ASSESSMENT

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Send Your Feedback

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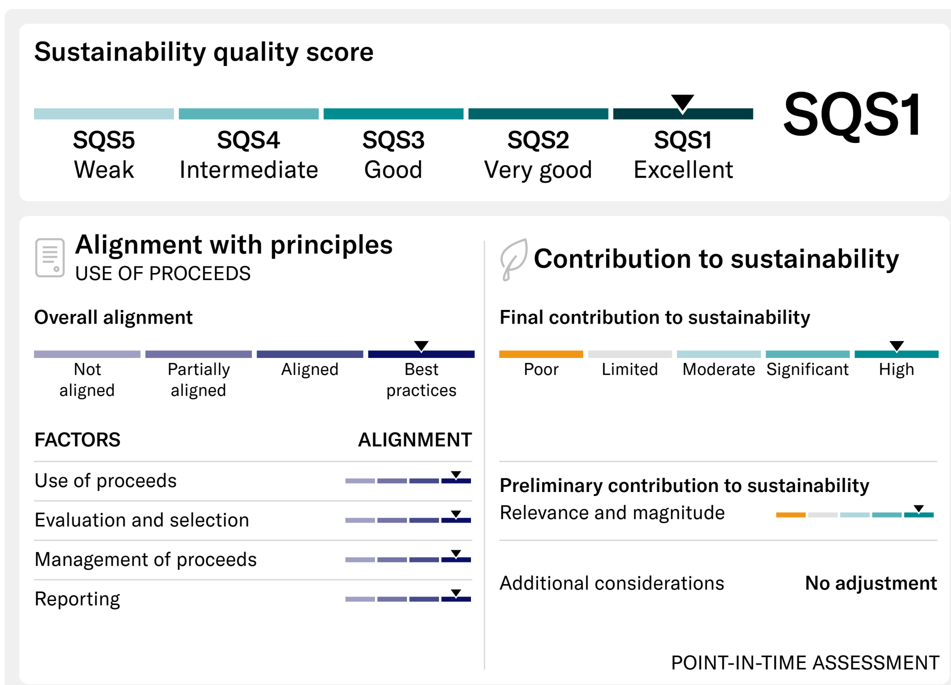
Aguas Andinas S.A.

Second Party Opinion – Sustainable Finance Framework Assigned SQS1 Sustainability Quality Score

Summary

We have assigned an SQS1 sustainability quality score (excellent) to Aguas Andinas S.A.'s (Aguas Andinas) Sustainable Finance Framework dated July 2026. The issuer has established its use-of-proceeds framework to finance projects across five eligible green categories and one eligible social category. The framework is aligned with the four core components of the International Capital Market Association's (ICMA) Green Bond Principles (GBP) 2025 and Social Bond Principles (SBP) 2025 as well as the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association's (LMA/APLMA/LSTA) Green Loan Principles (GLP) 2025 and Social Loan Principles (SLP) 2025. The issuer has also incorporated Moody's-identified best practices for all four components. The framework demonstrates a high contribution to sustainability. In addition, the framework is aligned with the International Finance Corporation's (IFC) Guidelines for Blue Finance Version 2.0.



Scope
We have provided a Second Party Opinion (SPO) on the sustainability credentials of Aguas Andinas' Sustainable Finance Framework, including its alignment with the GBP 2025 and SBP 2025 as well as the LMA/APLMA/LSTA's GLP 2025 and SLP 2025. Under its framework, Aguas Andinas plans to issue sustainable finance instruments (SFIs) to finance projects across five eligible green categories and one eligible social category, as outlined in Appendix 3 of this report.

We have also provided a supplementary opinion on the framework's alignment with the IFC's Guidelines for Blue Finance Version 2.0, published in September 2025. The assessment is solely based on information provided or confirmed by the issuer. Our supplementary opinion does not constitute a verification, certification or audit; is distinct from the alignment with principles score; and has no influence on the expressed sustainability quality score.

Our assessment is based on the last updated version of the framework received on 27 July 2026, and our opinion reflects our point-in-time assessment[1] of the details contained in this version of the framework, as well as other public and non-public information provided by the issuer.

We produced this SPO based on our Assessment Framework: Second Party Opinions on Sustainable Debt, published in October 2025.

Issuer profile
Aguas Andinas is a water sanitation company based in Santiago, Chile. It was founded in 1861 and currently supplies water services to approximately eight million people. The issuer is involved in delivering potable water, sewage and wastewater treatment services to residential, commercial and industrial customers in Chile. The concession areas of Aguas Andinas and its subsidiaries, Aguas Cordillera and Aguas Manquehue, cover 49 municipalities in the metropolitan region of Santiago.

