



# OPEN POWER FOR A BRIGHTER FUTURE.

WE EMPOWER SUSTAINABLE PROGRESS.

**2020 ANNUAL REPORT - ENEL CHILE**



# OPEN POWER FOR A BRIGHTER FUTURE.

Santiago Stock Exchange  
**ENELCHILE**  
<https://www.bolsadesantiago.com>

New York Stock Exchange  
**ENIC**  
<https://www.nyse.com/index>

Enel Chile S.A. was initially incorporated as Enersis Chile S.A., on March 1, 2016. On October 18, of the same year, the Company changed its name to Enel Chile S.A. As of December 31, 2020, the Company's total subscribed, and paid capital amounted to ThCh\$ 3,882,103,470 represented by 69,166,557,220 shares. These shares are traded on the Santiago Stock Exchange and, as American Depository Shares (ADS) on the New York Stock Exchange. The Company's main business is to exploit, develop, operate, generate, distribute, transform and/or sell energy, in any form and nature, directly or through other companies. Enel Chile controls and manages a group of companies that operate in the Chilean electricity market. Total assets as of December 31, 2020, amounted to ThCh\$ 7,904,471,584. In 2020, net income attributable to the controlling shareholder reached ThCh\$ 50,860,313 and operating income was ThCh\$ 34,255,375. At year-end 2020, the Company and its subsidiaries in Chile and Enel Generación Chile's branch in Jujuy, Argentina, directly employed 2,219 people.

## This Annual Report

Enel Chile's 2020 Annual Report presents sustainability as part of the Company's business model. Sustainability is part of the Company's daily decisions. Therefore, Enel Chile's financial result is the outcome of a three-dimensional management model that covers environmental, social, and corporate governance issues. (ESG). Within this context, this report has been prepared in accordance with the rules established by General Norm N°30 issued by the Financial Market Commission ("CMF" in its Spanish acronym) including non-financial information disclosed in management analysis reports. Also, when referring to Annual Report or Report we are referring to the 2020 Annual Report. Enel Chile, the Company, the Firm, may all be used indistinctly when referring to Enel Chile S.A. The digital version of the 2020 Annual Report will be available in the Investors' section of the Company website.

## Scope of the Report

The financial and non-financial information included in this report relates to Enel Chile S.A. and its subsidiaries as detailed in Note 2.4 of the Financial Statements.

Name	Enel Chile S.A.
Address	Santiago, although able to establish branches or agencies in other parts of the country or abroad
Company Type	Publicly held Limited Liability Stock Corporation
Taxpayer Identification number (Rut)	76.536.353-5
Address	76 Santa Rosa St., 17th floor Santiago, Chile
Zip Code	833-0099 SANTIAGO
Telephone No	(56) 22630 9606 - (56) 22378 4400
P.O. Box	1557, Santiago
Securities Registration No	1,139
External Auditors	KPMG Auditores Consultores SpA <a href="http://www.kmpg.cl">www.kmpg.cl</a>
Subscribed and paid-in capital (Ch\$)	3,882,103,470,184
Website	<a href="http://www.enel.cl">www.enel.cl</a> ; <a href="http://www.enelchile.cl">www.enelchile.cl</a>
Email	<a href="mailto:comunicacion.enelchile@enel.com">comunicacion.enelchile@enel.com</a>
Investor Relations Contact	Isabela Klemes Head of Investor Relations Enel Chile <a href="mailto:isabela.klemes@enel.com">isabela.klemes@enel.com</a> <a href="mailto:irenelchile@enel.com">irenelchile@enel.com</a> (56) 22353 4682
Investors' Web address	<a href="https://www.enel.cl/en/investors/investor-enel-chile.html">https://www.enel.cl/en/investors/investor-enel-chile.html</a>
Ticker in Chilean stock exchanges	ENELCHILE
Ticker in New York stock exchange	ENIC
Custodial Bank-ADS's	Banco Santander Chile
Depository Bank-ADS's	Citibank N.A.
Domestic Risk Rating Agency	Feller Rate y Fitch Chile Clasificadora de Riesgo Limitada
International Risk Rating Agency	Standard & Poor's, Moody's y Fitch Ratings

# ANNUAL REPORT

## ENEL CHILE

### 2020



**Herman  
Chadwick P.**

---

Chairman



**Paolo  
Pallotti**

---

Chief Executive Officer

# Letter from the Chairman and CEO

# Dear Shareholders,

We hereby present the 2020 Annual Report and Financial Statements of Enel Chile, which refers to various aspects of the Company's performance and its main contributions towards building a better and more sustainable nation.

This year was as different as it was unexpected. The country, and the world, experienced the consequences of the pandemic caused by the COVID-19 virus. This forced us to change our lives, prioritizing health, and safety. In the months of quarantine, we witnessed how health authorities deployed their greatest efforts to face this sanitary crisis.

We were not oblivious to this reality. Our first objective was to guarantee the health and safety of our employees and the continuity of our business. We implemented all the safety measures established by the World Health Organization (WHO) and the Health Ministry of Chile. The speed with which we adopted remote working and implemented measures to safeguard the health of our personnel is outstanding.

## Employee support

We are grateful for the commitment displayed by Enel Chile's employees, thanks to whom we managed to successfully deliver electricity to all our customers, especially to residential customers that had to share their family environment, with student and work life activities.

We are aware that our service is fundamental to households, schools, utilities, businesses, clinics, and hospitals, which is why we focus on producing and distributing energy that powers daily tasks, ensuring service to all our customers.

Enel Chile had already been developing a remote work program for some years. In 2019, 22% of our staff was working remotely, which allowed us to quickly adopt this work mode in 2020 extensively and have 75% of our staff working remotely by the yearend.

To further support our employees, we activated an insurance policy for all employees covering hospitalizations due to the COVID-19 virus.

## Operational Continuity

With customer safety in mind, we temporarily closed our commercial offices and temporarily suspended physical meter readings and bill distributions to residential customers.

We strengthened our digital customer service channels and answered their questions directly from home, and also conducted special campaigns to publicize all available platforms. Regarding bill collections, we managed to increase digital payments from 61% to an average of 75%, supported by the Enel Clientes Chile app, which is worth highlighting.

The economic difficulties that marked 2020 led us to offer special payment plans to our most vulnerable customers and to suspend energy disruptions due to non-payments.

We promoted an "Codo a Codo" campaign (or "Side by Side" campaign) to assist the community, especially in the health sector.

## Business Management

Enel Chile's EBITDA amounted to Ch\$ 908,676 million, decreasing 13.8% when compared to the previous year. This reduction is primarily explained by the effects of the decarbonization process in 2020, as well as the relatively strong 2019 EBITDA due to an extraordinary income registered in March of that year.

After isolating extraordinary effects, EBITDA remained stable when compared to 2019. This is remarkable, considering the complex economic scenario caused by the pandemic, the country's hydrological conditions, and customer migration to the free market, among other factors.

Finally, net income attributable to the shareholders of Enel Chile amounted to a Ch\$ 50,860 million loss as of December 2020; after isolating the extraordinary effects, net income attributable to shareholders increased 9.4% to Ch\$ 442,958 million as of December 2020 when compared to the Ch\$ 404,914 million adjusted net income booked as of December 2019.

## Strategy

Decarbonization is considered a strategic pillar of the Company. Thus, in May 2020, we announced our decision to close our Bocamina Thermal Power Plant, in Coronel, almost two decades sooner than expected. On December 31st we completely disconnected Bocamina 1 Unit, effectively terminating its operation. The process was carried out with special care of our employees, as we did when Central Tarapacá we shut down for good. Each employee was offered the possibility to transfer to work for another Company within the group.

In May 2022, we will close Bocamina 2, making us the first Chilean company to stop producing coal-fired energy. By then, 76.6% of our installed capacity will be renewable sourced energy. We have more than 1.3 GW under construction, mainly wind and solar power. By 2023, we hope to have added 2.4 GW of clean energy.

In 2020, we became the first electricity company to implement a direct CO2 emission reduction plan for generation facilities, thus contributing to the fight against climate change. We committed to reduce direct CO2 emission 64% by 2023, when compared to our electricity generation in 2017.

Our strategy integrates sustainability at its core, which is evident in the results of our ASG indices.

In the Dow Jones Sustainability Index, we hold the lead in three categories: Emerging Markets, Pacific Alliance Integrated Markets ("MILA" in its Spanish acronym), and Chile. In MSCI, we advanced to the A classification. In 2020, we were awarded PRIME status for sustainability performance by the ISS ESG Corporate Rating, standing out for our commitment to total decarbonization and direct emission reductions; the development of projects that include positive biodiversity impacts; responsible business conduct, including policies that promote ethical and transparent decision-making; low accident rates; and health and safety programs that include contractors.

We were awarded 1st place in transparency practices by Corporate Governance 2020, a study conducted by GovernArt and VigeoEiris. These results placed us among the 10 best companies in Latin America in terms of governance practices.

We maintained the ISO 37001 certification of our anti-bribery management systems in Enel Chile and its subsidiaries. These certifications were obtained for the first time in 2019, as part of our objective to promote and consolidate a culture of ethics and integrity within our companies and strengthen investment transparency.

## Other milestones in 2020

In Distribution, we launched the Operational Excellence Center (“CEO” in its Spanish acronym) in February 2020, a state-of-the-art technological training and formation facility, specialized in the electricity sector and focused on work safety and service quality for employees and contractors as well.

In our constant search for innovation, we were part of the first pilot project of green hydrogen production in Chile. Enel Green Power Chile (EGP Chile) along with AME, Siemens Energy, Porsche, and ENAP were part of this historic initiative, which involves using the wind in the Magallanes region to produce green hydrogen through an electrolyzer powered by wind energy located in Cabo Negro, north of Punta Arenas.

Enel Green Power Chile began the construction of five new renewable energy projects, which includes the Azabache solar power plant (61 MW) located within the Valle de los Vientos wind farm, owned by EGP Chile and currently operational, thus becoming the first hybrid industrial plant in Chile.

Enel X Chile unveiled the first National Electric Route, which will unite Chile from Arica to Punta Arenas through the installation of 1,200 public charging stations, with more than 1,800 chargers for electric vehicles. “ElectroRuta Enel X” is Latin America’s most ambitious electromobility project, which will allow covering more than 5,000 kilometers, from north to south, guaranteeing electric vehicle autonomy and circulation continuity.

Additionally, and as we do every year, we honor the contributions made by women to the nation’s development by awarding the Woman’s Energy Award to 11 outstanding Chilean women who stand out in fields as diverse as the arts, public service, and education.

In summary, this year Enel Chile focused on measures to face the impact of COVID-19 for customers and employees, making progress on the Decarbonization Plan, offering solutions that combine product and service to address the needs of new customers, and the development of new sources of renewable and sustainable energy.

We will continue to follow the path we set several years ago, and we reinforced in 2020: to work with effort and perseverance, responsibility, and consciousness, with our eyes set on the future, always contributing to the sustainable development of the nation.

In a different and difficult year, we have maintained our commitments to the country, our customers, and, especially, to our shareholders.

Sincerely yours,



Herman Chadwick P.  
Chairman



Paolo Pallotti  
Chief Executive Officer



# TABLE OF CONTENTS

Chapter	Page
<b>Letter from the Chairman and CEO</b>	<b>4</b>
<b>OPEN POWER</b>	<b>10</b>
<b>1. About Enel Chile</b>	<b>12</b>
Responding to COVID-19	14
Leadership in Chile	15
2020 Milestones	18
<b>2. Corporate Governance</b>	<b>22</b>
Ownership and control	24
Corporate Governance Structure	27
Board of Directors	28
Board of Director Effectiveness	32
Committees	35
Policies, principles, and codes	42
Management	47
Ethics and integrity	51
<b>3. Strategy and Risk Management</b>	<b>56</b>
Regulatory framework and background	58
Enel Chile's Strategy	59
Risk management	69
Materiality	84
<b>4. Our Businesses</b>	<b>90</b>
Business structure	92
Business Lines	94
<b>5. 2020 Management</b>	<b>108</b>
Financial activity	110
Environmental management	118
Social dimension management	129
Economic dimension management	138
<b>6. Metrics</b>	<b>146</b>
Human resources metrics	148
Environment related metrics	149
<b>7. Other Legal Corporate Information</b>	<b>150</b>
Corporate Information	152
Stock information	154
Enel Chile's Direct and indirect shareholdings	159
<b>8. Appendix</b>	<b>174</b>
Consolidated Financial Statements	176
Other Risk Factors	356
Significant Events	366
Glossary	379
<b>8. Statement of Responsibility</b>	<b>384</b>

# ENEL CHILE IS OPEN POWER

**VI  
SION**

Open power to tackle some of the world's biggest challenges

**PO  
SITIO  
NING**

**Open  
power**

**PUR  
POSE**

**MI  
SSION**

- > Open access to electricity for more people
- > Open the world of energy to new technology
- > Open up to new uses of energy
- > Open up to new ways of managing energy for people
- > Open up to new partnerships

# PRINCIPLES OF CONDUCT

- > Make decisions in daily activities and take responsibility for them.
- > Share information, being willing to collaborate and open to the contribution of others.
- > Follow through with commitments, pursuing activities with determination and passion.
- > Change priorities rapidly if the situation evolves.
- > Get results by aiming for excellence.
- > Adopt and promote safe behavior and move proactively to improve conditions for health, safety and well-being.
- > Work for the integration of all, recognizing and leveraging individual diversity (culture, gender, age, disabilities, personalities, etc.).
- > Work focusing on satisfying customers and/or co-workers, acting effectively and rapidly.
- > Propose new solutions and do not give up when faced with obstacles or failure.
- > Recognize merit in co-workers and give feedback.

**Open power  
for a brighter  
future.**

**We empower  
sustainable  
progress.**

# VALUES

- > Trust
- > Proactivity
- > Responsibility
- > Innovation

# 1

## About Enel Chile



## About Enel Chile

Enel Chile generates, transmits, and distributes energy through its subsidiaries across Chile. We are one of the most important electricity companies in the country and control the generation, distribution, and transmission business in the Metropolitan Region. The Company has a total 7,200 MW installed capacity and over two million customers.

Enel Chile is part of Enel SpA, a multinational electricity company and an integrated global operator in the energy, gas, and renewable energy sector. It is present in more than 30 countries and has over 87 GW installed capacity. Enel SpA distributes electricity through a network of over 2.2 million kilometers to over 74 million end users worldwide, the largest customer base among its European peers.

As part of the Enel Group, the Company adheres to the [Open Power](#) vision and philosophy, which involves committing to the planet's main challenges today. To achieve this goal, we strive to open energy access to more people, open the energy industry to new technologies, open energy management to individuals, open opportunities to new uses of energy and open businesses to a greater number of partnerships. We will carry out this task respecting our Company's values: responsibility, innovation, trust, and proactivity.

## Responding to COVID-19

Enel Chile and all our subsidiaries have adopted several actions to face the emergency caused by coronavirus (COVID-19) and reduce the risk of contagion among our employees, and at the same time, guarantee continuous electricity supply and services in the countries in which we operate. We constantly monitor information and follow the World Health Organization's (WHO) recommendations and authorities' instructions.

Within this context, we implemented remote working everywhere and for all our employees except for those working in operations whose activities may not be performed remotely or may not be postponed for being essential to maintain continuous service and have safe electricity system operations. We managed to have more than 70% of our workforce working from home.

This decision is in line with the precautionary measures adopted by the Enel Group from the beginning of the emergency. The Group activated an insurance policy to cover COVID-19 hospitalization costs for over 68,000 workers. This insurance policy was designed to satisfy the Group's specific needs and is the first in its type worldwide.

Focused on helping those most vulnerable to face the emergency, Enel Chile implemented the "[Codo a Codo](#)" ("Side by Side") campaign, which included various activities carried out with municipalities, hospitals, and other organizations to fight the pandemic. During the first stage of the emergency in Chile, the Company contributed with roughly Ch\$ 1.2 billion to resolve the communities' basic health and food needs, among other things.

We adopted immediate measures to protect the health of our employees, customers, and contractors in Chile, such as, closing all customer service centers to avoid agglomerations, suspending bill delivery and in person residential meter reading, reinforcing digital platforms and activating special payment programs for our most vulnerable customers, and implementing a special meter reading program for small and medium sized commercial customers.

Within the framework of [Law 21,301](#), the effects of Law 21,249 were extended including exceptional measures to support public utility and pipeline gas end users. As of February 28, 2021, the approval rate of all requests, including those approved and rejected, reached 89.68%.

# Leadership in Chile

Enel Chile's business model has gone from a traditional public utility company to a circular and digital platform company.

## Generation

We are the largest electricity generation company in Chile. As of December 31, 2020, our installed generation capacity amounted to 7,200 MW, which represents 27.6% of the total capacity of the country's National Electricity System (SEN). Renewable generation capacity represents 66% of the Company's total installed capacity, including hydroelectric, solar, wind and geothermal power, which are all carbon free.

Enel Chile has a robust and diversified generation portfolio that includes highly efficient thermal capacity, primarily liquified natural gas (LNG) fired power. The Company has led the decarbonization process in Chile by retiring coal-fired Central Tarapacá and Central Bocamina I. Bocamina II will close in May 2022.

## Distribution

Enel Chile is the largest electricity network operator in Chile in terms of distributed electricity. We distribute electricity to over two million customers in 33 counties in the Metropolitan Region.

## Electrification

The speed of the energy transition has made our customers be in constant evolution. Within this scenario, Enel Chile seeks to anticipate their needs. Therefore, the Company is implementing technological advances that focus on carbon free solutions and on applying electricity to new uses. Electric mobility is an excellent example in which the Company and its partners promote various initiatives to contribute to urban electrification and decontamination.

Enel Chile created its subsidiary [Enel X Chile](#) in 2018 to promote electrification. The Company offers new energy products and services to specially satisfy those customers that are increasingly aware of sustainability and energy efficiency.

The Company has also carried out a digital transformation process allowing to improve results and provide a platform to face events such as the social uprising and the COVID-19 pandemic in Chile. Most of our employees began to work remotely as a consequence of both events without affecting the Company's service quality.

For further detail on our strategy refer to Enel Chile Strategy section of this Annual Report.

Enel Chile at a glance		Sustainable Development Goals (SDG)
Enel Chile leads renewable energy sourced electricity generation	+ 4.7 GW renewable installed capacity	 
Better market position among previously regulated customers that chose to become unregulated once authorized, sales to unregulated clients	+ 23 TWh regulated and unregulated customer sales + 12.1 TWh unregulated customer sales	
Resilient business, adaptable and efficient based on LNG	+ 2.5 GW thermal capacity	
Indefinite concession	+ 2.0 million customers	
Leader in electricity distribution in Chile	+ 16.4 TWh energy distributed	
Growth provided by services and solutions	766 electric vehicle chargers	

## Main Financial and Operational Metrics

### Main operational figures

	2020	2019
<b>Generation Business</b>		
Installed capacity (GW)	7.2	7.3
Hydroelectric (%)	49.5%	48.6%
CCGT (%)	29.2%	28.8%
Coal (%)	4.9%	6.5%
Wind, solar, o geothermal (%)	16.5%	16.1%
Total energy generated (TWh)	19.3	21.0
Energy generated by renewable sources (%)	67%	66%
Total energy sold TWh)	23.0	23.5
<b>Distribution Business</b>		
Total energy distributed (TWh)	16.5	17.1
Energy losses	5.24%	4.99%
Number of customers (millions)	2.01	1.97
Remote control equipment	2,412	2,148
<b>Enel X Chile</b>		
Electric buses	435	285
Electric vehicle Chargers	766	454
Smart lighting (thousands)	281	277
e-home services (thousands)	90.6	77.8

### Main financial figures

As of December 31, of each year figures in nominal Ch\$ millions	2020	2019	2018	2017	2016 (1)
<b>Total Assets</b>	<b>7,904,472</b>	<b>7,857,988</b>	<b>7,488,020</b>	<b>5,694,773</b>	<b>5,398,711</b>
<b>Total Liabilities</b>	<b>4,310,197</b>	<b>4,110,704</b>	<b>3,813,856</b>	<b>1,907,811</b>	<b>1,935,717</b>
Operating Revenue	2,585,402	2,770,834	2,457,161	2,522,978	2,136,041
<b>EBITDA</b>	<b>908,676</b>	<b>1,053,492</b>	<b>891,355</b>	<b>739,252</b>	<b>627,547</b>
Net Income (2)	(50,860)	296,154	361,709	349,383	317,561
Pay-out ratio	50%	60%	60%	55%	50%
Liquidity index	0.98	0.98	0.82	1.29	1.13
Debt ratio (3)	1.2	1.1	1.04	0.5	0.56

- (1) Only ten months since its creation (March 1, 2016).  
(2) Net earnings attributable to the controlling shareholder.  
(3) Total Liabilities/Equity plus Minority Interest.

## ESG rating and indices

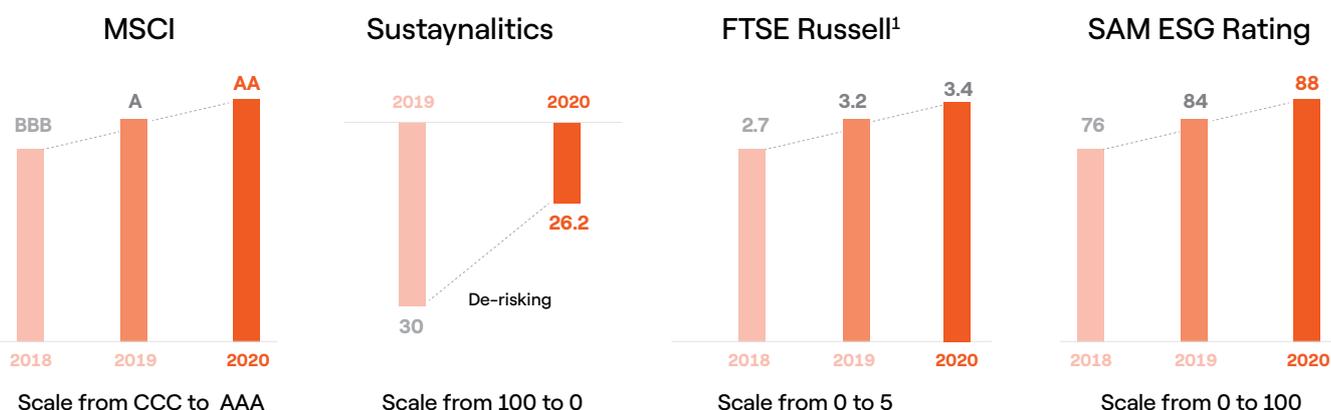
The importance of sustainability and the performance of Enel Chile's business in terms of sustainability is evident when observing the Company's presence in the main ESG indexes. The results are clear and solid and acknowledge the efforts that have been made in this regard and allow analyst to compare the Company's ESG performance

with others. Enel Chile is committed to creating value for its shareholders. Therefore, the Company invests in projects that integrate the three ESG dimensions allowing to minimize risk and also contribute to achieving the Sustainable Development Goals (SDG) promoted by United Nations. The main indexes we participate in, and our respective rating is presented in the following table:

### Enel Chile main indexes and ratings

Enel Chile's ESG ratings and participation improved in 2020.

<a href="#">Dow Jones Sustainability Index (DJSI)</a>	In 2020, Enel Chile ranked first in its three categories: Emerging Markets, Pacific Alliance Integrated Market ("MILA" in its Spanish acronym) and Chile.  The score obtained by Enel Chile places it among the best companies in the world, achieving scores above 90/100 in 67% of the criteria.
<a href="#">Sustainability Yearbook 2021</a>	Enel Chile was confirmed in the Sustainability Yearbook 2021 published by S&P Global for the second consecutive year, and the only Latin American electricity company ranked in the Silver category, which distinguishes companies in the top 5% of the most sustainable businesses worldwide.
<a href="#">FTSE4Good</a>	For the fourth consecutive year in the Emerging Markets and Latin America categories obtaining a 3.4 score.
<a href="#">Vigeo-Eiris</a>	Included for the fourth consecutive year in the Vigeo-Eiris "Best Emerging Markets Performers" ranking in the utilities sector, including best-performing companies in emerging markets with a "best in the class" approach.
<a href="#">MSCI ESG Indexes</a>	Enel Chile is part of several stock market sustainability indexes monitored by this entity and in 2020 received an AA rating.
<a href="#">Sustainalytics</a>	Enel Chile's score for 2020 was 26.2 score, in the top 14% of companies with less risk in the electricity industry worldwide.
<a href="#">ISS ESG</a>	Enel Chile was highlighted as belonging to the top 12% with the best performance among of 125 companies from the electricity industry worldwide. We were rated as a PRIME company for our performance in sustainability. .



#### Indexes and ratings

MSCI : Universal and focus ESG indices  
Vigeo ranking "Best Emerging Markets Performers"  
DJSI Chile, DJSI MILA Pacific Alliance y DJSI Emerging Markets.  
FTSE Emerging Markets y Latin America.

MEMBER OF  
**Dow Jones Sustainability Indices**  
in collaboration with

FTSE4Good

SUSTAINALYTICS MSCI

1st Company in  
**SAM**  
Now a Part of S&P Global  
EM Mila Chile

(1) 2020 scores not yet reported

# 2020 Milestones

## JANUARY

### **Enel X unveiled the first national electric route, which will connect Chile from Arica to Punta Arenas**

The project involves installing 1,200 public charging stations, with more than 1,800 electric vehicle chargers. "ElectroRuta Enel X" is the most ambitious electromobility project in Latin America and will allow covering over 5,000 kilometers, from north to south, guaranteeing the autonomy and continuity of electric vehicle circulation.

## FEBRUARY

### **Enel Chile is included in RobecoSAM's yearly sustainability report "Sustainability Yearbook 2020"**

The study performed by RobecoSAM acknowledges the companies with the highest environmental, social and governance (ESG) standards and analyzes the most relevant sustainability challenges through a series of articles that are included in the "Sustainability Yearbook 2020".

## MARCH

### **Facing the pandemic with measures that focus on our customers**

The Company took action and implemented a preventive plan to protect the health of employees, collaborators and customers and reduce the risk of Coronavirus contagion. Various protocols were activated to operate the electricity network, provide customer service, and simultaneously guarantee continuous electricity supply. Also, the Company proactively and voluntarily offered its customers a series of benefits related to special payment plans, without down payments, interest, and a variable payback period depending on the particular situation of each customer. These benefits were reinforced throughout the year through communication campaigns to reach all customers.

### **Continuity of customer service channels that faced greater demand during the pandemic**

Enel Distribución Chile has adapted to this unprecedented and complex scenario to maintain its service channels fully operational and available throughout the year. Customer service teams were reinforced and trained to implement the technology and procedures required to deal with the greater needs of customers as a consequence of the COVID-19 pandemic, primarily related to special payment plans for vulnerable customers. The Sucursal Casera on the website was expanded to offer customers the same services provided by face-to-face service channels.

### **Development of new digital solutions to provide customer service**

The use of technology was intensified to make it easier for customers to contact the Company. Solutions such as, natural language IVR, the new version of the Enel Client app, new RPA for Authority channel, new chatbot as virtual assistant on the website and a new WhatsApp communication channel.

## APRIL

### **Enel Chile launches the "Codo a Codo" campaign**

This campaign involved Ch\$ 1.2 billion to resolve urgent health and food needs of people in Santiago and throughout the country. The first measures adopted in Chile included the donation of the first 100% electric ambulances to the Chilean Red Cross, contributions to the Catholic University of Chile, hospitals in Til Til and University of Chile Clinical Hospital, among others.

## MAY

### **Cultural event displayed on the corporate building**

The facade of the Enel building was lit up to send a message of support and encouragement to "heroes without capes" that fight the pandemic every day. A mapping displayed the Chilean flag along with messages of support and concluded with the projection of the Music for Hope concert performed by the Italian tenor Andrea Bocelli at the Milan Cathedral.

### **Donation of the first two 100% electric ambulances in Latin America**

The emergency vehicles were donated to the Chilean Red Cross to help health workers reach high risk communities affected by COVID-19. This donation was part of the "Codo a Codo" ("Side to Side") campaign.

### **Ch\$100 million contribution to Luis Calvo Mackenna Hospital**

Within the context of the "Codo a Codo" ("Side to Side") campaign, the Company donated funds to provide 20 ICU beds to fight COVID-19 and benefit vulnerable children at high risk.

### **Donation to University of Chile Clinical Hospital**

To support healthcare workers, treat the patients of the Clinical Hospital of Universidad de Chile, Enel Chile donated four critical care monitors, 100 thousand surgical masks, and 50 thousand KN95 masks for the over 4,000 people

that work at the hospital. All within the framework of the “Codo a Codo” (“Side to Side”) campaign.

### **Electric bus to perform PCR testing**

Within the context of the “Codo a Codo” (“Side to Side”) campaign, Enel Chile, and the Catholic University of Chile, through its UC Medical School and the UC Christus Health Network, formed an alliance to equip an electric bus to operate as a mobile laboratory to perform PCR testing.

### **Early retirement of Bocamina**

The Board of Directors of Enel Generación Chile announced its decision to close both units of Central Bocamina thermal power plant located in Coronel before initially programmed. Bocamina I to close by December 31, 2020 and Bocamina II by May 31, 2022.

### **Enel Green Power begins the construction of the photovoltaic park Azabache**

The 60.9 MW photovoltaic power plant Azabache will be located on the land where the Valle de los Vientos Wind Park operates and that belongs to Enel Green Power Chile. It will be the first industrial scale hybrid power plant in Chile.

### **Enel Distribución Chile presents its 2020 Winter Plan**

Enel Distribución Chile implemented its “2020 Winter Plan” a coordinated effort to face potential extreme weather conditions during the winter months. This plan involved a series of technical and commercial actions to reinforce health and safety measures within the context of the COVID-19 pandemic.

## **JUNE**

### **Enel Green Power Chile begins the construction of the second phase of Finis Terrae photovoltaic Park**

This expansion will add 126 MW to the plant that currently operates in the Antofagasta Region to reach a total 286 MW installed capacity.

### **Enel Green Power Chile begins the construction of its new wind farm in the Araucanía Region**

The Company began the construction of the new Renaico II wind farm located in Renaico county in the Araucanía Region. This new plant has two farms: the 58.5 MW Las Viñas wind farm and the 85.5 MW Puelche wind farm reaching a total 144 MW installed capacity.

### **Moody’s confirmed Enel Chile’s international rating**

The Company received a “Baa2” rating with a stable outlook.

### **Enel X Chile announces the operations of 150 new electric buses for public transport**

The arrival of these new buses is part of the third phase of the public transport electric mobility project of the Enel X Chile, Metbus and BYD alliance that, to this date, has a total 435 electric buses operating in the Metropolitan Region and has improved the transport service experience of the population and contributed to reduce pollution.

### **Enel Chile has once again been confirmed in the FTSE4Good index series, belonging to the London Stock Exchange Group, designed to support investment in sustainable companies.**

This index incorporates companies listed on stock exchanges around the world that meet high standards in the environmental, social, corporate governance (ESG) and transparency areas, based on the principles of responsible investment.

## **JULY**

### **The early retirement and final disconnection of Enel Generación Chile’s Bocamina I and Bocamina II is authorized**

The National Energy Commission authorized Enel Generación Chile to retire, disconnect and cease operations of Bocamina I on December 31, 2020 and Bocamina II in May 2022, which was originally scheduled to take place in 2040.

### **Feller Rate risk rating**

In July 2020, the rating agency gave Enel Chile an A-international rating with a stable outlook for the first time.

## **AUGUST**

### **Vigeo-Eiris**

For the fourth consecutive year, Enel Chile was included in the Vigeo-Eiris “Best Emerging Markets Performers” ranking in the utilities sector that includes the best-performing companies in emerging markets in a “best in class” approach.

### **2020 Enel Cup**

The “Half Time” seminar was launched virtually with the participation of professional soccer players sharing their experiences and referred to the importance of the formation of future soccer players. Latin American soccer stars launched the 2020 Enel Cup during the virtual event.

### **Standard & Poor’s maintained Enel Chile S.A. international rating**

The Company was rated “BBB+” with a stable outlook, an “Investment grade” rating.

### **Enel Distribution Chile approved the Adoption WIN project**

The main goal of this project is the global integration of I&N processes using systems that allow facing the challenges of increasing customer demands, regulation, and digital transformation in a sustainable manner. The project involves the implementation of an operations model aligned with the digitalization strategy and the convergence of the I&N processes and requires the implementation of over 30 systems that impact the entire value chain of the Company’s processes.

## SEPTEMBER

### Internal Audit Department's Ethics Week

The 2020 Ethics Week was a digital event that highlighted the commitment of Company employees, managers, suppliers, and board members to transparency, particularly focused on the relationship between compliance programs and Corporate Governance and Sustainability.

## OCTOBER

### Enel Green Power and AME announce their plans to develop the first green hydrogen pilot project in Chile

Enel Green Power plans to join AME and possibly ENAP, Siemens Energy and Porsche in the installation of a pilot plant to produce green hydrogen using an electrolyzer powered with wind energy located in Cabo Negro, north of Punta Arenas in Magallanes Region. This pilot project would be one of the largest of its kind in Latin America

### Enel Green Power begins the construction of the Domeyko solar plant in the Antofagasta Region

The new 204 MW Domeyko photovoltaic park located in Antofagasta Region began construction and is expected to conclude in July 2021. The investment in the project is expected to amount to US\$ 164 million.

### Latin Trade acknowledges Enel Chile as the best Latin American company in the "Social Impact" category

Enel Chile was acknowledged by the prestigious business magazine Latin Trade. They choose five winners in different categories every year, and Enel Chile was selected among leading companies in corporate sustainability listed in the IndexAmericas Top 100 published by the Inter-American Development Bank, IDB.

### Enel Chile climbs to third place in the 2020 Informe Reporta

Information transparency placed Enel Chile among the top three companies that make up the IPSA of this ranking for the quality of financial and non-financial information provided to stakeholders.

### Enel Distribución Chile begins training program at Operational Excellence Center ("CEO" in its Spanish acronym)

This Network Project began at Enel Distribución Chile's operational excellence center in collaboration with Sofofa and Inacap. The first training program was offered to the students of Liceo Bicentenario located in Lampa and provided technical competencies, skills, and conduct to work safely on electricity infrastructure, protect the environment and offer quality service.

## NOVEMBER

### Enel Green Power begins the construction of the Sol de Lila photovoltaic project

The photovoltaic project Sol de Lila began construction in the Atacama Desert located in Antofagasta Region. This new solar plant will have 163 MW installed capacity and is programmed to begin operations in July 2021.

### Enel X Chile and Universidad de Chile sign an agreement to build the first 4 passenger solar car in Latin America

Enel X Chile signed an agreement with Universidad de Chile to jointly develop the project and build the "Eolian Áuriga-Enel X" solar car, the first of its kind for four passengers.

### 2020 Women's Energy Award

Enel Chile held its thirteenth version of the Women's Energy Award, which honored 11 women who work in their respective fields to build a better society with equal female participation in the public arena nationwide. This year's winners, members of the jury, executives, and directors of Enel Chile participated virtually in the ceremony this year.



## DECEMBER

### **Antibribery management systems of Enel Chile and Enel Generación Chile maintain Certification**

This international standard certification was received for the first time in 2019 seeking to continue promoting and consolidating the companies' ethics and transparency culture in Chile. In 2020, Enel Generación Chile and Enel Chile maintained their ISO37001 certification recognizing that both companies have a solid antibribery management system that contributes to the safety and transparency of its investments.

### **Renewable energy contract to supply Caserones, Minera Lumina Cooper**

As of January 2021, Caserones, owned by Minera Lumina Cooper, will be supplied 1 TWh per year of 100% clean and renewable electricity thanks to a 17-year contract signed with Enel Generación Chile.

### **Enel Chile leads the Dow Jones Sustainability Index in three categories: Emerging Markets, MILA, and Chile**

Enel Chile was invited to join these three index categories in view of its geographic location and market capitalization. A thorough performance evaluation conducted by a SAM sustainability analyst, which assessed 27 key sustainability criteria of 100 companies worldwide, placed the Company in a leading position.

### **ISS ESG Corporate Rating honored Enel Chile as a PRIME company for its performance in sustainability**

Enel Chile was acknowledged for being among the top 12% of 125 companies in the electricity industry worldwide according to ISS ESG Corporate Rating receiving the PRIME company rating for its performance in sustainability.

### **MSCI ESG Indexes**

These indexes measure the Company's long-term resilience regarding ESG risks. Enel Chile is part of several stock market sustainability indexes monitored by this entity and in 2020 received an AA rating.

### **Construction of Lampa Substation completed**

Enel Distribución Chile finished the construction of the New Lampa 220 kV Substation that will provide additional flexibility to the National Electricity System.

### **Enel Generación Chile disconnected Bocamina I**

Enel Generación Chile disconnected and ceased the operations of Central Bocamina Unit 1 located in Coronel on December 31, 2020, three years sooner than initially expected and had retired Central Tarapacá on December 31, 2019, which represent significant progress in the decarbonization process of the Company's generation matrix.

# 2

## **Corporate Governance**



# Ownership and control

## Ownership structure

The Company's total share capital was divided into 69,166,557,220 shares of a single series with no par value and each share has the right to one vote. No shares give the State the right to veto.

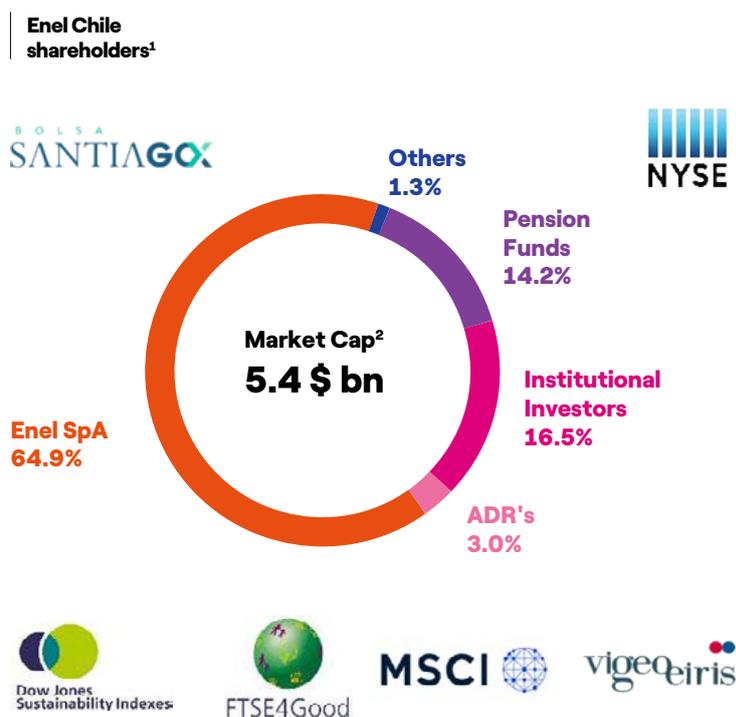
On July 7, 2020, Enel SpA informed it had increased its ownership share in Enel Chile through two swap transactions purchasing 1,502,106,759 common shares and 11,457,799 ADSs (each ADS represents 50 shares).

As of December 31, 2020, all shares were subscribed and paid, and ownership was distributed as follows:

Shareholder Name	Number of shares	Ownership share
Enel SpA <sup>(1)</sup>	44,907,055,101	64.93%
Pension Fund Administration Companies (AFP)	9,844,218,723	14.23%
Foreign Investment Funds	8,441,963,656	12.21%
Stockbrokers, Insurance companies and Mutual Funds	2,956,842,165	4.27%
Citibank N.A. as stated in S.V.S. Circular 1,375 (ADS) <sup>(2)</sup>	2,102,297,373	3.04%
Other 6,152 shareholders	914,180,201	1.32%
<b>Total outstanding shares</b>	<b>69,166,557,219</b>	<b>100.00%</b>
Shares remaining from exchange	1	
<b>Total shares</b>	<b>69,166,557,220</b>	

(1) Enel SpA ownership share of Enel Chile accounts for 11,457,799 ADSs or its equivalent 572,889,950 shares.

(2) S.V.S. is currently the Financial Market Commission "CMF" (in its Spanish acronym).



(1) As of December 31 2020

(2) Market cap as of January 7, 2021

# Controlling shareholders

As defined by Title XV of Law 18,045, Enel Chile S.A. is a publicly held limited liability stock corporation controlled by Enel SpA., a publicly traded Italian company that owns 64.93% of the shares issued by the Company. Enel SpA shares trade on the Milan Stock Exchange.

On July 7, 2020, Enel SpA informed it had increased its ownership in Enel Chile 3% through two swap transactions reaching a total 64.93% ownership share of Enel Chile.

Shareholders of Enel SpA as of December 31, 2020	Shareholding
Ministero dell'Economia e delle Finanze de Italia	23.6%
Other Investors (Institutional and Retail)	76.4%
<b>Total</b>	<b>100.0%</b>

The shareholders of the controlling entity do not have a shareholders' agreement.

# Twelve Major Shareholders

As of December 31, 2020, Enel Chile S.A. has 6,297 shareholders. The 12 major shareholders are listed below:

## LIST OF THE 12 MAJOR SHAREHOLDERS OF THE COMPANY AS OF DECEMBER 31, 2020

Name	Taxpayer ID	Number of Shares	Shareholding
Enel SpA <sup>(1)</sup>	59,243,980-8	44,907,055,101	64.93%
Citibank N.A. as stated in S.V.S. Circular 1375 (ADS)	59,135,290-3	2,102,297,373	3.04%
Banco de Chile on behalf of nonresident third parties	97,004,000-5	2,462,762,637	3.56%
Banco Santander on behalf of foreign investors	97,036,000-K	2,392,545,598	3.46%
Banco de Chile on behalf of State Street	97,004,000-5	1,968,435,378	2.85%
AFP Habitat S.A. for Pension Fund C	98,000,100-8	1,623,328,634	2.35%
AFP Provida S.A. for Pension Fund C	76,265,736-8	1,288,670,154	1.86%
AFP Capital S.A. for Pension Fund C	98,000,000-1	867,037,155	1.25%
AFP Cuprum S.A. for Pension Fund C	76,240,079-0	805,000,464	1.16%
Banco de Chile on behalf of Citi NA New York Client	97,004,000-5	681,001,746	0.98%
Banchile Corredores de Bolsa S.A.	96,571,220-8	649,082,312	0.94%
AFP Habitat S.A. Pension Fund A	98,000,100-8	629,064,053	0.91%
<b>Subtotal 12 shareholders</b>		<b>60,376,280,605</b>	<b>87.29%</b>
Other 6,285 shareholders <sup>(2)</sup>		8,790,276,614	12.71%
<b>TOTAL 6,297 shareholders</b>		<b>69,166,557,219</b>	<b>100.00%</b>

(1) Enel SpA ownership share of Enel Chile accounts for 11,457,799 ADSs or its equivalent 572,889,950 shares.

(2) No current shareholders belong to families of the Company's founders. The government nor any state-owned entity holds more than a 5% ownership share of the Company.

# Most important changes in ownership

Name	Taxpayer ID.	N° of shares at 12/31/2019	N° of shares at 12/31/2020	Shareholding Variation in percentage points
Enel SpA	59,243,980-8	42,832,058,392	44,907,055,101	0.0300
AFP Habitat S.A.	98,000,100-8	3,005,808,747	3,264,404,915	0.0037
Citibank N.A. as stated in S.V.S. Circular 1375	59,135,290-3	2,714,732,273	2,102,297,373	-0.0089
Banco de Chile on behalf of non-resident third parties	97,004,000-5	2,226,587,203	2,462,762,637	0.0034
Banco Santander on behalf of foreign investors	97,036,000-K	2,398,326,103	2,392,545,598	-0.0001
AFP Provida S.A.	76,265,736-8	2,509,406,123	2,324,413,379	-0.0027
Banco de Chile on behalf of State Street	97,004,000-5	0	1,968,435,378	0.0285
AFP Capital S.A.	98,000,000-1	1,814,446,384	1,651,516,687	-0.0024
AFP Cuprum S.A.	76,240,079-0	2,032,896,487	1,621,226,254	-0.0060
Banco de Chile on behalf of Citi NA New York Client	97,004,000-5	458,239,595	681,001,746	0.0032
Banchile Corredores de Bolsa S.A.	96,571,220-8	713,463,345	649,082,312	-0.0009
AFP Modelo S.A.	76,762,250-3	610,484,744	597,492,427	-0.0002

## Stock market transactions among related parties

On May 12, 2020, Enel SpA purchased an additional 1,502,106,759 shares of Enel Chile on the Santiago Stock Exchange, equivalent to a 2.18% of the Company's share capital, for a total Ch\$ 94,782,936,492.

On May 13, 2020, Enel SpA purchased 6,224,990 ADSs of Enel Chile S.A. that represent 311,249,500 common shares of the Company equivalent to 0.45% of share capital, for a total Ch\$ 23,508,260,145.

On July 6, 2020, Enel SpA purchased 5,232,809 ADSs of Enel Chile S.A. that represent 261,640,450 common shares of the Company equivalent to 0.38% of share capital, for a total Ch\$ 15,139,932,435.

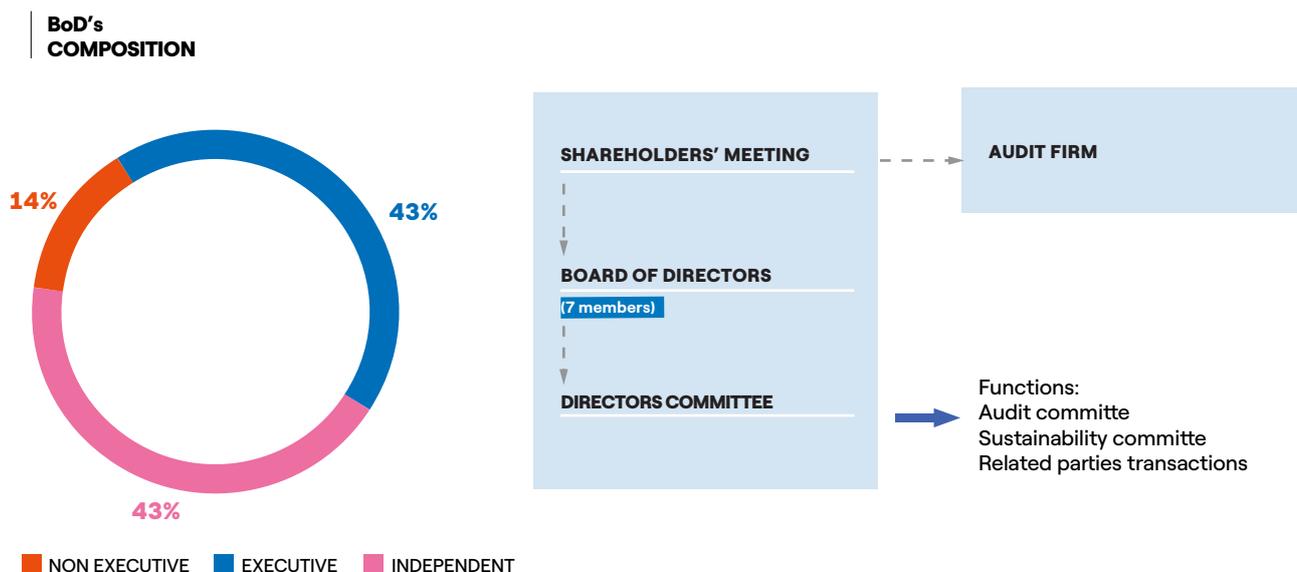
## Summary of comments and proposals by the Directors Committee and shareholders

Enel Chile received no comments or proposals regarding the progress of corporate businesses between January 1 and December 31, 2020, from the Directors' Committee or shareholders that own or represent 10% or more of the shares issued with voting rights, in accordance with the provisions of Article 74 of Law 18,046 and Articles 136 of the Rules and Regulations to the Chilean Corporations Law.



# Corporate Governance Structure

Enel Chile is managed by a Board of Directors comprised of seven members for a three-year term that may then be replaced or reelected. Board members do not have to be shareholders of the Company. As stated by the Chilean Corporations Law, in the event of a vacancy, the Board must be totally renewed at the Company's forthcoming Ordinary Shareholders' Meeting, and the Board may appoint a substitute in the interim. The [Company bylaws](#) do not consider the appointment of alternate members.



## Board member nomination and election

The curriculum vitae of board member nominees is posted on the Company website before the Shareholders' Meeting that is to elect the members to the Board so that shareholders can review the candidates' abilities and experience in advance. The last Board election took place during the [Shareholders' Meeting held on April 25, 2018](#).

# 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>

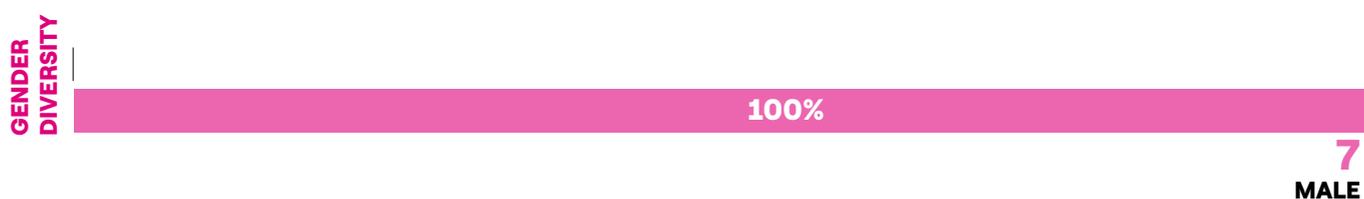
  

Number of people by nationality:	
Chilean	4
Italian	3
<b>Total</b>	<b>7</b>

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\$								Total 2020
Name	Position	Fixed Compensation	Ordinary and Extraordinary sessions	Committee's fixed compensation	Committee's Ordinary and Extraordinary sessions	Variable Compensation <sup>(2)</sup>		
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\$								Total 2019
Name	Position	Fixed Compensation	Ordinary and Extraordinary sessions	Committee's fixed compensation	Committee's Ordinary and Extraordinary sessions	Variable Compensation <sup>(2)</sup>		
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)

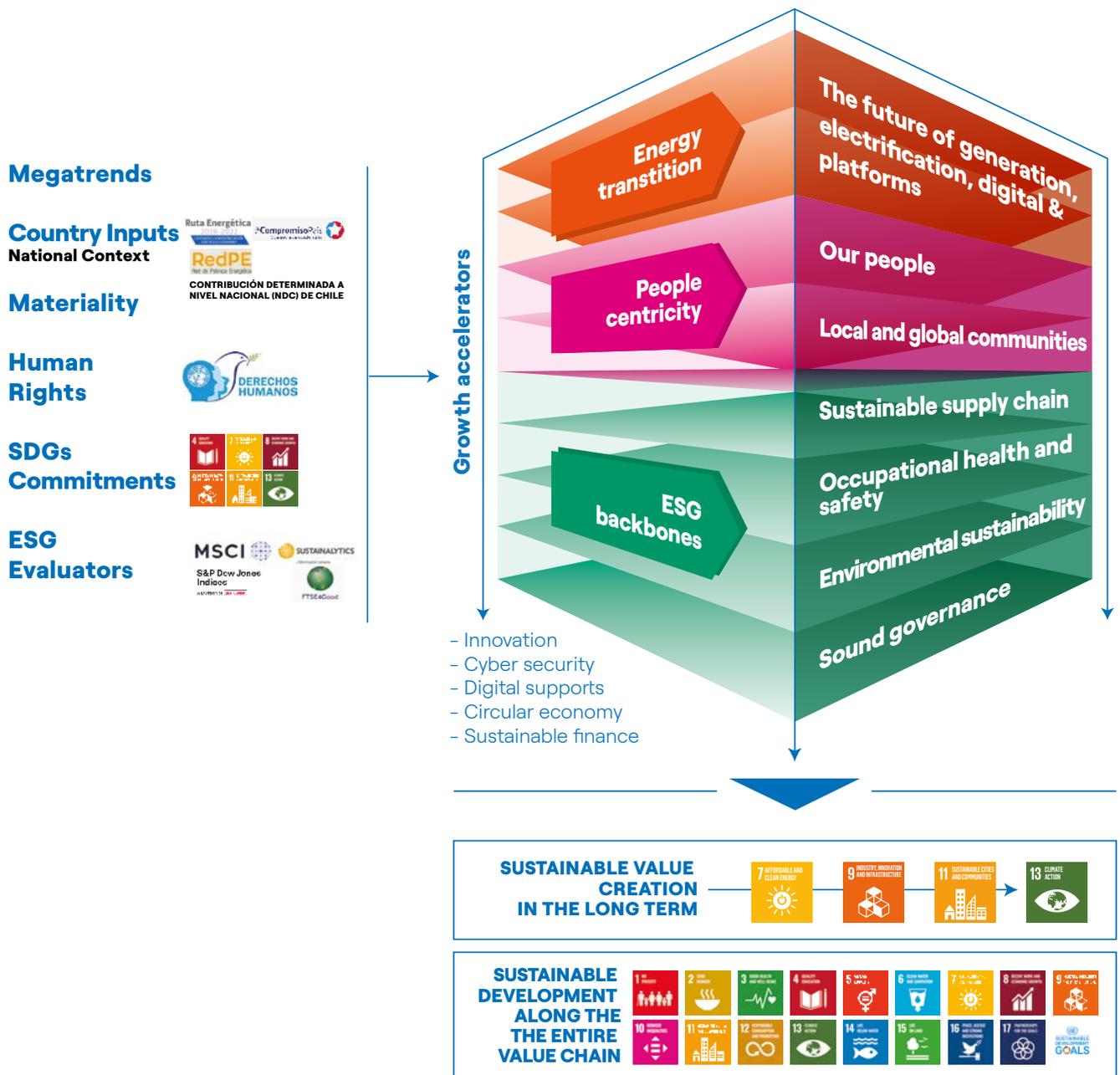
### Meeting with Sustainability Department

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.

# Management

## Organizational Chart



**CHAIRMAN**  
Herman Chadwick Piñera



**ENEL CHILE S.A.**  
Paolo Pallotti (\*)

### **E** Executives •

#### **MANAGEMENT, FINANCE AND CONTROL**

Giuseppe Turchiarelli (\*)

#### **INTERNAL AUDIT**

Eugenio Belinchón Gueto <sup>(\*)(\*\*)</sup>

#### **COMMUNICATIONS**

Claudio Vera Acuña

#### **PEOPLE AND ORGANIZATION**

Liliana Schnaidt Hagedorn <sup>(\*)</sup>

#### **PUBLIC RELATIONS**

Pedro Urzúa Frei

#### **GENERAL COUNSEL AND SECRETARY TO THE BOARD**

Domingo Valdés Prieto <sup>(\*)</sup>

#### **REGULATION**

Daniel Gomez Sagner <sup>(\*\*\*)</sup>

#### **SECURITY**

Andrés Pinto Bontá

#### **SERVICES**

Alison Dunsmore Moreira

#### **SUSTAINABILITY**

Antonella Pellegrini

#### **PROCUREMENT**

Raúl Puentes Barrera

#### **DIGITAL SOLUTIONS**

Ángel Barrios Romo

(\*) Main executive

(\*\*) Internal Audit reports directly to the Board of Directors of Enel Chile

(\*\*\*) Daniel Gómez Sagner was appointed on December 1, 2020 replacing Mónica De Martino

The following individuals were key executives until September 24, 2019: Mónica De Martino, Antonella Pellegrini, Claudia Navarrete Campos, Alison Dunsmore Moreira, Pedro Urzúa Frei, Raúl Puentes Barrera, Andrés Pinto Bontá, and Angel Barrios Romo.

# Enel Chile executive team

## Key executives

### Chief Executive Officer

#### Paolo Pallotti

Mr. Paolo Pallotti

ID Number: 26,102,661-9

Profession: Electronic Engineer

Universidad de Ancona

Leadership for energy executive program

Harvard Business School

Appointment date: October 1, 2018

### Management, Finance and Control Officer

#### Giuseppe Turchiarelli

ID Number: 27,101,372-8

Profession: Economist

Universidad de Cagliari

Executive MBA at "LUISS" Business School

Appointment date: November 15, 2019

### People and Organization Officer

#### Liliana Schnaidt Hagedorn

ID Number: 13,903,626-3

Profession: Industrial Engineer

Pontificia Universidad Católica de Chile

Appointment date: February 1, 2018

### Internal Audit Officer

#### Eugenio Belinchón Gueto<sup>(1)</sup>

ID Number: 25,553,336-3

Profession: Economist

Universidad Complutense de Madrid

MBA IE-Instituto de Empresa (Spain)

Appointment date: March 1, 2020

### General Counsel and Secretary to the Board

#### Domingo Valdés Prieto

ID Number: 6,973,465-0

Profession: Lawyer

Universidad de Chile

Master of Law University of Chicago

Appointment date: February 29, 2016

(1) Eugenio Belinchón Gueto was appointed on March 1, 2020 replacing Raffaele Cutrignelli.

# Key executive compensation

## Key executive compensation

During 2020, the compensation and benefits received by the chief executive officer and key executives of the Company amounted to a fixed compensation of Ch\$ 2,133 million and Ch\$ 429 million in short- and long-term benefits.

During 2019, the compensation and benefits received by the chief executive officer and key executives of the Company amounted to a fixed compensation of Ch\$ 2,357 million and Ch\$ 209 million in short- and long-term benefits.

These amounts include remuneration and benefits of key executives that held their position in the Company on December 31 of each year and also those who left the Company during the respective year.

## Key executive benefits

The company maintains supplementary health insurance and catastrophic insurance coverage for key executives and their family members accredited as dependents. The Company also has life insurance coverage for each key executive. These benefits are granted according to the management level of each employee at the time executed. In 2020, the amount spent on these benefits was Ch\$ 7 million, which is included in the compensation received by key executives.

## Incentive plans and key executives

Enel Chile has an annual bonus plan for its executives based on achieving objectives and the level of individual contribution to the Company's results. This plan defines a bonus range for each management or hierarchical level. Executive bonuses are expressed as a specific number of monthly gross salaries.

The variable incentives of the Chief Executive Officer are presented below:

40% are linked to ESG goals

MACRO OBJECTIVE	OBJECTIVE	WEIGHT	RANGE	TYPE OF TARGET
PROFITABILITY	NET INCOME CHILE	25 %	120 % Maximum	ECONOMIC
EFFICIENCY	OPEX CHILE	20 %	120 % Maximum	ECONOMIC
CASH AND DEBT MANAGEMENT	FFO CHILE	15 %	120 % Maximum	FINANCIAL
SAFETY	SAFETY IN THE WORKPLACE	20 %	120 % Maximum	ESG
ENVIRONMENTAL	BUSINESS CHILE	20 %	120 % Maximum	ESG

## Severance payments to managers and key executives

There were no severance payments for years of service in 2020 and 2019.

## Ownership of Enel Chile

Based on the Shareholder's Register, as of December 31, 2020, no key executive owned shares of the Company. There are no requirements regarding the ownership of Company shares by the Chief Executive Officer or key executives. The CMF's NCG 30 states that they must inform their share position and the respective transactions during the period covered by the respective Annual Report. This is also a requirement of the Securities Market Law 18,045 and the Company's Manual on Handling Information of Market Interest.

# Management of main subsidiaries

The key executives of Enel Chile S.A. subsidiaries are listed below:

### Enel Generación Chile

#### Michele Siciliano<sup>(1)</sup>

ID Number:25,467,930-5

Chief Executive Officer

Mechanical Engineer

Università della Calabria

Appointment date: October 1, 2019

### Enel Distribución Chile

#### Ramón Francisco Castañeda Ponce

ID Number:10,485,198-3

Chief Executive Officer

Industrial Engineer

Pontificia Universidad Católica de Chile

Appointment date: August 16, 2018

### Enel Green Power Chile

#### James Lee Stancampiano<sup>(2)</sup>

ID Number:24,158,936-6

Chief Executive Officer

Environmental Economist

Università degli Studi di Siena

Appointment date: January 1, 2018

### Enel X Chile

#### Karla Zapata

ID Number:22,075,700-5

Chief Executive Officer

Industrial Engineer

Universidad Ricardo Palma, Perú

Appointment date: November 1, 2018

(1) Michele Siciliano presented his resignation on December 31, 2020 and James Lee Stancampiano was appointed on January 1, 2021.

(2) James Lee Stancampiano presented his resignation on December 31, 2020 and Ali Shakhtur Said was appointed on January 1, 2021.

# Ethics and integrity

## Commitments and ethical pillars

### We work to improve the quality of life on this planet

All Enel Group companies share the same objectives, vision, and commitment. The Enel brand is the visible sign of our unified global identity, everywhere, worldwide. We are part of Enel and Enel's new approach to manage energy, based on its values: trust, responsibility, innovation, and proactivity.

### Our values

We work to improve the quality of life on this planet every day.

#### Trust

Enel's work is based on transparency: at our power plants, distribution networks, at our offices and customer service centers. Our success comes from the trust we build with the community and the people we work with every day.

#### Responsibility

We search for people that are interested in improving life on our planet, that can offer solutions to climate change challenges and the growing need for clean energy, and supply electricity to over a billion people currently lacking access.

#### Innovation

Enel Chile promotes innovation to assure that the best and most creative ideas contribute to improve people's lives.

#### Proactivity

Our vision to improve the quality of life with sustainable energy is ambitious. We need creative, innovative people that question themselves and understand challenges as opportunities.

## Criminal Risk Prevention Model

Enel Chile is fully committed to its ethical norms and conduct, and the existing regulation in every one of its businesses regarding its relations, both internally and externally with other stakeholders. Transparency and ethical behavior are values that build relationships of trust and responsibility with stakeholders. The Company strictly abides by the Corporations Law, which includes independence and conflict of interest criteria. The Board of Directors has voluntarily adopted the practices established by NCG 385. Internal Audit reports information on the Company's compliance with this norm directly to the Board.

The Company and its subsidiaries rely on an Ethical Code, approved by the Board of Directors, to guide the behavior of directors, executives, employees, and contractors. The Code describes the ethical principles, guidelines, commitments, and responsibilities to be followed in managing the business and performing entrepreneurial activities.

The Ethical Code and other important documents that provide the framework for Enel Chile's ethical culture are handed to employees, directors, suppliers, and contractors, and are also posted on the website, offering easy access to all its stakeholders.

The Company strictly abides to the Chile's Corporations Law, which establishes independence criteria to avoid conflicts of interest. Also, the Board of Directors voluntarily adopted General Norm 385. The Internal Audit department directly informs the Board on the matters covered by its report regarding compliance with this Norm.

The **Criminal Risk Prevention Model** ("MPRP" in its Spanish acronym) is built upon the Company's Ethics Code, Zero Corruption Tolerance Plan, and the Enel Global Compliance Program. Its objective is to control and prevent criminal activity within the organization, comply with norms, and provide transparency in the activities of all companies in which Enel Chile holds a majority stake, controls the administration, or is responsible for its management. This model satisfies all standards stipulated in the Crime Prevention Model of Law 20,393 and its amendments.

The Board of Directors is responsible for overseeing compliance with ethical norms and criminal risk prevention in the Company. Management and control functions are delegated to the Internal Audit Department. The Board approves all documents involved in the compliance system, including the Criminal Risk Prevention Model, and relies on the Head of Crime Prevention for its implementation.

The **Head of Crime Prevention** has the autonomy, empowerment, and resources required to properly execute the department's functions. The Board evaluates and monitors the implementation and improvement of the Company's crime prevention procedures by meeting regularly with the Head of the department.

Enel Chile and its subsidiaries obtained external certification for the Criminal Risk Prevention Model, which was awarded most recently in 2019. The external certifier, recognized by the CMF, accredited, and objectively evaluated the Company's prevention system to the standards stipulated by Law 20,393. The certification was granted for two years (2019 - 2020), period in which the Company and its subsidiaries are subject to constant evaluations.

This certification considers the crimes added by Law 20,393 in 2018 and 2019 and highlights the liability of legal persons in corruption, disloyal administration, incompatible negotiations, improper appropriation, illegal fishing, water contamination, activities with products in closed extraction season, and fishing activities without proper legal accreditation.

In 2020 Enel Chile's Board of Directors, senior management, and all other departments of the Company completed the review and adjustments to the Criminal Risk Prevention Model to include the 2018 and 2019 amendments to the Law.

The Head of Crime Prevention, with the support of external experts on the subject, the legal department and involving all areas and processes of the Company, coordinated this

review and updated the risks and specific controls of the Company's Criminal Risk Prevention Model.

All Enel Chile subsidiaries also have a compliance program that is in line with their respective business practices. In companies that are not directly controlled by Enel Chile, such as joint ventures, related companies or suppliers and contractors, the Company promotes the implementation of independent ethics and conduct codes, aligned with local legislation and Enel Chile's standards.

In 2020, the Company continued with its communications plan to promote specific training designed to disclose the main characteristics of the compliance program and foster a compliance culture among collaborators and suppliers. This plan includes internal and external activities, such as, induction programs for new hires providing specific training on Enel Chile's compliance system.

During 2020, the Company performed 42 training sessions attended by 1,306 people and carried out 72 dissemination activities focused on corruption prevention, non-ethical conduct, the use of the Ethical Channel, the ISO 37001 Antibribery Management System, and on the Company's compliance system in general.

The 2020 Ethics Week, which was carried out entirely online, highlighted the commitment of employees, managers, suppliers, and board members to transparency, particularly focusing on the relationship between compliance programs and Corporate Governance and Sustainability. These events were attended by distinguished guests coming from Chile and other countries of the region.

Finally, Enel Chile participated and collaborated with stakeholders and civil society, such as the Office of the Comptroller General, Chile Transparente, Fundación Generación Empresarial, Alliance for Integrity, and other organizations to share experiences and promote business integrity, organizational culture, ethics, and transparency best practices within and outside the Company.

# Bribery and corruption prevention

## Antibribery Management System ISO 37001 Certification

Under the tenth principle of the Global Compact, companies commit to fight corruption in all its forms, including extortion and bribery. Enel Chile contributes to this commitment through the pillars of its ISO 37001 Anti-Bribery Management System.

The ISO 37001 standard specifies a series of measures and best practices to aid organizations in preventing, detecting, and confronting bribery. In Enel Chile, this system is focused on identifying risks and designing, executing, and improving conduct controls, norms and standards in operations deemed risky, such as negotiations and any type of contract or commercial relationship with third parties, the participation in public and private tenders, financial resource management, gifts and hospitalities management, employee selection processes, management incentive mechanisms, among others.

The Board of Directors is the maximum authority in the Company's Antibribery Management System, and along with Senior Management, promote bribery prevention in the Company's activities and operations.

ISO 37001 certification strengthens stakeholders' trust in the Company. In 2018, Enel Chile and Enel Americas became the first companies in the Chilean electricity sector and in Latin America that trade on the New York Stock Exchange, to obtain this certification.

As part of Enel Chile's commitment to implement best practices worldwide, during 2020, the Company and its subsidiaries Enel Generación Chile, Enel Distribución Chile, Enel Colina and Empresa Eléctrica Pehuenche maintained their Anti-Bribery Management System certification under the international ISO 37001: 2016 standard. Simultaneously, subsidiaries Enel Green Power Chile, Geotérmina del Norte, and Enel X Chile obtained their first ISO37001 Anti-Bribery Management System certification.

Enel Chile has participated in numerous national and international events sharing its experience regarding the implementation of his important certification in the Company and transferring it to its subsidiaries.

# Directing complaints and protecting confidentiality

## Directing complaints and protecting confidentiality

The Company has an Ethical Channel governed by the Whistleblowing Policy that has been properly disclosed to the Company's employees. This channel is available to employees, contractors, suppliers, clients, communities, and other stakeholders, and is accessible by telephone, in person, and digitally through the Company's website. The concerns reported through this channel are investigated by the Internal Audit Department and then reported to the Director' Committee.

## Complaint management

Complaints are received through the Ethical Channel and managed by the Internal Audit department. They are received by an external entity allowing for anonymous reports on any irregular conduct contrary to the principles of the Criminal Risk Prevention Model or the Ethical Code, as well as other complaints related to issues such as accounting, control, internal audit, or crimes such as asset laundering, financing terrorism, bribery, corruption, improper appropriation, incompatible negotiation, environmental crimes, among others. This channel is governed by the Global 107 Whistleblowing Policy, which guarantees anonymity, whistleblower protection against retaliation, and protection against complaints in bad faith.

This channel is available to employees, contractors, suppliers, clients, communities, and other stakeholders, and is reachable through the telephone, in person, and digitally through the intranet and the Company's website. The whistleblower may communicate through this channel to provide additional information related to the reported situation, as well as to receive feedback and questions from the team investigating the case. The Internal Audit Department investigates the case and reports to the Board of Directors semiannually.

During 2020, certain Company training and communications plans focused on promoting the use of the Ethical Channel through publications and training.

Employees were shown the usefulness of the channel and were taught how to use it. It was also promoted through releases and talks with suppliers.

In 2020, the Ethical Channel received 19 complaints related to Enel Chile of which two were non-significant Ethical Code violations regarding workplace climate.

ENEL CHILE					
KPI	2020	2019	2018	2017	2016
Concerns received	19	15	26	12	10
Noncompliance relative to:	2	3	7	6	6
Conflict of interest/Corruption	0	2	4	1	2
Improper use of assets	0	1	0	2	1
Workplace climate	2	0	2	2	2
Community and society	0	0	0	0	0
Other reasons	0	0	1	1	1

**WHERE TO REPORT CONCERNS?**

**Corporate website**

- [www.enelchile.cl](http://www.enelchile.cl)
- [www.eneldistribucion.cl](http://www.eneldistribucion.cl)
- [www.enelgeneracion.cl](http://www.enelgeneracion.cl)

**INTERNET**

**Directly to Ethical Channel**

<https://secure.ethicspoint.eu/domain/media/es/gui/102504/index.html>

**In person or writing**

**Enel Chile**

Internal Audit Department, Santiago, 76 Santa Rosa Ave, Floor 9.

# Auditing and Internal Control

The internal control and risk management system ("SCIGR" in its Spanish acronym) consists of a set of rules, procedures, and organizational structure to **identify, measure, manage, and monitor** the Company's main corporate risks. Particularly, these systems utilize recommendations contained in the Internal Control - Integrated Framework, issued by the **Committee of Sponsoring Organizations of the Treadway Commission (COSO)**.

This system also guarantees the traceability of risk identification, evaluation, management, and monitoring activities and considers three different types of activities:

- **First level of control:** All control activities that the Company's operational units carry out to ensure that operations are executed properly.
- **Second level of control:** Assigned to specific corporate functions that aim to manage and monitor certain types of risk.
- **Third level of control:** Internal audit activities that aim to verify the structure and the functionality of the SCIGR, including monitoring first and second level control activities.

## Internal Audit

The Internal Control and Risk Management System and the alignment of this system with the Company's business model is one of Enel Chile and its subsidiaries' critical success factors.

The Internal Audit department is responsible for ensuring the efficiency and efficacy of the internal control and risk management system in an objective and independent

manner. Given the nature of the Internal Audit department, it reports to the Board of Directors directly at least once every quarter. This includes any serious deficiency or possible irregular situation detected that must be reported to the authorities or other competent entities, as well as events that may affect the Company's judicial standing.

This department carries out periodical audit procedures to evaluate the performance of the Company's operations from a risk perspective, identifying areas of improvement and facilitating, along with process owners, action plans to strengthen the Internal Control System to minimize irregular or fraudulent events that may affect the Company. The outcome of each audit and the follow up on the implementation of action plans are reported regularly to the Board, which directly supervises the execution of improvement plans.

Each audit includes control activities established by the Criminal Risk Prevention Model ("MPRP", in its Spanish acronym), which contains the requirements of the Crime Prevention Model of Law 20,393 that governs Enel Chile as a company based in Chile and promotes international best practices to prevent and detect potential risks of illegal behavior, fraud, and any other action that may conflict with Enel Group's ethical principles.

This methodology is also applied by Enel Chile subsidiaries, adjusting to the characteristics of each company's specific business and regulatory framework.

In 2020, the Audit and Compliance Manager had access to the Board of Directors' Meetings held in February, March, June, September, and December, to report all previously described issues, and also report on the management of the Ethical Channel.

# 3

## **Strategy and Risk Management**



# Regulatory framework and background

## Background

The 2020 Global Risk Report of the World Economic Forum (WEF) stated that for the first time in history the Global Risk Survey reported that environmental concerns and risk is the number one risk in terms of impact and number two in probability for the next ten years.

These changes will accelerate over time because decarbonization and climate change is increasingly present in the agenda of governments and business world leaders. Additional actions are adopted as the consequences of climate change become more evident.

Consequently, government policies are strongly promoting the energy transition. The focus of these measure with have a crucial role in the configuration of the energy systems in future decades.

In the long-term, the fundamental changes that will shape the electricity landscape will rapidly modify electrification and the role of renewable energy in the system.

## Electricity system regulation and operation

Chile's electricity sector is regulated by the Chilean Electricity Law 20,018, contained in the Ministry of Mining DFL 1 issued in 1982. Its restated text was established by

Ministry of Economy DFL 4, issued in 2006 (the "Electricity Law") and its respective regulations contained in D.S. 327 issued in 1998.

The main authority in the energy industry is the Ministry of Energy It is the government body responsible for proposing and delivering comprehensive public policies as a coordinate effort. The Ministry of Energy oversees the National Energy Commission that regulates the electricity industry, and the Superintendence of Electricity and Fuel that is the supervising body.

The Chilean electricity sector is physically divided into three main networks, the National Electricity Network ("SEN" in its Spanish acronym) and two smaller isolated networks; Aysén and Magallanes. The SEN is the outcome of the integration of the Central Interconnected System ("SIC" in its Spanish acronym) and the Norte Grande Interconnected System ("SING" in its Spanish acronym) that took place in November 2017. The National Electricity Coordinator ("CEN" in its Spanish acronym) is the centralized dispatch center in charge of the operation and coordination of the SEN.

The electricity industry in Chile identifies three main activities: generation, transmission, and distribution. These three industry segments are interconnected and operate in coordination to supply electricity at the minimum cost within certain safety and quality standards established by regulation.

### Generation Segment

Generation companies supply electricity to final customers through the transmission lines and substations that belong to transmission and distribution companies. The generation sector operates competitively and does not require a concession to be granted by authorities. They may sell their energy to regulated customers or other generators through contracts at freely negotiates prices. They may also sell to distribution companies to supply regulated customers through contracts governed by bidding processes defined by the authority.

