400 million between 2021 and 2023. As of December 31, 2022, Chile Renovables SpA has acquired the Los Cururos, Andes Solar IIa and Los Olmos projects, while the Andes Solar IIb, Mesamávida and Campo Lindo projects remain to be acquired. To date, AES Andes has received US$ 170 million from the sale of its interests in Parque Eólico Los Cururos SpA, the Andes Solar IIa photovoltaic plant and Energía Eólica Los Olmos Spa.

- Reorganization of Alto Maipo and Exit from Chapter 11, Title 11, of the U.S. Code

On November 17, 2021, our Alto Maipo subsidiary filed for reorganization in the United States under Chapter 11 of the U.S. Code (the "Chapter 11 Proceedings") after reaching a draft financial restructuring agreement with its creditors. Alto Maipo filed for Chapter 11 Proceedings in order to achieve a long-term sustainable capital structure. Alto Maipo does not contribute materially to the consolidated earnings of AES Andes and no material dividends from Alto Maipo were expected in the short or long term.

The financial information of Alto Maipo has been included in the consolidated financial statements of AES Andes through September 30, 2021. However, as a result of Alto Maipo's Chapter 11 filing, this subsidiary has been deconsolidated from the Company's financial statements effective December 31, 2021. As a result of the deconsolidation, AES Andes' equity was reduced by approximately US$ 1.1 billion and its debt was reduced by approximately US$ 1.4 billion. There was a similar impact on the income statement following the deconsolidation, which materially and negatively impacted the net income of AES Andes for the year ended December 31, 2021.

On May 26, 2022, Alto Maipo successfully completed its financial restructuring and emerged from the Chapter 11 Proceedings with a restructured balance sheet. Alto Maipo's capital structure includes US$ 50.9 million in Secured Exit Loans (including deferred exit financing interest), deferrals from AES Andes of up to US$ 7.2 million, US$ 1.1 billion of 1L Secured Debt and US$ 1.0 billion of 2L Secured Debt, as well as US$ 15.0 million of Secured Working Capital Fund, which as of December 31, 2022, has not been drawn.

As a result of its exit from Chapter 11, Alto Maipo recognized a gain of US$ 1,163.8 million on the extinguishment of certain liabilities with AES Andes, The AES Corporation and AES Electricity Ltda. and a gain of US$ 507.2 million on the extinguishment of US$ 569.5 million of debt (net of US$ 62.3 million of accelerated amortization of deferred financing costs). These benefits were partially offset by US$ 645.4 million of property, plant and equipment impairments based on cash flow projections included in the Plan of

Reorganization and US$ 27.1 million of restructuring charges related to the Chapter 11 Proceedings.

- Issuance of AES Andes Green Loan Agreements Green Crédito $400mn 2026

On November 23, 2021, we signed our first green credit agreement with 3 international banks at a spread over the SOFR rate. The transaction was for a total amount of US$150 million and matures in 2026.

Subsequently, on March 10 and April 22, 2022, we entered into amendments to this agreement to include five new international banks for a total of an additional US$ 250 million.
As of December 31, 2022, the outstanding principal amount of the green credit facility is US$ 386.8 million. The proceeds from this loan will be used to finance our renewable energy projects in line with our Greentegra strategy.

- AES Andes green loan for US$150 million maturing in 2027.

On September 30, 2022, we entered into a green credit agreement with two international banks at a spread over the SOFR rate for a total amount of US$ 150 million, maturing in 2027.

As of December 31, 2022, the outstanding principal amount of the green credit facility is US$ 150 million. The proceeds from this loan will be used to finance our renewable energy projects in line with our Greentegra strategy.

- Issuance of US$ 50 million AES Andes Credit Agreement maturing in 2027

On August 30, 2022, we entered into a green credit agreement with a bank at a spread over the SOFR rate for a total amount of US$ 50 million, maturing in 2027.

As of December 31, 2022, the outstanding principal amount of the green credit facility is US$ 50 million. The proceeds from this loan will be used to finance our renewable energy projects in line with our Greentegra strategy.

- Liability Management Program of AES Andes and subsidiary Angamos

One of the main objectives of the Vice President of Finance of AES Andes is to maintain its investment grade credit rating, which is why the team constantly seeks to optimize the debt at the consolidated level and that of its subsidiaries. In that context, the Company made a series of prepayments in 2022 to strengthen and balance its capital structure.

- AES Andes: Prepayment of 450 Junior Notes and 550 Junior Notes

  During 2022, we made prepayments on the US$ 450 million Junior Notes and the US$ 550 million Junior Notes, both due 2079, in the principal amounts of US$ 59.7 million and US$ 34 million, respectively.

Subsequently, on November 22, we announced the launch of a cash takeover bid (the "Takeover Bid") for the US$ 450 million Junior Notes due 2079. The Takeover Bid was for up to US$ 200 million with a maturity date of December 20, 2022 and resulted in an advance payment of US$ 61.9 million. The redeemed bonds were settled.

As of December 31, 2022, the outstanding principal amount of the US$ 450 million Junior Notes and the US$ 550 million Junior Notes is US$ 328.41 million and US$ 516 million, respectively.

- Angamos - Prepayment of Notes and Loans

  During 2022, Angamos made prepayments on the 144/A note for a total of US$16.41 million. The balance of this debt as of December 31 is US$ 41.03 million.

2.4 Our Projects under Construction and Development

→ Greentegra Project Portfolio

	1,013 MW* started commercial operation	877 MW under construction	894 MW under development with contract	4,583 MW under development without contract
Hydro	531 MW • Alto Maipo: 531 MW			
Wind	282 MW • Los Cururos: 109 MW • Los Olmos: 110 MW • Mesamávida: 63 MW	160 MW • Mesamávida: 5 MW • Campo Lindo: 73 MW • San Matías: 82 MW	522 MW • Rinconada: 258 MW • JK: 264 MW	2,374 MW
Solar	190 MW • Castilla: 21 MW • San Fernando: 61 MW • Brisas: 27 MW • Andes Solar IIa: 81 MW	418 MW • Andes Solar IIb: 180 MW • Andes Solar IV: 238 MW • Andes Solar IIb: 27 MW	186 MW • Andes Solar III: 186 MW	1,329 MW
Batteries	10 MW • Virtual Reservoir I: 10 MW × 5 h	299 MW • Andes Solar IIb: 112 MW × 5 h • Virtual Reservoir II: 40 MW × 5 h • Andes Solar IV: 147 MW × 5 h	186 MW • Andes Solar III: 186 MW × 5 h	890 MW

We had more than 5,400 MW of power projects in various stages of development and 877 MW under construction in our portfolio at the end of 2022.

* From the launch of the Greentegra Strategy until December 31, 2022.
Based on projects announced as of December 31, 2022.





Campo Lindo



Projects under construction

Mesamávida

The 68 MW Mesamávida wind project, located in the Region of Biobío and close to Los Olmos Wind Plant, has already begun partial commissioning of 63 MW in 2022. Only 5 MW remain and are expected to enter commercial operation in the first half of 2023.

Campo Lindo

The Campo Lindo project is part of a wind power complex under development in the Region of Biobío with a potential installed capacity of 525 MW. In the fourth quarter of 2020, we began construction of the Campo Lindo wind plant, which will have a capacity of 73 MW. By the end of 2022, it was 99% complete and commissioning tests had already begun.

San Matías

San Matías is a wind power project that proposes the construction of 82 MW of installed capacity in the Region of Biobío. As of December 31, 2022, it has reached 24% construction progress and is expected to be operational during 2024.

Virtual Reservoir II

This new phase of the Virtual Reservoir will include 40 MW of batteries with a 5-hour storage capacity, enough to power more than 100,000 Chilean homes for that period of time. Like Stage I, this storage system will be located adjacent to the Alfalfal I plant in San José de Maipo, Metropolitan Region. As of December 31, 2022, the project was 66% complete and is expected to be operational in the second half of 2023.

We have seen significant intraday price volatility recently, and Virtual Reservoir helps mitigate this while reducing the need for thermal power plants during peak demand periods. These batteries can store up to five hours of renewable energy that is generated during periods of high supply or low demand. Then, during times of high consumption and low production of renewable solar energy, such as at night, they feed electricity back into the system, reducing the need for thermal power plants.

These battery systems not only generate revenue from price arbitrage between off-peak and on-peak periods, but also increase payments for the capacity of the plant where they are installed. There is also future revenue potential from the wide range of ancillary services that batteries can provide to the grid.

Andes Solar IIb and Andes Solar IV

Andes Solar is located in the Atacama Desert, Region of Antofagasta, a location with unparalleled solar radiation and low temperatures that allow us to have a world-class plant factor. This is one of the first large-scale solar projects in Chile to use bifacial technology (generation from both sides of the panel).

In this area, we already have two plants in operation: a 22 MW plant that began operations in 2016 and the 81 MW Andes Solar IIa, which will begin commercial operations in September 2021.

The 180 MW Andes Solar IIb, currently under construction, will include a 112 MW 5-hour storage system (560 MWh of energy). In addition, it will include 10 MW of a new and innovative technology called Maverick, which is a prefabricated, pre-wired solar solution that can be deployed three times faster than traditional photovoltaic systems and uses half the land per MW of current projects. In 2020, AES acquired an interest in 5B, the Australian company that developed the Maverick technology, giving us an additional competitive advantage to meet the needs of our customers in the future and to capture more of Chile's solar potential. Construction of Solar Andes IIb reached 98% progress by the end of 2022.

In addition, Andes Solar IV (238 MW of solar and 147 MW of 5-hour battery storage) is under construction and is 66% complete as of December 31, 2022 (this project includes an expansion of Andes Solar IIb with 27 MW of solar power and 17 MW of 5-hour battery storage).





Andes Solar

→ Projects under development with contract

Andes Solar III (Chile)

Andes Solar III is the third phase of Andes Solar (which already has 103 MW in operation and 2 phases under construction, including batteries, as described in the previous section) in the Region of Antofagasta. It will have 177 MW of capacity and is expected to have 253 MW of battery storage. Construction is expected to be completed in 2026.

Rinconada (Chile)

This wind plant will have a capacity of 258 MW and will be located in the Region of Biobío. Construction is expected to begin in 2024 and the plant is expected to be operational by 2026.

Jemeiwaa Kai (Colombia)

Group of wind plants of 1,149 MW consisting of six projects in the Municipality of Uribia, Department of Guajira: JK1, JK2, JK3, JK4, JK5 and JK6. Located in one of the highest wind resource areas in the world, according to wind measurements taken since 2012, it will provide additional generation to complement the Chivor Plant.

The generation profile of the wind resource in La Guajira complements the hydrology of Chivor, especially during periods of water scarcity. Both projects are connected to the National Transmission System.

The Jemeiwaa Kai portfolio of projects is under development, and during 2022, we were granted the environmental license for JK1 and JK2, totaling 308 MW (as of December 31, 2022, we had announced 264 MW). Notable is its guaranteed transmission capacity of 549 MW. Two projects in the portfolio, JK1 and JK2, already have supply agreements for 255 MW, which were awarded in the Renewable Energy and Reliability Fee auctions.

The entire portfolio of projects under development mentioned above has associated long-term supply agreements, but we have an even larger portfolio of projects under development.



Andes Solar

Other Projects Under Development

Andes Solar IIa BESS (Chile)

This project consists of the expansion of the Andes IIa Photovoltaic Plant, which is already in operation, and seeks to complement the solar plant with a battery storage facility with a capacity of up to 80 MW for approximately 3 hours. The project is located in the Antofagasta region and construction is expected to begin in the second half of 2023.

Pampas

This is a hybrid project located in the Taltal Wind Reserve that considers a mix of solar, wind and BESS technologies with an approximate capacity of 280 MW of renewable generation (120 MW wind, 160 MW solar and 229 MW BESS). Construction is expected to begin in the second half of 2025.

Cristales

This photovoltaic project of at least 187 MW and 267 MW of storage capacity is located in the region and commune of Antofagasta. Construction is expected to begin by the end of 2024.

Terra Renewable Energy

The Terra Renewable Energy project is a hybrid power plant consisting of a wind plant and a photovoltaic plant with a combined installed capacity of 862.5 MW and battery storage. The project currently has final connection approval from the National Electricity Coordinator and is undergoing environmental assessment by the authorities.

Water Desalination Projects

Desalination is presented as a solid alternative to use the synergy of the infrastructure of a coal-fired power plant that will eventually be closed, but also to use it while the plant continues to operate. The technological risk is low due to the development of desalination technology worldwide and the growing demand for desalinated water in Chile, not only for industrial purposes, but also for sanitary, mining and agricultural purposes.

Alba Project

On October 17, 2022, AES Andes submitted for environmental processing a worldwide pioneering initiative that seeks an alternative for the conversion of thermoelectric power plants through the use of molten salts: the Alba Project.

Alba is studying the possibility of replacing the current coal-fired generation of units 1 and 2 of the Angamos thermoelectric plant, located in Mejillones, Antofagasta region, with a molten salt system. With this technology, renewable energy is stored as heat to later provide energy and emission-free capacity to the power system.

The project aims to use molten salts and heat them with electricity from renewable sources, then send them to the steam generator, where they exchange heat with water to produce the steam needed to reach a capacity of 560 MW when both units are in operation.





Angamos Plant

The initiative will act as a large storage system for renewable energy, allowing it to be optimized by providing energy at peak times, such as at night. As such, the project is an excellent complement to solar and wind generation and gives us the opportunity to provide inertia services and flexible renewable capacity. It would be developed using a large part of the infrastructure and the same power line as the Angamos plant.



Angamos Plant

Green Hydrogen Projects

Chile has natural, economic and infrastructural conditions that put it in an excellent position to become a world leader in the production and export of green hydrogen, an emission-free fuel that will be a fundamental part of the country's carbon-neutrality plan.

In this context, AES Andes signed a Memorandum of Understanding with a major international hydrogen producer to conduct a feasibility study for a large green hydrogen-based ammonia production project in Chile. The project has the potential to add more than 800 MW of new renewable energy.

Adelaida Project (green hydrogen project adjacent to Angamos Plant)

In June 2022, AES Andes announced an initiative that represents its first energy project related to the so-called "fuel of the future": the Adelaida Project.

The project is promoted by Empresa Eléctrica Angamos, a subsidiary of AES Andes, and aims at the production, storage, supply at filling stations and distribution of green hydrogen. It will be carried out in the facilities of the Angamos power plant, located in Mejillones, Antofagasta region, and will produce green hydrogen through electrolysis using renewable energy and desalinated water already produced by Angamos.

To this end, a green hydrogen production facility will be built and operated adjacent to the Angamos plant. It will have a production capacity of 1,000 kg/day of green hydrogen, equivalent to 2.5 MW of power, and will have two fueling stations for vehicles that use hydrogen as a fuel, especially for the mining and port industries, among others. Construction will begin in 2023 and the plant is expected to start operations in 2024.

On the other hand, AES Andes announced the launch of the first Green Hydrogen Open Season in Chile on October 26, 2022. The process aims to activate the market and generate a specific demand from companies in the Region of Antofagasta interested in using green hydrogen to make their operations more sustainable, facilitating the conditions for the massive use of this new fuel towards a future of 100% renewable and emission-free transportation.





Citizen Participation Processes 2022
[GRI EU19]

As part of our sustainability strategy, project development is based on an early and ongoing relationship with communities through citizen participation.

In this context, an early citizen participation process (PACA, for its acronym in Spanish) was developed in Chile during 2022 for the Pampas Hybrid Park project, located in the commune of Taltal, Region of Antofagasta.

In the area of indigenous consultation, we continue to make progress on the Rinconada Wind Plant in the Region of Biobío. The resolution of the Environmental Assessment Service (SEA, for its acronym in Spanish) of the Region of Biobío established the start of the plant for November 29, 2021 and during 2022, the SEA advanced in the planning of the process, the development of meetings and the execution of methodological agreements with 10 of the 11 participating families, distributed in the towns of Peñablanca, La Pina and La Colonia. At the time of publication of this Annual Report, this process is in its third phase of execution, which includes providing information, presenting impacts and actions, and promoting internal deliberations to create an atmosphere of dialog and reach subsequent agreements.

The following table shows the projects in which the Early Citizen Participation (PACA), Citizen Participation (PAC, for its acronym in Spanish), and Indigenous Consultation (PCI, for its acronym in Spanish) processes were used throughout 2022.



Name of Project	Type of Project	Region	PACA 2022		PAC 2022 Activities		PCI 2022 Activities		Observations
			Activities	Nº of participants	Activities	Number of participants	Activities	Nº of participants	
Cerro Piedra	Wind	Valparaíso	Not Applicable	Not Applicable	Two meetings were held in the towns of El Batro and Quintay. The PAC was associated with the introduction of Addendum 1 and the opening of a new participatory process by the authority.	35	Not Applicable	Not Applicable	Project withdrawn: November 28, 2022
Rinconada	Wind	Biobío	Not Applicable	Not Applicable	Not Applicable	Not Applicable	This process is managed by the Environmental Assessment Service. It is in its third phase of implementation. Eleven families close to the project are participating in this phase, with whom the project is in the process of informing, internal consultation and dialog.	12	
Pampas	Hybrid	Antofagasta	Two outreach activities were conducted in two different formats, targeting relevant stakeholders. 1. Visit to the project site (August 27, 2022) with the participation of representatives of the 3 Chango associations present in the area of influence (Playita, El Gaucho and El Salitre) to present the project, its main characteristics, findings, impacts, mitigation measures and Voluntary Environmental Commitments. 2. Open House (November 23, 2022). The activity was attended by the inhabitants of the town of Paposo.	36	Projected for 2023	Not Applicable	Not Applicable	Not Applicable	

As part of the environmental processing for the Terra Renewable Energy Wind and Solar Plant Project, participatory routes were conducted during 2022 in which groups of Changos -recognized in late 2020 by Law No. 21,273 as the tenth indigenous people under Chilean law- from the town of Paposo, Antofagasta region, identified their current and past sites of cultural and productive importance. This included field visits to the settlements of Salitre, El Gaucho, Playita, and Finao Loreto, which allowed for the collaborative production of cartographies of the occupied territory.

The work carried out has revealed a long history linked to the sea and its resources, through fishing or gathering on the coast, animal husbandry, fruit growing, mining, cultural practices, along with the identification of a large number of archaeological remains.



Finao Loreto Settlement

→ Information gathering, routing and participatory mapping campaigns

Organization	Participatory routing	Cartographies
GHPPI El Gaucho	14	7
GHPPI Finao Loreto	9	14
GHPPI Playita	3	6
GHPPI Salitre	8	8
Total number of participants	34	35

GHPPI: Human groups belonging to indigenous peoples.

2.5 Community Relations

[GRI 3-3]

In 2022, AES Andes' commitment to the community was marked by a return to a face-to-face presence that had been interrupted by COVID-19 during the most critical period of the pandemic. In the case of Chile, the various projects throughout the country have allowed us to continue strengthening the relationship with the communities in the area of influence of these projects, in a permanent and very important work.

→ Mechanisms for Communication with the Communities

Chile

In the case of Tocopilla and Mejillones, operations resumed with the safety measures suggested by the health authorities. The joint work was mainly framed in meetings with both municipalities to identify and evaluate the needs of their communes in the pillar "education and training for employability", with programs such as: Employability training in Mejillones and pre-university training in Tocopilla, among others. In addition, the Company personally participated in the working groups organized by the Ministry of Energy for the decarbonization process of Tocopilla, called Socio-Ecological Just Transition at the municipal and regional levels.

In Puchuncaví and Quintero, through the Community Relations team in the field, we conducted dialogue programs with social leaders and communities as part of the Open Doors program. In the sector, we have several communication channels, such as an AES Chile Foundation customer service office, telephone line and social networks, and together we develop programs such as: Sustainable Caletas Program, Competitive Fund, Employability and Pre-University Training, among others.

In San José de Maipo, we continued to develop the Participatory Monitoring Program. This instrument, which became independent during the year, is intended to be a meeting between neighbors to monitor relevant issues: environment, water, road safety, among others. Visits to the Alfalfal Power Plant and the Alto Maipo Nursery were also resumed, and regular meetings were held with various social organizations to inform them about existing programs, such as the Business Strengthening Program, the Employability Training Program, and the Competitive Fund (see details on the following pages).

In addition, the social investment program "Cajón Elige" (Cajón Chooses) began to be developed with a civic perspective. Through the participation of all the actors of the commune, proposals for the development of tourism in the commune of San José de Maipo will come to life. To this end, 16 briefing meetings were held, 106 participatory workshops were attended by 206 people, and 6 meetings were held with local authorities.

Procedures for queries and claims:

[NCG 461 3.6]

Both the plants in operation and the projects under construction have a query and complaint system. In the case of the Campo Lindo, San Matías and Mesamávida wind plants, this system continued to be implemented in 2022 and was shared with community organizations in the various areas impacted by the projects.

The queries and claims procedure establishes an internal management that seeks to:

- Provide claimants with an effective and efficient process for responding to their inquiries and/or claims based on transparency.
- Provide a simple and accessible process for receiving and resolving inquiries and/or complaints.
- Establish a process to ensure that issues are handled confidentially and that the identity of the complainant is protected.
- Provide an anonymous mechanism if needed
- Complement and strengthen the community relations process.
- Ensure timely response.
- Ensure that there are multiple channels for receiving and communicating inquiries and/or complaints, as well as approaches to resolution.

In the case of AES Andes in Chile, we also have communication instances through the complaints mechanism, which can be reviewed in Chapter 3.

Contribution and Commitment to Local Development

[GRI 201-1, 203-1, NCG 461 4.2]

Chile

Our Social Investment Strategy

The AES Chile Foundation is the entity responsible for implementing our social investment strategy, with the mission of designing and collaboratively implementing programs that contribute to the social development of the communities in which our operations and projects are located. During 2022, it was present in Mejillones, Tocopilla, Ovalle, Puchuncaví, San José de Maipo, Mulchén and Los Ángeles.

The areas in which our programs are developed are related to contributing to local development and seek to contribute to the growth and sustainability of communities in three areas: technical education and training, development of community-use infrastructure projects, and local development and entrepreneurship. We also develop programs to support sports, culture, the environment and energy efficiency. As of 2022, gender equality will be included as a transversal axis of this management.

Our priorities are consistent with the UN sustainable development goals (SDG):

Contribute to Local Development:



We believe that investing in people is the best way to improve the lives of our society and the communities in which we operate.

Goals

Relation with the Sustainable Development Goals (SDG)

Ensure that all women and men have equal access to affordable and high quality technical, vocational and higher education, including university education. Increase the number of youth and adults with the necessary skills, especially technical and vocational skills, for employment, decent work and entrepreneurship.

Education and Training



We believe in entrepreneurship as a way to empower and develop the local communities where we operate and work.

Goals

Relation with the Sustainable Development Goals (SDG)

Development of productive activities, creation of decent jobs, entrepreneurship, creativity and innovation. Encourage the formalization and growth of micro and small businesses.

Development of Community Infrastructure Projects



We contribute to improving people's quality of life by providing access to safe, resilient, inclusive and sustainable environments.

Goals

Relation with the Sustainable Development Goals (SDG)

Develop projects for inclusive and sustainable urbanization projects. Provide universal access to safe, inclusive and accessible green and public spaces, especially for women and children, the elderly and persons with disabilities.

100% of AES Andes operations have social investment and community participation programs.



Social Investment 2022*

[GRI 201-1, 203-1]

Scope	SDG	Investments in CLP$	Beneficiaries
Education and training	4	$411,562,091	2,569
Local development and employment	8	$489,799,531	15,758
Community-use infrastructure projects	11	$476,529,790	2,218
Affordable and non-polluting energy	7	$59,328,048	631
Total		$1,437,219,460	21,176

* Social investment of AES Andes in Chile.

AES Andes' social investment in Colombia was COP$ 7,585 million in 2022.

In 2022, we donated CLP$ 130,720,539 to the communities in Chile to support culture and the environment.

Our Neighbors

[GRI 203-1, 203-2, 413-1, NCG 461 4.2]

In Chile, during 2022, we carried out 44 social investment programs and initiatives.

• Tocopilla - Mejillones, Region of Antofagasta

In line with our commitment to support the community of Tocopilla in the area of education, we have implemented two programs:

• "Desafío de Aprender Tocopilla", whose objective was to restore the physical and mental self-image of students in nine educational institutions in the community, as a way to mitigate the effects of the pandemic on the educational community, and to train teachers in the development of psycho-emotional skills to transfer to students and improve the climate of coexistence in the school, among other things. The program benefited 804 students and teachers and was carried out through face-to-face and hybrid workshops between August and December of the reporting year. The social investment of this program amounted to CLP$ 53,553,864.

• "Pre-University Tocopilla" sought to promote the access of fourth-grade students to higher education. The program was aimed at 60 young people, mostly from disadvantaged backgrounds, from two high schools in Tocopilla, to prepare them for the Higher Education Entrance Examination (PAES, for its acronym in Spanish) in Language and Mathematics through 17 weeks of online classes.

Employability Training Program

An important contribution to the neighbors of Mejillones in the context of employability training materialized during the second semester of 2022 with the courses "Basic Computer Tools", "Security Guards", "Gas Plumbing" and "PVC Thermofusion Plumbing". The four courses were attended by 76 people, 59% of whom were women, for a total of 210 consolidated hours.

• Ovalle, Region of Coquimbo

Los Cururos Wind Plant Participatory Fund

This participatory fund is part of the commitments undertaken in the cooperation agreement signed in 2022 between Parque Eólico Los Cururos SpA and the Municipality of Ovalle. Its objective is that the communities and social organizations located in the

Los Cururos Training





Los Cururos Wind Plant

Agricultural Community of La Cebada have access to training and have the resources and tools to carry out their projects, which is achieved through a fund for community organizations and another for entrepreneurs.

The participatory fund aimed at social organizations supports local development projects for community benefit with a funding amount of CLP$ 15,000,000, in the areas of:

1. Infrastructure and equipment of spaces for community use.
2. Strengthening of local identity.
3. Support for initiatives to promote healthy lifestyles and sports.
4. Environmental care, energy access and energy efficiency.
5. Education and Training.

In the second half of 2022, the social organization Comunidad Agrícola La Cebada was awarded the social project "Un nuevo espacio de atención de salud para nuestra comunidad", which will build a rural medical station for the inhabitants of La Cebada, about 250 people living there on a permanent basis and up to 500 in the summer.

The participative fund for entrepreneurs finances projects in the following areas:

a) Promotion and development of productive activities or services that enhance the locality of La Cebada, in the areas or services in which it has particular strengths.

Scope: Support for the strengthening and reactivation of established businesses that can demonstrate seniority and sales.

b) Support for the development of business ideas for undertakings that do not have a proven track record of sales.

This program included training and mentoring in a series of business plan development workshops for 10 entrepreneurs in the community, who were awarded CLP $500,000 to implement their plans in 2023.

Governance of Los Cururos Wind Plant Participatory Competitive Fund

The definition of the winning projects will be determined by a Local Council, chaired by the Mayor of the Commune and composed of the President of the Agricultural Community of La Cebada, Jaime Hidalgo; Jaqueline Cortés, President of the Neighborhood Council of El Teniente Bajo; Judith Fernández, head of Community Development of AES Chile; and Javier Varas, Operations Manager of Los Cururos Wind Plant.

• Quintero and Puchuncaví, Region of Valparaíso

Pre-University Program for higher education entrance examination and support for higher education students.

The Pre-University Program has been running for eleven years, providing scholarships to 30 students who are in their fourth year at one of the two high schools in the commune of Puchuncaví, with good scores and in conditions of social vulnerability. The goal is to help them prepare for higher scores on the Higher Education Entrance Examination, thereby increasing their opportunities for access to higher education. The social investment for this program in 2022 was CLP$ 10,500,000.

Similarly, and with the aim of helping young people from Puchuncaví broaden their professional horizons and be able to choose quality jobs in the future, since 2012, in collaboration with other public and private companies, we have been awarding 200 scholarships annually to support local young people pursuing higher education. In 2022, a scholarship of CLP$ 250 thousand was also awarded to partially offset the expenses incurred by young people and their families to pursue higher education. The investment made for this program was CLP$ 20,000,000.

"Alumnos Dual" Program

In order to contribute to the training of qualified and experienced technicians, the Ventanas plant opens its doors every year to young students from the technical schools of the Puchuncaví district who need to complete their internships. In this way, the Company also contributes to the employability of local people by giving them the opportunity to gain the practical experience necessary to obtain a technical degree. During 2022, a group of 9 young people participated in this program at the Ventanas Complex.

Employability Training Program

With the help of the SENCE work scholarships, we carried out the personal training course "Assembly of Photovoltaic Solar Systems" for the inhabitants of the commune of

During the 11 years we have been implementing the Pre-University Program and Scholarship for Higher Education Students, we have helped more than 2,700 young students from the commune of Puchuncaví, with a total investment of more than CLP $370 million.

Puchuncaví. This course, which was attended by 20 people, included 140 hours of training and a per diem of CLP$ 3,000 for each day of classes attended and a per diem of CLP$ 200,000 for the purchase of tools for each participant. The target audience was men and women, mainly from the 80% of the commune's most vulnerable and unemployed population. The course was passed by 100% of the participants.

On the other hand, due to the need and interest of adults and seniors that arose during the pandemic to be connected and trained to access certain procedures and social services digitally, five digital literacy courses were held. A total of 63 people from the commune of Puchuncaví participated, mostly women.

Sustainable Caletas Program for Fishers of Bahía de Quintero

We have been developing the Sustainable Caletas Program since 2019. This is a social program that is the result of a joint labor agreement between the fishermen's unions of the caletas located in Bahía de Quintero belonging to the communes of Quintero and Puchuncaví (Translators' Note: A caleta is a productive, economic, social and cultural unit for artisanal fishing and other activities related to artisanal fishing) and AES Andes in Chile, whose main objective is to identify and carry out initiatives that contribute to the sustainable development of the extractive work and complementary activities of fishermen, divers and shellfish collectors. Through this program, five infrastructure and equipment projects were carried out in 2022 for the caletas called El Manzano, El Embarcadero, Papagayo, and the union called Por la razón o la fuerza in the commune of Quintero, and the fishermen's caleta called Las Ventanas in the commune of Puchuncaví.

The total investment was CLP$ 176,411,800 and benefited more than 238 fishermen, divers and shellfish collectors, laying the foundation for a transparent, permanent, mutually beneficial and long-term relationship with those who share the use of the bay.

Support Program for Artisanal Fishing in Bahía de Quintero and Puchuncaví

Social program aimed at promoting the development of the work of artisanal fishermen, strengthening and consolidating productive artisanal fishing initiatives, adjacent or related activities, with the potential to become sustainable and self-managed businesses, whose execution is carried out in a safe and sustainable manner. In 2022, we signed new agreements to support the 12 fishermen's unions in these communities. This support program financed the development of projects carried out by the union organizations themselves, such as the improvement of caletas, the purchase of nets and safety equipment for boats, and the improvement of fishing and diving conditions developed by the union's fishermen members. The total amount of social investments reached CLP$ 55 million.

In addition, we have a community manager who, through weekly meetings, provides advice and ongoing support to advance the development of projects in terms of management and involvement with public and private entities necessary to achieve their implementation.

"Puertas Abiertas" Program

Since 2017, we have been carrying out the program of visits to the Ventanas power plant and El Pangue (ash deposit of the complex, located in Fundo El Pangue) for the neighbors of the communes of Puchuncaví and Quintero. The goal is to show the facilities and the energy generation process in an interactive day where visitors can ask questions and clarify doubts. In 2022, we welcomed 97 people and to date more than 1,700 people have visited the plant.

Competitive Funds Puchuncaví

The Puchuncaví Competitive Fund is the result of the joint work between the municipality of the commune and AES Andes, which in 2014 signed the regulation that establishes the bases of the program with an annual amount of UF 4,711 for ten years of validity.

In early 2022, the results of the eighth version of this fund were announced and 20 projects were awarded. The social investment amounted to CLP$ 64,880,058, which directly and indirectly benefited approximately 2,240 neighbors.

Between August and October of the same year, the call for the 9th edition of the Puchuncaví Competitive Fund took place. At the meeting, the focus areas were reformulated and the following were established: 1) Care for the environment, 2) Social development and initiatives that promote culture and protect the commune's heritage, 3) Support for initiatives that promote healthy living and sport in its various disciplines, 4) Energy and water efficiency, 5) Community/neighborhood safety, 6) Entrepreneurship and development of productive or service activities that generate local employment, tourism and strengthen the commune of Puchuncaví. The initiatives could be presented in connection with community-use infrastructure projects and, if so, they had to develop a social and educational project. It was also established as a requirement that the projects should include a gender perspective. Thirty-five initiatives from 11 towns in the commune were awarded, representing a social investment of CLP$ 248,089,233 that will directly and indirectly benefit approximately 4,800 neighbors.

Governance of Puchuncaví Competitive Fund

The definition of the awarded projects is made by a committee chaired by the mayor of the commune, Marcos Morales, and composed of equal numbers of representatives of the municipality and AES Andes. The following are present: a council member appointed by the Municipal Council; the director of Community Development of the Municipality, Carolina Villalón; the director of the Community Planning Secretariat, Sebastián Ponce; the director of Municipal Works, Eduardo Ortiz; the Municipal Secretary, Juan Carlos González; the Development Manager of AES Andes in Chile, Francisco Javier Jáuregui, the Vice President of Corporate Affairs, Mariana Soto, the Director of the Environment, Juan Carlos Monckeberg, the Manager of the Centro Complex, Marcelo Morales, the Communications Manager, Karin Niklander, and the head of Community Management of the Centro Complex, Judith Fernández.

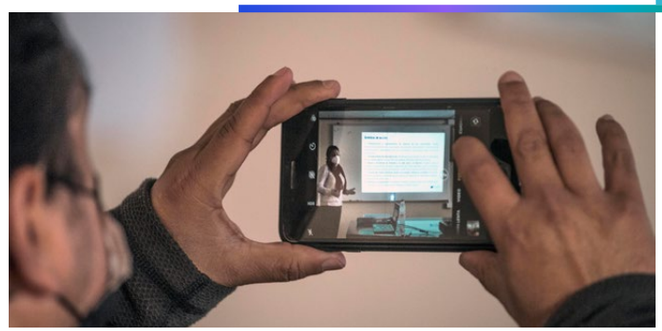
- San José de Maipo, Metropolitan Region

Contribution to Local Development: Business Strengthening Program

Since 2016, we have been implementing the Business Strengthening Program in San José de Maipo with local entrepreneurs who provide services to the Alto Maipo Hydroelectric Project (currently in operation). Within the framework of this program, in the year 2022 we carried out the Learning and Coaching for Entrepreneurs "PACE" program with the participation of 25 people. Its purpose was to develop and empower entrepreneurs, for which a network of basic knowledge was developed to carry out any venture. In addition, we guide participants through a group coaching process to awaken the entrepreneurial *mindset*.

Employability Training Program

As we have been doing since the beginning of the Alto Maipo Project in the commune of San José de Maipo, we carry out the Employability Training Program. Courses on Assembly of Photovoltaic Solar Systems, Orientation and Customer Service, Bee Pollination, Floating and Ceramic Flooring Installation, and Air Conditioning Maintenance were conducted in person, with a total of 50 participants and 180 hours of training. The trainings were selected based on the needs expressed by the community and focused primarily on new trades. The participants, according to the focus of this program, were the residents of the commune over the age of 18 who belong to the 80% of the most vulnerable according to the Social Household Registry.



In its 10 editions, the Alto Maipo Scholarship has awarded 551 scholarships for higher education, 68 scholarships for outstanding athletes and 11 scholarships for artistic talent, for a total of 630 scholarships, with a social investment of $497,600,000.

Alto Maipo Scholarship Contribution

We carried out the tenth edition of the Alto Maipo Contribution Scholarship Program, which each year provides an economic incentive to higher education students residing in San José de Maipo who have good academic performance and belong to households with low income or greater socioeconomic vulnerability, according to the Social Household Registry of the Ministry of Social Development.

On this occasion, 93 students were benefited, of which 82 were in the category of higher education. Of these, half were scholarship renewals and the other 41 were new scholarship recipients. 1 scholarship was for artistic talent and 10 were for outstanding athletes. The social investment in this area for the year 2022 is equivalent to CLP$ 74,400,000.

San José de Maipo Competitive Fund

In 2009, Alto Maipo, AES Andes (then AES Gener), the Municipality of San José de Maipo and the Community Council of Neighborhood Associations began a process of dialogue that resulted in the execution of a social agreement that laid the foundation for two programs:

Promotion of Local Employment and Social Program.

Composed of the San José de Maipo Competitive Fund, which since 2012 and for 30 years will finance scholarships and projects of social organizations and entrepreneurs with an annual social investment of UF 5,807.

Funding was provided for the following areas:

- Education and Training
- Social, Tourism and Cultural Development and Community-Use Infrastructure
- Support to sports in its various disciplines
- Promotion and development of productive activities or services that enhance the commune in the areas where it has particular strengths

In the 10th edition of the San José de Maipo Competitive Fund, 64 projects were awarded, of which 26 went to social organizations and 38 to businesses in the main sectors that characterize the commune: tourism, gastronomy, handicrafts, beekeeping, among others.

In its ten versions, the total investment of the Competitive Fund amounts to CLP$ 1,106,279,660, awarded to 498 projects; more than 60% of them correspond to entrepreneurial projects, divided into those who started with a business idea and those who work in established companies.

Governance of the San José de Maipo Competitive Fund

The definition of the awarded projects will be made by a Local Council, chaired by the Mayor of the Municipality, Roberto Pérez, and composed of the Presidential Delegate of the Province of Cordillera, Councilman Franco Manzano; the President of the Municipal Union of Neighborhood Councils, Rosa Emilia Sanzo; the president of Cajón del Maipo Football League, Claudio Miranda; the President of Unión Comunal de Adultos Mayores, Jimena Flores; the Vice President of Corporate Affairs and Sustainability of AES Chile, Mariana Soto; and the Operations Manager of AES Chile, Norberto Corredor.

Participatory Monitoring Program

Since 2014, Alto Maipo has been developing the Participatory Monitoring Program (PMP) in the commune, in which neighbors are part of panels in the areas of road safety, social commitments, local employment and suppliers, water, and the environment. At the beginning of 2021, the panels were merged into one.

Participants monitor the work being done in these areas by making site visits, giving regular presentations to update the project, and participating in extended meetings. During 2021 and due to the effects of the pandemic, the Participatory Monitoring Program continued to develop virtually and the



Neighborhood Council Rapelco



Neighborhood Council Sol de Septiembre

panelists began to prepare themselves through workshops and panel sessions to create an independent social organization that would support continued monitoring during the operation of Alto Maipo. The independent social organization was founded in 2022.

Since its inception, the PMP has held 180 meetings with a total of 1,898 attendees.

• Mulchén, Region of Biobío

Participatory Global Fund Los Olmos Wind Plant

We implemented the first Global Participatory Fund to develop community initiatives in six areas:

1. Education and Training.
2. Infrastructure and equipment of spaces for community use.
3. Strengthening of local identity and community development.
4. Support for initiatives to promote healthy lifestyles and sports.
5. Local community development and entrepreneurship.
6. Environmental care and energy efficiency.

The social investment committed for this Fund is CLP$ 37,000,000 per year, for 25 years, for the localities in the area of influence of the wind plant, represented by the following social organizations:

- Malven Colhue Indigenous Association
- San Luis Malven Local Development Committee
- Aurora de Enero Neighborhood Council
- Araucano Neighborhood Council
- Rapelco Neighborhood Council
- Sol de Septiembre Neighborhood Council

The Global Participatory Fund process this year included the participation of an external consultant with expertise in the area, who conducted 6 project development workshops for nearly 100 neighbors of the sites.

"Puertas Abiertas" Program

The activity, called "Open Doors to the Community", is part of the information work that we carry out and is mainly aimed at informing the neighbors about the operation of the Los Olmos Wind Plant and its environmental commitments related to the operational phase.

During 2022, educational institutions and universities such as Inacap visited the facilities. Fifty students from the Renewable Energy Career Center visited the wind plant together with the Career Director of the Los Angeles office. This is part of the work we have been doing with this university for the past year, which includes training and knowledge transfer on issues related to renewable energy development. Also during the year, representatives of the communities and neighbors of the commune of Laja visited these facilities as part of the Indigenous Consultation of the Rinconada Wind Project. Los Olmos was also visited by representatives of the Neighborhood Council of Las Trancas, from the area affected by the Campo Lindo wind plant project. A total of 66 people were accepted into the program in 2022.

• Los Ángeles, Region of BioBío

Community initiatives in the area affected by the Mesamávida Wind Plant Project

As part of the agreements signed with the four neighborhood councils in the area of influence of the Mesamávida Wind Plant Project, initiatives related to the development of safety projects, the use of renewable energy



Araucano Neighborhood Council

and the improvement of community infrastructure will be carried out during 2022.

The following organizations represent the communities in the plant's area of influence:

1. San Manuel Neighborhood Council.
2. Paso de Arena Neighborhood Council.
3. Mesamávida Neighborhood Council.
4. San Francisco Cuel Neighborhood Council.

"Puertas Abiertas" Program

To learn about the construction progress and environmental commitments of the Mesamávida wind plant, we hostedtours in 2022 for educational institutions, community members, representatives of the four neighborhood councils in the area of influence, and other social organizations.

Also part of this initiative, with a total of 53 participants, were the first year students of the electrical and electronics technician career path from the AIEP Professional Institute, Los Angeles Branch. The program has been running since 2021 and its purpose is for students to learn about the construction process and generation of the wind plant.

Employability Training Program

Fifteen residents of the communities affected by the Mesamávida wind plant participated in a Course on Hoist Management and Control as part of the Employability Training Program. The 100-hour course was designed to improve the quality and efficiency of the company's workforce and included a personal skills development program that addressed employability, effective communication and teamwork.

In addition, more than 30 neighbors participated in Digital Literacy, English, and Effective Communication trainings, which were conducted online during the first semester - with participants receiving a smartphone - and in person during the second semester.

Community initiatives in the area of influence of Campo Lindo Wind Plant Project

As part of the construction phase of the Campo Lindo Wind Plant, located in the municipality of Los Angeles, "Cooperation and Mutual Benefit" agreements were signed with four of the five social organizations in the area of influence. The goal is to create a mechanism for collaboration and communication aimed at developing actions that will contribute to improving the quality of life in the area surrounding the project.

The following organizations represent the communities in the plant's area of influence:

1. Rarinco Los Robles Neighborhood Council.
2. Allipén – Las Trancas Neighborhood Council.
3. San Antonio Las Quintas Neighborhood Council.
4. Candelaria Virquenco Neighborhood Council.
5. Arrayán Las Violetas Neighborhood Council.

Visit to Mesamávida Wind Plant



Candelaria Virquenco signed its agreement at the end of 2022 and Arrayán Las Violetas is in the process of signing.

The agreements consider:

• Trust Fund:
During 2022, the Annual Trust Fund continued to be awarded to signatory organizations. The objective is to finance activities related to social and community development, with a social investment of CLP$ 4,500,000. The organizations that managed their funds were San Antonio Las Quintas Neighborhood Council, Rarinco Los Robles Neighborhood Council and Allipén - Las Trancas Neighborhood Council.

Noteworthy is the project of the Rarinco Los Robles JJVVV, which requested funds to make improvements to its headquarters, mainly the renovation of the floor.

• Community Infrastructure and Development Plan: Fund that provides a contribution of CLP $20,000,000 to communities in the area of influence to fund community infrastructure in the area.

In 2022, the San Antonio de Las Quintas Neighborhood Council made significant improvements to its community infrastructure with the construction of a shed for meetings and activities developed by the sector's communities.

"Puertas Abiertas" Program

Guided tours of the Campo Lindo Wind Plant project facilities were conducted to inform the community about the construction process and its contribution to the community, promoting the use of renewable energy and our commitment to Greentegra.

During 2022, 71 neighbors visited the facilities, including representatives from educational institutions such as AIEP and from communities within the Los Angeles Community's sphere of influence.

Employability Training Program

In order to strengthen trust with the community and contribute to the educational trajectories of the residents of the Las Trancas sector, a series of training sessions were held on various topics of interest to the Allipén Neighborhood Council. There was a high and active participation in the following courses:

Course	Participants
Recycling and Vermicomposting	20 neighbors
Employability Module	30 neighbors
Basic English	20 neighbors
Organic Garden Workshop	20 neighbors
Energy Efficiency Workshop	15 neighbors
Leadership Workshop	15 neighbors
Digital Literacy	15 neighbors
Project Proposal Workshop	15 neighbors

Community initiatives in the area affected by the San Matías Wind Plant Project

Cooperation and Mutual Benefit Agreements

As part of the start of the construction phase of the San Matías Wind Plant in the city of Santa Fe, commune of Los Ángeles, nine agreements were signed with the community organizations that live in the project's area of influence:

1. Millantu Neighborhood Council.
2. El Porvenir Neighborhood Council.
3. Santa Fe Neighborhood Council, No. 45.
4. Rarinco Los Robles Neighborhood Council.
5. Victoria de la Candelaria Neighborhood Council.
6. Social and Cultural Action Organization, Sol de Rarinco Advancement Committee.
7. Las Quilas Advancement Committee.
8. Social and Cultural Action Organization, Los Sauces Advancement Committee.
9. Acampao Sur Advancement Committee.

This is in addition to the Collaboration Agreement signed in 2020 with the Asociación Indígena Las Newenches de Santa Fe, which aims to develop actions to maintain and improve the quality of life of the Association's members, as well as the protection, promotion and development of their culture.

Employability Training Program

As part of the project's voluntary commitments, a beekeeping training and strengthening program has been initiated in Santa Fe. During the year 2022, three bi-weekly training sessions were held to provide knowledge to transform small-scale beekeeping into a system that produces better results, as well as an evaluation of the participants and their stage of development in the industry. Twenty beekeepers from the area participated in 64 hours of training.



→ Colombia

[GRI 203-1, 203-2, 413-1; NCG 461 4.2]

• Tenza Valley - 10 communities affected by the Chivor (1000 MW) and Tunjita (20 MW) hydroelectric power plants.

Road Infrastructure Projects

Since 2006, with an average annual investment of COL $2,300 million, several projects have been implemented, benefiting approximately 6,500 people. During 2022, more than 15,000 people benefited directly and indirectly from contributions to inter-municipal agreements and/or interventions on busy roads. In the same year, 90% of the municipalities were covered with the signing of 28 donation agreements through the Competitive Fund and 10 additional agreements with community organizations, municipalities and NGOs for the development of works such as footpaths, bridges, pontoons and maintenance of rural roads. In total, funds were donated for the construction of 1,593 meters of footpaths, 6 water management works and the maintenance of 3 footbridges. There is also an interinstitutional agreement for the preparation of studies and designs for the rehabilitation and paving of an intermunicipal road, necessary to formulate the project and manage the resources at the regional and national levels.

Productive Projects

Tescafé

Program that since 2018 provides technical assistance, support for the establishment of differentiated commercial channels, strengthening of associations and resources for the planting and production of coffee, benefiting producer associations in the municipalities of Garagoa, Somondoco, Macanal, Guayatá, and Sutatenza.



tescafé



CACAO +

Created in 2011 to provide training, technical assistance, inputs and support to 44 cocoa farming families, while seeking to protect 2 species of migratory birds.

In 2022, 161 coffee and cocoa producers benefited from technical training in coffee quality, organic fertilizer production and technical crop management (coffee harvesting and processing), while cocoa producers focused on topics related to chocolate bar production (beam to bar), cocoa processing protocol and crop improvement process.

CACAO +





Sonrisas de Navidad ("Christmas Smiles")





Redtur Event

Nature Tourism Project: "RedTur Esmeralda Biodiversa"

This project was born in 2020 with the aim of promoting productive ventures around nature tourism and protecting the natural capital of the region, as well as articulating and forming a regional tourism network made up of 45 social actors from 5 municipalities. In 2022, Phase 3 of the project will culminate with the closing of the internal agreements to seek the sustainability of the "RedTur Esmeralda Biodiversa", the formulation of the Regional Tourism Product and the tourism packages to begin marketing in an articulated manner. New actors were integrated into the network and supported in formulating their tailor-made development plans.

In addition, progress was made in the Strategy for the Organization of Tourist, Environmental, Cultural and Transportation Activities for Communities in the La Esmeralda Reservoir with more than 15 institutional and private actors, signing the Agreement of Wills that seeks to articulate actions for an organized growth in these issues of general interest.

Environmental Projects

Protection of Waste Lands and Wetlands

Since 2006, AES Colombia has protected more than 1,780 hectares of tropical rainforest adjacent to its generation infrastructure in Colombia, and since 2016, we have purchased and sold more than 662 hectares of high Andean forest for the restoration and conservation of the Integrated Management Risk Districts of Cristales, Castillejo and Mamapacha in the department of Boyacá. In 2022, actions were carried out to isolate the acquired properties to improve protection, and activities were developed to strengthen organizations or groups that develop actions for sustainable use of natural resources (ecotourism) or activities related to scientific tourism. As part of these activities, local guides have been trained in carrying capacity, bird watching, and the relationship between birds and plants. Actions have also been initiated to strengthen productive projects with solidarity groups that will start beekeeping activities on the protected lands.

Environmental Research Project:

In late 2021 and throughout 2022, AES Colombia conducted a hydrological characterization of the watersheds associated with the Chivor hydroelectric plant. This was developed downstream of the power generation process and identified some specific conditions in the receiving basins of the turbined waters, which showed deficiencies in some species during the sampling period, apparently due to the natural conditions of the basin. In the watershed receiving the spill, some positive bioindicators were found that should be monitored to assess the condition of the watershed.

Social Assistance Projects

Sonrisas de Navidad ("Christmas Smiles"):

Since 2010, AES Colombia and its collaborators have been making contributions to help less fortunate populations (children in rural areas and, this year, the elderly) during

ASODEC CASTILLA

Solar Grazing with Sheep



the Christmas season. In 2022, 100 wardrobe kits were purchased and donated for grandparents in retirement homes in four communities near the power generation infrastructure.

• Municipality of Castilla la Nueva and the towns of Betania, Cacayal and Chichimene in the Department of Meta - Zone of influence of the Castilla and San Fernando Solar Plants.

Female Employment: 38% of the workers hired to build the San Fernando solar project were women.

Productive Project for Women's Entrepreneurship:

An agreement was signed with ASODEC Castilla (composed of 14 local associates - 12 women and 2 men) to implement the productive project "Pastoreo Solar" with sheep, using 100% of the area of the Castilla Solar Plant for the breeding and fattening of more than 110 sheep. They are currently in the installation and growth phase and will later consider the use of live or processed sheep meat.

Support to Productive Projects of Women's Associations:

The six productive projects carried out by women from the women's collectives of Castilla la Nueva were supported and monitored. During this phase, support was provided for the consolidation of inventories and administrative and fiscal management, ensuring that 4 of the 6 projects were active and developing their economic activities.
(2 were paused for external reasons).

• Municipality of Aipe, Department of Huila - Zone of influence of the Brisas Solar Plant

During the construction of the Brisas Solar Plant, between April and December 2022, more than 285 new jobs will be created in the region, of which 11% will come from the area of direct influence, 62% from other areas and the urban center of Aipe, and only 25% from the national level. In other words, more than 200 jobs (73% of the total) directly benefited the project's neighbors. On the other hand, 22% of the total labor force were jobs held by women and 35% were jobs held by young people between the ages of 18 and 28.

By the end of the year, social investment alternatives had been identified and the process of reaching agreements with local partners was underway.

• Municipality of Uribia, Department of La Guajira in the area of influence of the Jemeiwaa Ka'l wind projects

Water Route:

This project began in 2017 and seeks to benefit 60 settlements with the periodic supply of water. In 2022, approximately 10.8 million liters of drinking water were delivered to the communities.

Other Social Assistance

Since 2017, Jemeiwaa Ka'l has supported approximately 6,000 indigenous people in the Wayuu community with assistance for their funeral rites and basic improvements to their community infrastructure.

2.6 Environmental Performance

[NCG 461 8.1.3]

We are aware of the impact of our activities on the environment and pay particular attention to environmental protection and the efficient use of natural resources to meet energy needs.

Our Environmental Department in Chile is responsible for the region (Chile, Argentina and Colombia) and provides specialized support to the managers of each business through field-based professional teams and a senior staff based in Santiago. Support is provided for the entire life cycle of a project (development, construction, operation, and closure).



Queltehues

→ Climate Change

[GRI 3-3, NCG 461 4.2]

Our commitment to climate change management is consistent with AES Corporation's latest Climate Scenario Report (2021), which incorporates the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and third-party scenarios and describes the resilience of our operations under a variety of scenarios, including updated scenarios published by the International Energy Agency (IEA) and the United Nations Intergovernmental Panel on Climate Change (IPCC). More details in Chapter 1, Risk Management, Sensitivity Analysis and Stress Tests.

Through our Greentegra strategy, we are committed to concrete efforts to combat climate change, as outlined in Chapter 1, Our Purpose, Accelerating the Future of Energy Together. To accelerate the energy transition in Chile, Colombia and Argentina, we have started the environmental assessment of renewable energy projects as shown in the table below.

→ Projects currently under environmental review

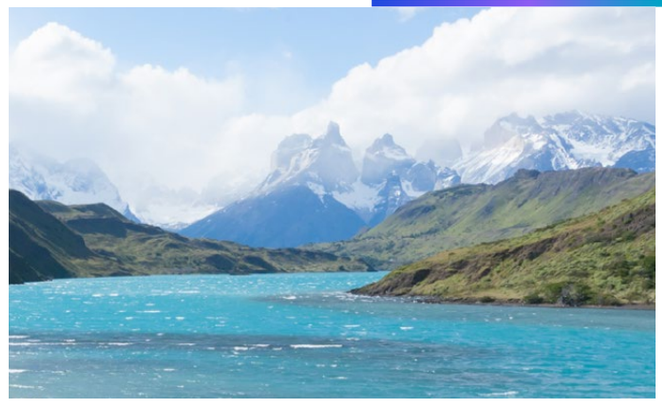
Project	Environmental Assessment
Wind Projects	3
Solar + Wind Project	1

The Blue Carbon (ocean carbon sequestration) research project, which aims to evaluate the potential of brown macroalgae as carbon (CO_2) sinks and is being carried out by the Center for Applied Ecology of the Universidad Católica, continued during 2022. During the year, we continued to systematize the information gathered from interviews with experts in three key groups: researchers, NGOs and public services, in order to fill information gaps in these priority ecosystems on topics such as biomass, carbon cycles, vulnerabilities and threats, benefits for the resilience of coastal communities and society, and management options.

Registered Carbon Credits

We incorporate the Carbon Credit Market, an international mechanism designed to promote the reduction of greenhouse gas emissions into the atmosphere, into our renewable generation projects. Currently, we have recorded a total of 2,214,835 tons of estimated annual CO_2 and are reporting an additional 335,599 tons of CO_2 per year through the early consideration criterion. Details are shown in the table of registered carbon credits.

In 2022, the process of verifying and certifying the carbon credits for the period 2016 to 2021 of the Los Cururos wind plant was completed, thus obtaining the certification of the first credit period of the wind plant. During the year, we continued with the renewal of the credit period for the years 2021 to 2028 in Gold Standard, which is expected to be completed in the first quarter of 2023.



In 2022, AES Andes obtained approval of the methodology for certifying battery energy projects as Clean Development Mechanism (CDM) emission reduction initiatives under the Kyoto Protocol, currently one of the most widely used methodologies worldwide for developing greenhouse gas emission reduction projects. This will allow us to certify battery-backed renewable energy projects as greenhouse gas emission reduction projects under the main international standards.

Environmental Key Performance Indicators

Key Performance Indicators (KPIs) defined in the business units allow the monitoring and evaluation of the Company's environmental objectives. The information is entered into the INTELEX system, AES Corporation's monitoring platform, on a quarterly basis.

The information used to develop the indicators was audited locally for AES Andes and its subsidiaries by the auditing firm RSM-Chile. In addition, AES Corporation uses Lloyd's Register LRQA, Inc. to audit the data reported in INTELEX.

The scope of each key indicator is presented in Chapter 6, Additional Information: 6.6.2. Environmental Key Performance Indicators.

The environmental impact assessments of our projects can be found at the following link.

Energy Management

[GRI 301-1, 302-1]

Gross electricity generation (Mwh), which is the total amount of energy produced by each unit, is the parameter used to express emissions intensity in most of our environmental indicators.

In 2022, a total of 1,022,530 MWh of electricity was consumed internally at the corporate level.

Materials and energy consumption

Materials consumption		
	2021	2022
Bituminous coal (tons)	5,076,836	3,438,293
SubBituminous coal (tons)	0	0
Diesel (m^3)	6,619	6,903
Biomass (tons)	160,000	163,893
Natural gas (m^3)	520,000,000	708,243,281
Energy consumption (GJ)		
Bituminous coal (GJ)	115,171,955	83,676,135
SubBituminous coal (GJ)	0	0
Diesel (GJ)	502,361	269,550
Biomass (GJ)	1,225,509	721,795
Natural gas (GJ)	20,283,681	26,879,001
Energy generation*		
Non-renewable energy generation (thermal) GJ	54,601,320	44,093,495
Non-renewable energy generation (thermal) MWh Renewable	15,167,033	12,248,193
energy generation (GJ)	22,052,604	20,277,698
Renewable energy generation (MWh)	6,125,723	5,632,694
Total energy generation (GJ)	76,653,923	64,371,193
Total energy generation (MWh)	21,292,756	17,880,887
Electricity consumption		
Electricity supply (MWh)	2021	2022
Chile	1,100,596	999,718
Argentina	6,816	8,916
Colombia	16,983	11,019
Purchase of electricity (MWh)	2021	2022
Chile	718	410
Argentina	0	234
Colombia	1932	2,233
Total electricity consumption (MWh)	1,127,045	1,022,530
Total electricity consumption (GJ)	4,057,362	3,681,110
Energy intensity		
	2021	2022
Energy intensity (GJ/MWh)	2.56	2.47



Ventanas Plant

* Corresponds to the measured energy produced (gross energy)

Air Emissions
[GRI 3-3, 305-1, 305-2, 305-3, 305-7]

Air emissions are the most relevant environmental variable for our thermoelectric generation operations in Chile and Argentina, as they are directly related to combustion processes.

In Chile, the regulatory framework for local air emissions management generally includes:

(a) National regulations, in particular Supreme Decree No. 13/2011 of the Ministry of the Environment, which regulates the concentration limits in the stack for the emission of certain pollutants from thermoelectric power plants;

(b) Obligations established in the Environmental Qualification Resolutions of each company and those established in the Environmental Decontamination or Prevention Plans, as applicable, which broadly define the total emission limits (daily and/or annual); and,

(c) National air quality regulations at the receiving sites.

This set of regulations is primarily intended to control emissions of Particulate Matter (PM), Sulfur Oxide (SO_2), Nitrogen Oxides (NO_x), and Mercury (Hg).

In 2022, we continued the process of on-line connection of the Continuous Emission Monitoring Systems (CEMS) of all coal-fired units to the Environmental Superintendency, allowing the authority to visualize in real time the gross variables measured in the stack (concentrations and flow in the stack). As of the date of this Annual Report, AES Andes has completed the connection phase and is awaiting full approval of the process from the Environmental Superintendency.

In Argentina, the regulatory framework for the management of air emissions in Argentina is established by Resolution No. 13-2012 of the National Electricity Regulatory Authority (ENRE), which establishes:

(a) The procedures for measuring and recording air emissions,

(b) The evaluation of compliance with emission standards, and

(c) The minimum monitoring frequencies, among other things.

→ Local Air Emissions [GRI 305-7; IF-EU-120a.1]

	2018	2019	2020	2021	2022	Goal 2022*
Gross Generation (MWh)	30,040,902	24,026,404	21,646,130	21,292,756	17,880,887	
PM (t)	1,043	694	784	564	409	681
NO_x (t)	19,664	15,077	14,024	14,176	8,403	14,426
SO_2 (t)	16,817	12,845	12,049	10,837	8,030	11,910
CO_2 (t)	16,812,539	16,701,598	16,155,465	10,705,338	7,696,767	14,520,800
Hg (kg)	67.07	46	45	36	26	42
Indicators						
PM (kg/MWh)	0.035	0.028	0.036	0.027	0.023	
NO_x (kg/MWh)	0.65	0.66	0.65	0.67	0.47	
SO_2 (kg/MWh)	0.56	0.59	0.56	0.51	0.45	
CO_2 (t/MWh)	0.559	0.57	0.75	0.50	0.43	

Data verified by RSM Chile.
The data for the previous years have been updated by the elimination of businesses that are no longer part of the Company.

Noise

Among the various environmental commitments of the facilities in operation is the monitoring of the environmental variable noise. Noise monitoring is particularly important for wind power plants because the noise levels that a wind turbine can generate are influenced by external factors, mainly wind speed and direction.

The AES Andes wind plants have a monitoring program for the environmental variable of noise, with monthly measurements during the day and at night, in accordance with the provisions of the local emission standard for noise (Supreme Decree No. 38/11 of the Chilean Ministry of the Environment).

These measurements are carried out by an external auditing company duly accredited by the Environmental Superintendency and the results obtained are sent to the Environmental Superintendency through a web platform for this purpose, and are made available to the public. The following table shows the consolidated results of the monitoring carried out at the various wind plants with this commitment.

Plant / location	Evaluated Receivers	Applicable Laws and Regulations	Applicable Limit[1]	Result Status for Year 2022
PE Los Olmos	11	RCA 140/2016 - D.S. 38/11 MMA	Rural Area	Compliant
PE Mesamávida	13	RCA 12/2015 - D.S. 38/11 MMA	Rural Area	Compliant
PE Los Cururos	7	RCA 50/2012 - D.S. 38/11 MMA	Rural Area	Compliant

Greenhouse Gases (GHGs)

[GRI 305-1, 305-2, 305-3, 305-4, 305-5]

On a quarterly basis, we monitor 100% of our CO_2 emissions from direct emissions (Scope 1) associated with the combustion of fossil fuels for electricity generation, the release of sulfur hexafluoride (SF6), emissions from the fleet of owned and leased vehicles used by our employees, and emissions from machinery used in our facilities.

In addition, we monitor indirect GHG emissions associated with energy purchased from third parties for our own use and transmission losses of energy transported through our networks (Scope 2). For Scope 3 emissions, we report the Company's material category corresponding to emissions from the transportation of fuels used to generate electricity (Category 3.a). We also report emissions associated with domestic and international flights of AES Andes personnel in Chile.

Our emissions are reported as an environmental indicator in absolute (t CO_2 e) and unit (t CO_2 e/MWh) terms.

→ Global Air Emissions [GRI 305-1, 305-2, 305-3; IF-EU-110a.1, IF-EU-110a.2]

CO_2 equivalent emissions					
	2019	2020	2021	2022	Goal 2022*
Gross Generation (MWh)	24,026,404	21,646,130	21,292,756	17,880,887	
Scope 1: Direct Emissions (tCO_2eq)	13,370,447	13,293,393	11,431,602	8,895,091	12,698,481
Scope 2: Indirect Emissions (tCO_2eq)	520	27,130	29,952	18,999	19,201
Scope 1 and 2 (tCO_2e)	13,370,966	13,320,523	11,461,554	8,914,090	12,717,681
Scope 1 Intensity (tCO_2e/MWh)	0.56	0.61	0.54	0.50	
Scope 2 Intensity (tCO_2e/MWh)	0.00002	0.00125	0.00141	0.00106	
	2019	2020	2021	2022	Goal 2022*
Emission SF6 (ton)	0.0013	0.0008	0	0	0
Emission Source					
Trips of staff in airplane (tCO_2 e)	512	273	191	546	
Coal transport (tCO_2 e)	990,709	1,221,599	1,005,822	842,233	
Total Scope 3 Emissions (tCO_2 e)	991,221	1,221,872	1,006,013	842,779	
Scope 3 Intensity (tCO_2 e/MWh)	0.041	0.056	0.047	0.047	

Data verified by RSM Chile.
The data for the previous years have been updated by the elimination of businesses that are no longer part of the Company.
* Goals are only displayed according to the parameters for which one has been set.
Scopes 1, 2, and 3 have been defined above.



Water sources and uses

[GRI 3-3, 303-1, 303-3, 303-4, 303-5]

The level of impact and risk of water use in our operations is identified and assessed using methodologies defined in our management system. To assess this aspect, the sources of the resource and the legal or other environmental obligations under which the operations assume responsibility for the care in the adduction, use and discharge of water are considered. The result of this identification and assessment is summarized in a series of actions for the monitoring of use, management of consumption indicators, sampling and quality control in adduction and discharge, as well as the impact of the use of the resource returned to the respective surface or underground receiving bodies.

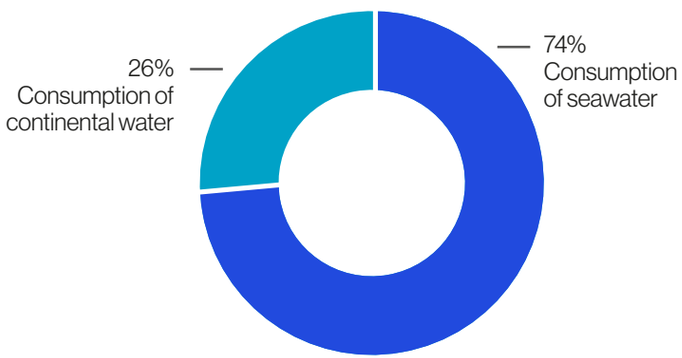
As a subsidiary of AES Corporation, we have participated in the Carbon Disclosure Project (CDP) since 2016, which poses significant challenges in terms of monitoring, control, risk management, and awareness of water resources.

The water we use in our power generation processes can be segmented by source, including seawater, continental water (surface water and groundwater), and water purchased from third parties, such as drinking water. It is important to emphasize the predominance of seawater as a water source, which is related to the coastal location of many of our power plants.

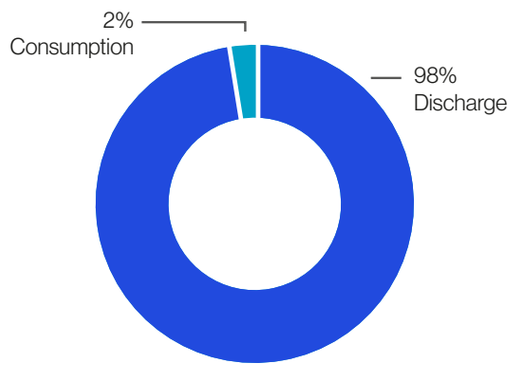
Consumptive Water

Includes the use of water for internal business processes, primarily for the cooling process in thermoelectric power plants and operational processes, as well as water for internal use in offices and other non-operational processes.

Water Consumption by Source



Destination of adduction water



The organization has had no water-related incidents in the past 4 years that have resulted in significant business interruptions or plant shutdowns with significant impacts, i.e. greater than or equal to US$ 10,000.

→ Extraction by consumptive water source [IF-EU-140a.1]



Volcán Plant

	2019	2020	2021	2022	Goal 2022
Gross Generation (MWh)	24,026,404	21,646,130	21,292,756	17,880,887	
Use of Water					
Seawater (m^3)					
Adduction	1,009,152,720	1,067,017,150.31	883,849,824.94	787,938,623.43	
Discharge	997,110,249	1,053,751,705.00	870,016,863.70	775,886,109.90	
Consumption	12,042,471	13,265,445	13,832,961	12,052,514	
Consumption Intensity (m^3/MWh)	0.50	0.61	0.65	0.67	
Continental Waters (m^3)					
Adduction					
Surface Water	243,481	230,006	174,601	1,604,177	
Groundwater	5,264,096	5,072,737	3,380,179	4,567,212	
Sanitary Drinking Water	330,084	243,498	257,427	292,079	
Discharge	1,141,273	1,033,626	617,273	2,303,187	
Consumption	4,696,388.00	4,512,616	3,194,934	4,160,280	4,134,646
Consumption Intensity (m^3/MWh)	0.20	0.21	0.15	0.23	
Total (m^3)					
Adduction	1,014,990,381	1,072,563,392	887,662,031	794,402,091	
Discharge	998,251,522	1,054,785,331	870,634,137	778,189,297	
Consumption	16,738,859	17,778,061	17,027,895	16,212,794	
Indicator (m^3/MWh)					
Adduction	42.24	49.55	41.69	44.43	
Discharge	41.55	48.73	40.89	43.52	
Consumption	0.70	0.82	0.80	0.91	

Data verified by RSM Chile.
The data for the previous years have been updated by the elimination of businesses that are no longer part of the Company.

Non-Consumptive Water

Hydroelectricity generation in Chile and Colombia reports water withdrawn as non-consumptive water because it is fully returned to its source.

The maintenance of ecological flows is required for all works with water pickups of our facilities in the Alto Maipo plant. Dedicated measurement and transmission instrumentation is used for this purpose, which can be monitored internally in Alfalfal's control room or via online platforms, which also support the generation of bi-monthly reports.

Recirculation and reuse of water

In AES Colombia, to promote efficiency in the use of water resources, the Tunjita hydroelectric plant operates in hydraulic series and reuses the same water from the Chivor hydroelectric plant. Then, 100% of the flows used by Tunjita for its operations are used in more than one generation plant to allow for greater energy efficiency.

→ Extraction by non-consumptive water source

Continental Waters (thousands of m^3)	2019	2020	2021	2022
Surface Water	2,480,440	1,349,414	2,411,666	3,206,143

Data verified by RSM Chile.

→ Volume and percentage of turbinated water in Colombia

	Unit	2019	2020	2021	2022
Turbinated water	Thousands of m^3	2,480,440	1,349,414	2,411,666	2,194,059
Volume of serial re-turbinated water	Thousands of m^3	144,294	147,463	152,377	151,091
Reused water	%	6	11	6	7

Data verified by RSM Chile.

Water Stress Analysis [IF-EU-140a.1]

We use the WRI's Aqueduct Global Water Tool, an international sustainability indicator, as a reference to identify plants located in areas of water scarcity or stress, as defined by the United Nations:

- Water Stress: availability of water below 1,700 m^3/ (person per year)
- Water Scarcity: availability of water below 1,000 m^3/ (person per year)
- Absolute Water Scarcity: availability of water below 500 m^3/ (person per year)

In 2022, we found that 14 of our 16 business units were located in water-stressed areas and were responsible for producing 77% of the energy generated. However, if we consider only the business units that, in addition to being located in areas of water stress, extract continental fresh water, the number is reduced to 4 business units: Termoandes, Ventanas, Cordillera and Laja (i.e. 25% of the businesses), and they contributed 27% of the energy generated in 2022. In addition, all water purchased from third parties is consumed by 3 units located in these areas.

→ Power plants in water stress areas using continental water

		2019		2020		2021		2022	
Plant	Location	Use of Water (m^3)	Use of Water (m^3/MWh)	Use of Water (m^3)	Use of Water (m^3/MWh)	Use of Water (m^3)	Use of Water (m^3/MWh)	Use of Water (m^3)	Use of Water (m^3/MWh)
TermoAndes	Province of Salta, Argentina	3,713,485	0.86	3,833,670	0.92	2,372,144	0.89	3,332,293	0.95
Ventanas	Coastal Area Ventanas, Puchuncaví, Region of Valparaíso, Chile	666	0.15	473,156	0.12	541,211	0.14	398,597	0.16
Cordillera	Cordillera Area, San José de Maipo, Metropolitan Region; Chile	50,810	0.05	36,811	0.04	25,729	0.03	87,112	2.12
Laja	Commune of Cabrero, Region of BioBío, Chile	200,868	6.49	106,422	8.54	201273	5.68	282,879	0.42
Los Cururos*	Commune of Ovalle, Region of Coquimbo, Chile	9.6	0.0001	28.8	0.0001	29	0.0001	29	0.0001
Mesamávida*	Commune of Los Angeles, Region of BioBío	N/A	N/A	N/A	N/A	N/A	N/A	1.06	0.00002
Los Olmos*	Commune of Los Angeles, Region of BioBío	N/A	N/A	N/A	N/A	N/A	N/A	16.8	0.00006

*Water purchased to third parties
Data verified by RSM Chile.
N/A: Projects were not operating.

AES Andes owns the Norgener, Cochrane and Angamos power plants, which are located in areas of water stress. However, these plants use (appropriately treated) seawater for their cooling processes, boiler feed, and consumption; therefore, they are not included in the previous table. They are also constantly working to reduce seawater consumption.

Industrial Liquid Waste (ILW)

[GRI 303-2, 306-4]

100% of our ILW is processed prior to discharge. We plan and perform sampling and analysis at each facility and prepare reports to comply with regulatory requirements.

In Chile, each business monitors its discharges in accordance with the requirements of the Environmental Authority through its Monitoring Program Resolutions and in compliance with the standard that regulates pollutants associated with discharges of liquid waste into marine and continental surface waters, Supreme Decree No. 90/2000, or the standard that regulates discharges of liquid waste into groundwater, Supreme Decree No. 46/2002.

In all units, monitoring is carried out by third parties that are Technical Environmental Monitoring Entities (ETFA, for its acronym in Spanish) authorized by the Environmental Superintendency. This monitoring consists of verifying compliance with the limits established in accordance with the regulations in force, depending on the type of water body into which the discharge is made (surface water or groundwater).

In Argentina, the TermoAndes thermoelectric power plant discharges into a surface body of water, the Mojotoro River. To ensure regulatory compliance, discharge quality parameters are measured before leaving the plant. The discharge regulation is Provincial Resolution (Salta) No. 011/01 and the monitoring program is established by Resolution ENRE No. 558/22, which is at the national level.

The monitoring program is carried out by third parties accredited by the Argentine Accreditation Organization (OAA, for its acronym in Spanish).

In Colombia, treated domestic wastewater is discharged to surface waters from the Chivor and Tunjita operations, all with their respective discharge permits.

The treatment systems comply with the maximum permissible limits established by Resolution No. 631 of 2015 of the Ministry of the Environment.

To verify compliance, there is a monitoring program carried out by a third party accredited by the Institute of Environmental Studies (IDEAM), according to the guidelines of NTC-ISO/IEC 17025 "General Requirements for the Competence of Testing and Calibration Laboratories" and as required by Decree 1076 of 2015.

The discharge sampling effort is presented in Chapter 6, Additional Information, 6.6.2 Key Environmental Performance Indicators.

In addition to the Monitoring Programs, we carry out Environmental Monitoring Plans (EMP) or marine ecosystem monitoring, which are periodic studies of both physical and chemical variables of seawater (water quality) and biotic variables of the marine environment (hydrobiological resources). Monitoring is reported to the environmental authority on a regular basis. Details of the current PVAs are provided in Chapter 6, Additional Information, 6.6.2 Environmental Performance Indicators.

Significant spills

In 2022, our facilities at the Ventanas power plant in the Region of Valparaíso, Chile, experienced a spill in the unit's acid pond #2. Once the spill was identified, the necessary control measures were put in place and no related social or environmental impacts were observed. Details of the spill are provided in Chapter 6, Additional Information, 6.6.2 Key Environmental Performance Indicators.

When spills occur, they are reported to the INTELEX system, which provides information on whether the spill is significant or not, including characteristics and action plans.

Management of Industrial Solid Waste

[GRI 306-1, 306-2, 306-3, 306-4, 306-5; F-EU-150a.1]

We monitor the generation of Hazardous and Non-Hazardous Waste at our facilities in accordance with our Environmental Management System and the regulations in force in Chile, Argentina and Colombia. Since Coal Combustion Products (CCPs), primarily fly ash and bottom ash, make up nearly all of the non-hazardous waste we generate, we focus our efforts on tracking the amount generated, increasing recycling alternatives, and ensuring proper final disposal at one of our three dedicated ash impoundments.

Annual Waste Generation by Type

[GRI 306-3]

Type of Waste	2019	2020	2021	2022	Meta 2022
Gross Generation (MWh)	24,026,404	21,646,130	21,292,756	17,880,887	
Waste Generation					
Fly ash and gypsum (t)	915,316	891,356	802,889	627,781	
Bottom ash (t)	154,757	149,221	143,141	91,652	
Coal Combustion Products (t)	1,070,073	1,040,577	946,030	719,433	1,018,893
Coal Combustion Products (t/GWh)	52	54	44	40	
Hazardous Waste (including used oil) (t)	469	371	1826	698	889
Hazardous Waste (including used oil) (t/GWh)	0.018	0.017	0.078	0.078	
Non-Hazardous Waste (t)	2,564	3,858	2,700	2,432	3,041
Non-Hazardous Waste (t/GWh)	0.100	0.154	0.127	0.136	

Data verified by RSM Chile.
The data for the previous years have been updated by the elimination of businesses that are no longer part of the Company.

The valorization in our plants considers three forms of management: the reuse of coal combustion products, the recycling of containers, packaging and oils, and the composting of organic waste.

In 2022, 2.5% of coal combustion products (ash and slag) were reused, continuing the reuse of combustion products from two of our units (Unit 2 of Ventanas and Laja Plant), generating revenues of approximately US$23,000.

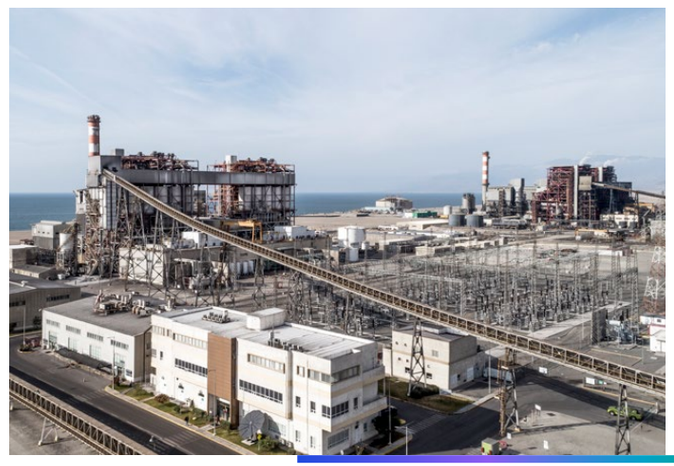
In 2022, we continued our participation in the project "Valorization of fly ash from thermoelectric plants as artificial aggregates for construction: validation of a pellet manufacturing process with minimum energy consumption as raw material for the concrete industry" of the Pontificia Universidad Católica de Chile, convened by the COPEC UC Foundation, with ash from our units in Ventanas. This project has resulted in the publication of several articles and the development of standards for the use of these wastes as feedstocks for other processes. The use of this type of waste as a raw material for other processes, allows to reduce the pressure on final disposal sites (ash dumps) as well as the pressure on raw materials of natural origin (aggregates) in other industrial processes. This project is part of the transition to a Circular Economy that the Company has been promoting in recent years.
In our Mejillones facilities, we continued with the project to reduce organic waste in the casinos through industrial composting, which involves the transformation of food waste and its recovery through the production of compost. In 2022, we obtained 644 kilos of compost, with a reduction of 1,332 kilos of organic waste from the casino at the Angamos and Cochrane power plants.

In Chile, the generation and disposal of hazardous and non-hazardous solid waste are reported to the authorities through the authorized platforms (National Waste Declaration System (SINADER, for its acronym in Spanish) and Hazardous Waste Declaration and Monitoring System (SIDREP, for its acronym in Spanish), respectively).

In addition, the law establishes the "Framework for Waste Management, Extended Producer Responsibility and the Promotion of Recycling," whose purpose is to reduce waste generation and promote reuse, recycling and other forms of recovery through the implementation of Extended Product Responsibility (REP, for its acronym in Spanish) and other waste management tools. In 2021, we began internal coordination to define the Management System to which we adhere as a Company, in order to start achieving the goals of containers and packaging valorization during 2023.

Nueva Ventanas Plant





Angamos and Cochrane Plants

Annual Recycling of Waste Classified by Type
[GRI 306-4]

Type of Waste	2019	2020	2021	2022	Goal 2022
Recycled Hazardous Waste (t)	107	25	835	46	
Recycled Hazardous Waste (%)	23%	7%	46%	7%	
Recycled Non-Hazardous Waste (t)	203	229	357	866	
Recycled Non-Hazardous Waste (%)	8%	6%	13%	36%	
Coal Combustion Products (t)	28,984	33,284	35,786	17,829	
Coal Combustion Products (%)	2.7%	3.2%	3.8%	2.5%	3.2%



TermoAndes Plant

Waste for Disposal, Classified by Type
[GRI 306-5]

Type of Waste	2019	2020	2021	2022
Hazardous Waste (t)	362	346	991	639
Hazardous Waste (%)	77%	93%	54%	92%
Non-Hazardous Waste (t)	2,362	3,629	2,343	2,075
Non-Hazardous Waste (%)	92%	94%	87%	85%
Coal Combustion Products (t)	1,041,089	1,007,293	910,244	701,604
Coal Combustion Products (%)	97.3%	96.8%	96.2%	97.5%

In Argentina, solid waste generation is reported semi-annually to the National Electricity Regulatory Agency (ENRE, for its acronym in Spanish). In addition, in the case of hazardous waste, it is reported to the Secretary of Environment of the Province of Salta during the biennial renewal of the registration in the list of generators.

In Colombia, hazardous waste is reported annually through the Annual Hazardous Waste Generator Register of the IDEAM (National Environmental System Support Institution).

In 2022, three of our facilities participated in the Clean Production Agreement (APL, for its acronym in Spanish), Transition to Circular Economy, which invited production and service companies from different industries that can implement actions to transition to a circular economy and have facilities in Chile. AES Andes was invited to participate in the APL Committee along with its facilities. During the year, we worked to build capacity within the Company to identify and develop opportunities and action plans to integrate circular economy principles into our processes.

During 2022 we continued our participation in the Clean Production Agreement "Transition to a Circular Economy" with three facilities:

- Los Cururos Wind Plant - Region of Coquimbo
- Andes Solar Photovoltaic Plant - Region of Antofagasta
- Angamos Thermoelectric Plant - Region of Antofagasta

Los Cururos



Our Commitment to Biodiversity

[GRI 3-3, 304-1, 304-3, 304-4]

Our commitment to biodiversity is based on our Management System Policy and compliance with our AES Corporation Biodiversity Assessment and Protection Standard.

This standard states that our businesses should avoid new activities that could have a negative impact on areas recognized as having high biodiversity value. We also avoid new activities that contribute to or lead to the extinction of IUCN-listed endangered species and IUCN Category I-IV protected areas.

The commitment is to promote the conservation of areas and ecosystems of high biodiversity value within our operations by protecting and promoting knowledge of endangered species, with the ultimate goal of achieving zero net loss.

The scope of our commitment applies to all AES Andes operations and is consistent with the mitigation hierarchy (avoid, minimize, restore and offset) in our biodiversity management. Together with our local teams, we work with external partners to deliver on this commitment.

Protected or high value areas adjacent to or near our facilities are described in Chapter 6, Environmental Performance, see Additional Information, Section 6.6.2. Environmental Key Performance Indicators.

Lines of action



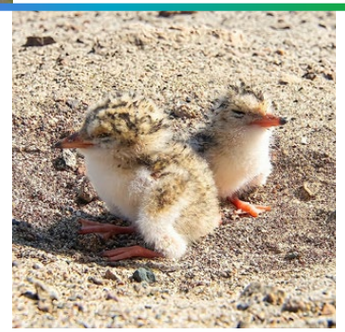
To ensure that our commitment to biodiversity is properly implemented, we have conducted an impact assessment in our operations to determine the importance of biodiversity in the countries where we operate. In the management plans for all sites, we have included the development of plans for sites in close proximity to critical biodiversity, as shown in the table below:

Biodiversity Management Plans

Country	Number of businesses	Surface (ha)	Management Plans
Chile	13	3,238	8
Argentina	1	105	0
Colombia	3	1,876	1

For more information on biodiversity management plans, see Chapter 6, Additional Information, 6.6 ESG indicators, in the Biodiversity section.







Rescue and Compensation Plans

As of 2022, we have rescued and relocated more than 2,200 specimens of reptiles, micromammals and amphibians, and we have also rescued flora with more than 2,500 specimens of cacti and shrubs from our projects under construction in central Chile.

For flora and vegetation, we provide compensation based on the area cut and the number of individuals removed. As of 2022, we have reforested more than 156 hectares and more than 250,000 trees, representing 97% of our reforestation goal by 2037.

In order to save the genetic material and reproduce the native flora species of the central northern region of Chile, and to carry out reforestation plans, we have three nurseries, one in the commune of San José de Maipo, another one in the commune of Ovalle and the third one in the commune of Puchuncaví.

Maintenance of biodiversity conservation areas

In line with our policy of preserving biodiversity, we are working to develop conservation areas in areas of high biodiversity value. The list of locations is detailed in Chapter 6, Additional Information, Section 6.9.2. Environmental Key Performance Indicators.

The Fundación para la Sustentabilidad del Gaviotín Chico, to which Angamos and Cochrane belong, has two protected areas for the conservation of the Little Tern, called Pampa 1 and Pampa 2, in the Commune of Mejillones in northern Chile, with a total area of 2,027 hectares. In 2020, the Foundation began the creation of a Nature Reserve in the area of Punta Itata and Punta Gualaguala with an area of approximately 903 hectares, which was completed on July 11, 2022 with the signing of the Supreme Decree for the creation of the "Itata-Gualaguala Nature Reserve", published in the Official Gazette on August 16 of the same year.

In Colombia, we maintain a natural reserve of 1,750 hectares located in the "Very Tropical Rainforest" life zone, which has been naturally regenerated by the Chivor power plant for more than 45 years. As part of the conservation and protection activities, between 1998 and 2020, we developed biodiversity inventories in collaboration with the Institute of Natural Sciences of the National University of Colombia. This work not only strengthens our scientific knowledge, but also the vision of transforming 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 for this area to prevent potential damage from third parties.

During the year 2022, we continued the development of the volunteer project called "El Pangue Ecological Corridor" in the region of Valparaíso, 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 habitat, as well as providing a space for research and environmental education activities such as bird watching and botanical research. This year we also continued the pilot project of high-density forest planting in Fundo El Pangue, using the Miyawaki technique on 200 m^2, with the aim of creating a forest in this area with a high composition of native

species, planted at high density, allowing it to grow and develop in a short time, in addition to reforestation with native species. This composition will favor the preservation of the seed bank in its natural habitat to provide viable and good quality seeds to carry out propagation actions to continue the Greenhousing Program of the native plant material present on the site.

Research and Training

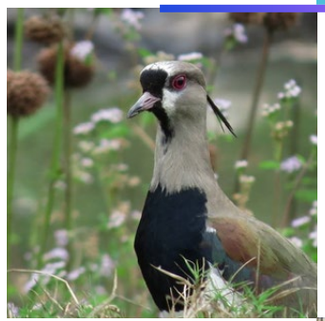
The "Fundación para la Sustentabilidad del Gaviotín Chico" works for the conservation of the Gaviotín through the development of research capacities, the generation of new knowledge about the species and the implementation of technical measures to protect it. As of 2019, the Foundation will have a "Research, Education and Dissemination Center for the Conservation of the Little Tern" (located in the Playa Grande sector of Mejillones) with a training room and an educational trail that will create spaces for education and dissemination of information about the species.

Throughout the year, educational field days, guided tours, and educational workshops for environmental educators have continued to take place in Mejillones. In addition, the Foundation has agreements with international organizations, such as the Peruvian NGO GAP (Grupo de Aves del Perú) and SERFOR (National Forest and Wildlife Service), and participates in the international census of the species, with the aim of promoting inter-institutional collaboration and cooperation in activities related to the conservation of the Lesser Tern.

To raise awareness of biodiversity near our operations, since 2016 in Colombia we have participated in a partnership with the National University of Colombia in biodiversity research in the Cuchilla Negra or Guanque Integrated Management District (DRMI), with the constant development of research and the preparation of field guides open to the community and the professional public.

This research has gathered, among other information, a great diversity of butterflies in the region that reaches 184 species; angiosperms in 122 families, 719 genera and about 1,042 catalogued species; 106 species of arthropods, indicators of the natural wealth of tropical rainforests; 121 species and 64 genera of orchids; 143 species grouped in 39 families of birds and an inventory of 52 species of timber trees representative of the population, their potential or ancestral uses and their general characteristics.

With the cooperation agreement between the institutions, the Institute of Natural Sciences of the National University of Colombia and AES Colombia have published about 11 Field Guides of the Institute of Natural Sciences, which have highlighted the richness of the flora and fauna of Santa María. The study area consists of 1,750 hectares that are part of a protected area owned by AES and some additional adjacent properties.





In order to promote the study and dissemination of the biodiversity present in the central zone of Chile, influenced by a Mediterranean climate and characterized by a wooded vegetation belonging to the sclerophyll forest, we have developed in recent years the study of the flora and fauna in the areas surrounding our facilities, specifically in El Fundo El Pangue.

These studies have resulted in the publication of scientific studies in the journal of the Natural History Museum of







Valparaiso, as well as the preparation of field guides on flora and fauna and biological risks for distribution among community members. During the last two years, we have been working on the identification of carnivorous species at Fundo El Pangue, using cameras at animal passageways, as well as updating the publication.

"Descriptive guide of the flora and fauna of El Pangue."

Biodiversity Goals

Our biodiversity goals are based on the following lines of action: (a) avoid, minimize, restore and compensate, and (b) maintain biodiversity conservation areas, with the goal of moving toward zero net loss.

The progress of these goals through 2022 is as follows: Rescue and relocation had a 100% progress rate in 2022

Reforestation had a 97% progress rate in 2022.
Conservation area maintenance had a progress rate of 74% in 2022.

The average of these three metrics was used to calculate the overall progress rate of 90%: 100%, 97% and 74%, while our goal is to achieve a zero net loss by 2037.

→ Environmental Regulatory Compliance

[GRI 307-1, NCG 461 8.1.3]

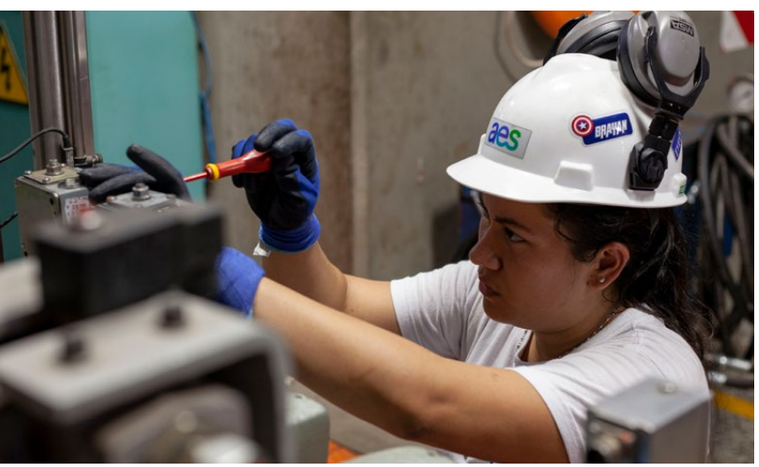
As part of our management system, we regularly monitor compliance with applicable environmental regulations through our internal compliance review systems. Details of the major environmental regulations currently in force and those currently under review that are applicable to our operations are provided in Chapter 6, Additional Information, Section 6.6.2. Environmental Key Performance Indicators.

During 2022, two sanction proceedings were initiated by the Environmental Superintendency against our facilities: one against the Mesamávida wind plant project and the other against the Cochrane power plant. With respect to the other 4 cases registered to date at the Norgener, Angamos, Alto Maipo and Ventanas power plants, none of them resulted in fines, since the "Compliance Program" incentive mechanism was chosen. The status of these sanction proceedings initiated in the last 5 years is detailed in Chapter 6, Additional Information, Section 6.6.2. Environmental Key Performance Indicators.

For more information on ongoing administrative and legal proceedings in environmental matters, see Chapter 6, Additional Information, Section 6.6.2 Key Environmental Performance Indicators.







2.7 Occupational Safety and Health of our Employees and Contractors

[GRI 3-3, 403-5, 403-7, 403-8, 403-9, 403-10; NCG 461 5.6]

Occupational Health and Hygiene [IF-EU-320a.1]

In Chile, occupational health management continued to be challenged by the SARS VOC 2 pandemic. Similarly, we have been able to maintain and carry out occupational medical examinations for all new employees and occupational medical examinations for our employees in accordance with the battery of examinations defined for each risk, validity and in accordance with the risk assessments carried out for the different positions. In addition, Human Resources conducted health screenings for all employees and continued our medical surveillance programs.

As a Company, we faithfully comply with the guidelines of the legislation in force, and in conjunction with the administrative bodies of the Law of Occupational Accidents (Chilean Safety Mutual Association) and according to the specific requirements of each country, we carry out the evaluation and verification of ministerial protocols such as: Work-related Musculoskeletal Disorders (TMERT, for its acronym in Spanish), Work-related Psychosocial Risk Surveillance Protocol (ISTAS 21, for its acronym in Spanish), Occupational Noise Exposure Protocol (PREXOR, for its acronym in Spanish), and National Silicosis Eradication Plan (PLANESI, for its acronym in Spanish), Manual Load Management (MMC, for its acronym in Spanish), UVS Radiation, and Follow up on the actions of the plans established in each of the protocols, including the telework self-assessment guide, for those employees who are privileged to work remotely.
In Colombia, we conducted industrial hygiene noise measurements at San Fernando, Castilla and the Chivor engine room, noise dosimetry at the Chivor engine room, lighting measurements at the Bogotá offices, lighting measurements at the Jemeiwaa Kai offices in Uribia, Guajira, lighting measurements at the Chivor engine room and at the Castilla and San Fernando facilities.

In addition, our employees and brigade members, distributed according to their current place of work in the Santa María camp (Boyacá), in the engine room, and in the location assigned by the health service provider, mainly in Bogotá and Guajira, received periodic occupational health examinations with a focus on musculoskeletal problems. Medical-executive check-ups were also performed for our managers in the city of Bogota. These examinations are not only aimed at detecting occupational diseases; They include several pathologies that may be related to the age of our population, which is why an approach is made through various specialties such as occupational medicine, optometry, psychology, respiratory therapy and occupational speech therapy, as well as several blood laboratory tests to detect alterations that may affect cardiovascular risk and other specialized tests for people whose jobs include driving vehicles and high-risk activities such as working at heights and in confined

spaces (psychological assessment, electrocardiogram, psychosensometric test, test for alcohol and psychoactive substance consumption, among others) and food handling.

Any person who shows signs of the disease or symptoms associated with it is immediately registered in the so-called "Epidemiological Surveillance Programs" (PVE, for its acronym in Spanish). A PVE is available for each health risk identified in the company:

- Hearing Protection PVE.
- Musculoskeletal PVE.
- Psychosocial Risk PVE.
- Biological PVE.

The Hearing Protection PVE for the prevention of noise-induced sensorineural hearing loss in the workplace has not recorded any cases of suspected occupational disease to date, and the focus on construction projects has been on the proper use of personal protective equipment and maintenance of machinery and equipment.

The epidemiological surveillance program for the prevention of musculoskeletal disorders conducts regular annual examinations with a focus on musculoskeletal disorders in order to prevent early musculoskeletal disorders in employees. In addition, virtual workplace inspections are conducted for administrative staff and symptomatic employees are monitored.

Finally, in Argentina, for TermoAndes, in order to comply with the law and the provisions of the program of safety activities, a lighting study was carried out in the different sectors of the plant and, according to the determinations and calculations made, it was observed that the vast majority of the sectors evaluated comply with the established provisions.

With regard to occupational noise measurements, the following steps have been taken to eliminate, control and reduce noise levels in order to comply with hygiene and health conditions in the workplace:

- Provision of hearing protection for workers at risk.
- Indication of the use of hearing protection in areas with noise levels in excess of 85 dBA.
- Use of hearing protectors by employees.

The accident rate at AES Chile is 0.33*, according to IST.

Occupational Safety [NCG 461 5.6]

	Staff		
2022 Indicators	In-house	Operations Contractor	Construction Contractor
Accident rate (per 100 employees)	0	0	0
Fatality rate (per 100 thousand employees)	0	0	0
Average number of days lost due to accidents during the year	0	0	0

Incident rates according to OSHA [IF-EU-320a.1]

Staff	In-house	Operations Contractor	Construction Contractor
Number of Employees	1,161	1,912	1,790
Man-Hours Worked (MH)	2,383,184	4,261,400	4,404,384
Fatal accidents	0	0	0
LTI Cases	0	0	0
Recordable cases	2	8	2
Lost Time Incident Rate	0,000	0,000	0,000
Recordable Incident Rate	0.168	0.375	0.091

LTI: Lost Time Incident, according to the OSHA.
*The calculation method differs from that used by OSHA and is based on employees in Chile only.

We had 0 fatalities among our employees, both in-house and contractors, in 2022.

The results achieved for our own personnel, operations and construction workers are among the best in the industry and according to the **EEI (Edison Electric Institute) indicators** in the three countries where we are present.

- Hygiene assessment of exposure.
- Provision of training and information to employees on the risks of exposure to noise, on preventive measures and on the use of personal protective equipment.

Preventive Safety Campaigns and COVID Management

In 2022, we continued to work on the prevention and control of SARS-CoV-2 (COVID-19) in Chile, Colombia and Argentina. In addition, we have launched a number of campaigns and face-to-face activities to further strengthen our safety culture at work and at home. These activities have been designed primarily to reinforce the needs that exist in the workplace in order to reverse and raise awareness of a significant issue or trend.

→ Trainings

Occupational health and safety training

Because people are at the heart of everything we do, we are committed to providing our employees with the highest level of skills and expertise, and to fostering their personal and professional growth.

The pandemic has opened the doors to new forms of training and the implementation of new technological tools to minimize the possible risks of infection with COVID-19. This is why we have a strategic training program tailored to the needs of each business unit.

Our primary safety goal is to create and maintain an incident-free workplace. As part of this effort, we have provided various health and safety training sessions:

	Hours
Chile	217
Colombia	216
TermoAndes	1,055



Physical Safety

During 2022, the physical security field played a fundamental role in supporting the application of COVID-19 protocols at the entrance to businesses. As a permanent activity, the department pursues the goal of strengthening the protection conditions of facilities, assets, our employees and information, and reducing the risks associated with current and future threats. Criteria have been unified in the application of protocols and normal operating procedures to be used by the different security agents involved in the surveillance services, achieving consistency, administrative and functional harmony at the national level. We have maintained continuity in the training of those employees who are indirectly involved and who must participate in or comply with Safety and Security protocols and procedures through crime prevention presentations.

The following are the main projects developed and implemented:

- Development and implementation of the Asalto Alpha II alarm system deployment project in each region where we have critical facilities. The system is connected to the Communications Central (CENCO) of the Carabineros de Chile and is part of the Law Enforcement Assistance Protocol.
- Preparation and updating of security plans for critical facilities, according to the regulations established by the Carabineros de Chile and in accordance with the Corporate Security Study. Its purpose is to mitigate the risks associated with the identified threats.
- Implementation and enhancement of remote access through video intercom, CCTV and electromechanical opening mechanisms in remote and critical facilities.
- Improvement of physical protection barriers such as: CCTV system, perimeter fence, lighting and access control to facilities to prevent and/or hinder malicious intrusion or deception, minimizing the associated risk conditions.
- Training and education of personnel working in the central security room of the Torre Nueva Santa María building for the monitoring of the CCTV system, alarms and communications at a national level. This will allow preventive mitigation and corrective actions for the proper condition of the local protection of the facility, achieving a timely response and escalation of communications in the event of emergencies and/or natural disasters, and supporting the monitoring teams in each facility remotely.



Community Management, induction at Inacap



Community Management

As a Company, we are committed to promoting and sharing our culture of safety and health with neighboring communities, so we work together throughout the year to provide them with tools, training, equipment and technical support. We highlight the following activities:

- First aid training for drivers, administrative staff and Wayuu community personnel.

- Donation of first aid kits to the WEINPESHY GUAJIRA school by AES Colombia, JEMEIWAA KAI.
- Training in industrial safety and basic tools for Wayuu communities (Apotolorru community was selected).
- Inspection and maintenance of fire extinguishers in the school of República de los EEUU in the city of Tocopilla.
- Introduction to Inacap's facilities in Los Angeles for students of Renewable Energy in a field visit to the Los Olmos wind plant.

Achievements and Awards in Safety

The main achievements and awards obtained during 2022 are the result of the commitment of all the people who make up this organization, demonstrating with concrete facts that safety is our first value.

- In Angamos and Cochrane, we reduced the accident rate of our in-house personnel by 100% compared to the previous year, with 0 lost time accidents.
- At Angamos and Cochrane, we were recognized by our governing body of Law 16744, IST, for reaching 500,000 hours without lost time accidents for our own personnel.
- At the Norgener power plant in Tocopilla, we recorded no lost time incidents for our own personnel, according to Law 16,744, achieving 6 years without a lost time accident (LTI) and, according to OSHA, 19 years without a lost time accident (LTI).
- In TSING (Transmission in the North of Chile), the accident rate was maintained at 0, both for its own personnel and for collaborating companies.
- IST delivers the SAC certification to the Joint Health and Safety Committee (CPHS) in Laja, valid until April 2024.







2.8 Development, Growth and Well-being of our Employees

[GRI 3-3, 401-2, 405-1; NCG 461 3.6 5.7]

During 2022, several relevant events had a positive impact on our people, reinforcing the use and experience of our corporate values. The main challenge was the recertification in Chile in accordance with Chilean Standard 3262: Gender equality and reconciliation of family, personal and professional life. Our Welfare and Benefits area continues to lead the Diversity and Inclusion Committee, composed of 24 people from all areas of the company, which aims to create a diverse and inclusive culture based on 6 pillars of diversity: gender, generations, disability, immigrants, indigenous and LGTBIQ+, which were addressed through discussions, communications and webinars.

We also focused on the transversal development of a Talent Development Plan, which focuses on closing the professional gaps of our talented employees in the organization. Among other things, we continued to work on occupational health and safety and the emotional health of our employees, maintaining our quality of life and our Employee Assistance Program (PAE). In addition, we continued our management briefings to employees to keep them informed of all events, respond to employee concerns and maintain transparency in communications.

On the other hand, with the welfare and relocation of our male and female employees currently working in coal-fired power plants in mind, we launched the Labor Reconversion Program, investing resources in training in new technologies such as green hydrogen, renewable energy, and the development of new skills through dynamic platforms.

From another perspective, and in an effort to put talented women in leadership positions for the future, we measured existing gaps in our female workforce in competencies such as: financial data analysis, networking, innovation, customer focus, credibility and trust, and collaboration; this resulted in a program to strengthen the skills and competencies of all women in the Company.

Regarding the return to face-to-face work, as a result of the relaxation of the pandemic measures, we continued to apply our home office policy, which allows our teams to work in a hybrid manner, choosing the sequence that best suits their family and personal reality (2 or 3 days at home). In the same vein, we provide a one-time allowance to people working from home to purchase ergonomic tools such as desks, extra screens and whatever they need to work safely and comfortably.

To make it easier for those who have already returned to work, a mobile application has been created that allows them to reserve their workplace and parking space in an organized and programmed manner, in order to coordinate their personal/family life with their professional life. This measure maintains the collaborative nature of our new offices with open spaces for all levels and areas.



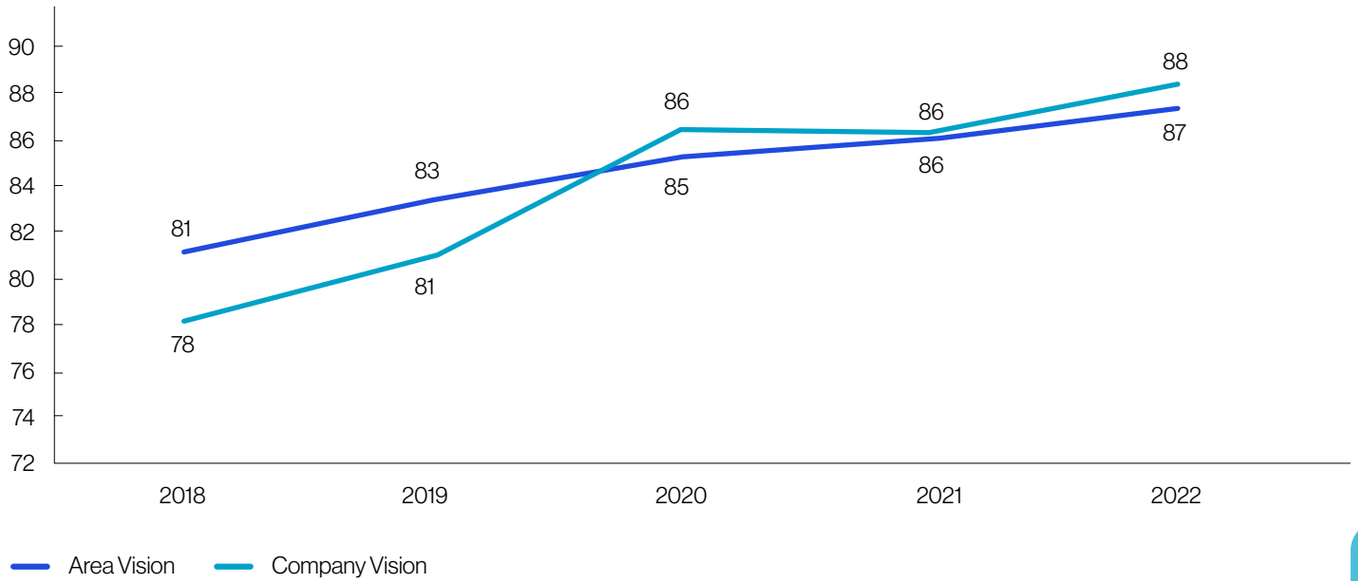
Looking ahead to 2023, we will maintain our intent to transform our workforce into a diverse, collaborative, evolved culture with the skills to meet business challenges by working on reskilling for innovation and new technologies, including a customer-centric culture.

A Great Place to Work

Being a better place to work is part of AES Corporation's global strategic goals and ours.

That is why we have participated in the Great Place to Work (GPTW) survey for more than a decade.

In the 2021 workplace climate survey, which was held in 2022, the GPTW institution awarded us the 10th place in Chile, the 19th place in the "Great Place to Work in Argentina" category in Argentina (TermoAndes is measured together with AES Argentina) and the ICONTEC GPTW certification as a Company committed to building and improving the work environment in Colombia, where we also obtained the "Family Responsible Companies" certification granted by the Más Familia Foundation of Spain.