Strengths
» Environmental projects largely reflect best-in-class attributes and align with the issuer's sustainability targets

» The decision-making process around project eligibility is clearly defined and detailed, and includes relevant expertise

» Reporting on proceeds allocation and sustainable benefits will be externally verified

» Experienced sustainable bond issuer with a track record of issuing labeled bonds and reporting under its framework

Challenges
» Inclusion of equity investments in pure play companies, albeit with sufficient mitigants in place, introduces potential challenges with respect to tracking of proceeds and reporting

Alignment with principles

Aguas Andinas' sustainable finance framework is aligned with the four core components of the ICMA's GBP 2025 and SBP 2025, as well as the LMA/APLMA/LSTA's GLP 2025 and SLP 2025. For a summary alignment with principles scorecard, please see Appendix 1. Additionally, the framework is aligned with the IFC's Blue Finance Guidelines v2.0 as detailed in Appendix 4 of this report.

- ☑ Green Bond Principles (GBP)
- ☑ Green Loan Principles (GLP)
- ☑ Social Bond Principles (SBP)
- ☑ Social Loan Principles (SLP)
- ○ Sustainability-Linked Bond Principles (SLBP)
- ○ Sustainability Linked Loan Principles (SLLP)

Use of proceeds

Not aligned	Partially aligned	Aligned	Best practices ▼

Clarity of the eligible categories – BEST PRACTICES

The issuer has clearly communicated the nature of the expenditures, the eligibility and exclusion criteria for financed projects and the location of projects for all of the eligible categories. The framework has six eligible categories and the eligibility criteria is clearly defined for all projects categories. The target population for the social category is also clearly defined. Projects will be located in the metropolitan region of Santiago, Chile.

Eligible expenditures under the framework may include equity investments in pure play companies which derive 90% or greater of their revenues from business activities aligned with the eligibility criteria in the issuer's framework. The inclusion of equity investments in sustainable bond frameworks potentially introduces certain challenges in terms of traceability of proceeds, adherence to sustainability objectives, value discrepancies, impact reporting and an increased risk of double counting. However, based on information provided by the issuer, we believe there are sufficient mitigation measures in place to consider these equity investments aligned with the relevant principles.

We note that Aguas Andinas has established measures to ensure that its equity investments remain aligned with the sustainability objectives set out in its framework. The issuer has indicated that investments will be directed toward pure-play entities in which it will hold a controlling position, enabling it to leverage its operational expertise to strengthen performance metrics, including water and energy efficiency, where relevant. In addition, the issuer's reporting practices will mirror the level of detail presented in its current integrated reporting, thereby ensuring transparent disclosure of the environmental performance of acquired assets and their evolution over time. The issuer has also shared details about how it intends to manage potential challenges associated with double counting and value discrepancy risks.

Clarity of the environmental or social objectives – BEST PRACTICES

The issuer has clearly outlined the environmental and social objectives for all categories. All eligible categories are relevant to their respective environmental and social objectives. The issuer has referenced the UN Sustainable Development Goals (SDGs) in defining its objectives, and the objectives are coherent with this standard (see Appendix 2). In addition, the issuer has referenced objectives to promote a blue economy established in the IFC's Guidelines for Blue Finance v2.0.

Clarity of expected benefits – BEST PRACTICES

The issuer has identified clear expected environmental or social benefits for all categories and they are relevant based on the projects likely to be financed in each category. The benefits are measurable for all categories and will be quantified in post-issuance reporting. The issuer has committed to disclose the share of refinancing with investors before each issuance. The issuer has stated a look back period of 36 months or less in its framework.

Process for project evaluation and selection

Not aligned	Partially aligned	Aligned	Best practices ▼

Transparency and clarity of the process for defining and monitoring eligible projects – BEST PRACTICES
Aguas Andinas has established a dedicated governance structure for the selection, evaluation and ongoing oversight of assets financed under its sustainable-labeled bond program. The issuer has formed a Green and Social Financing Committee (Committee), which works in coordination with the Expenditure Committee to review all assets proposed for inclusion and to oversee the management and allocation of proceeds from the SFIs. The Committee is composed of eight members drawn from different business areas, reflecting a cross-functional approach to project selection. In case a project is considered no longer eligible by the Committee, proceeds will be reallocated within 12 months.

The issuer applies its Integrated Management Policy to all eligible projects, which includes the analysis of relevant environmental and social factors related to the projects, ensuring consistent adherence to environmental and social risk criteria throughout project evaluation and selection.

Management of proceeds

Not aligned	Partially aligned	Aligned	Best practices ▼

Allocation and tracking of proceeds – BEST PRACTICES
Aguas Andinas has defined a clear process for the management and allocation of bond proceeds in its framework. The Treasury and Corporate Finance team will oversee the management of net proceeds and their proper linkage to eligible assets, while also ensuring that they meet the criteria outlined under the Sustainable Finance Framework.