The operation of electricity generation companies is coordinated by the CEN with an efficiency criterion which normally determines that the lowest cost producer available generates to satisfy demand at any point in time. Any surplus or deficit between customer sales and production is sold to or bought from other generators at the spot market price.

## Transmission segment

Transmission companies own lines and substations with over 23 kV voltage that extend from generation company power plants to distribution company facilities and charge a regulated toll for using their installations. The transmission segment is a natural monopoly subject to specific regulation including antitrust laws. Tolls are regulated and access to installations is open and guaranteed without discrimination.

## Distribution segment

The distribution segment is defined as all electricity facilities employed in supplying electricity to end customers at a voltage of up to 23kV. The distribution segment is also a natural monopoly subject to specific regulation including antitrust laws.

Distribution companies operate under the framework of a public service concession. They have the obligation to serve all customers and provide electricity at regulated prices to regulated customers (customers with under 5,000 kW connected capacity, except customers that fall within the 500-5,000 kW category and chose the unregulated tariff). Unregulated customers may negotiate their electricity supply with any generation or distribution company but must pay a regulated toll for using the distribution network.

For further detail on regulation see Note 4 "Sector Regulation and Electricity System Operations" for Enel Chile Consolidated Financial Statements as of December 31, 2020, included in the Appendix of this Annual Report.

# Enel Chile's Strategy

## An attractive growth opportunity<sup>1</sup>

Chile is moving towards a low carbon electricity system as proven by industry metrics. According to the Chilean Generators' Association, as of November 2020, the total installed capacity of the SEN is 26,130 MW that represents more than 99% of the country's total installed capacity, of which 50.5% is based on renewable energy technology (hydroelectric, solar, wind, biomass and geothermal). The remaining 49.5 % is thermal power fueled by either natural gas, coal, or oil.

According to estimates based on information on generation projects provided by the government by 2024, 60% of total installed capacity in Chile will be renewable. The country offers enormous renewable potential that could multiply current installed capacity by 70 according to government projections. The driest desert in the world is located in northern Chile. It has the highest level of radiation in the world, which allows reaching a 35% load factor. In the far south, wind farm power on land is as high as offshore wind farm power reaching a 60% load factor. All this potential will pave the way for Chile to be a major green hydrogen player in the region, capable of producing 160 million tons of low-cost green hydrogen a year according to government studies.

The world is changing faster boosted by new technology from various industries that have contributed to improve efficiency and drastically change our ways. Chile has not fallen behind in this digital revolution, which has allowed reducing costs and increase efficiency significantly.

The energy transition involves deep transformations to how we do things and regulation must adjust accordingly to support technological developments and customer needs and expectations.

<sup>1</sup> Source: Chilean Ministry of Energy; Chilean Generators

Therefore, the energy transition and technology advances demand that we focus on carbon free solutions. Our customers are constantly changing so we must be proactive and anticipate their energy needs. Electromobility is the best example. Enel Chile, along with other partners, are promoting various initiatives seeking to contribute to electrification and urban decontamination.

Based on Chile's carbon neutral goal, the country's electrification rate will more than duplicate from 24% in 2020 to 54% in 2050. This considers growth of electromobility, the installation of solar panels in homes and industries, responding to demand, replacing wood with electricity for heating, and energy efficiency in the mining industry. Although the most relevant improvements will come in 2030, Enel Chile is already investing and encouraging electrification to anticipate and promote this transition and its benefits for customers.

## 2021-2023 Strategic Plan

*Enel Chile is shifting from a traditional public utility business model to a customer-oriented business model.*

Our digitalization process, which began by completely migrating to the cloud, has enabled this transformation. It has allowed all our business lines to not only improve performance in terms of scalability, automation, efficiency, and accessibility, but also face the COVID-19 pandemic keeping all network, power plant and digital customer service activities operational, with no interruptions.

We presented our 2021-2023 Strategic Plan in December 2020. Special attention was placed on the Company's growth strategy, which focuses on the transformation of our generation matrix. By the end of 2022, our generation matrix will primarily be carbon free, renewable, and mostly digital.

Our strategy is built on three pillars that will enable us to take advantage of opportunities and simultaneously create value for all our stakeholders:

- **Decarbonization**
- **Network digitalization**
- **Electrification**

Within this framework, sustainability and governance are crucial. We have integrated ESG dimensions into our business. Our vision of economic progress has become even more linked to social and environmental progress. The Company's activities are geared towards contributing to Sustainable Development Goals (SGD).

## Decarbonization



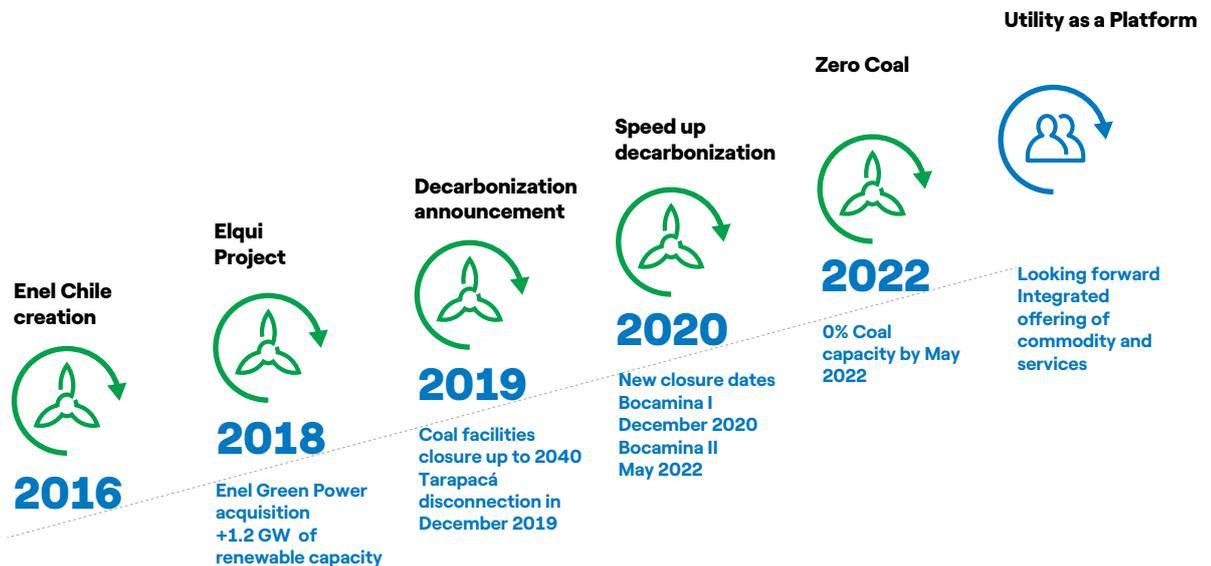
Our solid project portfolio and the adoption of new technology enable the sustainable development of this strategic pillar.

Our path towards cleaner electricity generation and a carbon neutral commercial approach is grounded on accelerating the gradual elimination of our coal fired generation power and the development of renewable power.

## i) Coal-fired power plant retirement plan

### THE PATHWAY TO 0% COAL GENERATION

#### LEADING THE CHILEAN DECARBONIZATION PROCESS



Decarbonization is a strategic pillar of the Enel Group

### Ministry of Energy Agreement

On June 4, 2019, Enel Chile, through a significant event, informed the market that its subsidiaries Enel Generación Chile S.A. and Gasatacama S.A. had signed a decarbonization agreement with the Ministry of Energy to progressively retire the coal fired power plants Tarapacá, located in Iquique county, and Bocamina 1 and Bocamina 2, located in Coronel county with 158 MW, 128 MW and 350 MW installed capacity, respectively. This process is in line with the Enel Group sustainability strategy and Strategic Plan for Chile.

This agreement was a formal and irrevocable commitment of Enel Generación Chile and Gasatacama to retire Central Tarapacá by May 31, 2020, and Bocamina I by December 31, 2023. Enel Generación Chile committed to retire Bocamina II by December 31, 2040. These commitments were subject to authorization as established by the Chilean Electricity Law.

### Disconnection of Central Tarapacá

On December 31, 2019, Enel Chile disconnected and shutdown Central Tarapacá after formally requesting, on July 26, 2019, the authority's permission to retire this power plant earlier expected. It was originally scheduled to take place in May 2020. Central Tarapacá had 158 MW installed capacity equivalent to 25% of the coal-fired generation capacity Enel Chile had at the time.

The Company worked with each one of the 43 people that performed different activities at the Tarapacá power plant to offer them employment alternatives based on each individual's personal situation, experience, and motivation. They were offered opportunities in other areas of the same company or in other Group companies seeking to carry out the task in a sustainable manner and minimizing the impact on its workers' lives.

# Disconnection and closure of Central Tarapacá



"The closure of the Tarapacá Plant is an important step along our path to lead Chile's energy transition towards a cleaner and more sustainable matrix. One more step on the path we began 10 years ago when we proposed renewable energy for Chile, and then voluntarily returned the water rights to the State for projects no longer consistent with the country's reality and today with our plan to close coal-fired plants and commit to increase investments in new renewable projects and promote new uses for electricity". Paolo Pallotti, CEO for Enel Chile.

## Disconnection of Central Bocamina

In May 2020, the Company decided to accelerate the decarbonization process of its generation matrix and therefore requested permission to retire Central Bocamina I on December 31, 2020 and Bocamina II by May 2022, which were initially programmed to shut down in December 2023 and 2040, respectively. Permission was granted by the authority in June 2020.

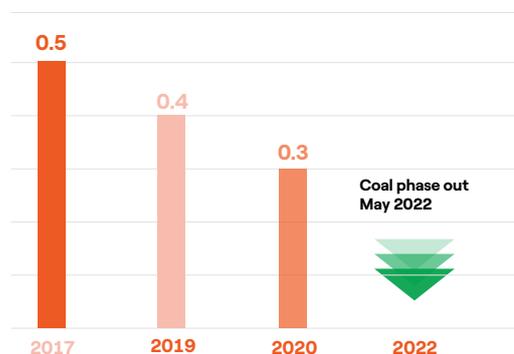
Enel Generación Chile disconnected and ceased operations of Central Bocamina I on December 31, 2020, three years earlier than scheduled. This power plant has 128 MW installed capacity and was inaugurated in 1971 to strengthen the industrial development of the region and the country. It was operational for 50 years and provided jobs for Coronel county located in the Bio Bio region.

These actions make us the first electricity company in Chile to retire its coal fired power by 2022. This process is being carried out according to the guidelines of our fair transition policy, and with a circular economy approach to contribute to the development of the regions where our power plants are located, which once again proves our commitment to sustainability.

The gradual elimination of coal protects generation margins, limits the risk of facing additional environmental costs and increases the value of our asset base.



### COAL CAPACITY EVOLUTION (GW)



## ii) Investment in renewable energy

The growth of renewables is in line with our commitment to the Company's decarbonization strategy to reduce emissions.



### STRATEGIC ACTIONS

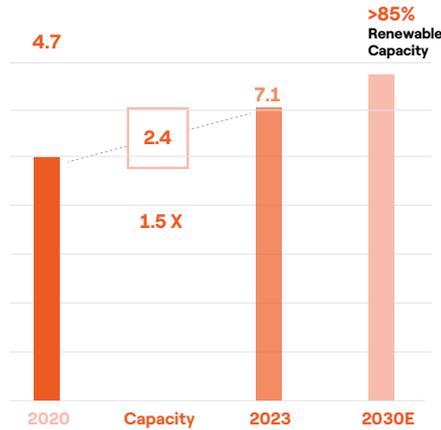
**SUPPORT PROFITABILITY**  
through de-risking our matrix

**SOLID PIPELINE**  
to enable continue value creation

**READY FOR THE FUTURE**  
through the development of new technologies (storage, H<sub>2</sub>)

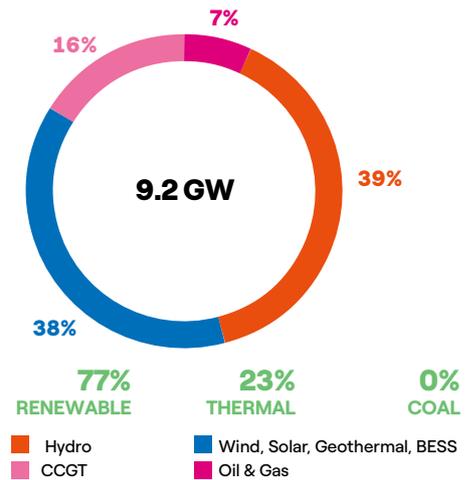
**DIGITAL SOLUTIONS**  
to support maintenance processes

### RENEWABLES GROWTH (GW)



+1.3 GW in construction in 2020

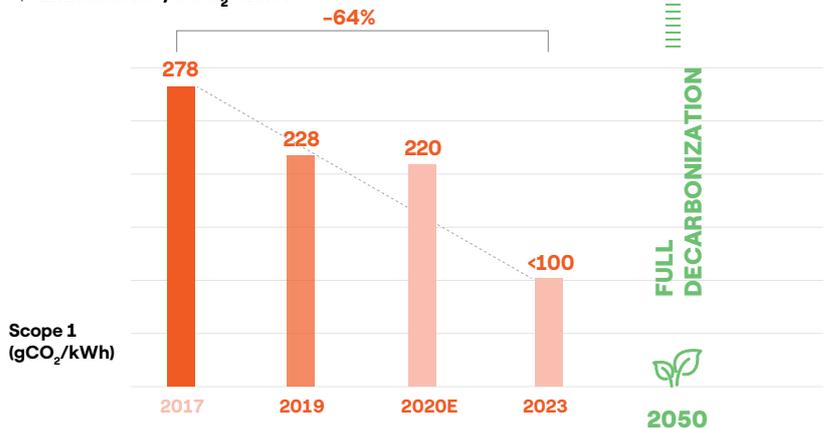
### 2023 NET INSTALLED CAPACITY



- We will add 2.4 GW installed capacity over the next three years, of which **1.3 GW were under construction by year end 2020**.
- The generation mix is mainly hydroelectric, solar and wind and will allow us to reach **7.1 GW renewable capacity by 2023, which represents 77%** of total installed generation capacity and contributes to reduce the level of risk of Enel Chile's generation matrix.
- As a result, the Company's installed capacity will **grow nearly 28% to 9.2 GW by 2023** that consolidates the share of renewable energy sources in the energy matrix.
- The Company expects to continue growing in renewables to reach **85% of total gross installed capacity by yearend 2030**.

with determination and making the necessary investments to contribute to the achievement of the country's social and environmental goals and our commitment to our shareholders. We expect our growth in renewables to allow the Company to reduce direct CO<sub>2</sub> emissions 64% by 2023 when compared to CO<sub>2</sub> emissions of our power generation in 2017. We are also committed to reach roughly 90% CO<sub>2</sub> free electricity generation.

### CO<sub>2</sub> EQUIVALENT SPECIFIC EMISSIONS<sup>(1)</sup>, GCO<sub>2</sub>/KWH



The fight against climate change is a fundamental part of our strategy and we are therefore leading the energy transition

# Networks



## Quality improvements and network resilience

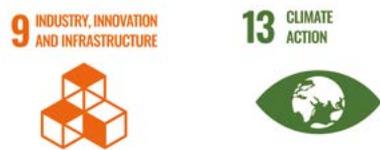
Having a robust network is one of the most important requirements to increase electrification, move forward with the energy transition and add new uses to energy, because a robust network allows adding new technology, increase efficiency and digitalization and provide a high-quality service.

The Company will focus its efforts on improving network resilience by increasing quality through digitalization and

other investments. 250 telecontrol devices are expected to be added by the end of 2023, assuming there is market growth potential and an adequate regulatory framework.

Enel Chile’s continuous improvement process seeks to reduce the SAIDI<sup>2</sup> index approximately 16% to 161 minutes to improve service quality.

Intelligent meters are a fundamental element of digitalization and network development. The Company estimates that the updated version of the digital meter that complies with the technical requirements issued by the Chilean authority, will be ready to be installed with all its functionalities during the second semester of 2021. These meters are expected to replace Company owned meters. Customers will be offered the new meter to replace their existing meter (“customer owned”).



STRATEGIC ACTIONS	KEY BUSINESS DRIVERS	MAIN KPIs
<b>ENSURING THE HIGHEST LEVEL OF</b> quality and efficiencies	<b>DIGITIZATION</b> 	2020                      2023 <b>END USERS</b> <b>2.0</b> <b>2.1</b> million                      million
<b>IMPROVING CLIENTS</b> journey and interactions	<b>RELIABILITY</b> 	<b>ENERGY DISTRIBUTED</b> <b>16.5</b> <b>16.9</b> TWh                      TWh
<b>LEVERAGING ON</b> digitization, automation and remotization	<b>EFFICIENCY</b> 	<b>TELECONTROL EQUIPMENT</b> <b>2,400</b> <b>&gt;2,700</b> (#)                      (#)
<b>SUPPORTING CLIENTS</b> on the contingency period	<b>RESILIENCY</b> 	<b>SAIDI</b> <b>171</b> <b>161</b> Min                      Min
	<b>FLEXIBILITY</b> 	<b>INTCLIENTS DIGITAL INTERACTIONS</b> <b>60</b> <b>70</b> %                      %
		<b>ENERGY LOSSES</b> <b>5.2</b> <b>5.0</b> %                      %
		<b>OPEX/CLIENT<sup>1</sup></b> <b>57</b> <b>49</b> US\$ thousands/client                      US\$ thousands/client

1. Considers clients of the distribution business. Normalized by Inflation and FX

2 System Average Interruption Duration Index.

# Electrification



Enel X Chile's value proposition promotes electrification, energy efficiency, and urban sustainability by offering integrated products and services that enable its customers to reach important cost efficiencies by using sustainable, innovative technological solutions.

Enel X Chile contributes to decarbonization and long-term sustainability through electrification, reducing the carbon footprint and improving people's quality of life. The electrification of public and private transportation, widespread use of smart lighting, the installation of energy efficient systems for industrial customers and domestic electric heating are examples of our progress in reaching carbon neutral goals.

We have also formed various strategic alliances to accelerate these changes, particularly to develop electric mobility and charging station infrastructure in Chile:

- We have formed an alliance with AMP Capital to develop the electric public transportation system in Chile's capital, which already has 435 electric buses operating in Santiago and our goal is to reach 2,000 by 2030.

- We have formed an alliance with Shell (Enex in Chile) to install Enel X Chile chargers at Shell stations, which contributes to our goal to install 1,200 chargers along the countries' highways. Our ambitious goal is to have 17,000 chargers installed by 2030.
- We have also signed important agreements with manufacturers, such as Nissan, Volvo, and BMW for Enel X Chile to provide integrated electric vehicle charger solutions for their customers.

Enel X Chile offers the real estate sector a portfolio of new services and energy solutions for buildings and also offers new household automation technology, charging infrastructure and innovative solutions to develop new real estate projects.

We are working with the mining sector offering our support in the electrification process of their operations, including electric mobility projects, energy storage solutions and the incorporation of renewable energy.

We are reaching progress in integrating energy services and supplementary products with commodity electricity sales as a means to attract new customers, strengthen customer loyalty and also maintain our margins.

We aspire to be our customers' first choice, enabling electrification, decarbonization and the creation of shared value.



**STRATEGIC ACTIONS**

**MAIN KPIs**

	2020	2023	
<b>PROMOTING</b> electrification, efficiency and sustainability			
<b>INTEGRATED OFFERING</b> of commodity and services			
<b>INCREASING CLIENTS VALUE</b> through platforms			
<b>STEWARDSHIP:</b> enablers and orchestrators of electrification			
<b>CHARGING POINTS<sup>1-2</sup></b>	<b>766</b> (public and private)	<b>6,110</b> (public and private)	<b>+17K</b> 2030E
<b>E-BUSES<sup>4</sup></b>	<b>435</b> (#)	<b>1,235</b> (#)	<b>+2K</b> 2030E
<b>SMART LIGHTING<sup>3</sup></b>	<b>281</b> (’000)	<b>442</b> (’000)	
<b>E-HOME SERVICES<sup>3</sup></b>	<b>91</b> (’000)	<b>202</b> (’000)	
<b>ELECTRIFICATION<sup>1</sup></b>	<b>86</b> (accumulated GWh)	<b>881</b> (accumulated GWh)	

1. Cumulative figures for 2021-2023 period  
 2. Public and private charging points. Also include e-buses charging points  
 3. Includes insurance services, air conditioning, and photovoltaic panels  
 4. Related to the partnership with AMP

## Enel X provides services nationwide

Enel X Chile products, services, and solutions are offered mainly in the Metropolitan Region but reach the entire country. The Company provides services anywhere in Chile and has a business office in Concepción. Projects have been developed throughout the country adjusting solutions to customer and employee needs. Geographically, the Company’s focus has been driven by regional economic potential, namely Antofagasta that concentrates the country’s mining activities and Bio Bio given its industrial importance.

## The goals that drive our actions

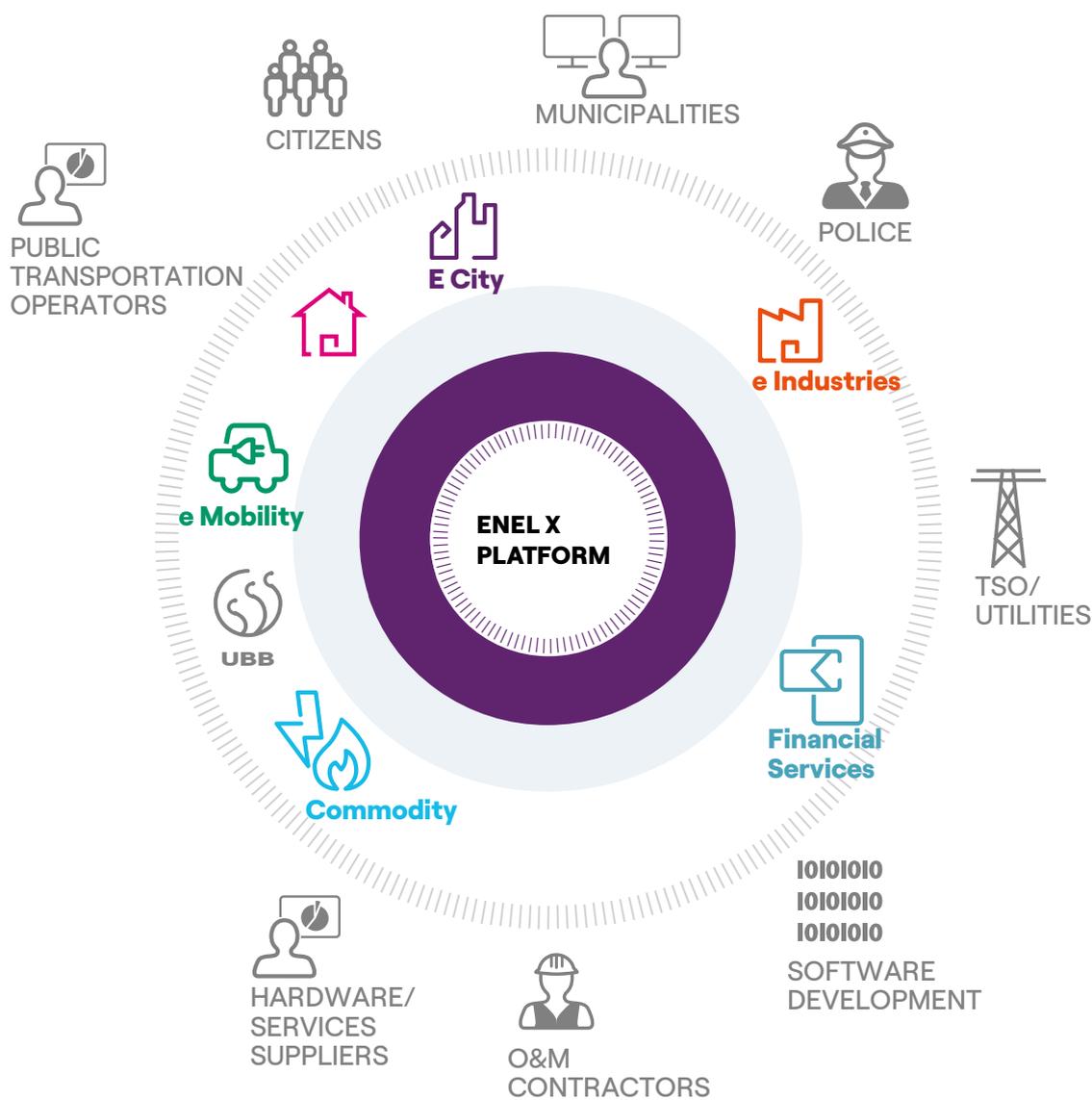
- Be a national energy benchmark promoting electrification
- Be the energy partner of major local and global companies and industries
- Be the reliable partner in urban decarbonization and the development of Smart Cities

## Opportunities

- Process and system digitalization to reduce operational costs and develop intelligent businesses
- Simplify processes that manage energy needs of existing and potential customers
- Take advantage of the Enel Group’s leadership position in sustainability as a differentiation element and as a competitive advantage

## Strategic pillars

- **Platformization:** process standardization, business models enabled by platforms
- **Digitalization:** strong digital drive of all our services as a differentiation strategy and value proposition
- **Commodity-Service integration:** integration of our products and services with the sale of energy as a commodity to add new customers and strengthen customer loyalty
- **Ecosystem:** creation of a comprehensive ecosystem surrounding its customers to potentiate cross-selling



## 2021-2023 Investment Plan

The Company's Strategic Plan involves investments that amount to \$1,674 billion from 2021 to 2023 and reach 2.4 GW installed capacity. The goal is to maintain the leadership position in the local power sector focusing primarily on renewable capacity, digitalization, and continue promoting the development of new clean energy uses.

Enel Chile's investment plan is flexible enough to adapt to changing circumstances, prioritizing each project according to its profitability and strategic objectives. Current investment priorities involve the studies of new and existing environmentally friendly, and socially responsible generation projects and distribution network maintenance projects, focused on guaranteeing an adequate level of electricity supply reliability.

Enel Chile coordinates the global financing strategy of its Group companies, optimizing the financial terms and conditions of debt at a consolidated level. Subsidiaries develop capital expenditure plans independently, with internally generated funds or through intercompany financing. One of the Company's goals is to focus on investments that offer long-term economic and social benefits.

Financing these investments is considered during the Company's budget process, but no specific financing structure is previously defined, and investments depend on market conditions at the time the cash flows are needed.

The following table shows expected capital expenditures between 2021 and 2023, as well as capital expenditures incurred in 2020, 2019 and 2018.

CH\$ BILLIONS			
	2021-2023	2020	2019
Investment <sup>(1)</sup>	1,674	515	300

(1) CAPEX figures represent cash payments each year, except for future projections.

## Our Strategy in numbers

The 2021-2023 Strategic Plan estimates:

Enel Chile's EBITDA is expected to increase **37% in 2023 when compared to adjusted EBITDA<sup>3</sup> for 2020 that reached Ch\$ 933,924 million**, mainly due to the commissioning of 2.4 GW new electricity generation capacity and the recovery of profitability from businesses that are linked to country growth.

We expect **EBITDA Margin of our generation business to reach 49% in 2023** due to the greater share of renewable power capacity in our generation matrix and other efficiencies.

Our **Net Income for 2023 will increase 26% when compared to the figure for 2020 adjusted<sup>4</sup> by the impairment of Bocamina II for Ch\$ 442,958 million as a consequence of higher EBITDA** slightly offset by greater depreciation resulting from the expansion of renewable sourced power plants.

Our **CAPEX is expected to be in line with the projections for the 2020-2022 period and will mainly go towards renewable projects to reach our goal of having renewables represent 77% of our generation matrix by 2023.**

We expect our **Net Debt/EBITDA ratio to drop 1.2 times during the 2021-2023 period (3.1 as of December 2020) mainly due to higher EBITDA** and cash flow. Our FFO/EBITDA ratio is expected to reach 88% in 2023 (91% as of December 31, 2020 considering adjusted EBITDA).

For further detail review the March 2021 corporate presentation in the Investors section of our website:

<https://www.enel.cl/content/dam/enel-cl/en/investors/enel-chile/information-for-the-shareholder/presentations/2021/PPT-IR-March-2021.pdf>

<sup>3</sup> Excludes extraordinary adjustments related to the impairment of coal due to the retirement of the coal-fired generation unit Bocamina II and restructuring provisions related to the decarbonization process.

<sup>4</sup> Excludes extraordinary adjustments related to the impairment of coal due to the retirement of the coal-fired generation unit Bocamina II and restructuring provisions related to the decarbonization process.

All adjustments are net of tax effects and non-controlling shareholdings.

# Risk management

Enel Chile considers risk management to be one of the main tools to define business sustainability throughout the entire value chain and for all business lines. Understanding the economic, environmental, and social context is essential in identifying which factors, both external and internal, may become potential business risks. This is why our risk management system is implemented to preemptively identify, treat, and monitor risks that could affect business continuity. In many cases, the Company must address these risks in connection with the players that are part of the ecosystem, such as, the industrial sector, the institutional sector and civil society. Collective impact and human-centered capitalism are the concepts that frame business activities today. A collective effort to achieve common goals is the only way to eliminate risk factors that can impact the entire economic, social, and environmental ecosystem.

Risks that affect the business are increasingly coinciding with risks that affect society and the environment. Thus, it is necessary to act collectively to generate preventive and mitigating actions to counter the social and environmental risks that threaten the planet's prosperity and future.

Enel Chile utilizes the Sustainable Development Goals of the United Nations, the World Economic Forum and the global objective of the Paris Agreement as references to analyze global risks that can impact the business. These initiatives were created to combat climate change and serve to exemplify how collaborative work is key in mitigating and adapting to its effects. A similar situation occurred during the COVID-19 pandemic, which would have been impossible to face without a collaborative effort between the scientific, economic, social, and government communities.

Risk assessment considers the Enel Group's risk taxonomy, which is based on six macro-categories and involves a comprehensive and exhaustive understanding of the value chain. This includes understanding the multidirectional and dynamic relationships between external factors and each stage of the chain, under different scenarios, considering megatrends and their potential impacts at different time horizons. To identify risks, the Company uses a structured and systematized theoretical framework that considers the inputs of financial analysts, sustainability analysts, perception

surveys, guidelines established by the Task Force on Climate-related Financial Disclosures (TCFD), and the results of Human Rights Due Diligence, internal and external audits, ISOs, among others. Once the variables are identified, their relevance to the Company's strategy and financial results are defined, integrating the Materiality Analysis, which is updated annually and allows us to know the priorities of stakeholders. The probability of impact and occurrence of each risk is then estimated with the active participation of the business lines and staff areas, as a way of fostering a culture of risk and sustainability within the Company, agreeing on actions to mitigate such risks, if necessary. To address residual risks, action plans are integrated into each area's work plan, management system, or other tools at the area's disposal, thus making everyone participate in risk management in their day-to-day activities, taking the necessary measures and also anticipating opportunities that could arise.

## Risk Management Policy

Enel Chile follows the guidelines of the [Risk Management System \(SCGR in its Spanish acronym\)](#), applicable at all levels of the Enel Group, which establish a set of risk management guidelines through standards, procedures, and systems to be applied at all Company levels in their risk identification, analysis, evaluation, treatment, and communication processes, which the Company is constantly performing.

These are approved by the Board of Directors of Enel SpA, which hosts a Controls and Risk Committee that supports its evaluations and decisions regarding internal controls and risk management systems, as well as those related to the approval of periodic financial statements.

To comply with these guidelines, each company has a specific **Risk Management and Control Policy**. Enel Chile's Policy is reviewed and approved at the beginning of each year by its Board of Directors, identifying and applying local requirements regarding risk.

The Risk Management and Control Policy is developed and supplemented by the following specific policies that are established in relation to certain risks, corporate functions, or businesses, which include limits and indicators that are subsequently monitored.

## Guarantee Management Policy

This policy establishes the guidelines and methodologies to manage the guarantees received by the Company to ensure the effective mitigation of third-party risk, namely of the supplier and the guarantor.

## Commodity Risk Control Policy

The objective of commodity risk management and control is to enable risk-aware decisions and minimize the probability of failing to achieve strategic results by controlling the risks of infringement of commodity price, volume, exchange rate, credit, counterparty, and financial regulation.

## Credit and Counterparty Risk Control Policy

The objective of credit and counterparty risk management and control is to minimize the probability that expected results are affected by defaults or by an increase in a counterparty's credit risk.

## Financial Risk Control Policy

The objective of financial risk management and control is to minimize the probability of failing to achieve strategic sales and financial results by controlling financial market and counterparty risks, as well as liquidity and operational risks.

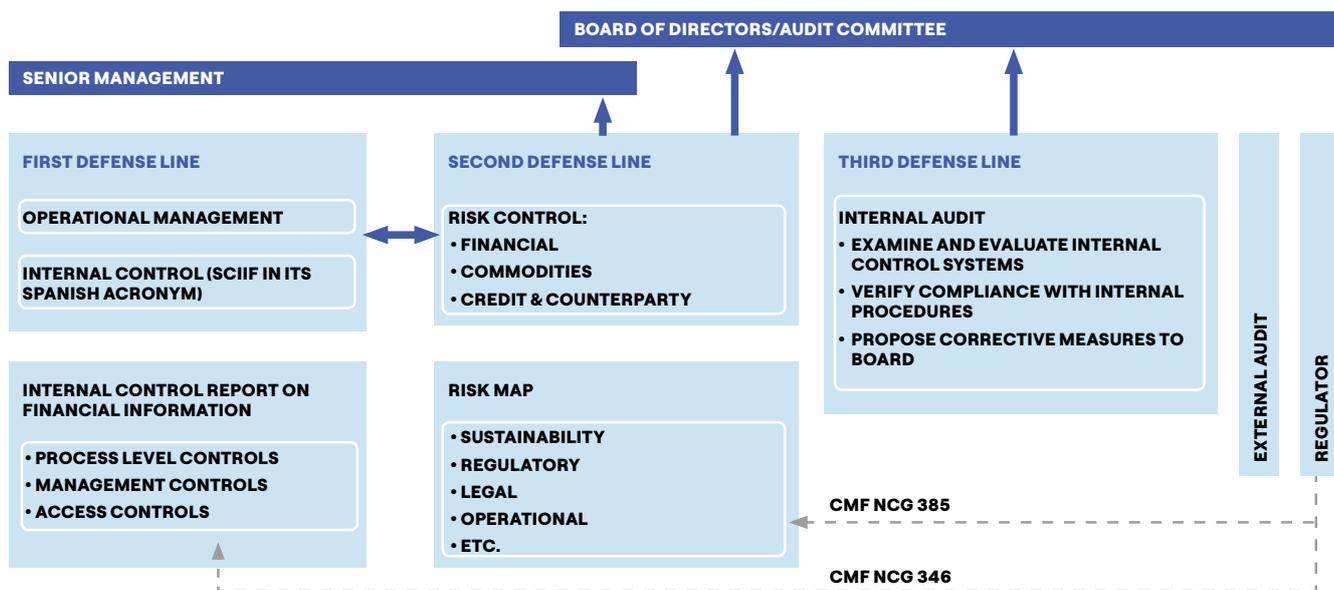
## Risk Governance

Enel Group's organizational risk management structure relies on a Global Risk Control Committee and a Latin American Regional Risk Control Committee to fulfill the following tasks: approve the risk policies proposed by the Group's Risk Control area; approve proposed exposure limits; authorize the breach of limits, define risk strategies through the identification of action plans and instruments to mitigate risk, and the general supervision of risk management and control.

Within Enel Chile, the risk management process is decentralized. Each manager is responsible for the operational process in which the risk originates and for the treatment and adoption of risk mitigation and control measures.

To monitor compliance with internal policies, including risk-related policies, Enel Chile has an Internal Audit department responsible for periodically auditing and verifying that established policies and controls are working properly.

Enel Chile's risk management system considers three lines of action (defense) to provide efficient and effective risk management and control. The **first defense line** is the control of the business unit, the **second defense line** includes the diverse functions of internal controls, developed to ensure optimal risk management and compliance supervision, and the **third defense line** considers independent assessments. Each "line" plays a different role within the organization's broader governance structure, and each one must inform and update senior management and Board members on risk management. While senior management is informed by the first two defense lines, the Board is informed by the second and third defense lines.



Enel Chile's Risk Control department presents its Risk Map to the Board of Directors on a quarterly basis. The Risk Map provides risk management information, including the identification of new risks as well as the evolution and monitoring of previously identified risks. This map is presented as required by the Company's Risk Policies, ISO 31000:2018, internal procedures, and external regulation, such as NCG N°30, which governs Annual Reports of companies in Chile, and the CMF's NCG N°385, as a means of ensuring business continuity, abiding by corporate governance best practices.

The objective of Internal Control management is to guarantee that business activities allow mitigating risks by following and strictly applying all norms and procedures included in the COSO (Committee of Sponsoring Organizations of the Treadway Commission) methodology. This department complies with all requirements needed to periodically monitor the Sarbanes-Oxley Act, including the semiannual certification of these controls by External Auditors, and define, alongside Process Owners and Control Owners, remediation plans to mitigate the control deficiencies identified by Independent External Auditors, and also continuously improve processes, monitor the implementation of such improvements and report progress to the Board.

Enel Chile's Board of Directors and senior management are the main stakeholders of the defense "lines" and are therefore in the best position to help ensure that the

three-line defense model is applied in all control and risk management processes throughout the Company.

The Risk Control department is certified under the ISO 31000:2018 (G31000) International Certification and manages the Company's risk according to this norm's current guidelines. Its main objective is to preemptively identify risks (endogenous and exogenous) and analyze, evaluate, and quantify their probability of occurrence and impact, and define mitigation plans, along with the different departments and the Risk Owners, as the parties responsible for the various risks. The risk treatment phase considers all necessary actions, which must be consistent with the Company's policies and internal procedures and must strictly abide by international norms (ISO and OSHAS) and government regulations, for risk management to be carried out in a transparent and sustainable manner that guarantees best governance practices and ensures business continuity.

The Enel Group's risk management system is subject to periodical tests and audits on the performance of corporate operations, best practices, and internal and international guidelines, such as ISO 31000:2018 (G31000) and COSO (Committee for Sponsoring Organizations of the Treadway Commission), etc.

ESG (Environmental, Social, and Governance) risk management is carried out by the Risk Control department and the Sustainability department. They design the

identification process of ESG risks that affect the Company's business and directly involve all the responsible units, creating and ESG culture and raising awareness on the importance of ESG risk for the Company and the world in general. The result is a risk matrix that integrates environmental and social aspects, emphasizes climate change, and reflects its integrated business model.

Enel Chile has a **Crisis Committee** that seeks to guarantee clarity, speed, and efficiency in decision-making and in internal/external communications on matters that may compromise people's safety, public and private service continuity, environment, the protection of assets, and the Company's image and reputation, as well as minimize the impact on stakeholders and ensure that normal operations are rapidly restored.

In addition to the Crisis Committee, the Company has a Critical Event Monitoring Office (OMEC in its Spanish acronym), which monitors and manages crises in real time, 24 hours a day, 365 days a year. These offices actively participated in dealing with the COVID-19 crisis since March by sending daily internal alert bulletins with updates on the COVID-19 pandemic.

Enel Chile, through its Ethical Code, informs all the ethical commitments and responsibilities employees must adhere to in business activities and corporate operations, whether they are senior executives, employees, or partners related to the Company in any way.



# Main Risks

The Company seeks protection from all risks that may affect its ability to accomplish the business' objectives. In January 2020, a new risk taxonomy, which consists of 6 macro categories and 37 sub-categories, was approved for the entire Group, and is detailed below:



**Strategic Risks:** Refers to all risks that may significantly affect the achievement of the Company's strategic objectives, in the short and long term. These include risks arising from regulatory changes promoted by various regulatory bodies and from climate change.

**Financial Risk:** Refers to the probability of occurrence of an event with negative financial consequences for the Company, related to (i) risks inherent to the financial market

due to interest rate and exchange rate volatility; (ii) risks arising from potential restrictions to the Company's access to financial markets, or restrictions in fulfilling obligations and cash flow needs required by the business, such as liquidity and credit and counterparty risk; (iii) commodities risk that consider the uncertainty of future market events caused by price and volume volatility, availability, and demand for energy commodities, such as gas, oil, coal, or the variability of external factors that may affect the

prices or volumes of such commodities, such as hydrology, considering the local peculiarities and particular restrictions of each respective market. For more information on financial risks, see the Note 22 “Risk Management Policy” in the Appendix of the Consolidated Financial Statements of Enel Chile as of December 31, 2020.

**Operational Risks:** Refers to operational risks resulting from inadequate internal processes, systemic network failures, and other external events that may affect the quality of energy supply and the performance indicators of key aspects, such as health and safety issues, environmental matters, supply chain continuity, and personnel retention and management, among others.

**Compliance Risk:** Refers to the risk of not complying with a rule or standard. Therefore, compliance risk management requires knowing and clearly defining the laws and regulations applicable to the Company.

**Digital Technology:** Refers to risks related to cyberattack vulnerability, which can take many forms, from data theft and ransomware to system invasion with potentially large-scale damage, including service disruptions and personal data loss.

**Governance & Culture:** Risk of incurring in judicial or administrative sanctions, economic or financial losses and reputational damage as a result of an inability to meet stakeholder expectations, an inefficient exercise of oversight functions and/or the absence of integrity and transparency in decision-making processes, and/or the consequences of behavior and conduct by employees and senior management that violate the Company’s ethical values.

According to ISO 31000:2018, risk taxonomy and management involves the entire risk evaluation process (identification, analysis, and valuation), clearly identifying the risks under evaluation and their respective probabilities and impacts, quantified before and after the implementation of mitigation procedures.

Once the risk assessment process is finalized, each department is responsible, along with the risk management department, of treating such risks through preemptive management to reduce risk level, probability of occurrence, and impact. This is presented to the Board of Directors and senior management on a monthly basis.

Enel’s Corporate Governance system is an efficient and reliable risk management tool to ensure business continuity and value creation for shareholders.

The risk groups and their treatment are presented below:

## Operational Risks

The most relevant risks related to operations are energy supply quality and energy losses. These risks are managed through formal commercial and operational standards and procedures. The Company has several operating systems that are used as tools to prevent these risks, and also guarantee distribution, transmission and substation availability and efficiency, thus avoiding regulatory sanctions for not complying with limits imposed on quality and losses.

## Strategic Risks

Represents the risks affecting an organization’s business strategy or strategic objectives. These risks are monitored by the Risk Control department through the “Risk Matrix”, which is presented to the Board of Directors quarterly and includes risks related to strategy, scenarios, operations, legal, fiscal, regulatory, cybersecurity, sustainability, and reputation.

## Sustainability

Enel Chile, as part of the Enel Group, has committed to making specific contributions towards six of the 17 SDGs: quality education (SDG 4), affordable and clean energy (SDG 7), decent work and economic growth (SDG 8), industry, innovation, and infrastructure (SDG 9), sustainable

cities and communities (SDG 11), and climate action (SDG 13). This commitment resulted from the definition of a sustainable business model, and, therefore, the SDGs are part of Enel Chile's strategic plan. Not fulfilling this commitment represents a risk. The following diagram shows how the different Sustainable Development Goals have been integrated into the Group's risk taxonomy:

MACRO CATEGORY	SUBCATEGORY	SDG
COMPLIANCE <b>1</b>	COMPLIANCE WITH OTHER LAWS & REGULATIONS	
	DATA PROTECTION & CONSUMER RIGHTS	
	EXTERNAL DISCLOSURE	
DIGITAL TECHNOLOGY <b>2</b>	CYBERSECURITY	
GOVERNANCE AND CULTURE <b>3</b>	CORPORATE CULTURE & ETHICS	
	REPUTATION	
	COMMITMENT TO STAKEHOLDERS	
OPERATIONAL <b>4</b>	ASSET PROTECTION	
	BUSINESS INTERRUPTIONS	
	CUSTOMER NEEDS & SATISFACTION	
	ENVIRONMENT	
	HEALTH & SAFETY	
	PEOPLE & ORGANIZATION	
PROCESS EFFICIENCY		
PROCESS EFFICIENCY		
STRATEGIC <b>5</b>	CLIMATE CHANGE	
	LEGISLATIVE AND REGULATORY DEVELOPMENT	
	STRATEGIC PLANNING & CAPITAL ALLOCATION	

The risks related to **climate change** are particularly relevant, not only for their environmental impact, but also for their social and economic impacts. Two types of climate change risks are distinguishable:

### Physical risks related to climate change

These risks are related to the appearance of extreme weather conditions, or gradual but structural changes in climate conditions. Extreme weather events may expose

Enel to prolonged asset and infrastructure unavailability, recovery costs, customer dissatisfaction, etc. They are recurrent changes that impact the resources required to generate electricity or those that affect demand, such as droughts and increased temperature.

In December 2020, the Chilean Ministry of the Environment published a [Climate Risk Atlas](#), identifying focal points of potential impact for each industrial sector. This Atlas has identified chains of impact separated into 12 sectors. Each chain includes maps of climate hazards

(A), exposure (E), and sensibility (S) for each sector. Climate Risk is defined as a combination of these three variables. This Atlas identifies the following impacts on the electricity sector:

- Decrease in water resources
- Increase in transmission line temperature
- Decrease in wind resources
- Impact on solar radiation

Enel Chile has integrated these risks into its analysis and maintains its monitoring and predictive measurement system active for mitigation purposes; it also implements initiatives with local stakeholders, especially regarding the decrease in water resources, to create a collective response in mitigating these risks.

At the same time, Enel Chile, through Enel Generación Chile, finances scientific research for long-term mitigation of these risks. The San Ignacio de Huinay Foundation, which Enel Generación Chile co-founded along with the Catholic University of Valparaiso, studies climate variables in the aquatic and terrestrial ecosystems of the Patagonia, which acts as a live laboratory to understand the long-term impacts of climate change. In this regard, towards the end of 2020, the [GEOOS Geoportal](#) was launched. The GEOOS is a platform to monitor the main climate factors that can guide impact predictions on different types of industries in the country and also in the continent, because the platform detects information from Antarctica to the Caribbean. The GEOOS platform is an initiative based on the Open Science movement, which means that it is freely accessible and available throughout Chile and to countries in South and Central America.

The geographical and technological diversity of our electricity generation assets and proper predictive measurements of climate phenomena allow us to manage and mitigate changes caused by climate patterns.

Enel Distribución Chile is implementing adaptation and mitigation measures to make the distribution network more resilient to these extreme weather events. All Group

departments have ISO 14001 certification and monitor potential sources of risk to detect any critical condition promptly using the internationally known Environmental Monitoring Systems (EMS).

The **risks of transitioning** to a Low carbon economy are related to regulatory, political, legal, technological, and market changes, with short-, medium-, and long-term effects. When it comes to managing these risks, belonging to a Group that operates in a more mature market, allowing to share best practices in regulation, technology, market, etc. is a competitive advantage for Enel Chile.

**In terms of managing social risks, it is important to highlight the following:**

- Social conflicts whose intensity may jeopardized the continuity of operations. Enel Chile addresses this potential risk and impacts by having specialized community relations personnel spread out geographically to maintain continuous dialogue with the community and stakeholders, investing in social and local development, and having structured Complaint Management Systems.
- Regarding national contingencies, Enel Chile relies on plans and processes created to manage these situations. Aware of the strategic role of energy in the country, these plans prioritize continuous electricity supply to the system, to customers, and workers' safety.
- Risks associated to health and safety, such as work-related accidents affecting employees and contractors. Enel Chile mitigates these risks by fostering a culture of safety, highlighting policies, and integrating safety into processes and training, among others.
- Risk related to diversity and attracting and retaining employees through the energy transition period. To face these challenges, Enel Chile relies on diversity, management, and talent promotion policies. The Company carries out different initiatives that aim to harmonize personal life with work life and promote

employee education and growth through scholarships and courses.

Regarding governance risk, it is important to highlight the following:

- To manage risk arising from illicit employee or contractor conduct, including corruption, lobbying, and anticompetitive practices, Enel relies on its Internal Control and Risk Management System based on norms and business procedures.
- Human rights violations are risks that are identified through due diligence processes carried out annually throughout Enel Chile and its subsidiaries' entire value chain, across all departments and operations. Action plans are developed from the due diligence process to address vulnerabilities or impacts.

## Digital Technology

Digitalization is a fundamental aspect of growth and development in the Enel Group, which also increasingly exposes the Company to cyberspace threats and risk. This is a transversal threat with similar forms and impacts worldwide. Therefore, the Company relies on a specialized, centralized, and highly prepared unit to monitor and support all of Group's companies, the Computer Emergency Response Team (CERT). The CERT is part of the Cybersecurity department, which also includes the Technical Office, which continuously (24x7x365) monitors and protects facilities from a wide array of attacks the Company is exposed to, and the Software Operation Center (SOC), which analyzes and studies the different problems that may affect systems, in its search to continuously improve the Company's protection on all fronts. The CERT is headquartered in Italy and Spain and includes a local manager and an office in every South American country, responsible for informing potential local risks and taking all necessary measures to ensure operational continuity.

### **Additionally, the risk matrix includes emerging transversal risks related to:**

- **Personal data protection:** In the era of digitalization and market globalization, Enel Chile's business strategy has focused on accelerating the transformation process

towards a business model based on a digital platform with a data-driven customer centered approach, which is being implemented throughout the value chain.

Enel Chile has more than two million customers, and directly employs more than two thousand people. Therefore, and in order to reach the financial and commercial goals established in the Company's Strategic Plan, Enel Chile's new data-driven, customer-centered business model will require managing a much larger volume of personal data than in the past.

This implies greater exposure to the risks associated to processing personal data and increasingly stringent privacy legislation worldwide. These risks can materialize through breaches in confidentiality, or a loss of integrity, accuracy, recency, and availability of personal data of customers, employees, and third parties (such as suppliers and contractors), as well as system resilience problems, which may result in penalties, operational or process interruptions, financial or economic losses, and reputational damage. To manage and mitigate this risk, Enel Chile has adopted a personal data governance program (Data Protection Compliance Program) that includes assigning roles at all Company levels in Chile (including the appointment of a Data Protection Officer), the adoption of digital tools for data mapping, adequate risk impact assessment, and technical and organizational safety measures, among others.

- **Digitalization, IT efficacy and service continuity:** Enel Chile is currently undertaking the digital transformation process of its entire management value chain by developing new business models, digitalizing its processes, integrating systems, and adopting new technologies. A consequence of this digital transformation process is that the Enel Group in Chile is increasingly exposed to risk related to the operation of information technology (IT) systems which may impact processes and operational activities, which could cause disruptions, leaks, or data loss. To mitigate these risks, the Digital Solutions unit, in charge of leading the digital transformation in Chile, established an internal control system that has set controls throughout the value chain. The internal control system of the Digital Solutions unit supervises internal activities as well as activities entrusted to external contractors and suppliers. In this context, Enel Chile is promoting the

dissemination of a digital culture aimed at successfully completing the digital transformation process and minimizing related risks.

## Information Security

As technological components are becoming increasingly integrated into the digital life of the business world, the cyberthreats inherent to each of these environments are becoming more frequent and sophisticated. This has caused cybersecurity to become a global issue, and one of the pillars of the Group's digitalization strategy. Cybersecurity is being developed in coordination with Personal Data Protection and Information Security.

### Data Protection

The EU General Data Protection Regulation (GDPR) imposes compliance obligations on the Enel Group. A Data Protection Office with professional autonomy and independence requirements must be appointed. Although the GDPR is not applicable in Chile, the Company has opted to raise the standards of personal data protection beyond those stipulated by Chilean Law N°19628 on Private Life Protection. Thus, during 2020, Enel in Chile began working on the implementation of a compliance model that considers a Data Protection Officer (DPO) who reports directly to and works in coordination with the Group's Data Protection office.

The Personal **Data Protection governance model** assigns privacy roles and responsibilities to the first and second lines to securely manage data and applications that process data, and to monitor the registry of all data processing carried out by the Group.

High risk data processing is subject to a data protection impact assessment, conducted through methodologies subject to international standards.

The DPO is responsible for: supporting the Company's businesses so that processes and operations comply with "privacy by design"; contractual compliance, including privacy and cookie norms; defining policies and

operational instructions for the protection of personal data; encouraging the establishment of codes of conduct and security measures for third parties that perform the personal data management functions for Enel Chile; and managing personal data security incidents, along with cybersecurity and information security duties.

This Office also carries out the Company's training activities on data protection issues.

### Information Security

In terms of information security, during 2020 risks were limited, and were addressed digitally as a result of the prevailing global health situation. In this regard, work was put into the design and implementation of new control tools, as well as strengthening the information classification and protection policy. It involved a countrywide assessment conducted by the Cybersecurity and DPO units, which allowed addressing information processing risks of the Company's different business lines.

Likewise, in terms of handling personal data, a nationwide plan was designed in alignment with Enel Chile's policy, and in line with international standards for GDPR compliance.

### Cybersecurity

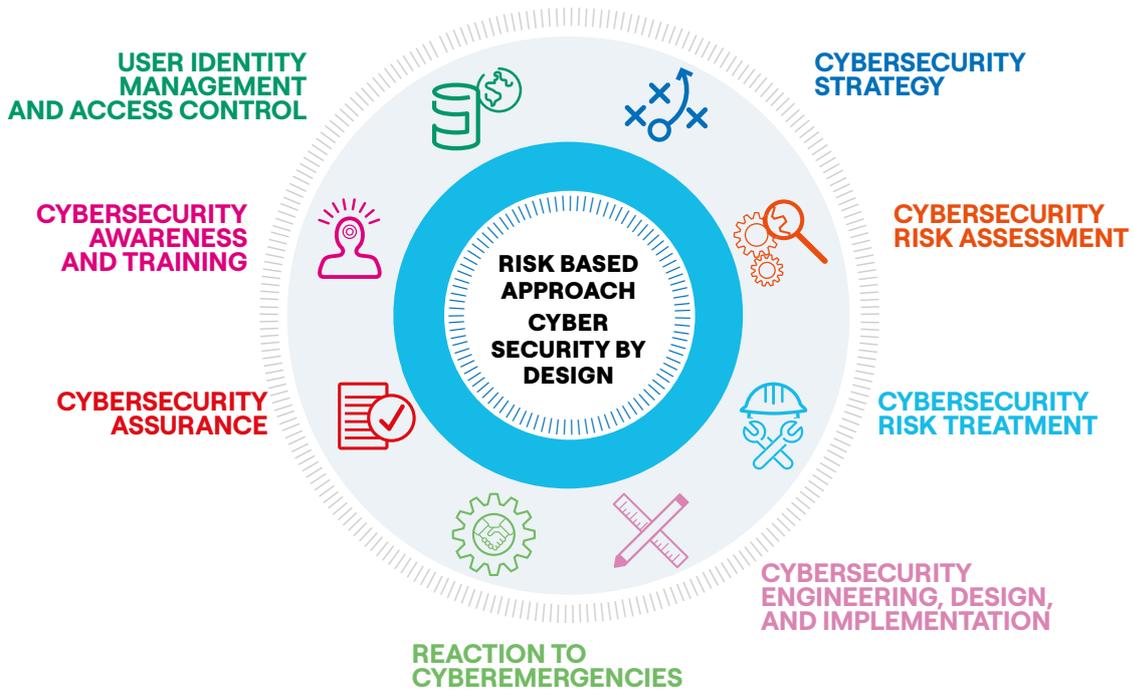
The Enel Group employs a holistic and systemic action and management model for Cybersecurity that is applicable to all Enel Group Companies, including Enel Chile. It is promoted by senior management and involves all corporate business areas as well as the areas responsible for the design, management, and operation of IT systems.

Similarly, as part of the Enel Group, Enel Chile benefits from the Global Cybersecurity Unit that reports directly to the Chief Information Officer (CIO) through the Chief Information Security Officer (CISO), in order to speed up the decision-making process at a global level, in a context where response time is essential. Senior management and global strategic management are committed to the cybersecurity governance model, and have established the need to use state-of-the-art technologies, design ad-hoc

business processes, increase people’s cyber awareness and transpose cyber regulatory requirements.

A “risk-based” approach makes risk analysis the basic step in all strategic decisions. Since 2017, the cyber risk management model has been implemented in all Enel Group companies, including Enel Chile. This model is based on a methodology that applies to all types of information

systems (IT/OT/IoT). It identifies, prioritizes, and quantifies cybersecurity risks associated to the use of said systems in order to identify and adopt the most adequate safety measures to mitigate and minimize these risks. Therefore, and in line with this methodology, Enel Chile identifies the information systems that require such risk analysis to then establish the adequate mitigation measures according to the type and severity of the risk.



In addition, the adoption of a global “cybersecurity by design” approach leads to centering the activities of an IT project around cybersecurity from the initial design and implementation stages of the project, thus increasing their resilience against cyberattacks.

Also, as part of the Enel Group, Enel Chile shares best practices and cybersecurity operation models and contributes to the definition of guidelines, standards, and regulations with private organizations, institutions, and academia.

The Enel Group has also put together its own team of IT analysts, within the Cybersecurity Unit (Cyber Emergency Readiness Team – CERT). It has its own Control Room since 2018 that is dedicated to proactively manage cyber incidents for all Group companies, including Enel Chile, and activates responses to cyber emergencies and cooperates with local and international CERT communities.

CERT participates in local communities through affiliation with nine national CERTs, including the Spanish “National CERT” since 2018. International collaborations include



“Trusted Introducer”, a network of 360 CERTs present in 60 countries, and since 2018 with “FIRST”, the largest collaborative community in the sector, with more than 510 members in 90 countries.

When CERT detects any type of information security risk or incident, it is analyzed and classified according to its severity. If the incident creates a crisis situation that can affect business continuity, or the Company’s profitability or reputation, Enel Chile immediately applies the necessary measures, complying with existing policies on crisis management and security emergencies.

CERT is characterized by its ability to:

- Prevent, detect, and respond to cybersecurity incidents.
- Monitor cybersecurity threats through the collection of detailed management information regarding threats and cyber incidents and events.
- Exchange information and collaborate with all appropriate parties to manage cybersecurity incidents, within a “secure” communication context. This relies on the “trust” principle of the information to be exchanged, i.e., according to the “need to share” and “need to know” principles of the parties involved.

The main activities carried out in 2020, in the various areas of cybersecurity, are the following:

- CERT: Strengthened Enel Group companies’ protection methods by improving machine learning solutions and performing cyber exercises for industrial site employees.
- Awards and participation: In 2020, the Cybersecurity Unit participated in drafting three WEF (World Economic Forum) reports on cyber resilience:
  - Cyber Resilience in the Electricity Ecosystem: Playbook for Board and Cybersecurity Officers
  - Cyber Resilience in the Electricity Industry: Analysis and Recommendations on Regulatory Practices for the Public and Private Sectors
  - Cyber Resilience in the Electricity Ecosystem: Securing the Value Chain
- Cyber security education, training, and awareness: During 2020, the Cybersecurity Unit began preparing cybersecurity courses for the entire Enel Group population. In addition, during the health emergency, news and bulletins were distributed to all Enel Group companies through several communication channels (mainly Intranet).

Finally, in 2020, 16 cybersecurity awareness initiatives were carried out globally. Since 2019, the Enel Group has been covered by cybersecurity risk insurance to mitigate cybersecurity risk.

# Relationship between risk factors and material topics

Impact	Risks	Description	Potential Impact	Mitigation	Related Material Topic
High	Climate change on generation	Physical assets are exposed to risk due to short- or long-term changes to the behavior of climate variables, such as temperature, rain, wind, and /or solar radiation May vary over time and affect electricity demand and distribution which has financial implications on the Company. Extreme weather conditions may damage the Group's infrastructure and affect the Company's ability to generate electricity.	Damage to assets; loss of profit margin; cost increases; lack of distribution network to face intermittency and location of new power plants, far from major consumption areas.	Insurance policy coverage, renewable energy investment plan in solar and wind power, hybrid plants, thermal plant improvement plans, closing coal fired plants.	Decarbonization of the energy matrix; commitment to customers; economic value creation
High	Climate change distribution	Physical assets are exposed to risk due to short- or long-term changes to the behavior of climate variables, such as temperature, rain, wind, and /or solar radiation May vary over time and affect electricity demand and distribution which has financial implications on the Company. Extreme weather conditions may damage the Group's infrastructure and affect the Company's ability to generate electricity. In terms of the energy transition towards a more sustainable model, progressive electrification, reduction of CO2 emissions, in line with the Group's decarbonization strategy, there are risks but more importantly, significant opportunities related to the regulatory context and regulation, technology advances, electrification and the resulting market developments that have a potential impact on the price of raw materials and energy.	Damage to assets; deteriorated service, loss of profit margin, cost increases, supply failures, lack of a proper and flexible system	Insurance policy coverage, Preventive plans to improve and automate the network to reduce power failure.	Electricity distribution, commitment to customers; economic value creation, decarbonization of the energy matrix
Stable	Commercial risk related to high or low hydrologic conditions Generation	Risk related to the exposure of electricity generation to hydrology.	Loss of profit margin; loss of commercial competitiveness. impact on Company liquidity.	A commercial strategy is defined to ensure the operating margin given the dependence on hydrology.	Economic and financial value creation; commitment to customers decarbonization of the energy matrix
Stable	Financial and commodity risk	Financial market risks related to interest rate or exchange rate volatility, risks related to restrictions on the Company's access to the financial market or to face the Company's financial obligations or the cash flow required to carry out its business, such as liquidity and credit risk; commodity risk due to uncertain future market events due to energy commodity price, production volume, availability, and demand volatility.	Loss of profit margin; impact on Company liquidity; loss of commercial competitiveness.	Hedging strategies; risk management policies and procedures; monthly committees to monitor the portfolio and market volatilities.	Economic value creation
Stable	Cyber incidents	The speed of technological development, the increase in cyberattack frequency and intensity, the trend to attack critical infrastructure and strategic industries, all lead to potential risks that present new challenges related to cyberattacks, data center failures, unethical conduct causing business interruptions or the loss of personal data confidentiality while Enel is integrating data, operations, and interconnecting distributed assets and operational digitalization.	Business interruptions; loss of reputation; noncompliance with local norms regarding the protection of personal data.	Monitor system vulnerability and threats continuously; disseminate cybersecurity and data protection culture throughout the Company; identify critical systems and protect them and contract global Enel Group insurance.	Digital innovation and transformation; solid governance and fair corporate conduct; commitment to customers; ecosystems and platforms
Stable	Not complying with SAIDI/SAIFI path	Risk related to not complying with the average interruption frequency per customer (SAIFI) and the average interruption duration per customer (SAIDI) defined by regulation.	Business interruptions; loss of reputation; financial losses due to fines and customer compensations	Maintenance plans are designed and implemented to reduce the probability of failures, service quality plans to increase back up, investment plans to increase digitalization, capacity, and renovation to increase network resilience.	Electricity distribution; commitment to customers
Stable	Paralyzed operations due to social manifestations	Risk related to stakeholder manifestations.	Business interruptions; affects operations continuity	Continuous territory/community relations to prevent and anticipate potential conflict and contribute to community development	Local community engagement; economic value creation; commitment to customers

Impact	Risks	Description	Potential Impact	Mitigation	Related Material Topic
Stable	People	Not being able to attract, retain and develop qualified and committed people	Not have the skills needed to develop strategic and operational activities, manage the energy transition that requires strong technological drive. New profiles, professional competencies, and a significant cultural and organizational change are required. Organizations must move towards new, more agile, and flexible business models. Better diversity and talent development policies become key factors in companies that are undertaking profound changes.	<ul style="list-style-type: none"> <li>Employee development and training programs geared towards forming leaders that have the abilities required to ensure proper operations management and transformation processes.</li> <li>Technical skill training programs to improve the performance of specific activities. Promote digital skill training.</li> <li>Develop initiatives that foster team integration, to listen to collaborators to strengthen organizational commitment and identification.</li> <li>Proactively develop initiatives that promote self-care and work-life balance.</li> <li>Diversity policies that ensure equal opportunities and foster integration.</li> <li>Comprehensive recruitment and selection processes that ensure hiring people with the necessary skills and in line with Enel Group values.</li> </ul>	People management, development, and motivation
Stable	Ethics and compliance	The Group operates in countries where corruption is perceived to be high according to indicators published by Transparency International. The Company's generation and distribution business lines require externalizing services which represents a compliance risk in terms of anti-corruption legislation and corporate liability risk as defined by each country in the region, greater fraud risk exposure as well as fines and penalties against bribes and corruption if employees or contractors do not comply with the provisions of antibribery and corruption laws. .	<ul style="list-style-type: none"> <li>Important sanctions (fines, penalties, and prohibitions) that may lead to the legal entity's dissolution and the prohibition to sign contracts with government bodies.</li> <li>Impact the Company's reputation</li> <li>Materiality of legal efforts (time, resources) needed to safeguard Group companies.</li> </ul>	<ul style="list-style-type: none"> <li>'Tone from the Top' messages from top management and board commitments/ advice from Group companies in the region</li> <li>Business conduct codes and adoption of compliance programs/ / integrity and specific policies and procedures to address risks within Company processes</li> <li>Campaigns promoting training and awareness on commercial compliance for employees and suppliers.</li> <li>Board appointment of a Compliance Officer to report independently on the performance of the Company's compliance model.</li> <li>Definition and implementation of a compliance program that covers the assessment of the Company's compliance risks, periodical reviews of such assessments and also the review the audits and verification processes performed.</li> <li>Independent certifications of the Company's compliance programs (ISO 37001, MPRP certification, pro-ethics program, etc.)</li> <li>Adoption of a whistleblowing channel that ensures confidential and anonymous reports</li> <li>Program to verify third-party risk to ensure necessary due diligence on the honorability of counterparties that work with the Group on various processes.</li> <li>Specific contractual standards to include counterparties obligation to respect the principles and values of the Company's ethical code, zero corruption tolerance plan, criminal risk prevention model, and human rights policies.</li> <li>Internal audits, reviews, testing, and continuous monitoring to verify the effectiveness of the compliance program implemented and reporting the results to the Board of Directors of the Group's companies in the region.</li> </ul>	Solid governance and fair corporate conduct
Stable	Occupational health and safety for employees and contractors	The main risks emerge from operational activities at power plants and other Company infrastructure tasks and also from the COVID-19 this year. Violating occupational health and safety laws, rules, and procedures at the workplace, in managing infrastructure, assets and administrative processes that may have a negative impact on employee, contractor and stakeholder's health.	<ul style="list-style-type: none"> <li>Lower employee commitment</li> <li>Paralyze operations</li> <li>Efficiency and productivity</li> <li>Fines</li> <li>Impact Company's reputation</li> </ul>	<ul style="list-style-type: none"> <li>Strategy, policies, occupational health and safety procedures and governance.</li> <li>ISO 45,001 management systems</li> <li>Supplier assessment processes</li> <li>COVID-19 measures</li> <li>Impact on Company's reputation</li> </ul>	Occupational health and safety; people management, development, and motivation; sustainable supply chain

## Risk Rating

The main events regarding risk rating in 2020 are summarized below:

### Feller Rate

On July 1, Enel Chile informed that it maintained the national rating granted by Feller Rate for the first time in 2017. The Company was rated “AA” with a stable outlook.

### Fitch Ratings

On July 1, Enel Chile informed that Fitch Ratings had rated the Company “A-” with a Stable outlook on the international scale. This is first time Fitch Rating has rated Enel Chile on the international scale.

Additionally, Fitch Ratings affirmed the “AA+(cl)” national credit rating of Enel Chile on January 25, 2021. The outlook was revised from to Positive from Stable. It also affirmed the stock rating at “First Class Level 1(c)”.

### Moody’s

Moody’s credit rating agency affirmed the international rating of Enel Chile S.A. on June 30. The Company was assigned a “Baa2” rating with a Stable outlook.

### Standard & Poor’s

On August 18, Standard & Poor’s affirmed Enel Chile’s “BBB+” international credit rating with a Stable outlook. Enel Chile S.A. credit ratings are based on its diversified asset portfolio, strong credit parameters, adequate debt structure and liquidity profile.

## International rating

Enel Chile	S&P	Moody’s	Fitch Ratings
Corporate	BBB+ / Stable	Baa2 / Stable	A-/Stable

## Local rating

Enel Chile	Feller Rate	Fitch Ratings
Stocks	1° class, Level 2	1° class, Level 1
Bonds	AA / Stable	AA+ / Positive

## Materiality

## Stakeholders

Enel Chile applies the standards adopted by the Enel Group, which fulfills [GRI \(Global Reporting Initiative\)](#) international standards. One of the main approached of this standard is to place stakeholders in the center of the company’s strategic issues.

Understanding the expectations of stakeholders is a cornerstone of Enel Chile’s sustainability strategy. This approach seeks to identify the drivers that make energy models sustainable, competitive, and safe, and develop perspectives that are innovative, exhaustive, and pioneer, to anticipate events, manage risks, and provide differentiation.

The Company’s commitment to keep a continuous dialogue with its stakeholders is fundamental for collaboration, development, and trust in the work environment. Essentially, Enel considers that management and communication with stakeholders contributes towards:

- **Improving** risk and opportunity management
- **Identifying** relevant trends and issues at an early stage
- **Fostering** credibility and trust, enabling synergies
- **Favoring** decision-making processes
- **Discovering** improvement and business opportunities

The different Company officers are responsible for managing their respective stakeholders continuously. Enel Chile checks, identifies, and maps its stakeholders at the national and local levels regularly.

The entire Company participates directly in an annual process to identify and prioritize stakeholders. Once identified, the relevant stakeholders are consulted about their priorities and expectations of the Company. This same procedure is carried out within the Company to determine its strategic priorities.

In 2020, stakeholders were prioritized according to their relevance for the Company. The priority was determined with the active participation of the Company's business units and corporate unit based on two criteria:

- **Dependency:** Groups or individuals that directly or indirectly depend on the Company's activities, products or services and its related functions.
- **Influence:** Groups and individuals that may have an impact on the organization or strategic stakeholders during the decision-making process.

## Communications Channels

The Company's operational excellence relies on the continuous interaction with its stakeholders during their regular activities. By means of different communication channels and procedures, Enel Chile acquires solid knowledge of their needs and expectations. Additionally, the Ethical channel is available to all stakeholders.

## Management approach to material issues

The priorities of the different stakeholders are identified through surveys responded directly by stakeholders in addition to secondary sources. The following are the consolidated priorities we identified for our stakeholders:

	Business Community	Customers	Financial community	Institutions	Civil society and local communities	Media	Our people	Suppliers
Economic and financial value creation	●	●	●	●	●	●	●	●
Sound governance and fair corporate conduct	●	●	●	●	●	●	●	●
Customer engagement	●	●	●	●	●	●	●	●
Ecosystems and platforms	●	●	●	●	●	●	●	●
Innovation and digital transformation	●	●	●	●	●	●	●	●
Energy distribution	●	●	●	●	●	●	●	●
Decarbonization of the energy mix	●	●	●	●	●	●	●	●
Environmental management	●	●	●	●	●	●	●	●
Employees management, development & motivation	●	●	●	●	●	●	●	●
Occupational health & safety	●	●	●	●	●	●	●	●
Sustainable supply chain	●	●	●	●	●	●	●	●
Engaging the local communities	●	●	●	●	●	●	●	●

- Priority values from 4.3 to 4.9 (High Priority)
- Priority values from 3.6 to 4.2 (Average Priority)
- Priority values from 2.8 to 3.5 (Low Priority)

## 1. Decarbonization of the energy matrix

Climate change is currently one of the major challenges of humanity. Enel Chile has committed to the progressive decarbonization of its energy matrix and has closed two of its coal-fired power plants sooner than expected. The Company retired Central Tarapacá on December 31, 2019, and Central Bocamina I on December 31, 2020. For further information on the decarbonization process refer to Enel Chile Strategy section of this Annual report.

## 2. Solid governance

A main objective of Enel Chile is the long-term sustainable value creation for all stakeholders. After the social uprising that took place in October 2019, civil society expects companies' attitude and conduct to be correct and moral. Enel Chile considers transparency to be a management pillar and therefore replicates world class best practices to

corporate governance issues, norms of conduct and ethics, risk management, among others. For further information regarding governance refer to Policies, Principles and Codes section of this Annual Report.

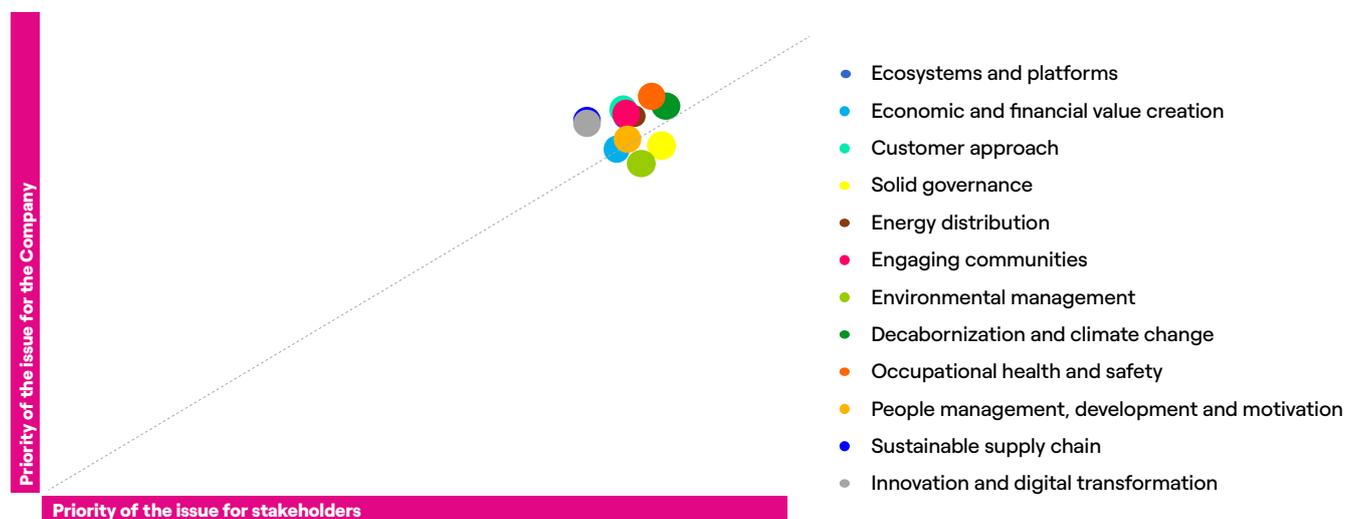
## 3. Occupational Health and Safety

Occupational health and safety are priorities for Enel Chile and its stakeholders. Therefore, the Company adopts systems to detect and prevent situations that could compromise the integrity of its collaborators and contractors. For further information on Occupational, Health and Safety refer to Collaborators section of the Annual report.

