

# Board of Directors

## CH

### CHAIRMAN

#### Mr. Herman Chadwick Piñera

ID number: 4,975,992-4\*  
 Profession: Graduate of Legal and Social Sciences (Lawyer)  
 Pontificia Universidad Católica de Chile  
 Elected last: April 25, 2018  
 Took Board position: April 28, 2016

## D

### DIRECTOR

#### Mr. Giulio Fazio

ID number: YA 4656507\*  
 Profession: Graduate of Legal and Social Sciences (Lawyer)  
 Universidad de los Estudios de Palermo  
 Elected last: April 25, 2018  
 Took Board position: April 28, 2016

### DIRECTOR

#### Mr. Salvatore Bernabei

ID number: YB 0600187\*  
 Profession: Industrial Engineer  
 Università degli Studi di Roma Tor Vergata  
 Master's in Business Administration  
 Politécnica di Milano  
 Elected last: April 25, 2018  
 Took Board position: April 28, 2016

### DIRECTOR

#### Mr. Fernán Gazmuri Plaza

ID number: 4,461,192-9\*  
 Profession: Commercial Engineer  
 Pontificia Universidad Católica de Chile  
 Elected last: April 25, 2018  
 Took Board position: April 28, 2016

### DIRECTOR

#### Mr. Daniele Caprini

ID number: YA9188092\*  
 Profession: Graduate of Economics  
 Università degli Studi di Siena  
 Master's in Business Administration  
 Universidad de LUISS-Rome  
 Elected last: April 25, 2018  
 Took Board position: March 1, 2018

### DIRECTOR

#### Mr. Juan Gerardo Jofré Miranda

ID number: 5,672,444-3\*  
 Profession: Commercial Engineer  
 Pontificia Universidad Católica de Chile  
 Elected last: April 25, 2018  
 Took Board position: April 28, 2016

### DIRECTOR

#### Mr. Pablo Cabrera Gaete

ID number: 4,774,797-K\*  
 Profession: Graduate of Legal and Social Sciences (Lawyer)  
 Pontificia Universidad Católica de Chile  
 Diplomat  
 Academia Diplomática Andrés Bello  
 Elected last: April 25, 2018  
 Took Board position: April 28, 2016

(\* ID number: The respective identification document of Messrs. Chadwick, Gazmuri, Jofré and Cabrera is the taxpayer identification document (RUT, in its Spanish acronym) and for Messrs. Caprini, Barnebei and Fazio it is the passport.

For further detail on the experience of Board members please refer to Enel Chile corporate website.  
<https://www.enel.cl/en/meet-enel/board-of-directors-enel-chile.html>

# Board Diversity

Number of people by gender:	
Female	0
Male	7
<b>Total</b>	<b>7</b>

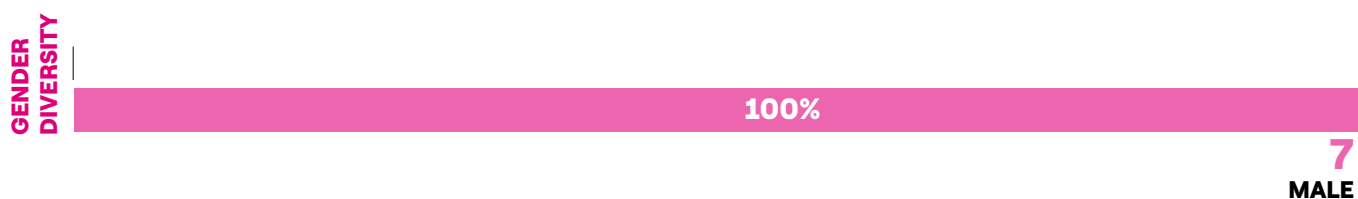
  

Number of people by nationality:	
Chilean	4
Italian	3
<b>Total</b>	<b>7</b>

Number of people by age group:	
Between 41 and 50	3
Between 51 and 60	0
Between 61 and 70	0
More than 70	4
<b>Total</b>	<b>7</b>

Number of people by years of service:	
Less than 3 years	2
From 3 to 12 years	5
More than 12 years	0
<b>Total</b>	<b>7</b>



## Independent board members

The Chilean Corporations Law 18,046 does not include a definition for independent board member, but Article 50 bis of the Law does establish criteria to define a non-independent board member. It states that any individual that has intervened in any of the following situations over the past 18 months is not considered independent:

- 1) Has had a material relationship, interest, or economic dependence, either professional, financial, or commercial with the Company, other companies that belong to the same Group, its parent company or with the executives of any of such companies, or that has been a board member, officer, manager, key executive, or advisor of such companies.
- 2) Has been a relative up to the second degree of consanguinity or affinity with the individuals identified in the previous numeral.
- 3) Has been a board member, officer, manager, or key executive of nonprofit organizations that have received material contributions or donations from the individuals identified in numeral 1).
- 4) Has been a partner or shareholder holding or controlling, either directly or indirectly, 10% or more of equity; board members, officers, managers, or key executives of consulting or legal firms that have provided services, for significant amounts, to the Company, or have provided external auditing services to individuals identified in numeral 1).
- 5) Has been a partner or shareholder holding or controlling, either directly or indirectly, 10% or more of equity; board members, officer, managers or key executives of the Company's main competitors, suppliers, or customers.

Based on this criteria, Messrs. Fernán Gazmuri Plaza, Pablo Cabrera Gaete and Gerardo Jofré Miranda are Independent Board Members.

## Board of Directors' and Directors' Committee Compensation

Under Article 33 of Law 18,046, the Chilean Corporations Law, Board of Directors' compensation is determined annually by the Ordinary Shareholders' Meeting. Compensation for Enel Chile Board of Directors and Directors' Committee for 2020 was approved by the [Ordinary Shareholders' Meeting held on April 29, 2020](#).

Board member compensation is a monthly amount paid to each director. A portion of such monthly payment is unconditional and equal to UF 216 and the remaining portion depends on the number of Board meetings attended. Each Board member receives an additional UF 79.2 per session attended with a maximum of 16 sessions in total, either ordinary or extraordinary, within the respective fiscal year.