The issuer commits to adjust the balance of proceeds at least annually. The proceeds will be allocated to eligible assets within 24 months, in line with market best practice. Unallocated proceeds will be invested in cash, short-term deposits or low-risk money market instruments, in accordance with Aguas Andinas' financial risk policies. Also, the issuer pledges that temporarily unallocated proceeds will not be invested in controversial activities.

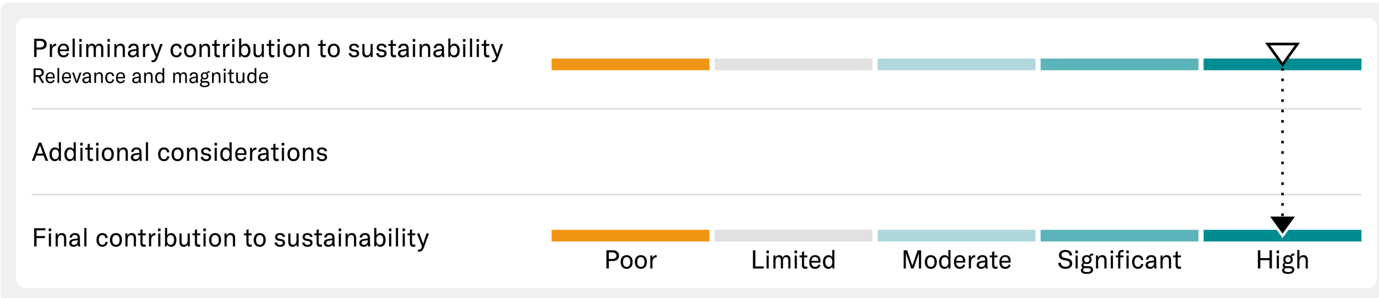
Reporting

Not aligned	Partially aligned	Aligned	Best practices ▼

Reporting transparency – BEST PRACTICES
Aguas Andinas will provide annual reporting on the allocation of proceeds from SFIs issued under the framework until all funds have been fully allocated. Relevant impact indicators will also be disclosed during the life of the SFI through the issuer's annual integrated report, which will be publicly accessible on its investor relations website. Reporting will cover the updated description of eligible green and social projects, the allocation of proceeds by project, the share of refinancing, the balance of unallocated proceeds, any ESG-related controversies associated with the asset portfolio, and the corresponding environmental and social impact performance indicators. The issuer has committed to disclose the methodologies used for calculating these indicators. It has also committed to obtaining external verification of the tracking and allocation of proceeds, as well as of impact indicators, until full allocation is achieved.[2] Favorably, Aguas Andinas is an experienced sustainable finance issuer and has consistently delivered timely annual post-issuance reporting aligned with the commitments set out in its prior sustainable finance framework. This established track record indicates a strong likelihood of continued timely and reliable reporting for future issuances.

Contribution to sustainability

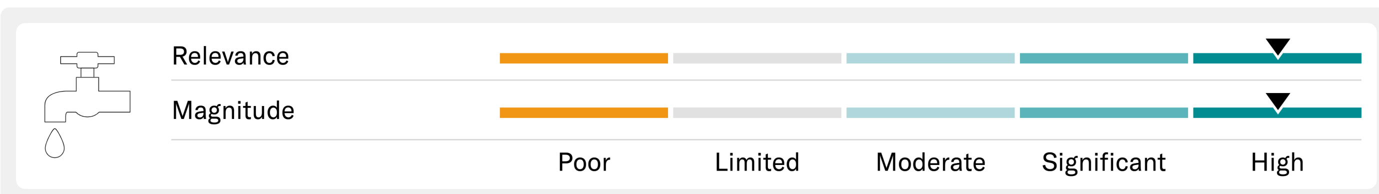
The framework demonstrates a high overall contribution to sustainability. This reflects a preliminary contribution to sustainability score of high, based on the relevance and magnitude of the eligible project categories, and we have not made an adjustment to the preliminary score based on additional contribution to sustainability considerations.



Preliminary contribution to sustainability

The preliminary contribution to sustainability is high, based on the relevance and magnitude of the eligible project categories. Based on information provided by the issuer, most of the proceeds are likely to be allocated toward the sustainable water and wastewater management category, and therefore, we have assigned a higher weight to this category in our overall score. A detailed assessment by eligible category has been provided below.