Enel Chile addresses these concerns by providing information and describing the actions and projects developed throughout the year in its Annual Report and Sustainability Report. These concerns are used to build our Materiality Matrix. The 2020 Materiality Matrix is part of our 2021-2023 Strategy and 2021-2023 Sustainability Plan.

# Materiality Matrix

Our materiality matrix presents the issues that are a priority for our stakeholders and are strategic to the Company. The results of the matrix are reported to the Board of Directors and published in the Sustainability Report and in this Annual Report.



## ESG Risk Analysis

Environmental, social and governance risks are an integral part of the Company's risk management policy, as stated in the Risk Management section of this Annual report. These risks are identified considering the following:

- Relevant Materiality issues include climate change, climate action failure, digital power concentration and digital inequality, among others. These issues are identified in the 2021 Global Risk Report of the World Economic Forum (WEF).
- Risks assessed as part of the due diligence process on human rights and integrated management systems (environmental, quality and safety) among others.
- The analysis of some of the world's most prestigious sustainability rating agencies, which use specific risk assessment systems to rate companies' ESG performance.

## Due Diligence on Human Rights

The Enel Group is committed to the principles that safeguard and promote the protection of human rights, which is evidenced by the policy approved by the Board of Directors in 2013.

Since 2016, Enel Chile, aligned with the UN's guidelines, carries out a fundamental rights' due diligence process throughout the Company's entire value chain to identify possible risks within its operations and establish corrective measures.

Potential infringement areas that arise from this due diligence are included in the Company's risk matrix.

## Long-term creation and distribution of economic value

		2020 Ch\$ millions	2019 Ch\$ millions
Economic Value Generated (EVG)	<b>Revenue</b>	<b>2,634,561</b>	<b>2,800,393</b>
	Operational	2,585,402	2,770,834
	Non-operational	49,159	29,559
Economic Value Distributed (EVD)	Operating costs	2,529,157	2,146,180
	Employee wages and benefits	111,687	111,994
	Payments to providers of capital	454,304	401,377
	Financial expenses	141,589	164,898
	Dividend payments	312,715	236,479
	Government payments	(90,177)	61,228
<b>Economic Value Retained (EVR)</b>	<b>EVR = EVG - EVD</b>	<b>(370,410)</b>	<b>79,615</b>

Operating revenue amounted to Ch\$ 2,585,402 million as of December 31, 2020, which represents a 6.7% reduction when compared to December 2019, primarily due to the Ch\$ 121,118 million extraordinary income booked as a consequence of the early termination of the contracts between Enel Generación Chile and Anglo American that were signed in 2016 and lower gas sales, both in the generation business.

Operating costs reached Ch\$ 2,529,157 million, which represents an 18% increase when compared to 2019, primarily explained by the Ch\$ 439,411 million greater impairment loss in the Enel Generación Chile Group related to closing Bocamina II coal-fired power unit for Ch\$ 719,431 million booked in 2020, which included the Ch\$ 21,246 million impairment loss in coal inventory and Ch\$ 329 million in gas inventory compared to the Ch\$ 197,188 million and Ch\$ 82,832 million impairment losses booked in 2019 due to closing Central Tarapacá and Bocamina I, respectively, all within the framework of the Group's decarbonization plan.

Government payments include the payments made in Chile, where the Company's main operations are located, and in Argentina, related to Enel Generación Chile's branch in Jujuy. Neither one of these two countries is a tax haven. Enel Chile's tax payments contribute to the development of the Countries' local economies.

## Long-term economic Value creation

The value created by our sustainable business can be seen in the economic indicators we use to measure our performance.

	2020	2019
EBITDA of low carbon products and services (Ch\$ millions)	824,023	867,644
CAPEX of low carbon products and services (Ch\$ millions)	737,344	295,853
Ratio CAPEX of low carbon products and services to total CAPEX (%)	96%	88%

## Commitment to Sustainable Development Goals

In 2015, the United Nations Organization approved the Global Agenda on Sustainable Development and the related Sustainable Development Goals to be reached by 2030. Enel Chile makes efforts to reach all SDG goals but has committed to make specific contributions to six of the 17 SDGs. The commitment to these SDGs was the outcome of the Company's process to define its sustainable development model. Therefore, the investments of Enel Chile's strategic sustainable business plan are established within the framework of the energy transition and the United Nations' Sustainable Development Goals.



## Enel Chile is committed to the following SDGs:

GOAL	COMMITMENT
 <p><b>SDG 4:</b> ensure inclusive and equitable quality education and promote lifelong learning opportunities for everyone for life</p>	<p>Enel Chile commits to promote economic and social development in the communities where it has operations on a daily basis. In addition to providing access to clean energy where it is needed the most, we have invested in promoting quality education (SDG 4), decent work and economic growth (SDG 8).</p>
 <p><b>SDG 8:</b> promote inclusive and sustainable economic growth, employment, and decent work for all</p>	<p>We actively contribute to economic and social development in Chile through approximately 300 existing projects that involve the expansion of infrastructure, training programs focused on social inclusion and projects that support the culture and economy of communities, among others, all in line with SDGs.</p> <p>Developing these projects in collaboration with local organizations is critical. We currently work in collaboration with over 300 organizations that operate locally and promote regional development through customized and innovative initiatives.</p>
 <p><b>SDG 7:</b> ensure access to affordable, reliable, sustainable, and modern energy for all</p>	<p>Enel Group decided to invest exclusively in renewable power plants, geared towards SDG 7, many years ago. As part of the energy transition process, Enel Chile continues to grow in renewable energy, currently developing projects that provide 1.3 GW additional renewable capacity to reach a total 2.4 GW of clean power capacity by 2023. This clean energy must be made available to consumers.</p>
 <p><b>SDG 9:</b> build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>	<p>For this clean energy to reach our homes, the Group needs solid, digitalized, and resilient infrastructure. Consequently, the Company's investments focus on network digitalization and service quality, in line with SDG 9.</p>
 <p><b>SDG 11:</b> make cities and human settlements sustainable</p>	<p>Urbanization challenges the electricity industry to contribute to urban sustainability, with less pollution, and cleaner services. We are consequently investing in a series of new electrification services, in line with SDG 11.</p>
 <p><b>SDG 13:</b> Climate action</p>	<p>Our business plan focuses on SDG 7, 9 and 11. It involves climate actions geared towards SDG 13 because they reduce our direct emissions and our customers carbon footprint.</p> <p>Decarbonization is one of our strategic pillars. Specifically, Enel Chile estimates CO2 will decline 64% by 2023 compared to emissions in 2017, reaching total specific emissions to less than 100 CO2 grams per kWh and be completely carbon free by 2050.</p>

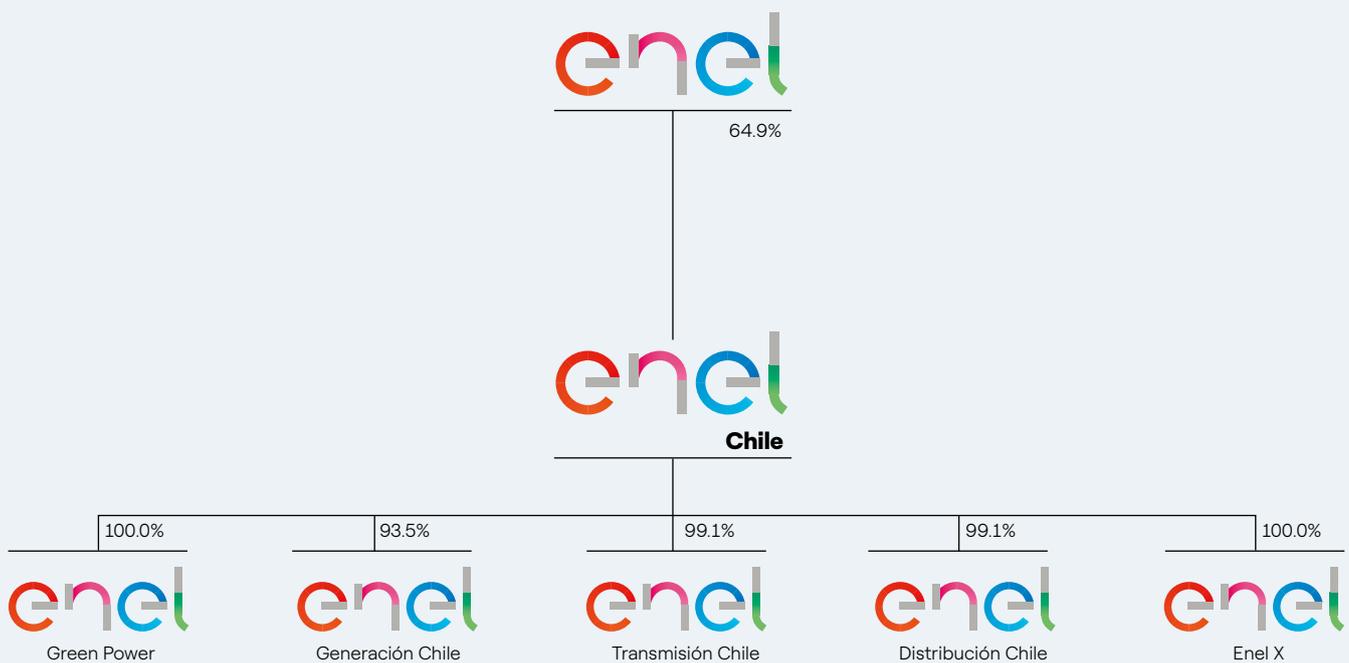
# 4

## **Our Businesses**



# Business structure

Enel Chile operates in the electricity generation, transmission, distribution, and other businesses related to the transformation and expansion of the electricity market through its subsidiaries Enel Generación Chile, and Enel Green Power Chile in generation, Enel Distribución Chile in distribution, Enel X Chile in the new businesses segment and Enel Transmisión Chile in the transmission segment.



**Note:** Enel Transmisión Chile was incorporated on January 1, 2021 as required by Law 21,194 titled the "Distribution Short Law", published on December 21, 2019. This short law amends the Chilean Electricity Law by introducing article 8 ter, which requires that as of January 1, 2021, the only purpose and business of electricity distribution concessionaires be electricity distribution.

# History of the Company

Enel Chile S.A. was created as part of the corporate reorganization process of Enersis S.A that began in April 2015. Enersis S.A. controlled the generation, transmission, and distribution business in Chile and four other countries in the region (Argentina, Brazil, Colombia, and Peru). The Extraordinary Shareholders' Meeting of Enersis S.A. held in December 2015 approved the first phase of the reorganization plan titled "the Division", which created Enersis Chile as the only vehicle to control the Group's generation and distribution assets in Chile. Enersis S.A became Enersis Americas S.A., the vehicle to control all assets of the businesses in other countries in the region.

Endesa Chile S.A. and Chilectra S.A. went through a similar division process.

On **September 28, 2016**, the Shareholder's Meeting of Enersis Américas, Endesa Américas, and Chilectra Américas approved the second phase of the plan called "the Merger" in which Enersis Américas absorbed the businesses of Endesa Américas and Chilectra Américas. During the same meeting, shareholders agreed to change the name of Enersis Américas S.A to Enel Américas S.A.

On **October 4, 2016**, the shareholders of Enersis Chile, Endesa Chile and Chilectra agreed to change their names to Enel Chile, Enel Generación Chile, and Enel Distribución Chile, respectively.

As a result of the merger process, Enel Chile currently holds the electricity generation business through its subsidiary Enel Generación Chile that has 109 generation units installed throughout the SEN reaching a total aggregate installed capacity of 6,000 MW, placing it among the most important energy companies in the country.

Enel Chile participates in the distribution business through the subsidiary Enel Distribución Chile that operates a 2,105 km<sup>2</sup> concession area granted by the Chilean government, for an unlimited period of time, to transmit and distribute electricity throughout 33 counties in the Metropolitan Region, including the areas serviced by Enel Colina S.A. and Empresa de Transmisión de Chena S.A. The concession area is regarded as a densely populated area in terms of tariff regulation making the Company the largest electricity commercialization company in Chile.

As part of the plan to divest non-strategic assets, in June 2016, Enel Chile sold its 20% share in GNL Quintero S.A. to Enagás Chile S.p.A for US\$ 200 million and in February 2017 sold its shareholding in Electrogas S.A. to Aerio Chile S.p.A. for US\$ 180 million.

In **August 2017**, a corporate reorganization of Enel Chile was proposed. This plan was titled "Elqui Project" and involved the merger of Enel Green Power Latin America S.A. with and into Enel Chile and a Public Tender Offer (PTO) for 100% of the shares of Enel Generación Chile. In December 2017, the respective Extraordinary Shareholders' Meetings approved the terms of the reorganization.

The Elqui Project became effective on **April 2, 2018** when Enel Green Power Latin America merged with and into Enel Chile and Enel Chile's shareholding in Enel Generación increased to 93.55%. This operation added 1,189 MW of non-conventional renewable energy (NCRE), mainly wind and solar technology.

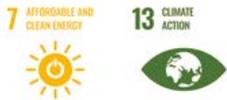
In **September 2018**, Enel Chile announced the creation of a new subsidiary named Enel X Chile SpA to develop, implement and sell products and services related to energy that involve innovation, cutting edge technology, and future trends and ancillary services, regulated or not, but that are not an electricity distribution concession service.

As part of the Enel Chile Group's goal to simplify its corporate matrix, in **September 2019**, Enel Chile concluded the sale of its 2.63% shareholding in GasAtacama to Enel Generación Chile.

In accordance with the "Short Law" approved in late 2019, particularly establishing a "Single Business" for electricity distribution companies in Chile, on **December 3, 2020** Enel Distribución Chile held an Extraordinary Shareholders' Meeting to approve the division of its operations into two separate and independent business lines: electricity distribution and electricity transmission. This new structure allowed Enel Distribución Chile to focus exclusively on the regulated electricity distribution business in its concession area and have the new company that resulted from the division, Enel Transmisión Chile, concentrate the assets and operation of the transmission business as of January 1, 2021, including the operations of the subsidiary Empresa de Transmisión Chena S.A.

## Business Lines

### Electricity Generation: decarbonization



Enel Chile and its subsidiaries have a total 1,028 electricity generation units located throughout the SEN.

The Company’s consolidated gross installed generation capacity amounted to 7,200 MW as of December 2020. Renewable energy represented 66% of that total consolidated power capacity. The Company has 3,561 MW

hydroelectric capacity, 2,454 MW thermal capacity fueled by gas, coal, or fuel oil, 642 MW wind power capacity, 496 MW solar generation capacity and 48 MW geothermal installed capacity. During 2020, net consolidated electricity generation reached 19,331 GWh and energy sales amounted to 22,960 GWh.

The segmentation of the electricity industry into hydroelectric generation and thermoelectric generation is intrinsic to its means of production. Thermoelectric generation requires fossil fuels and hydroelectric generation requires water from rivers and reservoirs. Therefore, these different electricity generation technologies have different variable production costs.

Generation power plants of Enel Generación Chile, Enel Green Power Chile (EGP Chile) and subsidiaries are listed in the following table:



**GROSS INSTALLED CAPACITY (MW) <sup>(1)</sup>**

Power plant	Company	Region	Technology	2020 <sup>(2)</sup>	2019
Los Molles	Enel Generación Chile	Coquimbo	Hydroelectric	18	18
Rapel	Enel Generación Chile	Gral. Bdo O'Higgins	Hydroelectric	377	376
Sauzal	Enel Generación Chile	Gral. Bdo O'Higgins	Hydroelectric	80	77
Sauzalito	Enel Generación Chile	Gral. Bdo O'Higgins	Hydroelectric	12	12
Cipreses	Enel Generación Chile	Maule	Hydroelectric	106	106
Isla	Enel Generación Chile	Maule	Hydroelectric	70	70
Ojos de Agua	Enel Generación Chile	Maule	Hydroelectric	9	9
Pehuenche	Pehuenche	Maule	Hydroelectric	570	568
Curillinque	Pehuenche	Maule	Hydroelectric	89	89
Loma Alta	Pehuenche	Maule	Hydroelectric	40	40
Pangue	Enel Generación Chile	Biobío	Hydroelectric	467	466
Abanico	Enel Generación Chile	Biobío	Hydroelectric	136	136
El Toro	Enel Generación Chile	Biobío	Hydroelectric	450	449
Antuco	Enel Generación Chile	Biobío	Hydroelectric	321	319
Ralco	Enel Generación Chile	Biobío	Hydroelectric	690	689
Palmucho	Enel Generación Chile	Biobío	Hydroelectric	34	34
Pilmaiquén	Empresa Eléctrica Paguipulli S.A.	Los Ríos	Hydroelectric	41	41
Pullinque	Empresa Eléctrica Paguipulli S.A.	Los Ríos	Hydroelectric	51	51
Lalackama	Empresa Eléctrica Paguipulli S.A.	Antofagasta	Solar	60	60
Lalackama 2	Empresa Eléctrica Paguipulli S.A.	Antofagasta	Solar	18	18
Pampa Solar Norte	Enel Green Power del Sur SpA	Antofagasta	Solar	79	79
Parque Solar Finis Terrae	Enel Green Power del Sur SpA	Antofagasta	Solar	160	160
Azabache <sup>(3)</sup>	Enel Green Power del Sur SpA	Antofagasta	Solar	4	-
Carrera Pinto I Etapa	Enel Green Power del Sur SpA	Atacama	Solar	20	20
Carrera Pinto II Etapa	Enel Green Power del Sur SpA	Atacama	Solar	77	77
Chañares	Empresa Eléctrica Paguipulli S.A.	Atacama	Solar	40	40
Solar Diego de Almagro	Almeyda Solar SpA	Atacama	Solar	36	36
Solar La Silla	Enel Green Power del Sur SpA	Coquimbo	Solar	2	2
Eólica Taltal	Parque Eólico Tal Tal S.A.	Antofagasta	Wind	99	99
Parque Eólico Sierra Gorda Este	Enel Green Power del Sur SpA	Antofagasta	Wind	112	112
Valle de los Vientos	Parque Eólico Valle de Los Vientos S.A.	Antofagasta	Wind	90	90
Canela	Enel Generación Chile	Coquimbo	Wind	18	18
Canela II	Enel Generación Chile	Coquimbo	Wind	60	60
Eólica Talinay Oriente	Parque Eólico Talinay Oriente S.A.	Coquimbo	Wind	90	90
Eólica Talinay Poniente	Empresa Eléctrica Paguipulli S.A.	Coquimbo	Wind	61	61
Parque Eólico Renaico	Enel Green Power del Sur SpA	Araucanía	Wind	88	88
Eólica Los Buenos Aires	Enel Green Power del Sur SpA	Biobío	Wind	24	24
Cerro Pabellón	Geotérmica del Norte S.A.	Antofagasta	Geothermal	48	41
Tarapacá TG	Enel Generación Chile	Tarapacá	Fuel/Natural gas	20	20
Taltal	Enel Generación Chile	Antofagasta	Fuel/Natural gas	240	240
Diego de Almagro	Enel Generación Chile	Atacama	Fuel/Natural gas	24	24
Huasco TG	Enel Generación Chile	Atacama	Fuel/Natural gas	64	64
San Isidro	Enel Generación Chile	Valparaíso	Fuel/Natural gas	379	379
San Isidro 2	Enel Generación Chile	Valparaíso	Fuel/Natural gas	388	388
Quintero	Enel Generación Chile	Valparaíso	Fuel/Natural gas	257	257
Atacama	Enel Generación Chile	Antofagasta	Diesel/ Natural gas	732	732
Tarapacá carbón <sup>(4)</sup>	Enel Generación Chile	Tarapacá	Coal	-	-
Bocamina <sup>(4)</sup>	Enel Generación Chile	Biobío	Coal	350	476
<b>Total</b>				<b>7,200</b>	<b>7,303</b>

(1) These figures are the maximum capacities determined by Enel Generación Chile's Operational Norm No 38 "Rule that defines the maximum capacity of the hydroelectric and thermal plants of Enel Generación Chile" as of December 31 each year. They are the maximum design capacity of the generating units, corroborated with contractual satisfaction guaranteed tests made by the manufacturer of the generating equipment, in most cases. In some cases, the figures of maximum capacity may differ from the capacity declared to the regulatory authority and customers in each country due to criteria defined by these entities and compliance to the corresponding contractual frameworks.

(2) The changes in installed capacity in 2020 compared to 2019 are based on the results of the maximum capacity tests performed as determined by Technical Regulation of the National Electricity System operator.

(3) The maximum gross capacity of Central Azabache will be reached during 2021, once the installation of the plant is completed. (59.5 MW gross)

(4) On December 31, 2019, Central Tarapacá was shut down and disconnected as part of the National Decarbonization Plan signed in June 2019. On December 31, 2020, Central Bocamina I was shut down and disconnected as part of the National Decarbonization Plan signed in June 2019.

In 2020, Enel Chile and its subsidiaries' electricity sales reached 22,960 GWh, 2.4% less than 2019 due to the impact of the lockdowns in the country's main cities until September due to the COVID-19 pandemic and also explained by the migration of regulated customers to the unregulated customer segment. This sales volume represents 32.0% of the SEN's total sales, including customer sales and spot market net sales.

## Enel Chile and Subsidiaries' installed capacity, generation, and energy sales

Installed capacity (MW) (1)	2020	2019
Enel Generación Chile	6,000	6,114
Enel Green Power Chile	1,200	1,189
<b>Total</b>	<b>7,200</b>	<b>7,303</b>

Generation (2)	2020	2019
Enel Generación Chile	15,913	17,548
Enel Green Power Chile	3,418	3,493
<b>Total</b>	<b>19,331</b>	<b>21,041</b>

Purchases	2020	2019
Enel Generación Chile (3)	5,897	4,684
Enel Green Power Chile	118	171
<b>Total</b>	<b>3,629</b>	<b>2,473</b>

Sales	2020	2019
Enel Generación Chile	21,222	21,953
Enel Green Power Chile	659	662
Spot market sales	1,079	899
<b>Total</b>	<b>22,960</b>	<b>23,513</b>

- 1) These figures result from the maximum capacities determined by Enel Generación Chile's Operational Norm No 38 "Rule to define maximum capacity in the hydroelectric and thermal plants of Enel Generación Chile", as of December 31 each year. They are the maximum design capacity of the generating units, corroborated with contractual satisfaction guaranteed tests made by the manufacturer of the generating equipment, in most cases. In some cases, the figures of maximum capacity may differ from the capacity declared to the regulatory authority and customers in each country due to criteria defined by these entities and compliance to the corresponding contractual frameworks.
- 2) Refers to total generation after deducting own consumption and transmission losses.
- 3) Includes the 2,387 GWh purchased by Enel Generación Chile from EGP Chile in 2020 and 2,382 GWh purchased by Enel Generación Chile from EGP Chile in 2019.

## Commercial and operational scenario

2020 was marked by the COVID/19 pandemic, and its adverse impact on the domestic and world economy. The magnitude of the crisis and its effects have been enormous and transversal, affecting production, consumption, and labor markets.

In terms of the electricity market, the national availability index of generation was not affected, which is extremely relevant considering that it is essential to economic development and domestic life. This availability level responds to the companies' efforts to maintain generation resources and transmission networks available, but also to the industry's technology that has been implemented by the companies and other agents that operate in the electricity market, such as the country's electricity system coordinator, CEN.

Electricity generation and supply has been carried out in an efficient and organized manner within this complex scenario. The SIC-SING interconnection that concluded in 2019 has been important because it has allowed renewable wind and solar powered electricity to be fed and transported from northern Chile to major consumption areas in the central region. This has prevented congestion and enabled intermittent renewable sources to supplement the flexible hydroelectric generation provided by the reservoirs located in southern Chile. The interconnection of the central and northern electricity networks has also contributed to the decarbonization process of the country's energy matrix.

The drive to develop new electricity generation power plants continues. In late 2020, the National Energy Commission reported roughly 7,400 MW in projects under construction in Chile, primarily solar photovoltaic power projects followed by wind projects and lastly, hydroelectric projects.



From among these projects, **the largest power plant under construction is [Campos del Sol, located in the Atacama Region](#)**. This project is being carried out by EGP Chile, which has signed important electricity supply contracts with Enel Generación Chile providing renewable electricity for the latter to satisfy its commercial commitments.

The construction of this new NCRE generation capacity is an opportunity for Enel Generación Chile because its hydroelectric reservoir power plants in southern Chile and its natural gas fired combined cycles in central Chile are able to supplement the intermittent NCRE generation providing reliability and security to SEN operations. Enel Generación Chile's contracts with EGP Chile and its subsidiary Pehuenche S.A. provide low production cost energy that represented almost 30% of its sales in 2020, and an advantage when competing for customers in the competitive Chilean electricity generation market.

Despite the strength of electricity generation in 2020, the adverse effects of COVID-19, including government measures such as lockdowns, reduced economic activity and electricity consumption. Electricity demand (sales) growth dropped significantly from 0.7% in 2019 to 0.2% in 2020. The growth rate for 2019 was also much lower than previous years because of the weaker economic activity that began in the second semester of 2019 and worsened from October on due to the social uprising.

We saw lower electricity consumption growth in 2020 primarily in the residential and commercial customer segments and in some SME sectors, although several larger companies, in the retail sector that have implemented e-commerce, and particularly mining companies (especially copper) were able to maintain stable production and distribution levels and allow electricity demand to increase.

When comparing electricity consumption and economic activity in the country, the Central Bank informed that Chile's Gross Domestic Product GDP dropped 5.8% due to the economic impact of the pandemic. However, electricity consumption did not experience the same decline because, as mentioned previously, sectors such as the mining industry, maintained their activity at 2019 levels,

which allowed offsetting the impact on retail and tourism sectors that were hit severely.

Monthly sales declined from March through August 2020. From then on, they began slowly recovering as the authority began gradually lifting restrictions. Regulated customers' annual consumption dropped 4.3% and unregulated customers' annual consumption increased 3.3% in 2020. As in 2019, some regulated customers chose to move to the unregulated customer segment, as permitted by electricity industry regulation.

The decarbonization process of the Chilean energy matrix that began in 2019 with the retirement of three coal-fired generation units amounting to 328 MW, which included the 158 MW Central Tarapacá owned by Enel Generación Chile, continued in 2020. Two coal-fired plants, namely 114 MW Ventanas 1 located in Puchuncavi county, Valparaiso Region, and the 128 MW Bocamina I owned by Enel Generación Chile were disconnected from the system in 2020. Consequently, up to the date of this Report, a total 570 MW of coal-fired power has been disconnected from the SEN.

For further detail on Enel Chile's Group decarbonization process, refer to Enel Chile's Strategy section of this Annual Report.

The decision made by Enel Chile and Enel Generación Chile to be part of the country's decarbonization process has significant social and environmental benefits that are well-known, is broadly supported by the community, and currently has a positive economic impact. The significant and progressive development of NCRE generation projects, boosted by the interconnection of the SIC and SING, allows to efficiently compensate the energy not supplied by Central Tarapacá and Central Bocamina. The retirement of Central Bocamina additionally provides benefits related to reducing the risk of adverse events that have affected the urban population of Coronel in the past. Bocamina began operations in 1970. Today it is surrounded by Coronel.

As in 2019, there were no regulated customer electricity supply auctions in 2020 (those to be held this year were

postponed to May 2021). Enel Generación Chile played a major role in the two previous bids (2016 and 2017) being awarded nearly 8,300 GWh/yr. In 2020, although electricity supply contracting activity was slow when compared to previous years due to the lower economic activity resulting from the COVID-19 pandemic, the Company was successful in signing medium- and long-term contracts with unregulated customers to supply roughly 2,300 GWh/yr., 60% to copper mining companies. Being able to maintain the position as Chile's main regulated customer electricity supplier and commit a significant amount of energy to unregulated customers under favorable terms, increasing the customer base and portfolio diversification, despite the adverse economic scenario caused by the pandemic and the significant level of competition that exists in this industry, is a highlight among the Company's commercial activities for 2020.

The publication of Law 21,185, "**Temporary Regulated Customer Rate Stabilization Mechanism**" on November 2, 2019, is also worth mentioning. This law, when compared to other alternative ones presented, may be viewed as an adequate solution to ease the demands raised during the social uprising in October 2019, related to the disapproval of the scheduled electricity rate increases. This Law temporarily freezes the regulated rate of current supply contracts, and establishes a maximum rate named PEC (equal to the rate in 2018 Decree 20 T). This restriction is imposed until 2021, when the contracts resulting from the latest bids at prices below the PEC become effective. It is important to note that this Law provides a compensation mechanism by means of which the lower regulated rates of the 2021-2026 period would be adjusted according to the PEC price, and recorded in a credit/debit account, so as to gradually compensate the cash flow resulting from the indexation clauses of current contracts (2019-2021) that were frozen. Although this Law has a negative economic effect on the Company, the compensation mechanism provided significantly reduces the impact within the specified time frame. The negative economic impact is also lessened by the greater level of diversification resulting from the unregulated customer contracts signed in 2019 mentioned earlier.

### **Main events that affected operational and commercial performance**

The scenario described above confirms that, despite the complicated environment in 2020, Enel Chile can adapt

and adjust its operations to different circumstances, either favorable or not, as it has done in the past. The Company can permanently maintain a high-performance level and a leadership position in the Chilean electricity industry. The factors worth highlighting that substantiate this position are:

- i) Significant and technologically diversified, sustainable generation capacity mainly comprised of efficient hydroelectric and thermal plants**, which allow the Company to be extremely competitive and generate at low average operating costs.
- ii) Production processes, maintenance and modernization policies that fully comply with technical and environmental standards** established by the applicable regulation allowing the Company's generation facilities to operate in line with high availability and sustainability principles.
- iii) The commercial policy must be consistent with the production characteristics of the Company's power plants** and is permanently adjusted to the increasingly competitive and changing market conditions and the country's economic performance. The goal of such policy is to combine achieving an attractive return with a low exposure to production and market risk.
- iv) Innovation is a priority for the Company, allowing it to constantly adapt to face new market challenges.** For example, the reorganization of its generation business model previously mentioned (subsidiaries EGP Chile and Enel Generación Chile) allows sustaining future growth and competitiveness in the industry.
- v) 2020 put the spotlight on the outstanding performance of the Enel Group workforce**, a team of people forced to drastically change their working conditions due to COVID-19, which includes those that stayed home and worked remotely and those that had to go to Enel Chile or its subsidiaries' operational facilities. **This work arrangement required significant technological support and a powerful digital platform that was implemented globally in all Enel Group companies.** The commercial department that primarily worked remotely from home, was able to adapt well to this arrangement and work efficiently to achieve the team's goals. They continued to communicate with all group

departments and provided preferential service to the customers working remotely. The Company adopted measures to provide adequate support and training for those performing these activities, including physical resources, time for entertainment and others.

Regarding production and market risk management, the following are the most relevant factors we take into consideration:

- i) **Hydrology variability**, a risk that is covered by permanently analyzing and designing sales contract clauses that commit to an optimum level of energy sales.
- ii) **Commodity variability** mainly fuel price volatility risk that directly affects Enel Chile's thermal production costs and the sales price indexation clause of some of our supply contracts.
- iii) **Currency variability risk**, mainly the price of the United States dollar that has an impact on the Company's revenue.

Commodity (mainly coal, natural gas, and oil) and currency (US dollar) risks mentioned above are managed by the Company in coordination with the parent company in Italy using hedging instruments.

## Hydrologic conditions

Hydroelectricity represents a significant portion of Enel Chile's generation mix and has a significant direct impact on the Company's profit margin. Therefore, a detailed discussion on hydrologic conditions is relevant to the Company. The extreme drought conditions present in 2019 resulted in low snowmelt in early 2020 so that drought conditions continued during the first semester of 2020 although slightly improved from July on but not enough to revert the dry conditions of 2020, and previous years.

Overall, the exceedance probability relevant to Enel Chile was 88%, in other words, very dry. Although rainfall from

the Maule Region north doubled the figure for 2019, rainfall reached a 35% deficit when compared to a normal year. Rainfall from the Maule Region south decreased when compared to 2019 resulting in a 30% deficit when compared to a normal year.

## Generation and electricity supply costs

Electricity generation in the SEN in 2020 reached 77.7 TWh, which represents a 0.6% growth rate when compared to 2019. Hydroelectricity represented 27% of total generation (20.6 TWh), thermal electricity accounted for 54% (41.7 TWh), primarily coal (35%), followed by natural gas (18%). A total 19.6% of total electricity generation came from non-conventional renewable sources (15.3 TWh): solar (10%); wind (7%); biomass (2%); geothermal (0.3%).

Enel Chile's power plants generated 25% of the SEN's total electricity generation amounting to 19.3 TWh, which is 8% less than the amount produced in 2019. The Company's Hydroelectric generation was roughly 9.7 TWh, representing 47% of the SEN and nearly 8% less than the 10.6 TWh generated in 2019. Enel Chile's thermal generation dropped 11% from 7.2 TWh in 2019 to 6.4 TWh in 2020, mainly due to less coal-fired generation. The Company's NCRE generation (wind, solar, geothermal) reached 3.17 TWh in 2020, 2% less than the 3.23 TWh for 2019.

During 2020, average fuel prices declined when compared to 2019. Coal was once again the predominant fuel used to generate electricity in the SEN. According to authority statistics, the average price of coal decreased 18.2% from an annual average 102 US\$/ton in 2019 to roughly 84 US\$/ton on average in 2020. Regarding the price of natural gas, although the purchase prices of Enel Chile are confidential, according to market information provided by the electricity authority, the Henry Hub dropped 16% on average in 2020 from 2.53 US\$/MMBTU in 2019 to 2.14 US\$/MMBTU in 2020. Liquid fuel represented an extremely low share of the SEN's generation in 2020. The average Brent oil price dropped 33%.

The drought that affected the SEN, the lower price of fuel, the gas imports from Argentina, the greater supply of non-conventional renewable energy, and a demand that practically didn't grow, allowed the average annual marginal electricity cost to decline. The average price at the 220 kV Quillota node dropped from 52.0 US\$/MWh in 2019 to 39.5 US\$/MWh in 2020 (-24%). At the Crucero node, which represents the former SING electricity system, the price fell from 45.4 US\$/MWh to 39.6 US\$/MWh (-13%).

## The relevance of liquefied natural gas (LNG)

Enel Chile entered the LNG market in 2009 through its subsidiary Enel Generación Chile when the GNL Quintero Regasification Terminal began operations. This regasification terminal was a project of national interest that required a significant public and private effort to ensure the country a supply of natural gas since the Argentine supply had been interrupted.

Enel Generación Chile, Metrogas, and Enap, jointly promoted the development of the GNL Quintero Terminal. This facility has played a crucial role in the supply of energy to Chile's central region for both residential and industrial customers and also for the electricity system as a whole.

During 2020, Enel Generación Chile consumed 742 MMm<sup>3</sup> of LNG to satisfy its commercialization and electricity generation requirements, 68% more than the amount in 2019, mainly due to the greater requirements of electricity generation and the lower volume of Argentine natural gas available when compared to 2019.

The reactivation of the Argentina natural gas (NG) supply during the last quarter of 2018, a significant milestone after being interrupted for 11 years, has allowed Enel Chile, through its subsidiary Enel Generación Chile, to maintain its interruptible NG supply contracts with important Argentine natural gas producers in 2020. The competitiveness of the Chilean electricity market contributed to the reduction of the price of Argentine wellhead NG in 2020 to below 3 US\$/MMBtu. Enel Chile imported 377 MMm<sup>3</sup> of NG during 2020 in central Chile, which represented 34% of Chile's total gas needs (to produce electricity and supply customers), and 19% of the total amount of natural gas supplied to generate electricity in the central region.

In terms of gas commercialization in 2020, Enel Chile, through its subsidiary Enel Generación Chile, was very active in negotiating more flexible conditions with its long-term LNG supplier so as to incorporate the supply of Argentine NG.

In 2020, the terminal use agreement, TUA, with GNL Mejillones remained in force allowing the Company to continue using the terminal to unload LNG shipments. This agreement enabled the natural gas sales contracts with mining and industrial customers located in northern Chile making Enel Chile the main industrial gas trader in northern Chile. It also made natural gas available for the generation units of Enel Chile (Taltal and GasAtacama) connected to the northern gas pipeline network.

Regarding the commercialization of LNG in trucks, our operations increased to 70 MMm<sup>3</sup> in 2020 allowing Enel Chile to maintain its relevant position in this market.

Commercialization of gas is currently not a significant business for Enel Chile. However, the Company has continued consolidating its position as a relevant player and pioneer in the gas market in Chile through innovation, which has driven the Company's expansion of its activities in gas and LNG commercialization in the local and international markets.

## In the commercial front

The commercial actions carried out by Enel Chile through its subsidiary Enel Generación Chile in 2020 were consistent with its commercial policy, which focuses on accomplishing the following goals: maintain industry leadership, adequately manage risk, and return under the existing supply and competitive market conditions, implement plans to strengthen customer loyalty, add new customers, increase energy sales, and increase commercial management efficiency within the company. The main commercial actions carried out in 2019 are described below.

New electricity supply contracts were signed in 2020 with customers for over 2,200 GWh/year with different terms, which contributes to the Company's excellent 2019 contract profile.

Agreements were signed with important unregulated industrial and mining customers to supply nearly 1,600 GWh/year for four and up to ten-year terms.

Also, Enel Chile took advantage of the new trend in the electricity industry in 2020 resulting from the regulatory change allowing small customers to choose to be either regulated or unregulated. Many small, regulated customers decided to change to the unregulated category and sign new supply contracts. Enel Chile's subsidiary Enel Generación Chile signed contracts directly with these smaller unregulated customers.

The Company also had access to the smaller consumer market indirectly through contracts signed with distribution companies to supply electricity to their unregulated customers, amounting to 200 GWh/year with four to ten-year terms. Back-up electricity supply contracts have been signed by Enel Generación Chile with other generation companies to provide electricity to their unregulated customers, which represented 450 GWh/year with 17 to 20-year terms beginning in March 2020.

Among the achievements of 2020, despite the few electricity supply bidding processes carried out, Enel Generación Chile was awarded approximately 55% of the supply tendered for unregulated customers.

## Electricity Distribution: Networks



Enel Chile participates in the electricity distribution business through its subsidiary Enel Distribución Chile, one of the largest distribution companies in Chile in terms of regulated customers, distribution assets and energy sales. It operates in 33 counties of the Metropolitan Region and its concession area, granted indefinitely by the Chilean Government, covers over 2,105 square kilometers, including the areas covered by its subsidiaries Enel Colina S.A. and Empresa de Transmisión Chena S.A.

Enel Distribución Chile's concession area is considered a highly dense consumption area. It concentrates a large portion of the country's population, and also businesses parks, industrial parks, small industry, and commercial activities.

Other electricity distribution Groups that participate in the electrical system are: Chilquinta Energía, CGE Distribución, Sociedad Austral de Electricidad and Empresa Eléctrica de la Frontera.

To comply with the provisions of **Law 21,194 titled "Distribution Short Law"** requiring distribution concessionaire companies to have a "Single Business", on **January 1, 2021**, the assets of Enel Distribución Chile were divided, and **Enel Transmisión Chile** was created. The assets and liabilities of Enel Distribución Chile's transmission business line were transferred to Enel Transmisión Chile, including all electricity transmission lines and substations. Enel Distribución Chile is to focus exclusively on the electricity distribution business.

**Empresa de Transmisión Chena S.A. became a subsidiary of Enel Transmisión Chile as of January 1, 2021.**

In 2020, Enel Distribución Chile provided electricity to 2,008,019 customers, 1.8% more than in 2019. Of total customers, 89.7% are residential customers, 7.7% are commercial customers, 2.6% are industrial customers and toll customers represent 0.04%. Enel Distribución Chile sold 16,481 GWh to its final customers in 2020, which represents a 3.8% reduction when compared to 2019 mainly explained by lower sales to commercial and industrial customers primarily resulting from the lockdowns in Santiago related to COVID-19.

Enel Distribución Chile successfully accomplished the goals of its Energy Losses Plan to keep losses at economically acceptable levels. As of December, the TAM index was 5.2%.

Distribution tariffs are set every four years based on cost studies to determine the value added by the distribution segment "VAD", Spanish acronym for Valor Agregado de Distribución. The calculation is based on an efficient model company and a typical area concept.

On December 21, 2019, the Ministry of Energy published Law 21,194 (Short Law), which reduces the Rate of Return of Distribution Company's and introduces changes to the electricity distribution tariff setting process. To determine the VAD, the CNE classifies the companies with similar distribution costs into groups named "typical areas". The CNE hires independent consultants to carry out a study to determine the costs of an efficient model company operating in each typical area, considering fixed costs, average energy and capacity losses, investment cost standards, maintenance and operations costs related to electricity distribution, including certain restrictions that real distribution companies face. The annual investment costs are calculated based on the New Replacement Cost ("VNR" in its Spanish acronym) of facilities adjusted to demand, expected life and a discount rate calculated by the CNE every four years that may not be less than 6% nor greater than 8% per year after tax. The CNE then determines the resulting tariffs and verifies that the after-tax economic rate of return is not more than 2 percentage points higher or 3 percentage points lower than the rate calculated by the CNE. Additionally, every four years, when the VAD is being calculated, the Antitrust Court reviews the

supplementary services considered to be related to the supply of electricity and subject to price regulation.

The tariff setting process for the 2016-2020 period concluded with the publication of Decree 11T/2016 in the Official Gazette on August 4, 2017, that set the distribution tariff formulas to be effective as of November 4, 2016. On September 28, 2018, the Ministry of Energy Decree 5T/2018 came into effect which updates Decree 11T/2016, updating electricity distribution tariffs until the following tariff setting process. On July 26, 2019, through Resolution 15699/2019, the SEC implemented an action plan to make the adjustment indicated in CNE Resolution 490/2019 with respect to Ministry of Energy Decree 5T/2018, effective retroactively as of September 28, 2018.

On July 24, 2018, the Ministry of Energy published Decree 13T/2018 in the Official Gazette, which sets the prices of Non-Electricity Supply Services, supplementary to electricity distribution. Such prices were applicable since the Decree was published and are currently in force. According to this regulation, the new tariff setting process of Non-Electricity Supply Services related to electricity distribution will be carried out when the 2020-2024 Electricity Distribution Tariff Setting Process is performed.

On November 2, 2019, the Ministry of Energy published Law 21,185 that creates a Temporary Regulated Customer Rate Stabilization Mechanism" applicable to Regulated Customers. This mechanism freezes the prices to be transferred to regulated customers in 2020 at the price in force in December 2019.

In January 2020, the tariff setting process for the 2020-2024 four-year period began with the publication of the Technical and Administrative Preliminary Terms to calculate the components of the Distribution Value Added and the cost study of Non-Electricity Supply Services related to electricity distribution. After the stage to present observations regarding the Preliminary Terms concluded and discrepancies were presented to the Panel of Experts, in June 2020, the CNE published the Final Technical Terms. The study was awarded, for the fourth time, to INECON in August 2020.

By year-end 2020, the conclusive results of the study are pending, having received Status Report N°1 on November 17.

# Enel X Chile: Electrification



Within the energy transition framework, Enel Chile decided to create the Enel X Chile, a subsidiary in charge of driving change, capable of offering new, advanced energy products and services to particularly satisfy consumers that are increasingly aware of sustainability and energy efficiency.

Enel X was created as part of the Company’s “Open Power” strategy, to open electricity to new uses, technologies, partnerships, services, and more people through four business categories: **e-City, e-Home, e-Industries, and e-Mobility.**

## e-City

**We seek to transform cities** to improve people’s access to services by developing technological solutions, related to lighting, safety, and energy efficiency in association with government bodies.

## e-Home

**We seek to transform homes** by implementing innovative and efficient solutions to increase safety and efficiency focusing on the specific needs of homes and families such as, air conditioning, water heating, led lighting, among others. Our goal is also to stand out in the B2C market for our high installation and maintenance standards.

## e-Industries

**We seek to transform companies** through comprehensive projects that include expert services, and the implementation and control of all services within the scope of B2B. We focus on technologies related to energy efficiency, distributed generation, electricity projects, and demand management, among others. We also seek to contribute to the differentiation of each company.

## e-Mobility

**We seek to transform the means of transportation** by offering products and services that promote electric mobility and supplement such services with private urban charging infrastructure and new technologies. We also want to promote electric public transportation offering comprehensive solutions to transportation operators.

In line with Enel Group strategic pillars, Enel X business lines have promoted speeding up urban electrification: electrification of transportation for the public sector, industries, and households; implementation of new **Full Electric** projects and replacing household wood-fired heating with inverter air conditioners. We have also implemented energy efficiency projects to contribute to the mitigation of the carbon footprint of our customers’ operations, entering new industrial sectors and developing new business models. We have been working on introducing circular economy practices to our products, services, and solutions so as to foster the sustainable growth and development of our Company.

## Enel X Chile and COVID-19

The social uprising and the pandemic have made us face the challenge of making our workforce aware of the importance of self-care, of adapting to a new way of living, with additional preventive measures, more social distancing, not only at the work but when carrying out daily life activities. The main challenge has been taking care of our people’s health and implementing remote working arrangements to adapt rapidly and efficiently to the crisis.

This unusual situation has caused various effects on the customers of Enel X Chile’s different business lines. Therefore, different action plans were carried out for each business to face this crisis and the goals for 2020 were moderated.

The normal operations of Enel X Chile businesses were affected by restrictions imposed by the government related to public health measures. For instance, the real estate sector was paralyzed, which delayed several solutions that Enel X Chile was to implement for various projects.

The pandemic affected electromobility in Chile for being a country that imports all equipment related to electromobility (chargers, cars, buses) and therefore the projects in this field had to adjust schedules. For instance, the execution of the Infrastructure Plan "ElectroRuta Enel X" had to adjust to each manufacturer's new schedules, to shipping company availability, even adjust to the situation at ports. In the retail customer segment, the sale of electric cars declined due to the economic uncertainty caused by the health crisis.

### **Opportunities and operational continuity**

Enel X Chile holds a leading position in electromobility and has become the major facilitator of the expansion of electromobility in Chile's private and public sector. We have been acknowledged as a "strategic partner" when it comes to energy efficiency solutions by residential, business, institutional and public office customers of our different business lines.

From a positive perspective, this crisis has also presented opportunities for accelerating the digitalization process of various activities. Digitalization has impacted the way we work, the way technology is introduced, the communication and interaction with our customers, even the way business deals are modelled and closed. It has presented innovation opportunities that enrich the value proposition of the products, services, and solutions we offer. In Enel X Chile, digitalization is an opportunity that we take on.

In this regard, the focus of Enel X Chile has not only not changed but has strengthened our commitment to invest in providing comprehensive solutions for our customers. We continue to work on developing projects to replace wood fired heating, street lighting and urban developments, such as, intelligent bus stops, led advertising infrastructure and also continue to execute an aggressive plan to expand electric car charging infrastructure.

Enel X Chile has designed new policies regarding the development and implementation of new projects, introducing circular economy practices in its processes, which not only ensure the sustainability of such projects but also adds value to the products and services offered by Enel X Chile to its customers.

## **Main projects in 2020**

### **150 new electric buses are added to Santiago's public transportation system**

The Company has continued its electric mobility expansion plan in Chile and through its alliance with Metbus and BYD, has added 150 new electric buses to Santiago's public transportation system reaching a total 435 electric buses operating in Chile's capital city. This initiative has allowed not only transporting 250,000 additional passengers, but also reduce 20,015 tons of CO<sub>2</sub> and consequently contribute to SDG 13.

### **Enel X Chile and AMP Capital entered a joint venture to develop Electromobility**

Enel X Chile and the investment fund AMP Capital signed an agreement to jointly develop infrastructure for electric public transportation systems in Latin America. Both companies signed a strategic alliance to establish and expand an electric mobility platform in which both parties commit to jointly invest in the development of public transportation vehicle leasing and infrastructure, such as, bus stations, charging installations, and operation and repair facilities for electric vehicles.

### **ElectroRuta Enel X surpassed 170 charger stations in 2020**

ElectroRuta Enel X is the most ambitious electromobility project in Latin America. It was presented in January 2020 and involves the installation of 1,200 electric vehicle chargers throughout Chile by 2025 that will allow electric vehicles to travel 5,000 kilometers from north to south guaranteeing autonomy and no interruptions.

At yearend 2020, a total 177 chargers were installed in various regions of the country.

### **Progress of led street lighting replacement project**

Enel X Chile's service guarantees evenly distributed light and lower light pollution. The large-scale replacement of traditional street lighting with led lighting poses a new challenge, which is the development of remotely operated smart lighting.



In 2020, the Company executed public lighting replacement projects in Rancagua, Pudahuel, Lo Prado and Valdivia that involved installing 60,000 lights that guarantee over 40% cost savings.

**Green Mining is added to Enel X Chile’s portfolio**

The mining industry, which is the most important industry in Chile and the motor of its economy, is determined to reduce the emissions of its operations and move towards Green Mining. Enel X Chile is an energy solutions integrator and is therefore enabling the mining industry to accelerate the electrification process of its operations to generate electricity using renewable energy sources and efficient and sustainable technology. This is achieved with an **integrated ecosystem** that combines the benefits of: electromobility products, services and multiservice solutions that reduce emissions; energy storage devices that reduce costs; and energy management systems that include energy efficiency projects based on photovoltaic systems.

This mining industry’s objective is achieved through the electrification of its operations. According to estimates, by 2050, 65% of the mining industry operations will be based on electric solutions.

Several commercial agreements were signed with different mining companies in 2020 to provide a charging solution, a Container as a Service (Caas) model solution that includes a PPA contract with EGP Chile for a terminal with six 150 kW chargers that will be open to the public during the day and private at night. Agreements were also reached to implement photovoltaic and storage systems.

**Enel X Smart Building Concept is gaining ground in the real estate market**

The solution provided by Enel X Chile to SENCORP for its new Córdoba building is an example in terms of innovation and new technology in the real estate market. Enel X Chile installed a photovoltaic facade to the building, the first photovoltaic facade in Chile, which can generate electricity using bifacial solar panels for the building’s self-consumption. The project involved the design, equipment,

installation, and deployment of a 186.3 kWp solar photovoltaic electricity generation system. The objective of the project is to provide solar electricity to satisfy roughly 11% of the consumption predicted by the customer (1.8 GWh/year).

### **Multifamily buildings make an appearance**

The multifamily concept refers to residential buildings whose apartments are exclusively for rent. This concept is beginning to catch on in the real estate market. These buildings have only one owner, either a real estate investor or an investment fund. These projects seek to increase efficiency by 20% and reduce more than 50 tons of CO<sub>2</sub> emissions per year.

### **Replacement of over 8,500 wood-fired heaters with air conditioning**

In 2020, the firewood heater replacement program installed new air conditioning systems in over 2,800 households reaching a total of 8,546 replacements since the program began. This project not only promotes residential electrification but will also allow reducing indoor particulate pollution. It has improved the quality of life and comfort of many Chileans and also has removed 167 tons of MP2.5, reduced more than 15,000 tons/yr. of CO<sub>2</sub> and recycled more than 290 tons of scrap metal.

### **Enel X Chile e-commerce record sales**

As a consequence of the pandemic, the digital industry in Chile has taken a leading role and increased e-commerce demand. Digital sales' channels added new buyers that for the first time were introduced to this online service, many of which are expected to remain once the crisis ends.

The sales of Enel X Chile's everyday household products increased more than 20% in 2020. The Company participated in three important e-commerce digital events (Cyberday/CyberMonday/Black Friday) that were organized by Santiago's Chamber of Commerce. Enelx.cl store played a main role in the marketing campaigns of the events that resulted in record sales for the Company, representing 31% of annual net revenue. A total of 4,092 products were sold, the average customer ticket was Ch\$ 283,724. Of total sales, 53% (2,189) were split air conditioning systems.

## **Challenges of Electrification**

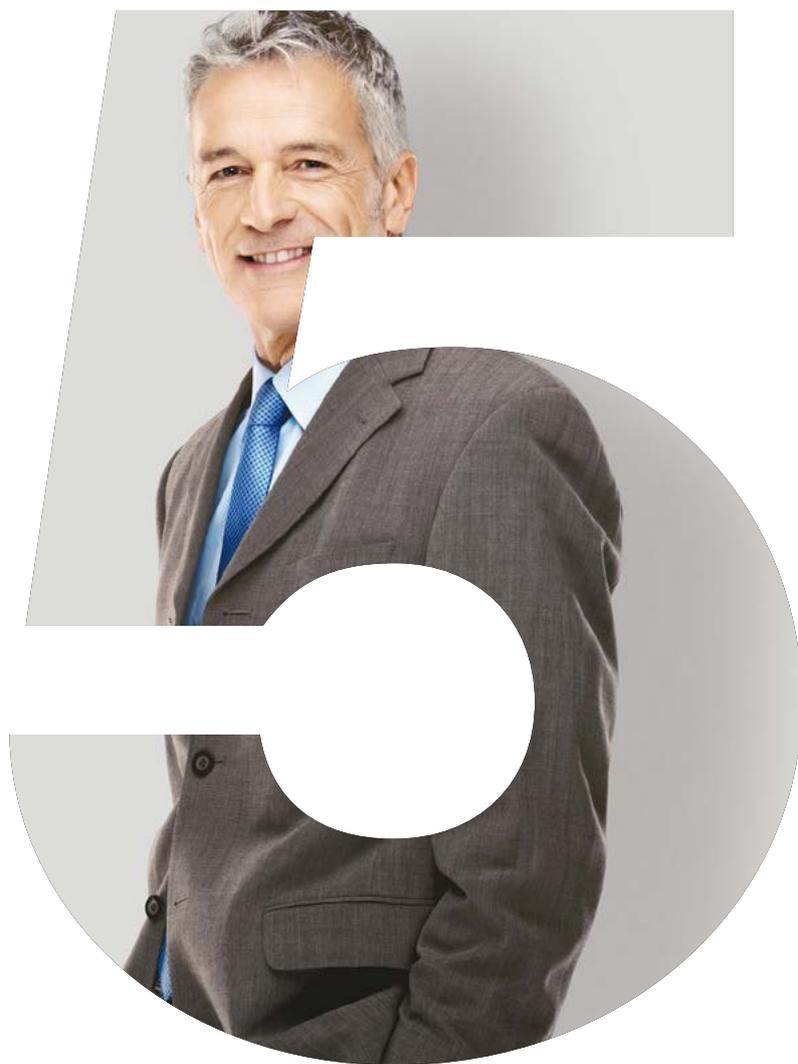
Urban electrification is no longer a trend, it is a growing conviction from both a public and private perspective. There is broad consensus among the business, industrial and residential communities that electric solutions to urban development not only contribute to urban sustainability but also contribute to industrial decontamination and decarbonization and therefore have become a pillar in the fight against climate change.

Market penetration of electromobility, not only in public transport, but as the choice of individuals increasingly seeking for more sustainable transportation, confirm the paradigm change. Like the phenomenon taking place in household heating decisions, which has debunked the myth that electric heating is expensive and has positioned it as the cleanest and most efficient heating system.

Since electricity is as essential as water today, our next challenge is to ensure continuous electricity supply. Therefore, storage solutions are extremely important to increase sustainability, but also to keep cities running normally.

# 5

## **2020 Management**



## Financial activity

### 2020 Major transactions

**January 2020:** The related company Enel Finance International N.V., granted Enel Chile S.A. a US\$ 200 million loan, in US dollars, due on July 3, 2023, at a 2.6% fixed annual interest rate, with semiannual interest payments.

**March 2020:** Enel Finance International N.V. granted Enel Chile S.A. a US\$ 400 million loan, in US dollars, due on July 11, 2030, at a 3.3% fixed annual interest rate, with semiannual interest payments.

**June 2020:** Enel Chile formalized a committed revolving credit line with Finance International N.V. for a total US\$ 290 million, in US dollars, due on June 15, 2021, at a 1M, 3M or 6M Libor plus 1.40% margin variable interest rate, interest payments to be made either monthly, quarterly, or semiannually.

### Investment and financing policy

The Ordinary Shareholders' Meeting held on April 29, 2020, approved the Investment and Financing Policy described below.

#### 2020 Investment Policy

##### Investment Areas

- I. Enel Chile will invest, according to its bylaws, in the following areas: creating or investing in subsidiaries and affiliate companies whose activity is aligned, related, or linked to energy in any form or type, to the supply of public utilities, or whose main input is energy.
- II. Investments related to the acquisition, exploitation, construction, lease, administration, trading, and disposal of any type of real estate, whether directly or through subsidiaries.

- III. Other investments in all types of financial assets and instruments, or transferable securities.

##### Maximum investment limits

The maximum investment limit for each investment area is the following:

- I. Investments in its subsidiaries that operate in the electricity sector required for the fulfillment of their respective corporate purpose, limited to a maximum equivalent to 50% of total equity according to the consolidated balance sheet of Enel Chile as of December 31, 2019.
- II. Investments in other subsidiaries that do not operate in the electricity industry are limited to a maximum equivalent to 50% of total equity according to the consolidated balance sheet of Enel Chile as of December 31, 2019, inasmuch as at least 50.1% of total Consolidated Assets of Enel Chile are electricity sector assets.

##### Participation in the control of investment areas

Pursuant to Enel Chile S.A.'s corporate purpose, the following procedure will be applied, when possible, to control investment areas:

- I. The appointment of the number of directors to at least represent the ownership shares of Enel Chile S.A.'s stake in subsidiaries and affiliate companies is the criteria to be proposed at the Ordinary Shareholders' Meetings of each respective subsidiary and affiliate company. The directors proposed will be chosen preferably from among directors or executives of Enel Chile or its subsidiaries, while strictly complying with Resolution 667/2002 of the H. Resolutive Commission. Investment, financing, and commercial policies, in addition to accounting criteria and systems will be proposed to subsidiaries and affiliate companies.
- II. The management of the subsidiaries and affiliate companies will be supervised.
- III. The level of debt will be permanently controlled.

## 2020 Financing policy

- **Maximum level of debt**

Enel Chile's maximum level of debt is determined by the ratio of Total Financial Debt (calculated as other current financial liabilities plus other noncurrent financial liabilities) to Equity and must be equal to or lower than 2.2 times, calculated using the figures from the consolidated balance sheet of Enel Chile as of December 31, 2019.

- **Management powers to agree with lenders on restrictions related to dividend distributions**

Dividend restrictions may only be agreed with creditors if such restrictions were previously approved by the Shareholders' Meeting (Ordinary or Extraordinary).

- **Management powers to agree with lenders on granting guarantees**

The Extraordinary Shareholders' Meeting is responsible for approving real or personal guarantees to secure third-party obligations, when referring to the essential assets identified below.

- **Essential assets for Company operations**

The shares that enable maintaining control of Enel Generación Chile S.A., Enel Distribución Chile S.A., Enel X Chile SpA, and Enel Green Power Chile Limitada or the company that succeeds it, are essential assets to the operations of Enel Chile. The Company may either own the majority shareholding of these companies or control them through a shareholders' agreement.

## Enel Chile's main investment projects

### Generation

The Company currently prioritizes investments in socially and environmentally responsible hydroelectric and non-conventional renewable energy projects (NCRE) to guarantee electricity supply. The Company's main electricity generation projects that add up to 1,545 MW installed capacity, are listed below:

#### **Solar power plants**

Campos del Sol (382 MW capacity)  
Domeyko (204 MW capacity)

#### **Pass through hydroelectric power plants**

Los Cóndores (150 MW capacity)

#### **Wind farm**

Renaico II (144 MW capacity)

#### **Geothermal power plant expansion project**

Cerro Pabellón (33 MW capacity)

#### **Power plant energization**

Campos del Sol I (382 MW capacity)  
Azabache (61 MW capacity)

### **Relevant investment projects in 2020, 2019 and 2018**

The capital invested over the past three years was mainly related to the following:

1. Los Cóndores project, 150 MW.
2. Installed capacity expansion (2.4 GW additional renewable capacity expected by 2023).
3. Maintenance of existing installed capacity.

Each one of these capital investments was financed as follows:

- Los Cóndores: funds generated by the Company.
- NCRE projects (solar, wind, geothermal): funds generated by the Company or financial debt, depending on the Company's needs.

### Distribution

During 2020, Enel Distribución Chile and its subsidiaries invested a total **Ch\$ 117 billion** in projects to satisfy the organic growth of demand, service quality, safety, and information systems. In 2019, Ch\$ 106 billion were invested of which Ch\$ 42 billion were used in maintenance, Ch\$26 billion in expansion projects and Ch\$ 39 billion in connectivity projects.

In 2020, Ch\$ 29 billion were invested in adapting MV and LV lines to connect new residential customers, large customers, and real estate developments.

A total Ch\$ 23 billion were invested to improve the quality of our electricity supply. Specific feeders that were selected according to the Medium and Low Voltage Quality Plan, were reinforced. We expanded MV network automation by adding 328 new telecontrol equipment and performing the necessary network adjustments. Consequently, our Network Operations Center now operates 2,383 remotely controlled equipment compared to 2,055 at year-end 2019.

Enel Distribución Chile invested Ch\$ 20 billion to increase its network capacity. The projects that stand out in High Voltage (HV) network substations are Nueva Lampa, Cerro Navia, Panamericana, Altamirano, Bicentenario, Pajaritos, Pudahuel, and Quilicura. Regarding the Medium Voltage (MV) network, new feeders are being installed for Terminal, Vizcaya, Aeropuerto, El Trebol, Sonda and Lipangue. Reinforcement, extension, and relocation works were performed to improve the quality of the Low Voltage (LV) network.

Nearly Ch\$ 21 billion were invested in technical and financial system processes, primarily on digitalization.

Corrective maintenance works for Ch\$ 6 billion were performed to install new transmission lines, and power and interconnection substations. A series of other maintenance works focusing on the high-risk facilities were also carried out.

The Company also invested Ch\$ 5 billion on making network and substation adjustments required to comply with regulation.

Investments in anti-theft projects amounted to Ch\$ 4 billion, such as shielding networks by installing Ananda boxes and turtles, technical measures, and grid reinforcements.

A total Ch\$ 4 billion were invested in relocating public network infrastructure.

## Enel Chile projects under construction and optimization

### Los Cóndores Project

The Los Cóndores hydroelectric power plant is located on the Maule river basin in San Clemente county, Maule region, Chile's seventh region. It is a pass-through hydroelectric power plant with an installed capacity of approximately 150 MW, equipped with 2 vertical axle Pelton units that will utilize water from the Laguna del Maule reservoir. The plant

will connect to the SEN through an 87 km transmission line to the Ancoa substation. The project received favorable environmental qualification resolutions for the power plant and the transmission line in 2011 and 2012, respectively. The hydraulic works construction plans were also approved.

By the end of 2020, the project had reached 75% physical progress of the current construction program, having begun excavation of the upstream tunnel and completed the vertical shaft pilot. Work on the pressure spike, balance chimney and the upstream tunnel is now to begin. The construction is expected to conclude in 2023. The transmission line, on the other hand, had reached 89% physical progress by the end of 2020.

The total investment accrued as of December 31, 2020, amounted to US\$ 897 million.

### Central Sauzal Smart Repowering Project

The Sauzal plant Smart Repowering Project involves the modernization and repowering of specific systems and equipment in the Sauzal hydroelectric power plant. The Sauzal plant, located in the Libertador Bernardo O'Higgins region of Chile, has been operational since 1948, and is equipped with three electricity generation units with vertical axis Francis type turbines. The Smart Repowering project considers replacing two existing turbines to increase generation by an additional 13.7 GWh/ year.

The general contract was signed with Voith Hydro, and covers the detail engineering, manufacturing, assembling, and launching of new equipment for both turbines. Work on power Unit I began on July 9, 2019 and started operations on October 5, 2019. The work on Unit II began on August 24, 2020 and started commercial operations on October 31, 2020.

The total investment accrued as of December 31, 2020, amounted to US\$ 7.4 million.

## Central Antuco Smart Repowering Project

The Antuco plant Smart Repowering Project involves the modernization and repowering of certain systems and equipment of the Antuco hydroelectric power plant. The plant, located in the Biobío region of Chile, has been operational since 1981, and is equipped with two generations units with vertical axis Francis type turbines. The Smart Repowering project considers replacing Turbine N°1 to increase generation by an additional 204 GWh/year.

The general contract was signed with ANDRITZ, and covers the detail engineering, manufacturing, assembling, and launching of new equipment in Unit N°1. The project was implemented in two phases, the first phase concluded in September 2019 and the second in November 2020. The unit began commercial operations in November as well. As of December 31, 2020, the project has concluded except for certain operational improvements.

The total investment accrued as of December 31, 2020, amounted to US\$ 9.8 million.

## Central Rapel Smart Repowering Project

The Rapel plant Smart Repowering Project will take place within the existing 377 MW Rapel power plant in Libertador Bernardo O'Higgins region, located in central Chile. The Rapel plant is a reservoir hydroelectric power plant with five vertical axis Francis type turbines that use the water of Rapel river.

The project involves replacing two turbines (Unit 3 and Unit 4) that were installed in 1968, which according to estimates, reach efficiency levels of under 85%. The new turbines have a new hydraulic design, more efficient and offer broader operational range, which will increase the capacity (1 MW per unit) and production (67 GWh/year in total) of the plant.

The contract was awarded in September 2020 and the detail engineering began immediately. The engineering is expected to conclude and model testing and manufacturing to take place in 2021. We estimate that both units will be installed and commercially operational in 2023.

No expenses accrued as of December 31, 2020.

## Closure of Bocamina Ash Landfill areas 1, 2 and Wings

The Bocamina thermoelectric plant utilizes an authorized landfill to dispose of combustion residue (bottom ash and fly ash) from its electricity generation process.

The landfill was evaluated through the Environmental Impact Assessment System ("SEIA", in its Spanish acronym) by means of the Environmental Impact Declaration ("DIA", in its Spanish acronym) "Bocamina Thermoelectric Power Plant Landfill Expansion" and duly qualified as environmentally favorable, as dictated in the Exempt Resolution ("RCA", in its Spanish acronym) 017/2010 issued by the Bio Bio Regional Environmental Commission (COREMA, in its Spanish acronym).

Enel initiated the closure of areas 1,2 and wings of the landfill that covers approximately 6.7 hectares, to make improvements to exceed the standards set by the RCA.

The works involve the following:

- Include a waterproofing package, with geosynthetic material, for the final closure of the landfill. Not mandated by the RCA.
- Increase excavation material coverage to one meter. RCA demands 50 centimeters.
- Maintain 20 centimeters of final vegetation coverage as established in the RCA.
- Implement a vegetation plan with higher standards than those set in the RCA. To do so, different irrigation systems are being tested on native species in a Pilot Plan that spans over half a hectare of the landfill's site.
- Extend the closure to include the wings of the landfill with the aforementioned standards, which is not considered in the RCA.
- Include an underground water monitoring system, not considered in the RCA.

In summary, waterproofing materials, which include a conductive geomembrane; the greater thickness of fillers and substrates; the selection of native species; high specimen / hectare density, and a planting design according to referential ecosystems in the area defined with direct support from the Universidad de Concepción, make this a unique project in the industry.

The project's progress in 2020 involved the following:

- Areas 1,2 and wings (67,000 m<sup>2</sup>) were covered by May 29.
- Revegetation works of areas 1,2 and wings began on July 15 and concluded on September 16.

The total investment accrued as of December 31, 2020, amounted to US\$18 million.

## Campos del Sol Project

"Campos del Sol Sur" is a 382 MW power plant project.

The Project is located in Atacama region, approximately 60 km northeast of Copiapó. "Campos del Sol" is a photovoltaic project that consists of 974,400 crystalline bifacial photovoltaic modules with trackers, interconnected to the "National Electricity System" through the Carrera Pinto substation.

The interconnection includes two main transformers, a 7.5 km, 220 kV transmission line and the point of interconnection (POI) is the Carrera Pinto substation, owned by Transelec. Construction began in August 2019 and is expected to conclude by year-end 2021.

The total investment accrued as of December 31, 2020, amounted to US\$ 231 million.

## Renaico II Project

Renaico II consists of two wind farms, Las Viñas (58.5 MW) and Puelche (85.5 MW), with a total installed capacity of 144 MW. It is located in Renaico, Araucanía region, next to Renaico I wind farm that is already operational.

The Renaico II wind project consists of 32 wind turbine generators, interconnected to the "National Electricity System" through the existing, 220 kV Renaico I substation, which will need a new bay with a 165 MVA main transformer. Construction began in June 2020 and is expected to conclude by year-end 2021.

The total investment accrued as of December 31, 2020, amounted to US\$ 109 million.

## Cerro Pabellón Expansion Project

The Cerro Pabellón project involves the construction of a 33 MW geothermal power plant in the lot adjacent to Cerro Pabellón 1 and 2 power plants, in northern Chile's Antofagasta region.

A new bay will be added to the existing lifting substation to connect the expansion project to the National Electric System. The evacuation process will utilize the existing high-voltage line. Construction began in August 2019 and is expected to conclude by mid-2021.

The total investment accrued as of December 31, 2020, amounted to US\$ 79 million.

## Azabache

Azabache is a 61 MW photovoltaic (PV) project that is being built in the existing Valle del Viento wind farm facility located in Calama, Antofagasta region in northern Chile. The project consists of 154,710 crystalline bifacial photovoltaic modules with trackers and occupies an area of approximately 149 hectares.

The plant is connected to the Valle de los Vientos substation that is connected to the Calama substation. The interconnection includes a main transformer, a conventional lifting substation bay and ancillaries.

A connection contract was signed by EGP Chile and Acciona, which requires the Usya photovoltaic project (owned by Acciona) to install a second circuit to the Valle de los Vientos-Calama transmission line (13.6 km.) and the expansion of the Valle de los Vientos substation. Construction began in May 2020 and is expected to conclude during the second semester of 2021.

The total investment accrued as of December 31, 2020, amounted to US\$ 39 million.

## **Domeyko**

Domeyko is a 204 MW photovoltaic project located in northern Chile's Antofagasta region. The project consists of 486,720 crystalline bifacial photovoltaic modules with trackers that occupies an area of approximately 700 hectares.

Domeyko will be connected to the Puri substation owned by Minera Escondida mining company, through an 18 km, 220 kV interconnection line. The interconnection substation is a gas insulated substation and the lifting substation is single busbar. Construction began in October 2020 and is expected to conclude during the second semester of 2021.

The total investment accrued as of December 31, 2020, was US\$ 101 million.

## **Finis Terrae Expansion Project**

The Finis Terrae expansion project is a 126 MW photovoltaic solar power plant located in Maria Elena, Antofagasta region.

This project has significant operational synergies with the existing Finis Terrae plant, owned by EGP Chile. It will utilize the same transmission infrastructure currently used by the existing Finis Terrae plant. The interconnection will have a new bay and a new transformer. Construction began in July 2020 and is expected to conclude by the end of 2021.

The total investment accrued as of December 31, 2020, amounted to US\$ 50 million.

## **Sol de Lila**

Sol de Lila is a 163 MW photovoltaic solar power plant located 2,700 meters above sea level in the Atacama Desert approximately 250 km. southeast of Antofagasta city, in the Antofagasta region. Due to its remote location, the construction of the plant required building a camp for 400 people.

It is a completely new solar power project consisting of 407,400 crystalline bifacial photovoltaic modules with trackers. Construction began in November 2020 and is expected to conclude during the second semester of 2021.

The total investment accrued as of December 31, 2020, amounted to US\$ 82 million.

## **Enel Chile projects under evaluation**

### **Quintero combined cycle closing project**

The Project is located in the Valparaíso region of central Chile. It is an energy efficiency project that uses the heat of gas generated by existing turbines (257 MW) to produce steam, by installing a steam turbine and a generator. This will allow converting the existing open circuit into a combined cycle gas power plant, which involves the installation of an additional boiler and a 130 MW steam turbine. In August 2018, the project was postponed indefinitely, and all environmental impact studies were suspended.

The total investment accrued as of December 31, 2020, amounted to US\$ 4.0 million.

The final investment decision regarding this project will depend, among other things, on the socio-environmental conditions in the area and the commercial opportunities foreseen for the coming years, such as the prices of future tenders to supply the electricity required by the regulated market and/or existing or new unregulated customers.

### **Taltal combined cycle closing project**

The project is located in the Antofagasta region of northern Chile. It is an energy efficiency project that uses the heat of gas generated by existing turbines (240 MW) to produce steam. This is done by installing a steam turbine and a generator, which will allow converting the existing Taltal open cycle plant into a gas-fired combined cycle power plant, adding 130 MW capacity. The electricity it generates will be fed to the SEN through the existing double circuit 220 kW Diego de Almagro-Paposo transmission line. Environmental authorization was requested through an Environmental Impact Declaration submitted in December 2013 and was approved by authorities in January 2017.

The total investment accrued as of December 31, 2020, amounted to US\$ 4.0 million.

Any decision related to the construction of this project will depend, among other things, on the business opportunities envisioned for the coming years, (such as the prices of future tenders and/or negotiations with unregulated customers) among other aspects.

## Central San Isidro Upgrade

Central San Isidro is a combined cycle located in central Chile's Valparaíso region. It has two combined cycle units that have a total aggregate 740 MW installed capacity.

The project involves introducing small changes to upgrade the Mitsubishi, 701 model, F3 series to a F4 series in the next major maintenance, which will improve efficiency and consequently increase the power plant's expected electricity generation. We foresee at least one unit to begin commercial operations during 2023.

The total investment accrued as of December 31, 2020, amounted to US\$ 0.1 million.

## Thermal plant Central Tarapacá Battery Energy Storage System

The project entails the installation of a Battery Energy Storage System (BESS) in the Tarapacá thermal power plant located in northern Chile's Tarapacá region to provide the supplementary services the SEN may require in coming years.

The project involves the installation of a BESS with about 14 MW of installed capacity and 14 MWh of energy storage capacity, connected to the 11.5 kV bar of the existing 23 MW turbine installed at the Tarapacá plant.

In December 2017, the Tarapacá SEA issued a resolution waiving the Company's obligation to submit the project to environmental assessment prior to construction.

The total investment accrued as of December 31, 2020, amounted to US\$ 0.1 million.

Any decision related to the construction of this project will depend, among other things, on the business opportunities that may arise in the coming years, and, particularly, the evolution of the regulatory framework for the provision and remuneration of supplementary services, as well as the estimate the CEN must make on the required volume of such services.

