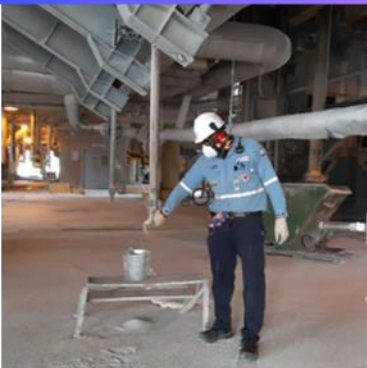




All Together



Stakeholder Engagement

Stakeholder Engagement

At AES Andes 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 (more details can be found in our Annual Report).

We follow The AES Corporation's stakeholder relations policy and guidelines for developing sustainable social programs. The Playbook, available internally and applicable to all AES operations and construction projects was developed in line with the AA1000 Stakeholder Engagement Standard, and guides country, local, and site-level engagement plans and system, including:

- Defining the purpose, scope and understanding the context including vulnerable groups
- Identifying and prioritizing stakeholders
- Defining the appropriate engagement methodology and ensuring stakeholders have sufficient capacity to participate
- Addressing stakeholder priorities and developing innovative and sustainable responses
- Understanding risks and opportunities
- Evaluating progress of engagement actions
- Implementing grievance mechanisms and communication channels

We tailor our Stakeholder Engagement approach to local stakeholders throughout the lifecycle of the projects. Prior to the approval and construction, we conduct an assessment to understand the demographics, culture, history, economy, and other key characteristics of the area of influence, which may progress into a more comprehensive Social Baseline Assessment if need be. We also identify the presence of Indigenous Peoples.

Often part of the permitting processes, we conduct Social Impact Assessments, which can include how the project could impact the local economy, social dynamics, and basic services.

From there we can begin developing a community engagement strategy that includes communication plans, a grievance mechanism, and a plan for meaningful consultations with both informal and formal meetings. Transparency and early disclosure are key and are followed by informal and formal consultations phases to provide more detailed information about the project, impacts, benefits, and mitigation measures, among others and to provide communities with the opportunity to express their views on project risks and impacts so that AES can consider and respond to them.

During the construction phase we maintain dialogue with communities and local authorities with special focus to communicate works, possible impacts and also to start developing social impact programs. We often create project websites to share visual models, explain impacts, and encourage questions and comments.

During operations and throughout the lifetime of the project, we continue to engage all relevant stakeholders, and work together on community impact programs, aligned with local community needs.

Both the plants in operation and the projects under construction have [a query and complaint system](#) (grievance mechanism). The procedure establishes an internal management that seeks to provide a process for responding to inquiries or claims based on transparency and confidentiality if needed (review our Annual Report for more details). Queries and claims received are tracked to ensure they are properly closed, responded and addressed. In addition to the above, at AES Andes we have our [Local Community Engagement and Relations Policy \(English summary\)](#).