During 2022, we were re-certified in Chile by the consulting firm GPTW For All in 4 cultural strengths of the organization within the dimensions of the certification model, including credibility, respect, impartiality and pride. In this certification process, we have reduced the gap between the two visions analyzed by GPTW ("area vision" and "company vision") to "1", which strengthens the credibility of the management and the real actions of our leaders to maintain a Great Place to Work. In terms of the areas of opportunity reported in the 2022 GPTW, these include balancing family/personal and professional life and creating opportunities for internal career development.



Human Capital Formation
[GRI 2-7, 401-1, 405-1]

1,120 Own Employees

17.3% Women

82.6% Men

8.92% Foreigners

39.2 Average age of women

42.7 Average age of men

Talent Attraction and Development

During 2022, we again worked with the 9Box methodology, which deals with talent calibration and succession planning for the corporate and operational areas. In this case, we were able to identify talent with the potential to develop one or two positions upwards and sideways. We also identified gaps in the competencies required by our employees, which will be closed by 2023 with the 70/20/10 talent development model.

We continue to develop Energy4Talent, the AES Corporation trainee program that is implemented locally in each business unit. It is a two-year program in which trainees rotate through different areas, and in each rotation are responsible for leading strategic projects with the support of a technical tutor and the area leader.

In this context, we have carried out the corresponding recruitment and selection process and in January 2023, 5 trainees will be integrated in Chile to start their rotations in the Commercial, Project Development, Operations and Human Resources areas.

On the other hand, the trainees of the previous period, who have completed the 4 rotations that make up the program, have been successfully placed as specialists in the commercial, renewable and engineering areas, making a valuable contribution to major projects within the Company;



for example, one of them was related to the creation of an optimal model for green hydrogen investment.

Here, as in the rest of our recruitment and selection processes, we try to obtain a diversity of profiles that allow us to build talented and mixed teams. For example, in Energy4Talent, we selected 5 talents, 2 women and 3 men, from different academic backgrounds.

During 2022, we also emphasized our "On Boarding" program, as an introduction and welcome to new talents, to train them and quickly immerse them in our culture, disseminating information about Greentegra, our new values - Safety, High Standards and All Together - and explaining the strategic pillars.

In 2022, 5 people from Chile and 2 from Colombia participated in the Energy4Talent program, while 50 people from Chile and 15 from Colombia participated in the On Boarding program.

Training and Development

[GRI 404-2, EU14, NCG 461 5.8]

The main training we carried out in 2022 was related to the launch of the Labor Reconversion Program, as part of the Just Transition and Decarbonization, in relation to our Greentegra strategy in renewable energy and decarbonization, green hydrogen.

In addition, during the year we strengthened the Chilean finance team's knowledge of tax changes and continued to implement a development program for emerging talent, including coaching, mentoring, diploma courses and postgraduate degrees. We also developed training on relevant social issues, such as changes to the law on Social Security Health Institutions (ISAPRE), pensions, training for domestic violence monitors, and workshops on respect.

We also continued our trainings, many of them mandatory, aimed at improving gender equality and reconciling work and family life. They were carried out through lectures and discussions aimed at both managers and our employees and focused on: prevention of domestic violence, reconciliation of family/personal and professional life with emphasis on joint responsibility, gender approach and its applicability in AES Andes, implementation of the Chilean Standard 3262, Chilean and international legislation on gender equality, new masculinities, unconscious biases and their impact on inequality, lecture on prevention of workplace and sexual harassment, etc.

Our Learning & Development 70/20/10 corporate model works based on three pillars: 70% of the learning comes from project management, 20% from feedback, mentoring and coaching, and 10% from formal training in various technologies and/or updates in energy and renewables with the goal of digitalization, innovation and continuous improvement. Two hundred and eighty-seven people in the region participated in the language program, while more than 1,512 people participated in the online training programs.

To continue to help unleash the full potential of our talent, the Company developed the Front-Line Leadership Program, a unique development opportunity. This initiative provided valuable knowledge on how to succeed as a leader and help teams achieve their goals.

The program included informational briefings, leadership assessments, online workshops and courses, and coaching sessions.

Investment in Training

Country	Chile	TermoAndes	Colombia
Total of US$ invested in training	US$ 664,907	US$ 22,864	US$ 144,161
% of skilled workers, compared to the total number	100%	100%	100%

Average of training and development hours by employee

AES Andes

86.5 h

Chile

84.8 h

Argentina

12.6 h

Colombia

128 h

Scholarship Programs

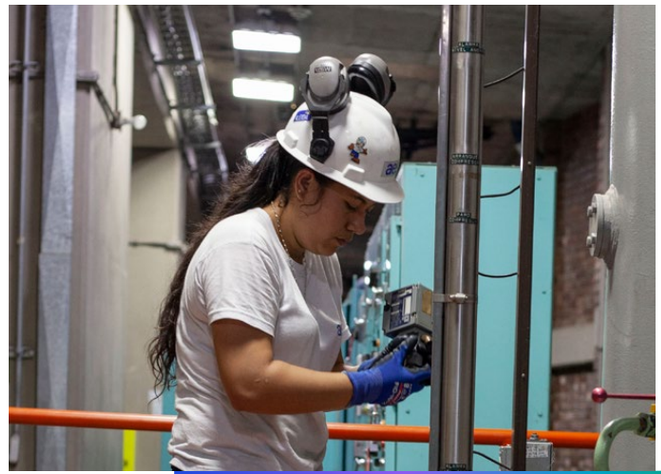
This program, which provides scholarships for employees to attend graduate programs such as MBAs or PhDs, helps fund up to 50% of tuition for those who qualify. In 2022, we applied a new working methodology to be fair and award postgraduate scholarships to the most deserving applicants. A total of 20 postgraduate and graduate scholarships were awarded, in addition to 252 undergraduate scholarships, divided between 152 for primary and secondary education and 100 for higher education.

Diversity and Inclusion

[NCG 461 3.1]

During 2019, we launched our Human Rights Policy and adopted strong standards for reviewing these in ourselves and also in our business partners.

Since then, we have deepened our focus on gender diversity and inclusion of women and people with disabilities, and during 2021 we implemented the Gender Policy, in addition to the Integrated Management System on Gender Equality and Work-Life Balance, becoming the first company in the sector to be certified in this aspect in Chile.



We also strengthened the Diversity and Inclusion Policy and the Policy for the Prevention of Labor Discrimination and Sexual Harassment, created in 2019, reaffirming our commitment to ensuring a work environment and relationships based on respect and kindness.

In 2022, we continued our commitment to increase the presence of women in our workforce, hiring 32 women and maintaining the presence of women at 16% in Chile and 10% in Colombia, compared to December 2021. Argentina doubled the number of women hired in 2022.

We also aim to reduce the pay gap to 0% to achieve pay parity and equal pay for our employees within 2 years.

Women's Leadership Program

For the fourth year in a row, we worked on three strategic goals related to developing female talent and leadership: (i) Increasing women's participation in the workforce; (ii) Visualizing and reducing the gender pay gap; and (iii) Removing barriers to women's advancement and increasing their presence in senior positions. The focus of 2022 was to decrease existing gaps in relation to the following skills: Financial Data Analysis, Budget Management, Effective Communication, Design Thinking, Networking, Innovation, Customer Focus, Credibility and Trust, and Collaboration.

Our women's development programs have allowed us to work on issues that we believe are key to growing our female workforce and better preparing us for future challenges.

Female Talent

In 2022, we continued to promote the internal communications campaign "Women with Energy," which encourages and inspires through real-life stories of achieving professional goals and becoming leaders in the organization.

Pay gap per gender and position

[GRI 2-20, 2-21, 405-2; NCG 461 5.4.1 5.4.2]

Using global compensation methodologies that are aligned with local practices and market realities, our company continues its commitment to gender pay equity. For AES Andes, it is important to have a common language that guarantees neutrality in the implementation of our salary policy, without discrimination based on gender, age, nationality, etc., regardless of the area to which they belong.

During the year 2022, AES Andes implemented a new methodology called "Career Framework" that allows the management of a competitive and equitable compensation. This new "Career Framework" allows us to identify the different levels of positions as well as the type of role they perform, thus allowing us to maintain objective criteria to manage the different compensation plans.

We have a Strategic Human Resources Asset Management Plan (PEGA, for its acronym in Spanish) that defines our actions in compensation matters, which will be updated in its 2023 version to include the new Career Framework methodology. In addition, the Corporate Compensation department conducts annual comparative analyses of the different levels of the Company and the comparable salary market, with the aim of maintaining salary competitiveness in each of the countries in which it operates.





During the year under review, the ratio between the salary of the highest paid person and the median salary of the workforce was 14.76 times. In the same vein, the ratio of the percentage increase in the annual salary of the highest-paid person to the median percentage increase in the annual salary of all male and female employees over the previous period is 0.99* times, while the pay ratio between women and men is on average 12% higher for women.

*Note: To obtain comparative statistics for 2021/2022, information reported in the Integrated Annual Report 2021 was used and for 2022 data, people hired in 2022 and international mobilities were excluded.

Pay Gap Per Gender in Chile, Colombia and TermoAndes

[NCG 461 5.4.2]

	Mean	Median
Senior Management	104%	100%
Managers	86%	85%
Heads	99%	88%
Others professionals	86%	85%
Other technicians	73%	79%
Administrative staff	124%	105%
Service workers	45%	44%
Grand Total	112%	128%

Note: Calculated as the median female pay divided by the median male pay and the median female pay divided by the median male pay.

Note: In order to obtain a comparable result for the pay gap, the hourly value was based on a standard of 40 hours per week and 52 weeks per year. Includes overtime, bonuses and other compensation paid, all in monthly values and converted to U.S. dollars (USD).

Quality of life of our employees

Compensations and Benefits

Throughout 2022, we also organized health education workshops for employees to help them learn more about the system, choose the plan that best fits their reality, and use it well. In addition, during the year we conducted a "Benefits Survey" in which our employees were able to express and rate their use of current benefits and their desire for change. The results showed that our employees do not want to change the existing benefits and value them highly.

This year in Chile, we continued a specific benefit for women that was created in the context of the pandemic, extending the payment of UF 10 per employee's child up to the age of 5 without the need to provide proof of payment for daycare or kindergarten, and providing financial support for childcare at home for working women. We also continued to offer flexible working arrangements to all employees, particularly women, so that they can continue to be with their children during their early years. We also continued to hold lectures for women with children on home management and stress management, and as a direct contribution to training, we held a course called "The Motherhood Revolution," which gave a different perspective to the different mothers in the organization.

Employee Assistance Program

To help all of our employees around the world cope with life's challenges, we launched the AES Corporation Global Employee Assistance Program (PAE) in 2020. This program provides consulting services and training solutions around the world.

The PAE includes monthly webinars on general topics such as self-awareness, social-emotional support, stress management, among others, which had high participation in Spanish-speaking countries in 2022.

In the same context, the PAE continued to provide free psychological, financial and legal counseling to anyone who needed it, and also expanded the "Our Moment" instance, in which the area manager was responsible for downloading relevant business information and, above all, listening to people. Taking advantage of the end of the pandemic restrictions, we resumed the personal breakfasts with the leaders of the organization to maintain a dialogue with the first source of information and to obtain the perception of the teams regarding the events we are experiencing as an organization.

Parental leave

[NCG 461 5.7]

In AES Andes Chile, we add as a benefit two days to the legal paternity leave. In 2022, out of a total of 27 employees who requested the birth bonus, 59.2% (i.e. 16 employees) requested the two-day leave. There are no men who have made use of the six-week paternity leave provided for by the Chilean law.

In the case of Colombia, paternity leave (Maria Law) corresponds to 8 working days and AES Andes adds 5 more days, while in Argentina paternity leave is granted according to the Labor Contract Law.

→ Employees that used the paternity leave

Births	31
Birth Bonuses	29
Birth Leaves	15
Men	26
Women	5

It should be noted that, although we have no paternity leave policy in cases of guardianship or adoption, the same benefits are provided.

In the case of Colombia and TermoAndes, we do not have additional benefits for paternity leave.

→ Labor Reconversion: Generating New Skills

[GRI 404-2]

We are in the midst of a major transformation of the electricity industry, driven by technological advances and society's mandate to take concrete action to combat the effects of climate change, the greatest challenge facing our generation.

Through our mission to accelerate the future of energy together, we want to be part of the solution, contributing and providing solutions to achieve a more sustainable future and improve people's lives. With the implementation of Greentegra, we are not only making our customers' supply more sustainable, but also decarbonizing our portfolio and moving towards carbon-free energy sources.

This transformation is not only technological, but also human, and we are committed to making it happen in a responsible and fair way for everyone involved. While there is no one-size-fits-all approach, we are working with key stakeholders, including unions, to develop plans for our people to be part of this transition, whether that means training them to operate new technologies or facilitating exit plans.

During 2022, the Renewable Energy Labor Reconversion Program was implemented through the platform of the European company Tecnatom. The program benefited more than 320 employees who, through 5 modules, were trained in new energy technologies, such as the operation and maintenance of the equipment of the new wind, solar and battery plants that AES Andes has and plans to implement. The program was conducted in e-learning mode with recorded classes, reference materials and online teachers to clarify doubts.



Andes Solar

Las Brisas



Human Resources Performance Management and Relationship with Labor Unions

Performance Management

[GRI 404-3; NCG 461 3.6]

In 2022, we enhanced the performance management process in the Workday Human Resources Management platform. This impacted all employees in Chile, Argentina, and Colombia, with participation rates of more than 98%.

Our Workday (WD) platform allows us to set goals using the SMART methodology and track performance goals. Our talent management process also defines two instances of feedback and follow-up on objectives at mid-year (touch point) and a final assessment of their fulfillment. Feedback is then encouraged in each of these instances, promoting direct communication between managers and leaders and their employees. We also communicated the importance of feedback and made agreements with the unions so that any person with poor performance would be subject to feedback and a simple work plan with e-learning training to avoid possible dismissal. This system also allows us to identify the risks of the actions we take and to align our goals with the company's strategy.

In addition, we continue to promote "Anytime Feedback," where any employee can spontaneously and voluntarily request feedback from anyone in the company with whom he or she has worked.

All of these actions allow employees to identify and learn about their strengths and the skills and behaviors valued by the leader and the organization, as well as identify and close gaps in areas for improvement.

All of this information allows us to identify talent and develop succession plans through the 9Box methodology, which places people in 9 quadrants according to their performance and growth potential.

In 2022, we conducted 1,074 periodic performance and career development evaluations of our employees, with 100% effective participation in Argentina and Colombia, and 99% completed evaluations in Chile.

In 2022, the **"Mentoring Program"** was developed with the participation of more than 8 in-house mentors for talents and trainees identified in 2020. The program has been described by our leaders as successful in allowing us to fill gaps and prepare the future leaders of our organization.

Percent participation in Performance Management 2022

Country	Total	Pending	Completed	Percentage
Chile	903	12	892	98%
Colombia	132	0	132	100%
TermoAndes	51	0	50	100%

Relationship with unions
[GRI 2-30, 3-3]

75.47% (including TermoAndes in Argentina) of our employees are members of one of the thirteen unions that exist in the region, with which we have been concerned to build and maintain an open and transparent relationship with a solid and permanent communication, considering it a unique opportunity to connect with their needs.

In Chile, we have 79.57% of our employees affiliated with 6 unions located in different areas of Chile, and thanks to the work we have done to have a good relationship with our union organizations, we have been able to have only collective bargaining agreements.

In the case of Colombia, trade union organizations reach 47.41% of the total membership of the organization.

For non-union employees, the Company has a benefits booklet.



Number of employees belonging to trade unions by country

75.5% Total unionized employees AES Andes

79.57%	47.41%	75.47%
Unionized employees in Chile	Unionized employees in Colombia	Unionized employees in Argentina

Percentage calculated based on all the AES Andes employees.



2.9 Innovation Projects and New Solutions

[GRI 3-3]

New solutions for our customers and the markets we serve.

Self-Generation Projects

In Colombia we are building self-generation projects that provide energy to customers independently of or in combination with the public grid.

To date we have built three solar plants for the Ecopetrol Group: Castilla, San Fernando and Brisas, for a total of 109 MW. San Fernando Solar Plant was completed in the third quarter of 2021 and has entered into a contract with Cenit, a subsidiary of the Ecopetrol Group, to supply renewable energy for a period of 15 years. For our customer, this means a reduction of 508 thousand tons of CO_2 emissions and a saving of more than 40% in grid energy costs. The 61 MW San Fernando Solar Plant is today Colombia's largest self-generation solar plant. The 27 MW Brisas Solar Plant was commissioned in December 2022.

Storage

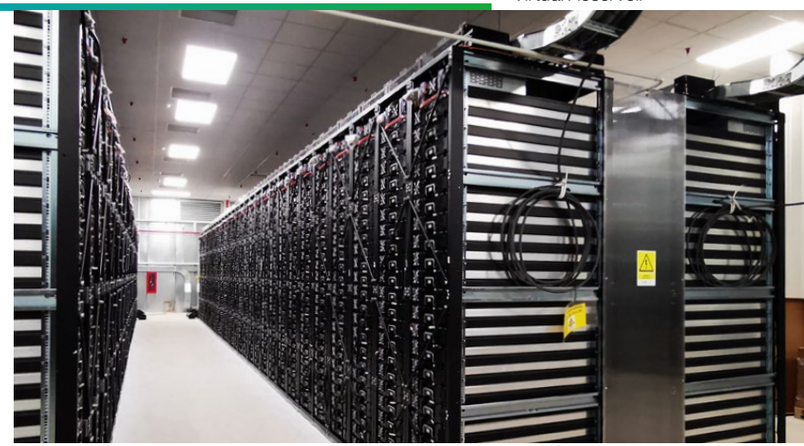
One of the biggest challenges today is related to addressing climate change. To this end, the energy transition to a renewable energy matrix is fundamental and in AES Andes, in addition to the development and construction of new projects, we have addressed it through the development of new energy storage technologies to achieve a more reliable electrical system.

We are pioneers in the implementation of battery storage technologies in Chile (Battery Energy Storage System, BESS) and in 2009 placed the first batteries at the service of the National Electricity Coordinator to provide primary frequency regulation.

We continue to invest in batteries to store electricity, which will allow us as a company to add 547 MW of batteries by 2025 and thereby store up to 2,488 MWh of energy per day in Chile, in addition to contributing to the commitment established in the National Energy Policy, making the electrical system more flexible, providing storage innovations to integrate renewable sources and ensuring that clean energy is available at any time and in any household in Chile. This figure is equivalent to avoiding more than 200 thousand tons of CO_2 emissions per year or withdrawing more than 80 thousand private vehicles from the streets of Chile.

Energy storage along with renewables will play a critical role in Chile's green energy future, allowing renewable energy to be stored for peak demand and helping to accelerate the phase-out of thermal generation.

Virtual Reservoir



- Virtual Reservoir

These storage systems allow us to store the energy generated by a run-of-the-river hydroelectric power plant in our Cordillera Complex, eliminating the need for a water reservoir. With a storage potential of up to 250 MWh, this type of project will allow us to contribute to the stability of the electrical system with additional services such as back-up and islanding for contingencies. The stored energy will allow the system to replace conventional fossil-fuel power plants during peak hours, reducing greenhouse gas emissions and operating costs.

Stage 1 of 10 MW for 5 hours was completed in the first quarter of 2021 and became the first virtual reservoir of its kind in the world and the construction of Stage II has already begun. For more information about this project, see Chapter 2 of this Annual Report.

With the commissioning of Virtual Reservoir I, adjacent to the Alfalfal hydroelectric plant in the Metropolitan Region, we have consolidated this technology as a key enabler of our growth strategy.

• Storage Batteries adjacent to the solar plants of Andes Solar

This type of project considers the construction and operation of storage systems associated with photovoltaic projects. Andes Solar IIb, Andes Solar III, Andes Solar IV and Andes IIa, consider storage batteries adjacent to these plants. In terms of projects under construction, Andes IIb is nearing completion of its construction phase with a storage capacity of 560 MWh. This project will be the largest battery-based project in Latin America.

The Andes IV storage project will begin construction in 2022, along with the associated photovoltaic plant, adding another 650 MWh of storage capacity once this phase is completed. Thanks to its high storage capacity, it will not only inject renewable energy into the Chilean electrical system during the hours when there is no solar production, but also when the grid needs it most, displacing fossil fuel-based technologies needed for the peak hours of the system.

(For more details on the progress of Andes Solar IIb and Andes Solar IV projects, see Chapter 2 of this Report).

• Reconversion of Power Plants, Alba Project

Just as we are developing and building energy storage projects using electrochemical technology (lithium-ion batteries), we are also using other technologies, such as thermal. This new technology allows us to transform our coal-fired thermal power plants into clean and highly competitive storage centers by taking advantage of existing infrastructure such as turbines, generators, electrical substations, etc.

Molten salt, or solar thermal, technology involves using electricity from renewable sources to power electric heaters during the day, raising the temperature of molten salts in ponds at 260°C to 570°C, and storing them in ponds at high temperatures. At night, they are circulated from the high-temperature pond through a heat exchanger to produce steam and converted to electrical energy when needed.

One of the advantages of this technology is that it can be retrofitted in parallel to the plant's current operation.

More information in Chapter 2.4 Our Projects under

Battery Energy Storage





Construction and Development - Other Projects Under Development.

Green Hydrogen

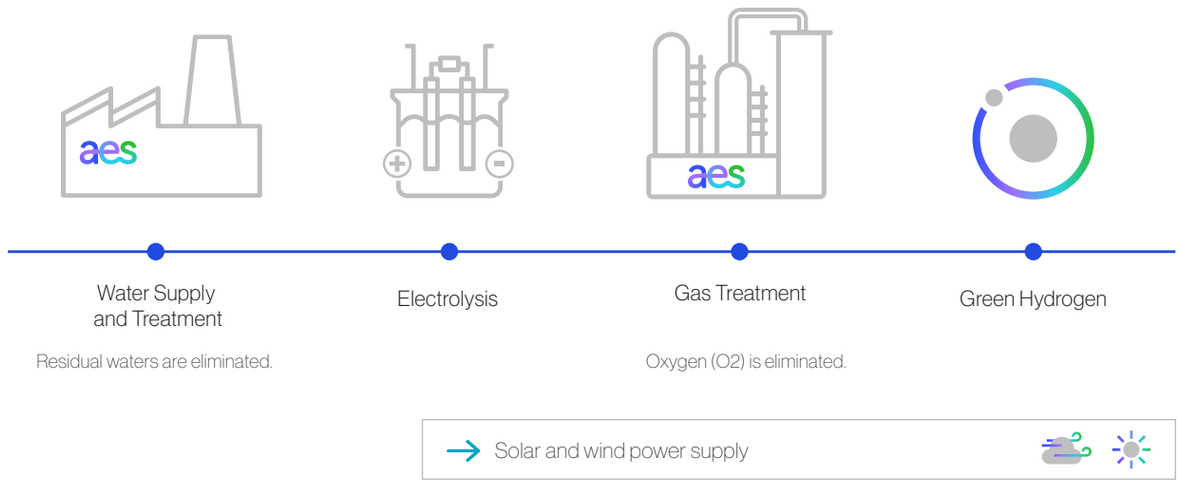
During 2022, the strategic plan for the development of green hydrogen in the Company was continued. We are confident that the exploration and innovation in this energy sector will diversify our portfolio of renewable energy projects. For this reason, we continue to work on corporate partnerships with higher education entities, technology partners, and employee retraining, among other things. Our commitment to decarbonization is reflected in the announcement of the first hydrogen production project to be made available to anyone who needs it through the Open Season process released during the year. The aim of this project is to introduce the use of green hydrogen to industry in order to demonstrate small-scale industrial operations. In the same line, we continue the development of different alternatives of industrial scale projects in all the countries where AES Andes has presence.

More information in Chapter 2.4 Our Projects under Construction and Development - Other Projects Under Development.

Other Innovation Initiatives

As AES Andes, we continue to promote renewable energy certification with our customers, contributing to the environmental goals of the industry and the country.

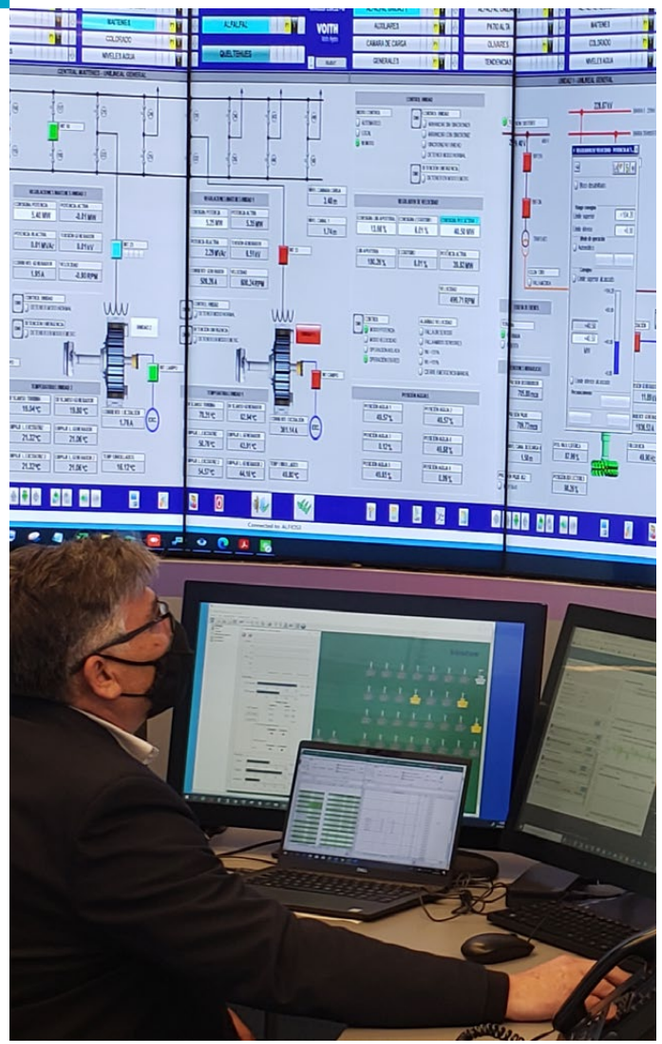
→ Production of green hydrogen



In addition, in 2022 we are working hard with the most prestigious certification bodies to develop methodologies that seek to strengthen their traceability, transparency and scope. In this way, we aim to strengthen the market for green products in order to accelerate the energy transition.

We continue to make progress in implementing customer self-service solutions. This is the case of the Clean Energy Navigator, which in 2022 made it easier for our customers to manage their energy contracts in an efficient, fast and simple way. This tool has improved the user experience by providing easy access to information, resulting in greater transparency and a better understanding of the costs associated with their monthly bill. In addition, the user interface continues to be improved to facilitate navigation and access to energy management tools, leading us to work on an enhanced version for 2023.

Remote Operation Control Center



Innovation and Transformation in our Operations

Extension of Chivor plant's useful life

Our Chivor hydroelectric plant in the department of Boyacá, Colombia, has been in operation for forty-five years, and the natural sedimentation of the reservoir has already reached the level of the current intakes, as originally designed more than 50 years ago. As a result, additional intakes had to be built at a higher level than the original ones, and 1.4 km of tunnels had to be dug to connect them to the existing infrastructure, extending the life of the reservoir by at least another 50 years. The project was carried out after several years of studies and research on the sedimentation process in the reservoir, and stands out for being the first time in the world that such a modification has been carried out in a hydroelectric plant with the characteristics of Chivor (1,000 MW installed capacity with a reservoir capacity of 600 million cubic meters) and without affecting the normal operation of the plant. The project was inaugurated in the first quarter of 2022.

Digital Transformation in our Operations

At AES Andes, in recent years, innovation has been part of our digital transformation strategy, monitoring our operations from our Smart Center (Intelligent Center for Operations) in Chile, where the convergence of processes, people and technological tools takes place. Having this unique ecosystem of innovation and creation alongside our customers, with artificial intelligence and machine learning tools, helps us improve operational decision making in our facilities.

Our ROCC (Remote Operation Control Center) for the Chilean units is located in the Smart Center. From there, we remotely and centrally maneuver our operating plants to optimize costs, improve performance, and streamline dispatch decisions to ensure reliable and safe operation in accordance with system requirements. This is a great innovation because, in addition to our current operation, which includes generating units that have been operating locally for more than 20 years, it also includes all new renewable assets, which accelerates the integration of new units.

In addition, as part of the Smart Center, there is the PMAC (Performance Monitoring & Analytic Center), where we use technological tools that allow us to continuously monitor asset performance online, i.e. the early detection of failures, efficiency losses and improvement opportunities for our power plants.

In 2022, we will integrate advanced analytics and artificial intelligence tools into our operational decision making,

allowing us to improve our plants and make them more reliable and agile. In addition, we have initiated the development of early warning learning algorithms that incorporate our learning from past failures, allowing us to increase our decision-making capacity and agility.

Digitalization and the Environment

In the area of Environment we have worked since 2015 in digital tools to support the management of environmental compliance and its reportability to the authority, seeking to improve the tracking of goals and objectives and to centralize access to evidence of compliance with rapid delivery of timely and reliable information.

In addition to the Integrated Chemical Management Service and the Compliance Management Module for the operations and projects of AES Andes, in 2022, the implementation of digital tools such as Power BI and the ECOSAPP platform was added to control the environmental management of the operations and projects under construction, in order to support compliance with the environmental commitments established in the Environmental Qualification Resolutions and the sectoral environmental regulations in force. The Power BI of environmental and sectoral permits allows the management control of the permits applicable to projects and operations; its pilot has been carried out with the permits applicable to the San Matías Wind Plant, which is in the construction phase. On the other hand, with the ECOSAPP platform for the Alto Maipo project, we provide environmental monitoring with a specialized module for environmental variables related to water quality and flows, among others.

The Monitoring, Reporting and Verification (MRV) platform has also been launched, in line with the CO_2 reductions achieved by renewable energy generation facilities such as wind and solar, as well as other clean technologies that will be implemented in the future. Thus, we are strengthening the monitoring and MRV process to make these environmental assets or carbon credits tangible and capitalizable.

On the other hand, in order to track the noise levels generated by the Mesamávida wind plant, a continuous noise monitoring network has been implemented. The network, provided by an external company and consisting of 13 devices installed next to the receivers closest to the wind turbines of the wind plant, allows the day and night monitoring of the environmental noise in order to make operational decisions based on continuous data and to ensure compliance with the established noise limits.

Electromobility

We made progress in the transformation of our internal personnel transport fleet by installing the first electric bus chargers for the Ventanas Complex (Chile). The



electric buses have already started their clean run in 2022, transporting the complex's employees. This milestone is the starting point for the transformation of the rest of the complexes. Starting in 2023, a free community transportation service will be offered.

APEX Projects

Using Augmented Reality to Reduce the Risk of Arcing

An electric arc is a disruptive discharge generated by the ionization of a gaseous medium (i.e. air) between two surfaces or elements with different potentials. The arc is a chaotic phenomenon in the sense that it is non-linear and strongly dependent on the initial conditions, and also because it depends on many factors such as the physical environment in which it occurs, the intensity or shape of the

2.10 Customer Relationship: Excellence and Quality [NCG 461 6.2, 8.1.1; IF-EU-000.A]

current, and the materials of the active electrical installation. Finally, an arc can be caused by a technical failure or a human error (such as a dropped tool or an incorrect maneuver).

For this reason, we developed an action plan that addresses various aspects related to electrical safety training and the study of personal protective equipment (PPE) required for different levels of arc flash exposure. In addition, we implemented a mobile application that uses augmented reality to help people see the limitations and boundaries of different equipment in the field, allowing us to ensure that every employee who is exposed to an energized part complies with the NFPA 70E standard in terms of equipment, knowledge and skills required for the job. This has effectively reduced the risk of arc flash exposure, improved employee understanding and interpretation of electrical hazards, and minimized the economic impact associated with equipment failure and downtime, always putting safety first.

Among others, APEX projects related to green hydrogen have been developed in terms of investment models and demand identification.

During 2022, we entered into agreements for 3.12 TWh/year of renewable energy which, together with what was previously executed since the beginning of Greentegra, add up to 14.6 TWh/year in commercial agreements with both existing and new customers, delivering innovative and competitive solutions to contribute to the achievement of their sustainability goals.

To achieve our goals, the relationship with our customers is fundamental to the business and the main topic of the 2018-2025 strategic framework. Therefore, we promote a customer-centric culture that has allowed us to strengthen our relationships based on the commitment to detect and support solutions appropriate to their needs and energy problems.

During the year under review, we have received no claims from our customers concerning violations to their privacy, information leakage or loss of data. Our commercial relationships are governed by the regulations in force in each country in which we operate. In Chile, customer rights are governed by the regulations and supervision of the Superintendency of Electricity and Fuels, and there were no sanctions in this area during the reporting period.

In Colombia, regulated contracts are under the supervision of the CREG, while non-regulated demand is covered by bilateral contracts. In Argentina, the Secretary of Energy regulates the market through resolutions and CAMMESA, where generators sell their energy on the spot market, and TermoAndes also has contracts under the Energía Plus regime, which are negotiated bilaterally.

Chile

In Chile, we serve customers throughout the National Electrical System (SEN), providing energy solutions from the Arica and Parinacota regions to the Los Lagos region. Our customers are divided into three segments: mining, electrical distributors for the regulated market and the commercial and industrial (C&I) market.

In line with our customer-centric proposal, in 2019 we began to implement the NPS (Net Promoter Score) measurement system, which is the survey that measures the customer satisfaction index. In 2022 we improved the metric by 59% with respect to 2021 (NPS 2022:59pts), as a result of strategic planning based on previous results. The focus of 2022 was to improve the customer experience, especially in terms of service and the delivery of information on the electrical market, trends and training, among other things. As part of the Customer Success Plan, we implemented a

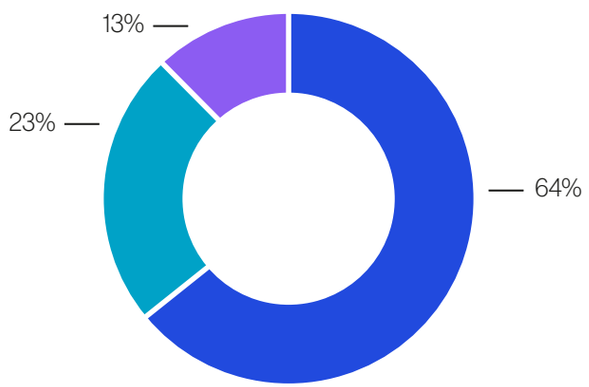
number of new initiatives to strengthen our customer focus:

- 4 introductory courses to the electricity market, attended by more than 60 customers, whose satisfaction was reflected in the surveys sent.
- Monthly reports, regulatory bulletins and newsletters that aim to inform about the electricity market and the solutions that AES Andes is developing in Chile for our customers, and to educate on key issues such as green hydrogen, regulatory issues and clean energy certifications, among others.
- Sustenta 2022: Exclusive event for our clients, with the aim of establishing contacts, and presenting current issues in the electricity market with Oscar Landerretche and Francisco Hidalgo from BCG Consulting. It was also the occasion to present the Adelaida project, the first Green Hydrogen Open Season in the country, to our customers.
- Review of internal processes to improve and manage the regular relationship with our customers, including optimizing our CRM (Customer Relationship Management) portal to provide timely responses to customer inquiries/ complaints and map the relationship with each of them and the restructuring of the billing process to facilitate and automate milestones.

As AES Andes, we have made progress in implementing customer self-service solutions such as the Clean Energy Navigator (81% of registered customers) and have also supported the evaluation of energy storage and green hydrogen solutions, among others.

Sales indicators support our 2022 management, highlighting three main customers with whom we have a relationship: Mining, commercial and industrial and distributing customers.

→ Sales in Chile 2022



196 Customers

- Mining Companies
- Distributing Companies
- Industrial and Commercial Clients





Colombia

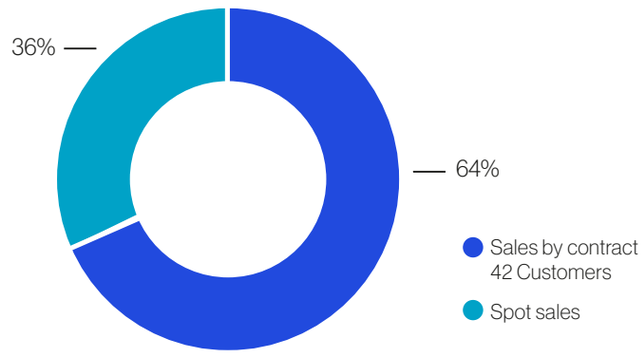
In Colombia we continued to work with customers in the regulated (wholesale) and non-regulated markets through medium- and long-term contracts to develop our customer-centric culture with energy solutions that generate value.

In 2022, we were able to enter into a new product that not only brought us additional revenue, but also the addition of 4 new customers with whom we expect to deepen our relationship through our 100% renewable energy offering.

On the other hand, we completed the construction of the 27 MW Brisas solar plant in the department of Huila, which will provide additional renewable energy to the Ecopetrol Group for a period of 15 years, bringing its total generation to 109 MW.

Finally, we managed to close a long-term contract our customer CHEC. This is an 11-year contract with delivery starting in 2027 for 208 GWh/year. The agreement contributes to our long-term contract strategy for our assets.

Sales in Colombia 2022

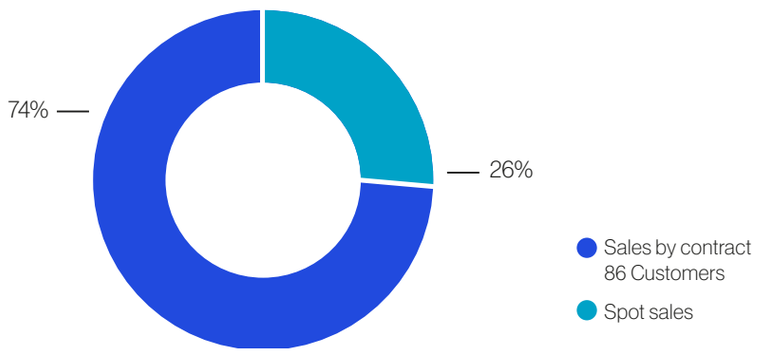


Argentina

Through our subsidiary TermoAndes, we operate the Salta Thermal Power Plant, which supplies energy through the two operating systems that exist in the Argentine market: Spot Market (regulated) and Energía Plus (non-regulated).

In the spot market, we sell electrical energy to CAMMESA and in the Energía Plus market we sell electrical energy to commercial and industrial customers.

Sales in Argentina 2022



2.11 Sustainability in the Supply Chain

[GRI 2-6, 3-3, 204-1, 308-1, 308-2, 414-1 ; NCG 461 5.9, 7.1, 7.2]

The year 2022 presented major challenges to the Supply Chain of our companies. First, the gradual exit from the pandemic implied a slow readjustment of the various stages of the process to achieve performance in line with company and market standards. Then, the wars around the world led to severe limitations and restrictions in the supply of materials and global logistics, which seriously threatened the commitments made by our suppliers and their supply chain.

In the face of these challenges, our suppliers played an important role in helping us achieve our sustainability goals. Ensuring business continuity was a priority, a challenge that was successfully met. By working closely with our suppliers, we were able to achieve our goals and promote decent working conditions, environmental stewardship and ethical behavior, which are key elements of our commitment.

Moreover, our suppliers and contractors have to comply with the highest ethical standards that we expect as AES Andes. Before closing any agreement, our suppliers and contractors undergo a thorough due diligence process and, during the term of the agreement, we carefully monitor their business practices to ensure they comply with our Code of Conduct, our policies and our guidelines. We strive for their continuous improvement and support them when they need to improve their performance, and we seek to promote the inclusion and human capital development of our local contractors for years to come.

With suppliers that provide specialized services, we always seek to establish long-term relationships based on the very nature of the business. The power plant and transmission line maintenance works require high-level specialization and high safety standards. This is translated into an incentive to training and development of external staff by their employers, under the scope of a stable relationship of mutual collaboration that demands high-quality service at competitive prices.

Our first responsibility towards our employees and the contractors who work on a regular or occasional basis in our facilities is to provide the appropriate industrial hygiene and safety conditions. For technical works at the plant, the safety measures and equipment standards are shared by in-house and external employees. Moreover, all the employees (both internal and external) are equally required to undergo pre-employment medical check-ups to reduce the risk of accidents.

Alto Maipo



To manage the risk in our supply chain, we have established a standard that includes, among others:

- Contingency Plans: We have adopted guidelines to create contingency plans and procedures to identify and respond to incidents and emergencies, and to maintain the continuous operation of critical assets.

- Relationship between Inventory and Criticality: We assess the criticality of different inventory assets and parts, and we have planning tools to ensure availability and replenishment based on lead times.

- Asset Management: The vendor performance assessment allows us to identify:

  i. any problems that need to be addressed through corrective action plans, and

  ii. best practices to be recognized and duplicated.

  We have policies and procedures that promote timely payment to our suppliers, including:

  • Annual schedule of vendor payment dates.

  • Automated workflow processes for invoice approval, with automatic notifications and reporting.

  • Unified communication channel with suppliers, for questions related to the purchasing and payment processes, through the e-mail box at proveedores.sa@aes.com.

  • Invoicing instructions that guide suppliers on how to issue their invoices.

  • Corporate policy establishing 30-day payment (AES Corporation Procure to Pay Policy).

The notion of "critical supplier" is associated with the supply of equipment or services that could jeopardize the integrity of our own staff, contractors or community members, or the operability of the generation plants or transmission lines.

Proper mapping of critical vendors is part of the spending analysis and the incorporation of alternative sources. We do this in collaboration with internal users and the engineering and operations areas.

→ AES Andes Suppliers 2022

Number of AES Andes Suppliers	2,158
Expenditure in AES Andes Suppliers (US$)	876,205,473

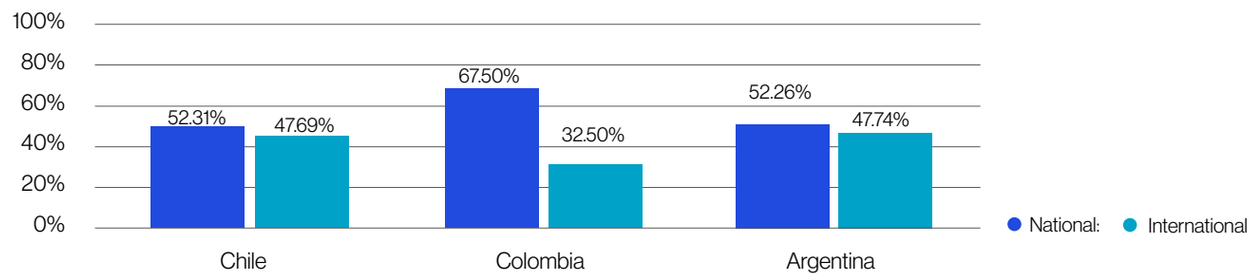
Fuel suppliers are not included.

→ Number of Suppliers by Country

Chile	1,533	National: 1386
		International: 147
Argentina	231	National: 225
		International: 6
Colombia	394	National: 358
		International: 36

Through the community relations standards for contractors, which are framed in our Local Community Engagement and Relations Policy, we instill in our contractors the CSR and inclusion culture. The purpose of these standards is to obtain and maintain the social license for our operations and projects by applying standards of good behavior, carrying out activities that support local development and applying mitigation measures against negative impacts on neighboring communities that may be caused by the activities and processes of our contractors. According to our policy, we also seek to hire in the first place local suppliers and contractors that meet the safety standards and have the required technical know-how.

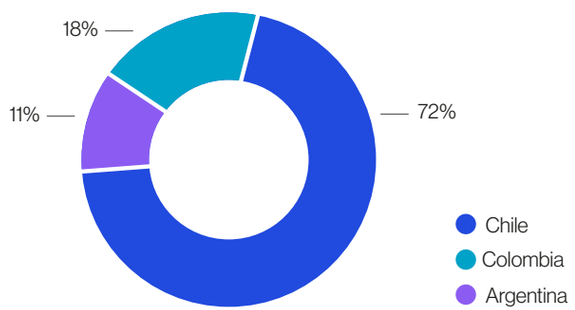
Supplier origin by Percentage of Expenditure



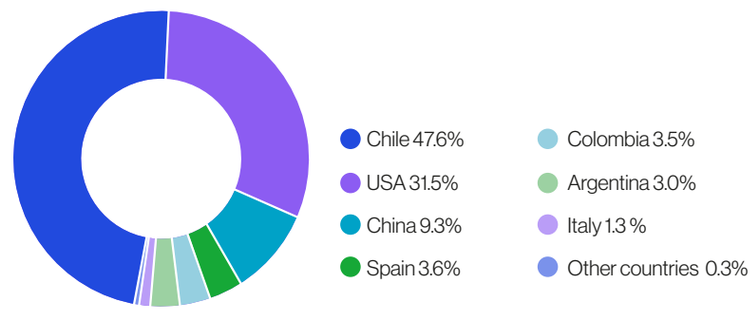
Number of Suppliers by Country

A national supplier is a vendor with business domicile in each one of the countries where we do business and an international supplier is a vendor with domicile outside the countries where we do business.

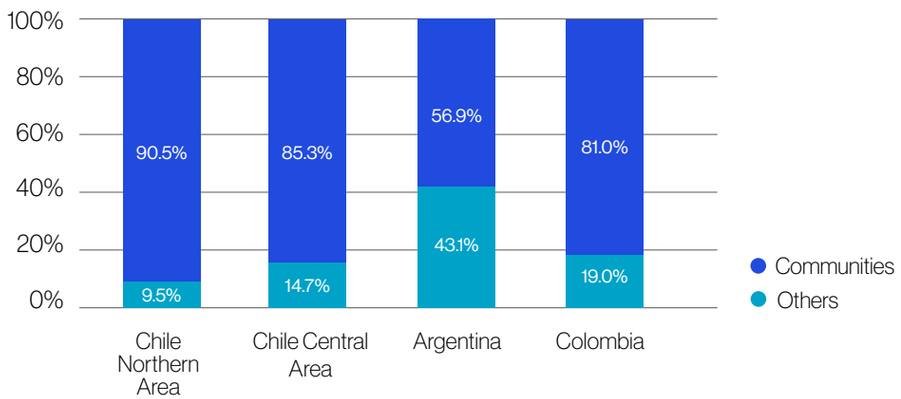
Percentage of Expenses in Suppliers by Country



Percentage of Purchases from Suppliers by Country



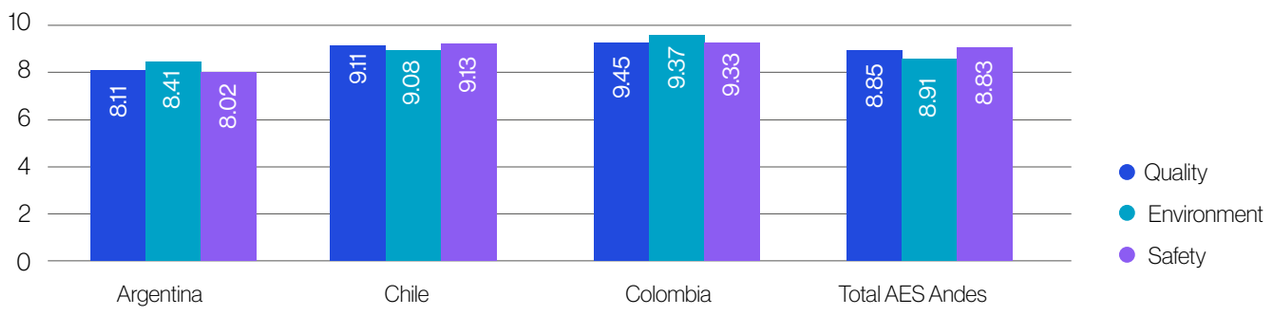
Percentage of Suppliers from Nearby Communities vs National Suppliers







Evaluation of Suppliers by Country [NCG 462 7.2]



Inventory

Inventory optimization allows us to ensure the availability of essential goods and reduce the risk of stockouts, especially given the logistical demands suffered by the supply chain during 2022, with a particular focus on demand planning activities to ensure timely availability to meet operational needs.

Supplier Rating [NCG461 7.2]

To evaluate and select our suppliers, we use quantitative and qualitative analysis tools through tools such as STACE

(Safety & Sustainability, Technique, Alignment, Cost & Execution), which provides a global standard for evaluating new and existing suppliers. On the other hand, the selection policy adheres to strict protocols to assess compliance with community relations, regulations and business ethics. We also provide feedback to our contractors on their performance and expectations for future improvement.

In addition, our employees use a scoring system to evaluate the performance of our service providers and rate their quality, safety and environmental performance, with 7 being the defined target or goal.

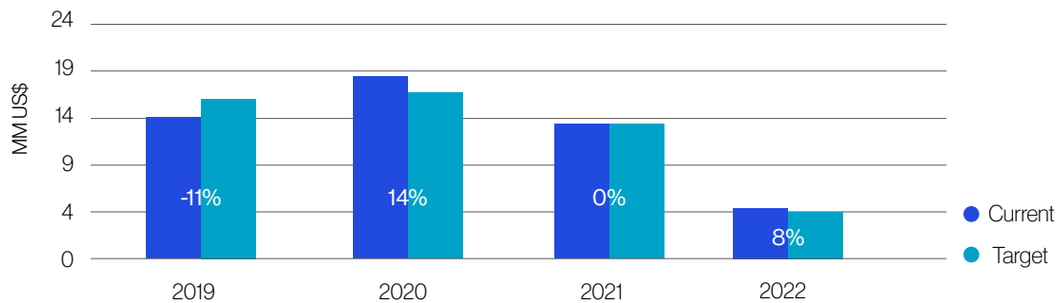
We started using this assessment in 2018 and in 2020 we added the environmental assessment. During 2022, we assessed the performance of more than twenty-nine thousand (29,000) services provided.

Savings

Our savings expectations are set in the long term with an official yearly target for the budget review process.

The progress made in meeting the savings goals of the supply chain in recent years is shown in the following table: Supply chain savings in 2019 were 11% below target, while in 2020 they exceeded the target by 14%. For 2021, savings were 0.1% over target. In 2022, savings reached 7.7% above expected target.

→ Savings in the Supply Chain (% vs. Target)



→ Targets at inventory closing

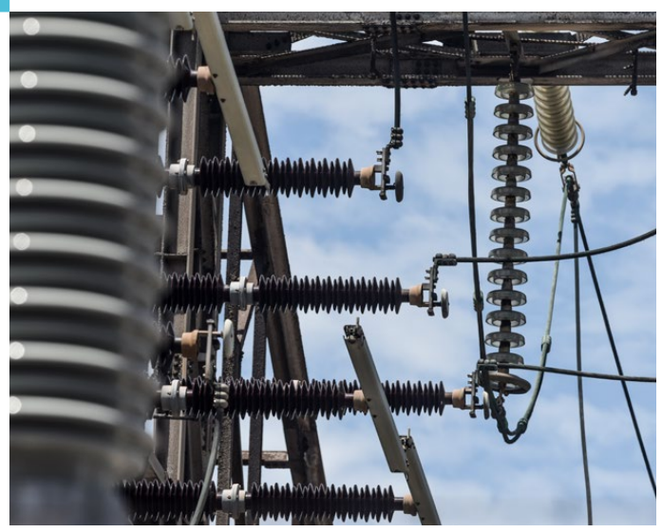
Year	% vs Target
2019	-14.0 %
2020	-6.7 %
2021	-0.9 %
2022	-0.4 %

Over the past few years, we have improved our inventory close targets.

Fuel Supply

Our thermoelectric capacity reaches 2,899 MW gross and is mainly fueled by fossil fuels such as thermal coal, natural gas and diesel.

The majority of our thermoelectric capacity, 2,256 MW (gross), is located in Chile and is fueled primarily by thermal coal.



→ Thermoelectric Plant of AES Andes by type of fuel (MW)

Energy source	Gross installed power MW %[1]	%
Coal	2,243	77.8%
Gas/Diesel	643	22.2%
Biomass	13	0.4%
Total	2,899	100.0%

(1) Figures as of December 31, 2022. Includes thermal plants in Chile and Termoandes plant in Argentina

→ Fuels used in AES Andes 2022

[GRI 301-1]

Renewable	Measurement Unit	2022
Biomass	thousand tons	164*
Renewable	**Measurement Unit**	**2022**
Coal (thousand tons)	thousand tons	3,438*
Natural Gas (millions of m^3)	millions of m^3	708

(*) Data verified by RSM Chile.

2.12 Acknowledgments and memberships

[NCG 461 6.1]

Recognitions

During 2022, we have been recognized by important entities of Chile and Colombia, and by international organizations, among which the following stand out:

AES Andes top 10 as best place to work

Regarding the 2021 process, in March 2022, AES Andes was recognized by Great Place to Work as one of the best companies to work for in Chile, Argentina and Colombia. In the case of Chile, it ranked 10th among the best companies in the category of companies with less than 1,000 employees, while AES Colombia ranked 22nd among the best mid-sized companies to work for in the country.

In the 2022 process, AES Andes was also ranked in the top 50 in Colombia and Chile. In the latter, the company was ranked sixth, up four places from the previous version.

Latin America Executive Team 2022

For the third year in a row, AES Andes was recognized in the Latin America Executive Team 2022 ranking by Institutional Investor, a leading publisher of international finance.

Ricardo Falú was selected as the third best CEO by buy-side investors, the same position achieved by Ricardo Roizen in the CFO category, while John Wills, Investor Relations Manager, was positioned as the second best professional in the field.

Vice President of Legal Affairs for AES Andes is recognized as one of the most influential lawyers in Chile

María Paz Cerda, Vice President of Legal Affairs of AES Andes, has been recognized as one of the most influential corporate lawyers in the country in 2022, according to the prestigious ranking The Legal 500 in its "GC Power List".

This is a recognition of the most influential lawyers in Chile, based on independent research, including in-depth interviews with key players in the country's legal community, with a focus on those professionals who promote effective and collaborative working.

AES Andes finalist in the Chambers Latin America Awards 2022

The company's Legal Vice Presidency was a finalist in this recognition, in the category Outstanding Company in Diversity & Inclusion.

AES Colombia Finalist in the Andesco Grand Prize for Sustainability

AES Colombia was a finalist in the 2022 Andesco Sustainability Grand Prize - Medium Utility Company, which



Pastoreo Solar Project

means that all the nominated initiatives are sufficiently outstanding. The following initiatives have been nominated:

1. Social Environment: Nature Tourism Project.
2. Work Environment: Inclusion of women in the construction of solar plants.
3. Market environment: Association of Industrial Services with a Gender Approach -ASODEC- / Solar Pastoral Project.
4. Environment: Social development for environmental protection through knowledge of local biodiversity and sustainability.
5. Corporate Governance Environment: Transparency and integrity in the management of social aid in La Alta Guajira.



AES Andes Memberships and Participations [GRI 2-28]

We are part of various trade and business associations. The contributions we made in Chile in 2022 amounted to CLP$ 466,496,151, being the main three contributions made to the Chilean Association of Generating Companies (CLP$ 251,507,252), SOFOFA (CLP$ 40,834,964) and the Chilean American Chamber of Commerce - AmCham Chile (CLP$ 52,732,470) and the Fundación para la Sustentabilidad del Gaviotín Chico (CLP$ 51,544,678).

In Colombia, our contributions to associations amounted to COP$ 804,440,287. The three main associations were the Colombian Association of Electric Power Generators, ACOLGEN (COP$ 395,510,887), the National Association of Industrialists, ANDI (COP$ 306,597,000), and the National Association of Public Utilities and Communications, ANDESCO (Col$ 102,332,400).

AES Colombia has been a member of the following associations or guilds for several years: Asociación Nacional de Servicios Públicos y Comunicaciones - ANDESCO; Asociación Colombiana de Generadores de Energía Eléctrica - ACOLGEN; Asociación de Energías Renovables – SER Colombia; Consejo de Empresas Americanas – CEA Colombia; Cámara de Comercio Colombo Americana y Cámara de Comercio Colombo Chilena.

In 2020, AES Colombia created the Mesa Más La Guajira within the National Association of Industrialists - ANDI, and will preside over it in 2021. This initiative aims to articulate and join efforts with other companies present in the Department of La Guajira for the development of the Department.

In 2021, AES Colombia joined the recently created Colombian Hydrogen Association - Hidrógeno Colombia to promote this industry in the country.

In 2022, it became the first member of the United States-Colombia Business Council, an organization that seeks to bring together the governments and businesses of the United States and Latin America.

→ Organizations that promote High Standards

[NCG 461 3.5]

Aequales: Since 2017, AES Colombia has joined Aequales, a company that provides tools to close the gender gap.

Every year, AES Colombia participates in the PAR Ranking or Annual Survey of Gender Equality, and in the 2020 edition it was ranked 50th out of 344 medium-sized companies that participated in the measurement.

Global Compact: AES Colombia signed up to the principles of the UN Global Compact in 2015. This initiative promotes the commitment of the private sector, public sector and civil society to align their strategies and operations with ten universally accepted principles in the areas of Human Rights, Labor Standards, Environment and Anti-Corruption, and to contribute to the achievement of the Sustainable Development Goals.

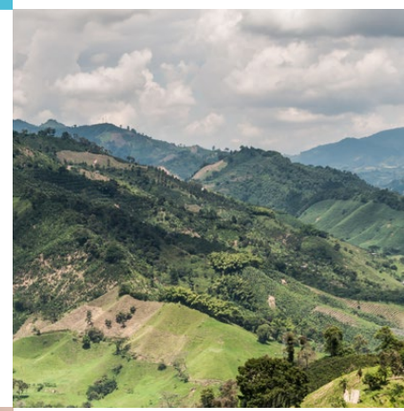
Corporation Transparency for Colombia: This organization is part of Transparency International and is dedicated to fighting corruption and transparency in the public and private sectors, promoting active citizenship, strengthening institutions and consolidating democracy. AES Colombia participates since 2015 in the measurement of Transparency in the private sector and in 2020 obtained an overall score of 93.7 and in 2022 obtained an overall score of 88.8, thus being positioned in the low corruption risk range.

Collective Action of the Electricity Sector: Under the leadership of XM S.A., the company that manages the energy market in Colombia and the National Operation Council (CNO), this collective action was created to promote transparency and good corporate practices in the electricity

sector. AES Colombia was the founder of this organization in 2015 and since then has been actively involved in the design and implementation of programs that promote healthy competition, ethics and transparency in the sector.

Colombian Safety Council: Through AES Colombia's affiliation with this entity, the Company seeks to keep abreast of advances in Occupational Health and Safety issues in order to update risk prevention and operational control strategies that are part of the Occupational Health and Safety Management System, and to share best practices with companies in different sectors, mainly in the mining, energy and construction industries. Together with the Colombian Safety Council, we also carry out the evaluation process of the Unified Contractors Registry (RUC), a key tool for participating in bidding processes with Ecopetrol, CENIT and other companies in the hydrocarbon sector.

The Más Familia Foundation awarded AES Colombia with the Family Responsible Company 2021 Certification, after the company endorsed 71 wellness measures that promote work-life balance. In 2022 AES Colombia maintained such certification.



It is important to note that we do not finance political parties, candidates or their representatives. Therefore, no such contributions were made during 2022.



The list below shows the associations of which AES Andes is a member in Chile and Colombia, with an asterisk (*) where we have an executive role.

Chilean Associations

Acción Empresas	acción empresas | wbcsd	Cámara Chileno Argentina	Cámara Chileno Argentina
Asociación Chilena de Renewable Energy y Almacenamiento*	ACERA	Fundación Generación Empresarial	FGE Fundación Generación Empresarial
Asociación Gremial de Generadoras de Chile*	Generadoras de Chile	Fundación para la Sustentabilidad del Gaviotín Chico*	Fundación para la Sustentabilidad del Gaviotín Chico
Asociación Gremial de Industriales de Valparaíso	ASIVA	ICARE	icare
Asociación de Industriales de Antofagasta	Asociación de Industriales Antofagasta	Sociedad de Fomento Fabril (SOFOFA)	SOFOFA
Cámara Chilena Norteamericana*	amcham CL	World Energy Council (WEC)*	World Energy Council
Asociación de Hidrógeno*	H2 Chile	Asociación Chilena de Desalinización (Acades)*	ACADES

Colombian Associations

Asociación Colombiana de Generadores de Energía Eléctrica*	acolgen	Pacto Global Red Colombia	Pacto Global Red Colombia
Asociación Nacional de Industriales	ANDI	US Colombia Business Council	
Asociación Nacional de Empresas de Servicios Públicos y Comunicaciones	Andesco	Acción Colectiva del Sector Electrico	acción colectiva
Consejo de Empresas Americanas*	CEA Colombia	Consejo Colombiano de Seguridad	CCS Consejo Colombiano de Seguridad
Cámara de Comercio e Industria Colombo Chilena	Cámara de Comercio e Industria Colombo Chilena	Asociación de Energías Renovables – SER*	Ser Colombia
Asociación Colombiana de Hidrógeno	hidrógeno Colombia		
Cámara de Comercio Colombo Americana	AMCHAM Colombia		



3. Corporate Governance: Ethics, Transparency and Excellence

3. Corporate Governance: Ethics, Transparency and Excellence

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3.5 Corporate Governance Structure 147

3.6 Main Macroeconomic Aspects and Regulatory Changes of Energy Relevance in the Region 160

[GRI 3-3]

This chapter covers the following important topics:

- Human rights practices and assessment
- Regulatory compliance
- Employee-company relationship
- Diversity and equal opportunities

3.1 Ethical Framework

[GRI 2-23, 103-2; NCG 461 3.1, 3.6, 5.9]

At AES Andes, we have a Code of Ethics and Conduct, a Code of Ethics for AES Suppliers, and an Ethics and Compliance Program approved by the Board of Directors to ensure that our business is conducted with the highest standards of integrity and excellence.

The Code of Ethics and Conduct governs the actions of all persons who work for the Company, including our subsidiaries, as well as our Code of Conduct for AES Andes Suppliers, which defines the basic requirements and expectations applicable to all suppliers, contractors, consultants and external intermediaries of the Company and its affiliates.

The Code of Conduct for AES Andes Suppliers is included in our contracts with suppliers, who are responsible for ensuring that their subcontractors also comply with this Code.

The Code of Conduct for AES Andes Suppliers establishes requirements to comply with all applicable laws, fully perform the contract, provide a safe working environment, compete fairly, maintain accurate books and records, avoid corruption and bribery, avoid conflicts of interest, avoid excessive gifts and entertainment, comply with business controls, respect human rights (in particular, comply with all applicable child labor laws and only employ workers who are of legal age in the country), create a sustainable business, protect confidential information, and respect human rights (including complying with all applicable child labor laws and employing only workers who meet the minimum age requirements of the country in which they are employed), build a sustainable business, protect confidential information, avoid using raw materials mined in an area of armed conflict and/or traded illegally, respect intellectual property, ensure cybersecurity, protect privacy, and how to raise a question or concern about a violation of this Code.

Moreover, the Ethics and Compliance Program contains legal and regulatory compliance requirements from Chile, Colombia and Argentina, such as those stipulated in the Corporate Criminal Liability Law 20,393 (in Chile), the U.S. Foreign Corrupt Practices Act and other applicable laws.

The Code of Conduct and the Ethics and Compliance Program define our business practices and are therefore an integral part of our culture. To ensure its adherence and compliance, the following actions are performed:

"Our **Code of Ethics and Conduct** provides a common framework for how we interact with each other, do business with our partners and suppliers, and serve our customers and the many communities and environments in which we operate in Latin America."

- Current ethics and compliance training programs are an integral part of the Ethics and Compliance Program. Regular attendance (in person or virtually) is required for all Company personnel to participate in ethics and compliance training and education programs appropriate to their responsibilities.

- The purpose of the Ethics and Compliance Program's training and education programs is to inform Company personnel of specific policies and procedures set forth in the Ethics and Compliance Program and the Code of Conduct, and to provide Company personnel with the tools necessary to make good decisions when faced with ethical dilemmas or challenging business situations.

- Ethics and compliance training programs are administered from our Arlington headquarters and implemented locally by the Compliance Officer.

- The Code of Conduct is distributed and certified to all employees, contractors, suppliers and business partners. Every two years, we are asked to certify that all employees have read and understood the Code of Conduct and have agreed to abide by it.

- Our employees expressly accept the Code of Conduct at the time they join our Company, and certify that they have read and properly understood it.

- The Ethics and Compliance Program requires that prior to entering into any type of transaction with a third party, the employee of AES Andes and its subsidiaries must complete the contractual compliance review process with respect to the proposed business partner.

During 2022, we also conducted a series of training sessions on our Conflicts of Interest Policy and our AES Helpline.

Our Conflicts of Interest Policy training aimed to raise awareness of situations that create or may create a conflict between personal interests and those of the Company, recognizing that our business decisions are driven by judgment, objectivity and loyalty to the Company and our stakeholders, not by our personal interests.

Meanwhile, our Helpline training sought to raise awareness of the importance of this resource as a key tool for our employees to seek guidance on AES Andes' values, AES Andes' policies and AES Andes' Code of Conduct (all based on AES' global policies), to report their concerns about inappropriate or illegal business conducts, and/or to make any report or inquiry about potential issues anonymously.

We also successfully completed our Compliance On-boarding - Meet & Greet Sessions - aimed at making our Code of Conduct and Compliance Policies known to all those who join the Company.

In addition, we implemented our Ethics Champions program with the participation of more than 300 employees. The purpose of this program is to foster a culture in which people in the company can speak openly about the company's values and the ethical dilemmas they face on a daily basis, helping us to manage difficult situations and gray areas in our business. We want to ensure that the Company's values are upheld and that we are making the right decisions every day at work.

For the second year in a row, we participated in the Values and Organizational Integrity Barometer (BVIO 2022) of the Fundación Generación Empresarial, which allowed us to measure, from an external perspective, how we understand our values and put them into practice. We were also recognized in the Commitment to Integrity Culture 2022 category.

→ Ethics and Compliance Department

Our Ethics and Compliance Department (E&C), headed by the Ethics and Compliance Manager, is responsible for ensuring adherence to the Code of Conduct and the Ethics and Compliance Program. Provides training, information and certification programs for our employees, with the goal of the Code of Conduct, promoting an organizational culture that encourages ethical behavior and a commitment to compliance with the law. In addition, it monitors and enforces our policies on corruption, bribery, money laundering and association with terrorist groups.

Some of the ethics and compliance training and support programs are:

Ethics Champions Program

Encourages and promotes the debate on contingent and challenging issues that we may face.

Training on the Company's Code of Conduct

Promotes the importance of exercising good judgment for business decision-making with an eye on the Company as a whole. Provides guidance in the event of practical business events, and also informs who to contact in case of doubts or difficult situations at the time of making business decisions.

One of the main focuses of the training in 2022 was the Contract Compliance Process - Engineering and Construction Contracts as well as Consulting Contracts - which aimed at gaining in-depth knowledge of the scope of risks in EPC (Engineering, Procurement and Construction) contracts and the potential interaction with public officials.

The contractual compliance review process includes assessing the risk associated with a particular transaction, conducting appropriate compliance due diligence on each transaction with the potential counterparty, incorporating the terms of the contractual compliance policy into the written contract with the counterparty, and obtaining approval from the appropriate compliance department prior to engaging the business partner.

It should be noted that we had no confirmed cases of corruption and/or bribery during the last three fiscal years. In addition, AES Andes has not received any fines related to anti-competitive practices during the same period of time.

Brisas Solar Plant, Huila, Colombia



3.2 Policies that Govern our Actions

[GRI 2-23; NCG461 3.6 5.5; NCG 461 3.5, 8.1.2, 8.1.4, 8.1.5]

Anti-Corruption Policy

Our Anti-Corruption Policy prohibits offering or giving anything of value, directly or indirectly, to anyone, including government officials or private companies, for the purpose of improperly influencing a decision.

As part of our commitment to our values, our Anti-Corruption policy strictly prohibits corruption in any form, including giving or accepting bribes, even if this prohibition results in AES Andes losing a business opportunity. Facilitation payments, defined as small payments to low-level government officials intended to expedite or secure the performance of a routine, non-discretionary government action, are also prohibited by this policy.

This policy also sets forth that all charitable contributions and political donations must comply with applicable local laws and the AES Charitable Contributions and Political Donations Policy, which requires that all charitable contributions and political donations made by or on behalf of AES Andes be delivered to and reviewed in advance by the Ethics and Compliance Department.

This policy also forbids to request or accept anything of value from any current or future business partner in exchange for doing business or receiving any favorable treatment with AES Andes.

Model of Crime Prevention under Law No. 20,393 on Corporate Criminal Liability

[NCG 461 3.5, 8.1.5]

Law 20,393 establishes sanctions for those companies that commit crimes related to (i) money laundering, (ii) terrorist financing, (iii) bribery of national and/or foreign officials in the interest or to the benefit of the Company, (iv) receiving stolen goods, (v) corruption among private parties, (vi) incompatible negotiations, (viii) fraudulent administration, (viii) misappropriation, (ix) water pollution that causes damages to hydrobiological resources, (x) processing, placement in wells, transformation, transportation, marketing and storage of banned hydro-biological resources, and preparation, marketing and storage of its by-products, (xi) performance of extraction activities in areas of benthic resources management and exploitation without the corresponding rights, and (xii) processing, preparation, storage and marketing of hydro-biological resources or by-products, whose legal origin cannot be proven, and which are collapsed or overexploited; (xiii) ordering a worker to go to work knowing that he/she is under quarantine or mandatory sanitary isolation ordered by the health authority, (xiv) fraudulently obtaining unemployment benefits, (xv) organizing, financing or inducing the creation and operation of private militias or the like, possession of certain weapons, chemicals or explosives without proper registration, and other similar conduct, (xvi) trafficking in persons, recruiting, transferring, harboring or receiving persons for the purpose of sexual exploitation, forced labor, servitude or slavery or the removal of organs, (xvii) theft, timber theft, (xviii) possession of timber without proof of its legal origin, (xix) computer crimes.



It should be noted that we had no sanctions executed in this area.

During 2022, the Company completed the certification process of its crime prevention model in accordance with Law 20,393.

Donations Policy

As a company, a donation is understood as anything of value delivered to individuals, companies or organizations with charitable or altruistic purposes. No donations are allowed in exchange for financial benefits, recommendations, preferential treatment, or other undue influence. Prior approval from the Ethics and Compliance Department is required before promising any contribution or donation.

Gifts and Entertainment Policy

Under no circumstances will AES Andes employees accept or offer gifts that would compromise, or appear to compromise, their ability to act in the best interests of the Company. Gifts must be legal and habitual in the jurisdiction where they are given or received. They must also be reasonable and proper to the occasion and not excessive in terms of value.

Conflicts of Interest Policy

[GRI 2-15; NCG461 3.1]

A conflict of interest may arise when the action or decision-making of an employee in the performance of his/her professional responsibilities is affected or influenced by a personal situation. Therefore, people should avoid situations that might create, or even give the appearance of creating, a conflict between personal interests and the interests of the Company.

Discrimination and Harassment Prevention Policy [NCG461 5.5, 8.1.2]

Our workforce is made up of people from diverse backgrounds and cultures, and diversity is part of our DNA. For this reason, the Company's recruitment, hiring, training, development and compensation processes are based on qualifications, performance, skills and experience, with the understanding that diversity and inclusion is a competitive advantage that adds value to management in a context that increasingly demands greater competitiveness, innovation and flexibility.

Thus, our subsidiaries are committed to:

- Promote diversity and respect for differences to ensure synergy of visions and ideas in our work teams.
- Respect the basic rights of all employees, without discrimination based on race, ethnicity, color, gender, language, nationality or any other reason such as religion, age, sexual orientation and identity, political opinion, social status and/or disability.
- Promote a culture of equal opportunities, ensuring the development and retention of talented people who thrive in a harmonious and challenging environment to continue growing in the company.
- Incorporate inclusive language in corporate communications and activities to avoid bias and stereotypes.
- Maintain efforts to allow employees to reconcile their professional, family and personal life, providing support for both maternity and paternity in order to favor the integral life of individuals

During 2022, a total of 2 complaints were received for discrimination and 1 for workplace harassment. There were no reports of sexual harassment. All cases were duly investigated by the Compliance Management and the corresponding sanctions were suggested. No cases were filed with the Labor Directorate or equivalent agencies.

In addition, a series of online trainings were conducted, with a total of 945 participants or 84% of the employees:

- Unconscious bias and its impact on inequality and Discrimination.
- Prevention of Workplace and Sexual Harassment.
- AES Domestic Violence: A world that exists, we hide and normalize.

→ Free Competition Policy [NCG 461 8.1.4]

Our Antitrust Policy provides internal guidelines on the correct way to prevent the occurrence of conduct that is risky or detrimental to free competition and seeks to comply with applicable Chilean law. Through this policy, our Company seeks to ensure that its participation and performance in the marketplace does not create a condition that unfairly prevents or hinders competition in the marketplace, to discourage and prevent any conduct that may be considered contrary to free competition in the marketplace, and to seek ways to facilitate and increase competition through the promotion of pro-competitive practices.

All employees of AES Andes are strictly prohibited from engaging in any conduct, directly or indirectly, that prevents, restricts or hinders free competition or tends to do so.

3.3 Human Rights Policy

[GRI 2-23, 3-3; NCG 461 2.1, 3.6, 4.2, 8.1.2]

We expressed our commitment to the Universal Declaration of Human Rights, adopted by the Third General Assembly of the United Nations in Paris on December 10, 1948.

We formalized the tools the company already uses to conduct business (such as promoting risk assessments, ensuring a healthy and safe work environment, and working in partnership with communities) through our Human Rights Policy, which is guided by nine principles for the day-to-day management of the business throughout its value chain:

1. Equality of treatment and dignity of the person.
2. Not to allow child labor and not to employ adolescents in night, dangerous and unhealthy activities, always respecting local laws on the matter.
3. Combat discrimination in all its forms and value diversity.
4. Prevention of moral harassment and sexual harassment.
5. Respect for freedom of association and the right to collective bargaining.
6. Labor rights of employees.
7. Access to education and development activities.
8. Providing a safe and healthy workplace.
9. Internal dialogue and freedom of opinion and expression without retaliation.

At AES Andes, we do not tolerate retaliation, intimidation or espionage against any person or organization (either internal or external) for raising questions or making a good faith complaint about improper conduct.

→ AES Colombia Human Rights Management System [GRI 412-1]

Since 2020, AES Colombia has begun a self-assessment of its human rights management, starting with its efforts with the indigenous communities of La Guajira, particularly in the development of the Jemeiwaa Ka'l wind project. With the help of consultants KPMG, 66 opportunities for improvement in community relations processes were identified, and a plan was developed and immediately implemented. Subsequently, in 2021, a consultant was hired to design a comprehensive human rights management program for all AES Colombia operations.

The management system design included: (i) the review of AES Colombia's human rights policy; (ii) the review of all

company processes to identify activities that had a direct or indirect relationship with human rights; (iii) the training of managers and employees; (iv) the involvement of the value chain through training to raise awareness, identify risks, advise on the design of the human rights policy and the creation of an environmental impact tool, and the development of a roadmap for the prevention of human rights violations.

The management system created identified 72 tasks for operations in 10 areas of operations and 5 typologies, as shown below:

Of the 72 tasks identified, the percentage of progress does not apply to 5 of them because their execution is linked to the progress of the projects and construction has not yet begun. As of December 2022, 94% of the identified tasks have been completed.

Management and task reviews, as well as training and value chain involvement, are elements of follow-up and continuous improvement.

The evaluation sought to:

- Assess actual and potential human rights impacts.
- Integrate the findings in a risk map.
- Act on those findings to prevent or mitigate potential impacts.

→ Human rights management tasks by typology and by AES Colombia areas.

Typologies	Tasks	Progress
Communication and Transparency	27	99%
Labor	23	96%
Local Development and Employment	10	83%
Institutional Strengthening	9	82%
Diversity and Inclusion	4	80%

Typologies	Tasks	Progress
Industrial Security	1	100%
Compliance	3	100%
Communications	9	100%
Physical Safety	2	100%
Environmental	1	100%
Legal	12	99%
Corporate Matters	18	97%
Human Resources	9	85%
Social Management	5	82%
Jemeiwaa	8	79%

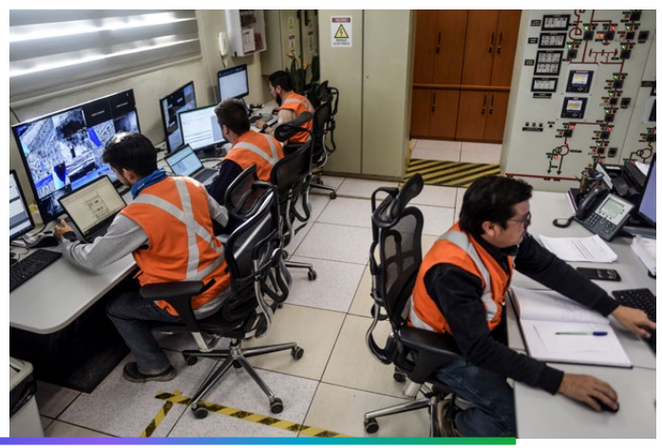
3.4 Complaint mechanism

[GRI 2-26; NCG 461 3.2, 3.6]

Due to the characteristics of the business and its inherent risks, we should monitor issues such as safety (the right to life and integrity of people) on a permanent basis to confirm that safety is
our first value.

Due diligence [GRI 2-23, 412-1; NCG461 3.6]

In line with the guidelines of the UN Guiding Principles on Business and Human Rights, during 2019 we conducted a due diligence in these issues on our operations in Chile, Colombia and Argentina.



The Company has different complaint mechanisms for its various stakeholders, among them:

AES Helpline

The AES Helpline is a tool made available to the public via phone and web 24/7 so that our collaborators, suppliers, customers, community members or other stakeholders may ask questions, seek advice or report violations against the law, the Ethics and Compliance Program or the Code of Ethics and Conduct. The line is managed by an external provider, who refers reports to the Ethics and Compliance Department for investigation. The Helpline allows anonymous contact by assigning a subject number and personal identification number (PIN) to the reporter so that they can continue to communicate anonymously with the Department in the course of the relevant investigation.

Procedures for Inquiries and Claims

The Ethics and Compliance Department receives and manages questions by phone, email or face-to-face, and investigates the concerns and provides advice when the management or other departments receive and refer issues of such nature.

Everything that is communicated through any of the channels has due follow-up and response. The investigation steps, findings and the resulting corrective actions are entered in the confidential research database of the E&C Department. For follow-up purposes, the reports are classified into complaints (including concerns with respect to improper or unlawful activities requiring research) or queries (including requests for advice on substantive issues, such as conflicts of interest and donations). These data are useful for the management to identify trends and to take proactive steps to prevent similar incidents in the future.

As part of this analysis, the complaints are further classified into five types:

1. Financial Reports and Controls

2. Behavior and Staff Policies

3. Trade Interactions

4. Ownership and Assets of the Company

5. Security, Environment and Human Rights

When an allegation is confirmed, the Compliance area works with the relevant areas to establish the appropriate corrective actions to solve existing and past problems and, where possible, to prevent similar disputes in the future.

Compliance staff investigates and answers all the allegations and queries, collaborating with the different managements

regarding disciplinary and corrective measures to ensure consistency with local laws and regulations and our values and policies. Each research and query is carefully documented on the Helpline.

We undertake to make all reasonable efforts to protect the confidentiality of reports and we not to tolerate retaliation against any person raising questions or concerns or making a good faith report of an improper behavior.

In 2022, a total of 27 complaints were received (the same number as in 2021), broken down as follows:

Type of complaint	Quantity
(Third party interactions) Conflict of Interest	3
(Human resources issues) Unprofessional or improper conduct	3
Others	3
(Third party interactions) Kickbacks or commercial bribery	2
(Interactions with third parties) Procurement and purchasing	2
(Human resources issues) Discrimination	2
(Human resources issues) General concern	2
(Interactions with third parties) Customer relationships	1
(Ownership of the company) Misuse of the company's confidential information	1
(EHS) Environmental concerns	1
(EHS) Health or safety in the workplace	1
(Human resources issues) Data privacy	1
(Human resources issues) Disciplinary actions	1
(Human resources issues) Favoritism	1
(Human resources issues) Harassment - Workplace	1
Audit and accounting	1
Compensation, benefits or employment issues	1
Total	27

The human resources category registered the highest number of complaints, with 40.73%. Of the 27 complaints received, 5 were closed and classified as "unfounded".

AES Andes Helpline

Web:
aeshelpline.com

Phone:
800 360 312
800505 7319

Opening Times:
24 / 7

3.5 Corporate Governance Structure

[GRI 2-9; 2-10; 2-11; NCG 461 3.1,3.2,3.3, 3.4]

We have Corporate Governance guidelines, so that stakeholders and the general public have access to our corporate practices.

Corporate Purpose

The current corporate purpose of the Company was approved at the Extraordinary Shareholders' Meeting held on October 3, 2013. Such meeting's minutes were notarized in Santiago at the office of Notary Public Iván Torrealba Acevedo on November 8, 2013. An extract of this deed was published in the Official Gazette on November 25 of the same year and registered in the Commercial Registry of the Real Estate Conservator of Santiago in pages 90,278, No. 58,879 of 2013.

The corporate purpose includes the following activities: to exploit the generation, transmission, purchase, distribution, and sale of electric, and other kind of energy; to purchase, extract, exploit, process, distribute, commercialize, and sell solid, liquid and gaseous fuels; to process, treat, desalinate, and commercialize desalinated water; to sell, and provide project engineering, maintenance, and harbor services; to execute and exploit civil, hydraulic, and any other infrastructure works; to provide management, auditing,



financial, commercial, technical, and legal advice, and other services; to provide port and dock services; to exploit docks, freight terminals, warehouses, deposit facilities, and any kind of vessels, either owned by the Company or third parties, in any manner whatsoever; to act as shipbuilder and ship agent in any manner provided for by the Law; to transport

cargoes of any nature, either within the country or abroad, through sea or land, on a multimodal or other basis; to obtain, transfer, purchase, lease, levy, and, in general, exploit in any manner whatsoever the concessions referred to in the General Law of Electric Services, sea concessions, public works concessions, and any kind of water rights; to invest in personal or real properties; and to organize and create companies of any nature, whether they be subsidiaries, affiliates, related, or other kind of companies, whose purposes are related or linked to energy in all its forms, or to the supply of public services, or whose main input is the electric power, or which are otherwise related to any of the activities mentioned above, the Company being able to administrate and supervise them, and to coordinate the management thereof. In the event that any companies are created where the Company is required to contribute assets directly related to electric generation, the Company shall maintain an interest therein not to exceed 51%.

Corporate Governance Bodies

Ordinary Shareholders' Meeting

[NCG 461 10]

Our shareholders meet at Ordinary Shareholders' Meeting, and when necessary, at Extraordinary Meetings. Ordinary meetings are held once a year, during the first four months of each year, to decide on matters known to them. At such meetings, the shareholders whose shares are registered in the Registry of Shareholders can participate and exercise their right to express their opinions and vote at the midnight of the fifth business day immediately preceding the date on which the relevant meeting was held.

The Shareholders' Meetings will be held at first call with the absolute majority of the voting shares and, at second call, with any number or Shareholders present in person or by proxy. Resolutions are passed by an absolute majority of the voting shares present in person or represented by proxy, unless a larger majority is required by law or the Company's Articles of Incorporation.

In 2022, the Ordinary Shareholders' Meeting was held on April 28. Special Shareholders' Meeting were also held on April 28, August 24 and October 14, 2022.

During the year under review, we did not receive any comments or proposals concerning the development of the Company's business from shareholders holding or representing 1% or more of the issued voting shares pursuant to the provisions of Article 74 of Corporations Law No. 18,046 and Article 13 of the Regulations of the said Law.

Summaries of the resolutions adopted at the Shareholders' Meetings, minutes and other associated documents can be found in the following link .

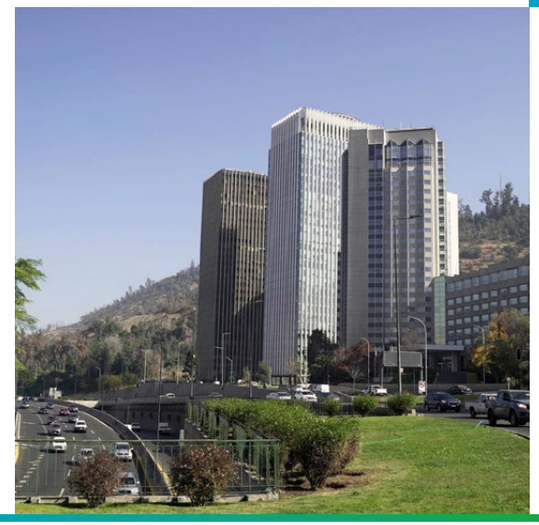




Board of Directors

[NCG 461 3.2]

The Board of Directors is the body that, according to the Corporations Law and our by-laws, is responsible for the management of the Company. It is made up of nine regular members, seven of whom are elected with the votes of the majority shareholder and the remaining two are independent, as set forth in Law 18,045. All the members are elected by the Shareholders' Meeting. The office of the Board members shall last for three years and they can be reelected. The regular directors were elected at the Extraordinary Shareholders' Meeting held on August 24, 2022.



→ Composition of the Board expressed in data [NCG 461 3.2]

	Rubiolo	Borjas	Da Santos	Falú	Fernández	Leger	Mcalla	Parot	Razmilic
Years in the Board	3 years 11 months	14 years 11 months	16 years 11 months	7 months	3 years 11 months	7 months	3 years 11 months	6 years 11 months	10 years 11 months
Age	47	70	59	43	67	50	42	70	70
Gender	M	M	M	M	M	F	F	M	M
Nationality	Argentine	Venezuelan	Venezuelan	Argentine	Chilean	Dominican	Panamanian	Chilean	Chilean
Director as of the end of 2021	✓	✓	✓	X	✓	X	✓ (alternate)	✓	✓

Regular Directors as of December 31, 2022 [NCG 461 3.2]

Juan Ignacio Rubiolo
Chairman
- Licenciado in Business Sciences, Universidad Austral, Argentina.
- MBA University of Virginia, USA.
- Master's Degree in Project Management, University of Quebec, Canada.
- RUT or Passport: AAB479862
- Nationality: Argentine
- In office since April 2019

Arminio Borjas
Regular Director
- Lawyer, Universidad Católica Andrés Bello, Venezuela.
- Master of International Studies, American University, Washington D.C.
- RUT or Passport: 121593012
- Nationality: Venezuelan
- In office since April 2008

Ricardo Manuel Falú
Regular Director
- Certified Public Accountant with an Executive MBA from IAE Business School with a degree in Management and Financial Executive and Management Studies at Darden, Wharton and Harvard.
- Advanced Management Program de Wharton.
- RUT or Passport: 21,535,942-5
- Nationality: Argentine
- In office since August 2022

Daniel Fernández
Regular Director (Independent)
- Civil Engineer, University of Chile, Chile
- RUT or Passport: 7,750,368-4
- Nationality: Chilean.
- In office since April 2019.

Giselle Leger
Regular Director
- Degree in Law from Pontifica Universidad Católica Madre y Maestra de la República Dominicana.
- Master in Business and Economic Law from Pontifica Universidad Católica Madre y Maestra de la República Dominicana.
- RUT or Passport: RD6701015
- Nationality: Dominican
- In office since August 2022

Madelka Mcalla
Regular Director
- Bachelor's Degree in Political Science and Sociology. McGill University, Canada.
- Master's Degree in Global Governance and International Relations, TU Darmstadt, Germany.
- RUT or Passport: PA0635589
- Nationality: Panamanian
- In office since April 2019

Gonzalo Parot
Regular Director (Independent)
- Industrial Civil Engineer, University of Chile, Chile.
- Industrial Civil Engineer, University of Chile.
- Master of Economics, University of Chicago.
- RUT or Passport: 6,703,799-5
- Nationality: Chilean
- In office since April 2016

Radovan Razmilic
Regular Director
- Engineer of Roads, Channels and Ports, Universidad Politécnica Superior de Madrid, Spain.
- RUT or Passport: 6,283,668-7
- Nationality: Chilean
- In office since April 2012

Bernerd da Santos
Regular Director
- Licenciado in Business Administration, Universidad José María Vargas, Venezuela.
- Master's Degree in Finance and Business Management, Universidad José María Vargas, Venezuela.
- RUT or Passport: 515394720
- Nationality: Venezuelan
- In office since April 2006

The members of the Board of Directors have visited the Company's premises and facilities on occasions other than those periodically made by the Company's management to review, among other things, the condition and operation of the facilities.

In July 2022, a group of directors, including Chairman Juan Ignacio Rubiolo, accompanied by a group of executives, including the Company's CEO, Javier Dib, visited the Company's operations and subsidiaries in the Metropolitan Region, visiting the Alto Maipo power plant in operation (owned by Alto Maipo SpA) and the Company's Virtual Reservoir energy storage system, an innovative technology that replaces a reservoir at the Alfalfal 1 run-of-the-river power plant.

During 2022, some Board and Committee meetings were held in a hybrid format at the Company's offices and via remote communications, with the safety of Board members and employees being a priority in light of the COVID-19 pandemic and the recommendations and restrictions imposed by the health authorities.

Budget for Board Consultants

[NCG 461 3.2, 3.3]

Our Board of Directors has an annual budget set at the Shareholders' Meeting to hire expert advisors in tax, financial, legal or other matters. The hiring of expert advisors is discussed within the Board of Directors and established according to the quorums. In December 2022, the Company's Board of Directors approved a Protocol for the Engagement of Advisors and Reports of the Board and the Board Committee. In 2022, a consultant was hired at a cost of US$10,000 from this budget.

Remuneration of the Board of Directors

[GRI 2-19; NCG 461 3.2]

Pursuant to our by-laws, the Directors receive no compensation for the discharge of their duties. Moreover, during fiscal year 2022, the directors of the Company collected no compensations of any nature for duties other than those inherent in their office or entertainment and traveling expenses, royalties or any other compensation. The above is without prejudice to the compensation collected by the directors who are members of the Committee of Directors, as detailed below.

→ Remuneration of the Committee of Directors

	2022	2021	2020
Daniel Fernández	142	144	127
Radovan Razmilic	142	144	127
Gonzalo Parot	142	144	127
Total	426	432	381

The table is presented in thousands of dollars, consistent with the financial statements. In accordance with the Ordinary Shareholders' Meeting of each year, the remuneration of the Committee of Directors was set at 300 UF per month for 2022, 2021 and 2020.

Members of the Committee of Directors [NCG 461 3.3]

We have a Committee of Directors made up of three members.

The members of this Committee were appointed at the Board Committee meeting held on April 28, 2022 and are two independent members of the Board of Directors: Messrs. Gonzalo Parot Palma (Chairman of the Committee) and Daniel Fernández; and Mr. Radovan Razmilic.

Budget for Consultants of the Committee of Directors

Like the Board of Directors, the Committee of Directors has an annual budget for expert advice in different matters as required. The amount is determined by the General Shareholders' Meeting, and any recruitment issues are discussed and determined by the Committee of Directors, in accordance with the quorum required for the adoption of resolutions.

At the Ordinary Shareholders' Meeting of April 28, 2022, an annual budget of US$ 25,000 was approved for 2022, it being agreed that, if this amount is insufficient, the Board of Directors would be empowered to authorize additional necessary funds up to the amount of the annual remuneration of the members of the Committee, in accordance with the provisions of article 50 bis of the Corporations Law.

The budget, which was also reviewed and approved by the Board of Directors at the ordinary meeting held on March 31, 2022, was used to hire the following companies:

		US$ (*)
PWC	Consultancy Transfer Prices LTSA VR 1	US$ 12,000
DNV	Benchmark CAPEX BESS	US$ 8,550
Total		US$ 20,550

(*) reference values with exchange rates as of December 31, 2022

Performance of the Committee of Directors

The members of the Committee of Directors executed the annual performance report, which includes:

- A summary of the most relevant activities developed by the Committee (Meeting No. 244 of January 2022 to Meeting No. 259 of December 2022)
- A list of the activities described in the Report of the Committee of Directors in Chapter 6, Additional Information.

Conflicts of interest

[GRI 2-15, NCG 461 3.1]

Our corporate governance standards and applicable laws demand that the positions of Board Chairman and Chief Executive Officer be separated. Moreover, none of the Company's executive officers may act as Director for AES Andes. We believe that this separation provides strong leadership to the Board of Directors and at the same time positions the Chief Executive Officer as the head of the Company before investors, partners, employees and stakeholders, thereby avoiding potential conflicts of interest between management and the Board of Directors.



We have a Conflict of Interest Policy, as mentioned before, guided by strict standards regarding related person transactions. If a conflict of interest exists, it must be disclosed and management will work with its Ethics and Compliance Department to find appropriate solutions.

Operation of Board Meetings

[NCG461 3.2]

We have AES Andes Corporate Governance Guidelines that set forth the guidelines for the operation of the meetings of the Board of Directors and establish that the minimum attendance for these meetings is 75% of its members. The Board meets every month, as set forth in its by-laws, according to a schedule fixed on a yearly basis, and additionally, each time that it is required according to the needs of the Company. During 2022, they met approximately 17 times.

Directors spend adequate time both in person and remotely at Board meetings. The Company allows directors to participate permanently in Board meetings by remote means, since we have implemented telecommunication systems that allow meetings to be held safely and secure the adequate participation of its members.

The business to be transacted, as well as the information required for any decisions to be taken, is made available to the directors by the management in good time before the meeting (3 to 5 days), using the technological means provided for this purpose. The minutes of each meeting shall be made available by technological means to the directors for their signature.

The members of the Board are entitled to contact or meet directly with the management of the Company to request for information, or to discuss any such issues they deem relevant.

In addition, the Board meets at least three times a year with the external auditors to review, among other things, the financial statements:

1) The audit program and its progress.

2) The letter to management: Internal control environment, identified deficiencies and remediation plans.
3) Audit approach, impact and procedures performed on significant transactions during the period.

4) Limited review and financial statement audit reports.

5) Other considerations regarding corporate governance practices in accordance with the provisions of General Standard No. 385.

Role of the highest governance body in the selection of objectives, values and strategy.

The management team promotes our mission and branding efforts. At each meeting, the Board receives information through presentations on the strategy and, at least annually, reviews the long-term strategy in depth.

Collective knowledge of highest governance body

[GRI 2-17; NCG 461 3.2]

Although our Board of Directors does not have a formal training schedule. However, experts in various relevant local and international fields are periodically invited to present to the Board economic, political, regulatory, innovation, etc. issues that could have a material impact on the Company. During 2022, presentations were made to the Board on the economic situation in Chile, Colombia and globally, the Constitutional Process, Energy Transition (Green Hydrogen) and CMF Regulations (implementation of NCG 461, among others).

In accordance with AES Andes' Corporate Governance Guidelines, the Company will provide new directors with an orientation program to introduce them to, among other things, the Company's business, strategic plans, financial, accounting and risk management issues, compliance programs, conflict policies, code of business conduct and ethics, corporate governance guidelines, internal auditors and independent auditors.

Knowledge Matrix

[NCG 461 3.2]

The following chart summarizes the number of members of the Board of Directors who have the following skills, experience or expertise. This summary is not intended to provide a comprehensive list of each director's skills or contributions to the Board. The director biographies at this link provide more information about each director, including relevant experience, qualifications, attributes or skills.

Assessment of the highest governance body's performance

[GRI 2-18; NCG 461 3.2]

Board members have an annual formal performance self-assessment system, with a focus on those areas where the Board believes it should make a better contribution to management and which are relevant to its own leadership structure. The results are presented to all Directors who, together, seek to implement improvements in their organization and operation.

Moreover, pursuant to the regulations applicable to open corporations, our Company responds annually to a self-assessment questionnaire of Corporate Governance practices.

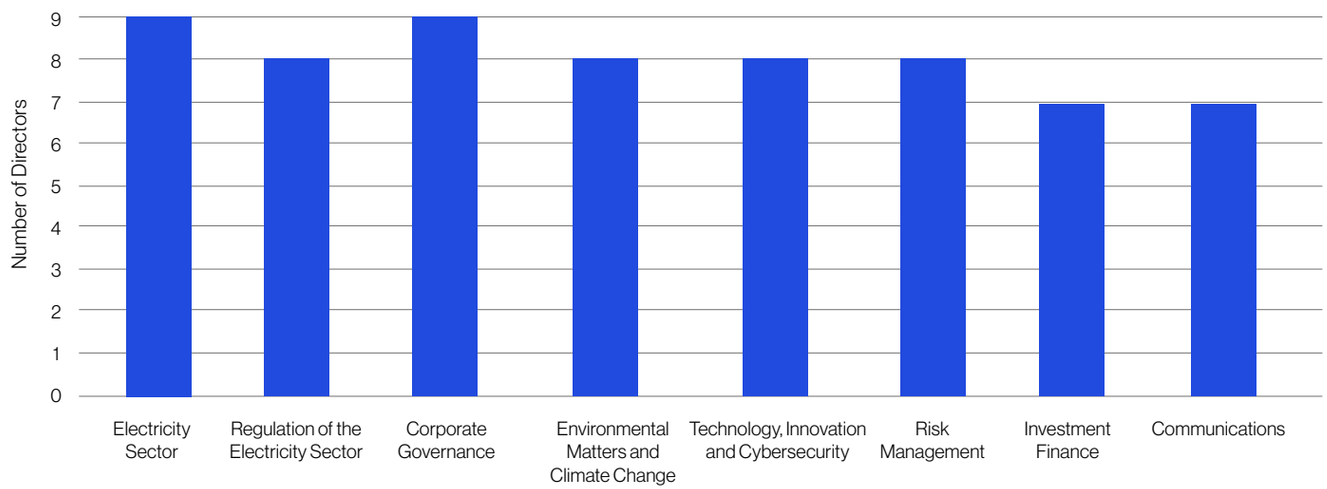
Review of economic, environmental, and social topics

[GRI 2-12; NCG 461 3.2, 3.3]

Topics that may have an impact on the Company are reviewed and discussed at the Board meetings. Management regularly reports on diversity and inclusion, sustainability, risk, strategy and security initiatives and developments, both locally and internationally, at regular Board meetings.

The Board meets at least twice a year with the Vice President of Corporate Affairs, who is responsible for corporate social responsibility and sustainable development. In these sessions, discussions are opened up about the barriers that have been identified and how they can be overcome. With respect to Diversity and Inclusion, Human Resources presents to the Board what it deems relevant to these issues, such as the annual results of the Great Place to Work survey, including an analysis of the well-being perceived by employees throughout the Company and by

→ Experience of Directors



work area, and the procedures and policies adopted by the Company in this regard, such as the recent recertification of Chilean Standard 3262 (Policy on Gender Equality and Reconciliation of Work, Family and Personal Life).

In economic matters, the Board of Directors approves the quarterly financial statements submitted to the CMF (Commission for the Financial Market). In addition, the Board reviews in detail, makes recommendations and ultimately approves the Company's annual budget, including the macroeconomic assumptions used in its preparation. Outside experts make regular presentations to the Board on economic, political and other relevant local and international issues to help the Board consider how these issues will impact the company and its business.

Moreover, as explained in 1.9. Risk Management, at least twice a year, the Chief Risk Officer or other members of management involved in risk assessment attend Board meetings to provide an update on potential economic, environmental, social and other risks that may arise. In addition, executives from various areas of the Company regularly brief the Board on risks that may affect the Company, including legal, commercial and regulatory risks.

Role of the highest governance body in sustainability reporting

[GRI 2-14]

Since 2018, we have been publishing our Annual Report in the form of an Integrated Report in accordance with the GRI guidelines, which is reviewed and approved by our Board of Directors. During the 2022 version of this Report, we began the process of including the practices stipulated in General Rule (NCG) 461, as published by the Financial Market Commission in November 2021.

In order to ensure compliance with the provisions of General Rule (NCG) No. 270, dated December 31, 2009, issued by the Commission for the Financial Market (CMF, for its acronym in Spanish) of Chile, we have established the internal policies and standards for the treatment of all information that, without constituting a material fact or information of a factual nature, is useful for the proper financial analysis of our Company and its subsidiaries. Namely, as set forth in the "Handbook on Handling Information of Interest to the Market", it includes all the legal, economic and financial information concerning relevant aspects of the development of corporate businesses or that may have a material impact on them for constituting "information of interest".

In addition, in January 2023, AES Andes approved a protocol for the disclosure of Essential Facts, which establishes the



procedures to be followed by the Company to determine which facts are essential and their disclosure to the market.

Communication of critical concerns

[GRI 2-16]

The Committee of Directors meets every quarter with our Internal Audit Unit to analyze the annual audit program. The Board meets twice a year with the Compliance Manager to review the implementation and compliance of such program and to analyze the plan for the following fiscal year. These meetings discuss, among other matters, recommendations and improvements to minimize the occurrence of irregularities.



For more details on the operation of the whistle-blower system, see the "Help line" section of this chapter.

Board delegating authority

[GRI 2-13]

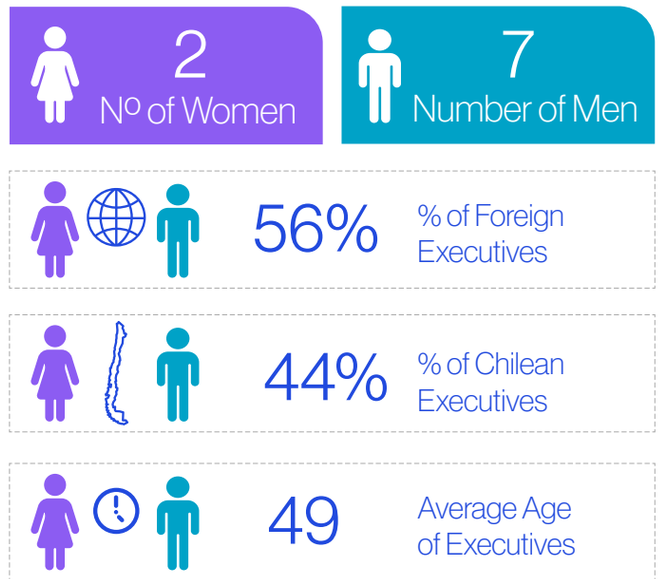
Our Board delegates its authority for the administration and management of the Company to the Chief Executive Officer and the executives, who are appointed according to the needs of the business. Some of its powers are delegated through a plan of powers validated by the Board, where the protocols on the levels of authority are established, according to the matter being discussed.



Senior Executives

[GRI 2-13, 405-1; NCG 461 3.2, 3.4]

Composition of top executives stated in data:



→ Senior Executives

Javier Dib
Chief Executive Officer
- In office since August 2022
- Accountant, Universidad Nacional de Tucumán
- Master at Darden Business School University of Virginia
- Master at Universidad de Belgrano
- Tax Id. (RUT) number: 24,957,431-7
- Nationality: Argentine

Ricardo Roizen Gottlieb
Corporate Finance Vice-President
- In office since May 2018
- Commercial Engineer, Pontificia Universidad Católica de Chile
- MBA from University of Chile
- Tax Id. (RUT) number: 13,657,574-0
- Nationality: Chilean

Emiliano Chaparro
Commercial Vice-President
- In office since October 2020
- Industrial Engineer, Instituto Tecnológico de Buenos Aires
- Emerging Leaders Program, Darden University, Virginia, United States
- Tax Id. (RUT) number: 27,603,077-9
- Nationality: Argentine

María Paz Cerda Herreros
Chief Legal Affairs Officer
- In office since August 2018
- Lawyer, Pontifica Universidad Católica de Chile, Chile.
- LLM in Commercial and Corporate Law, London School of Economics and Political Science, United Kingdom.
- Tax Id. (RUT) number: 10,532,920-2
- Nationality: Chilean

Luis Urrejola Martelli
Engineering and Construction Vice-President
- In office since June 2022
- Civil Engineer, Bachelor in Sciences, Pontificia Universidad Católica de Chile
- Tax Id. (RUT) number: 8,510,834-4
- Nationality: Chilean

Enrique De Ramón Herranz
International Development Vice-President
- In office since June 2022
- Industrial Engineer with a Master in Sciences, Universidad Politécnica de Madrid
- Master in Business Administration, Universidad San Pablo CEU
- Tax Id. (RUT) number: 48,220,560-7
- Nationality: Spanish

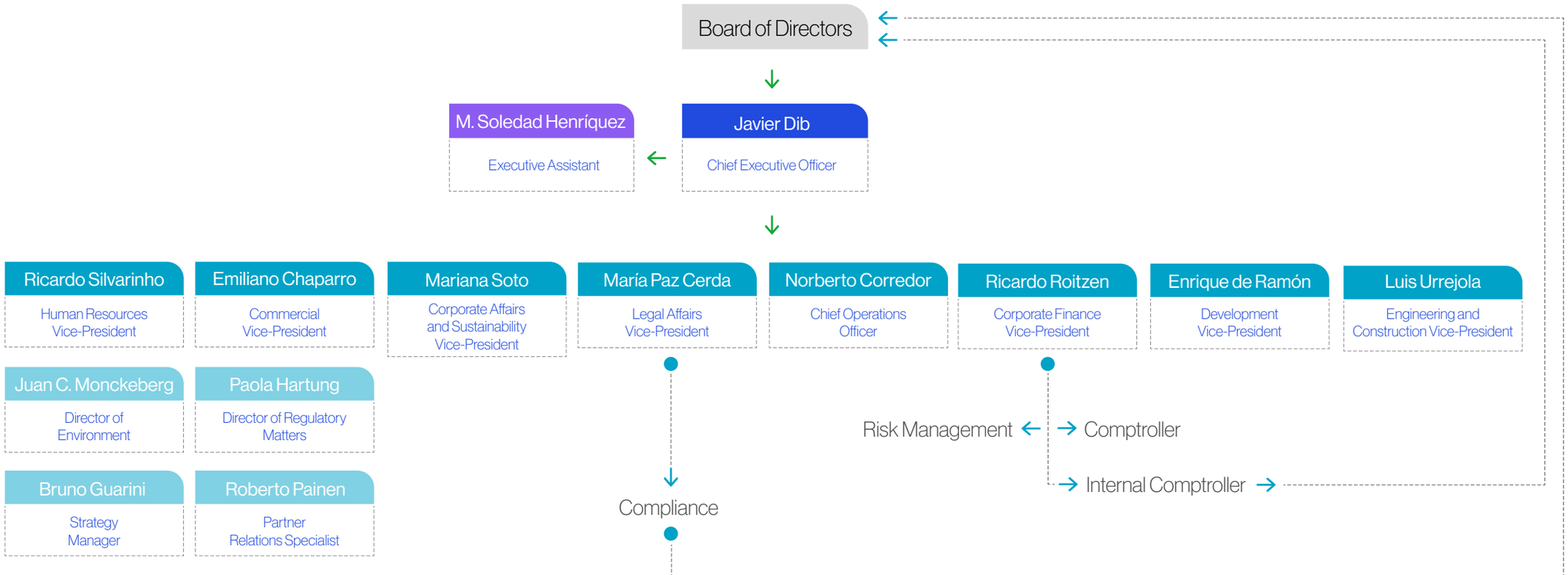
Ricardo Silvarinho
Human Resources Vice-President
- In office since September 2018
- Lawyer, Universidad Católica de Petropolis, Brazil
- Tax Id. (RUT) number: 48,207,312-3
- Nationality: Brazilian

Mariana Soto Espinosa
Corporate Affairs and Sustainability Vice-President
- In office since May 2022
- Lawyer, University of Chile, Chile
- Tax Id. (RUT) number: 12,240,551-6
- Nationality: Chilean

Norberto Corredor Diaz
Chief Operations Officer
- In office since June 2022
- Electrical Engineer, Universidad Metrolitana de Caracas, Venezuela
- Master in Non-Conventional Renewable Energy, Universidad Adolfo Ibáñez
- Tax Id. (RUT) number: 23,763,229-K
- Nationality: Venezuelan

→ Organization Chart and Reporting Structure of the Chief Executive Officer

[NCG 461 3.1]



Process to determine the remuneration of the Chief Executive Officer

[GRI 2-20, NCG 461 3.6]

The Committee of Directors conducts an annual review of the remuneration and compensation policy for the Chief Executive Officer, the senior executives and the employees of the Company. Such policy sets out guidelines to prevent the remuneration and compensation structure from generating incentives that may expose us to a risk of possible crimes.