If a director of Enel Chile S.A. participates in the Board of more than one subsidiary or affiliate company or is a director of other companies or legal entities in which Enel Chile S.A. has any direct or indirect shareholding, the individual may only receive a remuneration in one of such Board of Directors. The executives of Enel Chile S.A. and/or its subsidiaries or affiliate companies that hold a Board position in any Enel Chile S.A. subsidiary, affiliate company or investee will not receive compensation for such board position. However, officers may receive such remuneration when previously and expressly authorized as an advance payment of the variable component of such executive's salary as an employee of the respective company.

The compensation of the Directors' Committee is a monthly payment that includes an unconditional amount equal to UF 72 and an additional UF 26.4 per session attended with a maximum of 16 sessions in total, either ordinary or extraordinary, within each fiscal year.

Total Board compensation during 2020 amounted to Ch\$ 623,753,174 and is detailed in the following table.

#### BOARD OF DIRECTORS' COMPENSATION IN 2020

Figures in Ch\$							
Name	Position	Fixed Compensation	Ordinary and Extraordinary sessions	Committee's fixed compensation	Committee's Ordinary and Extraordinary sessions	Variable Compensation <sup>(2)</sup>	Total 2020
Herman Chadwick Piñera	Chairman	148,808,267	59,109,458	-	-	-	207,917,725
Giulio Fazio <sup>(1)</sup>	Director	-	-	-	-	-	-
Salvatore Bernabei (1)	Director	-	-	-	-	-	-
Daniele Caprini (1)	Director	-	-	-	-	-	-
Fernán Gazmuri Plaza	Director	74,404,133	29,554,729	24,801,378	9,851,576	-	138,611,816
Juan Gerardo Jofré Miranda	Director	74,404,133	29,554,729	24,801,378	9,851,576	-	138,611,816
Pablo Cabrera Gaete	Director	74,404,133	29,554,729	24,801,378	9,851,576	-	138,611,816
<b>Total</b>		<b>372,020,667</b>	<b>147,773,645</b>	<b>74,404,133</b>	<b>29,554,729</b>	<b>-</b>	<b>623,753,174</b>

(1) Mr. Giulio Fazio, Salvatore Bernabei and Daniele Caprini waived their compensation for being executives of the Enel SpA Group.

(2) Variable compensation is no longer part of board member compensation.

The total compensation expense for 2019 was Ch\$ 616,818,797 and is detailed in the following table.

#### BOARD OF DIRECTORS' COMPENSATION IN 2019

Figures in Ch\$							
Name	Position	Fixed Compensation	Ordinary and Extraordinary sessions	Committee's fixed compensation	Committee's Ordinary and Extraordinary sessions	Variable Compensation <sup>(2)</sup>	Total 2019
Herman Chadwick Piñera	Chairman	144,511,517	61,838,829	-	-	-	206,350,346
Giulio Fazio <sup>(1)</sup>	Director	-	-	-	-	-	-
Salvatore Bernabei <sup>(1)</sup>	Director	-	-	-	-	-	-
Daniele Caprini <sup>(1)</sup>	Director	-	-	-	-	-	-
Fernán Gazmuri Plaza	Director	72,255,758	30,919,415	24,085,253	9,562,391	-	136,822,817
Juan Gerardo Jofré Miranda	Director	72,255,758	30,919,415	24,085,253	9,562,391	-	136,822,817
Pablo Cabrera Gaete	Director	72,255,758	30,919,415	24,085,253	9,562,391	-	136,822,817
<b>Total general</b>		<b>361,278,792</b>	<b>154,597,073</b>	<b>72,255,758</b>	<b>28,687,173</b>	<b>-</b>	<b>616,818,797</b>

(1) Mr. Giulio Fazio, Salvatore Bernabei and Daniele Caprini waived their compensation for being executives of the Enel SpA Group.

(2) Variable compensation is no longer part of board member compensation.

## Incentive plans

Director's compensation for 2020 and 2019 did not include an incentive plan.

## Board of Directors' consulting expenses

The Board of Directors did not spend on consulting services in 2020 or 2019.



## Board of Director Effectiveness

### Meeting with Internal Audit Department

The Board of Directors meets with the Internal Audit Department quarterly to analyze the Annual Audit Plan, monitor action plans, examine the effectiveness of the Company's Crime Prevention Model implemented according to the provisions of Law 20,393, in addition to other matters detailed in the Ethics and Transparency section of this Annual Report. This quarterly meeting is also the instance to analyze potential Internal Control and Risk Management deficiencies and additionally control the implementation of the recommendations and improvement plans to mitigate the risks inherent to Company processes and operations.

### Meeting with External Auditors

The Board of Directors meets with the External Auditors quarterly to examine audit plan issues and other matters, in compliance with the voluntary business practice established by General Norm ("NCG" in its Spanish acronym) 385 issued by the Financial Market Commission, ("CMF" in its Spanish acronym)