## Thermal plant Central Atacama Battery Energy Storage System

The project entails the installation of a Battery Energy Storage System (BESS) in the Atacama thermal power plant, located in northern Chile's Atacama region, to provide the SEN supplementary services it may potentially require in coming years.

The project involves installing a 28 MW generation capacity, 28 MWh storage capacity BESS connected to the medium voltage (6.6 kV) bar of the existing combined cycle gas turbine.

In August 2019, the Antofagasta SEA issued a resolution waiving the Company's obligation to submit this project to an environmental evaluation prior to its construction.

The total investment accrued as of December 31, 2020, was US\$ 0.01 million.

Any decision related to the construction of the project will depend primarily on the commercial opportunities foreseen for the coming years, and, particularly, on the evolution of the regulatory framework regarding the provision and remuneration of supplementary services, as well as the annual estimate the CEN must make on the required volume of such services.

## Thermal plant Central Taltal Battery Energy Storage System

The project entails the installation of a Battery Energy Storage System (BESS) in the Taltal thermal power plant, located the northern Chile's Atacama region, to provide the SEN supplementary services it may potentially require in the coming years.

The project involves installing a 12 MW generation capacity, 12 MWh storage capacity BESS connected to the 15 kV bar of one of the existing 120 MW turbines in the Taltal power plant.

In May 2018, the Antofagasta SEA issued a resolution waiving the Company's obligation to submit this project to an environmental evaluation prior to its construction.

The total investment accrued as of December 31, 2020, amounted to US\$ 0.07 million.

Any decision related to the construction of the project will depend primarily on the commercial opportunities foreseen for the coming years, and, particularly, on the evolution of the regulatory framework regarding the provision and remuneration of supplementary services, as well as the annual estimate the CEN must make on the required volume of such services.

### **Thermal plant Central Huasco Battery Energy Storage System**

The project entails the installation of a Battery Energy Storage System (BESS) in Huasco thermal power plant located in northern Chile's Atacama region to provide the SEN supplementary services it may potentially require in the coming years.

The project involves installing a 7 MW generation capacity, 7 MWh storage capacity BESS connected to the medium voltage (6.3 kV) bar of one of the steam turbines.

In July 2019, the Atacama SEA issued a resolution waiving the Company's obligation to submit this project to an environmental evaluation prior to its construction.

The total investment accrued as of December 31, 2020, amounted to US\$ 0.02 million.

Any decision related to the construction of the project will depend primarily on the commercial opportunities foreseen for the coming years, and, particularly, on the evolution of the regulatory framework regarding the provision and remuneration of supplementary services, as well as the annual estimate the CEN must make on the required volume of such services.

### **Thermal plant Central Quintero Battery Energy Storage System**

The project entails the installation of a Battery Energy Storage System (BESS) at Quintero thermal power plant located in central Chile's Valparaíso region to provide the SEN supplementary services it may potentially require in the coming years.

The project involves installing a 37 MW generation capacity, 37 MWh storage capacity BESS connected to the existing medium voltage (6.6 kV) bar.

In January 2020, the Valparaíso SEA issued a resolution waiving the Company's obligation to submit this project to an environmental evaluation prior to its construction.

The total investment accrued as of December 31, 2020, amounted to US\$ 0.08 million.

Any decision related to the construction of the project will depend primarily on the commercial opportunities foreseen for the coming years, and, particularly, on the evolution of the regulatory framework regarding the provision and remuneration of supplementary services, as well as the annual analysis the CEN must make on the required volume of such services.

### **Thermal plant Central San Isidro Battery Energy Storage System**

The project entails the installation of a Battery Energy Storage System (BESS) at San Isidro thermal power plant located in central Chile's Valparaíso region to provide the SEN supplementary services it may potentially require in the coming years.

The project involves installing a 23 MW generation capacity, 23 MWh storage capacity BESS connected to the existing San Isidro 2 medium voltage (13.2 kV) bar.

In January 2020, the Valparaíso SEA issued a resolution waiving the Company's obligation to submit this project to an environmental evaluation prior to its construction.

The total investment accrued as of December 31, 2020, amounted to US\$ 0.02 million.

Any decision related to the construction of the project will depend primarily on the commercial opportunities foreseen for the coming years, and, particularly, on the evolution of the regulatory framework regarding the provision and remuneration of supplementary services, as well as the annual analysis the CEN must make on the required volume of such services.

### El Manzano Solar Project

This is a 101 MW solar project located in Chile's Metropolitan region. The land has been secured, and the project has either received environmental approval or in the environmental approval process.

No expenses accrued as of December 31, 2020.

### PMGD Solar Projects

This is a cluster of ten small photovoltaic plants located in central Chile (Metropolitan, O'Higgins and Maule regions) with a total aggregate 75 MW installed capacity. Most of the land has been secured and environmental approvals have either been received or are in process.

The total investment accrued as of December 31, 2020, amounted to US\$ 6.6 million.

### Finis Terrae 3 Project

This is an 18 MW solar power expansion of the Finis Terrae Extension project currently under construction that is located in northern Chile's Antofagasta region. The land has been secured, and the project has received environmental approval.

The total investment accrued as of December 31, 2020, amounted to US\$ 0.02 million.

### Sierra Gorda Solar

This is a 375 MW solar project located in Chile's Antofagasta region. The land has been secured, and the project has received environmental approval. The project will have significant operational synergies with the Sierra Gorda wind farm currently in operation, and will utilize existing infrastructure, including the substation and transmission line.

The total investment accrued as of December 31, 2020, amounted to US\$ 1.7 million.

### Campos del Sol II

This is a 398 MW solar project located in Chile's Atacama region. The land has been secured, and the project has received environmental approval.

The total investment accrued as of December 31, 2020, amounted to US\$ 18 million.

### Valle del Sol

This is a 163 MW solar photovoltaic project located in the Atacama Desert, approximately 100 km. west of Calama, in northern Chile's Antofagasta region.

It is a 163 MW greenfield project that consists of 406,980 crystalline bifacial photovoltaic modules with trackers, which occupies 320 hectares of land. The interconnection includes a lifting substation, a 130/160 MVA (33/220 kV) main transformer, and a 10 km, 220 kV transmission line.

The total investment accrued as of December 31, 2020, amounted to US\$ 43 million.

# Financial condition

## Liquidity

At year-end 2020, Enel Chile relied on committed credit lines available for US\$ 488 million, of which US\$ 340 million correspond to related party committed credit lines.

In addition to liquidity instruments, the Company and its subsidiaries had US\$ 340 million in available cash at year-end 2020.

## Indebtedness

The consolidated gross financial debt of Enel Chile reached US\$ 3,993 million, with a 6-year average life, mainly comprised of the following:

- US\$ 1.0 billion in related company debt.
- US\$ 1.0 billion in a Yankee bond outstanding since June 12, 2018, for 10 years.
- US\$ 873 million EGP Chile loan consolidated by the Enel Chile Group since April 2018, of which US\$ 644 million is related company debt.
- International and local bonds of Enel Generación Chile

**Net consolidated debt as of year-end 2020 was US\$ 3,525 million, and Net Debt/EBITDA ratio was 3.1 times.**

## Hedging Policy

### Exchange Rate

The Enel Chile Group exchange rate hedging policy is based on its cash flow. It seeks to maintain a balance between the cash flows that are indexed to foreign currency (US\$) and the level of assets and liabilities that generate the cash flow in such currency. The goal is to minimize cash flow and financial statement exposure to exchange rate variations.

**At year-end 2020, 99% of consolidated financial debt is denominated in US dollars or has been converted to US dollars using derivatives.**

### Interest Rate

The Enel Chile Group interest rate hedging policy seeks to maintain a balanced debt structure to minimize financial expenses and reduce income statement volatility. Hedging instruments are purchased based on market conditions, given the Company's projections and debt structure objectives.

**At year-end 2020, consolidated fixed debt to total financial debt was 99%.**

# Environmental management

Environmental protection is a major pillar of the Enel Group's strategy. Hence, its companies have directed their efforts towards constant improvement, permanently seeking to enhance the efficiency of their processes and products, incorporating cutting-edge technology. The purpose is not just to comply with norms and reduce environmental externalities, but also take care of the environment surrounding Company operations. Human resource and environmental protection, the fight against climate change, and sustainable economic development are all strategic factors considered in the planification, implementation and development of our activities.

# Generation

The Environmental department of **Health, Safety, Environment and Quality (HSEQ) of Global Power Generation (GPG)** offers support on environmental issues of all electricity generation technologies, both renewable (wind-solar-geothermal-hydroelectric) and thermal.

Regarding environmental issues, the Company operates with high standards and in harmony with its surroundings, applying policies that promote exceeding requirements of applicable rules and regulations. Operational procedures have been established to standardize operations in all facilities and constantly verify aspects and impacts of the operations of the different generation technologies in order to implement action plans when necessary.

The Company follows an environmental management path that is currently clearly focused on the **“energy transition”, which involves making a significant contribution to reducing CO2 emissions into the atmosphere** by closing coal-fired power plants and developing a broad portfolio of renewable sourced electricity projects. Enel Chile has also worked on “reducing waste”, reusing, recycling, or recovering waste; “optimizing the use of water”; “caring for biodiversity”; and its “relations with nearby communities”.

From an organizational perspective, the Environmental department of **Health, Safety, Environment and Quality (HSEQ) of Global Power Generation** plays an important role in directing and coordinating the implementation of environmental standards and policies, promoting its dissemination and the exchange of best practices to create opportunities for improvement and ensure an ongoing commitment to environmental care and reducing environmental risk. The **Stop Work Policy** strengthens this commitment and not only safeguards employee safety while performing their daily tasks, but also avoids unwanted impacts of Company operations on the environment.

## 2020 Environmental management

Our efforts in 2020 focused on implementing work plans to fully comply with environmental regulation, the environmental commitments of our projects (monitoring, follow up, compensation measures), and the Company’s environmental standards, all in line with Enel Chile’s Environmental Sustainability Policies.

In this context, the Environmental HSEQ department is responsible for the implementation of the environmental policy, strategic goals, and environmental procedures of all power plants, according to the standards defined by HSE&Q Global.

Locally, worth highlighting for 2020 are the new operational procedures defined to standardize waste and hazardous substance management at all Power Generation Chile facilities and the specific operational procedures to properly control the quality of the continuous monitoring systems of thermal power plant emissions.

The objective of the Environmental HSEQ department is to “ensure and, in some cases, carry out the actions

required to comply with the environmental commitments established in the Environmental Qualification Resolutions (RCA in its Spanish acronym) of the power plants in operations”. In this regard, in 2020, the environmental performance of all power plants was monitored, the service contracts to perform environmental follow up and carry out strategic environmental projects were signed, and support was provided to Company initiatives. Additionally, the Environmental HSEQ department represented Enel Chile in the various environmental committees of the Generators Association, Chile’s Manufacturers’ Association (SOFOFA in its Spanish acronym) and the Chilean Association for Renewable Energies (Acera in its Spanish acronym), among others.

Finally, in early 2020, the Company reorganized certain departments including the creation of an HSEQ unit focused on environmental management of all power plants currently in operations and under construction, regardless of generation technology. This required additional effort to manage information, unify criteria and cultures.

### Continuous improvement

In line with what was mentioned above, the Company worked on defining standards for all generation technologies and identifying environmental KPIs to follow up on work plans and progress. Special focus was placed on managing Power Generation authorizations. The tools to identify and monitor applicable authorizations were standardized, made accessible to enquiries and able to respond rapidly to internal and external requests for information, such as environmental authorities’ requests. This repository currently stores more than 6,000 files.

The Environmental HSEQ department also contributed to various projects promoted globally by the Company, such as the **WAVE** project to improve water management and the Zero Waste project to reduce waste, among others.

### Major milestones in 2020- Closing power plants and restoring soil

The steam unit of Central Tarapacá was disconnected in December 2019. The Phase Out team of the power plant was formed by the HSEQ, Operations and Maintenance, Sustainability, Business Development and Engineering and Construction departments.

Central Bocamina I was disconnected on December 31, 2020 and the studies regarding the retirement of this unit are underway.

## Relevant Projects and Environmental Awareness

In the context of environmental management, the following projects and activities stand out for 2020:

### • Environmental Governance Projects

- HSEQ Authorizations Repository Chile Argentina: the creation of one sole repository for standardized authorizations, which improves document management because they are stored in an organized manner and ensuring proper custody and easy inquiry.
- Environmental and Industry Regulation Library: the creation of a library that provides free access to rules, laws, and other environmental documents.

### • Waste Management Projects

- Appraising gypsum, ashes, and slag: to recover and reduce the waste disposed of in the Bocamina landfill.
- Installing Recycling Centers at Renewable Power Plants: to promote recycling at renewable power plants and reduce final waste disposed of in the landfills of generation facilities.

### • Biodiversity Projects

Most biodiversity projects carried out respond to the environmental commitments of the Company's electricity projects, however, significant effort is placed on implementing such measures with high standards developing projects that create value in various aspects. The following stand out in 2020:

- Reforestation Plan reaches an important milestone: 632 hectares planted with native species including Oak, Rauli and Coihue (*Nothofagus obliqua*, *Nothofagus alpina*, *Nothofagus dombeyi*). This project is carried out within the framework of the reforestation agreement signed with Universidad de Concepción in 2015 that responded to an environmental commitment related to the hydroelectric power plant Ralco, but also to experience a reforestation plan with native species in collaboration with the landowners interested in forest conservation, and therefore willing to offer their property for the Reforestation Plan. The Plan also involved scientific research performed by Universidad de Concepción to evaluate how the ecosystem recovers

with native species reforestation. In this context, various aspects of the project have been used for the thesis of undergraduate and graduate students. Additionally, a new agreement that also involved scientific research was signed with Universidad de Concepción to reach the committed 700 hectares of reforestation. This agreement refers to planting Chilean Plum yew, Brush Bush, and Chilean Cedar (*Prumnopitys andina*, *Eucryphia glutinosa*, *Austrocedrus chilensis*) using an "ecological restoration" method that increases the probability of survival of these protected species that have greater environment requirements.

- Agreement to sponsor 20 camera traps for the Huemul Conservation Project: The Huemul is a protected species in danger of extinction. This Agreement contributes to the efforts the Company is already making through its Huemul Conservation Plan, which resulted from the Company's participation in the "Nevados de Chillan Huemul Recovery, Conservation and Management Plan" developed in the context of the Ministry of Environment's GEF (Global Environment Facility) Project.
- Repopulation and genetic variability of fish native to Alto Bio-Bio: This project contributes to the initiatives already implemented as environmental commitments related to Ralco power plant. The project began in 2019, concludes in 2022 and involves reproducing fish native to the Bio-Bio river in order to repopulate various parts of the river. The first stage of fish repopulation was performed during the first quarter of 2020 allowing to place *Bullockia maldonadoi*, *Percilia irwini* and *Trichomycterus areolatus* in the Ecological Flow of the river.
- Development of remote-control equipment to detect bats at Renaico wind farm: this innovative device will enable the creation of an integrated data storage and analysis system to understand the behavior of these mammals and avoid collisions.
- **Circular Economy Projects:**
  - Efficient use of water at San Isidro power plant: This project involves reusing residual water from one of the power plant's operational processes in another operational process, which allows reducing the environmental impact at the Aconcagua river discharge zone.

• **Environmental Awareness Project:**

- Hydroelectric Power Plant Environmental Diffusion Campaigns: As a consequence of the COVID-19 crisis, most Environmental Diffusion Campaigns were carried out using internal communication channels, sending messages containing environmental issues, such as “ World Climate Change Day” and “National Environment Day”. Activities related to the “Water Management Campaign-Water is Life” were performed at hydroelectric power plants.

**Compliance with thermal power plant emissions standards**

In 2020, the Superintendence of Environment (SMA in its Spanish acronym) published the reports on compliance with the limits established by such decree, based on the emissions reported quarterly by each power plant using the SMA’s “Thermoelectric Power Plants” portal. In this regard, the SMA verified compliance with emissions limits of all of the Company’s Electricity Generation Units (UGE in its Spanish acronym).

To comply with provisions established by the Superintendence of Environment through Exempt Resolution 252 dated February 10, 2020, the Company’s continuous emissions monitoring systems (CEMS) were connected online to the SMA. This milestone provides the authority with data on the operations and emissions of all thermal power plants.

Also, since 2020, all power plants that have a CEMS are reporting the results of the CEMS quality assurance trials (QA/QC – Quality Assurance/Quality Control) on a daily basis, as established by Exempt Resolution 862 dated May 26, 2020 issued by the Superintendence of Environment.

**Green taxes**

All thermoelectric power plants reported their emissions according to the emissions quantification method presented to and authorized by the SMA to determine green tax payments. The total tax payment in 2020 amounted to US\$ 28,433,682.16, which includes the atmospheric emissions from the thermoelectric plants of Enel Generación Chile and its subsidiary GasAtacama S.A. that was absorbed in October 2019.

**Distribution**

Enel Distribución Chile strives to protect the environment, managing and minimizing the environmental impact of its activities, and become a benchmark within the energy market. Several policies and procedures have been implemented to achieve this goal. Our Integrated Management System Policy, Environmental Policy, and Biodiversity Policy seek to establish these environmental guidelines.

An important 2020 milestone in terms of environmental governance was the creation of Enel Distribución Chile’s Environmental Improvement Committee. This is a committee consisting of the Chief Executive Officer, the deputy managers of every Company department and the environment team. They meet twice a month to review the progress of annual environmental plans and discuss current environmental issues.

Enel Distribución Chile’s main environmental management activities are guided by four pillars: Operational Control, Process Improvement, Digitalization and Culture.

**Operational control**

To evaluate how Enel Distribución Chile managed environmental issues of its operations and compliance with current environmental regulation, the following activities were performed in 2020:

- 2,200 environmental inspections of activities performed by contractors. Deviations were reported through the Company’s integrated management system and monitored by the Environmental Improvement Committees.
- Three Extra Check on Site (ECoS) and six Contractor Assessments were performed by the Company’s technical and environmental teams. These are field checks and document reviews performed to verify compliance with environmental regulation and Enel Group procedures. They allow the Company to visualize weaknesses and opportunities for improvement. The deviations detected are addressed by implementing corrective action plans.

- Environmental Emergency Service: a total 64 environmental emergencies were reported of which 49% were near miss. In other words, incidents that did not cause a direct environmental impact, such as an oil spill in a contained and impermeable area. The remaining 51% were minor incidents that were addressed immediately, and the environmental impact was repaired.
- Annual monitoring program of noise and electromagnetic field variables of Enel Distribución Chile facilities: due to the COVID-19 pandemic, very few of these activities were carried out. A total of two noise measurements were performed at the Pudahuel and Macul substations and 1 electromagnetic field measurement was taken at the Lo Aguirre-Cerro Navia high voltage 2x110KV line. The results obtained comply with current environmental regulation.
- The **sustainable non-hazardous waste management projects** implemented and the search for circular economy models is described below:
  - **Inverse Logistics Process** that enables the recovery, traceability, circular economy, and final disposal of all waste, such as copper, aluminum, iron, cardboard, among others, which is removed from the network due to expansion plans and maintenance works.
  - **Sustainable management of 100% of waste from trimming trees that is performed to maintain the distribution network.** This waste is delivered to sustainable waste management services that convert it into biomass, compost or biofilters for sewage water treatment avoiding the emission of at least 1,200 tons of CO<sub>2</sub> to the atmosphere in 2020. This model is being reviewed to develop one even more sustainable and circular by involving the community, forming part of alliances with other stakeholders, and creating a catalog of value-added products.
  - In 2020, the I&N team's idea **"reuse electricity pole concrete waste" won Enel's worldwide "Innovability Challenge"**. This initiative expects to reuse 250 tons of steel and 4,800 tons of concrete from 4,000 poles that are annually removed from the grid and disposed of in authorized landfills. The steel will be sold to be founded and transformed into other input, and the concrete will either be used to make new poles or used as a filler for the Company's civil works, consequently becoming part of a circular economy process.
- Development of various energy efficiency projects, such as, the replacement of 257 lights at substations, implementation of telecontrol systems to solve electricity networks failures remotely, and reducing network energy losses, which saved 179,429 MWh, which is equivalent to avoiding 70,000 tons of CO<sub>2eq</sub> emissions to the atmosphere.
- Development of four environmental projects related to infrastructure improvements:
  - 1. Elimination of PCB** (polychlorinated biphenyl) present in distribution network transformers: in 2020 nine contaminated underground transformers were removed. This equipment was delivered to an authorized company for final disposal.
  - 2. Construction of oil catch pits and basins:** in 2020, information was collected and a construction plan for 2021-2025 was designed to add additional pits and basins to the existing systems to contain possible spills at 14 substations.
  - 3. Removal of friable asbestos:** The Company committed to a plan to remove and replace Enel Distribución Chile's infrastructure that contains asbestos by 2025. Asbestos is mainly found in the roof of the control centers of 10 substations.
  - 4. Fire prevention:** assessment of network environmental risk, mainly transmission network risk, in order to implement measures to prevent fires.

## Process improvements

In July 2020, an external audit to assess the Environmental Management System ISO 14,001 (2015 version) was carried out. As a result, the Company maintained its ISO 14,001 certification.

## Digitization

In 2020, the use of various platforms that facilitate environmental management and operational control of contractors were strengthened. The following platforms are worth highlighting: Easy Checklist implemented in 2019 to receive reports on environmental inspections; Stop Work that paralyzes activities when facing an environmental emergency; WiseFollow that allows Enel to validate relevant documentation related to contractor environmental management.

Two digital improvement projects were also initiated: a system to control and follow-up on contractors' annual Environmental Plan and a system to trace waste from where it is produced to its final disposal.

## Culture

Moving towards a culture in which protecting the environmental is the focus of our operations has involved promoting the following initiatives that contribute to environmental awareness and increasing employee and contractor competencies in environmental matters.

- **Environmental Improvement Committee:** it is responsible for transmitting the commitment of senior management to environmental management.
- **Committed to HSE:** environmental diffusion sessions for all Enel Distribución Chile people regarding environmental policies, environmental inspections, waste management, archeological findings, trimming, among others.

- **Six sessions of Enel's Environmental School** for contractors' environmental specialists and Enel coordinators to strengthen the Company's operational environmental performance. Sessions dealt with environmental management in general, waste management, environmental authorizations, environmental emergencies, among others.
- **Development of educational programs** on waste management and the Chilean REP Law, a law that extends the responsibility of waste management to the producer and promotes recycling and launches the Company's 2020-2021 Environmental Training Plan for employees.
- **Pilot project to replace urban trees** in La Reina county to protect personal safety and ensure continuous electricity supply by replacing unhealthy trees that may fall and damage the electricity network. The first pilot was implemented in Quinta Normal county in 2019, replacing 17 unhealthy trees with species that adapt better to urban conditions and that are less than four meters tall.
- Collection of information on the black-chested buzzard-eagle (*Geranoaetus melanoleucus*) nests on high voltage towers and contacted the environmental authority to develop a biodiversity initiative to address the situation.



## Circular Economy

Enel Chile has decided to take on the Circular Economy challenge in the value chain of every one of its business lines, that is, generation, transmission, infrastructure and networks, Market Trading and Enel X Chile, as a strategy to accelerate the implementation of the Company's sustainable business model and address the main social and environmental issues by combining innovation, competitiveness, and sustainability.

**Circular Economy changes the paradigm of the current linear economic system based on “extracting, producing, consuming, discarding” and proposes a transformation of the economic system that decouples growth from the extraction of nonrenewable natural resources and considers the elimination of waste in the design of systems.**

The energy transition towards renewable energy sources contributes to the Circular Economy approach, which strengthens natural, social, and economic capital based

on three principles: design out waste and pollution, keep products and materials in use over time, and regenerate natural systems.

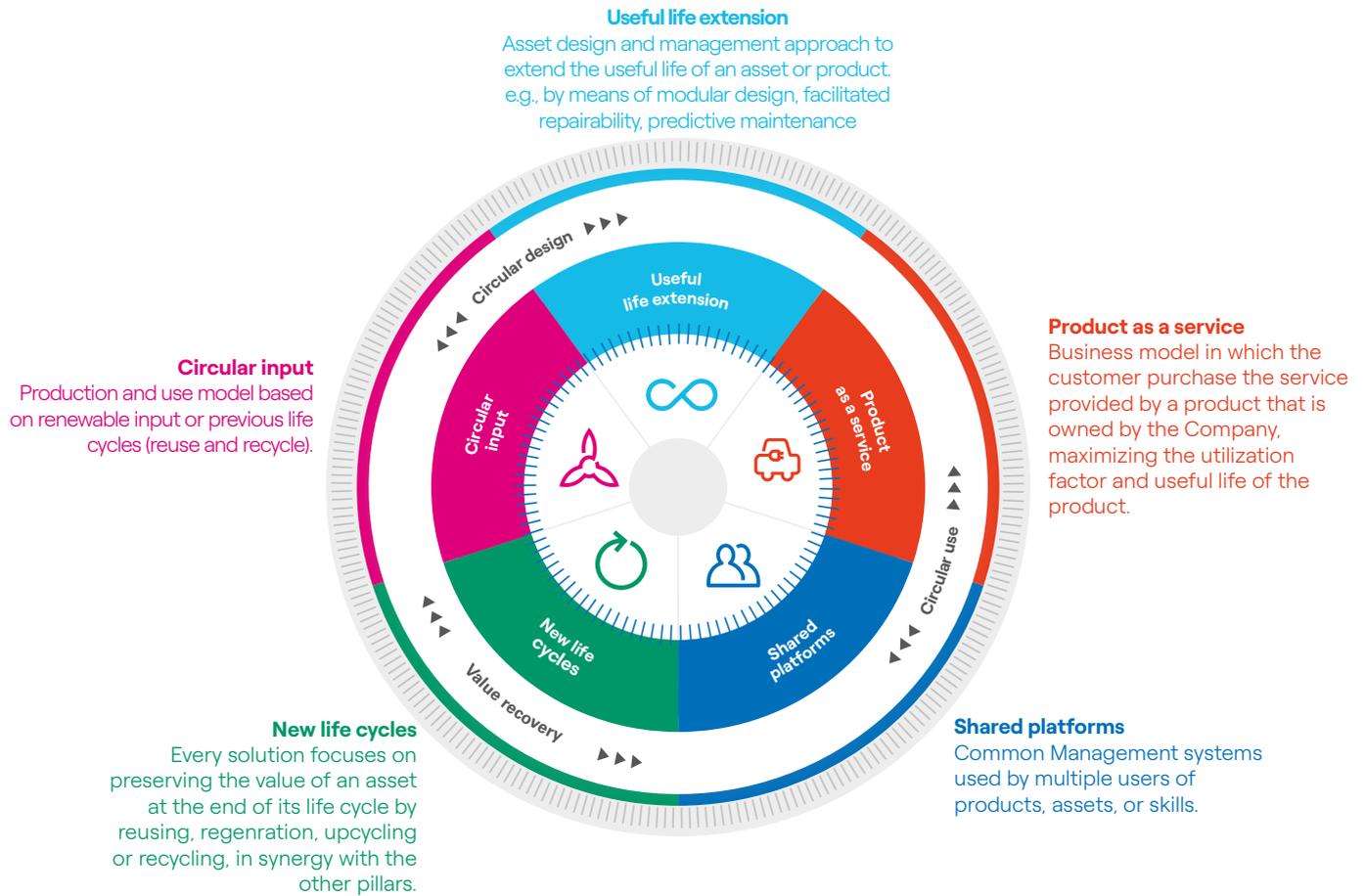
This transition is being pursued not only to achieve environmental and social benefits, but also economic advantages:

**New revenues:** recovering the value of assets and materials and developing new services.

**Reduction of costs and risks:** redesigning circular inputs and expanding the assets value.

**Constant innovation approach:** adding new Industry 4.0 technology and new business models.

Our strategy to make progress in Circular Economy is based on five pillars that promote circularity in all our business lines: Circular Input, Products as a Service, Shared Platforms, New Life Cycle and Useful Life Extension.



<https://www.enel.cl/en/sustainability/circular-economy.html>

The Circular Economy department at Enel Chile along with 13 professionals, leaders of the different business lines, are responsible for disseminating, rethinking, collaborating, and introducing innovation into the current business model. In 2020, the Action Plan was a collaborative effort to carry out activities to reach Company goals related to Organizational Culture, Circular Initiatives, Collaboration and Relation with the Ecosystem and Circular Economy Metrics.

### Main circular business initiatives

**Enel Latam Circular Economy School:** Eight weeks of learning with national and international experts, in a

program designed for Enel Group collaborators in Latin America. More than 90 people, from five business lines, and seven countries participated in the event. The program was organized by the Circular economy department and focused on learning about the most relevant circular economy topics (strategy, new business models, circular design, value chain transformation, customer value creation, governance, circular cities, and territories), by putting 10 multidisciplinary teams to work on designing circular economy projects for the Company. The program will be carried out annually to continue promoting circular economy knowledge and collaboration.

## Main circular business initiatives in 2020

San Isidro thermoelectric power plant reused approximately 1.5 million m<sup>3</sup> of wastewater from the operations of other industries in the same territory to reduce water extraction and therefore benefit the environment and provide costs savings for both parties.

The Infrastructure and Networks business line is developing a project to reuse materials, mainly concrete and steel, from damaged light poles (approximately 3,600 tons per year) to produce new poles. This project has the potential to reach an 86% circularity index and 100% recycling index.

### MAIN CIRCULAR BUSINESS INITIATIVES IN 2020

Initiative	Circular Pillar	Business Line	KPI	Impact	
				Environmental	Economic
 <b>Gas-fired thermal power plant water management</b>	Circular input	<b>Power Generation</b>	Water savings	50%	<b>Lower cost --&gt; +ΔEBITDA</b>
	New life cycle	<b>Power Generation</b>	Avoided water extraction	0.6Mn m <sup>3</sup> /year	<b>Higher revenue --&gt; +ΔEBITDA</b>
	New life cycle	<b>Power Generation</b>	Value of industrial liquid waste	1.4Mn m <sup>3</sup> /year	<b>Higher revenue</b>
 <b>Photovoltaic technology in building design</b>	Circular input	<b>Enel X</b>	Clean energy	194 MWh/year	<b>Higher profit --&gt; +ΔEBITDA</b>
 <b>Industrial hot water</b>	Product as service	<b>Enel X</b>	Fossil fuel savings (gas), avoided tCO <sub>2</sub>	20% 50tonCO <sub>2</sub> /year	<b>Higher profit --&gt; +ΔEBITDA</b>
 <b>Inverse Logistics of network materials</b>	New life cycle	<b>Infraestructure and Networks</b>	Recycled residual material	678 t/year	<b>Higher revenue --&gt; +ΔEBITDA</b>

#### 2020 RESULTS



## Main initiatives to increase participation in strategic decisions

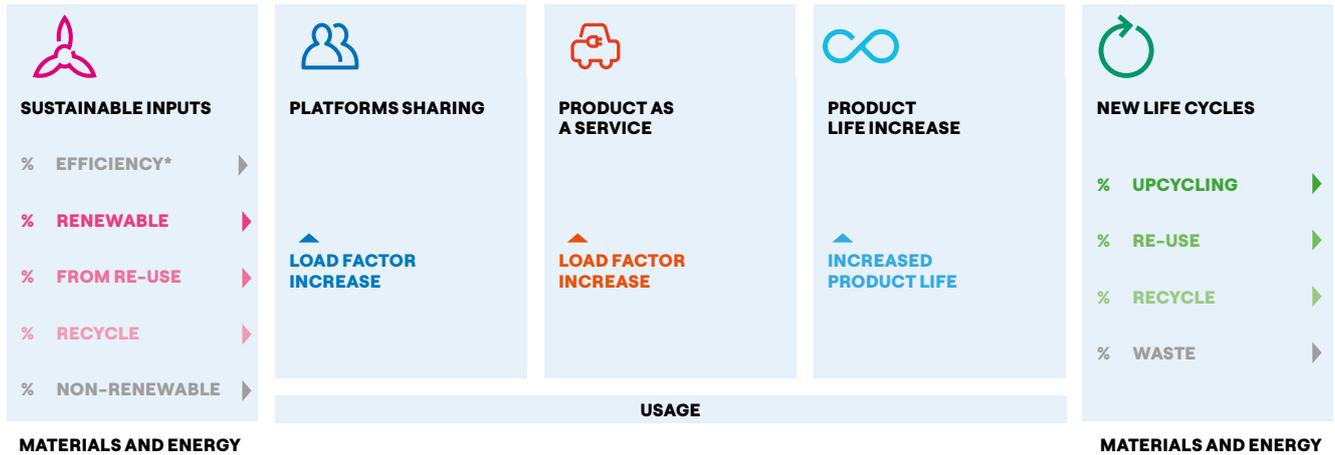
Enel Chile participates in the country's most important round tables:

- Technical Roundtable to Develop a Circular Economy RoadMap led by the Ministry of Environment and EuroChile Foundation. The goal is to define a guide to have a new system in place by 2040. Enel participated in the secondary market roundtable.

- Mirror Committee of the international technical committee ISO TC/323 to define an international standard (ISO) on Circular Economy that is being developed by experts from 79 countries and in Chile is led by the Instituto Nacional de Normalización. Enel Chile participates as a national expert working on developing four standards.

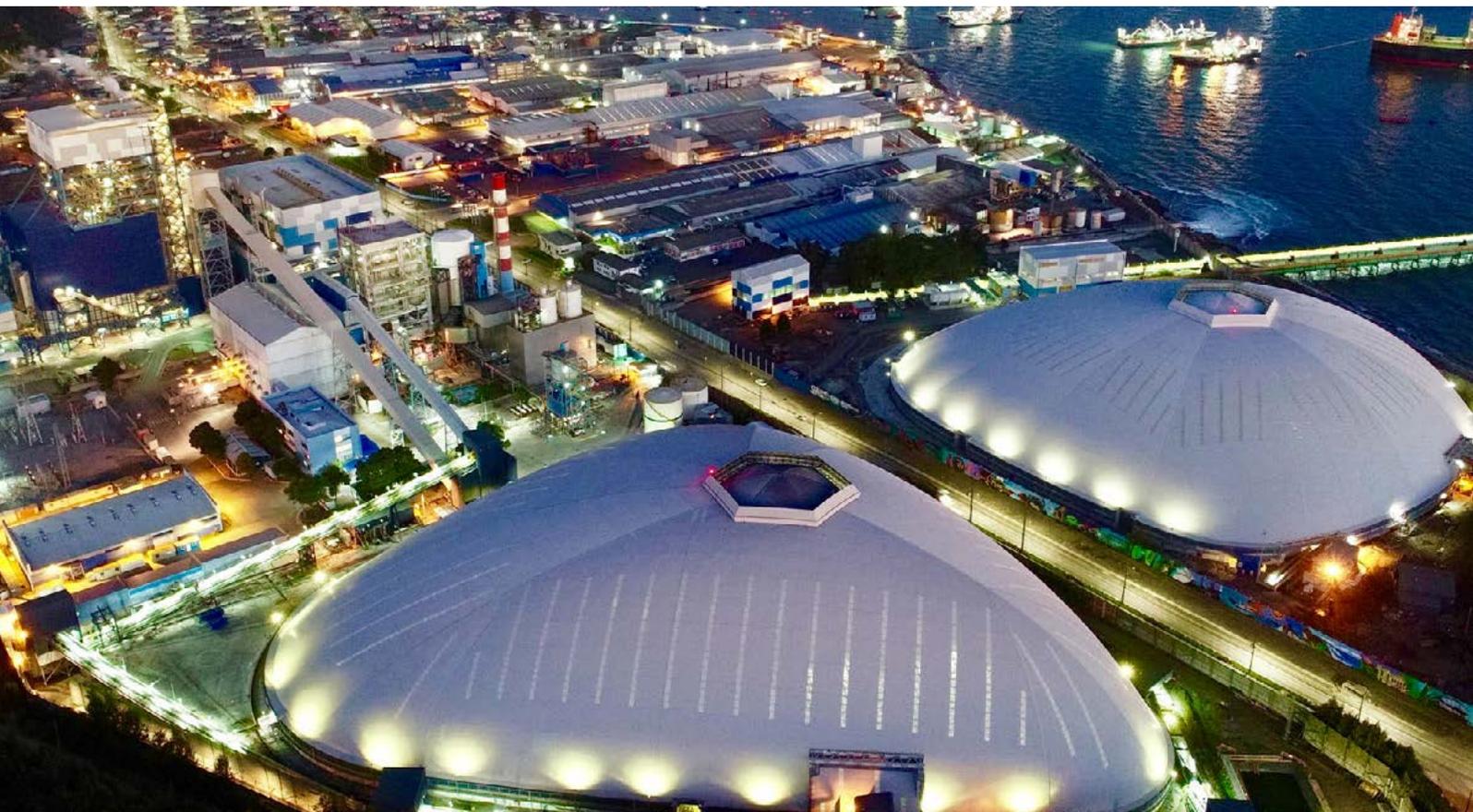
## Main initiatives on Metrics

One of the major challenges of the Circular Economy approach is quantifying and assessing the value of business circularity. Enel Chile has developed a circularity measurement model named CirculAbility Model© that establishes a circularity baseline equivalent to "Business as Usual" and quantifies the benefits that come from applying one or more Circular Economy strategic pillars. This is done using a series of sub indicators:



\* Applicable only to selected cases

<https://www.enel.cl/en/sustainability/circular-economy/ciculability-model.html>

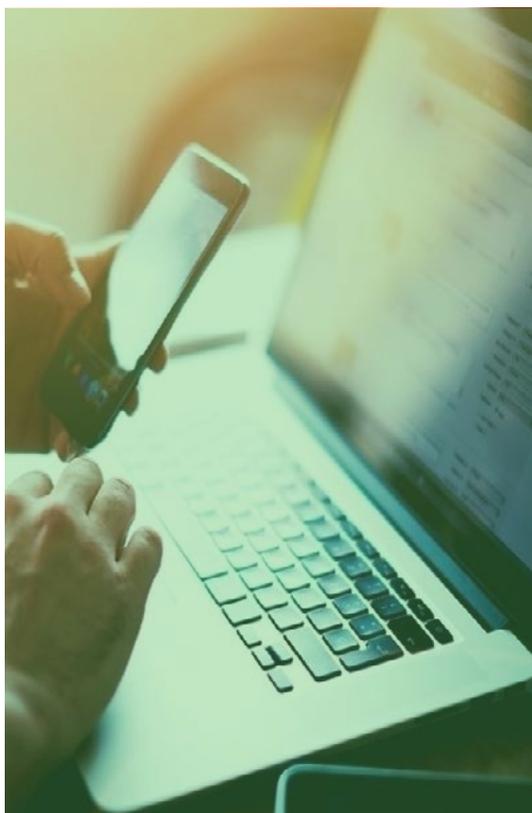


# Social dimension management

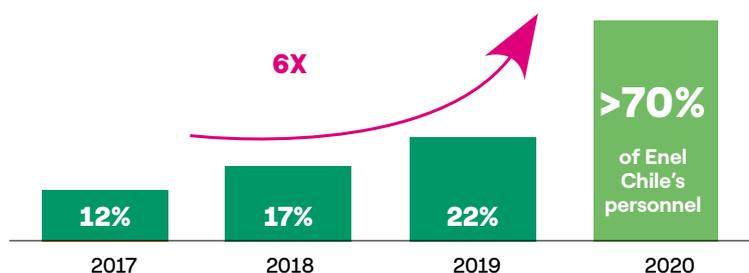
## Collaborators

### Engaging our people

In times of energy transition and business model transformation, employees have a fundamental role when it comes to facing innovation and technology challenges. Therefore, skill training, overcoming barriers to become a more inclusive company, and providing the proper tools to play a new role in the energy market are essential pillars to create long-term value.



## Smart Working Program



The Smart working or remote working program allows employees to work from home or elsewhere with a good internet connection and the safety standards required by the Company.

This initiative enables reducing transportation emissions and increases Company resilience in times of crisis, such as the COVID-19 pandemic.

In the COVID-19 pandemic scenario, we offer our employees support and guidance based on three pillars:

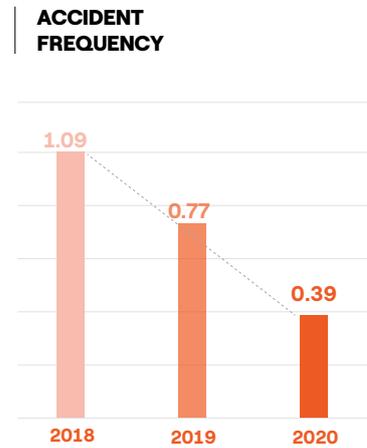
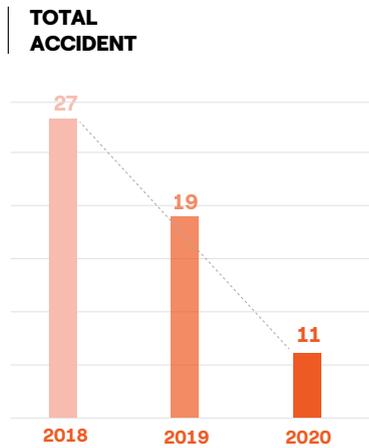
- **Work together**
- **Stay informed**
- **Self-regenerate**

We also offer mindfulness workshops and psychological orientation to individuals, groups, and teams (Employee Services Program).

### Labor Relations

The periodical meetings program with the Company's unions remains in place, strengthening open dialogue with employee representatives and maintaining a healthy work climate. The Company's current collective labor contracts are in force until 2022.

## Occupational Health and Safety



For Enel Chile S.A., safeguarding the Health and Safety of its workers and avoiding and controlling incidents and/or illnesses arising in the workplace are critical concerns to keep its people healthy and fit for the activities they perform.

The Company faced new challenges in 2020 due to the COVID-19 pandemic and therefore, adopted a series of measures to address these challenges always prioritizing the health and safety of its people.

“Checkpoints” were installed to keep the virus outside of Company premises. These high traffic checkpoints detect people with COVID-19 symptoms using biometric cameras that measure body temperature and have facial recognition to determine if a mask is being used. Footwear and hands are also decontaminated in various locations within the premises and the transit zones are identified and signaled.

Then, to contain any potential outbreak of the virus within the premises, self-diagnosis and isolation rooms were designated and equipped, including a medical team

available 24/7, for Enel Chile employees or contractors that present COVID-19 symptoms. We have implemented efficient protocols and procedures to trace close contacts as soon as possible, which according to the diagnosis of our medical team, may require a PCR or even be derived to a health residence while waiting for the test results so as to protect their families. The area and space where the person that is possibly infected with the virus was situated is isolated and decontaminated.

The goal of this protocol is to expose the smallest number of people to the virus. In spite of these strict safety measures, we separate the people that perform jobs that are considered essential to the Company’s operations. They work separately and under strict safety measures within the premises to prevent infecting other people that work in the same unit.

Given the above, the following preventive and informative health programs and initiatives stand out:

## Health dissemination and promotion

Preventive healthcare is important for any individual's wellbeing. Therefore, the Company annually programs the diffusion of various topics using postcards, posters, mailings, graphics, contests, among others, which aim to train, educate, and improve workers' quality of life and health.

- March/Anti-stress campaign: practical recommendations for dealing with stressful situations in the workplace.
- April/Immunization Campaign: Massive invitation for vaccination against Influenza
- May/Anti-tobacco Campaign: Tips to prevent and avoid its consumption
- June/Colon Cancer and Gastric Cancer Campaign: Recommendations for the timely detection and prevention of these diseases through a Preventive Health Exam.
- July/Viral and Respiratory Disease Prevention Campaign: practical recommendations to prevent possible infections.
- August/Heart Care Campaign: Set of recommendations that aim to promote self-care.
- September/Cervical and Prostate Cancer Campaign: Tips for its detection by taking a preventive health exam.
- October/Breast Cancer Prevention Campaign: Invitation to participate in the prevention of this disease through early detection/self-examination. The World Stroke Day was commemorated to create awareness on the importance of consulting with a medical specialist opportunely.
- November/Healthy Eating Campaign: Tips for a better diet and lifestyle.
- December/Skin Cancer Campaign: Advise on skin care against ultraviolet radiation and other agents.

Finally, and due to the health crisis, several talks were presented related to prevention of musculoskeletal disorders and mental health.

## Activities for Enel Chile Group employees

### Immunization Program

Immunization of Enel Chile's employees is a preventive measure that focuses on preventing recurrent contagious illnesses, such as influenza. The Company provides seasonal influenza vaccines to all its employees. In 2020, a total 295 Enel Chile S.A. employees were vaccinated to prevent the early June outbreak. The Traveler's Medicine Program is also in place throughout the year for employees that must travel to other countries for work related reasons, providing preventive vaccines specific to the countries to be visited that may represent a threat and/or risk of contagion.

### Preventive medical exams program

The objective is to perform periodic medical evaluations for the early detection of potential illnesses. This initiative focuses on all Company workers and in 2020 had 61 participants, less than previous years due to the health crisis.

### Cardiovascular risk program

It is a preventive program that seeks to change habits and behavior through nutritional evaluations and personalized physical fitness exercises to improve employees' health condition.

### Human Resource Management

Workplace climate is a priority because it is closely related to the Company's people. Therefore, Enel Chile continues to work on countless initiatives related to leadership, communication, meritocracy and development, conflict resolution measures and best workplace practices to maintain workers' motivation, satisfaction, and commitment.

In 2020, we had to adapt our actions to the new scenario to respond to the emerging needs of our collaborators. Although the crisis required all our collaborators to make an important effort to adapt to the new scenario, certain positive aspects derived from the situation. It represented a learning experience and brought new opportunities.

We designed a survey named “Wellbeing and work at Enel in Chile” to hear from employees’ about their experiences during 2020. The survey took place in November with 80% employee participation. Then we carried out focus groups to analyze the results obtained for each dimension surveyed, (Leadership Model, Cultural Change, Wellbeing and Commitment, Work Model, Workplaces and, Tools and Service) to reach a deeper understanding of the issues and develop action plans for 2021.

Enel Chile believes meritocracy is the path to career development in its subsidiaries and is therefore constantly highlighting its collaborators individual or collective contributions through best practice recognition programs. In 2020, the Enel Stars program was acknowledged with an award for being a program in which collaborators highlight and promote their peers’ practices and initiatives that add value to the Company.

**TeamWork**

This initiative acknowledges outstanding project implementation. The assessment considers aspects such as, transversal participation, outstanding performance, collaboration, and innovation. Three teams from different areas of the Company received the award.

Enel Chile believes feedback between managers and employees helps create closer bonds, increase transparency, align expectations, and support workers’ professional development. Open Feedback promotes a culture of continuous feedback throughout the Company year-round, steering workers’ development as well as the formation of high performing teams.

**Succession plan and Handing Over Responsibilities:**

The Company identifies the successors for managerial positions on a yearly basis. The process identifies the people that are ready to hold an executive position immediately and also those that are not ready immediately but are in the pipeline, meaning they need additional preparation to achieve the performance required to perform the job properly.

The Company has protocols in place to hand over managerial tasks to successors. These protocols refer to the conveyance of sensitive information, formally conferring powers of attorney in accordance with internal policies and legal regulation in force.

**Diversity and inclusion**

For Enel Chile, having diverse work teams and cultivating an inclusive work environment is essential in fostering a culture of innovation, a better work climate, increasing productivity and opening minds to different points of view, which enrich the workplace environment and add ongoing value.

We work to encourage equity and equal opportunities providing the necessary support to offer a proper and successful work experience as determined by Enel Chile’s Diversity and Inclusion Policy 100 and the procedures included in Law 20,422, which establishes rules on equal opportunities and social inclusion of people with disabilities, also Law 21,015 that encourages the inclusion of people with disabilities to the workplace and Law 20,609 that establishes rules against discrimination.

In this context, the Company implements a recruitment and selection procedure to detect and discourage various organizational, social, and cultural barriers. Additionally, psycho occupational evaluations are adjusted according to the specific disability to provide support and ensure candidates equal opportunities. We also follow up on the situation of our disabled employees to provide support and detect or perform reasonable adjustments to ensure equal conditions and create awareness on diversity and disability among our employees to eliminate barriers, mainly beliefs, preconceptions, and stereotypes. By eliminating these barriers, we seek to achieve real, effective, and long-standing inclusion and also offer people with disabilities a dignified and equal work environment.

As part of the Company’s strategy and grounded on the Diversity and Inclusion Policy, the Enel Chile has developed several initiatives addressing gender, age, nationality, disability, and wellbeing dimensions.

In terms of **the gender dimension**, the Company aims to create a balance in its recruitment and selection processes.

The Company has developed initiatives to integrate the gender perspective and also basic equity and equality concepts in the organization so as to make a cultural change leading everyone that works for the Company to perceive that they have equal professional development opportunities. Initiatives include talks referring to gender and LGBTBI+ communities.

Additionally, the Company has a Parental Program in place geared towards balancing parental needs with this new work method that includes interviews during prenatal and postnatal periods, nutritional support, and physical activities for pregnant women.

The **age dimension** refers to transferring knowledge from younger to more senior employees and vice versa.

The **nationality dimension** involves assigning a tutor to assist and support expatriates in recognizing, respecting, and managing cultural differences among different nationalities during their time abroad and contribute to their integration.

Regarding the **disability pillar**, Enel Chile addresses the needs of its employees with disabilities by respecting and acknowledging disabilities and managing their abilities.

It is important to highlight Enel Chile's adherence to the **Valuable 500** initiative, which has set the grounds to implement a project that focuses on disability inclusion to increase awareness among the Company's key executives to eradicate various preconceptions regarding disabilities in employee recruitment, training, and career development. This project also involves adapting the Company's infrastructure to guarantee universal access, eliminate existing barriers, approve an inclusive emergency protocol specific to every disability and seek for new methods to communicate and transfer knowledge.

Finally, regarding the **transversal dimension**, the Company offers courses and workshops to raise awareness on values related to diversity and inclusion.

## **Work-life balance measures and flexibility**

Enel Chile seeks to offer its people a workplace that allows balancing the different dimensions of life to improve wellbeing, health, and productivity. We understand that every employee can perform his or her work satisfactorily and simultaneously have enough time to enjoy private life.

In line with the programs the Company has implemented in previous years and considering the situation caused by the pandemic in 2020, the remote working program "Smart Working" was extended to a full time or mixed mode. As a result, 100% of the Company's employees performed their work remotely or chose the mixed option.

This program is based on three pillars:

- Working Together, which involves providing the proper tools and incentives to allow employees to work remotely from home.
- Stay informed, which involves having access to information on the global situation of the pandemic.
- Self-generate, which involves having access to suggestions and advice on how to manage situations that arise in this new framework.

Finally, the various corporate events that are a tradition in Enel Chile were carried out online, such as the academic excellence award ceremony, Independence Day celebration, career path award ceremony, Christmas, among others.

## **Recruitment and selection**

The Company's main objective is to hire the best professionals that have Open Power competencies and the personal attributes and behaviors needed to face the cultural changes related to the Company's ongoing digital transformation.

**During 2020, there were 37 job openings at Enel Chile S.A., of which 27% were filled with candidates from within the Company. Of all external workers hired, 52% were women.**

## Internship and young talent attraction program

It is an outstanding recruitment program that involves hiring students from the best universities in the country as interns to become the Company's future young professionals. They are offered the opportunity to consolidate their academic knowledge in the context of Enel Chile's business environment, which creates professionals that are familiar with the Group's reality and challenges. This constitutes an important and significant source of recruitment. This internship program is carried out permanently throughout the year and has been performed remotely since March due to the health emergency. In 2020, 38 students were hired as interns, 61% were women.

**Including all Enel Chile business lines, the People & Organization department offered the highest number of internship positions, 50% of total positions, followed by the Innovation and Sustainability department that accounted for 24% of positions offered.**

## Education action

### Training

**In terms of new leadership competencies,** we strengthened the "Leader to Coach" program designed to strengthen "Open Power" culture leadership and action from a strategic and active standpoint, focusing on team mobilization and the ability to contribute to the learning process of others. It is a comprehensive coaching program that defines an individual itinerary for each manager including workshops, webinars and classes on Enel's Leadership Model and managing change. Our leaders received 1,409 hours of training in 2020. We also finished the Leadership in Data Driven Transformation program this year, attended by 85% of our managers that also offered three interesting webinars in which our leaders also participated. The webinars referred to: Leadership in times of crisis, Management perspective of Digital Transformation, and Challenges of an Agile company.

We carried out talks for all our leaders as part of the **#IWorkAtHome Program**, a global initiative to provide the proper tools, activities, and training for those that are working remotely.

The **training and development programs for our collaborators** continued, but entirely online using the Company's internal online learning platforms. The most outstanding programs include the following:

- **Secretary program:** For our secretaries to learn and develop new skills through 150 hours of online training.
- **Language program:** For our collaborators to have the necessary language skills, mainly English and Italian, to communicate effectively with their peers from other countries. Over 590 hours of group and individual level training were provided in 2020.
- **Project management program:** For our collaborators to acquire new tools to evaluate and manage electricity projects in the specific areas that are critical to the Company. Three courses were carried out with the support of Universidad de Chile on Electricity project management and Electricity project evaluation. The program offered 1,280 hours of online training and was attended by 43 collaborators.
- **Behavioral skills program:** Designed to close gaps. A total 15 different topics were covered during 9 virtual sessions to 85 participants for over 800 hours.
- **Compliance program:** To train collaborators on corporate governance and integrity, anticorruption, legal entity criminal risk, among others.
- Internal courses developed along with Universidad de Chile: Electricity Market Course and Digital Transformation Course.

This year our training program placed special attention or focus on digital transformation, innovation, Agile, sustainability and data protection.

## Employee post-employment benefits

The Company offers a series of benefits to its active and retired employees. The benefits include severance pay for years of service, additional pension payments, additional health care benefits and other benefits in kind, such as electricity supply. There are no assets related to these benefit plans.

For further detail refer to Note 26 "post-employment benefits" of Enel Chile's Consolidated Financial Statements as of December 31, 2020, in the Appendix of this Annual Report.

# Supply chain management

Supply chain sustainability is one of pillars of the Company's business model and therefore, the company shares the long-term value creation purpose of its suppliers and contractors.

Supply chain sustainability reduces the risk of not complying with social, environmental, and occupational safety requirements and also rewards best practices. It requires Enel Chile's supply chain to be managed properly, which involves implementing responsible practices in the processes of acquiring goods and services and considering suppliers and contractors as strategic business partners.

More specifically, the Company is following the Enel Group's guidelines and is implementing a strategy to foster a sustainable supply chain founded on three main pillars:

- Include sustainability criteria in the supplier selection process (environment, health and safety, and human rights, among other aspects)
- Promote Circular Economy
- Develop suppliers' skills.

To reach these goals, the Company continued implementing the "Circular Procurement Strategy", which includes Sustainability and Circular Economy as drivers to rate and select the suppliers to be awarded contracts for over €200,000 (excluding consulting services and direct contracting).

The Company considers supplier commitment to measure and communicate the environmental impacts of its operations, implement circularity in its production chain, and/or participate in Circular Economy projects, to be differentiating factors in the evaluation process, thus providing committed companies a competitive advantage in the supplier selection process.

Enel Chile continued using its Supplier Performance Management tool to monitor supplier's performance in real-time according to measurement and observation criteria, such as product or service quality, punctuality, safety, environment, human rights, innovation, and collaboration. The results of these assessments are used to take action and acknowledge supplier's good performance or request those with below standard performance to implement mitigation plans.

The Qualification phase (to determine if the supplier may qualify and be part of Enel Chile's supply chain) evaluates whether the supplier has complied with Enel Chile standards regarding human rights and ethics, health and safety, environment, and integrity. This phase verifies, by reviewing supporting documentation, whether the supplier has a management system that guarantees the adherence to these standards.

It is worth noting that requisites vary depending on company type and the level of risk outsourcing the service places on each business line. For instance, environmental service providers are required to have an ISO 14001 certified management system. The result of this phase is a list of Enel Chile qualified suppliers that are constantly being monitored. In 2020, 100% of the new suppliers that were subject to this qualification process were evaluated on health and safety, environment, and human rights.

Once the minimum technical requirements of the tender process are fulfilled, the supplier selection process considers the weighted mix of the economic offer and the "sustainability K factor". The Procurement department encourages supplier sustainability and circular economy practices by using these K factors.

Five categories of K-factors have been defined: social, environmental, health and safety, Circular Economy, and certifications.

Adding these K factors to the offers presented by suppliers may improve their final score. Mentioning, for instance, the calculation of the carbon footprint and the respective mitigation actions, the use of low carbon vehicles, the commitment to develop social projects and hire local employees, commitment to obtain certain certifications, among other aspects may improve a supplier's weighted score.

Finally, it is worth mentioning that for Enel and Enel Chile, a sustainable supply chain is a fundamental requirement. Therefore, the Company promotes a culture centered on environmental, social, and economic sustainability, values grounded on innovation, ethics, transparency, health, safety, anticorruption, and human rights. Having a sustainable business is indispensable to face future challenges and leads to a sustainable supply chain, circular economy practices, digital innovation, and shared value, all in line with SDGs.

# Community

## LOCAL AND GLOBAL COMMUNITIES

	PLAN ACTIONS		
<b>4</b> QUALITY EDUCATION 	<b>HIGH-QUALITY, INCLUSIVE AND FAIR EDUCATION</b>	2020 <sup>1</sup> <b>216,958</b> <i>beneficiaries</i>	2023 targets <sup>1</sup> <b>268,000</b> <i>beneficiaries</i>
<b>7</b> AFFORDABLE AND CLEAN ENERGY 	<b>ACCESS TO AFFORDABLE AND CLEAN ENERGY</b>	2020 <sup>1</sup> <b>353,807</b> <i>beneficiaries</i>	Objetivo 2023 <sup>1</sup> <b>411,000</b> <i>beneficiaries</i>
<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<b>EMPLOYMENT AND SUSTAINABLE AND INCLUSIVE ECONOMIC GROWTH</b>	2020 <sup>1</sup> <b>394,895</b> <i>beneficiaries</i>	Objetivo 2023 <sup>1</sup> <b>447,000</b> <i>beneficiaries</i>

1. Cumulated figures since 2015

## Engaging local communities

A significant social crisis emerged in Chile in late 2019 and continued into 2020. Faced with this situation, Enel Chile concentrated its efforts on two issues: ensuring electricity generation and distribution continuity and looking out for people's safety. This emergency was addressed promptly to carry out operations without any further inconveniences, and putting people in a safe work environment, in alternative office locations, other than the corporate building that had been affected by the social uprising.

Enel Chile and its subsidiaries manage community relations through dedicated teams that are permanently stationed in the territories where the Company operates. Our community relations strategy focuses on inclusive and participatory projects that seek to reduce the multidimensional poverty gap through projects that provide access to clean and affordable energy, economic development, and access to quality education.

Enel Chile has operations in 11 regions of Chile, collaborating with over 300 communities and social organizations, and more than 60 municipalities to promote and foster local value creation. The Company's community relations strategy focuses on involving more and more communities in the energy transition so that no one is left behind. The Company's teams located throughout the country workday in and day out to ensure a transparent, respectful, and collaborative relationship with local communities and to carry out operational activities properly and develop socio-economic projects designed with the views of all parties involved.

To identify and then define the sustainability initiatives of its community relations strategy, the Company begins by assessing the national scenario in terms of Multidimensional Poverty, Energy Poverty, the climate crisis and obviously the guidelines provided by the United Nations SDGs. Based on the understanding of Chile's geographic, cultural, economic, and social diversity, and the specific needs and

priorities of each territory, Enel Chile applies a shared value creation (CSV) model to its entire value chain and life cycle of assets to develop, jointly with stakeholders, initiatives that really respond to local needs.

This process resulted in the following nationwide lines of work:

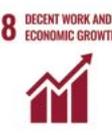
- 

**4 QUALITY EDUCATION**

**Education for sustainable growth**, the objective of this line of work is to open access to education to improve school attendance and education indexes and also disseminate knowledge to contribute to providing well-rounded education for young people. The most outstanding projects in this category are student grants for nearly 400 boys and girls from the communities nearby our power plants in 2020, and the progress in two important commitments with Quepuca Ralco and Coronel communities regarding educational infrastructure. This line of work has provided sustainable development education to 216,958 people during the 2015–2020 period and our goal is to reach a total 268,000 people by 2023, which contributes to SDG 4.
- 

**7 AFFORDABLE AND CLEAN ENERGY**

**Energy - access, quality, and equity** are the Energy Poverty dimensions that Enel Chile works on this line of work has provided 353,807 people access to clean energy, to energy efficiency management tools or energy education and our goal is to reach 411,000 people by 2023, which contributes to SDG 7.

- 

**8 DECENT WORK AND ECONOMIC GROWTH**

**Economic development with local identity and green jobs** by promoting entrepreneurship and the development of skills to improve the quality of local communities' work, focusing on the knowledge and resources available in each territory. During the 2015–2020 period, this line of work has provided 394,895 people access to economic development tools or green jobs and our goal is to reach 447,000 people by 2023, which contributes to SDG 8.
- Housing, services, and surroundings** is one of the Multidimensional Poverty dimensions which Enel Chile has worked on to reduce habitability, basic service access, and infrastructure gaps to provide the basic conditions that not only improve the quality of life of the local communities, but also allow to move forward and develop shared value initiatives. In 2020, sanitary solutions were implemented for 47 homes at Las Garzas, Los Álamos, and La Mina communities located in the Maule basin, 34 homes were built for the families relocated in the Ralco area, and 24 new homes in Alto Bio Bio area and 44 in Ayin Mapu area began construction. In Coronel, the repairs of homes related to the Bocamina II relocation process continued.

# Economic dimension management

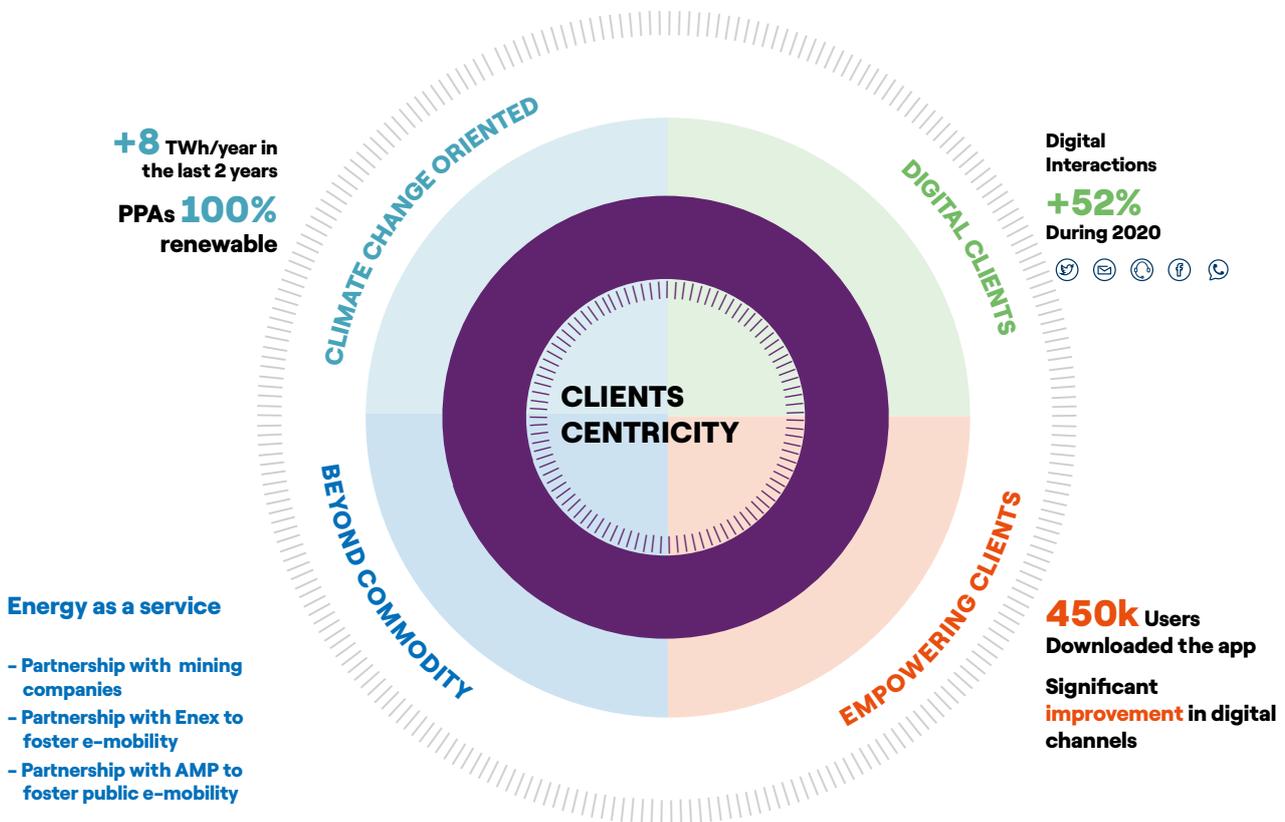
## Customer management

Enel Chile has restructured its commercial operations to adapt to its existing and new customers' needs and to technological improvements.

The strong commitment to climate change, the availability of renewable sources of energy, and more efficient and smart ways to use energy are among the most outstanding trends.

Business digitalization, and also online training and digital communication channels accelerated in 2020.

Metrics worth highlighting are detailed below:



**Digital interactions:** improve customer journey



Customized offering: **beyond commodity**, new revenues streams



**Sustainable** offerings anchoring loyalty and cross-selling

## Generation business

The quality, customer location and term of the contract portfolio contributes to the profitability of the business and the ability to reach objectives.

The generation business has always focused on having a diversified, long-term contract portfolio that includes regulated customer contracts, mining industry customers and other unregulated customers.

Our strategy and our diversified generation asset matrix have also contributed to increasing our market share in the mining sector, which is the most resilient industry in the country.

As a result, we expect our customer contract portfolio to increase 12% from 2019 to 2023, diversification in terms of Off takers to increase, and expand our presence in the unregulated segment of the mining industry to reach a 29% market share by 2023.

Geographic diversification is critical to our business and one of the strengths of our commercial strategy. We expect to significantly increase sales in Chile's northern region where most of our solar power plants are located.

The average length of our contract portfolio is long-term. More than 35% of our contracts expire after 2030 and only 18% expire between 2021 and 2023. In general, our contracts have an average 10-year length, which leads to a stable commercial condition and recurrent EBITDA for the coming years.

Consequently, our contract portfolio reduces the Company's commercial risk because it comprises contracts with customers whose electricity demand is relatively less sensitive, it reduces our exposure to the spot market, to price volatility, and provides long-term revenue stability.

## Distribution Business

The distribution business is carried out by Enel Distribución Chile and Enel Colina, which together supply electricity to over 2 million customers. The following tables present certain key indicators of our subsidiaries in the distribution business segment, as of December 31, 2020 and 2019:

Company	Customers (N°)	
	Dec-20	Dec-19
Enel Distribución Chile Customers	1,979,192	1,944,336
Enel Colina Customers	28,827	27,880
<b>TOTAL</b>	<b>2,008,019</b>	<b>1,972,216</b>

### % PHYSICAL SALES PER CUSTOMER TYPE

	Dec-20	Dec-19
Residential	30.4%	28.6%
Commercial	27.9%	28.6%
Industrial	10.2%	11.4%
Tolls (supplied by other distributors)	25.9%	25.5%
Others	5.6%	5.9%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

### Customer-oriented measures implemented during the pandemic

In the COVID-19 pandemic context, the Company implemented a preventive action plan focused on protecting the health and safety of its workforce, collaborators, and customers, which involved establishing various protocols for network operations and customer service and to guarantee uninterrupted Company operations. A series of benefits, such as special payment plans without down payments or interest, and with variable due dates **were offered to each customer according to the person's particular situation. These benefits were announced through dissemination campaigns to reach all customers all year-round.**

### Continuous operations of high demand customer service channels during the pandemic

Enel Distribución Chile kept its customer service channels 100% operational and available during the entire period, adapting to an unprecedented and complex scenario. The Company reinforced and trained its customer service teams on the new technology and procedures implemented to manage the additional customer inquiries caused by the pandemic, primarily related to vulnerable customers' requests for special payment plans. The Sucursal Casera, meaning home service branch, on the Company website was improved to offer the same services customers receive through face-to-face service channels.

### Development of new digital customer service solutions

The use of technology was potentiated to make it easier for customers to contact the Company, with systems, such

as natural language interactive voice response (IVR), a new version of the Enel Customer App, new robotic process automation (RPA) for the Authority channel, new Chatbot on our website as a virtual assistant online and a new WhatsApp channel.

## Enel Chile innovation culture

Enel Chile believes innovation is a differentiating factor that provides a competitive advantage in the electricity generation market. Therefore, the Company aspires to maintain and strengthen its leadership position in innovation by working in a systematic, organized, and cross-disciplinary way, in alignment with the company's strategic plan.

In 2020, the Company, through its subsidiary Enel Generación Chile, continued to promote an innovation culture, climate, and practices, working towards materializing this culture through the development of projects that add value to the organization. Our focus this year was placed on new technologies that contribute to the energy transition process using robotics and digitalization. Our long-term view aims at finding new ways to generate electricity, looking at the advantages of sea energy, power plant hybridization, and green hydrogen as a new energy vector. We have also addressed the constant need to adapt to change with an open innovative perspective looking within and outside the Company for innovative solutions. Internally, our organizational structure is relatively horizontal and matrix that facilitates communication. Externally, we work with start-ups through open call processes available to anyone who wants to present a solution because we believe that people are the main source of innovation.

Enel Chile sees innovation and digital transformation as crucial enablers of sustainability. We are experiencing an energy transition that requires adapting to constant change. Digital tools are critical to protecting the environment and setting the grounds for equality and inclusion for those that would otherwise have less opportunities.

## 2020 scenario: COVID-19 and Social Crisis

Regardless of the difficult 2020 scenario, Enel Chile was able to adapt to the COVID-19 pandemic and social crisis rapidly and continue working remotely, without interruptions. In 2019, the Innovation department implemented the **virtual visit project**, which became a powerful tool in 2020 to continue with tender processes, have contractors visit our power plants virtually, and also perform remote inspections to maintenance activities, all carried out virtually thanks to the "virtual visit" innovation project.

### Capturing ideas

2020 was an overly complicated year for everyone because of the COVID-19 pandemic and the social crisis, however, Enel Chile moved forward with all its strength to achieve its objectives. The three capturing ideas initiatives (Gxcellence, Digital-G and Hall of Energies) were unified into one program titled PowerG. This program involves recognizing good conduct in terms of Open Power values, which means appreciating innovative ideas and best practices and the implementation of new digital tools. PowerG is a channel open to all GPG workers to **share and acknowledge their Innovative Ideas and Best Practices to capture value and improve** the Company's business performance.

PowerG encourages proactivity and innovation and promotes and rewards excellence and creates a sense of belonging to Enel Chile.

In the 2020 context, the PowerG program, including workshops, meetings, reviews, and others, were all carried out virtually, using digital tools such as, Microsoft Teams, Microsoft SharePoint, and OneDrive. We exceeded our expectations set at the beginning of the year for the program and received more than 451 initiatives (234 innovation ideas and 217 best practices). In the local award ceremony, there were 13 winners in the best practices category and 5 winners in the innovation category. Globally, Enel Generación Chile won in Innovation with **the Collaborative Robot for Medium Voltage Switchgear idea presented by Florencio Sepulveda, an employee that works at our San Isidro power plant.**



## Open Innovation

We participated along with Chile's Innovation Hub in several Chilean start-up presentations this year. We carried out a Bootcamp where we analyzed over 25 Chilean start-ups and participated in events organized by NXTP Labs with excellent results in terms of the innovation initiatives developed by various start-ups. As a result of these activities, we signed 3 Non-Disclosure Agreements (NDA) this year with three Chilean start-ups: SPOT, Inti-tech and Xancura.

Another form of open innovation is sharing with other Enel Group companies from other countries. This is what Innovability Week has enabled and is worth highlighting. Innovability Week was organized by Enel Chile and Enel Colombia this year. The event was a success among Enel collaborators worldwide that participated presenting and sharing their Innovation projects. The approach changed completely this year for not being a face-to-face event. The technology used to perform the event virtually made it entertaining and innovative, and allowed participants to navigate as if they were in an actual conference center.

## Innovation projects

**Los Molles Hybrid Plant:** This project emerged from one of the Company's innovation contests. It involves a photovoltaic solar plant in the premises of the existing Los Molles pass through hydroelectric power plant. The objective is to take advantage of the excess capacity of the existing hydroelectric plant in terms of land, substations, and transmission lines to transform it into a hybrid plant. After the Innovation team and the Operations and Maintenance Improvement (OMI) teams evaluated the

project from a technical and economic perspective it was transferred to the Business Development department to perform the feasibility study. Coming up with the idea and performing the prefeasibility analysis exclusively involved Enel man hours, specifically those of the author of the idea to define it and present it to the Innovation unit, and then the man hours of the Innovation and the OMI departments to perform the technical and economic evaluation.

**Fog Collection:** This project is the study of available and catchable water from Camanchaca, a natural phenomenon present in northern Chile. The objective of the project is to identify the technology to capture the water from Camanchaca and estimate the amount of water that can potentially be obtained. The project was presented and approved by the Global Innovation Committee in 2020. The technical specifications have been determined and the tender process has begun. The tender will be awarded during the first quarter of 2021 and the project will be developed during the second quarter of 2021. The prefeasibility stage of this project was developed with man hours of the OMI, and Innovation departments and with the support of external research institutions. The investment in these studies is expected to amount to US\$ 87,000. If the results are positive, we would achieve water savings worth 140 k€ per year and reduce the carbon footprint by 2.8 tons CO<sub>2</sub> per year. The project would be implemented at four power plants (Lalakama, Pampa Norte, Chañares and Diego de Almagro). The possibility of implementing the project at other future or existing plants will be evaluated after this study phase.

**ROV 3.0:** This project was developed as part of our strategy to use robotic equipment to reduce operational risk in confined areas. It was developed in Chile in record time to inspect a flooded tunnel and avoid human visual inspection

and allow management to make decisions in a timely and safe manner. This project reduces complex workplace accident risk, increases reach (over 300 meters) and is remotely controlled.