The remuneration and compensation structure of the Chief Executive Officer and senior executives is available in the document Corporate Governance Guidelines.

Overview of Senior Management Compensation [NCG 461 3.4]

The compensation paid to AES Andes executives is in line with best practices in the market. The compensation philosophy for Senior Managers emphasizes *pay for performance* based on the results achieved by each member of the organization. Our goal is to provide executives with compensation opportunities that allow us to maintain both market competitiveness and internal equity. Our incentive plans are designed to reward the performance results achieved by the Company's executives and employees.

The remunerations of the Senior Management of the Company during the years ended December 2022 and 2021 amounted to ThUS$ 5,272 and ThUS$ 5,698, respectively.

The main elements of the compensation are as follows:

→ Compensation components - Senior Management

Item	Description
Fixed remuneration	Provide compensation that reflects experience, responsibility and expertise. For Senior Managers, this component represents on average 58% of their total annual target compensation.
Annual Bonus	Provide short-term compensation based on the achievement of pre-established goals and results. For Senior Managers, this component represents on average 27% of their total annual target compensation.
Long-term Compensation	Provide compensation that aligns the performance of our executives with the long-term goals of our shareholders. For Senior Managers, this component represents on average 16% of their total annual target compensation. The long-term compensation program consists of Performance Cash Units (PCUs), Performance Stock Units and Restricted Stock Units (RSUs). This program applies to individuals designated as "Senior Management" in this Annual Report and is equivalent to AES Corporation stock options traded on the New York Stock Exchange (NYSE): AES).

3.6 Main Macroeconomic Aspects and Regulatory Changes of Energy Relevance in the Region

[NCG 461 6.2]

According to an ECLAC report, Latin America showed dynamism in the first half of 2022, while the region's economic activity slowed down in the second half, due on the one hand to the exhaustion of the rebound effect in the 2021 recovery and the effects of restrictive monetary policies, greater constraints on public spending, lower consumption and investment levels, and the deterioration of the external context.

According to ECLAC, the global inflation has caused increases in financial volatility and levels of risk aversion, and therefore have induced lower capital flows to emerging economies, including the economies of the region. But the expected reduction in global inflation by 2023 will tend to moderate monetary policy rate increases by major central banks.

The report further argues that, in a context of external uncertainty and domestic constraints, Latin American and Caribbean countries will grow by 3.7% in 2022, a little more than half of the 6.7% rate recorded in 2021. The slowdown in economic growth is expected to deepen in 2023, reaching a rate of 1.3%.

The invasion of Ukraine in February 2022, and its impact on food and energy prices, exacerbated inflationary trends that had already manifested themselves in 2021. Producer and consumer price inflation rates rose sharply during 2022 and, in some cases, to levels not seen in decades.

Chile

According to the Central Bank of Chile, the country's output slowed to 2.4%. According to an OECD report, key support measures that underpinned the rapid recovery from the pandemic have been withdrawn, slowing private and public consumption, and business confidence has deteriorated due to inflationary pressures. Inflation peaked in September at 13.7%.

According to the report, rising interest rates and weak business confidence will keep investment subdued. Inflation has recently started to ease and will continue to moderate through 2023 as the effects of monetary tightening on growth and inflation become visible, returning to the Central Bank of Chile's target of 3% in 2024.



In the plebiscite of September 4, 2022, the proposed constitution formulated by the Constitutional Convention was rejected by 62% of the voters. Subsequently, on December 12, a new agreement was reached that implies the development of a new constitutional process. This new process will include the presence of a commission of 24 experts, elected by the Chamber of Deputies and the Senate, who will draw up a preliminary draft, on the basis of which the Constitutional Council, made up of 50 people elected by popular vote, will discuss and approve.

The commission of experts will be elected in January 2023 and will have to present the preliminary draft in June of the same year. As for the members of the Constitutional Council, they were presented in February 2023, will be elected in May, will start working in June, and the ratifying plebiscite will be held in December.

Major Regulatory Changes in the Chilean Electricity Sector

In terms of regulatory changes of relevance for the energy sector in Chile, 2022 was marked by discussions around the Energy Transition, the Decarbonization process, the reform of the Sufficiency Power Market, the promotion of Energy Storage Systems, the National Green Hydrogen Strategy and legislation aimed at mitigating the impacts of the pandemic on the accounts of Regulated Customers.

In these matters, as AES Andes we actively participate in the promotion of a regulatory framework that makes it possible to accelerate the execution of its transformational Greentegra strategy, leading the discussions in the two main associations of the sector, the Chilean Association of Renewable Energy and Storage (ACERA AG, for its acronym in Spanish), and the Chilean Association of Generating Companies.

In this area, we consolidated legislative and regulatory proposals that will allow an efficient integration of Storage Systems and Green Hydrogen Systems to the Chilean energy matrix. On the other hand, AES Andes was authorized by the Ministry of Energy, through the issuance of Supreme Decree No. 134, to carry out international energy exchanges with Argentina. For this purpose, it may export only the surplus of renewable energy generated by the National Electric System, which will be allocated to AES Andes and then exported to Argentina. For this exchange, an exclusive unit will be available from TermoAndes to the National Electric System.

Likewise, as AES Andes, we participated in a joint work with the two main unions of the generation sector to develop a new mechanism to stabilize energy prices for regulated customers, minimizing the impact on the electricity sector and maintaining legal certainty and sectoral regulations so as not to affect the country's energy transition.

The reforms related to Storage Systems, Green Hydrogen Systems and Stabilization of Regulated Prices completed the legislative stage in the National Congress in 2022 and are currently in the process of implementation. In this process, regulations or resolutions are being drafted, in which our Company, as part of the main industry associations, is actively working to support the regulator. Meanwhile, the reactivation of Energy Exchanges with Argentina is fully operational according to the approved regulatory framework and exchange protocols developed by the grid operators of both countries.

With respect to the new regulation of payments for power, we have been active in promoting a new regime that provides certainty for investments in storage systems and allows for a gradual and sustainable transition for the different technologies that the Ministry will address in 2023.

The above was carried out based on strict compliance with the laws and regulations governing free competition in Chile, which is a very important and top priority issue for and considered in the bylaws of ACERA and the Chilean Association of Generating Companies.

Major Regulatory Changes during 2022 in Chile

New Sufficiency Power Market

On February 17, 2022, the Ministry of Energy submitted to the Comptroller's Office of the Republic Supreme Decree No. 3/2022, which establishes a new regulation for the capacity market. However, on September 21, 2022, by means of Official Letter No. 1352 from the Ministry of Energy, the Regulation was withdrawn from the Comptroller General's Office by the Undersecretary of Energy. In this regard, the Ministry of Energy has formed working groups with the main industrial unions to address the assumptions of the temporary application of the new power regulation, as contained in Supreme Decree No. 3 of 2022 (withdrawn from the Comptroller General's Office), of the Ministry of Energy. The Ministry of Energy, based on the diagnosis made, will evaluate, if appropriate, to introduce modifications to the transitional regime of the said regulatory instrument, evaluating alternatives for the application of the transitional regime that will allow mitigating the potential impact on the different players of the sector, without losing sight of the public policy objective of the regulation: to promote a matrix of flexible and manageable supply that supports the decarbonization process.

Incentive for Green Hydrogen and Storage Systems

On October 19, 2022, by unanimous vote in the Senate, the

bill promoting electric energy storage and electromobility was approved. On November 21, 2022, Law 21,505 was published. This new law allows pure or isolated storage systems (i.e., those that are not part of a generating facility) to be paid for the energy they feed into the grid as well as for the energy they contribute to the grid. In addition, the law includes the definition of a " Generation-Consumption System", which would facilitate the development of green hydrogen, desalination, and other large-scale industries by establishing certain minimum requirements and thus allowing them to pay grid charges only for "non-self-provided" energy. The law also promotes electromobility through tax exemptions and allows electric vehicles to participate in the distribution grid as storage equipment, enabling new applications and related services.

International Energy Exchange Permit with Argentina

On June 24, 2022, the Ministry of Energy issued Supreme Decree No. 134 authorizing AES Andes to begin the bi-directional exchange of energy between Chile and Argentina through the InterAndes electrical interconnection, which consists of a 345 kV transmission line extending 409 km between the Andes substation in Chile and the Cobos substation in Argentina. With this permit, up to 80 MW can be exported from Chile to Argentina during the day and up to 200 MW can be imported into Chile during the night. In this way, it will be possible to displace diesel generation in Chile at night, reducing systemic costs and emissions. It will also reduce the discharge of renewable energy in the Chilean electrical system. The approved modality consists of economic opportunity exchanges, which will be interruptible in case the grid operators of the respective countries deem it necessary.

The decree stipulates that the systems will not be synchronized, but that the generation components will be electrically isolated from Chile during the day and from Argentina at night. In addition, this connection will also serve as a backup in the event of an electrical emergency, improving the resiliency of both systems.

New Law on renewable energy shares in the national energy matrix

On October 26, 2022, the Ministry of Energy resumed the discussion of the bill "Promoting the participation of renewable energies in the national energy matrix" before the Mining and Energy Commission of the Chamber of Deputies. In this context, on December 13, the executive branch proposed amendments to the original bill, increasing the annual share of non-conventional renewable energy (NCRE) to 60% by 2030 (the current share is 20% by 2025) and establishing a share of NCRE compliance in time blocks, with a target of 40% by 2030. For both of these targets, a phased-in compliance period from 2023 to 2030 will be established and would be applicable to new supply contracts. In addition, the bill requires CEN to maintain an energy tracking and registration system through public traceability of energy from origin to end, and would also increase the limit for distributed generation to 500kW (currently 300kW). The bill is in the first legislative procedure in the Chamber of Deputies and its discussion will resume in the first weeks of January 2023.

New mechanism for stabilization of regulated prices under the Customer Protection Mechanism

On July 13, 2022, the law creating a stabilization fund and establishing a new transitional electricity price stabilization mechanism for customers subject to price regulation (Law No. 21,472) was approved. The new mechanism, unlike its predecessor, does not change the prices of the regulated supply contracts, nor does it pass on the financing costs to the supplier, but it establishes a discount on the monthly invoice that the generators make to their respective distributors, this discount is reimbursed to the supplier on a monthly basis through the issuance of a payment document called "Transferable Credit Title", which will be issued by the Ministry of Finance at the current Monetary Policy Rate published by the Central Bank of Chile, plus 25 basis points, which will be adjusted by the Ministry of Finance according to the market conditions prevailing at the time of the issuance of the payment document. In addition, the payment documents are guaranteed by the tax authorities.

The law also establishes different tariff stabilization ranges, with the lowest regulated consumption in terms of kWh/month benefiting the most, as well as micro and small companies with a monthly consumption of up to 1,000 kWh.

The financing of the tariff stabilization will be based on the introduction of a new single charge for non-regulated and regulated customers, with different values according to consumption brackets, with consumption of less than 350 kWh/month being exempt from the charge. The Tariff Stabilization Fund, as well as the charges that finance it, will have a single term, not to exceed December 31, 2032, and its operation may not be extended beyond that period. In

addition, the law establishes that the balances generated as a result of the stabilization must be eliminated by December 2032, and for this purpose additional charges may be established in the regulated tariffs, the "MPC Charges" (Customer Protection Mechanism Charges).

Finally, it is established that the "MPC Charges" should be used as a priority to pay the uncollected balances of the previous price stabilization mechanism (of Law No. 21,185). The law was published in the Official Gazette on August 2, 2002 through Law No. 21,472 and to date the National Energy Commission is preparing the exemption resolution that will allow the implementation of the MPC mechanism.

For more details of the energy regulations in Chile, where AES Andes operates, see Chapter 6, Additional Information: Regulatory Framework.

Colombia

According to the Bank of the Republic of Colombia, the Colombian economy grew by 7.5%. According to an OECD report, this growth in 2022 will be driven mainly by the strength of private consumption, thanks to the strong recovery in employment and growth in consumer credit. There was also an acceleration in the pace of investment recovery. In September, the unemployment rate was 10.7%, only slightly above the pre-pandemic level. Manufacturing and retail wages were up 10-11% year-over-year in August, slightly higher than the 10% minimum wage increase in 2022. Consumption fell in the third quarter and consumer confidence deteriorated further in October.

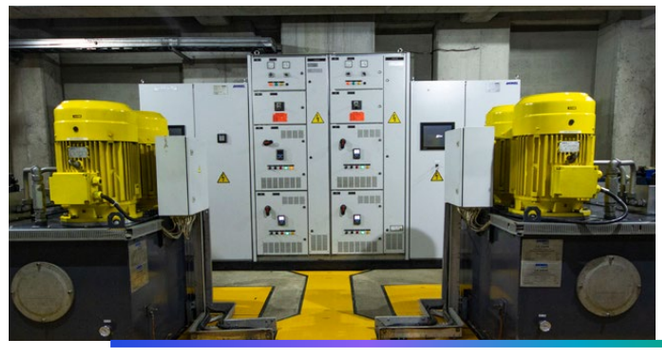
The OECD report details that for the manufacturing sector, one-year inflation expectations are at about 7 percent and two-year inflation expectations are at 4.8 percent. The depreciation of the peso, which fell almost 10% against the US dollar in October alone, has increased the cost of imports and inflation. Sovereign risk premiums have increased significantly since 2021. For its part, the OECD forecasts a 0.5% contraction in output in 2023, followed by 2.6% growth in 2024.

A new government with Gustavo Petro as president took office in Colombia on August 7, 2022. In the energy sector, Petro seeks to promote renewable energy and measures to reduce electricity tariffs.

Major Regulatory Changes in the Colombian Electricity Sector

During 2022, due to the change of government and the different perspectives with the previous one, several regulations were published in Colombia with a view to an energy transition with a focus on social justice. AES Colombia has actively participated in the discussions and technical debates for the adaptation of the regulatory framework, always seeking to maintain and increase the value of the company, with a focus on the wind projects in La Guajira.

Either directly or through the following trade associations: Asociación Nacional de Empresas de Servicios Públicos y Comunicaciones (ANDESCO), Asociación Colombiana de Generadores de Energía Eléctrica (ACOLGEN), Asociación de Energías Renovables (SER), as well as through the



Consejo Nacional de Operación (CNO), as a company with regional reach, we have been working on our positioning in line with our transformational strategy "Greentegra".

Below are the main roadmaps and regulatory developments for 2022:

Social dialogue to define the roadmap for a just energy transition

The government program proposes a just energy transition, with national targets and a territorial vision. The main challenges identified in this government program are three: 1. The adaptation of energy systems to the adverse effects of climate change, 2. The transition from an extraction-based economy to a productive economy, and 3. The implementation of social and environmental justice, in which energy is established as a universal right. The goal is to make Colombia a global reference and leader in the adaptation of energy systems to meet the needs of the population while addressing the environmental crisis of the planet caused by global warming. The Just Energy Transition is based on four

principles: equity; gradualness, sovereignty and reliability; binding social participation; and knowledge.

AES Colombia has participated directly in the discussions before the national government and also through the representation of associations such as Acolgen, Andesco and Ser Colombia.

Hydrogen Roadmap in Colombia

The Roadmap is based on analyses of hydrogen production capacity, expected demand, associated emission reductions, the country's export potential, and the regulatory measures needed to implement a hydrogen deployment plan in Colombia. The roadmap is:

Phase 1. Laying the foundation for hydrogen: Actions to be carried out in the short term (less than 2 years), such as the definition of laws or the preparation of technical studies and training plans, in order to establish solid foundations for the proper development of the market.

Phase 2. Enabling and promoting market development: Tasks aimed at promoting the use of low-emission hydrogen. These actions will be carried out in the short to medium term (less than 5 years). Early actions will focus on incentives and risk mitigation for the first participants, while later actions will seek to achieve hydrogen scale-up along the entire value chain.

Phase 3. Monitor and enable new applications: Actions to be carried out in the medium/long term to monitor and ensure the correct implementation of the actions of the previous periods, as well as to enable the entry of hydrogen into the less mature applications. This monitoring phase is considered in the medium/long term, since these actions will be carried out cyclically.

As AES Andes, we have participated in the discussions of the two associations that have led the technical debate on hydrogen: The Colombian Hydrogen Association and the ANDI Hydrogen Technical Roundtable.

Roadmap for the Deployment of Offshore Wind Energy in Colombia

This roadmap examines the potential role that offshore wind energy can play in the medium and long term development of the energy sector in Colombia, and provides recommendations on next steps in terms of policy formulation, planning and development of bankable projects. Two possible deployment scenarios (high and low) have been considered, covering a reasonable range of alternative paths for Colombia, to serve as the basis for the supporting analyses. The purpose of the scenarios is to be able to quantify the impact of the scale of the industry on costs, consumer benefits, environmental and social considerations, economic benefits and other aspects.

New provisions and procedures for the allocation of transportation capacity.

On June 16, 2021, the Commission for Energy and Gas Regulation (CREG, for its acronym in Spanish) issued Resolution CREG 075/2021, which establishes new provisions and procedures for the allocation of transportation capacity in the National Interconnection System. On the one hand, the transfer of transmission capacity is allowed for projects that have not started operating, that are connected to the same point and whose current capacity has been assigned to the same agent. This modification allows the optimization of renewable projects so that the construction can be prioritized in areas with better energy resources.

On the other hand, this resolution allows for the possibility of changing the date of operation of the projects for various reasons, including when the transmission expansion works experience delays that hinder the commissioning of the project.

Pact for Tariff Fairness

In Colombia, the generation tariff paid by regulated users is mainly determined by the price of the bilateral contracts signed between the traders representing the users in the Wholesale Energy Market - MEM - and the generation agents.

These contracts, as well as the components related to distribution and transmission, are indexed from month to month using the Producer Price Index of Domestic Supply - PPI, a factor that has increased significantly in recent months due to macroeconomic fluctuations in the country. The increase in the PPI resulted in an increase in tariffs, which motivated the Tariff Equity Pact.

This pact was promoted with the objective of reducing energy tariffs from November until the end of 2022 through the renegotiation of contracts; in the first phase, 82 companies in the energy sector participated and 952 contracts were renegotiated.

In the specific case of AES Colombia, the delays in the commissioning of the Colectora Substation Transmission Project (500 kV), which have delayed the commissioning of the largest wind power cluster in Colombia, located in Alta Guajira, owned by the group of companies composed of AES Colombia and Jemeiwaa Ka'i, have resulted in the need to purchase energy to meet the supply obligations arising from the contracts resulting from the Long Term Auction, at prices that may be higher than the prices of the awarded contracts.

This impact has represented to the business group an additional cost of Col$ 85,249 million only in the year 2022 and a saving to Colombians of $ 67/kWh in the energy tariff since 9 months ago, a benefit that will continue in the following years, since the business group will assume an approximate value of Col$ 291 billion until the year 2025 for this delay, value that will help the tariff for Colombians to be, on average during these four years, $ 57/kWh pesos cheaper.

Despite this, we focused our efforts and renegotiated all the current contracts resulting from the public tenders of the marketers whose destination is the regulated market, achieving a reduction of between 4% and 6% in the price of the contracts.

In the medium term, we are trying to achieve an adjustment of the indexer, which is an index that affects the elements that make up the energy service tariffs. The objective is to create a specific indicator for the electricity sector that will allow each of the different forms of energy generation and the different components and behaviors to be taken into account in the total tariff to be paid by users.

Short-term market changes

The energy transition has been characterized by a strong integration of renewable energies. In this context, it has been shown that although the Colombian market was once a reference for electricity markets in Latin America, today with the new developments that exist for electricity markets - new technologies, agents and ways of trading - it is necessary to evolve, since the design of the current market presents inflexibilities that do not allow improving its performance.

Based on the principle that in the short-term market there must be broad participation of different technologies and risk management mechanisms, and that risks must be assigned to those who cause them, as well as mechanisms for efficient pricing and sufficient tools for reliable and safe operation, the CREG has identified a series of objectives to be achieved with the regulatory proposal for the short-term energy market: 1. Establish an expanded market with binding commitments and adjustments on the day of operation, 2. Establish efficient scheduling with co-optimized dispatch of energy and ancillary services, 3. Set market prices ex ante, i.e. before decisions are made, 4. Facilitate international transactions, 5. Enable active participation of demand in the exchange; 6. Have effective measures in place to mitigate market power ex ante, 7. Characterize complementary services and define supply and allocation methods; 8. Enable the participation of new technologies in the market.

On the basis of the above, the CREG has made available to the agents for comments and observations, Resolution 143 of 2021, which contains a proposal for modification of the short-term market that allows to achieve the objectives described. AES Colombia is currently reviewing the proposal and will provide comments to the regulator in a timely manner.

→ Argentina

According to the Central Bank of Argentina, Argentina's GDP will grow by 5% per year in 2022. According to the OECD, after a strong rebound in 2021, economic growth in Argentina continued to slow in the first half of 2022, and there was a deterioration in economic activity in the second half of the year. Unemployment returned to pre-pandemic levels, reaching 6.9 percent in second quarter of 2022, but informal work rose sharply, approaching 38 percent of the labor force. Year-on-year headline inflation rose to 88% in October, with one-year inflation expectations at 99% and the gap between the official and parallel exchange rates widening.

According to the OECD, the IMF agreement has significantly reduced short-term macroeconomic policy uncertainty, but the external situation remains fragile. High inflation will weigh on private consumption and will take time to subside. Tight capital controls and policy uncertainty led to a sharp decline in investment in the second half of 2022, and their persistence will allow only a modest recovery in 2023 and 2024.

In addition, the report details that government spending will decline in 2022 and 2023 as pandemic-related fiscal support is withdrawn and energy subsidies are reduced. Nevertheless, meeting the IMF targets will require further expenditure restraint. An expected sharp reduction in monetary financing will reduce medium-term inflationary pressures, the gap between the official and parallel exchange rates, and the risk of devaluation. Stabilizing the macroeconomic situation and reducing inflation are critical to reducing high poverty and growing social pressures.





Key Regulatory Changes in Argentina's Electricity Sector

Regarding energy sector regulations, on February 27, 2020, the Secretariat of Energy amended, by means of Resolution 31/2020, the pricing scheme for electricity commercialized in the spot market established by Resolution 1/2019. It is established that the remuneration of generators is in Argentine pesos with monthly adjustments for inflation and that power prices are reduced.

On April 8, 2020, the Secretariat of Energy ordered CAMMESA (Management Company of the Wholesale Electricity Market) to postpone the application of Annex VI of Resolution 31/2020 regarding the update factor of the values stated in Argentine pesos until a new decision is made in such regard. On December 2, 2020, the Secretariat of Energy published Resolution 354/2020 to implement marketing schemes between gas producing companies and CAMMESA or generators as part of the "Plan to Promote the Production of Argentine Natural Gas – Supply and Demand Scheme 2020-2024" issued by Decree 892/2020. The resolution establishes the firm volumes of natural gas for the generation sector represented by CAMMESA and the generating agents.

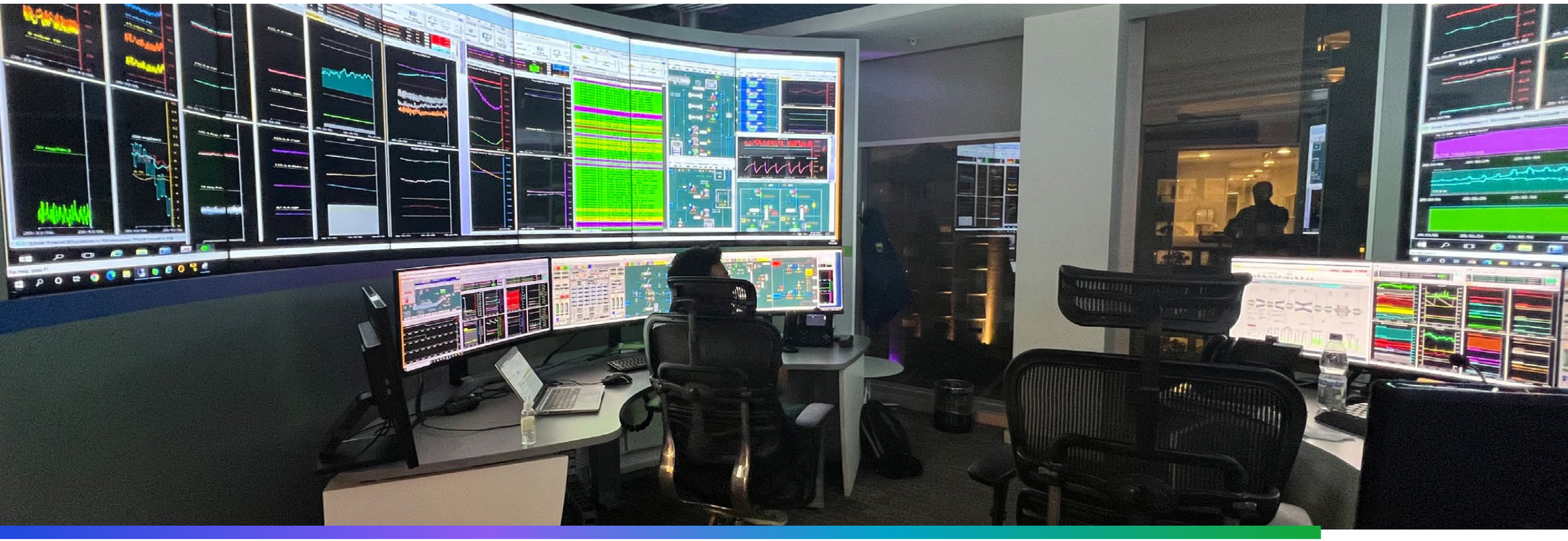
Moreover, it establishes the option of adhering to the centralized dispatch involving the operational assignment to CAMMESA by the generators of the product and the contract transport capacity, added to the incorporation of a specific priority order number for Natural Gas according to its origin in the rules of dispatch and the reduction of the total cost of supply in accordance with the contractual obligations.

Moreover, the option of requesting CAMMESA to supply natural gas is established for generators with Energía Plus contracts so that they can cover their contracts at the supply cost of each generator.

In May 2021, the Secretariat of Energy issued Resolution 440/2021 with an updated list of prices as per the previous Resolution 31/2020. The Resolution became retroactively effective as of February 2021 and abolished the inflation indexation mechanism. Pricing rates continue to be denominated in Argentine pesos.

In November, the Secretariat of Energy, by means of Resolution 1037/2021, recognized an additional remuneration to generators under the regulatory framework of Resolution 440/2021. This additional remuneration has two purposes: (i) to eliminate the payment adjustment for power associated with the generation ratio of the last 12 months (usage factor), and (ii) to create a new "Export Remuneration" related to energy exports from Argentina to Brazil. The application of this resolution is retroactive to September 2021 and extends through February 2022. In December 2022, the Secretariat of Energy issued Resolution 826/2022 updating the generation and power price retroactive to September 2022, and shows the price evolution until November 2023.

For more details of the energy regulations in Argentina, where AES Andes operates, see Chapter 6, Additional Information: Regulatory Framework.



4. Moving Together towards the Energy Transformation 2025

4. Moving Together towards the Energy Transformation 2025

4.1 Our goals for 2025 169

4.2 Increasing Renewable Energy Capacity 171

4.3 Committed to our Employees 173

4.4 Safety First 174

4.5 Greentegra Agreements 175

[GRI 3-3]

This chapter covers the following important topics:

- Commercial excellence and customer management
- Occupational health and safety
- New businesses and innovation
- Regulatory compliance
- Quality of employment
- Employee-company relationship
- Training and development
- Diversity and equal opportunities

4.1 Our goals for 2025

[NCG 461 4.2; IF-EU-110a.3]

Our commitment to sustainability standards, at the core of our business, will allow us to execute new operating agreements in a sustainable and competitive manner.

This way, with a view to the future, under the Greentegra Roadmap, our renewable transformation will add 2.8 GW of new emissions-free capacity by 2025 into our portfolio. Also, by that year we will have reduced our coal-fired generation by 81% and, as a result of both achievements, we will have significantly reduced our intensity of CO_2, considering both the incorporation of renewable plants to our portfolio, as well as the sale, committed closure, reconversion and lower dispatch of our coal-fired thermal generation plants.

To summarize, Greentegra's goals for 2025 are as follows:

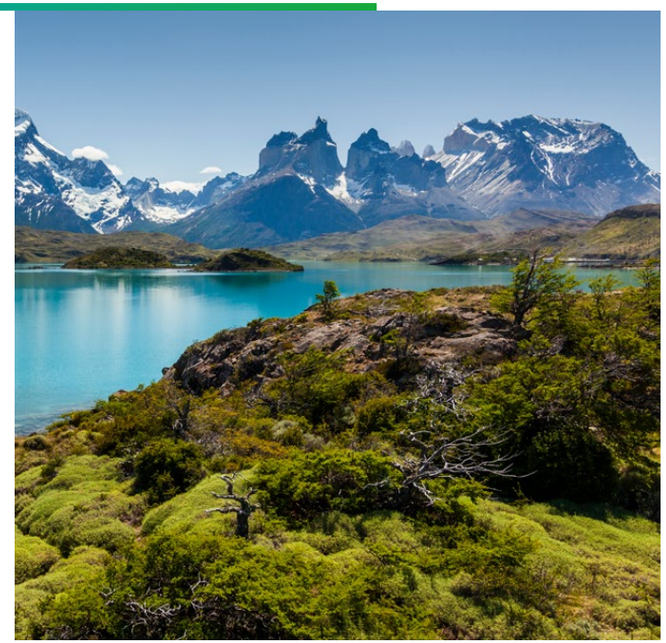
1. Triple renewable energy capacity from 1,374 MW in 2017 to 4,149 MW in 2025, including wind, solar, hydro and battery capacity.

2. Reduce the carbon intensity of the portfolio by more than half, which is equivalent to taking more than 3 million private cars off the road.

3. To be a model company in gender equity and inclusion in the region.

In terms of regulations in Chile, during 2023 and the following years, we expect a long-term agenda that gives continuity to the discussion, definition and implementation of the Energy Transition and Long-Term Climate Strategy, together with the regulatory modernization of the Generation, Transmission and Distribution segments, consistent with the definitions that will be taken mainly around the Energy Transition and Decarbonization. In this sense, we will continue our work to promote the development of a regulation that will allow us to address these challenges in a safe and efficient manner, based on analyses that address their different technical, environmental, social and economic aspects.

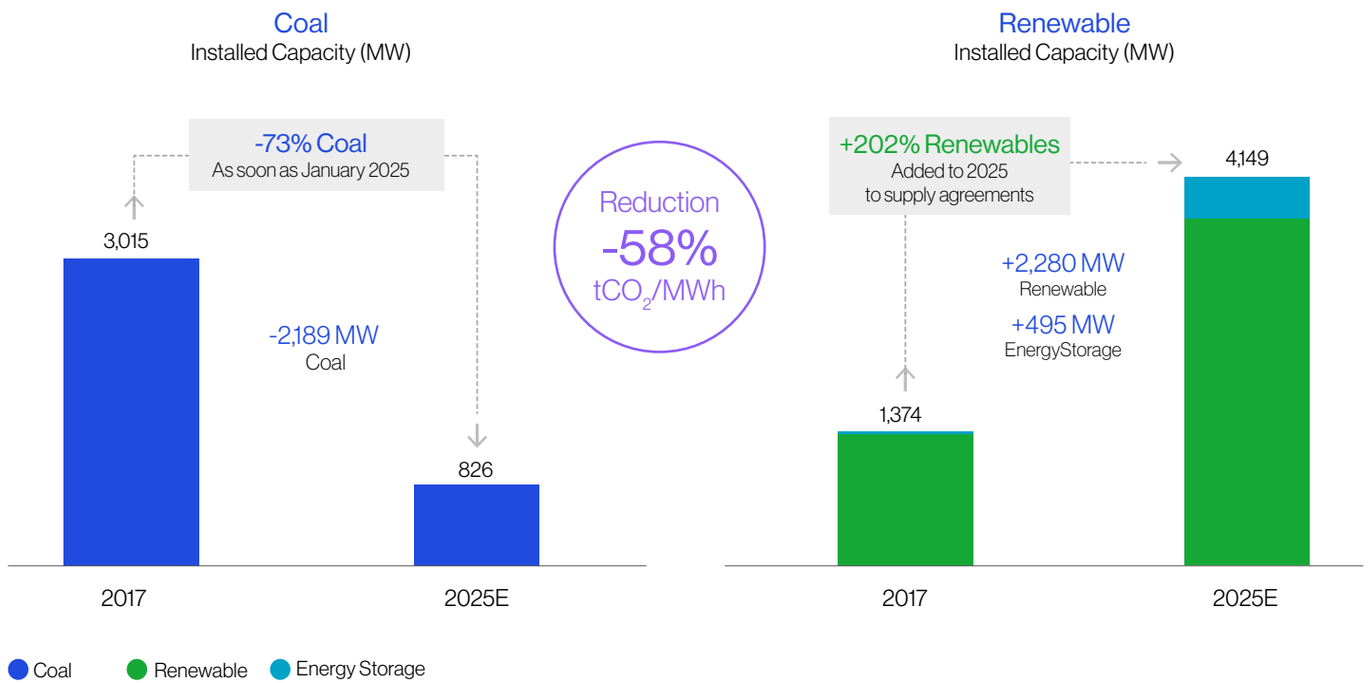
Therefore, our risk model will continue working to ensure that our computerized risk management system captures the reality of our business in its entirety. This way, we can improve the accuracy in the calculation of exposures to variability of energy and commodity availability, and improve our market risk hedges. We will also implement new climate



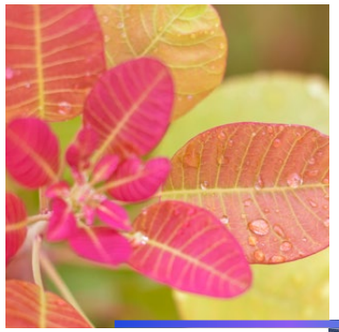
risk committees and changes in the organizational risk structure, with the aim of streamlining our management in the different markets where we operate.



Decarbonization Plan



E: Estimated
Based on contract renewable projects, expected construction completion dates and coal asset sales and announced withdrawals.
Based on projects announced as of December 31, 2022.







Construction of Brisas Solar Plant

4.2 Increasing Renewable Energy Capacity [IF-EU-110a.3]

We are constantly seeking to diversify our portfolio of projects in order to meet the needs of any type of customer.

In addition to the incorporation of renewable wind and sun power generation projects and storage batteries, we are developing and analyzing projects such as:

1. Coal-fired power plant conversion projects

In 2022, we entered into the Environmental Assessment System (SEA) a project that seeks to be the first in the world to convert the current coal-fired generation of Units 1 and 2 of the Angamos Thermoelectric Power Plant to a technology-based system using zero-emission solar (molten) salts. This model can be replicated and applied to other thermoelectric plants that we have committed to as part of our portfolio decarbonization plan.

2. Green hydrogen production projects through electrolyzers

In 2022, we announced the first Green Hydrogen Open Season in Chile with the Adelaide project, which will be located in the facilities of the current Angamos power plant, in the municipality of Mejillones. This project would be the first in a portfolio of hydrogen projects that we are evaluating.

3. Desalination projects

Desalination is presented as a solid alternative to reuse the infrastructure of a coal-fired power plant that will eventually be closed and dismantled, but also to use the infrastructure while it continues to operate.

For more detail on these initiatives, review Chapter 1, Transformation and Innovation to Improve Lives.





→ Progress in our renewable growth

2.8 GW of projects contracted

	2019 - 2021		2022		2023E		2024E		2025E	
Hydro	531 MW	Alto Maipo								
Wind	219 MW	Los Cururos Los Olmos	63 MW	Mesamávida[1]	78 MW	Campo Lindo Mesamávida[1]	82 MW	San Matías	522 MW	Rinconada JK 1&2
Solar	163 MW	Castilla Andes Solar IIa San Fernando	27 MW	Brisas	180 MW	Andes Solar IIb	238 MW	Andes Solar IV	186 MW	Andes Solar III
Batteries	10 MW	Virtual Reservoir	112 MW	Andes Solar IIb	152 MW	Virtual Reservoir II Andes Solar IIb	147 MW	Andes Solar IV	186 MW	Andes Solar III
Construction Completion	923 MW		381 MW		118 MW		337 MW		894 MW	

● Under Development ● Under Operation/Construction E: Estimated

[1]Based on projects announced as of December 31, 2022.
*58 MW entered commercial operation in July 2022, 5 MW in December 2022 and the remaining 5 MW are still under construction.

4.3 Committed to our People

[GRI 3-3; NCG 461 5.8]

In 2022, we implemented actions that will strengthen our diversity strategy, working on the gender and disability pillar and adding efforts to work on the inclusion of indigenous peoples and immigrants, as well as introducing and raising awareness of the LGTBIQ+ pillar.

Likewise, in the coming years, our human capital strategy will be focused on the reconversion of our company's professionals and technicians, as a result of the decarbonization process, towards the creation of new skills for the operation of renewable power plant technologies, in order to take advantage of the knowledge and experience acquired.

Together, we have worked to transform the workforce through training that allows our employees to continue to develop and transform their skills in renewable technologies. Likewise, we will implement a training and internal communications plan to foster a customer-centric culture, based on the Customer Journey Map model. In addition, we will focus our efforts on achieving a greater commitment from our employees to innovation and new solutions that will be turned into products for our customers.

In figures, during 2023 we will maintain our goal of increasing the number of women in our workforce by 15% compared to the number of new hires as of December 2021. To this end, we will implement a plan for the development and retention of female talent.

Regarding the certification in the Chilean Standard 3262, we have started to work with a view to be certified in the new version of the standard in 2023.

Finally, we will continue our efforts in the Energy4Talent program for the preparation of 12 trainees in Chile and the strengthening of the internal mentoring, coaching and gap closure program for our talents identified in 2021 with the 9box methodology, thus strengthening our succession plans.



* We will work with national and international institutions to give courses from March to December 2022.

In terms of probity and regarding the strengthening of our corporate governance, we will continue to promote the values of excellence in the actions of the people related to our Company, providing a common framework of behavior and relationships with our different stakeholders.

To this end, over the next few years, we will update our Ethics and Compliance Program, highlighting our progress in developing a Free Competition Program and a Data Privacy Compliance Program. Added to this is the final stage of the Certification of the AES Andes Crime Prevention Model, in accordance with Law 20393.

Moreover, thanks to the execution of the Barometer of Values and Organizational Integrity (BVIO 2021) diagnosis, a survey developed by Fundación Generación Empresarial (FGE) to measure through an external point of view how we conceive and put into practice our values, we will develop during the first half of 2022 our "Ethics Champions Program" which will seek to carry out activities through an online Ethical Dilemmas Game.



4.4 Safety first

[GRI 3-3]

Safety comes first at AES Andes. At the beginning of 2022, safety was always at the forefront of our minds as we considered what we could do to further strengthen workplace safety based on what we learned in 2021. While safety is one of our three values, it is also reflected in the other two, as we apply the highest safety standards in creating and maintaining an incident-free workplace by working together with our people, our contractors and the many stakeholders we serve.

Taking all of the above into consideration, to help us put safety first, our defined goals for 2023 are to:

- Eliminate fatalities.
- Achieve a SIFp (Serious Injury and Fatality Potential) rate without injuries of 0.950.
- Achieve 95% or greater attendance at safety meetings.
- Perform all assigned Safety Walks.

During 2022, we achieved our goal of eliminating fatalities in our workplace. We've shown that we can do it, that we put safety first and that we stop work when we see something that is unsafe. This depended on each of us doing the right and safest thing at all times, caring for ourselves and caring for those around us. Together, we can ensure that each of us at AES can go home to our loved ones at the end of each day.

4.5 Greentegra Agreements

In the years ahead, we will continue to put our business partners at the center of our decisions and focus on their needs to deliver innovative energy solutions that add value, enhance their competitiveness, and enable them to meet their sustainability goals. We will enhance their experience, strengthen our relationship and create new partnerships.

We will develop new products and services and expand the portfolio of customers who trust us as their energy partner. We will seek to reduce their dependence on fossil fuels through new generation projects, certification of renewable attributes, energy storage, green hydrogen, and decarbonization of the system's carbon units.

Since the launch of our Greentegra strategy, and thanks to the confidence of our clients, we have signed a series of new contracts that strengthen it, reaching more than 10.6 TWh/year in Chile and 4 TWh/year in Colombia.

In 2022, we signed long-term renewable energy supply contracts in Chile for approximately 3 TWh/year with key customers such as the mining companies Codelco and Teck, helping to make the national mining sector more sustainable, as well as with Google, a major multinational technology company with important environmental goals. Meanwhile, in Colombia, we signed a renewable energy supply agreement for 208 GWh/year with CHEC, a player in the Colombian electricity sector.

These agreements further accelerate the transformation of our energy matrix by enabling the construction of more wind, solar and battery projects.

The following are the most significant contracts we have executed since the launch of our strategy:

→ Chile

- Minera Los Pelambres:

COAL *to* GREEN

We executed a power supply agreement for 20 years, as from 2020, that extends the commercial relationship with AMSA's subsidiary until 2040 and provides for the delivery of 350 GWh/year of renewable energy.

- Inversiones y Servicios Dataluna Ltda (of Google):

Gener Flex

In August 2019, we entered into a 12-year power purchase agreement for its operations that resulted in a 100% renewable supply. The agreement is for up to 440 GWh/year and will be extended until the end of 2032.

- Compañía Minera Carmen de Andacollo S.A. (de Teck)

Gener Flex

By the end of 2020, we entered into a 12-year power purchase agreement for its operations that resulted in a 100% renewable supply. The agreement is for 550 GWh/year and will be extended until the end of 2031.

- Minera Sierra Gorda S.A.

COAL *to* GREEN

In November 2020, AES Andes in Chile was awarded a new 17-year renewable supply agreement that allows the transition to renewable energy to reach 100% by 2023. The agreement plans to supply up to 1,447 GWh/year through AES Andes' portfolio of new renewable assets.

- Microsoft

Gener Flex

In December 2021, we entered into a long-term energy sale agreement based on a 100% renewable supply. Supply will start in 2024.

- Minera Teck Quebrada Blanca S.A.

COAL *to* GREEN

In February 2020 we entered into a 20-year power

purchase agreement for Quebrada Blanca's copper project that allowed the transition to renewable energy of approximately half of the energy required for such operation. Then, in November 2022, we entered into a second 17-year renewable energy purchase agreement for the other half of the energy required. These agreements will allow Compañía Minera Teck Quebrada Blanca to purchase approximately 2,100 GWh/year for its operations from AES Andes' growing portfolio of renewable energy sources, including wind, solar and hydro, in addition to the 21 MW of solar power already contracted to our company.

- Google Energy LLC (de Google)

Gener Flex

In August 2022, we signed a 15-year purchase agreement for 100% renewable energy starting in 2024. The agreement is for up to 280 GWh/year and will be extended until the end of 2038.

- Codelco

COAL *to* GREEN

In December 2022, we signed a 15-year renewable energy purchase agreement beginning in 2026 that will allow for the transition of approximately 1,560 GWh/year to renewable energy for its operations. The agreement allows us to extend our relationship with the largest copper mining company in Chile until the end of 2040.

→ Colombia

- Castilla:

Gener Flex

In 2018, Ecopetrol awarded AES Andes in Colombia a 15-year operation and maintenance agreement for Castilla solar power plant with 21 MW of installed capacity, which was inaugurated in October 2019. The plant was built on customer land and its generation supplies Ecopetrol's operations.

- San Fernando

Gener Flex

In August 2020, Ecopetrol awarded us two 15-year contracts for the operation of its subsidiary Cenit, one for the San Fernando solar project with an installed capacity of 61 MW, and the other one for 240 GWh/year during non-solar hours.

- Emcali

Gener Flex

In December 2020, we entered into an agreement for 200 GWh/year with Emcali for 12 years, starting in 2021 and ending in 2032.

- Brisas

Gener Flex

In November 2021, Ecopetrol awarded us again a 15-year operation and maintenance agreement for Brisas solar plant with 27 MW of installed capacity.

- Gecelca

Gener Flex

In December 2021, we entered into an agreement for 438 GWh/year with Gecelca for 15 years as from 2025.

- CHEC

Gener Flex

In August 2022, we signed a contract with CHEC for 208 GWh/year for a period of 11 years, starting in 2027 and ending in 2037.

→ Argentina

- TermoAndes

It is one of the leading companies in the Argentine Energía Plus market. In this market, we sell energy to industrial customers under short-term agreements. TermoAndes seeks to continue being a relevant player in this segment.



5. About this integrated Annual Report

5. About this integrated Annual Report

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5.1 Scope

[GRI 2-2, 2-3, 2-4]

This document reports the performance for year 2022 of AES Andes, its subsidiaries and the investees where AES Andes is the controlling shareholder and has management control, i.e. the operations in Chile (Norgener Plant, Cochrane Plant, Angamos Plant, Ventanas Plant, Laja Plant, Andes Solar Plant, Los Cururos, Cordillera Complex, Los Olmos, Mesamávida and Alto Maipo), Argentina (TermoAndes) and Colombia (Chivor Plant, Tunjita, Castilla, San Fernando and Brisas).

This report has been prepared in compliance with the standards established by the Global Reporting Initiative (GRI), version 2021, and the disclosure requirements set forth in the General Rule (NCG) 461 of the Chilean Commission for the Financial Market (CMF). This integrated annual report discloses, for the second time, a subset of the Sustainability Accounting Standards Board (SASB) indicators applicable to electric utilities and power producers in the infrastructure sector.

The acronyms used in some titles correspond to the GRI and NCG 461 content to which this report refers.

The Annual Report provides detailed information about the Company's economic results along with the progress made with respect to its strategy and its environmental, social and governance (ESG) management.
The only material change in the information for 2022 compared to that reported in 2021 is the deconsolidation of Alto Maipo, when this subsidiary entered into the Chapter 11 Proceedings described in 2.3 Financial Management, which meant that this subsidiary was deconsolidated from the Company's financial statements as of December 31, 2021. In addition, during 2022, the Los Olmos and Mesamávida wind plants in Chile will (partially) enter commercial operation, as well as the Brisas wind plant in Colombia.

This report does not contain any information relating to previous years' financial statements. For the environmental variables, the indicators of the previous years have been recalculated by eliminating the assets that are no longer part of the Company in order to improve their comparability.

When deemed necessary to facilitate the understanding of the Company's strategy and management, references to events that occurred in previous years or after the end of the fiscal year were included.

The financial information included in this Annual Report is consistent with the total perimeter of consolidation of the Company. A complete list of the entities included in the 2022 Consolidated Financial Statements can be found in the Financial Statements of AES Andes as of December 31, 2022, Note 3, Basis of Consolidation.

5.2 Definition of Materiality

[GRI 3-1]

The following is a detail of the process followed for the preparation of this Integrated Annual Report which included the "materiality assessment" process proposed by the GRI Standards methodology.

Materiality is the process of determining the relevant issues that may have a significant impact (both positive and negative) on the organization's ability to create value in the short, medium and long term.

The purpose of identifying these issues is to inform the different stakeholders of the commitments and progresses made with respect to the most relevant issues according to the prioritization arising from the materiality process.

According to the structure defined by the Company, the materiality process is carried out every two years, so for this fiscal year the work was based on what was developed for 2021, highlighting those issues that have become more important in 2022.

Material aspects

Taking into account the issues raised by various stakeholders for the 2021 Integrated Annual Report, as well as the review of internal and external documentation, the team in charge of preparing the 2022 Integrated Annual Report, made up of the Sustainability, Environment and Investor Relations departments, reviewed the issues that had been prioritized in 2021. These have been updated according to the issues relevant to the Company and as they have been gathered not only by our various stakeholders (in our ongoing discussions with them), but also through the press and internal communications.

In the graph below, we can see the relative importance of the issues identified as most material for both the organization and the stakeholders. On the horizontal "X" axis we establish the level of importance of the issue for the Company and on the vertical "Y" axis we establish the level of relevance of each issue for the stakeholders as a whole.

Prioritized Material Topics [GRI 3-2]

Priority	Factor	Topic	List of material topics
1	Environmental	Emissions	A1
2	Economic	New businesses and innovation	E2
3	Social	Local communities	S3
4	Economic	Economic performance	E4
5	Environmental	Climate Change	A5
6	Environmental	Efficient management and use of water	A6
7	Environmental	Energy Transition	A7
8	Social	Training & Development	S8
9	Social	Occupational health and safety	S9
10	Social	Employee-company relationship	S10
11	Economic	Commercial excellence and customer management	E11
12	Social	Quality of employment	S12
13	Environmental	Energy efficiency	A13
14	Environmental	Environmental regulatory compliance	A14
15	Social	Diversity and equal opportunities	S15
16	Economic	Corporate governance and risk management	E16
17	Social	Human rights practices, Rights of indigenous peoples and assessment of human rights	S17
18	Environmental	Environmental impact of suppliers	A18
19	Environmental	Biodiversity	A19
20	Social	Social assessment to suppliers	S20

Materiality Matrix



5.3 Verification

[GRI 2-5]

RSM Chile Auditores Limitada
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Chile
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INFORME DE VERIFICACIÓN LIMITADA INDEPENDIENTE

Indicadores de Sostenibilidad de la Memoria Integrada AES Andes S.A. 2022

Señor
Javier Dib
Gerente General
AES Andes S.A.

De nuestra consideración,

Hemos efectuado una verificación limitada e independiente de los contenidos e información, y los datos presentados en los Indicadores de Sostenibilidad de la Memoria Integrada 2022 de AES Andes S.A., que se mencionan más adelante.

Alcance

La verificación tuvo por alcance temporal el período comprendido entre el 1 de enero y el 31 de diciembre de 2022. Toda información fuera de este período no fue parte de la verificación. La preparación de los Indicadores de Sostenibilidad de la Memoria Integrada 2022, la información y las afirmaciones contenidas, la definición del alcance del reporte, la gestión y el control de los sistemas de información que proporcionan los datos reportados, son de exclusiva responsabilidad de la Administración de AES Andes S.A.

Estándares y procedimientos de verificación

Nuestra verificación limitada fue efectuada de acuerdo con la norma de verificación internacional para auditorías de información no financiera ISAE 3000, establecida por el International Auditing and Assurance Board de la International Federation of Accountants, y el estándar para la elaboración de Reportes de Sostenibilidad del Global Reporting Initiative (GRI).

Nuestros procedimientos fueron diseñados con el objetivo de determinar que la información y los datos presentados en los Indicadores de Sostenibilidad de la Memoria Integrada 2022 de AES Andes S.A. estén debidamente respaldados por evidencias. Los objetivos específicos constaron de:

- Verificar la trazabilidad de la información presentada en los Indicadores de Sostenibilidad.
- Determinar que AES Andes S.A. haya elaborado los Indicadores de Sostenibilidad de la Memoria Integrada 2022 conforme a los indicadores de desempeño y los principios del estándar GRI.
- Confirmar el nivel de aplicación declarado por AES Andes S.A., según estándar GRI.

Procedimientos realizados

Nuestra labor de verificación limitada consistió en la indagación con representantes de la Dirección, Gerencias y Unidades de AES Andes S.A. involucrados en el proceso de elaboración de los Indicadores de Sostenibilidad de la Memoria Integrada 2022, así como en la realización de otros procedimientos analíticos y pruebas de muestreo tales como:

- Reuniones y entrevistas con personal clave de AES Andes S.A. de las áreas de (i) Medio ambiente, (ii) Salud y seguridad social, (iii) Recursos humanos, e (iv) Inversión social y sostenibilidad, con el fin de evaluar el proceso de elaboración de los Indicadores de Sostenibilidad, la definición de su contenido y sus sistemas de información subyacentes.
- Revisión de la documentación de respaldo proporcionada por AES Andes S.A.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Chile Auditores Limitada es miembro de la red RSM Internacional y opera bajo el nombre comercial de RSM. RSM es el nombre comercial utilizado por los miembros de la red RSM Internacional. Cada miembro de la red RSM es una firma independiente de contabilidad y consultoría que ejerce por derecho propio. RSM Internacional no es en sí misma una entidad legal independiente en ninguna jurisdicción.

- Revisión de fórmulas y cálculos asociados a información cuantitativa mediante reproceso de datos.
- Revisión de la redacción de los Indicadores de Sostenibilidad de la Memoria Integrada 2022, asegurando que no se induzca a error o duda respecto a la información presentada.

El proceso de verificación se realizó en base la revisión puntual, considerando la materialidad, de los temas definidos por AES ANDES S.A. asociados a los indicadores GRI identificados a continuación:

2-1	2-7	2-8	2-21	2-27	2-28	2-30	203-1	203-2	301-1
302-1	302-3	303-1	303-2	303-3	303-4	303-5	304-1	304-2	304-3
304-4	305-1	305-2	305-3	305-4	305-7	306-3	306-4	306-5	401-1
401-2	401-3	403-1	403-2	403-3	403-4	403-5	403-6	403-9	404-1
404-3	405-1	405-2	413-1						

Adicionalmente, se verificaron los siguientes indicadores propios: participantes en programas sociales; montos invertidos en programas sociales; horas pedagógicas en programas educacionales; agua reciclada y reutilizada; derrames significativos; y certificaciones de sus sistemas de gestión.

Nuestra responsabilidad

Nuestra responsabilidad se limita exclusivamente a los procedimientos mencionados en los párrafos anteriores, y corresponde a una verificación de alcance limitado, la cual sirve de base para nuestras conclusiones. Por defecto, no aplicamos procedimientos de verificación razonable, cuyo objetivo es expresar una opinión de verificación externa sobre los Indicadores de Sostenibilidad de la Memoria Integrada 2022 de AES Andes S.A. 2022. En consecuencia, no expresamos una opinión.

Conclusiones

Respecto de los indicadores verificados y señalados anteriormente, basados en nuestro trabajo de verificación limitada independiente de los Indicadores de Sostenibilidad de la Memoria Integrada 2022 de AES Andes S.A., podemos afirmar que no ha llegado a nuestro conocimiento ningún aspecto que nos haga pensar que:

- La información y los datos publicados en los Indicadores de Sostenibilidad de la Memoria Integrada 2022 de AES Andes S.A. no están presentados de forma adecuada.
- Los Indicadores de Sostenibilidad de la Memoria Integrada 2022 de AES Andes S.A. no hayan sido elaborado en conformidad con la versión Esencial para la elaboración de Reportes de Sostenibilidad según estándar GRI.
- La opción declarada por AES Andes S.A. no cumple con los requisitos para tal nivel, de acuerdo con lo establecido en la norma de aplicación GRI.

Adicionalmente, se enrega a la entidad una carta a la administración orientada a presentar oportunidades de mejora para la futura elaboración de indicadores de sostenibilidad y reportabilidad general; así como para procesos relacionados a su elaboración, monitoreo continuo y control interno.

Saluda atentamente a usted,

Firmado digitalmente por OSCAR ANDRES AGUILAR SANCHEZ

Oscar Aguilar S.
Socio
RSM Chile Auditores Ltda.

Santiago, 16 de marzo de 2023

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

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6. Additional information

6. Additional information

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6.1 Charter Documents

[GRI 2-1]

AES Andes is an open corporation created by means of public deed dated June 19, 1981 and delivered in Santiago by Notary Public Patricio Zaldívar Mackenna. Its business name was, at that time, Compañía Chilena de Generación Eléctrica S.A. (Chilectra Generation S.A.). The deed was then amended by means of public deed dated July 13, 1981 delivered in Santiago by Notary Public Jorge Zañartu Squella, Alternate for Notary Public Patricio Zaldivar Mackenna. An extract from this deed was published on July 23, 1981 in the Official Gazette and registered in page 13,107 number 7274 of the Commercial Registry of the Real Estate Conservator of Santiago for 1981. By means of Resolution No. 410-S dated July 17, 1981 issued by the Superintendency of Securities and Insurance, the Company was authorized to exist and its By-laws were approved, as briefly published in Official Gazette No. 31,023 dated July 23, 1981 and registered in page 13,107 number 7274 of the Commercial Registry of the Real Estate Conservator of Santiago for 1981.

By resolution adopted at the Extraordinary Shareholders' Meeting held on April 23, 2021, whose minutes were notarized on May 5, 2021, the name was changed to "AES Andes S.A.". An abstract of that deed was registered in page 34,961, No. 16,156 of the Commercial Registry of the Real Estate Conservator of Santiago of year 2021, and was published in the Official Gazette on May 8, 2021.

→ About The AES Corporation

The AES Corporation is a global company whose purpose is to accelerate the future of energy together.

As of December 31, 2022, with an installed capacity of 31,493 MW and approximately 8,450 employees, the Company generates and distributes electricity in four main markets: South America, Mexico, Central America and the Caribbean (MCAC), the United States and Utilities and Eurasia.

The AES Corporation exercises corporate control over AES Andes through its subsidiary Inversiones Cachagua SpA. The takeover bid launched by The AES Corporation in December 2021, through which Inversiones Cachagua SpA got a 98.13% interest in AES Andes, ended in January 2022. To date, The AES Corporation continues to make purchases in the Stock Exchange through a buying power, reaching a participation in AES Andes of over 99%. More details of this transaction are available in Chapter 6 Additional Information, ESG Indicators, Trading information.

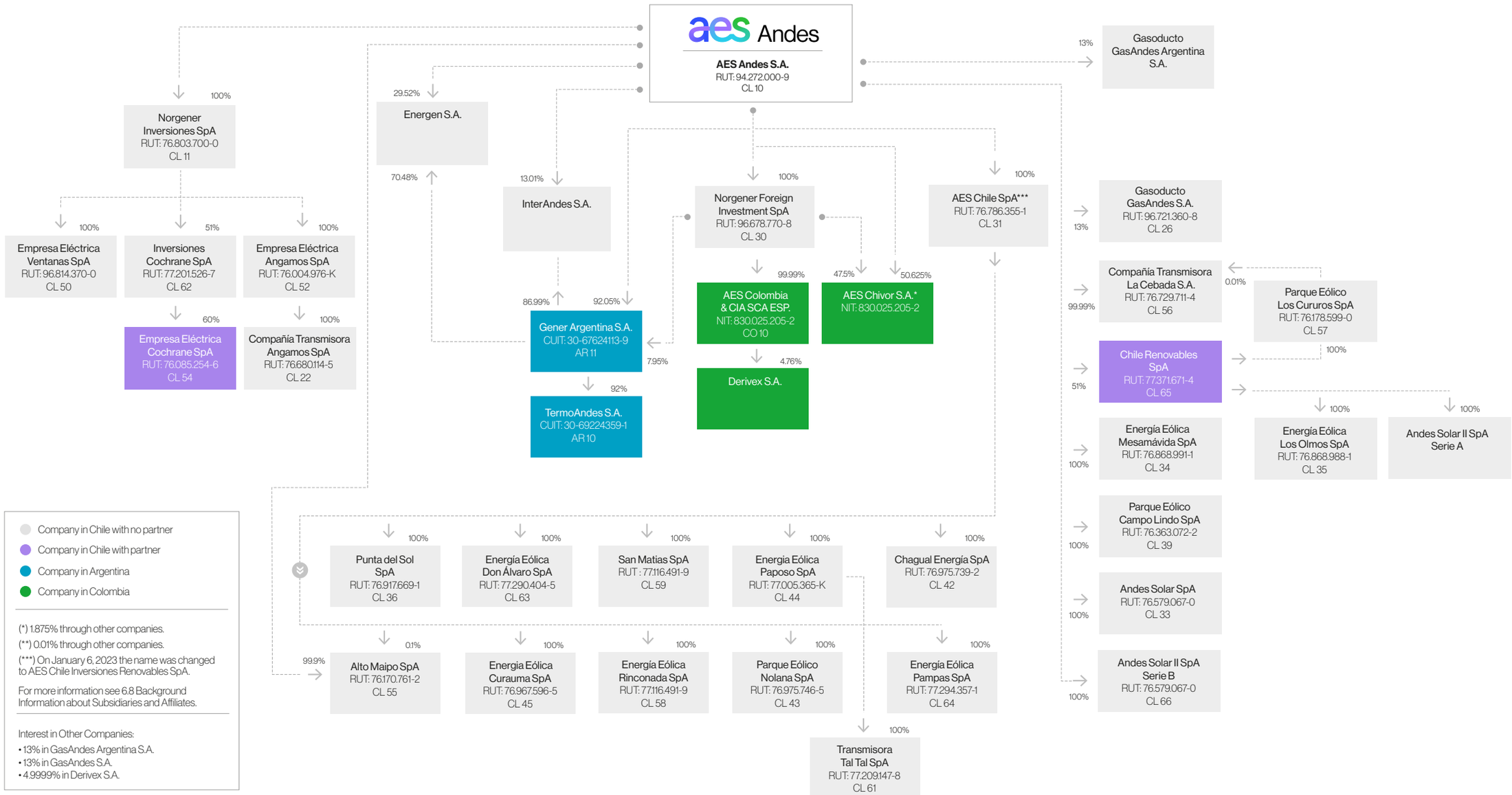


It is our commitment to conduct the business of AES Andes with integrity and in compliance with all applicable laws and regulations at a regional level.

We believe and trust that our good regional performance is due to the way we participate in each of the countries where we are present. Aligning the management of our corporate governance to the probity standards and laws, environmental compliance and electricity regulatory market in Chile, Colombia and Argentina.

6.2 Group of Companies

[NCG 461 6.5.1]



6.3 Strategic and Emerging Risks

[GRI 3-3, NCG 461 3.6]

→ Strategic Risks

Technological Change Risk	Climate Change Risk	Regulatory Risk
The development of new technologies involves the risk of reducing the sales prices or cause material changes to the generation business. To mitigate the above, we have executed long term Power Purchase Agreements or PPAs that ensure an income flow to cover financial obligations and generate value to our stakeholders. In Chile, we have an average contract remaining life of 10 years. We are venturing into the development of renewable energy projects to diversify our portfolio and reduce costs in the generation of electricity.	Part of the behavior of the demand of our generating park is influenced by a higher or lesser hydroelectric availability, and therefore by the effects of climate change, thus altering the economic performance of the Company. According to our renewable energy growth strategy, we have a Climate Risk Committee that measures and manages the risk of renewable energy sources (solar radiation, wind speed, hydrology, etc.), reporting it to AES Andes' senior management. Moreover, other costs associated with taxes on emissions and the agenda for decarbonization of the electricity generation matrix in the countries where we operate would affect the implementation of the strategy in the short- and medium-term.	The industry in which we operate is subject to multiple regulations that may change or be interpreted differently in the future and that might affect the company. One of them is decarbonization, an area in which we have an agreement with the Government of Chile through the Ministry of Energy in which we committed ourselves to cause our Ventanas 1 and Ventanas 2 coal-fired plants, to cease operations to get into a Strategic Reserve Operational State (ERE, for its acronym in Spanish) in 2022 and 2024, respectively. During 2020, we brought forward this goal; Ventanas 1 got into ERE on December 29, 2020 and was definitively disconnected from the system on June 2022. Ventanas 2 is awaiting the completion of the second 220/110 kV - 300 MVA transformer of the Agua Santa substation, which will guarantee the operational security of the Region of Valparaíso. This commitment aligns with the AES Corporation goal to fully decarbonize our portfolio by 2025.

Continued from previous page

Risk of Natural Disasters	Foreign Exchange Risk	Interest Rate Risk
The natural disasters can damage our power generation assets and the SEN, thus decreasing our power generation capacity and/or increasing production costs. If these events occur, we could be in the need to purchase energy from other generators and this could have a negative impact on our financial results. To mitigate this risk we purchase insurance policies for all our assets and operations, with a coverage consistent with the industry standard, against earthquakes and other natural disasters, and also against physical damages and coverage in the event of operational interruptions and mitigation of lost profits, among others. On the other hand, we measure, control, and make strategic decisions for the comprehensive management of our generation portfolio, projects under construction and contracts to prevent any unexpected impact on the SEN.	The main sources of exposure to the exchange rate risk are: (i) exposure to the Chilean Peso in the period between the dates of pricing, billing and collection of sales from certain customers in Chile; (ii) constant exposure to the Chilean Peso for fixed and variable costs in their operations; (iii) exposure related to VAT refunds in connection with the construction of projects denominated in Chilean Pesos; (iv) exposure to the Colombian Peso in dividend distributions from the Colombian business to the parent company in Chile; and (v) bank loans and obligations in bonds denominated in a currency other than the US Dollar. On a consolidated basis, the investments in new plants and maintenance equipment are mainly fixed in US Dollars like the short-term investments related to cash management. In order to mitigate these risks, we have an exchange rate variation strategy involving the execution of derivative contracts with financial institutions that make it possible to set the exchange rate of flows and/or transactions in currencies other than the functional currency.	The interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. Our exposure to this risk relates primarily to our long term debt obligations with variable interest rates. We manage this risk by keeping an important percentage of our debt at a fixed rate or with interest rate swaps. For long-term obligations, we have entered into hedging transactions by way of interest rate swaps.

Continued from previous page

Liquidity Risk	Sustainability Risks	Emerging Risks
Liquidity risk is related to the need for funds to meet payment obligations. Our goal is to maintain the necessary liquidity and financial flexibility through normal operating flows, bank loans, public bonds, short term investments, committed and non-committed credit lines.	We define sustainability risk as a risk that affects our business concerning ESG (Environmental Capital, Social y de Governance) on a cross-sectional basis. We adhere to the guidelines of The AES Corporation in terms of sustainability applied to every business. To such effect, we define broad strategic initiatives based on financial excellence, operational excellence, environmental performance, and commitment to stakeholders and our people. Our values and standards also apply to our suppliers and contractors so that they have the same high ethical standards that we have in the company with a focus on our sustainability goals.	The new business model poses a scenario of permanent change in the market, where we have identified emerging risks. These are risks that we have observed, but for which there is still neither more information on their impact nor a regulatory framework and in which the limits of corporate responsibility are being discussed by the company. The emerging risks are reviewed and followed up by our risk management department in order to integrate the challenges in the international and national agenda of the markets where we operate.

Continued from previous page

Commodities Price Risk

We are affected by the volatility of prices of certain fuels that, in the case of our company, are mainly coal and liquefied natural gas (LNG), which are "commodities" with international prices fixed by market factors beyond our control. 2022 is a particularly complex year due to the impact of the war between Ukraine and Russia, which caused a significant increase in the price of our fuels, directly impacting our margins and energy value.

As to the Argentina, the subsidiary TermoAndes purchases natural gas under fixed price short-term agreements that are reflected at the time of setting the sales price of energy under the contract.

Given that we are a Company with a mixture of mainly thermal generation, the fuel cost represents an important portion of the sales costs, and a key factor for the dispatch of plants and spot prices both in Chile and Colombia.

A significant portion of our power purchase agreements include indexation mechanisms that adjust the price on the basis of increases or decreases in the price of coal, according to the specific adjustment indexes and schedules of each contract, thus making it possible to mitigate much of the variations in the price of this fuel. For the portion of contracts without coal-price indexing mechanisms, we have implemented a hedging strategy based on international coal financial instruments for up to three years.

Credit Risk

It is related to the credit quality of our commercial counterparties and is mainly reflected in debtors for the sale of energy and financial assets.

Our customers in Chile are mainly distributing companies and industrial customers of high solvency, with an important percentage of them or their parent companies having either local or international investment grade credit ratings. Our sales in the spot market have to be made with other generation companies. In Colombia, AES Colombia has a variety of clients including distributing companies and industrial customers. On the other hand, in Argentina, the main partners of TermoAndes are CAMMESA (Compañía Administradora del Mercado Mayorista Eléctrico S.A.) and non-regulated customers called "Large Users of the Wholesale Electricity Market", whose contracts operate under the Energía Plus standards.

For any cases where counterparty risk assessments are made based on a quantitative and qualitative credit assessment, which in some cases includes the request of collaterals for the delivery of energy and other products. This credit assessment is reviewed periodically.

Our credit risk policy prohibits doing business without security and level approval from senior management, if there are counterparties with a rating below the required standard.

Operating Risks

Operating risks relate to the possibility of future failures or deficiencies that could impede the Company's strategic, operational and/or financial objectives. Similarly, in the event of an accident, these risks could have an impact on surrounding communities or the environment.

Although the Company regularly performs maintenance and operational upgrades at its facilities to ensure the commercial availability of all of its facilities and maintains operating insurance policies, failures could eventually occur that result in commercial unavailability or accidents at our facilities. A significant period of unavailability of the Company's facilities, either due to operational failures or maintenance (scheduled or unscheduled), could, in some hydrological scenarios, result in the fulfillment of supply contracts through the purchase of energy on the spot market, conditions that could increase operating costs and negatively affect the results of AES Andes. In the event of accidents involving people or the environment, we could be subject to fines and/or reputational damage.



Other Risks:

- Actions with court decisions that could adversely affect the Company.
- International financial, political or other phenomena in the economies of the countries in which we operate that could affect our economic performance and financial liquidity.
- Economic cycles and government interventions in the countries in which we operate that affect our economic results, financial condition and stock market performance.
- Acts of terrorism and accidents that could affect the operation of our assets and therefore our economic and financial performance.
- Financing risk associated with financial market conditions in terms of financing future projects, capital expenditures, obligations by maturity and debt refinancing.
- The environmental regulatory framework and its governmental institutions could generate delays, increases in cost, or cancellation of the development of new projects.
- Opposition from groups could result in reputational damage and possible delays in project development, or even make development impossible.
- Failure to reach successful collective bargaining agreements and negotiations with the employees of the Company and its subsidiaries that would affect our business.
- Security vulnerabilities in our information and communications systems and technologies that could result in disruptions or failures due to cyber-attacks that would disrupt our operations.
- Our operations require the service of power transmission systems that are not owned or controlled by the Company. In case of failures or poor performance, the dispatch of energy from our plants to our customers would become negatively affected.

→ Emerging Risks

Emerging Risks	Definition	Impact	Mitigation
Climate Change	Permanent extreme climate conditions in areas where we operate (natural disasters). Part of the behavior of the demand of our generating park is influenced by a higher or lesser hydroelectric availability, and therefore by the effects of climate change, thus altering the economic performance of the Company. Taxes on emissions and commitment agenda with regard to decarbonization of the electric generation matrix of the countries where we operate	Operational continuity interruptions Loss of assets. Availability of energy generated to meet contractual commitments Modification of our economic and financial results.	Resilience plan. Emerging risk follow-up plan. Study of climate change scenarios. Comprehensive management of assets and contracts portfolio Implementation of our business strategy to strengthen renewable energy portfolio and decarbonization goals.
National and international economic, political and regulatory changes	We are exposed to the impact of various international financial, economic, political or other phenomena that may affect the economy of the countries where we operate.	It affects our economic performance and financial liquidity.	Emerging risk follow-up plan.
Renewable sources energy capacity	Nature is not programmable. Production of energy from renewable sources may be unstable.	Non-compliance with contractual generation commitments. It affects our economic performance, financial liquidity, reputation and image.	Management and implementation of our strategic plan. Systematic measurement for the understanding of renewable generation sources. Development of support and balance systems with conventional sources of generation.

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Emerging Risks	Definition	Impact	Mitigation
Technological Change Risk	Strong and growing competition mainly due to: Low energy prices due to disruptive technologies (e.g. demand response, distributed energy resources, incorporation of batteries) and low market prices for long-term contracts.	Ability to obtain new long-term contracts for the sale of renewable energy for existing assets given that competition is high. Ability to build or acquire new generation assets, and development of new technologies to compete.	Mitigation through the incoming of long-term contracts to have cash flows sufficient to cover financial obligations. We continuously monitor new technologies and their prices to assess their impact on our business Reestablish our business mix: steps taken include to reduce intensity of coal (by increasing the focus on renewable energy) and exposure to the spot market.
Regulatory Risk	Change in laws, regulating agencies, politicians, non-governmental organizations. Other private parties have expressed their concern about greenhouse gases, CO_2 emissions, and potential risks associated with climate change, and are acting accordingly.	The business where we operate is subject to multiple regulations that govern the operation. There is a chance that regulations may change in the near future or otherwise have a different interpretation. This can affect our consolidated results, financial conditions and cash flows. In addition, our Company is subject to multiple environmental regulations associated with current operations and development of new projects.	Solid regulatory team that monitors changes in regulations, reviews impacts on our Company, and promotes changes to regulations. Development of new tools (models) to assess and establish impacts in different regulatory changes. 80% of the long-term contracts with mining companies in Chile include change in law clauses that mitigate the impact of possible changes in regulations. Another way of mitigating these changes is to create a diversified portfolio including renewable energy, distributed energy and storage batteries.

6.4 Regulatory Frameworks

[NCG 461 6.1]



→ Relevant regulatory framework in Chile

Since 1982, the electricity sector in Chile has been structured based on private initiative and property, in a framework of market competition for the generation and transmission expansions. The regulation is based on an efficient distribution and transmission company and the state-owned entities, including those related to the electricity sector, are those that play a regulatory and supervisory role in accordance with the Constitution and current legislation. These entities are grouped in the Ministry of Energy and in the Ministry of Environment and have agencies for the various areas of the energy sector: National Energy Commission (CNE), Independent Coordinator of the SEN, Superintendency of Electricity and Fuels (SEC), Environment Impact Assessment Service, Environmental Superintendency, Environmental Courts and General Water Board (DGA).

The construction and commissioning of the power plants need to obtain the environmental and electric permits provided for by the Chilean laws. Notwithstanding the jurisdiction of the ordinary courts, the Chilean electricity legal background considers the creation of a panel of experts as an independent technical body that informs and resolves in an expeditious manner most disputes between the electricity sector companies and/or between them and the energy authorities. The different activities of the electricity sector are regulated by the Ley General de Servicios Eléctricos (General Law of Electric Services), and Decree with Force of Law (DFL, for its acronym in Spanish) No. 1/1982 issued by the Ministry of mining. Some of the subsequent amendments to the law include Law No. 19,940 of 2004, known as Short Law I, and Law No. 20,018/2005, or Short Law II, which leaves the core aspects of the Chilean electricity model unchanged. Law No. 20936 of 2016, known as the Transmission Law, which sets forth, among other issues, a new Electric Transmission System and creates an Independent Coordinator for the SEN As a consequence of these amendments, the wording of the General Law of

Electric Services was changed as set forth in Decree with Force of Law (DFL, for its acronym in Spanish) No. 4/20018 of 2006, issued by the Ministry of Economy, Development and Reconstruction. The activities of the electricity sector are also governed by the corresponding regulations and technical standards. The generation market is mainly based on long term contracts between generators and customers, which specify the volume, price, or conditions for the sale of energy and power. The law establishes two types of customers:

- Non-regulated Customers
  Consumers whose connected load is greater than 5 MW (generally of industrial or mining nature), and additionally those who, having a connected load between 500 kW and 5 MW, have chosen to be subject to a free market price system during at least four years. These customers are not subject to price regulation and, therefore, can freely negotiate the price and conditions of the electric supply with the generating companies

- Regulated Customers
  Consumers whose connected load is less than or equal to 500 kW, and additionally, those customers with connected load between 500 kW and 5 MW which have also chosen to be subject to a regulated tariff system for four years. These customers are served by distribution companies, which are required to conduct public tenders to assign the electric power supply agreements that will enable them to meet their consumption.

A similar situation occurs with power transactions, which are established on an annual basis by the CEN and generate transfers from generating companies that record firm power surplus with respect to their peak power commitments with their own customers and those who have a deficit generation. Physical and monetary power transfers are established by the CEN, and are valued on an hourly basis at the marginal cost resulting from system operation. In the case of power, its price is the marginal cost of power that currently corresponds to the short-term node price of peak power. The law allows the generating companies and regulated customers to agree on voluntary and temporary reductions of electrical energy consumption through incentives to boost savings and efficient use of electric energy in scarcity conditions.

Invitations to tender for regulated supply

Law No. 20,805 came into force in January 2015. This law sets forth an electricity supply tendering system for customers subject to price regulations, and establishes that the CNE is responsible for preparing the tender terms and conditions and that the distribution companies will comply with the administrative aspects of the process. In addition, in order to promote competition, it incorporates a general system of tenders made five years in advance and establishes a more flexible scheme for setting the supply blocks. It also includes certain clauses that will allow the new projects to postpone or cancel their sales of energy in case of delays for processes beyond the responsibility of their developers. Under this new law of invitations to tender, we have developed three processes:

- Supply Tender 2015/01 (May 2015 to July 2016) under which 84 companies were awarded five energy blocks for a total of 12.4 TWh/year (100%) at a weighted average price of US$ 47.6/MWh.

- Supply Tender 2015/02 (June 2015 to October 2020) under which three blocks for 1.2 TWh/year (100%) at an average bid price of US $ 79.3/MWh were awarded.

- Supply Tender 2017/01 (January to November 2017) under which 5 companies were awarded a total of 2,200 GWh/year (100%) at a weighted average price of US$ 32.5/MWh.

- Supply Tender 2021/01 which awarded a total of 2.3 TWh/year at a weighted average price of US$ 23.78/MWh.

- Supply tender 2022-01, which awarded 777 GWh/year at an average price of US$37.38/MWh, which represents 14.8% of the supply originally included in the tender (5.25 TWh/year).

Add-on Services

In March 2019, a first version of the Add-on Services (SSCC) Standards, as referred to in Article 72-7 of the General Law of Electric Services, was published by means of Supreme Decree No. 113. These regulations establish a system of tenders and/or auctions to award the provision of those services, effective on January 1, 2020. Before that date, SSCC will continue to be provided under the current framework, which establishes that they are directly ordered by the National Electricity Coordinator and solely remunerated based on the logic of recovering the costs incurred during their provision. In December 2019, by means of Exempt Resolution No. 786, the technical regulations associated with the new SSCC regulation were also approved and in November 2020, the National Energy Commission issued the Add-on Services Definition Report referred to in the second paragraph of Article 72-7 of the General Law of Electric Services through Exempt Resolution No. 442. The main aspects of the SSCC standards, effective as of January 1, 2020, are:

- The National Electricity Coordinator shall be responsible for defining the SSCC required by the system -which will be eventually resolved by the CNE through an exempt resolution- and will have the authority to order the mandatory implementation of new resources or infrastructures for SSCC, as necessary. The parties under its coordination will, in turn, have the obligation to put the equipment and resources available for that purpose at the disposal of the CEN.

- In June of each year, the CEN will prepare a SSCC report according to the CNE resolution, where it will establish the mechanism to be followed for their implementation.

- Three possible mechanisms for the implementation and remuneration of the provision of SSCC identified by the National Electricity Coordinator shall be established: (1) Tenders with the possibility of defining the ceiling price and reserve option. (2) Auctions for very short term requirements with the definition of a ceiling price. (3) Services by direct allocation of responsibility to a coordinated company when the invitations to tender or auctions are declared void, or when there are no sufficient competitive market terms to perform any of them.

- In the event that it were impossible to launch an invitation to tender or an auction, a study of costs shall be performed according to basis approved by the CNE, whose outcomes can be appealed before the panel of experts. In the event of invitations to tender or auctions that have been declared void, the cost shall be the cap price.

- In the case of direct allocation under a cost-efficient study, the remuneration of the investments shall be paid by end-users through a charge that will be added to the one-time transmission charge for a period equal to the useful life of such investments. The remuneration for the provision of technical resources required in the system operation will be paid according to the provisions set forth by the Law. Finally, it should be noted that the different categories of add-on services have been defined by the National Energy Commission on November 23, 2020 through Exempt Resolution No. 442, with which the Add-on Services Definition Report referred to in the second paragraph of Article 72-7 of the General Law of Electric Services was issued.

Coordination of the Operation of the Electrical System

The Coordination and Operation Standards of the National Electrical System were published in December 2019 under Supreme Decree No. 125. The main aspects are:

- Operational conditions of the system.

- Treatment of energy storage systems.

- Scheduling of the short-, medium-, and long-term operation.

- Economic transfers and marginal costs.

- Monitoring of the payment chain.

- Audits and system performance.

This regulation repeals Supreme Decree No. 291 of 2007, which “approves the regulations establishing the structure, operation and financing of the Load Economic Dispatch Centers”. In December 2020, Exempt Resolution No. 491 approved the Supply Unavailability and Compensation Technical Standard that regulates the matters mentioned in Article 72-20 of the General Law of Electric Services.

Renewable Energy and Emission Standards

[IF-EU-110a.1]

In 2008, Law No. 20,257 was passed, which promotes NCRE, including geothermal, wind, solar, biomass, tidal, mini-hydro, cogeneration, and other sources. This law required that a percentage of the supply agreements of generators executed after August 31, 2007 be supplied with renewable sources. The percentage of energy required began with 5% for the period 2010-2015 and was gradually increased to reach a maximum of 10% in 2024. In October 2013, the Congress passed the Law to Boost NCREs (Law 20,698, also known as Law 20/25), which doubled the NCRE requirements, and set forth that, towards 2025, 20% of the marketed power from contracts entered into after July 1, 2013 should come from NCRE. The Electrical Concessions Law was enacted in October 2013 to boost investment and competitiveness in the electricity market. This law simplifies the provisional concession process and strengthens the procedure for obtaining the final concession by adapting the processing times and reducing deadlines from 700 to 150 days. Moreover, it also clarifies possible observations and objections, modifies the notification process, modernizes the property appraisal procedure, and resolves disputes between different types of concessions. In this way, the incorporation of ERNC and the consequent diversification of the energy matrix is made easier, and gives greater certainty to the actors involved.

Among the environmental regulations it is worth mentioning Supreme Decree No. 13, currently under review by the Ministry of the Environment, which has been in force

since 2011 and establishes the emission standard for thermoelectric plants by regulating the limits for emissions into the air of particulate matter (MP), sulfur dioxide (SO_2), nitrogen oxides (NO_x) and mercury (Hg). In addition, it compares the limits according to the type of facilities (new and existing plants) and type of fuel (solid, liquid and gas). Regarding existing facilities, as to Particulate Matter, the deadline for compliance is 36 months as from the date the standards were passed, i.e. December 2013. Regarding NO_x and SO_2, the deadline is four years for plants located in areas declared as latent or saturated areas, and 5 years in the rest of the country.

Law 20780, which creates a new tax on emissions or "green tax", was passed in 2014. This tax is levied on air emissions of particulate matter, SO_2, NO_x and CO_2 produced by turbines or boilers with a capacity equal to or higher than 50 MW and that, in case of CO_2 emissions, was fixed in five dollars per ton of CO_2 emitted. "Green taxes" have been in force since 2017 and their regulations were amended in February 2020 by Law No. 21,210, which modernizes tax legislation. This amendment expands the tax base to all organizations that individually or collectively produce 100 tons or more of particulate matter or 25,000 tons or more of CO_2 annually. In addition, it sets forth the implementation of emission compensation programs from 2023 to reduce the calculation of emissions on the payment of the tax. Finally, it specifies the mechanisms for the notification of the tax assessment, the means of challenge available to the taxpayer, and the effects that the modifications ordered by the environmental authority will have on the issuance of a new tax assessment by the internal tax service.

Energy Transfer

With regard to the business of high voltage electricity transmission, the law ensures the owners of transmission networks the right to recover all its capital, operation, maintenance, and administration costs.

The law divides the transmission network into three subsystems:

- National, made up of the transmission lines essential for the integral supply of the electrical system.
- Zonal, mainly made up of power lines that make it possible to supply consumption in the concession areas of distribution companies.
- Dedicated, made up of lines mainly intended for the supply of electricity to non-regulated customers or to evacuate the energy of generating plants.

The annual value of the national and zone transmission facilities and the payment for use of dedicated transmission facilities by users subject to price regulation shall be determined by the CNE every four years based on the valuation studies conducted by independent consultants. The market interaction ultimately establishes which works are to be developed for the national system, considering the opinion of the Independent Coordinator of the National Electrical System (CISEN) and the CNE and, in case of disputes, according to the resolution of the Panel of Experts. The works are allocated according to lower fees (annual collection) in open tenders conducted by each CISEN.

Law 20936 (also known as Transmission Law) was published in July 2016. This law sets forth, among other issues, that the transmission systems will be paid by end users through one-time charges, which shall be calculated semiannually by the CNE in the respective technical report, on the occasion of short-term nude pricing. The transmission payment shall be gradually passed on to end users, from 2019 to 2034.

Additionally, the Transmission Law created the Independent Coordinator of the SEN, in replacement of the Load Economic Dispatch Centers (CDEC), and changed its internal structure, gave new obligations and powers to the coordinator, and made it independent from generation and transmission companies. The new law also establishes development poles, such as those areas with high potential for renewable energy generation whose use is a matter of public interest. The annual value of the development poles is set by the CNE at the same time as for other transmission segments.

Every five years, the Ministry of Energy will develop a long-term energy planning process for different generation and consumption energy scenarios within a term of at least 30 years. The result of this process will be used as input for the annual planning of the transmission carried out by the CNE for at least a 20 years.

Decarbonization Agreements

In June 2019, AES Andes (formerly AES Gener), Enel, Engie, Colbún and the Chilean Ministry of Energy entered into an agreement for the disconnection and discontinuation of operations in their coal-fired units, establishing the rules for the gradual withdrawal of coal assets with the mitigation of possible adverse impacts on the system. The AES Andes units included are Ventanas 1 and 2, which were built in 1964 and 1977, respectively. These agreements were entered into after the publication of Supreme Decree No. 42 of 2020 (December 26, 2020), which amended Supreme Decree No. 62 of 2006 and created a new "Strategic Reserve Operational State" (ERE). Under this state, the power plants



are withdrawn from the usual dispatch of energy and remain essentially available in the event of systemic disrupting conditions with a prior notice of 60 calendar days. On December 29, 2020, Ventanas 1 power plant was authorized by the National Electricity Coordinator to get into this new operational state. Likewise, on June 30, 2022, in accordance with Article 72-18 of the LGSE, the Ventanas 1 power plant will cease to operate in the National Electric System and will no longer be available for programming, economic dispatch and for any other purpose established by current regulations.

As for the transition to ERE of the Ventanas 2 unit, it has been conditioned by the Coordinator to the entry into service of the project called "Expansion in Agua Santa Substation", which, according to the Company performing the work, would occur in June 2023.

Also on July 6, 2021, AES Andes, through an addendum to the agreement signed in June 2019, made available to the Authority the early retirement of the Angamos plant and Units 3 and 4 of the Ventanas complex as of January 1, 2025, if the safety, sufficiency and economy of the system allow it, as assessed by the authorities of the sector.

Tariff Stabilization Law

On November 02, 2019, Law 21,185 was published in the Official Gazette with immediate effects. The Law created an electrical energy price stabilization procedure for contracts with regulated customers, with reference to tariff decree 20T, related to the tariffs for the first half of 2019. This way, the increase in future prices for these clients shall be temporarily assumed by the generators that supply such agreements, who will finance a maximum amount of US$1,350 million. To the extent that regulated prices decrease in future periods, which is expected to occur with the execution of new contracts as from 2021, the difference between the fixed tariff and the evolution of the contract price will be used to settle outstanding payments to suppliers.

Other regulations published during 2022

- Supreme Decree No. 51-2021: In August 2021, the Ministry of Energy published in the Official Gazette Supreme Decree No. 51-2021, which “Decrees Preventive Measures issued in accordance with the provisions of Article 163 of the General Law of Electric Services”. The Decree provides for a series of preventive measures to avoid electricity rationing, in order to “avoid, manage, reduce or overcome generation deficits that may occur in the National Electrical System”, thus preserving safety and security. Subsequently, on August 31, 2022, Supreme Decree 74 amended Supreme Decree 51. This amendment reduced the volume of the water reserve from 205 GWh to 66 GWh and extended its term to March 31, 2023.

- Exempted CNE Resolution No. 886 of December 12, 2022: The National Energy Commission updated the estimate of accumulated balances under Law 21,185, totaling US$ 1,766 million of which US$ 416 million correspond to the excess balances accounted for by SEN between October 2021 and June 2022 + Medium Systems between September 2021 and June 2022. These excess balances were regulated under the new Law No. 21,472 on Tariff Stabilization (Transitional Customer Protection Mechanism).

→ Relevant regulatory framework in Chile

Since 1994, the Colombian electricity sector allows private participation in different chain businesses, within a framework of market competition for the generation and commercialization of electric power and a regulated environment for transmission and distribution.

The different activities of the electricity sector are regulated by the Public Utilities Law No. 142 of 1994, and the Electricity Law No. 143 of 1994, and also by technical standards and regulations issued by the Commission for Energy and Gas Regulation (CREG, for its acronym in Spanish).

Generation

Since July 1995, upon commencement of wholesale energy market transactions, generators can market their energy in the energy exchange or through contracts. Regarding the energy exchange, generators are required to offer a

single spot price for the sale of energy on a daily basis and to declare the hourly availability for each of their generation units. With this information, the operator of the National Dispatch Center (CND, for its acronym in Spanish) shall select, by order of merit (from the lowest to the highest offer price), the plants that will cover the demand for the next day. Considering that there is no value defined by the regulator as to the minimum energy to be contracted by the demand, the generating agent establishes the quantities it allocates to the spot market and to contracts, according to internal risk analyses. The foregoing is associated with the need to cover the climatic phenomena "El Niño" and "La Niña" that have a heavy impact on hydrology and modify the market price signals in the short term.

Taking into account that the generation and transmission activities may not be vertically integrated, and with the purpose of securing free competition and the exercise of market power, the operator performs two dispatches: (i) the ideal dispatch considering only price offers and availability declaration of the plants to set the spot price, and (ii) actual dispatch, which includes the restrictions of the national interconnected system and establishes the actual generation allocation of the system plants. It is expected that in 2022 the regulator will develop intraday market and binding dispatch schemes, which will help to eliminate the interaction barriers existing in variable generation.

There is also a market for the Automatic Generation Control (AGC) that seeks to secure stability in the system operation. For the allocation of this resource, the CND uses the same price offers and availability declarations submitted by the agents for the ideal dispatch and assigns the AGC to plants with the lowest price offer and technically ready for such purpose. Among the regulatory prospects, the development of an add-on services (including the AGC) market that will enable the use of batteries for competing schemes is expected to begin. The generation sector of the country also has the reliability charge mechanism which is paid to the plants that have generation in times of water scarcity. Generators compete for the allocation of firm energy obligations (OEF, for its acronym in Spanish) to secure the collection of a Reliability Charge payable by all users of the country under the tariff. In exchange, the generator should be able to generate energy during water scarcity conditions, and to sell such energy at a ceiling price, which is known as "scarcity price". The regulator plans to carry out revisions to the Reliability Charge. As far as the regulation of the managed allocation process is concerned, it has been proposed to consider a competitive mechanism in periods where expansion is not needed. Moreover, adjustments to firm energy calculation methods and participation of smaller plants are expected. Colombia has also established a second expansion plan: the auction of long-term contracts. This plan is focused on the promotion of NCRE, and its main characteristics are: contracts for fifteen years under a bidding system with a stipulated delay of project commissioning for up to two years. The first auction was held in October 2019, where nine projects were awarded for a total of 1298 MW, of which 255 MW were awarded to AES Colombia. In 2021, a second auction was held addressed to the non-regulated market in which AES participated in the demand side.

Transmission

The Government is planning the expansion of the National Transmission System (STN, for its acronym in Spanish) through the Mining and Energy Planning Unit (UPME, for its acronym in Spanish), which annually defines a ten-year expansion plan and conducts public invitations to tender for the construction, operation and maintenance of the new



transmission infrastructure required in the country. During 2019, a mechanism to incorporate battery energy storage systems into the national interconnected system was approved by Resolution CREG 098, with the aim of reducing or nullifying local transmission congestion. The mechanism qualifies those systems as part of the country's transmission assets, their manner of expansion and remuneration. The remuneration of transmitters and agents with storage assets is paid by all the country users under a regulated tariff, according to the method established by the CREG. The public tender for the energy battery storage system of the

Regional Transmission System was awarded in April 2021, where the construction and operation of a 45 MW battery in the city of Barranquilla located in the Department of Atlántico was auctioned.

Distribution

The distribution market is organized as regional monopolies, where the grid operator plans the expansion, operation, and maintenance of the electrical infrastructure. Normally, the network operator of an area is also the largest energy marketer in the area that serves both regulated and non-regulated end users. The grid operator has a regulated income and is required to meet the service quality criteria (duration, frequency of interruptions, and quality of power), as established by the CREG. The distributors act as marketers.

Marketing

Marketing can be performed by distributors-marketers or by pure marketers, which are only engaged in energy brokerage. The main requirement for the latter is to be registered in the market and to have sufficient Market Operations Backup Capacity (CROM, for its acronym in Spanish) so that they can perform transactions without exposing the other market agents to the risk of default. There are two kind of customers in the market: non-regulated and regulated customers. The conditions to be considered a non-regulated customer are: to have a minimum installed capacity of 100 kW or a minimum consumption of 55,000 kWh/month. Otherwise, they are considered regulated customers. Non-regulated customers are allowed to negotiate with the generators, distributors or marketers, and the prices are freely agreed. The consumption of regulated customers must be supplied by marketers or distributors and their energy shall be purchased by means of public tenders. Public tenders are open to all agents with a specification of participation requirements, and they are always awarded to the minimum cost. The successful agents establish bilateral contracts (usually one to five years) that must be registered with the market administrator for follow-up purposes. Currently, the regulator and interested parties are analyzing other marketing mechanisms that allow the marketer to have other alternatives to meet their demand.

→ Relevant regulatory framework in Argentina

The Regulatory Framework was established in Law No. 15,336 of 1960 and Law No. 24,065 of 1992, both of which, taken together, make up the Argentine Electricity Law. The activities of the electricity sectors are mainly divided into generation, transmission, and distribution.

Under the Argentine Electricity Law, the federal government created the Wholesale Electricity Market (MEM, for its acronym in Spanish) with four types of participants: generators, transmitters, distributors, and large customers; having the latter the right to buy and sell electricity.

CAMMESA is the body that is responsible for the dispatch coordination, the administration of MEM transactions and the calculation of spot prices; and its main purpose is to ensure that electricity demand is supplied at a minimum cost. The market participants are shareholders of CAMMESA with 80% of the capital stock and the national government participates in the remaining 20%. The office of regular Director on behalf of the shares of the national Government



and the chair of the Board of Directors is vested on the head of the Secretariat of Energy.

Due to recent changes in the regulations, fuels are supplied to generators through CAMMESA and units are dispatched considering the calorific consumption, price and availability of fuel for each generator. The National Electricity Regulatory Authority (ENRE, for its acronym in Spanish) is responsible for regulating the public service and enforcing jurisdictional decisions. The Ministry of Productive Development, through the Secretariat of Energy, is responsible for the enforcement of the Argentine Electricity Law. As such, it regulates the dispatch and activities of the system in the MEM and grants concessions or authorizations for each activity in the electricity sector.

Moreover, it establishes policies for the natural gas and oil industry that directly affect the thermoelectric generators and the electricity sector in general.

All the electric power activities are developed through the SADI, the main electrical energy transmission system with national coverage. The generation sector is organized on a competitive basis, where independent generators sell energy in the spot market.

The supply of energy is highly dependent on fossil fuels, mainly natural gas. Due to a reduced production of natural gas in the country, since 2004 the availability of fuel has become a relevant matter in the SADI and the Argentine government has increased imports of LNG, gas oil and fuel oil especially between May and August, the winter season.

Regulated and industrial customers in the SADI are defined as Large Users and categorized according to their consumption levels: Major Large Users (GUMA, for its acronym in Spanish) with more than 1 MW capacity and energy consumption greater than 4,380 MWh/year, Minor Large Users (GUME, for its acronym in Spanish) with a capacity between 30 KW and 2 MW and Private Large Users (GUPA, for its acronym in Spanish) with a capacity between 30 KW and 100 KW. The prices of the contracts with industrial customers are negotiated in direct bilateral agreements, include payments for energy and power, and are denominated in United States dollars. Since the end of 2006, according to Resolution SE 1281/06, the program "Energía Plus" is created as a new supply service that can be provided by generators, cogenerators or companies that generate their own energy, which were not members of MEM or whose capacity or generation units were not connected on the date of publication of the resolution. This way, the increase in the demand of large customers was supported with a consumption equal to or higher than 300 kW.

The implementation of the Energía Plus program requires the execution of a supply contract between the parties and the negotiation of a price that considers both the costs involved and a gain margin, all of which must be approved by the Secretariat of Energy. As the contracts under this program are short-term contracts, usually no longer than eighteen months, and as they cover the excess demand of industrial customers, the utilization factor of the installed capacity is typically low. In addition, these contracts are supplied with backup contracts entered into with other generators to sell the energy contracted and unused, thus bringing about a higher load factor. The regulation establishes that, in the event of deficits in the generation level related to the consumption of customers, the generators participating in the Energía Plus Market must buy energy at a marginal cost, which is much higher than the contract price. This risk is mitigated by the backup contracts with sales prices lower than the marginal cost, but higher than spot prices.
In March 2013, the Secretariat of Energy issued Resolution 95/2013 concerning the remuneration of generators that sell their energy in the spot market. This resolution turned the Argentine electricity market into an “average cost” compensation scheme, increasing the sales of generators. TermoAndes is not considered in this resolution. In May 2014, the Secretariat of Energy issued Resolution 529/2014 with an updated list of prices as per the previous Resolution No. 95/2013. This is based on increased costs and adjustments with respect to, for instance, a new charge for major maintenance and a differential charge for the use of biodiesel as fuel. On July 2015, the Secretariat of Energy issued Resolution 482/2015 (“Resolution 482”) that retroactively updates the prices of Resolution 529/2014 as from February 1, 2015. This resolution includes the energy of TermoAndes that was not committed under the Energía Plus contracts. The energy and power sold at the spot market are remunerated according to the energy generated with charges set by technology and installed MW, as follows:

- O&M Variable Costs.
- Generating Margin.
- Trust Margin, which is withheld by CAMMESA to be repaid to the generator once the infrastructure project to be built with these funds is submitted
- Non-recurrent Maintenance, also withheld by CAMMESA and repaid to the generator to meet major maintenance costs upon approval by the Secretariat of Electric Energy.
- “Resources for FONINVEMEM Investments from 2015 to 2018”: created to invest in new generation plants
- Fixed Costs: paid on the basis of power made available and not committed under contracts The price of this charge will be affected if generator fails to comply with the target availability set by CAMMESA.

On March 30, 2016, the Secretary of Electricity issued Resolution S.E.E. 22/2016 that retroactively updates, as of February 2016, the price published in Resolution 482, without introducing any changes in the payment methodology or in the power plants under its scope. Resolution 19/2017, issued by the Secretariat of Electric Energy, was published on February 2017 to replace Resolution 22/2016 and to establish the new guidelines for the remuneration to existing generation plants. Minimum remuneration is defined as the power by technology and scale; and regarding thermal units, the chance to offer availability commitments with an equal differential

remuneration for all the technologies is established. The thermal generator shall declare, in each summer season, the firm power value to be committed by each unit during a three-year term, being able to make a differentiation between summer and winter (adjustments may be made in the same period). There is also a ceiling price, which will be defined based on the offers made by the generators. The awards will be made by CAMMESA, according to the needs to be defined in critical situations.

This resolution also introduces the notion of operated energy, which is understood as the energization of the rotating power. For instance, for a Plant operating at a certain time below its power at the request of the dispatch entity, the operated energy will be equivalent to the power of the machine, rather than the power actually dispatched. The Resolution also sets forth that the remunerations are stated in US$ and that they will be converted into Argentine pesos at the exchange rate published by the Central Bank of the Republic of Argentina on the last business day of each month. The due dates of economic transactions continue to be those established by CAMMESA. With regard to the payment of the economic transaction, in July 2017, the Secretariat of Energy established that the amounts of the commercial document issued through credit or debit notes, as applicable, should be adjusted at the exchange rate reported by the Central Bank of the Republic of Argentina one day before the due date. These criteria shall be applied as from the commercial transaction of November 2017. On February 28, 2019, the Secretary of Renewable Resources and Electric Market issued Resolution SRRYME No. 1/2019, which modified the prices published in Resolution SE No. 19/2017, as from March 1, 2019, without making any changes in the payment methodology or in the plants under its scope. This amendment was defined as a transitional measure.

On December 12, 2022, the Secretary of Energy issued Resolution 826/2022 reestablishing the amounts of remuneration to electricity generators. It does not change the methodology, but retroactively updates power and generation prices from September of this year through November 2023. CAMMESA will continue to manage the economic transactions and verify the operation of the machines.

Renewable Energy

The Renewable Energy Law (Law No. 27,191), which was passed in October 2015, amends Law No. 26,190 of 2006 and establishes a gradual increase in renewable energy with an 8% target by the end of 2017 and a 20% target by 2025, without any particular breakdown by energy type.

The renewable energy sources defined in the law are wind, solar thermal, solar photovoltaic, geothermal, tidal, wave, ocean current, and hydraulic (up to 50 MW) energy, biomass, landfill gas, gases from sewage treatment, biogas and biofuels. The new law introduced import tax exemptions for capital assets and equipment intended for renewable energy projects until December 31, 2017. The projects developed between 2018 and 2025 shall enjoy different tax benefits, including the advance refund of the Value Added Tax (VAT). The law further creates a Fund for the Development of Renewable Energy (FODER, for its acronym in Spanish) whose purpose is to grant loans or financial instruments to implement and fund eligible renewable projects. FODER resources come mainly from the National Treasury and cannot be less than 50% of the effective annual savings from fossil fuel derived from the use of renewable generation and obtained during the previous year.

In the first phase, the development of new renewable generation to meet the obligations of the law is achieved through regulated invitations to tender organized by the regulating authority with CAMMESSA on behalf of the demand. We are dealing with the Renovar tenders and the following has been successfully performed:

- Renovar 1.0 (2016): CAMMESA received 6,366 MW by way of tenders: 55% in wind energy and 44% in solar energy, which resulted in an awarded average price of US$62.7/MWh.
- RenovAr 1.5 (October 2016) awarded 1,281 MW at an average price of US$54/MWh
- RenovAr 2.0 (2017) awarded 1,409 MW at an average price of US$53/MWh
- RenovAr 2.5 (2017) awarded 634 MW at an average price of US$47.5/MWh

In 2019, the third Renovar round, called “MiniRen”, was held in order to add capital from non-traditional actors to the development of renewable projects and to use the capacities available in medium-voltage networks and promote regional development. The maximum permitted capacity per project was 10 MW and the minimum permitted capacity was 0.5 MW, while there were maximum quotas of 20 MW per province (except for Buenos Aires, where the quota was 60 MW). 259 MW were awarded and distributed among the following technologies: 7.4MW in small hydroelectric installations, 26.3MW in biomass projects, 96.8MW in solar projects and 128.7MW in wind projects.

Transmission Activity

The transmission business is a public service provided by several companies to which the federal government has granted concessions. Today, a concessionaire operates and maintains high voltage facilities and eight concessionaires maintain and operate high and medium voltage facilities, to which generating units, distribution systems, and large customers are connected. The international interconnection transmission systems also require concessions granted by the Secretariat of Energy. The transmission companies are authorized to collect tolls for their services.

Distribution

The distribution is a public utility granted through concessions to different companies which are required to make electricity available to end users within a concession area, regardless of the place where the customer has an agreement with the distributor or directly with a generator. As a consequence, these companies have regulated tariffs and are subject to service quality specifications. The distributors obtain the electricity from the MEM through the spot market and at seasonal prices to be set by the Secretariat of Energy, are equivalent to the maximum cost of the electricity purchased by distributors that are transferred to regulated customers.