### Meeting with Sustainability Department

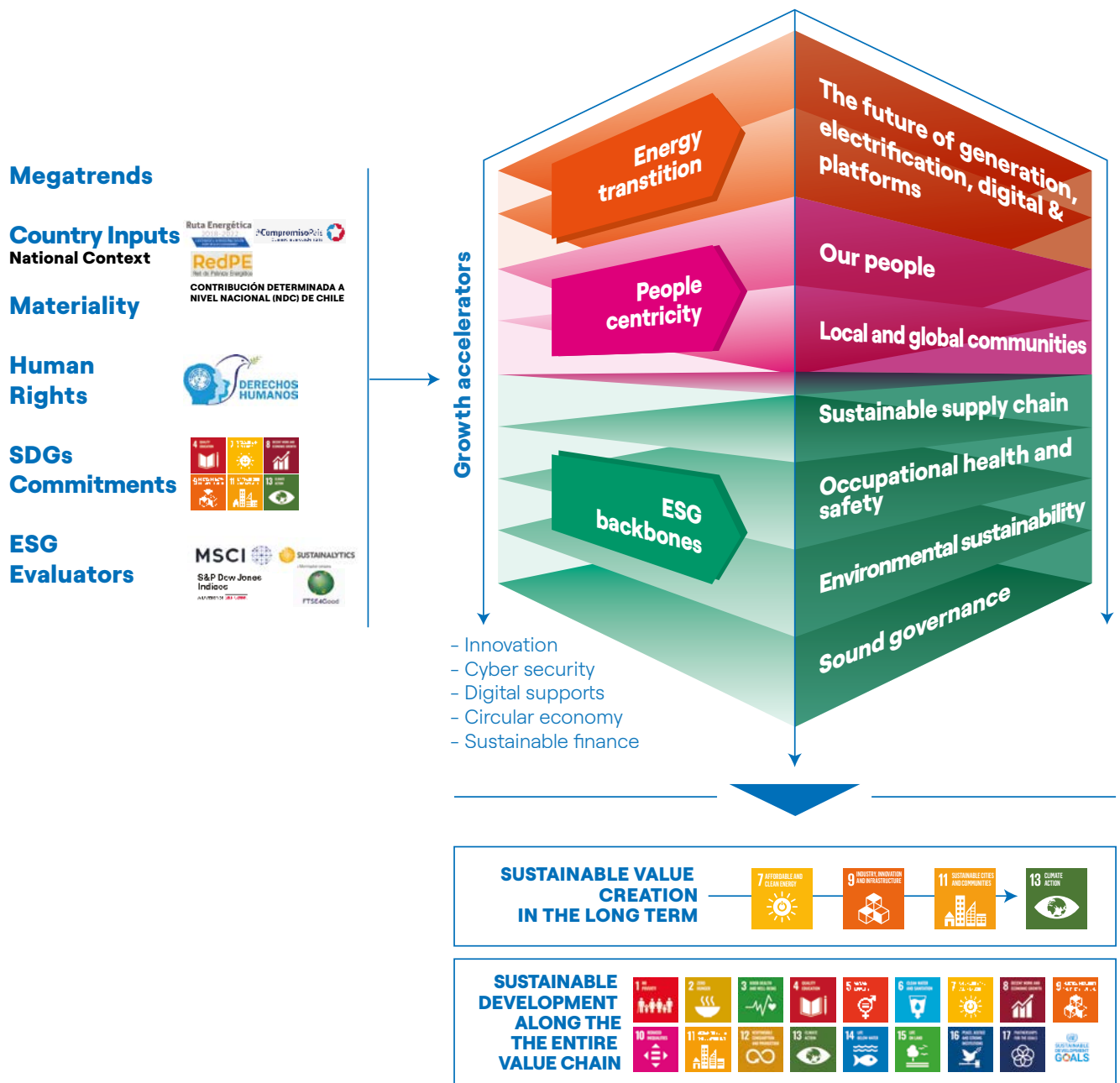
Enel Chile believes information transparency is the basis of public information and also the basis of communication with the Company's internal population and governance bodies. Consequently, the Company adopted the practices presented by the CMF's NCG 385 regarding information reported by local publicly held companies on corporate governance, which includes information on social responsibility and sustainable development practices.



The Board of Directors approved the Sustainable Development policy and the Diversity Policy in 2016 and 2017, respectively. Key indicators measuring the Company's environmental, social, and corporate governance (ESG) performance are based on these policies. The Board has established procedures to annually provide stakeholders with information on the Company's social responsibility and sustainable development management.

The Sustainability Department presents the results of various business indices that measure the Company's ESG performance on a quarterly basis. These indices are determined based on the three-year Sustainability Plan that considers business objectives and goals regarding energy transition, social issues regarding employees and the communities surrounding Company operations and also the metrics related to the four business sustainability pillars. The 2020-2022 Sustainability Plan integrates Enel Chile's 33 ESG indices.

The Sustainability Department also presents information to the Board of Directors on a quarterly basis regarding the number of visits to the Company's Sustainability Report on the website, both in absolute terms and relative to the relevant milestones that the general public is interested in; and the acceptance of publicly disclosed information based on the Company's results of different indices and ESG ratings, such as the Dow Jones Sustainability Index (DJSI) MSCI, FTSE4 Good, Sustainalytics, among others.



## Board Meeting Attendance

The Board of Directors has access to an electronic dispatch system that provides remote, permanent, and secure access to Board session documentation at least three days before each session. The objective of the system is also paperless management of all documentation available to Board members.

Regarding Board Meeting attendance, 13 sessions were held in 2020, two were carried out face-to-face and 11 were virtual. On average, board member attendance reached 95%. The minimum Ordinary and Extraordinary Board meeting attendance required is 75%.

## Board of Directors' Evaluation

The Company hires an external expert to prepare a report to identify areas of improvement and implement potential improvements regarding Board performance based on the practices recommended by the CMF in NCG 385.

The report is prepared by interviewing the members to the Board, Chief Executive Officer, General Counsel, Internal Audit Officer, and the external auditors of the Company regarding Board operations, how Board meetings are prepared, about the debates that take place during every session, among other relevant matters.

## Ethical Channel

The Company has an Ethical Channel that is governed by the Whistleblowing Policy and has been properly disclosed to Company's employees and top management. This channel is available to employees, contractors, suppliers, clients, communities, and other stakeholders, and accessible by telephone, in person, and digitally through the Company website. Reports are anonymous. The concerns reported

through this channel are investigated by the Internal Audit Department and then reported to the Directors' Committee every six months.

## Board of Directors' Induction

The Company has implemented a board member induction process to contribute to the effectiveness of their integration process, which covers subjects that are necessary for members to perform their duties adequately.

The induction process involves providing new board members with a set of relevant documents, such as, an updated copy of the Securities Market Law 18,045, the Corporations Law 18,046 and its rules and regulations, the Company bylaws and powers of attorney, the Material Market Information Management Manual, the Ethical Code, Zero Corruption Tolerance Plan, Board meeting and Shareholders' Meeting minutes held over the past 12 months, among others. The content of such documentation includes information on the Company's business, strategies, and risks. This process provides new board members access to extensive information on the Company, not only the most relevant information. The [new board member induction](#) process is available on the Company website.

## Board of Directors' Training

The Company has a Board member training program in place that is implemented on a permanent basis and consists in scheduled talks that are approved annually by the Board of Directors. These talks refer to sustainability, innovation, and investment topics, among other subjects, and are presented by leading experts on such matters. The [calendar of this Board member training program](#) is available on the Company website.

The topics presented in 2020 refer to “responsible investments”, the “Green Bond Market”, and “Innovation: major advances in Infrastructure Networks, Generation and Services”, among others.