**Water Management:** This project seeks to optimize the use of water at the San Isidro combined cycle power plant. We identified three lines of work to reach this goal: 1. Capture and use CO2 released by the power plant to treat water and use it to irrigate vegetable crops; 2. Capture part of the water that evaporates from the refrigeration towers using trial technology and new methods; 3. Apply new “Zero Liquid Discharge” technology to increase concentration cycles and optimized the use of water, which reduces the amount of water required by the process.

**Construction for the New Decade:** We developed a series of tests to improve the connectivity of remote areas under construction. Several tests are being performed using cutting edge drones and we expect to use balloons and other systems, such as the Starlink satellite network promoted by Elon Musk’s SpaceX company.

**Second life of solar panels:** This project involves analyzing the potential of reusing the photovoltaic panels discarded from our solar power plants. The project intends to determine the amount of electricity generation they can provide, propose certification protocols and search for new uses in other industries to create circular economy opportunities for these solar units.

**MERIC-Open Sea lab:** The I+D department, with the sponsorship of Corfo, Chile’s economic development agency, and the Ministry of Energy, seeks to install the first industrial scale wave energy converter in Chile. The installation of this energy converter was postponed until February 2021 due to the COVID-19 pandemic. This project will provide oceanographic information, allow learning about the technology, and seeing its social and environmental impact, provide a guide regarding regulatory issues, and allow analyzing sea environment conditions, such as corrosion, biofouling mammals and others.

**Other 2020 highlights**

- Participation in the Worldwide Archeology Challenge
- Presentation of Green Hydrogen pilot projects proposed for northern Chile

- Participation in the Cavendish Mission Tour Seminar organized by the H2 Chile Innovation Club. We also sponsored the Cavendish Mission Patagonia Tour.
- Enel Generación Chile’s participation in three consortiums to be awarded the development of the Chilean Clean Technologies Institute promoted by Corfo.

**Idea Hub Chile**

Enel Chile faces many environmental, social, and economic challenges as a consequence of the social uprising, the COVID-19 pandemic, and the energy transition, which must be addressed to contribute to the sustainable development of Chilean society. Innovation has a transversal and strategic role in maintaining our leadership position in this market.

**Idea Hub Chile** promotes innovation among Enel Chile’s workforce, making an ongoing effort to foster cultural change. Creativity has been a key variable this year. It has played a leading role in supporting our new remote working mode.

This new work mode required an exponential number of activities to encourage creativity, inspiring and teaching methods to develop divergent thinking. Over 40 creativity sessions were carried out, all online using digital platforms, such as Microsoft Teams, Mural, Kahoot and Mentimeter.

Idea Hub started the **Enel for Chile** program, a global program that emerged from asking ourselves the question: How could Enel help face and overcome this emergency in Chile? a total 59 initiatives were received, 20 were selected of which three are under development and one has been implemented.

Over 250 people participated in **Innovation Academy** presenting their ideas on various subjects, such as innovation at work and in life, encouragement of creative thinking, the use of innovative methods, and new trends and technologies, among others.

Regarding **Innovation Culture**, Idea Hub has had an impact on over 250 collaborators this year that participated in “60’ of Innovation”, that were meetings held to inspire and encourage creativity and innovation among all Enel Chile people. In this context, we held over 20 meetings on various topics, such as “Blockchain”, “Gamification is



the future”, “Managing Difficult Conversations”, “Growth Mentality”, “Creative Blocks”, “Improving the remote working experience”, among others.

The “Woman Innovation Lab” is a collaborative initiative that became extremely popular this year. This is a group of Enel women driven to contribute to female professional development and leadership through innovation.

This initiative is pioneer at Enel Group and came from a group of Enel women that were inspired by an innovation talk on how to foster female participation in innovation. That talk led to some creativity meetings, which brought more women to the group.

Today the “Woman Innovation Lab” is a community of 80 women that work in collaboration with the People and Organization Department and actively participate in multiple creativity meetings and talks. The meetings “Glide under Chaos” with Carolina Pulsen and “ Leadership Today, Feminine Value” with Tatiana Campos were the highlights this year.

## **Innovation Hub Chile**

The objective of Innovation Hub Chile is to contact the best startups from the local ecosystem to find the solutions that add value to our business and simultaneously provide a growth opportunity for the startups.

Enel Innovation Hub Chile has continued to make a significant effort to maintain its presence in the ecosystem and provide solutions to the various challenges our business lines face.

Enel’s first startup Bootcamp to support the Group’s innovation efforts in Colombia was organized in February by the Energy Management business line in Bogota, right before the outbreak of COVID-19 in Latin America.

Once the pandemic arrived, the Company focused on keeping in touch and maintaining its relationship with the ecosystem considering all normal activities were being carried out remotely. The webinars performed were attended by more than 150 people and the participation of the Head of Enel’s Innovation Hubs Fabio Tentori, Corfo’s Innovation Manager Rocío Fonseca, the Co-founder of NXP Marta Cruz, and CEO of WeHaus Gaston Farías, to determine the future route Open Innovation should follow.

Another outstanding activity in 2020 was Enel Chile’s participation in the event “CEO Meeting” organized by the Innovation Club, which was sponsored by Enel Innovation Hub Chile.

Finally, nearly 100 new startups were reviewed, and a trial was performed with startup Spot that uses an artificial intelligence and video analytics model to detect when our collaborators are using their personal protection elements correctly. Today, innovating with startups is more important than ever before and Enel Chile’s challenge is to continue to open our energy to the collaboration of these innovative companies.



# Shareholders and investors

## Investor relations

Enel Chile's Investor Relations department is responsible for providing transparent, timely, and quality information to the market regarding the Company's main financial, strategic, and operational issues. This department is the unit authorized to respond to shareholders' and investors' inquiries.

The main channels used to communicate with the market include our website, the Investor Relations app, conference calls, e-mails, face-to-face meetings, video conferences, and local and international conferences. Additionally, and since the Company's creation in 2016, on Investor Day, the Investor Relations Department presents the Company's 3-year Strategic Plan that covers the main strategic guidelines and financial and business projections for the following three-year period. Due to the COVID-19 crisis, in 2020, Enel Chile performed its first Virtual Investor Day, which was attended by over 100 local and international investors.

The documentation that is made available to investors includes quarterly reports, annual reports, annual sustainability reports, 20-F reports, quarterly management's

quarterly financial statement analysis and tables, corporate presentations, and the strategic plan presentation at the end of every year. In 2020, the Company began to offer stakeholders virtual power plant visits on our website.

In terms of meetings, in 2020 Enel Chile held more than 260 meetings with investors and participated in eight conferences and nine roadshows, both local and international.

Our Investor Relations Department is available to answer any questions concerning the Company, whether in Spanish, English, French, or Portuguese by e-mail at [ir.enelchile@enel.com](mailto:ir.enelchile@enel.com)

### Isabela Klemes

Enel Chile Investor Relations Manager

### Investor relations team

Catalina González

Claudio Ortiz

Pablo Contreras

Francisco Basauri

### Contact Information

Email: [ir.enelchile@enel.com](mailto:ir.enelchile@enel.com)

Telephone Number: +56 2 2630 9606

Website: <https://www.enel.cl/>

## Communication Channels

### Channels



Website  
Enel.cl



Mobile App  
Enel Investors

### Follow us



### Download app

IOS



Android



# 6

## Metrics



## Human resources metrics

	Key executives and other managers	Professionals and Technicians	Collaborators and Others	Total 2020	Key executives and other managers	Professionals and Technicians	Collaborators and Others	Total 2019
Enel Chile	22	440	32	494	21	423	36	480
Enel X Chile (1)	1	13	1	15	1	4	1	6
Enel Generación Chile (2)	17	587	66	670	19	598	85	702
Enel Green Power Chile (3)	2	280	3	285	1	208	3	212
Enel Distribución Chile (4)	13	710	32	755	14	688	31	733
<b>Total</b>	<b>55</b>	<b>2,030</b>	<b>134</b>	<b>2,219</b>	<b>56</b>	<b>1,921</b>	<b>156</b>	<b>2,133</b>

- (1) Key Executive: Karla Zapata  
 (2) Enel Generación includes: Gas Atacama Argentina and Empresa Eléctrica Pehuenche  
 (3) Enel Green Power Chile includes: Geotérmica del Norte and Almeyda Solar  
 (4) Enel Distribución Chile includes Enel Colina.

## Diversity

### Executive team

Number of executives per gender	2020	2019
Female	9	11
Male	46	45
<b>Total</b>	<b>55</b>	<b>56</b>

Number of executives per nationality	2020	2019
Brazilian	1	0
Colombian	1	0
Costa Rican	1	0
Chilean	43	47
Spanish	1	0
Italian	7	8
Peruvian	1	1
<b>Total</b>	<b>55</b>	<b>56</b>

Number of executives per age group	2020	2019
Less than 30	0	0
Between 30 and 40	6	10
Between 41 and 50	25	23
Between 51 and 60	19	19
Between 61 and 70	5	4
More than 70	0	0
<b>Total</b>	<b>55</b>	<b>56</b>

Number of executives per years of service	2020	2019
Less than 3	9	10
Between 3 and 6	7	5
More than 6 less than 9	2	3
Between 9 and 12 years	2	-
More than 12 years	35	38
<b>Total</b>	<b>55</b>	<b>56</b>

### In the organization

Number of people per gender	2020	2019
Female	512	482
Male	1,707	1,651
<b>Total</b>	<b>2,219</b>	<b>2,133</b>

Number of people per nationality	2020	2019
Brazilian	5	6
Chilean	2,099	2,030
Spanish	10	7
Costa Rican	1	-
Argentine	30	30
Mexican	1	1
Bolivian	-	-
American	1	-
Russian	1	1
French	1	1
Rumanian	1	-
Salvadorian	1	-
Ecuadorian	1	-
Peruvian	5	6
Venezuelan	26	14
Colombian	17	14
Italian	19	23
<b>Total</b>	<b>2,219</b>	<b>2,133</b>

Number of people per age group	2020	2019
Less than 30	119	141
Between 30 and 40	721	703
Between 41 and 50	708	652
Between 51 and 60	490	493
Between 61 and 70	177	140
More than 70	4	4
<b>Total</b>	<b>2,219</b>	<b>2,133</b>

Number of executives per years of service	2020	2019
Less than 3	441	426
Between 3 and 6	266	242
More than 6 less than 9	247	271
Between 9 and 12	212	210
More than 12	1,053	984
<b>Total</b>	<b>2,219</b>	<b>2,133</b>

## Women's wage gap

Categories:	2020	2019
Key Executives	90%	79%
Middle Management – Level 1	92%	93%
Middle Management – Level 2	79%	86%
Middle Management – Level 3	97%	91%
Professionals – Level 1	91%	94%
Professionals – Level 2	122%	89%
Administrative	125%	117%
Average	82%	91%

## Inclusion of people with different abilities

Company	Collaborators with a disability	
	2020	2019
Enel Chile	4	3
Enel Generación Chile	5	5
Enel Distribución Chile	7	6
Enel Green Power Chile	1	1
<b>Total</b>	<b>17</b>	<b>15</b>

## Flexibility y Smart working

Company	2020	2019
Enel Chile	494	200
Enel Generación Chile	413	112
Enel Distribución Chile	678	95
Enel Green Power Chile	220	74
<b>Total</b>	<b>1,805</b>	<b>481</b>

## Job Training

	2020					2019				
	Enel Chile	Enel Generación Chile	Enel Distribución Chile	Enel X Chile	Total	Enel Chile	Enel Generación Chile	Enel Distribución Chile	Enel X Chile	Total
Training hours	33,140	33,576	41,493	919	109,128	10,465	17,962	12,378	1	40,806
Total N° of employees trained	499	630	767	15	1,911	306	406	410	1	1,123
% women	43%	13%	23%	27%	75%	32%	12%	24%	0%	78%
% men	57%	87%	77%	73%	25%	68%	88%	80%	100%	22%

## Environmental metrics

Detail	Unit	2020	2019
Generation	GWh	19,331	21,041
<b>GHG Emissions (1):</b>			
CO <sub>2</sub> Th (2)	t	4,255,214	4,796,822
SO <sub>2</sub> (3)	t	2,313	3,394
NOx (4)	t	4,274	5,524
Mercury	Kg	14	15
Dust (5)	t	76	162
<b>Emissions intensity:</b>			
CO <sub>2</sub> Th	g/KWh	220	228
SO <sub>2</sub>	g/KWh	0.120	0.161
NOx	g/KWh	0.221	0.263
Dust	g/KWh	0.004	0.008
<b>Fuel for thermal generation</b>			
Coal	ktep	404	632
Natural Gas	ktep	867	726
Gasoil	ktep	-	10
Fuel Oil	ktep	-	-
<b>Total</b>	<b>ktep</b>	<b>1,271</b>	<b>1,368</b>
Water consumption			
Generation in areas with scarcity	%	22%	18%
Water Intensity of power generation	l/KWheq	0.26	0.33

- (1) Greenhouse gases
- (2) Carbon dioxide
- (3) Sulphur dioxide
- (4) Nitrogen oxides
- (5) Particulate matter (dust).

# 7

## **Other Legal Corporate Information**



# Corporate Information

## Documents of incorporation

Enel Chile S.A., formerly "Enersis Chile S.A.", was created through the corporate reorganization that began in April 2015. Enersis S.A. controlled the generation, transmission, and distribution business in Chile and four other countries in the region (Argentina, Brazil, Colombia, and Peru).

The Extraordinary Shareholders' Meeting of Enersis S.A. held on December 18, 2015, approved the first phase of the reorganization plan named "the Division," splitting Enersis S.A. and created Enersis Chile S.A. as the only vehicle to control the Group's generation and distribution assets in Chile. Enersis S.A. became Enersis Americas S.A. (currently Enel Américas S.A.), the vehicle to control all assets of the businesses in other countries in the region. The Division was recorded in a public deed issued on January 8, 2016 by the Santiago Notary Public, Mr. Ivan Torrealba Acevedo, and its extract was registered in the Commercial Register (Registro de Comercio del Conservador de Bienes Raíces y Comercio de Santiago) on pages 4,288 No 2,570 of 2016 and published in the Official Gazette on January 20, 2016.

Later, on October 4, 2016, the shareholders of Enersis Chile S.A. approved changing the name of the Company to "Enel Chile S.A." This agreement was recorded in a public deed on October 18, 2016 by the Santiago Notary Public, Mr. Ivan Torrealba Acevedo. Its extract was registered in the Commercial Register (Registro de Comercio del Conservador de Bienes Raíces y Comercio de Santiago) on pages 79,330 No 42,809 of 2016 and published in the Official Gazette on October 28, 2016.

On December 20, 2017, the shareholders approved amending the bylaws to include the agreements regarding the merger of Enel Green Power Latin America S.A. into Enel Chile, its capital increase and other agreements

adopted during said Shareholders' Meeting, replacing the articles referring to its capital, and corporate purpose to include information technology and communications, among other amendments, and agreeing to the rewritten and updated text of the bylaws, subject to the conditions approved at the Meeting. The minute of said Shareholders' Meeting was recorded as a public deed dated December 28, 2017, by the Santiago Notary Public, Mr. Ivan Torrealba Acevedo, and its extract was registered in the Commercial Register (Registro de Comercio del Conservador de Bienes Raíces y Comercio de Santiago) on pages 1154 No 629 of 2018 and published in the Official Gazette on January 5, 2018.

## Corporate purpose

The corporate purpose of the Company appears in the bylaw's amendment approved by the Extraordinary Shareholders Meeting held on December 20, 2017 and recorded as a public deed dated December 28, 2017 granted by the Santiago Notary Public Mr. Iván Torrealba Acevedo, and its extract was registered on pages 1,154 No 629 of 2018 and published in the Official Gazette on January 5, 2018.

The Company's purpose is to perform the exploration, development, operation, generation, distribution, transmission, transformation and sales of energy in any of its forms and nature, directly or through other companies, and also research, development, operation, commercialization, purchase, sale, imports and maintenance of any goods related to information technology and telecommunications, such as, software, hardware, licenses, software development, and in general, any product related to the aforementioned activities; and consulting services in all subjects related to the previously mentioned subjects. It may also invest and manage its subsidiaries and affiliate companies, whether generators, transmitters, distributors or traders of electricity or whose business is any of the following: (i) energy, in any of its forms or nature, (ii) the supply of public utilities or whose main input is energy, (iii) telecommunications and information technology, and (iv) intermediation over the internet. In complying with its main purpose, the Company will carry out the following functions:

- a) Promote, organize, incorporate, modify, dissolve, or liquidate companies of any nature that have a corporate purpose similar to the Company's corporate purpose.
- b) Propose investment, financing, and business policies to subsidiary companies, as well as accounting criteria and systems that these should follow.
- c) Supervise the management of subsidiaries.
- d) Provide related companies, subsidiaries, and affiliate companies with the necessary financing to develop their business and provide them management services; financial, technical, legal, and auditing advice; and in general, any service that appears necessary to improve their performance.

In addition to its main purpose and always acting within limits established by the Investment and Financing Policy approved by the Shareholders Meeting, the Company may invest in:

First, the acquisition, operation, construction, rental, administration, intermediation, trading, and disposal of all kinds of movable and immovable assets, either directly or through subsidiaries or affiliate companies.

Second, all kinds of financial assets, including stocks, bonds and debentures, commercial paper and in general all kinds of titles or securities and Company contributions, either directly or through subsidiaries or affiliate companies.

## Property and facilities

The facilities that are relevant to the Company's business are detailed in Enel Chile Business Lines section of this Annual Report.

### Land reserved for future projects

As of December 2020, Enel Chile, through its subsidiaries, Enel Generación Chile, and Enel Green Power Chile, held approximately 4,500 hectares in real estate or land to develop future wind, solar, and natural gas projects. These assets are located primarily in Arica region (236 hectares) Antofagasta region (3,225 hectares), Tarapacá region (398 hectares) and Atacama region (632 hectares).

## Trademarks, insurance, customers, and suppliers

### Insurance

Enel Chile S.A. is covered by a global insurance program centralized by its parent company, Enel SpA. The insurance covers physical damages, terrorism, business interruptions and legal liability, both civil and environmental. The insurance policies' renewal process was carried out through an international bid, where the leading insurance companies worldwide were invited to participate. The contracts were renewed on November 1, 2020 and expire on October 31, 2021.

### Trademarks

The Company has "Enersis Chile" trademark registered for services, products, industrial and commercial facilities.

Enel SpA has granted Enel Chile S.A. the use of "Enel" trademark free of charge, to be used in the legal name, logo, and others.

The trademark "Enel Chile" is registered legally.

### Suppliers, customers, and relevant competitors

Enel Chile operates in the electricity generation and distribution sectors. In this context, its customer portfolio is atomized, and no customer represents more than 10% of the Company's consolidated sales.

Our main suppliers provide us with electricity, the transportation of such electricity and fixed assets. Consequently, our main suppliers are generation companies. No supplier represents more than 10% of total operational purchases.

Since Enel Chile S.A. is a holding company, the suppliers, customers, and competitors are those relevant to the Company's main subsidiaries that operate in the electricity sector.

In this regard, on a consolidate level, the Company's relevant suppliers, customers, and competitors are the following:

Suppliers: GNL Chile, Transelec, Total Austral, Coal Marketing Company, AES Gener, Engie Energía Chile, Hidroeléctrica La Higuera, Travel Security S.A., KMPG Auditores y Consultores SpA, Team work Recursos Humanos Limitada, Sodexo Chile S.A.

Customers: CGE Group, Saesa, Chilquinta Group, Gerdau Aza S.A., Metro S.A., Mall Plaza.

Competitors: AES Gener S.A., Colbún S.A., Engie S.A., Guacolda Energía.

## Stock information

### Stock market transactions

The quarterly transactions of Enel Chile shares in Chile on the Santiago Stock Exchange, and the Electronic Stock Exchange, as well as in the United States of America on the New York Stock Exchange (NYSE) during 2020 are detailed below.

#### Santiago Stock Exchange

During 2020, a total 20,558 million shares were traded on the Santiago Stock Exchange, equivalent to Ch\$ 1,314,269 million. The closing price of the stock at year end December 2020 was Ch\$ 55.20.

Period	Units	Amount (Ch\$)	Average price (Ch\$)
<b>2020</b>			
1st Quarter	6,969,636,854	498,898,285,932	71.58
2nd Quarter	7,129,764,656	443,727,543,709	62.24
3rd Quarter	3,302,966,582	199,501,149,149	60.40
4th Quarter	3,155,401,580	172,141,574,669	54.55
<b>Total 2020</b>	<b>20,557,769,672</b>	<b>1,314,268,553,459</b>	<b>63.93</b>
<b>2019</b>			
1st Quarter	3,304,283,206	230,741,305,701	69.83
2nd Quarter	3,039,741,757	197,501,843,483	64.97
3rd Quarter	2,512,771,762	156,505,596,387	62.28
4th Quarter	5,882,374,059	390,241,676,204	66.34
<b>Total 2019</b>	<b>14,739,170,784</b>	<b>974,990,421,775</b>	<b>66.15</b>
<b>2018</b>			
1st Quarter	2,794,503,083	210,396,722,951	75.29
2nd Quarter	3,773,141,818	267,278,094,175	70.84
3rd Quarter	2,789,724,909	185,420,559,438	66.47
4th Quarter	3,199,220,342	204,247,044,128	63.84
<b>Total 2018</b>	<b>12,556,590,152</b>	<b>867,342,420,692</b>	<b>69.07</b>

## Chilean Electronic Stock Exchange

During 2020, a total 1,013 million shares were traded on the Chilean Electronic Stock Exchange, amounting to Ch\$ 65,532 million. The closing price of the stock at year-end was Ch\$ 56.00.

Period	Units	Amount (Ch\$)	Average price (Ch\$)
<b>2020</b>			
1st Quarter	412,826,999	29,898,279,443	72.42
2nd Quarter	186,160,591	11,619,787,859	62.42
3rd Quarter	238,304,680	14,406,958,423	60.46
4th Quarter	176,054,418	9,607,002,569	54.57
<b>Total 2020</b>	<b>1,013,346,688</b>	<b>65,532,028,294</b>	<b>64.67</b>
<b>2019</b>			
1st Quarter	726,016,830	48,768,642,184	67.17
2nd Quarter	139,478,209	9,219,489,806	66.10
3rd Quarter	149,611,975	9,411,582,124	62.91
4th Quarter	267,690,366	18,178,585,900	67.91
<b>Total 2019</b>	<b>1,282,797,380</b>	<b>85,578,300,014</b>	<b>66.71</b>
<b>2018</b>			
1st Quarter	202,800,877	15,284,222,289	68.56
2nd Quarter	348,545,846	24,915,296,102	71.48
3rd Quarter	386,484,459	25,557,620,734	66.13
4th Quarter	318,226,600	20,357,159,504	63.97
<b>Total 2018</b>	<b>1,256,057,782</b>	<b>86,114,298,629</b>	<b>68.56</b>

## New York Stock Exchange (NYSE)

Enel Chile shares began trading on the New York Stock Exchange (NYSE) on April 27, 2016. One Enel Chile ADS (American Depository Share) represents 50 shares, and its ticker is ENIC. Citibank N.A. acts as the depository bank and Banco Santander Chile as the custodian in Chile.

During 2020, 145 million ADSs were traded in the United States, amounting to US\$ 570 million. The ADS closing price at year-end was US\$4.75.

Period	Units	Amount (US\$)	Average price (US\$)
<b>2020</b>			
1st Quarter	53,456,797	228,896,491	4.41
2nd Quarter	46,058,359	173,496,797	3.79
3rd Quarter	22,455,201	85,592,386	3.80
4th Quarter	22,753,734	82,095,904	3.57
<b>Total 2020</b>	<b>144,724,091</b>	<b>570,081,578</b>	<b>3.89</b>
<b>2019</b>			
1st Quarter	16,131,454	84,147,249	5.22
2nd Quarter	21,723,139	103,055,237	4.80
3rd Quarter	17,210,522	75,180,791	4.39
4th Quarter	33,039,833	140,634,274	4.32
<b>Total 2019</b>	<b>88,104,948</b>	<b>403,017,550</b>	<b>4.57</b>
<b>2018</b>			
1st Quarter	25,360,378	156,830,054	6.19
2nd Quarter	33,691,893	191,672,661	5.78
3rd Quarter	24,888,260	123,419,121	4.97
4th Quarter	33,532,795	153,910,355	4.67
<b>Total 2018</b>	<b>117,473,326</b>	<b>625,832,191</b>	<b>5.33</b>

## Market information

During 2020, the global economy faced a major crisis due to the COVID-19 pandemic. The lockdowns imposed by different governments worldwide paralyzed economic activity causing high levels of unemployment, indebtedness, and an increase in poverty indexes in various countries, particularly developing countries. In this regard, many industries were affected, especially those related to tourism, transportation, entertainment, and various services. In general terms, global markets suffered substantial falls during the first part of the year. The commodities market also faced complications. In April, for the first time in history, the price of WTI crude oil dropped to a negative figure due to the lack of demand and consequent excess stock levels.

Despite these consequences, a series of fiscal measures, and a slower spread of the virus allowed for greater lockdown flexibility. The advances in the development of a vaccine against COVID-19 provided certain relief to world markets during the second semester of the year. The Dow Jones closed 2020 with a 7.2% increase when compared to 2019 and the Nasdaq increased 43.3% as a consequence of the good performance of tech companies as opposed to tourism, transportation, and hospitality related businesses that were hit badly by the pandemic.

In Chile, the economic scenario was also determined by the COVID-19 pandemic. Restrictions on mobility that began in March affected the domestic economy, increased the level of unemployment, individual and company indebtedness, causing a significant economic contraction and a plummeting local stock market. The Chilean economy began showing signs of stabilization during the third quarter of 2020 as a result of the health restrictions adopted early on, the ability of various sectors to adapt to new operating conditions (the coal industry for instance) and the numerous fiscal and monetary policies

implemented to boost the economy. Even so, the financial market continues to show a certain level of uncertainty regarding the Chilean economy and its fiscal balance due to the participatory process to draft a new constitution and the presidential elections, both to take place in 2021.

As a consequence of the aforementioned factors, Chile's main stock market index dropped for the third consecutive year. The SPCLXIPSA (formerly known as IPSA) dropped 10.5% to 4,177.2 at year-end 2020. The price of Enel Chile's shares fell 21.7% due to the restrictions on mobility and its impact on electricity demand, mainly commercial and industrial demand, and due to the country's hydrology and 2020's political uncertainty. Cumulatively, the price variation of Enel Chile shares for the two-year period from 2019 to 2020 decreased 17.6%, while the SPCLXIPSA (formerly known as IPSA), comparatively, took a 18.2% fall.

### Santiago Stock Exchange

The following table shows the changes in the price of the share of Enel Chile and the Selective Stock Price Index (IPSA) on the local stock market over the past two years:

Variation	2019	2020	Cumulative 2019-2020
ENELCHILE	5.3%	-21.7%	-17.6%
IPSA	-8.5%	-10.5%	-18.2%

### New York Stock Exchange (NYSE)

The following table shows the behavior of Enel Chile's ADS listed on the NYSE (ENIC), compared to the Dow Jones Industrial Index and the Dow Jones Utilities Index over the past two years:

Variation	2019	2020	Cumulative 2019-2020
ENIC	-4.0%	-18.1%	-21.4%
Down Jones Industrial	22.3%	7.2%	31.2%
Down Jones Utilities	23.3%	-1.7%	21.3%

# Dividends

## Dividends against 2020 earnings

During the 2020 fiscal year, and in line with the 2020 Dividend Policy set forth in the Ordinary Shareholders' Meeting held on April 29, 2020, the Board of Directors agreed to distribute an interim dividend equal to 15% of the Company's net income, as presented in the Company's Financial Statements as of September 30, 2020.

Concerning the final dividend to be paid out against earnings for the 2020 fiscal year, the Board of Directors' 2020 Dividend Policy proposed to distribute a final dividend equivalent to 60% of net income. The final dividend to be distributed will be determined by the Ordinary Shareholders' Meeting to be held during the first four months of 2021. However, considering the 2020 financial results do not allow for a final dividend payment, Enel Chile informed through a significant event published on November 30, 2020 that it intends to compensate for the impairment losses related to Enel Generación Chile's decarbonization process by distributing a special dividend against retained earnings. This suggestion will be voted by the Company's Board of Directors during the first four months of 2021, and if approved, the special dividend will be proposed to the next Ordinary Shareholders Meeting for its final approval.

## 2021 Dividend Policy

### Dividend Policy

The Board of Directors intends to distribute an interim dividend against 2021 earnings of up to 15% of net income, as presented in the Financial Statements of Enel Chile S.A. as of September 30, 2021, to be paid in January 2022.

The Board of Directors intends to propose to the Ordinary Shareholders' Meeting, to be held during the first four months of 2022, to distribute a final dividend and interim dividend that together are equivalent to 50% of net income for the 2021 fiscal year. The final dividend to be distributed will be determined by such Ordinary Shareholders' Meeting.

Compliance with this dividend program is subject to the Company's actual net income for that specific year, and also subject to the Company's periodic income projections or certain conditions that could alter these projections.

## Dividend payment procedure

The dividend payment methods offered by Enel Chile S.A., for interim and final dividends alike, to avoid wrongful claims are the following:

1. Deposit in a bank checking account, whose account holder is the shareholder;
2. Deposit in a bank savings account, whose account holder is the shareholder;
3. Mailing of a check or cashier's check via certified mail to the address of the shareholder's residence recorded in Enel Chile's Shareholder Register;
4. The collection of a check, or cashier's check from the offices of DCV Registros S.A., registrar of Enel Chile's shares, or from the bank and branches defined for this purpose and informed in the dividend payment notice published.

For this purpose, bank checking, or savings accounts may be located anywhere in the country.

It should be emphasized that the payment method chosen by each shareholder will be used by the centralized securities' depository, DCV Registros S.A., for all dividend payments, unless the shareholder communicates, in writing, his or her intention to change it and record a new option.

Shareholders who have not registered a payment method will be paid by method 4 indicated above.

If checks or cashier's checks are returned by the post office to DCV Registros S.A., they will remain in custody until collected or requested by the shareholder.

In the case of deposits in bank checking accounts, Enel Chile S.A. and/or DCV Registros S.A. may request, for security reasons, that they be verified by the respective bank. If there is an objection to the account indicated by a shareholder, whether in the prior verification process or for any other reason, the dividend will be paid according to method 4 indicated above.

The company has adopted and will continue to adopt all the necessary security measures required by the dividend payment process to safeguard the interests of the shareholders and Enel Chile S.A.

However, under current circumstances, collecting the check in person, having the check mailed via certified mail, retained checks, and the payment method for those that have not chosen one, will be replaced by a money order that may be collected at any branch of the bank informed

by DCV Registros S.A throughout the country. For those shareholders that selected the bank or savings deposit payment method, there will be no changes.

### Distributable net income for 2020

Net income attributable to the controlling shareholder in 2020 amounted to a Ch\$ 50,860 million loss and therefore there are no earnings available to distribute the final dividend.

### Dividends distributed

The following chart shows the dividends per share paid since May 2016:

Dividend No	Type of Dividend	Closing date	Payment date	Ch\$ per share	Fiscal year
1	Final	17-05-2016	24-05-2016	2.09338	2015
2	Interim	21-01-2017	27-01-2017	0.75884	2016
3	Final	20-05-2017	26-05-2017	2.47546	2016
4	Interim	20-01-2018	26-01-2018	0.75642	2017
5	Final	12-05-2018	18-05-2018	2.24134	2017
6	Interim	19-01-2019	25-01-2019	0.45236	2018
7	Final	11-05-2019	17-05-2019	2.68537	2018
8	Interim	25-01-2020	31-01-2020	0.44723	2019
9	Final	20-05-2020	27-05-2020	2.12182	2019
10	Eventual	20-05-2020	27-05-2020	1.66096	2019



## Enel Chile's Direct and indirect shareholdings

### DIRECT AND INDIRECT SHAREHOLDINGS

Company	Business	Controlling shareholding	Economic Interest
Enel Generación Chile S.A.	Gx	93.55%	93.55%
Empresa Eléctrica Pehuenche S.A.	Gx	92.65%	86.67%
Enel Green Power Chile Ltda.	Gx	99.99%	99.99%
Geotérmica del Norte S.A.	Gx	84.59%	84.58%
Empresa Nacional de Geotermia S.A.	Gx	51.00%	51.00%
Parque Talinay Oriente S.A.	Gx	60.91%	60.91%
Almeyda Solar SpA	Gx	100.00%	99.99%
Enel Distribución Chile S.A.	Dx	99.09%	99.09%
Empresa Eléctrica de Colina Ltda.	Dx	100.00%	99.09%
Empresa de Transmisión Chena S.A.	Tx	100.00%	99.09%
Transmisora Eléctrica de Quillota Ltda.	Tx	50.00%	46.77%
Enel X Chile Spa	Ox	100.00%	100.00%
GNL Chile S.A.	Ox	33.33%	31.18%
Sociedad Agrícola de Cameros Ltda.	Ox	57.50%	57.50%
Enel X AMPCI Ebus Chile	Ox	20.00%	20.00%
Energía Marina SpA	Ox	25.00%	25.00%

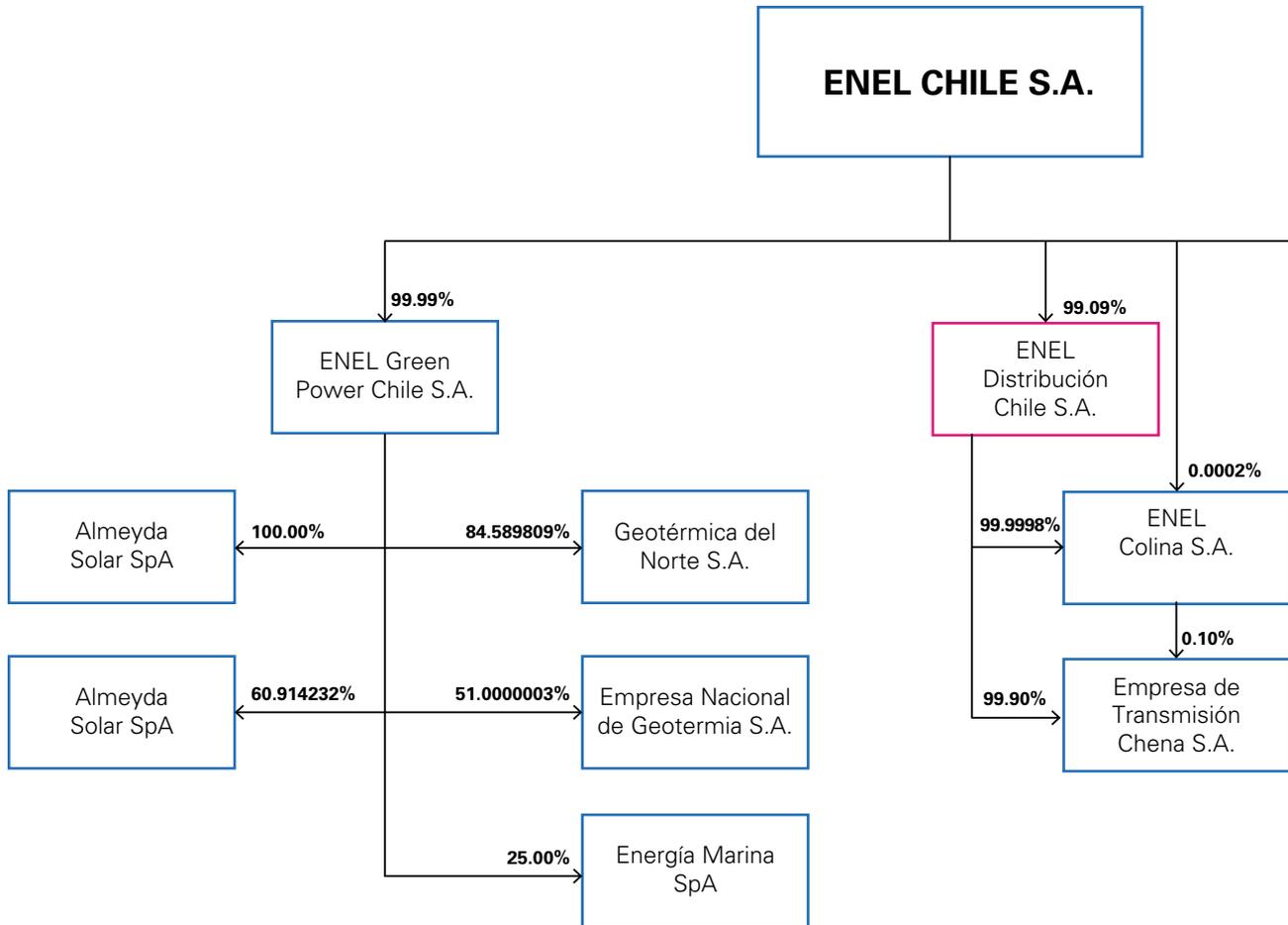
Gx: Generation

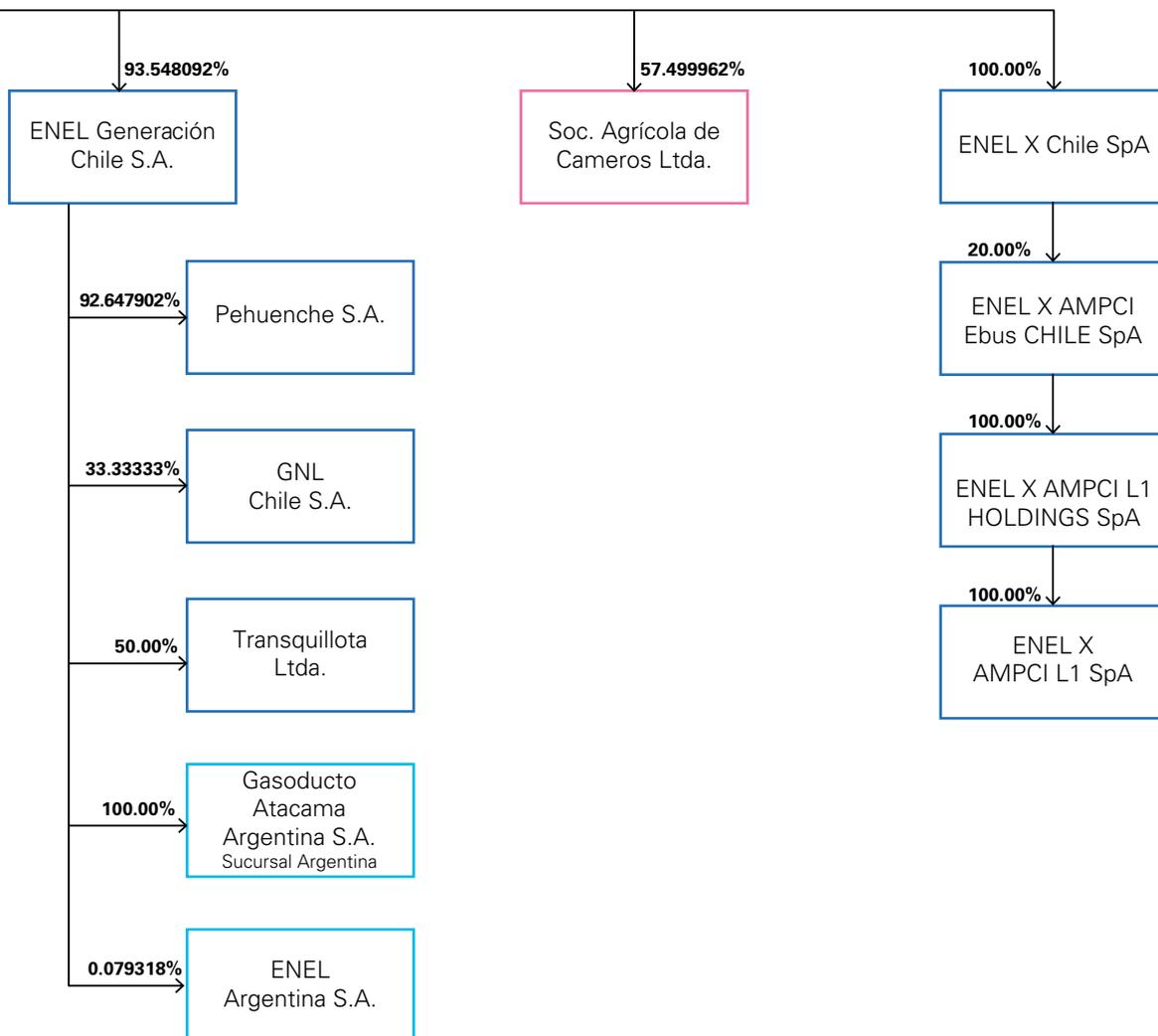
Dx: Distribution

Tx: Transmission/Commercialization

Ox: Gas pipeline, others

# Enel Chile's Organizational Structure as of December 31, 2020





# Subsidiaries and Affiliate Companies

## AGRÍCOLA DE CAMEROS LTDA.

### Name

Sociedad Agrícola de Cameros Limitada

### Type of Company

Limited Liability Company

### Taxpayer Identification Number

77,047,280-6

### Address

Camino Polpaico a Til-Til,  
Til-Til, Chile

### Telephone

(56 2) 2378 4700

### Subscribed and Paid Capital (kCh\$)

5,738,046

### Corporate Purpose

The purpose of the company is the exploitation of agricultural land.

### Core Business

Real estate and agriculture

### Board of Directors

Hugo Álvarez de Araya Sanhueza  
Ingrid Morales Ávila  
Manuel Larraín García  
María Cristina Auad Faccue  
Cristián Guadi Imbarack Dagach

### Key Executives

Hugo Alvarez de Araya Sanhueza

### Chief Executive Officer

### Business Relations

Service contract provided by Enel Chile: Provision of internal audit and compliance control services. Price: expressed in UF per hour that Enel Chile's staff assigns to contracted services.

Percent of Enel Chile's assets: 0.08%

## ENEL DISTRIBUCIÓN CHILE S.A.

### Name

Enel Distribución Chile S.A.

### Type of Company

Publicly held Limited Liability Stock Corporation

### Taxpayer Identification Number

96,800,570-7

### Address

76 Santa Rosa Ave., 8th floor  
Santiago, Chile

### Telephone

(56 2) 2675 2000

### Subscribed and Paid Capital (kCh\$)

230,137,980

### Corporate Purpose

Distribution and sale of electricity, either hydroelectric, thermal or any other source of electricity in Chile, as well as the activities that are essential to provide public electricity distribution service and those necessary to comply with such objective in accordance with the respective industry regulation.

### Core Business

Electricity distribution

### Board of Directors

Edoardo Marcenaro

### Chairman

Monica Hodor  
Marco Fadda  
Hernán Felipe Errázuriz Correa  
Claudia Bobadilla Ferrer

### Senior Executives

Ramón Castañeda Ponce

### Chief Executive Officer

Álvaro Pérez Carrasco

### Planning and Control Officer

Horacio Aránguiz Pinto

### General Counsel

Carlos Morales Rojas

### People and Organization Officer

### Business Relations

(i) Service contract provided by Enel Chile S.A.: global service and administration management, security, contractor management, human resources management, accounting, taxation, purchasing, sustainability, among other services. Price: monthly amount set in UF. (ii) Service contract provided by Enel Chile: legal and corporate services. Price: monthly amount set in UF. (iii) centralized treasury service contract with Enel Chile S.A.

Percent of Enel Chile's assets: 20.74%

## ENEL GENERACIÓN CHILE S.A.

### Name

Enel Generación Chile S.A.

### Type of Company

Publicly held Limited Liability Stock Corporation

### Taxpayer Identification Number

91,081,000-6

### Address

76 Santa Rosa Ave.  
Santiago, Chile

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (kCh\$)

552,777,321

### Corporate Purpose

Generation and supply of electricity; engineering and consulting services in Chile; and construction and exploitation of infrastructure projects.

### Core Business

Electricity generation

### Board of Directors

Giuseppe Conti

### Chairman

María Soledad Arellano Schmidt

Fabrizio Barderi

Julio Pellegrini Vial

Cristiano Bussi

### Senior Executives

Michele Siciliano

### Chief Executive Officer

Pablo Antonio Arnes Poggi

### People and Organization Officer

Simone Conticelli

### Management, Finance and Control Officer

Luis Ignacio Quiñones Sotomayor

### General Counsel

Humberto Espejo Paluz

### Trading and Commercialization Officer

### Business Relations

(i) Service contract provided by Enel Chile S.A.: global service and administration management, security, contractor management, human resources management, accounting, taxation, purchasing, sustainability, among other services. Price: monthly amount set in UF. (ii) Service contract provided by Enel Chile: legal and corporate services. Price: monthly amount set in UF. (iii) centralized treasury service contract with Enel Chile S.A.

Percent of Enel Chile's assets: 38.14%

## EMPRESA DE TRANSMISIÓN CHENA S.A.

### Name

Empresa de Transmisión Chena S.A.

### Type of Company

Privately held corporation

### Taxpayer Identification Number

76,722,488-5

### Address

76 Santa Rosa Ave. 8th floor  
Santiago, Chile

### Telephone

(562) 2353 4698

### Subscribed and Paid Capital (kCh\$)

250,429

### Corporate Purpose

Electricity transmission

### Core Business

Electricity transmission

### Board of Directors

Ramón Castañeda Ponce

### Chairman

Daniel Gómez Sagner

Francisco Messen Rebolledo

### Senior Executives

Víctor Hugo Balbontín Artus

### Chief Executive Officer

### Business Relations

(i) Network operations, maintenance and planning service contract provided by Enel Distribución Chile: supervision and remote operation, supervision and coordination of connections and disconnections, planning and control of maintenance program, local operations, maintenance and emergency service, network planning, operations of facilities. Price: monthly amount fixed in UF. (ii) legal services contract provided by Enel Distribución Chile: top management, legal services, and secretary to the board. Price: monthly amount fixed in Chilean pesos. (iii) centralized treasury service contract with Enel Chile S.A.

Percent of Enel Chile's assets: 0.03%

## GNL CHILE S.A.

**Name**

GNL Chile S.A.

**Type of Company**

Privately held corporation

**Taxpayer Identification Number**

76,418,940-K

**Address**

5240 Cerro Colorado, Tower 1, office 1003, Las Condes, Santiago.

**Telephone**

(562) 2892 8000

**Subscribed and Paid Capital (US\$)**

3,026,160

**Corporate Purpose**

The purpose of the Company is: a) contract the services of GNL Quintero S.A., a liquefied natural gas ("LNG") regasification company, and utilize its entire natural gas storage, processing, regasification, and delivery capacity and LNG available at its regasification terminal, including its expansions, if any, and any other matter stipulated in the contracts the Company might sign for the use of the regasification terminal; b) purchase and import LNG as determined by LNG purchase contracts; c) supply, sale and delivery of natural gas and LNG, as determined by the natural gas and LNG sales contracts signed by the Company with its customers, in Chile or abroad, and also based on such contracts, export natural gas and LNG; d) manage and coordinate the schedules and nominations of LNG shipments, as well as the delivery of natural gas and LNG among various customers; and e) fulfill all its obligations and demand the enforcement of all its rights under the previously identified contracts, coordinate all operations under these contracts and, in general, carry out any type of act or enter into any contract that might be necessary, useful or convenient in order to accomplish its purpose.

**Core Business**

Import and commercialization of natural gas

**Board of Directors**

Klaus Lührmann Poblete  
Juan Oliva Vásquez  
Rodrigo Azocar Hidalgo

**Senior Executives**

Mario Camacho Acha

**Chief Executive Officer****Business Relations with Enel Chile S.A.**

The Company has no business relationships with Enel Chile.

Percent of Enel Chile's assets: 0.02%

## EMPRESA ELÉCTRICA PEHUENCHE S.A.

**Name**

Empresa Eléctrica Pehuenche S.A.

**Type of Company**

Publicly held Limited Liability Stock Corporation, registered in the SVS Corporations Registry under number 293.

**Taxpayer Identification Number**

96,504,980-0

**Address**

76 Santa Rosa Ave., Santiago, Chile

**Corporate Purpose**

Generate, transport, distribute and supply electricity, and in order to do so, acquire and benefit from the respective concessions.

**Core Business**

Electricity generation

**Subscribed and Paid Capital (kCh\$)**

175,774,920

**Board of Directors**

Raúl Arteaga Errázuriz  
Ignacio Quiñones Sotomayor  
Fernando Vallejos Reyes  
Luis Alberto Vergara Adamides  
Simone Conticelli

**Senior Executives**

Carlos Iván Peña Garay

**Chief Executive Officer****Business Relations with Enel Chile S.A.**

(i) Human resource management, Internal Audit, Accounting, Taxation and Treasury services contract. Price: monthly amount expressed in UF. (ii) Legal services contract provided by Enel Chile S.A. (iii) Operation and maintenance services contract with Enel Generación Chile and Pehuenche.

Percent of Enel Chile's assets: 2.83%

## TRANSQUILLOTA LTDA.

### Name

Transmisora Eléctrica de Quillota Ltda.

### Type of Company

Limited liability Company

### Taxpayer Identification Number

77,017,930-0

### Address

Route 60, km 25, Lo Venecia, Quillota, Valparaíso region, Chile

### Corporate Purpose

Transportation, distribution, and supply of electricity, either by itself or through a third party.

### Core Business

Electricity transmission

### Subscribed and Paid Capital (kCh\$)

4,404,446

### Representatives

Pedro de la Sotta Sánchez (Enel)

### Joint Manager (Commercialization Chile)

Sergio Ávila Arancibia (Enel)

### Joint Manager (Tech Support Chile)

Santiago Bradford Vicuña (Colbún)

### Joint Manager

Goran Nanik (Colbún)

Joint Manager

### Business Relations with Enel Chile S.A.

The Company has no commercial relations with Enel Chile.

Percent of Enel Chile's assets: 0.09%

## ENEL COLINA S.A.

### Name

Enel Colina S.A.\*

### Type of Company

Privately held corporation

### Taxpayer Identification Number

96,783,910-8

### Address

31 Chacabuco St., Colina  
Santiago, Chile

### Telephone

(56 2) 2844 4280

### Subscribed and Paid Capital (kCh\$)

82,222

### Corporate Purpose

Public electricity distribution service in Chile, as well as the activities that are essential to provide public electricity distribution service and those necessary to comply with such objective in accordance with the respective industry regulation.

### Core Business

Electricity distribution

### Board of Directors

Rodrigo Vicente Arévalo Cid

Álvaro Pérez Carrasco

Silvia Latini

### Senior Executives

Juan Cristián Apablaza Jimenez

Chief Executive Officer

### Business Relations

(i) Service contract provided by Enel Chile: Human resources management, recruitment and training, internal audit, accounting, taxation, and treasury service. Price: monthly amount expressed in UF. (ii) centralized treasury service contract with Enel Chile S.A.

Percent of Enel Chile's assets: 0.20%

\* In public deed issued on May 28, 2020 by Santiago notary public Mr. Osvaldo Pereira González, Empresa Eléctrica Colina Limitada was transformed into a privately held corporation named "Enel Colina S.A."

## ENEL GREEN POWER CHILE LTDA.\*

### Name

Enel Green Power Chile Ltda.

### Type of Company

Limited Liability Company

### Taxpayer Identification Number

96,920,110-0

### Address

76 Santa Rosa Ave., Santiago.

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (US\$)

842,086,000

### Corporate Purpose

Investment in all types of assets related to electricity generation, transmission, and distribution as well as the installation, operation, exploitation, and administration of such assets.

### Core Business

Investment in electricity generation and transmission assets.

### Administration

Conducted by a sole administrator and/or Chief Executive officer, as established by the bylaws.

### Chief Executive Officer and/or Sole Administrator

James Lee Stancampiano

### Business Relations

(i) Centralized treasury service contract with Enel Chile S.A. (ii) Services contract with Energía y Servicios South America SpA for legal services, commercial services, management, purchases, business innovation and development. (iii) Master services agreement with Enel Generación Chile S.A. governing the engineering services among both companies related to electricity generation and transmission projects. (iv) Electricity supply contracts with Enel Generación Chile S.A. (v) A contract to govern the different types of guarantees granted by Enel Chile S.A. (comfort letters, corporate guarantees, and bank guarantees, among others). (vi) Services contract with Enel Chile S.A. to provide

security, general services, human resource and organizational services, auditing, finance, communications, legal, sustainability and other services related to administration. (vii) Services contract with Enel Generación Chile S.A. to provide management support services, regulatory analysis services, and energy management services. Enel Green Power Chile also provides Enel Generación Chile S.A. business development services and operating and maintenance services of Canela wind farm.

\* On March 1, 2020 Enel Green Power Chile Ltda. merged with Enel Green Power del Sur SpA, Enel Green Power del Sur SpA was the surviving entity.

## ALMEYDA SOLAR SpA

### Name

Almeyda Solar SpA.

### Type of Company

Joint Stock Company

### Taxpayer Identification Number

76,321,458-3

### Address

76 Santa Rosa Ave., Santiago.

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (US\$)

61,655,088

### Corporate Purpose

Generation, distribution and commercialization of solar energy or any other non-conventional renewable energy.

### Core Business

Photovoltaic solar energy generation.

### Administration

Conducted by a sole administrator and/or Chief Executive officer, as established by the bylaws.

### Chief Executive Officer and/or Sole Administrator

James Lee Stancampiano

### Business Relations

(i) Centralized treasury service contract with Enel Chile S.A. (ii) A contract to govern the different types of guarantees granted by Enel Chile S.A. (comfort letters, corporate guarantees, and bank guarantees, among others). (iii) Services contract with Enel Chile S.A. to provide the company security, general services, human resource and organizational services, auditing, finance, communications, legal, sustainability and other services related to administration. (iv) Services contract with Enel Generación Chile S.A. to provide management support services, regulatory analysis services, and energy management services. (v) Technical support contract provided by Enel Green Power SpA.

Percent of Enel Chile's assets: 6.06%

## ENEL GREEN POWER CHILE S.A.

### Name

Enel Green Power Chile S.A.\*

### Type of Company

Privately held corporation

### Taxpayer Identification Number

76,412,562-2

### Address

76 Santa Rosa Ave., Santiago.

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (US\$)

1,197,691,313

### Corporate Purpose

Generation, transmission, distribution and commercialization of wind energy or any other non-conventional renewable energy.

### Core Business

Non-conventional renewable sourced electricity generation.

### Board of Directors

Viviana Meneses Robledo  
James Lee Stancampiano  
Paulina Guglielmi Espósito\*\*

### Senior executives

James Lee Stancampiano

### Chief Executive Officer

### Business Relations

i) Centralized treasury service contract with Enel Chile S.A. (ii) A contract to govern the different types of guarantees granted by Enel Chile S.A. (comfort letters, corporate guarantees, and bank guarantees, among others). (iii) Services contract with Enel Chile S.A. to provide the company security, general services, human resource and organizational services, auditing, finance, communications, legal, sustainability and other services related to administration. (iv) Services contract with Enel Generación Chile S.A. to provide management support services, regulatory analysis services, and energy management services. (v) Technical support contract provided by Enel Green Power SpA

Percent of Enel Chile's assets: 20.7%

\* In public deed issued on April 14, 2020 by Santiago notary public Mr. Osvaldo Pereira González, Enel Green Power del Sur SpA was transformed into a privately held corporation named "Enel Green Power Chile S.A."

\*\* held this position until May 25, 2020.

## EMPRESA ELECTRICA PANGUIPULLI S.A.\*

### Name

Empresa Eléctrica Panguipulli S.A.

### Type of Company

Privately held corporation

### Taxpayer Identification Number

96,524,140-k

### Address

76 Santa Rosa Ave., Santiago.

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (US\$)

1,157,022.84

### Corporate Purpose

Generation, supply, and distribution of electricity; investment in electricity generation and distribution companies and also the purchase and sale, commercialization, import and export of all types of products, machinery, and raw materials.

### Core Business

Electricity generation and distribution and investment in generation assets.

### Administration

Conducted by a Board of Directors, as stated by the Corporations Law.

### Board of Directors

Ali Shakhtur Said

### Chairman

James Lee Stancampiano

Jaime Toledo Ruiz

### Senior Executives

James Lee Stancampiano

### Chief Executive Officer

### Business Relations

i) Centralized treasury service contract with Enel Chile S.A. (ii) A contract to govern the different types of guarantees granted by Enel Chile S.A. (comfort letters, corporate guarantees, and bank guarantees, among others). (iii) Services contract with Enel Chile S.A. to provide the company security, general services, human resource and organizational services, auditing, finance, communications, legal, sustainability and other services related to administration. (iv) Services contract with Enel Generación Chile S.A. to provide management support services, regulatory analysis services, and energy management services and operation and maintenance of the company's Pullinque and Pilmaiquén power plants. (v) Technical support contract provided by Enel Green Power SpA.

\* On July 1, 2020 Empresa Eléctrica Panguipulli S.A. merged with Parque Eólico Tal SpA. Parque Eólico Tal Tal SpA was the surviving entity.

## EMPRESA NACIONAL DE GEOTERMIA S.A. IN LIQUIDATION\*

### Name

Empresa Nacional de Geotermia S.A. in liquidation

### Type of Company

Privately held corporation

### Taxpayer Identification Number

99,577,350-3

### Address

76 Santa Rosa Ave., Santiago.

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (US\$)

21,927,373

### Corporate Purpose

Research and exploration of geothermal generation by performing studies, measurements, and other research projects to identify geothermal resources.

### Core Business

Exploration of geothermal resources.

### Administration

Conducted by a Board of Directors, as stated by the Corporations Law.

### Board of Directors

Lorena Hirmas Adams

María Consuelo Villalabeitia Navajas

Ali Shakhtur Said

### Senior Executives

Guido Cappetti

### Chief Executive Officer

### Business Relations

A contract with Enel Green Power Chile S.A. for financial and accounting services.

Percent of Enel Chile's assets: 0.00%

\* The Company has gone into liquidation. On November 24, 2020, the minute of the Extraordinary Shareholders' Meeting held that same day was recorded as a public deed, agreeing on the company's liquidation, and beginning the process.

## GEOTERMICA DEL NORTE S.A.

**Name**

Geotérmica del Norte S.A.

**Type of Company**

Privately held corporation

**Taxpayer Identification Number**

96,971,330-6

**Address**

76 Santa Rosa Ave., Santiago.

**Telephone**

(56 2) 2630 9000

**Subscribed and Paid Capital (US\$)**

488,236,221

**Corporate Purpose**

Research and exploration of geothermal resources; commercialization of all products, byproducts and raw materials that derive from geothermal exploration and the generation, transmission, distribution, and commercialization of any type of electricity.

**Core Business**

Generation, distribution, and commercialization of geothermal electricity.

**Administration**

Conducted by a Board of Directors, as stated by the Corporations Law.

**Board of Directors**

James Lee Stancampiano

**Chairman**

Ali Shakhtur Said

Pedro Echeverría Faz

Francisco Arechaga Fernández

**Senior Executives**

Viviana Meneses Robledo

**Chief Executive Officer****Business Relations**

Contract with Enel Green Power Chile Ltda. to provide the company engineering services, technical inspection of construction works, contract management, purchases, public relations, sustainability, safety and environment, IT services, accounting, finance, tax, legal services, and other management services required to operate the company.

Percent of Enel Chile's assets: 5.14%

## PARQUE EOLICO TALTAL SpA\*

**Name**

Parque Eólico Taltal SpA

**Type of Company**

Joint Stock Company

**Taxpayer Identification Number**

76,179,024-2

**Address**

76 Santa Rosa Ave., Santiago.

**Telephone**

(56 2) 2630 9000

**Subscribed and Paid Capital (US\$)**

8,199,805

**Corporate Purpose**

Construction, operation, and maintenance of wind farm generation projects.

**Core Business**

Wind power generation

**Administration**

Conducted by a sole administrator and/or Chief Executive officer, as established by the bylaws.

**Chief Executive Officer and/or Sole Administrator**

James Lee Stancampiano

**Business Relations**

(i) Centralized treasury service contract with Enel Chile S.A. (ii) Contract to govern the different types of guarantees granted by Enel Chile S.A. (comfort letters, corporate guarantees, and bank guarantees, among others). (iii) Services contract with Enel Chile S.A. to provide security, general services, human resource and organizational services, auditing, finance, communications, legal, sustainability and other services related to administration. (iv) Contract with Enel Generación Chile S.A. to provide the company management support services, regulatory analysis services, and energy management services. (v) Contract for technical support provided by Enel Green Power SpA.

\* On August 1, 2020, Parque Eólico Tal Tal SpA merged with Almeyda Solar. Almeyda Solar was the surviving entity.

## PARQUE EOLICO VALLE DE LOS VIENTOS SpA\*

### Name

Parque Eólico Valle de los Vientos SpA

### Type of Company

Joint Stock Company

### Taxpayer Identification Number

76,052,206-6

### Address

76 Santa Rosa Ave., Santiago.

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (US\$)

68,405,082

### Corporate Purpose

Generation, distribution, and commercialization of wind power or any other non-conventional renewable energy.

### Core Business

Wind power generation

### Administration

Conducted by a sole administrator and/or Chief Executive officer, as established by the bylaws.

### Chief Executive Officer and/or Sole Administrator

James Lee Stancampiano

### Business Relations

(i) Centralized treasury service contract with Enel Chile S.A. (ii) Contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees, and bank guarantees, among others). (iii) Services contract with Enel Chile S.A. to provide security, general services, human resource and organizational services, auditing, finance, communications, legal, sustainability and other services related to administration. (iii) Services contract with Enel Generación Chile S.A. to provide management support services, regulatory analysis services, and energy management services. (iv) Contract with Enel Generación Chile S.A. to provide the company management support services, regulatory analysis services, and energy management services. (v) Contract for technical support provided by Enel Green Power SpA.

\* On March 1, 2020, Parque Eólico Valle de los Vientos SpA merged with Empresa Eléctrica Panguipulli SpA. Empresa Eléctrica Panguipulli SpA was the surviving entity.

## PARQUE TALINAY ORIENTE S.A.

### Name

Parque Talinay Oriente S.A.

### Type of Company

Privately held corporation

### Taxpayer Identification Number

76,126,507-5

### Address

76 Santa Rosa Ave., Santiago

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (US\$)

143,452,351

### Corporate Purpose

Planning, development, and exploitation of wind power projects.

### Core Business

Wind power generation.

### Board of Directors

Oswaldo Farías Luke  
Ali Shakhtur Said  
James Lee Stancampiano

### Senior Executive

James Lee Stancampiano

### Chief Executive Officer

### Business Relations

(i) Centralized treasury service contract with Enel Chile S.A. (ii) Contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees, and bank guarantees, among others). (iii) Services contract with Enel Chile S.A. to provide security, general services, human resource and organizational services, auditing, finance, communications, legal, sustainability and other services related to administration. (iii) Services contract with Enel Generación Chile S.A. to provide management support services, regulatory analysis services, and energy management services. (iv) Contract with Enel Generación Chile S.A. to provide the company management support services, regulatory analysis services, and energy management services. (v) Contract for technical support provided by Enel Green Power SpA.

Percent of Enel Chile's assets: 2.05%

## DIEGO DE ALMAGRO MATRIZ SpA\*

**Name**

Diego de Almagro Matriz SpA

**Type of Company**

Joint Stock Company

**Taxpayer Identification Number**

76,306,985-0

**Address**

76 Santa Rosa Ave., Santiago

**Telephone**

(56 2) 2630 9000

**Subscribed and Paid Capital (US\$)**

665,000

**Corporate Purpose**

Construction, exploitation, operation and maintenance of the Diego de Almagro Solar photovoltaic solar electricity generation and transmission project.

**Core Business**

Operation of solar power plants.

**Administration**

Conducted by Empresa Eléctrica Panguipulli S.A. as the only administrator, according to provisions of the company bylaws.

**Senior Executive**

James Lee Stancampiano

**Chief Executive Officer****Business Relations**

A contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees, and bank guarantees).

\*The Company dissolved on March 29, 2020.

## ABC SOLAR 2 SpA\*

**Name**

ABC Solar 2 SpA

**Type of Company**

Joint Stock Company

**Taxpayer Identification Number**

76,336,638-3

**Address**

76 Santa Rosa Ave., Santiago.

**Telephone**

(56 2) 2630 9000

**Subscribed and Paid Capital (Ch\$)**

1,000,000

**Corporate Purpose**

Research, development, construction, operation, and maintenance of renewable energy electricity generation facilities.

**Core Business**

Development of renewable electricity generation projects.

**Administration**

Conducted by a sole administrator and/or Chief Executive officer, as established by the bylaws.

**Chief Executive Officer and/or Sole Administrator**

James Lee Stancampiano

**Senior Executive**

James Lee Stancampiano

Chief Executive Officer and/or Sole Administrator

**Business Relations**

The Company has no commercial relationship with Enel Chile.

\*The Company dissolved on May 1, 2020.

## ABC SOLAR 10 SpA\*

**Name**

ABC Solar 10 SpA

**Type of Company**

Joint Stock Company

**Taxpayer Identification Number**

76,336,669-3

**Address**

76 Santa Rosa Ave., Santiago.

**Telephone**

(56 2) 2630 9000

**Subscribed and Paid Capital (Ch\$)**

1,000,000

**Corporate Purpose**

Research, development, construction, operation, and maintenance of renewable energy sourced electricity generation facilities.

**Core Business**

Development of renewable electricity generation projects.

**Administration**

Conducted by a sole administrator and/or Chief Executive officer, as established by company bylaws.

**Chief Executive Officer and/or Sole Administrator**

James Lee Stancampiano

**Business Relations**

The Company has no commercial relationship with Enel Chile.

\*The Company dissolved on May 1, 2020.

## MSN SOLAR TRES SpA\*

### Name

MNS Solar Tres SpA

### Type of Company

Joint Stock Company

### Taxpayer Identification Number

76,349,123-4

### Address

76 Santa Rosa Ave., Santiago.

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (Ch\$)

1,000,000

### Corporate Purpose

Research, development, construction, operation, and maintenance of renewable energy sourced electricity generation facilities.

### Core Business

Development of renewable electricity generation projects.

### Administration

Conducted by a sole administrator and/or Chief Executive officer, as established by the bylaws.

### Chief Executive Officer and/or Sole Administrator

James Lee Stancampiano

### Business Relations

The Company has no commercial relationship with Enel Chile.

\*The Company dissolved on May 1, 2020.

## PARQUE SOLAR MAIPU SpA\*

### Name

Parque Solar Maipú SpA

### Type of Company

Joint Stock Company

### Taxpayer Identification Number

76,052,135-3

### Address

76 Santa Rosa Ave., Santiago.

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (Ch\$)

264,208,742

### Corporate Purpose

Generation, distribution, and commercialization of wind power, or any other non-conventional renewal energy source, and also the implementation, exploitation, development, installation of solar energy projects.

### Core Business

Development of solar electricity generation projects.

### Administration

Conducted by a sole administrator and/or Chief Executive officer, as established by the bylaws.

### Chief Executive Officer and/or Sole Administrator

James Lee Stancampiano

### Business Relations

The Company has no commercial relationship with Enel Chile.

\*The Company dissolved on June 1, 2020.

## PARRONAL SpA\*

### Name

Parronal SpA

### Type of Company

Joint Stock Company

### Taxpayer Identification Number

76,499,496-5

### Address

76 Santa Rosa Ave., Santiago.

### Telephone

(56 2) 2630 9000

### Subscribed and Paid Capital (Ch\$)

1,000,000

### Corporate Purpose

Development, construction, exploitation and ownership of wind, hydro, and biomass electricity generation projects and purchase, sale and commercialization of energy and capacity.

### Core Business

Development of wind power generation projects.

### Administration

Conducted by a sole administrator and/or Chief Executive officer, as established by the bylaws.

### Chief Executive Officer and/or Sole Administrator

James Lee Stancampiano

### Business Relations

The Company has no commercial relationship with Enel Chile.

\*The Company dissolved on May 31, 2020.

## ENEL X Chile SpA

### Name

ENEL X CHILE SpA

### Type of Company

Joint Stock Company

### Taxpayer Identification Number

76,924,079-9

### Address

76 Santa Rosa Ave., 5th Floor, Santiago.

### Corporate Purpose

Develop, implement, and commercialize innovative, state-of-the-art technology products and services related to energy in Chile. To fulfill its purpose, the Company may directly or through third parties, associations, collaboration agreements and/or any other form of cooperation, implement the following activities:

- a) The purchase, sale, rent, import, export, manufacture or production, collection, consignment, representation,

intermediation, commercialization, distributed generation, replenishment, energy consumption management and efficiency control, reparation and maintenance of all type of goods or merchandise related to energy, home, and/or company, environment, transport, security, sports, recreation, technology, computer science, communications, including telematics, information technology, home automation, and multimedia and interactive services;

- b) Install networks (electricity, water, gas, optic fiber, urban heating, telecommunications);
- c) Provide urban services in the territory (lighting, environmental monitoring systems);
- d) Design, build, maintain, and manage plants, production, and sale of all types of equipment;
- e) Promote and develop electric mobility, investigate, design, promote, build, develop, test, produce, commercialize, manage, and maintain all types of equipment, installations, and services;
- f) Investigate, design, promote, develop, and commercialize products and services, innovative processes, and solutions, including digital, destined towards improving operational performance, optimizing industrial, technological, and commercial processes and innovative solutions;
- g) Design, advise, and assist, as well as investigate and develop initiatives to create, maintain, and increase asset value.

Provide, directly or through third parties, all services related directly or indirectly with the aforementioned activities and products, to all natural and legal persons.

In addition to its main corporate purpose, the Company may invest in:

The acquisition, exploitation, construction, rental, administration, intermediation, commercialization, and disinvestments in all types of movable and immovable assets, and also all types of financial assets, including stock, bonds and debentures, trade bills, and in general, all types of securities and contributions to companies.

#### **Core Business**

Commercialization of electric goods and services.

#### **Subscribed and Paid Capital (kCh\$)**

3,800,000

#### **Administration**

Conducted by a sole administrator and/or Chief Executive officer, as established by the bylaws.

#### **Senior Executive**

Karla Zapata Oballe

#### **Chief Executive Officer and/or Sole Administrator**

#### **Business Relations with Enel Chile S.A.**

(i) Services contract with Enel Chile S.A. to provide global services and management, security, human resource management, accounting, taxation, purchasing, insurance, among other services. Price: monthly amount expressed in UF. (ii) Centralized treasury service contract with Enel Chile S.A. (iii) Services contract with Enel Distribución Chile S.A. to provide personnel costs, commercial processes, staff, and legal services, among others. (iv) Contract for technical support provided by Enel X S.r.l. (v) Services contract with Brasil Gerenciamiento de Energía Ltda.

Percent of Enel Chile's assets: 0.36%

## **Enel X AMPCI Ebus Chile SpA**

#### **Name**

Enel X AMPCI Ebus Chile SpA

#### **Type of Company**

Joint Stock Company

#### **Taxpayer Identification Number**

77,157,779-2

#### **Address**

114 Antonia López de Bello, Office 203  
Recoleta, Chile

#### **Subscribed and Paid Capital (US\$)**

17,237,900

#### **Corporate Purpose**

The purpose of the Company is to a) invest in movable or immovable property, tangible or intangible, corporeal or incorporeal, in Chile or abroad as well as the management, transfer, and use of such assets; b) provide financing through loans, leases or other contracts for such investments; c) provide consulting services or financial advice regarding infrastructure, public transportation, concessions, economics and/or management; and d) perform any other similar activity, either supplementary or related to the afore mentioned. To carry out its purpose, the Company may incorporate, acquire or in any other way, participate directly or indirectly in other entities, of any nature, in Chile or abroad and carry out any activity that enables it to achieve its purpose.

#### **Core Business**

Investment and real estate company

#### **Board of Directors**

Kathryn Lin  
Anthony Hadley  
Simone Tripepi

#### **Senior Executive**

Marcos Vivas  
Legal Representative

#### **Business Relations**

The Company has no business relationship with Enel Chile.

Percent of Enel Chile's assets: 0.04%

## Enel X AMPCI L1 Holdings SpA

### Name

Enel X AMPCI L1 Holdings SpA

### Type of Company

Joint Stock Company

### Taxpayer Identification Number

77,157,781-4

### Address

114 Antonia López de Bello, Office 203  
Recoleta, Chile

### Subscribed and Paid Capital (US\$)

17,237,900

### Corporate Purpose

The purpose of the Company is to a) invest in movable or immovable property, tangible or intangible, corporeal or incorporeal, in Chile or abroad as well as the management, transfer, and use of such assets; b) provide financing through loans, leases or other contracts for such investments; c) provide consulting services or financial advice regarding infrastructure, public transportation, concessions, economics and/or management; and d) perform any other similar activity, either supplementary or related to the afore mentioned. To carry out its purpose, the Company may incorporate, acquire or in any other way, participate directly or indirectly in other entities, of any nature, in Chile or abroad and carry out any activity that enables it to achieve its purpose.

### Core Business

Investment and real estate company

### Board of Directors

Kathryn Lin  
Anthony Hadley  
Simone Tripepi

### Senior Executive

Marcos Vivas

### Legal Representative

### Business Relations

The Company has no business relationship with Enel Chile.

Percent of Enel Chile's assets: 0.04%

## Enel X AMPCI L1 SpA

### Name

Enel X AMPCI L1 SpA

### Type of Company

Joint Stock Company

### Taxpayer Identification Number

77,157,783-0

### Address

114 Antonia López de Bello, Office 203  
Recoleta, Chile

### Subscribed and Paid Capital (US\$)

17,237,900

### Corporate Purpose

The purpose of the Company is to a) invest in movable or immovable property, tangible or intangible, corporeal or incorporeal, in Chile or abroad as well as the management, transfer, and use of such assets; b) provide financing through loans, leases or other contracts for such investments; c) provide consulting services or financial advice regarding infrastructure, public transportation, concessions, economics and/or management; and d) perform any other similar activity, either supplementary or related to the afore mentioned. To carry out its purpose, the company may incorporate, acquire or in any other way, participate directly or indirectly in other entities, of any nature, in Chile or abroad and carry out any activity that enables it to achieve its purpose.

### Core Business

Financial leasing and investment and real estate company

### Board of Directors

Kathryn Lin  
Anthony Hadley  
Simone Tripepi

### Senior Executive

Marcos Vivas

### Legal Representative

### Business Relations

The Company has no business relationship with Enel Chile.