Los Queltehues Plant

6.5 Overall Asset Performance

[NCG 461 4.1]

Chile

AES Andes Thermoelectric Plants

[GRI EU30]

Chile							
Plant	Ventanas 2	Ventanas 3	Ventanas 4	Laja	Norgener	Angamos	Cochrane
Location	Ventanas 5th Region	Ventanas 5th Region	Ventanas 5th Region	Cabrero 8th Region	Tocopilla, 2nd Region	Mejillones, 2nd Region	Mejillones, 2nd Region
Beginning of Operations	1977	2012	2013	1,995	1995 - 1997	2011	2016
Turbine Type	Coal/Steam	Coal/Steam	Coal/Steam	Biomass Cogeneration	Coal/Steam	Coal/Steam	Coal/Steam
Units	1	1	1	1	2	2	2
Installed Capacity (MW)	208	267	270	13	276	558	550
Specific consumption 2022 (BTU/MWh)	11,136	9,977	9,832	18,925	10,602	10,295	10,408
EAF 2021 (%)	79.33%	94.75%	87.07%	96.87%	91.61%	87.87%	94.98%
EAF 2022 (%)	37.24%	75.40%	86.86%	95.97%	76.11%	69.19%	88.84%
ESOF 2022 (%)	15.71%	11.53%	7.07%	3.36%	21.59%	7.32%	5.83%
NCF 2022 (%)	19.02%	43.27%	44.76%	34.91%	50.64%	46.56%	54.22%

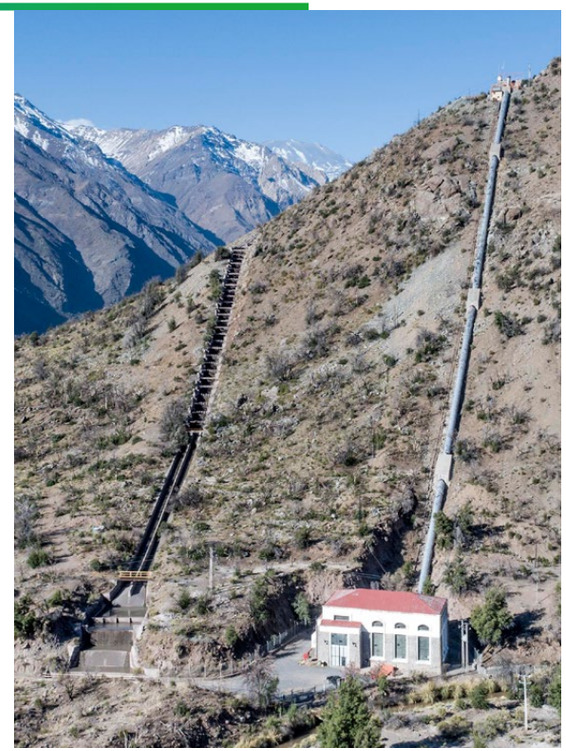
EAF: Equivalent Availability Factor (%)
EFOF Equivalent Forced Outage Rate (%)
NCF: Net Capacity Factor (%)
ESOF: Equivalent Scheduled Outage Factor (%)

AES Andes Hydroelectric Power Plants

Plant	Maitenes	Queltehues*	Volcán	Alfalfal
Location	Los Maitenes, Cajón Río Colorado, Metropolitan Region	Los Queltehues, Cajón Río Maipo, Metropolitan Region	Cajón Río Maipo, Metropolitan Region	Cajón Río Colorado, Metropolitan Region
Beginning of Operations	1923-1989	1948	1949	1991
Turbine Type	Francis	Pelton	Pelton	Pelton
Units	3	3	1	2
Installed Capacity (MW)	15	49	13	178
EAF 2021 (%)	99.54%	62.63%	99.16%	98.36%
EAF 2022 (%)	99.76%	65.17%	72.72%	73.29%
EFOF 2022 (%)	0.24%	33.36%	0.43%	2.09%
ESOF 2022 (%)	0.00%	1.47%	26.84%	24.62%
NCF 2020 (%)	1.20%	44.11%	24.40%	28.82%

*During 2022, Queltehues unit 3 was undergoing scheduled repairs, which had an impact on its operating indicators. The scheduled return date for this unit is June 2023.

EAF: Equivalent Availability Factor (%)
EFOF Equivalent Forced Outage Rate (%)
NCF: Net Capacity Factor (%)
ESOF: Equivalent Scheduled Outage Factor (%)



El Volcán Plant

AES Andes Wind and Solar Plants

Plant	Los Cururos	Andes solar	Los Olmos
Location	Oval, Coquimbo 4th Region	Andean Mountains, Antofagasta 2nd Region	Mulchén, 8th Region of Biobío
Type	Wind	Photovoltaic Solar	Wind
Beginning of Operations	2016	2016	2022
Manufacturer	Vestas	Power Electronics	NAWP
Units	57 wind turbines	36 Inverters	23 wind turbines
Installed Capacity (MW)	109	104	110
EAF 2022 (%)	98.95%	91.99%	97.99%
EFOF 2022 (%)	0.74%	7.20%	1.64%
ESOF 2022 (%)	0.31%	0.81%	0.37%
NCF 2022 (%)	23.30%	25.07%	27.57%

EAF: Equivalent Availability Factor (%)
EFOF Equivalent Forced Outage Rate (%)
NCF: Net Capacity Factor (%)
ESOF: Equivalent Scheduled Outage Factor (%)



Los Cururos Wind Plant

Colombia

AES Colombia

Plant	AES Colombia
Location	Santa María, Boyacá, Colombia
Beginning of Operations	Chivor: 1977-1982 Tunjita: 2016
Turbine Type	Hydroelectric
Units	Chivor: 8 Tunjita: 2
Installed Capacity (MW)	Chivor: 1,000. Tunjita: 20
EAF 2021 (%)	76.94%
EAF 2022 (%)	84.38%
EFOF 2022 (%)	0.03%
ESOF 2022 (%)	15.59%
NCF 2022 (%)	45.51%

EAF: Equivalent Availability Factor (%)
EFOF Equivalent Forced Outage Rate (%)
NCF: Net Capacity Factor (%)
ESOF: Equivalent Scheduled Outage Factor (%)

Solar Plants Colombia

Plant	Castilla	San Fernando
Location	Castilla La Nueva, Colombia	Huila, Colombia
Type	Photovoltaic Solar	Photovoltaic Solar
Beginning of Operations	2019	2021
Manufacturer	Power Electronics	Power Electronics
Units	5 inverters	15 inverters
Installed Capacity (MW)	21	61
EAF 2021 (%)	96.32%	-
EAF 2022 (%)	99.74%	97.82%
EFOF 2022 (%)	0.24%	1.66%
ESOF 2022 (%)	0.02%	0.51%
NCF 2022 (%)	15.81%	17.01%

Argentina

TermoAndes [GRI EU30]

Plant	TermoAndes
Location	Salta, Argentina
Beginning of Operations	1999
Turbine Type	Combined cycle
Units	2 gas turbines; 1 steam turbine
Installed Capacity (MW)	643
Specific Consumption (BTU/MWh)	7,234
EAF 2021 (%)	60.19%
EAF 2022 (%)	88.52%
EFOF 2022 (%)	11.43%
ESOF 2022 (%)	0.05%
NCF 2022 (%)	62.98%

EAF: Equivalent Availability Factor (%)
EFOF Equivalent Forced Outage Rate (%)
NCF: Net Capacity Factor (%)
ESOF: Equivalent Scheduled Outage Factor (%)

Transmission Line Global Performance [IF-EU-550a.2]

	2019	2020	2021	2022
SAIDI (hours)	5,658	0	238,272	49.7
Line losses SEN (%)	0.58	0.54	0.48	0.69

Plant Availability

Technology	2020	2021	2022
Coal-Fired Plants	94.40%	93.16%	74.93%[1]
Technology: Gas-Fired Plants[2]	92.00%	60.19%	80.52%

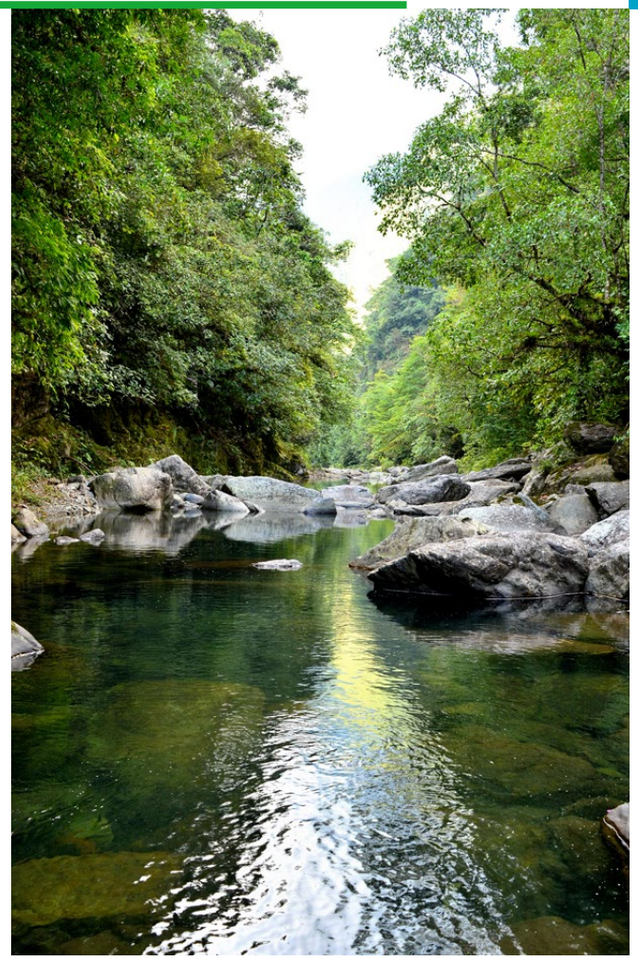
[1] Mainly due to the low availability of Ventanas 2.
[2] The figures have been restated in accordance with the Company's recalculation of the previous year's figures.

Energy Balance

[GRI EU2; IF-EU-000.D, IF-EU-000.E]

2022			
	Chile	Colombia	Argentina
Sales of Energy (GWh)			
Contracts*	10.348*	4.395	978
Spot	279	2.743	3.439
Spot - Re-routing	1.043	-	-
Total Sales of Energy	11.670	7.138	4.417
Energy Purchases (GWh)			
Other Generators	1.050	706	-
Spot	1.475	2.058	978
Total Purchases of Energy	2.525	2.764	978
Net Generation (GWh)			
Coal	7.599	-	-
Gas	-	-	3.439
Hydroelectric	662	4.264	-
Biomass	31	-	-
Wind	616	-	-
Solar	237	110	-
Net Generation	9.145	4.374	3.439

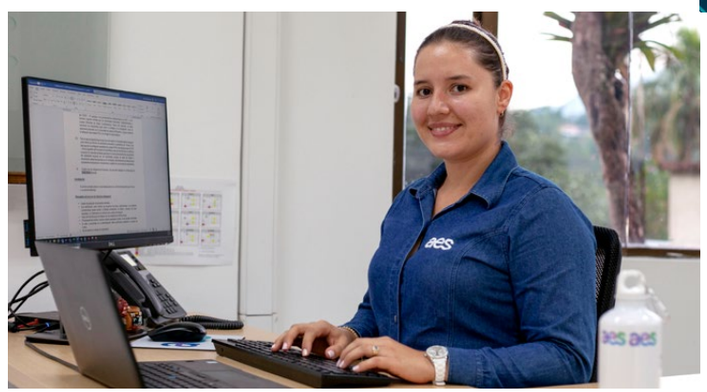
*Coquimbo, Chile: Regulated Customers: 2,933 GWh; Non-Regulated Customers: 7,415 GWh
Information in GWh



Cybersecurity Incidents
[GRI EU2]

Category	2021	2022
Total number of cyber incidents or security gaps.	0	0
Total number of cyber incidents involving loss or compromise of company information.	0	0
Total number of customers affected by the cyber incident or security gaps.	0	0
Amount in US$ paid for penalties with respect to cyber incidents or security gaps	US$0	US$0





Cybersecurity Standard for the Chilean Electricity Sector

In October 2020, the National Electricity Coordinator (CEN) released the cybersecurity standard for the Chilean electricity sector, which establishes the control measures to protect the security of cyber assets that are part of the operation of the plants that make up the national electricity system.

In 2022, and as it does every year, CEN asked for the status of the implementation of the standard, but for the first time it asked for evidence to support those results. Below is the progress status submitted to the CEN:

	AES Andes S.A.	Alto Maipo SpA	Andes Solar II SpA	Compañía Transmisora La Cebada S.A.	Company Eléctrica Angamos S.A	Company Eléctrica Cochrane SpA	Wind Power Los Olmos SpA	Wind Power Mesamávida SpA	Wind Power Los Cururos SpA
CIP-002 Categorization of SEN Cyber Systems	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP-003 Security Management Controls	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP-004 Personnel and Training	100%	Not applicable	Not applicable	Not applicable	100%	100%	Not applicable	Not applicable	Not applicable
CIP-005 Electronic Security Perimeter (PSE)	100%	Not applicable	Not applicable	Not applicable	100%	100%	Not applicable	Not applicable	Not applicable
CIP-006 Physical Security of SEN Cyber Systems	100%	Not applicable	Not applicable	Not applicable	100%	100%	Not applicable	Not applicable	Not applicable
CIP-007 Systems Security Management	100%	Not applicable	Not applicable	Not applicable	100%	100%	Not applicable	Not applicable	Not applicable
CIP-008 Incident Reporting and Response Plans	100%	Not applicable	Not applicable	Not applicable	100%	100%	Not applicable	Not applicable	Not applicable
CIP-009 Recovery Plans for SEN Cyber Systems	50% ●	Not applicable	Not applicable	Not applicable	50%	50%	Not applicable	Not applicable	Not applicable
CIP-010 Configuration Change Management and Vulnerability Assessment	75% ●	Not applicable	Not applicable	Not applicable	75% ●	75% ●	Not applicable	Not applicable	Not applicable
CIP-011 Information Protection	100%	Not applicable	Not applicable	Not applicable	100% ●	100% ●	Not applicable	Not applicable	Not applicable
CIP-012 Communications between Control Centers	100%	Not applicable	Not applicable	Not applicable	100%	100%	Not applicable	Not applicable	Not applicable
CIP-013 Supply Chain Risk Management	100%	Not applicable	Not applicable	Not applicable	100%	100%	Not applicable	Not applicable	Not applicable
CIP-014 Physical Security	75% ●	Not applicable	Not applicable	Not applicable	75% ●	75% ●	Not applicable	Not applicable	Not applicable

● High Impact ● Medium Impact ● Low Impact

Cybersecurity Standard for the Colombian Electricity Sector

In September 2020, the Sectoral Plan for the Protection and Defense of the Critical Computer Infrastructure of the Colombian Electricity Sector established, through the National Operations Council (CON), the guidelines to be adopted by the various actors of the electricity sector and operators of critical infrastructure, with the aim of coordinating efficient and comprehensive actions to prevent and/or mitigate potential cyber threats that jeopardize the availability and continuity of the electrical energy service due to cybersecurity threats. During 2022, the verification of the implementation of the control measures was completed with 100% coverage in the plants operated by AES Andes that contribute to the Colombian National Electrical System.

Phishing Awareness Program

Phishing continues to be the primary attack vector for cybercriminals. In 2022, the cybersecurity team made an optional improvement to the anti-phishing training program for all AES Chile employees, which consists of increasing the difficulty of simulations with topics that are considered too sensitive for the organization, such as financial aspects, personal issues, as well as more radical, emotionally manipulative and employment-related topics. They can also cause negative emotional reactions and distress, as can some real phishing attacks. The goal of this enhancement is to improve our phishing detection capabilities.

Data Protection

With respect to the protection of personal information, we comply with the laws in effect in the countries in which we operate: Law 19,628 in Chile, Law 1,581 in Colombia and Law 25,326 in Argentina.

In addition, we follow the guidelines of the AES Corporation worldwide. For the internal handling of personal data, a new Employee Privacy Policy (AES) is being implemented and must be signed by all AES employees. A global program (AES Crown Jewel Data Security Policy) is in place to manage external personal data, with the goal of protecting a wide range of data (including customers' personal data) in the digital environment.





6.6 ESG (Environmental, Social and Governance) Indicators



→ Performance with our Stakeholders

Labor Performance Tables

[NCG 461 5 5.1 5.2 5.3]

All the information reported relates to full-time employees, both contractors and our company's own employees.

→ GRI 2-7 Table: Number of persons by gender, by country where they work

Chile

	Female	Male	Grand Total
Senior managers	1	5	6
Managers	18	56	74
Heads	11	121	132
Others professionals	94	178	272
Administrative staff	13	9	22
Service workers	-	10	10
Others technicians	11	405	416
Total	148	784	932

TermoAndes

	Female	Male	Grand Total
Senior managers	-	-	-
Managers	-	3	3
Heads	-	15	15
Others professionals	5	4	9
Administrative staff	1	1	2
Service workers	-	-	-
Others technicians	-	24	24
Total	6	47	53

Continued from previous page

Colombia

	Female	Male	Grand Total
Senior managers	-	1	1
Managers	5	12	17
Heads	1	11	12
Others professionals	22	28	50
Administrative staff	5	3	8
Service workers	1	1	2
Others technicians	6	39	45
Total	40	95	135



→ Table GRI 2-7; NCG 461 5.1.3: Number of persons by age range

Chile	Under 30			From 30 to 40			From 41 to 50			From 51 to 60			From 61 to 70		
Category	F	M	Total	F	M	Total	F	M	Total	F	M	Total	F	M	Total
Senior managers	-	-	-	-	2	2	-	2	2	1	1	2	-	-	-
Managers	-	-	-	5	14	19	11	27	38	2	13	15	-	2	2
Heads	-	-	-	6	41	47	4	55	59	1	20	21	-	5	5
Others professionals	13	14	27	45	77	122	30	58	88	3	21	24	3	8	11
Administrative staff	-	-	-	1	2	3	9	3	12	3	2	5	-	2	2
Service workers	-	1	1	-	4	4	-	3	3	-	2	2	-	-	-
Others technicians	7	42	49	3	164	167	1	114	115	-	63	63	-	22	22
Total	20	57	77	60	304	364	55	262	317	10	122	132	3	39	42

F: Female
M: Male

TermoAndes	Under 30			From 30 to 40			From 41 to 50			From 51 to 60			From 61 to 70		
Category	F	M	Total	F	M	Total	F	M	Total	F	M	Total	F	M	Total
Senior managers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Managers	-	-	-	-	1	1	-	2	2	-	-	-	-	-	-
Heads	-	-	-	-	2	2	-	4	4	-	9	9	-	-	-
Others professionals	-	-	-	5	3	8	-	1	1	-	-	-	-	-	-
Administrative staff	-	-	-	-	-	-	1	1	2	-	-	-	-	-	-
Service workers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others technicians	-	4	4	-	10	10	-	4	4	-	4	4	-	2	2
Total	-	4	4	5	16	21	1	12	13	-	13	13	-	2	2

Colombia	Under 30			From 30 to 40			From 41 to 50			From 51 to 60			From 61 to 70		
Category	F	M	Total	F	M	Total	F	M	Total	F	M	Total	F	M	Total
Senior managers	-	-	-	-	-	-	-	-	-	-	1	1	-	-	-
Managers	-	-	-	1	3	4	2	4	6	2	5	7	-	-	-
Heads	-	-	-	1	1	2	-	1	1	-	5	5	-	4	4
Others professionals	3	4	7	13	15	28	4	5	9	2	3	5	-	1	1
Administrative staff	-	1	1	3	1	4	1	1	2	1	-	1	-	-	-
Service workers	-	-	-	-	1	1	1	-	1	-	-	-	-	-	-
Others technicians	4	5	9	2	14	16	-	6	6	-	12	12	-	2	2
Total	7	10	17	20	35	55	8	17	25	5	26	31	-	7	7

→ GRI 2-7 Table: Number of persons by seniority

Chile	Less than 3 years			From 3 to 6 years			More than 6 and less than 9			From 9 to 12 years			More than 12 years		
Category	F	M	Total	F	M	Total	F	M	Total	F	M	Total	F	M	Total
Senior managers	-	-	-	1	2	3	-	1	1	-	-	-	-	2	2
Managers	5	11	16	6	12	18	2	10	12	2	8	10	3	15	18
Heads	3	7	10	4	15	19	1	16	17	1	41	42	2	42	44
Others professionals	48	55	103	22	34	56	5	20	25	11	40	51	8	29	37
Administrative staff	3	1	4	6	1	7	-	1	1	3	4	7	1	1	2
Service workers	-	-	-	-	3	3	-	3	3	-	2	2	-	3	3
Others technicians	5	30	35	3	54	57	1	91	92	1	109	110	1	121	122
Total	64	104	168	42	121	163	9	142	151	18	204	222	15	213	228

F: Female
M: Male

Continued from previous page

TermoAndes	Less than 3 years			From 3 to 6 years			More than 6 and less than 9 years			From 9 to 12 years			More than 12 years		
Category	F	M	Total	F	M	Total	F	M	Total	F	M	Total	F	M	Total
Senior managers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Managers	-	1	1	-	1	1	-	-	-	-	1	1	-	-	-
Heads	-	-	-	-	-	-	-	-	-	-	-	-	-	15	15
Others professionals	2	2	4	1	1	2	-	-	-	1	1	2	1	-	1
Administrative staff	1	-	1	-	-	-	-	-	-	-	-	-	-	1	1
Service workers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others technicians	-	6	6	-	7	7	-	-	-	-	1	1	-	10	10
Total	3	9	12	1	9	10	-	-	-	1	3	4	1	26	27

Colombia	Less than 3 years			From 3 to 6 years			More than 6 and less than 9			From 9 to 12 years			More than 12 years		
Category	F	M	Total	F	M	Total	F	M	Total	F	M	Total	F	M	Total
Senior managers	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1
Managers	1	-	1	2	2	4	-	1	1	-	-	-	2	9	11
Heads	-	-	-	-	2	2	-	1	1	1	-	1	-	8	8
Others professionals	9	9	18	6	6	12	1	3	4	2	5	7	4	5	9
Administrative staff	-	1	1	3	1	4	-	-	-	-	-	-	2	1	3
Service workers	-	-	-	1	1	2	-	-	-	-	-	-	-	-	-
Others technicians	4	4	8	-	7	7	2	12	14	-	5	5	-	11	11
Total	14	14	28	12	19	31	3	17	20	3	10	13	8	35	43

New employee hires and employee turnover
[GRI 401-1]

Turnover 2022

	Argentina			Chile			Colombia			Grand Total		
Category	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Senior managers	0.000%	0.000%	0.000%	0.000%	0.179%	0.179%	0.000%	0.000%	0.000%	0.000%	0.179%	0.179%
Managers	0.000%	0.000%	0.000%	0.089%	0.179%	0.268%	0.000%	0.000%	0.000%	0.089%	0.179%	0.268%
Heads	0.000%	0.000%	0.000%	0.089%	0.268%	0.357%	0.000%	0.089%	0.089%	0.089%	0.357%	0.446%
Operators	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Sales staff	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Administrative staff	0.000%	0.000%	0.000%	0.089%	0.000%	0.089%	0.000%	0.179%	0.179%	0.089%	0.179%	0.268%
Service workers	0.000%	0.000%	0.000%	0.000%	0.089%	0.089%	0.000%	0.000%	0.000%	0.000%	0.089%	0.089%
Professionals	0.000%	0.000%	0.000%	0.893%	1696%	2589%	0.000%	0.179%	0.179%	0.893%	1875%	2768%
Other technicians	0.000%	0.089%	0.089%	0.000%	0.982%	0.982%	0.000%	0.000%	0.000%	0.000%	1071%	1071%
Grand Total	0.000%	0.089%	0.089%	1.161%	3.393%	4.554%	0.000%	0.446%	0.446%	1.161%	3.929%	5.089%

New employee hires 2022

	Argentina			Chile			Colombia			Grand Total		
Category	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Senior managers			0			0			0	0	0	0
Managers		1	1	2	6	8			0	2	7	9
Heads			0	1	4	5			0	1	4	5
Administrative staff	1		1		1	1			0	1	1	2
Service workers			0			0			0	0	0	0
Others professionals	2		2	22	35	57	4	5	9	28	40	68
Other technicians		6	6	4	13	17			0	4	19	23
Total	3	7	10	29	59	88	4	5	9	36	71	107
Rate with respect to total workers	50.0%	14.9%	18.9%	19.6%	7.5%	9.4%	10.0%	5.3%	6.7%	18.6%	7.7%	9.6%



→ Hiring by age and category in TermoAndes

TermoAndes	Under 30			From 30 to 50			From 51 to 70			Grand Total		
Category	F	M	Total	F	M	Total	F	M	Total	F	M	Total
Senior managers			0			0				0	0	0
Managers					1	1				0	1	1
Heads						0				0	0	0
Administrative staff				1		1				1	0	1
Service workers						0				0	0	0
Others professionals				2		2				2	0	2
Other technicians		1			5	5				0	6	6

→ Hiring by age and category in Chile

Chile	Under 30			From 30 to 50			From 51 to 70			Grand Total		
Category	F	M	Total	F	M	Total	F	M	Total	F	M	Total
Senior managers			0			0			0	0	0	0
Managers			0	2	6	8			0	2	6	8
Heads			0	1	4	5			0	1	4	5
Administrative staff			0		1	1			0	0	1	1
Service workers			0			0			0	0	0	0
Others professionals	6	10	16	15	24	39	1	1	2	22	35	57
Other technicians	4	5	9		7	7		1	1	4	13	17

→ Hiring by age and category in Colombia

Colombia	Under 30			From 30 to 50			From 51 to 70			Grand Total		
Category	F	M	Total	F	M	Total	F	M	Total	F	M	Total
Senior managers			0			0			0			0
Managers			0			0			0			0
Heads			0			0			0			0
Administrative staff			0			0			0			0
Service workers			0			0			0			0
Others professionals	1	2	3	3	3	6			0			9
Other technicians			0			0			0			0

NCG 461 5.2 Table: Human Capital Formation and Employment Formality

	Fixed-term contract		Indefinite-term contract		
	Women	Men	Women	Men	Total
Chile	0	0	148	785	933
Argentina	0	0	6	46	52
Colombia	2	5	38	90	135
Total	2	5	192	921	1,120
%	0.18%	0.45%	17.14%	82.23%	100.00

	Fixed-term contract	Indefinite-term contract	Total
Chile	0	933	933
Argentina	0	52	52
Colombia	7	128	135
Total	7	1,113	1,120
%	0.63%	99.38%	100.00%

Parental leave: Junto a las familias

[GRI 401-3]

In AES Andes Chile, we add as a benefit two days to the legal paternity leave. In 2022, we had 31 births, of which 29 employees requested the maternity bonus, or 93%, 45% requested the 7-day leave, and 16% were women. Since no man has taken advantage of the six weeks of parental leave allowed by the Chilean regulation, a campaign will be launched in 2023 to encourage the use of these six weeks within the framework of co-responsibility.

It should be noted that, although we have no paternity leave policy in cases of guardianship or adoption, the same benefits are provided.

In the case of Colombia, paternity leave (María Law) corresponds to 8 working days and AES adds 5 more days, while in Argentina the provisions of the Labor Contract Law are granted.

Employees that used the parental leave

Births	31
Birth Bonuses	29
Birth Leaves	15
Men	26
Women	5

NCG 461 5.1.5 Table: Number of people with disabilities

	Men	Women
Visual	2	0
Physical	3	3
Hearing	2	0
Total	7	3



GRI 404-1 Table: Training hours by position and gender

Chile	Women			Men		
Category	No. of Employees	Total training hours	Average of hours	No. of Employees	Total training hours	Average of hours
Senior managers	1	0.0	0.00	5	5.0	1.00
Managers	18	1,206.8	67.04	58	2,290.4	39.49
Head or Supervisor	11	1,011.5	91.95	121	13,867.3	114.61
Administrative staff	13	183.4	14.11	9	379.3	42.14
Service workers	0	0.0	0.00	10	533.3	53.33
Others professionals	94	5,405.4	57.50	179	11,563.5	64.60
Technicians	11	1,256.1	114.19	405	41,615.1	102.75
Total	148	9,063.2	61.24	787	70,253.9	89.27

This information comes from our Workday platform and shows the number of training hours per person by gender, country, and position within the organization.

Continued from previous page

Colombia	Women			Men		
Category	No. of Employees	Total training hours	Average of hours	No. of Employees	Total training hours	Average of training hours
Senior managers	0	0.0	0.00	1	25.0	25.0
Managers	5	241.0	48.20	12	529.0	44.08
Head or Supervisor	1	35.0	35.00	11	848.0	77.09
Administrative staff	5	329.0	65.80	3	2,919.0	973.0
Service workers	1	29.0	29.00	1	6.0	6.0
Others professionals	22	1,006.0	45.73	28	5,071.0	181.11
Technicians	6	685.0	114.17	39	5,517.0	141.46
Total	40	2,325.0	58.13	95	14,915.0	157.0

TermoAndes	Women			Men		
Category	No. of Employees	Total training hours	Average of hours	No. of Employees	Total training hours	Average of training hours
Senior managers	0	0.0	0.0	0	0.0	0.0
Managers	0	0.0	0.0	3	21.25	7.08
Head or Supervisor	0	0.0	0.0	15	250.37	16.69
Administrative staff	1	3.53	3.53	1	0.0	0.0
Service workers	0	0.0	0.0	0	0.0	0.0
Others professionals	5	80.18	16.04	4	58.9	14.73
Technicians	0	0.0	0.0	24	257.07	10.71
Total	6	83.71	13.95	47	587.59	12.50

→ CMF Questionnaire
Social Responsibility and Sustainable Development

→ Number of Persons by Gender

Chile			
	Women	Men	Grand Total
Regular Directors	2	7	9
Senior Executives	2	7	9
Other Employees	192	919	1,111

Note: Top Executives are made up of the 6 members
from the Senior Management in Chile + 3 members from Management



→ Number of persons by nationality



	Chilean	Argentine	Colombian	Other nationalities	Total
Regular Directors	3	2	0	4	9
Senior Executives	4	2	0	3	9
Other Employees	865	69	139	38	1,111

Other nationalities include Australia, Austria, Bolivia, Brazil, Dominican Republic, France, Germany, Guatemala, Italy, New Zealand, Panama, South Korea, South Korea, Spain, Sweden, United Kingdom, United States, United States, Venezuela

→ Number of persons by age range

	<30 years	31-40 years	41-50 years	51-60 years	61-70 years	>70 years	Total
Regular Directors	0	0	4	1	4	0	9
Senior Executives	0	2	3	4	0	0	9
Other Employees	98	438	352	172	51	0	1,111

This information, which shows the number of women and men per country based on position within the Company, was obtained from our Workday platform.



→ Number of Persons by Seniority

	<3	from 3 to 6	>6 and <9	from 9 to 12	>12	Total
Regular Directors	2	3	1	1	2	9
Senior Executives	1	3	1	1	3	9
Other Employees	207	201	170	238	295	1111

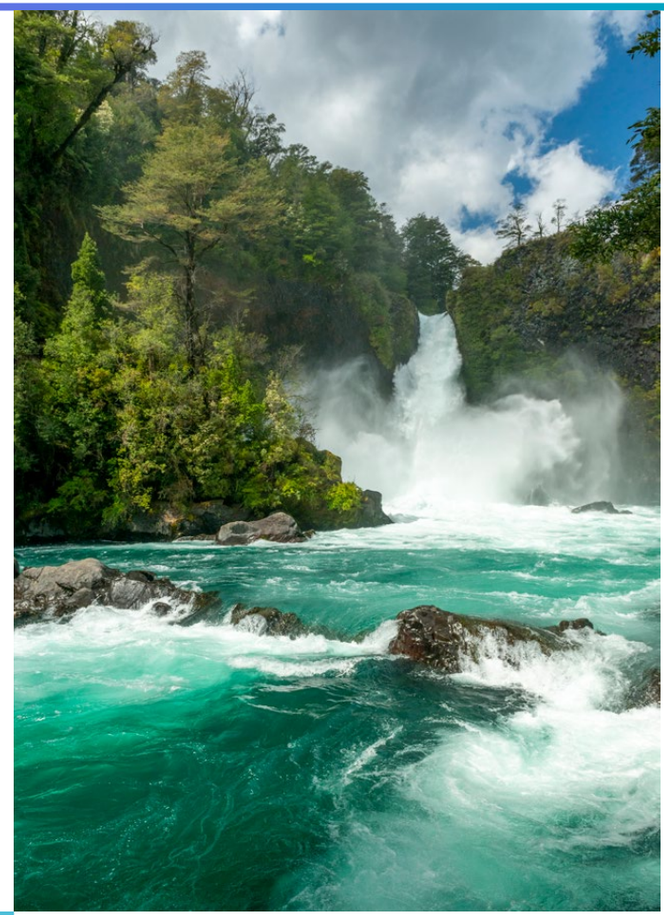
This information, which shows the number of women and men per country based on position within the Company, was obtained from our Workday platform.



→ Ratio of the average gross salary of men and women with respect to women

	Mean
Senior Management	104%
Managers	86%
Heads	99%
Others professionals	86%
Other technicians	73%
Administrative staff	124%
Service workers	45%
Grand Total	112%

Calculated as the average salary of women divided by the average salary of men.



→ Table GRI 405-1 – NCG 461 5.1.2: Number of persons by nationality

Chile			
		Chile	Foreigners
Senior managers	Female	1	-
	Male	1	4
	Total	2	4
Managers	Female	16	2
	Male	34	22
	Total	50	24
Heads	Female	8	3
	Male	118	3
	Total	126	6
Others professionals	Female	80	14
	Male	170	8
	Total	250	22
Administrative staff	Female	13	-
	Male	9	-
	Total	22	-
Service workers	Female	-	-
	Male	10	-
	Total	10	-
Others technicians	Female	10	1
	Male	401	4
	Total	411	5



This information, which shows the number of women and men per country based on their position within the Company, was obtained from our Workday platform

TermoAndes

		Argentina	Foreigners
Senior managers	Female		-
	Male		-
	Total	-	-
Managers	Female		-
	Male	3	-
	Total	3	-
Heads	Female		-
	Male	15	-
	Total	15	-
Others professionals	Female	5	-
	Male	4	-
	Total	9	-
Administrative staff	Female	1	-
	Male	1	-
	Total	2	-
Service workers	Female		-
	Male		-
	Total	-	-
Others technicians	Female		-
	Male	24	-
	Total	24	-



Colombia

		Argentina	Foreigners
Senior managers	Female	-	-
	Male	1	-
	Total	1	-
Managers	Female	5	-
	Male	12	-
	Total	17	-
Heads	Female	1	-
	Male	11	-
	Total	12	-
Others professionals	Female	22	-
	Male	28	-
	Total	50	-
Administrative staff	Female	5	-
	Male	3	-
	Total	8	-
Service workers	Female	1	-
	Male	1	-
	Total	2	-
Others technicians	Female	6	-
	Male	39	-
	Total	45	-



Stock Exchange and Market Information

Stock Transactions

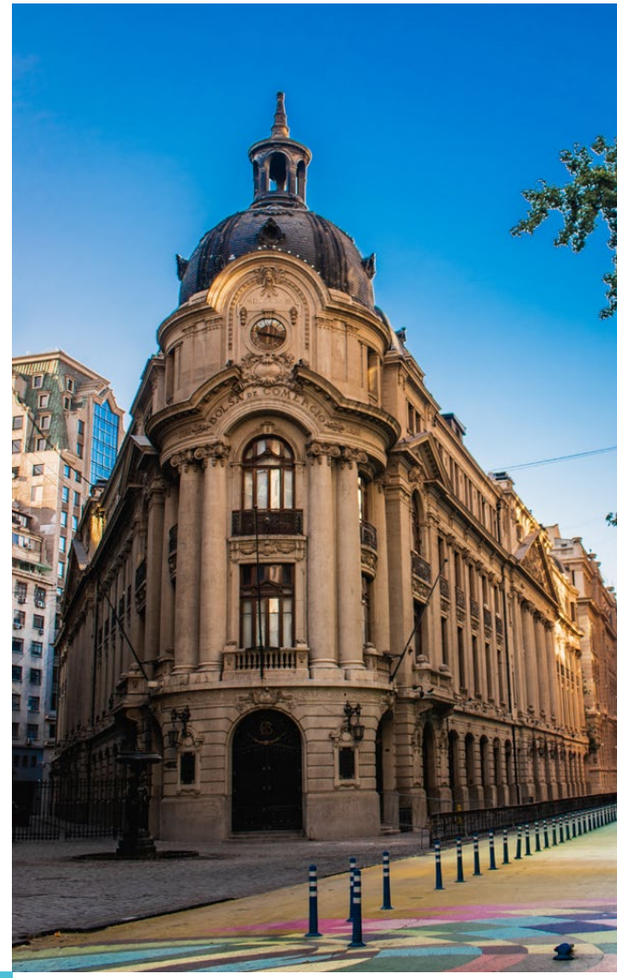
[NCG461 2.3.4 b]

On December 6, 2021, AES Corporation announced a voluntary tender offer to acquire, through Inversiones Cachagua, all the outstanding shares of AES Andes that it did not already own (takeover bid), which amounted to 33.02%. At the beginning of this process, AES Corp held 6,959,213,272 shares, equivalent to 66.98% of the total, thus being the controlling shareholder of the company.

The offer was made at a price of CLP$ 135.14 per share, for a total transaction value of approximately US$ 544 million.

The takeover bid was for 30 days, from December 7, 2021 to January 5, 2022. The result was announced on January 8, 2022, with the subscription of 31.16%. The AES Corporation accepted the shareholders' intention to subscribe. After this process, AES Corporation, through Inversiones Cachagua, started to own a 98.13% interest in AES Andes.

Inversiones Cachagua has continued to increase its shareholding in AES Andes through stock market purchases and purchasing power executed through Banchile Corredores de Bolsa, reaching 99.44% as of December 31, 2022.







Ownership Structure

[NCG461 2.3.1; 2.3.2; 2.3.3]

We are a public company whose shares are traded on two Chilean stock exchanges: the Santiago Stock Exchange and the Chilean Electronic Stock Exchange. As a company we own a single series of shares, therefore, there are no other voting rights.

As of December 31, 2022, our equity attributable to the owners of the parent company amounted to US$ 966 million, divided into 10,376,645,776 shares. At the end of the year, Inversiones Cachagua SpA (Cachagua) owned a 99.44% interest in AES Andes, with the US company AES Corporation becoming the indirect controlling company of AES Andes, through its indirect 100% interest in Cachagua. The Pension Fund Managers held no shares in the Company at the end of this year, compared to a 3.3% holding through the various funds as of December 31, 2021.

The takeover bid announced on December 6, 2021 ended on January 5, 2022. Cachagua increased its interest to 98% after this process. Through stock market purchases, it further increased its interest to over 99%. During 2022, the relevant change in ownership consists of Cachagua's ownership increasing from 67% as of December 31, 2021 to 99% as of December 31, 2022.

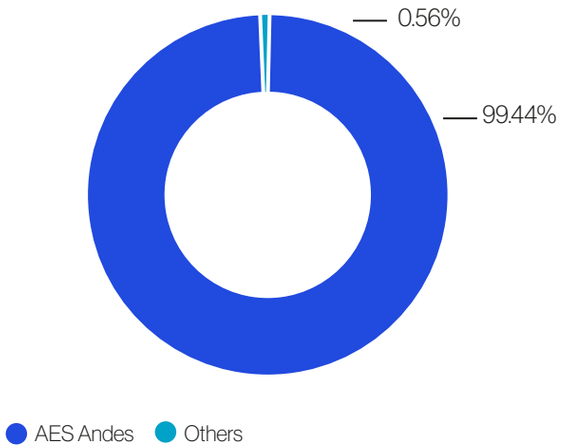


Main shareholders as of December 31, 2022

Name	Shares	%
Inversiones Cachagua SPA	10,185,159,002	98.2
Larraín Vial S.A. Corredora de Bolsa	105,221,790	1.0
Banchile Corredores de Bolsa S.A.	35,703,783	0.3
Santander Corredores de Bolsa LTDA.	7,557,902	0.1
Banco de Chile por Cuenta de Terceros Ca	6,480,902	0.1
Bolsa de Comercio Stgo Bolsa de Valores	4,840,994	0.0
Inversiones Guallatiri Ltda.	4,058,819	0.0
Bci Corredor de Bolsa S.A.	3,291,973	0.0
Inversiones Tacora LTDA.	2,860,522	0.0
BTG Pactual Chile S.A. Corredores de Bolsa	2,829,710	0.0
Total 10 majors	10,358,005,397	99.82
Others	18,640,379	0.2
Total	10,376,645,776	100.00

* Shares of Cachagua do not include those in the custody of Banchile Corredores de Bolsa S.A. and Larraín Vial S.A Corredora de Bolsa

AES Andes Ownership Structure as of December 31, 2022



The ownership structure includes the shares in the custody of Banchile Corredores de Bolsa S.A. and Larraín Vial S.A Corredora de Bolsa.

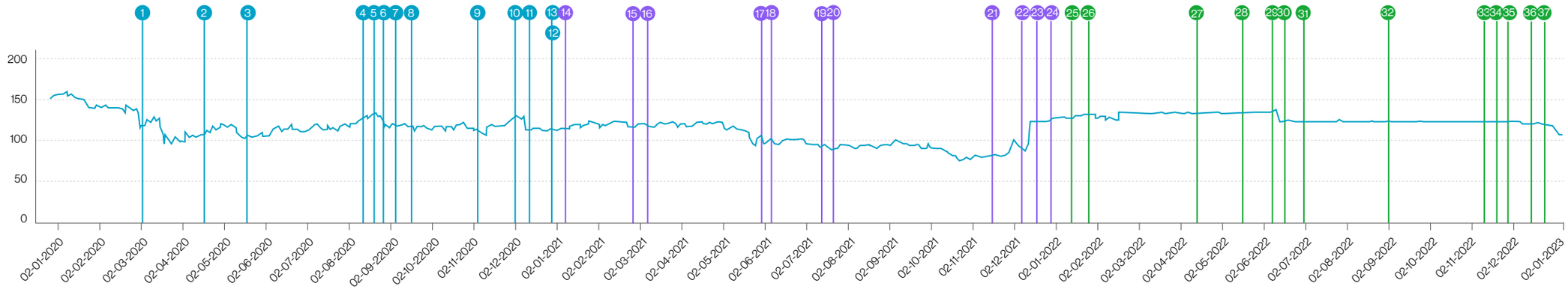
There are no government entities or persons associated with AES Andes with more than 5% voting rights.

Price of AES Andes Stock and Relevant Events for 2022

Stock Market Indicators 2022	Unit	Value
Number of Outstanding Shares	Number	10,376,645,776
Stock Closing Price as of December 31, 2022	CLP	114
Dividend Yield	%	19
Earnings per Share	US$	0,027
Paid dividends	US$ million	256



Price of AES Andes share and relevant events (CLP$)



2020		
1	03-03-20	1st Covid case in Chile
2	16-04-20	Ordinary Shareholders' Meeting
3	15-05-20	Dividend payment
4	10-08-20	Agreement with BHP for payment of US$720 million
5	18-08-20	Execution of contract with Ecopetrol for 59MW solar project
6	28-08-20	Dividend payment
7	04-09-20	Incorporation of partner in Cochrane
8	17-09-20	Execution of contract with Carmen de Andacollo for 550 GWh/year
9	05-11-20	Execution of contract with Sierra Gorda for 1,240 GWh/year
10	01-12-20	Announcement of reduction of capital increase:
11	10-12-20	Dividend payment
12	29-12-20	Withdrawal of Ventanas 1
13	29-12-20	Beginning of Period Preferred Option Capital Increase

2021		
14	07-01-21	Successful completion of capital increase
15	23-02-21	Announcement of sale of interest in Guacolda
16	04-03-21	Alto Maipo completes tunnel excavation
17	31-05-21	Dividend payment
18	06-06-21	Announcement of disconnection of 4 coal-fired units
19	15-07-21	Incorporation of GIP as strategic partner
20	20-07-21	Guacolda sale process is completed
21	17-11-21	Announcement of Alto Maipo financial restructuring
22	06-12-21	Announcement of takeover bid
23	27-12-21	Beginning of sale of shares from repurchase plan
24	30-12-21	Synchronization of Alto Maipo

2022		
25	10/01/2022	Announcement of AES takeover bid results in relation to AES Andes shares
26	25/01/2022	Start of buyer power at a price of CLP$ 134.14/share
27	11/04/2022	Start of buyer power at a price of CLP$ 134.14/share
28	12/05/2022	Start of buyer power at a price of CLP$ 134.14/share
29	06/06/2022	Start of buyer power at a price of CLP$ 125/share
30	10/06/2022	Capital reduction payment
31	01/07/2022	Start of buyer power at a price of CLP$ 125/share
32	01/09/2022	Start of buyer power at a price of CLP$ 125/share
33	16/11/2022	Start of buyer power at a price of CLP$ 125/share
34	20/11/2022	Start of buyer power at a price of CLP$ 125/share
35	25/11/2022	Capital reduction payment
36	15/12/2022	Start of buyer power at a price of CLP$ 114/share
37	20/12/2022	Capital reduction payment

The IPSA suffered a positive variation of 22% per annum between 2021 and 2022, while the share price of AES Andes suffered an annual decline of 14%, mainly influenced by the issuance of purchase power during the year by AES Corporation to continue acquiring the shares of the minority shareholders of AES Andes, and the price adjustment related to the distribution of profits.

During 2022, both domestic and international banks withdrew hedging of AES Andes shares, given the significant increase in AES Corporation's ownership of AES Andes and the decrease of the minority shareholding to below 1%, while in 2021 they had hedging from banks such as Bci, Banco BICE, BTG Pactual, Citibank, CrediCorp Capital, Scotiabank, Security, Santander, JPMorgan and Bank of America, which provided hedging and analysis of the stock and development of AES Andes.

In January 2022, AES Andes will be removed from the IPSA and consequently from the Dow Jones and MILA indices.



→ Shareholders per type as of December 31, 2022

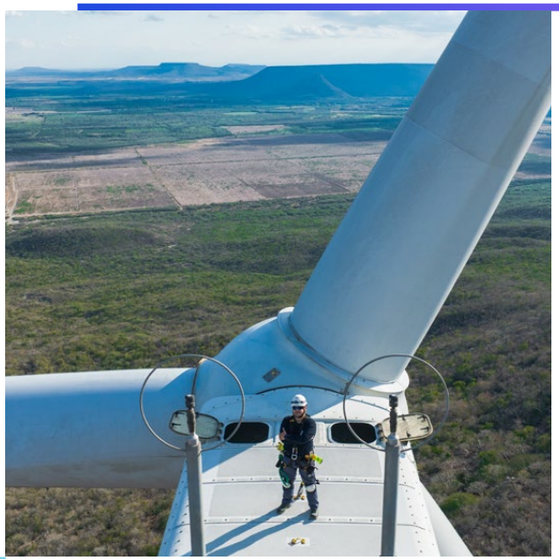
Type of Shareholder	Number of Shares	Number of Shareholders	Interest %
Pension Fund	0	0	0.00
Institutional Foreign	7,153,435	7	0.07
Institutional National	10,361,497,823	82	99.85
National Natural Person	7,989,258	749	0.08
Foreign Natural Person	5,260	2	0.00
Total	10,376,645,776	840	100.00

Transactions in Santiago Stock Exchange

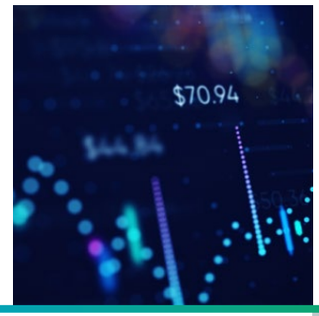


Month-Year	Units	Amount ($)	Higher	Lower	Medium	Closing
01-2020	212,127,123	32,230,217,848	166.89	143.99	151.78	148.90
02-2020	140,349,094	19,918,641,894	149.90	120.44	141.77	120.44
03-2020	341,067,812	40,203,102,531	137.80	99.60	118.06	104.00
04-2020	228,549,923	26,642,184,985	130.00	102.07	116.53	123.02
05-2020	197,751,473	22,534,672,989	128.99	103.10	113.91	109.98
06-2020	250,909,394	29,917,334,496	127.78	106.50	119.24	118.00
07-2020	314,681,621	38,470,547,143	129.80	115.10	122.25	129.80
08-2020	248,803,832	32,289,910,023	142.00	121.60	129.72	126.49
09-2020	197,376,007	24,217,828,549	130.00	117.00	122.72	121.00
10-2020	169,456,585	20,502,023,817	129.10	113.10	120.92	120.00
11-2020	340,242,526	42,788,718,753	138.10	112.00	125.83	135.00
12-2020	228,413,845	28,083,062,824	136.50	115.83	122.98	117.80
01-2021	217,909,930	26,776,008,829	130.00	117.80	122.87	123.30
02-2021	210,261,486	26,016,673,589	128.45	119.80	123.70	124.50
03-2021	205,487,363	25,391,368,386	127.00	119.47	123.52	122.05
04-2021	162,425,754	20,172,607,217	128.00	115.00	124.21	116.79
05-2021	203,890,155	22,302,437,834	122.80	90.00	109.42	104.60
06-2021	212,070,209	21,943,074,220	108.88	96.00	103.52	99.82
07-2021	229,234,803	22,434,966,641	101.99	90.00	97.85	97.50
08-2021	185,055,638	18,139,503,892	105.07	95.10	98.02	103.10

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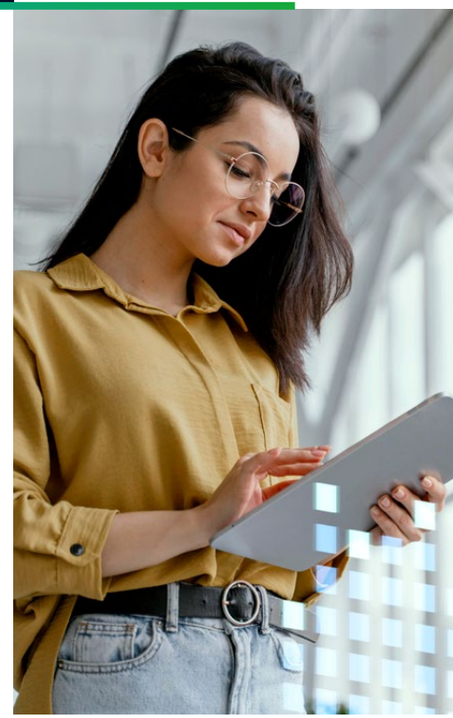


Month-Year	Units	Amount ($)	Higher	Lower	Medium	Closing
09-2021	83,254,335	8,168,116,969	104.00	93.69	98.13	95.35
10-2021	333,858,090	27,645,561,194	95.70	76.50	82.74	83.60
11-2021	185,784,942	16,858,274,855	106.00	80.50	90.72	91.67
12-2021	733,342,690	95,064,684,474	134.00	87.00	129.69	132.82
01-2022	6,607,636,428	892,550,451,114	136.60	121.00	132.30	135.14
02-2022	9,188,925	1,241,808,798	136.00	135.14	135.14	135.24
03-2022	18,384,130	2,484,911,786	135.50	135.14	135.17	135.14
04-2022	13,177,022	1,780,797,274	136.00	135.14	135.14	135.14
05-2022	5,094,227	688,546,973	136.80	135.14	135.16	135.16
06-2022	7,067,781	905,413,774	161.00	125.00	128.13	125.00
07-2022	2,256,916	282,174,365	128.00	125.00	125.02	125.00
08-2022	3,979,583	497,684,315	128.00	125.00	125.05	125.56
09-2022	2,749,469	343,803,159	126.00	124.95	125.02	125.01
10-2022	2,770,323	346,323,345	125.01	125.00	125.00	125.00
11-2022	3,478,528	433,391,214	125.50	122.00	124.60	122.00
12-2022	1,330,281	160,381,998	124.00	114.00	120.53	114.00



Transactions in Santiago Electronic Stock Exchange

Month-Year	Quarter	Quantity	Amount ($)	Higher price	Lower price	Price medium	Price Closing
2020	1st Quarter	10,930,435	1,499,630,787	163.80	101.37	137.20	104.00
2020	2nd Quarter	16,502,544	1,964,618,794	128.49	104.99	119.05	116.57
2020	3rd Quarter	29,844,630	3,737,360,833	139.80	116.00	125.23	120.18
2020	4th Quarter	37,989,025	4,758,933,448	137.98	112.50	125.27	117.99
2021	1st Quarter	65,272,917	6,152,939,611	129.52	114.00	124.75	125.50
2021	2nd Quarter	33,387,540	3,784,311,400	128.00	96.96	110.76	97.00
2021	3rd Quarter	19,473,781	1,906,673,952	103.00	92.00	97.91	95.00
2021	4th Quarter	75,129,959	7,742,559,255	133.50	77.13	103.06	133.12
2022	1st Quarter	6,005,377	769,168,830	135.14	125.00	128.08	127.40
2022	2nd Quarter	52,254	6,605,460	135.50	125.00	126.41	125.00
2022	3rd Quarter	14,040	1,755,000	125.00	125.00	125.00	125.00
2022	4th Quarter	23,526	2,940,750	125.00	125.00	125.00	125.00



→ Major Changes to the Ownership of the Company

Shareholder	No. of Shares December 2022	No. of Shares December 2021	Variation No. of Shares
Inversiones Cachagua SPA	10,185,159,002	6,950,213,272	3,234,945,730
Larraín Vial S.A. Corredora de Bolsa	105,221,790	718,266,711	-613,044,921
Banco de Chile por cuenta de State Street	0	196,341,190	-237,509,067
Bolsa de Comercio Stgo Bolsa de Valores	4,840,994	223,476,860	-218,635,866
Banchile Corredores de Bolsa S.A.	35,703,783	170,303,445	-205,874,145
Banco de Chile por Cuenta de MS	5,379	104,653,702	-196,335,811
Banco Santander - JP Morgan	0	51,024,098	-184,899,011
CIA. de seg vida cons nac de Seguros S.A.	0	43,204,672	-170,303,445
Banco de Chile por Cuenta de Terceros Ca	6,480,902	17,527,914	-164,925,234
Santander Corredores de Bolsa LTDA.	7,557,902	26,276,435	-97,095,800
Consorcio Corredores de Bolsa S.A.	1,277,211	18,063,220	-88,627,139
Bci Corredor de Bolsa S.A.	3,291,973	39,342,340	-80,445,826
BICE Inversiones Corredores de Bolsa S.A.	914,179	55,751,448	-63,649,913
BTG Pactual Chile S.A. Corredores de Bolsa	2,829,710	21,179,431	-52,921,738
J.P. Morgan Securities INC.	0	171,406,136	-51,024,098

Dividends Policy

[NCG 461 2.3.4 a]

According to Circular No. 687 of the Superintendency of Securities and Insurance (CMF), the Board of Directors, at an ordinary meeting held on March 31, 2022, agreed as follows:

The Board of Directors of the Company agreed to propose to the Shareholders' Meeting the following dividend policy: To distribute as dividends to the shareholders of the Company up to 100% of the recurring net income generated during the year 2022.

Adherence to this dividend policy will depend on actual income as well as the results of the Company's periodic projections of its financial performance, availability of cash and the efficient maintenance of its operations for the subsequent period. It also takes into account the need to contribute own funds to finance investment and construction projects, compliance with the obligations and restrictions on dividends contained in the Company's Articles of Incorporation and the Corporations Law, as well as the credit agreements and indentures entered into with the creditors, which basically consist of the full and timely compliance with the negative covenants set forth in the relevant credit agreements, the payment of interest, and the cash and investment policy.

It is proposed to authorize the Board, under the responsibility of the members who agree, to distribute provisional dividends during the 2022 out of the profits earned, provided that there are no accumulated losses. With regard to dividends for the following years, it was considered appropriate to maintain, in the medium term, a policy similar to the one stated above. This policy was adopted at the Ordinary Shareholders' Meeting held on April 28, 2022.

Dividends paid out of earnings of 2021

At the Extraordinary Shareholders' Meeting held on April 28, 2022, in view of the fact that the Company recorded losses for the year ended December 31, 2021, which by law prevents it from distributing dividends to its shareholders, and considering that the Company has available cash and is duly and sufficiently capitalized to carry out its business and operations, it was resolved to distribute a capital reduction in the amount of US$132,000,273, representing US$0.0127209 per share. After this distribution, the share capital decreased from US$2,351,635,328.82 to US$2,219,635,052.82.

Subsequently, at the Extraordinary Shareholders' Meeting held on October 14, 2022, it was resolved to distribute a capital reduction in the amount of US$124,000,917, which was paid in two installments of US$40,000,932 representing US$0.0038549 per share and US$83,999,985 representing US$0.0080951 per share. After this distribution, the share capital decreased from US$2,219,635,052.82 to US$2,095,634.135.82.

→ History of Dividends Paid by Aes Andes

No. of dividends	Type of dividend	Payment Date	Amount per Share (US$)	Charged to FY	% of earnings
123	Capital Decrease	20-12-2022	0.0127209	Capital Stock	N/A
122	Capital Decrease	25-11-2022	0.0038549	Capital Stock	N/A
121	Capital Decrease	10-06-2022	0.0080951	Capital Stock	N/A
120	Eventual	31-05-2021	0.0046083	Retained Earnings	N/A
119	Eventual	10-12-2020	0.0231884	Reserve for proposed dividends	N/A
118	Additional Definitive	28-08-2020	0.0231884	2019	70.00%
117	Definitive	15-05-2020	0.009677052	2019	30.00%
116	Additional Definitive	29-11-2019	0.0239147	2018	70.00%
115	Definitive	24-05-2019	0.0102491	2018	30.00%
114	Additional Definitive	29-11-2018	0.0153759	2017	70.00%
113	Definitive	25-05-2018	0.0065897	2017	30.00%

Risk Rating

The local and international risk ratings of AES Gener were ratified by the major credit agencies, maintaining the BBB- and Baa3 rating in the international scale and A+ in the local scale.

Main actions performed by the rating agencies

- In June 2022, Standard & Poor's reaffirmed the BBB- rating with stable outlook for AES Andes.
- In June 2022, Fitch Ratings ratified the BBB- rating for AES Andes, while it ratified the BBB- rating for Eléctrica Cochrane in June 2022. Both ratings were assigned a stable outlook.
- In November 2021, Moody's reaffirmed the BBB- rating with stable outlook for AES Andes while it maintained Eléctrica Cochrane´s rating in Ba1, changing the outlook to stable from negative.

→ National and International Risk Rating

International Rating		S&P		MOODY´S		FITCH	
Entity	Issuance	Rating	Outlook	Rating	Outlook	Rating	Outlook
AES Andes	ISSUER SR. UNSECURED HYBRID	BBB- BBB- BB	Stable Stable Stable	Baa3 Baa3 Ba2	Stable Stable Stable	BBB- BBB- BB	Stable Stable Stable
Cochrane	ISSUER SR. SECURED			Ba1	Negative	BBB- BBB-	Stable Stable

National Rating		FITCH		FELLER RATE	
Entity	Issuance	Rating	Outlook	Rating	Outlook
AES Andes	LOCAL NOTE LINE	A+	Stable	A+	Stable
Cochrane	LOCAL NOTE LINE	A+	Stable	A+	Stable

Environmental Key Performance Indicators

Environmental Performance Follow-up and Reviews

We maintain an internal audit program in the environment and safety areas and The AES Corporation develops an external audit program on a three-yearly basis for businesses in operation and on a yearly basis for projects under construction. Environmental audits (both internal and external) are devised to evaluate businesses in three dimensions:

1) Site-specific environmental compliance and mitigation of environmental risks.

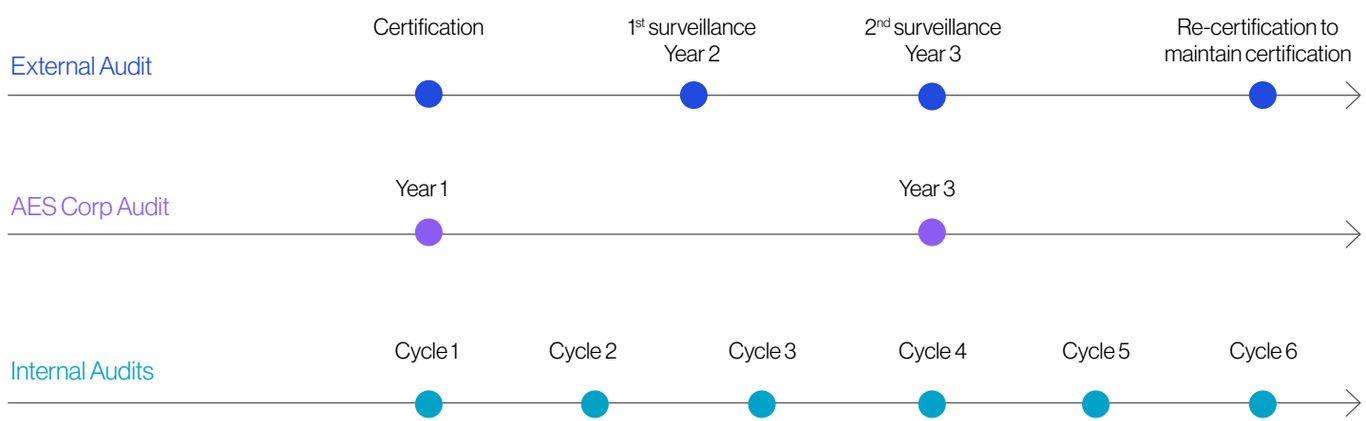
2) Compliance with the AES Corporation environmental standards.

3) Compliance with the expectations of the Environmental Management System (SGA, for its acronym in Spanish).

The maintenance of the certification of our management systems is carried out by an external body (certifier), which evaluates whether the system meets the requirements of the reference standard ISO 14001 in a process carried out in 3-year cycles.

The information used to construct the operational indicators was verified on site for AES Andes and its subsidiaries by the auditing company RSM-Chile. This work was carried out by comparing the data uploaded in INTELEX with the source documents and their supporting documentation, using standard methods of information analysis and auditing to obtain representative samples of the reality of the Company. In addition, AES Corporation uses Lloyd's Register LRQA, Inc. to audit the data reported in INTELEX.

The indicators are calculated for all our businesses and subsidiaries in operation and over which we have operational control. When the operation of a new business is started, data are consolidated as from the start date of commercial operation; for acquired operations, data are consolidated as from the year following their incorporation. The data and environmental indicators of the businesses operationally controlled by AES Andes are consolidated at 100% without taking into account the participating interest owned by AES Andes in the business (which is used for the preparation of the financial statements).



Key Environmental Indicators of AES Andes
[NCG 461 8.1.3]

Indicator	Detail
Air Emissions	
Particulate Matter: absolute value (t) and unit value (kg/MWh). SO_2: absolute value (t) and unit value (t/MWh). NO_x: absolute value (t) and unit value (t/MWh).	The indicator is developed with the data obtained from the Continuous Emission Monitoring (CEM) in the case of businesses in Chile, and for the businesses in Argentina, together with stack isokinetic measurements. The data are standardized, completed and verified according to the local regulations (Supreme Decree No.13 and its annexes and circulars in Chile, and ENRE Resolution No.13 in Argentina).
Greenhouse Gases: absolute value (tCO_2e) and unit value (tCO_2e/MWh).	Scope 1: direct emissions related to combustion of the thermoelectric units, SF6 emissions, motor vehicle fleet emissions, equipment and machinery of all the businesses. We made the estimation and calculation of emissions according to the methods and emission factors of "The Greenhouse Gas Protocol" (or "GHG Protocol") mutually agreed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). Scope 2: emissions associated to the generation of energy purchased from third parties for our own consumption, and to losses in the transmission of energy not generated by AES Andes and transported through our grids. Scope 3: emissions related to the transportation of coal, and flights of the staff of AES Andes and subsidiaries in Chile. The estimation is performed using the emission factors for passenger and coal transport in "Other Region", as proposed by the GHG Protocol corresponding to the World Resources Institute (WRI) list of March 2017, and emission factors for coal extraction and post-extraction, as proposed in the 2006 IPCC Guidelines for the GHG national inventories.
Heavy metals: annual estimation of mercury emissions (Hg).	The estimation is made considering the percentage of mercury contained in each type of coal, the amount of that coal used, and the particulate matter and SO_2 abatement systems available in the generating unit.
Noise	Report on compliance with the noise emission standard for wind plants according to data measured on the ground by the Technical Environmental Monitoring Entity.

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Use of water	
Conveyance/Collecting: absolute value (m^3) and unit value (m^3/MWh) Discharge: absolute value (m^3) and unit value (m^3/MWh) Consumption: absolute value (m^3) and unit value (m^3/MWh)	Consumption is considered as the difference between conveyance/extraction (seawater or continental water) and the discharge to the origin of the resource, making a distinction between Maritime and Continental Water. Under Continental Water, a distinction is made between Surface, Ground or Drinking Water (drinking water distributor, water company, municipal or other similar company). During extractions, the water diverted for hydroelectric generation will not be considered as consumption, since all the water is restored to the surface bodies from which it was captured. We monitor 100% of the extraction, adduction or consumption water of our premises, using the guidelines of the Global Reporting Initiative (GRI). The information is entered on a quarterly basis into the AES Online system, and the data are verified externally, both by the AES Corporation and locally.
Waste Generation	
Hazardous waste: absolute value (t) and unit value (t/GWh).	It considers all waste generated in businesses, both with non-hazardous waste and waste with hazardous characteristics according to the local regulations of each country (Supreme Decree No. 148/04 in Chile, National Law 24,051 in Argentina and Decree 1076/2015 in Colombia).
Coal Combustion Products in absolute values (t) and (t/GWh).	Fly ash captured in particulate matter and SO_2 emission abatement systems, and bottom ash are mainly considered. For some units, fly ash includes gypsum.
Reuse of Coal Combustion Products (%)	Percentage of Coal Combustion Products incorporated to third party processes as inputs or raw materials (e.g.: ash for cement industry).
Regulatory Compliance	
Environmental Sanctions	The status of environmental sanction processes is reported.
Biodiversity	
Follow-up to lines of action in Biodiversity.	Follow-up of rescue programs and relocation of specimens of flora and fauna, reforestation and maintenance of conservation areas.

Energy Consumption

[GRI 303-2, 303-4]

Argentina

MWh	TermoAndes
Gross generation	3,495,816
Gas	3,495,816
Spot Purchase	53,629
Purchase from third parties	923,577
Share in regulated market	0%

Chile

MWh	AES Andes	Alto Maipo
Gross generation	9,154,767	388,213
Hydro	661,217	388,213
Biomass	33,395	0
Solar	240,421	0
Coal	7,605,423	0
Wind	614,311	0
Spot Purchase	1,400,971	152,998
Purchase from third parties	266,224	0
Share in regulated market	31%	0%

Colombia

MWh	AES Chivor
Gross generation	4,365,400
Hydro	4,255,500
Solar	109,900
Spot Purchase	974,300
Purchase from third parties	257,800
Share in regulated market	58%

Summary of monitoring procedures

Annual Sampling Effort for ILW (associated with Electricity Generation)

Plant	No. of discharges	Sampling Frequency weekly/monthly
Norgener	2	Weekly
Angamos	2	Weekly
Cochrane	2	Weekly
Ventanas	4	Weekly
Laja	1	Monthly



→ Summary of Marine EMPs for AES Andes Operations

Plant	Operating Unit	Name of EMP	Frequency	Operation
Norgener	Units 1 and 2	Norgener Thermoelectric Plant	Bi-annually	Since 1999
Cochrane	Units 1 and 2	Angamos Thermoelectric Plant	Bi-annually and Quarterly	Since 2016
Angamos	Units 1 and 2	Angamos Thermoelectric Plant	Bi-annually and Quarterly	Since 2011
Ventanas	Units 1 and 2	Nueva Ventanas 1-2	Bi-annually	Since 1994
	Unit 3	Unit 3	Bi-annually and Quarterly	Since 2010
		Monitoring of waters of Campiche estuary Ventanas Unit 3	Annually	Since 2008
	Unit 4	Unit 4	Quarterly	Since 2009



Norgener Plant

→ Description of Spill

Spill	Location	Spill Volume	Spilled Material (type: chemicals, fuel, etc.)	Classification of material	Body Affected by the Spill (water, soil)	Environmental Consequences of Significant Spills	Social Consequences of Significant Spills	Measures taken
Acid release from pond to containment parapet	Ventanas Plant	5,000 L	Chemical substance.	Hazardous - corrosive	Pond containment parapet No.2 sulfuric acid of the Power Plant. No damage to soil or water.	No environmental consequences.	No social consequences.	a) System incommunication. b) Segregation of the area and activation of cleaning and neutralization with external authorized company. c) Repair of faulty valve.

Facility related to the discharge of turbinated water. The channel is built with waterproof material (concrete).
Spill did not reach any watercourse.



Biodiversity

Areas of High Biodiversity Value
[GRI 304 -1]

Project	Type of operation	Surface area (HA)	Protected Area or Areas of High Biodiversity Value	Attribute of protected area or areas of high biodiversity value	Location of business in respect of the protected area
Chivor Plant: Municipality of Santa María, Colombia.	Generating Unit (hydroelectric generation).	1,819.40	Regional Integrated Management District (DRMI, for its acronym in Spanish) Cuchillas Negras and Guanaqué.	Located in an area called Very Tropical Rainforest, it is a protected area registered in the Registry of Areas Protected by the regional environmental authority, Corporación Autónoma Regional de Chivor. The protected area is located in the llanero peidemonte in the Colombian Eastern Cordillera, which is a biological transition area between Orinoquía, Amazonía and Andean area. This condition makes the nature reserve an area of great importance for the conservation and reproduction of local species.	Inside (partially).
Angamos Plant / Cochrane Plan: region of Antofagasta, Chile.	Generating Unit (thermal generation).	66 22	Gaviotín Chico nesting area.	Located in the bay of Mejillones and its plateau, it is one of the most important nesting areas of the sterna lorata species, also known as Gaviotin Chico, a species declared “In danger of extinction” in Chile. There are currently two protected areas in the area under the figure of free concession for conservation purposes called "Pampa Gaviotín 1 and 2" and the declaration of the Nature Sanctuary of the Itata - Hualala sector has recently been made official".	Inside.

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Project	Type of operation	Surface area (HA)	Protected Area or Areas of High Biodiversity Value	Attribute of protected area or areas of high biodiversity value	Location of business in respect of the protected area
Ventanas Plant: Region of Valparaiso, Chile.	Generating Unit (thermal generation).	247	Los Maitenes - Campiche urban wetland	Located in the coastal sector of the central area of Chile, it is a protected urban wetland with a wide diversity of plant species on dunes and more than 60 animal species such as fish, coypus and a large number of birds, in a surface area of approximately 500 ha.	Outside.
Alfalfal Plant: Metropolitan Region, Chile.	Generating Unit (hydroelectric generation).	36	Ecological preservation area “Rio Olivares, Colorado and Tupungato*.	Located in the Andean area of the Metropolitan Region, the Ecological Preservation Area “Rio Olivares, Colorado and Tupungato” has an area of 110,778 ha at the head of the Maipo river basin. It provides several ecosystem services, the most important of which is water production. As for the biodiversity of the place, it is possible to find four vegetation levels and presence of azonal vegetation, called vegas. As for the fauna, you can find catfish, pumas, Andean cats, Andean ducks, cururos, condors, lizards, among others. In addition, the area has a great interest for its tourist and scientific attraction.	Inside.
Queltehue Plant: Metropolitan Region, Chile.	Generating Unit (hydroelectric generation).	234	Ecological preservation area “Altos del Rio Maipo and El Morado” *.	Located in the Andean area of the Metropolitan Region, the Ecological Reserve "Altos del Rio Maipo" covers an area of 127,115 hectares and the Ecological Reserve "El Morado" covers an area of 143,921 hectares, both at the head of the Maipo River basin. It provides several ecosystem services, the most important of which is water production. As for the biodiversity of the place, it is possible to find four vegetation levels (source: Flora andina de Santiago, Tellier, S. et al, 2011) and the presence of	Inside.

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Project	Type of operation	Surface area (HA)	Protected Area or Areas of High Biodiversity Value	Attribute of protected area or areas of high biodiversity value	Location of business in respect of the protected area
				azonal vegetation, called vegas. As for the fauna, you can find catfish, pumas, Andean cats, Andean ducks, cururos, condors, lizards, among others. In addition, the area has a great interest for its tourist and scientific attraction.	
Maitenes Plant: Metropolitan Region, Chile.	Generating Unit (hydroelectric generation).	30	Ecological preservation area El Morado (according to information from PRMS).*	Located in the high mountains of central Chile, about 1750 meters above sea level, the protected area corresponds to a valley of glacial origin, modeled over thousands of years by geological processes, with a surface of about 3000 hectares. The Natural Monument is a habitat of 121 vertebrates and 300 species of vascular flora, housed in an area that has given it its current landscape and hydrographic characteristics.	Inside.
Alto Maipo Plant: Metropolitan Region, Chile.	Generating Unit (hydroelectric generation).	188	Natural Monument El Morado.	Located in the high mountains of central Chile, about 1750 meters above sea level, the protected area corresponds to a valley of glacial origin, modeled over thousands of years by geological processes, with a surface of about 3000 hectares. The Natural Monument is a habitat of 121 vertebrates and 300 species of vascular flora, housed in an area that has given it its current landscape and hydrographic characteristics.	Outside.
			Ecological preservation area: High Andean sector and El Morado (according to information from PRMS).*	The Cordillera province considers the following sectors: High Andean sector: 83441 ha and El Morado: 143921 ha, covering the entire headwaters of Maipo River basin, it provides several ecosystem services, the most important of which is water production. As for the biodiversity of the place, it is possible to find four vegetation levels (source: Flora andina de Santiago, Tellier, S. et al, 2011) and the presence of azonal vegetation, called vegas. As for the fauna, you can find catfish, pumas, Andean cats, Andean ducks, cururos, condors, lizards, among others. In addition, the area has a great interest for its tourist and scientific attraction.	Inside.

* Ecological preservation area according to information from Santiago Metropolitan Regulatory Plan (PRMS).

Biodiversity Management Plans [GRI 304-2]

Project	Related Impacts	Description of Action Plans
Angamos Plant Cochrane Plant.	Habitat alteration and landscape modification associated with the operation of the Power Plants within the nesting area of conservation category species Sterna Lorata, also known as Gaviotín Chico or Chirrío.	Protection of the species through Fundación del Gaviotín Chico, a public-private association, to reconcile industrial development with the conservation and protection of the Gaviotín, which is considered as a cultural heritage of Mejillones.
Ventanas Plant.	Habitat alteration and landscape modification associated with the operation of the Power Plant and ash dump.	Rescue and relocation of low mobility fauna, staff training, enrichment of native forest, through the creation of recovery vegetation areas (ARV, for its acronym in Spanish). Implementation of a nursery for the rescue of genetic material. Implementation of ecological corridors with monitoring by means of photo-trapping cameras.
Chivor Hydroelectric Plant	Habitat alteration and landscape modification associated with the operation of the power plant and reservoir.	Protection of this natural reserve zone through three rangers who make daily walks with the purpose of safeguarding the fauna and flora of the area. Additionally, we perform biodiversity inventories in collaboration with Institute of Natural Sciences from National University of Colombia. During 2019, we worked on the publication of the guide "Usos tradicionales No Maderables de las plantas de Santa Maria – Boyaca", which as of 2020 is available in digital format.
Los Cururos Wind Plant.	Habitat alteration and landscape modification associated with the operation of the plant.	Plant Nursery to rescue the genetic material and reproduce native species of the area, revegetation plans, vegetation restoration, reforestation, and relocation, rescue or relocation of low-mobility fauna, and hunting ban.
Alto Maipo Project (hydroelectric)	Habitat alteration and landscape modification associated with the operation of the plant.	The operations stage continues with the plant nursery to rescue genetic material and reproduce species native to the area, revegetation plans, vegetation restoration, reforestation and relocation, rescue or relocation of fauna with little mobility, and a ban on hunting. As for the commitments related to the fauna, these continue in the operational phase, which considers: monitoring of catfish, macro and micro vertebrates in rivers, monitoring of catfish and Andean ducks in the rivers of the territory.
Mesamávida Project (wind)	Habitat alteration and landscape modification associated with the operation of the plant.	Plans to transfer low mobility fauna (controlled disturbance). Hunting ban and removal of nests/ offspring. Prohibition of cutting of vegetation specimens.
Los Olmos Project (wind)	Habitat alteration and landscape modification associated with the operation of the plant.	Plans to transfer low mobility fauna (controlled disturbance). Hunting ban and removal of nests/ offspring. Prohibition of cutting of vegetation specimens.
Campo Lindo Wind Plant	Damage to the habitat associated with the construction of the plant.	Plans to transfer low mobility fauna (controlled disturbance), hunting ban, prohibition of removal of nests/offspring. Hunting ban.

→ Biodiversity Conservation Areas [GRI 304-3]

Location	Characteristics of the area	Size	Description of initiative AES Andes	Asociación with third parties
Angamos Plant / Cochrane Plant: Region of Antofagasta, Chile.	Bay of Mejillones, in northern Chile, which is one of the most important nesting sites for the species Sterna lorata, also known as Gaviotín chico and Chirrío.	Since 2020, the Fundación para la Sustentabilidad del Gaviotín Chico has managed the creation of the first official area to protect one of the main nesting sites of the Gaviotín Chico, the Santuario de la Naturaleza Itata - Gualala, with an area of 903 ha. On July 11, 2022, the Supreme Decree for the creation of the Sanctuary was signed and published in the Official Gazette in August of the same year. In 2018, the Foundation was granted two protected areas in the form of free concession for conservation purposes called "Pampa Gaviotín 1 and 2" with a total of 2,027 hectares.	Participation through the Fundación para la Sustentabilidad del Gaviotín Chico in the implementation of management measures for the preservation and conservation of the migratory bird through 3 lines of action: i) Research, ii) Environmental education and dissemination, and iii) Protection and management in the Mejillones Bay area.	AES Andes is member of the Fundación para la Sustentabilidad del Gaviotín Chico, which is the first experience in Chile with the participation of public and private organizations, whose purpose is to contribute to the conservation of an endangered bird, Sterna Lorata, in a manner consistent with the industrial development of Mejillones.
Chivor Plant: Municipality of Santa María, Colombia.	Tropical very humid forest in the Eastern Cordillera of Colombia	AES Colombia has a natural reserve of 1,750 hectares for more than 45 years within the protected area "Distrito Regional de Manejo Integrado (DRMI) Cuchillas Negra y Guanaque", a protected area registered in the rotected Areas Registry by the regional environmental authority Corporación Autónoma Regional de Chivor.	Protection of the contributor basin of La Esmeralda reservoir, with the aim of having tools to help with the planning of conservation actions in one of the strategic conservation areas of the basin, and to maintain the quality and sustainability of ecosystem services, such as water resource regulation and biodiversity conservation, the enrichment of forests and the advance of training activities with the communities. Permanent research development. Preparation of field guides open to the community and the specialist public, with	Alliance, since 2016, with the National University of Colombia in biodiversity research in the Cuchilla Negra and Guanaqué DRMI. Agreement with Fundación Humedales to implement the Landscape Management Tools in the Cristales-Castillejo and Mamapacha Integrated Management Districts, located in the watershed contributing to La Esmeralda reservoir.

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Location	Characteristics of the area	Size	Description of initiative AES Andes	Asociación with third parties
			more than 11 Field Guides of the Institute of Natural Sciences, which have highlighted the richness of the flora and fauna of Santa María.	
Ventanas Plant - Region of Valparaiso, Chile.	Coastal mountain range in central Chile, under the influence of a Mediterranean-type climate.	The El Pangue Predial Ecological Corridor covers an area of 104 ha, with a central axis of approximately 3.2 km.	Ecological restoration of sclerophyllous forest fragments in central Chile, inside Fundo El Pangue, to give structural continuity to the vegetation fragments of the site and recover the ecosystem services and self-sufficiency of the forest, through revegetation plans, erosion control and control of exotic species specimens. Installation of wildlife crossings on the interior roads of El Pangue to maintain the biological cordon of the site and prevent animals from being run over. Development of research activities on the flora and fauna in the surrounding areas that have resulted in the publication of scientific studies in the journal of the Natural History Museum of Valparaiso, as well as the preparation of field guides on flora and fauna and biological risks for dissemination among the community members.	No permanent association with third parties

→ Main species in conservation category whose habitat is located in areas affected by the operations

[GRI 304-4]

Affected Flora and Fauna Species	Rating in IUCN Red List	Rating in National Lists(*)	Project	Conservation Measure	Part of a regulatory commitment
Gaviotín Chico *(Sterna lorata).*	Endangered	Danger of extinction	Angamos Plant / Cochrane Plan: region of Antofagasta, Chile.	Preservation of nest-building sites, monitoring and follow-up through Fundación para la Conservación del Gaviotín Chico.	Yes
Gato Guiña *(Leopardus guigna).*	Vulnerable	Vulnerable	Ventanas Plant: Region of Valparaiso, Chile.	Fundo El Pangue Ecological Corridor.	No
Gato Colo colo *(Leopardus colocolo).*	Near Threatened	Near Threatened	Ventanas Plant: Region of Valparaiso, Chile.	Fundo El Pangue Ecological Corridor.	No
Frangel *(Kageneckia angustifolia).*	Near Threatened	Near Threatened	Alto Maipo Plant: Metropolitan Region, Chile.	Rescue and Reforestation Plan (1:10 individuals).	Yes
Sapo de pecho espinoso *(Alsodes nodosus).*	Near Threatened	Near Threatened	Alto Maipo Plant: Metropolitan Region, Chile.	Hunting ban (training, signaling)	Yes
Sapito cuatro ojos *(Pleurodema thaul)*	Least Concern	Near Threatened	Alto Maipo Plant: Metropolitan Region, Chile.	Hunting ban (training, signaling)	Yes
Iguana *(Callopistes palluma).*	N/A	Near Threatened	Alto Maipo Plant: Metropolitan Region, Chile.	Hunting ban (training, signaling)	Yes
Cóndor *(Vultur gryphus).*	Vulnerable	Near Threatened	Alto Maipo Plant: Metropolitan Region, Chile.	Hunting ban (training, signaling)	Yes

(*) List of species classified by the Chilean Ministry of the Environment.

Environmental Regulatory Compliance

[NCG 461 8.1.3]

The management and evaluation of compliance with applicable regulations is carried out on an ongoing basis by the local Environmental Management teams in each business with the support of the Environmental Strategy and Compliance Deputy Management team.

In Chile and Argentina, the internal system called Cero Falta has been implemented with the identification of legal requirements and uploading of compliance evidence, as well as the ECOSapp System in Alto Maipo. During the second half of the year, we are working on a PowerBI-based tracking system for projects under construction.

Moreover, pursuant to the guidelines of our Environmental Standard "Environmental Incidents and Environmental Operating Events", all the "Environmental Non-Conformance Events" and "Environmental Operating Events", which include legal sanctions, are monitored in our INTELEX system. Under this Standard, an "Environmental Non-Conformance Event" (ENE) is an event that does not conform to legally required or expected environmental performance. This standard also establishes and includes the "Environmental Near Miss" as an event, action or condition which could have but did not result in harmful environmental impact or non-conformity.

During 2022, new regulations were published in Chile related to the environmental component of biodiversity, including Law 21,455, which is the framework on climate change, the new Operating Plan for the Ventanas power plant, emission standards for backup generators, and the recently enacted Law 21,505, which promotes electric energy storage and electromobility.

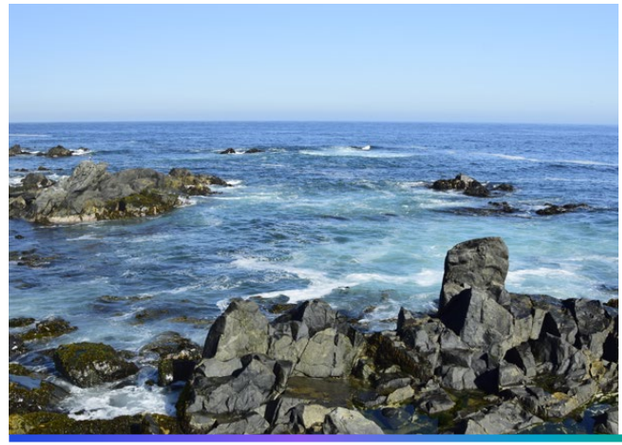
In addition, a Prioritized Standards Program has been published that identifies a number of environmental regulations that will soon go into effect. The report includes processes that have already been initiated and some new ones, among which we can highlight:

1. Supreme Decree No. 13, Emission Standard for Thermoelectric Power Plants. In February 2020, we started the review process. The draft standard is currently being prepared.

2. Supreme Decree No. 38. Ambient Noise Standard. In 2019, the review process was started and a draft standard is currently being prepared.

3. Supreme Decree No. 90. ILWs Emission Standard The review process takes several years. Early in 2021 we submitted a draft standard for consultation and review. The final project is currently in the development stage.

4. Supreme Decree No. 43, Light Standard. The final draft of the updated standard is currently being reviewed by the Comptroller's Office under Supreme Decree No. 1 of 2022 of the Ministry of the Environment for approval and subsequent publication.



5. Green Tax Offset Regulations At the end of 2020 we started with the process of preparing the Regulations that will allow us to offset the emissions affected by green taxes. It has been approved by the Council of Ministers for Sustainability, and is currently under review by the Comptroller's Office.

6. Secondary Environmental Quality Standards for the protection of marine waters and sediments of the Quintero-Puchuncaví Bay. During 2021 the preliminary draft was approved and submitted for public consultation.

7. In 2022, the process of drafting the Primary Environmental Quality Standard for Noise and the Primary Air Quality Standard for Volatile Organic Compounds (VOCs) began; both are in the process of preparing the respective draft standards.

8. Intercommunity Regulatory Plan for the Coastal Border of the Region of Antofagasta. The Strategic Environmental Assessment is being conducted, public consultation on the Target Image is underway and a Preliminary Project is being prepared.

9. In November 2022, the Strategic Environmental Assessment procedure was started for the Modification of the Valparaiso Metropolitan Regulatory Plan (PREMVAL); Road Network: Structuring and Tsunami Hazard Areas.

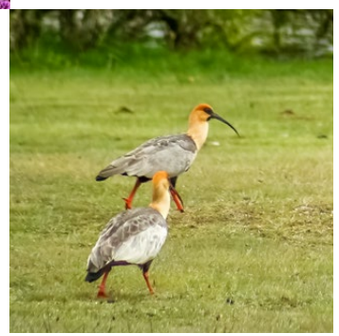
→ Environmental Sanctioning Processes

Plant	Date of charge filing	Date of approval of compliance plan	Date of satisfactory execution	Status
Norgener Plant	27 Apr 2016	22 Jun 2016	01 Oct 2018	Closed
Angamos Plant	22 Jun 2016	17 Aug 2016	31 Jan 2018	Closed
Alto Maipo Plant	20 Jan 2017	06 Apr 2018	Under execution	Under execution
Ventanas Plant	01 Oct 2019	30 Dec 2021	Under execution	Under execution
Mesamávida Wind Plant	11 Apr 2022	17 Oct 2022	Under execution	Under execution
Cochrane Plant	18 Aug 2022	-	-	Under review



→ Main regulations applicable to our operations







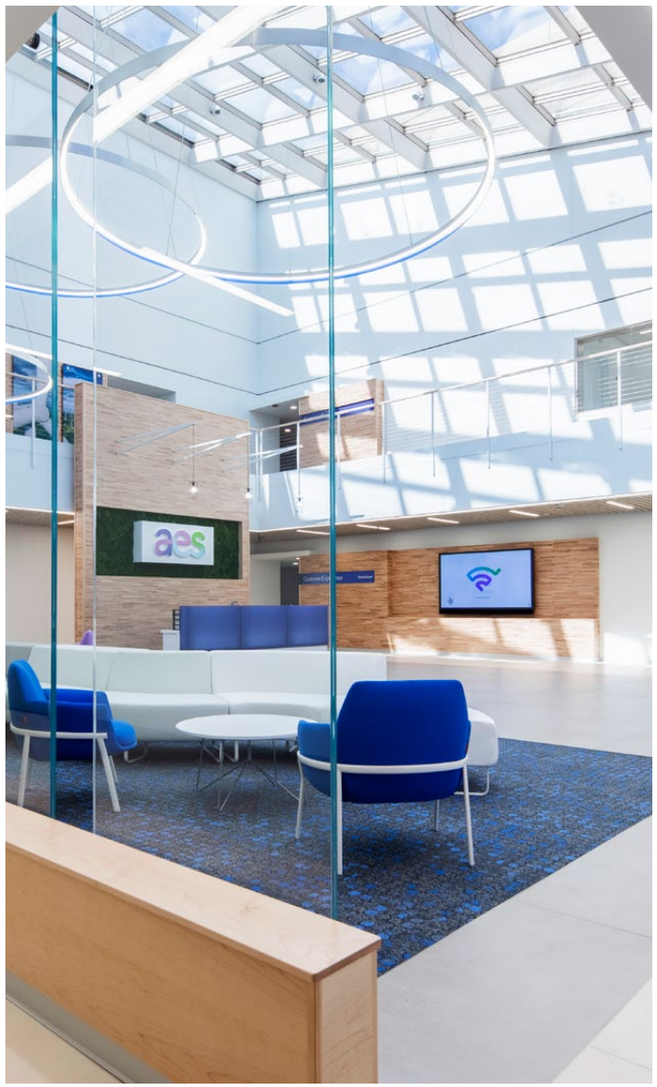
Chile	
Environment Impact Assessment System	Law No. 19300/1993, Ley No. 20417/2010 and Decree 40/2013
Air Emissions	Decree 13/2011
Air emissions of particulate matter, nitrogen oxides, sulphur dioxide and carbon dioxide	Law No. 20780/2014 and its Regulations, Decree 18/2016, as restated with Law No. 21210/2020
Noise	Decree 38/2012
Discharges to water bodies	Decree 90/2001
Light pollution	Decree 43/2013
Storage of hazardous substances	Decree 43/2016
Hazardous and non-hazardous waste management	Decree 594/2000 and Decree 148/2004
Encouraging recycling with extended responsibility to producer	Law 20920/2016
Prevention and Air Decontamination Plans of Tocopilla, Huasco and Concón-Quintero-Puchuncaví area	Supreme Decree 70/2010 (Tocopilla) Supreme Decree 38/2017 (Huasco) Supreme Decree 105/2018 (Puchuncaví)
Argentina	
Gaseous emissions	Resolution ENRE No. 13/2012
Air quality standard	National Law No. 20,284 (Annex II)
Waste management	National Law No. 24051 Law 7070, Province of Salta
Water resources	Resolution No. 11/01
Colombia	
Compendium of environmental regulations (environmental licenses, air quality, emissions, water resources, waste management, etc.)	Environment Sector Single Regulatory Decree No. 1076/15

→ Ongoing environmental administrative and court proceedings

Plant	Subject	Starting date	Body	Description	Status as of December 2022	Outcome of the proceedings
Ventanas	Complaint for environmental damages	July 1, 2016	Second Environmental Court of Santiago	The complaint seeks to restore environmental damages caused by the industrial activity of the defendants in Ventanas and Horcón bays, caused, in the case of AES Andes, since 1958, through the creation of an environmental reparation fund.	The action is in the conciliation stage and the Environmental Court is in the process of preparing the final Conciliation Terms.	Ongoing
Ventanas	Maritime administrative summary investigation	November 8, 2013	Gobernación Marítima de Valparaíso	The measures ordered in the Tax Opinion dated October 24, 2017 be applied, consisting, among others, in the payment of a fine of 52,000 gold pesos, duet to the coal stranding on Ventanas beach, which occurred between November 8, 2012 and November 8, 2013.	The appeal filed against the resolution of Administrative Summary Investigation was dismissed. An appeal was filed. The resolution considered a reduction of the initial fine from 52,000 gold pesos to 35,000 gold pesos (CLP $263,379,457).	Completed (payment of fine)
Ventanas	Maritime administrative summary investigation	February 7, 2019	Gobernación Marítima de Valparaíso	Investigation into the presence and stranding of coal particles on Ventanas beach from January 2018 to January 2019.	Awaiting the issuance of the Opinion of the Maritime Prosecutor's Office.	Ongoing

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Plant	Subject	Starting date	Body	Description	Status as of December 2022	Outcome of the proceedings
Ventanas	Criminal Investigation	August 30, 2018	Regional Public Prosecutors of the Region of Bio Bio	Investigation into the presence of coal on Las Ventanas Beach pursuant to Article 136 of the General Law of Fisheries and Aquaculture	Investigation in progress, unformalized. To date, the development of a private expert opinion is pending in order to establish the origin of the coal that washes up on the beach through a university or private consultant to be hired by the Prosecutor's Office. In addition, the information requested by the Public Prosecutor's Office is pending.	Ongoing
Ventanas	Complaint under the Navigation Law.	November 26, 2020.	Appellate Court de Valparaíso.	Claim for damages for civil liability resulting from coal strandings at Ventanas beach.	The claim is in the conciliation stage and the next hearing is scheduled for April 28, 2022.	Completed (by agreement between the parties).
Ventanas	Complaint under the Navigation Law.	January 12, 2021.	Appellate Court de Valparaíso.	Claim for damages for civil liability resulting from coal strandings at Ventanas beach.	The claim is in the conciliation stage and the next hearing is scheduled for April 28, 2022.	Completed (by agreement between the parties).



6.7 Committee of Directors

[GRI 2-9; NCG 461 10]

In compliance with the provisions of Article 50 bis of Law No. 18,046 of Corporations ("LSA"), the members of the Committee of Directors of AES Andes subscribe this annual management report of the Committee for the year 2022, which includes:

- A summary of the most relevant activities developed by the Committee from January 20, 2022 (Meeting No. 244) to December 15, 2022 (Meeting No. 259); and
- The details of Committee's expenses for that year and recommendations to the shareholders of the Company.

1. Members of the Committee

During 2022, the Committee was made up of two regular directors of the Company, Gonzalo Parot Palma, Radován Razmilic Tomicic and Daniel Fernández Koprich.
The Committee was chaired by the independent director Gonzalo Parot Palma.

2. Activities

During fiscal year 2022, the Committee held regular meetings in 16 opportunities, where they exercised its powers and fulfilled the legal duties established in article 50 bis of the Corporations Law, and informed the Board of AES Andes (the "Board") about the resolutions and recommendations to the Board regarding:

(1) Financial Statements: "Analyze the Financial Statements submitted by the managers of the Company, the reports of the External Auditors, and the balance sheet, and render an opinion before their submission to the shareholders;"

(2) External Auditors and Credit Rating Agencies: "Propose to the Board the appointment of external auditors and credit rating agencies;"

(3) Related-Party Transactions: "Examine the background information concerning transactions between related parties in accordance with Title XVI of the Corporations Law, and give a recommendation;"

(4) Remuneration and compensations: "Examine the remuneration systems and the compensation policy for managers, senior executives and employees of the Company;" and

(5) Other matters: "Review the other matters entrusted and/or submitted to it for being relevant to the Company."

Pursuant to its powers, below there is a list of the activities carried out by the Committee of Directors during 2022 in the same order as the above-mentioned topics:

(1) FINANCIAL STATEMENTS AND RELATED MATTERS.
With regard to this matter, the activities performed included:

1.1 To recommend to the Board of Directors the approval of the interim, quarterly and/or annual Balance Sheets and Financial Statements according to IFRS; and the reports of the External Auditing Firm (meetings No. 246, February 24; No. 250, May 4; No. 253, August 4; and No. 257, November 3).

1.2 To analyze the progress of the Internal Audit Plan, the findings and controls applied, as well as to decide on the Internal Audit Plan for the year 2023 and its budget (meeting No. 248, March 31; meeting No. 252, June 30; meeting No. 255, September 29; meeting No. 259, December 15).

1.3 To analyze the budget of the Company for 2022-2023 and 2023-2024. To recommend for approval by the Board of Directors (meetings No. 244, January 20; No. 254, August 25; No. 258, November 23; and No. 259, December 15).

1.4 To analyze the Integrated Annual Report of the Company (meeting No. 248, March 31).

(2) EXTERNAL AUDITORS, RISK RATING AGENCIES AND RELATED MATTERS.
With regard to these matters, the activities performed included:

2.1 To propose to the Board the appointment of external auditors and credit rating agencies for 2022 (meetings No. 244, January 20 and No. 248, March 31).

2.2 Analyze the External Auditor's report on the Company's Internal Control (meetings No. 258, November 23).

(3) RELATED-PARTY TRANSACTIONS.
The related-party transactions summarized below were known or approved by the unanimous vote of the Committee members, including the unanimous vote of the independent directors of the Company, and all of them were intended to contribute to the corporate interest and were adjusted at the prices, terms and conditions prevailing in the market at the time of performance. The Company's Regularity Policy approved at Board of Directors' meeting No. 680, dated December 17, 2020, establishes the approval or reporting requirements for the related-party transactions included therein.

3.1 To recommend to the Board of Directors the granting of guarantees by the Company to secure the obligations of subsidiaries:

(i) Parque Eólico Nolana SpA, in favor of the Ministry of National Assets, to guarantee the obligations of said company during the development and construction period established in the concession contract for onerous use (meeting No. 244, January 20).

Energía Eólica San Matías SpA to guarantee the payment obligations in favor of Global Energy Services Siemsa S.A. Chile Limitada (meeting No. 249, April 28).

(iii) Energía Eólica San Matías SpA to guarantee the payment obligations in favor of Vestas Chile Turbinas Eólicas Limitada (meeting No. 251, May 26).

(iv) Energía Eólica Mesamávida SpA, Energía Eólica Los Olmos SpA, Parque Eólico Campo Lindo SpA, Andes Solar SpA, Andes Solar II SpA and Eólica San Matías SpA, in favor of banks or factoring companies, to guarantee compliance with their payment obligations, under the terms of *confirming contracts* (meetings No. 252, June 30 and No. 259, December 15).

3.2 Become aware of the restructuring of intercompany loans between AES Andes, Empresa Eléctrica Ventanas SpA, Norgener Inversiones SpA and Empresa Eléctrica Angamos SpA (meeting Nº 248, March 31)..

3.3 To recommend to the Board of Directors the execution by the Company and, as applicable, by AES Chile SpA of all acts, contracts and documents included in the restructuring of the financing of Alto Maipo SpA, including, among others, certain related-party transactions; the granting or modification of pledges on shares of Alto Maipo SpA and/or Subordinated Loans against Alto Maipo SpA, (meeting No. 249, April 28).

3.4 To recommend the Board to approve (meeting No. 249, April 28):

(i) To the extent applicable, a loan of up to US$ 24 million equivalent in Colombian pesos from the subsidiary AES Chivor y Cía. SCA ESP to the subsidiary Norgener Foreign Investment SpA;

(ii) A loan of US$ 148 million from Norgener Foreign Investment SpA to the Company.

3.5 To recommend the Board of Directors to approve a loan of Col$ 370,000 million, equivalent to approximately US$ 93 million, from the subsidiary AES Colombia & Cía. SCA ESP to the Company (meeting No. 252, June 30).

3.6 To recommend to the Board of Directors the approval of the extension of the equipment defect warranty by Fluence Energy LLC, for the *Virtual Reservoir 1* project (meeting No. 249 of April 28).

3.7 To approve, in accordance with the Regularity Policy, the invoicing of amounts for services rendered by the Company to its subsidiaries and to the subsidiaries of its parent company, AES Corporation (meetings No. 251 of May 26 and No. 258 of November 23).

3.8 To become aware, in accordance with the Regularity Policy, of the purchase and sale of coal between the Company and its subsidiary Empresa Eléctrica Cochrane SpA (meeting No. 244 of January 20).

3.9 To recommend to the Board of Directors the approval of a coal swap transaction between the Company and the AES Corporation's subsidiary AES Hawaii (meeting No. 245 of February 17).

3.10 To recommend the Board to approve (meeting No. 245, February 17):

(i) the US$ 10 million increase of the DIP Financing granted to Alto Maipo SpA, through the conversion of such financing into a *Secured Exit Loan Agreement*, which agreement may be entered into between the Company and any of the related companies Alto Maipo SpA and Alto Maipo Delaware LLC.

(ii) The execution of the *Secured Working Capital Facility* agreement to make available to Alto Maipo SpA a revolving working capital line of credit of up to US$15 million.

3.11 To become aware, in accordance with the Regularity Policy, of the modification of the coal purchase and sale agreement entered into between the Company and its subsidiary Empresa Eléctrica Cochrane SpA, in connection with an accounts receivable financing operation entered into by that subsidiary (meeting No. 249, April 28).

3.12 To become aware, in accordance with the Regularity Policy, of coal *swaps* between the subsidiaries Empresa Eléctrica Cochrane SpA and Empresa Eléctrica Angamos SpA (meeting No. 251 of May 26).

3.13 To recommend to the Board of Directors that the Company enter into a compensation agreement with Empresa Eléctrica Cochrane SpA for eventual lower revenues associated with an electricity supply contract (meeting No. 255, August 25).

3.14 To recommend an amendment to the scope of the equipment supply contract between the Company and Fluence Energy, LLC for the *Virtual Reservoir II* project, increasing the amount of equipment to be supplied and, consequently, the price of said contract (Meeting No. 247 of February 28).

3.15 To become aware of the status of the negotiations being carried out with Fluence Energy, LLC regarding the contracts already signed with it by the Company, Andes Solar SpA and Andes Solar II SpA for the projects *Virtual Reservoir II*, Andes Solar IB and Andes Solar IIB (meeting 252, June 30).

3.16 To recommend the conclusion of a *Long-Term Services Agreement* with Fluence Energy, LLC to cover maintenance and extend the warranty on the main equipment of the *Virtual Reservoir 1* project (meeting of August 25, 255).

3.17 To recommend to the Board of Directors the execution of change orders to adjust the *Equipment Supply Agreements* entered into by Fluence Energy, LLC with the Company and, as applicable, by the subsidiaries Andes Solar SpA and Andes Solar II SpA (meeting No. 255, August 25).

3.18 To recommend the Board to approve (meeting No. 256, October 27):

(i) the execution of a credit facility by AES Colombia & Cía SCA ESP for approximately US$ 200 million.

(ii) the granting of a loan by AES Colombia & Cía SCA ESP to AES Andes in the amount of US$ 200 million.
(iii) the repurchase of hybrid bonds up to an amount equivalent to US$ 200 million.

3.19 To recommend to the Board of Directors to approve the extension of the insurance program until April 1, 2023, an operation that includes the participation of a company related to the controlling company, AES Global Insurance Company (Meeting No. 259 of December 15).

3.20 To recommend to the Board of Directors to approve the renewal for 5 years of the internal audit services contract with AES Servicios América, as of January 1, 2023 (meeting No. 259, December 15).

(4) REMUNERATION AND COMPENSATION SYSTEMS.
With regard to these matters, the following was reviewed:

4.1 The remuneration and incentive plans of the Chief Executive Officer, senior executives and employees of the Company (meeting No. 247 of February 28).

(5) OTHER MATTERS OF RELEVANCE TO THE COMPANY.
With regard to other relevant matters, the activities performed included:

5.1 To recommend, as applicable, the borrowing of up to US$ 62.5 million and up to US$ 100 million in Colombian peso equivalent by the subsidiary AES Chivor & Cía SCA ESP (meeting No. 248 of March 31).

5.2 To become aware of the status of the complaints related to Ventanas Plant (meeting No. 254, August 25).

5.3 To recommend to the Board of Directors to approve amendments to the Human Rights Policy and the Code of Conduct for Suppliers (meeting No. 247, February 28).

5.4 To recommend the Board that it should propose to the Ordinary Shareholders' Meeting the Dividend Policy for 2022 (meeting No. 248, March 31).

5.5 To recommend to the Board of Directors the approval of the answers to the Corporate Governance Questionnaire, for the period 2021, to be sent to the Commission for the Financial Market by virtue of General Rule No. 385 (meeting No. 248, March 31).

5.6 To recommend to the Board of Directors to approve the submission of an offer for the acquisition of 100% of the shares of a company that owns a wind power generation plant (meeting No. 251, May 26).

5.7 To recommend to the Board of Directors to submit a bid in a bidding process for the development of a solar energy self-generation project through a partnership between AES Colombia and another company (meeting No. 252, June 30).

5.8 To become aware of the progress of the request for a permit for international exchanges of electric services with the Republic of Argentina (meeting No. 252, June 30).

5.9 To recommend the Board to approve the appointment of new members for the Board of Directors of Fundación AES Chile (meeting No. 256, October 27):

5.10 To become aware of and recommend to the Board of Directors the proposal to the shareholders' meeting for a capital decrease of the Company (meeting No. 255 of September 29).



(6) OPERATION OF THE COMMITTEE OF DIRECTORS.
With regard to the operation of the Committee, the activities performed included:

6.1 To approve the annual management report of the Committee, in accordance with the provisions of article 50 bis, paragraph 8, No. 5 of the Corporations Law, to be included in the Annual Report and submitted for the consideration of the next Ordinary Shareholders' Meeting (meeting No. 248 of March 31).

6.2 To become aware of the matters to be submitted for approval at the Ordinary Shareholders' Meeting and the Extraordinary Shareholders' Meeting to be held thereafter (meeting No. 248 of March 31).

6.3 To approve and record the appointment of the members of the Committee of Directors (meetings No. 249, April 28 and No. 254, August 25).

6.4 Approval of the schedule of meetings of the Committee of Directors for year 2023 (Meeting No. 256 of October 27).

6.5 To approve and propose to the Board of Directors the approval of the protocols for hiring advisors and reports by the Board of Directors and the Committee of Directors (meeting No. 259 of December 15).

(7) COMMITTEE EXPENSES.
In relation to the budget for 2022 of US$ 25,000 approved by the Ordinary Shareholders' Meeting held on April 28, 2022 for the Committee of Directors, it is informed that the expenses incurred out of that budget in the period covered by this report, were as follows:

PWC	Consultancy on Transfer Prices LTSA VR 1	US$ 12,000
DNV	Benchmark CAPEX BESS	US$ 8,550

(8) RECOMMENDATIONS TO THE SHAREHOLDERS.
No recommendations to shareholders have been considered for this year.

Santiago, February 27, 2023.

6.8 Background Information about Subsidiaries and Affiliates

Background information about Related Companies as of December 31, 2022

[NCG461 6.5.1]





AES Chile SpA

(In January 2023 the name was changed to AES Chile Inversiones Renovables SpA)

Legal nature: Stock Corporation, RUT: 76,786,355-1
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: Investment in companies engaged in the generation, transmission, purchase, sale, distribution of and consultancy in anything related to renewable sources of energy (whether conventional or not); generation, transmission purchase, sale and distribution of electric or any other kind of energy, in any area of the country; provision of funding to third parties by means of a credit operations or through other acts or contracts having the same purpose; any other act, contract, business or process related to the previous purposes, as agreed by the shareholders.