## Board of Directors’ visits to facilities

Since 2018, the Company’s Board members have visited an Enel Group facility at least twice a year to see the conditions and operations of the facilities and the main tasks and concerns of the individuals that operate the facilities. Given the extraordinary circumstances in 2020 due to the COVID-19 pandemic, the visits were performed virtually. Central Rapel was visited in September and Central Bocamina in November.

## Corporate Governance Best Practices

Regarding corporate governance, social responsibility, and sustainable development, during 2020, the Company’s Board of Directors agreed to raise the standards and implement new procedures and practices to exceed the recommendations presented by the CMF in NCG 385.

In sustainability, the Board of Directors agreed to delegate the functions concerning sustainability to the Directors’ Committee.

In terms of the Company’s relationship with its shareholders and the public at large, the Board of Directors, in its session held September 28, 2020, agreed to approve the procedure to perform virtual Shareholders’ Meetings for shareholders to participate and vote remotely and for the public to be informed on the agreements adopted by the Shareholders’ Meetings in real time.

To improve the Company’s new talent identification process, the Board of Directors agreed that the Human Resources and Organization Department implement training programs to identify and train new talents from within the Company. The goal is to develop the abilities, knowledge and experience of Enel Chile professionals and foster future leadership.

## Ownership in Enel Chile

According to the shareholder’s register, as of December 31, 2020, none of the Directors in office owned shares of the Company.

## Committees

### Directors’ Committee

On April 25, 2018, the Ordinary Shareholders’ Meeting appointed the members to the Board of Directors. On that same date, after the shareholders’ meeting, the Board of Directors designated Mr. Fernán Gazmuri Plaza, Mr. Gerardo Jofré Miranda, and Mr. Pablo Cabrera Gaete as members to the Directors’ Committee, all independent directors as defined by Article 50 bis of the Chilean Corporations Law 18,046. Mr. Fernán Gazmuri Plaza was appointed financial expert and Chairman of the Directors’ Committee during the ordinary session of the Directors’ Committee held on April 25, 2018, and Mr. Domingo Valdés Prieto was appointed Secretary to the Directors’ Committee.

#### Directors’ Committee responsibilities:

The obligations of the Directors’ Committee are established in Article 50 bis of the Chilean Corporations Law 18,046. The Directors’ Committee is also responsible for functions established by the Company by-laws, by the Ordinary Shareholders’ Meeting and the Board of Directors itself. In this regard, the following functions were assigned to the Directors’ Committee by the Board of Directors’ Meeting held on February 29, 2016:

1. Oversee the work of external auditors.
2. Review and approve the external auditors’ annual auditing plan and the resources to develop the plan.
3. Evaluate the qualifications, independence, and quality of the external auditing company.
4. Elaborate on policies regarding the employment of former members of the external auditing firm.
5. Review and discuss the following with the Company’s management and the external auditing firm, in separate meeting if considered necessary:
  - (i) the reports of the external auditors, the financial statements presented by the administration to



- shareholders and make a statement regarding their review and discussion before submission for shareholders' approval;
- (ii) the critical aspects of the Companies accounting practices and policies;
  - (iii) any material matter regarding accounting principles or financial statements, including any significant change in the Company's selection or application of accounting principles, and
  - (iv) the impact of changes to accounting standards or accounting standard proposals that may be applicable to the Company.
6. Review and discuss problems or difficulties regarding the auditing process with the external auditor and the actions of management in this regard.
7. Establish procedures for receiving and dealing confidentially and anonymously with complaints regarding accounting, internal control, and auditing matters as established by Law and by Company policies. The Committee will review the complaints received regarding accounting, internal control, and auditing matters according to such procedures.

### **Directors' Committee will oversee matters related to sustainability**

In 2020, the Board of Directors formalized its agreement to assign responsibilities related to sustainability to the Directors' Committee in order to raise the standards of corporate governance practices on sustainability, including climate change, human rights, diversity, and inclusion, among others, and to improve investors' and ESG analysts' positioning of the Company regarding these matters. On June 24, 2020, Enel Chile's Board of Directors instructed the Directors' Committee to review the Sustainability Plan and Report before being finally approved by the Board, report on the Plan and the Company's Sustainability Policy and its amendments, and oversee the Company's participation in sustainability indexes, among other important functions.

# Annual Directors' Committee Report

## Annual management report

The Directors' Committee of the Company held 13 sessions during 2020, therefore fully complying with the obligations established in Article 50 bis of the Chilean Corporations Law 18,046, the United States of America Sarbanes Oxley Act and additional applicable regulation. The Directors' Committee members attended all the meetings and therefore the average attendance was 100%.

During 2020, the Directors' Committee addressed the matters that are summarized below:

### **1. Financial Statements:**

**During the session held on February 25, 2020,** the Directors' Committee unanimously declared having analyzed the Consolidated Financial Statements of the Company as of December 31, 2019, including its Notes, Income Statement and Significant Events as well as the respective External Auditors' reports and Account Inspectors' reports.

During the ordinary session held on April 29, 2020, the Directors' Committee unanimously declared having examined the Financial Statements under IFRS included in the 20-F Form to be presented to the Securities and Exchange Commission of the United States of America in compliance with the rules and requirements of the SEC.

During the extraordinary session held on May 4, 2020, the Directors' Committee unanimously declared having examined the Consolidated Financial Statements of the Company as of March 31, 2020 and its Notes, Income Statement and Significant Events.

During the ordinary session held on July 27, 2020, the Directors' Committee unanimously declared having examined the Consolidated Financial Statements of the Company as of June 30, 2020 and its Notes, Management's Financial Statement Analysis, Income Statement and Significant Events, as well as the limited audit review report.

During the ordinary session held on October 29, 2020, the Directors' Committee unanimously declared having examined the Consolidated Financial Statements of the Company as of September 30, 2020 and its Notes, Income Statement and Significant Events, and the external auditor's report on related party transactions.

## **2. External Auditors' Report on Bank Transfers and Money Brokerage**

During the ordinary session held on February 25, 2020, the Directors' Committee unanimously agreed to acknowledge that they had formally and expressly noted the report on money brokerage and bank transfers prepared by EY Servicios Profesionales de Auditoría y Asesorías SpA, the external auditors of Enel Chile S.A., dated February 25, 2020.