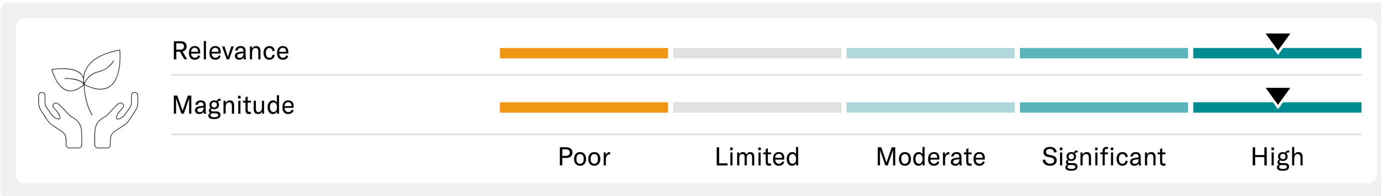
Sustainable water and wastewater management



The relevance of this category is high, as it addresses the core business priority for the company. Untreated or insufficiently treated sewage can introduce harmful pathogens into the environment, creating material risks to human health and degrading surrounding ecosystems.[3] Investments that expand or enhance wastewater treatment therefore play a central role in preventing water pollution, protecting aquatic biodiversity, and maintaining ecosystem resilience. At the same time, improving the efficiency of potable water supply systems is essential to ensuring the sustainable provision of an increasingly scarce resource, particularly as climate change and population growth intensify pressure on water availability.[4]

The magnitude of this category is high, reflecting that eligible expenditures across both water supply and wastewater operations will support and enhance the current operational performance of the issuer, which is consistent with stringent market standards. In its water supply business, the issuer demonstrates strong energy efficiency, operating with electricity consumption below 0.5 kilowatt-hour (kWh) per cubic meter of water produced, as referenced by the EU Taxonomy thresholds for water supply activities, while more than 80% of the electricity used in these operations is sourced from renewable energy, which is in line with the Chilean Taxonomy. The issuer also exhibits relevant water efficiency performance, reporting physical losses of 23.3% as of 2024, which is substantially below rates observed in comparable utilities in Latin America.[5] On the wastewater side, the issuer follows circular economy practices by recovering biogas and treating methane emissions at its treatment plants, which supports energy recovery, avoids additional greenhouse gas emissions and generates by-products that can be used in agriculture, thereby enhancing the overall environmental benefits of its wastewater management activities.

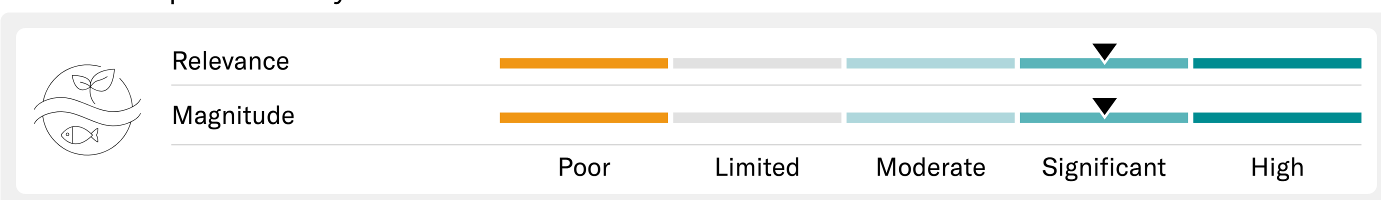
Climate change adaptation



The category is highly relevant given the material physical climate risks facing central Chile. Since 2010, the region has experienced a prolonged drought that has sharply reduced water availability for households, agriculture and ecosystems.[6] Projections indicate that most basins in central Chile will face persistently high or extreme water stress by mid-century as chronic drought conditions converge with rising consumption.[7] At the same time, acute climate-related hazards are intensifying. For example, extreme turbidity events in the Maipo River, which is critical for potable water production in the region, have increased substantially over the past decade,[8] constraining the ability to treat and deliver safe drinking water.

The magnitude of the category is high, reflecting the issuer's long-standing and effective track record in strengthening resilience, coupled with the adoption of some best-in-class climate risk management practices. Over the past decade, Aguas Andinas has materially increased the system's autonomy in response to rising turbidity events in the Maipo River, expanding autonomy capacity from four hours to 37 hours, which demonstrates the effectiveness of prior investments. The issuer has also embedded robust forward-looking practices, including long-term scenario analysis aligned with Intergovernmental Panel on Climate Change's (IPCC) pathways and the promotion of nature-based solutions to address evolving climate risks, which are aligned with practices established in stringent international standards.