Capital and Shares: Paid-in capital: 109,152,223.04 Number of Subscribed and Paid Shares: 11,419,970,363
Interest: 100% directly
Managing Director: AES Andes S.A.
Chief Executive Officer: Javier Federico Dib (1)

Alto Maipo Delaware, LLC SpA

Legal nature: Limited Liability Company incorporated under the laws of the State of Delaware, United States of America
Tax Id. (RUT) number: Not applicable
Address: 1000 North King Street, Wilmington, New Castle County, Delaware 19801
Phone: (56 2) 3333 8300

Corporate Purpose: Carry out any activity legally permitted for this form of business.
Capital and Shares: Capital in US$: Not Applicable
Number of Subscribed and Paid Shares: Not Applicable
Interest: 100% indirectly through Alto Maipo SpA
Managing Director: Alto Maipo SpA.

Andes Solar II SpA

Legal nature: Stock Corporation, RUT: 77,423,682-1
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: /a/ to generate electric power; /b/ to supply, transmit, assemble and operate electric power equipment, facilities and power plants, whether owned by the Company or operated by it under any other title; /c/ to construct, assemble and operate electric power generating equipment, facilities and power plants, whether owned by the Company or operated by it under any other title; /d/ to purchase, sell, import, export, develop, produce, market and distribute all types of services, goods or inputs related to the energy business of any kind, and to make investments in connection therewith; e/ to provide all types of energy services; /f/ to make and develop all types of investments related to all types of assets, movable or immovable, tangible

or intangible, their exploitation, commercialization and management related to the generation of electric energy; /g/ to create and participate in other companies, whether subsidiaries or affiliates, of any type and nature, whose business is related to the generation of electric energy; and /h/ in general, to perform all types of acts and enter into all types of contracts that may be necessary for the accomplishment of the object of the Company or for the development of its business, being able to carry out all activities related to or conducive to the aforementioned objects and other activities related to the business of the Company.

Capital and Shares: Capital US$ 54,170,554.22 divided into 55,971,555 shares, 55,970,555 of which are Series A shares and 1000 are Series B shares
Number of Subscribed and Paid Shares: 55,971,555 subscribed and paid in shares.
Interest: Chile Renovables SpA 100% of the Series A shares y AES Andes S.A. 100% of the Series B shares.
Managing Director: AES Andes S.A.

AES COLOMBIA & CIA SCA, ESP

Legal nature: Partnership Limited by Shares (Foreign)
Address: Av. Calle 100 N° 19-54, Piso 901, Bogotá, Colombia.
Phone: (57 1) 4079555
Fax: (57 1) 6427311

Corporate Purpose: Generation and marketing of electrical energy. For the development of its main purpose, the acquisition, construction, operation, maintenance and commercial operation of existing or new generation plants as well as bringing forward all types of self-generation, cogeneration or distributed generation projects.

Capital and Shares: Paid-in capital: COP$ 233,737,008,267
Number of Subscribed and Paid Shares: 222,818,836
Interest: 99.98% indirectly through Norgener Foreign Investment SpA. (222,818,883) and AES Andes S.A. (1 share).
Chief Executive Officer: Federico Echavarría Restrepo
Staff Total: 135; Technicians: 53, administrative staff: 25, professionals: 47,
Executives: 10.
Members of the Board of Directors
Regular Directors: Juan Ignacio Rubiolo, María Paz Teresa Cerda. (6), Javier Federico Dib (1), Mariana Paz Soto Espinosa (8) and Ricardo Manuel Falú.
Alternate Directors: Ricardo Roizen Gottlieb (2), Emiliano Chaparro (3), Daniel Scali Abritta (9), Ricardo Bull Silvarinho (7) and Paola Macarena Hartung Martínez (10).

AES Chivor S.A.

(Managing Partner of AES Chivor Colombia & CIA SCA E.S.P.)
Legal nature: Foreign Stock Corporation
Address: Av. Calle 100 Nº19-54, oficina 901, Bogotá, Colombia.
Phone: (57 1) 4079555
Fax: (57 1) 6427311

Corporate Purpose: Subscription, acquisition, disposition or investment in securities, shares, convertible bonds and all kinds of fixed income securities; investment in other companies; investment in all kinds of goods required to comply with its purpose; participation as partner of other entities, or capital contributions, acquisition or holding of shares and obligations of other companies. The possibility of guaranteeing and securing obligations of third parties and their own shareholders is excluded.

Capital and Shares: Paid capital Col$ 120,000,000 Number of subscribed and paid shares: 120,000.
Interest: 98.12% directly and indirectly through Norgener Foreign Investment SpA (with an interest of 50.625%) and AES Andes S.A. (with an interest of 47.5%).
Shareholders: AES Andes S.A. (57,000 shares) Norgener Foreign Investment (60.750 shares); Empresa Eléctrica Ventanas SpA (750 shares); Jason Dutil (750 shares); Norgener Inversiones SpA (750 shares).

Alto Maipo SpA

Legal nature: Stock Corporation, RUT: 76,170,761-2
Address: Los Conquistadores 1730, Piso 10, Providencia, Santiago
Phone: (56 2) 3333 8300

Corporate Purpose: Generation, transmission, purchase, sale and distribution of electrical energy and power anywhere in the country or abroad; execution and exploitation of civil, hydraulic or other infrastructure works; investment in all kinds of movable property and real estate; participation in all kinds of public tenders and bids, whether public or private; provision of integral consultancy services.

Capital and Shares: Paid-in capital: US$ 550,409,597.04
Number of Subscribed and Paid Shares: 306,009,374,000 subscribed and paid in shares.
Interest: 99.9% directly and 0.1% indirectly through AES Chile SpA.
Chairman of the Board: Marcelo Tokman Ramos.
Directors: Marcelo Tokman Ramos, Javier Federico Dib (1) and Ricardo Roizen.

Alternate Directors: Mariana Soto (8), María Paz Cerda (6) and Félix Gómez (11).
Chief Executive Officer: Norberto Corredor (4).
Staff*: Technical and Administrative Staff: 3;
Professionals: 54

Andes Solar SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 76,579,067-0
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2)3333 8300

Corporate Purpose: Electric power generation; supply, transmission, assembly and exploitation of electric power equipment and plants, whether owned or otherwise exploited by the Company; construction, installation and exploitation of electric power generation equipment and plants, whether owned or otherwise exploited by the Company; purchase, sale, import, export, processing, production, marketing and distribution to all kinds of services, goods or inputs related to the energy business, and investments in relation to them; provision of all kinds of energy services; to make and develop all kinds of investments relating to all types of real property, tangible or intangible assets, including their exploitation, commercialization and administration, related to electric power generation; create and participate in other companies, whether they be subsidiaries or affiliate, of any kind and nature whose purpose is related to electric power generation; in general, to execute all kinds of acts and to enter into all contracts that are necessary for the performance of the purpose of the Company or the development of its business, being able to carry out all the activities related to the purposes mentioned above or that are related to its business.

Capital and Shares: Capital US$ 33,247,193.59
Number of Subscribed and Paid Shares: 178,010 subscribed and paid in shares.
Interest: 100%
Managing Director: AES Chile SpA
Chief Executive Officer: Ricardo Falú.
Regular Directors: Ricardo Falú, Julián Nebreda and Javier Dib (1).
Alternate Directors: María Paz Cerda (6), Javier Giorgio and Ricardo Roizen Gottlieb(2).

Chagual Energía SpA

Tax Id. (RUT) number: 76,975,739-2
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300
Legal nature: Stock Corporation

Corporate Purpose: To develop the production of electrical energy in the wholesale electric energy market and to inject such energy into the National Electrical System; to purchase electrical energy to be sold to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and managegeneration, thermal or hydraulic or the so-called Non-conventional Renewable Energy assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain, and manage energy generation assets acquired from third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 10,000
Number of Subscribed and Paid Shares: 10,000
Interest: 100% indirectly through AES Chile SpA
Management: AES Chile SpA
Chief Executive Officer: Javier Federico Dib (1.).

Chile Renovables SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 77,371,671-4

Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: To invest in all kinds of personal or real property, movable or immovable, tangible and intangible, including without limitation: shares, social rights, shares in any type of company or corporation, notes, commercial papers, negotiable instruments or any other type of securities, whether in Chile or abroad, as well as to manage, transfer and use them; and to receive dividends and profits resulting from any of them; and to grant funding to third parties by means of credit transactions or through any other act or agreement having the same purpose.

Capital and Shares: Capital US$ 297,748,262.76
Number of Subscribed and Paid Shares: 331,599,798.
Interest: 51%
Regular Directors: Ricardo Falú, Julián Nebreda, Javier Giorgio, Jonathan Bram, Ronnie Hawkins.
Alternate Directors: Marcelo Aicard,
Ricardo Roizen Gottlieb (2), María Paz Cerda (6), Dan Barbosa and Bob Callahan.

Compañía Transmisora Angamos SpA

Legal nature: Stock corporation
Tax Id. (RUT) number: 76,680,114-5
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: Manage, develop and exploit all kinds of electricity transport or transmission systems, on its own behalf or on behalf of third parties, either owned by the Company or third parties; being able to such effects to get, acquire and enjoy the relevant concessions and permits and to exercise all the rights and granted to electricity companies by the current laws.

Capital and Shares: Capital US$ 10,000
Number of Subscribed and Paid Shares: 10,000 Interest: 100% indirectly through Empresa Eléctrica Angamos SpA
Chief Executive Officer: Vicente Javier Giorgio
Regular Directors: Ricardo Manuel Falú, Javier Dib (1) and Ricardo Roizen Gottlieb(2).
Alternate Directors: Ignacio Matus (12), Alberto Zavala and Rodrigo Sáez.

Compañía Transmisora La Cebada S.A.

Legal nature: Stock Corporation
Tax Id. (RUT) number: 76,729,711-4
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: Exploitation and development of its own or third-party electrical systems intended for the transport, transmission and transformation of electrical energy, whether within the country or abroad, including acquisition thereof. For such purposes, it may obtain, acquire or enjoy the relevant concessions, permits and authorizations, as well as exercise the rights and powers granted to electricity companies by the current laws to market the transport capacity of lines and transformation of associated substations and equipment, in order that the generating plants, both domestic and foreign, can transmit the electricity they produce and reach their consumption centers; develop other commercial and industrial activities related to the exploitation of the infrastructure allocated to transmission of electricity; render all kinds of services and advice in the fields of engineering and design, construction, maintenance and operation of transmission systems for third parties, and any other activities related to its corporate purpose; create or participate in all kinds of companies, associations, corporations or institutions, being able to act directly or through such companies, both in the country and abroad.

Capital and Shares: Paid-in capital: CLP 5,251,131,052
Number of Shares: 5,251,131,052 subscribed and paid in shares. Interest: 100% indirectly through Parque Eólico Los Cururos SpA.
Chief Executive Officer: Javier Dib.
Directors: Ricardo Falú, Julián Nebreda and Javier Dib (1).

Derivex S.A.

Legal nature: Corporation (Foreign); Address: Av. Cr 7 # 71 - 21 To B Of 402, Bogotá.
Fax: (57 1) 6427311

Corporate purpose: the administration of a trading system for transactions in derivative financial instruments that have the quality of value under the terms of paragraphs 3 and 4 of article 2 of Law 964 of 2005, whose underlying assets are electricity, fuel gas and/or other energy commodities and registration of transactions in said instruments.

Capital and Shares: Paid-in capital Col$ 751,056,000
Number of Subscribed and Paid Shares: 751,056 Interest: 4.76% indirectly through AES Colombia & Cía S.C.A. E.S.P. (38,262 shares), the other interest belongs to third parties.
Chief Executive Officer: Juan Carlos Téllez Urdaneta





Staff: total 57: Coordinators: 2, professionals: 24, executives: 1 Members of the Board of Directors.
Regular Directors: Jorge Hernán Jaramillo Ossa (1), Cecilia Inés Maya Ochoa (2) Martha María Gil Zapata (3), Marcelo Javier Álvarez Ríos (4) and Louis Francois Kleyn López (5) Alternate Directors: Celso Guevara Cruz (1), Sandra María Ríos González (2) Nicolás Eduardo Mayorga Mora (3), Federico Echavarría Restrepo (4) and Gloria Cecilia Velásquez Mejía (5).

Empresa Eléctrica Angamos SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 76,004,976-K
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: Generation, purchase, sale and distribution of electric or any other kind of energy, in any area of the country or abroad; extraction, distribution, commercialization and exploitation, in any form, of solid, liquid and gaseous fuels; sale and provision of maintenance and machinery engineering services; rental, construction or acquisition and any kind of exploitation of docks or ports, and performance productive and commercial activities related or complementary to the businesses mentioned above.

Capital and Shares: Paid-in capital: US$ 1,000
Number of Issued and Paid Shares: 22,150,749,834
Interest: 100% indirectly through Norgener Inversiones SpA.
Chairman of the Board: Ricardo Falú.
Regular Directors: Ricardo Falú, Julián Nebreda and Javier Dib (1).
Chief Executive Officer: Ricardo Falú.
Staff: Technical and Administrative Staff: 65; Professionals: 42.

Empresa Eléctrica COCHRANE SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 76,085,254-6
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: Generation, purchase, sale and distribution of electric or any other kind of energy, in any area of the country or abroad; extraction, distribution, commercialization and exploitation, in any form, of solid, liquid and gaseous fuels; sale and provision maintenance and machinery engineering services; rental, construction or acquisition and any kind of exploitation of docks or ports, and performance of any other productive and commercial activities related or complementary to the businesses mentioned above.

Capital and Shares: Paid-in capital: US$ 145,396,594.16
Number of Shares: 436,163,745 subscribed and paid in shares.
Interest: 60% indirectly through Inversiones Cochrane SpA.
Chairman of the Board: Ricardo Manuel Falú
Regular Directors: Ricardo Falú, Julián Nebreda, MarceloTokman, Janggwi Hang, Bong Hee Lee.
Alternate Directors: María Paz Cerda (6), Marcelo Aicardi, Ricardo Roizen Gottlieb (2), Jongwoo Kim, Jong Beom Ham.
Chief Executive Officer: Javier Dib (1).

Empresa Eléctrica Ventanas SpA

Tax Id. (RUT) number: 96,814,370-0
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: Investment in all kinds of personal or real property; provision of professional advice, investment in all kinds of intangible property, in particular purchase and sale of bonds, securities and all kinds of commercial papers, shares and rights in national or foreign companies, and in urban and country real properties, including their management, exploitation, and the collection of proceeds therefrom; participation in the creation of companies of any kind and incorporation into existing companies; participation in all kinds of bidding procedures, privatizations, tenders and proposals, whether public or private; provision of overall advisory services, including financial, business, technical

and legal advisory services; generation, purchase, sale and distribution of electrical or any other kind of energy, in any area of the country or abroad; extraction, distribution, commercialization and exploitation, in any form, of solid, liquid and gaseous fuels; sale and provision maintenance and machinery engineering services; rental, construction or acquisition and any kind of exploitation of docks or ports, and performance of any other productive and commercial activities related or complementary to the businesses mentioned above; and any other act, contract, business and management related to the above as may be agreed by the shareholders.

Capital and Shares: Paid-in capital: US$ 195,868,719.6
Number of Subscribed and Paid Shares: 51,528,779,553
Interest: 100% through Norgener Inversiones SpA
Chairman of the Board: Ricardo Falú.
Directors: Ricardo Falú; Ricardo Roizen Gottlieb(2) and Javier Dib (1).
Chief Executive Officer: Ricardo Falú.

Energen S.A.

Legal nature: Stock Corporation (Foreign);
Address: Carlos Pellegrini 1023, 9th floor, C1009ABU, City of Buenos Aires, Republic of Argentina
Phone: (54 11) 4000- 2300

Corporate Purpose: The purpose of the Company is to carry out the following activities on its own behalf, on behalf of or associated with third parties: (i) purchase and wholesale of electric power produced by third parties and to be consumed by third parties; (ii) import, export, consignment, brokerage and marketing of electric power in Argentina and/or abroad; (iii) any type of procedure and/or activity related to the generation, transport and distribution of electrical power; (iv) marketing of any kind of fuel. For this purpose, the Company may carry out all such complementary and subsidiary activities that are linked to its corporate purpose. For that purpose, it has full legal capacity to acquire rights and to enter into obligations and to exercise and enter into all legal acts, contracts and businesses, whether nominated or otherwise, and recognized in the legislation in force in our country or abroad that are not prohibited by the laws or this By-laws.

Capital and Shares: Paid-in capital: AR$ 25,364,450
Number of Issued and Paid Shares: 25,364,450 Interest: 29.52% directly and 70.48% indirectly through Gener Argentina S.A.
Chairman of the Board: Martín José Genesio
Regular Directors: Vicente Javier Giorgio and Fabián Carlos Giammaria.
Alternate Directors: Rubén Néstor Zaia, Guillermo Daniel Paponi, Ivan Diego Durontó.

Energía Eólica Curauma SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 76,967,596-5
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: The purpose of the Company will be: to develop in the wholesale electric energy market the production of electrical energy and to inject such production into the National Electrical System; as far as commercialization is concerned, to purchase electrical energy and resell it to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage thermal or hydraulic or the so-called Non-conventional Renewable Energy (NCRE) generation assets; to acquire, lease or enter into any other legal act relating to the incorporation of thermal, hydraulic and NCRE generation assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain and administer power generation assets acquired to third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 1,000
Number of Subscribed and Paid Shares: 1,000
Interest: 100% indirectly through AES Chile SpA
Management: AES Chile SpA.
Chief Executive Officer: Javier Federico Dib (1).

Energía Eólica Don Álvaro SpA

Legal nature: Stock corporation
Tax Id. (RUT) number: 77,290,404-5
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: The purpose of the Company will be: to develop in the wholesale electric energy market the production of electrical energy and to inject such production into the National Electrical System; as far as commercialization is concerned, to purchase electrical energy and resell it to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage thermal or hydraulic or the so-called Non-conventional Renewable Energy (NCRE) generation assets; to acquire, lease or enter into any other legal act relating to the incorporation of thermal, hydraulic and NCRE generation assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain and administer power generation assets acquired to third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 1,000
Number of Subscribed and Paid Shares: 1,000
Interest: 100% indirectly through AES Chile SpA
Management: AES Chile SpA.
Chief Executive Officer: Javier Federico Dib (1).

Energía Eólica Los Olmos SpA.

Legal nature: Stock corporation
Tax Id. (RUT) number: 76,868,988-1
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: To develop the production of electrical energy in the wholesale electric energy market and to inject such energy into the National Electrical System; to purchase electrical energy to be sold to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage generation, thermal or hydraulic or the so-called Non-conventional Renewable Energy assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain, and manage energy generation assets acquired from third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the

above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 134,170,295.67
Number de Shares subscribed and paid: 138,170,296
Interest: 100% indirectly through AES Chile SpA
Management: Chile Renovables SpA
Chief Executive Officer: Ricardo Falú.

Energía Eólica Mesamávida SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 76,868,991-1
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: To develop the production of electrical energy in the wholesale electric energy market and to inject such energy into the National Electrical System; to purchase electrical energy to be sold to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage generation, thermal or hydraulic or the so-called Non-conventional Renewable Energy assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain, and manage energy generation assets acquired from third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 410,000
Number of Subscribed and Paid Shares: 410,000 Interest: 100% indirectly through AES Chile SpA
Chief Executive Officer: Javier Federico Dib (1).

Energía Eólica Pampas SpA

Legal nature: Stock corporation
Tax Id. (RUT) number: 77,294,357-1
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: The purpose of the Company will be: to develop in the wholesale electric energy market the production of electrical energy and to inject such production into the National Electrical System; as far as commercialization is concerned, to purchase electrical energy and resell it to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage thermal or hydraulic or the so-called Non-conventional Renewable Energy (NCRE) generation assets; to acquire, lease or enter into any other legal act relating to the incorporation of thermal, hydraulic and NCRE generation assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain and administer power generation assets acquired to third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform

all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 1,000
Number of Subscribed and Paid Shares: 1,000
Interest: 100% indirectly through AES Chile SpA
Management: AES Chile SpA.
Chief Executive Officer: Javier Federico Dib (1).

Energía Eólica Paposo SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 77,005,365-K
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: To develop the production of electrical energy in the wholesale electric energy market and to inject such energy into the National Electrical System; to purchase electrical energy to be sold to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage generation, thermal or hydraulic or the so-called Non-conventional Renewable Energy assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain, and manage energy generation assets acquired from third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; acquisition, construction, implementation, operation, maintenance and exploitation of all kinds of goods and electrical energy generation facilities; design, development, management and/or execution of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; build, install, exploit and maintain power generation stations of any kind for sale to third parties; construction of one or more power generation plants of any kind to sell the production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 1,000
Number of Subscribed and Paid Shares: 1,000
Interest: 100% indirectly through AES Chile SpA
Management: AES Chile SpA.
Chief Executive Officer: Javier Federico Dib (1).

Energía Eólica Rinconada SpA

Legal nature: Stock corporation
Tax Id. (RUT) number: 77,116,491-9
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: The purpose of the Company will be: to develop in the wholesale electric energy market the production of electrical energy and to inject such production into the National Electrical System; as far as commercialization is concerned, to purchase electrical energy and resell it to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage thermal or hydraulic or the so-called Non-conventional Renewable Energy (NCRE) generation assets; to acquire, lease or enter into any other legal act relating to the incorporation of thermal, hydraulic and NCRE generation assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain and administer power generation assets acquired to third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition

or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 1,000
Number of Subscribed and Paid Shares: 1,000
Interest: 100% indirectly through AES Chile SpA
Management: AES Chile SpA.
Chief Executive Officer: Javier Federico Dib (1).

Energía Eólica San Matías SpA

Legal nature: Stock corporation
Tax Id. (RUT) number: 77,116,491-9
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: The purpose of the Company will be: to develop in the wholesale electric energy market the production of electrical energy and to inject such production into the National Electrical System; as far as commercialization is concerned, to purchase electrical energy and resell it to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage thermal or hydraulic or the so-called Non-conventional Renewable Energy (NCRE) generation assets; to acquire, lease or enter into any other legal act relating to the incorporation of thermal, hydraulic and NCRE generation assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain and administer power generation assets acquired to third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: US$ 1,000
Number of Subscribed and Paid Shares: 1,000
Interest: 100% indirectly through AES Chile SpA
Management: AES Chile SpA.
Chief Executive Officer: Javier Federico Dib (1).

Gasoducto GasAndes Argentina S.A.

Legal nature: Stock Corporation (Foreign);
Address: Bonpland 1745, City of Buenos Aires
Phone: (54 11) 4849 6100
Fax: (54 11) 4849 6130



Corporate Purpose: Natural gas transportation

Capital and Shares: Paid-in capital: AR$ 83,467,000 (ThUS$ 19,393)
Number of Subscribed and Paid Shares: 83,467,000 Interest: 13%
Class A Regular Directors: Eduardo Hugo Antranik Eurkenian, Luis Alberto Santos, Pablo Sobarzo Mierzo, Klaus Richard Lührmann Poblete; Class A Alternate Directors: Emilio Martín Nadra, Fernando Varoujan Ketchian, Luis Arancibia Yametti, Alan Targarona.
Class B Regular Director: Martín Genesio; Class B Alternate Director: Iván Diego Duronto.
Class C Regular Director: Carmen Figueroa Deisler; Class C Alternate Director: Carmen Paz Talma.
Class D Regular Directors: Emilio José Daneri Conte Grand, Matías María Brea; Class D Alternate Directors: Juan Pablo Freijo, Carlos Daniel Bautista.

Class E Regular Director: Gabriel Enrique María Wilkinson; Class E Alternate Director: Enrique Sandoval.

Gasoducto GasAndes S.A.

Legal nature: Closed Corporation.
Tax Id. (RUT) number: 96,721,360-8
Address: Avenida Chena 11650, Parque Industrial Puerta Sur San Bernardo, Santiago de Chile.
Phone: (56 2) 23665960
Fax: (56 2)23665074
Corporate Purpose: The subject-matter of the company is to provide natural gas transportation services and to make investments in everything related to the industry of natural gas services in Chile or foreign, either on its own behalf or associated with or on behalf of third parties, being able to request any relevant concessions and permits as may be required for these purposes. The Company can participate in all sorts of businesses or activities directly or indirectly related to its corporate purpose, including, without limitation, establishment, operation, exploitation, management and use of gas facilities or transportation networks; separation and processing of natural gas liquids; engineering necessary for pipes or pipelines, and technical assistance related to them; provision of tubing and pipeline construction services; and in general all the services or activities related to the transport, marketing, storage, or processing of gas.

Capital and Shares: Issued capital: ThUS$ 11,914
Number of Subscribed and Paid Shares: 172,800
Interest: 13%
Chairman of the Board: Hugo Antranik Eurkirian
Regular Directors: Hugo Antranik Eurkirian, Luis Alberto Santos, Matías María Brea, Emilio José Daneri Conte Grand, Pablo Sobarzo Mierzo, Carmen Figueroa, Klaus Richard Lührmann Poblete, Luis Sarrás, Gabriel María Wilkinson.
Alternate Directors: Emilio Martin Nadra, Fernando Ketchian, Carlos Daniel Bautista, Juan Pablo Freijo, Luis Arancibia Yametti, Carmen Paz Talma, Enrique Sandoval, Martín Genesio, Alan Targarona.

Gener Argentina S.A.

Legal nature: Stock Corporation (Foreign);
Address: Carlos Pellegrini 1023, 9° piso, C1009ABU, City of Buenos Aires, República Argentina
Phone: (54 11) 4000-2300
Corporate Purpose: Performance of financial and investment operations on its own behalf or on behalf of third parties, including granting or receiving
short-term or long-term loans with or without collateral, capital contributions to an individual or other companies incorporated or to be incorporated to finance operations already performed or to be performed, purchase and sale of all kinds of shares, debentures, bonds, securities and credit papers in any of the systems or modalities created or to be created. Except for any transactions covered by the Financial Institutions Law and any other transactions requiring competitive bidding. Participate, either directly or through other controlled or related companies, in the bidding of stock packages of companies whose assets are hydraulic o thermal power plants not yet privatized by the Argentine Government or in the development of other projects of the electricity sector in Argentina.

Capital and Shares: Paid-in capital: AR$ 544,443,672 (US$ 224,928,640).
Number of Subscribed and Paid Shares: 544,443,672
Interest: 92.05% directly and 7.95% indirectly through Norgener Foreign Investment SpA
Chairman of the Board: Martín José Genesio.
Regular Directors: Javier Giorgio and Fabian Carlos Giammaría. Alternate Directors: Rubén Néstor Zaia, Guillermo Daniel Paponi, Ivan Diego Durontó.
Chief Executive Officer: Martín Genesio.

InterAndes S.A.

Legal nature: Stock Corporation (Foreign);
Address: Carlos Pellegrini 1023, 9° piso, C1009ABU, City of Buenos Aires, República Argentina
Phone: (54 11) 4000-2300
Corporate Purpose: The exploitation of the International Interconnection Electrical Power Transportation Concessions of the Transmission System that links Salta Substation, located in the town of Güemes, Province of Salta, and Paso Sico on the border with the Republic of Chile, including its expansions.

Capital and Shares: Paid-in capital: AR$ 135,365,996 (US$ 55,876,946)
Number of Subscribed and Paid Shares: 135,365,996
Interest: 13% directly and 87% indirectly through Gener Argentina S.A.
Chairman of the Board: Martín José Genesio
Regular Directors: Vicente Javier Giorgio and Fabián Carlos Gianmaría.
Alternate Directors: Rubén Nestor Zaía, Guillermo Daniel Paponi and Iván Diego Durontó.

Inversiones Cochrane SpA

Legal nature: Stock corporation
Tax Id. (RUT) number: 77,201,526 -7



Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: To own shares issued by Empresa Eléctrica Cochrane SpA, receive loans for consumption from it, as well as the granting of loans to the shareholders of the company.

Capital and Shares: Paid-in capital: US$ 45,313,039.11
Number of Subscribed and Paid Shares: 110,142,692, 95% of which are Series A shares and 5% of which are Series B shares.
Interest: 95% indirectly through Norgener Renovables
AES Chile SpA.
Management: Norgener Inversiones SpA.
Chief Executive Officer: Javier Federico Dib (1).

Norgener Foreign Investment SpA

Legal nature: Stock Corporation;
Tax Id. (RUT) number: 96,678,770-8
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2)3333 8300

Corporate Purpose: Investment in companies engaged in the generation, purchase, sale and distribution of electric or any other kind of energy, mainly abroad or in any area of the country; generation, purchase, sale and distribution of electric or any other kind of energy, mainly abroad or in any area of the country; extraction, distribution, commercialization and exploitation, in any form, of liquid and gaseous fuels; sale and provision maintenance and machinery engineering services; rental, construction or acquisition and any kind of exploitation of docks or ports, and performance of any other productive and commercial activities related or complementary to the businesses mentioned above; investments in any kind of personal, tangible or intangible properties, specially bonds, debentures, shares, rights in corporations and, in general, any kind of investments in securities, to administrate those properties and receive the proceeds resulting from them; and any other act, agreement, business and procedure related to the purposes referred to above.

Capital and Shares: Paid capital US$ 107,365,085.34
Number of subscribed and paid shares 2,932,095,888
Interest: 100% directly.
Managing Director: AES Andes S.A.
Chief Executive Officer: Javier Federico Dib (1)

Norgener Inversiones SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 76,803,700-0
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: Investment in all kinds of personal or real property, including stock in companies engaged in the generation, transmission, purchase, sale and distribution of electrical or any other kind of power in any area of the country; generation, transmission, purchase, sale and distribution of electrical or any other kind of power, mainly abroad or in area of the country; extraction, distribution, commercialization and exploitation, in any form, of solid, liquid and gaseous fuels; sale and provision maintenance and machinery engineering services; rental, construction and acquisition and any kind of exploitation of docks or ports, and performance of any other productive and commercial activities related or complementary to the businesses mentioned above; Investment in all kinds of personal or real property; investment in all kinds of intangible property, in particular purchase and sale of bonds, securities and all kinds of commercial papers, shares and rights in national or foreign companies, and in urban and country real estate properties, including their management, exploitation, and collection of proceeds therefrom; participation in the creation of companies of any kind and incorporation into existing companies; participation in all kinds of bidding procedures, privatizations, tenders and proposals, whether public or private; provision of overall advisory services, including financial, business, technical and legal advisory

services; delivery of funding to third parties by means of credit operations or through other acts or contracts having the same purpose; all other acts, contracts, businesses and procedures related to the previous purposes, as agreed by the shareholders.

Capital and Shares: Subscribed and Issued Capital: US$ 27,479,096.74
Number of Subscribed and Paid-in Shares: 49,388,557,454
Interest: 100% directly.
Managing Director: AES Andes S.A.
Chief Executive Officer: Javier Federico Dib (1).

Parque Eólico Campo Lindo SpA

Tax Id. (RUT) number: 76,363,072-2
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300
Legal nature: Stock Corporation

Corporate Purpose: Management, development, investment, exploitation and operation of the electricity generation project called Campo Lindo, as well as the management, development, investment and operation of all kinds of renewable energy projects in Chile, either on its own behalf or on behalf of third parties, in particular power generation parks with wind resources and the performance of any other activity directly or indirectly related to these purposes.

Capital and Shares: Paid-in capital: CLP 304,728,915
Number of Subscribed and Paid Shares: 304,728,915
Interest: 100% indirectly through AES Chile SpA
Chief Executive Officer: Javier Federico Dib (1).

Parque Eólico Los Cururos SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 76,178,599-0
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: The generation of electrical energy through all types of fuels and all kinds of renewable energy in any of its forms such as wind, photovoltaic and biomass; the transmission, purchase and sale of electrical energy to either end customers or any interconnected system; the development, implementation and commissioning of projects related to its business, as well as the creation and commissioning of projects aimed at the development of renewable energies, regeneration or cogeneration, their management and maintenance; to participate in all types of renewable energy developments, including generation and transmission; the execution of partnerships, representations, obtaining of franchises, and any other form of development of the corporate business, whether carried out on its own behalf or on behalf of third parties; any other business to be agreed by the partners.
Capital and Shares: Capital US$ 188,868,840.91
Number of Shares: 79,642,969,474 subscribed and paid shares.
Interest: 51% indirectly through Chile Renovables SpA
Chief Executive Officer: Javier Dib (1).

Parque Eólico Nolana SpA

Tax Id. (RUT) number: 76,975,746-5
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Legal nature: Stock Corporation

Corporate Purpose: To develop the production of electrical energy in the wholesale electric energy market and to inject such energy into the National Electrical System; to purchase electrical energy to be sold to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage generation, thermal or hydraulic or the so-called Non-conventional Renewable Energy assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain, and manage energy generation assets acquired from third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition

or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 10,000
Number of Subscribed and Paid Shares: 10,000
Interest: 100% indirectly through AES Chile SpA
Chief Executive Officer: Javier Federico Dib (1).

Punta del Sol SpA

Legal nature: Stock Corporation
Tax Id. (RUT) number: 76,917,669-1
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: To develop the production of electrical energy in the wholesale electric energy market and to inject such energy into the National Electrical System; to purchase electrical energy to be sold to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage generation, thermal or hydraulic or the so-called Non-conventional Renewable Energy assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain, and manage energy generation assets acquired from third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 10,000 Number of Subscribed and Paid Shares: 10,000
Interest: 100% indirectly through AES Chile SpA
Chief Executive Officer: Javier Federico Dib (1).

TermoAndes S.A.

Legal nature: Stock Corporation.
Address: Carlos Pellegrini 1023, 9th floor, C1009ABU, City of Buenos Aires, C1022AAR, Republic of Argentina Phone: (54 11) 4000-2300.

Corporate Purpose: To perform, on its own behalf or on behalf of third parties, the following activities in Argentina or abroad: Production, marketing, export and import of electrical energy. Construction, operation and/or maintenance of electric power transmission lines and systems in low/high voltage; provision of electric power transmission services in low/high voltage, either within the limits of the Republic of Argentina and/or through its borders by means of transmission lines and/or systems linking its points of consumption, generation and/or other electric energy transmission systems in the Republic of Argentina with other countries, and vice versa, for electric power import and/or export purposes.

Capital and Shares: Paid-in capital: AR$ 581,869,516 (US$ 299,833,447.)
Number of Subscribed and Paid Shares: 581,869,516
Interest: 8.82% directly and 91.18% indirectly through Gener Argentina S.A.
Chairman of the Board: Martín José Genesio.
Regular Directors: Vicente Javier Giorgio and Fabián Carlos Giammaría.
Alternate Directors: Rubén Néstor Zaia, Guillermo Paponi and Iván Diego Durontó.
Staff*:
Technical and Administrative Staff: 27; Professionals: 29.

Transmisora Tal Tal SpA

Legal nature: Stock corporation
Tax Id. (RUT) number: 77,209,147-8
Address: Los Conquistadores N° 1730, Piso 10, Providencia, Santiago de Chile
Phone: (56 2) 3333 8300

Corporate Purpose: The purpose of the Company will be: to develop in the wholesale electric energy market the production of electrical energy and to inject such

production into the National Electrical System; as far as commercialization is concerned, to purchase electrical energy and resell it to electrical power distributors or end users/non-regulated customers; to build, install, operate, exploit, maintain and manage thermal or hydraulic or the so-called Non-conventional Renewable Energy (NCRE) generation assets; to acquire, lease or enter into any other legal act relating to the incorporation of thermal, hydraulic and NCRE generation assets; to acquire, lease or enter into any other legal act relating to third-party power generation projects; to operate, exploit, maintain and administer power generation assets acquired to third parties; to market surplus energy from our own or contract Non-Conventional Renewable Energy Sources to prove compliance with the obligation referred to in Article 150 bis of Law 20,257; to market electrical energy and its associated power with other generating companies; to acquire, build, implement, operate, maintain and exploit all kinds of goods and electrical energy generation facilities; to design, develop, manage and/or execute of all types of engineering, energy, architecture and other specialty projects related to electricity generation; to acquire, operate and transfer concessions for electrical, telecommunications, telephone, telegraphy, telex and data transmission and radio communication services; to build, install, exploit and maintain power generation stations of any kind for sale to third parties; to build one or more power generation plants of any kind to sell its production to generators, distributors or end users; to provide advice on the wholesale electricity market; to carry out all kinds of investments and to perform all kinds of assignment or mere ownership acts and contracts, relating to all types of personal or real, tangible or intangible property, intended for acquisition, exploitation, marketing and management and relating to any of the purposes and businesses referred to above; to increase or reduce power through the acquisition or disposition of generation assets of any kind; to perform all acts and any other activity related to or not related to the above matters that the partners may decide to carry out.

Capital and Shares: Paid-in capital: US$ 1,000
Number of Subscribed and Paid Shares: 1,000
Interest: 100% indirectly through Energía Eólica Paposo SpA.
Chief Executive Officer: Javier Federico Dib (1).

The business relationship of AES Andes S.A. with its related companies are regulated by the existing contracts. The executives of AES Andes S.A. do not receive any compensations for their duties as directors of related companies.

With regard to subsidiaries whose capital is expressed in a foreign currency other than United States dollars, the information provided in this section is in United States dollars, using the exchange rate in effect as at December 31, 2022.

(1) Chief Executive Officer of AES Andes S.A., (2) Vice President of Corporate Finance of AES Andes S.A., (3) Vice President of Commerce of AES Andes S.A., (4) Chief Operating Officer of AES Andes S.A., (5) Vice President of Development of AES Andes S.A., (6) Vice President of Legal Affairs of AES Andes S.A., (7) Vice President of Human Resources of AES Andes S.A., (8) Vice President of Corporate Affairs and Sustainability of AES Andes S.A.;
(9) Chief M&A Officer of AES Andes S.A.
(10) Chief Regulation Officer of AES Andes S.A.
(11) Corporate Finance Manager of AES Andes S.A.
(12) Chief Analysis and Strategy Officer.

(*) Staff of related companies that consolidate their profits and losses with those of AES Andes and have employees under employment contracts.

6.9 Essential Facts and Communications

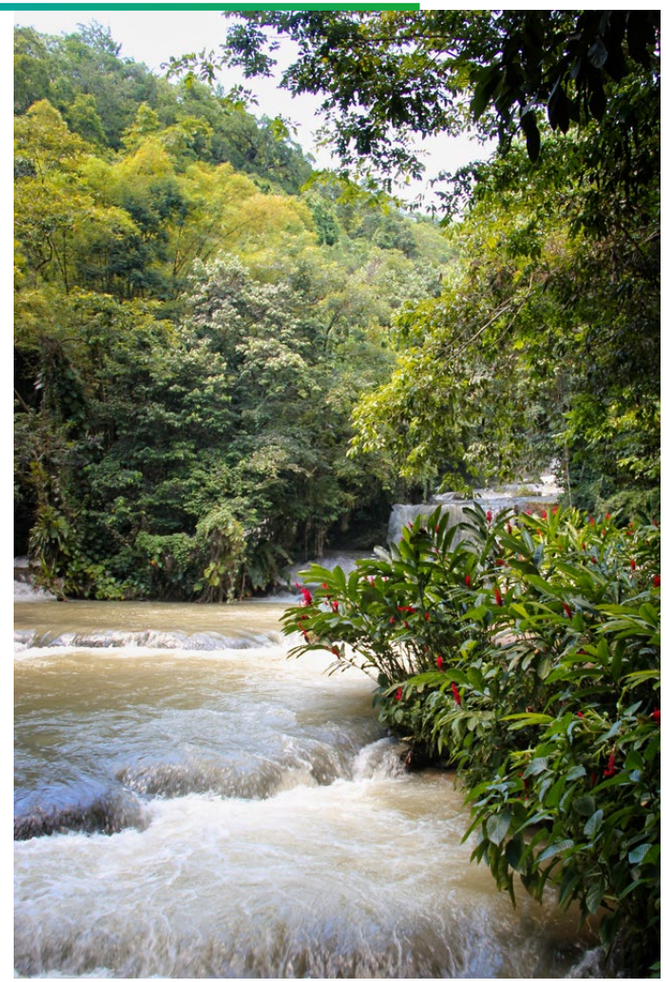
[NCG 461 9]

February 24, 2022
Essential Fact

Pursuant to Articles 9 and 10 of Stock Market Law No. 18,045, and Section II No. 2.2 of the General Rule No. 30 of the Commission for the Financial Market, it was duly notified to said Commission that on said date, Mr. Julián Nebreda submitted his resignation from the position of Chairman of the Board of Directors of AES Andes S.A. Mr. Nebreda will continue to be a member of the Board of Directors for the statutory term for which he was elected. At the Company's Board of Directors meeting held on February 24, 2022, the Board of Directors agreed to appoint Mr. Juan Ignacio Rubiolo as the new Chairman of the Board and President of the Company.

March 31, 2022
Essential Fact

Pursuant to Article 9 and Article 10, subsection two, of Stock Market Law No. 18,045, and the General Rule No. 30 of the Commission for the Financial Market, we reported as an essential fact to that Commission that by resolutions of the Board of the Company adopted in a meeting held on March 31, 2022, it was agreed to convene the shareholders at an Ordinary Shareholders' Meeting to be held on April 28, 2022, at 09:00 a.m., at Los Conquistadores No. 1730, 10th Floor, Providencia and, thereafter and immediately after, at a Extraordinary Shareholders' Meeting to be held on April 28, 2022, at the same place. The purpose of the Ordinary Shareholders' Meeting would be to discuss and resolve the following topics: (1) The formalities related to the form of adoption of resolutions, attendance, summons, proxies and other formalities required to hold the Ordinary Shareholders' Meeting; (2) the appointment of the shareholders who, together with the Chairman and the Secretary, will sign the minutes of the Ordinary Shareholders' Meeting; (3) the Annual Report, Balance Sheet and Financial Statements for the year ended December 31, 2021, situation of the Company and the External Auditors' report; (4) if applicable, distribution of dividends and profits for the year 2021; (5) dividend policy for 2022 and authorization of the Board for the distribution of provisional and/or additional dividends, as applicable; (6) the renewal of the Board of Directors in accordance with Article 32 of Corporations Law No. 18,046; (7) determination of the remuneration of the members of the Committee of Directors, approval of the budget of the Committee of Directors and its advisors for 2022; expenses



report and activities developed by that Committee during 2021; (8) approval of the budget of the Board and its advisors for 2022; (9) appointment of an External Auditing Company for the fiscal year 2022; (10) appointment of Credit Rating Agencies for fiscal year 2022; (11) information about the resolutions adopted with respect to transactions with related parties referred to in Title XVI of Corporations Law 18,046; (12) designation of the newspaper for the publications to be made by the Company; (13) other matters of corporate interest that are specific to the Common Shareholders' Meeting; and (14) in general, adoption of all other resolutions which are necessary or advisable for the formalization of the decisions made by the Ordinary Shareholders' Meeting.

The purpose of the Extraordinary Shareholders' Meeting would be to discuss and resolve the following topics: (1) The formalities inherent in the matters relating to the form of adoption of resolutions, attendance, calls, powers and other formalities specific to deem that the Extraordinary Shareholders' Meeting has been held; (2) appointment of the shareholders who, together with the Chairman and the Secretary, will sign the minutes of the Meeting; (3) amendment the current Section Five of the Company's Articles of Incorporation, regarding the Company's capital, in order to reduce said capital by the effective amount of US$ 132,000,273 or such other amount as the Shareholders' Meeting may resolve, and its return to the shareholders, without altering the number of shares into which the capital is divided. For these purposes, the Board of Directors proposes to the shareholders that the capital increase agreed upon at the Extraordinary Shareholders' Meeting held on April 16, 2020, in the part not subscribed and paid as of the date of the Extraordinary Shareholders' Meeting, be cancelled; (4) to set the date for the distribution resulting from the capital decrease, if applicable; (5) to amend the current Section Twelve of the Company's Articles of Incorporation, regarding the administration of the Company, in order to eliminate the alternate directors; and (6) in general, to adopt such other resolutions as may be necessary or advisable for the materialization of the resolutions adopted by the Shareholders' Meeting.

April 28, 2022
Essential Fact

Pursuant to Articles 9 and 10, subsection two, of Stock Market Law No. 18,045, and the General Rule No. 30 of the Commission for the Financial Market, we reported as an essential fact to that Commission that at the Ordinary Shareholders' Meeting held on April 28, 2022, the Company's shareholders adopted, among others, the following resolutions: (a) the total renewal of the Company's Board of Directors in accordance with Article 32 of the Corporations Law and Article Thirteen of the Company's Articles of Incorporation. The new directors of the Company whose term of office is extended until the Ordinary Shareholders' Meeting to be held in 2025 are as follows: Juan Ignacio Rubiolo, Bernerd da Santos, Madelka McCalla, Arminio Borjas, Radovan Razmilic Tomicic, Gonzalo Parot Palma, and Daniel Fernández Koprich.

Pursuant to Articles 9 and 10, subsection two, of Stock Market Law No. 18,045, and the General Rule No. 30 of the Commission for the Financial Market, we reported as an essential fact to that Commission that at an extraordinary shareholders' meeting held on April 28, 2022, the Company's shareholders adopted, among others, the following resolutions: (a) to cancel the capital increase agreed at the 44th Extraordinary Shareholders' Meeting held on April 16, 2020 for the portion that was not fully subscribed and paid as of April 28, 2022, and to reduce the capital by US$ 200,396,839.58 and consequently reduce the number of shares not issued to date on account of said capital increase, leaving the capital divided into US$ 2,351,635,325.82, divided into 10,376,645,776 shares, of one and the same series and without par value; (b) to approve the decrease of the capital stock from US$ 2,351,635,325.82 to US$ 2,219,635,052.82, which is fully subscribed and paid. It was agreed that the reduction of US$ 132,000,273 will be carried out through the distribution to the shareholders of said amount pro rata to their respective interest in the capital stock, in accordance with the number of shares they hold registered in the Shareholders' Registry at midnight of the fifth business day prior to the distribution date, which will be payable on

June 20, 2022 or the date on which the legal term provided for in Article 28 of Law 18,046 has been met. As a result of this decrease, the capital stock was as follows: US$ 2,219,635,052.82, divided into 10,376,645,776 shares, of one and the same series, with no par value, fully subscribed and paid. As a result of the foregoing, it was agreed to amend the fifth and first transitory articles of the Articles of Incorporation, both related to the capital stock; and (c) it was agreed to amend the twelfth article of the Articles of Incorporation related to the administration of the Company to eliminate the position of alternate directors. Then, the Board of Directors of the Company shall be composed of seven members, who may or may not be shareholders of the Company.

August 8, 2022
Essential Fact

Pursuant to the provisions of articles 9 and 10, paragraph 2, of Securities Market Law No. 18,045 and provisions of Section II of the General Rule No. 30 of the Commission for the Financial Market, we have informed, as an essential fact, to the Commission for the Financial Market that, (a) through a letter addressed to the President of the Company, and of which the Board was informed at the extraordinary meeting held on August 5, 2022, Ricardo Manuel Falú submitted his resignation as Chief Executive Officer of the Company, effective as from that date, which was unanimously accepted by the Board. The Board of Directors thanked Mr. Falú for his work as Chief Executive Officer from 2018 to that date; (b) at the same Board meeting, it was unanimously decided that the position of Chief Executive Officer, which includes the capacity of legal representative of the Company, would be assumed, as of that same date, by Mr. Javier Federico Dib; and (c) it was agreed to call the shareholders to an Extraordinary Shareholders' Meeting to be held on August 24, 2022, at 2:00 p.m., at the Company's offices. The matters to be discussed and submitted to the consideration of the shareholders at the aforementioned Meeting will be as follows: (1) The formalities inherent in the matters relating to the form of adoption of resolutions, attendance, calls, powers and other formalities specific to deem that the Shareholders' Meeting has been held; (2) appointment of the shareholders who, together with the Chairman and the Secretary, will sign the minutes of the Meeting; (3) amendment of Section Twelve of the Articles of Incorporation related to the administration of the Company to change the number of directors from 7 to 9 members; (4) if the above proposal is approved, proceed to the total renewal of the Board of Directors, in accordance with Corporations Law No. 18,046; (5) provision of information about resolutions relating to the related party transactions referred to in Title XVI of Corporations Law No. 18,046; and (6) adoption of all the other resolutions required or advisable for the enforcement of the decisions made by the Shareholders' Meeting.

Pursuant to General Rule No. 435 and Circular No. 1,141, both of the CMF, and in accordance with the Company's first value, which is safety, the Company's Board of Directors approved, in an Extraordinary Meeting held on December 6, 2021, a new "Protocol for Participation and Voting in the Shareholders' Meetings of AES Andes S.A.", the updated text of which is available on the Company's website at https://www.aesandes.com/. The Protocol establishes the procedures for the verification of identity, access and form of remote voting at the Company's Shareholders' Meetings and is in accordance with the health measures adopted to protect the national population in response to the global outbreak of the Sars-Cov-2 virus, which produces the coronavirus 2019 or Covid-19 disease. In order to participate in the Shareholders' Meeting remotely, they must notify the Company by e-mail to the address juntadeaccionistas@aes.com no later than 11:59 p.m. on the third business day prior to the Shareholders' Meeting, attaching the background information indicated in the Protocol.

Although on the date of the Meeting it is possible that the measures imposed by the corresponding authorities will not prevent the shareholders from participating in person, the Company invites its shareholders to participate remotely, in accordance with the mechanism established in the Protocol and other background information that will be sent to the shareholders together with the letter inviting them to the Meeting and that have been made available to

them on the Company's website: https://www.aesandes.com/es, thus avoiding infection and risks to their health. The Company has made available to the shareholders the e-mail juntadeaccionistas@aes.com, to resolve any doubts, to help them participate remotely in the Meeting and to coordinate the display of the background information that by law must be made available to the shareholders.

August 24, 2022
Essential Fact

Pursuant to Articles 9 and 10, subsection two, of Stock Market Law No. 18,045, and the General Rule No. 30 of the Commission for the Financial Market, we reported as an essential fact to that Commission that, At an Extraordinary Shareholders' Meeting held on August 24, 2022, the Company's shareholders adopted, among others, the following resolutions: (i) The amendment of article twelve of the Company's Articles of Incorporation, regarding the Company's administration, in order to increase the number of Board members from 7 to 9 directors; and (ii) The total renewal of the Company's Board of Directors by virtue of the aforementioned amendment of the Articles of Incorporation and in accordance with the provisions of the Corporations Law. The new directors of the Company are: (1) Arminio Borjas; (2) Bernerd da Santos; (3) Ricardo Falú; (4) Daniel Fernández Koprich; (5) Giselle Leger; (6) Madelka McCalla; (7) Gonzalo Parot Palma; (8) Radovan Razmilic Tomicic; and (9) Juan Ignacio Rubiolo. It is hereby noted that Gonzalo Parot Palma and Daniel Fernández Koprich were elected as independent directors in accordance with Article 50 bis of Corporations Law 18,046, without the votes of Inversiones Cachagua SpA.

September 29, 2022
Essential Fact

Pursuant to the provisions of Articles 9 and 10 of Securities Market Law No. 18,045, Article 63 of the Corporations Law No. 18,046 and General Rule No. 30 issued by the Commission for the Financial Market, we reported, as an essential fact, by decision of the Board of Directors of the Company, adopted at its meeting held on September 29, 2022, it was resolved to call the shareholders to an Extraordinary Shareholders' Meeting to be held on October 14, 2022, at 10:00 a.m., at the Company's offices. The matters to be discussed and submitted to the consideration of the shareholders at the Shareholders' Meeting will be as follows: (1) The formalities inherent in the matters relating to the form of adoption of resolutions, attendance, calls, powers and other formalities specific to deem that the Shareholders' Meeting has been held; (2) appointment of the shareholders who, together with the Chairman and the Secretary, will sign the minutes of the Meeting; (3) amendment of the current Article Five of the Company's Articles of Incorporation, regarding the Company's capital, in order to decrease said capital in the effective amount of US$124,000,917, or such amount as the Shareholders' Meeting may resolve, and its return to the shareholders, without altering the number of shares into which the capital stock is divided; (4) setting the date or dates for the distribution resulting from the capital decrease, in the event that it is approved; (5) provision of information about resolutions relating to the related party transactions referred to in Title XVI of Corporations Law No. 18,046; and (6) adoption of all the other resolutions required or advisable for the enforcement of the decisions made by the Shareholders' Meeting. Shareholders may obtain a copy of the documents relating to the matters to be voted on at the Extraordinary Shareholders' Meeting at the offices of the Company and on the Company's website, www.aesandes.com, from October 3, 2022.

October 14, 2022
Essential Fact

Pursuant to Articles 9 and 10, subsection two, of Stock Market Law No. 18,045, and the General Rule No. 30 of the Commission for the Financial Market, we reported as an essential fact to that Commission that at the Extraordinary Shareholders' Meeting held on this date, the Company's shareholders adopted, among others, the following resolution: It was agreed to decrease the capital stock from US$2,219,635,052.82 to US$2,095,634,135.82, which is fully subscribed and paid in. It was agreed that the reduction of US$ 124,000,917 will be carried out through the distribution to the shareholders of said amount in two installments and pro rata to their respective interest in the capital stock, in

accordance with the number of shares they hold registered in the Shareholders' Registry at midnight of the fifth business day prior to the respective distribution dates. These installments will be paid in the following amounts and terms: (a) the amount of US$ 40,000,932 payable on November 21, 2022 or the date on which the legal term provided in Article 28 of Law No. 18,046 has been met; and (b) the amount of US$ 83,999,985, payable on December 20, 2022. As a result of this decrease, the capital stock was as follows: US$ 2,095,634,135.82, divided into 10,376,645,776 shares, of one and the same series, with no par value, fully subscribed and paid. As a result of the foregoing, it was agreed to amend the fifth and first transitory articles of the Articles of Incorporation, both related to the capital stock.

December 23, 2022
Essential Fact

Pursuant to Articles 9 and 10, subsection two, of Stock Market Law No. 18,045, and the General Rule No. 30 of the Commission for the Financial Market, we reported as an essential fact to that Commission that as informed by Puerto Ventanas S.A. through an essential fact dated December 22, 2022, the bulk solids conveyor belt and other facilities of Puerto Ventanas suffered a fire on December 22, 2022, as a result of which sites 1, 2, 3 and 5 of said Port were rendered inoperative. As a result of the foregoing, the supply of coal for the Company's generation units located in the Ventanas Industrial Complex is suspended. If port operations are not normalized before the coal in the field is depleted, the referenced generating units may not have fuel to operate if the Company is unable to obtain supplies by other means. Puerto Ventanas S.A. has been asked when it expects the port to reopen and under what conditions, and the provision of this information is still pending. Pursuant to the provisions of Circular letter No. 988 of the Commission, the Company informed that, as of December 23, 2022, it is unable to quantify the effects that the reported event will have on the assets, liabilities or results of the Company.



6.10 GRI Index

Indicator No.	Contents	Section	Page	Indicator verifier
General Contents				
The organization and its reporting practices				
2-1	Organizational details	Back cover	2	✓
		Company profile	5	✓
		Our generation assets	51	✓
		Charter documents	185	✓
2-2	Entities included in the organization's sustainability reporting	Scope	179	
2-3	Reporting period, frequency and contact point:	Back Cover	2	
		Scope	179	
2-4	Restatements of information	Scope	179	
2-5	External assurance	Verification	181	
Activities and workers				
2-6	Activities, value chain other business relations	Company profile	5	
		AES Andes at a Glance	12	
		Main Assets AES Andes	50	
		Our generation assets	51	
		Sustainability in the supply chain	127	

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Indicator No.	Contents	Section	Page	Indicator verifier
2-7	Employees	Human Capital Formation	110	✓
		Number of persons by gender, by country where they work	212-213	✓
		Number of persons by age range	214-215	✓
		Number of persons by seniority	216-217	✓
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2-9	Governance structure and composition	Corporate Governance Structure	147	
		Committee of Directors	263	
2-10	Nomination and selection of the highest governance body	Corporate Governance Structure	147-149	
2-11	Chair of the highest governance body	Corporate Governance Structure	147-149	
2-12	Role of the highest governance body in overseeing the management of impacts	Risk management	36	
		Review of economic, environmental, and social topics	154	
2-13	Delegation of responsibility for managing impacts	Senior executives	156	
		Board delegating authority	156	
2-14	Role of the highest governance body in in sustainability reporting	Role of the highest governance body in sustainability in sustainability reporting	155	
2-15	Conflicts of Interest	Conflicts of Interest Policy	142	
		Conflicts of interest	152	
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		Process to determine the remuneration of the Chief Executive Officer	159	
2-20	Process to determine remuneration	Pay gap per gender and position	113	
		Process to determine the remuneration of the Chief Executive Officer	159	
2-21	Annual total compensation ratio	Pay gap per gender and position	113	✓
2-22	Statement on sustainable development strategy	Letter from the Chairman of the Board and the Chief Executive Officer	15	
2-23	Policy commitments	Our Purpose: Accelerate the Future of Energy, Together	7	
		Our values	9	
		Our environmental policy	31	
		Commitment to local development	34	
		Risk management	36	
		Relationship with stakeholders	42	
		Ethical framework	138	
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		Human Rights Policy	143	
		Due diligence	145	
2-26	Mechanisms for seeking advice and raising concerns	Complaints mechanism	145	
2-27	Compliance with laws and regulations	Environmental regulatory compliance	102, 258 - 262	✓
		Ethical framework	138	✓

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		Policies that govern our actions	141 - 143	✓
		Human Rights Policy	143	✓
2-28	Membership associations	Acknowledgments and Memberships	132	✓
2-29	Approach to stakeholder engagement	Relationship with Stakeholders	42	
2-30	Collective bargaining agreements	Relationship with unions	117	✓
Material Topics				
3-1	Process to determine material topics	Definition de Materiality	179	
3-2	List of material topics	Prioritized Material Topics	180	
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201-1	Direct economic value generated and distributed	Our Main Assets and their Performance	49	
		Financial Management	56	
		Contribution and Commitment to Local Development	71	
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203-1	Infrastructure investments and services supported	Contribution and Commitment to Local Development	71	✓
		Social Investment 2022	72	✓
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203-2	Significant indirect economic impacts	Our Neighbors	73	✓
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204-1	Proportion of spending on local suppliers	Sustainability in the Supply Chain	126	
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301-1	Materials used by weight or volume	Energy Management	86	
		Fuel Supply	131	✓
Energy				
302-1	Energy consumption within the organization	Energy Management	131	✓
302-3	Energy intensity	Energy Management	131	✓
Water and effluents				
303-1	Interactions with water as a shared resource	Water sources and uses	90-92	✓
303-2	Management of water discharge-related impacts	Industrial Liquid Waste (ILW)	94	✓
		Summary of monitoring procedures	248-249	✓
303-3	Water withdrawal	Water sources and uses	90-92	✓
303-4	Water discharge	Water sources and uses	90-92	✓
		Summary of monitoring procedures	248-249	✓
303-5	Water consumption	Water sources and uses	90-92	✓
		Water stress analysis	93	✓

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304-2	Significant impacts of activities, products, and services on biodiversity		254	✓
304-3	Habitats protected or restored	Biodiversity conservation areas	255-256	✓
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Main species in conservation category	257	✓
Emissions				
305-1	Direct (Scope 1) GHG emissions	Global air emissions	89	✓
305-2	Energy indirect (Scope 2) GHG emissions	Global air emissions	89	✓
305-3	Other indirect (Scope 3) GHG emissions	Global air emissions	89	✓
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305-5	Reduction of GHG emissions	Greenhouse Gases (GHGs)	89	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Local air emissions	87	✓
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306-3	Waste generated	Management of Industrial Solid Waste	95-98	✓
306-4	Waste diverted from disposal	Management of Industrial Solid Waste	95-98	✓
306-5	Waste directed to disposal	Management of Industrial Solid Waste	95-98	✓
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308-1	New suppliers that were screened using environmental criteria	Sustainability in the Supply Chain	126	
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401-1	New employee hires and employee turnover	Talent Attraction and Retention	110	
		Hiring rate (%) per country and management level over total number of employees at year end	218	✓
		Hiring rate (%) per age and management level over total number of employees at year end	219-220	✓
		Turnover rate (% of voluntary resignations) per country and management level over total number of employees at year end	221	✓
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Development, Growth and Well-being of our employees	108	✓
401-3	Parental leave	Parental leave: Together with families	221	✓

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Indicator No.	Contents	Section	Page	Indicator verifier
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403-1	Occupational health and safety management system	Management System, AES Audits (Internal, External and SMS ScoreCard)	27	✓
403-2	Hazard identification, risk assessment, and incident investigation	Safety and health of our Employees	26	✓
403-3	Occupational health services	Preventive Management	26	✓
403-4	Worker participation, consultation, and communication on occupational health and safety	Preventive Management	26	✓
		Preventive Safety Campaigns and COVID Management	105	✓
403-5	Worker training on occupational health and safety	Safety and Health of our employees	26	✓
		Occupational safety and health of our employees and contractors	103	✓
403-6	Promotion of worker health	Safety and health of our employees	26	✓
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational safety and health of our employees and contractors	103	
403-8	Workers covered by an occupational health and safety management system	Occupational safety and health of our employees and contractors	103	
403-9	Work-related injuries	Occupational safety and health of our employees and contractors	103	✓
403-10	Work-related ill health	Occupational safety and health of our employees and contractors	103	✓
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404-1	Average hours of training per year per employee	Training hours by position and gender	222	✓

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404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development	111	
		Labor Reconversion: Generating New Skills	115	
404-3	Percentage of employees receiving regular performance and career development reviews	Performance Management	116	✓
Diversity and equal opportunities				
405-1	Diversity of governance bodies and employees	Development, growth and well-being of our employees	108	✓
		Human Capital Formation	110	✓
		Senior executives	156	✓
		Number of persons by nationality	229-231	✓
405-2	Ratio of basic salary and remuneration of women to men	Pay gap per gender and position	113	✓
Human rights assessment				
412-1	Operations that have been subject to human rights reviews or impact assessments	AES Colombia Human Rights Management System	143	
		Due diligence	145	
Local communities				
413-1	Operations with local community engagement, impact assessments, and development programs	Our neighbors	73-83	✓
Supplier Social Assessment				
414-1	New suppliers that were screened using social criteria	Sustainability in the Supply Chain	126	

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Indicator No.	Contents	Section	Page	Indicator verifier
Electric Utilities Sector Disclosures				
EU1	Installed capacity, broken down by primary energy source and by regulatory regime	Our Main Assets and their Performance	49	
EU2	Net energy output, by primary energy source and by regulatory regime	Energy balance	208	
EU14	Programs and processes to ensure the availability of a skilled workforce	Training and Development	111	
EU19	Stakeholder participation in decision making processes related to energy planning and infrastructure development	Commitment to local development	34	
		Citizen Participation Processes 2022	67	
EU30	Average plant availability factor by energy source and by regulatory regime	Thermoelectric Plants AES Andes	203, 207	

6.11 General Rule 461, CMF of Chile

Indicator	Section	Description	Section or Response	Page No.
1. Table of Contents				
Table of Contents				3
2. Company Profile				
Our Mission, Vision, Purpose and Values	2.1	Indicate whether or not it adheres to the United Nations Guiding Principles on Business and Human Rights, or other equivalent standards, guidelines or regulations.	3.3 Human Rights Policy	143
Historical information	2.2	Provide a description of the history of the company from its inception to the present, with emphasis on the most recent fiscal year and the events relevant to the company that occurred during that fiscal year.	Nuestra Historia	13-14
Control Situation	2.3.1	In particular, it must be indicated whether or not the company has a controlling entity in accordance with the provisions of Title XV of Law No. 18,045.	6.6 ESG (Environmental, Social y de Governance) Indicators / Ownership Structure	233
		If so, disclose the percentage directly and indirectly controlled by the controlling entity or each of its members, with a breakdown of such percentages by class of shares, if applicable.	6.6 ESG (Environmental, Social y de Governance) Indicators / Ownership Structure	233
		Additionally, expressly indicate whether or not the members of the controlling entity have a joint action agreement and whether or not it has been formalized. If there is a formalized joint action agreement, inform whether or not it considers limitations to the free disposition of the shares. Identify the natural persons behind the legal entities mentioned in the previous paragraph, including	There is a single controlling shareholder, AES Corporation, with 99.44% ownership as of December 31, 2022.	-

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Indicator	Section	Description	Section or Response	Page No.
		for each of them: the taxpayer identification ("RUT") number, full name and percentage of ownership in the controlling entity, both direct and indirect.		
Significant changes in ownership and control	2.3.2	If there have been significant changes in the ownership of the entity in the last year, indicate what these changes were.	6.6 ESG (Environmental, Social y de Governance) Indicators / Ownership Structure	233
Identification of Partners or Majority Shareholders	2.3.3	Indicate the taxpayer identification (RUT) number, full name or company name, and percentage of ownership of all natural or legal persons, other than the controlling shareholders, that alone or with others with which it has a joint action agreement, may appoint at least one member of the board of directors or management of the company, or own 10% or more of the capital or of the voting capital in the case of a stock company.	There are no natural or legal persons owning more than 10% of the shares of AES Andes or who alone can elect a member of the Board of Directors.	-
		Natural persons owning less than 10% of the capital stock must be included in the list when, together with their spouse and/or relatives, they own more than such percentage, either directly or through legal entities. Relatives shall be understood as those up to the second degree of consanguinity or affinity. In the cases referred to in this section, if the entity has several classes or series of shares or interest that grant different rights to their owners, the information must be provided by class of share or interest held by each owner.	There are no natural or legal persons that together may own more than 10% of the shares of AES Andes	-
		In addition, a pie chart should show the percentage interest of the shareholders, grouped into: i) controlling shareholder; ii) majority shareholders; iii) ADRs or other certificates issued abroad; iv) pension funds; v) other funds; and vi) other shareholders. The information referred to in this section shall be presented as of the closing date of the fiscal year covered by the Annual Report.	6.6 ESG (Environmental, Social y de Governance) Indicators / Ownership Structure	235

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Indicator	Section	Description	Section or Response	Page No.
Shares, their characteristics and rights	2.3.4	Disclose the following information: **i. Description of the series of shares:** If there is a series of shares, describe the characteristics of each one of them and the terms of validity of the relevant preferences.	6.6 ESG (Environmental, Social y de Governance) Indicators / Ownership Structure (There is only one class of shares)	233
		ii. Dividend Policy: Explain the dividend and/or profit distribution policy, as appropriate, that the entity's management intends to follow for the next two years.	6.6 ESG (Environmental, Social and Governance) Indicators / Dividend Policy	241
		iii. Statistical Information **a. Dividends:** In relation to distributed dividends, if any, indicate the amount paid for interim and final dividends, and what part corresponds to the profit for the year and retained earnings from previous fiscal years. In addition, include a statistic of dividends paid per share in the last three years, breaking down the information by class of shares, if applicable.	6.6 ESG (Environmental, Social and Governance) Indicators / Dividend Policy	242
		b. Transactions in stock exchanges: Identify the stock exchanges on which the company's shares are listed and provide a summary table for each market, i.e., the jurisdictions in which the company's shares are listed, with information on price, market presence, volume and amounts traded for the last year and on a quarterly basis.	6.6 ESG (Environmental, Social and Governance) Indicators / Trading and Market Information	232-240
		c. Number of shareholders: Report the total number of shareholders of record at the end of the annual period. In the event that the shareholders include one or more of the depositaries and/or custodians referred to in Law No. 18,876, the total number of shareholders shall be determined by adding the number of shareholders entered in the company's register of shareholders and the number of shareholders entered in the list that the	AES Andes at a Glance	10

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Indicator	Section	Description	Section or Response	Page No.
		companies are required to draw up and maintain pursuant to Article 26 of the said Law.		
Other Securities	2.3.5	This section provides information on the characteristics and rights of the securities issued by the company, other than the shares referred to in section 2.3.4 above, in force at the end of the annual period to which the report relates.	6.6 ESG (Environmental, Social y de Governance) Indicators / Ownership Structure There are no other voting rights	233
3. Corporate Governance:				
Governance Framework	3.1	Disclose the structure and operation of the entity's corporate governance, referring to the adoption of best practices, where applicable, at least with respect to the following matters: i. How the company seeks to ensure and evaluate the proper functioning of its corporate governance.	3.5 Corporate Governance Structure	147
		ii. How the company integrates a sustainability approach into its business; in particular, how the company integrates environmental (especially climate change), social, and human rights issues into its various assessment processes and strategic definitions, and how the company identifies the entities or individuals responsible for these issues.	1.2 Sustainability Strategy and Management 1.7 Our Environmental Policy	24; 31
		iii. How the company identifies and manages conflicts of interest, conduct that may affect free and fair competition, and how it prevents corruption, money laundering and the financing of terrorism.	3.1 Ethical Framework 3.5 Corporate Governance Structure / Conflicts of interest	138; 142; 152
		iv. How the entity addresses and manages the interests of its key stakeholders, at a minimum by identifying them and noting the entity's activities that have a direct impact on those stakeholders.	1.12 Relationship with Stakeholders	42-47

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Indicator	Section	Description	Section or Response	Page No.
		v. How the company encourages and facilitates innovation,	1.5 Transformation and Innovation to Improve Lives	28-29
		and whether it allocates corporate resources to Research and Development.	1.5 Transformation and Innovation to Improve Lives	29
		vi. How the company identifies and reduces organizational, social, or cultural barriers that may inhibit the diversity of skills, conditions, experiences, and visions that would naturally occur in the organization without these barriers.	1.6 Moving Forward Together with our Employees 2.8 Development, Growth and Well-being of our Employees	30; 112
		vii. How the company identifies the diversity of skills, knowledge, conditions, experiences and visions that must be available to all those who perform functions at different levels of the company	1.6 Moving Forward Together with our Employees 2.8 Development, Growth and Well-being of our Employees	30; 110-113
		and what are the hiring policies to achieve and preserve that diversity.	2.8 Development, Growth and Well-being of our Employees	110
		An organizational chart of the company's structure shall be provided, clearly identifying the company's management and/or leadership units or bodies, as well as its internal control, risk management, sustainable development or equivalent departments, and its relationships with shareholders, investors, and the media, as well as any other entities relevant to the company's business.	3.5 Corporate Governance Structure / Organization Chart and Reporting Structure of the Chief Executive Officer	158
Board of Directors	3.2	Regarding the Board of Directors or equivalent administrative body, the following must be reported: i. The identification of each of its members indicating:	3.5 Corporate Governance Structure / Regular Directors as of December 31, 2022	150
		the date of their appointment or last re-election	3.5 Corporate Governance Structure / Regular Directors as of December 31, 2022	150
		as well as their termination of office, where appropriate	3.5 Corporate Governance Structure / Board of Directors	149
		and including their profession or trade	3.5 Corporate Governance Structure / Regular Directors as of December 31, 2022	150
		if they have been appointed as Chairman or Vice-chairman	3.5 Corporate Governance Structure / Regular Directors as of December 31, 2022	150

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Indicator	Section	Description	Section or Response	Page No.
		whether they are independent directors or not	3.5 Corporate Governance Structure / Regular Directors as of December 31, 2022	150
		and where appropriate, whether they are regular or alternate directors.	3.5 Corporate Governance Structure / Regular Directors as of December 31, 2022	150
		ii. The compensation of its members as a result of their service on the Board of Directors,	3.5 Corporate Governance Structure / Regular Directors as of December 31, 2022	150
		identifying its source and presenting a comparison with the previous fiscal year.	3.5 Corporate Governance Structure / Composition of the Board expressed in data	149
		For this purpose, it should be indicated whether the income is fixed (e.g. attendance fees) or variable, which may correspond to remuneration for their functions or employment in the same company other than the exercise of their office, or to representation expenses, per diems, royalties and, in general, any other remuneration.	3.5 Corporate Governance Structure / Remuneration of the Board of Directors	151
		iii. A description of the policy that would have been implemented for the engagement of experts to advise you on accounting, tax, financial, legal or other matters.	3.5 Corporate Governance Structure / Budget for Board Consultants	151
		In addition to the foregoing, report the total amount paid to consulting firms retained by the Board.	3.5 Corporate Governance Structure / Budget for Board Consultants	151
		With respect to services contracted with the auditing firm in charge of auditing the financial statements, as well as with other entities whose amount is considered relevant in relation to the annual budget of the Board of Directors, disclose the identity of the contractors, the amount paid and the nature of the services contracted.	In accordance with the provisions of Article 36 of the Articles of Incorporation, Article 52 of the Corporations Law and Article 91 of the Regulations, the Ordinary Shareholders' Meeting appoints the external auditors.	-
		If this is not the case, please state it expressly.	All of the above, if applicable, was previously answered	-

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Indicator	Section	Description	Section or Response	Page No.
		iv. A matrix of the knowledge, skills and experience of the directors.	3.5 Corporate Governance Structure / Knowledge Matrix	154
		v. A description of the procedures or mechanisms in place for the induction of new members, including the key issues that have been identified as requiring their knowledge and understanding.	3.5 Corporate Governance Structure / Collective knowledge of highest governance body	153
		vi. The frequency of meetings with the risk management, internal audit and corporate social responsibility departments, or persons responsible for equivalent functions,	3.5 Corporate Governance Structure / Review of economic, environmental, and social topics	154
		and with the external audit firm responsible for auditing the financial statements, including the main topics covered in such meetings and whether the chief executive officer or other senior management participates in such meetings.	3.5 Corporate Governance Structure / Operation of Board Meetings	153
		vii. A description of how and on what basis matters relating to environmental and social issues, in particular climate change, are reported, and whether these issues are considered when, among other things, strategic decisions, business or budget plans are discussed and made.	3.5 Corporate Governance Structure / Review of economic, environmental, and social topics	154
		viii. Whether, during the year, the Board or any of its members made site visits to the various units and facilities of the Company, if the Company has them, in order to understand aspects such as:	3.5 Corporate Governance Structure / Board of Directors	151
		the status and operation of such units and facilities,	3.5 Corporate Governance Structure / Board of Directors	151

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Indicator	Section	Description	Section or Response	Page No.
		the main functions and concerns of those who work in the same,	3.5 Corporate Governance Structure / Board of Directors	151
		recommendations and improvements that, in the opinion of those responsible for such units and facilities, would be relevant to improve their functioning.	3.5 Corporate Governance Structure / Board of Directors	151
		In addition, you should report whether the Chief Executive Officer or other senior management participates in such activities.	3.5 Corporate Governance Structure / Board of Directors	151
		ix. If the Board periodically evaluates its collective and/or individual performance, in addition to that of its committees, a description of the procedures that have been established to continuously improve its operations, the frequency with which such performance is evaluated and such procedures are reviewed and updated, and, in particular, a reference to:	3.5 Corporate Governance Structure / Assessment of the highest governance body's performance	154
		a. The identification of the areas in which its members can be trained, strengthened and continuously improved, indicating the subjects considered most relevant for the purposes of continuous updating of knowledge.	3.5 Corporate Governance Structure / Collective knowledge of highest governance body	153
		b. The identification and reduction of organizational, social or cultural barriers that may inhibit the natural diversity of skills, visions, characteristics and conditions that would be present in its composition if these barriers did not exist.	3.5 Corporate Governance Structure / Review of economic, environmental, and social topics	154
		c. Whether it considers the possibility of hiring an external expert to evaluate the performance and functioning of the Board, in addition to identifying and implementing any improvements or areas for strengthening.	It is not considered at this time, notwithstanding that this decision may be reviewed by the Board	-

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Indicator	Section	Description	Section or Response	Page No.
		x. Without prejudice to legal obligations, if it expressly provides for the determination of the minimum number of ordinary meetings	3.5 Corporate Governance Structure / Operation of Board Meetings	153
		the minimum average time spent in person and remotely	The average length of a regular Board meeting is 2 hours, and the length of a special Board meeting varies depending on the topic.	-
		and the advance notice with which the invitation must be sent, as well as the background information necessary for their proper conduct, recognizing the particular characteristics of the company as well as the diversity of experience, conditions and knowledge existing in the Board of Directors, according to the complexity of the matters to be dealt with.	3.5 Corporate Governance Structure / Operation of Board Meetings	153
		xi. If it expressly provides for the modification, if necessary, of its internal organization and functioning in emergency or crisis situations, having in place an operational continuity plan.	3.5 Corporate Governance Structure / Operation of Board Meetings (According to the provisions of Circular Letter 385)	153
		xii. If the company has an information system that allows each attendant to have secure, remote and permanent access to the following documents:	We have information systems that allow each director to securely and remotely access the documents he or she needs, as described below:	-
		a. The minutes and documents kept for each meeting of the Board of Directors, or the equivalent, indicating their duration according to the historical record of such minutes and documents.	A digital platform called Boardvantage is used	-
		b. The minutes or document summarizing all the matters to be dealt with at each meeting and the other background information that will be presented in such meeting or additional information necessary for their preparation, all of this without prejudice to the legal obligations regarding the deadline for sending the contents referred to in each of the notices.	A digital platform called Boardvantage is used	-

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Indicator	Section	Description	Section or Response	Page No.
		c. An established whistleblowing system or channel.	3.4 Complaint Mechanism / AES Helpline	145-146
		d. The final text of the minutes of each meeting, with an indication of the period after each meeting during which the minutes will be available for inspection.	3.5 Corporate Governance Structure / Operation of Board Meetings	153
		xiii. With respect to the composition of the board of directors, the following must be reported: a. The total number of directors, broken down by men and women, and distinguishing between regular and alternate directors.	CMF Questionnaire: Social Responsibility and Sustainable Development	224
		b. The number of directors by nationality,	CMF Questionnaire: Social Responsibility and Sustainable Development	226
		broken down by men and women, and distinguishing between regular and alternate directors.	CMF Questionnaire: Social Responsibility and Sustainable Development	224
		c. The number of directors by age group as defined in section 5.1.3,	CMF Questionnaire: Social Responsibility and Sustainable Development	229
		broken down by men and women, and distinguishing between regular and alternate directors.	CMF Questionnaire: Social Responsibility and Sustainable Development	229
		d. The number of directors in order of seniority in the organization according to the ranges referred to in section 5.1.4,	CMF Questionnaire: Social Responsibility and Sustainable Development	229
		broken down by men and women, and distinguishing between regular and alternate directors.	CMF Questionnaire: Social Responsibility and Sustainable Development	229
		e. The number of directors with disabilities,	There are no directors with disabilities	-
		broken down by men and women, and distinguishing between regular and alternate directors.	There are no directors with disabilities	-
		f. The average and median gender pay gap, as reported in section 5.4.2, where there is a differentiation in remuneration between	The Directors receive no compensation for the discharge of their duties.	151

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Indicator	Section	Description	Section or Response	Page No.
		members of the Board or where there are fees, allowances or other types of remuneration that do not apply to all members of the Board.		
Board Committee	3.3	For each committee established within the board of directors, the following must be reported: i. A brief description of the committee's role and primary functions.	3.5 Corporate Governance Structure / Members of the Committee of Directors	152
		ii. The identity of each of its members during the last two fiscal years,	3.5 Corporate Governance Structure / Members of the Committee of Directors	151-152
		indicating those who hold or have held the status of independent directors.	3.5 Corporate Governance Structure / Members of the Committee of Directors	152
		iii. The compensation of its members as a result of their service on the relevant committee, compared to the previous year.	3.5 Corporate Governance Structure / Members of the Committee of Directors	151
		iv. Identification of the major activities developed by the committee during the year.	6.7 Committee of Directors	263-267
		In the case of the committee referred to in art. 50 bis of Law no. 18,046, in addition to stating this fact, indicate whether the committee has complied with the obligations set forth in the aforementioned art. 50 bis.	6.7 Committee of Directors	263
		In the event that it has had to review the transactions referred to in Title XVI of Law no. 18,046, it shall mention them.	6.7 Committee of Directors	264
		In addition, the annual management report of the Committee shall be submitted, including its main recommendations to the shareholders, as provided for in the aforementioned article.	6.7 Committee of Directors	263-267
		v. The policies that have been in place for the engagement of consulting firms	3.5 Corporate Governance Structure / Budget for Board Consultants 6.7 Committee of Directors	151; 267

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Indicator	Section	Description	Section or Response	Page No.
		and the expenses incurred by the respective committee during the fiscal year for this purpose.		
		vi. In the case of the Committee of Directors under Article 50 bis of Law 18,046, or a committee that performs equivalent or risk management duties, the frequency of meetings between the committee with the risk management, internal audit and corporate social responsibility departments, or persons responsible for equivalent functions, and with the external audit firm responsible for auditing the financial statements, including the main topics covered in such meetings and whether the chief executive officer or other senior management participates in such meetings.	3.5 Corporate Governance Structure / Review of economic, environmental, and social topics	154
		vii. The frequency with which each committee reports to the Board of Directors.	At each meeting of the Board of Directors, a report is made on the decisions taken at the previous meetings of the Committee.	-
Senior Executives	3.4	With respect to executive officers, the following information must be provided: i. Position, name, tax identification ("RUT") number, occupation and the date each of them has held the position.	3.5 Corporate Governance Structure / Senior executives	154
		ii. The amount of compensation received by the executive officers on an aggregate basis and in comparison to the prior year.	"3.5 Corporate Governance Structure / Overview of Senior Management Compensation"	157
		iii. If a company has special compensation or benefit plans for its executive officers, the compensation should be broken down into its fixed and variable components, if those components are included in the benefits or compensation.	"3.5 Corporate Governance Structure / Overview of Senior Management Compensation"	157
		Also provide a description of such plans or benefits.	"3.5 Corporate Governance Structure / Overview of Senior Management Compensation"	157

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Indicator	Section	Description	Section or Response	Page No.
		In the case of a compensation plan that provides for payments based on options on the Company's stock, you must also disclose whether the options have been granted or not	"3.5 Corporate Governance Structure / Overview of Senior Management Compensation"	157
		and, if the options have been granted, the number of executive officers to whom they have been granted, the percentage of the total number of shares that have been granted to them, the percentage that remains to be granted to them and, if the options have been exercised, the total number of shares that have been granted.	The Senior Management in Chile is made up of six executive officers. The Senior Management is made up of six members in Chile and one member in Colombia	-
		If the company does not have any special compensation or benefit plans for its executive officers, it should disclose that fact.	Compensation plans are described on page 157	-
		iv. Disclose the percentage ownership of the issuer held by each of the company's principal officers and directors, directly and indirectly through entities controlled by them.	Senior executives and board members have no direct or indirect ownership interest in the company	-
		If this is not the case, please state it expressly.	Senior executives and board members have no direct or indirect ownership interest in the company	-
		In addition, state whether there have been any material changes in such ownership during the past year.	Senior executives and board members have no direct or indirect ownership interest in the company	-
Adherence to national or international codes	3.5	Explain whether the company adopts or adheres to codes of good corporate governance issued by national or foreign public or private bodies,	3.2 Policies that govern our actions / Model of Crime Prevention under Law No. 20,393 on Corporate Criminal Liability. Organizations that promote High Standards	133;141
		specifying which ones, and indicating which principles or practices of those codes are not adopted and the reasons for the company's decision.	3.2 Policies that govern our actions / Model of Crime Prevention under Law No. 20,393 on Corporate Criminal Liability. Organizations that promote High Standards	133;141

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Indicator	Section	Description	Section or Response	Page No.
		If applicable, provide the URL where the report prepared by the company disclosing its adoption of the code is available.	https://unglobalcompact.org/what-is-gc/participants/19548-AES-Chivor-Cia-S-C-A-E-S-P-	-
Risk Management	3.6	Describe how the company integrates a risk management and internal control framework into its operations, including in particular: **i.** the general guidelines established by the Board of Directors, or management body, on risk management policies, especially related to operational, financial, labor, environmental (particularly physical and transitional risks related to climate change), social and human rights risks	1.9 Risk Management / Risk Governance	36
		indicating whether it has used national or international principles, guidelines or recommendations as a guide and, if so, on which of these it was based.	1.9 Risk Management	36-37
		ii. The risks and opportunities that the company has identified that could materially affect its business performance and financial position, describing their impact on the development of its activities, its strategy and financial planning, and the resilience of its business model in the event that they materialize.	1.9 Risk Management / Sensitivity Analysis and Stress Tests	37
		In doing so, take into account the definitions, guidelines and recommendations on risk management, including climate change risks, issued by recognized international organizations in these fields, such as COSO (Committee of Sponsoring Organizations of the Treadway), COBIT (Control Objectives for Information and Related Technology), ISO (International Organization for Standardization) and TCFD (Task Force on Climate-related Financial Disclosure), among others. At least reference should be made, where relevant, to:	1.9 Risk Management	37
		a. Risks and opportunities inherent in the company's activities and those associated with events that may affect it through its	1.9 Risk Management	37

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Indicator	Section	Description	Section or Response	Page No.
		subsidiaries, associates, suppliers or the market in general, including environmental, social and human rights risks. In particular, with respect to climate change, the short-, medium-, and long-term physical and transition risks and opportunities. When discussing the impact of these risks and opportunities, you should mention the impact they would have on the funding of operating expenses, revenues, cost and use of capital, and access to financing. If scenarios were used to determine these impacts, a brief description of the scenarios should be provided. For example, if the transition to an economy with low greenhouse gas emissions were taken into account in order to avoid a rise of more than 2° Celsius above the average temperature of the planet before industrial development.		
		b. Information security risks, particularly with respect to the privacy of customer data.	1.9 Risk Management	38
		c. Risks related to free competition.	3.2 Policies that govern our actions / Free Competition Policy	143
		d. Risks relating to consumer health and safety.	Energy is delivered to the injection point and the customer takes it from the withdrawal point. As there is no direct interaction with the customer for the delivery of the product/service, this indicator does not apply. In the case of photovoltaic systems at customer sites, we have established technical corridors, implemented lifelines and a remote monitoring and maintenance system that allows us to detect and address failures in a timely manner, thereby minimizing risk.	-
		e. Other risks and opportunities arising from the direct or indirect environmental or social impacts of the company and its operations.	1.9 Risk Management 6.3 Strategic and Emerging Risks	37; 186-190

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Indicator	Section	Description	Section or Response	Page No.
		iii. How all such risks are identified and how those that are relatively more significant than others are determined, including whether	1.9 Risk Management	37
		such a process takes into account changes in existing regulations or the emergence of new regulations	6.3 Strategic and Emerging Risks	186
		and human rights due diligence procedures.	3.3 Human Rights Policy / Due diligence	144
		iv. Describe the role of the board or governing body and senior management in identifying, assessing, managing, and monitoring such risks, particularly environmental, social, and human rights risks, with a particular focus on climate change,	1.9 Risk Management / Risk Governance	36
		and how strategic responses are adopted to mitigate, transfer, accept, avoid, and prioritize such risks.	1.9 Risk Management / Risk Governance	36
		v. Whether it has a risk management unit specifically charged with identifying, quantifying, monitoring, and communicating risks.	1.9 Risk Management / Risk Governance	36
		vi. Whether it has an internal audit function, or equivalent, responsible for reviewing the effectiveness of and compliance with the policies, procedures, controls, and codes implemented to manage risks.	1.9 Risk Management / Risk Model	37
		vii. Whether it has a code of ethics or conduct or equivalent document that sets forth the principles and policies that must guide the actions of its employees and board of directors.	3.1 Ethical Framework	138
		viii. Whether it has ongoing programs to educate and train employees on the policies, procedures, controls and codes in place to manage risks.	3.1 Ethical Framework	138
		ix. Whether it has a channel available for its employees,	3.4 Complaint Mechanism	145-147

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Indicator	Section	Description	Section or Response	Page No.
		shareholders, customers, suppliers and/or third parties outside the company to report any irregularities or illegalities, including	Procedures for queries and claims:	70
		how this channel operates	3.4 Complaint Mechanism	145-147
		in particular whether it guarantees the anonymity of the whistleblower	3.4 Complaint Mechanism	145-147
		whether it allows the complainant to know the status of his or her complaint	3.4 Complaint Mechanism	145-147
		and whether it is brought to the attention of its employees, shareholders, customers, suppliers and third parties, both through training and through the company's website.	3.4 Complaint Mechanism	145-147
		x. Whether it has procedures for establishing a Succession Plan that includes identifying potential successors to the chief executive officer and other senior officers from among the entity's employees or other external parties.	2.8 Development, Growth and Well-being of our Employees / Performance Management	116
		Indicate whether the Succession Plan allows for the prompt replacement of the chief executive officer and other senior officers, and the transfer of their functions and relevant information, in the event of their unexpected absence, while minimizing the impact on the organization.	2.8 Development, Growth and Well-being of our Employees / Performance Management	116
		xi. Whether it has procedures for the board of directors to review the compensation structure and the compensation and severance policies of the chief executive officer and other executive officers,	An annual presentation is made to the Board of Directors, which reviews and approves the compensation structure and the compensation and severance policies for the Chief Executive Officer and other executive officers.	-
		including the frequency of such reviews	Annually	-
		and whether it considers seeking advice from an outside advisor for these purposes.	Advice from AES Corp.'s Global Compensation Team is considered.	-
		xii. Whether it has procedures for submitting the compensation structure and the compensation and severance policies of the	There are no procedures in place to submit the compensation structure and the compensation	-

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Indicator	Section	Description	Section or Response	Page No.
		chief executive officer and other executive officers to the approval of the shareholders, in addition to the approval of the board of directors or a committee thereof.	and severance policies of the chief executive officer and other executive officers to the approval of the shareholders.	
		On the other hand, it does consider the disclosure of these structures and policies to the general public.	These structures are disclosed in this Integrated Annual Report	-
		xiii. Whether it has implemented a crime prevention model, in accordance with the provisions of Law 20,393, aimed at preventing the perpetration of such crimes in the organization.	3.2 Policies that govern our actions	141
Relations with stakeholders and the public in general	3.7	Describe how stakeholder relations are managed, in particular reporting : Whether the company has a unit for relations with stakeholders and the media that allows them to clarify doubts about the company's main risks, financial, economic or legal situation and publicly known business activities, and the means by which this unit can be contacted.	1.12 Relationship with Stakeholders	42-47
		ii. Whether it has a continuous improvement process in place to identify and implement improvements in the processes for preparing and disseminating the company's disclosures to the market so that such disclosures are easy to understand and provided in a timely manner.	There is no continuous improvement process in place to identify and implement improvements in the processes for preparing and disseminating the company's disclosures to the market so that such disclosures are easy to understand and provided in a timely manner. However, a survey of major shareholders and market analysts was conducted in 2020 to gather feedback and improve disclosure.	-
		It must also indicate the frequency with which these procedures are carried out and whether the advice of experts outside the company is available for this purpose.	There is no fixed frequency for these procedures	-

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
		In turn, in the case of open corporations, inform: iii. Whether it has a procedure whereby shareholders can be informed, prior to the shareholders' meeting at which directors are to be elected, of the diversity of skills, conditions, experiences and visions that the board considers it advisable to have as members, so that it is better able to safeguard the social interest.	The information is made available to shareholders in accordance with the applicable Chilean law, through its publication on the website	-
		Also, prior to the corresponding vote, the experience, profession or business of those who are candidates for the Board of Directors.	This information is made available to shareholders in accordance with the applicable Chilean law, through its publication on the website	-
		iv. Whether it has a mechanism, system or procedure that allows shareholders to participate and exercise their voting rights remotely, at the same time as the other shareholders physically present at the meeting, and to inform the public in real time of the resolutions adopted at such meetings.	During the Covid-19 pandemic, Shareholders' Meetings were held in a hybrid format (remote and in-person). A protocol for participation and voting at the shareholders' meetings was prepared, distributed to our shareholders and published on our website. After the measures were relaxed, the Shareholders' Meetings resumed in person.	-
4. Strategy				
Time horizons	4.1	The short, medium and long term time horizons relevant to the company should be indicated, taking into account the useful life of its assets or infrastructure.	1.1 Our Purpose: Accelerate the Future of Energy, Together / GREENTEGRA 2018-2025	21
Strategic Goals	4.2	Mention the strategic goals of the company and describe in general terms the planning that has been put in place to achieve these goals.	1.1 Our Purpose: Accelerate the Future of Energy, Together / GREENTEGRA 2018-2025 4.1 Our goals for 2025	20; 22-23; 169-174

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
		Explicitly mention the company's strategy with respect to environmental (especially climate change), social and human rights issues, and how these issues are part of, inform or promote its corporate governance.	4.1 Our goals for 2025	169-174
		Similarly, mention the strategic commitments made in the context of meeting the United Nations Sustainable Development Goals (SDGs) or other equivalent goals.	1.7 Our Environmental Policy	33
		In line with these commitments, indicate whether the organization has a policy to generate a positive impact on various objectives of social interest, such as respect for human rights, poverty eradication, education for third parties outside the organization, health and nutrition, donations, volunteering, or student scholarships, among others.	1.7 Our Environmental Policy 2.5 Community Relations 3.3 Human Resources Policy	33; 71; 143
Investment plans	4.3	If the company has approved the implementation of an investment plan, whether short or long term, report the relevant investments associated with that plan, provided that they are not strategic in nature and could place the issuer at a disadvantage with respect to its competitors.	1.1 Our purpose: to accelerate the future of energy, together / Our commitment 2.3 Financial Management / Our Investment Grade	23; 57
		At a minimum, the following information should be provided: the time horizon of the investment plan,	1.1 Our purpose: to accelerate the future of energy, together / Our commitment 2.3 Financial Management / Our Investment Grade	23; 57
		a description of the investment plan and the estimated total amount to be invested	1.1 Our purpose: to accelerate the future of energy, together / Our commitment 2.3 Financial Management / Our Investment Grade	23; 57
		and, in the case of investment plans that have been partially implemented, their progress, the amount invested to date and the sources of financing used.	2.3 Financial Management / Our Investment Grade 4.2 Increasing renewable energy capacity	57; 172

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
5. People				
		The information on the company's personnel referred to in this section shall include all persons who, at the balance sheet date, provide services to the company under an employment contract, including persons who provide services to the company and are formally employed by companies of the same group. Information should be reported according to the functional categories defined below. The entity is responsible for organizing the information using the following functional categories in a manner that is relevant and consistent with the purpose of the report.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231
		i. Senior Managers: This category corresponds to the chief executives of the entity, persons in charge of a management or equivalent unit composed of other units or departments (i.e., management is in charge of divisions, departments, or equivalent).	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231
		ii. Managers: This category of functions includes those persons in charge of a management, deputy management or equivalent unit that reports to the senior management and is composed of other units or departments (i.e., management is in charge of divisions, departments, or equivalent). This category includes those managers who are considered second or third line in the hierarchical structure.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231
		iii. Heads: This category of functions contemplates those who are in charge of a division or equivalent, made up of people, which is part of a management. For example, heads of units, or heads of areas. In case it is in charge of other units or departments, they must be included in the Management category.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231
		iv. Operatives: This category of functions includes all persons who perform manual work or work that requires	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
		physical effort to perform.		
		v. Sales workers: This category of functions includes all persons engaged in serving the public or selling products and services to the public.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231
		vi. Administrative support workers: This category of functions relates to personnel who perform duties in support of the work of the units or departments to which they belong that are not included in the above categories, including, but not limited to, secretarial or administrative support personnel.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231
		vii. Service workers: This category of functions includes all persons who, without professional or technical training, provide services ancillary to the company's business, including, but not limited to, cleaning, maintenance or mailroom personnel.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231
		viii. Other professionals: This category of functions includes all persons who are part of a unit, division or equivalent of the company, and whose job skills are supported by specialized knowledge and an academic degree from an institution of higher education, and who are not included in the previous categories. For example, research analysts, accountants, auditors, product engineers, project engineers, lawyers, economists, architects or physicians.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231
		ix. Other technicians: This category of functions includes all persons who are part of a unit, division or equivalent of the company, and whose skills are supported by specialized knowledge and a higher-level technical degree, and who are not included in the previous categories. For example, agricultural	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	224-231

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Indicator	Section	Description	Section or Response	Page No.
		technicians, nursing technicians, top-level general accountant and maintenance technicians for machinery or vehicles.		
Number de people by gender	5.1.1	For each type of position or category of function, report the total number of men and women.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	212-213
Number of persons by nationality	5.1.2	Report the number of individuals by nationality	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	229-231
		disaggregated by gender	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	212-213
		for each type of position or function category	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	212-213
Number of persons by age range	5.1.3	Report the number of persons by age range	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215
		disaggregated by gender	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215
		for each type of position or function category	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215
		less than 30 years	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215
		from 30 to 40	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215
		from 41 to 50	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215
		from 41 to 50	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215
		from 51 to 60	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215
		from 61 to 70	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215
		more than 70 years	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	214-215

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Indicator	Section	Description	Section or Response	Page No.
Seniority	5.1.4	Report the number of persons by seniority in the company	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	216-217
		disaggregated by gender	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	216-217
		for each type of position or function category	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	216-217
		less than 3 years	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	216-217
		from 3 to 6	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	216-217
		more than 6 and less than 9	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	216-217
		from 9 to 12	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	216-217
		more than 12 years working for the company.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	216-217
Number of persons with disabilities	5.1.5	Report the number of persons with disabilities. For these purposes, a person with a disability is a person who has one or more physical, mental, psychological, intellectual or sensory impairments, whether temporary or permanent, which, in interaction with various barriers in the environment, prevent or limit their full and effective participation in society on an equal basis with others.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	222
		for each type of position or function category	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	222
		broken down by men and women.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	222

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Indicator	Section	Description	Section or Response	Page No.
Labor formality	5.2	Indicate the persons with indefinite-term contracts	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	221
		fixed-term contract	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	221
		for work or work site	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	221
		In addition, persons providing services on a fee basis	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	221
		The above, expressed both in number of persons	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	221
		and as a percentage of the total number of employees of the entity that these persons represent according to the type of contract.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	221
		All of the above, disaggregated by gender.	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	221
			6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	221
Labor Adaptability	5.3	Report separately by gender	6.6 ESG (Environmental, Social and Governance) Indicators / Labor Performance Tables	221
		the number of employees with regular working hours	All employees of AES Andes have a regular work schedule	-
		with part-time working hours	There are no employees on a part-time work schedule.	-
		and on a flexible working arrangement for employees with family responsibilities	In order to reconcile personal and family life, AES Andes has had a telecommuting policy since 2017. This allows anyone who needs to keep a normal work schedule to work from home 2-3 times a week, or even 100% of the time in special cases.	-
		and the percentage of the total number of employees in the company that these employees represent for each of these modalities.	In order to reconcile personal and family life, AES Andes has had a telecommuting policy since 2017. This allows anyone who needs to keep a normal work schedule to work from home 2-3 times a week, or even 100% of the time in special cases.	-

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
		In addition, where applicable, report the percentage of the total workforce of the company, disaggregated by gender, of persons benefiting from teleworking or flexitime arrangements.	In order to reconcile personal and family life, AES Andes has had a telecommuting policy since 2017. This allows anyone who needs to keep a normal work schedule to work from home 2-3 times a week, or even 100% of the time in special cases.	-
Equity Policy	5.4.1	The entity shall disclose the existence of policies aimed at ensuring equitable remuneration among the company's employees in accordance with their roles and responsibilities,	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	113
		and explicitly state whether any plans and/or targets have been defined to reduce any inequalities that may exist in this area.	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	113
		Indicate the targets set by the company.	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	113
Pay gap	5.4.2	Report the annual pay gap by gender and for each job category of those defined at the beginning of Section 5, measured as the percentage of women's gross pay relative to men's gross pay, taking into account:	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	114
		* Gross pay includes all fixed and variable benefits that make up an employee's gross pay, such as base pay, social security, transportation and meal allowances, bonuses, overtime, commissions, and others. For this purpose, each component of the salary that is assigned with a different periodicity must be accrued on a monthly basis.	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	114
		* "N/A" should be reported in cases where a job category includes only persons of the same sex.	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	114

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Indicator	Section	Description	Section or Response	Page No.
		* 100% should only be reported if the average or median pay is the same for men and women.	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	114
		* In no case should a gap of 0% be reported, including negative values.	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	114
		* The gross hourly wage, that is, the gross monthly wage divided by the number of monthly hours of work for each person, must be calculated.	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	114
		* Where i corresponds to each employee of the company and the total monthly working hours correspond to the hours stipulated according to the employment relationship with the person. The company shall report the calculation of the pay gap based on the mean and the median for each function category as follows.	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	114
		For the calculation of the average: Divide the average gross hourly wage for women by the average gross hourly wage for men in the same job category. For these purposes, the following calculations will be made: Average gross hourly wage for women: Where F refers to female workers and the number of female workers refers to those considered in the sum of gross hourly wages. Average gross hourly wage for men: Where M refers to male workers and the number of male workers refers to those considered in the sum of gross hourly wages. Average pay gap: It corresponds to the ratio, expressed as a percentage, between the average gross hourly wage for women and the average gross hourly wage for men.	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	114
		For the calculation of the median: Divide the central value of the sorted gross hourly wage data for women by the central value of the sorted gross hourly wage data for men in the same job	2.8 Development, Growth and Well-being of our employees / Pay gap per gender and position	114

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Indicator	Section	Description	Section or Response	Page No.
		category. For these purposes, the gross hourly wage values are sorted from lowest to highest. In case these correspond to an odd number of data, the median will be the value of the gross salary at the center of the records. If the amount of data is an even number, the median will be the mean between the two gross hourly wages at the center of the records. For these purposes, the following calculations will be made: Median gross hourly wage (formula) found in the central position of the sorted female gross wage data. Median gross hourly wage (formula) = value of the gross hourly wage that is in the middle position of the sorted male gross hourly wage data. Median of the pay gap (formula).		
Workplace and Sexual Harassment	5.5	Report on whether the company has policies to prevent and manage workplace and sexual harassment,	3.2 Policies that govern our actions / Discrimination and Harassment Prevention Policy	142
		including whether it has training programs on these issues	3.2 Policies that govern our actions / Discrimination and Harassment Prevention Policy	142
		and any reporting channels in place	3.2 Policies that govern our actions / Discrimination and Harassment Prevention Policy	142
		In addition, disclose the percentage of the total number of employees who received training on these topics during the year,	3.2 Policies that govern our actions / Discrimination and Harassment Prevention Policy	142
		the number of sexual harassment complaints received during the year pursuant to Law No. 20,005 or any equivalent laws in effect in the foreign jurisdictions in which the company operates,	3.2 Policies that govern our actions / Discrimination and Harassment Prevention Policy	142
		and the number of workplace harassment complaints received during the year pursuant to Law No. 20,607 or any equivalent laws in effect in the foreign jurisdictions in which the company operates	3.2 Policies that govern our actions / Discrimination and Harassment Prevention Policy	142

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Indicator	Section	Description	Section or Response	Page No.
		in both cases distinguishing between those filed with the same entity and those filed with the Labor Directorate or equivalent body.	3.2 Policies that govern our actions / Discrimination and Harassment Prevention Policy	142
Occupational safety	5.6	Refer to the company's occupational safety policy. Consider the following formulas: Where the number of employees is equal to the monthly average of hired employees. In the case of the fatality rate, exclude from the calculation any death caused by road traffic accidents and any death suffered by leaders of trade union organizations as a result of or in the course of performing their trade union duties	1.4 Safety and Health of our People	26-27
		informing targets	1.4 Safety and Health of our People	26
		and accident rate indicators per hundred workers	Additional columns will be included in indicator tables with the following additional information	104
		fatality rate per hundred thousand workers		
		occupational disease rate per hundred workers		
		and the average number of days lost per accident during the year		
Parental leave	5.7	Disclose whether the company has a policy that establishes a period of leave after the birth of a child	2.8 Development, Growth and Well-being of our Employees / Parental leave	115
		or once custody or personal care has been judicially granted as a protective measure	2.8 Development, Growth and Well-being of our Employees / Parental leave	115
		or when personal care of a minor is granted in an adoption application procedure, longer than that legally in force,	2.8 Development, Growth and Well-being of our Employees / Parental leave	115
		indicating the time defined in number of days,	2.8 Development, Growth and Well-being of our Employees / Parental leave	115
		and whether this policy has among its objectives the promotion of parental co-responsibility, indicating how the use of parental leave by men is encouraged.	2.8 Development, Growth and Well-being of our Employees / Parental leave	115

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Indicator	Section	Description	Section or Response	Page No.
		For example, disclose whether the company provides more days of postnatal parental leave than the minimum days required by law and, if so, the number of additional days. In addition, for each country in which the company operates, indicate the percentage of persons, disaggregated by gender, who have taken parental leave out of the total number of persons eligible to take such leave. In addition, disclose the average number of days taken during the year by function category. In particular, with respect to parental leave taken by fathers, a distinction should be made between parental leave of 5 days and parental leave of 6 weeks (or less).	2.8 Development, Growth and Well-being of our Employees / Parental leave	115
Training and Benefits	5.8	The company shall report on the existence of training policies and benefits for its employees, including:	4.3 Committed to our Employees	173
		i. The total amount of monetary resources and the percentage of the total annual income from ordinary activities of the company (or its equivalent) that has been allocated to the training and development of the people working in the company.	2.8 Development, Growth and Well-being of our Employees / Training and development	111
		ii. The total number of employees trained	2.8 Development, Growth and Well-being of our Employees / Training and development	111
		and the percentage of the total number of employees that this number represents.	2.8 Development, Growth and Well-being of our Employees / Training and development	111
		iii. The average annual number of training hours spent by staff on training activities at the expense of the company, disaggregated by gender and function category.	2.8 Development, Growth and Well-being of our Employees / Training and development	112
		iv. Identification, in general terms, of the subjects covered by such training.	2.8 Development, Growth and Well-being of our Employees / Training and development	111

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Indicator	Section	Description	Section or Response	Page No.
		With respect to benefits provided by the entity to its employees, the nature of the benefits considered shall be specifically stated, including quantifiable monetary benefits that correspond to allowances that are not part of the individual's gross salary, such as health or life insurance paid by the employer. Where reference is made to any of these benefits, explicit reference should be made to whether they depend on the nature of the employment relationship, i.e. whether the person is employed for an indefinite period, for a fixed term, on a work or task basis or on a fee basis.	2.8 Development, Growth and Well-being of our Employees / Training and development	114
Subcontracting Policy	5.9	Disclose whether there is a policy that establishes guidelines for the selection of subcontractors whose personnel will perform functions in the company, the labor standards required of these companies, and the procedures used to verify that these companies permanently comply with these standards.	2.11 Sustainability in the Supply Chain 3.1 Ethical Framework	126; 138
6. Business Model				
Industrial Sector	6.1	Describe the industrial or economic sector(s) in which the entity's activities are carried out. The description for each industrial sector should consider at least the following information:	Company Profile 1.3 Business Model	5; 25
		i. The nature of the company's products and/or services that are marketed in the industry.	Company Profile	5
		ii. The competition faced by the company in the industry sector.	Company Profile	6
		iii. If there is any legal or regulatory framework that regulates or affects the industry in which it participates, indicate what those rules are and how they affect its activities.	6.4 Regulatory Frameworks	193-202
		iv. The national or foreign regulatory entities that have supervisory powers over the company.	6.4 Regulatory Frameworks	193-202