## **3. Examination of Internal Control Letter CMF Circular 422**

The Directors' Committee examined this subject during the ordinary session held on February 25, 2020. On December 6, 2007, the CMF issued Circular 422, which supplements Circular 980 dated December 24, 1990. This Circular offers specific instructions on internal control procedures, providing for the submission of a provisional report and extends the time frame for the external auditors to submit a final internal control report, allowing it to be delivered until the date in which the Board of Directors takes note of the financial statements as of December 31 of each fiscal year. The Chairman of the Directors' Committee, Mr. Fernán Gazmuri Plaza, stated that the rules referred to above had been revoked, however, Article 246 of the Securities Market Law, among other issues, establishes that the external auditors are responsible for informing the Board of Directors and the Directors' Committee on the deficiencies regarding accounting practices, management systems and internal auditing practices detected while performing the external audit, and also identify the discrepancies between the accounting practices used by the Company in its financial statements and the relevant criteria generally applied in the

Company's specific industry. Additionally, they must inform on compliance with tax related obligations of the Company and its subsidiaries included in the respective external audit. Consequently, the external auditor, EY, was still required to inform on internal control issues detected while performing the external audit. The revocation of the rules did not affect the deadline established by the CMF rule NCG 30 to submit the financial statements and consequently it was understood that the internal control report, as part of the information to be submitted, should be presented by the external auditors during the first quarter of each year to be available for the review and approval of the annual financial statements. During this same session, the Directors' Committee agreed to state that the members, unanimously, had formally and expressly taken note of the Internal Control Letter dated February 25, 2020, prepared by EY Servicios Profesionales de Auditoría y Asesorías SpA to comply with such regulation.

## **4. Directors' Committee Budget for 2020**

During the ordinary session held on February 25, 2019, the Directors' Committee unanimously approved the 2020 Directors' Committee Budget amounting to UF 10,000 for the Committee and its consultants' expenses and operations. The members of the Directors' Committee also unanimously decided to submit this 2020 Directors' Committee Budget proposal to the approval of the Board of Directors so that, if approved, they submit it to the Ordinary Shareholders Meeting that is required to finally decide on the matter.

## **5. External Auditors' Examination of subjects covered by NCG 385**

During the ordinary session held on February 25, April 29, July 27 and November 30, 2020, the Directors' Committee unanimously declared having examined the subjects voluntarily presented as good corporate governance, included in numeral 1 d) of the CMF General Norm 385 based on the presentation performed by External Auditors and highlighted that the subjects referred to by items ii, iii and v of such numeral had not taken place.

## **6. Analysis of External auditors' fees for fiscal year 2020**

During the ordinary session held on January 22, 2020, the Directors' Committee unanimously agreed to declare having examined the external auditor fees paid for services

during 2019 by Enel Chile to the various external auditing firms and declare having analyzed the estimate of recurrent auditing service fees for 2020.

### **7. External auditors' fees for fiscal year 2019 and estimate for 2020**

During the ordinary session held on January 22, 2020, the Directors' Committee unanimously agreed to declare having examined the external auditor fees paid for services during 2019 by Enel Chile to the various external auditing firms and declare having analyzed the estimate of recurrent auditing service fees for 2020.

### **8. Supervision and Evaluation of External Auditors**

During the ordinary session held February 25, 2020, the Directors' Committee unanimously agreed that the work performed in 2019 by the Company's external auditors, EY Servicios Profesionales de Auditoría y Asesorías SpA, was reasonable.

### **9. Examination of services to be rendered by External Auditors**

During the ordinary session held on July 27, 2020 the non-recurrent services to be rendered by the external auditors were examined. The Committee unanimously agreed to declare that such services do not compromise the technical competence nor the independent judgement of the respective external auditing firms, as stated in Section 202 of the Sarbanes Oxley Act, in the last paragraph of Article 242 of the Capital Markets Law 18,045 and in the Directors' Committee Regulations.

### **10. 20-F Form submitted to the SEC of the United States of America**

During the ordinary session held on April 29, 2020, the Directors' Committee unanimously declared having examined the financial statements under IFRS included in the 20-F Form to be presented to the Securities and Exchange Commission of the United States of America in compliance with the rules and requirements of the SEC.

### **11. Examination of Related Party Transactions**

During the ordinary session held on January 22, 2020, the Directors' Committee unanimously declared having examined the related party transactions that involved

guarantees granted by Enel Chile to Enel Green Power and/or subsidiaries in Chile to cover the guarantees required by suppliers to develop the projects included in the 2020-2022 Strategic Plan approved by the Board of Directors of Enel Chile S.A. The guarantees granted amounted to US\$785 million, limited to a maximum US\$150 per guarantee. The guarantee program is offered until January 31, 2021 (period during which guarantees may be requested) and each guarantee has a 3-year term.

During the ordinary session held on February 25, 2020, the Directors' Committee unanimously declared having examined the related party transaction with Enel Finance International N.V (EFI) to obtain a 10-year loan for up to US\$ 400 million for general corporate purposes at a 3.30% fixed interest rate.

During the ordinary session held on May 27, 2020, the Directors' Committee unanimously declared having examined the 3-year revolving credit line obtained from Enel Finance International N.V (EFI) for up to US\$ 290 million plus expenses, commissions, and taxes at an all-in spread (without WHT) of Libor + 140 bps. that EFI may assign to other related companies by following the applicable Italian regulation.

During the ordinary session held on June 24, 2020, the Directors' Committee unanimously declared having examined the administrative services contract with Enel X SpA, Enel AMPCI EBUS Chile SpA, ENEL AMPCI TS1 HOLDINGS SpA and ENEL AMPCI TS1 SpA as a related party transaction. The administrative services included in the transaction are the following: 1) Security, 2) Real estate, 3) Internal Audit, 4) Systems and processes, 5) Accounting, 6) Taxation, 7) Treasury and debt management, 8) Insurance, 9) Consolidation and reporting, 10) Purchasing, 11) Legal services. Enel AMPCI EBUS Chile SpA, ENEL AMPCI TS1 HOLDINGS SpA would each annually pay Enel Chile S.A. US\$23,000 and ENEL AMPCI TS1 SpA annually would pay US\$117,000 for such services.

During the ordinary session held on December 17, 2020, the Directors' Committee unanimously declared having examined the contract between Enel Chile S.A as the customer and Enel SpA as the supplier of software licenses and services titled "Sturnis", "Nasdaq", "Travel" and "Service

Now”, amounting to Euros 214,010, with a 1-year term, automatically renewable for an equal and successive period as long as neither party gives notice of the intention to not renew and it’s not a necessity for the Company.