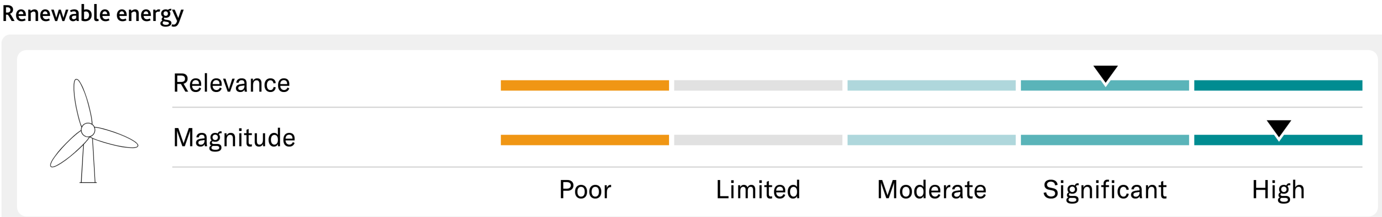
Terrestrial and aquatic biodiversity conservation



The relevance of this category is significant. Effective land-use and water management practices help prevent contamination of water sources and contribute to healthier natural habitats. Within its sanitation operations, the issuer manages reservoirs that also function as ecosystems for local flora and fauna. While biodiversity protection is an important consideration for the water sector overall, the issuer's direct exposure to wildlife-related risks is not high in the local context.

The magnitude of this category is significant. The issuer will finance activities that regenerate, conserve, protect and compensate biodiversity across priority sites identified within its area of influence. The issuer has reported relevant outcomes of these actions, including information on native flora and fauna, the extent of areas covered and engagement with key stakeholders such as local communities, non-governmental organizations and private sector partners. These initiatives indicate a structured and proactive approach to biodiversity stewardship. Nevertheless, despite these positive practices, we have limited visibility into the extent of future net biodiversity gains of the projects to be financed, which constrains our ability to assign a higher score.

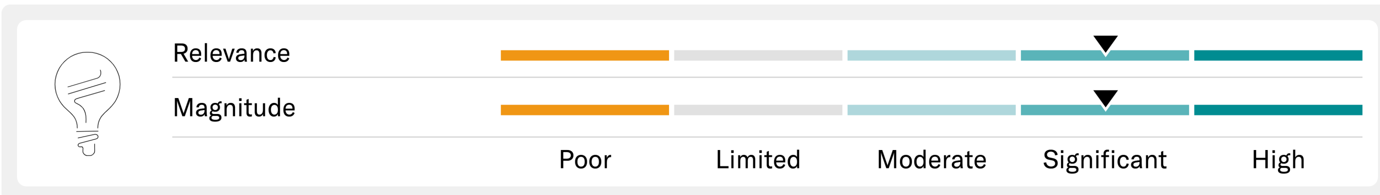
Renewable energy



The relevance of this category is significant. Water and wastewater utilities are intrinsically energy-intensive, relying on electricity across treatment, pumping and distribution processes.[9] Therefore, increasing renewable energy use typically contributes to reducing operational emissions and supporting climate-mitigation goals. However, since the issuer's primary environmental challenge is water management given the ongoing drought conditions in locations where the company operates, we consider that renewable energy projects are not responding to the most pressing environmental challenge facing the company.

The magnitude of this category is high. The issuer expects to finance different type of projects, including bioenergy generation within its biofactories, on-site solar panel installations and small hydropower units, which are considered best-in-class solutions. Most proceeds are likely to be directed toward biofactory-based bioenergy projects, which will enable electrical co-generation and self-consumption, significantly reducing reliance on grid electricity and contributing to the avoidance of GHG emissions across operations. While the issuer also may include renewable energy power purchase agreements (PPAs), which may not be the most direct means to expand renewable energy, in this category, we note that these will be long term (> five years) and represent a minority of expected proceeds allocation for this category.

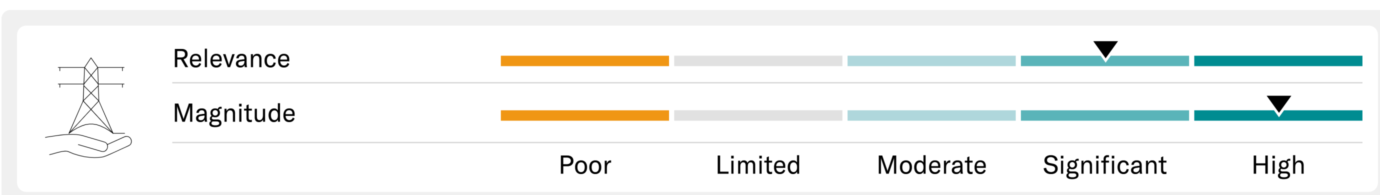
Energy efficiency



The relevance of this category is significant. Globally, water and sanitation companies consume an estimated 4% of total electricity production, yet as much as four-fifths of that energy is lost between treatment plants and end users.[10] Investments that improve system efficiency can therefore materially lower operational emissions. Nevertheless, as in the renewable energy category, we consider that energy efficiency projects are not as relevant to the issuer as water use efficiency projects given the local context.