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Indicator	Section	Description	Section or Response	Page No.
		v. The major stakeholders identified and the reasons why these groups have this status.	1.12 Relationship with Stakeholders	42
		vi. The company's affiliation with unions, associations, or organizations.	2.12 Acknowledgments and memberships	135
International	6.2	Describe the business of the company, including its subsidiaries and relevant affiliates. This description should take into account the different business segments of the company. For this purpose, business segment is defined in accordance with IFRS. The description of activities and operations shall include, for each business segment, at least the following, as appropriate.	Company Profile	5
		i. The principal products and/or services produced and the principal markets in which those products are sold.	Company Profile	5
		ii. The sales channels and distribution methods used to market the goods and services.	2.10 Customer Relations: Excellence and Quality	123-125
		iii. The number of suppliers that individually represent at least 10% of the total purchases made during the period for the supply of goods and services of the segment. If no supplier reaches this level of concentration, this fact shall be disclosed	Three suppliers individually account for more than 10% of invoiced purchases (excluding fuel suppliers).	-
		iv. The number of customers that individually account for 10% or more of the segment's revenues. If no customer reaches this level of concentration, this fact shall be disclosed	During 2022, there were eight customers that individually accounted for at least 10% of the segment's revenue.	-
		v. The principal brands used in the marketing of goods and services.	The brands are those described in Organizational structure.	6
		vi. If material, the patents owned by the company and the production processes in which such patents are used.	2.1 Our Main Assets and their Performance / Main Licenses and Concessions	51

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
		vii. The principal licenses, franchises, royalties, and/or concessions held by the company. Provide a summary of the key features of such agreements in terms of rights, obligations and terms.	2.1 Our Main Assets and their Performance / Main Licenses and Concessions	51
		viii. Other factors in the external environment that are relevant to the development of the company's business, including legal, commercial, social, environmental and political aspects.	3.6 Main Macroeconomic Aspects and Regulatory Changes of Energy Relevance in the Region	160-166
Stakeholders	6.3	Describe the stakeholders that are relevant to the company	1.12 Relationship with Stakeholders	42-47
		and the reasons why these stakeholders are relevant to the company.	1.12 Relationship with Stakeholders	42-47
		In addition, if the entity belongs to, is affiliated with, or participates in any unions, associations, or organizations.	2.12 Acknowledgments and memberships	135
Properties and facilities	6.4	Provide clear and precise information on the main properties owned by the company for the exercise of its activities. In this regard, property is understood to mean the facilities used by the company for the production, distribution and/or marketing of the goods produced, as well as those used for the provision of the services offered by the company and, in general, any property used by the company to carry out its business. In light of the foregoing, the following information should be considered:	2.1 Our Main Assets and their Performance	49-50
		i. The most important characteristics of the main properties used by the company to carry out its business should be disclosed, indicating their location. It is recommended that the information be provided on a segmented basis by business line.	2.1 Our Main Assets and their Performance	49-50

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Indicator	Section	Description	Section or Response	Page No.
		ii. In the case of natural resource extraction companies, identify the concession areas and/or land owned, indicating their surface and location, the volume of the main resources available to the company for future fiscal years, indicating the status of such resources for exploitation and, in the latter case, identifying the source of this information.	AES Andes is not an extractive company.	-
		The same information must be submitted for those lands, resources and others not yet exploited.	AES Andes is not an extractive company.	-
		In particular, the companies of exploration or exploitation of mining resources and reserves must submit information regarding the results of their activities of exploration of mining deposits, estimation of resources, as well as the reserves associated with the mining exploitation, as appropriate, identifying the competent person in mining resources and reserves who has signed or issued the technical report, as indicated in Article 18 of Law No. 20,235.	AES Andes is not a mining company.	-
		Finally, in the case of companies extracting renewable resources, the policies followed for the renewal of resources must be indicated.	AES Andes is not an extractive company.	-
		iii. In all of the above cases, determine whether the company owns the facilities or whether they are used under some other type of contract, such as a finance or operating lease.	2.1 Our Main Assets and their Performance	49-50
6.5 Subsidiaries, associates and investments in other companies				
Subsidiaries and associates	6.5.1	With respect to subsidiaries and associates (direct and indirect), in accordance with the definition of IFRS, provide detailed information on each of them, in accordance with the following:	6.8 Background Information about Subsidiaries and Affiliates	268-282

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Indicator	Section	Description	Section or Response	Page No.
		i. Individualization, domicile and legal nature.	6.8 Background Information about Subsidiaries and Affiliates	268-282
		ii. Subscribed and Issued Capital:	6.8 Background Information about Subsidiaries and Affiliates	268-282
		iii. Corporate purpose and clear indication of the activity or activities carried out.	6.8 Background Information about Subsidiaries and Affiliates	268-282
		iv. Names and surnames of the directors, administrators, if any, and chief executive officer.	6.8 Background Information about Subsidiaries and Affiliates	268-282
		v. Current percentage ownership of the parent or investing entity in the capital of the subsidiary or associate and changes during the last fiscal year.	6.8 Background Information about Subsidiaries and Affiliates	268-282
		vi. The percentage that the investment in each subsidiary or associate represents of the total individual assets of the parent company. In the case of subsidiaries, state the amount of the investment taking into account the parent company's share in the net assets reported in the financial statements used for consolidation, and in the case of associates, the value determined according to the equity method.	6.8 Background Information about Subsidiaries and Affiliates	268-282
		vii. Indicate the name and surname of the directors, chief executive officer or senior management of the parent or investing entity who hold such positions in the subsidiary or associate.	6.8 Background Information about Subsidiaries and Affiliates	268-282
		viii. A clear and detailed description of the business relationships with the subsidiaries or associates during the fiscal year and of the expected future relationships with them.	6.8 Background Information about Subsidiaries and Affiliates	268-282
		ix. A brief description of the transactions and agreements entered into with the subsidiaries or associates that have a significant influence on the operations and results of the parent or investing entity.	6.8 Background Information about Subsidiaries and Affiliates	268-282
		x. A schematic table showing the direct and indirect ownership relationships between the parent company and the subsidiaries or associates, and between them.	6.2 Group of Companies	182

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Indicator	Section	Description	Section or Response	Page No.
Investment in other companies	6.5.2	For those companies in which investments representing more than 20% of the total assets of the company are held, and which are not subsidiaries or associates, a detail containing the following information must be submitted:	There are no companies in which investments representing more than 20% of the total assets of AES Andes are held, and which are not subsidiaries or associates	-
		i. Identification of them and their legal nature.	There are no companies in which investments representing more than 20% of the total assets of AES Andes are held, and which are not subsidiaries or associates	-
		ii. Percentage of ownership.	There are no companies in which investments representing more than 20% of the total assets of AES Andes are held, and which are not subsidiaries or associates	-
		iii. Description of the main activities carried out.	There are no companies in which investments representing more than 20% of the total assets of AES Andes are held, and which are not subsidiaries or associates	-
		iv. Percentage of the company's individual total assets represented by these investments.	There are no companies in which investments representing more than 20% of the total assets of AES Andes are held, and which are not subsidiaries or associates	-
7. Supplier Management				
Payment to Suppliers	7.1	Describe the supplier payment policy,	2.11 Sustainability in the Supply Chain	127
		including whether the policy distinguishes between critical and non-critical suppliers,	2.11 Sustainability in the Supply Chain	127
		whether the company has a policy that encourages timely payment,	2.11 Sustainability in the Supply Chain	127
		and whether the company has established a target number of calendar days as the maximum payment period for its domestic and/or foreign suppliers.	2.11 Sustainability in the Supply Chain	127

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
Investment in other companies	7.1	Also, in ranges of up to 30 days, between 31 and 60 days, and more than 60 calendar days from the date the invoice was received, at least distinguishing between domestic and foreign suppliers, if applicable:	This information is detailed below:	-
		i. Number of invoices paid: the number of invoices paid during the year to suppliers for each of the ranges already indicated.	Up to 30: International 1.137 / National: 74.589 31-60: International 40 / National: 879 More than 61 International 16 / National: 589	-
		ii. Total amount (in millions of pesos): the sum of the value of the invoices paid during the year for each of the above ranges.	Up to 30: International US$ 1,132 million / National: US$ 1,548 million 31-60: International US$ 9.9 million / National: US$ 39.9 million More than 61: International US$ 124.5 million / National: US$ 46.9 million	-
		iii. Total amount of interest for late payment of invoices (millions of pesos): the sum of the value of interest paid or to be paid for late payment or simple delay for invoices issued during the reporting period.	US$ 2,300	-
		iv. Number of suppliers: the number of suppliers to which the invoices paid during the year correspond in each of the aforementioned areas.	Up to 30: International 178 / National: 3.443 31-60 International 17 / National: 269 More than 61 International 8 / National: 177	-
		v. Number of contracts registered in the register of contracts with exceptional payment terms, if any, kept by the Ministry of Economy.	We have no contracts registered in the register of contracts with exceptional payment terms	-
Supplier Assessment	7.2	Indicate whether the company has a policy for evaluating suppliers	2.11 Sustainability in the Supply Chain / Supplier Rating	129
		and, in particular, whether the company has procedures in place to identify and evaluate for its own purposes the quality of its suppliers' corporate governance, risk management systems, and other sustainability aspects and their practices in these areas.	2.11 Sustainability in the Supply Chain / Supplier Rating	129
		Indicate the types of criteria used for these purposes.	2.11 Sustainability in the Supply Chain / Supplier Rating	129

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
		IIn addition, disclose the number of suppliers evaluated during the year against the company's own sustainability criteria, the percentage of the total number of suppliers evaluated that they represent, and the percentage of the year's total purchases that correspond to suppliers evaluated against sustainability criteria, distinguishing at least between domestic and foreign suppliers. The above shall refer to all suppliers evaluated during the year, whether they were analyzed in order to decide on the initiation of a contractual or commercial relationship, whether such relationship is established or not, or as a result of the review processes of those with which it already has such a relationship.	2.11 Sustainability in the Supply Chain / Supplier Rating	129
Environmental				
Environmental Regulatory Compliance	8.1.3	Describe the compliance models or compliance programs that include information on the definition of its environmental obligations,	Our Environmental Policy, Environmental Regulatory Compliance	31 - 33; 101; 258 - 262
		the established compliance modality	Our Environmental Policy, Environmental Key Performance Indicators	31 - 33; 85 - 101
		the implementation period of the compliance behavior	Performance Indicators	83
		the responsible unit	Performance Indicators	83
		the environmental risk matrix	The company is developing a methodology to identify and monitor relevant environmental risks. Notwithstanding this, key deviations have historically been identified and managed in the various operating businesses.	-
		and all relevant background information related to the understanding of such obligation and its compliance.	Sustainability Strategy and Management	24
		If the company does not have such models or programs, it shall clearly state this fact and provide the reasons.	Models or programs have been described before	-
		In addition, report the number of enforceable sanctions from the Public Registry of Sanctions of the Environmental Superintendency or the equivalent body in foreign jurisdictions	Ongoing environmental administrative and court proceedings	261 - 262

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
		total number of fines	Ongoing environmental administrative and court proceedings	261 - 262
		and the number of compliance programs approved; compliance programs satisfactorily implemented; environmental remediation plans submitted; and environmental remediation plans satisfactorily implemented.	Sanction Processes at the Environmental Superintendency	259
8. Indicators				
Customer Relationship	8.1.1	Indicate whether the company has procedures in place to prevent and detect non-compliance with regulations related to the rights of its clients, particularly with respect to Law 19,496 on the Protection of Consumer Rights, or equivalent legislation if the company operates in foreign jurisdictions.	2.10 Customer Relations: Excellence and Quality	123
		In addition, report the number of sanctions imposed in this area and the amount in pesos of such sanctions.	2.10 Customer Relations: Excellence and Quality	123
Regarding its employees	8.1.2	Indicate whether the company has procedures in place to prevent and detect non-compliance with regulations related to the rights of its employees.	3.2 Policies that govern our actions / Discrimination and Harassment Prevention Policy 3.3 Human Rights Policy	142; 143
		In addition, report the number of sanctions imposed in this area and the amount in pesos of such sanctions. In particular, it should indicate whether it has been the subject of labor protection proceedings.	3.2 Policies that govern our actions / Discrimination and Harassment Prevention Policy	142
Free Competition	8.1.4	Indicate whether the company has procedures in place to prevent and detect non-compliance with regulations related to the rights of its employees.	3.2 Policies that govern our actions / Free Competition Policy	143

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
		In addition, report the number of sanctions imposed in this area and the amount in pesos of such sanctions.	We have no sanctions in this regard in 2022	-
Others	8.1.5	State whether the company has procedures in place to prevent and detect violations of Law No. 20,393, which establishes the criminal liability of legal entities.	3.2 Policies that govern our actions / Model of Crime Prevention under Law No. 20,393 on Corporate Criminal Liability.	141
		In addition, report the number of sanctions imposed in this area and the amount in pesos of such sanctions.	3.2 Policies that govern our actions / Model of Crime Prevention under Law No. 20,393 on Corporate Criminal Liability.	142
Sustainability Indicators by Industry	8.2	Report sustainability performance indicators that are material to the company according to its industry, as defined in section 6.1 above. For this purpose, the most relevant Sustainable Industry Classification System (SICS), as determined by the board of directors or senior management, and the Sustainability Accounting Standards Board's (SASB) definition of sustainability metrics shall be used. This is regardless of whether similar or equivalent measures have been reported in accordance with other provisions in the preceding paragraphs. If this is the case, the entity shall explicitly disclose the reasons why it is unable to estimate any of the metrics it would be required to disclose under its industry sector.	SASB Indicators Tables	342 -346
9. Relevant or Essential Facts				
Relevant or Essential Facts	9	Include a summary of the essential or relevant facts disclosed by the company during the fiscal year, indicating the effect that they have had or may have on the company's performance, its securities or the offering of such securities.	6.9 Essential Facts and Communications	283

Continued from previous page

Indicator	Section	Description	Section or Response	Page No.
		Similarly, include information about any material or relevant facts that, although occurring before the period covered by the annual report, have had a significant influence or effect on the development of the company's business, financial statements, securities or the offering thereof during the fiscal year, or may have such an effect in future fiscal years.	6.9 Essential Facts and Communications	283
10. Comments of shareholders and the committee of directors				
Comments of shareholders and the committee of directors	10	Include an accurate summary of the comments and proposals, if any, made by the shareholders and the Board of Directors on the company's business performance, in accordance with the provisions of article 74, paragraph 3, of Law 18,046.	3.5 Corporate Governance Structure	148
		If there are none, this fact must be expressly stated.	3.5 Corporate Governance Structure	148
11. Financial reports				
Financial reports	11	It should be noted that the Company's financial statements are available on the website of the Commission for the Financial Market and on the Company's own website, if it has one, indicating the URLs of both sites. In addition, the Company may include its summarized financial statements together with those of the companies referred to in paragraph A.4.2 of point 2.1 of Section II of NCG 30, if it deems it appropriate to do so.	2.3 Financial Management / Profit (loss) for the year	56

6.12 Table of SASB Indicators

[NCG 461 8.2]

→ Table 1. Outreach topics on sustainability and accounting parameters

Topic	Accounting Parameter	Category	Measurement Unit	Code	Page	Section or Response
Greenhouse gas emissions and energy resource planning.	1) Scope 1 gross global emissions, percentage covered by (2) emission limitation regulations and (3) emission reporting regulations.	Quantitative	Metric tons (t) of CO_2-e, percentage (%)	IF-EU-110a.1	(1) 89 (3) 195	(1) Air Emissions, Greenhouse Gases (GHGs) (2) There is no emissions regulation in Chile or Argentina, and in Colombia we only have renewable power plants. In Chile there is a tax on air emissions according to Law 20780, as amended by Law 21210 (see section 6.4.1 Energy regulatory framework in Chile of this Annual Report), which applies to 99% of our smokestack emissions, excluding Laja Plant, which is exempt from this tax because it uses biomass as fuel. (3) Regulatory Framework, Renewable Energy and Emission Standards
	Greenhouse gas (GHG) emissions associated with energy supplies.	Quantitative	Metric tons (t) of CO_2-e,	IF-EU-110a.2	89	Air Emissions, Greenhouse Gases (GHGs)
	Analysis of the long- and short-term strategy or plan for managing Scope 1 emissions, emission reduction targets, and analysis of performance against these targets.	Discussion and Analysis	N/A	IF-EU-110a.3	169 170 171 172	Our goals for 2025 Increasing Renewable Energy Capacity

Cont. from previous page

Topic	Accounting Parameter	Category	Measurement Unit	Code	Page	Section or Response
	1) Number of customers served in markets subject to renewable portfolio standards (RPS) and 2) percentage of compliance with the RPS target for each market.	Quantitative	Number, percentage (%)	IF-EU-110a.4		The company complies with the regulations regarding renewable energy generation applicable in Chile and Argentina. In Colombia the company has only renewable generation.
Air quality	Air emissions of the following pollutants: (1) NOx (except N2O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); the percentage of each in or near densely populated areas.	Quantitative	Metric tons (t), percentage (%)	IF-EU-120a.1	87	Local Air Emissions No percentage of each of them in or near densely populated areas will be reported for the period 2022.
Water management	(1) Total water extracted, (2) total water consumed, percentage of each in regions with high or extremely high initial water stress.	Quantitative	Thousand cubic meters (m^3), percentage (%)	IF-EU-140a.1	91 93	Extraction by consumptive water source. Water Stress Analysis.
	Number of non-compliance incidents related to permits, standards and regulations of water quantity or quality.	Quantitative	Number	IF-EU-140a.2	90	Water sources and uses.
	Description of water management risks and analysis of strategies and practices to mitigate them.	Discussion and Analysis	N/A	IF-EU-140a.3	77 78 90	Participatory Monitoring Program, Water sources and uses
Coal ash management	Amount of coal combustion residuals (CCR), percentage recycled.	Quantitative	Metric tons (t), percentage (%)	IF-EU-150a.1	95 97	Annual Waste Generation by Recycled Type.

Cont. from previous page

Topic	Accounting Parameter	Category	Measurement Unit	Code	Page	Section or Response
	Total number of coal combustion residuals (CCR) impoundments, broken down by risk potential classification and structural integrity assessment.	Quantitative	Number	IF-EU-150a.2		The company has 3 ash dumps: Barriles (Tocopilla), Cerro Gris (Mejillones) and El Pangue (Ventanas). Not reported by risk potential classification and structural integrity assessment.
Energy Affordability	Average retail electric rate for (1) residential, (2) commercial and (3) industrial customers	Quantitative	Speed	IF-EU-240a.1		The company will not report this indicator for 2022.
	Typical monthly electricity bill for residential customers for (1) 500 kWh and (2) 1000 kWh of electricity supplied each month.	Quantitative	Foreign currency to inform	IF-EU-240a.2		Given the nature of the generation business, we do not have residential customers.
	Number of residential customers disconnected for non-payment, percentage reconnected within 30 days.**	Quantitative	Number, percentage (%)	IF-EU-240a.3		Given the nature of the generation business, we do not have residential customers.
	Analysis of the effect of external factors on the affordability of electricity for customers, including the economic conditions of the service territory.	Discussion and Analysis	N/A	IF-EU-240a.4		Given the nature of the generation business, we rely on third-party assets for the transmission and distribution of the generated energy.
Workforce health and safety	(1) Total recordable incident rate (TRIR), (2) fatality rate and (3) near miss frequency rate (NMFR).	Quantitative	Speed	IF-EU-320a.1	103 104	Occupational Health and Hygiene - Incident rates according to OSHAs
End-use efficiency and demand	Percentage of electric utility revenues from tariff structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM).	Quantitative	Percentage (%)	IF-EU-420a.1		Given the nature of the business, which does not include electricity distribution, the indicator is not applicable to the company.

Cont. from previous page

Topic	Accounting Parameter	Category	Measurement Unit	Code	Page	Section or Response
	Percentage of electric load supplied with smart grid technology.	Quantitative	Percentage (%) per megawatt hour (MWh)	IF-EU-420a.2		The company will not report this indicator for 2022.
	Electricity savings by customers, thanks to efficiency measures, per market.	Quantitative	Megawatt hour (MWh)	IF-EU-420a.3		Given the nature of the business, which does not include electricity distribution, the indicator is not applicable to the company.
Nuclear safety and emergency management	Total number of nuclear power units, broken down by the US Nuclear Regulatory Commission (NRC) "Share Matrix" column	Quantitative	Number	IF-EU-540a.1		Given the nature of the business, which does not include electricity distribution, the indicator is not applicable to the company.
	Description of nuclear safety management and emergency preparedness initiatives	Discussion and Analysis	N/A	IF-EU-540a.2		The company does not have nuclear energy generation.
Electrical grid resilience	Number of incidents of non-compliance with physical or cyber-security standards or regulations.	Quantitative	Number	IF-EU-550a.1	209	Detail of cybersecurity incidents. In 2022, 35 asset-related physical security incidents were reported.
	1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), which includes days on which severe events occur.	Quantitative	Minutes, number	IF-EU-550a.2	(1) 207	Transmission Line Global Performance The company will not report indicators 2 and 3 for 2022

→ Table 2. Activity Parameters

Topic	Category	Measurement Unit	Code	Page	Section or Response
Number of: served (1) residential, (2) commercial and (3) industrial customers.	Quantitative	Number	IF-EU-000.A	123 125	Relationship with our customers: Excellence and Quality (per country).
Total electricity supplied to: (1) residential customers, (2) commercial customers, (3) industrial customers, (4) all other retail customers, and (5) wholesale customers.	Quantitative	Megawatt hour (MWh)	IF-EU-000.B	208	Energy Balance
Length of transmission and distribution lines.	Quantitative	Kilometers (km) IF	IF-EU-000.C	51	Transmission assets.
Total electricity generated, percentage by main energy source, percentage in regulated markets.	Quantitative	Megawatt hour (MWh) Percentage (%)	IF-EU-000.D	86 208	Energy Management Energy balance.
Total electricity purchased wholesale.	Quantitative	Megawatt hour (MWh)	IF-EU-000.E	208	Energy balance.

6.13 Affidavit of liability

The undersigned, duly empowered and in their capacity as Director and Chief Executive Officer for AES Andes S.A., as applicable, declare under oath that they are responsible for the veracity of all the information contained in this Integrated Annual Report, in accordance with General Rule No. 30, of the Commission for the Financial Market.



Javier Dib
Chief Executive Officer
24,957,431-7



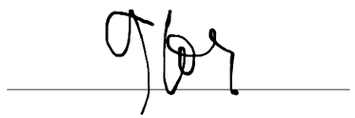
Arminio Borjas
Director
121593012



Ricardo Manuel Falú
Director
21,535,942-5



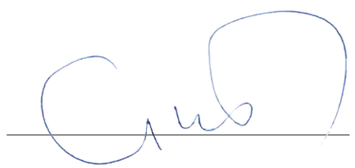
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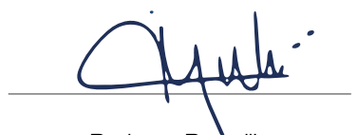
Giselle Leger
Director
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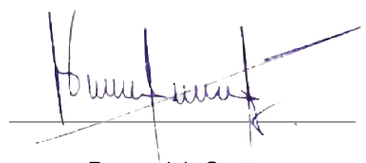
Madelka Mcalla
Director
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Gonzalo Parot
Director
6,703,799-5



Radovan Razmilic
Director
6,283,668-7



Bernerd da Santos
Director
515394720



7. AES Gener S.A. and Subsidiaries
Consolidated Financial Statements

7. AES Andes S.A. and Subsidiaries Consolidated Financial Statements

for the year ended December 31, 2022

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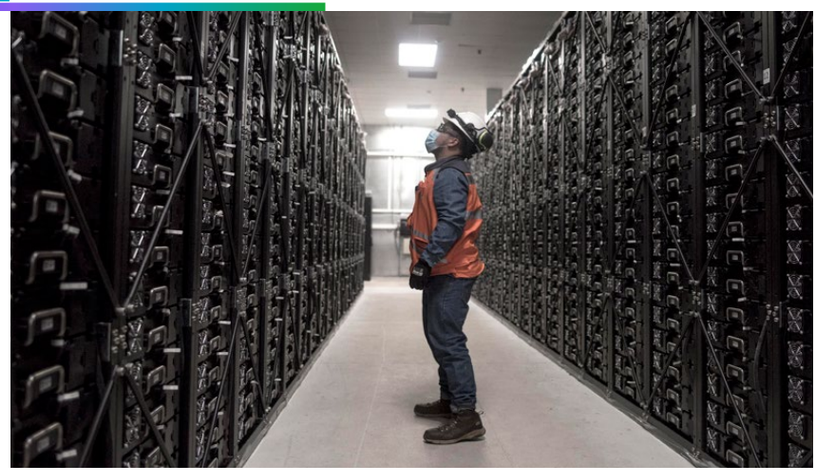
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Empresa Eléctrica Angamos SpA 500
Empresa Eléctrica Cochrane SpA 502

References

US DOLLARS	US$
THOUSANDS OF US DOLLARS	THUS$
CHILEAN PESOS	$
THOUSANDS OF CHILEAN PESOS	THCLP$
COLOMBIAN PESOS	COL$
THOUSANDS OF COLOMBIAN PESOS	THCOL$
ARGENTINE PESO	AR$
THOUSANDS OF ARGENTINE PESOS	THAR$
DEVELOPMENT UNIT (UNIDAD DE FOMENTO)	UF



7.1 Independent Auditors Report

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Avda. Presidente Riesco 5435, piso 4,
Las Condes, Santiago
Tel: +56 (2) 2676 1000
www.eychile.cl

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Independent Auditor's Report
(Translation of the report originally issued in Spanish – See note 2)

To the Shareholders and Directors
AES Andes S.A. and its Subsidiaries

We have audited the accompanying consolidated financial statements of AES Andes S.A. and its subsidiaries ("the Company"), which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Generally Accepted Auditing Standards in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of AES Andes S.A. and its subsidiaries as of December 31, 2022 and 2021, and the results of their operations and their cash flows for the years then ended in accordance with International Financial Reporting Standards.



Patricio Guevara R.
EY Audit Ltda.

Santiago, February 27, 2023

Classified Consolidated Statements of Financial Position

As of December 31, 2022 and 2021
(Amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Note	December 31, 2022	December 31, 2021
CURRENT ASSETS			
Cash and Cash Equivalents	8	186,070	111,733
Other Current Financial Assets	9	9,004	14,822
Other Current Non-Financial Assets	11	15,548	2,446
Trade and Other Receivables	12	781,521	479,707
Related Party Receivables	13	16,015	5,959
Inventory	14	530,036	230,070
Taxes Receivables	15	13,875	41,802
Total Current Assets		**1,552,069**	**886,539**
NON-CURRENT ASSETS			
Other Non-Current Financial Assets	9	13,268	24,688
Other Non-Current Non-Financial Assets	11	13,247	28,581
Trade and Other Receivables	12	42,794	21,971
Related Party Receivables	11	2,360	—
Intangible Assets	17	79,388	83,232
Property, Plant and Equipment	18	3,395,834	3,101,963
Right-of-use assets	19	57,306	48,780
Taxes Receivables		66,284	—
Deferred Taxes	15	190,510	281,028
Total Non-Current Assets		**3,860,991**	**3,590,243**
TOTAL ASSETS		**5,413,060**	**4,476,782**

The accompanying notes are integral part of these consolidated financial statements.

Classified Consolidated Statements of Financial Position

As of December 31, 2022 and 2021
(Amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Note	December 31, 2022	December 31, 2021
CURRENT LIABILITIES			
Other Current Financial Liabilities	20	242,053	283,548
Lease liabilities, Current	21	5,858	4,223
Trade and Other Payables	22	658,613	359,072
Related Party Payables	13	16,295	15,127
Provisions	23	154	181
Taxes Payable	15	40,915	36,743
Employee Benefits	24	4,242	4,788
Other Current Non-Financial Liabilities	25	32,506	28,034
Total Current Liabilities		**1,000,636**	**731,716**
NON-CURRENT LIABILITIES			
Other Non-Current Financial Liabilities	20	2,649,353	2,110,085
Lease liabilities, Non- Current	21	59,586	50,026
Provisions	23	120,548	192,549
Deferred Taxes	15	155,226	125,771
Employee Benefits	24	25,731	25,344
Other Non-Current Non-Financial Liabilities	25	73,969	83,717
Total Non-Current Liabilities		**3,084,413**	**2,587,492**
TOTAL LIABILITIES		**4,085,049**	**3,319,208**
EQUITY			
Issued Capital		2,095,925	2,349,806
Retained Earnings (Accumulated Losses)	26	(813,842)	(1,090,505)
Share Premium		48,812	48,812
Other Components of Equity	26	11,029	10,673
Other Comprehensive Income	26	(304,297)	(352,627)
Equity Attributable to Shareholders of Parent		**1,037,627**	**966,159**
Non-Controlling Interests	3.b	290,384	191,415
Total Equity		**1,328,011**	**1,157,574**
TOTAL EQUITY AND LIABILITIES		**5,413,060**	**4,476,782**

The accompanying notes are integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Income Classified by Cost Function

For the years ended December 31, 2022 and 2021
(Amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Note	For the	2021
Operating Revenues	27	2,578,962	2,771,088
Cost of Sales	28	(1,880,352)	(1,794,550)
Gross Profit		**698,610**	**976,538**
Other Operating Income		1,667	284
Administrative Expenses	28	(90,429)	(87,148)
Other Operating Expenses		(14,427)	(11,660)
Other Income (Loss)	29	10,709	(2,224,681)
Finance Income	30	22,432	31,662
Finance Expenses	30	(155,947)	(106,268)
Profit or loss by impairment IFRS 9		(409)	24
Foreign Currency Exchange Differences	30	17,149	17,139
Profit or loss by indexation units	34	(31,490)	(15,615)
Net Income (Loss) before Taxes		**457,865**	**(1,419,725)**
Income (loss) Tax Expense	15	(145,515)	351,933
Net Income (Loss)		**312,350**	**(1,067,792)**
Income (Loss) Attributable to:			
Attributable to Shareholders of the Parent		276,663	(1,090,505)
Attributable to Non-Controlling Interests	3.b	35,687	22,713
Net Income (Loss)		**312,350**	**(1,067,792)**
Basic Earnings (Losses) per Share			
Basic Earnings (Losses) per Share from Continuing Operations	31	0.027	(0.105)
Basic Earnings (Losses) per Share from Discontinued Operations			
Basic Earnings (Losses) per Share		**0.027**	**(0.105)**
Diluted Earnings (Losses) per Share			
Diluted Earnings (Losses) per Share from Continuing Operations		0.027	(0.105)
Diluted Earnings (Losses) per Share from Discontinued Operations			
Diluted Earnings (Losses) per Share		**0.027**	**(0.105)**

The accompanying notes are integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Income Classified by Cost Function

For the years ended December 31, 2022 and 2021
(Amounts are expressed in thousands of United States dollars, unless otherwise stated)

	2022	2021
Net Income (loss)	**312,350**	**(1,067,792)**
Components of Other Comprehensive Income that will not be Reclassified to Net Income		
Other Comprehensive Income from Actuarial Gains (Losses) on Defined Benefit Plans	(1,142)	6,542
Income Tax Related to Cash Flow Hedges of Other Comprehensive Income	328	(1,809)
Components of Other Comprehensive Income that will be Reclassified to Net Income		
Income (Loss) from Foreign Currency Translation Adjustments	(15,497)	(11,838)
Unrealized Income (Loss) for Cash Flow Hedges	55,552	127,690
Income Tax Related to Income (Loss) for Cash Flow Hedges	(8,709)	(4,956)
Total Other Comprehensive Income (Loss)	**30,532**	**115,629**
Total Comprehensive Income (Loss)	**342,882**	**(952,163)**
Comprehensive Income (Loss) Attributable to:		
Comprehensive Income (Loss) Attributable to Shareholders of the Parent	305,788	(977,794)
Comprehensive Income (Loss) Attributable to Non-Controlling Interest	37,094	25,631
Total Comprehensive Income (Loss)	**342,882**	**(952,163)**

The accompanying notes are integral part of these consolidated financial statements.

Consolidated Statements of Changes in Shareholders' Equity

For the years ended December 31, 2022 and 2021
(Amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Issued Capital	Share Premium	Other Components of Equity	Total Other Comprehensive Income	Retained Earnings (Accumulated losses)	Equity Attributable to Shareholders of Parent	Equity Attributable to Non-Controlling Interests	Total Equity
Opening Balance, January 1, 2022	**2,349,806**	**48,812**	**10,673**	**(352,627)**	**(1,090,505)**	**966,159**	**191,415**	**1,157,574**
Changes in Equity								
Net Income	—	—	—	—	276,663	276,663	35,687	312,350
Other Comprehensive Income	—	—	—	29,125	—	29,125	1,407	30,532
Capital decrease	(256,001)	—	—	—	—	(256,001)	—	(256,001)
Payments Subsidiaries to non-controlling interest						—	(35,633)	(35,633)
Sale of non-controlling interest						—	116,476	116,476
Increases (Decreases) for Transfers and Other Changes	2,120	—	356	19,205	—	21,681	(18,968)	2,713
Ending Balance, December 31, 2022	**2,095,925**	**48,812**	**11,029**	**(304,297)**	**(813,842)**	**1,037,627**	**290,384**	**1,328,011**
Opening Balance, January 1, 2021	**2,049,329**	**49,908**	**45,559**	**(295,979)**	**12,308**	**1,861,125**	**170,245**	**2,031,370**
Changes in Equity								
Net Income	—	—	—	—	(1,090,505)	(1,090,505)	22,713	(1,067,792)
Other Comprehensive Income	—	—	—	112,711	—	112,711	2,918	115,629
Issued Capital	298,636	(1,096)	—	—	—	297,540	—	297,540
Dividends	—	—	(35,397)	—	(12,308)	(47,705)		(47,705)
Payments Subsidiaries to non-controlling interest	—	—	—	—	—	—	(41,473)	(41,473)
Sale of non-controlling interest						—	53,510	53,510
Increases (Decreases) for Transfers and Other Changes	1,841	—	511	(169,359)	—	(167,007)	(16,498)	(183,505)
Ending Balance, December 31, 2021	**2,349,806**	**48,812**	**10,673**	**(352,627)**	**(1,090,505)**	**966,159**	**191,415**	**1,157,574**

The accompanying notes are integral part of these consolidated financial statements.

Consolidated Statements of Direct Cash Flows

For the years ended December 31, 2022 and 2021
(Amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Note	December 31, 2022	December 31, 2021
Proceeds from Operating Activities:			
Collections from sales of goods and services		2,806,393	2,710,201
Classes of payment			
Payments to suppliers for goods and services		(2,316,715)	(1,864,740)
Payments to employees		(76,075)	(74,272)
Other payments for operating activities		(159,242)	(160,992)
Dividends received	13	2,911	755
Interest received		16,262	11,427
Income taxes paid		(37,213)	(287,823)
Other cash outflows		78,452	(11,275)
Net Cash Flows Provided by Operating Activities		**314,773**	**323,281**
Cash Flows Provided by (Used in) Investing Activities			
Proceeds from loss of control of associates	16-37	—	18,462
Other receipts for the sale of joint venture interests	3,3	116,476	53,510
Loans to related entities	13	(50,668)	—
Proceeds from sales of property, plant and equipment		9,533	—
Purchases of property, plant and equipment	18	(593,094)	(675,584)
Sales of intangible assets		—	129
Loan payment from related parties	13	48,074	—
Other cash inflows (outflows)		37,864	52,424
Net Cash Flows Provided by (Used in) Investing Activities		**(431,815)**	**(551,059)**

The accompanying notes are integral part of these consolidated financial statements.

Consolidated Statements of Direct Cash Flows

For the years ended December 31, 2022 and 2021
(Amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Note	December 31, 2022	December 31, 2021
Cash Flows Provided by (Used in) Financing Activities			
Amounts from issue of shares	26.2	—	298,636
Amounts from the issuance of other equity instruments		2,128	1,841
Payments for other components of equity	26.2	(256,015)	—
Proceeds from long-term borrowings	20.c	934,803	105,142
Proceeds from short-term borrowings	20.c	130,228	149,868
Loan payments	20.c	(508,319)	(188,981)
Payment of financial lease obligations	21	(7,655)	(3,071)
Payments to non-controlling interest	3.4	(35,633)	(41,473)
Dividends paid	26.2	—	(47,704)
Interest paid	20.c	(149,332)	(168,384)
Other cash outflows		100,002	(27,874)
Net Cash Flows Provided by (Used in) Financing Activities		**210,207**	**78,000**
Net cash and cash equivalent decrease, before foreign exchange difference		93,165	(149,778)
Net Foreign Exchange Differences on Cash and Cash Equivalents			
Net foreign exchange differences on cash and cash equivalents		(18,828)	(9,692)
Decrease in Cash and Cash Equivalents		**74,337**	**(159,470)**
Cash and cash equivalents at beginning of year		111,733	271,203
Cash and Cash Equivalents at End of Year		**186,070**	**111,733**

The accompanying notes are integral part of these consolidated financial statements.

NOTE 1 - OVERVIEW

At the Company's Extraordinary Shareholders' Meeting held on April 23, 2021, the Company's shareholders approved the change of the corporate name from "AES Gener S.A." to "AES Andes S.A.

AES Andes S.A., (www.aesandes.cl) (hereinafter referred to as the “Company”, “Group”, “AES Andes”, “Andes” or “Parent”) was incorporated by means of a public deed dated June 19, 1981, delivered in Santiago by Notary Public Patricio Zaldívar Mackenna. Its business name was, at that time, Compañía Chilena de Generación Eléctrica S.A. (Chilectra Generation S.A.). The Comisión para el Mercado Financiero (Commission for the Financial Market - CMF) approved its bylaws by means of Resolution No. 410-S dated July 17, 1981, published in the Official Gazette No. 31,023 dated July 23, 1981. The Company is registered with the Commercial Registry of the Real Estate Registrar of Santiago on page number 13,107, No. 7,274 of 1981.

AES Andes is a listed Company primarily engaged in the generation of electricity. Its mission is to accelerate the future of energy, along with its customers, shareholders, workers, communities, suppliers, and other persons and groups to which it is related.

The Company serves the National Electric System (SEN) through the three run-of-the-river hydroelectric power plants, two coal-fired plants and a cogeneration plant, all of them owned by AES Andes. In addition, it serves the SEN through a run-of-river hydroelectric power plant owned by Alto Maipo SpA, three coal-fired plants owned by the subsidiaries Empresa Eléctrica Ventanas S.A., Empresa Eléctrica Angamos S.A. and Empresa Eléctrica Cochrane SpA, two photovoltaic solar plants owned by the subsidiary Andes Solar and Andes Solar II SpA and three wind plants owned by the subsidiaries Los Cururos, Energía Eólica Los Olmos SpA and Energía Eólica Mesamávida SpA

In response to the opportunities offered by the Chilean market, in the Antofagasta region, the Company is close to completing the expansion of photovoltaic solar farm Andes Solar of 418 MW. Also, in the Bío-Bío region the following wind farms are under construction Campo Lindo (73 MW.) owned by Parque Eólico Campos Lindo SpA and San Matias (82 MW) owned by Energía Eólica San Matías SpA.

The Company is the leader in the Chilean market in the construction and operation of storage systems. It currently has 62 M.W. of batteries in operation at the Cochrane and Angamos power plants, the Andes substation and the 10 M.W. "Virtual Reservoir" energy storage system adjacent to Alfalfal I power plant. Additionally, a 112 MW 5-hour storage system is in an advanced construction stage at the Andes IIb Solar complex, and 5-hour expansions have started for the 147 MW at the Andes Solar IV complex and a 40 M.W. of the "Virtual Reservoir II" energy storage system.

In addition to its share in the Chilean electricity sector, the Company produces electricity in Argentina and Colombia through its subsidiaries Termoandes S.A. and AES Colombia, respectively.

The registered address of AES Andes is Los Conquistadores N°1730, floor 10, municipality of Providencia, Metropolitan Region, Santiago. AES Corporation controls the Company through its subsidiary Inversiones Cachagua SpA. with an equity share of 99.4% as of December 31, 2022.

These consolidated financial statements were approved by the Company’s Board of Directors on February 27, 2023.

NOTE 2 - BASIS OF PREPARATION

2.1.- Basis of Preparation of the Consolidated Financial Statements

The Company prepared these Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements of AES Andes S.A. and subsidiaries include the classified consolidated statements of financial position as of December 31, 2022 and December 31, 2021, the consolidated statements of comprehensive income classified by cost function for the fiscal years ended December 31, 2022 and 2021, the statements of changes in shareholders' equity and of cash flows presented using the direct method for the years ended December 31, 2022 and 2021 and their accompanying notes.

These consolidated financial statements were prepared in accordance with the going concern principle through the application of the cost method, except, according to IFRS, for the assets and liabilities recognized at fair value.

The preparation of these consolidated financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the Company's accounting policies. Note 6 reveals areas that imply a greater degree of judgment or complexity or the areas where assumptions and estimates are significant for the consolidated financial statements.

An asset or liability is considered to be current when it is expected to be realized, sold or used in the normal course of the entity's operating cycle, is held primarily for trading purposes, or is expected to be realized within 12 months after the date of the reporting years.

The information contained in these consolidated financial statements is the responsibility of the Management of AES Andes S.A. In the preparation of the consolidated financial statements, the policies deriving from AES Andes S.A. were used for all the subsidiaries included in the consolidation.

For the convenience of the reader, the consolidated financial statements and their accompanying notes have been translated from Spanish into English.

2.2.- New Accounting Pronouncements

a. Impact of the application of new standards and amendments in 2022

The standards and interpretations, as well as the improvements and amendments to IFRS, issued and effective as of the date of these financial statements, are detailed below

Standards, Interpretations & Amendments		Mandatory Application Date
IFRS 3	References to the Conceptual Framework	January 1, 2022
IAS 16	Property, Plant and Equipment – Proceeds before Intended Use	January 1, 2022
IAS 37	Onerous Contracts - Cost of Fulfilling a Contract	January 1, 2022
IFRS 1, IFRS 9, IFRS 16, IAS 41	Annual Improvements to IFRS 2018–2020 Cycle	January 1, 2022

The application of these standards does not have any significant effects for the Company, which are detailed in Note 2.2 (b) below. The remaining accounting criteria applied in 2022 have not changed with respect to the previous period.

b. Impact of the application of new standards and amendments in 2022

The Company applied certain standards, interpretations, and amendments for the first time, which are effective for periods beginning on or after January 1, 2022. The current standards, interpretations, and amendments to IFRS that came into effect as of the date of these consolidated financial statements, their nature and impacts are shown below:

IFRS 3 *References to the Conceptual Framework*

In May 2020, the International Accounting Standards Board, issued the Reference to Conceptual Framework, which amends IFRS 3 *Business Combinations*. The amendment replaces the reference made to a previous version of the Conceptual Framework for Financial Reporting containing a reference to the last version issued in March 2018. In addition, the IASB included an exception to its requirement to the entity to make reference to the Conceptual Framework to determine what is an asset or a liability. This exception establishes that, for certain types of contingent assets and contingent liabilities, the entity that applies IFRS 3 must refer to IAS 37, "*Provisions, Contingent Liabilities and Contingent Assets*".

These amendments had no impact on the consolidated financial statements of the Company.

IAS 16 *Property, Plant and Equipment – Proceeds before Intended Use*

In order to provide guidance on the accounting for sales and costs that entities can generate in the process of making an item of property, plant and equipment available for use, the International Accounting Standards Board issued in May 2020 the amendment to IAS 16.

In accordance with these amendments, proceeds from the sale of the assets obtained in the process in which an item of Property, Plant and Equipment is available for use, should be recognized in the statement of income together with the costs of producing such assets. IAS 2 *Inventories* should be applied in identifying and measuring these items.

Entities will need to make the difference between:

- costs associated with producing and selling items before the item of Property, plant and equipment is available for use; and
- costs associated with making the item of property, plant and equipment available for its intended use.

These amendments had no impact on the consolidated financial statements of the Company.

IAS 37 *Onerous Contracts – Cost of Fulfilling a Contract*

In order to clarify the types of costs a company includes as fulfillment costs when assessing whether a contract is onerous, the IASB issued the amendment to IAS 37 "*Provisions, Contingent Liabilities and Contingent Assets*" in May 2020. As a result of this amendment, entities that currently apply the "incremental cost" approach will be required to recognize larger provisions and an increased number of onerous contracts.

The amendment clarifies that cost of fulfilling a contract includes:

- the incremental costs, e.g. direct labor and materials; and
- allocations of other directs costs, e.g. the allocation of a depreciation expense of an item of property, plant and equipment used in fulfilling the contract.

At the date of initial application, the accumulated effect of performing this amendment to the standard is recognized in the opening balances as an adjustment to retained earnings or any other item in equity, as appropriate.

These amendments had no impact on the consolidated financial statements of the Company.

IFRS 1, IFRS 9, IFRS 16 and IAS 41 *Annual Improvements to IFRS Standards 2018-2020*

As part of the process of making non-urgent but necessary changes to IFRS standards, the International Accounting Standards Board, issued the Annual Improvements to IFRS Standards 2018-2020 Cycle.

The amendments include:

- IFRS 1 *First-time Adoption of International Financial Reporting Standards*: This amendment simplifies the initial adoption of a subsidiary that adopts IFRS at a date later than the Parent, i.e., if a subsidiary adopts IFRS at a date later than the Parent and applies IFRS 1.D16(a), then the subsidiary is able to opt for measuring the cumulative translation effects for all foreign operations considering the amounts included in the Parent's consolidated financial statements on the basis of the Parent's date of transition to IFRS.

- IFRS 9 *Financial Instruments*. This amendment clarifies that – for the purpose of performing the '10 percent test' for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

- IFRS 16 *Leases*. The amendment eliminates the illustrative example of lessor payments related to improvements to the leased property. As currently drafted, the example is unclear as to why such payments are not a lease incentive. The amendment will help eliminate the possibility of confusion in the identification of lease incentives in real estate agent transactions.

- IFRS 41 *Agriculture*. This amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement.

These amendments had no impact on the consolidated financial statements of the Company.

c. Accounting standards applicable as of January 1, 2023 and thereafter

Standards, interpretations, and amendments to IFRS that have been issued, but are not yet effective as of the date of these financial statements, are detailed below. The Company has not adopted these standards in anticipation:

Standards & Interpretations		Date of Mandatory Application
IFRS 17	Insurance contracts	January 1, 2023
IAS 8	Definition of accounting estimates	January 1, 2023
IAS 1	Disclosure of accounting policies	January 1, 2023
IAS 1	Classification of liabilities as current or non-current	January 1, 2023
IAS 12	Deferred taxes related to assets and liabilities arising from a single transaction	January 1, 2023
IFRS 16	Lease liability on a sale and leaseback	January 1, 2024
IFRS 10 and IAS 28	Consolidated financial statements –sale or contributions of assets between and investor and its associate or joint ventures	To be determined

IFRS 17 *Insurance Contracts*

Issued on May 18, 2017, this Standard requires that insurance obligations are measured at current compliance values and provides a more consistent approach for presenting and measuring all insurance contracts. Such requirements are designed to provide a consistent principle-based accounting treatment.

In March 2020, the International Accounting Standards Board decided to defer the effective date of IFRS 17 to January 1, 2023. Early adoption is permitted if IFRS 9 and IFRS 15 have been adopted. The Board also decided to extend the temporary exemption to IFRS 9 granted to insurers who meet specified criteria, through January 1, 2023.

The Company estimates that the adoption of this standard will not impact significantly its financial statements.

IAS 8 *Definition of Accounting Estimates*

In February 2021, the Board issued amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates, with the main focus on the definition and clarification of accounting estimates.

Amendments clarify the relationship between accounting policies and accounting estimates, specifying that a company develops an accounting estimate to achieve the objective defined previously in an accounting policy.

The amendment will be effective for annual periods beginning on or after January 1, 2023.

IAS 1 *Classification of Liabilities as Current or Non-current*

The International Accounting Standards Board amended IAS 1 *Presentation of Financial Statements* to foster consistent application and clarify the requirements to determine whether a liability is current or non-current. As a result of such amendment, entities are required to review their loan contracts to determine whether their classification will change.

The amendments include the following:

- Right to defer settlement must have substance: under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for, at least, twelve months after the end of the reporting period. As part of its amendments, the IASB has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

- Classification of revolving credit facilities may change: entities classify a liability as non-current if they have a right to defer its settlement for at least twelve months after the end of the reporting period. The IASB has now clarified that a right to defer exists only if the company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date.

- Liabilities with equity-settlement features: the amendments state that settlement of a liability includes transferring an entity's own equity instruments to the counterparty. The amendments clarify how a company classifies a liability that includes a counterparty conversion option, which could be recognized as either equity or a liability separately from the liability component foreseen in IAS 32 *Financial Instruments: Presentation.*

The amendment is effective retrospectively for annual periods beginning on or after January 1, 2023. Early adoption is permitted. However, companies will consider including disclosures in conformity with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* in their next annual financial statements.

The Company will assess the impacts of these amendments once they become effective.

IAS 1 *Disclosure of Accounting Policies*

In October 2018, the Board refined the definition of materiality so that it is easier to understand and apply. Such definition is aligned with the entire IFRS framework including the Conceptual framework. Changes to the definition of materiality complement the non-binding Statement of Practice 2 *Making Materiality Judgments* issued by the Board in 2017, which outlines a four-step procedure that can be used to assist in making materiality judgments in the preparation of financial statements.

In February 2021, the Board issued amendments to IAS 1 *Presentation of Financial Statements* and an update to Statement of Practice 2.

The amendments include the following:

- Require companies to disclose their material accounting policies rather than significant accounting policies;

- Clarify that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and therefore need not be disclosed;

- Clarify that not all accounting policies that relate to material transactions, other events or conditions are themselves material to the Company's financial statements.

Amendments to Practical Statement 2 include two additional examples of the application of materiality in accounting policy disclosures.

The Company will assess the impacts of these amendments once they become effective.

IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

In May 2021, the Board issued amendments to IAS 12 *Deferred tax related to Assets and Liabilities arising from a Single Transaction*, to clarify how companies should account for deferred tax in certain types of transactions where an asset and a liability are recognized, such as leases and decommissioning obligations.

Amendments reduce the scope of the exemption on initial recognition so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning obligation.

The Company will assess the impacts of these amendments once they become effective.

IFRS 16 *Lease Liability on a Sale and Leaseback*

In September 2022, the Board issued amendments to IFRS 16 *"Leases – Lease liability on a Sale and Leaseback*", which sets out the requirements for how an entity should account for a sale and leaseback after the date of the transaction.

While IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place, the standard does not specify how the subsequent measurement of this transaction would be. The amendments issued by the Board are additional to the requirements established in IFRS 16 for leaseback sales, which support the consistent application of the Standard.

The Company will assess the impact of the amendment once it becomes effective.

IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

On September 11, 2014, the IASB issued this amendment that requires that when transferring subsidiaries to an associate or joint venture, the total gain should be recognized when assets transferred meet the definition of a "business" in accordance with IFRS 3, *Business Combinations*. This amendment establishes strong pressure on the definition of a “business” for recognition in profit or loss. It also introduces new and unexpected recognition for transactions that partially consider maintenance in assets that are not businesses.

The effective application of this amendment has been deferred indefinitely.

The Company will assess the impact of the amendment once it becomes effective.

NOTE 3 - BASIS OF CONSOLIDATION

The Consolidated Financial Statements include the financial statements of AES Andes S.A. and subsidiaries as of December 31, 2022 and December 31, 2021, the consolidated statements of comprehensive income by function and the statements of changes in shareholders' equity and cash flows presented using the direct method for the years ended December 31, 2022 and 2021.

The financial statements of the subsidiaries are prepared as of and for the same years as the parent company and the same accounting policies are consistently applied.

3.1.- Subsidiaries

According to IFRS 10, subsidiaries are all those entities controlled by AES Andes. An investor controls an investee if the investor:

1. has power over the investee,
2. is exposed, or has rights, to variable returns from its involvement with the investee, and
3. has the ability to affect those returns through its power over the investee.

It is considered that an investor has power over an investee when the investor has existing rights that give it the ability to direct the relevant activities, i.e., the activities that significantly affect the investee's returns. In the case of the Company, in general, the power over its subsidiaries is derived from the ownership of a majority of voting rights granted by capital instruments of the subsidiaries.

If the Company has less than the majority of the voting rights of an investee, it has power over the investee when these voting rights are sufficient to grant it, in the usual practice, the ability to unilaterally direct the relevant activities of the investee. The Company considers all the events and circumstances to assess whether the voting rights in an investee are enough to grant it the power, including:

- the number of voting rights held by the investor relative to the number and dispersion held by the other vote holders;
- potential voting rights held by the investor, other vote holders and other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances suggesting the investor has, or fails to have, the current ability to direct the relevant activities when decisions need to be made, including voting patterns at previous shareholders' meetings.

The Company shall reassess whether it controls an investee if facts and circumstances indicate that there have been changes to one or more of the three control elements mentioned above. Consolidation of a subsidiary shall begin from the date the investor obtains control of the investee and shall cease when the investor loses control of the investee. Specifically, the income and expenditure of a subsidiary acquired or sold during the period are included in the Income Statement since the date on which the Company obtains control until the date on which the Company ceases to control the subsidiary.

The acquisition method is used to account for the acquisition of subsidiaries. The acquisition cost is the fair value of the assets delivered, the equity instruments issued, and the liabilities incurred or assumed on the date of exchange. Identifiable assets and liabilities acquired and identifiable contingencies assumed in a business combination are initially recognized at fair value on the acquisition date, irrespective of the extent of non-controlling interest. The excess of the acquisition cost over the fair value of the interest of AES Andes S.A. in the net identifiable assets acquired is recognized as goodwill. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is directly recognized in the income statement.

Below is a detail of the subsidiaries included in the consolidation:

Tax payer ID (R.U.T.)	Ref.	Name of the Company	Country of origin	Functional Currency	Interest Percentage			
					December 31, 2022			December 31, 2021
					Direct	Inderect	Total	Total
96.678.770-8	NFI	Norgener Foreign Investment S.p.A	CHILE	US$	100.00 %	— %	100.00 %	100.00 %
76.803.700-0	NI	Norgener Inversiones S.p.A	CHILE	US$	100.00 %	— %	100.00 %	100.00 %
76.786.355-1	NR	AES Chile Inversiones Renovables S.p.A (antes AES Chile S.p.A)	CHILE	US$	100.00 %	— %	100.00 %	100.00 %
76.579.067-0	Andes Solar	Andes Solar S.p.A	CHILE	US$	100.00 %	— %	100.00 %	100.00 %
76.868.991-1	Mesamávida	Energía Eólica Mesamávida S.p.A	CHILE	US$	100.00 %	— %	100.00 %	100.00 %
76.363.072-2	Campo Lindo	Parque Eólico Campo Lindo S.p.A	CHILE	US$	100.00 %	— %	100.00 %	100.00 %
76.170.761-2	Alto Maipo	Alto Maipo S.p.A. (1) (4)	CHILE	US$	100.00 %	— %	100.00 %	93.11 %
Foreign	-	Alto Maipo Delaware LLC (1)	United States	US$		100.00 %	100.00 %	100.00 %
76.729.711-4	La Cebada	Compañía Transmisora La Cebada S.A.	CHILE	US$	99.99 %	0.01 %	100.00 %	100.00 %
Foreign	GASA	Gener Argentina S.A.	ARGENTINA	AR$	92.04 %	7.96 %	100.00 %	100.00 %
Foreign	Energen	Energen S.A.	ARGENTINA	AR$	29.52 %	70.48 %	100.00 %	100.00 %
Foreign	Interandes	Interandes S.A.	ARGENTINA	AR$	13.00 %	87.00 %	100.00 %	100.00 %
Foreign	Termoandes	Termoandes S.A.	ARGENTINA	AR$	8.82 %	91.18 %	100.00 %	100.00 %
Foreign	JK	Jemeiwaa KA'I S.A.S. E.S.P. (3)	COLOMBIA	COL$	— %	— %	— %	100.00 %
Foreign	AES Colombia	AES Colombia & Cia S.C.A. E.S.P.	COLOMBIA	COL$	— %	99.99 %	99.99 %	99.99 %
Foreign	-	AES Chivor S.A.	COLOMBIA	COL$	47.50 %	51.88 %	99.38 %	99.38 %
96.814.370-0	Ventanas	Empresa Eléctrica Ventanas S.A.	CHILE	US$	0.01 %	99.99 %	100.00 %	100.00 %
76.004.976-K	Angamos	Empresa Eléctrica Angamos S.A.	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
76.680.114-5	-	Cía. Transmisora Angamos S.p.A	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
76.917.669-1	Punta del Sol	Punta del Sol S.p.A.	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
76.975.746-5	Nolana	Cristales S.p.A. (antes Parque Eólico Nolana S.p.A)	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
76.975.739-2	Chagual	Chagual Energía S.p.A	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
77.116.491-9	San Matias	Energía Eólica San Matias S.p.A.	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
77.005.365-K	Paposo	Energía Eólica Paposo S.p.A.	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
76.967.596-5	Curauma	Energía Eólica Curauma S.p.A.	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
77.294.357-1	Pampas	Energía Eólica Pampas S.p.A.	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
77.290.404-5	Don Álvaro	Energía Eólica Don Álvaro S.p.A.	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
77.209.147-8	Tal Tal	Transmisora Tal Tal S.p.A.	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
77.197.853-3	Rinconada	Parque Eólico Rinconada S.p.A	CHILE	US$	— %	100.00 %	100.00 %	100.00 %
77.201.526-7	Inv Cochrane	Inversiones Cochrane S.p.A.	CHILE	US$	— %	95.00 %	95.00 %	95.00 %
76.085.254-6	Cochrane	Empresa Eléctrica Cochrane S.p.A.	CHILE	US$	— %	57.00 %	57.00 %	57.00 %
77.423.682-1	Andes Solar II	Andes Solar II S.p.A	CHILE	US$	75.50 %	— %	75.50 %	100.00 %
77.371.671-4	Chile Renovables	Chile Renovables S.p.A	CHILE	US$	51.00 %	— %	51.00 %	51.00 %
76.868.988-1	Los Olmos	Energía Eólica Los Olmos S.p.A (2)	CHILE	US$	— %	51.00 %	51.00 %	100.00 %
78.178.599-0	Los Cururos	Parque Eólico los Cururos Spa (2)	CHILE	US$	— %	51.00 %	51.00 %	51.00 %
76.917.677-2	Quebrada Seca	Quebrada Seca S.p.A. (5)	CHILE	US$	— %	— %	— %	100.00 %
76.954.837-8	Litueche	Parque Eólico Litueche S.p.A (6)	CHILE	US$	— %	— %	— %	100.00 %

(1) See Note 3.2 and Note 37

(2) See Note 3.3

(3) On December 31, absorbed by AES Colombia & CIA S.C.A. E.S.P.

(4) In May 2022, it made the acquisition of the participation necessary to complete the holding of 100% participation

(5) Sold In April 2022,

(6) Sold in September 2022

3.2.- Alto Maipo deconsolidation

On November 17, 2021, AES Andes issued a Subsequent Event informing that AES Andes became aware of the decision of its subsidiary Alto Maipo SpA ("Alto Maipo") to initiate a reorganization process in the United States of America following Chapter 11 of Title 11 of the United States Code. The form was filed on the same date by Alto Maipo on a pre-arranged basis to achieve a capital structure that is sustainable in the long term for Alto Maipo.

Considering the Chapter 11 proceeding and the characteristics of Alto Maipo's capital structure, according to paragraph 8 of International Financial Reporting Standard No. 10 ("IFRS 10"), the Company ceased to control Alto Maipo. Therefore, as per paragraph 25 of IFRS 10, it no longer consolidates this subsidiary, proceeding to derecognize the assets and liabilities of the entity in its Consolidated Statement of Financial Position.

On May 26, 2022, Alto Maipo concluded its restructuring process initiated on November 17, 2021. This restructuring included the execution of several agreements and contractual amendments to implement the Restructuring Agreement entered into on November 16, 2021, between the shareholders, the creditors and the contractor, which was approved by the Court that intervened in Chapter 11.

Upon completion of the reorganization process and as of December 31, 2022, The Administration determined that the power over decisions that most significantly impact Alto Maipo's economic performance is shared between the creditors and the shareholders; therefore, AES Andes does not control Alto Maipo and will continue to operate without consolidating Alto Maipo.

AES Andes' investment in Alto Maipo is classified under the category of Financial Assets at Fair Value Through Profit or Loss in accordance with IFRS 9, paragraph 4.1.5. Based on the calculation made by the Administration, the fair value of AES Andes' investment in Alto Maipo as of December 31, 2022, is $0 (nil).

Note 37 provides more information in relation to the above.

3.3.- Incorporation of Global Infrastructure Partners (GIP) as a strategic partner

As part of the strategy for renewable growth, Global Infrastructure Partners (GIP) became a company's partner on July 15, 2021. AES Andes owns 51% and GIP 49% of the shares in Chile Renovables SpA, an entity that has acquired and will acquire the companies with renewable projects for 733MW as they commission, and the other conditions agreed are met. As a result of this transaction, AES Andes expects to receive approximately ThUS$441,000 between 2021 and 2023, including all the projects involved in the agreement.

As of December 31, 2022, Chile Renovables SpA has acquired Los Cururos, Andes Solar IIa and Los Olmos. Still pending to be included are Andes Solar IIb, Mesamávida and Campo Lindo.

During the year ended December 31, 2022, AES Andes received ThUS$116,476 for its ownership interest in the photovoltaic park Andes Solar IIa and Energía Eólica Los Olmos SpA. In 2021, AES Andes received ThUS$ 53,510 for its ownership interest in Parque Eólico Los Cururos SpA.

3.4.- Non-Controlling Interests

Non-controlling interests represent the portion of profits or losses and net assets of the subsidiaries that are not wholly owned by the Group. Non-controlling interests are presented separately in the income statement and in the consolidated statement of financial position within shareholders' equity, separately from the shareholders' equity of the parent. AES Andes applies the policy of considering transactions with non-controlling investors as equity transactions. The disposal or acquisition of non-controlling interest not resulting in a change of control, involves an equity transaction with no recognition of profits and/or losses in the income statement. Any difference between the price paid and the relevant proportion of the carrying amount of the subsidiary's net assets is recognized as equity distribution or contribution.

The summarized financial information as of December 31, 2022 and 2021, is presented below:

	December 31, 2022							
	Interest %	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Ordinary Revenue	Ordinary Expenses	Net gain (loss)
Eléctrica Cochrane	40.0%	207,421	839,472	(131,724)	(777,873)	589,677	(444,989)	63,265
Inversiones Cochrane	5.0%	54	82,386	(2)	—	—	—	37,999
Chile Renovables S.p.A	49.0%	—	299,952	(168)	—	—	(124)	2,071

	December 31, 2021							
	Interest %	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Ordinary Revenue	Ordinary Expenses	Net gain (loss)
Eléctrica Cochrane	40.0%	154,427	955,186	(140,190)	(866,893)	409,724	(58,105)	27,187
Inversiones Cochrane	5.0%	63	61,541	(67)	—	—	(29)	16,265
Chile Renovables S.p.A	49.0%	18	112,836	(54)	—	—	(45)	(272)

Accumulated balances attributed to non-controlling interests of the shareholders' equity are:

	December 31, 2022	December 31, 2021
Eléctrica Cochrane	54,918	41,012
Inversiones Cochrane	88,532	95,097
Chile Renovables S.p.A (1)	146,894	55,272
Others	40	34
Total	**290,384**	**191,415**

(1) On July 15, 2021, Global Infrastructure Partners (GIP) became a partner of the company Chile Renovables SpA, owner of the company Parque Eólico Los Cururos SpA, with a non-controlling interest of 49% of the shares of the Company.

Income or (loss) attributed to non-controlling interests is detailed as follows :

	December 31, 2022	December 31, 2021
Eléctrica Cochrane	25,306	10,875
Alto Maipo	—	2,357
Inversiones Cochrane	9,374	9,645
Chile Renovable S.p.A	1,015	(133)
Others	(8)	(31)
Total	**35,687**	**22,713**

Comprehensive income attributed to non-controlling interests is detailed as follows:

	December 31, 2022	December 31, 2021
Eléctrica Cochrane	26,713	12,674
Alto Maipo	—	3,476
Inversiones Cochrane	9,374	9,645
Chile Renovable S.p.A	1,015	(133)
Others	(8)	(31)
Total	**37,094**	**25,631**

Dividend payments and capital reductions attributed to non-controlling interests are detailed as follows:

	December 31, 2022	December 31, 2021
Eléctrica Cochrane	12,806	23,160
Inversiones Cochrane	15,939	17,333
Chile Renovable SpA	6,860	980
Other	28	—
Total	**35,633**	**41,473**

These payments have been classified as cash flows from financing activities in the Statement of Cash Flows as of December 31, 2022, and 2021, specifically as payments to non-controlling interests.

NOTE 4 - SUMMARY OF MAIN ACCOUNTING POLICIES

4.1.- Associates

Associates are all those entities on which AES Andes has significant influence, but fails to have the control that, generally, is accompanied by a 20% to 50% voting interest. The investments in affiliates or associated companies are accounted for according to the equity method and are initially recognized at their cost. The investment of AES Andes in associates includes the goodwill recognized during the acquisition, net of any accumulated impairment loss.

The Group's share of losses or profit (net of taxes) subsequent to the acquisition of its associates is recognized in profit or loss, and its share in equity movements subsequent to the acquisition shall not be recognized in profit or loss, are accounted for as shareholders' equity reserves (and are shown as appropriate in the statement of other comprehensive income). To the extent that the Group's share of losses of an associate is equal to or higher than its interest therein, including any other unsecured account receivable, no additional losses are recognized, unless the Group has incurred in obligations or made payments on behalf of the associate.

Unrealized gains from transactions between the Group and its associates are removed based on the participating interest of the Group in those associates. Unrealized losses are also removed, except if the transaction provides evidence of impairment loss in the asset that is being transferred. When necessary to ensure its consistency with the policies adopted by the Company, financial information of the associates is adjusted.

As of December 31, 2022 and 2021, the Group has no investments in affiliates or associates.

4.2.- Operating Segments

Segment information is consistently presented with the internal reports provided to the Management that makes decisions for AES Andes, which is responsible for allocating resources and evaluating the performance of the operating segments. Management identifies its operating segments according to the markets where it participates, i.e., the markets of Chile, Argentina and Colombia, for which strategic decisions are made.

Intercompany transactions are removed between segments on a consolidated basis. Financial costs are not separated by operating segments due to the fact that the Group manages debts on a consolidated basis.

This financial information by operating segments is detailed in Note 7.

4.3.- Foreign Currency Transactions

a. Reporting Currency and Functional Currency

The items included in the financial statements of each of the entities of the Company are measured using the currency of the principal economic environment in which the entity operates (functional currency). The consolidated financial statements of AES Andes are expressed in United States dollars, which is the functional and reporting currency of the Company and all of its subsidiaries, except for its Colombian subsidiaries, whose functional currency is the Colombian peso, and the Argentine subsidiaries, whose functional currency is the Argentine peso.

b. Transactions and Balances

Transactions in foreign currencies other than the functional currency are translated into functional currency using the exchange rates at the date of the transactions. Exchange differences arising from the settlement of these transactions or the translation using the closing exchange rates of the monetary assets and liabilities in foreign currency, are recognized in profit or loss, except if they differ in shareholders' equity, such as cash flow hedges.

Non-monetary items in a currency other than functional currency carried at historical cost are translated into the functional currency using the exchange rates at the date of each initial transaction. Non-monetary items in a currency other than functional currency carried at fair value are translated into the functional currency using the exchange rate of the date when the fair value was determined.

c. Translation Basis

Assets and liabilities in a currency other than the functional currency and those denominated in Unidades de Fomento (UF) are presented using the following exchange rates and closing values per US$1, respectively:

	Symbol	December 31, 2022	December 31, 2021
Chilean Pesos	$	855.86	844.69
Argentine pesos	Ar$	177.16	102.72
Colombian pesos	Col$	4,810.20	3,981.16
Euro	€	0.93	0.88
Unidad de Fomento	UF	0.02	0.03

UF is a local inflation-indexed monetary unit denominated in Chilean pesos. The UF rate is set daily in advance, based on the change in the consumer price index of the previous month.

d. Translation Bases for Subsidiaries with Different Functional Currencies

The results and financial position of all the Group entities, which have a functional currency other than the reporting currency and whose functional currency is not that of a hyperinflationary economy, are translated into the reporting currency as follows:

i. The assets and liabilities are translated at the closing exchange rate as of the closing date.
ii. Adjustments to goodwill and distribution of the price paid, as arising from the acquisition of a foreign entity, are treated as assets and liabilities of the foreign entity and are converted at the period-end foreign exchange rate.
iii. Revenue and expenditure of each profit and loss account are converted at the monthly average exchange rates (unless this average is other than a reasonable approximation of the cumulative effect of exchange rates prevailing as of the transaction dates, in which event the income and expenditure will be translated at the exchange rate reported on those transaction dates).

All resulting exchange differences are recognized as a separate component of the shareholders' equity, under the account "Other Reserves". To the extent the investment is sold, those exchange differences are recognized in the income statement as part of the gain or loss on sale.

The results and financial position of the Group entities, which have a functional currency other than the reporting currency and whose functional currency is that of a hyperinflationary economy (as in the case of Argentine subsidiaries), are translated into the reporting currency as follows:

i. Assets, liabilities, shareholders' equity, revenues and costs are translated at the closing date exchange rate.
ii. The comparative figures are unchanged in relation to those reported in the previous Financial Statements since the reporting currency of the Group is that of a non-hyperinflationary economy.

Prior to applying the above translation method, the entities are required to restate their financial statements in accordance with IAS 29 based on the purchasing power at the end of the reporting period. Therefore, the transactions of this period and the balances of non-monetary items as of the end of the period, should be restated to reflect the current price index as of the balance sheet date.

For the restatement of the Financial Statements in homogeneous currency, the National Consumer Price Index (CPI) published by the National Institute of Statistics and Census of Argentina (INDEC) is used, according to the series prepared and published by the Argentine Federation of Professional Councils of Economic Sciences (FACPCE).

To translate the inflation-adjusted balances of the Argentine subsidiaries into the Group's reporting currency, applying the criteria established in IAS 29 - *Financial Reporting in Hyperinflationary Economies*, the Company uses the exchange rate published by Banco de la Nación Argentina (BNA).

For consolidated purposes, exchange differences arising from the conversion of a net investment in foreign entities are accounted for in shareholders' equity. When all or part of those investments are sold, exchange differences are recognized in the income statement as part of gain or loss on sale.

4.4.- Property, Plant and Equipment

The plots of land of AES Andes Group are carried at cost less relevant accumulated impairment losses.

Plants, buildings, equipment and transmission systems held for electricity generation and other items of property, plant and equipment are recognized at historical cost less relevant accumulated depreciation and impairment losses.

The cost of an asset includes its purchase price, all costs directly attributable to bringing the asset to the location and condition necessary for it to operate as expected by the Management, and the initial estimated costs of dismantling and removing the asset, either in whole or in part, and restoring the site where it is located. This is an obligation assumed by the Company, at the time of purchasing the asset or as a consequence of using the asset during a certain period.

Subsequent costs are included in initial asset value or recognized as a separate asset, only when, according to the recognition criteria of IAS 16 *Property, Plant and Equipment*, it is probable that the future economic benefits associated with the fixed assets will flow to the Group and the cost of the item can be reliably measured. The value of the replaced component is derecognized. Other repairs and maintenance are recognized in the income statement for the period as incurred.

The works-in-progress include, among other items, the following capitalized expenses during the construction period only:

i. Financial expenses related to external financing that are directly attributable to constructions, both specific and generic in nature. In terms of generic financing, capitalized finance expenses are obtained by applying the weighted average cost of long-term financing to the average accumulated investment eligible for capitalization that is not specifically financed.
ii. Directly related staff and other operative costs attributable to the construction.

Works-in-progress are transferred to fixed assets once the testing period is completed and they are available for use, at which time depreciation shall begin.

Depreciation of fixed assets is calculated using the straight-line method, considering the cost less the residual value over their estimated economic useful lives. The estimated useful lives for the main and most relevant asset classes are detailed in Note 18.

The residual value and the useful life of these assets are reviewed periodically and, where necessary, they are adjusted so that their remaining useful life is consistent with the expected useful life of the assets.

When the value of an asset exceeds its estimated recoverable amount, it is immediately reduced up to the recoverable amount through the recognition of impairment losses (Note 4.7).

Profit and losses on sales of fixed assets are calculated by comparing the proceeds from the sale with their carrying value and are included in the income statement as other net income (losses).

Derecognition of fixed assets is equivalent to the gross carrying value less accumulated depreciation at the time of recording.

4.5.- Goodwill

Goodwill represents the excess of the acquisition cost over the fair value of the interest of the Group in the net identifiable assets of the subsidiary/associate acquired on the purchase date. Goodwill is tested for impairment on an annual basis and is valued at cost less accumulated impairment losses. Gains and losses for sale of an entity include the carrying amount of the goodwill related to the entity being sold.

Goodwill is allocated to Cash Generating Units (CGU) with the purpose of testing whether the CGUs are impaired. When the recoverable amount of a CGU is lower than its carrying amount, an impairment loss will be recognized. Impairment losses related to goodwill cannot be reversed in future periods (Note 4.7).

As of December 31, 2022 and 2021, the Group has not recognized any amount as Goodwill.

4.6.- Intangible Assets

a. Computer programs

Licenses for purchased software are capitalized based on costs incurred to purchase and prepare the specific programs for use. These costs are amortized over their estimated useful lives using the straight-line method. (Note 17).

Expenses related to software development or maintenance are recognized as incurred. Costs directly related to the production of unique and identifiable software programs controlled by the Group, and which are likely to generate economic benefits greater than their costs for more than one year, are recognized as intangible assets. Direct costs include expenses incurred by the staff in developing the software. Software program development costs recognized as assets are amortized over their estimated useful lives.

b. Easements

Easement rights are carried at historical cost. As the exploitation period of these rights has no limit, they are considered as assets with an indefinite useful life and are therefore not subject to amortization. Nevertheless, the indefinite nature of a useful life is reviewed at each reporting period to determine whether it should still be regarded as such. These assets are tested for impairment annually. The exception to the rule of an indefinite useful life is only applicable to cases where there is an underlying agreement limiting the useful life of the easement (Note 17).

c. Water Rights

Water rights are carried at historical cost. As the exploitation period of these rights has no limit, they are considered as assets with an indefinite useful life and are therefore not subject to amortization. Nevertheless, the indefinite nature of a useful life is reviewed at each reporting period to establish whether such nature is still applicable. These assets are tested for impairment annually.

4.7.- Impairment of Non-Financial Assets

Assets subject to amortization and depreciation are tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If there is an indication of impairment, the recoverable amount shall be estimated for the asset on an individual basis. If the recoverable amount cannot be determined for individual assets or the assets have an indefinite useful life, the entity shall determine the lowest level for

which there are separately identifiable cash flows ("cash generating units") and shall estimate the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognized to the extent the carrying amount of the asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell or its the value in use. The estimation of the value in use is based on the present value of the future expected cash flows at a pre-tax discount rate that reflects the current market assessments and the risks associated with the asset or cash generating unit. The best determination of the fair value less costs to sell includes prices of similar transactions. If the transactions cannot be identified in the market, a valuation model will be used.

Non-financial assets, other than goodwill, which might have suffered an impairment loss are assessed at every year-end to check for any events that would justify a reversal of the impairment loss. The reversal of an impairment loss shall not exceed the carrying amount that would have been obtained, net of amortization and depreciation, if no impairment loss would have been recognized for that asset in prior periods.

Intangible assets and goodwill with indefinite useful lives are tested for impairment every October 1 of each year or any indication that the value of these assets may not be recoverable.

4.8.- Financial Assets

Initial Classification

AES Andes classifies its financial assets in the following categories: fair value through profit or loss, amortized cost, and fair value through Other Comprehensive Income. The classification of financial assets in the initial recognition depends on the contract cash flow characteristics and AES Andes's business model for their management. Except for trade receivables with no significant financial component or for which AES Andes has applied a practical solution, AES Andes initially recognizes a financial asset at fair value plus, in case of a financial asset not recognized at fair value through changes in profit or loss, transaction costs.

Financial assets classified and recognized at amortized cost are maintained within a business model with the aim of maintaining financial assets to collect contractual cash flows, while the financial assets classified and recognized at fair value through OCI are maintained within a business model with the purpose of keeping their ownership for the collection of contractual cash flows and sales. Financial asset sales or purchases requiring the delivery of assets within a period of time established by market regulation or convention (regular transactions) are recognized on the negotiation date, namely, the date on which the Company undertakes to buy or sell the asset.

a. Financial Assets at fair value through profit or loss (FVTPL)

These instruments are initially measured at fair value. Net income and losses, including any income from interest or dividends, are recognized in profit or loss for the period. The financial assets are classified in the category of financial assets at fair value through profit or loss when they are held for negotiation purposes or designated in their initial recognition at fair value through profit or loss. A financial asset is classified in this category if it is acquired mainly with the purpose of being sold in the short term. Profit and losses from assets held for trading are recognized as profit or loss and the associated interest is recognized separately in financial income. Derivatives are also classified as acquired for trading purposes unless they are designated as hedges.

b. Assets carried at amortized cost

They are initially carried at the fair value of the transaction, plus or minus the transaction costs that are directly attributable to the acquisition or issuance of the financial asset or liability. They are held to collect contractual cash flows that meet the "Solely Payments of Principal and Interest" (SPPI) criterion. This category includes trade receivables and other accounts receivable.

c. Financial Assets at fair value through other comprehensive income (FVTOCI)

These instruments are initially carried at fair value, with gains or losses reclassified through profit or loss for the period upon derecognition. The financial instruments in this category meet the SPPI criterion and are kept within the business model of the Company, both to collect and sell the cash flows.

The business model of AES Andes for the management of financial assets refers to how it manages financial assets to generate cash flows. A business model establishes whether the cash flows will result from collecting contractual cash flows or selling financial assets, or both.

The accounting policy used to determine the fair value is detailed in Note 4.21.

Subsequent Valuation

The financial instruments are afterwards measured at FVTPL, amortized cost, or FVTOCI. The classification is based on two criteria: (i) the business model of the Company to manage the financial instruments, and (ii) whether the contractual cash flows of the financial instruments are “Solely Payments of Principal and Interest”.

a. Financial Assets measured at fair value through profit or loss (FVTPL):

These instruments are afterwards measured at fair value. Net profit and losses, including any income from interest or dividends, are recognized as profit or loss for the period.

These instruments are held for trading purposes and mainly acquired with the purpose of selling them or buying them back in the short term. Derivative instruments are also classified as held for trading, unless they are designated for hedge accounting. The financial instruments in this category are classified as other current and non-current financial assets. They are subsequently measured through determination of the fair value, and changes in value are accounted for in the income statement as other income (losses).

b. Financial Assets measured at amortized cost:

These instruments are subsequently measured at amortized cost less accumulated depreciation through the effective interest method and adjusted through provisions for impairment losses, in the case of financial assets. Financial income and expense, exchange gains and losses and impairment are charged to income. Any profit or loss on derecognition is recognized as profit or loss of the period.

Loans and receivables are non-derivative financial instruments with fixed or determinable payments that are not listed in an active market. They are carried at amortized cost and the accrual of agreed terms is directly recorded as profit or loss.

c. Financial Assets measured at fair value through other comprehensive income (FVTOCI):

These instruments are afterwards measured at fair value. Revenue from interest calculated using the effective interest method, financial income and expense, exchange gains and losses and impairment are charged to income. Other net gains and losses are recognized in Other Comprehensive Income (OCI). Upon derecognition, retained earnings and losses in OCI are reclassified as profit or loss.

Impairment

Following the requirements of IFRS 9, the Company applies an impairment model that relies on the assessment of expected credit losses, based on the Company’s historical information, existing market conditions, and prospective estimates at the end of each reporting period. This model applies to financial assets measured at amortized cost or measured at fair value through other comprehensive income, except for investments in equity instruments.

The expected credit loss is determined considering the probability of default, which is the difference between all the contractual cash flows that are due in accordance with the contract and all the cash flows that the entity expects to receive (i.e., insufficient money), discounted at the original effective interest rate.

To determine expected credit losses, the Company applies two different approaches:

- General approach: applied to financial assets other than trade receivables, contract assets or lease receivables. This approach is based on the assessment of significant increases in the credit risk of financial assets, since the initial recognition. In case that, as of the date of presentation of the financial statements, the credit risk has not had a significant increase, impairment losses are measured by reference to the 12-month expected credit losses; otherwise, if the credit risk has had a significant increase, the impairment is measured considering the expected credit losses throughout the life of the asset. In general, expected credit losses as per the general approach are determined on an individual basis.

- Simplified approach: for trade receivables, the Company applies a simplified method, whereby the impairment provision is always recorded with reference to expected credit losses over the life of the asset. This is the mostly applied approach, since trade receivables represent the main financial asset of the Company.

With respect to corporate customers and distribution companies whose power purchase agreements are long term and cover a significant portion of their installed capacity, the Company allocates its exposure to a credit risk grade based on data determined to be predictive, including credit ratings, audited financial statements, projected cash flows, and customer-related information available, and by applying experienced judgment relying on this information. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and consistent with the definition of credit risk according to the criteria applied by the risk agencies. Regarding the exposure to losses for customers whose credit assessment cannot be determined, considering the aforementioned guide, the Company covers this credit risk through the request for financial guarantees, which are stipulated in accordance with the respective power purchase agreements (see Note 33).

As of December 31, 2022, the Company holds guarantees received from customers as detailed in Note 33 to these financial statements for the payment obligations of customers under PPAs, including, in some cases, letters of credit from financial institutions with an investment grade rating and corporate bonds from their parent companies with an investment grade rating. Obligations under these letters of credit and corporate bonds may increase or decrease depending on our customers' capacity to meet certain construction, operational or financial thresholds or the change in the investment grade ratings of their respective parent companies.

The impact on the Company's results due to impairment of trade receivables as of December 31, 2022 amounts to a loss of ThUS$409.

Based on the benchmark market and industry where our customers do business, as well as the recovery expectations after 90 days for such accounts receivable, the Company mainly applies a default maturity of 180 days to assess expected credit losses, as it is considered an effective indicator of a significant increase in credit risk. As a result, financial assets that are more than 90 days past due are generally not considered to be in default.

Based on Company-specific assessments, the prospective adjustment may be applied considering qualitative and quantitative information to reflect possible future events and macroeconomic scenarios, which may affect the risk of the portfolio or financial instrument.

4.9.- Financial Liabilities

AES Andes classifies its financial liabilities in the following categories: fair value through profit or loss, derivatives designated as effective hedging instruments (see Note 4.10) and amortized cost. Management determines the classification of its financial liabilities on initial recognition.

Financial liabilities are derecognized when the obligation is paid, settled, or expires. When an existing financial liability is replaced by another liability from the same lender under substantially different terms, or if the terms of the existing liabilities are substantially modified, such exchange or modification shall be treated as a derecognition of the original liability and a recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income statement.

Financial liabilities are initially recognized at fair value and, in the case of loans, they include costs directly attributable to the transaction. Subsequent measurement of financial liabilities depends on their classification, as explained below.

When the Group has the right to offset obligations with financial rights, the net amount shall not be reported in accordance with paragraph 42 of IAS 32 *Financial Instruments: Presentation*, as the Company intends to pay and collect those items independently. IFRS 7 *Financial Instruments: Disclosures* also apply to recognized financial instruments whose derivative contracts are subject to an enforceable netting arrangement or similar agreement, irrespective of the net or gross disclosure under IAS 32. See Note 10.2 (e).

a. Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities are classified in the category of financial liabilities at fair value through profit or loss when they are held for trading or they are designated on initial recognition at fair value through profit or loss. Gains and losses on held-for-trading liabilities are accounted for as profit or loss. This category includes derivative instruments not designated for hedge accounting.

b. Financial liabilities at amortized cost

Other financial liabilities are subsequently carried at amortized cost using the effective interest rate method. The amortized cost is calculated by considering any premium or discount from the acquisition and includes costs of transactions are an integral part of the effective interest rate. This category includes trade payables and other accounts payable and loans included in other current and non-current financial liabilities.

4.10.- Derivative Financial Instruments and Hedging

The Group uses derivative financial instruments such as interest rate swaps, foreign exchange rate swaps, and foreign exchange forwards to hedge its risks associated with fluctuations in interest, foreign exchange rates, and coal prices. Derivatives are initially recognized at the fair value of the date on which the derivative agreement has been entered into and they are subsequently remeasured at their fair values. The method to recognize the gain or loss resulting from the change in fair value depends on whether the derivative has been designated as a hedging instrument, and, if so, the nature of the item that it is hedging. The Group recognizes certain derivatives as:

i. fair value hedges
ii. cash flow hedges

At the beginning of the transaction, the Group documents the relation existing between hedging instruments and hedged items, as well as their objectives for risk management and the strategy to carry out various hedging transactions. The Group also documents its assessment, both at the beginning and on a continuous basis, about whether the derivatives that are used in hedging transactions are highly effective to offset changes in the fair value or cash flows of the hedged items, namely, when the hedge relationship meets the following efficacy requirements.

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of the credit risk has no predominance over the changes in value resulting from that economic relationship; and
- The hedge ratio of the hedge relationship is the same as that resulting from the amount of the hedged item that the Group is actually hedging and the amount of the hedging instrument that the Group actually uses to hedge such amount of the hedged item.

If a hedge relationship ceases to meet the hedge effectiveness requirements in relation to the hedge ratio, but the risk management goal for that designated hedge relationship remains unchanged, the Group will adjust the hedge ratio of the hedge relationship so that it complies again with the required criteria. (Referred to as “rebalancing” in IFRS 9).

a. Fair Value Hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in the income statement, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

The Group has not used fair value hedges in the reporting periods.

b. Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in other comprehensive income and are accumulated as cash flow hedge reserves in other reserves. The effective portion of changes in the fair value of the derivative instrument that is recognized in other comprehensive income is limited to the cumulative change in the fair value of the hedged item, as established on the basis of the present value, from the beginning of the hedging transaction.

Any loss or gain related to the ineffective portion is recognized immediately in the income statement within financial costs or exchange differences, according to their nature.

The Group recognized only the change in the spot fair value of the forward contract as the hedging instrument in the cash flow hedge relationships. The change in the fair value of the forward points in foreign currency is accounted for separately as hedging cost and is recognized in a hedge cost reserve within shareholders’ equity.

When the expected transaction that is subsequently hedged brings about the recognition of a non-financial item as inventory, the accumulated amount in the hedging reserve and the cost of the hedging reserve is directly included in the initial cost of the non-financial item upon recognition.

For all the expected hedged transactions, the amounts accumulated in Other reserves are accounted for in the income statement during periods in which the hedged item affects the result. In the case of interest rate hedges, this means that the amounts recognized in shareholders’ equity are reclassified as profit or loss in financial costs as interest on associated debts is accrued. For cross currency swaps, the amounts recognized in other reserves are reclassified to financial costs as interest is accrued and to exchange differences as a result of measuring the debts at closing exchange rates.

If the hedged item ceases to meet the criteria for hedge accounting or the hedging instrument expires, is sold, terminated or exercised, hedge accounting is prospectively discontinued. When hedge accounting for cash flow hedges is discontinued, the amount accumulated in other reserves will remain in shareholders’ equity until, if the hedging of a transaction brings about the recognition of a non-financial item, it is included in the cost of the non-financial item on initial

recognition or, in the case of other cash flow hedges, it is reclassified in profit or loss in the same period or periods in which the expected hedged future cash flows affect the income statement.

When it is expected that the transaction is not likely to occur, the gain or loss accumulated in shareholders' equity is immediately charged to income within financial cost or exchange differences, according to their nature.

c. Derivatives not qualifying for hedge accounting

Certain derivatives are not designated for hedge accounting and are carried at fair value through profit or loss. Changes in the fair value of these derivatives are immediately recognized in the income statement.

d. Embedded Derivatives

The Company assesses the existence of embedded derivatives in financial and non-financial instrument agreements to establish whether their characteristics and risks are closely related to the host contract, provided that the whole set is not classified as an asset or liability at fair value through profit or loss. If they are not closely related, embedded derivatives are accounted for separately from the host contract and recognized at fair value with variations immediately recognized in the income statement..

4.11.- Inventory

Inventory is valued at the lowest of its cost or net realizable value, except in the case of those elements that will be used in the production process if their value is expected to be recovered through the sale of the final product. The cost is calculated using the acquisition cost method. The net realizable value is the estimated selling price in the ordinary course of business, minus applicable variable selling costs.

4.12.- Cash and Cash Equivalents

Cash and cash equivalents include cash-in-hand balances; time deposits in credit entities; other highly-liquid, short-term investments with original maturity of three months or less; and bank overdrafts. In the statement of financial position, bank overdrafts are classified as borrowed capital in other current financial liabilities.

Cash and cash equivalents subject to restrictions are included in the statement of financial position within cash and cash equivalents, except when the nature of the restriction is such that it ceases to be liquid or readily convertible to cash. In this case, restricted cash set aside for less than 12 months will be recognized within other current financial assets, and the restricted cash set aside for more than 12 months will be recognized within other non-current financial assets. The classification of Cash and Cash Equivalents does not differ from that used in the Statement of Cash Flows.

IAS 7 sets forth that the entity must submit information on cash flows from operating activities using the direct or indirect method. According to Official Letter No. 2058 published by the CMF, as from the reporting date, March 31, 2013, all open companies must present their cash flow statements using the direct method.

4.13.- Issued Capital

Capital stock is represented by common stock of a single class, with no par value, and entitled to one vote per share.

Incremental costs directly attributable to the issuance of new shares or options are recognized in shareholders' equity as a deduction, net of taxes, of the amounts obtained from the issuance of new shares.

4.14.- Taxes

Income taxes

The Company and all its subsidiaries determine their current income tax based on the taxable net income determined according to the current legal provisions for each fiscal year. The tax rates and laws used in the calculation of the income tax are those published as of the date of presentation of the Financial Statements in the countries where the Group does business and generates taxable income.

The income tax expense for the year is determined as the sum of the current tax of the Company and its respective subsidiaries, and it results from the application of the tax on the taxable income for the year, which considers taxable income and tax deductible expenses, plus the variation of assets and liabilities for deferred tax and tax credits.

Deferred Taxes

Deferred taxes arising from temporary differences and other events that create differences between the tax bases of assets and liabilities and their carrying value are recognized according to the current standards set out in IAS 12 *Income Taxes*.

The differences between the carrying values of assets and liabilities and their tax bases generate (with the possible exception of investments in subsidiaries, associates or interest in joint ventures, as stated below) deferred tax assets and liabilities, which are calculated using the tax rates that are expected to apply to the period when the assets and liabilities are realized. Deferred tax liabilities are recognized by all the taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements, except if the following conditions are met:

i. the parent company, investor or participant of a joint venture can control the timing for temporary difference reverses and
ii. it is unlikely that the temporary difference will reverse in the foreseeable future.

Deferred tax assets are recognized by all deductible temporary differences originating from investments in subsidiaries, associates or interests in joint businesses, only to the extent it is likely that:

i. the temporary differences will reverse in the foreseeable future; and
ii. there is liquid taxable income against which temporary differences can be applied.

Current tax and changes in deferred taxes arising other than from business combinations, are recognized in profit or loss or in shareholders' equity, based on how the income or loss originating them have been recognized.

Deferred tax assets and tax credits are recognized to the extent that it is probable that sufficient future taxable profit will be available to recover deductible temporary differences and against which tax credits can be utilized.

Group companies representing tax losses recognize deferred tax assets when such losses are likely to be utilized. For that purpose, the generation of future tax profits and the expiration date of tax losses is considered. Both in Chile and Colombia, tax losses have no expiration date; however, in Argentina they expire at the fifth year.

4.15.- Employee Benefits

Short-term Employee Benefits

The Company recognizes all short-term benefits to employees, such as salary, vacation, bonuses, and others, on an accrual basis and considers the benefits arising as an obligation from the collective bargaining agreements as a regular practice of the Company.

Post-Employment Benefits - Defined Benefit Plans

The Company has recognized the total of liabilities related to voluntary pension plans for retired employees (active employees are not creditors of this benefit at the time of retirement) and other post-retirement benefits, as stipulated under the collective bargaining agreements existing in the Chilean companies of the Group. Pension benefits include the payment of a supplementary pension in addition to the pension provided for in the Chilean Social Security System payable for life to retired employees. Furthermore, these benefits include health services and electricity grants. In addition, the Colombian subsidiary AES Colombia has a pension plan limited to a certain staff group which includes a supplementary pension for those people who are not covered by the provisions of Law No. 100 of 1993.

The liabilities under post-employment benefit plans were recognized at the value of projected benefit liability, as assessed by applying the actuarial calculation and using the projected unit credit method. The actuarial assumptions considered in the calculation include the likelihood of such payments or benefits based on employee mortality (in the case of retired employees), future costs and level of benefits and discount rate. In Chile, the discount rate is based on reference to the performance of UF-denominated sovereign bonds issued by the Chilean Central Bank and the average long-term projected inflation, while in Colombia, the rate is assessed based on the performance of long-term sovereign bonds issued by the Colombian government. Sovereign bond rates are used considering that in none of both countries there are sufficiently active markets of high credit quality corporate notes.

In the case of Chilean former employees, who are only entitled to medical benefits and electricity grants, the benefits are recognized based on an estimation of the proportion of benefits accrued as of the balance sheet date. The obligations related to medical benefits and electricity grants have been determined considering the trend in future medical costs and fixed electricity for the bonus given to retired and active employees after retirement.

Actuarial gains and losses include adjustments for experience and effects of changes on the actuarial assumptions and are recognized in other comprehensive income.

Stock-based Compensations

AES Corporation, majority shareholder of AES Andes, grants stock-based compensation to certain employees of its subsidiaries, which consist of a combination of options and restricted stock. The rights on these plans are generally vested in three-year terms.

The fair value of the services received from the employees in exchange for the granting of the option is recognized as an expense and a corresponding increase in or contribution to the shareholders' equity of the Company. The cost is measured as of the date of granting based on the fair value of the equity instruments or liabilities issued and is recognized as an expense on a straight-line basis over the vesting period, net of an estimation for non-exercised options.

Staff Seniority Indemnities

A provision for the Company's obligation concerning staff seniority compensations agreed with the staff under relevant agreements is calculated at the present value of the total liability based on the projected benefit cost method and considering for these purposes, a discount rate based on performance of UF-denominated sovereign bonds issued by the Chilean Central Bank and average long-term projected inflation.

The actuarial assumptions considered in the calculation include the likelihood of such payments or benefits based on mortality (in the case of retired employees) and employee rotation, future costs and level of benefits and discount rate. The discount rate is established in the same manner as for post-employment benefits, as detailed in Note 4.15 Post-Employment Benefits - Defined Benefit Plans.

4.16.- Provisions

Obligations for decommissioning, litigation and others

Provisions for environmental restoration, site restoration and asset removal, restructuring and litigation expenses are recognized when:

i. the Group has a present obligation, whether legal or constructive, as a result of past events;
ii. it is likely that an outflow of resources will be needed to settle the obligation; and
iii. the amount has been reliably estimated.

Provisions are measured at present value of the expenditure expected to be required to settle the obligation, using a discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. Increases in provisions due to the passage of time are recognized as an interest expense.

Future losses derived from operations.

No provisions are recognized for other expenses incurred in the normal course of operations.

4.17.- Revenue Recognition

Revenues of the Company mainly come from the production and sale of energy and power. Revenues are recognized when the control of the goods and services is transferred to the customers and are recognized net of any tax collected that must be paid to the authorities of each country.

a. Proceeds from sales of goods and services

Sale of goods

For contracts with customers where the sale of equipment is the only obligation, the adoption of IFRS 15 has no impact on the proceeds and profits or losses of the Company, given that revenue recognition occurs at a point where control of the asset is transferred to the customer, upon delivery of goods. The Company has impacts associated with the sale of goods individually, as it is not currently engaged in the sale of goods under a single sales contract.

Provision of Services

The Company provides the energy and power supply service to regulated and non-regulated customers. Service revenues are recognized based on the physical delivery of energy and power. The services are provided over time since customer simultaneously receives and uses the benefits provided by the Company. As a result, the Company recognizes revenue from grouped service contracts over time instead of at a point in time. The main revenue recognition policies of the Company for each type of customer are described below:

i. Regulated customers: distribution companies in Chile and Colombia: The proceeds from electric power sales are recorded based on the physical delivery of energy and power pursuant to long-term agreements at a tendered price.
ii. Non-regulated customers: for clients in Chile, Argentina and Colombia: The proceeds from electric power sales for these customers are recorded based on the physical delivery of energy and power at the rates specified in the relevant contracts.
iii. Spot Market Customers: The proceeds from electric energy and power sales for these customers are recorded based on the physical delivery of energy and power to other generating companies or the system coordinator at the marginal cost of energy and power. The spot market is organized pursuant to the law through Dispatch Centers (CEN in Chile, CAMMESA in Argentina and XM in Colombia), where electric energy and power surpluses and deficits are traded. The surpluses of energy and power are recorded as income, and the deficits are recorded as expenditure within the consolidated statement of comprehensive income.

For those agreements where multiple committed goods and services are involved, revenues are allocated to each committed consideration based on independent sales prices using a market or expected cost plus a margin approach. In addition and in the event of variable considerations from contracts with customers, the Company distributes them in contracts among one or more, but not all, the different goods and services that are an integral part of a consideration when: (i) the variable consideration is specifically related to the efforts made to transfer the different goods and services and (ii) the variable consideration represents the amount that the Company expects to be entitled to in exchange for the transfer of goods and services to the customer.

AES Andes establishes the existence of significant financing components in its contracts by adjusting the value of the consideration, if appropriate, to reflect the effects of the time value of money. Nevertheless, AES Andes applies the practical solution provided by IFRS 15, and will not adjust the value of the committed consideration as a result of the effects of a significant financing component if the Company expects, at the beginning of the contract, that the period between payment and transfer of property or customer service will be one year or less.

Revenues from generation agreements are recognized using the output or transferred production/generation method considering that the transferred quantities of energy and power better represent the transfer of goods and services to the customers. The considerations involved in the contracts, including energy and ancillary services (such as operation, maintenance, and dispatch costs) are usually measured based on MWh delivered. Considerations associated with power are measured based on availability of generation plants.

When energy and power are sold or purchased in spot markets or to the regulator, the Company evaluates the facts and circumstances to establish the gross or net presentation of purchases and sales in the spot market. Generally, the nature of the consideration includes the sale of excess energy and power over the contractual commitments or the purchase of energy and power to overcome deficits in generation.

In some contracts of the Company, it is considered that the nature of the consideration includes the sale of excess energy and power contracted and unused by customers in the spot market, and the collection of a commission for these transactions. Given that energy and power have been contracted by customers and that the risk of loss from transfers in the spot market is assumed by the customers, it is considered that these services are controlled by the clients before they are transferred to the spot market.

b. **Contracts' assets and liabilities**

When a party to a contract has performed, the Company recognizes a contract asset or a contract liability, depending on the relationship between the Company's performance and the customer's payment.

The Company has receivables from certain customers for services paid in advance. The effect on income of these will be recognized in operating income over the term of the respective contracts.

Advances received from customers: in sale agreements, there are different payment methods, such as prepayment and monthly payment. The prepayment method is recognized as a non-financial liability (contract liability), which represents the entity's obligation to transfer the service in the future following the terms of each contract.

The Company recognizes a contract asset at the time of performance by transferring goods or services to the customer before payment is due. Contract assets are presented separately from accounts receivable.

The Company determines the existence of significant financing components in its contracts, adjusting the value of the consideration, if appropriate, to reflect the effects of the time value of money. Financing effects are presented separately (as interest income or interest expense as appropriate) from revenue from ordinary activities of contracts with customers in the statement of comprehensive income.

However, applying practical expedient in IFRS 15, there is no adjustment to the value of the promised consideration for the effects of a significant financing component if the Company expects, at contract inception, that the period between payment and transfer of goods or services to the customer is one year or less.

c. Transaction Price Allocated to Outstanding Performance Obligations

The transaction price allocated to outstanding performance obligations represents a consideration for unsatisfied (or partially unsatisfied) performance obligations as of each year-end date. As of December 31, 2022, the Company has no committed and unsatisfied or partially unsatisfied performance obligations.

4.18.- Leases

The contracts executed by the Company are initially evaluated to identify whether they are, or contain, a lease. A contract is, or contains, a lease if it involves a right to control the use of an identified asset during a period of time in exchange for a consideration. To perform this evaluation, the Company assesses whether, during the same period of use of the asset, the user has:

i. The right to obtain substantially all the economic benefits arising from the use of the identified asset (directly or indirectly); and
ii. The right to direct the use of the identified asset.

a. When the Group is Lessor

In those cases where the Company acts as Lessor, leases are classified as: Financial lease depending on whether the agreement assigns substantially all the risks and benefits associated to the ownership of the asset or Operating lease when no such risks and benefits are assigned. This classification is made considering the background on the manner of transaction at the beginning of the lease (date on which lessor makes the asset available for use by the lessee) and is reassessed only when there is an amendment to the lease agreement.

a.1 Financial Lease

At the beginning of the lease, the Company recognizes the assets held for lease in its statements of financial position and discloses them as accounts receivable equivalent to the amount of the net investment in the lease, calculated as the sum of payments for lease payments plus any unsecured residual value, discounted at the interest rate implicit in the lease.

After the initial recognition, the Company recognizes a financial income for the duration of the lease, based on a pattern reflecting a constant periodic rate of return on the net investment of the Company in the lease.

a.2 Operating Lease

The Company recognizes the payments for operating leases in their statements of income as an income on a straight-line basis during the lease term. The costs incurred in obtaining the lease income, such as depreciation, are charged to income as an expense. For the periods covered by these financial statements, the Company was not a party to significant contracts of this nature.

b. When the Group is Lessee

In those cases where the Company acts as Lessee, the lease is recognized at the beginning as a Right-of-Use Asset and a Lease Liability.

At the beginning of the lease, the Right-of-Use Asset is recognized at cost and the following items are considered:

- The initial amount calculated for the Lease Liability;
- Any lease payment made before or at the beginning of the lease;
- Any initial direct cost incurred by the Company; and
- An estimation of costs to be incurred by the Company for the dismantling and removal of the asset and restoration of the site where the asset is located.

After the initial recognition, the Right-of-Use Asset is measured using a cost model, minus accumulated depreciation, accumulated impairment losses, and adjustments for remeasurement of Lease Liability.

In those cases where the ownership of the asset will be transferred upon termination of the lease term or when it is expected to exercise a purchase option contained in the lease, the Right-of-Use Asset is depreciated during its remaining useful life. Otherwise, the Right-of-Use Asset is depreciated since the beginning of the lease until the earlier between the end of the useful life of the asset and termination of the lease.

To establish whether the Right-of-Use Asset is damaged, the Company uses the criteria described in Note 4.7.

Initially, the Lease Liability is calculated as the present value of lease payments that have not been made as of that date. Lease payments are discounted using the interest rate implicit in the lease, in case it can be readily determined; otherwise, the Company uses its borrowing rate (rate at which the Company would have borrowed the funds necessary to obtain an asset of a similar value to the Right-of-Use Asset during a time period similar to that of the lease).

Lease payments included in the initial measurement of the Lease Liability include:

- Fixed payments, less any account receivable associated to an incentive for the lease;
- Variable payments that depend on the variation of an index or rate;
- Amounts expected to be paid as collateral for the residual value;

– The exercise price of a purchase option if the lessee has a reasonable certainty that the option will be exercised;
– Payments for penalties for the early termination of the lease, if the lease term reflects the exercise of this option.

The Lease Liability is subsequently measured to reflect:

– The increase in the carrying amount associated with the interest recognized over the Lease Liability;
– The reduction in the carrying amount as a result of the lease payments made;
– Changes in the variable payments that depend on an index or rate;
– Remeasurements in carrying amount as a result of revaluations or modifications of the lease.

The interest on the Lease Liability is reflected in the income statement in the period during which it is incurred. For short-term leases and those where the asset is of low value, the Company recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

4.19.- Dividends

Dividend distributions to the Company's shareholders are recognized as a liability with the ensuing decrease in the shareholders' equity in the consolidated financial statements of the Group for the period during which dividends are approved by the Shareholders' Meeting of the Company.

At the end of each fiscal year, the Company makes a provision consisting of 30% of the result less dividends distributed on an basis pursuant to Law No. 18,046 as minimum dividend, given that such law requires the distribution of at least 30% of the financial result for the year, unless the Shareholders' Meeting unanimously resolves otherwise with regards to the voting shares issued.

Dividends will be paid exclusively from net income for the year or retained earnings in the balance sheet approved by the shareholders. However, if the Company has accumulated losses, the profits for the year shall first be used to absorb them.

Liquid earnings (losses) are equal to the Income (Loss) attributable to the parent..

4.20.- Environmental Expenditures

Disbursements related to environmental protection are expensed as incurred. Investments in infrastructure works intended to meet environmental requirements are capitalized following the general accounting criteria for Property, Plant and Equipment, according to the IFRS.

4.21.- Fair Value

Fair value is defined as the price that the Company would have received if it had sold an asset, or that it would have paid if it had transferred a liability, in an orderly transaction entered into between market players on the measurement date (namely, the disposal price). The definition of fair value emphasizes that fair value is a market- ased, rather than an entity-specific measurement. When measuring the fair value, management uses the assumptions that market players would use when pricing the asset or liability under current market conditions, including assumptions about risk and other elements. As a result, the intention of the Company to hold an asset or to settle or otherwise satisfy a liability is not relevant when measuring the fair value.

A fair value measurement requires an entity to determine the following:

i. the particular asset or liability being measured;
ii. for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis;
iii. the main or most advantageous market in which an orderly transaction would take place for the asset or liability; and
iv. the appropriate valuation techniques to be used upon measuring the fair value. The valuation techniques adopted should maximize the use of relevant observable inputs and minimize unobservable inputs. Those inputs should be consistent with the inputs a market participant would use when pricing the asset or liability.