Percent of Enel Chile's assets: 0.04%

# 8

## Appendix



# CONSOLIDATED FINANCIAL STATEMENT

# Contents

## I. INDEPENDENT AUDITOR'S REPORT

## II. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, CLASSIFIED

CONSOLIDATED COMPREHENSIVE INCOME, BY NATURE

CONSOLIDATED STATEMENT OF EQUITY

CONSOLIDATED STATEMENTS OF CASH FLOWS, DIRECT METHOD

## III. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	<b>In thousands of:</b>	<b>Description</b>
US\$	ThUS\$	U.S. dollar
CLP	ThCh\$	Chilean peso
EUR	Th€	Euro
ARS	ThARS	Argentine peso
BRL	ThBRL	Brazilian real
COP	ThCOP	Colombian peso
UF		"Unidad de Fomento" - Chilean inflation-indexed, Chilean peso denominated monetary unit
UTM		Unidad Tributaria Mensual
UTA		"Unidad Tributaria Anual" - Chilean annual tax unit. One UTA equals 12 Unidades Tributarias Mensuales ("UTM"), a Chilean inflation-indexed monthly tax unit used to define fines, among other purposes.



## Independent Auditor's Report

The Shareholders and Directors  
Enel Chile S.A.:

We have audited the accompanying consolidated financial statements of Enel Chile S.A. and its Subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2020, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

### ***Management's responsibility for the consolidated financial statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Auditing Standards Generally Accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Enel Chile S.A. and its Subsidiaries as of December 31, 2020, and the results of their operations and their cash flows for year then ended, in accordance with the International Financial Reporting Standards (IFRS).

### **Other matters - Comparative consolidated financial statements as of December 31, 2019 and 2018**

The consolidated financial statements of Enel Chile S.A. and its Subsidiaries as of December 31, 2019 and 2018 and for the years then ended were audited by other auditors, who issued an unmodified opinion thereon in their report dated February 25, 2020.

A handwritten signature in blue ink, appearing to read 'Nolberto Pezzati', enclosed within a blue oval.

Nolberto Pezzati

KPMG SpA

Santiago, February 26, 2021

# Consolidated Statements of Financial Position, Classified

As of December 31, 2020 and 2019

(In thousands of Chilean pesos – ThCh\$)

ASSETS	Note	12-31-2020	12-31-2019
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	332,036,013	235,684,500
Other current financial assets	7	3,352,404	1,310,595
Other current non-financial assets	8.a	19,801,573	34,634,563
Trade and other receivables, current	9	554,886,639	511,455,330
Current accounts receivable from related parties	10	57,976,125	68,182,133
Inventories	11	23,310,029	39,672,250
Current tax assets	12	35,038,413	127,273,289
<b>TOTAL CURRENT ASSETS</b>	<b>[Subtotal]</b>	<b>1,026,401,196</b>	<b>1,018,212,660</b>
<b>NON-CURRENT ASSETS</b>			
Other non-current financial assets	7	20,660,450	7,220,620
Other non-current non-financial assets	8.a	65,787,215	38,050,184
Trade and other non-current receivables	9	445,016,566	313,574,385
Non-current accounts receivable from related parties	10	48,358,915	34,407,142
Investments accounted for using the equity method	13	12,992,803	7,928,588
Intangible assets other than goodwill	14	165,114,521	132,278,593
Goodwill	15	915,705,369	917,352,974
Property, plant and equipment	16	5,033,496,472	5,304,476,114
Investment property	17	7,421,940	6,795,155
Right-of-use assets	18	55,502,192	55,843,510
Deferred tax assets	19.b	108,013,945	21,848,239
<b>TOTAL NON-CURRENT ASSETS</b>	<b>[Subtotal]</b>	<b>6,878,070,388</b>	<b>6,839,775,504</b>
<b>TOTAL ASSETS</b>		<b>7,904,471,584</b>	<b>7,857,988,164</b>

The accompanying notes form an integral part of these consolidated financial statements

<b>LIABILITIES AND EQUITY</b>	<b>Note</b>	<b>12-31-2020</b>	<b>12-31-2019</b>
<b>CURRENT LIABILITIES</b>			
Other current financial liabilities	20	157,499,141	208,814,561
Current lease liabilities	21	7,007,711	5,842,015
Trade and other payables, current	24	627,958,022	599,263,208
Current accounts payable to related parties	10	130,053,962	159,809,887
Other current provisions	25	3,434,804	4,065,965
Current tax liabilities	12	72,359,944	17,995,833
Other current non-financial liabilities	8.b	47,166,581	45,508,383
<b>TOTAL CURRENT LIABILITIES</b>	<b>[Subtotal]</b>	<b>1,045,480,165</b>	<b>1,041,299,852</b>
<b>NON-CURRENT LIABILITIES</b>			
Other non-current financial liabilities	20	1,483,589,126	1,692,604,245
Non-current lease liabilities	21	44,857,807	47,565,674
Trade and other payables non-current	24	117,210,059	56,250,085
Non-Current accounts payable to related parties	10	1,164,044,462	784,373,484
Other long-term provisions	25	210,241,671	171,860,282
Deferred tax liabilities	19.b	168,057,562	249,284,641
Non-current provisions for employee benefits	26	75,538,265	66,163,490
Other non-current non-financial liabilities	8.b	1,177,968	1,302,759
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>[Subtotal]</b>	<b>3,264,716,920</b>	<b>3,069,404,660</b>
<b>TOTAL LIABILITIES</b>		<b>4,310,197,085</b>	<b>4,110,704,512</b>
<b>EQUITY</b>			
Share and paid-in capital	27.1	3,882,103,470	3,882,103,470
Retained earnings		1,747,437,805	2,008,103,651
Other reserves	27.5	(2,277,625,485)	(2,405,509,135)
Equity attributable to owners of the parent	[Subtotal]	3,351,915,790	3,484,697,986
Non-controlling interests	27.6	242,358,709	262,585,666
<b>TOTAL EQUITY</b>		<b>3,594,274,499</b>	<b>3,747,283,652</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>7,904,471,584</b>	<b>7,857,988,164</b>

The accompanying notes form an integral part of these consolidated financial statements

# Consolidated Statements of Comprehensive Income, by Nature

For the years ended December 31, 2020, 2019 and 2018

(In thousands of Chilean pesos – ThCh\$)

STATEMENTS OF PROFIT (LOSS)	Note	2020	2019	2018
Revenue	28	2,548,384,317	2,624,576,323	2,410,360,459
Other income, by nature	28	37,017,880	146,258,037	46,800,967
<b>Revenues and Other Operating Income</b>	<b>[Subtotal]</b>	<b>2,585,402,197</b>	<b>2,770,834,360</b>	<b>2,457,161,426</b>
Raw materials and consumables used	29	(1,374,445,639)	(1,421,205,251)	(1,292,177,116)
<b>Contribution Margin</b>	<b>[Subtotal]</b>	<b>1,210,956,558</b>	<b>1,349,629,109</b>	<b>1,164,984,310</b>
Other work performed by the entity and capitalized	16.b.2	25,539,316	17,610,861	16,710,963
Employee benefits expenses	30	(137,226,748)	(129,604,956)	(123,130,334)
Depreciation and amortization expense	31.a	(229,957,019)	(236,627,387)	(215,187,300)
Impairment (losses) reversals recognized in profit or loss	31.b	(697,806,441)	(280,762,652)	(779,825)
Gain from impairment and reversal of impairment losses determined in accordance with IFRS 9	31.b	(15,167,707)	(10,047,000)	(4,783,072)
Other expense, by nature	32	(190,593,334)	(184,143,140)	(167,210,021)
<b>Operating Income</b>	<b>[Subtotal]</b>	<b>(34,255,375)</b>	<b>526,054,835</b>	<b>670,604,721</b>
Other gains (losses)	33	9,488,815	1,793,201	3,410,379
Finance income	34	36,160,460	27,399,275	19,934,468
Finance costs	34	(127,408,771)	(164,897,900)	(122,184,189)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	13	3,509,392	366,089	3,190,240
Foreign currency translation differences	34	(23,272,231)	(10,412,110)	(7,807,197)
Gains (losses) from indexed assets and liabilities	34	2,085,768	(2,982,268)	(818,146)
<b>(Loss) Profit before taxes</b>	<b>[Subtotal]</b>	<b>(133,691,942)</b>	<b>377,321,122</b>	<b>566,330,276</b>
Income tax expense	19.a	81,305,107	(61,227,904)	(153,482,519)
<b>(LOSS) PROFIT</b>	<b>[Subtotal]</b>	<b>(52,386,835)</b>	<b>316,093,218</b>	<b>412,847,757</b>
<b>(Loss) Profit attributable to</b>				
(Loss) Profit attributable to owners of the parent		(50,860,313)	296,153,605	361,709,937
(Loss) Profit attributable to non-controlling interests	27.6	(1,526,522)	19,939,613	51,137,820
(Loss) Profit		(52,386,835)	316,093,218	412,847,757
<b>Basic earnings per share</b>				
Basic earnings (losses) per share	Ch\$/Share		(0.74)	4.28
Weighted average number of outstanding shares		69,166,557,220	69,166,557,220	63,913,359,484
<b>Diluted earnings per share</b>				
Diluted earnings (losses) per share	Ch\$/Share		(0.74)	4.28
Weighted average number of outstanding shares		69,166,557,220	69,166,557,220	63,913,359,484

The accompanying notes form an integral part of these consolidated financial statements

# Consolidated Statements of Comprehensive Income, by Nature (continued)

For the years ended December 31, 2020, 2019 and 2018

(In thousands of Chilean pesos – ThCh\$)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	Note	2020	2019	2018
<b>Gains (losses)</b>		<b>(52,386,835)</b>	<b>316,093,218</b>	<b>412,847,757</b>
<b>Components of other comprehensive income that will not be reclassified subsequently to profit or loss before taxes</b>				
(Loss) Profit from defined benefit plans	26.2.b	(8,545,834)	(7,777,204)	37,881
<b>Other comprehensive loss that will not be reclassified subsequently to profit or loss</b>		<b>(8,545,834)</b>	<b>(7,777,204)</b>	<b>37,881</b>
<b>Components of other comprehensive income that will be reclassified subsequently to profit or loss before taxes</b>				
Gains (losses) from foreign currency translation difference		(69,218,245)	73,114,966	107,492,316
Losses on measuring Financial Asset at Fair Value of Other Comprehensive Income		(9,125)	(3,673)	(411)
Share of other comprehensive income (loss) from associates and joint ventures accounted for using the equity method	13.1.a	18,982	-	-
Gains (losses) from cash flow hedges		208,749,917	(160,828,497)	(244,271,689)
Adjustments from reclassification of cash flow hedges, transferred to profit or loss		58,790,411	21,654,376	22,364,834
<b>Other comprehensive income that will be reclassified subsequently to profit or loss</b>		<b>198,331,940</b>	<b>(66,062,828)</b>	<b>(114,414,950)</b>
<b>Total components of other comprehensive income (loss) before taxes</b>		<b>189,786,106</b>	<b>(73,840,032)</b>	<b>(114,377,069)</b>
<b>Income tax related to components of other comprehensive income that will not be reclassified subsequently to profit or loss</b>				
Income tax related to defined benefit plans		2,308,510	2,099,845	(10,228)
<b>Income tax related to components of other comprehensive income that will not be reclassified subsequently to profit or loss</b>		<b>2,308,510</b>	<b>2,099,845</b>	<b>(10,228)</b>
<b>Income tax related to components of other comprehensive income that will be reclassified subsequently to profit or loss</b>				
Income tax related to cash flow hedge		(72,741,119)	36,883,401	60,650,786
Income tax related to financial assets at fair value of other comprehensive income		2,464	992	111
<b>Income tax related to components of other comprehensive income that will be reclassified subsequently to profit or loss</b>		<b>(72,738,655)</b>	<b>36,884,393</b>	<b>60,650,897</b>
<b>Total Other Comprehensive Income (Loss)</b>		<b>119,355,961</b>	<b>(34,855,794)</b>	<b>(53,736,400)</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>66,969,126</b>	<b>281,237,424</b>	<b>359,111,357</b>
<b>Comprehensive income (loss) attributable to:</b>				
Shareholders of Enel Chile		68,669,685	255,988,200	297,410,542
Non-controlling interests		(1,700,559)	25,249,224	61,700,815
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>66,969,126</b>	<b>281,237,424</b>	<b>359,111,357</b>

The accompanying notes form an integral part of these consolidated financial statements

# Consolidated Statements of Changes in Equity

For the years ended December 31, 2020, 2019 and 2018

(In thousands of Chilean pesos – ThCh\$)

	Changes in Other Reserves			
	Share and Paid- in Capital (1)	Treasury Shares	Translation Reserve (2)	Reserve for Cash Flow Hedges
<b>Consolidated Statement of Changes in Equity</b>				
<b>Equity at beginning of period 01-01-2018</b>	<b>2,229,108,975</b>	-	<b>6,976,383</b>	<b>(32,849,736)</b>
Increase (decrease) due to changes in accounting policies (5)		-	-	-
<b>Equity at beginning of period 1/1/2018 (As Restated)</b>	<b>2,229,108,975</b>	-	<b>6,976,383</b>	<b>(32,849,736)</b>
<b>Changes in equity</b>				
<b>Comprehensive income:</b>				
Profit (loss)	-	-	-	-
Other comprehensive income (loss)	-	-	94,678,453	(159,020,809)
Comprehensive income	-	-	-	-
Share issuance	1,725,382,504	-	-	-
Dividends	-	-	-	-
Increase (decrease) due to other changes	-	-	-	-
Increase (decrease) due to portfolio transactions	-	(72,388,009)	-	-
Increase (decrease) due to changes in subsidiary interests that do not lead to loss of control	-	-	-	-
Total changes in equity	1,725,382,504	(72,388,009)	94,678,453	(159,020,809)
<b>Equity at end of period 12-31-2018</b>	<b>3,954,491,479</b>	<b>(72,388,009)</b>	<b>101,654,836</b>	<b>(191,870,545)</b>
<b>Changes in equity</b>				
Comprehensive income:				
Profit (loss)	-	-	-	-
Other comprehensive income (loss)	-	-	64,461,733	(99,135,975)
Comprehensive income	-	-	-	-
Dividends	-	-	-	-
Increase (decrease) due to other changes	(72,388,009)	72,388,009	-	-
Total changes in equity	(72,388,009)	72,388,009	64,461,733	(99,135,975)
<b>Equity at end of period 12-31-2019</b>	<b>3,882,103,470</b>	<b>-</b>	<b>166,116,569</b>	<b>(291,006,520)</b>
<b>Changes in equity</b>				
Comprehensive income:				
Profit (loss)	-	-	-	-
Other comprehensive income (loss)	-	-	(62,466,476)	188,060,425
Comprehensive income	-	-	-	-
Dividends	-	-	-	-
Increase (decrease) due to other changes	-	-	-	-
<b>Total changes in equity</b>	<b>-</b>	<b>-</b>	<b>(62,466,476)</b>	<b>188,060,425</b>
<b>Equity at end of period 12-31-2020</b>	<b>3,882,103,470</b>	<b>-</b>	<b>103,650,093</b>	<b>(102,946,095)</b>

(1) See Note 27.1

(2) See Note 27.3

(3) See Note 27.5

(4) See Note 27.6

(5) Considers a debit to retained earnings of ThCh\$3,411,631 due to application of IFRS 9 and a credit to retained earnings for ThCh\$664,470 due to the application of IAS 29.

The accompanying notes form an integral part of these consolidated financial statements

Changes in Other Reserves							
Reserve for Defined Benefit Plans	Reserve for Gains and Losses on measuring Financial Asset at Fair Value of Other Comprehensive Income	Other Miscellaneous Reserves	Total Other Reserves (3)	Retained Earnings	Equity attributable to owners of the parent to Shareholders of Enel Chile	Non-Controlling Interests (4)	Total Equity
-	11,284	(971,468,479)	(997,330,548)	1,751,605,583	2,983,384,010	803,577,647	3,786,961,657
-	-	-	-	(2,702,470)	(2,702,470)	(44,691)	(2,747,161)
-	11,284	(971,468,479)	(997,330,548)	1,748,903,113	2,980,681,540	803,532,956	3,784,214,496
-	-	-	-	361,709,937	361,709,937	51,137,820	412,847,757
43,204	(243)	-	(64,299,395)	-	(64,299,395)	10,562,995	(53,736,400)
-	-	-	-	-	297,410,542	61,700,815	359,111,357
-	-	-	-	-	1,725,382,504	-	1,725,382,504
-	-	-	-	(195,858,641)	(195,858,641)	(19,603,211)	(215,461,852)
(43,204)	-	(403,562,193)	(403,605,397)	43,204	(403,562,193)	92,644,186	(310,918,007)
-	-	-	-	-	(72,388,009)	-	(72,388,009)
-	-	(910,437,224)	(910,437,224)	-	(910,437,224)	(685,339,484)	(1,595,776,708)
-	(243)	(1,313,999,417)	(1,378,342,016)	165,894,500	440,546,979	(550,597,694)	(110,050,715)
-	11,041	(2,285,467,896)	(2,375,672,564)	1,914,797,613	3,421,228,519	252,935,262	3,674,163,781
-	-	-	-	296,153,605	296,153,605	19,939,613	316,093,218
(5,488,506)	(2,657)	-	(40,165,405)	-	(40,165,405)	5,309,611	(34,855,794)
-	-	-	-	-	255,988,200	25,249,224	281,237,424
-	-	-	-	(197,359,062)	(197,359,062)	(16,578,349)	(213,937,411)
5,488,506	-	4,840,328	10,328,834	(5,488,505)	4,840,329	979,529	5,819,858
-	(2,657)	4,840,328	(29,836,571)	93,306,038	63,469,467	9,650,404	73,119,871
-	8,384	(2,280,627,568)	(2,405,509,135)	2,008,103,651	3,484,697,986	262,585,666	3,747,283,652
-	-	-	-	(50,860,313)	(50,860,313)	(1,526,522)	(52,386,835)
(6,076,332)	(6,601)	18,982	119,529,998	-	119,529,998	(174,037)	119,355,961
-	-	-	-	-	68,669,685	(1,700,559)	66,969,126
-	-	-	-	(203,729,201)	(203,729,201)	(18,163,142)	(221,892,343)
6,076,332	-	2,277,320	8,353,652	(6,076,332)	2,277,320	(363,256)	1,914,064
-	(6,601)	2,296,302	127,883,650	(260,665,846)	(132,782,196)	(20,226,957)	(153,009,153)
-	1,783	(2,278,331,266)	(2,277,625,485)	1,747,437,805	3,351,915,790	242,358,709	3,594,274,499

# Consolidated Statements of Cash Flows, Direct Method

For the years ended December 31, 2020, 2019 and 2018

(In thousands of Chilean pesos – ThCh\$)

Statements of Cash Flows – Direct Method	Note	2020	2019	2018
<b>Cash flows from (used in) operating activities</b>				
<b>Types of collection from operating activities</b>				
Collections from the sale of goods and services		2,961,814,449	3,053,366,631	3,037,830,501
Collections from premiums and services, annual payments, and other obligations from policies held		6,846,414	30,131,403	9,201,388
Collections from leases and subsequent sale of leased assets		102,436,230	7,938,954	-
Other collections from operating activities		16,403,356	929,839	23,353,592
<b>Types of payment in cash from operating activities</b>				
Payments to suppliers for goods and services		(1,935,080,572)	(1,923,705,670)	(1,921,809,622)
Payments to and on behalf of employees		(140,378,194)	(130,102,939)	(119,944,410)
Payments of premiums and services, annual payments, and other obligations from policies held		(25,114,326)	(16,828,690)	(15,704,586)
Payments to manufacture or acquire assets held for rental to others and subsequently held for sale		(56,489,776)	(39,625,028)	-
Other payments for operating activities		(170,290,593)	(154,500,049)	(137,352,099)
<b>Cash flows from (used in) operating activities</b>				
Income taxes paid		(1,342,494)	(82,778,533)	(134,512,945)
Other cash outflows, net		(2,938,296)	(1,114,199)	(5,536,297)
<b>Net cash flows from operating activities</b>		<b>755,866,198</b>	<b>743,711,719</b>	<b>735,525,522</b>
<b>Cash flows from (used in) investing activities</b>				
Cash flows from the loss or gains of control of subsidiaries or other businesses, net		-	-	(1,624,326,739)
Other collections from the sale of equity and debt instruments of other entities		(2,769,624)	(130,639)	-
Loans to related companies		-	-	(37,940,159)
Proceeds from the sale of property, plant and equipment		-	872,988	4,640,835
Purchases of property, plant and equipment		(514,807,265)	(300,346,362)	(300,538,836)
Purchases of intangible assets		(39,506,950)	(20,732,156)	-
Payments for future, forward, option and swap contracts		(3,260,921)	(7,551,080)	(1,475,713)
Collections from future, forward, option and swap contracts		22,229	2,737,887	352,734
Collections from related companies		-	-	76,307,192
Dividends received		-	6,455,840	1,520,979
Interest received		5,671,141	6,034,028	6,653,972
Other inflows (outflows) of cash		-	1,127,683	(6,753,959)
<b>Net cash flows used in investing activities</b>		<b>(554,651,390)</b>	<b>(311,531,811)</b>	<b>(1,881,559,694)</b>

<b>Statements of Cash Flows – Direct Method</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Cash flows from (used in) financing activities</b>				
Payments proceeds from share Issuance		-	-	665,829,207
Payments for acquiring treasury shares	27.1.2	-	-	(72,388,009)
Payments for other equity interests		(519,943)	-	-
Total proceeds from long term borrowings		-	-	1,565,782,604
Proceeds from long-term loans	6.d	-	-	1,565,782,604
Loans from related companies	6.d	484,520,001	283,831,505	-
Payments of loans	6.d	(150,878,247)	(315,323,464)	(819,525,929)
Payments of borrowings and lease liabilities	6.d	(4,940,582)	(4,498,202)	(1,889,685)
Dividends paid		(312,714,789)	(236,478,649)	(231,392,743)
Interest paid	6.d	(139,251,404)	(134,429,754)	(116,540,891)
Other cash outflows, net	6.d	(3,884,370)	(33,537,124)	(23,297,678)
<b>Net cash flows from (used in) financing activities</b>		<b>(127,669,334)</b>	<b>(440,435,688)</b>	<b>966,576,876</b>
<b>Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes</b>		<b>73,545,474</b>	<b>(8,255,780)</b>	<b>(179,457,296)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>				
Effect of exchange rate changes on cash and cash equivalents		22,806,039	(1,231,644)	5,173,194
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>96,351,513</b>	<b>(9,487,424)</b>	<b>(174,284,102)</b>
Cash and cash equivalents at beginning of year	6	235,684,500	245,171,924	419,456,026
<b>Cash and cash equivalents at end of year</b>	<b>6</b>	<b>332,036,013</b>	<b>235,684,500</b>	<b>245,171,924</b>

The accompanying notes form an integral part of these consolidated financial statements

# CONTENT

NOTE 1.	GENERAL INFORMATION	190
NOTE 2.	BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS	191
	2.1. Accounting principles	191
	2.2. New accounting pronouncements	191
	2.3. Responsibility for the information, judgments and estimates provided	196
	2.4. Subsidiaries	197
	2.5. Investments in associates	199
	2.6. Joint arrangements	199
	2.7. Basis of consolidation and business combinations	200
	2.8. Functional currency	201
	2.9. Conversion of financial statements denominated in foreign currency	201
NOTE 3.	ACCOUNTING POLICIES	202
	a) Property, plant and equipment	202
	b) Investment property	203
	c) Goodwill	204
	d) Intangible assets other than goodwill	204
	d.1) Research and development expenses	204
	d.2) Other intangible assets	205
	e) Impairment of non-financial assets	205
	f) Leases	206
	f.1) Lessee	207
	f.2) Lessor	207
	g) Financial instruments	208
	g.1) Financial assets other than derivatives	208
	g.2) Cash and cash equivalents	209
	g.3) Impairment of financial assets	209
	g.4) Financial liabilities other than derivatives	210
	g.5) Derivative financial instruments and hedge accounting	210
	g.6) Derecognition of financial assets and liabilities	212
	g.7) Offsetting of financial assets and financial liabilities	212
	g.8) Financial guarantee contracts	212
	h) Fair value measurement	212
	i) Investments accounted for using the equity method	213
	j) Inventories	214
	k) Non-current assets (or disposal groups of assets) held for sale or held for distribution to owners and discontinued operations.	214
	l) Treasury shares	215
	m) Provisions	215
	m.1) Provisions for post-employment benefits and similar obligations	216
	n) Translation of balances in foreign currency	216
	o) Classification of balances as current and non-current	216
	p) Income taxes	216
	q) Revenue and expense recognition	217
	r) Earnings per share	219
	s) Dividends	219
	t) Share issuance costs	219
	u) Statement of cash flows	220
NOTE 4.	SECTOR REGULATION AND ELECTRICITY SYSTEM OPERATIONS	220
	a) Regulatory Framework	220
	b) Regulatory Matters	223
	c) Tariff Revisions and Supply Processes	226
NOTE 5.	BUSINESS COMBINATIONS UNDER COMMON CONTROL	229
	Corporate Reorganization Project	229
NOTE 6.	CASH AND CASH EQUIVALENTS	231
NOTE 7.	OTHER FINANCIAL ASSETS	232
NOTE 8.	OTHER NON-FINANCIAL ASSETS AND LIABILITIES	232
	a) Other non-financial assets	232
	b) Other non-financial liabilities	233
NOTE 9.	TRADE AND OTHER RECEIVABLES	233
NOTE 10.	BALANCES AND TRANSACTIONS WITH RELATED PARTIES	237
	10.1. Balances and transactions with related parties	238
	a) Receivables from related parties	238
	b) Accounts payable to related parties	240
	c) Significant transactions and effects on profit or loss	242
	d) Significant transactions	242
	10.2. Board of directors and key management personnel	243
	10.3. Compensation of key management personnel	245
	10.4. Incentive plans for key management personnel	246
	10.5. Compensation plans linked to share price	246
NOTE 11.	INVENTORIES	247
NOTE 12.	CURRENT TAX ASSETS AND LIABILITIES	247
NOTE 13.	INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	248
	13.1. Investments accounted for using the equity method	248
	13.2. Additional financial information on investments in associates	248
	13.3. Joint ventures	250

NOTE 14.	INTANGIBLE ASSETS OTHER THAN GOODWILL	250
NOTE 15.	GOODWILL	251
NOTE 16.	PROPERTY, PLANT AND EQUIPMENT	253
NOTE 17.	INVESTMENT PROPERTY	258
NOTE 18.	RIGHT-OF-USE ASSETS	259
NOTE 19.	INCOME TAX AND DEFERRED TAXES	260
	a) Income taxes	260
	b) Deferred taxes	261
NOTE 20.	OTHER FINANCIAL LIABILITIES	264
	20.1. Interest-bearing borrowings	264
	20.2. Unsecured liabilities	264
	20.3. Secured liabilities	266
	20.4. Hedged debt	267
	20.5. Other information	267
	20.6. Future undiscounted debt flows.	268
NOTE 21.	LEASE LIABILITIES	268
	21.1. Individualization of Lease Liabilities	270
	21.2. Undiscounted debt cash flows.	272
NOTE 22.	RISK MANAGEMENT POLICY	272
	22.1. Interest rate risk	272
	22.2. Exchange rate risk	273
	22.3. Commodities risk	274
	22.4. Liquidity risk	274
	22.5. Credit risk	274
	22.6. Risk measurement	275
NOTE 23.	FINANCIAL INSTRUMENTS	276
	23.1. Financial instruments classified by type and category	276
	23.2. Derivative instruments	277
	23.3. Fair value hierarchies	279
NOTE 24.	CURRENT AND NON-CURRENT PAYABLES	280
NOTE 25.	PROVISIONS	281
NOTE 26.	POST-EMPLOYMENT BENEFIT OBLIGATIONS	282
	26.1. General information	282
	26.2. Details, changes and presentation in financial statements	282
	26.3. Other disclosures	283
NOTE 27.	EQUITY	284
	27.1. Equity attributable to the owners of Enel Chile	285
	27.1.1. Subscribed and paid capital and number of shares	285
	27.1.2. Treasury shares	285
	27.1.3. Changes in Paid-in Capital as a Result of the Corporate Reorganization	285
	27.2. Dividends	286
	27.3. Foreign currency translation reserves	286
	27.4. Restrictions on subsidiaries transferring funds to the parent	286
	27.5. Other reserves	286
	27.6. Non-controlling Interests	288
NOTE 28.	REVENUE AND OTHER OPERATING INCOME	288
NOTE 29.	RAW MATERIALS AND CONSUMABLES USED	289
NOTE 30.	EMPLOYEE BENEFITS EXPENSE	290
NOTE 31.	DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSS OF PROPERTY, PLANT AND EQUIPMENT AND FINANCIAL ASSETS UNDER-IFRS 9	290
NOTE 32.	OTHER EXPENSE, BY NATURE	291
NOTE 33.	OTHER GAINS (LOSSES)	291
NOTE 34.	FINANCIAL RESULTS	291
NOTE 35.	INFORMATION BY SEGMENT	293
	35.1. Basis of segmentation	293
	35.2. Generation and distribution	294
NOTE 36.	GUARANTEES WITH THIRD PARTIES, CONTINGENT ASSETS AND, LIABILITIES, AND OTHER COMMITMENTS	300
	36.1. Direct guarantees	300
	36.2. Indirect guarantees	300
	36.3. Lawsuits and Arbitration Proceedings	300
	36.4. Financial restrictions	305
	36.5. COVID-19 contingency	307
NOTE 37.	HEADCOUNT	309
NOTE 38.	SANCTIONS	309
NOTE 39.	ENVIRONMENT	310
NOTE 40.	FINANCIAL INFORMATION ON SUBSIDIARIES, SUMMARIZED	318
NOTE 41.	SUBSEQUENT EVENTS	320
APPENDIX 1	DETAIL OF ASSETS AND LIABILITIES IN FOREIGN CURRENCY	321
APPENDIX 2	ADDITIONAL INFORMATION CIRCULAR No. 715 OF FEBRUARY 3, 2012	322
APPENDIX 2.1	SUPPLEMENTARY INFORMATION ON TRADE RECEIVABLES	324
APPENDIX 2.2	ESTIMATES OF SALES AND PURCHASES OF ENERGY, POWER AND TOLL	328
APPENDIX 3	DETAIL OF DUE DATES OF PAYMENTS TO SUPPLIERS	328

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2020 AND 2019 AND FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018.

(In thousands of Chilean pesos – ThCh\$)

## NOTE 1. General information

Enel Chile S.A. (hereinafter the “Parent Company” or the “Company”) and its subsidiaries comprise the Enel Chile Group (hereinafter the “Group”).

The Company is a publicly traded corporation with registered address and head office located at Avenida Santa Rosa, No. 76, in Santiago, Chile. Since April 13, 2016, the Company is registered with the securities register of the Financial Market Commission of Chile (“Comisión para el Mercado Financiero” or “CMF”) and since March 31, 2016 is registered with the Securities and Exchange Commission of the United States of America (hereinafter the “U.S. SEC”). On April 21, 2016, the Company’s shares began being traded in the Santiago Stock Exchange and the Electronic Stock Exchange. In addition, the Company’s common stock began being traded in the United States in the form of American Depositary Shares on the New York Stock Exchange as “when-issued” trading from April 21, 2016 to April 26, 2017 and “regular-way” trading since April 27, 2016.

Enel Chile is a subsidiary of Enel S.p.A. (hereinafter “Enel”), an entity that has direct and indirect interest of 64.93%.

The Company was initially incorporated by public deed dated January 22, 2016 and came into legal existence on March 1, 2016 under the name of Enersis Chile S.A. The Company changed its name to Enel Chile S.A. effective October 4, 2016, when their Company name was changed by means of an amendment of the by-laws. For tax purposes, the Company operates under Chilean Tax identification number 76.536.353-5.

As of December 31, 2020, the Group had 2,219 employees. During the fiscal year ended December 31, 2020, the Group averaged a total of 2,202 employees (see Note 37).

The Company’s corporate purpose consists of exploring for, developing, operating, generating, distributing, transmitting, transforming, and/or selling energy of any kind or form, whether in Chile or abroad, either directly or through other companies. It is also engaged in telecommunications activities, and it provides engineering consulting services in Chile and abroad. The Company’s corporate purpose also includes investing in, and managing, its investments in subsidiaries and associates which generate, transmit, distribute, or sell electricity, or whose corporate purpose includes any of the following:

- i) Energy of any kind or form,
- ii) Supplying public services, or services whose main component is energy,
- iii) Telecommunications and information technology services, and
- iv) Internet-based intermediation business.

# NOTE 2. Basis of presentation of the Consolidated Financial Statements

## 2.1. Accounting principles

The consolidated financial statements of Enel Chile as of December 31, 2020, approved by its Board of Directors at the meeting held on February 26, 2021, have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

These consolidated financial statements reflect faithfully the financial position of Enel Chile and its subsidiaries at December 31, 2020 and 2019, and the results of their operations, respectively and the changes in their equity and their cash flows for the year ended December 31, 2020, 2019 and 2018 and their related notes.

These consolidated financial statements present on a voluntary basis the 2018 figures of the consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in shareholders' equity, and related notes.

These consolidated financial statements have been prepared under going concern assumptions on a historical cost basis except when, in accordance with IFRS, those assets and liabilities that are measured at a fair value.

## 2.2. New accounting pronouncements

**a) The following accounting pronouncements have been adopted by the Group effective as of January 1, 2020:**

<b>Amendments and Improvements</b>	<b>Mandatory application for annual periods beginning on:</b>
Conceptual Framework (Revised)	January 1, 2020
Amendments to IFRS 3: Definition of a Business	January 1, 2020
Amendments to IAS 1 and IAS 8: Definition of Material	January 1, 2020
Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform (Phase 1)	January 1, 2020

### Conceptual Framework (Revised)

The IASB issued the Conceptual Framework (Revised) in March 2018. It incorporates some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies certain important matters. Revisions to the Conceptual Framework may affect the application of IFRS when no standard applies to a particular transaction or event.

The IASB has also issued a separate accompanying document, "Amendments to References to the Conceptual Framework in IFRS Standards," which establishes amendments to IFRSs in order to update references to the new Conceptual Framework.

The Conceptual Framework (Revised), as well as the Amendments to the References to the Conceptual Framework in IFRS, became effective beginning on January 1, 2020, with prospective application, with no impact generated in the Group's consolidated financial statements.

### Amendments to IFRS 3 Definition of a Business

IFRS 3 Business Combinations was amended by the IASB in October 2018, to clarify the definition of a business, in order to help entities determine whether a transaction should be accounted for as a business combination or as the acquisition of an

asset. To be considered as a business, an acquired integrated set of activities and assets must include, at least, an input and a substantive process that together contribute significantly to the ability to create output.

The amendment also adds guidance and illustrative examples to assess whether a substantial process has been acquired and introduces an optional fair value concentration test.

The amendment became effective beginning on January 1, 2020, with prospective application for business combinations and asset acquisitions carried out beginning on such date, with no impact generated in the consolidated financial statements of the Group.

### **Amendments to IAS 1 and IAS 8 Definition of Material**

In October 2018, the IASB amended IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, to improve the definition of material and the explanations accompanying the definition. The amendments ensure that the definition of material is consistent in all IFRSs.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The amendments became effective beginning on January 1, 2020, with prospective application, with no impact generated in the Group's consolidated financial statements.

### **Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest rate benchmark reform (Phase 1)**

On September 26, 2019, the IASB issued amendments to IFRS 9 Financial Instruments and IAS 39 Financial Instruments: Recognition and Measurement, and IFRS 7 Financial Instruments: Disclosures, in response to the reform that gradually eliminates benchmark interest rates, such as interbank offered rates (IBORs). The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate (an RFR). These amendments became effective beginning on January 1, 2020.

The amendments to IFRS 9 include a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

The first three reliefs provide for:

- The assessment of whether a forecast transaction (or component thereof) is highly probable.
- Assessing when to reclassify the amount in the cash flow hedge reserve to profit and loss.
- The assessment of the economic relationship between the hedged item and the hedging instrument.

For each of these reliefs, it is assumed that the benchmark on which the hedged cash flows are based (whether or not contractually specified) and/or, for relief three, the benchmark on which the cash flows of the hedging instrument are based, are not altered as a result of the reform.

A fourth relief provides that, for a benchmark component of interest rate risk that is affected by the reform, the requirement that the risk component is separately identifiable needs be met only at the inception of the hedging relationship.

The exceptions will continue to be applied indefinitely in the absence of any of the events described in the amendments. Upon the designation of a group of items as a hedged item or a combination of financial instruments, as a hedging instrument, the exceptions will cease being applied separately to each individual item or financial instrument, when there is no longer uncertainty arising from the interest rate benchmark reform.

At the end of 2020, the Group has hedging relationships in force in which the interest rate has been designated as the hedged risk, specifically the London Interbank Offered Rate (LIBOR). These hedging relationships, classified as cash flow hedges, have been directly affected by the uncertainty arising from the interest rate benchmark reform.

In order to evaluate the economic relationship between the hedged items and the hedging instruments, in accordance with the exceptions established by the Standard, the Group has assumed that LIBOR, the benchmark interest rate on which the hedged risks are based, has not been altered as a result of the reform.

The Group has contacted financial institutions in the domestic and international market, as well as with the counterparties of the current operations, in order to evaluate the best alternatives for the continuity of the contracts and their hedging relationship.

As of December 31, 2020, the nominal amount of hedging instruments, for hedging relationships to which the exceptions established in IFRS 9 have been applied, is US\$400 million (ThCh\$284,380,000).

## **b) Accounting pronouncements applicable beginning on January 1, 2021 and thereafter:**

As of the date of issuance of these consolidated financial statements, the following accounting pronouncements had been issued by the IASB, but their application was not mandatory:

<b>Amendments and Improvements</b>	<b>Mandatory application for annual periods beginning on:</b>
Amendments to IFRS 16: COVID-19-Related Rent Concessions	June 1, 2020
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2	January 1, 2021
Amendments to IFRS 3: References to the Conceptual Framework	January 1, 2022
Amendments to IAS 16: Proceeds before Intended Use	January 1, 2022
Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract	January 1, 2022
Annual improvements to IFRS: 2018-2020 Cycle	
- IFRS 1: First-time Adoption of IFRS	
- IFRS 9: Financial Instruments	January 1, 2022
- Amendment to Illustrative Examples accompanying IFRS 16	
- IAS 41: Agriculture	
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	January 1, 2023

### **Amendments to IFRS 16 “COVID-19-Related Rent Concessions”**

As a result of the COVID-19 pandemic, lessees in many countries have been granted rent payment concessions, such as grace periods and delaying of lease payments for a period of time, sometimes followed by an increase in the payment in future periods. Within this context, on May 28, 2020, the IASB issued amendments to IFRS 16 Leases, in order to provide a practical expedient for lessees, through which they can opt for not evaluating whether the rent concession is a modification of the lease. Lessees that elect this option, will account for such rent concessions as a variable payment.

The practical expedient is only applicable to rent concessions that occur as a direct consequence of the COVID-19 pandemic and only if they comply with all the following conditions:

- i) the change in lease payments is the product of a revised lease payment that is substantially the same, or less than the lease payment immediately before the change;

- ii) any reduction in lease payments affects only the payments originally due up to June 30, 2021; and
- iii) there is no substantial change in the other terms and conditions of the lease.

The amendments are applicable to annual periods beginning on June 1, 2020. Early application is permitted. These amendments must be applied retroactively, recognizing the accumulated effect from initial application as an adjustment in the beginning balance of retained earnings (or other equity component, as applicable) at the beginning of the annual period in which the amendment is applied for the first time.

Management estimates that the application of these amendments will not have an impact on the Group's consolidated financial statements.

### **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform (Phase 2)**

On August 27, 2020, the IASB issued the Interest Rate Benchmark Reform (Phase 2) which supplements the amendments to IFRS 9, IAS 39 and IFRS 7 issued in 2019, and additionally incorporates amendments to IFRS 4 and IFRS 16. This final phase of the project focuses on the effects on the financial statements when a company replaces the previous interest rate benchmark with an alternative interest rate benchmark as a result of the reform.

The amendments refer to:

- Changes in contractual cash flows: a company will not have to derecognize accounts or adjust the carrying amounts of financial instruments due to changes required by the reform, but rather will update the effective interest rate to reflect the change in the alternative interest rate benchmark;
- Hedge accounting: a company will not have to discontinue its hedge accounting solely because it makes the changes required by the reform, if the hedge complies with other hedge accounting criteria; and
- Disclosures: a company will be required to disclose information about new risks that arise from the reform and how it manages the transition to alternative interest rate benchmarks.

These amendments are effective for annual periods beginning on January 1, 2021, and early adoption is permitted. The amendments are applicable retroactively, with certain exceptions. Management is evaluating the potential impact of the application of these amendments on the Group's consolidated financial statements.

### **Amendments to IFRS 3 "References to the Conceptual Framework"**

On May 14, 2020, the IASB issued a package of limited-scope amendments, including amendments to IFRS 3 Business Combinations. The amendments update references to the Conceptual Framework issued in 2018, in order to determine an asset or a liability in a business combination. In addition, the IASB added a new exception to IFRS 3 for liabilities and contingent liabilities, which specifies that, for certain types of liabilities and contingent liabilities, an entity that applies IFRS 3 must refer to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", or IFRIC 21 "Levies", instead of the 2018 Conceptual Framework. Without this exception, an entity would have recognized certain liabilities in a business combination that would not be recognized in accordance with IAS 37.

The amendments are applicable prospectively to business combinations with acquisition dates beginning on the first annual period beginning on January 1, 2022. Early application is permitted.

Management is evaluating the potential impact of the application of these amendments on the Group's consolidated financial statements.

## **Amendments to IAS 16 “Proceeds before Intended Use”**

As part of the package of limited-scope amendments issued in May 2020, the IASB issued amendments to IAS 16 Property, Plant and Equipment, which prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, the company will recognize such sales proceeds and related costs in profit or loss for the period. The amendments also clarify that an entity is “testing whether an asset operates correctly” when it evaluates the technical and physical performance of the asset.

These amendments are applicable to annual reporting periods beginning on January 1, 2022. Early application is permitted. The amendments will be applied retroactively, but only from the beginning of the first period presented in the financial statements in which the entity applies the amendments for the first time. The accumulated effect of initial application of the amendments will be recognized as an adjustment to the opening balance of retained earnings (or other equity components as applicable) at the beginning of the first reported period.

Management is evaluating the potential impact of the application of these amendments on the Group’s consolidated financial statements.

## **Amendments to IAS 37 “Onerous Contracts: Cost of Fulfilling a Contract”**

The third standard amended by the IASB in the package of limited-scope amendments issued in May 2020 was IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The amendments specify which costs a company should include when evaluating whether a contract is onerous. In this sense, the amendments clarify that the direct cost of fulfilling a contract comprises both the incremental costs of fulfilling this contract (for example, direct labor and materials), as well as the allocation of other costs that are directly related to compliance with the contracts (for example, an allocation of the depreciation charge for an item of property, plant and equipment used to fulfill the contract).

These amendments are applicable for reported annual periods beginning on January 1, 2022. Early application is allowed. Companies must apply these amendments to contracts for which all obligations have still not been fulfilled at the beginning of the reported annual period in which the amendments are applied for the first time. They do not require restatement of comparative information. The accumulated effect of initially applying the amendments will be recognized as an adjustment to the opening balance of retained earnings (or another equity component as applicable) on the date of initial application.

Management is evaluating the potential impact of the application of these amendments on the Group’s consolidated financial statements.

## **Annual Improvements to IFRS: 2018-2020 Cycle**

On May 14, 2020, the IASB issued a number of minor amendments to IFRSs, in order to clarify or correct minor issues or overcome possible inconsistencies in the requirements of certain standards. The amendments with potential impact on the Group are the following:

- IFRS 9 Financial Instruments: clarifies that for the purpose of the 10% test for derecognition of financial liabilities, when determining commissions paid net of commissions received, the borrower must only consider the commissions paid or received between the borrower and the lender.

These improvements are applicable to reported annual periods beginning on January 1, 2022. Early application is allowed. Entities must apply these amendments to financial liabilities that are modified or exchanged at the beginning of the reported annual period, in which the amendments are applied for the first time.

- Examples that accompany IFRS 16 Leases: amendment of illustrative example 13, in order to eliminate a possible confusion regarding the treatment of lease incentives. The example included as part of its background information, a reimbursement from the lessor to the lessee, related to leasehold improvements. Since the example was not sufficiently

clear as to whether the reimbursement complied with the definition of a lease incentive, the IASB decided to eliminate from the illustrative example any reference to this reimbursement, thus avoiding any possibility of confusion.

Management believes that the application of these improvements will not generate an impact on the consolidated financial statements of the Group.

## **Amendments to IAS 1 “Classification of Liabilities as Current and Non-Current”**

On January 23, 2020, the IASB issued limited-scope amendments to IAS 1 Presentation of Financial Statements, in order to clarify how to classify debt and other liabilities as current or non-current. The amendments clarify that a liability is classified as non-current if the entity has, at the end of the reporting period, the substantial right to defer settlement of the liability during at least 12 months. The classification is not affected by the expectations of the entity or by events after the reporting date. The amendments include clarification of the classification requirements for debt that a company could settle converting it to equity.

The amendments only affect the presentation of liabilities as current and non-current in the statement of financial position, not the amount and timing of their recognition, or the related disclosures. However, they could lead to companies reclassifying certain current liabilities to non-current and vice versa. This could affect compliance with covenants in the debt agreements of companies.

These amendments are applicable retroactively beginning on January 1, 2023. In response to the Covid-19 pandemic, in July 2020 the IASB extended its mandatory effective date established initially for January 1, 2022, by a year in order to provide companies more time to implement any change in classification resulting from these amendments. Early application is permitted.

Management is evaluating the potential impact of the application of these amendments on the Group’s consolidated financial statements.

## **2.3. Responsibility for the information, judgments and estimates provided**

The Company’s Board of Directors is responsible for the information contained in these consolidated financial statements and expressly states that all IFRS principles and standards have been fully implemented.

In preparing the consolidated financial statements, certain judgments and estimates made by the Group’s Management have been used to quantify some of the assets, liabilities, revenue, expenses and commitments recognized.

The most significant areas where critical judgment was required are:

- The identification of Cash Generating Units (CGU) for impairment testing (see Note 3.e).
- The hierarchy of information used to measure assets and liabilities at fair value (see Note 3.h).
- Application of the revenue recognition model in accordance with IFRS 15 (see Note 3.q).

The estimates refer basically to:

- The valuations performed to determine the existence of impairment losses in non-financial assets and goodwill (see Note 3.e).
- The assumptions used to calculate the actuarial liabilities and obligations with employees, such as discount rates, mortality tables, salary increases, etc. (see Notes 3.m.1 and 26).

- The useful lives of property, plant and equipment and intangible assets (see Notes 3.a and 3.d).
- The assumptions used to calculate the fair value of financial instruments (see Notes 3.h and 23).
- The energy supplied to customer whose meters have not yet been read.
- Certain assumptions inherent in the electricity system affecting transactions with other companies, such as production, customer billings, energy consumption, that allow for estimation of electricity system settlements that occur on the corresponding final settlement dates, but that are pending as of the date of issuance of the consolidated financial statements and could affect the balances of assets, liabilities, income and expenses recognized in the financial statements (see Appendix 2.2).
- The interpretation of new normative related to the regulation of the Electric Sector, whose final economic effects will be determined by the resolutions of the relevant agencies (see Note 4 and 9).
- The probability that uncertain or contingent liabilities will be incurred and their related amounts (see Note 3.m).
- Future disbursements for closure of facilities and restoration of land, as well as associated discount rates to be used (see Note 3.a).
- The tax results of the different Group subsidiaries that will be reported to the respective tax authorities in the future, and other estimates have been used as a basis for recording the different income tax related balances in these consolidated financial statements (see Note 3.p).
- The fair value of assets acquired, and liabilities assumed, and any pre-existing interest in an entity acquired in a business combination.
- Determination of expected credit losses on financial assets (see Note 3.g.3).
- In the measurement of lease liabilities, determination of the lease term of contracts with renewal options, as well as the rates to be used to discount lease payments (see Note 3.f).

In relation to the COVID-19 pandemic, the degree of uncertainty generated in the macroeconomic and financial environment in which the Group operates, could affect the valuations and estimates made by Management to determine the carrying amounts of the more volatile assets and liabilities. As of December 31, 2020, according to the information available and considering a scenario in constant evolution, the main areas that required Management to use their judgment and make estimates were the following: i) measurement of expected credit losses financial assets; ii) determination of impairment losses on non-financial assets; and iii) measurement of employee benefits, including actuarial assumptions.

Although these judgments and estimates have been based on the best information available as of the date of issuance of these consolidated financial statements, future events may occur that would require a change (increase or decrease) to these judgments and estimates in subsequent periods. This change would be made prospectively, recognizing the effects of this change in judgment or estimation in the related future consolidated financial statements

## **2.4. Subsidiaries**

Subsidiaries are defined as those entities controlled either, directly or indirectly by Enel Chile. Control is exercised if and only if the following conditions are met: the Company has i) power over the subsidiary; ii) exposure, or rights to variable returns from these entities; and iii) the ability to use its power to influence the amount of these returns.

Subsidiaries are defined as those entities controlled either, directly or indirectly by Enel Chile. Control is exercised if and only if the following conditions are met: the Company has i) power over the subsidiary; ii) exposure, or rights to variable returns from these entities; and iii) the ability to use its power to influence the amount of these returns.

The Group will reassess whether or not it controls a subsidiary if facts and circumstances indicate that there are changes to one or more of the control elements listed above.

Subsidiaries are consolidated as described in Note 2.7.

The entities in which the Group has the ability to exercise control and consequently are included in consolidation in these consolidated financial statements are detailed below:

Taxpayer ID No.	Company	Country	Currency	Ownership % at 12-31-2020			Percentage at 12-31-2019		
				Direct	Indirect	Total	Direct	Indirect	Total
76.722.488-5	Empresa de Transmisión Chena S.A.	Chile	Chilean peso	-	100.00%	100.00%	-	100.00%	100.00%
96.783.910-8	Enel Colina S.A. <sup>(i)</sup>	Chile	Chilean peso	-	100.00%	100.00%	-	100.00%	100.00%
96.504.980-0	Empresa Eléctrica Pehuenche S.A.	Chile	Chilean peso	-	92.65%	92.65%	-	92.65%	92.65%
96.800.460-3	Luz Andes Ltda. <sup>(ii)</sup>	Chile	Chilean peso	-	-	-	-	100.00%	100.00%
96.800.570-7	Enel Distribución Chile S.A. <sup>(**)</sup>	Chile	Chilean peso	99.09%	-	99.09%	99.09%	-	99.09%
91.081.000-6	Enel Generación Chile S.A.	Chile	Chilean peso	93.55%	-	93.55%	93.55%	-	93.55%
78.932.860-9	GasAtacama Chile S.A. <sup>(iv)</sup>	Chile	Chilean peso	-	-	-	-	-	-
78.952.420-3	Gasoducto Atacama Argentina S.A. <sup>(v)</sup>	Chile	Chilean peso	-	-	-	-	-	-
77.047.280-6	Sociedad Agrícola de Cameros Ltda.	Chile	Chilean peso	57.50%	-	57.50%	57.50%	-	57.50%
96.920.110-0	Enel Green Power Chile Ltda. <sup>(iii)</sup>	Chile	U.S. dollar	-	-	-	99.99%	-	99.99%
76.412.562-2	Enel Green Power Chile S.A. (iii) <sup>(*)</sup>	Chile	U.S. dollar	99.99%	-	99.99%	-	100.00%	100.00%
76.052.206-6	Parque Eólico Valle de los Vientos SpA <sup>(iii)</sup>	Chile	U.S. dollar	-	-	-	0.01%	99.99%	100.00%
76.306.985-0	Diego de Almagro Matriz SpA <sup>(iii)</sup>	Chile	U.S. dollar	-	-	-	-	100.00%	100.00%
96.524.140-K	Empresa Eléctrica Panguipulli S.A. <sup>(iv)</sup>	Chile	U.S. dollar	-	-	-	0.04%	99.96%	100.00%
76.321.458-3	Almeyda Solar SpA <sup>(*)</sup>	Chile	U.S. dollar	-	100.00%	100.00%	-	100.00%	100.00%
76.179.024-2	Parque Eólico Tal Tal SpA <sup>(iv)</sup>	Chile	U.S. dollar	-	-	-	0.01%	99.99%	100.00%
96.971.330-6	Geotérmica del Norte S.A.	Chile	U.S. dollar	-	84.59%	84.59%	-	84.59%	84.59%
99.577.350-3	Empresa Nacional de Geotermia S.A. <sup>(***)</sup>	Chile	U.S. dollar	-	51.00%	51.00%	-	51.00%	51.00%
76.126.507-5	Parque Talinay Oriente S.A.	Chile	U.S. dollar	-	60.91%	60.91%	-	60.91%	60.91%
76.924.079-9	Enel X Chile Spa	Chile	Chilean peso	100.00%	-	100.00%	100.00%	-	100.00%

(\*) On January 1, 2021, the merger by incorporation of Almeyda Solar SpA into Enel Green Power Chile S.A. took place, where the latter became the legal successor company.

(\*\*) On January 1, 2021, the spin-off of Enel Distribución Chile SA was formalized which resulted in the incorporation of a new Company, Enel Transmisión Chile S.A., to which the assets and liabilities associated with the electric power transmission segment were assigned and also incorporating all the shareholders of Enel Distribución Chile S.A., for a number of Enel Transmisión Chile S.A. shares equal to the their interest in the spin-off company.

(\*\*\*) Empresa Nacional de Geotermia S.A. is in liquidation process as of December 31, 2020.

This process was performed to comply with the requirements related to the exclusive turn of distribution, according to the latest modifications to Decree with Force of Law No. 4/2016 issued by the Ministry of Economy, Development and Reconstruction, which established the consolidated, coordinated and systematized text of Decree with Force of Law No. 1-1982 issued the Ministry of Mining, General Law of Electric Services.

#### 2.4.1 Changes in the scope of consolidation as of December 31, 2020.

- i. On April 14, 2020, Empresa Eléctrica de Colina Ltda. changed its name to Enel Colina S.A.
- ii. On January 1, 2020, Luz Andes Ltda. merged into Enel Distribución Chile S.A. where the latter company being the legal successor company.
- iii. On March 1, 2020, Enel Green Power Chile Ltda. merged into Enel Green Power del Sur SpA, where the latter company being the legal successor. This transaction was approved by the Extraordinary Shareholders' Meeting of Enel Green Power del Sur SpA, held on February 27, 2020. Subsequently, on April 14, 2020, Enel Green Power del Sur SpA changed its name to Enel Green Power Chile S.A.

On the same date, the merger by incorporation of Parque Eólico Valle de los Vientos SpA and Diego de Almagro Matriz SpA into Empresa Eléctrica Panguipulli S.A. was completed the latter company being the legal successor company. This transaction was approved by the Extraordinary Shareholders' Meetings of Empresa Eléctrica Panguipulli S.A. and Parque Eólico Valle de los Vientos SpA, both held on February 27, 2020.

- iv. On July 1, 2020, the merger by incorporation of Empresa Eléctrica Panguipulli S.A. into Parque Eólico Taltal SpA was completed, the latter company being the legal successor company. Subsequently, on August 1, 2020, the merger by incorporation of Parque Eólico Taltal SpA into Almeyda Solar SpA was completed, the latter company being the legal successor company.
- v. Gasoducto GasAtacama Argentina S.A. was merged into GasAtacama Chile S.A. on September 1, 2019, where the latter company being the legal successor company. Subsequently, on October 1, 2019, GasAtacama Chile S.A. was completely acquired by Enel Generación Chile S.A. as a result of a transaction approved by the Board of Directors of Enel Generación Chile S.A. on August 29, 2019. The transaction consisted of Enel Generación Chile S.A.'s acquisition of 2.63% of the shares of GasAtacama Chile S.A. held by Enel Chile. As a result, Enel Generación Chile S.A. became the owner of 100% of the shares in GasAtacama Chile S.A., which was absorbed through a merger, with Enel Generación Chile S.A. becoming the legal successor.

## 2.5. Investments in associates

Associates are those entities over which Enel Chile, either directly or indirectly, exercises significant influence.

Significant influence is the power to participate in the decisions related to the financial and operating policy of the associate but without having control or joint control over those policies.

In assessing significant influence, the Group takes into account the existence and effect of currently exercisable voting rights or convertible rights at the end of each reporting period, including currently exercisable voting rights held by the Company or other entities. In general, significant influence is presumed to be present in those cases in which the Group has more than 20% of the voting power of the investee.

Associates are accounted for in the consolidated financial statements using the equity method of accounting, as described in Note 3.i.

The detail of the companies that qualify as associates is the following:

Taxpayer ID No.	Company	Country	Currency	Ownership % at 12-31-2020			Percentage at 12-31-2019		
				Direct	Indirect	Total	Direct	Indirect	Total
76.418.940-K	GNL Chile S.A.	Chile	U.S. dollar	-	33.33%	33.33%	-	33.33%	33.33%
76.364.085-K	Energía Marina SpA	Chile	Chilean peso	-	25.00%	25.00%	-	25.00%	25.00%
77.157.779-2	Enel AMPCI Ebus Chile SpA (*)	Chile	U.S. dollar	-	20.00%	20.00%	-	-	-

(\*) On June 11, 2020, the Company's subsidiary Enel X Chile SpA acquired 20% of the holding company Enel AMPCI Ebus Chile SpA from the AMP Capital Group.

## 2.6. Joint arrangements

Joint arrangements are defined as those entities in which the Group exercises control under an agreement with other shareholders and jointly with them, i.e., when decisions on the entities' relevant activities require the unanimous consent of the parties sharing control.

Depending on the rights and obligations of the participants, joint agreements are classified as:

- Joint venture: an agreement whereby the parties exercising joint control have rights to the entity's net assets. Joint ventures are included in the consolidated financial statements using the equity method of accounting, as described in Note 3.i.
- Joint operation: an agreement whereby the parties exercising joint control have rights to the assets and obligations with respect to the liabilities relating to the arrangement. Joint operations are included in the consolidated financial statements recognizing the proportional interest in the assets and liabilities impacted by such operation.

In determining the type of joint arrangement in which it is involved, the Group's Management assesses its rights and obligations arising from the arrangement by considering the structure and legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances. If facts and circumstances change, the Group reassesses whether the type of joint arrangement in which it is involved has changed.

The detail of Companies classified as Joint Ventures is as follows:

Taxpayer ID No.	Company	Country	Currency	Ownership % at 12-31-2020			Percentage at 12-31-2019		
				Direct	Indirect	Total	Direct	Indirect	Total
77017930-0	Transmisora Eléctrica de Quillota Ltda.	Chile	Chilean peso	-	50.00%	50.00%	-	50.00%	50.00%

Currently, Enel Chile is not involved in any joint arrangement that qualifies as a joint operation.

## 2.7. Basis of consolidation and business combinations

The subsidiaries are consolidated, and all their assets, liabilities, revenues, expenses, and cash flows are included in the consolidated financial statements once the adjustments and eliminations of intra-group transactions have been made.

The Comprehensive income from subsidiaries is included in the consolidated statement of comprehensive income from the date when the parent company obtains control of the subsidiary until the date on which it loses control of the subsidiary.

The Group records business combinations using the acquisition method when all the activities and assets acquired meet the definition of a business and control is transferred to the Group. To be considered a business, a set of activities and assets acquired must include at least one input and a substantive process applied to it that, together, contribute significantly to the ability to create output. IFRS 3 provides the option of applying a "concentration test" that allows a simplified assessment of whether a set of acquired activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The operations of Parent company and its subsidiaries have been consolidated under the following basic principles:

1. At the date the parent obtains control, the subsidiary's assets acquired and its liabilities assumed are recorded at fair value, except for certain assets and liabilities that are recorded using valuation principles established in other IFRS standards. If the fair value of the consideration transferred plus the fair value of any non-controlling interests exceeds the fair value of the net assets acquired, this difference is recorded as goodwill. In the case of a bargain purchase, the resulting gain is recognized in profit or loss after reassessing whether all of the assets acquired and the liabilities assumed have been properly identified and following a review of the procedures used to measure the fair value of these amounts.

For each business combination, IFRS allow valuation of the non-controlling interests in the acquiree on the date of acquisition: i) at fair value; or ii) for the proportional ownership of the identifiable net assets of the acquiree, with the latter being the methodology that the Group has systematically applied to its business combinations.

If the fair value of all assets acquired and liabilities assumed at the acquisition date has not been completed, the Group reports the provisional values accounted for in the business combination. During the measurement period, which shall not exceed one year from the acquisition date, the provisional values recognized will be adjusted retrospectively as if the accounting for the business combination had been completed at the acquisition date, and also additional assets or liabilities will be recognized to reflect new information obtained about events and circumstances that existed on the acquisition date, but which were unknown to Management at that time. Comparative information for prior periods presented in the financial statements is revised as needed, including making any change in depreciation, amortization or other income effects recognized in completing the initial accounting.

For business combinations achieved in stages, the Company measures at fair value the participation previously held in

the equity of the acquiree on the date of acquisition and the resulting gain or loss, if any, is recognized in profit or loss of the period.

2. Non-controlling interests in equity and in the comprehensive income of the consolidated subsidiaries are presented, respectively, under the line items "Total Equity: Non-controlling interests" in the consolidated statement of financial position and "Profit (loss) attributable to non-controlling interests" and "Comprehensive income attributable to non-controlling interests" in the consolidated statement of comprehensive income.
3. Balances and transactions between consolidated companies have been fully eliminated on consolidation.
4. Changes in the ownership interests in subsidiaries that do not result in the Group obtaining or losing control are recognized as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity attributable to shareholders of the Parent.
5. Business combinations under common control are accounted for using, as a reference, the 'pooling of interest' method. Under this method, the assets and liabilities involved in the transaction remain reflected at the same carrying amounts at which they were recognized in the ultimate Parent, although subsequent accounting adjustments may be needed to align the accounting policies of the companies involved. The Group does not restate comparative periods in its financial statements for business combinations under common control.

Any difference between assets and liabilities contributed to the consolidation and the consideration paid is recorded directly in equity, as a debit or credit to "Other reserves".

## 2.8. Functional currency

The functional and presentation currency of the consolidated financial statements of Enel Chile is the Chilean peso (Ch\$). The functional currency has been determined, considering the economic environment in which the Company operates. Any information presented in Ch\$ has been rounded to the closest thousand (ThCh\$) or million (MCh\$), unless indicated otherwise.

## 2.9. Conversion of financial statements denominated in foreign currency

Conversion of the financial statements of the Group companies that have functional currencies different than Ch\$, and do not operate in hyperinflationary economies, is carried out as follows:

- a. Assets and liabilities, using the exchange rate prevailing at the closing date of the financial statements.
- b. Comprehensive income statements using the average exchange rate for the period (unless this average is not a reasonable approximation of the cumulative effect of the exchange rate existing on the transaction dates, in which case the exchange rate on the date of each transaction is used).
- c. Equity is maintained at the historical exchange rate on the date of its acquisition or contribution, and at the average exchange rate as of the date of generation for retained earnings.
- d. Foreign currency translation differences generated in the conversion of the financial statements are recorded under "Foreign currency translation gains (losses)" in the consolidated comprehensive income statement. Other comprehensive income (see Note 27.3).

The financial statements of subsidiaries whose functional currency is that of a hyperinflationary economy, are first adjusted for inflation, recording any gain or loss in the net monetary position in profit or loss. Subsequently, all items (assets, liabilities,

equity items, expenses and revenue) are converted at the exchange rate prevailing at the closing date of the most recent statement of financial position.

## Argentine Hyperinflation

Beginning on July 2018, the Argentine economy has been considered to be hyperinflationary in accordance with the criteria established in IAS 29 “Financial Reporting in Hyperinflationary Economies”. This determination was made on the basis of a number of qualitative and quantitative criteria, especially the presence of accumulated inflation in excess of 100% during the three previous years.

In accordance with IAS 29, the financial statements of investees in Argentina have been restated retrospectively, applying the general price index at historical cost, in order to reflect changes in the purchasing power of the Argentine peso, as of the closing date of these consolidated financial statements.

The general price indexes used at the end of the reporting periods are as follows:

	<b>General Price Index</b>
From January to December 2018	47.83%
From January to December 2019	53.64%
From January to December 2020	36.13%

The effects of the application of this standard on these consolidated financial statements are detailed in Note 34.

## NOTE 3. Accounting policies

The main accounting policies used in preparing the accompanying consolidated financial statements are the following:

### a) Property, plant and equipment

Property, plant and equipment are generally measured with at acquisition cost, net of accumulated depreciation and any impairment losses experienced. In addition to the price paid to acquire each item, the cost also includes, the following concepts, where applicable:

- Finance costs accrued during the construction period that are directly attributable to the acquisition, construction, or production of qualifying assets, which require a substantial period of time before being ready for use such as; for example, electricity generation or distribution facilities. The Group defines “substantial period” as a period exceeding twelve months. On the other hand, the capitalization of interest is suspended for periods in which the development of activities for a qualifying asset has been interrupted, if these periods are extended over time. The interest rate used is that corresponding to the specific financing or, if it does not exist, the average financing rate of the company making the investment (See Note 16 b.1).
- Employee expenses directly related to construction in progress (see Note 16.b.2).
- Future disbursements that the Group will have to make to close its facilities are added to the value of the asset at fair value, recognizing the related provision for dismantling or restoration. Changes in the measurement of the provision resulting from changes in the estimated amount or timing of future expenditures required to settle the obligation, or changes in the discount rate, are added to or deducted from the cost of the asset, as appropriate ( See Note 25).

Assets under for construction are transferred to operating assets once the testing period has been completed and they are available for use, at which time depreciation begins.

Expansion, modernization or improvement costs that represent an increase in productivity, capacity or efficiency or a lengthening of the useful lives of the assets are capitalized as an increase in the value of the related assets.

The replacement or overhaul of entire components that increase the asset's useful life or economic capacity are recorded as an increase in cost of the related assets, derecognizing the replaced or overhauled components.

Expenditures for periodic maintenance and repair are recognized directly as an expense for the year in which they are incurred.

Property, plant and equipment, net of its residual value, is depreciated by distributing the cost of the different items that comprise it on a straight-line basis over its estimated useful life, which is the period during which the Group expects to use the assets. Useful life estimates and residual values are reviewed on an annual basis and if appropriate adjusted prospectively.

In addition, the Group recognizes right-of-use assets for leases relating to property, plant and equipment in accordance with the criteria established in Note 3.f.

The following are the main categories of property, plant and equipment with their related estimated useful lives:

<b>Classes of property, plant and equipment</b>	<b>Years of estimated useful life</b>
Buildings	10 – 60
Plant and equipment	6 – 65
IT equipment	3 – 15
Fixtures and fittings	2 – 35
Motor vehicles	5 – 10

In addition, for further information, the following is a more detailed breakdown of the classes of plant and equipment:

<b>Classes of property, plant and equipment</b>	<b>Years of estimated useful life</b>
<b>Generating plant and equipment:</b>	
<b>Hydroelectric plants</b>	
Civil engineering works	10 – 65
Electromechanical equipment	10 – 45
Combined cycle power plants	10 – 25
Renewable	20
<b>Distribution plant and equipment:</b>	
High-voltage network	10 – 60
Low- and medium-voltage network	10 – 50
Measuring and remote-control equipment	10 – 50
Primary substations	6 – 25
<b>Natural gas transportation</b>	
Gas pipelines	20

Land is not depreciated since it has an indefinite useful life, unless it relates to a right-of-use asset in which case it is depreciated over the term of the lease.

An item of property, plant and equipment is written off when sold or otherwise disposed of, or when no future economic benefits are expected to be obtained from its use, sale or other disposal.

Gains or losses arising from sales of property, plant and equipment or PP&E items retired, are recognized as "Other gains (losses)" in the statement of comprehensive income and are determined as the difference between the sale value and net carrying amount of the asset.

## **b) Investment property**

"Investment property" basically includes land and buildings that are kept for the purpose of obtaining gains from future sales or lease arrangements.

Investment property is measured at acquisition cost, net of accumulated depreciation and any impairment losses experienced. Investment property, excluding land, is depreciated by distributing the cost of the several elements that comprise it on a straight-line basis over the years of useful life.

An investment property is derecognized on disposal, or when no future economic benefits are expected from use or disposal.

Gains or losses arising from the sale or disposal of items of investment property are recognized as "Other gains (losses)" in the statement of comprehensive income and determined as the difference between the sales amount and the net carrying amount of the asset.

The fair value of investment property is disclosed in Note 17.

## c) Goodwill

Goodwill arising from business combinations and reflected in consolidation, represents the excess of the value of the consideration transferred plus the amount of any non-controlling interest over the net identifiable assets acquired and liabilities assumed, measured at fair value at the date of acquisition of the subsidiary. During the measurement period of the business combination, goodwill may be adjusted as a result of changes in the provisional amounts recognized for the assets acquired and liabilities assumed (see Note 2.7.1).

Goodwill arising from acquisition of companies with functional currencies other than the functional currency of the Parent is measured in the functional currency of the acquiree and translated to Chilean peso using the exchange rate effective as of the date of the statement of financial position.

After initial recognition, goodwill is not amortized, but rather, at the end of each accounting period, or when there are indications thereof, an impairment test is performed to determine whether any impairment has occurred that reduces its recoverable value to an amount lower than the recorded net cost, and if this is the case, the impairment is recorded in the statement of income for the period (see Note 3.e).

## d) Intangible assets other than goodwill

Intangible assets are initially recognized at their acquisition cost or production cost, and are subsequently measured at their cost, net of their accumulated amortization and impairment losses experienced.

Intangible assets are amortized on a straight-line basis over their useful lives starting from the time they are in use, except for those assets with indefinite useful lives, for which amortization is not applicable. As of December 31, 2020 and 2019, intangible assets with indefinite useful lives amounted to ThCh\$14,605,574 and ThCh\$16,455,724, respectively, mainly related to easements and water rights.

An intangible asset is derecognized when it is sold or otherwise disposed of, or when no future economic benefits are expected from its use, sale or other disposal.

Gains or losses arising from sales of intangible assets are recognized in profit or loss for the period and determined as the difference between the amount of the sale and the carrying amount of the asset.

The criteria for recognizing impairment losses on these assets and, if applicable, recoveries of impairment losses recorded in prior periods are explained in letter e) of this Note below.

### d.1) Research and development expenses

The Group recognizes the costs incurred in a project's development phase as intangible assets in the statement of financial position as long as the project's technical feasibility and future economic benefits have been demonstrated.

Research costs are recorded as an expense in the consolidated statement of comprehensive income in the period in which they are incurred.

## **d.2) Other intangible assets**

These assets correspond mainly to computer software, water rights and easements. They are initially recognized at acquisition or production cost and are subsequently valued at cost net of the related accumulated amortization and impairment losses, if any.

Computer software is amortized (on average) over four years. Certain easements and water rights have indefinite useful lives and are therefore not amortized.

## **e) Impairment of non-financial assets**

During the period, and mainly at the end of each reporting period, the Group evaluates whether there is any indication that an asset has been impaired. If any such indication exists, the Group estimates the recoverable amount of that asset to determine the amount of the impairment loss. For identifiable assets that do not generate cash flows independently, the Group estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs, which is understood to be the smallest identifiable group of assets that generates independent cash inflows.

Notwithstanding the preceding paragraph, for CGUs to which goodwill or intangible assets with indefinite useful lives have been allocated, a recoverability analysis is performed routinely at each year-end.

The criteria used to identify the CGUs are based, in line with Management's strategic and operating vision, within the specific characteristics of the business, the operating rules and regulations of the market in which the Group operates and corporate organization.

Recoverable amount is the higher of fair value less costs of disposal and value in use, which is defined as the present value of the estimated future cash flows. In order to calculate the recoverable amount of Property, plant, and equipment, as well as of goodwill and intangible assets, at the level of each CGUs the Group uses value in use criteria in practically all cases.

To estimate value in use, the Group prepares future pre-tax cash flow forecasts based on the most recent budgets available. These budgets include Management's best estimates of a CGU's revenue and costs using sector forecasts, past experience and future expectations.

In general, these projections cover the next three years, estimating cash flows for subsequent years by applying reasonable growth rates which, in no case, are increasing rates nor exceed the average long-term growth rates for the particular sector. At the end of December 2020, the rates used to extrapolate the projections were between 2.0% and 2.9%.

Future cash flows are discounted to calculate their present value at a pre-tax rate that covers the cost of capital for the business activity and the geographic area in which it is being carried out. The time value of money and risk premiums generally used among analysts for the business activity and the geographic zone are taken into account to calculate the pre-tax rate. The pre-tax discount rates, expressed in nominal terms, applied at the end of December 2020 were between 6.3% and 8.2%.

The Company's approach to allocate value to each key assumption used to project cash flows, considers:

- Demand evolution: the growth estimate has been calculated based on the projected increase in Gross Domestic Product (GDP), in addition to other assumptions used by the company regarding the evolution of consumption, such as the growth in the number of customers.
- Energy purchase and sale prices: based on specifically developed internal projection models. The price of the planned "pool" is estimated by considering a number of determining factors, such as the different technology' costs and productions and energy demand, among other items.

- Regulatory measures: an important part of the Company's business is regulated and subject to extensive standards, which could undergo revisions, either as a result of new laws or the amendment of existing laws, and therefore the projections include adequate application of the current standards, those that are currently being developed, and those expected to be effective during the projected period.
- Installed capacity: in the estimating of the Group's installed capacity, the existing facilities are taken into account, as well as the plans for both increasing capacity and capacity closure. The investment plan is constantly updated based on the evolution of the business, quality of service regulations determined by the regulator and changes in the business development strategy adopted by management. In the generation area, the investments necessary to maintain the installed capacity in adequate operating conditions are taken into account; in the distribution activity, investments for maintenance, improvement and strengthening of the network are considered, as well as the investments necessary to carry out the implementation of the technological improvement plan (Smart Meters).
- Hydrology and NCRE: the projections are made from historical series of meteorological conditions and projecting an average year, based on these.
- Fuel costs for the estimation of fuel costs take into consideration existing supply contracts and long-term projections of oil, gas or coal prices based on forward markets and available analysts' estimates.
- Fixed costs: these are projected considering the foreseen level of business activities, both in terms of the evolution of the workforce (considering salary raises in line with the CPI), and in term of other operating and maintenance costs, the level of projected inflation and long-term existing maintenance or other contracts. The efficiencies that the Group is adopting over time are also considered, such as those that arise from the initiatives for the digitalization of internal processes.
- External sources are always considered to verify the assumptions related to the macroeconomic environment such as price evolution, GDP growth, demand, inflation, interest rates and exchange rates, among others.