The magnitude of the category is significant. As mentioned in the sustainable water and wastewater management category, Aguas Andinas already operates with energy performance levels that exceed stringent international standards. Expenditures under this category are expected to help maintain or further enhance the issuer's strong energy efficiency across operations. However, the overall magnitude score is constrained by limited visibility on the full extent of benefits, given the absence of minimum threshold criteria for eligible projects under this category.

Affordable basic infrastructure



The relevance of this category is significant. Access to water and sanitation is essential for eradicating poverty and promoting prosperous societies.[11] According to the 2024 Chilean census, approximately 98% of households in the Metropolitan Region of Santiago, Aguas Andinas' primary service area, have access to the formal water network, indicating widespread coverage of water and sanitation services.[12] However, a number of communities still lack access to potable water, underscoring the continued need for targeted initiatives to address remaining service gaps.

The magnitude is high, reflecting the issuer's strong focus on narrowing service gaps for underserved communities. While Aguas Andinas primarily serves the general population, planned eligible projects are expected to mostly finance projects that support its gaps management strategy, which is focused on the most vulnerable population. Initiatives may include expenditures related to supporting rural drinking water systems, connections for new social housing, case-specific solutions for vulnerable families, among others. In addition, as outlined under the sustainable water and wastewater management category, the issuer's strong environmental performance helps mitigate potential environmental risks associated with providing these essential services.

Additional contribution to sustainability considerations

We have not made an adjustment to the preliminary contribution to sustainability score based on additional considerations.

The issuer has a robust due diligence process to identify and manage environmental and social risks associated with the financed projects. The issuer's environmental management system is ISO 14001 certified. Furthermore, the issuer's integrated management policy lists among its priorities the protection of the environment and biodiversity, the responsible use of natural resources and the adoption of circular economy practices. To prevent polluting events or other negative environmental impacts, all facilities have a matrix prepared according to an internal procedure for the identification and evaluation of environmental aspects. All the elements that interact with the environment are determined and evaluated, and mitigation measures are designed. This process is detailed in the issuer's environmental compliance policy.

The framework is coherent with the sustainability strategy of the issuer. Aguas Andinas' sustainable finance framework is in line with the issuer's long-term strategy set in its 2024-2030 strategy. Some of the issuer's environmental objectives include reducing water losses in operations, promoting circular economy practices and increasing the integration of biodiversity practices.

Appendix 1 - Alignment with principles scorecard for Aguas Andinas' sustainable finance framework

Factor	Sub-factor	Component	Component score	Sub-factor score	Factor score
Use of proceeds	Clarity of the eligible categories	Nature of expenditure	A	Best practices	Best practices
		Definition of content, eligibility and exclusion criteria for nearly all categories	A		
		Location	A		
		BP: Definition of content, eligibility and exclusion criteria for all categories	Yes		
	Clarity of the objectives	Relevance of objectives to project categories for nearly all categories	A	Best practices	
		Coherence of project category objectives with standards for nearly all categories	A		
		BP: Objectives are defined, relevant and coherent for all categories	Yes		
	Clarity of expected benefits	Identification and relevance of expected benefits for nearly all categories	A	Best practices	
		Measurability of expected benefits for nearly all categories	A		
		BP: Relevant benefits are identified for all categories	Yes		
		BP: Benefits are measurable for all categories	Yes		
		BP: Disclosure of refinancing prior to issuance and in post-allocation reporting	Yes		
		BP: Commitment to communicate refinancing look-back period prior to issuance	Yes		
Process for project evaluation and selection	Transparency and clarity of the process for defining and monitoring eligible projects	Clarity of the process	A	Best practices	Best practices
		Disclosure of the process	A		
		Transparency of the environmental and social risk mitigation process	A		
		BP: Monitoring of continued project compliance	Yes		
Management of proceeds	Allocation and tracking of proceeds	Tracking of proceeds	A	Best practices	Best practices
		Periodic adjustment of proceeds to match allocations	A		
		Disclosure of the intended types of temporary placements of unallocated proceeds	A		
		BP: Disclosure of the proceeds management process	Yes		
		BP: Allocation period is 24 months or less	Yes		
Reporting	Reporting transparency	Reporting frequency	A	Best practices	Best practices
		Reporting duration	A		
		Report disclosure	A		
		Reporting exhaustivity	A		
		BP: Allocation reporting at least until full allocation of proceeds, and impact reporting until full bond maturity or loan payback	Yes		
		BP: Clarity and relevance of the indicators on the sustainability benefits	Yes		
		BP: Disclosure of reporting methodology and calculation assumptions	Yes		
		BP: Independent external auditor, or other third party, to verify the tracking and allocation of funds	Yes		
		BP: Independent impact assessment on environmental and social benefits	Yes		
Overall alignment with principles score:					**Best practices**