A fair value measurement assumes that a financial or non-financial liability or an equity instrument of the Company (e.g. equity interests issued as consideration in a business combination) is transferred to a market participant on the measurement date. The transfer of a liability or an equity instrument of the Company assumes the following:

i. A liability would remain outstanding and the market participant transferee would be required to fulfill the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date.
ii. An entity's own equity instrument would remain outstanding and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise extinguished on the measurement date.

The fair value hierarchy categorizes into three levels the inputs to the valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1 inputs) and lowest priority to unobservable inputs (Level 3 inputs). If the fair value uses some unobservable inputs, it is classified as Level 2 as long as the quantity of unobservable inputs is not significant. Transfers between hierarchy levels are recognized as of the date of the event or change in circumstances that gave rise to the transfer.

4.22.- Assets Classified as Held for Sale and Discontinued Operations

Non-current assets, including property, plant and equipment, intangible assets, investments in associates and joint ventures, and groups of assets for disposal (group of assets that will be disposed of or distributed along with directly associated liabilities) are classified as held for sale if the carrying value will be primarily recovered through the implementation of a sales transaction, instead of from its continued use.

For the previous classification, assets must be immediately available for sale in its current condition and the sale must be highly probable. In order for the transaction to be considered highly probable, the Management must be committed to a sales plan, and the steps required to complete the plan must have been taken. Likewise, the sale is expected to be completed in one year as from the classification date.

The activities required to complete the sales plan should indicate that it is unlikely that significant changes can be made in the plan or that such plan would be canceled. The likelihood of approval by the shareholders (if required in the jurisdiction) should be considered as part of the assessment as to whether the sale is highly probable.

The assets or groups subject to expropriation classified as held-for-sale are measured at the lowest of the carrying value and the fair value less the sales costs.

Depreciation and amortization of these assets cease as soon as the criteria to be classified as non-current assets held for sale are met.

Assets that cease to be classified as held for sale or that cease to form part of the group of assets for disposal are valued at the lower of the carrying value before classification, less depreciations, amortizations, or reassessments

that would have been recognized if they were not classified as such, and the recoverable value on the date on which they are reclassified as non-current assets.

The non-current assets and asset group components for disposal classified as held-for-sale are recognized in the consolidated statement of financial position as follows: assets in a single line called “Assets classified as held-for-sale”.

A discontinued operation is a component of the Group that has been disposed of, or otherwise that has been classified as held for sale, and:

i. represents a line of business or geographic area, which is significant and can be regarded as separated from the rest;
ii. is an integral part of an individual and coordinated plan to dispose of a line of business or geographic area of the operation that is meaningful and can be regarded as separated from the rest; or
iii. is a subsidiary acquired exclusively for the purpose of being resold.

The after-tax income or loss from discontinued operations are expressed in a single line of the statement of comprehensive income called “Income (loss) from discontinued operations”, including the loss or income recognized by the fair value measurement less the sales cost or by the disposal of assets or groups for disposal that constitute the discontinued operation.

As of December 31, 2022 and 2021, the Group has not recognized any amount as assets held for sale

4.23.- Trade Payables

Trade payables include amounts due for the purchase of goods or services associated with the construction of coal (fuel) projects and purchases, which are related to reverse factoring operations. Under these operations, suppliers can choose to receive the advance payment of their invoice from a financial institution by factoring their accounts receivable from the Group. According to the reverse factoring process, a financial institution undertakes to pay to a participating supplier the amounts for any invoices owed by the Group and receives the payment from the Group at a later date. The main purpose of these transactions is to facilitate the efficient processing of payments and to allow suppliers, who so wish, to sell their accounts receivable owed by the Group to a financial institution before their due date. From the Group’s point of view, these transactions do not significantly extend the payment terms beyond the normal ones agreed to with other suppliers, considering that the payment terms under this system range from 30 to 120 days. Commissions paid to participating financial institutions are not representative amounts in relation to the amounts that those institutions pay to suppliers.

The Group has not derecognized the original liabilities subject to this reverse factoring system since neither a legal release has been obtained nor the original liability has been substantially changed when entering into each transaction. The Group discloses the amounts factored by suppliers within trade payables due to the fact that the nature and function of the financial liability remain the same as those of other trade payables..

4.24.- Loans between related companies

Intercompany loans are transactions in which an AES entity incurs a liability to another group entity due to receiving temporary financing. The absence of an interest charge on the transactions does not preclude them from being considered a loan. The balances from these transactions are presented and classified in each entity's balance sheet as Loans Receivable or Loans Payable between related companies under IAS 39 and IFRS 9.

Loans between related companies are analyzed periodically to identify changes in circumstances that may result in a change in management's expectations and intentions regarding their payment. Although changes in management's expectations are infrequent, they may include changing the characteristics of the loan from one that was expected to be repaid in the future to a permanent investment, or conversely, changing a loan that was initially considered as a

permanent investment to one that is expected to be repaid. Changes in the characteristics of these transactions, including changes in their accounting treatment, are appropriately analyzed and approved by the Company's management.

Transfers of funds between related companies whose liquidation is not expected or planned in the foreseeable future are treated as capital contributions rather than a loan.

NOTE 5 - FINANCIAL RISK MANAGEMENT

5.1.- Risk Management Policy

The risk management strategy is designed to safeguard the stability and sustainability of Andes Group in relation to all relevant components of financial uncertainty, both in normal and special circumstances. The Company's risk management is consistent with the general guidelines defined by its ultimate controlling shareholder, the AES Corporation.

Events of "financial risk" refer to situations in which the entity is exposed to conditions of financial uncertainty and are classified according to the sources of uncertainty and associated transmission mechanisms. For this reason, the strategy of the Management is to manage, with responsibility and effectiveness, all the identified and evaluated components of financial uncertainty relevant to the transactions, both under normal and special conditions.

The relevant aspects include, without limitation:

a. To provide transparency by establishing risk tolerances and determining guides that will make it possible to develop strategies to mitigate significant exposure to the relevant risk.

a. To provide a formal discipline and process for assessing risks and implementing the commercial aspects of its businesses.

The structure of financial risk management involves the identification, determination, analysis, quantification, measurement, and control of these events. The ongoing assessment and management of the financial risk is the responsibility of the Management, more specifically the Chief Financial Officer and the Chief Commercial Officer.

5.2.- Market and Financial Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. Among the market price risks, the following three types are considered: exchange risk, interest rate risk, and fuel price risk. Financial risk refers to the likelihood of occurrence of events that have negative financial implications, including the credit risk and liquidity risk.

5.2.1.- Foreign Exchange Risk

In Chile, the functional currency of the Company is the US dollar, given that the revenue, costs, investments in equipment and financial debt are mainly determined at such currency. Moreover, in Chile, the Company is authorized to file income tax returns and pay income taxes in US dollars. Foreign Exchange Risk is associated with any revenue, costs, investments and financial debt denominated in any currency other than US dollars. The main items denominated in Chilean pesos are the accounts receivable for sale of electricity and tax credits mostly related to VAT credits.

As of December 31, 2022, AES Andes maintained several forward contracts with banks with the purpose of reducing the exchange risk associated with the sales of energy, since, although the tariffs of most of the energy supply agreements of the Company are denominated in US dollars, they are paid in Chilean pesos using a foreign exchange rate that is fixed during a period of time.

As of December 31, 2022, given the net assets of the Company in Chilean pesos, the impact of a 10% devaluation in the Chilean peso to US dollar exchange rate as of period-end would have resulted in a negative impact of approximately ThUS$10,238 in the results of AES Andes. In the year ended December 31, 2022, approximately 80% of the ordinary revenues and 81% of the sales costs of the Company were denominated in US dollars, whereas in the year ended December 31, 2021, approximately 83% of the ordinary revenues and 81% of the sales costs were denominated in US dollars.

With regard to Colombia, it should be noted that the functional currency of AES Colombia is the Colombian peso since most part of the income, particularly the sales through contracts and sales in the spot market, and the operating costs of the subsidiary, are linked to the Colombian peso.

In the year ended December 31, 2022, the contract and spot sales in Colombia accounted for 16% of the consolidated income, as compared with the 14% recorded during 2021. In addition, dividends of AES Colombia to AES Andes are established in Colombian pesos; however, financial hedging mechanisms are used to fix the amounts in US Dollars. It is expected that the impact of a 10% devaluation on the exchange rate of the Colombian peso to the US dollar at the closing of the year would have resulted in a positive realized effect of approximately ThUS$1,791 in the results of AES Andes, considering the net liability position in US dollars held by AES Colombia as of that date.

With regard to Argentina, it should be noted that the functional currency of the AES Andes Subsidiaries is the Argentine peso. It is expected that, as of December 31, 2022, a 10% devaluation of the Argentine peso to the US dollar as of the end of the year would have resulted in a negative impact of ThUS$202 in the results of AES Andes, considering the net asset position in USD dollars held by Termoandes as of that date. A further weakening of the Argentine peso might cause a significant decrease in Termoandes' operating results, cash flow, ability to pay dividends to AES Andes and the value of its assets.

On a consolidated basis, the investments in new plants and maintenance equipment are mainly fixed in US dollars. Short-term investments associated with the handling of cash are carried out mainly in US dollars. As of December 31, 2022, 48% of the investments and balances in current accounts are expressed in US dollars, 11% in Chilean pesos, 7% in Colombian pesos, and 34% in Argentine pesos. The cash balances denominated in Argentine pesos are subject to the exchange rate volatility inherent in the Argentine market. As of December 31, 2021, 54% of the investments and balances in current accounts are expressed in US dollars, 10% in Chilean pesos, 16% in Colombian pesos, and 20% in Argentine pesos.

The following table shows the debt composition per currency based on owed capital as of December 31, 2022 and 2021:

Currency	December 31, 2022	December 31, 2021
US$	85.0 %	94.0 %
UF	1.0 %	1.0 %
Col$	14.0 %	5.0 %

5.2.2.- Interest rate risk

The interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with variable interest rates.

The Company manages its interest rate risk by having an important percentage of its debt at fixed rate or with rate swaps to have them fixed. To mitigate interest rate risks with long-term obligations, AES Andes has entered into hedging transactions by way of interest rate swaps.

The following table shows the debt composition per type of rate as of December 31, 2022 and December 31, 2021:

Rate	December 31, 2022	December 31, 2021
Fixed rate or with interest rate	65.00 %	94.00 %
Variable rate	35.00 %	6.00 %

It is expected that a 10% increase in the variable interest rates would have generate a negative impact on the year of approximately ThUS$6,650 in the results of AES Andes

5.2.3.- Fuel Price Risk

The AES Andes Group is mainly affected by the volatility of prices of certain coal, a “commodity” with international prices fixed by market factors beyond the control of the Company.

The price of fuels is a key factor for the dispatch of plants and spot prices both in Chile and Colombia. Given that AES Andes is a company with a mixture of mainly thermal generation, the fuel cost represents an important portion of the sales costs.

At present, the volume of AES Andes’s contract energy is balanced with the generation from plants with high dispatch probabilities (efficient generation). Today, most of the power purchase agreements of AES Andes include indexation mechanisms that adjust the price on the basis of increases or decreases in the price of coal, according to the specific adjustment indexes and schedules of each contract, which makes it possible to mitigate much of the variations in the price of this fuel.

Based on the above, it is expected that a 10% rise in the cost of diesel during the year ended December 31, 2022, would not give rise to a significant impact on the results.

5.2.4.- Credit Risk

The credit risk is associated with the credit quality of the partners of AES Andes and its subsidiaries. These risks are mainly reflected in trade receivables and financial assets, including deposits with banks and other financial institutions and other financial instruments.

With respect to the sales debtors under contracts, the customers of AES Andes in Chile are mainly highly solvent distributing companies and industrial customers, and a significant percentage of them and their parent companies have local and/or international investment grade risk ratings. The sales of AES Andes Group in the spot market are compulsorily made to the various SEN loss-making members according to the economic dispatch made by this entity.

In Colombia, AES Colombia performs risk assessments of its partners based on an internal credit assessment, which could include guarantees in certain cases.

On the other hand, in Argentina, the main commercial partners of Termoandes are CAMMESA (Compañía Administradora del Mercado Mayorista Eléctrico S.A.) and non-regulated customers called “Large Users” of the Wholesale Electricity Market, whose contracts operate under the Plus Energy standards. Termoandes conducts internal credit assessments of its customers.

The financial investments made by AES Andes and its subsidiaries, such as repurchase agreements and time deposits, including derivatives, are entered into with local and foreign financial entities whose national and/or international risk rating greater than or equal to “A” according to Standard & Poor’s and Fitch and “A2” according to Moody's. In

addition, derivatives executed for the financial debt are entered into with first-class local and international entities. There are cash, investment and treasury policies to govern the cash management of the Company and minimize the credit risk.

The spread of COVID has not negatively impacted the credit assessment with respect to supply agreements with customers in Chile, as a result of their high solvency with local and/or international investment grade ratings. Regarding Colombia and Argentina, any change in the credit rating continues to be mitigated through an internal assessment on a case-by-case basis, which has not been modified so far, involving in some cases the enforcement of guarantees by our customers.

5.2.5.- Liquidity Risk

Liquidity risk is related to the need for funds to meet payment obligations. The Company's goal is to maintain the necessary liquidity and financial flexibility through normal operating flows, bank loans, public bonds, short term investments, committed and non-committed credit lines.

As of December 31, 2022, AES Andes had a balance in liquid available funds of ThUS$186,070 recognized as cash and cash equivalents. Moreover, on December 31, 2021, AES Andes had a balance in liquid available funds of ThUS$111,733, which includes cash and cash equivalents. It should be noted that the balance of cash and cash equivalents includes cash, time deposits with an original term of less than three months, marketable securities, US-denominated low-risk and immediately available mutual funds, buy-back options, and fiduciary rights.

In addition, as of December 31, 2022, AES Andes has committed and unused credit lines for approximately ThUS$200,000 in addition to non-committed and unused credit lines for approximately ThUS$120,648.

The chart and table below show the maturity schedule, based on outstanding principal, in millions of United States dollars as of December 31, 2022:.

	Principal Balance	Average interest rate	Due rates as of December 31, 2022								
			2023	2024	2025	2026	2027	2028	2029	2030	2031 +
AES Andes US$ 550 M Junior Notes due 2079	516.00	7.13%	—	—	—	—	—	—	—	—	516.00
AES Andes US$ 450 M Junior Green Notes due 2079	328.41	6.35%	—	—	—	—	—	—	—	—	328.41
AES Andes US$ 409 M Senior Notes due 2025	117.49	5.00%	—	—	117.49	—	—	—	—	—	—
AES Andes UF$ 1.0 M Senior Notes due 2024	25.06	8.51%	9.80	15.26	—	—	—	—	—	—	—
AES Andes Loan ST	75.00	4.53%	75.00	—	—	—	—	—	—	—	—
Angamos US$ 600 M Senior Secured Notes 2029	41.03	4.88%	6.32	6.32	6.32	6.32	6.32	6.32	3.11	—	—
Cochrane US$ 430 M Secured Bond due 2027	285.35	5.50%	59.90	60.11	65.58	67.38	32.38	—	—	—	—
Cochrane US$ 485 M Syndicated Loan due 2034	485.00	6.25%	—	—	—	—	11.95	67.42	72.09	74.34	259.20
Total Fixed Rate	**1,873.34**	**6.25%**	**151.02**	**81.69**	**189.39**	**73.70**	**50.65**	**73.74**	**75.20**	**74.34**	**1,103.61**
	65.10 %										
AES Andes Green Loan	386.80	6.34%	40.00	53.60	80.00	213.20	—	—	—	—	—
AES Andes Scotia	50.00	6.44%	—	—	—	—	50.00	—	—	—	—
AES Andes US$150 M SMBC-MIZ 2027	150.00	5.42%	—	—	—	—	150.00	—	—	—	—
AES Colombia LT due 2027 (COP)	120.06	5.32%	24.01	24.01	24.01	24.01	24.02	—	—	—	—
AES Colombia LT due 2025 (COP)	69.61	6.97%	17.43	17.43	34.75	—	—	—	—	—	—
AES Colombia LT due 2027 (COP)	207.89	8.73%	—	—	—	—	207.89	—	—	—	—
AES Colombia - Bancolombia	19.97	7.03%	2.71	2.71	2.71	2.71	2.71	2.71	2.71	1.00	—
Total Variable Rate	**1,004.33**	**6.84%**	**84.15**	**97.75**	**141.47**	**239.92**	**434.62**	**2.71**	**2.71**	**1.00**	**—**
	34.90 %										
Total	**2,877.67**	**6.38%**	**235.17**	**179.44**	**330.86**	**313.62**	**485.27**	**76.45**	**77.91**	**75.34**	**1,103.61**

5.3.- Risk Measurement.

The Company maintains methods to measure the effectiveness and efficiency of risk strategies both prospectively and retrospectively.

Various methodologies on risk quantification, such as regression analysis methods, risk tolerances and maximum exposures are used and documented for such analysis in order to adjust risk and mitigation strategies and to assess their impacts.

More information related to risks is included in Reasoned Analysis.

NOTE 6 - USE OF ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

Management must make judgments and estimates that have a significant effect on the figures presented in the financial statements. Changes in these assumptions and estimates may have a major impact on the financial statements. Below there is a detail of the estimates and critical judgments used by the Management:

- Assumptions used in the actuarial calculation of post-employment obligations with employees, including the discount rate. (Note 24)
- Assessment as to whether an agreement contains a lease (Note 19)
- Useful lives and residual values of property, plant and equipment, and intangible assets. (Note 17 and Note 18)
- Assumptions used in the calculation of the fair value of the financial instruments, including credit risk. (Note 10)
- Likelihood of occurrence and amount of any liabilities of uncertain amount or contingent liabilities. (Note 23 and Note 33)
- Future disbursements due to dismantling and asset removal obligations, including the discount rate. (Note 23)
- Allocation of intangible assets and goodwill to Cash Generating Units (CGU) and the determination of recoverable value in tests for impairment. (Note 17)

Despite the fact that these estimates have been made based on the best information available at the date of issuance of these consolidated financial statements, the new information or events that may take place in the future are likely to change them (either upwards or downwards) in the next fiscal years. In such event, any changes would be made prospectively by recognizing the effects of the change in estimate in the relevant future consolidated financial statements, according to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

NOTE 7 - OPERATING SEGMENTS

7.1.- Definition of segments

The Company defines and manages its activities based on certain business segments that meet particular and individual qualities from an economic, regulatory, commercial or operational point of view.

A segment is a component of the Group:

- that is involved in business activities from which it generates revenues and incurs in costs;
- whose operating results are regularly monitored by the Management to make decisions, allocate resources and evaluate performance, and
- on which certain financial information is available.

Management monitors separately the operating results of its operating segments for the decision-making process related to allocation of resources and performance evaluation. Segment performance is evaluated based on certain operating indicators, such as gross margin (difference between ordinary revenue and sales cost) and EBITDA. EBITDA shall be calculated based on the profit for the years, and adding interest expense, depreciation, amortization, exchange rate effects, asset dismantling costs, other gains/(losses) and interest in the income of associates.

Segment results and asset balances are measured according to the same accounting policies applied to the financial statements. Unrealized transactions and results are deleted between segments.

Financial liabilities of AES Andes are centralized and controlled at a corporate level and are not disclosed by reportable segments.

7.2.- Description of segments

The Company segments its business activities according to the interconnected energy markets where it does business, which are:

- Chile.
- Argentina.
- Colombia.

The segments referred to above relate to geographical areas.

In all segments, the main activity of the Company is the generation of electric power.

7.3.- Assets and liabilities by segment

Assets and liabilities by segment are detailed as follows:

	December 31, 2022					December 31, 2021				
	Chile	Colombia	Argentina	Elim.	Total	Chile	Colombia	Argentina	Elim.	Total
Cash and cash equivalents	105,578	15,917	64,575	—	186,070	69,851	18,493	23,389	—	111,733
Trade receivables and other accounts receivable [1]	741,810	89,166	25,747	(16,393)	840,330	412,018	57,410	44,268	(6,059)	507,637
Property, Plant and Equipment	2,817,005	370,489	208,340	—	3,395,834	2,492,741	425,481	183,741	—	3,101,963
Financial liabilities[2]	2,464,192	427,214	—	—	2,891,406	2,277,695	115,938	—	—	2,393,633
Trade payables and other accounts payable[3]	625,108	46,180	20,013	(16,393)	674,908	291,154	43,387	33,599	6,059	374,199
Total current assets by segment	1,384,580	91,743	92,139	(16,393)	1,552,069	743,177	79,522	69,899	(6,059)	886,539
Total non-current assets by segment	3,248,033	709,420	208,393	(304,855)	3,860,991	2,957,066	448,888	184,289	—	3,590,243
Total current liabilities by segment	859,265	124,600	33,164	(16,393)	1,000,636	608,503	81,696	35,458	6,059	731,716
Total non-current liabilities by segment	2,907,639	440,253	41,376	(304,855)	3,084,413	2,372,183	174,500	40,809	—	2,587,492

[1] Trade receivables and other accounts receivable, net, include the current and non-current portion, in addition to the item “Accounts receivable from related entities, current”.
[2] Financial liabilities include both the current and non-current item.
[3] Trade payables and other accounts payable, include the current and non-current portion, in addition to the item “Accounts payable to related entities, current”.

7.4.- Revenues, costs, and capital expenditures by segment

Revenues and costs by segments for the years ended December 31, 2022 and 2021, are detailed as follows:

	December 31, 2022					December 31, 2021				
	Chile	Colombia	Argentina	Elim.	Total	Chile	Colombia	Argentina	Elim.	Total
Results:										
Income from ordinary activities	2,066,179	416,807	97,710	(1,734)	2,578,962	2,304,454	383,146	84,583	(1,095)	2,771,088
Sales cost	(1,622,768)	(196,567)	(61,673)	656	(1,880,352)	(1,534,990)	(181,999)	(78,134)	573	(1,794,550)
Gross Margin	**443,411**	**220,240**	**36,037**	**(1,078)**	**698,610**	**769,464**	**201,147**	**6,449**	**(522)**	**976,538**
Income before tax	378,939	191,752	34,871	(147,697)	457,865	(1,485,392)	177,889	4,796	(117,018)	(1,419,725)
Net income for the years	312,347	127,214	20,486	(147,697)	312,350	(1,067,659)	121,486	(4,601)	(117,018)	(1,067,792)
Adjusted EBITDA	537,965	217,377	56,131	—	811,473	856,586	190,650	27,896	—	1,075,132
Financial income	3,672	9,921	16,519	(7,680)	22,432	17,867	1,163	13,016	(384)	31,662
Financial costs	(141,001)	(22,581)	(45)	7,680	(155,947)	(100,097)	(6,426)	(129)	384	(106,268)
Depreciation and amortization for the year	(159,270)	(11,517)	(25,251)	—	(196,038)	(173,250)	(11,003)	(24,967)	—	(209,220)
Property, Plant and Equipment										
Capital Expenditures	564,012	28,546	21,017	—	613,575	656,641	48,657	17,688	—	722,986
Cash Flow:										
Flow of operations	256,290	122,498	60,445	(124,460)	314,773	283,137	160,916	25,094	(145,866)	323,281
Flow of investments	(397,730)	(341,172)	(2,674)	309,761	(431,815)	(470,366)	(48,041)	(25,342)	(7,310)	(551,059)
Flow of funding	177,618	217,893	(3)	(185,301)	210,207	49,785	(124,913)	(48)	153,176	78,000

Consolidated Adjusted EBITDA

The table below details the items being considered for the calculation of the Adjusted EBITDA.

	December 31, 2022	December 31, 2021
Income from ordinary activities	2,578,962	2,771,088
Sales cost	(1,880,352)	(1,794,550)
Gross Margin	**698,610**	**976,538**
Depreciation and amortization	196,038	209,220
Operating margin	**894,648**	**1,185,758**
Other income, by function	1,667	284
Other expenses, by function	(14,427)	(11,660)
Sales and administration expenses	(90,429)	(87,148)
Other costs (income) not included in EBITDA	20,014	(12,102)
TOTAL ADJUSTED EBITDA	**811,473**	**1,075,132**

NOTE 8 - CASH AND CASH EQUIVALENTS

	December 31, 2022	December 31, 2021
Cash	38	38
Bank balances	110,142	88,904
Short-term deposits	41,063	7,030
Other cash and cash equivalents	34,827	15,761
Total	**186,070**	**111,733**

Short-term deposits expire in a term of less than three months from the date of acquisition and accrue interest at market rates for this type of short-term investments.

Other cash and cash equivalents includes mutual funds consisting in (i) low-risk investments in US dollars of immediate availability and with no restrictions, measured at fair value as of the end date of the financial statements, and (ii) buy-back agreements consisting in short-term investments in banks and brokerage firms, backed by financial instruments issued by the Chilean Central Bank and private banks of high credit rating.

Balances of Cash and Cash Equivalents included in the Statement of Financial Position are consistent with the Statement of Cash Flows.

The items of this account per types of currencies as of December 31, 2022 and 2021 are detailed as follows:

	December 31, 2022	December 31, 2021
Ch$	19,481	11,451
Ar$	63,540	22,383
Col$	13,294	18,011
US$	89,755	59,888
Total	**186,070**	**111,733**

NOTE 9 - OTHER FINANCIAL ASSETS

As of December 31, 2022 and 2021, other financial assets are detailed as follows:

	Current		Non Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Hedging assets[1]	2,906	8,452	7,183	—
Assets at fair value through profit or loss[1]	1,766	5,868	857	19,355
Investment in Gasoducto Gasandes S.A. [2]	—	—	2,353	2,353
Investment in Gasoducto Gasandes (Argentina) [2]	—	—	2,200	2,200
Restricted investments	—	—	437	780
Other investments	386	502	238	—
Loans receivable	3,946	—	—	—
Total	**9,004**	**14,822**	**13,268**	**24,688**

[1] Hedging assets and assets at fair value through profit or loss (derivatives not designated as hedging) are recognized at fair value (more details in Note 10.4).

[2] The investments in Gasoducto Gasandes S.A. (Argentina) and Gasoducto Gasandes S.A. account for 13% of the shareholding interest owned by AES Andes in both companies (for more details see Note 10.1 Financial Instruments by Category).

NOTE 10 - FINANCIAL INSTRUMENTS

10.1.- Financial Instruments by Category

The classification of financial assets to the categories described in Note 4.8 is detailed as follows:

December 31, 2022	Cash and cash equivalents	Financial assets at amortized cost	Assets at fair value through profit and loss	Hedging derivatives	Total
Cash and cash equivalents	186,070	—	—	—	186,070
Other current financial assets	—	—	6,098	2,906	9,004
Trade receivables and other accounts receivable	—	639,236	26,075	—	665,311
Other non-current financial assets	—	—	6,085	7,183	13,268
Accounts receivable from related entities	—	18,375	—	—	18,375
Total	**186,070**	**657,611**	**38,258**	**10,089**	**892,028**

December 31, 2021	Cash and cash equivalents	Financial assets at amortized cost	Assets at fair value through profit and loss	Hedging derivatives	Total
Cash and cash equivalents	111,733	—	—	—	111,733
Other current financial assets	—	—	6,370	8,452	14,822
Trade receivables and other accounts receivable	—	343,679	43,508	—	387,187
Other non-current financial assets	—	—	24,688	—	24,688
Accounts receivable from related entities	—	5,959	—	—	5,959
Total	**111,733**	**349,638**	**74,566**	**8,452**	**544,389**

The carrying amount of financial assets such as cash and cash equivalents and the current portion of accounts receivable from related entities approximate to their fair values, due to the short-term nature of their maturities.

The instruments recognized within other current and other non-current financial assets classified as financial assets at fair value through profit or loss and hedging derivatives are carried at fair value in the statement of financial position. In Note 10.2 Measurement of Derivative Instruments, there is an explanation of the methodology used for the calculation of fair values.

Trade receivables and other accounts receivable classified as assets at fair value through profit or loss include accumulated accounts receivable related to the Stabilization Fund Law.

The financial instruments classified as Assets at fair value through profit or loss include the investments in Gasoducto Gasandes S.A. and Gasoducto Gasandes Argentina, which are carried at cost due to the fact that there is no sufficient information to establish their market value (Note 9).

The classification is based on the business model of the Company for the management of its financial model and the characteristics of the contractual cash flows of the financial assets.

The classification of financial liabilities with respect to the categories described in Note 4.9 is detailed as follows:

December 31, 2022	Financial Liabilities at Fair Value through Profit or Loss	Hedging derivatives	Financial liabilities at amortized cost	Total
Other current financial liabilities/current lease liabilities	31	8,220	233,802	242,053
Trade payables and other accounts payable	—	—	602,926	602,926
Other non-current financial liabilities/Non-current lease liabilities	15	1,038	2,648,300	2,649,353
Accounts payable to related entities	—	—	16,295	16,295
Total	**46**	**9,258**	**3,501,323**	**3,510,627**

December 31, 2021	Financial Liabilities at Fair Value through Profit or Loss	Hedging derivatives	Financial liabilities at amortized cost	Total
Other current financial liabilities/current lease liabilities	700	19,543	263,305	283,548
Trade payables and other accounts payable	—	—	283,118	283,118
Other non-current financial liabilities/Non-current lease liabilities	—	11,199	2,098,886	2,110,085
Accounts payable to related entities	—	—	15,127	15,127
Total	**700**	**30,742**	**2,660,436**	**2,691,878**

The carrying amounts of the current portion of accounts payable to related entities and trade payables approximate to their fair values given the short-term nature of their maturities.

The instruments recorded in other current and non-current financial liabilities classified as financial assets at fair value through profit or loss (derivatives not designated as accounting hedges) and hedging derivatives are carried at fair value in the Statement of Financial Position. In Note 10.2 Measurement of Derivative Instruments, the methodology used for the calculation of fair values is explained.

The financial instruments recorded in Other current and non-current financial liabilities, involving Financial assets at amortized cost, show significant differences between the carrying amount and fair value mainly due to the fluctuations of the exchange rate (dollar and unidad de fomento) and market interest rates. The calculation methodology is the present value of future debt flows discounted using a yield curve. Certain assumptions such as currency of debt, credit rating of the instrument, credit rating of the Company or the Group, are used to calculate the present value. The assumptions used as of December 31, 2022 and December 31, 2021, are classified as Level 2 within the Fair Value Hierarchy as defined in Note 10.2 (d). The following table shows the carrying value and fair value of the interest-bearing loans:

	December 31, 2022		December 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Interest-bearing Loans	2,882,102	2,684,263	2,362,191	2,601,692

10.2.- Measurement of Derivative Instruments

The Company entrusted FIS Treasury and Risk Manager - Quantum system with the calculation of the fair value of the interest rate and currency swaps and currency forwards. For the calculation of embedded derivatives, the Company has developed internal assessment models.

The main assumptions used in the valuation models for derivative instruments are as follows:

a. Market assumptions, such as spot prices and other price projections, credit risk (both own and counterparty credit risk) and interest rates.
b. Discount rates, such as risk-free rates, sovereign and counterparty spread (based on risk profiles and information available in the market).
c. Moreover, the variables incorporated in the model include, without limitation, volatility, correlations, regression formulas and market spread, using observable market information and techniques commonly used by market participants.

Method for the Measurement of Derivative Instruments

a. Interest Rate Swaps

The valuation model of interest rate swaps projects the forward interest rates based on spot interest rates for each intermediate and final date of instrument settlement, and then flows are discounted using the zero-coupon LIBOR rate. The assumptions used in the model include, without limitation, observable market prices and rates, risk-free rates, country and/or counterparty risk, and the Company's own credit risk.

b. Cross-Currency Swaps

The valuation model of cross-currency swaps discounts cash flows of the instrument using a representative interest rate, and then these flows are translated into United States dollars at the spot foreign exchange rate. The assumptions considered in the model are historical transactions, observable market prices and rates, risk-free rates, country and/or counterparty risk, and the Company's own credit risk.

c. Foreign Exchange Forward

Observable market forward prices are used and then cash flows are discounted according to a representative interest rate to calculate the fair value of the foreign exchange forwards.

d. Hierarchy of Fair Value of Financial Instruments

Financial instruments carried at fair value in the Statement of Financial Position are classified based on the following hierarchies:

Level 1: Quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for assets and liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3: Inputs for assets or liabilities that are not based on observable market data.

The hierarchy of recognized financial assets and liabilities carried at fair value is detailed as follows:

December 31, 2022	Note	Level 1	Level 2	Total
Assets				
Assets at fair value through profit or loss				**3,247**
Foreign Exchange Forward	10.4 (b)	—	2,623	
Other Investments	—	624	—	
Hedging derivatives				**10,089**
Foreign Exchange Forward	10.4 (a.3)	—	10,089	
Total Assets		**624**	**12,712**	**13,336**
Liabilities				
Financial liabilities at fair value through profit or loss				**46**
Foreign Exchange Forward	10.4 (b)	—	46	
Hedging derivatives				**9,258**
Foreign Exchange Forward	10.4 (a.3)	—	9,258	
Total Liabilities		**—**	**9,304**	**9,304**

December 31, 2021	Note	Level 1	Level 2	Total
Assets				
Assets at fair value through profit or loss				**25,725**
Foreign Exchange Forward	10.4 (b)	—	25,223	
Other Investments		502	—	
Hedging derivatives				**8,452**
Interest rate Swap	10.4 (a.1)	—	1,669	
Foreign Exchange Forward	10.4 (a.3)	—	6,783	
Total Assets		**502**	**33,675**	**34,177**
Liabilities				
Financial liabilities at fair value through profit or loss				**700**
Foreign Exchange Forward	10.4 (b)	—	700	
Hedging derivatives				**30,742**
Foreign Exchange Forward	10.4 (a.3)	—	30,742	
Total Liabilities		**—**	**31,442**	**31,442**

e. **Master Netting Agreements**

The following table shows the derivative instruments as of December 31, 2022 and 2021 that are subject to Master Netting Agreements where there is a contractual right to compensate for assets and liabilities under these financial instruments.

Current and Non-Current Derivative Instruments	December 31, 2022		December 31, 2021	
	Assets	Liabilities	Assets	Liabilities
Current	3,486	(8,220)	14,279	(19,875)
Non-current	7,315	(1,053)	2,926	(11,199)
Total	**10,801**	**(9,273)**	**17,205**	**(31,074)**
Gross amounts of derivative instruments subject to netting				
Gross amount (equal to net) recognized in the balance sheet	10,801	(9,273)	17,205	(31,074)
Unnetted derivative instruments	(2,686)	2,686	(8,279)	8,279
Unnetted posted collateral			—	—
Total Net Amount	**8,115**	**(6,587)**	**8,926**	**(22,795)**

As of December 31, 2022 and 2021, there are no balances of cash deposit securities.

10.3.- Credit Quality of Financial Assets

The Company is exposed to credit risk in its commercial activities as well as in its financial activities.

Credit Rating of Counterparties of AES Andes and Chilean Subsidiaries

The Company assesses the credit rating of its counterparties (customers), which primarily include distributing companies and industrial customers. In the case of AES Andes, most of them have a local risk classification and/or international investment grade. Credit ratings are provided by specialized rating agencies that assess the creditworthiness of a company based on a rating from “AAA” (highest rating) to “E” (lowest rating). “Investment grade” is obtained once BBB rating or above is achieved.

With regard to financial assets and derivatives, the investments made by AES Andes and subsidiaries are entered into with local and foreign financial institutions with national and/or international credit rating greater than or equal to “A” and “A2” according to Standard & Poor’s and Moody’s, respectively. In addition, derivatives executed for the financial debt are entered into with first class local and international entities. There are cash, investment and treasury policies that govern the cash management of the Company and minimize the credit risk.

Credit Rating of Counterparties of Foreign Subsidiaries

The Colombian subsidiary AES Colombia concentrates for its financial counterparties (banks) in Colombian pesos a AAA credit rating, which is considered as the highest credit rating according to Colombian credit rating agency Duff & Phelps. With respect to the credit rating of financial counterparties in US dollars, its lowest limit is A+ (Standard & Poors) or A1 (Moody’s), which is considered as a low credit risk.

With respect to the credit risk for business transactions of AES Colombia, this has been historically very limited, given the short-term nature of collections from customers.

The Company considers that the Argentine subsidiary Termoandes S.A. does not represents significant credit risk given that its commercial transactions are mainly concentrated with CAMMESA and clients of the Wholesale Electricity Market denominated “Grandes Usuarios (GUME/GUMA)" that operates under the regulation of Energy Plus.

10.4.- Derivative Instruments

Financial derivatives of AES Andes and Subsidiaries correspond primarily to transactions with the purpose of hedging interest and exchange rate volatility as a result of financing for the development of electric projects.

The Company, following its risk management policy, enters into interest rate swaps, cross currency swaps, and currency forwards to reduce the expected variability of future cash flows from the underlying hedged asset.

The portfolio of derivative instruments as of December 31, 2022 and 2021 is detailed as follows:

a. Derivative Instruments for Cash Flows Hedge Accounting

1. Interest Rate Swaps

These swap contracts partially cover the syndicated credits associated with the subsidiary AES Colombia. The fair values of these instruments are included in the following table:

	December 31, 2022				December 31, 2021			
	Assets		Liabilities		Assets		Liabilities	
Interest rates	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current
2.80% - 5.77%	—	—	—	—	1,669	—	—	—
Total	**—**	**—**	**—**	**—**	**1,669**	**—**	**—**	**—**

AES Colombia

In December 2020, AES Chivor celebrated an interest rate swap contract with Bancolombia for 2 years and ThCOP$230,000 to hedge the volatility risk of the IBR rate in the loans with Scotiabank Colpatria S.A. y Bancolombia S.A., ending on December 31, 2022.

Foreign Exchange Forward

	December 31, 2022				December 31, 2021			
	Assets		Liabilities		Assets		Liabilities	
	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current
Fixed Costs - AES Andes	2,906	7,183	6,678	1,038	—	—	11,674	11,199
Coal Forward - AES Andes	—	—	—	—	5,913	—	5,543	—
Forward Customers capacity - AES Andes	—	—	1,542	—	870	—	2,326	—
TOTAL	**2,906**	**7,183**	**8,220**	**1,038**	**6,783**	**—**	**19,543**	**11,199**

Company	Contract date	hedged item	Partners	Nominal amount MUS$	Nominal Amount as December 31, 2022 MUS$	Maturity
AES Andes	Q1 2021	Fixed Cost	JP Morgan, Scotiabank, Banco de Chile y BCI	57,020	26,786	07-2023
AES Andes	Q2 2021	Fixed Cost	JP Morgan, Scotiabank, Banco de Chile Banco Estado y BCI	26,368	9,285	10-2023
AES Andes	Q3 2021	Fixed Cost	JP Morgan, Scotiabank, Banco de Chile y Banco Estado	62,935	40,866	06-2024
AES Andes	Q4 2021	Fixed Cost	Banco de Chile, Scotiabank y Banco Estado	12,783	8,700	10-2024
AES Andes	Q2 2022	Fixed Cost	Scotiabank	10,912	7,948	11-2024
AES Andes	Q3 2022	Fixed Cost	Scotiabank, Deutshe Bank, Bofa y Banco de Chile	46,157	43,368	07-2025
AES Andes	Q2 2022	Accounts receivable per power	Scotiabank	11,764	7,814	04-2023
AES Andes	Q4 2022	Accounts receivable per power	Scotiabank	14,549	14,549	10-2023

Other Background Information on Cash Flow Hedging

The Company has not made any cash flow hedging accounting for highly probable transactions that have not occurred later.

The ineffectiveness of cash flow hedges resulted in a loss of ThUS$1,198 for the years ended December 31, 2021. No effects were recorded in the 2022 year.

The changes recognized in other reserves (see note 26.6 c) during the years 2022 and 2021, include:

	December 31, 2022	December 31, 2021
Profit/loss from derivatives recorded in other reserves	44,889	44,889
Profit/loss from derivatives reclassified from other reserves to profit or loss	32,065	82,801
Total	**76,954**	**127,690**

b. Derivatives Not Designated as Hedges

Derivative instruments	Classification	December 31, 2022				December 31, 2021			
		Assets		Liabilities		Assets		Liabilities	
		Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current
Derivative Power Supply Agreement (AES Andes)	Financial instrument at fair value through profit or loss	—	—	—	—	—	13,142	—	—
Derivative Power Supply Agreement (AES Colombia)	Financial instrument at fair value through profit or loss	1,186	725	31	—	72	3,287	362	—
Currency forwards (dividends subsidiary Colombia) AES Andes	Financial instrument at fair value through profit or loss	580	132	—	15	5,796	2,926	338	—
	Total	**1,766**	**857**	**31**	**15**	**5,868**	**19,355**	**700**	**—**

Company	Contract date	hedged item	Partners	Nominal amount MUS$	Nominal Amount as December 31, 2022 MUS$	Maturity
AES Andes	Q4 2022	Dividends AES Colombia	Scotiabank, JP Morgan, Merryll Lynch y Banco de Chile	53,277	53,277	11-2024

In July 2018, AES Colombia executed a power sales agreement between 2022 and 2024 with Empresas Municipales de Cali (EMCALI). The agreement allows EMCALI to supply energy directly from the spot market at those times where the spot energy price is lower than the contract energy price. Considering the characteristics of Colombia's electricity market and given that it is impossible to guarantee the delivery of physical energy during the hours when the spot price is lower than the contract price, it was impossible to apply the exception identified in IFRS 9 paragraph 2.4 to this agreement. The agreement was measured at fair value through profit or loss.

The amounts related to these contracts are classified in current assets/liabilities.

a. **Embedded derivatives (through profit and loss)**

As of December 31, 2022 and 2021, there are no embedded derivatives.

NOTE 11 - OTHER NON-FINANCIAL ASSETS

As of December 31, 2022 and 2021, other non-financial assets are detailed as follows:

	Current		Non Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Insurance paid in advance	703	356	—	—
Taxes to be recovered (1)	11,660	—	12,695	2,286
Delivered guarantees	325	828	150	150
Advance payment from purchases of energy	2,036	255	—	25,359
Advance payment for other purchases	—	1,007	—	—
Others	824	—	402	786
Total	**15,548**	**2,446**	**13,247**	**28,581**

(1) Mainly involving taxes to be recovered by AES Andes, associated with water right patents.

NOTE 12 - TRADE RECEIVABLES AND OTHER ACCOUNTS RECEIVABLE

The balances of Trade receivables and other accounts receivable involve operations in the ordinary course of business of the Company and subsidiaries, mainly energy and power sales, income from transmission system, and coal sales.

The balances of other accounts receivable are related primarily to advance payments to suppliers, accounts receivable associated with the staff, and delivered guarantees, among others.

The items of this account as of December 31, 2022 and 2021, are detailed as follows:

	Current		Non Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Trade receivables, gross	647,293	370,932	7,579	10,139
Bad debt allowance	(1,219)	(1,126)	(659)	(343)
Trade receivables, net	**646,074**	**369,806**	**6,920**	**9,796**
Remaining tax credit, gross	94,554	52,899	—	—
Contract Asset	—	—	30,684	7,585
Other accounts receivable, gross	40,893	57,002	5,190	4,590
Total	**781,521**	**479,707**	**42,794**	**21,971**

On November 2, 2019, Law 21,185 was published in the Official Gazette, to be immediately effective, whereby a mechanism was created to stabilize electricity prices for contracts with regulated customers, with reference to tariff decree 20-T, related to the tariffs for the first half of 2019. This way, the increase in future prices for these clients shall be temporarily assumed by the generators that supply such agreements, who will finance a maximum amount of US$1,350 million. As of December 31, 2022, current and non-current trade receivables include accounts receivable for ThUS$26,074 and ThUS$6,920, respectively, associated with the fair value of the stabilization fund (see Note 32.2.1 g).

The exhaustion of the stabilization mechanism created by Act No. 21,185 in February 2022, and the accumulation of fund surplus until June 2022, prompted the approval of Act No. 21,472 published on August 2, 2022, that establishes a new transitory stabilization mechanism for electricity prices for customers subject to price regulation, whose validity may not exceed December 31, 2032. To such an aim, additional charges may be set in the regulated tariff fixations called Customer Protection Mechanism Charges (MPC Charges). This new mechanism establishes a discount on the monthly invoicing of generators to their respective regulated customers, which will be returned monthly to the supplier through the issuance of a payment document called "transferable credit title" and will be issued by the Ministry of Finance will be guaranteed by the Treasury and will include the accrual of interest at the time of issuance of the payment document. As of December 31, 2022, current trade debtors have accounts receivable of ThUS$220,152 related to the new stabilization fund.

Through different programs, AES Andes seeks to reduce its exposure and has sold a significant portion of the accounts receivable accrued as of December 31, 2021. The Administration is working on trading the accumulated balances during 2022.

In relation to the contractual asset, and as a consequence of the strategy to modify commercial contracts, including the extension of the expiration of these contracts and changes to convert them to contracts supplied with renewable energy, the Company identified contractual conditions that were adjusted so that the recognition of revenue for these contracts is adjusted to amounts that reflect the price that customers would have paid for the contracted energy committed if it had been paid in cash.

The other fair values of trade receivables and other accounts receivable are not significantly different from their carrying values.

The past due, unpaid but not impaired financial assets are detailed as follows:

	Regulated Customers		Non-regulated Customers		Totals		
December 31, 2022	N° Clients	Gross portfolio	N° Clients	Gross portfolio	Gross portfolio	Bad debt allowance	Net Portfolio
No past due payments	14	276,603	626	320,024	596,627	(687)	595,940
1 to 30 Days	5	14,318	380	37,987	52,305	—	52,305
31 to 60 Days	2	572	31	383	955	—	955
61 to 90 Days	2	494	13	16	510	—	510
91 to 120 Days	2	593	29	16	609	—	609
121 to 150 Days	1	605	8	20	625	(1)	624
151 to 180 Days	5	6	15	61	67	(27)	40
181 to 210 Days	—	—	11	59	59	(37)	22
211 to 250 Days	2	4	14	80	84	(53)	31
>250 Days	4	6	307	3,025	3,031	(1,073)	1,958
Total trade receivables	**37**	**293,201**	**1,434**	**361,671**	**654,872**	**(1,878)**	**652,994**

	Regulated Customers		Non-regulated Customers		Totals		
December 31, 2021	N° Clients	Gross portfolio	N° Clients	Gross portfolio	Gross portfolio	Bad debt allowance	Net Portfolio
No past due payments	15	107,880	239	237,312	345,192	(346)	344,846
1 to 30 Days	6	703	642	28,547	29,250	—	29,250
31 to 60 Days	2	647	116	2,132	2,779	—	2,779
61 to 90 Days	—	173	51	440	613	—	613
91 to 120 Days	—	35	30	371	406	(24)	382
121 to 150 Days	—	—	5	1	1	—	1
151 to 180 Days	—	—	112	57	57	—	57
181 to 210 Days	—	—	2	28	28	—	28
>250 Days	9	310	365	2,435	2,745	(1,099)	1,646
Total trade receivables	**32**	**109,748**	**1,562**	**271,323**	**381,071**	**(1,469)**	**379,602**

The amounts for impaired trade receivables and other accounts receivable are detailed as follows:

Balances as of January 1, 2021	**1,493**
Increase (decrease) for the years	(24)
Write-offs	—
Balances as of December 31, 2021	**1,469**
Increase (decrease) for the years	409
Write-offs	—
December 31, 2022	**1,878**

NOTE 13 - BALANCES AND TRANSACTIONS WITH RELATED ENTITIES

The transactions between the Company and its subsidiaries involve the usual operations regarding purpose and terms. These transactions have been eliminated in the consolidation process and are not broken down in this note.

13.1.- Balances and Transactions with Related Entities

The balances of accounts receivable between the Company and its non-consolidated related companies are detailed as follows

Accounts receivable with related entities							Current	
Tax payer ID (RUT) Number	Company	Country	Transaction description	Nature of the relationship	Currency	Maturity	December 31, 2022	December 31, 2021
Foreign	AES Corporation	United States	Other reimbursements	Parent	US$	On demand	1,028	1,036
Foreign	AES Maritza East Ltd.	Bulgaria	Cost reimbursements	Common Parent	US$	On demand	67	67
Foreign	AES Panamá Ltda	Panama	Project Consultancy	Common Parent	US$	On demand	29	29
Foreign	Compañía de Alumbrado Eléctrico	El Salvador	Cost reimbursements	Common Parent	US$	On demand	—	53
Foreign	AES Engineering, LLC	United States	Cost reimbursements	Common Parent	US$	On demand	127	127
Foreign	AES Argentina Generación S.A.	Argentina	Management Fee	Common Parent	US$	On demand	4,489	2,316
Foreign	AES Energy Storage	United States	Cost reimbursements	Common Parent	US$	On demand	28	28
Foreign	AES Holdings Brasil Lt	Brazil	Management Fee	Common Parent	US$	On demand	2,010	1,771
Foreign	Energética Argentina S.A.	Argentina	Management Fee	Common Parent	US$	On demand	303	197
Foreign	Vientos Neuquinos I S.A.	Argentina	Management Fee	Common Parent	US$	On demand	401	289
76.170.761-2	Alto Maipo SpA	Chile	Miscellaneous services	Investment	US$	On demand	6,680	—
76.170.761-2	Alto Maipo SpA	Chile	Loans and interest receivable	Investment	US$	On demand	797	—
	Other minor						56	46
					Total		**16,015**	**5,959**

Accounts receivable with related entities						Non-Current	
Tax payer ID (RUT) Number	Company	Country	Transaction description	Nature of the relationship	Currency	December 31, 2022	December 31, 2021
76.170.761-2	Alto Maipo SpA	Chile	Loans	Investment	US$	2,360	
					Total	**2,360**	**—**

The balances of accounts payable between the Company and its non-consolidated related companies are detailed as follows:

Accounts payable with related entities							Current	
Tax payer ID (RUT) Number	Company	Country	Transaction description	Nature of the relationship	Currency	Maturity	December 31, 2022	December 31, 2021
Foreign	AES Corporation	United States	Remuneration of foreign staff	Parent	US$	On demand	5,642	3,987
Foreign	AES Servicios América	Argentina	Administrative services and system support	Common Parent	US$	On demand	1,593	1,564
Foreign	Compañía de Alumbrado Eléctrico	El Salvador	Cost reimbursements	Common Parent	US$	On demand	—	113
Foreign	AES Big Sky, LLC	United States	Technology Services	Common Parent	US$	On demand	8,196	8,935
Foreign	AES Argentina	Argentina	Cost reimbursements	Common Parent	US$	On demand	12	119
Foreign	AES NA Central, LLC	United States	Cost reimbursements	Common Parent	US$	On demand	24	24
Foreign	Dominican Power Part	Dominican Republic	Cost reimbursements	Common Parent	US$	On demand	72	78
Foreign	AES Hawaii	United States	Cost reimbursements	Common Parent	US$	On demand	48	48
Foreign	AES Latinoamerica, S De RL	Panama	Cost reimbursements	Common Parent	US$	On demand	69	38
Foreign	AES Panamá	Panamá	Cost reimbursements	Common Parent	US$	On demand	38	—
Foreign	AES Holdings Brasil Lt	Brazil	Cost reimbursements	Common Parent	US$	On demand	430	165
76.170.761-2	Alto Maipo SpA	Chile	Miscellaneous services	Investment	US$	On demand	62	—
	Other minor						109	56
					Total		**16,295**	**15,127**

There are no accounts payable with related parties classified in non-current liabilities.

The effects in the income statement of transactions with non-consolidated related parties for years ended December 31, 2022 and 2021, are detailed as follows:

Tax payer ID (RUT) Number	Company	Country	Nature of the relationship	Transaction description	December 31, 2022	Effect in Income	December 31, 2021	Effect in Income
76.418.918-3	Guacolda Energía SpA	Chile	Associate (Note 16)	Sale of energy and power	—	—	10,843	10,843
76.418.918-3	Guacolda Energía SpA	Chile	Associate (Note 16)	Sale of Coal	—	—	85,588	85,588
76.418.918-3	Guacolda Energía SpA	Chile	Associate (Note 16)	Management fee	—	—	2,052	2,052
Foreign	AES Argentina Generación S.A.	Argentina	Common Parent	Management fee	2,175	2,175	1,752	1,752
Foreign	AES Holdings Brasil Lt	Brazil	Common Parent	Management fee	239	239	815	815
Foreign	Energética Argentina S.A.	Argentina	Common Parent	Management fee	107	107	44	44
Foreign	Vientos Neuquinos I S.A.	Argentina	Common Parent	Management fee	111	111	13	13
76.170.761-2	Alto Maipo SpA	Chile	Investment	Sale of energy and power	2,447	2,447	—	—
76.170.761-2	Alto Maipo SpA	Chile	Investment	Miscellaneous services	3,302	3,302	—	—
76.170.761-2	Alto Maipo SpA	Chile	Investment	Loans	50,668	364	—	—
76.170.761-2	Alto Maipo SpA	Chile	Investment	Loan collection	48,074	—	—	—
Foreign	Gasoducto Gasandes Argentina	Argentina	Investment	Dividends	535	535	300	300
96.721.360-8	Gasoducto Gasandes Chile S.A.	Chile	Investment	Dividends	2,376	2,376	455	455
				Total revenues	**110,034**	**11,656**	**101,862**	**101,862**
76.170.761-2	Alto Maipo SpA	Chile	Investment	Purchase of energy and power	533	(533) $	—	—
Foreign	AES Corporation	United States	Parent	Cost reimbursements	4,607	(4,607) $	3,025	(3,025)
Foreign	AES Servicios América S.R.L.	Argentina	Common Parent	Administrative services and system support	7,375	(7,375) $	5,801	(5,801)
Foreign	AES Big Sky, LLC	United States	Common Parent	Technology services	17,191	(17,191) $	20,181	(20,181)
				Total costs	**29,706**	**(29,706)**	**29,007**	**(29,007)**

Transactions with related companies in general involve transactions inherent in the business of the Company and subsidiaries, which are carried out in accordance with the legal provisions on equity terms regarding deadlines and at market prices. As of the date of these Consolidated Financial Statements, there are no provisions for doubtful debts.

The related party due, unpaid and unimpaired accounts receivable and accounts payable are detailed as follows:

	Accounts Receivable		Accounts Payable	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
No past due payments	37,338	33,406	14,386	13,104
1 to 180 days of delay	50	109	1,909	1,809
181 to 250 days of delay	194	194	—	—
More than 250 days of delay	—	—	—	214
Total	**37,582**	**33,709**	**16,295**	**15,127**

13.2.- Key Staff

Key Staff includes people with the authority and responsibility to plan, manage and control the activities of the Company, either directly or indirectly. AES Andes is managed by the members of the Senior Management and by a Board of Directors made up of seven regular directors and an alternate director for each of them, who are elected for a three-year period at the Annual General Shareholders' Meeting.

Pursuant to the provisions of Article 50 bis of Corporations Law No. 18,046, AES Andes has a Committee of Directors made up of 3 members, who have the powers referred to in that section.

a. Balances and Transactions with Key Staff

There are no pending receivables or payables between the Company and its Directors and members of the Senior Management.

In the years covered by these financial statements no transactions were made between the Company and its Directors and members of the Senior Management other than payment of remuneration or between the Company and its related parties other than those disclosed in Note 13.2 c).

There are no guarantees in favor of the Directors or guarantees granted by the Company to the Senior Management.

There are no compensation plans pegged to the price of shares.

b. Board Compensation

The by-laws of AES Andes S.A. set forth that the Directors receive no compensation for the performance of their duties.

During the years covered by these financial statements, the directors of the Company, who are employees of AES Corporation or any subsidiary or associate, have not collected any kind of remuneration, for their duties as directors, or entertainment expenses, per diem, royalties, or any other fee. The above, without prejudice of the remuneration collected by the directors who are members of the Committee of Directors and whose amount is detailed in the following paragraph.

At the Annual General Shareholders' Meeting dated April 28, 2022, it was resolved to set the amount of 300 *Unidades de Fomento* as remuneration of the members of the Committee of Directors of AES Andes for the financial year 2022. The remunerations paid to the members of the Committee of Directors and the Directors of subsidiaries during the periods covered by these financial statements are listed in the next tables.

Name	Position	December 31, 2022	December 31, 2021
Juan Ignacio Rubiolo	Chairman	—	—
Bernerd da Santos	Director	—	—
Madelka McCalla	Director	—	—
Arminio Borjas	Director	—	—
Ricardo Falú	Director	—	—
Giselle Leger	Director	—	—
Gonzalo Parot Palma	Director	142	144
Radovan Roque Razmilic Tomicic	Director	142	144
Daniel Mauricio Fernandez Koprich	Director	**142**	**144**
	TOTAL	**426**	**432**

At the Annual General Shareholders' Meeting dated August 24, 2022, the Company approved the appointment of the following Directors and the number of board members was increased from 7 to 9

Directors
Juan Ignacio Rubiolo
Arminio Borjas
Bernerd da Santos
Ricardo Falú
Giselle Leger
Madelka McCalla
Gonzalo Parot Palma
Radovan Razmilic Tomicic
Daniel Fernandez Koprich

c. Global Remuneration of Senior Managers who are not Directors

The global remuneration of the Senior Management of the Company includes a fixed monthly remuneration, variable performance-based bonuses, corporate results over the previous fiscal year, long-term compensation plans and indemnification. The Senior Management of the Company serves in the following positions: Chief Executive Officer, Chief Operations Officer, Chief Corporate Affairs Officer, General Counsel, Chief Engineering and Construction Officer, Chief Development Officer, and Chief Financial Officer.

AES Andes has agreed for its executive officers an annual bonus plan based on attainment of goals and level of individual contribution to the results of the Company. These incentives are structured in a minimum and maximum of gross remuneration and are paid once a year.

The remunerations of the Senior Management of the Company during the years ended December 31, 2022 and 2021, amounted to ThUS$5,272 and ThUS$5,698, respectively.

NOTE 14 - INVENTORY

Inventories have been valued according to the provisions of Note 4.11 and are detailed as follows:

	December 31, 2022	December 31, 2021
Coal	245,434	111,754
Oil	4,520	3,117
Materials	32,402	32,531
Coal in transit	239,620	77,622
Imported materials in transit	512	666
Other inventories	7,548	4,380
Total	**530,036**	**230,070**

Inventory costs recognized as expenses in the years ended December 31, 2022 and 2021 are detailed as follows:

	2022	2021
Coal	829,842	623,890
Oil	8,271	3,575
Others [1]	24,720	20,365
Total	**862,833**	**647,830**

[1] The other inventory costs are mainly consumption of materials, lime and biomass.

During the years covered by these financial statements, there are no adjustments that may have significantly affected the carrying amount of inventories.

NOTE 15 - TAXES

Current Taxes

Current tax receivables as of December 31, 2022 and December 31, 2021, which include group companies with an asset position at the net current tax level, are detailed as follows:

	Current		Non-Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Monthly provisional payments	2,029	37,153	—	—
Colombian income tax advance payment	—	95	—	—
Argentine standard credit	76	690	—	—
Foreign origin credit	—	1,445	—	—
Overpaid PPM	10,794	6,014	—	—
Provisional payments for absorbed Profits (1)	—	—	66,284	—
Other	976	—	—	—
Minus:	—	—	—	—
Provision First Category Tax	—	3,526	—	—
Argentine standard tax	—	69	—	—
Total	**13,875**	**41,802**	**66,284**	**—**

(1) During 2022, AES Andes determined a tax loss generated mainly by resolving the liability reorganization process under the rules established in Chapter 11 of Title 11 of the United States Code ("Chapter 11"). All accounts payable Alto Maipo had with its related companies were written off at the time.

Considering that during 2022 AES Andes received dividends with investment credit and Article 27 transitory of Act 21,210 from 2020 states that 70% of the income or amounts received as withdrawals or dividends from other companies or 70% of the loss, whichever is lower, may be allocated, previously increased by the credit associated with such income, which credit will be considered a provisional payment, that has been requested for Absorbed Profits for the tax return of the fiscal year 2023.

On the other hand, accounts payable for current taxes, which are considered by group companies with a liability position at the level of net current taxes, are detailed as follows:

	December 31, 2022	December 31, 2021
Provision for disallowed tax expenditure	56	—
Provision First Category Tax	64,780	69,198
Argentine Standard Tax	12,040	645
Minus:		
Monthly provisional payments	22,375	7,342
Advance payment and self withholding of Colombian income	13,586	25,758
Total	**40,915**	**36,743**

Income Taxes

Income tax charged to income for the years ended December 31, 2022 and 2021, is detailed as follows:

Current and Deferred Income Tax Expense (Benefit)	2022	2021
Current tax expense	30,051	82,237
Current tax expense, net	**30,051**	**82,237**
Deferred expense (benefit) due to:		
Taxes relating to the creation and reversal of temporary differences	115,464	(434,170)
Deferred tax expense (benefit), net	**115,464**	**(434,170)**
Income tax expense (benefit)	**145,515**	**(351,933)**

Foreign and local income tax expense (benefit)	2022	2021
Current tax expense, net:		
Foreign	70,335	58,000
Local	(40,283)	24,237
Current tax expense, net	**30,052**	**82,237**
Deferred tax expense, net:		
Foreign	8,588	7,800
Local	106,875	(441,970)
Deferred tax expense, net	**115,463**	**(434,170)**
Income tax expense (benefit)	**145,515**	**(351,933)**

The reconciliation between the income tax that would result from applying the effective rate in the years ended December 31, 2022 and 2021 is detailed as follows:

	December 31, 2022	December 31, 2021
Financial result before tax	**457,865**	**(1,419,725)**
Current tax rate	27%	27%
Expense for taxes at the statutory rate	123,624	(383,326)
Tax effect for:		
Rates in other jurisdictions (1)	19,991	3,275
Non-taxable ordinary income	21,787	—
Non-Deductible Tax Expenses	(3,224)	(2,255)
Tax effect resulting from the tax benefit not previously recognized in the income statement	1,130	—
Tax effect associated to reorganizations	—	27,400
Change in tax rates (2)	(1,043)	3,935
Tax effect of taxes excessively provided for in previous periods	489	1,352
Exchange differences	(15,887)	(3,666)
Other increase (decrease) in charges for legal taxes	(1,352)	1,352
Adjustment to expense for taxes at the statutory rate, total	**21,891**	**31,393**
Expense (benefit) for taxes at the effective rate	**145,515**	**(351,933)**

(1) It includes the differences originating between the current rate in Chile (27%) and in other jurisdictions where the foreign subsidiaries are domiciled (Argentina and Colombia 35%) .

(2) It refers to the increase in the tax legal rate in Colombia.

The balances relating to taxes recognized in other comprehensive income are detailed as follows:

	2022	2021
Added deferred taxation concerning items charged to Shareholder's Equity	8,381	6,765
Taxes recognized in Other Comprehensive Income, Total	**8,381**	**6,765**

Deferred taxes paid (charged to Shareholders' Equity) are those related to other comprehensive income due to cash flow hedging derivatives and defined benefit plans to employees.

Deferred Taxes

The balances of assets and liabilities for deferred taxes as of December 31, 2022 and 2021, are detailed as follows:

	December 31, 2022		December 31, 2021	
	Assets	Liabilities	Assets	Liabilities
Depreciation	47,987	(345,870)	55,876	(352,856)
Amortization	—	71	—	(160)
Accruals	—	—	333,937	—
Provisions	39,495	(13,955)	—	(40,165)
Foreign currency contract	—	(6,428)	—	—
Obligations for post-employment benefits	9,563	(178)	7,481	(216)
Revaluation of Financial Instruments	—	(5,995)	—	(14,678)
Tax losses	259,192	—	95,596	—
Deferred income	6,442	11,215	6,763	(467)
Debts (difference between effective and cover rate)	107	—	718	—
Financial leasing obligations	10,091	(108)	12,499	(421)
Financing costs	7,589	(16,041)	5,630	(17,023)
Others	35,273	(3,166)	70,193	(7,450)
Subtotal	**415,739**	**(380,455)**	**588,693**	**(433,436)**
Netting at the level of financial statements	(225,229)	225,229	(307,665)	307,665
Balances according to the financial statement	**190,510**	**(155,226)**	**281,028**	**(125,771)**

The most significant deferred asset is related to tax losses, which mainly correspond to the parent company AES Andes. They are mainly explained by the losses associated with the deconsolidation of the subsidiary Alto Maipo.

There is positive evidence that these losses will be reversed in the near future.

As of December 31, 2022, the item “Others” includes mainly the difference related to the fixed asset retirement obligation.

Changes in deferred tax assets and liabilities for the years ended December 31, 2022 and 2021, are detailed as follows:

	Balances as of January 1st, 2022	Increase (decrease) in profit (loss)	Increase (decrease) in comprehensive income	Foreign currency translation differences	Other increases (decreases)	Balances as of December 31, 2022
Depreciation	(296,980)	(7,365)	—	18,635	(12,173)	(297,883)
Amortization	(160)	231	—	—	—	71
Accruals	333,937	(333,937)	—	—	—	—
Provisions	(40,165)	66,162	—	(1,148)	691	25,540
Foreign currency contracts	—	(7,309)	—	881	—	(6,428)
Obligations for post-employment benefits	7,265	2,124	433	(437)	—	9,385
Revaluation of Financial Instruments	(14,678)	17,294	(8,814)	203	—	(5,995)
Tax losses	95,596	163,596	—	—	—	259,192
Deferred Income	6,296	11,361	—	—	—	17,657
Debts (difference between effective and cover rate)	718	(611)	—	—	—	107
Financial leasing obligations	12,078	(92)	—	(2,003)	—	9,983
Financing costs	(11,393)	2,942	—	(1)	—	(8,452)
Others	62,743	(29,860)	—	(2,455)	1,679	32,107
Subtotal	**155,257**	**(115,464)**	**(8,381)**	**13,675**	**(9,803)**	**35,284**

	Balances as of January 1st, 2021	Increase (decrease) in profit (loss)	Increase (decrease) in comprehensive income	Foreign currency translation differences	Other increases (decreases)	Balances as of December 31, 2021
Depreciation	(648,076)	257,836	—	(5,668)	98,928	(296,980)
Amortization	(13,454)	13,919	—	(625)	—	(160)
Accruals	—	333,937	—	—	—	333,937
Provisions	2,964	(45,329)	—	1,550	650	(40,165)
Obligations for post-employment benefits	4,340	2,953	(1,353)	1,255	70	7,265
Revaluation of Financial Instruments	(12,309)	5,804	(5,412)	(5,600)	2,839	(14,678)
Tax losses	328,396	(7,859)	—	—	(224,941)	95,596
Deferred Income	105,582	(99,286)	—	—	—	6,296
Debts (difference between effective and cover rate)	(1,210)	1,928	—	—	—	718
Financial leasing obligations	25,388	(13,829)	—	519	—	12,078
Financing costs	(20,856)	(6,763)	—	—	16,226	(11,393)
Others	56,526	(9,141)	—	18,912	(3,554)	62,743
Subtotal	**(172,709)**	**434,170**	**(6,765)**	**10,343**	**(109,782)**	**155,257**

NOTE 16 - INVESTMENTS IN ASSOCIATES

On July 14, 2021, AES Andes obtained approval by the National Economic Prosecutor's Office (Fiscalía Nacional Económica) of the sale agreement celebrated on February 23, 2021 for the sale of its 50.0000005% stake in the Guacolda associate. Therefore, Capital Advisors, through El Aguila Energy II SpA now owns and controls 100% of Guacolda Energía. The sale was executed for US$34 million on July, 20, 2021

The cash flows from the sale of the ownership interest in Guacolda in 2021, shown in the statement of cash flows for ThUS$33,288, are net of expenses related to the sale.

NOTE 17 - INTANGIBLE ASSETS

17.1.- Detail of intangible assets

The changes in the main classes of intangible assets, as valued according to the provisions of Notes 4.5 and 4.6., are detailed as follows:

	December 31, 2022		
	Gross Value	Accumulated Depreciation	Net Value
Finite lived intangible assets	123,630	(52,242)	71,388
Indefinite lived intangible assets	8,000	—	8,000
Intangible assets	**131,630**	**(52,242)**	**79,388**
Computer programs	48,770	(37,489)	11,281
Easements	29,055	(1,204)	27,851
Water rights	46	—	46
Other identifiable intangible assets	53,759	(13,549)	40,210
Identifiable intangible assets	**131,630**	**(52,242)**	**79,388**

	December 31, 2021		
	Gross Value	Accumulated Depreciation	Net Value
Finite lived intangible assets	103,303	(47,282)	56,021
Indefinite lived intangible assets	27,211	—	27,211
Intangible assets	**130,514**	**(47,282)**	**83,232**
Computer programs	47,527	(33,271)	14,256
Easements	27,180	(717)	26,463
Water rights	46	—	46
Other identifiable intangible assets	55,761	(13,294)	42,467
Identifiable intangible assets	**130,514**	**(47,282)**	**83,232**

Balances of and changes in Intangible Assets as of December 31, 2022 and December 31, 2021 are detailed as follows:

	Computer programs	Easements	Water Rights	Other identifiable intangible assets	Intangible assets, net
Balances as of January 1, 2022	**14,256**	**26,463**	**46**	**42,467**	**83,232**
Additions	3,249	1,901	—	3,468	**8,618**
Withdrawals	—	(25)	—	(2,989)	**(3,014)**
Amortization	(5,303)	(488)	—	(322)	**(6,113)**
Impairment losses	(754)	—	—	—	**(754)**
Increase (decrease) due to exchange differences	(167)	—	—	(2,414)	**(2,581)**
Balances as of December 31, 2022	**11,281**	**27,851**	**46**	**40,210**	**79,388**

(1) On November 17, 2021, AES Andes ceased to consolidate the company Alto Maipo SpA (see Note 37)

	Computer programs	Easements	Water Rights	Other identifiable intangible assets	Intangible assets, net
Balances as of January 1, 2021	**14,502**	**33,548**	**16,014**	**53,277**	**117,341**
Additions	4,396	220	1	1,390	**6,007**
Withdrawals		(155)	(1,021)	(4,728)	**(5,904)**
Amortization	(4,984)	(109)	—	(3,942)	**(9,035)**
Impairment losses	—	(900)	—	(17)	**(917)**
Alto Maipo deconsolidation		(6,141)	(14,948)	(626)	**(21,715)**
Increase (decrease) due to exchange differences	342	—	—	(2,887)	**(2,545)**
Balances as of December 31, 2021	**14,256**	**26,463**	**46**	**42,467**	**83,232**

Useful lives or amortization rates used for the most relevant assets of the Company are detailed as follows:

	Explanation of rate	Maximum life or rate	Minimum Life or rate
Computer programs	Years	10	—
Easements	Years	Indefinite	27
Water rights	Years	Indefinite	29
Life or rate for other identifiable intangible assets	Years	Indefinite	5

The most significant individually identifiable intangible assets of the Company are detailed as follows:

	Carrying amount	Remaining amortization period
Easements - Los Olmos	6,545	32 years
Software - Allegro ETRM Software	3,021	5 years

17.2.- Impairment of intangible assets

Within the context of the assessment of the recoverable value of assets, as described in Note 18.2, the Company has recognized impairment losses during 2022 and 2021 of ThUS$754 and ThUS$917 respectively, directly related to the aforementioned assets.

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT

18.1.- Property, Plant and Equipment

The balances of the various categories of fixed assets during the years ended December 31, 2022 and 2021, are detailed as follows:

	December 31, 2022		
	Gross Value	Accumulated Depreciation	Net Value
Constructions in Progress (2)	865,641	—	865,641
Plots of lands	23,585	—	23,585
Buildings	37,290	(11,980)	25,310
Plant and equipment	4,065,145	(1,619,577)	2,445,568
IT equipment	28,033	(20,639)	7,394
Fixed facilities and accessories	14,147	(11,685)	2,462
Motor vehicles	5,327	(3,645)	1,682
Other property, plant and equipment (1)	29,414	(5,222)	24,192
Total	**5,068,582**	**(1,672,748)**	**3,395,834**

	December 31, 2021		
	Gross Value	Accumulated Depreciation	Net Value
Constructions in Progress (2)	596,778	—	596,778
Plots of lands	23,645	—	23,645
Buildings	32,141	(10,268)	21,873
Plant and equipment	3,795,043	(1,423,832)	2,371,211
IT equipment	28,920	(19,868)	9,052
Fixed facilities and accessories	14,612	(12,355)	2,257
Motor vehicles	4,714	(3,494)	1,220
Other property, plant and equipment (1)	84,648	(8,721)	75,927
Total	**4,580,501**	**(1,478,538)**	**3,101,963**

(1) The asset made up of the cost of Dismantling Obligations is included within “Other property, plant and equipment”.

(2) The amount of construction in progress mainly corresponds to investments related to renewable projects currently under construction Mesamávida, Campo Lindo and Andes Solar (additionally, Los Olmos in 2021)

The transactions of property, plant and equipment during the years ended December 31, 2022 and 2021, are detailed as follows:

	Construction work in progress	Lands	Buildings	Plant and Equipment	IT equipment	Fixed facilities and accessories	Motor Vehicles	Other property, plant and equipment	Property Plant and Equipment, net
Balance as of January 1, 2022	**596,778**	**23,645**	**21,873**	**2,371,211**	**9,052**	**2,257**	**1,220**	**75,927**	**3,101,963**
Additions	595,618	146	—	14,945	617	350	887	1,012	**613,575**
Divestiture	—	(1)	—	—	—	—	—	—	**(1)**
Withdrawals	(240)	—	(84)	(37,210)	(286)	(40)	(2)	(48,212)	**(86,074)**
Amortization	—	—	(1,559)	(171,525)	(2,093)	(532)	(365)	(4,249)	**(180,323)**
Foreign currency exchange (1)	(7,280)	(600)	(1,335)	(146,200)	(836)	(89)	(120)	(286)	**(156,746)**
Hyperinflationary Economy (2)	1,802	211	1,554	102,334	182	45	149	—	**106,277**
Impairment losses	(545)	—	(100)	(2,024)	(41)	—	(127)	—	**(2,837)**
Finished works	(320,492)	184	4,961	314,037	799	471	40	—	**—**
As of December 31, 2022	**865,641**	**23,585**	**25,310**	**2,445,568**	**7,394**	**2,462**	**1,682**	**24,192**	**3,395,834**

	Construction work in progress	Lands	Buildings	Plant and Equipment	IT equipment	Fixed facilities and accessories	Motor Vehicles	Other property, plant and equipment	Property Plant and Equipment, net
Balance as of January 1, 2021	**3,289,788**	**25,901**	**19,949**	**3,264,733**	**10,107**	**2,533**	**930**	**60,950**	**6,674,891**
Additions	662,572	429	—	17,333	48	53	635	41,916	**722,986**
Divestiture	—	—	—	—	—	—	(14)	—	**(14)**
Alto Maipo deconsolidation (3)	(3,045,918)	(1,065)	—	(11,390)	—	—	—	—	**(3,058,373)**
Withdrawals	(145,098)	—	—	(5,455)	—	—	(32)	(5,555)	**(156,140)**
Amortization	—	—	(1,466)	(189,079)	(2,269)	(563)	(345)	(2,933)	**(196,655)**
Foreign currency exchange (1)	(9,369)	(458)	(702)	(79,560)	(741)	(68)	(20)	(137)	**(91,055)**
Hyperinflationary Economy (2)	747	129	1,002	64,007	152	29	66	—	**66,132**
Impairment losses	(13,696)	(1,291)	—	(826,417)	(84)	(7)	—	(18,314)	**(859,809)**
Finished works	(142,248)	—	3,090	137,039	1,839	280	—	—	**—**
As of December 31, 2021	**596,778**	**23,645**	**21,873**	**2,371,211**	**9,052**	**2,257**	**1,220**	**75,927**	**3,101,963**

(1) It consists of the effects due to translation of the subsidiaries AES Colombia and Termoandes, that have the Colombian peso and Argentine Peso as functional currency, respectively.
(2) It consists of the effects due to the adjustment for inflation applied to the Argentine Subsidiaries
(3) On November 17, 2021, AES Andes ceased to consolidate the company Alto Maipo SpA (see Note 37)

The useful lives of the most relevant assets of the Company are detailed as follows:

	Explanation of rate	Minimum Life	Maximum Life
Buildings	Years	20	40
Plant and equipment	Years	5	30
Plant and equipment (Colombia dam)	Years	80	80
IT equipment	Years	2	5
Fixed facilities and accessories	Years	2	20
Motor vehicles	Years	2	5
Other property, plants and equipment	Years	5	25

The costs for capitalized interest during the years and the capitalization rate for financial costs of the Company are detailed as follows:

	2022	2021
Amount of costs for capitalized interest	37,117	143,060
Capitalization rate of costs for capitalized interest	19.23 %	57.38 %

The Company and subsidiaries have insurance contracts with respect to its generation plants, including business interruption all risks insurance policies, which cover, among other things, damages caused by fire, flood, and earthquake.

Additional Information to be Disclosed in Property, Plant and Equipment	December 31, 2022	December 31, 2021
Amount of Commitments for the Acquisition of Property, Plant and Equipment	395,209	408,843

18.2.- Decarbonization Agreement: Progressive Withdrawal of Generation Units in Chile.

On June 4, 2019, the Company reached a voluntary agreement, as well as other generation companies, to disconnect and cease the operation of a set of coal-fired power plants between the Government of Chile and generating companies in the sector. Subsequently, on December 26, 2020, Supreme Decree No. 42 was published, which, among other things, created a new operating status, "Strategic Reserve Operating Status" (ERE), that allows the withdrawal of the usual dispatch of energy to plants under this status, essentially being ready to resume their operation under conditions of extreme shortage in the System with a 60-day prior notice.

The National Electric Coordinator authorized the decommissioning of Ventanas I on June 30, 2022. Meanwhile, the Ventanas II has been authorized to undergo ERE (Strategic Reserve Status) if it's aligned with the entry into service of the second 220/110 kV - 300 MVA transformer of the Agua Santa substation. Due to the delays in the expansion of these facilities, it is expected that Ventanas II will undergo ERE during 2023, while the decommissioning of this generating unit is scheduled for December 29, 2025, in accordance with the provisions of Article 72°-18 of the General Act of Electric Services and as reported by the National Energy Commission on July 22, 2022, through Exempt Resolution No. 555.

Additionally, on July 6, 2021, AES Andes and the Ministry of Energy agreed to an amendment to the Decommissioning Agreement signed on June 4, 2019. By virtue of this amendment, the Company offered to decommission the following power plants:

- Ventanas III & IV (owned by the subsidiary Eléctrica Ventanas SpA), part of the Ventanas Complex; and
- Angamos I & II (owned by the subsidiary Eléctrica Angamos SpA), part of Angamos Power Plant.

The installed capacity of such units amounts to 1.097 MW (267 MW, 272 MW, 277 MW and 281 MW, respectively). The decommissioning is proposed at the earliest date from January 1st, 2025, as soon as the security, sufficiency and economic conditions of the system allow.

To date, AES Andes and its subsidiaries have committed to cease coal-fired operations of a total of 1,419 MW, which include Ventanas power generation complex located in Puchuncaví, Fifth Region and Angamos Power Plant located in Mejillones, Second Region.

By the agreement dated July 2021, AES Andes recorded an impairment loss of Property, Plant and Equipment, affecting the net result for 2021 in approximately ThUS870,452. These non-recurring accounting adjustments had no impact on the Company's cash flow. During 2022, an impairment loss of ThUS$4,835 has been recorded for Property, Plant and Equipment with an effect on income.

In accordance with Note 4.7, the recoverable amount of property, plant and equipment is measured whenever there is an indication that the asset may be impaired.

NOTE 19 - RIGHT-OF-USE ASSETS

The information as of December 31, 2022 and 2021 regarding leases under which the group is lessee are detailed as follows:

	Buildings and Land	Plant and Equipment	Other Property, Plant and Equipment	Total
Balance as of January 1,	**30,083**	**18,697**	**—**	**48,780**
Additions	19,268	—	—	19,268
Depreciation for the year	(2,481)	(4,062)	—	(6,543)
Derecognitions	(3,981)	—	—	(3,981)
Others	(218)	—	—	(218)
Balance as of December 31, 2022	**42,671**	**14,635**	**—**	**57,306**

	Buildings and Land	Plant and Equipment	Other Property, Plant and Equipment	Total
Balance as of January 1,	**26,602**	**21,716**	**5,330**	**53,648**
Additions	1,205	—	—	1,205
Depreciation for the year	(2,040)	(3,019)	—	(5,059)
Derecognitions	(761)	—	—	(761)
Others	(253)	—	—	(253)
Transfers	5,330		(5,330)	—
Balance as of December 31, 2021	**30,083**	**18,697**	**—**	**48,780**

As of December 31, 2022, the main assets and liabilities for right of use and lease liabilities are detailed as follows:

- Lease Agreement for the offices located in Torre Santa Maria II, Commune of Providencia, Santiago. This agreement was entered into with Bice Seguros de Vida S.A., accrues interest at a 2.82% annual rate and has a term of 25 years.
- Agreement entered into with Hidroeléctrica el Paso SpA consisting of the purchase of all the energy generated by its generation plant, which accrues interest at a 4.4% annual rate and has a term of 12 years.

NOTE 20 - OTHER FINANCIAL LIABILITIES

As of December 31, 2022 and 2021, the other financial liabilities are detailed as follows:

	Current		Non-current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Interest-bearing loans (Note 20.1)	233,802	263,305	2,648,300	2,098,886
Hedging derivatives (Note 10.1)	8,220	19,543	1,038	11,199
Non-hedging derivatives	31	700	15	—
Total	**242,053**	**283,548**	**2,649,353**	**2,110,085**

20.1.- Interest-bearing Loans

The interest-bearing loans are detailed as follows:

	Current		Non-current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Bank loans	125,016	159,458	964,522	179,644
Bonds payable	108,786	103,847	1,684,501	1,920,328
Financing deferred expenses (1)	—	—	(723)	(1,086)
Total	**233,802**	**263,305**	**2,648,300**	**2,098,886**

(1) They are deferred costs associated with unused lines of credit.

(a) **Bank Loans**

The bank loans by debtor company, financial institution, currency, cover rate, and due dates as of December 31, 2022, are detailed as follows:

a.

Tax Id. ("RUT") Number	Company	Country	Creditor	Currency	Amortization	Annual Effective Rate	Annual Nominal Rate	Year of Maturity	Current	Non-current
94.272.000-9	AES Andes S.A	Chile	Banco de Chile	US$	At maturity	4.67%	4.67%	2023	25,528	—
94.272.000-9	AES Andes S.A	Chile	Scotiabank Chile	US$	Quarterly	5.35%	5.10%	2027	902	49,341
94.272.000-9	AES Andes S.A	Chile	Green Loan - Sumitomo Mitsui Banking	US$	Quarterly	6.16%	5.79%	2026	44,550	342,205
94.272.000-9	AES Andes S.A	Chile	Sumitomo Mitsui Banking Corp	US$	At maturity	6.31%	5.99%	2024	638	49,640
94.272.000-9	AES Andes S.A	Chile	Sumitomo Mitsui Banking Corp - Muziho	US$	Quarterly	4.71%	4.44%	2027	1,651	147,902
Foreign	AES Colombia	Colombia	Leasing Bancolombia S.A.	Col$	Quarterly	15.70%	15.70%	2030	2,710	17,259
Foreign	AES Colombia	Colombia	Scotiabank	Col$	Quarterly	13.10%	12.06%	2027	1,760	6,448
Foreign	AES Colombia	Colombia	Scotiabank	Col$	At maturity	12.90%	13.21%	2027	3,308	12,586
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	12.19%	13.21%	2027	1,746	6,627
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	13.34%	13.21%	2027	3,320	12,426
Foreign	AES Colombia	Colombia	Scotiabank	Col$	At maturity	12.06%	12.06%	2027	1,020	3,535
Foreign	AES Colombia	Colombia	Scotiabank	Col$	At maturity	13.21%	13.21%	2027	182	624
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	12.06%	12.06%	2027	1,020	3,535
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	13.21%	13.21%	2027	182	624
Foreign	AES Colombia	Colombia	Scotiabank	Col$	At maturity	13.21%	13.21%	2027	971	3,328
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	13.21%	13.21%	2027	972	3,328
Foreign	AES Colombia	Colombia	Scotiabank	Col$	At maturity	13.21%	13.21%	2027	729	2,496
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	13.21%	13.21%	2027	729	2,496
Foreign	AES Colombia	Colombia	Banco Bogotá	Col$	At maturity	14.10%	14.10%	2025	2,321	4,366
Foreign	AES Colombia	Colombia	Banco Bogotá	Col$	At maturity	14.40%	14.40%	2025	9,004	16,627
Foreign	AES Colombia	Colombia	Banco de Occidente	Col$	At maturity	15.05%	15.05%	2025	7,499	13,860
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	13.86%	13.86%	2025	568	20,789
Foreign	AES Colombia	Colombia	Scotiabank	Col$	At maturity	13.66%	13.66%	2027	1,953	6,652
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	13.66%	13.66%	2027	4,577	15,592
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	12.66%	12.66%	2027	4,528	15,592
Foreign	AES Colombia	Colombia	Banco BBVA	Col$	At maturity	18.02%	18.02%	2027	1,324	103,322
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	18.02%	18.02%	2027	1,324	103,322
								Total	**125,016**	**964,522**

Payments of principal and interest not discounted as of December 31, 2022, are detailed as follows:

Company	Creditor	Current			Non-current					
		Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
AES Andes	Banco de Chile	—	25,584	25,584	—	—	—	—	—	—
AES Andes	Scotiabank Chile	1,272	1,265	2,537	2,558	2,551	2,551	52,564	—	**60,224**
AES Andes	Green Loan - Sumitomo Mitsui Banking	18,975	42,664	61,639	72,170	95,260	222,889	—	—	**390,319**
AES Andes	Sumitomo Mitsui Banking Corp	766	2,272	3,038	53,562	—	—	—	—	**53,562**
AES Andes	Sumitomo Mitsui Banking Corp - Muziho	—	6,753	6,753	6,771	6,753	6,753	156,622	—	**176,899**
AES Colombia	Leasing Bancolombia S.A.	1,150	3,353	4,503	4,248	3,991	3,734	3,478	7,215	**22,666**
AES Colombia	Scotiabank	748	1,937	2,685	2,402	2,196	3,734	1,788	—	**10,120**
AES Colombia	Scotiabank	1,493	3,755	5,248	4,636	4,214	3,734	3,374	—	**15,958**
AES Colombia	Bancolombia	748	1,937	2,685	2,402	2,196	3,734	1,788	—	**10,120**
AES Colombia	Bancolombia	1,493	3,755	5,248	4,636	4,214	3,734	3,374	—	**15,958**
AES Colombia	Scotiabank	490	1,029	1,519	1,277	885	3,734	950	—	**6,846**
AES Colombia	Scotiabank	91	188	279	232	211	3,734	169	—	**4,346**
AES Colombia	Bancolombia	490	1,029	1,519	1,277	885	3,734	950	—	**6,846**
AES Colombia	Bancolombia	91	188	279	176	267	3,734	169	—	**4,346**
AES Colombia	Scotiabank	486	1,002	1,488	1,237	1,124	3,734	900	—	**6,995**
AES Colombia	Bancolombia	486	1,002	1,488	1237	1124	3734	900	0	**6,995**
AES Colombia	Scotiabank	364	751	1,115	928	843	3,734	676	—	**6,181**
AES Colombia	Bancolombia	364	751	1,115	928	843	3734	676	0	**6,181**
AES Colombia	Banco Bogotá	238	2,726	2,964	2651	2339	3734	0	0	**8,724**
AES Colombia	Banco Bogotá	—	11,360	11,360	10143	8922	3734	0	0	**22,799**
AES Colombia	Banco de Occidente	750	8,931	9,681	8689	7681	3734	0	0	**20,104**
AES Colombia	Bancolombia	744	2,185	2,929	2929	22061	3734	0	0	**28,724**
AES Colombia	Scotiabank	990	2,057	3,047	2538	2305	3734	1842	0	**10,419**
AES Colombia	Bancolombia	2,320	4,747	7,067	5866	5314	3734	4229	0	**19,143**
AES Colombia	Bancolombia	2,222	4,619	6,841	5716	5210	3734	4205	0	**18,865**
AES Colombia	Banco BBVA	4,783	14,453	19,236	19236	19183	3734	123129	0	**165,282**
AES Colombia	Bancolombia	4,783	14,453	19,236	19236	19183	3734	123129	0	**165,282**
	Total	**46,337**	**164,746**	**211,083**	**237,681**	**219,755**	**314,341**	**484,912**	**7,215**	**1,263,904**

The bank loans by debtor company, financial institution, currency, cover rate, and due dates as of December 31, 2021, are detailed as follows

Tax Id. ("RUT") Number	Company	Country	Creditor	Currency	Amortization	Annual Effective Rate	Annual Nominal Rate	Year of Maturity	Current	Non-current
94.272.000-9	AES Andes	Chile	Banco BCI	US$	Monthly	0.73%	0.73%	2022	25,068	—
94.272.000-9	AES Andes	Chile	Banco de Chile	US$	Monthly	1.12%	1.12%	2022	25,099	—
94.272.000-9	AES Andes	Chile	Scotiabank Chile	US$	Monthly	1.39%	1.39%	2022	26,107	—
94.272.000-9	AES Andes	Chile	Banco del Estado	US$	At maturity	1.20%	1.20%	2022	25,108	—
94.272.000-9	AES Andes	Chile	Banco del Estado	US$	At maturity	1.20%	1.20%	2022	25,108	—
94.272.000-9	AES Andes	Chile	Scotiabank Chile	US$	At maturity	1.68%	1.68%	2022	15,003	—
94.272.000-9	AES Andes	Chile	Banco del Estado	US$	At maturity	2.48%	2.48%	2022	5,872	—
94.272.000-9	AES Andes	Chile	Banco de Chile	US$	At maturity	0.15%	0.15%	2022	3,133	—
94.272.000-9	AES Andes	Chile	Sumitomo Mitsui Banking Corp	US$	Quarterly	2.64%	1.81%	2026	5,178	67,849
Foreign	AES Colombia	Colombia	Leasing Bancolombia S.A.	Col$	Quarterly	10.26%	10.26%	2030	3,273	24,123
Foreign	AES Colombia	Colombia	Scotia Bank	Col$	At maturity	4.90%	4.90%	2027	—	9,745
Foreign	AES Colombia	Colombia	Scotia Bank	Col$	At maturity	4.88%	4.88%	2027	—	19,010
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	4.11%	4.11%	2027	105	10,006
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	5.26%	5.26%	2027	244	18,766
Foreign	AES Colombia	Colombia	Scotia Bank	Col$	At maturity	4.00%	4.00%	2027	—	5,338
Foreign	AES Colombia	Colombia	Scotia Bank	Col$	At maturity	5.15%	5.15%	2027	—	942
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	4.00%	4.00%	2027	55	5,338
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	5.15%	5.15%	2027	12	942
Foreign	AES Colombia	Colombia	Scotia Bank	Col$	At maturity	5.15%	5.15%	2027	—	5,024
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	5.15%	5.15%	2027	56	5,024
Foreign	AES Colombia	Colombia	Scotia Bank	Col$	At maturity	5.18%	5.18%	2027	—	3,768
Foreign	AES Colombia	Colombia	Bancolombia	Col$	At maturity	5.18%	5.18%	2027	37	3,769
								Total	**159,458**	**179,644**

Payments of principal and interest not discounted as of December 31, 2021, are detailed as follows::

Company	Creditor	Current			Non-current					
		Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
94.272.000-9	Banco BCI	25,091	—	**25,091**	—	—	—	—	—	**—**
94.272.000-9	Banco de Chile	—	25,283	**25,283**	—	—	—	—	—	**—**
94.272.000-9	Scotiabank Chile	—	26,357	**26,357**	—	—	—	—	—	**—**
94.272.000-9	Banco del Estado	25,152	—	**25,152**	—	—	—	—	—	**—**
94.272.000-9	Banco del Estado	—	25,276	**25,276**	—	—	—	—	—	**—**
94.272.000-9	Scotiabank Chile	—	15,125	**15,125**	—	—	—	—	—	**—**
94.272.000-9	Banco del Estado	5,874	—	**5,874**	—	—	—	—	—	**—**
94.272.000-9	Banco de Chile	3,133	—	**3,133**	—	—	—	—	—	**—**
94.272.000-9	Sumitomo Mitsui Banking Corp	354	5,995	**6,349**	11,234	11,054	20,820	30,406	—	**73,514**
AES Colombia	Leasing Bancolombia S.A.	819	2,454	**3,273**	3,273	3,273	3,273	3,273	11,031	**24,123**
AES Colombia	Scotia Bank	—	—	**—**	2,009	2,009	2,009	2,009	1,709	**9,745**
AES Colombia	Scotia Bank	—	—	**—**	3,768	3,768	3,768	3,768	3,938	**19,010**
AES Colombia	Bancolombia	105	—	**105**	2,009	2,009	2,009	2,009	1,970	**10,006**
AES Colombia	Bancolombia	252	—	**252**	3,768	3,768	3,768	3,768	3,694	**18,766**
AES Colombia	Scotia Bank	—	—	**—**	1,068	1,068	1,068	1,068	1,066	**5,338**
AES Colombia	Scotia Bank	—	—	**—**	188	188	188	188	190	**942**
AES Colombia	Bancolombia	55	—	**55**	1,068	1,068	1,068	1,068	1,066	**5,338**
AES Colombia	Bancolombia	12	—	**12**	188	188	188	188	190	**942**
AES Colombia	Scotia Bank	—	—	**—**	1,005	1,005	1,005	1,005	1,004	**5,024**
AES Colombia	Bancolombia	66	—	**66**	1,005	1,005	1,005	1,005	1,004	**5,024**
AES Colombia	Scotia Bank	—	—	**—**	754	754	754	754	752	**3,768**
AES Colombia	Bancolombia	47	—	**47**	754	754	754	754	753	**3,769**
	Total	**60,960**	**100,490**	**161,450**	**32,091**	**31,911**	**41,677**	**51,263**	**28,367**	**185,309**

b. **Bonds payable**

Bonds payable per debtor company, series, currency, cover rate, and due dates as of December 31, 2022, are detailed as follows:

Tax Id. ("RUT") Number	Company	Country	Instrument Registration and Identification	Series	Currency or Indexation Unit	Annual Effective Rate	Annual Nominal Rate	Final Deadline	Current	Non-current
94.272.000-9	AES Andes	Chile	US$ 550 M Junior Notes due 2079	US$ Bonds	US$	7.27%	7.13%	3/26/2079	17,939	508,199
94.272.000-9	AES Andes	Chile	US$ 409 M Senior Notes due 2025	US$ Bonds	US$	5.22%	5.00%	7/14/2025	2,791	117,063
94.272.000-9	AES Andes	Chile	US$ 450 M Senior Notes due 2079	US$ Bonds	US$	6.47%	6.35%	10/7/2079	4,888	323,682
94.272.000-9	AES Andes	Chile	UF$ 1.0 M Senior Notes due 2024	SERIES B	U.F.	8.04%	7.50%	10/15/2024	10,213	15,089
76.004.976-K	Angamos	Chile	US$ 600 M Senior Secured Notes 2029	US$ Bonds	US$	5.14%	4.88%	5/25/2029	6,526	34,235
76.085.254-6	Cochrane	Chile	144A/Res S Bond	US$ Bonds	US$	6.80%	6.80%	5/14/2027	62,357	216,401
76.085.254-6	Cochrane	Chile	Local Bond Series "A" $485 2034	US$ Bonds	US$	3.08%	3.08%	11/14/2034	4,072	469,832
								Total	**108,786**	**1,684,501**

Payments of principal and interest not discounted as of December 31, 2022, are detailed as follows:

		Current			Non-current					
Name	Instrument Registration and Identification	Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
AES Andes	US$ 550 M Junior Notes due 2079	18,383	18,383	**36,766**	36,765	36,765	36,765	36,765	2,417,669	**2,564,729**
AES Andes	US$ 409 M Senior Notes due 2025	2,937	2,937	**5,874**	5,874	123,363	—	—	—	**129,237**
AES Andes	US$ 450 M Senior Notes due 2079	—	20,854	**20,854**	20,854	20,854	20,854	20,854	1,412,806	**1,496,222**
AES Andes	UF$ 1.0 M Senior Notes due 2024	—	11,481	**11,481**	16,134	—	—	—	—	**16,134**
Angamos	US$ 600 M Senior Secured Notes 2029	—	8,412	**8,412**	7,904	7,596	7,288	6,980	9,856	**39,624**
Cochrane	144A/Res S Bond	—	74,851	**74,851**	71,708	73,792	71,958	33,270	—	**250,728**
Cochrane	Local Bond Series "A" $485 2034	—	29,853	**29,853**	29,853	29,853	29,853	41,800	582,023	**713,382**
	Total	**21,320**	**166,771**	**188,091**	**189,092**	**292,223**	**166,718**	**139,669**	**4,422,354**	**5,210,056**

Bonds payable per debtor company, series, currency, cover rate, and due dates as of December 31, 2021 are detailed as follows:

Tax Id. ("RUT") Number	Company	Country	Instrument Registration and Identification	Series	Currency or Indexation Unit	Annual Effective Rate	Annual Nominal Rate	Final Deadline	Current	Non-current
94.272.000-9	AES Andes	Chile	US$ 550 M Junior Notes due 2079	US$ Bonds	US$	7.27%	7.13%	3/26/2079	19,120	541,511
94.272.000-9	AES Andes	Chile	US$ 409 M Senior Notes due 2025	US$ Bonds	US$	5.22%	5.00%	7/14/2025	2,791	116,921
94.272.000-9	AES Andes	Chile	US$ 450 M Senior Notes due 2079	US$ Bonds	US$	6.47%	6.35%	10/7/2079	6,694	443,454
94.272.000-9	AES Andes	Chile	UF$ 1.0 M Senior Notes due 2024	SERIES B	U.F.	8.04%	7.50%	10/15/2024	4,011	22,145
76.004.976-K	Angamos	Chile	US$ 600 M Senior Secured Notes 2029	US$ Bonds	US$	5.23%	4.88%	5/25/2029	8,870	55,199
76.085.254-6	Cochrane	Chile	144A/Res S Bond	US$ Bonds	US$	6.80%	5.50%	5/14/2027	58,301	272,537
76.085.254-6	Cochrane	Chile	Local Bond Series "A" $485 2034	US$ Bonds	US$	6.90%	6.27%	11/14/2034	4,060	468,561
								Total	**103,847**	**1,920,328**

Payments of principal and interest not discounted as of December 31, 2021, are detailed as follows:

		Current			Non-current					
Name	Instrument Registration and Identification	Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
AES Andes	US$ 550 M Junior Notes due 2079	19,594	19,594	**39,188**	39,188	39,188	39,188	39,188	2,616,159	**2,772,911**
AES Andes	US$ 409 M Senior Notes due 2025	2,937	2,937	**5,874**	5,874	5,874	123,364	—	—	**135,112**
AES Andes	US$ 450 M Senior Notes due 2079	—	28,575	**28,575**	28,575	28,575	28,575	28,575	1,964,475	**2,078,775**
AES Andes	UF$ 1.0 M Senior Notes due 2024	—	5,441	**5,441**	10,268	14,430	—	—	—	**24,698**
Angamos	US$ 600 M Senior Secured Notes 2029	—	3,243	**3,243**	11,248	10,828	10,407	9,987	23,373	**65,843**
Cochrane	144A/Res S Bond	—	73,404	**73,404**	74,851	71,708	73,791	71,957	33,269	**325,576**
Cochrane	Local Bond Series "A" $485 2034	—	29,853	**29,853**	32,150	31,054	31,139	31,231	631,092	**756,666**
	Total	**22,531**	**163,047**	**185,578**	**202,154**	**201,657**	**306,464**	**180,938**	**5,268,368**	**6,159,581**

c. **Changes in liabilities from financing activities**

The evolution of financial obligations of the Company, and the changes related to financing activities as of December 31, 2022 and 2021, are detailed as follows:

		Changes in Financing Activities				Other changes				
Conciliation at December 31, 2022	Balance as of January 01, 2022	New Obligations	Payment of Obligations	Interest Payment	Deferred Expenses	Accrued Interest	Exchange Differences	Amortization of Deferred Costs	Change in Fair Value	Balance as of December 31, 2022
Bank Loans	**339,151**	**1,065,031**	**(271,204)**	**(26,172)**	**(7,807)**	**46,272**	**(56,754)**	**1,018**	**4**	**1,089,539**
AES Andes	223,547	641,202	(204,361)	(13,477)	(6,559)	22,061	(1,037)	980	—	662,356
AES Colombia	115,604	423,829	(66,843)	(12,695)	(1,248)	24,211	(55,717)	38	4	427,183
Bonds payable	**2,024,175**	**—**	**(237,115)**	**(123,160)**	**—**	**125,268**	**2,263**	**1,856**	**—**	**1,793,287**
AES Andes	1,156,647	—	(159,281)	(72,601)	—	70,111	2,263	2,725	—	999,864
Angamos	64,069	—	(22,450)	(2,686)	—	2,697	—	(869)	—	40,761
Cochrane	803,459	—	(55,384)	(47,873)	—	52,460	—	—	—	752,662
Deferred costs	**(1,086)**	**—**	**—**	**—**	**—**	**—**	**—**	**363**	**—**	**(723)**
AES Andes	(1,086)	—	—	—	—	—	—	363	—	(723)
Hedging derivative instruments (Note 10.1)	**30,687**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(21,429)**	**9,258**
AES Andes	30,687	—	—	—	—	—	—	—	(21,460)	9,227
AES Colombia									31	31
Non-hedging derivative instruments	**706**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(660)**	**46**
AES Andes	345	—	—	—	—	—	—	—	(299)	46
AES Colombia	361	—	—	—	—	—	—	—	(361)	—
Total	**2,393,633**	**1,065,031**	**(508,319)**	**(149,332)**	**(7,807)**	**171,540**	**(54,491)**	**3,237**	**(22,085)**	**2,891,407**

		Changes in Financing Activities				Other changes						
Conciliation at December 31, 2021	Balance as of January 01, 2021	New Obligations	Payment of Obligations	Interest Payment	Deferred Expenses	Accrued Interest	Capitalized Accrued Interest	Exchange Differences	Amortization of Deferred Costs	Change in Fair Value	Other (3)	Balance as of December 31, 2021
Bank Loans	**1,472,371**	**255,010**	**(3,273)**	**(4,996)**	**(3,703)**	**6,719**	**39,181**	**(14,648)**	**2,996**	**—**	**(1,410,506)**	**339,151**
AES Andes	—	224,868	—	(100)	(2,150)	791	—	138	—	—		223,547
Alto Maipo	1,369,667	—	—	—	(1,292)	—	39,181	—	2,950	—	(1,410,506)	—
AES Colombia	102,704	30,142	(3,273)	(4,896)	(261)	5,928	—	(14,786)	46	—		115,604
Bonds payable	**2,210,669**	**—**	**(185,708)**	**(135,842)**	**—**	**141,648**	**—**	**(8,320)**	**1,728**	**—**	**—**	**2,024,175**
AES Andes	1,290,555	—	(127,972)	(81,691)	—	82,347	—	(8,320)	1,728	—		1,156,647
Angamos	74,257		(10,264)	(3,550)		3,626		—	—			64,069
Cochrane	845,857	—	(47,472)	(50,601)	—	55,675	—	—	—	—		803,459
Deferred costs	**(1,471)**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**385**	**—**	**—**	**(1,086)**
AES Andes	(1,471)								385			(1,086)
Hedging derivative instruments (Note 10.1)	**240,954**	**—**	**—**	**(47,414)**	**—**	**47,414**	**—**	**—**	**—**	**(32,034)**	**(178,233)**	**30,687**
AES Andes	8,548	—	—	—	—	—	—	—	—	22,139	—	30,687
Alto Maipo	230,436			(47,414)		47,414				(52,203)	(178,233)	—
AES Colombia	1,970	—	—	—	—	—	—	—	—	(1,970)	—	—
Non-hedging derivative instruments	**21,304**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(20,598)**	**—**	**706**
AES Colombia	2,540									(2,179)		361
AES Andes	18,764									(18,419)		345
Total	**3,943,827**	**255,010**	**(188,981)**	**(188,252)**	**(3,703)**	**195,781**	**39,181**	**(22,968)**	**5,109**	**(52,632)**	**(1,588,739)**	**2,393,633**

(1) The amounts included in Accrued Interest are associated with derivatives and are imputed in Other Reserves in the Equity
(2) The Interest payments include ThUS$19,868 for capitalized interest that is included as an investment flow in the cash flow statement.
(3) The Other correspond to Alto Maipo deconsolidation.

NOTE 21 - LEASE LIABILITY

The analysis of the expiration of lease liabilities as of December 31, 2022 and 2021 is detailed as follows:

	December 31, 2022			December 31, 2021		
	Gross ThUS$	Interest ThUS$	Present Value ThUS$	Gross ThUS$	Interest ThUS$	Present Value ThUS$
Less than a year	8,183	(2,325)	5,858	6,	(2,063)	4,223
Between one and five years	27,557	(8,331)	19,226	25, 705	(7,055)	18,650
More than 5 years	58,533	(18,173)	40,360	41,	(9,747)	31,376
Total	**94,273**	**(28,829)**	**65,444**	**73,**	**(18,865)**	**54,249**

During the years ended December 31, 2022 and 2021, the amount recognized as financial cost amounts to ThUS$1.963 and ThUS$1,794, respectively.

The liabilities by expiration date as of December 31, 2022 and 2021 are detailed as follows:

	Accounting Balances		Payments of Interest and Principal			Payment of Interest and Principal					
	Current	Non-current	Less than 90 days	More than 90 days	Total current	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total Non-current
December 31, 2022	5,858	59,586	2,866	5,317	8,183	7,319	7,256	7,361	5,762	58,392	86,090
December 31, 2021	4,223	50,026	2,482	3,804	6,286	6,318	6,368	6,453	6,566	41,123	66,828

During the years ended December 31, 2022 and 2021, the payments associated with lease liabilities have been for ThUS$7,655 and ThUS$3,071, respectively.