Past experience has demonstrated the reliability of the Company's forecasts, which allows it to base key assumptions on historical information. During 2020, the deviations observed with respect to the projections used to perform impairment testing as of December 31, 2019, were not significant and cash flows generated in 2020 remained in a reasonable variance range compared to those expected for that period, with the exception of the effects generated by the COVID-19 pandemic. Despite the degree of uncertainty of the evolution of the macroeconomic environment in the short term, as a result of COVID-19, Management has evaluated the recovery scenarios and has determined that there is no evidence of impairment in the Group's CGUs, which would make it necessary to estimate their value in use.

If the recoverable amount of the CGU is less than the net carrying amount of the asset, the related impairment loss is recognized for the difference, and charged to "Impairment loss (impairment reversals) recognized in profit or loss" in the consolidated statement of comprehensive income. The impairment is first allocated to the CGU's goodwill carrying amount, if any, and then to the other assets comprising it, prorated on the basis of the carrying amount of each one, limited to the fair value less costs of disposal, or value in use, where no negative amount could be obtained.

Impairment losses recognized in prior periods for an asset other than goodwill are reversed, if and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount with a credit to profit or loss, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset. For goodwill, impairment losses are not reversed in subsequent periods.

## **f) Leases**

In order to determine whether an arrangement is, or contains, a lease, Enel Chile assesses the economic substance of the agreement, assessing whether the agreement conveys the right to control the use of an identified asset for a period of time

in exchange for consideration. Control is considered to exist if the customer has i) the right to obtain substantially all the economic benefits arising from the use of an identified asset; and ii) the right to direct the use of the asset.

## **f.1) Lessee**

When the Group acts as a lessee at the commencement of the lease (i.e. on the date on which the underlying asset is available for use) it records a right-of-use asset and a lease liability in the statement of financial position.

The Group initially recognizes right-of-use assets at cost. The cost of right-of-use assets comprises: (i) the amount of the initial measurement of the lease liability; (ii) lease payments made until the commencement date less lease incentives received, (iii) initial direct costs incurred; and (iv) the estimate of decommissioning or restoration costs.

Subsequently, the right-of-use asset is measured at cost, adjusted by any re measurement of the lease liability, less accumulated depreciation and accumulated impairment losses. A right-of-use asset is depreciated on the same terms as other similar depreciable assets, as long as there is reasonable certainty that the lessee will acquire ownership of the asset at the end of the lease. If no such certainty exists, the leased assets are depreciated over the shorter of the useful lives of the assets and their lease term. The same criteria detailed in Note 3.e are applied to determine whether the right-of-use asset has become impaired.

Lease liabilities are initially measured at the present value of the lease payments, discounted at the Company's incremental borrowing rate, if the interest rate implicit in the lease cannot be readily determined. The incremental borrowing rate is the interest rate that the company would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. The Group determines its incremental borrowing rate using observable data (such as market interest rates) or by making specific estimates when observable rates are not available (e.g., for subsidiaries that do not engage in financing transactions) or when they must be adjusted to reflect the terms and conditions of the lease (e.g., when the leases are not in the subsidiary's functional currency).

Lease payments included in the measurement of liabilities comprise: i) fixed payments, less any lease incentive receivable; ii) variable lease payments that depend on an index or a rate; iii) residual value guarantees if it is reasonably certain that the group will exercise that option; iv) the exercise price of a purchase option, if the Group is it is reasonably certain to exercise that option; and v) penalties for terminating the lease, if any.

After the commencement date, the lease liability increases to reflect the accrual of interest and is reduced by the lease payments made. In addition, the carrying amount of the liability is remeasured if there is a change in the terms of the lease (changes in the lease term, in the amount of expected payments related to a residual value guarantee, in the evaluation of a purchase option or in an index or rate used to determine lease payments). Interest expense is recognized as finance cost and distributed over the years making up the lease period, so that a constant interest rate is obtained in each year on the outstanding balance of the lease liability.

Short-term leases of one year or less or leases of low value assets are exempt from the application of the recognition criteria described above, with the payments associated with the lease recorded as an expense on a straight-line basis over the term of the lease.

Right-of-use assets and lease liabilities are presented separately from other assets and liabilities, respectively, in the consolidated statement of financial position.

## **f.2) Lessor**

When the Group acts as a lessor, it classifies at the commencement of the agreement whether the lease is an operating or finance lease, based on the substance of the transaction. Leases in which all the risks and rewards incidental to ownership of an underlying asset are substantially transferred are classified as finance leases. All other leases are classified as operating leases.

For finance leases, at the commencement date, the Company recognizes in its statement of financial position the assets held under finance leases and presents them as an account receivable, for an amount equal to the net investment in the lease, calculated as the sum of the present value of the lease payments and the present value of any accrued residual value, discounted at the interest rate implicit in the lease. Subsequently, finance income is recognized over the term of the lease, based on a model that reflects a constant rate of return on the net financial investment made in the lease.

For operating leases, lease payments are recognized as income on a straight-line basis, over the term of the lease unless another type of systematic basis of distribution is deemed more representative. The initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and are recognized as expense throughout the lease period, applying the same basis as for rental income.

## **g) Financial instruments**

Financial instruments are contracts that give rise to both a financial asset in one entity and a financial liability or equity instrument in another entity.

### **g.1) Financial assets other than derivatives**

The Group classifies its non-derivative financial assets, whether permanent or temporary, excluding investments accounted for using the equity method (see Notes 3.i and 13) and non-current assets held for sale (see Note 3.k), in three categories:

#### **(i) Amortized cost**

This category includes the financial assets that meet the following conditions (i) the business model that supports the financial assets seeks to maintain such financial assets to obtain contractual cash flows, and (ii) the contractual terms of such financial assets give rise on specific dates to cash flows that are solely payments of principal and interest (SPPI criterion).

Financial assets that meet the conditions established in IFRS 9, to be valued at amortized cost in the Group are: cash equivalents, accounts receivable and, loans. Such assets are recorded at amortized cost, which is the initial fair value, less repayments of principal, plus uncollected accrued interest, calculated using the effective interest method.

The effective interest method is a method for calculating the amortized cost of a financial asset or a financial liability (or a group of financial assets or financial liabilities) and allocating the finance income or financial costs throughout the relevant period. The effective interest rate is the discount rate that exactly matches the estimated cash flows to be received or paid over the expected useful life of the financial instrument (or when appropriate in a shorter period of time), with the net carrying amount of the financial asset or financial liability.

#### **(ii) Financial Assets Recorded at Fair Value through Other Comprehensive Income**

This category includes the financial assets that meet the following conditions: (i) they are classified in a business model, the purpose of which is to maintain the financial assets both to collect the contractual cash flows and to sell them, and (ii) the contractual conditions meet the SPPI criterion.

These financial assets are recognized in the consolidated statement of financial position at fair value when this can be determined reliably. For the holdings in unlisted companies or companies with low liquidity, it is usually not possible to determine the fair value reliably, therefore, when this occurs, such holdings are valued at their acquisition cost or for a lower amount if there is evidence of their impairment.

Changes in fair value, net of their tax effect, are recorded in the consolidated statement of comprehensive income: Other comprehensive income, until the disposal of these financial assets, where the accumulated amount in this section is fully allocated to profit or loss for the period except for investments in equity instruments where the accumulated balance in other comprehensive income is never reclassified to profit or loss.

In the event that the fair value is lower than the acquisition cost, if there is objective evidence that the asset has suffered an impairment that cannot be considered as temporary, the difference is recorded directly in the loss for the period.

### **(iii) Financial Assets Recorded at Fair Value through Profit or Loss**

This category includes the trading portfolio of the financial assets that have been allocated as such upon their initial recognition and which are managed and assessed according to the fair value criterion, and the financial assets that do not meet the conditions to be classified in the two categories indicated above.

These are valued in the consolidated statement of financial position at fair value, and variations in their value are recorded directly in income when they occur.

## **g.2) Cash and cash equivalents**

This item within the consolidated statement of financial position includes cash and bank balances, time deposits, and other highly liquid investments (with original maturity of less than or equal to 90 days) that are readily convertible into cash and are subject to insignificant risk of changes in value.

## **g.3) Impairment of financial assets**

Following the requirements of IFRS 9, the Group applies an impairment model based on the determination of expected credit losses, based on the Group's past history, existing market conditions, as well as forward-looking estimates at the end of each reporting period. This model is applied to financial assets measured at amortized cost or measured at fair value through other comprehensive income, except for investments in equity instruments.

Expected credit loss is the difference between the contractual cash flows that are due in accordance with the contract and all the cash flows that are expected to be received (i.e. all cash shortfalls), discounted at the original effective interest rate. It is determined considering: i) the probability of default (PD, Probability of Default); ii) loss given default (LGD, Loss Given Default), and iii) exposure at default (EAD, Exposure at Default).

To determine the expected credit losses the Group applies two separate approaches:

- **General approach:** applied to financial assets other than trade accounts receivable, contractual assets or lease receivables. This approach is based on the evaluation of significant increases in the credit risk of financial assets, from the date of initial recognition. If on the reporting date of the financial statements the credit risk has not increased significantly, the impairment losses are measured related to the expected credit losses in the next 12 months; if, on the contrary, the credit risk has increased significantly, the impairment is measured considering the expected credit losses throughout the lifetime of the asset.

In general, the measurement of expected credit losses for financial assets other than trade accounts receivable, contractual assets or lease receivables, are performed separately.

- **Simplified approach:** The Group applies a simplified approach for trade receivables, contract assets and lease receivables so that the impairment provision is always recognized related to the lifetime expected credit losses for the asset. This is the approach that the Group has mostly applied because trade receivables represent the main financial asset of Enel Chile and its subsidiaries.

For trade accounts receivable, contractual assets and lease receivables, the Group applies two types of evaluations of expected credit losses:

- Collective evaluation: based on grouping accounts receivable into specific groups or "clusters", taking into account each business and the local regulatory context. Accounts receivable are grouped according to the

characteristics of customer portfolios in terms of credit risk, maturity information and recovery rates. A specific definition of default is considered for each group.

To measure the expected credit losses collectively, the Group considers the following assumptions:

- PD: average default estimate, calculated for each group of trade receivables, taking into account a minimum of 24-month historical data.
- LGD: calculated based on the recovery rates of a predetermined section, discounted at the effective interest rate; and
- EAD: accounting exposure on reporting date, net of cash deposits, including invoices issued, but not due and invoices to be issued.
- Analytical or individual evaluation: if accounts receivable are considered individually significant by Management and there is specific information regarding any significant increase in the credit risk, the Group applies an individual evaluation of accounts receivable. For the individual evaluation, the PD is obtained mainly from an external supplier, when it is possible to do so, and the LGD through an internal model that considers the recovery rate and other contractual and financial characteristics of accounts receivable. The expected credit loss is obtained by multiplying both factors by the EAD, which is defined as the accounting exposure at the reporting date, including the invoices issued but not due and invoices to be issued for services rendered, net of potential cash deposits obtained as guarantees.

On the basis of the benchmark market and the regulatory context of the sector, as well as the recovery expectations after 90 days, for those accounts receivable, the Group mainly applies a predetermined definition of 180 days overdue to determine expected credit losses, since this is considered an effective indicator of a significant increase in credit risk. Consequently, financial assets that are more than 90 days overdue generally are not considered to be in default.

Based on specific evaluations performed by Management, the prospective adjustment can be applied considering qualitative and quantitative information to reflect possible future events and macroeconomic scenarios, which may affect the risk of the portfolio or the financial instrument.

#### **g.4) Financial liabilities other than derivatives**

General financial liabilities are initially recognized, at fair value net of any costs incurred in the transaction. In subsequent periods, these obligations are measured at their amortized cost using the effective interest method (see Note 3.g.1).

Lease liabilities are initially measured at the present value of future lease payments, determined in accordance with the criteria described in Note 3.f.

In the particular case that a liability is the hedged item in a fair value hedge, as an exception, such liability is measured at its fair value for the portion of the hedged risk.

In order to calculate the fair value of debt, both when it is recorded in the statement of financial position and for fair value disclosure purposes as shown in Note 23, debt has been divided into fixed interest rate debt (hereinafter "fixed-rate debt") and floating interest rate debt (hereinafter "floating-rate debt"). Fixed-rate debt is that on which fixed-interest coupons established at the beginning of the transaction are paid explicitly or implicitly over its term. Floating-rate debt is that debt issued at floating interest rate, i.e., each coupon is established at the beginning of each period based on the benchmark interest rate. All debt has been measured by discounting expected future cash flows with a market interest rate curve based on the payment currency.

#### **g.5) Derivative financial instruments and hedge accounting**

Derivatives held by the Group are transactions entered into to hedge interest and/or exchange rate risk, intended to eliminate or significantly reduce these risks in the underlying transactions being hedged.

Derivatives are recorded at fair value at the end of each reporting period as follows: if their fair value is positive, they are recorded within "Other financial assets" and if their fair value is negative, they are recorded within "Other financial liabilities". For derivatives on commodities, positive fair value is recorded in "Trade and other receivables", and negative fair value, if any, is recognized in "Trade and other liabilities."

Changes in fair value are recorded directly in profit or loss, except when the derivative has been designated for hedge accounting purposes as a hedging instrument and all of the conditions for applying hedge accounting established by IFRS are met, including that the hedge is highly effective. In this case, changes are recognized as follows:

- **Fair value hedges:** The underlying portion for which the risk is being hedged and the hedging instrument are measured at fair value, and any changes in the value of both items are recognized in the statement of comprehensive income offsetting the effects in the same caption of the statement comprehensive income.
- **Cash flow hedges:** Changes in the fair value of the effective portion of the hedged item and hedge instrument are recognized in other comprehensive income and accumulated in an equity reserve referred to as "Hedging reserve". The cumulative loss or gain in this caption is transferred to the consolidated statement of comprehensive income to the extent that the hedged item impacts the consolidated statement of comprehensive income offsetting the effect in the same comprehensive income statement caption. Gains or losses from the ineffective portion of the hedging relationship are recognized directly in the statement of comprehensive income.

Hedge accounting is discontinued only when the hedging relationship (or a part of the relationship) fails to meet the required criteria, after making any rebalancing of the hedging relationship, if applicable. If it is not possible to continue the hedging relationship, including when the hedging instrument expires, is sold, settled or exercised, any gain or loss accumulated in equity at that date remains in the equity until the forecast transaction affects the statement of comprehensive income. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is immediately transferred to the statement of income.

As a general rule, long-term commodity purchases or sales agreements are recognized in the statement of financial position at their fair value at the end of each reporting period, recognizing any differences in value directly in profit or loss, except for, when all of the following conditions are met:

- The sole purpose of the agreement is for its own use, which is understood as: for fuel purchase agreements such use is to generate electricity; for electrical energy purchased for sale, its sale is to the end-customers; and for electricity sales its sale is to the end-customers.
- The Group's future projections evidence the existence of these agreements for own use.
- Past experience with agreements shows that they have been use for the Group's "own use", except for certain isolated cases when for exceptional reasons or reasons associated with logistical issues, these have been used for other purposes beyond the Group's control and expectations.
- The agreement does not establish net settlement of differences and there has been no practice to settle similar differences in similar contracts in the past.

The long-term commodity purchase or sale agreements maintained by the Group, which are mainly for electricity, fuel, and other supplies, meet the conditions described above. Accordingly, the purpose of fuel purchase agreements is to use them to generate electricity, electricity purchase contracts for use in sales to end-customers, and electricity sale contracts for sale of the Group's own products.

The Group also evaluates the existence of derivatives embedded in contracts or financial instruments to determine if their characteristics and risk are closely related to the host contract, provided that when taken as a whole they are not being accounted for at fair value. If they are not closely related, they are recorded separately and changes in value are accounted for directly in the statement of comprehensive income.

## **g.6) Derecognition of financial assets and liabilities**

Financial assets are derecognized when:

- The contractual rights to receive cash flows from the financial asset expire or have been transferred or, even when, the Group has assumed a contractual obligation to pay these cash flows to one or more recipients.
- The Group has substantially transferred all the risks and rewards of their ownership, or, if it has neither assigned nor retained substantially all the risks and rewards, when it does not retain control of the financial asset.

For transactions in which the Group retains substantially all the inherent risks and rewards of their ownership of the financial asset assigned, it recognizes them as a financial liability for the consideration received. Transactions costs are recognized in profit and loss by using the effective interest method (see Note 3.g.1).

Financial liabilities are derecognized when they are extinguished; i.e., when the obligation arising from the liability has been paid or cancelled or has expired. An exchange for a debt instrument with substantially different conditions, or a substantial modification in the current conditions of an existing financial liability (or a part thereof), is recorded as a cancellation of the original financial liability, and a new financial liability is recognized.

## **g.7) Offsetting of financial assets and financial liabilities**

The Group offsets financial assets and liabilities and the net amount is presented in the statement of financial position only when:

- there is a legally binding right to offset the amounts recognized; and
- the Group intends to settle them on a net basis, or to realize the asset and settle the liability simultaneously.

Such rights may only be legally enforceable in the normal course of business, or in the event of default, or in the event of insolvency or bankruptcy, of one or all the counterparties.

## **g.8) Financial guarantee contracts**

The financial guarantee contracts, defined as the guarantees issued by the Group to third parties, are initially measured at their fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequent to initial recognition, financial guarantee contracts are recognized at the higher of:

- the amount of the liability determined in accordance with the accounting policy described in Note 3.m; and
- the amount of the asset initially recognized less, if applicable, any accumulated amortization recognized in accordance with the revenue recognition policies described in Note 3.q.

## **h) Fair value measurement**

The fair value of an asset or liability is defined as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement assumes that the transaction to sell an asset or transfer a liability occurs in the principal market, namely, the market with the greatest volume and level of activity for that asset or liability. In the absence of a principal market, it is assumed that the transaction is carried out in the most advantageous market available to the entity, namely, the market that maximizes the amount that would be received to sell the asset or minimizes the amount that would be paid to transfer the liability.

In estimating fair value, the Group uses valuation techniques that are appropriate for the circumstances and for which there is sufficient data to perform the measurement where it maximizes the use of relevant observable data and minimizes the use of unobservable data.

Given the hierarchy explained below, data used in the valuation techniques, assets and liabilities measured at fair value can be classified at the following levels:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The methods and assumptions used to determine the fair values at Level 2 by type of financial assets or financial liabilities take into consideration estimated future cash flows discounted at market rates. Future cash flows for financial assets and financial liabilities are discounted with the zero-coupon interest rate curves for each currency (these valuations are performed using external tools such as Bloomberg).; and
- **Level 3:** Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The Group takes into account the characteristics of the asset or liability when measuring fair value, in particular:

- For non-financial assets, fair value measurement takes into account the ability of a market participant to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset at its highest and best use;
- For liabilities and equity instruments, the fair value measurement assumes that the liability would not be settled, and an equity instrument would not be cancelled or otherwise extinguished on the measurement date. The fair value of the liability reflects the effect of non-performance risk, namely, the risk that an entity will not fulfill the obligation, which includes but is not limited to, the Company's own credit risk;
- For derivatives not traded in active markets, the fair value is determined by using the discounted cash flow method and generally accepted options valuation models, based on current and future market conditions as of the closing date of the financial statements. This methodology also adjusts the value based on the Company's own credit risk (Debt Valuation Adjustment, DVA), and the counterparty risk (Credit Valuation Adjustment, CVA). These "Credit Valuation Adjustment" CVA / "Debt Valuation Adjustment DVA" adjustments are measured on the basis of the potential future exposure of the instrument (asset or liability position) and the risk profile of both the counterparties and the Group itself.
- For financial assets and financial liabilities with offsetting positions in market risks or counterparty credit risks, measuring the fair value on a net basis is allowed. However, this must be consistent with the manner in which market participants would price the net risk exposure at the measurement date.

Financial assets and financial liabilities measured at fair value are shown in Note 23.3.

## **i) Investments accounted for using the equity method**

The Group's interests in joint ventures and associates are recognized using the equity method of accounting.

Under the equity method of accounting, an investment in an associate or joint venture is initially recognized at cost. As of the acquisition date, the investment is recognized in the statement of financial position based on the share of equity that the Group's interest represents in capital, adjusted for, if appropriate, the effect of transactions with the Group plus any goodwill generated in acquiring the company. If the resulting amount is negative, zero is recorded for that investment in the statement of financial position, unless the Group has a present obligation (either legal or constructive) to reinstate the Company's equity position, in which case the related provision is recognized.

The financial statements of associates or joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to align the accounting policies with those of the Group.

Goodwill from the associate or joint venture is included in the carrying amount of the investment. It is not amortized but is subject to impairment testing as part of the overall investment carrying amount when there are indicators of impairment.

Dividends received from these investments are deducted from the carrying amount of the investment, and any profit or loss obtained from them to which the Group is entitled based on its ownership interest is recognized under "Share of profit (loss) of associates accounted for using the equity method of accounting."

The companies classified as "Associates" and "Joint Ventures" (see Notes 2.5 and 2.6, respectively) in these consolidated financial statements are accounted for under the equity method of accounting.

## **j) Inventories**

Inventories are measured at their weighted average acquisition cost or the net realizable value, whichever is lower. The net realizable value is the estimated selling price in the ordinary course of business less the applicable costs to sell.

The cost of inventories includes all costs of purchase and all necessary costs incurred in bringing the inventories to their present location and condition net of trade discounts and other rebates.

## **k) Non-current assets (or disposal groups of assets) held for sale or held for distribution to owners and discontinued operations.**

Non-current assets, including property, plant and equipment; intangible assets; investments accounted for using the equity method of accounting and joint ventures and disposal groups (a group of assets for disposal or distribution together with liabilities directly associated with those assets), are classified as:

- Held for sale, if their carrying amount will be recovered mainly through a sale transaction rather than through continuing use, or
- Held for distribution to owners, when the entity is committed to distribute the assets (or disposal groups) to the owners.

For the above classifications, the assets must be available for immediate sale or distribution in their present condition and their sale or distribution must be highly probable. For a transaction to be considered highly probable, management must be committed to the sale or distribution and actions to complete the transaction must have been initiated and should be expected to be completed within one year from the date of classification.

Actions required to complete the sale or distribution plan should indicate that it is unlikely that significant changes to the plan can be made or that the plan will be cancelled. The probability of shareholders' approval (if required in the jurisdiction) should be considered as part of the assessment of whether the sale or distribution is highly probable.

The assets or disposal groups classified as held-for-sale or held for distribution to owners are measured at the lower of their carrying amount and fair value less costs to sell or costs to distribute, as appropriate.

Depreciation and amortization on these assets cease when they meet the criteria to be classified as non-current assets held for sale or held for distribution to owners.

Assets that are no longer classified as held for sale or held for distribution to owners, or are no longer part of a disposal group, are measured at the lower of their carrying amounts before being classified as held for sale or held for distribution, less any depreciation, amortization or revaluation that would have been recognized had they had not been classified as held for sale or held for distribution to owners and their recoverable amount at the date of reclassification as non-current assets.

Non-current assets held for sale and the components of the disposal groups classified as held for sale or held for distribution to owners are presented in the consolidated statement of financial position as a single line item within assets referred to as "Non-current assets or disposal groups held for sale or for distribution to owners", and the related liabilities are presented as a single line item within liabilities referred to as "Liabilities included in disposal groups held for sale or for distribution to owners".

The Group classifies as discontinued operations those components of the Group that either have been disposed of, or are classified as held for sale and:

- represent a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations;  
or;
- is a subsidiary acquired exclusively with a view to resale it.

The after-tax results of discontinued operations are presented in a single line of the statement of comprehensive income referred to as "Profit (loss) from discontinued operations", as well as the gain or loss recognized from the measurement at fair value less costs to sell or from the disposal of the assets or groups for disposal comprising the discontinued operation.

## **l) Treasury shares**

Treasury shares are presented deducting the caption "Total equity" in the consolidated statement of financial position and measured at acquisition cost.

Gains and losses from the disposal of treasury shares are recognized directly in "Total Equity – Retained earnings (losses)", without affecting profit or loss for the period.

## **m) Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The unwinding of the discount is recognized as finance cost. Incremental legal costs expected to be incurred in resolving a legal claim are included in measuring of the provision.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

A contingent liability does not result in the recognition of a provision. Legal costs expected to be incurred in defending a legal claim are expensed as incurred. Significant contingent liabilities are disclosed unless the likelihood of an outflow of resources embodying economic benefits is remote.

## **m.1) Provisions for post-employment benefits and similar obligations**

Certain of the Group's companies have entered into pension and other similar commitments with their employees. Those defined benefit and defined contribution commitments are basically through pension plans, except for those related to certain benefits in lieu of payment, basically commitments to supply electric energy, which, due to their nature have not been outsourced and their coverage is provided through the related internal provision.

For defined benefit plans, the companies record the related expense for these commitments following the accrual criteria over the service life of the employees through timely actuarial studies performed as of the reporting date calculated applying the projected credit unit method. The cost of past services which correspond to variances in benefits is recognized immediately.

The defined benefit plan obligations in the statement of financial position represent the present value of the accrued obligations, upon deduction of the fair value of the different plans' assets, if any.

Actuarial gains and losses arising from measurements of both the plan liabilities and the plan asset, are recorded directly as a component of "Other comprehensive income".

## **n) Translation of balances in foreign currency**

Transactions performed by each entity in a currency other than its functional currency are recognized using the exchange rates prevailing as of the date of the transactions. During the period, differences arising between the prevailing exchange rate at the date of the transaction and the exchange rate as of the date of collection or payment are recognized as "Foreign currency translation differences" in the consolidated statement of comprehensive income.

Likewise, at the end of each reporting period, balances or payable denominated in a currency other than each entity's functional currency are remeasured using the closing date exchange rate. Any differences are recorded as "Foreign currency translation differences" in the consolidated statement of comprehensive income.

The Group has established a policy to hedge the portion of revenue from its consolidated entities that is directly linked to variations in the U.S. dollar, through obtaining financing in such currency. Exchange differences related to this debt, which is regarded as the hedging instrument in cash flow hedge transactions, are recognized, net of taxes, in other comprehensive income and are accumulated in an equity reserve and recorded in profit or loss in the term in which the cash flows hedged will be realized. This term has been estimated as ten years.

## **o) Classification of balances as current and non-current**

In these consolidated statements of financial position, assets and liabilities expected to be recovered or settled within twelve months are presented as current assets or liabilities, except for post-employment and other similar obligations. Those assets and liabilities expected to be recovered or settled in more than twelve months are presented as non-current items. Deferred income tax assets and liabilities are classified as non-current.

When the Group has any obligations that mature in less than twelve months but can be refinanced over the long term at the Group's discretion, through unconditionally available loan agreements with long-term maturities, such obligations are classified as non-current liabilities.

## **p) Income taxes**

Income tax expense for the period is determined as the sum of current taxes from each of the Group's subsidiaries and results from applying the tax rate to the taxable income for the period, after deductions allowed have been made, plus any

changes in deferred tax assets and liabilities and tax credits, both for tax losses and deductions. Differences between the carrying amount and tax basis of assets and liabilities generate deferred tax assets and liabilities, which are calculated using the tax rates expected to be applied when the assets and liabilities are realized or settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences, tax losses and unused tax credits to the extent that it is probable that sufficient future taxable profits exist to recover the deductible temporary differences and use the tax credits. Such deferred tax asset is not recognized if the deductible temporary difference arises from the initial recognition of an asset or liability that:

- did not arise from a business combination; and
- at initial recognition provided it affected neither accounting profit nor taxable profit (loss).

With respect to deductible temporary differences associated with investments in subsidiaries, associates and joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilized.

Deferred tax liabilities are recognized for all temporary differences, except for those derived from the initial recognition of goodwill and those that arose from investments in subsidiaries, associates and joint ventures in which the Group can control their reversal and where it is probable that they will not be reversed in the foreseeable future.

Current tax and changes in deferred tax assets or liabilities are recorded in profit or loss, other comprehensive income or total equity in the statement of financial position, depending on where the gains or losses that triggered these tax entries have been recognized.

Any tax deductions that can be applied to current tax liabilities are credited to earnings within the line item "Income tax expenses", except when uncertainty exists about their tax realization, in which case they are not recognized until they are effectively realized, or when they relate to specific tax incentives, in which case they are recorded as grants.

At the end of each reporting period, the Group reviews the deferred tax assets and liabilities recognized, and makes, if any necessary corrections based on the results of this analysis.

Deferred tax assets and deferred tax liabilities are offset in the consolidated statement of financial position if the Group has a legally enforceable right to set off current tax assets against current tax liabilities, and only when the deferred taxes relate to income taxes levied by the same tax authority.

## **q) Revenue and expense recognition**

Revenue is recognized when (or as) the control over a good or service is transferred to the customer. Revenue is measured based on the consideration to which the Group is expected to be entitled for said transfer of control, excluding the amounts collected on behalf of third parties.

The Group analyzes and takes into consideration all the relevant facts and circumstances for revenue recognition, applying the five step model established by IFRS 15: 1) Identifying the contract with a customer; 2) Identifying the performance obligations; 3) Determining the transaction price; 4) Allocating the transaction price; and 5) Recognizing revenue.

The following are the criteria for revenue recognition by type of good or service provided by the Group:

- Electricity supply (sale and transportation): Corresponds to a single performance obligation that transfers to the customer a number of different goods/services that are substantially the same and that have the same transfer pattern. Since the customer receives and simultaneously consumes the benefits provided by the Company, it is considered a

performance obligation met over time. In these cases, the Group applies an output method to recognize revenue in the amount to which it is entitled to bill for electricity supplied to date.

- Generation: revenue is recorded according to the physical deliveries of energy and power, at the prices established in the respective contracts, at the prices established in the electricity market by the current regulations, or at the marginal cost of energy and power, depending on whether they are unregulated customers, regulated customers or energy trading in the spot market are involved, respectively.
- Distribution of electricity: Revenue is recognized based on the amount of energy supplied to customers during the period, at prices established in the related contracts or at prices stipulated in the electricity market by applicable regulations, as appropriate.

These revenues include an estimate of the service provided and not invoiced, through the reporting date of the financial statements (see Notes 2.3 and, 28 and Appendix 2.2).

- Gas sale and transport: revenue is recognized over time based on the actual physical deliveries of gas in the consumption period, at the prices established in the respective contracts.
- Other Services: mainly the provision of supplementary services to the electricity business, construction of works and engineering and consulting services. Customers control committed assets as they are created or improved. Therefore, the Company recognizes this revenue over time based on the progress, measuring progress through output methods (percentage of completion through the present date, milestones reached, etc.), or costs incurred (resources consumed, hours of labor spent, etc.), as appropriate in each case.
- Sale of goods: revenue from the sale of goods is recognized at a certain time, when control of the goods has been transferred to the customer, which generally occurs at the time of the physical delivery. Revenues are measured at the independent sale price of each good, and any type of applicable variable compensation.

In contracts in which multiple committed goods and services are identified, the recognition criteria will be applied to each of the identifiable performance obligations of the transaction, based on the control transfer pattern of each good or service that is separate and an independent selling price allocated to each of them, or jointly to two or more transactions, when these are linked to contracts with customers that are negotiated with a single business purpose and the goods and services committed represent a single performance obligation and their selling prices are not independent.

The Group determines the existence of significant financing components in its contracts, adjusting the value of the consideration if applicable, to reflect the effects of the time value of money. However, the Group applies the practical expedient provided by IFRS 15, and will not adjust the value of the consideration committed for the purpose of a significant financing component, if it expects, at the beginning of the contract, that the period between the payment and the transfer of goods or service to the customer is one year or less.

The Group excludes the gross revenue of economic benefits received when acting as an agent or broker on behalf of third parties from the revenue amount. The Group only records as revenue the payment or commission to which it expects to be entitled.

Because the Group mainly recognizes revenue for the amount to which it has the right to invoice, it has decided to apply the disclosure practical expedient provided in IFRS 15, through which it is not required to disclose the aggregate amount of the transaction price allocated to the performance not met (or not met partially) at the end of the reporting period.

In addition, the Group evaluates the existence of incremental costs of obtaining a contract and costs directly related to the fulfillment of a contract. These costs are recognized as an asset, if their recovery is expected, and amortized in a manner consistent with the transfer of the related goods or services. As a practical expedient, the incremental costs of obtaining a contract are recognized as an expense, if the depreciation period of the asset that has been recognized is one year or less.

Costs that do not qualify for capitalization are recognized as expenses at the time they are incurred, unless they are explicitly attributable to the customer.

As of December 31, 2020 and 2019, the Group has not incurred costs to obtain or perform a contract which meet the conditions for their capitalization. The costs incurred to obtain a contract are substantially commission payments for sales that, although are incremental costs, relate to short-term contracts or performance obligations that are met at a certain time, therefore, the Group has decided to recognize these costs as an expense when they occur.

Interest income (expenses) are recorded considering the effective interest rate applicable to the principal pending amortization, during the related accrual period.

## **r) Earnings per share**

Basic earnings per share are calculated by dividing net income attributable to shareholders of the Parent Company by the weighted average number of ordinary shares of outstanding during the period, excluding the average number of shares of the Company held by other subsidiaries within the Group, if any.

Basic earnings per share for continuing and discontinued operations are calculated by dividing net income from continuing and discontinued operations attributable to shareholders of the Company (the numerator) by the weighted average number of shares of common stock outstanding (the denominator) during the year, excluding the average number of shares of the Company held by other subsidiaries within the Group.

Diluted earnings per share is calculated by dividing profit attributable to shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares of that would be issued on conversion of all the potential dilutive securities into ordinary shares, if any.

## **s) Dividends**

Article No. 79 of Law No. 18,046 (the "Chilean Corporations Act"), establishes that, unless unanimously agreed otherwise by the shareholders of all issued shares, listed corporations must distribute a cash dividend to shareholders on an annual basis, pro rata among the shares owned or the proportion established in the Company's by-laws if there are preferred shares, of at least 30% of profit for each year, except when accumulated losses from prior years must be absorbed.

As it is practically impossible to achieve a unanimous agreement given Enel Américas' highly fragmented share ownership, at the end of each reporting period the amount of the minimum statutory dividend obligation to its shareholders is determined, net of interim dividends approved during the period, and then accounted for in "Trade and other payables, current", current" and "Current accounts payable to related parties", as appropriate, and recognized in equity.

The interim and final dividends are deducted from equity when approved by the relevant authority, which in the first case is normally the Board of Directors and in the second case is the responsibility of the shareholders as agreed at a General Shareholders' Meeting.

## **t) Share issuance costs**

Share issuance costs, only when they represent incremental expenses directly attributable to the transaction, are recognized directly in net equity as a deduction from "Share premiums," net of any applicable taxes.

If the share premium account has a zero balance or if the costs described exceed the balance, they are recognized in "Other reserves". Subsequently, these costs must be deducted from paid-in capital, and this deduction that must be approved at the Extraordinary Shareholders' Meeting, which occurs immediately after the date on which the disbursements were incurred.

Share issuance and placement expenses directly related to a probable future transaction are recorded as prepaid expenses in the statement of financial position. These expenses are recorded in equity upon issuance and placement of the shares, or in profit or loss when the condition changes and the transaction is no longer expected to occur.

## u) Statement of cash flows

The statement of cash flows reflects changes in cash and cash equivalents that took place during the period, determined with the direct method. It uses the following definitions and related meanings:

- Cash flows: inflows and outflows of cash or cash equivalents, which are defined as highly liquid investments maturing in less than three months with a low risk of changes in value.
- Operating activities: the principal revenue-producing activities of the Group that cannot be considered investing or financing activities.
- Investing activities: the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the size and composition of the total equity and borrowings of the Group.

## NOTE 4. Sector regulation and electricity system operations

### a) Regulatory Framework

The Chilean electricity sector is regulated by the General Law of Electricity Services No. 20,018, contained in DFL No. 1 of 1982, of the Ministry of Mining, whose restated and coordinated text was established by DFL No. 4 of 2006 of the Ministry of Economy ("Electricity Law") and its corresponding Regulations, contained in DS No. 327 of 1998.

The main authority on energy matters is the Ministry of Energy, which is responsible for proposing and conducting public policies on energy, strengthening coordination, and facilitating a comprehensive vision of the sector. It was created on February 1, 2010 as an autonomous body, after years of being part of the Ministry of Mining.

Within the Ministry of Energy is the regulatory body of the electricity sector (the National Energy Commission) and the oversight entity (the Superintendency of Electricity and Fuels). The Ministry also includes the Chilean Commission of Nuclear Energy (CChEN) and the Energy Sustainability Agency.

The National Energy Commission (CNE) has the authority to propose regulated rates, approve transmission expansion plans, and create instruction plans for the construction of new generation units. Meanwhile, the Superintendency of Electricity and Fuels (SEF) supervises and oversees compliance with laws, regulations, and technical standards for the generation, transmission and distribution of electricity, liquid fuels, and gas.

Additionally, the legislation considers a Panel of Experts, composed of expert professionals whose key job is to decide on any discrepancies produced in terms of the matters established in the Electricity Law and in the application of other laws on energy, through binding rulings.

The Law establishes a National Electric Coordinator, an independent body of public law, responsible for the operation and coordination of the Chilean electricity system, whose main objectives are: i) To preserve the security of the service, ii) To guarantee the economic operation of the electricity system's interconnected facilities, and iii) To guarantee free access to all transmission systems. Its main activities include coordinating the Electricity Market, authorizing connections, managing complementary services, implementing public information systems, monitoring competition and the payment chain, among others.

From a physical perspective, the Chilean electricity sector is divided into three main electricity systems: the National Electricity System (SEN) and two isolated medium-sized systems: Aysén and Magallanes. The SEN was created from the interconnection of the Central Interconnected System (SIC) and the Great North Interconnected System (SING) in November 2017. Until the interconnection, the SIC was the country's main system, extending longitudinally across 2,400 km, and linking Taltal, to the north, to Quellon on the Island of Chiloé, to the south. Meanwhile, the SING covered the north of Chile, from Arica to Coloso, covering a length of 700 km.

The Chilean electricity industry can be divided into three main activities: Generation, Transmission and Distribution. The electricity facilities associated with these three activities have the obligation to operate in an interconnected and coordinated manner, with the primary objective of providing electricity to the market at minimal cost and within the service quality and safety standards required by the electricity regulations.

Due to their essential nature, the Transmission and Distribution activities constitute natural monopolies, therefore their segments are regulated as such by the electricity regulations, requiring free access to the grids and definition of regulated rates.

In the electricity market, two products (Energy and Capacity) are traded and different services are provided. In particular, the National Electric Coordinator is responsible for making balances, determining the corresponding transfers between generators, and calculating the marginal time-specific cost, the price at which energy transfers are valued. On the other hand, the CNE determines the prices of Capacity.

Consumers are classified according to the size of their demand as regulated or free customers. Regulated customers are those with a connected capacity lower than 5,000 kW. However, customers with connected capacity between 500 kW and 5,000 kW may choose between the free or regulated rate system.

## Integration and Concentration Limits

In Chile, there is legislation to defend free competition, which along with the specific regulations applicable to electricity, define the criteria to avoid certain levels of economic concentration and/or abusive market practices.

In principle, companies are allowed to participate in different activities (generation, distribution, commercialization) as long as there is adequate separation of these, both in accounting and corporate terms. Nevertheless, the transmission sector is where most restrictions are imposed, mainly due to its nature and the need to guarantee proper access to all agents. The Electricity Law defines the limits of participation for generation or distribution companies in the National Transmission segment, and prohibits the participation of the National Transmission companies in the generation and distribution segment.

### a.1 Generation Segment

Generation companies must operate under the Coordinator's operations plan. However, each company can freely decide to sell its energy and capacity to regulated or unregulated customers. Any surplus or deficit between their sales to customers and production is sold to or bought from other generators at the spot market price.

A generation company may have the following types of customers:

- **Free Customers**, users with a connected capacity of more than 5,000 kW (mainly industrial and mining companies), or customers with connected capacity between 500 and 5,000 kW that choose to be a free customer, for at least four years. These consumers can freely negotiate their electricity supply prices with suppliers.

- **Distribution Companies**, which deliver supply to their regulated customers. Distribution companies buy energy from generation companies through a public bid process regulated by the CNE.
- **Other Generation Companies**. The relationship between generation companies may exist either through bilateral contracts or transfers in the short-term or Spot Market. The latter correspond to energy and capacity transactions among generation companies coordinated by the National Electric Coordinator to achieve the cost-effective operation of the system; any surplus (deficit) in production with respect to their commercial commitments are transferred through sales (purchases) to other generators within the system, valuing energy at marginal cost and capacity at the corresponding regulated price established bi-annually by the authority.

In Chile, the capacity to be paid to each generator depends on a calculation performed centrally by the National Electric Coordinator each year, based on current regulations, in order to obtain the sufficiency capacity for each plant. This value depends primarily on the availability of the facilities themselves and the technology-specific generation resource.

### Non-Conventional Renewable Energies

Law No. 20,257 of April 2008, promotes the use of Non-Conventional Renewable Energies (NCRE). The main aspect of this law is that it required generators, between 2010 and 2014, to ensure that at least 5% of their energy sold to customers came from renewable sources, progressively increasing by 0.5% between 2014 and 2024, to reach 10%. This Law was modified in 2013 by Law No. 20,698, entitled 20/25, which establishes that by the year 2025, 20% of the electricity matrix will be covered by NCRE, respecting the withdrawal plan provided by the previous law for contracts effective as of July 2013.

## a.2 Transmission Segment

The transmission systems comprise lines and substations within an electricity system and which are not distribution facilities. These are divided into five segments: National Transmission, Transmission for Development Hubs, Zonal Transmission, Dedicated Transmission, and International Interconnected Systems.

The transmission facilities are subject to an open access system and may be used by any interested user under non-discriminatory conditions. The remuneration of the existing facilities in the National Transmission and Zonal Transmission segments is determined through a fee-setting process performed every four years. This process determines the Annual Value of Transmission, which includes efficient operating and maintenance costs and the annual value of investment, determined according to a discount rate (7% minimum after taxes) set by the authority every four years based on a study and the economic useful lives of the facilities.

The planning of the National Transmission and Zonal Transmission systems is a regulated and centralized process, where each year the National Electric Coordinator issues an expansion plan that is published by the CNE in a call for proposals. The Expansion Plan report can receive observations by participants and must be ultimately approved by the CNE.

The expansions of both systems is performed through open bids, distinguishing between new works and expansion works on existing facilities. In the case of new works, the execution is subject to bid and the winning bidder takes over ownership of the facility. In the case of the expansion works on existing facilities, the original owner of the facility is also the owner of its expansion, but the construction must be awarded by bid. Both types of bids are managed by the Coordinator.

The remuneration of new works corresponds to the resulting value of the bid, which constitutes income for the first 20 years of operation. Meanwhile, the remuneration of new works includes the resulting value of investment from the bid and the applicable operations and maintenance costs. In both cases, as of the 21st year, the remuneration of these transmission facilities is determined as if they were existing facilities.

Current regulations define that transmission is remunerated by the sum of rate revenue and the collection of charges for the use of the transmission systems. These charges are defined (\$/kWh) by the CNE twice a year.

### **a.3 Distribution Segment**

The distribution system corresponds to electric facilities aimed at supplying electricity to final customers, at a maximum voltage of 23 kV.

Distribution companies operate under a public service concessions system and are required to provide service to all customers and supply electricity to all customers subject to regulated rates (clients with connected capacity less than 5,000 kW, with the exception of customers between 500 and 5,000 kW who may opt for the free rate). Note that free-rate customers may negotiate their supply with any supplier, and must pay a regulated toll for using the distribution network.

Regarding the supply for users subject to price regulation, the law establishes that distribution companies must provide an ongoing energy supply, based on open, non-discriminatory and transparent public bids. These bid processes are designed by the CNE and carried out at least 5 years ahead of time, with a supply contract agreement of up to 20 years. In the case of unforeseen variations in demand, the authority has the power to carry out a short-term bid. There is also a regulated procedure to remunerate potential supply not under contract.

The fee-setting in this segment is performed every four years based on a cost study to determine the Added Value of Distribution (AVD). The AVD is determined according to an efficient model company scheme and the concept of typical area.

On December 21, 2019, the Ministry of Energy published Law No. 21.194 (Short Law) which reduces the Profitability of Distribution Companies and modifies the Electricity Distribution rate process.

To determine the AVD, the CNE classifies companies with similar distribution costs into groups known as "typical areas." For each typical area, the CNE engages independent consultants to carry out a study to determine the costs associated with an efficient model company, considering fixed costs, average energy and capacity losses, and standard investment, maintenance, and operating costs related to distribution, including some restrictions faced by real distribution companies. The annual costs of investment are calculated considering the New Replacement Value (NRV) of the facilities adapted to demand, their useful life, and a rate of renewal, calculated every four years by the CNE, which must be an annual rate between 6% and 8% after taxes.

Subsequently, the rates are structured and the economic profitability rate after taxes is validated, which may not differ by more than two points higher or three points lower than the rate defined by the CNE.

Additionally, and along with the calculation of the AVD, every four years the CNE reviews the Related Services not consisting of energy supply which the Free Competition Defense Court qualifies as subject to rate regulation.

The Chilean distribution rate model is a consolidated model, with nine price-setting processes carried out since the General Law of Electricity Services was ratified in 1982.

## **b) Regulatory Matters**

### **Laws 2019 – 2020**

#### **(i) Law No. 21.185 – Creates a Transitory Mechanism to Stabilize Electricity Prices for Customers Subject to Rate Regulation.**

On November 2, 2019, the Ministry of Energy published Law No. 21.185, which creates a Transitory Mechanism to Stabilize Electricity Prices for Customers Subject to Rate Regulation. Through this Law, between July 1, 2019 and December 31, 2020, the prices to be transferred to regulated customers are the price levels defined for the first half of 2019 (Decree 20T/2018) to be referred to as "Stabilized Price to Regulated Customers" (PEC). Between January 1, 2021 and until the end of the stabilization mechanism, prices shall be those defined in the semiannual price-setting processes referred to in article 158 of the Electricity Law, but may not be higher than the adjusted PEC according to the Consumer Price Index as of January 1, 2021, based on the

same date (adjusted PEC). Any billing differences that arise will generate an account receivable in favor of the generators, up to a limit of MUS\$ 1,350 until 2023. The balance must be recovered by December 31, 2027. The technical provisions on this mechanism are established in Exempt Resolution No. 72/2020, of the National Energy Commission, and its modifications.

### **(ii) Law No. 21,194 – Reduces the Profitability of Distribution Companies and modifies the Electricity Distribution rate process**

On December 21, 2019, the Ministry of Energy published Law No. 21.194, which reduces the Profitability of Distribution Companies and modifies the Electricity Distribution rate process. This Law eliminates the proportion of two-thirds for the AVD study performed by the CNE and one-third for the AVD study done by distribution companies, replacing it with a single study ordered by the CNE. On the other hand, it modifies the renewal rate for the calculation of annual investment costs from an annual real rate of 10% to a rate calculated by the CNE every four years, which shall be an annual rate that may be no less than 6% and no greater than 8% after taxes. The economic profitability rate after taxes for distribution companies must not differ by more than two points higher or three points lower than the rate defined by the CNE. Additionally, distribution companies must have an exclusive line of business as of January 2021.

### **(iii) CNE Exempt Resolution No. 176 /2020 – Exclusive Line of Business**

On June 9, 2020, Exempt Resolution No. 176 was published in the Official Gazette. This resolution determines the scope of the Exclusive Line of Business and Separate Accounting obligations, for the provision of public electricity distribution service in accordance with Law No.21.194.

According to this Resolution and its modifications, the distribution companies acting as public service concessions companies and operating in the National Electricity System must be constituted exclusively as distribution companies and may only perform economic activities aimed at providing public distribution services, in accordance with the requirements established by Law and current regulations. The requirements contained in said Resolution shall be applied starting January 1, 2021. Notwithstanding the above, those operations that by nature cannot be performed prior to this date must be reported and justified to the CNE, including a planning schedule and the compliance periods for the respective requirements, which under no circumstances may exceed January 1, 2022.

### **(iv) Law No. 21.249 – Exceptional provision of the measures indicated for final users of water and sanitation, electricity, and gas services. Last modification to Law No. 21,301**

On August 8, 2020, the Law on Utility Services was passed. This law considers extraordinary measures to support the most vulnerable customers, although Enel Distribución Chile had already been applying most of these measures. These measures include the suspension of the supply disconnection due to default and the possibility of signing agreements to pay off electricity debt in installments, in both cases, for a group of vulnerable customers. The suspended disconnection benefit was for a duration of 90 days following publication of the Law, and debts accumulated by customers covered by this measure must be paid within a maximum of 12 installments from the end of the grace period.

On December 29, 2020, Law No. 21.301 was ratified and extended the terms defined in Law No. 21.249, establishing a benefit duration of 270 days following ratification of this new Law, as opposed to the initial 90 days. Likewise, the number of installments was modified to a maximum of 36, instead of the previously defined maximum of 12 installments.

### **(v) Law No. 21,304 – Electricity Supply for Electro-Dependent Individuals**

On January 21, 2021, the Law on Electro-Dependent Individuals was passed to address home healthcare patients whose health treatment requires them to be physically connected permanently or temporarily to a medical device that operates on electricity.

The law establishes that concessions companies must keep a record of electro-dependent individuals residing in their respective concessions zones, who have a certificate from their attending physician to accredit such condition, indicating the medical device they require for treatment and its characteristics.

On the other hand, concessions companies must implement any technical solutions to help mitigate the effects of interruptions to the electricity supply, and prioritize reestablishing service to the residence of electro-dependent individuals. Moreover, they must incorporate a mechanism between the home's central connection system and the medical devices to measure the consumption, at the company's expense, and this measurement must be discounted from the home's monthly total consumption.

This law will go into effect once the respective regulations have been issued, within six months from the publication of the law.

## **(vi) Electricity Portability Bill**

On September 9, 2020, a bill was filed at the Chamber of Representatives for the purpose of modifying the General Law on Electricity Services in order to establish the right to electricity portability and introduce the figure of energy commercializer. This would uncouple all services that may be offered to the distribution company's final customers, so that the distribution company be dedicated exclusively to the operation of its grids. It considers a transition period to be defined in future decrees, so that regulated consumers in certain areas may gradually obtain the freedom to choose their commercializer. The main point of discussion of this bill is related to the gradual market liberalization and could affect existing regulated contracts.

## **CNE 2020 Regulatory Plan**

By way of Exempt Resolution No. 776 of December 16, 2019, in accordance with the provisions of article 72-19 of the General Law on Electrical Services, the CNE published its Annual Work Plan for the creation and development of the technical regulations for 2020. The document defines the general guidelines and programming priorities of the CNE 2020 Regulatory Work Plan and the regulatory procedures pending from the 2019 Plan, which continued to be developed during 2020.

By way of Exempt Resolutions No. 231 and 313 of June 30, 2020 and August 19, 2020, respectively, Exempt Resolution No. 776 on the 2020 regulatory plan was modified.

## **CNE 2021 Regulatory Plan**

By way of Exempt Resolution No. 471 of December 15, 2020, in accordance with the provisions of article 72-19 of the General Law on Electrical Services, the CNE published its Annual Work Plan for the creation and development of the technical regulations for 2021. The document defines the general guidelines and programming priorities of the CNE 2021 Regulatory Work Plan and the regulatory procedures pending from the 2020 Plan, which will begin or continue to be developed during 2021.

## **Regulations Published in 2019 - 2020**

**Regulations on Complementary Services.** On March 27, 2019, the Ministry of Energy published Decree No. 113/2017, with the Regulations on Complementary Services as referred to in article No. 72-7 of the General Law of Electricity Services, with deferred application from January 1, 2020.

**Regulations on the Coordination and Operation of the National Electricity System.** On December 20, 2019, the Ministry of Energy published Decree No. 125/2017 with the Regulations on the Coordination and Operation of the National Electricity System.

**Regulation Standard 4.** On March 5, 2020, the Ministry of Energy published Decree No. 8/2019 with the Regulations on the Security of Electricity Consumption Facilities.

**Regulations on the Valuation of Transmission.** On June 13, 2020, the Ministry of Energy published Decree No. 10/2019 with the Regulations on the Rating, Valuation, Price-Setting, and Remuneration of Transmission Facilities.

**Regulations on Netbilling.** On September 24, 2020, the Ministry of Energy published Decree No. 57/2019 with the Regulations on Distributed Generation for Self-Consumption.

**Regulations on the Planning of Transmission.** On October 30, 2020, Decree No. 37/2019 was refiled at the Office of the Comptroller General of the Republic. This decree approves the Regulations on Transmission Systems and the Planning of Transmission, which is still pending approval.

**Modification to the Regulations on Sufficiency Capacity.** On December 26, 2020, the Ministry of Energy published Decree No. 42 which modifies the Regulations on Capacity in force in Supreme Decree 62/2006. These Regulations incorporate the State of Strategic Reserve, which recognizes a proportion of the sufficiency capacity of plants that are withdrawn from the system within the framework of the decarbonization plan within 5 years from the date of announcement.

Additionally, it establishes a calculation methodology to recognize the sufficiency capacity for hydroelectric plants with storage capacity.

## **Expansion of Transmission**

### **2017 Transmission Expansion Plan**

In compliance with the process phases stipulated by law, the Ministry of Energy published Exempt Decree No. 293/2018 on November 8, 2018, which establishes the Expansion Works to the National and Zonal Transmission Systems to begin their bid process during the following twelve months (later modified by Exempt Decree No. 202/2019 of August 13, 2019).

On January 9, 2019, the Ministry of Energy published Exempt Decree No. 4/2019, which establishes the New Works on the National and Zonal Transmission Systems to begin their bid process during the following twelve months.

### **2018 Transmission Expansion Plan**

In compliance with the process phases stipulated by law, the Ministry of Energy published Exempt Decree No. 231/2019 on September 24, 2019, which establishes the New Works on the National and Zonal Transmission Systems to begin their bid process or fringe studies, as applicable, during the following twelve months.

On August 10, 2019, the Ministry of Energy published Exempt Decree No. 198/2019, which establishes the Expansion Works to the National and Zonal Transmission Systems to begin their bid process during the following twelve months, corresponding to the 2018 expansion plan.

### **2019 Transmission Expansion Plan**

In compliance with the process phases stipulated by law, the Ministry of Energy published Exempt Decree No. 185/2020 on October 2, 2020, which establishes the New Works on the National and Zonal Transmission Systems to begin their bid process or area studies, as applicable, during the following twelve months, according to the 2019 expansion plan.

On September 14, 2020, the Ministry of Energy published Exempt Decree No. 171/2020, which establishes the Expansion Works to the National and Zonal Transmission Systems to begin their bid process during the following twelve months, corresponding to the 2019 expansion plan.

### **2020 Transmission Expansion Plan**

In accordance with article 91 of Law 20,936/2016, which establishes the Transmission Planning Procedure, the National Electric Coordinator sent the expansion proposal for the different transmission segments to the CNE on January 22, 2020. Subsequently, the CNE issued a call to submit proposals for Transmission Expansion projects by April 22, 2020, although this deadline was extended to May 27, 2020 by Exempt Resolution No. 132/2020.

## **c) Tariff Revisions and Supply Processes**

### **c.1 Distribution Price-Setting 2016 - 2020**

The price-setting process for the 2016-2020 period culminated on August 24, 2017 with the publication of Decree No. 11T/2016 in the Official Gazette, which establishes the distribution rate formulas effective from November 4, 2016.

On September 28, 2018, the Ministry of Energy Decree No. 5T went into effect, updating Decree No. 11T/2016 by the same Ministry and modifying the electricity rates in force for the distribution segment until the next price-setting process.

On July 26, 2019, through Ordinary Official Letter No. 15699/2019, the SEF instructed a plan of action to apply the adjustment indicated in the CNE Ordinary Official Letter No. 490/2019, with respect to the Ministry of Energy Decree No. 5T/2018. The adjustment was effective retroactively from September 28, 2018.

The final customer rates that have governed during 2020 are determined according to the following decrees and resolutions:

- i) Decree No. 11T/2016, which establishes the rate formulas applicable to electricity supply subject to regulated prices, published in the Official Gazette on August 24, 2017, was effective retroactively from November 4, 2016.
- ii) Decree No. 2T/2018, which establishes the rate formulas applicable to electricity supply subject to regulated prices, published in the Official Gazette on June 27, 2018, and which is effective for the four-year period from November 2016 to November 2020.
- iii) Decree No. 5T/2018, which establishes the rate formulas applicable to electricity supply subject to regulated prices as indicated in Decree No. 11T of 2016, published in the Official Gazette on September 28, 2018, and which was effective from the date of publication.
- iv) SEF Ordinary Official Letter No. 15699/2019, which instructs the action plan for the adjustment informed in CNE Ordinary Official Letter No. 490/2019, with respect to the Ministry of Energy Decree No. 5T/2018, effective retroactively from September 28, 2018 to November 3, 2020.
- v) Decree No. 6T/2017, which establishes the Annual Value by Bracket for Zonal and Dedicated Transmission Facilities used by users subject to price regulation, its rates and indexing formulas for 2018-2019, published by the Ministry of Energy in the Official Gazette on October 5, 2018, and effective from January 1, 2018 to December 31, 2019.
- vi) Price Decrees:

### **- Average Regulated Prices:**

On May 6, 2019, the Ministry of Energy published Decree No. 20T/2018 in the Official Gazette, which establishes the average regulated prices in the national electricity system, as well as the adjustments and surcharges upon application of the Residential Rate Equality Mechanism, effective retroactively as of January 1, 2019.

On October 5, 2019, the Ministry of Energy published Decree No. 7T/2019 in the Official Gazette, which establishes the average regulated prices in the national electricity system, as well as the adjustments and surcharges upon application of the Residential Rate Equality Mechanism, effective retroactively from July 1, 2019.

On November 2, 2019, the Ministry of Energy published Law No. 21,185, which creates a Transitory mechanism to stabilize electricity prices for customers subject to rate regulation. Article 5 of this Law repeals Decree 7T/2019, and extends the effective term of Decree No. 20T/2018 from its original effective date until the publication of the subsequent average regulated price decree.

On November 2, 2020, the Ministry of Energy published Decree No. 6T/2020 in the Official Gazette, which establishes the average regulated prices in the national electricity system, as well as the adjustment factor for application of the price stabilization transitory mechanism considered in Law No. 21,185, effective from January 1, 2020. Given the price stabilization mechanism, the publication of this decree had no effect on the final regulated customer rate.

### **- Short-Term Regulated Prices:**

On October 23, 2019, the Ministry of Energy published Decree No. 9T/2019, which establishes the regulated prices for electricity supply, effective retroactively from October 1, 2019.

On April 7, 2020, the Ministry of Energy published Decree No. 2T/2020, which establishes the regulated prices for electricity supply, effective from April 1, 2020.

On December 3, 2020, the Ministry of Energy published Decree No. 12T/2020, which establishes the regulated prices for electricity supply, effective from October 1, 2020.

## **c.2 Distribution Price Setting 2020–2024**

Through Exempt Resolution No. 24 of January 21, 2020, the CNE published the Preliminary Technical Terms and Conditions for calculating the components of the Added Value of Distribution for the 2020–2024 period, and the Cost Study on electricity supply-related services, initiating the distribution price setting process for the corresponding four-year period.

In compliance with the process phases established by law, the interested parties made observations on the terms and conditions and submitted discrepancies to the Panel of Experts. Then, on June 11, 2020, the CNE published the Final Technical Terms and Conditions in Exempt Resolution No. 195.

On July 17, 2020, Exempt Resolution No. 256 constituted the Cost Studies Committee established in article 183 bis of the General Law of Electricity Services. Through Exempt Resolutions No. 336 and 366 of September 1, 2020 and September 24, 2020, respectively, updates were incorporated to Exempt Resolution No. 256 regarding the primary and alternate representatives.

On August 18, 2020, the CNE informed that the Added Value of Distribution 2020–2024 study had been awarded to the company INECON, which was the fourth bid awarded for this type of study.

On November 17, 2020, Progress Report No. 1 of the study was submitted, and Exempt Resolution No. 4 of January 4, 2021 extended the deadlines for Progress Report No. 2 and the Final Report to February 8, 2021 and March 8, 2021, respectively.

## **c.3 Price Setting for Distribution-Related Services**

On July 24, 2018, the Ministry of Energy published Decree No. 13T/2018 in the Official Gazette, which establishes the prices of Services other than energy supply related to electricity distribution. These prices were effective from the date of publication of said decree and are still in force to date.

According to legislation, a new price-setting process for Services other than energy supply related to electricity distribution shall be performed at the same time as the Distribution Price Setting for 2020–2024.

## **c.4 Zonal Transmission Price Setting**

On October 5, 2018, the Ministry of Energy published Decree No. 6T/2017, which establishes the annual value by bracket of zonal and dedicated transmission facilities used by users subject to price regulation, its rates and indexing formulas for 2018–2019.

## **c.5 Zonal Transmission Price Setting 2020–2023**

Within the framework of the Transmission Price Setting 2020–2023, the following processes are performed: Rating of Transmission System Facilities, Determination of the Useful Life of Transmission Facilities, and Definition of the Technical and Administrative Terms and Conditions for the Transmission Facilities Appraisal Study.

In this context, for the purposes of the Rating of Transmission System Facilities for the 2020–2023 period, in late 2017 the Regulator issued a preliminary technical report defining which transmission facilities correspond to each segment (National, Zonal and Dedicated). In compliance with the phases established by law, on April 9, 2019, the CNE issued the Final Technical Report through Exempt Resolution No. 244.

In addition, for the purposes of determining the Useful Life of Transmission Facilities, on June 5, 2018, the CNE approved the Final Technical Report to determine Useful Lives, through Exempt Resolution No. 412.

Finally, for the purposes of defining the Technical and Administrative Terms and Conditions for the Transmission Facilities Appraisal Study, the CNE published the Preliminary Technical and Administrative Terms and Conditions at the end of 2017. In general terms, this document governs the process for engaging the price study and defines the rules for performing a price study for all transmission, defining bids for two studies: one for National Facilities and another for Zonal and Dedicated Facilities.

In compliance with the phases considered by Law, the CNE issued Exempt Resolution No. 272 on April 26 2019 which approved the Final Technical and Administrative Terms and Conditions for the Transmission Facilities Appraisal Study. On December 11, 2019, the CNE issued Exempt Resolution No. 766 to correct the previous resolution.

In compliance with the phases considered by Law, the CNE constituted a Committee for awarding and overseeing the transmission facilities appraisal studies, through Exempt Resolution No. 271 of April 26, 2019. Additionally, and through Exempt Resolution No. 678 of October 4, 2019, it approved the Service Provision Agreement for the performance of the National Transmission Study, while on January 7, 2020, it approved the Service Provision Agreement for the Zonal and Dedicated Transmission Study.

With respect to the facilities appraisal studies, the Final Report on the National Transmission System was submitted in October 2020, with a Public Hearing on November 13, 2020. In November 2020, the Final Report for the Zonal and Dedicated Transmission System was submitted, with a Public Hearing on December 2, 2020.

## **c.6 Supply Bids (regulated PPAs)**

Under the new bids law, three processes have been carried out: Supply Bid 2015/01, Supply Bid 2015/02 and Supply Bid 2017/01. Likewise, the CNE informed the start of a fourth processed entitled Supply Bid 2019/01.

The 2015/02 process began in June 2015 and concluded in October of the same year with the awarding of 3 blocks of 1.2 TWh/year (100%) and an average bid price of US\$79.30/MWh.

The 2015/01 process began in May 2015 with the Call for Proposals, and ended in July 2016 with the awarding of 5 energy blocks, for a total of 12.4 TWh/year (100%) to 84 companies at an average bid price of US\$47.60/MWh, and incorporating new participants into the market. The most successful bidder in the 2015/01 process was Enel Generación Chile, which was awarded supply contracts in the amount of 5.9 TWh/year, representing 47.6% of the total bid.

The 2017/01 process began in January 2017 with the Call for Proposals, and ended in November 2017 with the awarding of a total of 2,200 GWh/year (100%) to 5 companies at an average bid price of US\$32.50/MWh.

As in the previous process, the most successful bidder was Enel Generación Chile, which was awarded supply contracts in the amount of 1.2 TWh/year, representing 54% of the total bid.

A future bid process (2021/01) is considered for the supply period between 2026 and 2040, for an annual volume of 2,310 GWh. The deadline for the presentation of bids is May 28, 2021.

## **NOTE 5. Business combinations under common control**

### **Corporate Reorganization Project**

Considering the high priority given to renewable energies in the Group's strategy, and for the purpose of consolidating a vehicle to maximize this strategy, on August 25, 2017, Enel Chile submitted a proposal to the consideration of Enel S.p.A. for a corporate reorganization (hereinafter "the Reorganization of Renewable Assets"), which consisted of integrating the

renewable energy assets in Chile held by Enel Green Power Latin America S.A. (“EGPL”) along with Enel Chile, which was also the controller of conventional energy generation assets belonging to Enel Generación Chile S.A. (“Enel Generación Chile”) and electricity distribution assets belonging to Enel Distribución Chile S.A.

Enel Chile and Enel Generación Chile are entities registered with the Financial Market Commission and have American Depository Receipts (“ADS”) traded in the New York Stock Exchange, therefore they are also subject to regulation by the U.S. Securities and Exchange Commission.

EGPL was an indirect subsidiary of Enel S.p.A., controlled through Enel Green Power S.p.A. (“EGP”).

The proposed reorganization involved the following phases, each of which was conditioned upon the implementation of the other, as described below:

### **i) Tender Offer for the acquisition of the shares (“OPA”)**

Enel Chile conducted a tender offer for the acquisition of the shares, aimed at acquiring all shares issued by the subsidiary Enel Generación Chile, which were owned by the latter’s minority shareholders (equivalent to approximately 40% of paid-in capital), in cash at a price of Ch\$590 per share, with the condition that the shareholders of Enel Generación Chile use Ch\$236 to subscribe Enel Chile shares, and the ADS would be priced at Ch\$17,700, also payable in cash and subject to Ch\$7,080 being used to subscribe Enel Chile ADS, at a subscription price of Ch\$82 per Enel Chile share or Ch\$4,100 per Enel Chile ADS (the “Share/ADS Subscription Condition”).

### **ii) Capital increase**

Enel Chile undertook a capital increase (the “Capital increase”) in order to have sufficient Enel Chile ordinary shares to provide to the shareholder and ADS holders of Enel Generacion Chile to meet the Share/ADS Subscription Condition.

With respect to the capital increase, according to Chilean legislation, Enel Chile made a preferential share subscription offer, where shareholders or third parties that exercised their subscription rights could grant the corresponding share subscription contracts in the apportionment process and proceed to pay Ch\$82 per share corresponding to the shares subscribed by them.

### **iii) Merger**

Once the tender offer was declared successful, EGPL merged with Enel Chile (the “Merger”). Consequently, the renewable assets owned by EGPL were integrated within Enel Chile.

At the Enel Chile Extraordinary Shareholders’ Meeting held on December 20, 2017, it was approved the Reorganization, subject to fulfillment of the conditions established for the tender offer, capital increase and merger. The Meeting also approved Enel Chile’s capital increase in the amount of Ch\$1,891,727,278,668, through the issuance of 23,069,844,862 new cash shares, all of a single series and with no par value, according to the price and other conditions approved by the Shareholders.

Finally, on March 25, 2018, modifications were also approved and made to Enel Chile articles by-laws to reflect the agreements on the Merger, Capital Increase, and expansion of the corporate purpose of Enel Chile, among other provisions. The tender offer occurred between February 16 and March 22, 2018, and the preferential shares related to the capital increase were subscribed between February 15 and March 16, 2018. The Reorganization of Renewable Assets (including the Merger), was finalized and was effective from April 2, 2018, thus increasing Enel Chile’s interest in Enel Generacion Chile from 59.98% to 93.55% and the merger of Enel Chile and EGPL. As of that date, Enel S.p.A. increased its total interest in Enel Chile to 61.93%.

This merger was accounted for in accordance with the accounting criteria established in Note 2.7.5 and generated a charge to Other miscellaneous reserves under Enel Chile’s equity, in the amount of ThCh\$407,354,462 (see note 27.5.c.v.).

Carrying amount of EGPL assets and liabilities at the date of merger:

<b>Identifiable net assets acquired</b>	<b>ThCh\$</b>
Cash and cash equivalents	12,173,982
Other current financial assets	8,460
Other current non-financial assets	3,832,583
Trade and other receivables, current	27,414,273
Current receivables to related parties	73,749,131
Inventories	2,851,171
Current tax assets	2,750,250
Other non-current financial assets	5,685,422
Other non-current non-financial assets	262,878
Trade and other receivables, non-current	43,829,961
Intangible assets other than goodwill	41,786,159
Goodwill	6,652,935
Property, plant and equipment	1,365,850,084
Deferred tax assets	21,246,605
Other current financial liabilities	(62,444,763)
Trade and other current payables, current	(49,109,886)
Current payables to related parties	(33,381,911)
Current tax liabilities	(347,483)
Other non-current financial liabilities	(259,856,654)
Non-current accounts payable to related parties	(396,081,972)
Other non-current provision	(9,169,918)
Deferred tax liabilities	(58,067,689)
Provisions for non-current employee benefits	(603,109)
<b>Net identifiable assets acquired</b>	<b>739,030,509</b>

## NOTE 6. Cash and cash equivalents

a) The details of cash and cash equivalents as of December 31, 2020 and 2019 are as follows:

<b>(IN THOUSANDS OF CHILEAN PESOS – THCH\$)</b>		
<b>Cash and Cash Equivalents</b>	<b>12-31-2020</b>	<b>12-31-2019</b>
Cash balances	42,660	31,416
Bank balances	330,471,774	24,960,269
Time deposits	591,570	14,600,772
Other fixed-income instruments	930,009	196,092,043
<b>Total</b>	<b>332,036,013</b>	<b>235,684,500</b>

Time deposits have a maturity of three months or less from their date of acquisition and accrue the market interest for this type of short-term investment. Other fixed-income investments are mainly comprised of resale agreements maturing in 90 days or less from the date of investment. There are no restrictions for significant amounts of cash availability.

b) The detail, by type of currency, of the above balance is as follows:

<b>(IN THOUSANDS OF CHILEAN PESOS – THCH\$)</b>		
<b>Currency</b>	<b>12-31-2020</b>	<b>12-31-2019</b>
Chilean peso	300,357,148	209,818,277
Argentinean peso	3,977,675	7,096,519
Euro	83,819	654,319
US dollar	27,617,371	18,115,385
<b>Total</b>	<b>332,036,013</b>	<b>235,684,500</b>

c) The following table records the components of “Other payments for operating activities” line item in the Statement of Cash Flows:

<b>(IN THOUSANDS OF CHILEAN PESOS – THCH\$)</b>			
<b>Other payments from operating activities</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
VAT tax debit	(135,096,018)	(123,065,058)	(111,371,155)
Emissions tax	(23,800,541)	(15,563,495)	(16,437,441)
Others	(11,394,034)	(15,871,496)	(9,543,503)
<b>Total</b>	<b>(170,290,593)</b>	<b>(154,500,049)</b>	<b>(137,352,099)</b>

d) Reconciliation of liabilities arising from financing activities:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Liabilities arising from financing activities	01-01-2020	Cash flows from financing			
		From	Used	Paid interest	Total
Short-term loans	158,284,616	199,395	(150,878,247)	(137,759,315)	(288,438,167)
Long-term loans	2,470,532,068	484,520,001	(4,791,827)	-	479,728,174
Lease liabilities (Nota 21)	53,407,689	-	(4,940,582)	(1,492,089)	(6,432,671)
Assets held to cover liabilities arising from financing activities	(4,862,949)	708,062	-	-	708,062
<b>Total</b>	<b>2,677,361,424</b>	<b>485,427,458</b>	<b>(160,610,656)</b>	<b>(139,251,404)</b>	<b>185,565,398</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Liabilities arising from financing activities	01-01-2019	Cash flows from financing			
		From	Used	Paid interest	Total
Short-term loans	408,415,562	-	(350,652,302)	(133,788,145)	(484,440,447)
Long-term loans	2,140,557,500	283,799,437	-	-	283,799,437
Lease liabilities (Nota 21)	14,476,449	-	(4,498,202)	(641,609)	(5,139,811)
Assets held to cover liabilities arising from financing activities	(43,213,556)	1,823,783	-	-	1,823,783
<b>Total</b>	<b>2,520,235,955</b>	<b>285,623,220</b>	<b>(355,150,504)</b>	<b>(134,429,754)</b>	<b>(203,957,038)</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Liabilities arising from financing activities	01-01-2020	Cash flows from financing			
		From	Used	Paid interest	Total
Short-term loans	15,760,182	287,759,113	(168,350,483)	(115,801,821)	3,606,809
Long-term loans	769,169,018	1,278,023,491	(674,473,125)	-	603,550,366
Lease liabilities (Nota 21)	14,608,915	-	(1,889,685)	(739,070)	(2,628,755)
Assets held to cover liabilities arising from financing activities	(50,828,136)	-	-	-	-
<b>Total</b>	<b>748,709,979</b>	<b>1,565,782,604</b>	<b>(844,713,293)</b>	<b>(116,540,891)</b>	<b>604,528,420</b>

(1) It relates to accrual of interest.