Legend: BP - Best practice, A - Aligned, PA - Partially aligned, NA - Not aligned

Appendix 2 - Mapping eligible categories to the United Nations' Sustainable Development Goals

The six eligible categories included in Aguas Andinas' framework are likely to contribute to five of the United Nations' Sustainable Development Goals, namely:

UN SDG 17 Goals		SDG Targets
GOAL 3: Good Health and Well-being	*- Sustainable Water and Wastewater Management* *- Affordable Basic Infrastructure*	3.9: Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution
GOAL 6: Clean Water and Sanitation	*- Sustainable Water and Wastewater Management* *- Affordable Basic Infrastructure*	6.1: Achieve universal and equitable access to safe and affordable drinking water for all
		6.2: Achieve access to adequate sanitation and hygiene for all and end open defecation
		6.3: Improve water quality by reducing pollution, eliminating dumping and minimizing hazardous chemicals and materials
		6.4: Increase water-use efficiency across all sectors and ensure sustainable supply of freshwater to reduce water scarcity
GOAL 7: Affordable and Clean Energy	*- Renewable Energy* *- Energy Efficiency*	7.2: Increase substantially the share of renewable energy in the global energy mix
		7.3: Double the global rate of improvement in energy efficiency
GOAL 13: Climate Action	*- Climate change adaptation*	13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
GOAL 14: Life Below Water	*- Terrestrial and Aquatic Biodiversity Conservation*	14.2: Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts

The United Nations' Sustainable Development Goals mapping in this SPO considers the eligible project categories and associated sustainability objectives/benefits documented in the issuer's financing framework, as well as resources and guidelines from public institutions, such as the ICMA SDG Mapping Guidance and the UN SDG targets and indicators.

Appendix 3 - Summary of eligible categories in Aguas Andinas' framework

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Sustainable Water and Wastewater Management	Investments and expenditure in planning, development, operation, maintenance, enhancement, installation, expansion, acquisition and retrofitting of sustainable water and sewage management systems and technologies, including: **Potable Water** - Infrastructure or drinking water treatment systems that improve, maintain or monitor water quality. - Optimization and efficiency programs that reduce water footprint in the distribution and consumption of water in operations, production facilities, and offices. - Sustainable water supply infrastructure (e.g. abstraction and treatment) that would allow a significant reduction of the volume of water abstracted to satisfy a defined demand. - Smart system water meters and tools for pressure identification and/or leaks. **Wastewater Treatment** - Infrastructure to collect and treat sewage. - Wastewater/sewage treatment and recovery plants and related infrastructure. - Urban drainage systems. **Water Infrastructure** - Water recycling and reuse infrastructure. - Water supply/storage infrastructure to recharge water, recover water bodies/tables, rainwater catchment systems.	Sustainable water management	- Number of water connections (absolute number) - Number of sewage connections (absolute number) - Energy use (kWh) - Volume of water saved (m3) - Autonomy of networks (hours) - Nitrogen concentration (mg/L) - Volume of treated water (m^3/year) - Volume of treated effluent (m^3/year) - Number of customers served by the water supply / operations
Climate Change Adaptation	Investments and expenditures in infrastructure designed to increase resilience and improve customer reliability, as well as mitigating impacts from climate change, such as severe climatic events, including more frequent and intense flooding, drought, heat waves, as well as other impacts and changes in climate patterns including: - Technology and infrastructure to diversify water supplies and increase water security such as expanding groundwater extraction via networks of wells and artificial aquifer recharge projects to store excessive water underground. - Direct connection from the main raw water reservoir of the metropolitan region to the water treatment plants.	Resilience to climate change	- Autonomy of network (hours) - Total invested in infrastructure to increase resilience (USD/year) - Days of water or sewage operation interrupted due to floods (days) - Number of monitoring or alert systems installed (number)
Terrestrial and Aquatic Biodiversity Conservation	Investments and expenditure for sustainable management and restoration of natural ecosystems, including: - Conservation and management projects to restore or maintain catchment systems (rivers, lakes, streams, dams, groundwater and springs) to improve the quality of the environment and water. - Projects for the conservation and restoration of forests, riparian vegetation and wetlands to maintain water quality and quantity and to prevent flooding and promote biodiversity.	Biodiversity conservation	- Area managed under conservation (ha) - Reafforested and/or recovered area (ha)