The leases by debtor company, financial institution, currency, and expiration dates as of December 31, 2022, are detailed as follows

				Accounting Balances		Payments of Interest and Principal		
Creditor	Description	Currency	Rate	Current	Non-current	Less than 90 days	More than 90 days	Total current
Inmobiliaria Rentas Inmobiliarias	Matta building	UF	6.50 %	821	140	212	635	847
Edelnor Transmisión S.A.	Substation installation	UF	2.81 %	143	463	39	118	157
BICE SEGUROS DE VIDA	Santa María building	UF	2.82 %	468	13,657	211	633	844
Hidroeléctrica El Paso S.P.A.	PPA El Paso	USD	4.44 %	3,023	12,684	1,821	1,821	3,642
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar land	UF	4.50 %	40	1,870	1	105	106
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar land	UF	2.82 %	14	331	—	23	23
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	UF	2.82 %	19	405	—	23	23
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	UF	2.82 %	69	1,488	—	84	84
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	UF	2.82 %	58	1,254	—	71	71
Alejandro de la Maza	Los Olmos land	UF	4.00 %	74	955	51	56	107
Agrícola Santa Edith	Los Olmos land	USD	6.50 %	45	417	34	34	68
Sociedad Agrícola Huancara Limitada	Los Olmos land	UF	4.00 %	108	1,452	78	84	162
Inmobiliaria Obreque y Compañía Limitada	Los Olmos land	UF	4.00 %	103	1,347	71	78	149
Agricola Forestal e Inversiones Fundo Las Trancas SpA	Campo Lindo land	UF	2.82 %	132	2,716	43	129	172
Agrícola y Forestal Las Trancas Ltda	Campo Lindo land	UF	2.82 %	50	1,360	21	64	85
Azcar S.A.	Campo Lindo land	UF	2.82 %	14	389	6	19	25
Victor Alberto Ríos Santander	Campo Lindo land	UF	2.82 %	29	777	12	37	49
Agrícola Rios Ltda	Campo Lindo land	UF	2.82 %	35	970	15	46	61
Isaac Valdebenito	Campo Lindo land	UF	4.50 %	—	51	—	—	—
Sociedad Agrícola Ríos Limitada	Campo Lindo land	UF	4.50 %	—	8	—	—	—
Adelina Jara Soto y Otros	Campo Lindo land	USD	4.71 %	21	666	12	37	49
Fernando Stevens Alegría y Otros	Campo Lindo land	USD	4.71 %	27	423	27	—	27
Agrícola Quelén Limitada	San Matias land	USD	4.71 %	292	9,147	—	585	585
Sociedad Agrícola El Gran Bajo Limitada	San Matias land	USD	6.50 %	7	412	—	30	30
Sociedad Agrícola y Forestal Carper Limitada	Mesamávida land	UF	2.82 %	11	408	20	—	20
Claudio Hernan Paredes Ulloa	Mesamávida land	UF	2.82 %	15	214	—	15	15
Intercolombia SA ESP	ISA Leasing	Col$	9.52 %	193	5,582	178	556	734
Berkley International Seguros SA	Carlos Pellegrini building	USD	11.73 %	47	—	14	34	48
		Total		**5,858**	**59,586**	**2,866**	**5,317**	**8,183**

		Payment of Interest and Principal					
Creditor	Description	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total Non-current
Inmobiliaria Rentas Inmobiliarias	Matta building	141	—	—	—	—	**141**
Edelnor Transmisión S.A.	Substation installation	157	157	157	13	—	**484**
BICE SEGUROS DE VIDA	Santa María building	844	844	844	844	14,630	**18,006**
Hidroeléctrica El Paso S.P.A.	PPA El Paso	3,729	3,774	3,842	2,348	—	**13,693**
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar land	105	105	105	105	3,451	**3,871**
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar land	23	23	23	23	340	**432**
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	23	23	23	23	479	**571**
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	84	84	84	84	1,755	**2,091**
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	71	71	71	71	1,481	**1,765**
Alejandro de la Maza	Los Olmos land	56	56	56	56	1,359	**1,583**
Agrícola Santa Edith	Los Olmos land	34	34	34	34	804	**940**
Sociedad Agrícola Huancara Limitada	Los Olmos land	84	84	84	84	2,107	**2,443**
Inmobiliaria Obreque y Compañía Limitada	Los Olmos land	78	78	78	78	1,954	**2,266**
Agricola Forestal e Inversiones Fundo Las Trancas SpA	Campo Lindo land	171	171	171	171	2,914	**3,598**
Agrícola y Forestal Las Trancas Ltda	Campo Lindo land	86	86	86	86	1,461	**1,805**
Azcar S.A.	Campo Lindo land	25	25	25	25	419	**519**
Victor Alberto Ríos Santander	Campo Lindo land	49	49	49	49	834	**1,030**
Agrícola Rios Ltda	Campo Lindo land	61	61	61	61	1,041	**1,285**
Isaac Valdebenito	Campo Lindo land	5	5	5	5	31	**51**
Sociedad Agrícola Ríos Limitada	Campo Lindo land	2	2	2	2	—	**8**
Adelina Jara Soto y Otros	Campo Lindo land	50	50	50	50	851	**1,051**
Fernando Stevens Alegría y Otros	Campo Lindo land	27	27	27	27	684	**792**
Agrícola Quelén Limitada	San Matias land	585	585	585	585	14,619	**16,959**
Sociedad Agrícola El Gran Bajo Limitada	San Matias land	30	30	30	30	934	**1,054**
Sociedad Agrícola y Forestal Carper Limitada	Mesamávida land	20	20	20	20	545	**625**
Claudio Hernan Paredes Ulloa	Mesamávida land	10	10	10	10	289	**329**
Intercolombia SA ESP	ISA Leasing	769	802	839	878	5,410	**8,698**
Berkley International Seguros SA	Carlos Pellegrini building	—	—	—	—	—	**—**
	Total	**7,319**	**7,256**	**7,361**	**5,762**	**58,392**	**86,090**

The leases by debtor company, financial institution, currency, and expiration dates as of December 31, 2021, are detailed as follows:

				Accounting Balances		Payments of Interest and Principal		
Creditor	Description	Currency	Rate	Current	Non-current	Less than 90 days	More than 90 days	Total current
Banco de Crédito e Inversiones	Matta building	UF	2.89 %	—	—	—	—	—
Edelnor Transmisión S.A.	Substation	UF	2.81 %	125	541	35	106	141
BICE SEGUROS DE VIDA	Santa María building	UF	2.82 %	408	12,618	189	566	755
Hidroeléctrica El Paso S.P.A.	PPA El Paso	USD	4.44 %	2,820	15,708	1,784	1,783	3,567
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar land	UF	2.82 %	12	310	—	21	21
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	UF	2.82 %	18	388	—	22	22
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	UF	2.82 %	66	1,421	—	79	79
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	UF	2.82 %	52	1,201	—	67	67
Sociedad Agrícola Huancara Limitada	Los Olmos land	UF	2.82 %	—	1,626	79	—	79
Inmobiliaria Obreque y Compañía Limitada	Los Olmos land	UF	2.82 %	—	1,569	73	—	73
Agrícola Forestal e Inversiones Fundo Las Trancas SpA	Campo Lindo land	UF	2.82 %	90	2,651	40	121	161
Agrícola y Forestal Las Trancas Ltda	Campo Lindo land	UF	2.82 %	46	1,326	20	61	81
Azcar S.A.	Campo Lindo land	UF	2.82 %	13	379	6	17	23
Victor Alberto Ríos Santander	Campo Lindo land	UF	2.82 %	26	758	12	35	47
Agricola Ríos Ltda	Campo Lindo land	UF	2.82 %	33	947	14	43	57
Adelina Jara Soto y Otros	Campo Lindo land	USD	4.71 %	20	684	12	37	49
Fernando Stevens Alegría y Otros	Campo Lindo land	USD	4.71 %	29	423	—	27	27
Carmen Lidia Lobos Puente	Campo Lindo land	USD	4.71 %	29	423	—	27	27
MC Energía SpA	Paposo land	USD	4.71 %	94	77	—	60	60
MC Energía SpA	Paposo land	USD	4.71 %	97	—	—	60	60
Darío Prado Pino	Litueche land	USD	4.71 %	13	—	—	15	15
Claudio Antonio Cornejo	Litueche land	USD	4.71 %	13	—	—	15	15
Intercolombia SA ESP	ISA leasing	Col$	9.52 %	174	6,976	205	642	847
Berkley International Seguros SA	Carlos Pellegrini building	USD	11.73 %	45	—	13	—	13
		Total		**4,223**	**50,026**	**2,482**	**3,804**	**6,286**

		Payment of Interest and Principal					
Creditor	Description	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total Non-current
Banco de Crédito e Inversiones	Matta building	—	—	—	—	—	**—**
Edelnor Transmisión S.A.	Substation	140	140	140	140	12	**572**
BICE SEGUROS DE VIDA	Santa María building	755	755	755	755	13,965	**16,985**
Hidroeléctrica El Paso S.P.A.	PPA El Paso	3,642	3,729	3,774	3,842	2,347	**17,334**
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar land	21	21	21	21	346	**430**
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	22	22	22	22	471	**559**
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	79	79	79	79	1,735	**2,051**
Secretaria Regional Ministerial de Bienes nacionales	Andes Solar II land	67	67	67	67	1,462	**1,730**
Sociedad Agrícola Huancara Limitada	Los Olmos land	79	79	79	79	2,149	**2,465**
Inmobiliaria Obreque y Compañía Limitada	Los Olmos land	73	73	73	73	2,058	**2,350**
Agrícola Forestal e Inversiones Fundo Las Trancas SpA	Campo Lindo land	162	162	162	162	2,909	**3,557**
Agrícola y Forestal Las Trancas Ltda	Campo Lindo land	81	81	81	81	1,458	**1,782**
Azcar S.A.	Campo Lindo land	23	23	23	23	417	**509**
Victor Alberto Ríos Santander	Campo Lindo land	46	46	46	46	833	**1,017**
Agricola Ríos Ltda	Campo Lindo land	58	58	58	58	1,041	**1,273**
Adelina Jara Soto y Otros	Campo Lindo land	50	50	50	50	901	**1,101**
Fernando Stevens Alegría y Otros	Campo Lindo land	27	27	27	27	711	**819**
Carmen Lidia Lobos Puente	Campo Lindo land	27	27	27	27	711	**819**
MC Energía SpA	Paposo land	80	—	—	—	—	**80**
MC Energía SpA	Paposo land	—	—	—	—	—	**—**
Darío Prado Pino	Litueche land	—	—	—	—	—	**—**
Claudio Antonio Cornejo	Litueche land	—	—	—	—	—	**—**
Intercolombia SA ESP	ISA leasing	886	929	969	1,014	7,597	**11,395**
Berkley International Seguros SA	Carlos Pellegrini building	—	—	—	—	—	**—**
	Total	**6,318**	**6,368**	**6,453**	**6,566**	**41,123**	**66,828**

NOTE 22 - TRADE PAYABLES AND OTHER ACCOUNTS PAYABLE

As of December 31, 2022 and 2021, trade payables and other accounts payable are detailed as follows:

	Current		Non-current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Trade payables	308,417	95,924	—	—
Unbilled trade payables	294,509	187,194	—	—
Other accounts payable (1)	55,687	75,954	—	—
Total	**658,613**	**359,072**	**—**	**—**

(1) As of December 31, 2022 and 2021, the current portion mostly includes income tax liabilities on emission of particulate pollutant emissions (green taxes), sales taxes, and an extra tax in addition to staff-related third party liabilities.

Trade payables are detailed as follows:

	Suppliers with no past due payments		Suppliers with past due payments	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Up to 30 days	141,537	49,830	90,937	25,187
31 to 60 Days	—	—	46,284	7,101
61 to 90 Days	—	—	23,245	7,078
91 to 120 Days	—	—	90	408
121 to 365 Days	—	—	158	6,303
From 365 days onwards	—	—	6,166	17
Total	**141,537**	**49,830**	**166,880**	**46,094**

Suppliers with no past due payments: As the average period for payment to suppliers is 30 days, their carrying amount is not significantly different from their fair value.

NOTE 23 - PROVISIONS

As of December 31, 2022 and 2021, the balances for provisions are detailed as follows:

	Current		Non-current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Provision for legal claims	95	122	—	—
Dismantling and restructuring costs	59	59	120,548	192,549
Total	**154**	**181**	**120,548**	**192,549**

1. **Provision for legal claims**

Current balances primarily consist of provisions for legal contingencies. A detail of the main contingencies is provided in Note 32.

Given the typical characteristics of this type of provisions, it is impossible to reliably establish a payment schedule, should such disbursement be appropriate in each case.

2. **Provisions for Decommissioning, Restructuring and Rehabilitation costs**

The non-current balance of these provisions is entirely consistent in the cost for removal of assets and rehabilitation of the land where the different plants of the Group are located. The expected term of disbursements fluctuates from 25 to 30 years, depending on the laws, regulations or contracts giving rise to the liability.

3. **Movements in provisions**

	Legal claims	Dismantling and restructuring costs	Other provisions	Total
Opening Balance as of January 1, 2021	**115**	**150,744**	**392**	**151,251**
Changes in the present value of the obligation	—	6,529	—	6,529
Increase (decrease) in existing provisions	7	35,335	(392)	34,950
Balance as of December 31, 2021	**122**	**192,608**	**—**	**192,730**
Changes in the present value of the obligation		7,078		7,078
Increase (decrease) in existing provisions	(27)	(79,079)		(79,106)
Balance as of December 31, 2022	**95**	**120,607**	**—**	**120,702**

NOTE 24 - EMPLOYEE BENEFITS

AES Andes S.A. and some of its subsidiaries grant different post-employment benefit plans to part of their active or retired employees, which are assessed and recorded in the financial statements in accordance with the criteria described in Note 4.15 (b) and (d).

As of December 31, 2022 and 2021, the balance of post-employment obligations is detailed as follows:

	December 31, 2022	December 31, 2021
Current	4,242	4,788
Non-current	25,731	25,344
Total	**29,973**	**30,132**

24.1.- Present Value of Post-Employment Obligations

The changes in post-employment obligations for defined benefits in the years ended December 31, 2022 and 2021, are detailed as follows:

	December 31, 2022	December 31, 2021
Initial balance	**30,132**	**41,720**
Current service cost of obligation	1,602	2,127
Interest cost of obligation	1,799	1,545
Actuarial losses (gains) - demographic assumptions	(96)	(2,730)
Actuarial losses (gains) - financial assumptions	1,596	(3,929)
Increase (decrease) due to exchange differences	(822)	(5,035)
Contributions paid under obligations	(4,238)	(2,183)
Other	—	(1,383)
Final Balance	**29,973**	**30,132**

24.2.- Costs Recognized as Profit or Loss

The amounts recognized in consolidated profit or loss within sales cost and administrative expenses in the statement of comprehensive income for the years ended December 31, 2022 and 2021, are detailed as follows:

	December 31 2022	December 31, 2021
Current service cost of defined benefit plan	1,602	2,127
Interest cost of defined benefit plan	1,799	1,545
Loss (gain) for defined benefit plan reduction and settlement	906	1,089
Total impact in profit or loss	**4,307**	**4,761**

24.3.- Other Disclosures

a. **Actuarial Assumptions**

The assumptions used in the actuarial calculation are detailed as follows:

	Chile		Colombia	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Nominal discount rate used	5.06 %	7.65 %	13.25 %	8.75 %
Expected rate of salary increases	5.37 %	7.00 %	4.00 %	4.00 %
Mortality table	Tables issued according to joint standards of the Financial Market Commission and the Superintendency of Pension-fund Managers		Tables issued according to 1971 GAM from US agencies	

b. **Awareness:**

As of December 31, 2022, the sensitivity of the total value of post-employment obligations in the event of variations in medical cost, discount rate, salary increase rate and turnover rate, generates the following effects:

	Awareness Rate	Reduction	Increase
Discount rate sensitivity	**0.25%**	491	(474)
Salary increase sensitivity	**0.25%**	(323)	333
Turnover rate sensitivity	**1.00%**	(1,617)	(1,485)

NOTE 25 - OTHER NON-FINANCIAL LIABILITIES

As of December 31, 2022 and 2021, the balances of other non-financial liabilities are detailed as follows:

	Current		Non-current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Deferred income (Note 25.1)	5,428	154	38,082	47,466
Accrued liabilities (Note 25.2)	21,917	25,996	1,219	4,267
Other liabilities (Note 25.3)	5,161	1,884	34,668	31,984
Total	**32,506**	**28,034**	**73,969**	**83,717**

25.1.- Deferred Income

As of December 31, 2022 and 2021, deferred income is detailed as follows:

	Current		Non-current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Escondida anticipated income	48	48	144	192
Grace anticipated income	80	80	297	324
Helio anticipated income	26	26	1,973	2,053
Alto Maipo anticipated income	5,274	—	35,668	44,897
Total	**5,428**	**154**	**38,082**	**47,466**

25.2.- Accumulated Liabilities

They primarily consist of provisions for vacation and other staff benefits of the Company, as accrued as of the year-end date of the financial statements.

25.3.- Other Liabilities

They primarily consist of contingent liabilities and other liabilities related to the acquisition of easements for new projects under development.

NOTE 26 - SHAREHOLDERS´EQUITY

26.1.- Capital Management

The shareholders' equity includes issued capital, additional paid-in capital, other interests, other reserves, and retained earnings (losses).

The main purpose of the capital management of the Company is to maintain a robust risk rating and sound capital indicators in order to support the business and maximize the value to the shareholders.

The Company manages its capital structure and makes adjustments based on changes in economic conditions. To maintain or adjust its capital structure, the Company may adjust dividend payments or capital returns to shareholders, or issue new shares.

On December 17, 2019, the Company's Extraordinary Shareholders' Meeting approved the creation of a share buy-back program in accordance with Articles 27 A to 27 C and other relevant parts of the Corporations Law. According to the terms proposed in that program, the maximum percentage of shares to be acquired shall be 5% of the Company's subscribed and paid-in shares, with a duration of five years effective from the date of the Board meeting.

On December 24, 2021, the Company initiated the process to sell the issued shares acquired during the first quarter of 2020. As of December 31, 2021, a total of 16,290,000 of the 24,836,352 shares that were part of the program were sold, leaving a portfolio of 8,546,352 acquired issued shares. On January 5, 2022, the sale of all the 24,836,382 shares purchased under the mentioned program.

Except as set forth in the previous paragraph, during the years ended December 31, 2022 and 2021, no changes were made in the capital-related goals, policies or procedures of the Company.

26.2.- Subscribed and Paid-in Capital

As of December 31, 2022, the capital stock of the Company is made up of 10,376,645,776 subscribed and paid in shares.

Although there are no changes in the number of shares during the period covered by these Consolidated Financial Statements, at the Special Shareholders' Meeting held on April 16, 2020, the Company's capital increase of ThUS$500,000, as proposed by the Board of Directors, was approved. To that end, the issuance of up to 5,000,000,000 additional shares were resolved.

On December 28, 2020, the Board of Directors, in accordance with the powers conferred on it by the Extraordinary Shareholders' Meeting held on April 16, 2020, agreed to set the placement price of 1,980,000,000 shares at $110 per share, which shall consist in the capital increase agreed at the Shareholders' Meeting, whose issue was registered by the Financial Market Commission on July 22, 2020.

The capital increase process was completed on February 5, 2021. A total of 1,976 million shares, equivalent to 99.8% of the total securities placed as capital increase, were subscribed for a total amount of ThUS$299,560. The cash flows from the issuance of shares, in the statement of cash flows for ThUS$298,636, are presented net of expenses related to the capital increase.

The Extraordinary Shareholders' Meeting held on April 28, 2022, decided to cancel the capital increase agreed at the Extraordinary Shareholders' Meeting from April 16, 2020, in the portion not subscribed and paid at such date. Thus, the capital stock was reduced to US$ 2,351,635,325.82 upon cancellation of the 3,023,673,115 shares subscribed to date. This capital is divided into the 10,376,645,776 shares that as of this date are fully subscribed and paid.

Considering that the Company had cash available and duly and sufficiently capitalized to carry out its business and operations, the Extraordinary Shareholders' Meeting held on April 28, 2022, approved a capital decrease of US$132,000,273. So, the Company's capital decreased to US$2,219,635,052.82 divided into 10,376,645,776 shares of one and the same series, with no par value, all fully subscribed and paid as of this date. The decrease materialized on June 10, 2022.

The Extraordinary Shareholders' Meeting held on October 14, 2022, agreed to reduce the capital stock by US$124,000,917, distributing such amount to the shareholders in two installments and at pro-rata to their respective participation in the capital stock, according to the number of shares they hold as registered in the Shareholders' Registry at midnight of the fifth business day before the respective distribution dates. These installments were paid in the following amounts and installments: a) the amount of US$ 40,000,932, paid on November 21, 2022, and b) the amount of US$ 83,999,985, paid on December 20, 2022.

26.3.- Dividend Policy

Likewise, at the Extraordinary Shareholders' Meeting, held on April 23, 2021, it was agreed to pay an eventual dividend of US$47,705,038, equivalent to US$0.0046083 per share, charged to the "Future Dividend Reserves" and "Accumulated Profits", respectively. The dividend was paid as of May 31, 2021.

The Ordinary Shareholders' Meeting held on April 28, 2022, agreed that the Company intends to distribute as a dividend among its shareholders up to 100% of the recurring net profits generated during the year 2022. Compliance with this dividend policy will be conditioned to the profits obtained and the results of the projections periodically made by the Company in relation to its financial performance, the availability of cash and the efficiency of its operations during the subsequent period. It should also consider the need to contribute company resources to finance investment and construction projects, the compliance with the obligations and restrictions on dividends contained in the Company's bylaws and the Corporations Law, as well as the credit and bond issuance agreements, which consist of being up to date in complying with the non-performance obligations defined in the respective credit agreements, to the payment of interest on the payment dates and to compliance with the cash and investment policy.

The Assembly also agreed to authorize the Board of Directors, under the responsibility of the directors attending the resolution, to distribute interim dividends during the 2022 fiscal year against the profits, provided that there are no accumulated losses. Regarding dividends for the following years, it was considered appropriate to maintain a policy like the one described above in the medium term.

26.4.- Retained Earnings (Accumulated Losses)

Earnings for each years are detailed as follows:

	December 31, 2022	December 31, 2021
Initial balance	(1,090,505)	12,308
Result for the years	276,663	(1,090,505)
Definitive dividends	—	(12,308)
Final balance	**(813,842)**	**(1,090,505)**

26.5.- Other Interest in the Shareholders' Equity

Other interest in the shareholders' equity is detailed as follows:

	Stock Option Plans	Reserve for proposed dividends	Total
Balance as of January 01, 2021	**10,162**	**35,397**	**45,559**
Stock Option Plan	511	(35,397)	(34,886)
Balance as of December 31, 2021	**10,673**	**—**	**10,673**
Dividends	356	—	356
Balance as of December 31, 2022	**11,029**	**—**	**11,029**

26.6.- Other Reserves

Other reserves as of December 31, 2022 and 2021, are detailed as follows:

	Reserve for Exchange Differences due to Translation	Reserve for Cash Flow Hedges	Reserve for Defined Benefit Plans	Translation Reserve within Equity(1)	Other reserves	Total
Balance as of January 1, 2021	(184,139)	(285,982)	(20,843)	(133,206)	328,191	(295,979)
Movement of derivatives recognized in profit or loss	—	82,801	—	—	—	82,801
Movement of derivatives recognized in other reserves	—	44,889	—	—	—	44,889
Deferred tax	—	(4,956)	(1,809)	—	—	(6,765)
Non-controlling interests (net of taxes)	—	(2,965)	47	—	—	(2,918)
Exchange difference of subsidiary	(11,838)	—	—	—	—	(11,838)
Other variations	—	—	6,542	—	(169,359)	(162,817)
Balance as of December 31, 2021	**(195,977)**	**(166,213)**	**(16,063)**	**(133,206)**	**158,832**	**(352,627)**
Movement of derivatives recognized in profit or loss	—	32,065	—	—	—	32,065
Movement of derivatives recognized in other reserves	—	23,487	—	—	—	23,487
Deferred tax	—	(8,709)	328	—	—	(8,381)
Non-controlling interests (net of taxes)	—	(1,407)	—	—	—	(1,407)
Exchange difference of subsidiary	(15,497)	—	—	—	—	(15,497)
Other variations	—	—	(1,142)	—	19,205	18,063
Balance as of December 31, 2022	**(211,474)**	**(120,777)**	**(16,877)**	**(133,206)**	**178,037**	**(304,297)**

(1) It consists of the adjustment for the difference between principal paid at the closing foreign exchange rate of December 31, 2008, and its historical value,as stated in Circular Official Letter 456 dated June 20, 2008, issued by the Financial Market Commission.

26.7.- Restrictions on disposition of funds from subsidiaries

The subsidiaries of AES Andes may distribute dividends so long as they comply with the restrictions, ratios and limitations established in their respective credit agreements. See Note 32.2 for more details of compliance with the ratios associated with the financial commitments.

NOTE 27 - REVENUE

Operating revenues for the years ended December 31, 2022 and 2021 are detailed as follows:

	December 31, 2022	December 31, 2021
Contract Energy and Capacity Sales(1)	1,938,934	2,095,570
Spot Market Energy and Capacity Sales	500,740	319,421
Transmission income	81,222	116,730
Other Operating Revenue (2)	58,066	239,367
Total	**2,578,962**	**2,771,088**

(1) The sales of energy and power under contracts include pass-through costs, as set forth in supply contracts with non-regulated customers, which mainly include fuel costs, transmission system costs, rerouting of energy, and tax on emissions, among others.
Besides, as of December 31, 2021 and 2020, it includes partial revenue recognition derived from the termination of MEL and Spence contracts with the subsidiary Angamos.

(2) Other operating revenue mainly includes income from coal sales.

NOTE 28 - COMPOSITION OF RELEVANT RESULT

28.1.- Expense by nature

The main operating and administration costs and expenses for the years ended December 31, 2022 and 2021, within sales cost and administrative expenses in the statement of comprehensive income are detailed as follows:

	2022	2021
Fuel consumption	807,232	461,928
Fuel sales cost	33,771	203,188
Energy and Capacity Purchases	451,974	435,107
Other fuel costs	79,790	91,873
Transmission Tolls	94,917	147,289
Production and other sales costs	23,470	53,251
Production staff costs	61,963	57,990
Insurance recovery	(35,922)	(11,445)
Other fixed costs	167,119	146,149
Depreciation	189,925	203,769
Amortization	6,113	5,451
Sales Cost	**1,880,352**	**1,794,550**
Administrative staff costs	31,387	31,183
Other administrative costs	59,042	55,965
Administrative expenses	**90,429**	**87,148**

28.2.- Staff Cost

Staff costs for the years ended December 31, 2022 and 2021, are detailed as follows:

	2022	2021
Wages and salaries	52,158	52,127
Short-term employee benefits	27,713	23,308
Employment termination benefits	4,307	4,761
Stock-based compensation transactions	1,565	1,332
Other staff costs	7,607	7,645
Total	**93,350**	**89,173**

NOTE 29 - OTHER INCOME / (LOSSES)

Other income (losses) for the years ended December 31, 2022 and 2021, is detailed as follows:

	2022	2021
Deconsolidation loss Alto Maipo (1)	—	(1,440,498)
Impairment property, plant and equipment and intangible (1)	(4,835)	(870,452)
Costs for debt termination and restructuring	3,124	(13,751)
Fair value adjustment for sale of accounts receivable	(6,967)	(9,788)
Recoverable tax write-offs	(6,011)	(1,446)
Compensation for breach of contract	10,000	—
Gasandes dividend	2,911	755
Result for sale/withdrawal of fixed and intangible assets	(653)	6,086
Contingent liability adjustment	(958)	—
Settlement of legal disputes	—	52,783
Gain (Loss) for sale of Guacolda	—	33,288
Insurance recovery	15,781	13,639
CNM arbitration	2,274	—
Other several revenues (expenses)	(3,957)	4,703
Total	**10,709**	**(2,224,681)**

(1) Effect includes write-off of Properties, plants and equipment and adjustment of other reserves.

NOTE 30 - FINANCIAL RESULTS

Financial results for the years ended December 31, 2022 and 2021, are detailed as follows:

	2022	2021
Income from financial assets	$ 22,217	$ 16,023
Other financial income	$ 215	$ 15,639
Total financial income	**$ 22,432**	**$ 31,662**
Interest on bank loans	$ (46,272)	$ (60,309)
Interest on notes	$ (125,268)	$ (135,472)
Income/(loss) for assessment of financial derivatives, net	$ (3,029)	$ (18,827)
Other expenses	$ (18,495)	$ (34,720)
Capitalized financial expenses	$ 37,117	$ 143,060
Total financial expenses	**$ (155,947)**	**$ (106,268)**
Foreign Currency Exchange Differences, net	$ 17,149	$ 17,139
Total financial profit (loss)	**$ (116,366)**	**$ (57,467)**

NOTE 31 - EARNINGS FOR SHARE

Basic earnings per share are calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of outstanding ordinary shares during the year, excluding, if any, any ordinary shares acquired by the Company and held as treasury stock.

There are no transactions or items generating dilutive effects. The shares have no par value.

	2022	2021
Profit or loss attributable to the equity holders of the parent entity	276,663	(1,090,505)
Available profit or loss for ordinary shareholders, basic	**276,663**	**(1,090,505)**
Weighted average number of shares, basic	10,376,646	10,376,646
Basic earnings (loss) per share	**0.027**	**(0.105)**

There are no transactions or items generating dilutive effects. The shares have no par value.

NOTE 32 - CONTINGENCIES AND COMMITMENTS

32.1.- Litigation and/or Administrative Procedures

The Company reviews the status of litigations and administrative proceedings quarterly and considers that the provisions recorded as of December 31, 2022, adequately cover litigation risks (see Note 4.16).

The Group has lawsuits or administrative proceedings of various types for which it is impossible to determine precisely the possible economic effects they could have on the consolidated financial statements in the event of adverse rulings. In some of these cases, although no provision has been recorded, the Administration has decided to disclose the details of each proceeding as they have become public knowledge.

Given these contingencies' characteristics, it is impossible to determine a reasonable payment schedule, if any, or any reimbursement that may be obtained from them.

a) Legal processes related to AES Andes ("Andes")

i) Lawsuit for Environmental Damages against AES Andes

In July 2016, two fishing, diving, and other unions related to the extraction of sea products, along with 18 individuals from the districts of Horcón and Ventanas, filed a lawsuit before the Second Environmental Court of Santiago against AES Andes S.A., the Ministry of Environment, and another 10 companies located in the area (CODELCO, Puerto Ventanas, Empresa Nacional de Electricidad, GNL Quintero, COPEC, Gasmar, Oxiquim, Petróleos Asfaltos y Combustibles S.A., Melón Cementos and ENAP) for alleged environmental damage caused by the companies, which were authorized by the State.

The lawsuit seeks to repair the environmental damage of Quintero and Ventanas bays, which is allegedly derived from the industrial activity developed by the defendants, and it proposes for such purpose to create a fund with contributions to be made by the latter and intended to finance the studies that will allow to assess the current condition of the environment components, and the redress measures that need to be adopted.

On June 8, 2021, the Second Environmental Court proposed to the parties the Terms for Conciliation. AES Andes expressed its willingness to enter into a conciliation agreement, but with observations to some measures proposed by the Court, for which the Court has communicated with various public entities.

On July 19, 2022, the Second Environmental Court delivered a new proposal for Conciliation Terms. Since the plaintiff did not agree to such terms, the conciliation process failed. The trial continued with the evidentiary period on January 3, 2023.

ii) Summary Administrative Investigations by Gobernación Marítima de Valparaíso (Valparaíso Maritime Authority)

AES Andes has been investigated twice by the Maritime Prosecutor's Office of Valparaíso. The first one (File No. 12,050/10/19) was ordered through Fiscal Opinion dated October 24, 2017, for alleged unauthorized discharges of combusted and non-combusted coal particles by AES Andes between November 8, 2012, and November 8, 2013. After the procedure was concluded by resolution of the Maritime Administration, who imposed a fine of 35,000 gold pesos (ThUS$374), On January 17, 2023, AES Andes filed a motion to quash the decision of the Maritime Administration.

The second investigation (File No. 12,050/10/21) was initiated on January 23, 2019. To date, several proceedings have been carried out to prove the origin of the stranding of coal particles on Ventanas beach. This second investigation is still at a preliminary stage, awaiting the Opinion of the Public Prosecutor, so there is still no proposal for a penalty by the maritime authority.

iii) Accusations of SMA against AES Andes S.A., Ventanas Complex.

On October 1, 2019, the Superintendency of the Environment (SMA) gave notice to AES Andes, Ventanas Complex, about a procedure for the imposition of a sanction based on 4 possible violations arising from the failure to comply with its Environmental Qualification Resolutions, LIW emission standards (Supreme Decree 90), and noise emission standards (Supreme Decree 38). AES Andes submitted "Compliance Program" proposals to the SMA. The last version was submitted on July 22, 2022; it included compensation measures and was approved on January 17, 2023. This Compliance Program is under execution, and the SMA is expected to declare satisfactory compliance after completion.

iv) Arbitration with Compañía General de Electricidad S.A.

On October 8, 2019, AES Andes filed before the Arbitration and Mediation Center of the Santiago Chamber of Commerce (from now on, "CAM Santiago") a claim for specific performance so that Compañía General de Electricidad S.A. ("CGE") complies with four electricity supply agreements signed in 2007. CGE has assigned less power to these contracts until December 30, 2019, concerning other agreements signed by CGE in the same bidding process.

To date, pleadings and evidentiary periods have ended, and the parties are waiting for the final ruling. In July 2022, the arbitrator resigned, which led to appointment of a new arbitrator. Enel Generación Chile S.A., an intervenor, challenged the new appointment before CAM Santiago, but its challenge was rejected. The arbitration is now ready to proceed. The pleadings were given in December 2022.

v) Arbitration of IKA Servicios Industriales v. AES Andes, Empresa Eléctrica Angamos and Empresa Eléctrica Cochrane

On February 25, 2022, and before CAM Santiago, IKA Servicios Industriales SpA filed a lawsuit for contract termination and damages for a total of ThCh$3,134,619 (ThUS$3,663) against AES Andes, Empresa Eléctrica Angamos and Empresa Eléctrica Cochrane. The defendants rejected the claims and filed a counterclaim against the plaintiff for ThCLP$243,261 (ThUS$284).

On April 25, 2022, the arbitrator informed the parties of his resignation, and a new arbitrator was appointed. The parties were summoned to a conciliation hearing, in which no agreement was reached. The arbitration is now undergoing the evidentiary period.

vi) AES Andes S.A. v. Compañía Minera Zaldívar SpA

In December 2022, AES Andes requested the appointment of an arbitrator concerning the dispute with Compañía Minera Zaldívar SpA ("CMZ") related to the pro-rata distribution of certain payments under the Second Transmission Line Lease Agreement dated December 31, 1998, between AES Andes and CMZ. The parties mutually agreed on an arbitrator, and on January 31, 2023, the hearing established the basis for the proceeding.

b) Legal processes related to Empresa Eléctrica Cochrane SpA ("Cochrane")

i) Arbitration with Compañía General de Electricidad S.A.

On September 15, 2021, Cochrane filed before the CAM Santiago a declaratory claim against SQM to declare that the supply tariff under the contract should be adjusted due to the modification of the economic cost resulting from the entry into force of an internal procedure of the National Electric Coordinator.

On January 21, 2022, SQM filed, before the same Court and, in connection with the same discussion of the first arbitration, a claim for early termination of the electricity supply contracts between the parties, as well as damage

compensation valued by SQM in the amount of ThUS$5,900. The first stages are complete, and together with the first arbitration, the evidentiary period is underway.

ii) Charges pressed by the Environmental Superintendency against Cochrane.

On August 19, 2022, the Environmental Superintendency (the "SMA") notified Cochrane regarding certain non-compliances associated with the environmental license of Cochrane Power Plant, initiating a sanctioning procedure through Exempt Resolution No. 1 / Docket N° F-042-2022.

The SMA pressed four charges against Cochrane: (i) Operating the ocean outfall in a different way than authorized (serious); (ii) Deficient installation of mesh covers in the central pools (minor); (iii) Non-compliance with the frequency of the monitoring program according to DS90 between August 2019 and March 2020 (minor) and (iv) Non-compliance with the re-sampling according to DS90 in June and December 2021 (minor).

The Compliance Program submitted on September 9, 2002, received observations from the environmental authority. On December 2, 2022, a revised Compliance Program was presented and is under review..

c) Legal processes related to Energía Eólica Mesamávida SpA ("Mesamávida")

i) Charges pressed by SMA against Mesamávida

The Environmental Superintendency (SMA) initiated a sanctioning procedure, pressing two charges for alleged non-compliance with the environmental qualification resolution of the Mesamávida Wind Farm project. The first charge concerns the untimely implementation of measures to improve the access road to the site and the execution of works and activities outside the permitted hours. The second charge refers to the failure to identify noise (for follow-up and monitoring purposes) of all the recipients closest to the main works associated with the first construction phases of the project.

The charges were preliminarily classified as minor and severe respectively, which implies that it is exposed to a possible fine between UTA 2 to 6,000 (ThUS$5,144)

Mesamávida presented a Compliance Program, which is currently in execution.

On November 9, 2022, opponents to the project filed a legal complaint before the Third Environmental Court against the approval of the Compliance Program..

d) Legal processes related to AES Colombia

(i) Motion to quash the administrative resolution that approved the sale of Chivor Hydroelectrical Power Plant

On May 25, 2021, Wilson Alexander Calderón Roa filed a motion to quash the resolution of the Ministry of Finance and Public Credit of Colombia. The claims aim at:

i. declaring null Decree 1740 of 1996, which approves the divestiture program of Chivor Hydroelectric Power Plant,
ii. declaring null Resolution 3121 of December 20, 1996, by which the shares of Chivor S.A. E.S.P., (second issuance); and
iii. to judicially order to take the situation back to how it was prior to the sale of Chivor.

The motion was initially declared inadmissible on December 1, 2021, for failure to comply with formal requirements. However, it was subsequently remedied as filed on January 11, 2022, and then admitted and notified on September 16, 2022. AES Colombia was notified in a subsidiary manner and the motion to vacate the inadmissibility on September 30, 2022, having participation as a third party with interest in the process.

Subject to the admission of the motion, AES Colombia will answer by arguing that its actions complied with the legal requirements, so the action has no merits.

(ii) Motion to quash certain environmental administrative resolutions related to Chivor Hydroelectrical Power Plant

In 2019, Wilson Alexander Calderón Roa filed a motion to quash resolutions of (i) Corporación Autónoma Regional de Chivor (Corpochivor); and (ii) the National authority of environmental licenses (ANLA)

The motion seeks to declare null the following resolutions: n°282 from 1969 (INDERENA), n°294 from 1984 (INDERENA), n°001128 from 1996 (CORPOCHIVOR), n°00013 from 1997 (CORPOCHIVOR), n°00014 from 1997 (CORPOCHIVOR), n°00014 from 1997 (CORPOCHIVOR), n°00014 from 1997 (CORPOCHIVOR), n°704 from 2014 (CORPOCHIVOR) and n°01463 from 2017 (ANLA). Such resolutions granted water concessions and modified an Environmental Management Plan of Chivor.

Additionally, the plaintiff requested a precautionary measure to temporarily suspend Resolution N°01463 from 2017 (ANLA) and the activities executed under the administrative resolution.

The lawsuit was filed in October 2019 and was only admitted on October 19, 2021. AES Colombia was notified on October 5, 2022, as a third party with interest and filed, in turn, a motion to vacate the writ of admissibility and the precautionary measure.

Subject to the admission of the motion, AES Colombia will answer by arguing that its actions complied with the legal requirements, so the action has no merits.

32.2.- Financial Commitments

32.2.1 Commitments related to AES Andes

Both the credit agreements executed by AES Andes with various financial institutions and the indentures governing the notes, impose certain financial restrictions and obligations during their effective term, which are usual for this type of operations. As of December 31, 2022, AES Andes was compliant with all the debt commitments and financial restrictions as per the terms and conditions of each of these agreements and contracts.

a) In December 2007, AES Andes placed the issuance of notes for UF 5,600,000 (ThUS$219,245), made up of two series, which were registered with the Register of Securities of Chile under numbers 516 and 517 on November 9, 2007. This issuance included 4.30% Series N Notes for UF 4,400,000 (ThUS$172,264) due 2028 and 3.10% Series O Notes for UF 1,200,000 (ThUS$46,981) due 2015. The Series O was prepaid in its entirety on July 14, 2014. On July 2, 2021, the Company issued a prepayment notice to series N bondholders for the total debt. The prepayment was made on August 2, 2021, extinguishing the debt completely. To finance this prepayment, the Company issued as December 31, 2021 short-term debt to a total of ThUS$25,000

In conjunction with the Series N prepayment, on July 30, 2021, the Company disarmed the Cross Currency Swap in force since December 2007.

On April 8, 2009, AES Andes made a second issuance of notes against the line of notes registered with the Registry of Securities under No. 517 on November 9, 2007. This issuance consisted of 8.0% Series Q notes for ThUS$196,000 due 2019. On April 1, 2019, the current principal of ThUS$24,540 was fully prepaid and the debt was fully cleared.

b) In July 2015, AES Andes completed a liability refinance transaction and issued a new Senior note under Rule 144A and Regulation S of the United States with a 5.00% interest rate and due in 2025 for a total of ThUS$425,000. Through this process, the current project finance debt of Empresa Eléctrica Ventanas was prepaid and the partial

purchase of the local note in dollars of AES Andes, due in 2019, was made. This note has no financial restrictions. In 2016 and 2017, AES Andes repurchased the note for a total of ThUS$252,637, which was funded with available funds. The redeemed notes were settled. On October 7, 2019, AES Andes repurchased the note for a total of ThUS$54,875, and an amount of ThUS$117,488 remained, which was funded with the issuance of a 6.35% subordinated note due 2079 issued in October 2019. The redeemed notes were settled.

c) In March 2019, AES Andes completed the issuance of a 7.125% Subordinated Bond due 2079 for a total of ThUS$550,000. The proceeds from this issuance will be used for the prepayment of subordinated note due 2073. This Subordinated Junior Note has no financial restrictions.

During 2022, AES Andes has made repurchases of this bond for a total of ThUS$34.000 financed with available funds. The bonds redeemed were liquidated.

The remaining capital at the issuance of these Financial Statements was ThUS$516,500.

d) In October 2019, AES Andes completed the issuance of a 6.35% Subordinated Note due 2079 for a total of ThUS$450,000. The proceeds from this issuance were allocated to pay in full the 2021 Note and to make a partial payment of 2025 Note. This Subordinated Junior Bond has no financial restrictions.

During 2022, AES Andes has made repurchases of this bond for a total of ThUS$59,714 financed with available funds. The bonds redeemed were liquidated. On November 22, 2022, AES Andes announced the launching of a tender offer. On December 20, 2022, the amount redeemed was ThUS$61,879. The bonds redeemed were liquidated.

The remaining capital at the issuance of these Financial Statements was ThUS$328,407.

e) On December 21, 2020, the committed credit arrangement entered into with a syndicate of banks was closed for ThUS$250,000 for up to 4 years.

On December 28, 2021, the current lenders and AES Andes modified the existing covenants of the committed credit facility. Every quarter, AES Andes must comply with the following financial indicators calculated based on its consolidated financial statements:

- " Total Net Debt to EBITDA ratio not exceeding 4.0 times, understood as the ratio of financial debt (adjusted for cash and cash equivalents, and "capital credit" under the treatment of risk rating agencies) over EBITDA, excluding those subsidiaries with special-purpose (project finance)". The value calculated for this indicator as of December 31, 2022, was 2.96 times.

- Hedging of financial expenses not less than 2.50 times, understood as the ratio of EBITDA over the net financial result (financial costs (-) financial income), excluding those subsidiaries with special-purpose (project finance)". As of December 31, 2022, this indicator amounted to 12,86 times.

At the date of issuance of these financial statements, the line had been drawn for ThUS$50,000, so at the date of public ation of these Financial Statements, the committed balance of the line is ThUS$200,000.

f) Sociedad Eléctrica Santiago (“ESSA”) was bound, in its capacity as issuer, under an bond issue contract (notional initial amount of UF 1,086,000 (ThUS$44.552)), registered with the Registry of Securities of the Commission for the Financial Market, under number 214.

As a result of the execution of the stock purchase agreement between ESSA and Generadora Metropolitana SpA in December 2017, the bond issue contract of ESSA was assumed by AES Andes S.A.

On December 28, 2021, the current lenders and AES Andes modified the existing covenants. Every quarter, AES Andes must comply with the following financial indicators calculated based on its consolidated financial statements:

- " Total Net Debt to EBITDA ratio not exceeding 4.0 times, understood as the ratio of financial debt (adjusted for cash and cash equivalents, and "capital credit" under the treatment of risk rating agencies) over EBITDA, excluding those subsidiaries with special-purpose (project finance)". The value calculated for this indicator as of December 31, 2022, was 2.96 times.

- Hedging of financial expenses not less than 2.50 times, understood as the ratio of EBITDA over the net financial result (financial costs (-) financial income), excluding those subsidiaries with special-purpose (project finance)". As of December 31, 2022, this indicator amounted to 12,86 times.

The outstanding principal as of December 31, 2022 is UF 610,875 (ThUS$25,061).

g) On January 20, 2021, AES Andes reached an agreement with Goldman Sachs & Co. LLC, Goldman Sachs Lending Partners LLC pursuant to which, subject to certain conditions, the Company will sell to Chile Electricity PEC SpA ("Chile PEC"), which undertakes to purchase accounts receivable against various electric power distribution companies, in accordance with the provisions of Law No. 21,185, which "Creates a Transitional Mechanism for the Stabilization of Electric Energy Prices for Customers Subject to Tariff Regulation", and Exempt Resolution No. 72 of the National Energy Commission (together with the "Stabilization Mechanism"), for a committed amount of up to ThUS$90,101.

Likewise, on January 27, 2021, AES Andes reached an agreement with Inter-American Investment Corporation ("IDB Invest") for a committed amount of up to ThUS$44,083.

On February 8 and March 31, 2021, AES Andes SA received the funds for the sale of groups 1 and 2 of accounts receivable from the application of the Electricity Tariff Stabilization Law for the nominal amounts of ThUS$34,439 and ThUS$43,186, respectively.

On June 21, 2021, AES Andes reached an agreement with "AllianzGI Noteholder", which, subject to certain conditions, is obliged to finance the purchase of accounts receivable for a committed amount of up to ThUS$32,439, of which ThUS$22,945 corresponds to additional financing.

On June 30, 2021, AES Andes received the funds for the sale of group 3 of accounts receivable from the application of the Electricity Tariff Stabilization Law for a nominal amount of ThUS$16,078.

On March 04, 2022, AES Andes received the funds for the sale of group 4 of accounts receivable from the application of the Electricity Tariff Stabilization Law for a nominal amount of ThUS$10,356.

On July 14, 2022, AES Andes received the funds for the sale of group 5 of accounts receivable from the application of the Electricity Tariff Stabilization Law for a nominal amount of ThUS$19,336.

h) On November 23, 2021, AES Andes closed a green credit agreement with three international banks for a total amount of ThUS$150,000.

On March 10 and April 22, 2022, the Company signed amendments to the contract entered into on November 23, 2021, including five new international banks for a total of ThUS$250,000.

AES Andes must comply with the following financial indicators calculated based on its consolidated financial statements:

- " Total Net Debt to EBITDA ratio not exceeding 4.0 times, understood as the ratio of financial debt (adjusted for cash and cash equivalents, and "capital credit" under the treatment of risk rating agencies) over EBITDA, excluding those subsidiaries with special-purpose (project finance)". The value calculated for this indicator as of December 31, 2022, was 2.96 times.

- Hedging of financial expenses not less than 2.50 times, understood as the ratio of EBITDA over the net financial result (financial costs (-) financial income), excluding those subsidiaries with special-purpose (project finance)". As of December 31, 2022, this indicator amounted to 12,86 times.

As of the date of issuance of these financial statements, the current capital of the green credit amounts to Th$386,800.

The proceeds from this loan will be used entirely to finance the renewable projects of AES Andes, in line with its Greentegra strategy.

i) On August 30, 2022, AES Andes closed a green loan agreement with one local bank amounting to ThUS$50,000, which was repaid on the same day the agreement was signed.

AES Andes must comply with the following financial indicators calculated based on its consolidated financial statements:

- " Total Net Debt to EBITDA ratio not exceeding 4.0 times, understood as the ratio of financial debt (adjusted for cash and cash equivalents, and "capital credit" under the treatment of risk rating agencies) over EBITDA, excluding those subsidiaries with special-purpose (project finance)". The value calculated for this indicator as of December 31, 2022, was 2.96 times.

- Hedging of financial expenses not less than 2.50 times, understood as the ratio of EBITDA over the net financial result (financial costs (-) financial income), excluding those subsidiaries with special-purpose (project finance)". As of December 31, 2022, this indicator amounted to 12,86 times.

At the date of issuance of these financial statements, the outstanding capital of the green loan amounts to ThUS$50,000.

The proceeds from this loan will be used entirely to finance the renewable projects of AES Andes, in line with its Greentegra strategy.

j) As of December 31, 2022, AES Andes closed a green loan agreement with two international banks for ThUS$150,000. On October 7, 2022, the loan was fully repaid.

AES Andes must comply with the following financial indicators calculated based on its consolidated financial statements:

- " Total Net Debt to EBITDA ratio not exceeding 4.0 times, understood as the ratio of financial debt (adjusted for cash and cash equivalents, and "capital credit" under the treatment of risk rating agencies) over EBITDA, excluding those subsidiaries with special-purpose (project finance)". The value calculated for this indicator as of December 31, 2022, was 2.96 times.

- Hedging of financial expenses not less than 2.50 times, understood as the ratio of EBITDA over the net financial result (financial costs (-) financial income), excluding those subsidiaries with special-purpose (project finance)". As of December 31, 2022, this indicator amounted to 12,86 times.

At the date of issuance of these financial statements, the outstanding principal of the green loan amounts to ThUS$150,000.

The proceeds from this loan will be used entirely to finance the renewable projects of AES Andes, in line with its Greentegra strategy.

32.2.2 Commitments related to AES Colombia

a) On January 22, 2018, the credit granted by Bancolombia for Tunjita Plant for a total value of ThCOP$157,925,927 (ThUS$32,831) in 48 quarterly installments for a principal of ThCOP$3,257,222 (ThUS$677), at an IPC+5.5% interest rate and a 1% purchase option for ThCOP$1,579,259 (ThUS$328) upon the end of the credit due January 22, 2030 was capitalized. As of December 31, 2022, a debt in the amount of ThCOP$96,038,704 (ThUS$19,966) is still outstanding.

On December 17, 2020, a credit agreement of up to ThCOP$350,000,000 (ThUS$72.762) was entered into with Scotiabank Colpatria and Bancolombia for a term of 7 years to (i) develop the construction of the San Fernando solar plant, (ii) refinance the financial obligations outstanding as of that date, and (iii) meet their general purpose needs within the ordinary course of business. Every six months, AES Colombia must comply with the following financial indicators calculated based on its individual financial statements:

- "Net Financial Debt/Adjusted EBITDA Ratio" less than or equal to 3.5 times. The value calculated for this indicator as of December 31, 2022 was 2.14 times.

The total amount disbursed at the date of issuance of these Financial Statements is ThCOP$350,000,000 (ThUS$72,762).

b) On April 21, 2022, a loan agreement for up to ThCOP$227,500,000 (ThUS$47,295,000) was closed. (ThUS$47,295) with Scotiabank Colpatria and Bancolombia for 5 years to: (i) build the Brisas solar farm and (ii) fund the operating needs typical of its business. AES Colombia must comply, on a semi-annual basis, with the following financial indicators calculated based on its individual financial statements:

- "Net Financial Debt/Adjusted EBITDA Ratio" less than or equal to 3.5 times. The value calculated for this indicator as of December 31, 2022 was 2.14 times.

The total amount disbursed at the date of issuance of these Financial Statements is ThCOP$227,500,000 (ThUS$47,295).

c) During 2002 the Company signed three promissory notes for a total of ThCOP$351,500,000 (ThUS$73,074) with Bancolombia, Banco de Bogotá and Banco Occidente. The debt matures in 2025 and has no financial restrictions.

The total amount disbursed at the date of issuance of these Financial Statements is ThCOP$334,833,333 (ThUS$69,609).

d) On December 5, 2022, AES Colombia entered into a loan agreement for ThCOP$1,000,000,074,000 (ThUS$20,892) with Bancolombia, Banco Bogotá and Banco Occidente. The loan has a term of five years and is intended to cover AES Colombia's operating needs within the ordinary course of business and the general company objectives. These funds were used to finance the prepayment of the MMUS$450 Junior Notes in December 2022 and partially prepay short-term debt at the AES Andes level. AES Colombia must comply, on a semi-annual basis, with the following financial indicators calculated based on its individual financial statements:

- "Net Financial Debt/Adjusted EBITDA Ratio" less than or equal to 3.5 times. The value calculated for this indicator as of December 31, 2022 was 2.14 times.

32.2.3 Commitments related to Angamos

On November 25, 2014, Angamos completed the issuance and placement of a 4.875% Secured Bond due 2029 for a total of ThUS$800,000. The issuance was carried out in order to refinance the liabilities of the Company. The transaction was carried out under Rule 144-A and Regulation S of the United States security standards. This Bond has no financial maintenance restrictions.

In March 2016, Angamos conducted a repurchase of 144-A/RegS Bonds for ThUS$200,000, which was funded with credit contracts for the same value. These credits have the same maturity profile as the bonds and have no financial maintenance restrictions.

On July 13, 2018, Angamos repurchased the bond for a total of ThUS$100,061, which was funded with available funds. The redeemed bonds were settled.

On June 17, 2019, Angamos made a partial prepayment of the credit of ThUS$200,000 for an amount of ThUS$23,281, which was financed with available funds.

On September 21, 2020, Angamos conducted a bond repurchase for a total of ThUS$255,457, which was funded out of the advance payment for the termination of the agreement with Minera Escondida and Minera Spence (Subsidiaries of BHP). The redeemed bonds were settled. Subsequently, on October 5, 2020, Angamos made a repurchase of the bond for a total of ThUS$53,607. The redeemed bonds were settled. As of September 30, 2020, the total notional amount of the debt related to the Angamos bond is ThUS$70,517.

On September 3, 2020, Angamos made a partial prepayment of the ThUS$200,000 loan for a total amount of ThUS$50,980, which was funded out of the advance payment for the termination of the agreement with Minera Escondida and Minera Spence (Subsidiaries of BHP). Subsequently, on October 7 and 9, 2020, Angamos made a total prepayment of the loan for a total of ThUS$83,808, which was funded out of the advance payment for the termination of the agreement with Minera Escondida and Minera Spence (Subsidiaries of BHP), and the debt was fully cleared.

Between December 2021 and December 2022, Angamos has made repurchases of this bond for a total of ThUS$16,407 financed with available funds. The bonds redeemed were liquidated. The remaining capital at the issuance of these Financial Statements was ThUS$41,034.

32.2.4 Other Commitments related to Cochrane

On March 27, 2013, Cochrane closed the original financing for the construction of Cochrane Power Plant for ThUS$1,000,000 plus letters of credit for up to ThUS$55,000 to secure several obligations for 18 years, which was secured with the assets, shares and flows of the project. This Credit Facility was repaid on November 15, 2019, for the total ThUS$863,000 corresponding to the principal due as of the same date. The prepayment was financed as described in the following paragraphs.

First, it partially financed the prepayment of the original construction loan. On October 24, 2019, Cochrane executed a secured credit facility with a syndicate of financial institutions led by Banco Consorcio for ThUS$445,000, which matures in November 2034. Subsequently, this loan was fully repaid on July 14, 2020, with funds from the issuance of bonds under the facility registered in the Securities Registry maintained by the Financial Market Commission on June 16, 2020. The placement was for ThUS$485,000. This bond has no financial maintenance restrictions. On December 31, 2022, the outstanding notional amount of the local bond was ThUS$485,000.

Second, it partially financed the prepayment of the original Construction Loan Facility with the issuance and placement, dated November 5, 2019, of a 5.50% senior secured bond maturing in 2027 for a total of ThUS$430,000. The transaction followed Rule 144-A and Regulation S of the U.S. securities regulations. This bond has no financial maintenance restrictions. As of December 31, 2022, the debt is outstanding in the amount of ThUS$285,348.

Both the international bond and the local bonds share guarantees on assets and land.

32.2.5 Other Commitments related to AES Chile Inversiones Renovables SpA (before AES Chile)

On May 26, 2022, AES Chile Inversiones Renovables SpA amended the non-possessory pledge agreement over shares initially subscribed in 2013, whereby it constituted a non-possessory pledge over (i) 306,009 shares it owned in Alto Maipo SpA; and (ii) all shares to be issued by Alto Maipo SpA and that AES Chile Inversiones Renovables SpA subscribes or acquires for any reason in the future.

Also, on May 26, 2022, AES Andes S.A. created a non-possessory pledge over (i) 305,702,991 of its shares in Alto Maipo SpA; and (ii) all the shares to be issued by Alto Maipo SpA and subscribed or bought by AES Andes S.A. for any reason in the future.

32.3.- Contingencies due to COVID-19

On January 30, 2020, the World Health Organization declared that the outbreak of the novel coronavirus 2019 constitutes a Public Health Emergency of International Concern. On March 11, 2020, the WHO confirmed that COVID-19 is characterized as a pandemic, which could significantly affect Chile and our local and international partners.

To face this global public health emergency resulting from COVID-19, since March 2020 the Chilean government has implemented containment measures aimed at restricting the freedom of movement including curfews, mandatory lockdowns. It has also restricted the freedom of assembly and sports events; temporary shutdown of businesses and others.

Similarly, the Company adopted other preventive measures such as:

- 100% of non-essential personnel, administrative staff and high-risk employees are working remotely.
- The Company has followed all prevention protocols recommended by the authorities
- Additional contingency plans were defined in the event of a possible worsening of the situation and a tightening of movement restrictions that could affect operations or progress in our construction projects.
- Health and well-being programs were launched to collaborate and help all associates to cope with this contingency.
- Early management of fuel supply was considered to strengthen the stock levels in to secure continuous operations
- Management of short-term loans to strengthen the Company's liquidity in case of potential disruptions in the payment chain.

All Company efforts continue to focus on securing our proper and safe operation while at the same time, protecting the health and safety of our associates.

As for the level of uncertainty resulting from the macroeconomic and financial environment of AES Andes and its effects on the results as December 31, 2022 and 2021, The Company estimates that there have been no significant impacts for the Company nor the estimation of the impairment loss of the trade accounts

NOTE 33 - GUARANTEES

Guarantees granted

Below there is a detail of the guarantees granted to AES Andes as of December 31, 2022.

On August 30, 2019, a power supply agreement was executed between AES Andes S.A. and Inversiones y Servicios Dataluna Limitada (a subsidiary of LLC Google). AES Andes issued a guarantee of ThUS$5,200 to ensure full compliance with the power supply agreement.

On December 15, 2021, AES Andes S.A signed an energy supply agreement with Microsoft Datacenter Chile Limitada (a subsidiary of Microsoft Corporation). AES Andes issued a guarantee for ThUS$9,800 to secure the construction phase of the projects.

Other Guarantees

On October 22, 2018, as parent of AES Colombia, AES Andes granted as guarantor in favor of Ecopetrol S.A. and/or its Business Group, as beneficiaries, a joint and several parent company guarantee under which AES Andes secured the appropriate and full performance of the obligations assumed up to that time and in the future by AES Colombia with respect to the beneficiary under the Castilla Project contracts.

On October 17, 2019, AES Andes S.A. granted an “Owner Parent Guarantee” to secure compliance with the payment obligations of its subsidiary Energía Eólica Los Olmos SpA, in favor of the companies Nordex Energy Chile S.A. and Nordex Energy GmbH, under the terms of the “Lump sum, Turnkey, Engineering, Procurement and Construction Contract for a total amount of Th$105.147.

On October 17, 2019, AES Andes S.A. granted an “Owner Parent Guarantee” to secure compliance with the payment obligations of its subsidiary Energía Eólica Los Olmos SpA, in favor of the companies Nordex Energy Chile S.A. and Nordex Energy GmbH, under the terms of the “Lump sum, Turnkey, Engineering, Procurement and Construction Contract for a total amount of Th$68.846.

On July 10, 2020, as parent company of AES Colombia, AES Andes SA granted as guarantor in favor of Cenit Transporte y Logística de Hidrocarburos SAS and/or its assignees of Grupo Empresarial Ecopetrol, as beneficiaries, a joint and several parent company guarantee under which AES Andes secures the appropriate and full performance of the obligations assumed up to that time and in the future by AES Colombia with respect to the beneficiary under the San Fernando Project contract.

On September 29, 2020, AES Andes S.A. granted an Owner Parent Company Guarantee to secure compliance with the payment obligations of its subsidiary Parque Eólico Campo Lindo SpA, in favor of the company Vestas Chile Turbinas Eólicas Limitada, under the terms of the Turbine Supply and Installation Agreement for a total amount of Th$68,141.

On September 10, 2021, AES Andes S.A. granted a bond and joint and several co-payment with respect to the monetary obligations that its subsidiary Energía Eólica Paposo SpA acquired in the following contracts:

(a) sublease contract with MC Energía SpA for the development of the Project Terra Solar II;
(b) sublease contract with MC Energía SpA for the development of the Project Terra Solar III;
(c) sublease contract with MC Energía SpA for the development of the Project Terra Eólico II; and
(d) sublease contract with MC Energía SpA for the development of the Project Hidrógeno.

On March 10, 2022, AES Andes S.A. granted a certificate of deposit for UF 17,269.72 in favor of the Ministry of National Assets of Chile to guarantee the obligations of the subsidiary Parque Eólico Nolana SpA in favor of the Ministry of National Assets, during the development and construction period established in the concession agreement for reciprocal use signed with the Ministry of National Assets of Chile, in relation to the Salar de Imilac polygon.

On August 9, 2022, AES Andes S.A. granted a guarantee in favor of Global Energy Services Siemsa S.A. Chile Limitada to secure the payment obligations of the subsidiary Energía Eólica San Matías SpA in accordance with the Balance of Plant agreement signed between them.

On August 11, 2022, AES Andes S.A. extended the guarantee of defects of the equipment supplied by this company for Virtual Reservoir I for a period of nine months, starting in October 2021, for a maximum of US$112,500, with Fluence Energy, LLC.

On August 9, 2022, AES Andes S.A. granted a guarantee in favor of Vestas Chile Turbinas Eólicas Limitada to secure the payment obligations of the subsidiary Energía Eólica San Matías SpA, in accordance with the Turbine Supply & Installation Agreement.

During the year 2022, AES Andes S.A. increased the amount of the corporate guarantee, which grants guarantees consisting of surety bonds, and joint and several co-debts, or other similar guarantees, for up to US$ 150 million to secure compliance with the payment obligations of the subsidiaries that are developing the Group's renewable portfolio.

Other Guarantees granted by Norgener Renovables SpA

On May 9, 2018, Norgener Renovables SpA, a wholly-owned subsidiary of AES Andes S.A. granted a commercial pledge on 100% of the shares of its subsidiary Energía Eólica Mesamávida SpA in favor of Inversiones Bosquemar Limitada in order to secure the payment of the second milestone for the asset purchase agreement of Mesamávida Project.

On December 11, 2019, Norgener Renovables SpA, a wholly-owned subsidiary of AES Andes S.A. granted a joint and several counter guarantee with respect to the obligations assumed by its subsidiary Energía Eólica Paposo SpA under a sublease agreement with MC Energía SpA for the development of Paposo Eólico Project.

On December 11, 2019, Norgener Renovables SpA, a wholly-owned subsidiary of AES Andes S.A. granted a joint and several counter guarantee with respect to the obligations assumed by its subsidiary Energía Eólica Paposo SpA under a sublease agreement with MC Energía SpA for the development of Paposo Solar Project.

On January 30, 2020, Norgener Renovables SpA, a wholly-owned subsidiary of AES Andes S.A. granted a joint and several counter guarantee in the amount of ThUS$8,161 to secure the payment obligations of the subsidiary Energía Eólica San Matías SpA to Central de Generación Eólica San Matías SpA in relation to the asset purchase agreement of San Matías Project.

On July 2, 2020, Norgener Renovables SpA, a wholly-owned subsidiary of AES Andes S.A. granted a commercial pledge on 100% of the shares of its subsidiary Energía Eólica Rinconada SpA in favor of Inversiones Bosquemar Limitada in order to secure the obligations acquired under the stock purchase agreement of the company Energía Eólica Rinconada SpA.

On July 10, 2020, Norgener Renovables SpA, a wholly-owned subsidiary of AES Andes S.A. granted a joint and several counter guarantee in the amount of ThUS$26,250 to secure the price payment obligations of subsidiary Energía Eólica Rinconada SpA to Inversiones Bosquemar Limitada in connection with the asset purchase agreement of Rinconada Project.

Guarantees Received

On November 8, 2017, Teck amended the corporate guarantee (Parent Company Guarantee) increasing the guaranteed value up to the total value of the power contract between Empresa Eléctrica Cochrane SpA and Compañía Minera Quebrada Blanca S.A.

On May 8, 2018, Strabag SE issued a Parent Company Guarantee to secure up to the total value of the construction contract between Alto Maipo SpA and Strabag SpA.

On October 23, 2019, Nordex S.E. granted a "*Contractor Parent Company Guarantee*" to secure compliance with the obligations of its subsidiaries Nordex Energy Chile S.A. and Nordex Energy GmbH, in favor of Energía Eólica Los Olmos SpA, under the terms of the "*Lump Sum, Turnkey, Engineering, Procurement and Construction Contract*" dated October 17, 2019.

On October 23, 2019, Nordex S.E. granted a "*Contractor Parent Company Guarantee* to secure compliance with the obligations of its subsidiaries Nordex Energy Chile S.A. and Nordex Energy GmbH in favor of Energía Eólica Mesamávida SpA under the terms of the "*Lump Sum, Turnkey, Engineering, Procurement and Construction Contract*" dated October 17, 2019.

On November 21, 2019, Prodiel Proyectos de Instalaciones Eléctricas S.L. granted a "*Contractor Parent Company Guarantee*" to secure compliance with the obligations of its subsidiary Prodiel Agencia en Chile, in favor of Andes Solar SpA, under the terms of the "*Lump Sum, Turnkey, Engineering, Procurement and Construction Contract*" dated November 15, 2019.

On October 06, 2020, Vestas Wind Systems A/S granted a "*Contractor Parent Company Guarantee*" to secure compliance with the obligations of its subsidiary Vestas Chile Turbinas Eólicas Limitada, in favor of Parque Eólico Campo Lindo SpA, under the terms of the "*Lump Sum, Turnkey, Engineering, Procurement and Construction Contract* dated September 18, 2020.

On March 25, 2021, Empresa Eléctrica Cochrane SpA certified the release of the guarantees granted by Sierra Gorda's Sponsors that secured compliance with the obligations under the power contract between Sierra Gorda and Empresa Eléctrica Cochrane SpA for a total of ThUS$250,000.

On March 29, 2021, Sumitomo Metal Mining ("SMM") and Sumitomo Corporation ("SC") were added as Additional Guarantors to the Power Contracts with Compañía Minera Quebrada Blanca S.A. for a total of 33.3% of the Maximum Guaranteed Amount. In turn, Teck reduced the Corporate Guarantees to 66.7% of the Maximum Guaranteed Amount.

On July 7, 2021, AES Andes S.A. signed a supply agreement with Humboldt Renewable Power SpA ("Humboldt"). Humboldt issued a guarantee of ThUS$10,000 in favor of AES Andes to secure the construction of the projects that will provide the energy under the contract.

On December 28, 2021, Siemens Corporation granted a corporate bond under the instrument called "Parent Company Guarantee", to secure compliance with the obligations of its subsidiary Fluence Energy, LLC, in favor of Andes Solar SpA under the terms of the equipment supply agreement called "Equipment Supply Agreement", dated September 16, 2021.

On December 29, 2021, The AES Corporation granted a corporate bond under the instrument called "Parent Company Guarantee" to secure compliance with the obligations of its subsidiary Fluence Energy, LLC, in favor of Andes Solar SpA under the terms of the equipment supply agreement called "Equipment Supply Agreement", dated September 16, 2021.

On April 27, 2022, by public deed granted at the Santiago Notary Office of Eduardo Diez Morello, repertory No. 6,634-2022, Empresas Proyersa S.A. granted a non-possessory pledge on the shares of Quebrada Seca SpA to guarantee AES Chile Inversiones Renovables SpA the payment of the price adjustment obligation of the purchase and sale agreement of shares of Quebrada Seca SpA, for a total of ThUS$950 and also the obligation to replace a certificate of deposit for UF2,100.

On July 8, 2022, Vestas Wind Systems A/S granted a corporate bond under the instrument called "Contractor Parent Company Guarantee", to secure compliance with the obligations of its subsidiary Vestas Chile Turbinas Eólicas Limitada, in favor of Parque Eólico San Matías SpA, under the terms of the construction contract called "Turbine Supply and Installation Agreement", dated July 7, 2022.

Delivered guarantees

Beneficiary	Guarantee description	Date		ThUS$
		Start Date	Due Date	
Coordinador Independiente Del Sistema Eléctrico Nacional	Secure payment compliance between coordinated companies	11/30/2022	12/29/2023	12,103
Microsoft Datacenter Chile Limitada	Secure compliance with the contract.	01/14/2022	07/31/2024	9,688
Terminales Granel del Norte S.A.	Secure contract compliance by Terminal Graneles del Norte S.A.	12/21/2022	12/21/2023	6,000
Minera Centinela	Secure proposal Process Energy Supply DMC Project minera Centinela	03/07/2022	03/07/2023	3,741
Coordinador Independiente Del Sistema Eléctrico Nacional	Secure payment compliance between coordinated companies	05/27/2022	08/27/2025	3,255
Terminales Granel del Norte S.A.	Secure contract compliance by Terminal Graneles del Norte S.A.	12/21/2022	12/21/2023	3,200
Secretaría Regional Ministerial De Bienes Nacionales	Secure Bidding Obligations Concession of Fiscal Land	11/22/2021	12/18/2023	1,412
Aguas Andinas S.A	Secure compliance with the contract.	12/30/2019	02/01/2024	1,395
Aguas Andinas S.A	Secure compliance with the contract.	12/30/2019	02/01/2024	1,395
Enel Distribución Chile S.A	Secure compliance with the contract.	04/16/2021	05/08/2023	735
Secretaría Regional Ministerial De Bienes Nacionales	Secure Bidding Obligations Concession of Fiscal Land	03/10/2022	04/11/2024	708
Secretaría Regional Ministerial de Bienes Nacionales	Secure Bidding Obligations Concession of Fiscal Land	04/16/2021	05/08/2023	620
Tolchen Transmisión Spa	Secure compliance with the contract.	07/08/2022	07/06/2023	427
Secretaría Regional Ministerial de Bienes Nacionales	Secure Bidding Obligations Concession of Fiscal Land	03/30/2021	04/10/2023	372
Enel Distribución Chile S.A	Secure compliance with the contract.	03/30/2021	04/10/2023	367
Ministerio De Obras Públicas, Dirección General De Aguas	Secure compliance with the contract.	03/03/2021	03/06/2023	104
	Other minor warranties			674
	Total			**46,196**

Guarantees Received

Grantor	Guarantee description	Date		ThUS$
		Start Date	Due Date	
Teck Pcg	Payment of Single Compensation - LC Guaranteed Amount and other payments (122mw PPA)	11/08/2017	11/08/2023	329,870
Sumitomo Metal Mining Co. Ltd.	Payment of Single Compensation - LC Guaranteed Amount and other payments (122mw PPA)	03/29/2021	03/29/2023	137,400
Teck Pcg	Payment of Single Compensation - LC Guaranteed Amount and other payments (80mw PPA)	12/07/2012	12/07/2023	111,117
Vestas Wind System		07/07/2022	07/08/2032	90,300
Teck PCG	Payment of Single Compensation - LC Guaranteed Amount and other payments (38 mw PPA-80mw Renewable PPA)	01/16/2021	01/16/2024	52,780
Maestranza Y Mecanizados Limitada	Secure compliance with the contract.	12/01/2021	10/01/2024	47,629
Maestranza Y Mecanizados Limitada	Secure compliance with the contract.	12/01/2021	10/01/2024	47,629
Sumitomo Metal Mining Co. Ltd.	Payment of Single Compensation - LC Guaranteed Amount and other payments (80mw PPA)	03/29/2021	03/29/2022	46,283
Bigues Energía S.L.	Secure compliance with the contract.	06/07/2022	12/31/2030	33,663
Sumitomo Corporation	Payment of Single Compensation - LC Guaranteed Amount and other payments (122mw PPA)	03/29/2021	03/29/2023	27,509
Sumitomo Metal Mining Co. Ltd.	Payment of Single Compensation - LC Guaranteed Amount and other payments (38 mw PPA-80mw Renewable PPA)	03/29/2021	03/29/2023	21,985
Vestas Chile Turbinas Eólicas Limitada	Secure compliance with the contract.	08/09/2022	08/09/2024	13,340
Teck Pcg	Payment of Single Compensation - LC Guaranteed Amount and other payments (21mw PPA)	10/29/2013	10/29/2023	11,283
Nordex Energy Chile S.A.	Secure compliance with the contract.	12/03/2019	06/30/2023	11,120
Sumitomo Corporation	Payment of Single Compensation - LC Guaranteed Amount and other payments (80mw PPA)	03/29/2021	03/29/2023	9,267
Terminal Graneles Del Norte S.A	Secure compliance with the contract.	04/21/2021	04/21/2023	6,000
Prodiel Junto Con Novamper Chile	Secure compliance with the contract Andes Solar and Prodiel	04/29/2022	04/22/2023	5,520
Global Energy Services Siemesa Sa	Secure compliance with the contract.	09/23/2022	01/31/2024	5,077
Soltec Chile Spa	Secure compliance with the contract.	03/28/2022	07/15/2023	4,944
Soltec Chile Spa	Secure compliance with the contract.	03/30/2022	07/15/2023	4,944
Sumitomo Metal Mining Co. Ltd.	Payment of Single Compensation - LC Guaranteed Amount and other payments (21mw PPA)	03/29/2021	03/29/2023	4,700
Sumitomo Corporation	Payment of Single Compensation - LC Guaranteed Amount and other payments (38 mw PPA-80mw Renewable PPA)	03/29/2021	03/29/2023	4,402
Global Energy Services Siemsa Sa	Secure compliance with the contract.	11/23/2022	05/31/2023	3,406
Ingeniería Agrosonda Spa	Secure compliance with the contract.	11/03/2022	08/29/2024	2,740
Grupo Iberoeólica	Secure compliance purchase and sale of Electric Power	05/04/2022	05/03/2023	2,667

Otorgador	Descripción de la garantía	Fecha		ThUS$
		Inicio	Vencimiento	
Grupo Iberoeólica	Secure compliance purchase and sale of Electric Power	05/04/2022	05/03/2023	2,667
Grupo Iberoeólica	Secure compliance purchase and sale of Electric Power	05/04/2022	05/03/2023	2,667
Soltec Chile Spa	Secure compliance with the contract.	03/28/2022	09/30/2023	2,472
Soltec Chile Spa	Secure compliance with the contract.	03/30/2022	09/30/2023	2,472
Isotron Chile S.A	Secure compliance with the contract.	04/09/2021	06/30/2023	2,362
Global Energy Services Siemesa Sa	Secure compliance with the contract.	09/23/2022	03/30/2023	1,692
Global Energy Services Siemesa Sa	Secure compliance with the contract.	09/23/2022	01/31/2024	1,692
Andritz Hydro Srl	Secure compliance with the contract.	09/23/2022	01/31/2024	1,351
	Other minor warranties			10,358
	Total			**1,063,308**

NOTE 34 - PROFIT OR LOSS BY INDEXATION UNIT

The economy of Argentina is considered as a hyperinflationary economy, according to the criteria established in International Accounting Standard No. 29 - Financial Information in Hyperinflationary Economies. This assessment was made on the basis of a number of qualitative and quantitative criteria, including the presence of a cumulative inflation rate of over 100% over three years.

The general price indexes used at the end of the reported years are:

	December 31, 2022	December 31, 2021
General Price Index	94.80 %	50.73 %

The effects on the consolidated income statement are detailed as follows:

Profit or loss by indexation units	December 31, 2022 ThUS$	December 31, 2021 ThUS$
Inventory	1,063	496
Property, plant and equipment	128,031	72,154
Deferred taxes	(26,249)	(16,040)
Shareholders' Equity (not including profit/loss for the year)	(118,488)	(71,717)
Effect of restatement of equity items	**(15,643)**	**(15,107)**
Operating income	(30,817)	(20,268)
Variable costs	6,836	6,872
Fixed costs - Administration and sales expenses	7,547	4,643
Depreciation - amortization	8,707	5,160
Other profit/loss items	(8,120)	3,085
Effect from restatement of the income statement	**(15,847)**	**(508)**
Total of profit or loss by readjustment units	**(31,490)**	**(15,615)**

NOTE 35 - ENVIRONMENTAL EXPENDITURES

The long-term policy of the Group is the sustainable development of its activities, in harmony with the environment. In this context, investments made in facilities, equipment and industrial plants consider state-of-the-art technology, in line with the latest progresses made in these areas.

The main environmental expenses during the years ended December 31, 2022 and 2021 are detailed as follows:

	December 31, 2022	December 31, 2021
Ash deposit and handling	6,152	4,973
Environmental monitoring	551	1,741
Miscellaneous expenses, Law 99 Environmental Commission - Colombia	6,759	7,254
Waste management and other related services	194	259
Reforestation, irrigation and maintenance	1,111	1,129
Audits and reports	2,589	1,770
Others	177	153
Total	**17,533**	**17,279**

Within its environmental investment plan, the Group develops projects to optimize plant performance in order to ensure compliance with applicable environmental standards.

In AES Andes, there are also other projects associated with the development of new technologies intended to mitigate the impact on the environment.

NOTE 36 - ASSETS AND LIABILITIES IN FOREIGN CURRENCY

		December 31, 2022		December 31, 2021	
	Foreign Currency	Until 90 days	From 91 days to 1 year	Until 90 days	From 91 days to 1 year
Cash and cash equivalents	Pesos	19,481	—	11,451	—
	Other Currencies	76,834	—	40,394	—
Other financial assets	Pesos	112	—	—	—
	Other Currencies	—	1,594	—	2,245
Other non-financial assets	Pesos	16	712	—	589
	UF	59	11,909	—	155
	Other Currencies	2,356	6	726	46
Trade receivables and other accounts receivable	Pesos	157,688	7,998	122,666	4,745
	UF	1,743	93,353	1,519	40,715
	Other Currencies	72,701	37	62,675	155
Inventory	Other Currencies	—	3,090	—	2,903
Assets for current taxes	Pesos	—	48	—	35
	Other Currencies	—	84	—	690
Total Current Assets		**330,990**	**118,831**	**239,431**	**52,278**

	Foreign Currency	December 31, 2022			December 31, 2021		
		More than 1 year	More than 3 years	More than 5 years	More than 1 year	More than 3 years	More than 5 years
Other financial assets	Pesos	—	—	—	312	—	—
	Other Currencies	1,237	—	—	453	—	—
Other non-financial assets	Pesos	403	—	—	—	—	—
	UF	12,844	—	—	2	—	25,508
	Other Currencies	—	—	—	2,286	—	—
Claims receivable	Pesos	3,009	—	—	997	—	—
	Other Currencies	7,404	7,396	3,852	819	—	—
Intangible assets other than goodwill	Other Currencies	7	—	13,150	—	—	15,666
Property, plant and equipment	Other Currencies	—	—	578,829	—	—	609,222
Right-of-use assets	UF	—	—	30,467	—	—	—
	Other Currencies	46	—	1,036	44	—	1,373
Total Non-Current Assets		**24,950**	**7,396**	**627,334**	**4,913**	**—**	**651,769**

	Foreign Currency	December 31, 2022		December 31, 2021	
		Until 90 days	From 91 days to 1 year	Until 90 days	From 91 days to 1 year
Other financial liabilities	UF	—	10,237	—	4,011
	Other currencies	14,282	37,498	1,689	2,454
Current lease liabilities	UF	663	1,592	128	758
	Other currencies	41	152	36	139
Trade payables and other accounts payable	Pesos	158,092	549	103,180	—
	UF	11,240	1,406	6,580	824
	Other currencies	42,734	2,196	51,276	356
Accounts payable to related entities	Pesos	—	—	—	—
Other current provisions	Other currencies	—	95	—	122
Tax Liabilities	Pesos	—	—	98	17
	Other currencies	—	30,273	—	24,023
Current provisions for employee benefits	Pesos	2,919	—	2,830	—
	Other currencies	263	1,060	1,933	25
Other non-financial liabilities	Pesos	11,928	6,432	9,778	7,926
	Other currencies	1,911	342	1,300	8,585
Total Current Liabilities		**244,073**	**91,832**	**178,828**	**49,240**

		December 31, 2022			December 31, 2021		
	Foreign Currency	More than 1 year	More than 3 years	More than 5 years	More than 1 year	More than 3 years	More than 5 years
Other financial liabilities	UF	15,089	—	—	22,146	—	—
	Other currencies	108,644	260,367	6,423	41,714	41,714	28,367
Non-current lease liabilities	UF	2,248	2,087	26,244	1,899	1,925	23,440
	Other currencies	559	834	4,189	534	830	5,613
Other non-current provisions	Other currencies	—	—	1,485	—	—	—
Deferred tax liabilities	Other currencies	—	—	91,163	—	—	87,491
Non-current provisions for employee benefits	Pesos	—	—	—	3,246	3,248	15,965
	Other currencies	2,258	—	—	2,885	—	—
Other non-financial liabilities	Pesos	—	—	82	—	—	11,250
	UF	—	—	13,671	—	—	—
	Other currencies	—	—	—	4,214	—	5,600
Total Non-Current Liabilities		**128,798**	**263,288**	**143,257**	**76,638**	**47,717**	**177,726**

NOTE 37 - DECONSOLIDATION OF AFFILIATE ALTO MAIPO

On August 27, 2021, AES Andes issued a Material Fact with regards to Alto Maipo SpA's (owner of Alto Maipo Hydroelectric Project) financial situation, where the Company informed that the subsidiary's Board approved and delivered the Final Budget and long-term Business Plan to its creditors. For this milestone, studies and projections prepared by independent third parties were received as support to analyze energy prices under different scenarios. In some of these scenarios, projections foresee a reduction in energy prices and expected annual generation. These variations are related to the incorporation of renewable capacity on the grid that have caused a significant drop in energy prices and to hydrological conditions that imply a significant decrease in water inflows in the last ten years compared to the historical average.

On November 17, 2021, AES Andes issued a new Material Fact in which it refers to the fact that AES Andes became aware of the decision of its subsidiary Alto Maipo SpA (“Alto Maipo”), after reaching a pre-arranged agreement of financial restructuring with its creditors, to start a reorganization process in the United States of America in accordance with the regulations established in Chapter 11 of Title 11 of the United States Code. The entry application was presented that same day by Alto Maipo in the pre-arranged modality. The foregoing was in order to achieve a capital structure that is sustainable in the long term for Alto Maipo.

Considering the start of the Chapter 11 Proceeding and the characteristics of Alto Maipo's capital structure (including guarantees and subordination agreements for the benefit of Alto Maipo's senior creditors), in accordance with paragraph 8 of International Financial Reporting Standard No. 10 ("IFRS 10"), the Company ceased to control Alto Maipo.

Therefore, based on paragraph 25 of IFRS 10, it ceased to consolidate this subsidiary and derecognized in its Consolidated Statement of Financial Position, the assets and liabilities of the entity that has ceased to be a subsidiary. In turn, it recognized in the Consolidated Statements of Comprehensive Income of the fourth quarter of 2021 an extraordinary net accounting loss associated with the loss of control attributable to the former controlling interest, amounting to approximately ThUS$1,106,558 that primarily related to the deconsolidation of the investment and the impairment of accounts receivable held with Alto Maipo.

In addition, the deconsolidation of Alto Maipo implied a decrease in cash and cash equivalents of ThUS$14,826, due to the outstanding balances with Alto Maipo as of the deconsolidation date, which was adjusted in the cash flows from investing activities of the Statement of cash flows as of December 31, 2021, specifically in the line cash flow from loss of control of subsidiary or other businesses.

On May 26, 2022, Alto Maipo concluded its restructuring process initiated on November 17, 2021. This restructuring included the execution of several agreements and contractual amendments to implement the Restructuring Agreement entered into on November 16, 2021, between the shareholders, the creditors and the contractor, which was approved by the Court that intervened in Chapter 11.

Upon completion of the reorganization process and as of December 31, 2022, The Administration determined that the power over decisions that most significantly impact Alto Maipo's economic performance is shared between the creditors and the shareholders; therefore, AES Andes does not control Alto Maipo and will continue to operate without consolidating Alto Maipo.

AES Andes' investment in Alto Maipo is classified under the category of Financial Assets at Fair Value Through Profit or Loss in accordance with IFRS 9, paragraph 4.1.5. Based on the calculation made by the Administration, the fair value of AES Andes' investment in Alto Maipo as of December 31, 2022, is $0 (nil).

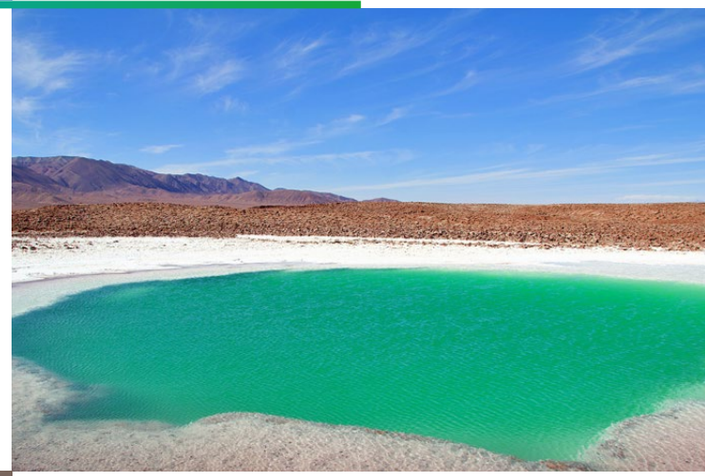
NOTE 38 - SUBSEQUENT EVENTS

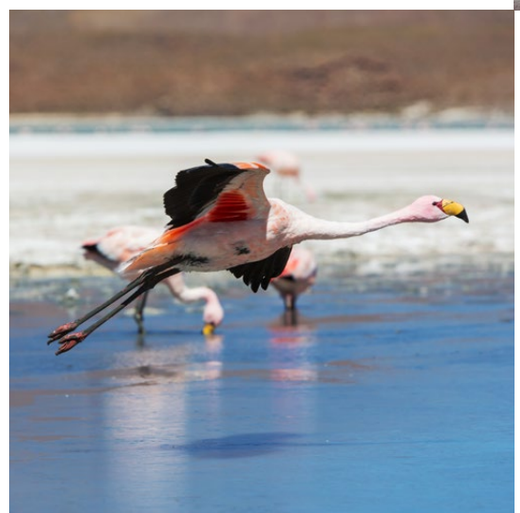
There are no relevant subsequent events that occurred between January 1, 2023 and the date of issuance of these Consolidated Financial Statements.

7.2 Summary Financial Statements of Subsidiaries



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Norgener Foreign Investments SpA

Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	99,058	86,736
Non-current	856,428	462,010
Total Assets	955,486	548,746
Shareholders' equity y liabilities	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	124,599	81,170
Non-current	514,578	245,277
Shareholders' Equity	316,309	222,299
Total shareholders' equity and liabilities	955,486	548,746
Statements of Comprehensive Income	31-12-2022 ThUS$	31-12-2021 ThUS$
Gross Margin	220,803	200,519
Income (loss) before taxes	197,355	260,524
Income tax expense (benefit)	65,274	56,403
Income (loss)	132,081	204,121
Statements of Comprehensive Income	31-12-2022 ThUS$	31-12-2021 ThUS$
Income (loss)	132,081	204,121
Total other income and costs charged or credited to shareholders' equity	-38,041	-43,108
Total comprehensive income and costs	94,040	161,013



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	102,045	5,320	52,806	-73,414	135,533	9	222,299
Changes in Shareholder's Equity	0	0	0	-38,041	132,054	-3	94,010
Current Final Balance as of December 31, 2022	102,045	5,320	52,806	-111,455	267,587	6	316,309

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	102,045	5,320	52,806	55,808	77,198	9	293,186
Changes in Shareholder's Equity	0	0	0	-129,222	58,335	0	-70,887
Current Final Balance as of December 31, 2021	102,045	5,320	52,806	-73,414	135,533	9	222,299

Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	122,343	160,352
Net cash flows resulting from (used in) investment activities	-467,379	-48,041
Net cash flows resulting from (used in) financing activities	344,593	-124,349
Increase (decrease) in cash and cash equivalents	-443	-12,038
Effect of changes in exchange rates on cash and cash equivalents	-1,781	2,757
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	18,495	27,776
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	16,271	18,495

AES Chile Inversiones Renovables SpA

→ Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	3,776	3,289
Non-current	66,580	24,550
Total Assets	70,356	27,839
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	2,511	1,276
Non-current	100,383	49,463
Shareholders' Equity	-32,538	-22,900
Total shareholders' equity and liabilities	70,356	27,839
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	-765	-882
Income (loss) before taxes	-13,589	-404,830
Income tax expense (benefit)	-3,258	4,342
Income (loss)	-10,331	-409,172
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	-10,331	-409,172
Total other income and costs charged or credited to shareholders' equity	0	119,303
Total comprehensive income and costs	-10,331	-289,869



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	104,565	4,376	43,466	136,219	-311,540	14	-22,900
Changes in Shareholder's Equity	0	0	0	2,062	-11,700	0	-9,638
Current Final Balance as of December 31, 2022	104,565	4,376	43,466	138,281	-323,240	14	-32,538

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	109,612	4,587	45,530	-38,966	107,493	15,980	244,236
Changes in Shareholder's Equity	-5,047	-211	-2,064	175,185	-419,033	-15,966	-267,136
Current Final Balance as of December 31, 2021	104,565	4,376	43,466	136,219	-311,540	14	-22,900

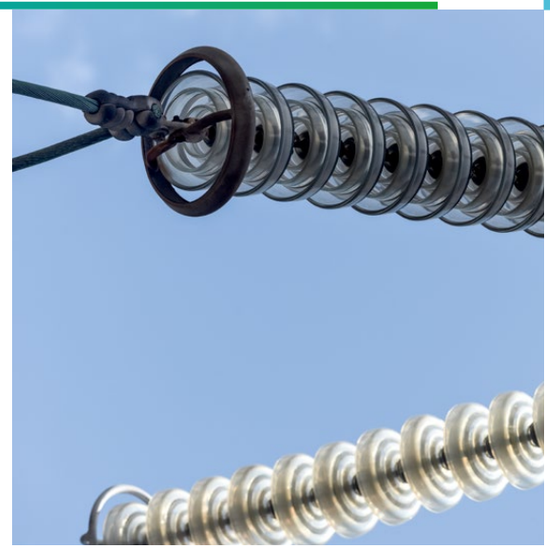
Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	-10,612	6,219
Net cash flows resulting from (used in) investment activities	-24,727	-111,976
Net cash flows resulting from (used in) financing activities	35,504	76,503
Increase (decrease) in cash and cash equivalents	165	-29,254
Effect of changes in exchange rates on cash and cash equivalents	-18	-83
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	57	29,394
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	204	57

Norgener Inversiones SpA

→ Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	459,979	499,792
Non-current	898,046	1,268,814
Total Assets	1,358,025	1,768,606
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	265,550	287,810
Non-current	822,740	1,205,433
Shareholders' Equity	269,735	275,363
Total shareholders' equity and liabilities	1,358,025	1,768,606
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	242,909	565,598
Income (loss) before taxes	180,650	-152,359
Income tax expense (benefit)	51,416	-78,261
Income (loss)	129,234	-74,098
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	129,234	-74,098
Total other income and costs charged or credited to shareholders' equity	13,127	12,845
Total comprehensive income and costs	142,361	-61,253



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	143,514	8,466	84,023	204,227	-300,987	136,120	275,363
Changes in Shareholder's Equity	-124,500	0	-10,336	11,721	110,154	7,333	-5,628
Current Final Balance as of December 31, 2022	19,014	8,466	73,687	215,948	-190,833	143,453	269,735

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	118,050	8,466	84,023	330,371	-84,439	153,110	609,581
Changes in Shareholder's Equity	25,464	0	0	-126,144	-216,548	-16,990	-334,218
Current Final Balance as of December 31, 2021	143,514	8,466	84,023	204,227	-300,987	136,120	275,363

Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	164,912	161,968
Net cash flows resulting from (used in) investment activities	-18,608	-20,293
Net cash flows resulting from (used in) financing activities	-130,099	-190,079
Increase (decrease) in cash and cash equivalents	16,205	-48,404
Effect of changes in exchange rates on cash and cash equivalents	-606	-1,339
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	15,915	65,658
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	31,514	15,915

Gener Argentina S.A.

Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	90,018	69,850
Non-current	208,393	184,289
Total Assets	298,411	254,139
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	31,043	31,183
Non-current	41,376	40,869
Shareholders' Equity	225,992	182,087
Total shareholders' equity and liabilities	298,411	254,139
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	36,035	6,466
Income (loss) before taxes	34,869	4,791
Income tax expense (benefit)	14,385	9,397
Income (loss)	20,484	-4,606
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	20,484	-4,606
Total other income and costs charged or credited to shareholders' equity	23,421	35,553
Total comprehensive income and costs	43,905	30,947



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	224,929	0	0	42,326	-102,249	17,081	182,087
Changes in Shareholder's Equity	0	0	0	21,286	18,733	3,886	43,905
Current Final Balance as of December 31, 2022	224,929	0	0	63,612	-83,516	20,967	225,992

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	224,929	0	0	10,139	-98,268	14,340	151,140
Changes in Shareholder's Equity	0	0	0	32,187	-3,981	2,741	30,947
Current Final Balance as of December 31, 2021	224,929	0	0	42,326	-102,249	17,081	182,087

Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	60,264	25,094
Net cash flows resulting from (used in) investment activities	-2,493	-25,342
Net cash flows resulting from (used in) financing activities	-3	-48
Increase (decrease) in cash and cash equivalents	57,768	-296
Effect of changes in exchange rates on cash and cash equivalents	-16,582	-7,313
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	23,389	30,998
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	64,575	23,389

Andes Solar SpA

→ Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	12,212	4,762
Non-current	353,819	78,153
Total Assets	366,031	82,915
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	69,125	3,986
Non-current	260,728	58,124
Shareholders' Equity	36,178	20,805
Total shareholders' equity and liabilities	366,031	82,915
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	22,199	-3,706
Income (loss) before taxes	21,059	-8,616
Income tax expense (benefit)	5,686	-2,430
Income (loss)	15,373	-6,186
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	15,373	-6,186
Total other income and costs charged or credited to shareholders' equity	0	0
Total comprehensive income and costs	15,373	-6,186



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	33,247	0	0	0	-12,442	20,805
Changes in Shareholder's Equity	0	0	0	0	15,373	15,373
Current Final Balance as of December 31, 2022	33,247	0	0	0	2,931	36,178

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	33,247	0	0	0	-6,256	26,991
Changes in Shareholder's Equity	0	0	0	0	-6,186	-6,186
Current Final Balance as of December 31, 2021	33,247	0	0	0	-12,442	20,805

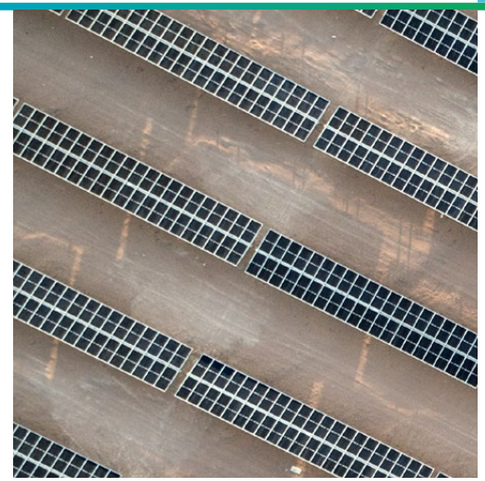
Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	-2,371	-663
Net cash flows resulting from (used in) investment activities	-267,713	-98,792
Net cash flows resulting from (used in) financing activities	271,892	99,535
Increase (decrease) in cash and cash equivalents	1,808	80
Effect of changes in exchange rates on cash and cash equivalents	103	-6
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	75	1
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	1,986	75

Andes Solar II SpA

→ Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	20,263	5,106
Non-current	393,521	294,187
Total Assets	413,784	299,293
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	4,574	4,706
Non-current	353,639	293,718
Shareholders' Equity	55,571	869
Total shareholders' equity and liabilities	413,784	299,293
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	2,503	1,892
Income (loss) before taxes	1,414	1,349
Income tax expense (benefit)	382	481
Income (loss)	1,032	868
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	1,032	868
Total other income and costs charged or credited to shareholders' equity	0	0
Total comprehensive income and costs	1,032	868



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	1	0	0	0	868	0	869
Changes in Shareholder's Equity	54,170	0	0	0	532	0	54,702
Current Final Balance as of December 31, 2022	54,171	0	0	0	1,400	0	55,571

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	1	0	0	0	0	0	1
Changes in Shareholder's Equity	0	0	0	0	868	0	868
Current Final Balance as of December 31, 2021	1	0	0	0	868	0	869

Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	3,957	-2,704
Net cash flows resulting from (used in) investment activities	-118,274	-83,510
Net cash flows resulting from (used in) financing activities	115,261	86,310
Increase (decrease) in cash and cash equivalents	944	96
Effect of changes in exchange rates on cash and cash equivalents	-122	0
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	96	0
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	918	96

Mesamávida SpA

Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	9,798	5,872
Non-current	114,467	96,985
Total Assets	124,265	102,857
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	10,516	10,438
Non-current	114,261	96,003
Shareholders' Equity	-512	-3,584
Total shareholders' equity and liabilities	124,265	102,857
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	6,936	-231
Income (loss) before taxes	4,212	-1,321
Income tax expense (benefit)	1,140	-354
Income (loss)	3,072	-967
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	3,072	-967
Total other income and costs charged or credited to shareholders' equity	0	0
Total comprehensive income and costs	3,072	-967



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	410	0	0	0	-3,994	-3,584
Changes in Shareholder's Equity	0	0	0	0	3,072	3,072
Current Final Balance as of December 31, 2022	410	0	0	0	-922	-512

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	410	0	0	0	-3,027	-2,617
Changes in Shareholder's Equity	0	0	0	0	-967	-967
Current Final Balance as of December 31, 2021	410	0	0	0	-3,994	-3,584

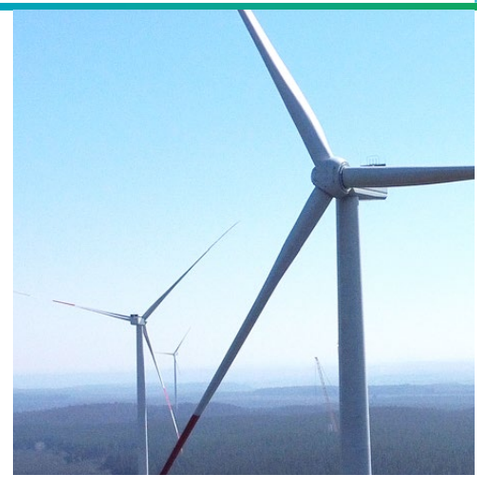
Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	3,155	0
Net cash flows resulting from (used in) investment activities	-16,895	-40,024
Net cash flows resulting from (used in) financing activities	13,676	39,296
Increase (decrease) in cash and cash equivalents	-64	-728
Effect of changes in exchange rates on cash and cash equivalents	77	0
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	4	732
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	17	4

Campo Lindo SpA

→ Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	9,289	3,872
Non-current	143,297	105,854
Total Assets	152,586	109,726
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	4,063	2,467
Non-current	148,666	106,774
Shareholders' Equity	-143	485
Total shareholders' equity and liabilities	152,586	109,726
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	-393	-632
Income (loss) before taxes	-860	-2,090
Income tax expense (benefit)	-232	-533
Income (loss)	-628	-1,557
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	-628	-1,557
Total other income and costs charged or credited to shareholders' equity	0	0
Total comprehensive income and costs	-628	-1,557



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	460	0	0	2,352	-2,327	0	485
Changes in Shareholder's Equity	0	0	0	0	-628	0	-628
Current Final Balance as of December 31, 2022	460	0	0	2,352	-2,955	0	-143

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	460	0	0	2,352	-770	0	2,042
Changes in Shareholder's Equity	0	0	0	0	-1,557	0	-1,557
Current Final Balance as of December 31, 2021	460	0	0	2,352	-2,327	0	485

Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	-2,263	-580
Net cash flows resulting from (used in) investment activities	-31,991	-85,241
Net cash flows resulting from (used in) financing activities	34,300	85,828
Increase (decrease) in cash and cash equivalents	46	7
Effect of changes in exchange rates on cash and cash equivalents	-53	0
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	7	0
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	0	7

Chile Renovables SpA

→ Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	5,830	3,060
Non-current	322,637	120,752
Total Assets	328,467	123,812
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	8,906	1,427
Non-current	19,758	9,584
Shareholders' Equity	299,803	112,801
Total shareholders' equity and liabilities	328,467	123,812
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	2,211	1,889
Income (loss) before taxes	684	1,282
Income tax expense (benefit)	-1,205	423
Income (loss)	1,889	859
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	1,889	859
Total other income and costs charged or credited to shareholders' equity	0	0
Total comprehensive income and costs	1,889	859



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	115,609	0	0	-3,667	859	0	112,801
Changes in Shareholder's Equity	182,139	0	0	3,833	1,030	0	187,002
Current Final Balance as of December 31, 2022	297,748	0	0	166	1,889	0	299,803

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	10	0	0	0	0	0	10
Changes in Shareholder's Equity	115,599	0	0	-3,667	859	0	112,791
Current Final Balance as of December 31, 2021	115,609	0	0	-3,667	859	0	112,801

Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	18,377	3,957
Net cash flows resulting from (used in) investment activities	13,591	822
Net cash flows resulting from (used in) financing activities	-30,295	-3,529
Increase (decrease) in cash and cash equivalents	1,673	1,250
Effect of changes in exchange rates on cash and cash equivalents	-214	-128
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	1,122	0
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	2,581	1,122

Empresa Eléctrica Angamos SpA

→ Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	207,472	152,243
Non-current	59,591	82,983
Total Assets	267,063	235,226
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	103,750	105,276
Non-current	84,161	125,980
Shareholders' Equity	79,152	3,970
Total shareholders' equity and liabilities	267,063	235,226
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	98,131	473,442
Income (loss) before taxes	95,735	265,561
Income tax expense (benefit)	28,042	71,661
Income (loss)	67,693	193,900
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	67,693	193,900
Total other income and costs charged or credited to shareholders' equity	7,489	4,492
Total comprehensive income and costs	75,182	198,392



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	1	1,125	0	-4,226	7,070	0	3,970
Changes in Shareholder's Equity	0	0	0	7,489	67,693	0	75,182
Current Final Balance as of December 31, 2022	1	1,125	0	3,263	74,763	0	79,152

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	59,344	1,125	0	-8,718	-74,504	0	-22,753
Changes in Shareholder's Equity	-59,343	0	0	4,492	81,574	0	26,723
Current Final Balance as of December 31, 2021	1	1,125	0	-4,226	7,070	0	3,970

Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	27,943	-98,688
Net cash flows resulting from (used in) investment activities	-1,990	118,854
Net cash flows resulting from (used in) financing activities	-25,247	-53,814
Increase (decrease) in cash and cash equivalents	706	-33,648
Effect of changes in exchange rates on cash and cash equivalents	-21	-208
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	5,441	39,297
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	6,126	5,441

Empresa Eléctrica Cochrane SpA

→ Summary Financial Statements

Assets	31-12-2022 ThUS$	31-12-2021 ThUS$
Current	207,420	154,425
Non-current	839,473	912,483
Total Assets	1,046,893	1,066,908
Shareholders' equity y liabilities	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Current	131,722	140,184
Non-current	777,873	824,193
Shareholders' Equity	137,298	102,531
Total shareholders' equity and liabilities	1,046,893	1,066,908
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Gross Margin	144,688	100,928
Income (loss) before taxes	87,210	37,242
Income tax expense (benefit)	23,945	10,055
Income (loss)	63,265	27,187
Statements of Comprehensive Income	**31-12-2022 ThUS$**	**31-12-2021 ThUS$**
Income (loss)	63,265	27,187
Total other income and costs charged or credited to shareholders' equity	3,517	4,496
Total comprehensive income and costs	66,782	31,683



Shareholders' equity

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 01, 2022	110,876	34,520	0	-55,318	12,453	0	102,531
Changes in Shareholder's Equity	-20,000	0	0	3,517	51,250	0	34,767
Current Final Balance as of December 31, 2022	90,876	34,520	0	-51,801	63,703	0	137,298

Statements of changes in shareholders' equity	Issued capital ThUS$	Additional paid-in capital ThUS$	Other interest ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Minority interest ThUS$	Total shareholders' equity ThUS$
Current Opening Balance as of January 1, 2021	110,876	34,520	0	-59,814	43,166	0	128,748
Changes in Shareholder's Equity	0	0	0	4,496	-30,713	0	-26,217
Current Final Balance as of December 31, 2021	110,876	34,520	0	-55,318	12,453	0	102,531

Statement of cash flows

Statement of cash flows	31-12-2022 ThUS$	31-12-2021 ThUS$
Net cash flows resulting from (used in) operating activities	154,217	144,358
Net cash flows resulting from (used in) investment activities	-2,845	-2,225
Net cash flows resulting from (used in) financing activities	-124,023	-156,838
Increase (decrease) in cash and cash equivalents	27,349	-14,705
Effect of changes in exchange rates on cash and cash equivalents	-472	-1,236
Cash and Cash Equivalents, Statement of Cash Flows, Opening Balance	10,345	26,286
Cash and Cash Equivalents, Statement of Cash Flows, Closing Balance	37,222	10,345

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