During the ordinary session held on December 17, 2020, the Directors’ Committee unanimously declared having examined the contract between Enel Chile S.A as the supplier and Enel Transmisión Chile S.A. as the customer. The services included in the contract are the following: 1) Communications, 2) People and Organization, 3) Service Planning, 4) Global Services and Management, 5) Security, 6) Real Estate, 7) Internal Audit, 8) Legal Services, 9) Taxation advisory, 10) Finance, 11) Money Market, 12) Administration, 13) Insurance, 14) Compliance and Capital Markets, 15) Investor Relations, 16) Sustainability and Innovation, 17) Planning and Control, 18) Regulation, and 19) Procurement. The annual price of the contract is UF 51,027 to be paid in its equivalent in Chilean pesos that amounts to roughly Ch\$ 1,484,219,995 with a 1-year term, automatically renewable for one year and giving notice of the intention to not renew the contract six months in advance of the expiration date. During the ordinary session held on December 17, 2020, the Directors’ Committee unanimously declared having examined the contract between Enel Chile S.A as the supplier and Enel Distribución Chile S.A. The services included in the contract are the following: 1) Communications, 2) People and Organization, 3) Service Planning, 4) Global Services and Management, 5) Security, 6) Real Estate, 7) Internal Audit, 8) Legal Services, 9) Taxation advisory, 10) Finance, 11) Money Market, 12) Administration, 13) Insurance, 14) Compliance and Capital Markets, 15) Investor Relations, 16) Sustainability and Innovation, 17) Planning and Control, 18) Public Relations, 19) Regulation, and 20) Procurement. The annual price of the contract is UF 181,112 to be paid in its equivalent in Chilean pesos that amounts to roughly Ch\$ 5,268,054,266 with a 5-year term, and renewable.

The Directors’ Committee declared that the Related Party Transactions contributed to the best interest of the Company and were carried out under terms and conditions currently prevailing in the market.

## **12. Private Risk Rating Agencies Proposed**

During the ordinary session held on February 25, 2020, the Directors’ Committee unanimously agreed to propose to the Company’s Board of Directors to suggest Feller Rate Clasificadora de Riesgo Limitada and Fitch Chile Clasificadora de Riesgo Limitada to the shareholders meeting as the local private risk rating agencies and Fitch Ratings, Moody’s Investors Services and Standard & Poor’s International Rating Services as the international private risk rating agencies for fiscal year 2020.

## **13. External Auditors Proposed**

During the ordinary session held on March 30, 2020, the Directors’ Committee unanimously agreed to propose to the Company’s Board of Directors to suggest to the Ordinary Shareholders’ Meeting the following auditing firms as the external auditor firm of Enel Chile S.A. for 2020, in the following order of preference: 1° KPMG Auditores Consultores SpA; 2° Mazars Auditores Consultores SpA; 3° PKFChile Auditores Consultores Ltda. The arguments considered relevant in proposing KPMG in first place as external auditor of the Company are the following: (i) it presented the most competitive proposal based on the technical and economic evaluations performed on the proposals received; (ii) it is highly qualified in terms of available resources and highly experienced in the electricity sector; (iii) it is one of the four most important external auditing firms, domestically and internationally; (iv) it is the external auditing firm with greatest synergies with Enel Chile S.A. because it is the main external auditing firm of Enel SpA, Enel Chile’s controlling shareholder.

## **14. Approval of the External Auditors contracts**

During the ordinary session held on March 27, 2020, the Directors’ Committee unanimously agreed to declare having examined and approved the contract between Enel Chile S.A and the external auditing firm KPMG Auditores Consultores SpA.

## **15. Analysis of Ethical Channel complaints**

During the ordinary session held January 22, 2020, the Directors’ Committee, unanimously, pronounced its







opinion on the complaints received, offering guidelines on how to proceed with each complaint and confirming what had been already resolved by the Committee. In this regard, the Chairman of the Directors' Committee is to summon an extraordinary session if he considers it is necessary to resolve a certain complaint. During the ordinary session held June 24, 2020, the Directors' Committee, unanimously, gave its opinion on every complaint received, as indicated in the previous paragraph.

### **16. Examination of the Company's remuneration and compensation plan for key executives, managers, and employees**

During the ordinary session held on July 27, 2020, the Directors' Committee, unanimously, declared having examined the remuneration and compensation plan for key executives, managers, and employees of the Company.

### **17. Self-evaluation and review of the Company's Internal Controls**

During the ordinary session held on February 25, 2020, the Directors' Committee examined the final internal control report for fiscal year 2019 prepared by the Company's Management.

### **18. Measures related to Sustainability Issues**

During the ordinary session held on June 24, 2020, Enel Chile's Board of Directors agreed to delegate sustainability functions to the Directors' Committee to increase corporate governance standards related to sustainability and for the Committee to support the Board with advice and proposals regarding the Company's sustainability assessments and decisions and supervising and promoting the Company's commitment to sustainability.

During the ordinary session held on September 28, 2020, the Directors' Committee examined a presentation and plan of action performed by the Company's Investor Relations' Manager that referred to Enel Chile's main shareholders, the financial marketing activities carried out during 2020, the interaction with the market, and with risk rating agencies. They proposed a plan of action regarding the ESG (Environmental, Social and Governance) topics that the Company must focus on and that are considered in their assessments.

During the ordinary session held on November 30, 2020, the Directors' Committee, unanimously, agreed to acknowledge that they had formally noted the presentation performed by the Company's Sustainability and Community Relations Manager regarding compliance with sustainability topics included in CMF's NCG 385 numeral 1.g) and 2.c).

### **Enel Chile S.A. Directors' Committee Expenses**

The Directors' Committee did not spend its operational budget approved by the Ordinary Shareholders Meeting held April 29, 2020.

## **Other Directors' Committees**

The Company has contingency plans in place designed to react to critical events or crises by forming ad-hoc committees composed of experts on addressing the specific crisis or event.