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Renewable Energy	Investments and expenditure in the generation, design, development, construction, operation, distribution, maintenance and/or purchase of renewable energy and related infrastructure including: - Long-term power purchase agreements (PPAs) of at least 5 years from solar, wind, small-scale hydropower. - Electrical cogeneration and self-consumption through biogas treated in biofactories.	Climate change mitigation	- Share of total electricity consumption from renewable sources (%) - Annual renewable energy consumed/generated (kWh) - Annual GHG emissions reduced/avoided (tons of CO2 equivalent)
Energy Efficiency	Investments and expenditures in activities, equipment, technology, and other products or projects that increase energy efficiency, reduce energy consumption, or reduce GHG emissions, or projects that help manage and store energy including: - Application of LED lighting fixtures, HVAC optimization, building upgrades, heat recovery systems, vacuum distillation. - The company is managing the conversion of certain assets, particularly wells (which are among its highest electricity consumers), into a free-market energy customer. The goal is to negotiate renewable energy contracts with more favorable terms.	Climate change mitigation	- Annual energy savings (MWh/GWh) - Annual GHG emissions reduced/avoided (tons of CO2 equivalent)
Affordable Basic Infrastructure	Investments and expenditure in construction, development, renewal, maintenance and/or expansion of facilities, systems, services, and programs that improve access to drinking water and sanitation systems for low-income populations, populations living in a situation of social vulnerability, or populations in risk of being affected by a natural hazard including: - Expansion of systems located in select locations. - Building works to prevent widespread service outages and ensure the continuity of drinking water supply and access.	Access to water services	- Population and/or households served by operations

Appendix 4 - Alignment with the IFC's Blue Finance Guidelines v2.0

Aligned

We have provided a supplementary opinion on the framework's alignment with the IFC's Blue Finance Guidelines v2.0, published in September 2025, as defined in the Scope section of this report. This Appendix covers the requirements in IFC's Blue Finance Guidelines v2.0 that extend beyond the requirements in the GBP (the requirements). Commensurate requirements that exist in both have been assessed in the Alignment with Principles section of this report.

As detailed below, we consider the framework to be aligned with the IFC's Blue Finance Guidelines v2.0.

Use of proceeds

» In line with the requirements, the issuer has committed to labeling only those green bonds that are exclusively earmarked for critical freshwater resources protection and ocean-related projects as "blue bonds."

» In its framework, the issuer has clearly identified and defined clear eligibility criteria for blue eligible projects, contributing to SDG 6 and SDG 14 across two eligible categories.

» Nonetheless, it is important to acknowledge that while certain initiatives classified under sustainable water and wastewater management may support projects aimed at enhancing water savings, the issuer has not established the minimum threshold of 10% as recommended by the IFC's Blue Finance Guidelines v2.0. Nevertheless, we consider that the projects will contribute to maintain and enhance the current water efficiency performance of the issuer, aiming to a general reduction of leakages in the network.

Exclusion criteria

» In line with the requirements, the proceeds of blue bonds/loans will not be allocated to projects that meet the illustrative exclusionary criteria referenced in the IFC's Blue Finance Guidelines v2.0.

» Blue projects listed in Aguas Andinas' framework are subject to the exclusion list presented in the framework. Eligible blue projects are not expected to affect social or environmental progress, including alignment with the Paris Agreement, as outlined in the IFC's Blue Finance Guidelines v2.0.

Identification and management of material ESG risks

» In line with the requirements, the issuer has adequate measures in place to identify, manage and monitor material E&S risks associated with the selected projects.

» As mentioned in the E&S risk management analysis, the issuer has a formal risk management process to identify, assess and mitigate E&S impacts from eligible projects, including projects in blue eligible categories.

Endnotes

1 Point-in-time assessment is applicable only on date of assignment or update.

2 We note that Aguas Andinas had previously committed to obtain external verification for proceeds allocation, but such reviews were not conducted for transactions that involved only refinancing. The company has clarified that it commits to obtaining external verification for both eligible financing and refinancing moving forward.

3 Sigma Earth, Sustainable Wastewater Management Practices For A Water-Resilient Future, May 2025.

4 Biblioteca del Congreso Nacional de Chile, Aspectos técnicos y experiencia extranjera en materia de Eficiencia Hídrica, July 2020.

5 CAF, ¿Qué tan eficiente es el suministro de agua en América Latina?

6 Universidad de Chile, Adaptacion al cambio climatico y la sequia en Aconcagua, 2025.

7 Center for Climate and Resilience Research, Water Crisis in Chile: Are We Close to Day Zero?, April 2024.

8 Center for Climate and Resilience Research, De agua a chocolate: Efectos del cambio climatico sobre la turbidez del rio Maipo, July 2022.

9 MDPI, Energy Consumption in Water/Wastewater Treatment Industry—Optimisation Potentials, March 2023.

10 World Bank Group, Latin America: Why are water companies trying to save energy?

11 United Nations Human Rights, OHCHR and the rights to water and sanitation

12 Instituto Nacional de Estadisticas, Resultados censo 2024.

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