



Accelerating the  
Future of Energy



# AES

Green Financing  
Framework Reporting

# Green Framework Reporting

March 2021

In December 2020, The AES Corporation issued its first unsecured investment grade bonds (the “green bonds”). This inaugural investment grade issuance was also the first use of “green” financing at the Parent Company level. The green bonds were issued under AES’ newly adopted Green Financing Framework, a set of guidelines and commitments for AES’ green financing activities that are consistent with the Green Bond Principles 2018 as published by the International Capital Markets Association.

As of December 31, 2020, a portion of the \$1.8 billion raised by the green bonds has been allocated to support investment in renewable energy, utility-scale battery storage systems and cutting-edge digital technologies used to reduce emissions and accelerate the adoption of renewables. The remaining amount will be allocated over the next few years.

AES is among the top renewable operators in the United States and intends to invest at least \$3 billion for renewable projects and sustainable technologies through 2025. Recently, the sPower and AES Distributed Energy development platforms were merged to form AES Clean Energy, which will serve as the vehicle for all future renewable projects domestically and represent one of the top renewable growth platforms in the United States.

The projects financed by AES’ 2020 green bonds and other projects under development will help to meaningfully contribute to AES’ goal of reducing coal generation (MWh) to less than 10% by 2025. <sup>1</sup>

Bonds					
Issuer	CUSIP	Issue Date	Value (\$M)	Maturity Date	Coupon
The AES Corporation	00130H CD5	11/19/2020	\$800	1/15/2026	1.375%
The AES Corporation	00130H AS9	11/19/2020	\$1,000	1/15/2031	2.450%

Projects & Technologies	Type	Ownership	Location	COD/ Contribution	AES Allocation (\$M)	Installed Capacity (MW)*	2020 Production (kWh)*
Antelope (Exp. II)	Solar	50%	CA	2018	\$18.2	52.5	126,911,599
AES DE Holdings III	Solar	100%	CA, NY, RI, HI	2018	\$24.9	43	133,044,285
Green Beanworks D	Solar	50%	CA	2018	\$0.4	1.5	4,053,191
Green Beanworks B	Solar	50%	CA	2018	\$0.8	1.5	3,864,018
Simple Energy (Uplight)	Digital	32%	CO	2018	\$34.7	N/A	N/A
AES DE Holdings V	Solar/Storage	100%	HI	2018/19	\$15.0	70	38,747,642
Riverhead Solar	Solar	50%	NY	2019	\$6.9	10	15,455,884
San Pablo Raceway	Solar	50%	CA	2019	\$13.0	50	174,721,727
Uplight	Digital	32%	Various	2019	\$63.8	N/A	N/A
Six Flags Discovery	Solar	50%	CA	2019	\$0.7	3	5,457,168
AES DE Holdings VI	Solar/Storage	100%	MA, NY, RI	2019/20	\$45.0	184	110,066,931
Highlander	Solar	50%	VA	2020	\$61.5	130	14,394,900
Eastline	Solar	50%	AZ	2020	\$11.8	37.5	7,889,694
Prevailing Winds	Wind	50%	SD	2020	\$38.8	100	269,987,794
Alamitos Energy Center	Storage	65%	CA	2021	\$16.0	65	-
Salt River	Storage	65%	AZ	2020	\$1.7	6.5	11,685,477
5B	Solar EPC	25%	Australia	2020	\$5.4	N/A	N/A
Na Pua Makani	Wind	100%	HI	2021	\$128.0	28	-
				<b>Totals</b>	<b>\$486.6 M</b>	<b>783 MW</b>	<b>916,280,307 kWh</b>

Technology	Allocation	% of Total Issuance
Renewable Energy	\$388.1	21.6%
Energy Efficiency	\$98.5	5.4%
Remaining to be Allocated	\$1,313.4	73.0%

<sup>1</sup> Based on annual generation in MWh from the portfolio, as of, or expected by the relevant date adjusted for (i) (+) generation from new assets added to the portfolio and (ii)(-) actual generation from announced asset sales or retirements.

#### Additional Information:

AES Green Financing Framework -

<https://www.aes.com/sites/default/files/2021-02/AES-Green-Financing-Framework.pdf>

AES Sustainability Resources –

<https://www.aes.com/sustainability>

AES SEC Filings –

<https://www.aes.com/investors/reports-filings/sec-documents>

This Green Financing Report dated March 5, 2021 ("Report") by The AES Corporation and its subsidiaries ("AES") is provided for information purposes only pursuant to our Green Financing Framework (the "Framework") and is subject to change without notice. AES does not assume any responsibility or obligation to update or revise any statements in this document, regardless of whether those statements are affected by the results of new information, future events or otherwise. No representation or warranty, express or implied, is or will be made in relation to the accuracy, reliability or completeness of the information contained herein. No liability whatsoever is or will be accepted by AES for any loss or damage howsoever arising out of or in connection with the use of, or reliance upon, the information contained in this document.

This Framework contains forward-looking statements within the meaning of the Securities Act of 1933 and of the Securities Exchange Act of 1934. Such forward-looking statements include, but are not limited to, those related to future earnings, growth and financial and operating performance. Forward-looking statements are not intended to be a guarantee of future results, but instead constitute AES' current expectations based on reasonable assumptions. Forecasted financial information is based on certain material assumptions. These assumptions include, but are not limited to, our expectations regarding the COVID-19 pandemic, accurate projections of future interest rates, commodity price and foreign currency pricing, continued normal levels of operating performance and electricity volume at our distribution companies and operational performance at our generation businesses consistent with historical levels, as well as the execution of PPAs, conversion of our backlog and growth investments at normalized investment levels and rates of return consistent with prior experience. In addition, the results and the use of proceeds from any Green Financing could differ materially from those expressed or implied in the forward-looking statements. Actual results could differ materially from those projected in our forward-looking statements due to risks, uncertainties, and other factors. Important factors that could affect actual results are discussed in AES' filings with the Securities and Exchange Commission (the "SEC"), including, but not limited to, the risks discussed under Item 1A: "Risk Factors" and Item 7: "Management's Discussion & Analysis" in AES' 2020 Annual Report on Form 10-K and in subsequent reports filed with the SEC. Readers are encouraged to read AES' filings to learn more about the risk factors associated with AES' business. AES undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Any Stockholder who desires a copy of the Company's 2020 Annual Report on Form 10-K filed February 25, 2021 with the U.S. Securities and Exchange Commission ("SEC") may obtain a copy (excluding Exhibits) without charge by addressing a request to the Office of the Corporate Secretary, The AES Corporation, 4300 Wilson Boulevard, Arlington, Virginia 22203. Exhibits also may be requested, but a charge equal to the reproduction cost thereof will be made. A copy of the Form 10-K may be obtained by visiting the Company's website at [www.aes.com](http://www.aes.com). AES' execution of the Framework is subject to the risk that AES will be unable to execute its strategy because of economic, market or competitive conditions or other factors. AES does not undertake any obligation to publicly correct or update any forward-looking statement if AES later becomes aware that such statement is not likely to be achieved. Please consult any further disclosures AES makes on related subjects in reports to the SEC.