# Policies, principles, and codes

## Governance as a pillar of Enel Chile’s strategy

### Integrity

- Ethical Code
- Enel Chile Zero Corruption Tolerance Plan
- Human Rights Policy
- Global Compliance Program on Corporate Criminal Liability
- Criminal Risk Prevention Model

### Information transparency and privacy

- Information Privacy and Protection Policy
- Tax and reporting strategy

### Environment; community and collaborators

- Sustainability and Community Relations Policy
- Environmental Policy
- Biodiversity Conservation
- Diversity Policy

## Integrity

Enel Chile’s mission is to create and distribute value in the international energy market to contribute to customers’ needs, shareholder’s investment, the competitiveness of the countries in which it operates and the expectation of the people that work for the Company.

### Ethical Code

The Ethical Code presents the ethical commitments and responsibilities related to business management and activities performed by the collaborators of Enel Chile S.A. and its subsidiaries’. It guides the conduct of board members, managers, and all collaborators of these companies. The Code consists of:

- general principals regarding the relationship among those involved including abstract definitions of the values that should guide Enel Chile’s activities.
- conduct criteria for each group, providing specific guidelines and rules to be followed by Enel Chile collaborators to prevent non-ethical behaviors; and
- implementation mechanisms that describe the system used to control collaborators compliance with the Ethical Code and its continuous improvement.

Enel Chile serves the community, respecting the environment and peoples’ safety to assure a better world for future generations.

Enel Chile aspires to maintain and develop a relationship of trust in the working environment with the people, groups or institutions that contribute to achieving the Company’s goals or that are somehow interested in its mission and reaching its objectives.

These parties involved refers to those that somehow invest in Enel Chile’s activities. First, our shareholders and then our collaborators, customers, suppliers, and partners. Broadly speaking, the individuals, groups, organizations, and institutions whose interests are directly or indirectly affected by Enel Chile’s activities and are also part of our work environment. This would include local and national communities where Enel Chile operates, environmental associations, future generations, etc.

Unethical conduct threatens the relationship of trust between Enel Chile and the stakeholders involved. Any party, individual or organization that intends to appropriate the benefit resulting from the collaboration of others by exploiting positions of power is unethical conduct and fosters hostile attitudes towards the Company.

Therefore, Enel Chile’s Ethical Code has the following general principles:

**Impartiality:** in decisions that influence its relations with its stakeholders. Enel Chile avoids all forms of discrimination based on the age, gender, sexual preference, health, race, nationality, political opinions, or religious beliefs of its interlocutors.

**Honesty:** within the context of their professional activities. Enel Chile's employees are required to comply diligently with the laws currently in force, as well as the Ethical Code and internal regulations. Under no circumstances may the pursuit of the interests of Enel Chile justify dishonest conduct.

**Proper conduct when facing potential conflicts of interest:** In the performance of any activity, situations in which the parties involved in the transactions have, or appear to have, a conflict of interest must be avoided. This means not only situations in which the employee pursues an interest that differs from Enel Chile's mission or from the balancing of the interests of the stakeholders, but also those in which he or she takes personal advantage of Enel Chile's business opportunities or in which the representatives of customers or suppliers, or of public institutions, act in contrast to the fiduciary duties connected with their positions in their relations with Enel Chile.

**Confidentiality:** Enel Chile guarantees the confidentiality of the information in its possession, and refrains from searching for confidential data, except in cases where express and informed authorization has been granted and in compliance with legislation currently in force. In addition, Enel Chile employees are prohibited from using confidential information for purposes not tied to the exercise of their activities, as in the case of insider trading or manipulation of the market.

**Relations with shareholders:** Shareholders, both current and potential, are not merely a source of financing, but holders of various types of opinions and moral preferences. In order to reach decisions on investments and company resolutions, they need to receive all relevant information available. Enel Chile creates the conditions to facilitate the widespread and conscious participation of shareholders in the decisions that concern them, ensures parity of information and, protects the interests of Enel Chile and all shareholders against initiatives that are not based on the principles of transparency and correctness.

**Safeguarding shareholder value:** Enel Chile works to ensure that its economic and financial performance both safeguards and increases its value to provide an adequate return for the risk undertaken by the shareholders that invest their capital in the Company.

**Value of human resources:** Enel Chile employees are indispensable for the Company's success. With this in mind, Enel Chile defends and promotes the value of its

human resources, so as to improve and augment the assets and competitive force represented by the skills of each employee.

**Equitable exercise of authority:** In endorsing and managing contractual relations which entail the establishment of hierarchical relations – in particular with employees – Enel Chile commits to ensure that authority is exercised in a fair and correct manner, without abuse of any form. Enel Chile guarantees that authority shall not lead to any exercise of power that proves detrimental to the dignity or independence of an employee, and that decisions involving the organization of working activities will safeguard the value of employees.

**Integrity of the individual:** Enel Chile guarantees the physical and psychological integrity of its employees, providing working conditions that respect the dignity of the individual, regulations for conduct based on good manners, and workplaces that are safe and healthy. Furthermore, Enel Chile acts to ensure that there are no episodes of intimidation, mobbing or stalking in the workplace. It follows that requests or threats designed to lead individuals to commit acts that are against the law or the Ethical Code, or to act in a manner detrimental to the moral or personal convictions or preferences of anyone else, are not tolerated.

**Transparent and complete information:** Enel Chile employees are required to supply complete, transparent, understandable, and accurate information, in such a way that, in establishing their relations with the Group, the stakeholders are able to reach independent, informed decisions regarding the interests involved, as well as the alternatives and any significant consequences. In formulating any contracts, Enel Chile takes care to specify to the other contracting party, in a clear and understandable way, the conduct to be followed under all foreseeable circumstances.

**Diligence and precision in performing tasks and contracts:** Contracts and work assignments must be carried out in accordance with the terms agreed to in an informed manner by the parties involved. Enel Chile commits to not exploit conditions of ignorance or incapacity affecting its parties.

## **Zero Corruption Tolerance Plan**

Enel Chile is committed to its Ethical Code. Therefore, the Company requires its collaborators to perform their work with honesty, transparency, and fairness. The same commitment is expected from stakeholders, in other words, the people, groups and institutions that contribute to achieving the Company's goals or that are involved in the activities required to reach those goals. These commitments are identified in the Company's Ethical Code and are translated into the following general principles: The Company rejects any form of corruption, either direct or indirect; and has a Zero Corruption Tolerance ("TCC" in its Spanish acronym) Plan in force to fight corruption.

### **TCC Plan commitments**

Based on its analysis of the activities most exposed to corruption risk, as stated by the Company's Ethical Code, Enel Chile undertakes the following commitments:

#### **Bribes**

Enel Chile forbids the use of any form of unlawful payment, in money or other benefits, to obtain an advantage in relations with its stakeholders.

#### **Contributions to political parties**

Enel Chile does not finance political parties, their representatives, or their candidates, whether in Chile or abroad, and does not sponsor any event whose exclusive purpose is political propaganda.

#### **Contributions to charitable organizations and sponsorship**

Enel Chile supports initiatives concerning social, environmental, sports, entertainment, art, science, and technology issues that guarantee quality, which have national relevance or respond to specific local or regional needs through sponsorship and formal special agreements.

#### **Facilitation**

Enel Chile does not authorize its staff to offer or accept, directly or indirectly, payments or any other form of benefit from any party for the purpose of expediting services.

### **Gifts, presents and benefits**

Enel Chile does not permit any form of gift that could be interpreted as exceeding normal commercial practice or courtesy or otherwise offered to obtain favorable treatment in any activity connected to the Company.

## **Human Rights Policy**

### **Enel Chile's commitment to human rights**

Enel Chile S.A. promotes respect for human rights in all its business relations and the adherence of its contractors, suppliers, and commercial partners to the same principles, paying special attention to conflict and high-risk situations.

The Human Rights Policy acknowledges the Company's commitment and responsibility regarding all human rights and particularly those that have an impact on its business and the activities performed by its employees. Enel Chile's Human Rights Policy was approved by the Board of Directors on February 29, 2016.

## **Global Compliance Program on Corporate Criminal Liability**

The Enel Global Compliance Program (EGCP) is a tool to strengthen the Company's commitment to the best ethical, legal, and professional standards to increase and protect its reputation. In this regard, the program defines a series of preventive measures that focus on criminal responsibility in the business environment.

## **Criminal Risk Prevention Model**

The objective of this document is to define the Company's Criminal Risk Prevention Model (Crime Prevention Model in Law 20,393), which is applicable to all business activities. For further detail on this model refer to Ethics and Integrity section of this Annual Report.

## **Free Competition Regulation Compliance Program**

The purpose of free competition regulation in Chile, which is governed by Law 211/1973, is not only to defend free market competition, but also prevent actions that go against free competition. Within this context, Enel Chile S.A. has a Free Competition Regulation Compliance Program that provides internal guidelines regarding the proper ways to prevent the occurrence of risky behavior or behavior that has potential anti-competitive effects. The program includes a Free Competition Manual that gives Company employees information and education on how to detect a risky situation in time to avoid its materialization.

## **Corporate Governance**

### **Enel Group Corporate Governance Guidelines**

The Good Governance Manual establishes the fundamental principles of Corporate Governance and also the guidelines to implement good corporate governance.

### **Manual on Handling Information of Market Interest**

Acting in good faith, putting general interests before our own, are nonnegotiable values at Enel Chile. They are the essence of our Manual on Handling Information of Market Interest.

### **Habituality Policy**

The Habituality Policy was approved by the Company's Board of Directors as required by Article 147, letter b, of Law 18,046.

### **Risk Management and Control Policy**

This policy establishes Enel Chile's a risk management and control model by defining the mission of the bodies involved and the competencies assigned to all Group companies. For further detail please refer to Risk Management section of this Annual Report.

## **Conduct with Public Officials and Authorities Protocol**

This is a protocol of best practices when interacting with public officials and authorities. It provides the Company with a set of principles, practices, and procedures of conduct.

### **Gifts, presents, and benefits Protocol**

The goal of this protocol is to establish guidelines based on the principles and commitments of the Ethical Code and the Zero Corruption Tolerance Plan, respectively, regarding giving and receiving gifts, and favors.

### **Board member continuous learning and improvement procedure**

The objective of this procedure is to establish the mechanisms and content that enable Board members' continuous improvement and permanent and effective training.

## **Sustainability**

Enel Chile has defined principles, values, policies, and procedures in an effort to promote proper corporate governance.

### **Biodiversity Policy**

This policy, which was approved by the Board of Directors, identifies 6 practices that must be implemented every time Enel Chile carries out its activities. These practices contribute to and are aligned with the standards and international principles described in the United Nations' Convention on Biological Diversity (CBD), the 2011 – 2020 Strategic Plan for Biodiversity, and the Aichi Biodiversity Targets included in the CBD, along with other domestic and international biodiversity policies.

Enel Chile's biodiversity policy promotes respecting the "no net loss" principle through adequate project planning and preventive environmental biodiversity evaluations to avoid, reduce and/or compensate the material negative impact on species and natural habitat, based on its degree

of protection, value in the ecosystem. The identification and valuation of biodiversity and ecosystem services in the territories where the Company operates is performed with the collaboration of local communities, educational institutions, and NGO's. The outcome of this collaborative effort is the proposal and development of projects to restore, conserve, and monitor the territories' biodiversity.

## **Environmental Policy**

Care for the environment and natural resources, the fight against climate change, and the contribution to sustainable economic development are strategic elements in planning, developing, and executing Enel Chile's and its subsidiaries' activities, and part of the Group's vision in terms of its leading role in the energy transition. The environmental policy, approved by each companies' Board, is part of the Group's environmental policy, which has been in place since 1996 and was updated in 2018. Enel Group's Environmental Policy is based on four basic principles:

- Protect the environment by preventing environmental impact
- Improve and promote environmental sustainability of products and services
- Create shared value for the Company and stakeholders
- Adopt and comply with voluntary commitments while promoting ambitious environmental management practices.

## **Sustainability and community relation policy**

The Sustainability and Community Relations Policy establishes the guideline to create awareness on the impact the Company's business activities may have on the environment, living conditions, economic development, social and overall wellbeing of society and also the importance of encouraging gestures of goodwill in the markets where it operates.

## **Diversity and Inclusion Policy**

Enel Chile believes that respect, promotion of nondiscrimination principles, equal opportunities and inclusion are fundamental values when carrying out its business. The Company seeks to improve the work environment and work-life quality, which would translate into better Company results. Enel Chile is committed to create an inclusive work environment, allowing employees to expand their potential and maximize their contribution to the Company. The objective of this document is to define the key principles required to disseminate a culture of diversity that adds value to the Company.