## NOTE 7. Other financial assets

The detail of other financial assets as of December 31, 2020 and 2019 is as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Other Financial Assets	Current		Non-Current	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
Financial assets at fair value with changes in other comprehensive income	127,854	127,854	2,326,480	2,349,223
Financial assets measured at amortized cost	808,692	860,425	-	-
Hedging derivatives	1,000,964	322,316	16,422,737	4,871,397
Non-Hedging derivatives	1,414,894	-	1,911,233	-
<b>Total</b>	<b>3,352,404</b>	<b>1,310,595</b>	<b>20,660,450</b>	<b>7,220,620</b>

## NOTE 8. Other non-financial assets and liabilities

### a) Other non-financial assets

The detail of other non-financial assets as of December 31, 2020 and 2019, is as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Other non-financial assets	Current		Non-Current	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
VAT Credit and Other Taxes	8,575,080	19,497,233	46,638,860	19,799,224
Prepaid expenses	9,991,447	12,329,859	-	-
Guarantee deposit	-	-	128,724	1,873,625
Water rights credits	-	-	7,910,531	7,670,114
Spare parts with a consumption schedule of more than 12 months	-	-	7,543,841	5,773,991
Other	1,235,046	2,807,471	3,565,259	2,933,230
<b>Total</b>	<b>19,801,573</b>	<b>34,634,563</b>	<b>65,787,215</b>	<b>38,050,184</b>

Changes that do not represent cash flows						
Acquisition of subsidiaries	Changes in fair value	Exchange differences	Financial costs (1)	New lease liabilities	Other changes	12-31-2020
-	(1,893,193)	3,280,020	133,794,543	-	152,545,857	157,573,676
-	12,628,182	(165,703,734)	2,646,905	-	(151,799,376)	2,648,032,219
-	-	48,124	2,137,451	2,704,926	-	51,865,519
-	(4,578,826)	(7,756,977)	-	-	-	(16,490,690)
-	<b>6,156,163</b>	<b>(170,132,567)</b>	<b>138,578,899</b>	<b>2,704,926</b>	<b>746,481</b>	<b>2,840,980,724</b>

Changes that do not represent cash flows						
Acquisition of subsidiaries	Changes in fair value	Exchange differences	Financial costs (1)	New lease liabilities	Other changes	12-31-2019
-	-	9,096,964	134,487,859	-	90,724,678	158,284,616
-	7,924,704	137,637,204	-	-	(99,386,777)	2,470,532,068
-	-	4,437,228	1,815,169	37,818,654	-	53,407,689
-	38,471,730	(2,231,057)	-	-	286,151	(4,862,949)
-	<b>46,396,434</b>	<b>148,940,339</b>	<b>136,303,028</b>	<b>37,818,654</b>	<b>(8,375,948)</b>	<b>2,677,361,424</b>

Changes that do not represent cash flows						
Acquisition of subsidiaries	Changes in fair value	Exchange differences	Financial costs (1)	New lease liabilities	Other changes	12-31-2018
71,502,040	24,229,123	9,525,539	149,103,648	-	134,688,221	408,415,562
649,261,789	2,541,108	261,981,228	-	-	(145,946,009)	2,140,557,500
-	-	1,757,219	739,070	-	-	14,476,449
(5,495,214)	21,619,259	(8,509,465)	-	-	-	(43,213,556)
<b>715,268,615</b>	<b>48,389,490</b>	<b>264,754,521</b>	<b>149,842,718</b>	<b>-</b>	<b>(11,257,788)</b>	<b>2,520,235,955</b>

## b) Other non-financial liabilities

The detail of other non-financial liabilities as of December 31, 2020 and 2019, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Other non-financial liabilities	Current		Non-Current	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
VAT Credit and Other Taxes	40,117,141	31,616,664	-	-
Reimbursable financial contributions	-	-	1,177,968	1,302,759
Splices	3,860,816	9,283,177	-	-
Transfer of networks	1,473,486	2,845,708	-	-
Products and services	954,609	1,088,498	-	-
Others	760,529	674,336	-	-
<b>Total</b>	<b>47,166,581</b>	<b>45,508,383</b>	<b>1,177,968</b>	<b>1,302,759</b>

## NOTE 9. Trade and other receivables

### a) The detail of trade and other receivables as of December 31, 2020 and 2019, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Trade and Other Receivables, Gross	12-31-2020		12-31-2019	
	Current	Non-Current	Current	Non-Current
<b>Trade and other receivables, gross</b>	<b>619,626,310</b>	<b>445,129,898</b>	<b>566,919,977</b>	<b>313,574,385</b>
Trade receivables, gross	531,179,316	377,160,616	500,040,783	191,966,929
Accounts receivable from finance leases, gross	8,556,146	62,602,528	13,158,795	117,873,340
Other receivables, gross	79,890,848	5,366,754	53,720,399	3,734,116

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Trade and Other Receivables, Net	12-31-2020		12-31-2019	
	Current	Non-Current	Current	Non-Current
<b>Trade and other receivables, net</b>	<b>554,886,639</b>	<b>445,016,566</b>	<b>511,455,330</b>	<b>313,574,385</b>
Trade receivables, net	481,442,020	377,047,284	456,552,682	191,966,929
Accounts receivable from finance leases, net	4,072,738	62,602,528	11,121,878	117,873,340
Other receivables, net <sup>(1)</sup>	69,371,881	5,366,754	43,780,770	3,734,116

(1) The detail of other accounts receivable is as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Other receivables, net <sup>(1)</sup>	12-31-2020		12-31-2019	
	Current	Non-Current	Current	Non-Current
Recoveries from insurance companies	20,325	-	2,011,406	-
Accounts receivable from employees	13,256,252	4,442,878	10,017,453	3,308,861
Advances to suppliers and creditors	43,102,611	909,661	19,864,669	415,787
Compensation for central claims Tarapacá and Bocamina 1	5,360,345	-	-	-
Others	7,632,348	14,215	11,887,242	9,468
<b>Total</b>	<b>69,371,881</b>	<b>5,366,754</b>	<b>43,780,770</b>	<b>3,734,116</b>

## a.1) Increase in trade and other receivables:

The main increase as of December 31, 2020, is observed in the long-term accounts receivable, which increased by ThCh\$185,193,687 compared to the end of 2019. This variation is fundamentally explained by the following:

On November 2, 2019, the Ministry of Energy published Law No. 21,185, which creates a Transitory Mechanism to Stabilize Electricity Prices for Customers Subject to Rate Regulation. By this Law, between July 1, 2019 and December 31, 2020, the prices to be transferred to regulated customers are the price levels defined for the first half of 2019 (Decree 20T/2018) and will be referred to as “Stabilized Price to Regulated Customers” (PEC).

Between January 1, 2021 and up to the end of the stabilization mechanism, prices shall be those defined in the semiannual price-setting processes mentioned in article 158 of the Electricity Law, but may not be higher than the adjusted PEC according to the Consumer Price Index from January 1, 2021, based on the same date (adjusted PEC).

The differences produced between the billing period while applying the stabilization mechanism, and the theoretical billing, considering the price that would have been applied according to the conditions of the respective contracts with the Electricity Distribution companies, will generate an account receivable in favor of the Electricity Generation companies, up to a maximum of MUS\$1,350 until 2023. All billing differences will be recorded in USD and will not accrue financial remuneration until December 31, 2025. The balance must be recovered by December 31, 2027 at the latest.

The application of this Law generates a greater delay in the billing and collection of sales generated in the Company’s Electricity Generation segment, with the corresponding financial and accounting impact this situation generates. In the case of the Company’s Electricity Distribution segment, the financial and accounting effects are neutralized (pass-through principle).

On September 14, 2020, the National Energy Commission published Exempt Resolution No. 340, which modified the technical provisions for the implementation of the Rate Stabilization Law. This Resolution clarified that the payment to each supplier “must be allocated to the payment of Balances chronologically, paying from the oldest to the newest balances,” and not on a weighted basis over the total balances pending payment, as the Industry had done until that date.

In addition, this Resolution established that the payment of Balances shall be performed using the USD exchange rate observed on the business day following publication of the Coordinator’s Balance Payment Chart, instead of the average USD exchange rate during the billing month, as established up to that moment.

As a result of the abovementioned situations, and after eliminating transactions between related companies, the accounting effects recorded by the Group are summarized as follows:

- Classification as non-current in trade receivables in the amount of ThCh\$370,276,397 as of December 31, 2020 (ThCh\$182,076,569 as of December 31, 2019) and trade payables for the purchase of energy from suppliers in the amount of ThCh\$112,895,627 (ThCh\$53,941,373 as of December 31, 2019), see note 24.
- Lower energy sales revenue of ThCh\$10,864,866 as of December 31, 2020 (ThCh\$3,782,091 as of December 31, 2019).
- Lower energy purchase costs of ThCh\$3,515,292 (ThCh\$1,181,163 as of December 31, 2019).
- Higher finance income of ThCh\$15,328,829 as of December 31, 2020, of which ThCh\$11,887,346 correspond to the effect of application of Exempt Resolution No. 340 (higher income of ThCh\$5,225,739 as of December 31, 2019), see Note 34.
- Higher finance costs of ThCh\$(4,518,268) as of December 31, 2020, of which ThCh\$3,206,420 correspond to the effect of application of Exempt Resolution No. 340 (higher finance costs of ThCh\$19,062,333 as of December 31, 2019), see Note 34.
- Net loss from foreign currency translation of ThCh\$25,260,383 as of December 31, 2020 (ThCh\$3,835,024 as of December 31, 2019), due to the dollarization of unbilled accounts receivable, see Note 34.

The aforementioned trade and non-trade concepts, while included in the model to determine impairment losses (see note 3.g.3), have no greater impact at the close of December 2020 and 2019, due to the nature of these items: invoices not yet issued, invoices not yet due, or past due invoices within normal business ranges.

## **a.2) Transfer of rights receivable from Distribution Segment customers**

On December 28, 2020, Enel Distribución Chile and Inter-American Investment Corporation entered into a framework agreement by which Enel Distribución Chile, from time to time, may transfer the collection rights it owns and derived from part of its trade receivables from the sale of energy made to certain customer segments. Within this context, on December 30, 2020, Enel Distribución Chile made the first transfer of collection rights in the amount of ThCh\$44,797,737 and, following the accounting criteria described in note 3.g.6), the inflow of cash obtained in the transaction implied the derecognition of accounts receivable and the recognition of a finance expense in the amount of ThCh\$533,615.

As indicated in the previous paragraph, Enel Distribución Chile can continue to make new transfers of collection rights from time to time. The completion or not of the mentioned sales will depend on Management's analysis and ongoing evaluation of the cash needs and market conditions.

## **a.3) Others**

There are no restrictions on the disposal of these types of accounts receivable in a significant amount.

The Group has no customers whose sales represent 10% or more of its revenue for the years ended December 31, 2020 and 2019.

For amounts, terms and conditions related to accounts receivable due from related parties, refer to Note 10.1.

## b) Financial lease receivables

As of December 31, 2020 and 2019, future collections on financial lease receivables are the following.

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)						
	12-31-2020			12-31-2019		
	Gross	Interest	Present Value	Gross	Interest	Present Value
Less than one year	8,560,073	4,487,336	4,072,737	15,313,622	4,191,744	11,121,878
From one to two years	10,294,652	1,735,758	8,558,894	17,350,359	3,919,937	13,430,422
From two to three years	10,266,956	1,692,482	8,574,474	17,350,359	3,630,136	13,720,223
From three to four years	10,226,534	1,309,548	8,916,986	17,316,251	3,115,800	14,200,451
From four to five years	10,118,045	472,760	9,645,285	17,271,708	2,246,896	15,024,812
More than five years	27,488,134	581,244	26,906,890	65,391,395	3,893,963	61,497,432
<b>Total</b>	<b>76,954,394</b>	<b>10,279,128</b>	<b>66,675,266</b>	<b>149,993,694</b>	<b>20,998,476</b>	<b>128,995,218</b>

The amounts correspond to the development of public lighting projects, mainly for municipalities, and the fleet of electric buses for public transportation with their respective charging stations.

The decrease of ThCh\$62,319,952 in accounts payable compared to December 31, 2019, is mainly due to the sale of electric bus lease agreements on August 19, 2020 by the Company's subsidiary Enel X Chile to its associate Enel AMPCI Ebus Chile SpA.

As of December 31, 2020, the profit from the sale of finance leases was ThCh\$5,090,399, (ThCh\$5,366,871 and ThCh\$3,345,786 as of December 31, 2019 and 2018, respectively). Additionally, the finance income from lease receivables amounted to ThCh\$1,562,017, (ThCh\$1,446,779 and ThCh\$1,182,229 as of December 31, 2019 and 2018, respectively).

## c) As of December 31, 2020 and 2019, the analysis of past-due, unpaid trade receivables, but for which no impairment losses have been recorded, is detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)		
Trade accounts receivables due and unpaid, but for which no impairment losses have been recorded	12-31-2020	12-31-2019
Less than three months	52,948,476	43,661,270
Between three and six months	13,513,388	6,462,265
Between six and twelve months	8,311,729	5,162,189
More than twelve months	34,485,893	10,668,714
<b>Total</b>	<b>109,259,486</b>	<b>65,954,438</b>

## d) of the movement of impairment loss of trade receivables, determined according to Note 3.g.3, is detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Trade accounts receivables due and unpaid, with impairment losses	Current and Non-Current
<b>Balance as of January 1, 2019</b>	<b>49,479,880</b>
Increases (decreases) for the year	10,047,000
Amounts written off	(4,067,201)
Increases (decreases) in foreign currency translation differences	4,968
<b>Balance as of December 31, 2019</b>	<b>55,464,647</b>
Increases (decreases) for the year (*)	15,167,707
Amounts written off	(5,709,371)
Increases (decreases) in foreign currency translation differences	(69,980)
<b>Balance as of December 31, 2020</b>	<b>64,853,003</b>

(\*) As of December 31, 2020, the impairment losses of trade receivables amounted to ThCh\$15,167,707, representing a 51% increase over the loss of ThCh\$10,047,000 recorded during 2019. This increase is mainly due to the effects of COVID-19 on the economy, a deterioration in the payment capacity of a segment of customers, a prolonged lockdown with its effects on different commercial and industrial activities, and the inability to disconnect residential customers as per Law No. 21.249, the Law on Utility Services, whose terms were extended by Law 21.301, among other factors. See more information in Note 4.b.iv "Regulation - regulatory matters," Note 31 "Impairment of financial assets," and Note 36.5 "COVID -19 Contingency."

### Write-offs of doubtful accounts

The write-off of doubtful accounts is performed once all collections proceedings have been exhausted, including judicial proceedings, and proof of the debtors' insolvency has been obtained. In the case of the Company's Generation Business, the process normally considers at least one year of proceedings. In the Company's Distribution Business, the process takes less than 24 months. Over all, the risk of uncollectibility and, therefore, the write-off of the Company's customers, is limited. (See Notes 3.g.3 and 22.5).

### e) Additional Information:

- Additional statistical information required by CMF Circular No. 715, dated February 3, 2012, (XBRL taxonomy). See Appendix 2.
- Complementary information on Trade receivables, see Appendix 2.1.

## NOTE 10. Balances and transactions with related parties

Related party transactions are performed at current market conditions.

Transactions between companies comprising the Group have been eliminated in the consolidation process and are not disclosed in this note.

As of the date of these consolidated financial statements, there are no allowances for doubtful accounts between related entities.

The controlling company of Enel Chile is the Italian company Enel S.p.A.

Enel Chile S.A. provides administrative services to its subsidiaries, through a Centralized Cash Contract used to finance cash deficits or consolidate cash surpluses. These accounts may have a debtor or creditor balance and are prepayable, short-term accounts with a variable interest rate that represents market conditions. To reflect these market conditions, the interest rates are reviewed periodically through an update procedure approved by the Boards of Directors of the respective companies.

## 10.1. Balances and transactions with related parties

The balances of accounts receivable and payable as of December 31, 2020 and 2019 are as follows:

### a) Receivables from related parties

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Taxpayer ID N°	Company	Country	Relationship	Currency	Description of Transaction
Foreign	Endesa Spain	Spain	Common Immediate Parent	EUR	Other services
Foreign	Enel Global Infrastructure and Network	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Green Power Morocco	Italy	Common Immediate Parent	EUR	Other services
76,418,940-K	GNL Chile S.A.	Italy	Associated	US\$	Advance Gas Purchase
76,418,940-K	GNL Chile S.A.	Chile	Associated	US\$	Dividends
Foreign	Endesa Generación	Spain	Common Immediate Parent	EUR	Engineering services
Foreign	Enel Italy Srl.	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Global Trading S.p.A.	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Global Trading S.p.A.	Italy	Common Immediate Parent	US\$	Gas sales
Foreign	Enel Global Trading S.p.A.	Italy	Common Immediate Parent	EUR	Commodity derivatives
Foreign	Enel S.p.A.	Italy	Parent	EUR	Other services
Foreign	Enel Brasil S.A.	Brazil	Common Immediate Parent	BRL	Other services
Foreign	Enel Brasil S.A.	Brazil	Common Immediate Parent	US\$	Other services
Foreign	Emgesa S.A. E.S.P.	Colombia	Common Immediate Parent	US\$	Engineering services
Foreign	Emgesa S.A. E.S.P.	Colombia	Common Immediate Parent	US\$	Other services
Foreign	Codensa S.A.	Colombia	Common Immediate Parent	COP	Computer Services
Foreign	Codensa S.A.	Colombia	Common Immediate Parent	EUR	Computer Services
Foreign	Codensa S.A.	Colombia	Common Immediate Parent	US\$	Other services
Foreign	Enel Generación Peru S.A.	Peru	Common Immediate Parent	CLP	Engineering services
Foreign	Enel Generación Peru S.A.	Peru	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Generación Peru S.A.	Peru	Common Immediate Parent	US\$	Other services
94,271,000-3	Enel Américas S.A.	Chile	Common Immediate Parent	CLP	Computer Services
94,271,000-3	Enel Américas S.A.	Chile	Common Immediate Parent	CLP	Other services
Foreign	Enel Green Power Colombia SAS	Colombia	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Green Power Colombia SAS	Colombia	Common Immediate Parent	US\$	Other services
Foreign	Enel Generación Piura S.A.	Peru	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Innovation Hubs Srl	Italy	Common Immediate Parent	EUR	Computer Services
Foreign	Chinango S.A.C.	Peru	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Green Power Spa	Italy	Common Immediate Parent	EUR	Engineering services
Foreign	Enel Green Power Spa	Italy	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Green Power Spa	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Green Power Spa	Italy	Common Immediate Parent	US\$	Other services
Foreign	Sociedad Portuaria Central Cartagena S.A.	Colombia	Common Immediate Parent	US\$	Other services
96,971,330-6	Geotérmica del Norte	Chile	Common Immediate Parent	CH\$	Venta de Energía
Foreign	Enel Distribución Peru S.A.	Peru	Common Immediate Parent	US\$	Computer Services
Foreign	Enel Green Power Peru	Peru	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Green Power Peru	Peru	Common Immediate Parent	US\$	Other services
Foreign	Energía Nueva Energía Limpia México S.R.L	Mexico	Common Immediate Parent	US\$	Other services
Foreign	Proyectos y Soluciones Renovables S.A.C.	Peru	Common Immediate Parent	US\$	Other services
Foreign	Enel Generacion Costanera S.A.	Argentina	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Generacion El Chocón S.A.	Peru	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Green Power Brasil Participacoes LTDA.	Brazil	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Green Power Brasil Participacoes LTDA.	Brazil	Common Immediate Parent	US\$	Other services
Foreign	Enel Power Argentina	Argentina	Common Immediate Parent	US\$	Other services
Foreign	Energetica Monzon S.A.C.	Peru	Common Immediate Parent	US\$	Other services
Foreign	Energetica Monzon S.A.C.	Peru	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Green Power RSA (PTY) LTD	South Africa	Common Immediate Parent	US\$	Other services
Foreign	Enel Green Power RSA (PTY) LTD	South Africa	Common Immediate Parent	CLP	Other services
Foreign	Enel Green Power North America Inc	United States	Common Immediate Parent	US\$	Other services
Foreign	Enel Green Power North America Inc	United States	Common Immediate Parent	CLP	Other services
Foreign	Empresa Distribuidora Sur S.A.	Argentina	Common Immediate Parent	US\$	Other services
Foreign	Empresa Distribuidora Sur S.A.	Argentina	Common Immediate Parent	US\$	Computer Services
76,802,924-3	Energía y Servicios South America Spa	Chile	Common Immediate Parent	CLP	Other services
Foreign	Enel X S.R.L.	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Produzione	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Global Thermal Generation S.r.l.	Italy	Common Immediate Parent	EUR	Technical services
Foreign	Enel North America Inc	United States	Common Immediate Parent	US\$	Other services
Foreign	Enel X North America Inc	United States	Common Immediate Parent	US\$	Other services
Foreign	Parque Amistad I Sa De Cv	Mexico	Common Immediate Parent	US\$	Other services
Foreign	Parque Amistad Iv Sa De Cv	Mexico	Common Immediate Parent	US\$	Other services
Foreign	Renovables de Guatemala S.A.	Guatemala	Common Immediate Parent	US\$	Engineering services
Foreign	Enel Trading Argentina S.R.L.	Argentina	Common Immediate Parent	EUR	Computer Services
77,157,781-4	Enel AMPCI Ts1 Holdings SpA	Chile	Associated	US\$	Other services
77,157,783-0	Enel AMPCI Ts1 SpA	Chile	Associated	US\$	Other services
77,157,779-2	Enel AMPCI Ebus Chile SpA	Chile	Associated	US\$	Other services
		<b>Total</b>			

Term of Transaction	Current		Non-Current	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
Less than 90 days	31,032	26,979	-	-
Less than 90 days	266,732	146,061	-	-
Less than 90 days	252,803	94,340	-	-
Less than 90 days	20,067,363	31,025,024	48,358,915	34,407,142
Less than 90 days	616,697	-	-	-
Less than 90 days	42,794	45,069	-	-
Less than 90 days	534,991	403,854	-	-
Less than 90 days	216,185	120,276	-	-
Less than 90 days	-	16,880,527	-	-
Less than 90 days	22,048,245	2,962,387	-	-
Less than 90 days	533,309	467,393	-	-
Less than 90 days	-	705,954	-	-
Less than 90 days	866,928	-	-	-
Less than 90 days	198,066	473,527	-	-
Less than 90 days	164,018	105,320	-	-
Less than 90 days	-	833,336	-	-
Less than 90 days	322,872	-	-	-
Less than 90 days	74,930	26,237	-	-
Less than 90 days	1,064,232	725,163	-	-
Less than 90 days	162,252	-	-	-
Less than 90 days	404,354	455,544	-	-
Less than 90 days	410,946	991,564	-	-
Less than 90 days	1,007,511	1,859,205	-	-
Less than 90 days	1,342,341	-	-	-
Less than 90 days	-	489,301	-	-
Less than 90 days	55,897	60,670	-	-
Less than 90 days	25,362	-	-	-
Less than 90 days	70,925	-	-	-
Less than 90 days	170,756	1,131,635	-	-
Less than 90 days	395,683	-	-	-
Less than 90 days	2,088	267,422	-	-
Less than 90 days	653,975	1,509,373	-	-
Less than 90 days	-	149,525	-	-
Less than 90 days	-	-	-	-
Less than 90 days	657,232	603,171	-	-
Less than 90 days	405,030	302,697	-	-
Less than 90 days	186,734	1,463,242	-	-
Less than 90 days	34,843	108,327	-	-
Less than 90 days	96,267	60,717	-	-
Less than 90 days	155,722	34,771	-	-
Less than 90 days	11,954	12,589	-	-
Less than 90 days	6,714	51,895	-	-
Less than 90 days	200,977	75,984	-	-
Less than 90 days	269,280	284,876	-	-
Less than 90 days	-	461,677	-	-
Less than 90 days	653,567	-	-	-
Less than 90 days	-	385,716	-	-
Less than 90 days	-	110,699	-	-
Less than 90 days	-	141,708	-	-
Less than 90 days	-	7,381	-	-
Less than 90 days	234,834	168,691	-	-
Less than 90 days	1,080,101	1,136,784	-	-
Less than 90 days	623,843	341,200	-	-
Less than 90 days	29,990	26,954	-	-
Less than 90 days	60,644	13,781	-	-
Less than 90 days	753,544	273,003	-	-
Less than 90 days	192,582	-	-	-
Less than 90 days	86,685	92,730	-	-
Less than 90 days	-	50,264	-	-
Less than 90 days	-	17,590	-	-
Less than 90 days	1,089	-	-	-
Less than 90 days	173,263	-	-	-
Less than 90 days	8,176	-	-	-
Less than 90 days	41,591	-	-	-
Less than 90 days	8,176	-	-	-
	<b>57,976,125</b>	<b>68,182,133</b>	<b>48,358,915</b>	<b>34,407,142</b>

**b) Accounts payable to related parties**

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Taxpayer ID N°	Company	Country	Relationship	Currency	Description of Transaction
Foreign	Endesa Spain	Spain	Common Immediate Parent	EUR	Other services
Foreign	Enel Trading Argentina S.R.L.	Argentina	Common Immediate Parent	US\$	Other services
Foreign	Emgesa S.A. E.S.P.	Colombia	Common Immediate Parent	COP	Other services
94,271,000-3	Enel Américas S.A.	Chile	Common Immediate Parent	CLP	Other services
Foreign	Enel Distribución Peru S.A.	Peru	Common Immediate Parent	US\$	Other services
Foreign	Enel Global Infrastructure and Network	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Global Infrastructure and Network	Italy	Common Immediate Parent	EUR	Technical services
76,418,940-K	GNL Chile S.A.	Chile	Associated	US\$	Gas Purchase
Foreign	Endesa Generación	Spain	Common Immediate Parent	EUR	Engineering services
Foreign	Endesa Generación	Spain	Common Immediate Parent	EUR	Other services
Foreign	Enel Iberia SRL	Spain	Common Immediate Parent	EUR	Other services
Foreign	E-Distribuzione Spa	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Produzione	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Produzione	Italy	Common Immediate Parent	EUR	Engineering services
Foreign	Enel Energía	Italy	Common Immediate Parent	EUR	Other services
77,017,930-0	Transmisora Eléctrica de Quillota Ltda.	Chile	Joint Arrangement	CLP	Tolls
Foreign	Enel Green Power Spain SL	Spain	Common Immediate Parent	EUR	Other services
Foreign	Enel Global Trading S.p.A.	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Global Trading S.p.A.	Italy	Common Immediate Parent	US\$	Commodity derivatives
Foreign	Enel Global Trading S.p.A.	Italy	Common Immediate Parent	EUR	Technical services
Foreign	Enel Global Services S.r.l.	Italy	Common Immediate Parent	EUR	Technical services
Foreign	Enel Global Services S.r.l.	Italy	Common Immediate Parent	EUR	Computer Services
Foreign	Enel Global Services S.r.l.	Italy	Common Immediate Parent	EUR	Engineering services
Foreign	Enel Global Services S.r.l.	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel S.p.A.	Italy	Parent	CLP	Dividends
Foreign	Enel S.p.A.	Italy	Parent	EUR	Technical services
Foreign	Enel S.p.A.	Italy	Parent	EUR	Computer Services
Foreign	Enel S.p.A.	Italy	Parent	EUR	Engineering services
Foreign	Enel S.p.A.	Italy	Parent	EUR	Other services
Foreign	Enel Italy Srl	Italy	Common Immediate Parent	EUR	Technical services
Foreign	Enel Italy Srl	Italy	Common Immediate Parent	EUR	Computer Services
Foreign	Enel Italy Srl	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Italy IT	Italy	Common Immediate Parent	EUR	Engineering services
Foreign	Codensa S.A.	Colombia	Common Immediate Parent	US\$	Other services
Foreign	Enel Global Thermal Generation S.r.l.	Italy	Common Immediate Parent	EUR	Technical services
Foreign	Enel Global Thermal Generation S.r.l.	Italy	Common Immediate Parent	EUR	Computer Services
Foreign	Enel Global Thermal Generation S.r.l.	Italy	Common Immediate Parent	EUR	Engineering services
Foreign	Enel Global Thermal Generation S.r.l.	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Green Power Spa	Italy	Common Immediate Parent	EUR	Technical services
Foreign	Enel Green Power Spa	Italy	Common Immediate Parent	EUR	Engineering services
Foreign	Enel Green Power Spa	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel Green Power North America Inc	United States	Common Immediate Parent	US\$	Other services
Foreign	Enel Finance International NV (*)	Holland	Common Immediate Parent	US\$	Loan payable
Foreign	Enel Finance International NV	Holland	Common Immediate Parent	US\$	Other services
Foreign	Enel Green Power Italy	Italy	Common Immediate Parent	CLP	Other services
76,802,924-3	Energía y Servicios South America Spa	Chile	Common Immediate Parent	CLP	Other services
76,802,924-3	Energía y Servicios South America Spa	Chile	Common Immediate Parent	EUR	Engineering services
76,802,924-3	Energía y Servicios South America Spa	Chile	Common Immediate Parent	US\$	Other services
76,802,924-3	Energía y Servicios South America Spa	Chile	Common Immediate Parent	US\$	Engineering services
76,364,085-K	Energía Marina S.P.A	Chile	Associated	CLP	Other services
Foreign	Enel X S.R.L.	Italy	Common Immediate Parent	EUR	Other services
Foreign	Enel X S.R.L.	Italy	Common Immediate Parent	EUR	Technical services
Foreign	Cesi S.p.A.	Italy	Common Immediate Parent	EUR	Engineering services
Foreign	Tecnatom SA	Italy	Common Immediate Parent	EUR	Engineering services
Foreign	Enel X Brasil Gerenciamento de Energia Ltda	Brazil	Common Immediate Parent	US\$	Other services
Foreign	Enel Distribución Sao Paulo	Brazil	Common Immediate Parent	US\$	Other services
<b>Total</b>					

(\*) See letter d below.

Term of Transaction	Current		Non-Current	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
Less than 90 days	159,940	159,940	-	-
Less than 90 days	94,838	86,189	-	-
Less than 90 days	4,576	4,723	-	-
Less than 90 days	2,285,642	1,909,747	-	-
Less than 90 days	2,185	2,291	-	-
Less than 90 days	651,662	57,324	-	-
Less than 90 days	5,397,360	1,984,129	-	-
Less than 90 days	14,650,079	4,980,936	-	2,497,660
Less than 90 days	190,879	190,879	-	-
Less than 90 days	25,643	25,643	-	-
Less than 90 days	891,821	883,576	-	-
Less than 90 days	-	49,488	-	-
Less than 90 days	1,395,436	3,249,960	-	-
Less than 90 days	1,999,721	2,793,150	-	-
Less than 90 days	478,207	452,289	-	-
Less than 90 days	13,887	13,887	-	-
Less than 90 days	403,225	352,233	-	-
Less than 90 days	558,964	1,099,133	-	-
Less than 90 days	2,405,919	9,295,836	-	-
Less than 90 days	5,042,033	2,857,244	-	-
Less than 90 days	1,154,817	-	-	-
Less than 90 days	11,719,059	-	-	-
Less than 90 days	551,776	-	-	-
Less than 90 days	640,692	-	-	-
Less than 90 days	-	55,018,871	-	-
Less than 90 days	7,310,421	6,982,284	-	-
Less than 90 days	263,443	-	-	-
Less than 90 days	1,381,313	-	-	-
Less than 90 days	2,516,113	2,965,604	-	-
Less than 90 days	-	6,438,614	-	-
Less than 90 days	253,605	-	-	-
Less than 90 days	676,267	9,115,709	-	-
Less than 90 days	243,460	-	-	-
Less than 90 days	35,616	17,950	-	-
Less than 90 days	4,782,053	3,017,847	-	-
Less than 90 days	2,125,349	-	-	-
Less than 90 days	17,720	-	-	-
Less than 90 days	947,100	681,544	-	-
Less than 90 days	21,206,647	19,758,903	-	-
Less than 90 days	17,975,839	12,594,833	-	-
Less than 90 days	9,249,143	10,666,792	-	-
Less than 90 days	315,697	248,051	-	-
Less than 90 days	3,444,366	-	1,164,044,462	781,875,824
Less than 90 days	-	134,278	-	-
Less than 90 days	459,992	-	-	-
Less than 90 days	345,708	344,877	-	-
Less than 90 days	871,748	-	-	-
Less than 90 days	42,549	107,037	-	-
Less than 90 days	60,957	-	-	-
Less than 90 days	-	2,357	-	-
Less than 90 days	130,664	198,815	-	-
Less than 90 days	4,225,269	147,488	-	-
Less than 90 days	247,773	890,343	-	-
Less than 90 days	73,842	29,093	-	-
Less than 90 days	360	-	-	-
Less than 90 days	132,587	-	-	-
	<b>130,053,962</b>	<b>159,809,887</b>	<b>1,164,044,462</b>	<b>784,373,484</b>

## c) Significant transactions and effects on profit or loss

As of December 31, 2020, 2019 and 2018 the significant transactions with related parties that are not consolidated and their effects on profit or loss are as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Taxpayer ID N°	Company	Country	Relationship	Description of Transaction	2020	2019	2018
94,271,000-3	Enel Américas S.A.	Chile	Common Immediate Parent	Provision of administration and other services	5,021,265	4,748,244	5,071,453
76,418,940-K	GNL Chile S.A.	Chile	Associated	Gas consumption	(164,410,577)	(99,801,403)	(131,521,989)
96,524,140-K	Empresa Eléctrica Panguipulli S.A.	Chile	Common Immediate Parent	Energy Purchases	-	-	(1,954,523)
76,052,206-6	Parque Eólico Valle de los Vientos SpA	Chile	Common Immediate Parent	Energy Purchases	-	-	(3,349,525)
Foreign	Enel X S.R.L.	Italy	Common Immediate Parent	Technical services	(3,435,918)	-	-
Foreign	Enel Global Services S.r.l.	Italy	Common Immediate Parent	Engineering services	(5,097,105)	-	-
Foreign	Enel S.p.A.	Italy	Parent	Technical services	(3,800,471)	(4,110,257)	-
76,412,562-2	Enel Green Power del Sur SPA	Chile	Common Immediate Parent	Energy Purchases	-	-	(30,205,373)
76,179,024-2	Parque Eólico Tal Tal SpA	Chile	Common Immediate Parent	Energy Purchases	-	-	(4,448,833)
Foreign	Enel Global Trading SpA.	Italy	Common Immediate Parent	Commodity derivatives	(37,771,702)	(12,118,800)	7,584,772
Foreign	Enel Global Trading SpA.	Italy	Common Immediate Parent	Technical services	(2,183,183)	(1,634,832)	(1,213,116)
Foreign	Enel Global Trading SpA.	Italy	Common Immediate Parent	Gas sales	-	58,352,346	34,701,425
Foreign	Enel Finance International NV	Holland	Common Immediate Parent	Financial expenses	(35,079,947)	(31,328,749)	(23,253,535)
Foreign	Enel Italy S.r.l.	Italy	Common Immediate Parent	Computer Services	-	(2,699,915)	(1,481,631)
Foreign	Enel Italy S.r.l.	Italy	Common Immediate Parent	Technical services	-	(3,139,990)	(2,629,893)
Foreign	Enel Global Thermal Generation S.r.l.	Italy	Common Immediate Parent	Technical services	(3,172,872)	-	(1,845,425)
Foreign	Enel Green Power SpA	Italy	Common Immediate Parent	Engineering services	(7,263,535)	-	-
Foreign	Enel Green Power SpA	Italy	Common Immediate Parent	Technical services	(4,674,437)	(3,898,762)	(4,257,363)
76,802,924-3	Energía y Servicios South America SpA	Chile	Common Immediate Parent	Computer Services	(2,128,624)	-	-

## d) Significant transactions

### (i) Enel Chile

- On December 21, 2018, Enel Finance International NV granted a revolving credit facility in USD to Enel Chile S.A. for a committed amount of up to US\$ 400 million, with a variable Libor 6M interest rate, plus an annual margin of 1.00%, with the payment of interest every six months and a maturity date of December 21, 2022. The facility allowed Enel Chile S.A. to make indefinite withdrawals up to the committed amount and until June 21, 2019, defined as the availability period, during which Enel Chile S.A. must pay an annual availability commission equivalent to 35% of the margin over the non-withdrawn amount. On June 3 and 18, 2019, Enel Chile S.A. withdrew the total amount of the line of credit. The credit obtained by Enel Chile S.A. is unsecured, corresponds to a bullet loan, and the principal and interest can be repaid early, in part or in full, without any other fine than the "breakage costs," delivering to Enel Finance International NV a request for early repayment, completed at least 10 (ten) days prior to the prepayment date. Enel Chile S.A. must not pay any "breakage costs" if the prepayment date falls on an interest payment date. The debt balance as of December 31, 2020 is US\$400 million, equivalent to ThCh\$284,380,000, while as of December 31, 2019 it was US\$400 million, equivalent to ThCh\$299,496,000. As of December 31, 2020, this debt has no accrued interest due to the payment of interest on December 31, 2020.
- In June 2019, Enel Chile S.A. formalized a revolving credit facility with Enel Finance International N.V. in USD for a total of US\$50 million, at a Libor 1M, 3M or 6M variable rate plus a margin of 0.90%, with monthly, quarterly or semiannual interest payments, and a maturity date of December 24, 2024. During the availability period, Enel Chile S.A. will pay an annual availability commission equivalent to 0.25% the non-withdrawn amount. This revolving credit facility is unsecured, and the principal and accumulated interest or other cost subject to agreement may be repaid early, in part or in full. Enel Chile S.A. may require renewal of a withdrawal, by sending a letter sent 5 (five) business days prior to the due date of the obligation. As of December 31, 2020, this line has not been used.
- On January 3, 2020, Enel Finance International NV granted a loan in USD to Enel Chile S.A. for up to US\$ 200 million, with

a fixed interest rate of 2.60%, with the payment of interest every six months and a maturity date of July 3, 2023. The loan obtained by Enel Chile S.A. is unsecured, corresponds to a bullet loan, and the principal and interest can be repaid early, in part or in full, without any other fine than the "breakage costs," by sending to Enel Finance International NV a request for early repayment, completed at least 10 (ten) days prior to the prepayment date. Enel Chile S.A. must not pay any "breakage costs" if the prepayment date falls on an interest payment date. The debt balance as of December 31, 2020 is US\$200 million, equivalent to ThCh\$142,190,000. As of December 31, 2020, this debt has no accrued interest due to the payment of interest on December 31, 2020.

- On March 11, 2020, Enel Finance International NV granted a loan in USD to Enel Chile S.A. for up to US\$ 400 million, with a fixed interest rate of 3.30%, with the payment of interest every six months and a maturity date of March 11, 2030. The loan obtained by Enel Chile S.A. is unsecured, corresponds to a bullet loan, and the principal and interest can be repaid early, in part or in full, without any other fine than the "breakage costs," by sending to Enel Finance International NV a request for early pay back, completed at least 10 (ten) days prior to the prepayment date. Enel Chile S.A. must not pay any "breakage costs" if the prepayment date falls on an interest payment date. The debt balance as of December 31, 2020 is US\$400 million, equivalent to ThCh\$284,380,000. The accrued interest as of December 31, 2020 is ThCh\$2,893,567.
- On June 15, 2020, Enel Chile S.A. formalized a revolving credit facility with Enel Finance International N.V. in USD for a total of US\$290 million, at a Libor 1M, 3M or 6M variable rate plus a margin of 1.40%, with monthly, quarterly or semiannual interest payments, and a maturity date of June 15, 2021. During the availability period, Enel Chile S.A. will pay an annual availability commission equivalent to 0.35% the margin over the non-withdrawn amount. This revolving credit facility is unsecured, and the principal and accumulated interest or other cost subject to agreement may be repaid early, in part or in full. Enel Chile S.A. may require renewal of a withdrawal, by sending letter sent 5 (five) business days prior to the due date of the obligation. As of December 31, 2020, this line has not been used.

## **(ii) EGP Chile Group**

- On December 31, 2015, Enel Green Power International B.V. (currently Enel Finance International NV) granted to Parque Eólico Renaico SpA (later Enel Green Power del Sur SpA and currently Enel Green Power Chile S.A.) a loan in USD for a committed amount of up to US\$650 million, at a variable Libor 6M interest rate, plus an annual margin of 4.94%, with the payment of interest every six months and a maturity date of December 31, 2027. The credit allowed Enel Green Power del Sur SpA to make indefinite withdrawals up to the committed amount and until December 31, 2017, defined as the availability period, during which Enel Green Power Chile S.A. must pay an annual availability fee equivalent to 35% of the margin over the non-withdrawn amount. On June 28, 2019, the annual margin was reduced to 1.40%. Additionally, on September 30, 2019, Enel Green Power Chile S.A. and EFI renewed the agreement to modify the Loan Agreement, under the following terms: (i) modify the interest rate, from variable to fixed, establishing an annual rate of 2.82%, with payment of interest every six months; and (ii) modify the semiannual payment schedule, starting June 30, 2024, maintaining voluntary prepayment with breakage costs (modifying the definition of breakage cost) and the maturity date of December 31, 2027. The debt balance as of December 31, 2020 is US\$644 million, equivalent to ThCh\$458,115,848 (as of December 31, 2019, US\$644 million, equivalent to ThCh\$482,466,643. This is a bullet maturity loan secured by Enel Chile S.A. As of December 31, 2020, this debt has no accrued interest due to the payment of interest on December 31, 2020.

## **10.2. Board of directors and key management personnel**

Enel Chile is managed by a Board of Directors which consists of seven members. Each director serves for a three-year term after which they can be reelected.

The current Board of Directors was elected at the Ordinary Shareholders' Meeting held on April 25, 2018. In the Board of Directors Meeting held on the same day, the current Board Chairman and Secretary were appointed.

## a) Accounts receivable and payable and other transactions

### - Accounts receivable and payable

There are no outstanding balances receivable and payable between the Company and its Directors and Group Management.

### - Other transactions

There are no transactions other than remuneration between the Company and its Directors and Group Management.

## b) Compensation for directors

In accordance with Article 33 of Law No.18.046 governing stock corporations, the compensation of Directors is established each year at the General Shareholders Meeting of Enel Chile.

A monthly remuneration, partly at all events and partly contingent, shall also be paid to each member of the Board of Directors. This remuneration is broken down as follows:

- UF 216 as a fixed monthly fee in all event, and
- UF 79.2 as a per diem for each Board meeting attended with a maximum of 16 sessions in total whether ordinary or extraordinary, within the corresponding exercise.

According to the provisions of the bylaws, the remuneration of the Chairman of the Board will be twice that of a Director.

In the event a Director of Enel Chile S.A participates in more than one Board of Directors of domestic or foreign subsidiaries and / or affiliated, or acts as director or consultant for other domestic or foreign companies or legal entities in which Enel Chile S.A. has direct or indirect interest, he/she may receive remuneration only in one of said Board of Directors or Management Boards.

The executive officers of Enel Chile S.A. and/or its domestic or foreign subsidiaries or affiliates will not receive remunerations or per diem allowances if acting as directors in any of the domestic or foreign Enel Chile S.A.'s subsidiaries, affiliates or investee in any way. Therefore, said remunerations or per diem allowances may be received by the executive officers as long as this is previously and expressly authorized as advance of their variable portion of remuneration by the corresponding companies with which they are associated through an employment contract.

### **Directors' Committee:**

Each member will be paid a monthly compensation, one part in a fixed monthly fee and another part dependent on meetings attended.

This compensation is broken down as follows:

- UF 72 as a fixed monthly fee, in any event, and
- UF 26.4 as a per diem for each Board meeting attended, all with a maximum of 16 meetings in total, whether ordinary or extraordinary, within the corresponding fiscal year.

The following tables show details of the compensation paid to the members of the Board of Directors of the Company for the years ended December 31, 2020, 2019 and 2018:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Taxpayer ID No.	Name	Position	Period in position	2020		
				Enel Chile Board	Board of subsidiaries	Directors' Committee
4,975,992-4	Herman Chadwick Piñera	Chairman	January - December 2020	207,918	-	-
Foreign	Giulio Fazio	Director	January - December 2020	-	-	-
4,461,192-9	Fernán Gazmuri Plaza	Director	January - December 2020	103,959	-	34,653
4,774,797-K	Pedro Pablo Cabrera Gaete	Director	January - December 2020	103,959	-	34,653
5,672,444-3	Juan Gerardo Jofré Miranda	Director	January - December 2020	103,959	-	34,653
Foreign	Daniele Caprini	Director	January - December 2020	-	-	-
Foreign	Salvatore Bernabei	Director	January - December 2020	-	-	-
<b>TOTAL</b>				<b>519,795</b>	<b>-</b>	<b>103,959</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Taxpayer ID No.	Name	Position	Period in position	2019		
				Enel Chile Board	Board of subsidiaries	Directors' Committee
4,975,992-4	Herman Chadwick Piñera	Chairman	January - December 2019	206,350	-	-
Foreign	Giulio Fazio	Director	January - December 2019	-	-	-
4,461,192-9	Fernán Gazmuri Plaza	Director	January - December 2019	103,175	-	33,648
4,774,797-K	Pedro Pablo Cabrera Gaete	Director	January - December 2019	103,175	-	33,648
5,672,444-3	Juan Gerardo Jofré Miranda	Director	January - December 2019	103,175	-	33,648
Foreign	Daniele Caprini	Director	January - December 2019	-	-	-
Foreign	Salvatore Bernabei	Director	January - December 2019	-	-	-
<b>TOTAL</b>				<b>515,875</b>	<b>-</b>	<b>100,944</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Taxpayer ID No.	Name	Position	Period in position	2018		
				Enel Chile Board	Board of subsidiaries	Directors' Committee
4,975,992-4	Herman Chadwick Piñera	Chairman	January - December 2018	181,789	-	-
Foreign	Giulio Fazio	Director	January - December 2018	-	-	-
4,461,192-9	Fernán Gazmuri Plaza	Director	January - December 2018	90,894	-	31,018
4,774,797-K	Pedro Pablo Cabrera Gaete	Director	January - December 2018	90,894	-	31,018
5,672,444-3	Juan Gerardo Jofré Miranda	Director	January - December 2018	90,894	-	31,018
Foreign	Daniele Caprini	Director	April - December 2018	-	-	-
Foreign	Salvatore Bernabei	Director	January - December 2018	-	-	-
				<b>454,471</b>	<b>-</b>	<b>93,054</b>

### c) Guarantees given by the Company in favor of the directors

No guarantees have been given to the directors.

## 10.3. Compensation of key management personnel

Enel Chile's key personnel as of December 31, 2020 is comprised of the following people:

#### KEY MANAGEMENT PERSONNEL

Taxpayer ID No.	Name	Position
Foreigner	Paolo Palloti	Chief Executive Officer
Foreigner	Giuseppe Turchiarelli <sup>(1)</sup>	Administration, Finance and Control Manager
13,903,626-3	Liliana Schnaidt Hagedorn	Human Resources and Organization Manager
6,973,465-0	Domingo Valdés Prieto	Attorney and Secretary of the Board
Foreigner	Eugenio Belinchon Gueto <sup>(2)</sup>	Internal Audit Manager

(1) On November 15, 2019, Mr. Giuseppe Turchiarelli, was appointed CFO, replacing Mr. Marcelo Antonio de Jesús.

(2) On March 1, 2020, Mr. Eugenio Belinchon Gueto was appointed Head of Internal Auditing, replacing Mr. Raffaele Cutrignelli.

The following executives were part of the Company's key staff until September 24, 2019.

- Mónica De Martino, Regulation Manager
- Antonella Pellegrini, Sustainability and Community Relations Manager
- Claudia Navarrete Campos, Planning and Control Manager
- Alison Dunsmore M., Service Manager
- Pedro Urzúa Frei, Institutional Relations Manager
- Raúl Puentes Barrera, Provisioning Manager
- Andrés Pinto Bontá, Security Manager
- Ángel Barrios Romo, Digital Solutions Manager

## 10.4. Incentive plans for key management personnel

Enel Chile has implemented an annual bonus plan for its executives based on meeting company-wide objectives and on the level of their individual contribution in achieving the overall goals of the Group. The plan provides for a range of bonus amounts according to seniority level. The bonuses paid to the executives consist of a certain number of monthly gross remunerations.

Compensation of key management personnel is the following:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)			
	2020	2019	2018
Remuneration	2,133,063	2,357,252	2,959,019
Short-term benefits for employees	272,714	207,391	497,424
Other long-term benefits - IAS	146,404	2,088	322,865
<b>Total</b>	<b>2,552,181</b>	<b>2,566,731</b>	<b>3,779,308</b>

### a) Guarantees established by the Company in favor of key management personnel

No guarantees have been given to key management personnel.

## 10.5. Compensation plans linked to share price

There are no payment plans granted to the Directors or key management personnel based on the share price of the Enel Chile.

## NOTE 11. Inventories

The detail of inventories as of December 31, 2020 and 2019, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)		
Classes of Inventories	12-31-2020	12-31-2019
Supplies for Production	5,207,472	18,352,465
Gas	2,280,335	2,287,934
Oil	2,927,137	3,888,712
Coal	-	12,175,819
Supplies for projects and spare parts	13,468,592	18,073,825
Electrical materials	4,633,965	3,245,960
<b>Total</b>	<b>23,310,029</b>	<b>39,672,250</b>

There are no inventories acting as security for liabilities.

For the years ended December 31, 2020, 2019 and 2018, raw materials and inputs recognized as fuel cost amount to ThCh\$231,176,489, ThCh\$230,944,415 and ThCh\$231,028,169, respectively (see Note 29). The amount corresponding to 2020 includes ThCh\$21,246,157 for the adjustment of impairment of coal inventories and ThCh\$328,626 of diesel oil, related to the closure of the Bocamina II power plant (see Note 16.c.iv).

## NOTE 12. Current tax assets and liabilities

a) The detail of current tax receivables as of December 31, 2020 and 2019, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)		
Tax Receivables	12-31-2020	12-31-2019
Monthly provisional tax payments	34,534,731	38,536,220
Tax credit for absorbed profits	-	86,068,128
Tax credit for training expenses	503,682	2,668,941
<b>Total</b>	<b>35,038,413</b>	<b>127,273,289</b>

b) The detail of current tax payables as of December 31, 2020 and 2019, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)		
Tax Liabilities	12-31-2020	12-31-2019
Income tax	72,359,944	17,995,833
<b>Total</b>	<b>72,359,944</b>	<b>17,995,833</b>

## NOTE 13. Investments accounted for using the equity method

### 13.1. Investments accounted for using the equity method

a) The detail of the Group's investees accounted for using the equity method and the movements for the years ended December 31, 2020 and 2019, are as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Taxpayer ID No.	Associates and Joint Ventures	Relationship	Country	Functional Currency	Ownership Interest %	01-01-2020	Additions
76,418,940-K	GNL Chile S.A.	Associate	Chile	U.S. dollar	33.33%	1,410,206	-
77,017,930-0	Transmisora Eléctrica de Quillota Ltda.	Joint Ventures	Chile	Chilean peso	50.00%	6,099,228	-
76,014,570-K	Enel Argentina S.A.	Associate	Argentina	Argentine peso	0.0793%	401,908	-
76,364,085-K	Energías Marina SpA	Associate	Chile	Chilean peso	25.00%	17,246	-
77,157,779-2	Enel AMPCI Ebus Chile SpA	Associate	Chile	U.S. dollar	20.00%	-	2,727,091
<b>TOTAL</b>						<b>7,928,588</b>	<b>2,727,091</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Taxpayer ID No.	Associates and Joint Ventures	Relationship	Country	Functional Currency	Ownership Interest %	01-01-2019	Additions
76,418,940-K	GNL Chile S.A.	Associate	Chile	U.S. dollar	33.33%	3,052,983	-
77,017,930-0	Transmisora Eléctrica de Quillota Ltda.	Joint Ventures	Chile	Chilean peso	50.00%	9,473,711	-
76,014,570-K	Enel Argentina S.A.	Associate	Argentina	Argentine peso	0.0793%	300,198	-
76,364,085-K	Energías Marina SpA	Associate	Chile	Chilean peso	25.00%	46,639	131,647
<b>TOTAL</b>						<b>12,873,531</b>	<b>131,647</b>

### 13.2. Additional financial information on investments in associates

Financial information as of December 31, 2020 and 2019 of the main companies in which the Group exercises significant influence is detailed below:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Investments with Significant Influence	December 31, 2020			
	Ownership Interest Direct / Indirect %	Current Assets	Non-Current	
			Assets	Current Liabilities
GNL Chile S.A.	33.33%	57,032,080	1,433,019,578	117,974,825
Enel AMPCI Ebus Chile SpA	20.00%	20,007,409	93,871,600	15,101,345

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Investments with Significant Influence	December 31, 2019			
	Ownership Interest Direct / Indirect %	Current Assets	Non-Current	
			Assets	Current Liabilities
GNL Chile S.A.	33.33%	67,419,256	1,615,973,312	161,197,047

None of the Company's associates have issued price quotations.

Share of Profit (Loss)	Dividends Declared	Foreign Currency Translation	Other Comprehensive Income	Other Increase (Decrease)	12-31-2020	Negative Equity Provision	12-31-2020
1,127,312	(686,058)	(122,077)	-	-	1,729,383	-	1,729,383
1,351,965	-	-	-	-	7,451,193	-	7,451,193
15,333	-	(130,962)	-	84,284	370,563	-	370,563
(70,360)	-	-	-	-	(53,114)	53,114	-
1,085,142	-	(389,551)	18,982	-	3,441,664	-	3,441,664
<b>3,509,392</b>	<b>(686,058)</b>	<b>(642,590)</b>	<b>18,982</b>	<b>84,284</b>	<b>12,939,689</b>	<b>53,114</b>	<b>12,992,803</b>

Share of Profit (Loss)	Dividends Declared	Foreign Currency Translation	Other Comprehensive Income	Other Increase (Decrease)	12-31-2019	Negative Equity Provision	12-31-2019
(254,132)	(1,518,880)	130,235	-	-	1,410,206	-	1,410,206
695,437	(4,069,920)	-	-	-	6,099,228	-	6,099,228
104,335	-	(95,726)	-	93,101	401,908	-	401,908
(179,551)	-	-	-	18,511	17,246	-	17,246
<b>366,089</b>	<b>(5,588,800)</b>	<b>34,509</b>	<b>-</b>	<b>111,612</b>	<b>7,928,588</b>	<b>-</b>	<b>7,928,588</b>

#### December 31, 2020

Non-Current Liabilities	Revenue	Expenses	Profit (Loss)	Other Comprehensive Income	Comprehensive Income
1,366,888,682	553,288,674	(549,906,739)	3,381,935	(366,207)	3,015,728
81,569,344	7,503,692	(2,077,983)	5,425,709	-	5,425,709

#### December 31, 2019

Non-Current Liabilities	Revenue	Expenses	Profit (Loss)	Other Comprehensive Income	Comprehensive Income
1,517,964,903	582,441,735	(583,204,131)	(762,396)	389,843	(372,553)

## 13.3. Joint ventures

Information as of December 31, 2020 and 2019 of the statements of financial position and statements of income of the joint venture related to Transmisora Eléctrica de Quillota Ltda., is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Ownership Interest %	Transmisora Eléctrica de Quillota Ltda.	
	50.0% 12-31-2020	50.0% 12-31-2019
Total current assets	7,157,805	3,346,667
Total non-current assets	10,068,936	10,834,220
Total current liabilities	806,841	365,640
Total non-current liabilities	1,517,515	1,616,791
Cash and cash equivalents	4,261,166	2,403,904
Revenues	4,643,283	3,191,566
Other fixed operating expenses	(268,806)	(768,866)
Depreciation and amortization expense	(782,799)	(782,800)
Other Income	4,187	6,087
Interest income	29,103	152,370
Income tax expense	(921,039)	(407,478)
<b>Profit (loss)</b>	<b>2,703,929</b>	<b>1,390,879</b>
<b>Comprehensive income</b>	<b>2,703,929</b>	<b>1,390,879</b>

There are no significant commitments and contingencies, or restrictions to the availability of funds in associated companies and joint ventures.

## NOTE 14. Intangible assets other than goodwill

The balances of this caption as of December 31, 2020 and 2019 are presented below:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Intangible Assets	12-31-2020	12-31-2019
<b>Intangible Assets, gross</b>	<b>275,527,801</b>	<b>229,944,365</b>
Easements and water rights	20,551,471	22,553,618
Concessions	53,053,457	34,718,676
Patents, registered trademarks and other rights	679,227	771,002
Computer software	186,855,438	156,836,017
Other identifiable intangible assets	14,388,208	15,065,052

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Intangible Assets, Amortization and Impairment	12-31-2020	12-31-2019
<b>Accumulated Amortization and Impairment, Total</b>	<b>(110,413,280)</b>	<b>(97,665,772)</b>
Easements and water rights	(5,519,394)	(5,200,726)
Concessions	(9,469,344)	(8,562,257)
Patents, registered trademarks and other rights	(478,232)	(454,032)
Computer software	(92,187,254)	(80,673,217)
Other identifiable intangible assets	(2,759,056)	(2,775,540)

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Intangible Assets	12-31-2020	12-31-2019
<b>Intangible Assets, Net</b>	<b>165,114,521</b>	<b>132,278,593</b>
Easements and water rights	15,032,077	17,352,892
Concessions	43,584,113	26,156,419
Patents, registered trademarks and other rights	200,995	316,970
Computer software	94,668,184	76,162,800
Other identifiable intangible assets	11,629,152	12,289,512

The following table presents intangible assets other than Goodwill as of December 31, 2020 and 2019:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

	Easements and water rights	Concessions	Patents, Registered Trademarks and Other Rights	Computer Software	Other Identifiable Intangible Assets, net	Intangible Assets, Net
<b>Changes in Intangible Assets</b>						
<b>Opening balance as of January 1, 2020</b>	<b>17,352,892</b>	<b>26,156,419</b>	<b>316,970</b>	<b>76,162,800</b>	<b>12,289,512</b>	<b>132,278,593</b>
<b>Changes in identifiable intangible assets:</b>						
Increases other than from business combinations	-	23,221,080	-	32,122,529	-	55,343,609
Increase (decrease) from foreign currency translation differences	(239,991)	(3,566,641)	-	(273,172)	(661,569)	(4,741,373)
Amortization <sup>(1)</sup>	(556,017)	(2,009,087)	(24,200)	(11,785,777)	-	(14,375,081)
Impairment loss recognized in profit or loss <sup>(2)</sup>	-	(217,658)	-	-	-	(217,658)
<b>Increases (decreases) from transfers and other changes</b>	<b>91,775</b>	<b>-</b>	<b>(91,775)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Increases (decreases) from transfers	91,775	-	(91,775)	-	-	-
<b>Disposals and removal from service</b>	<b>(1,616,582)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,616,582)</b>
Removals from service	(1,616,582)	-	-	-	-	(1,616,582)
Argentine hyperinflationary economy	-	-	-	-	142	142
Other increases (decreases)	-	-	-	(1,557,129)	-	(1,557,129)
<b>Total changes in identifiable intangible assets</b>	<b>(2,320,815)</b>	<b>17,427,694</b>	<b>(115,975)</b>	<b>18,506,451</b>	<b>(661,427)</b>	<b>32,835,928</b>
<b>Closing balance as of December 31, 2020</b>	<b>15,032,077</b>	<b>43,584,113</b>	<b>200,995</b>	<b>94,669,251</b>	<b>11,628,085</b>	<b>165,114,521</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

	Easements and water rights	Concessions	Patents, Registered Trademarks and Other Rights	Computer Software	Other Identifiable Intangible Assets, net	Intangible Assets, Net
<b>Changes in Intangible Assets</b>						
<b>Opening balance as of January 1, 2019</b>	<b>17,736,954</b>	<b>25,953,878</b>	<b>7,394</b>	<b>60,067,635</b>	<b>11,606,532</b>	<b>115,372,393</b>
<b>Changes in identifiable intangible assets:</b>						
Increases other than from business combinations	-	-	-	25,208,199	-	25,208,199
Increase (decrease) from foreign currency translation differences	425,373	2,028,583	-	156,906	926,375	3,537,237
Amortization <sup>(1)</sup>	(809,435)	(1,826,042)	(24,200)	(9,241,732)	(1,598)	(11,903,007)
<b>Increases (decreases) from transfers and other changes</b>	<b>-</b>	<b>-</b>	<b>333,776</b>	<b>(91,776)</b>	<b>(242,000)</b>	<b>-</b>
Increases (decreases) from transfers	-	-	333,776	(91,776)	(242,000)	-
Argentine hyperinflationary economy	-	-	-	-	203	203
Other increases (decreases)	-	-	-	63,568	-	63,568
<b>Total changes in identifiable intangible assets</b>	<b>(384,062)</b>	<b>202,541</b>	<b>309,576</b>	<b>16,095,165</b>	<b>682,980</b>	<b>16,906,200</b>
<b>Closing balance as of December 31, 2019</b>	<b>17,352,892</b>	<b>26,156,419</b>	<b>316,970</b>	<b>76,162,800</b>	<b>12,289,512</b>	<b>132,278,593</b>

(1) See Note 31 a).

(2) See Note 31 b).

No impairment losses have been recognized as of December 31, 2020, 2019 and 2018. According to the estimates and projections of the Group's Management, the projections for the cash flows attributable to intangible assets allow recovering the net value of these assets recorded as of December 31, 2020 (see Note 3. e).

## NOTE 15. Goodwill

The following table sets forth goodwill by cash-generating unit or group of cash-generating units to which it belongs and changes for the years ended December 31, 2020 and 2019:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Company	Cash Generating Unit	Opening balance 01-01-2019	Transfer Merger by Absorption	Foreign Currency Translation	Closing balance 12-31-2019	Foreign Currency Translation	Closing balance 12-31-2020
Enel Colina S.A.	Enel Colina S.A.	2,240,478	-	-	2,240,478	-	2,240,478
Enel Distribución Chile S.A.	Enel Distribución Chile	128,374,362	-	-	128,374,362	-	128,374,362
Enel Generación Chile S.A.	Generación Chile	731,782,459	24,860,356	-	756,642,815	-	756,642,815
GasAtacama Chile S.A.	Generación Chile	24,860,356	(24,860,356)	-	-	-	-
Almeyda Solar SpA	Enel Green Power Chile S.A.	20,146,823	-	1,673,580	21,820,403	(1,194,585)	20,625,818
Geotérmica del Norte	Enel Green Power Chile S.A.	75,646	-	6,284	81,930	(4,485)	77,445
Parque Eólico Talinay Oriente	Enel Green Power Chile S.A.	7,564,601	-	628,385	8,192,986	(448,535)	7,744,451
<b>Total</b>		<b>915,044,725</b>	<b>-</b>	<b>2,308,249</b>	<b>917,352,974</b>	<b>(1,647,605)</b>	<b>915,705,369</b>

According to the Group Management's estimates and projections, the expected future cash flows projections attributable to the cash-generating units or groups of cash-generating units, to which the acquired goodwill has been allocated, allow the recovery of its carrying amount as of December 31, 2020 and 2019 (see Note 3.e).

The origin of the goodwill is detailed below:

## 1. Enel Colina S.A.

On December 31, 1996, Enel Distribución Chile S.A acquired 100% of Empresa Eléctrica de Colina Ltda (currently Enel Colina S.A.) from Inversiones Saint Thomas S.A., a company that is neither directly or indirectly related to Enel Distribución Chile S.A.

## 2. Enel Distribución Chile S.A.

During November 2000, Enersis S.A. (currently Enel Américas S.A., in a public tender offer, acquired an additional ownership interest of 25.4% in Enel Distribución Chile S.A. to reach 99.99% ownership.

## 3. Enel Generación Chile S.A.

On May 11, 1999, Enersis S.A. (currently Enel Américas S.A.) acquired an additional 35% ownership interest in Empresa Nacional de Electricidad S.A. (currently Enel Generación Chile S.A.) to achieve 60% ownership of the generation company, through a public tender offer in the Santiago Stock Exchange and the purchase of shares in the United States (30% and 5%, respectively).

On October 1, 2019, Gasatacama Chile S.A. merged with Enel Generación Chile S.A., with the latter being the legal surviving company. Due to the above, the following goodwill was directly recognized in Enel Generación Chile.

### 3.1. GasAtacama Chile S.A. (formerly Inversiones GasAtacama Holding Limitada)

On April 22, 2014, Empresa Nacional de Electricidad S.A. (currently Enel Generación Chile S.A.) acquired a 50% ownership interest in GasAtacama Chile S.A. (formerly Inversiones GasAtacama Holding Limitada), previously held by Southern Cross Latin América Private Equity Fund III L.P.

### 3.2. GasAtacama Chile S.A. (formerly Empresa Eléctrica Pangué S.A.)

On July 12, 2002, Empresa Nacional de Electricidad S.A. (currently Enel Generación Chile S.A.) acquired 2.51% of the shares of Empresa Eléctrica Pangué S.A., upon exercise of the sale option by the minority shareholder International Finance Corporation (IFC).

On May 2, 2012, Empresa Eléctrica Pangué S.A. merged with Compañía Eléctrica San Isidro S.A., with the latter being the legal surviving company.

### 3.3. GasAtacama Chile S.A. (formerly Compañía Eléctrica San Isidro S.A.)

On August 11, 2005, Empresa Nacional de Electricidad S.A. (currently Enel Generación Chile S.A.) acquired ownership interest in Inversiones Lo Venecia Ltda., whose sole asset was a 25% interest in San Isidro S.A.

On September 1, 2013, Compañía Eléctrica San Isidro S.A. merged with Endesa Eco S.A., with the latter being the legal surviving company.

On November 1, 2013, Endesa Eco S.A. merged with Compañía Eléctrica Tarapacá S.A., with the latter being the legal surviving company.

On November 1, 2016, Celta merged with GasAtacama Chile S.A., with the latter being the legal surviving company.

## 4. Enel Green Power Chile S.A.

On March 26, 2013, Enel Green Power Chile S.A. acquired ownership interest in Parque Eólico Talinay Oriente S.A.

On August 6, 2001, Enel Green Power Chile S.A. acquired ownership interests in Empresa Eléctrica Panguipulli S.A. and Empresa Eléctrica Puyehue S.A., which later merged with Panguipulli, with the latter company being the legal surviving company. Later, on July 1, 2020, Empresa Eléctrica Panguipulli S.A. was absorbed by Parque Eólico Taltal SpA, with the latter being the legal surviving company, and on August 1, 2020, Parque Eólico Taltal SpA was merged into Almeyda Solar SpA, with the latter company being the legal surviving company.

## NOTE 16. Property, plant and equipment

The following table sets forth the property, plant and equipment as of December 31, 2020 and 2019:

<b>(IN THOUSANDS OF CHILEAN PESOS - THCH\$)</b>		
<b>Classes of Property, Plant and Equipment, Gross</b>	<b>12-31-2020</b>	<b>12-31-2019</b>
<b>Property, Plant and Equipment, Gross</b>	<b>9,768,708,590</b>	<b>9,225,653,590</b>
Construction in progress	1,567,685,720	1,048,988,931
Land	78,366,909	77,754,923
Buildings	562,807,945	531,250,194
Generation Plant and Equipment	5,992,384,131	6,002,160,751
Network infrastructure	1,378,810,834	1,396,996,724
Fixtures and fittings	171,396,847	150,242,089
Other property, plant and equipment	17,256,204	18,259,978
<b>(IN THOUSANDS OF CHILEAN PESOS - THCH\$)</b>		
<b>Classes of Accumulated Depreciation and Impairment in Property, Plant and Equipment</b>	<b>12-31-2020</b>	<b>12-31-2019</b>
<b>Total Accumulated Depreciation and Impairment in Property, Plant and Equipment</b>	<b>(4,735,212,118)</b>	<b>(3,921,177,476)</b>
Buildings	(144,646,529)	(110,930,435)
Generation Plant and Equipment	(3,871,912,436)	(3,106,167,890)
Network infrastructure	(584,630,846)	(587,567,750)
Fixtures and fittings	(117,944,385)	(102,483,181)
Other property, plant and equipment	(16,077,922)	(14,028,220)
<b>(IN THOUSANDS OF CHILEAN PESOS - THCH\$)</b>		
<b>Classes of Property, Plant and Equipment, Net</b>	<b>12-31-2020</b>	<b>12-31-2019</b>
<b>Property, Plant and Equipment, Net</b>	<b>5,033,496,472</b>	<b>5,304,476,114</b>
Construction in progress	1,567,685,720	1,048,988,931
Land	78,366,909	77,754,923
Buildings	418,161,416	420,319,759
Generation Plant and Equipment	2,120,471,695	2,895,992,861
Network infrastructure	794,179,988	809,428,974
Fixtures and fittings	53,452,462	47,758,908
Other property, plant and equipment	1,178,282	4,231,758

The composition and movements of the property, plant and equipment accounts during the fiscal year ended December 31, 2020 and 2019 have been the following:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Changes in 2020		Construction in Progress	Land	Buildings, Net
<b>Opening balance as of January 1, 2020</b>		<b>1,048,988,931</b>	<b>77,754,923</b>	<b>420,319,759</b>
Increases other than from business combinations		744,544,601	-	151,195
Increases (decreases) from foreign currency translation differences		(57,958,736)	28,352	(19,184,500)
Depreciation <sup>(1)</sup>		-	-	(20,527,447)
Impairment losses recognized in profit or loss for the period <sup>(2)</sup>		(45,596,397)	-	-
<b>Increases (decreases) from transfers and other changes</b>		<b>(57,868,918)</b>	<b>59,304</b>	<b>11,483,868</b>
Increases (decreases) from transfers from construction in progress		(57,868,918)	59,304	11,483,868
<b>Disposals and removal from service</b>		<b>(1,425,412)</b>	<b>-</b>	<b>-</b>
Disposals		-	-	-
Removals		(1,425,412)	-	-
Other increases (decreases) <sup>(3)</sup>		(63,014,492)	489,124	25,862,428
Argentine hyperinflationary economy		16,143	35,206	56,113
<b>Total changes</b>		<b>518,696,789</b>	<b>611,986</b>	<b>(2,158,343)</b>
<b>Closing balance as of December 31, 2020</b>		<b>1,567,685,720</b>	<b>78,366,909</b>	<b>418,161,416</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Changes in 2019		Construction in Progress	Land	Buildings, Net
<b>Opening balance as of January 1, 2019</b>		<b>862,274,093</b>	<b>74,753,283</b>	<b>384,027,047</b>
Increases other than from business combinations		320,298,423	-	-
Increases (decreases) from foreign currency translation differences		9,880,815	36,282	29,731,649
Depreciation <sup>(1)</sup>		-	-	(17,944,173)
Impairment losses recognized in profit or loss for the period <sup>(2)</sup>		(32,967,462)	-	-
<b>Increases (decreases) from transfers and other changes</b>		<b>(121,288,336)</b>	<b>4,151,834</b>	<b>22,879,420</b>
Increases (decreases) from transfers from construction in progress		(121,288,336)	4,151,834	22,879,420
<b>Disposals and removal from service</b>		<b>-</b>	<b>(406,656)</b>	<b>(792,638)</b>
Disposals		-	(406,656)	-
Removals		-	-	(792,638)
Other increases (decreases) <sup>(3)</sup>		10,843,933	(779,820)	2,418,454
Argentine hyperinflationary economy		(52,535)	-	-
<b>Total changes</b>		<b>186,714,838</b>	<b>3,001,640</b>	<b>36,292,712</b>
<b>Closing balance as of December 31, 2019</b>		<b>1,048,988,931</b>	<b>77,754,923</b>	<b>420,319,759</b>

(1) See Note 31.

(2) See literal iv) in section c) other information, contained in this same Note.

(3) See Note 25.

## Additional information on property, plant and equipment, net

### a) Main investments

The main additions to property, plant and equipment relate to investments in the Company's networks, investments in operating plants and new projects under construction. Total work in progress amounted to ThCh\$1,567,685,720 and ThCh\$1,048,988,931 as of December 31, 2020 and 2019, respectively.

In the distribution business, the main investments are improvements in networks to optimize their operation, in order to improve efficiency and quality of service level. The carrying amount of these works in progress totaled ThCh\$148,835,155 and ThCh\$173,566,099, as of December 31, 2020 and 2019, respectively.

Generation Plant and Equipment, Net	Network Infrastructure, Net	Fixtures and Fittings, Net	Other property, plant and equipment, Net	Property, Plant and Equipment, Net
<b>2,895,992,861</b>	<b>809,428,974</b>	<b>47,758,908</b>	<b>4,231,758</b>	<b>5,304,476,114</b>
691,268	101,862	119,324	-	745,608,250
(54,569,811)	(3,320,508)	2,286,520	87,719	(132,630,964)
(144,943,455)	(36,650,102)	(6,265,815)	(3,141,195)	(211,528,014)
(652,638,983)	-	-	-	(698,235,380)
<b>41,125,722</b>	<b>-</b>	<b>5,200,024</b>	<b>-</b>	<b>-</b>
41,125,722	-	5,200,024	-	-
<b>(1,942,587)</b>	<b>(8,509,816)</b>	<b>-</b>	<b>-</b>	<b>(11,877,815)</b>
(1,942,587)	(6,899,719)	-	-	(8,842,306)
-	(1,610,097)	-	-	(3,035,509)
36,315,417	33,129,578	4,137,244	-	36,919,299
441,263	-	216,257	-	764,982
<b>(775,521,166)</b>	<b>(15,248,986)</b>	<b>5,693,554</b>	<b>(3,053,476)</b>	<b>(270,979,642)</b>
<b>2,120,471,695</b>	<b>794,179,988</b>	<b>53,452,462</b>	<b>1,178,282</b>	<b>5,033,496,472</b>

Generation Plant and Equipment, Net	Network Infrastructure, Net	Fixtures and Fittings, Net	Other property, plant and equipment, Net	Property, Plant and Equipment, Net
<b>3,143,869,929</b>	<b>764,095,247</b>	<b>55,091,617</b>	<b>6,881,745</b>	<b>5,290,992,961</b>
-	-	-	-	320,298,423
81,221,513	4,238,408	65,341	361,574	125,535,582
(159,163,293)	(34,964,877)	(6,299,395)	(3,011,561)	(221,383,299)
(247,052,801)	-	-	-	(280,020,263)
<b>17,534,668</b>	<b>74,941,622</b>	<b>1,780,792</b>	<b>-</b>	<b>-</b>
17,534,668	74,941,622	1,780,792	-	-
<b>(948,350)</b>	<b>(1,880,608)</b>	<b>(837,345)</b>	<b>-</b>	<b>(4,865,597)</b>
(948,350)	-	-	-	(1,355,006)
-	(1,880,608)	(837,345)	-	(3,510,591)
59,398,742	2,999,182	(2,042,102)	-	72,838,389
1,132,453	-	-	-	1,079,918
<b>(247,877,068)</b>	<b>45,333,727</b>	<b>(7,332,709)</b>	<b>(2,649,987)</b>	<b>13,483,153</b>
<b>2,895,992,861</b>	<b>809,428,974</b>	<b>47,758,908</b>	<b>4,231,758</b>	<b>5,304,476,114</b>

In the generation business, investments include works towards the new capacity program. This includes:

- i) Progress on the construction of the Los Condores Hydroelectric power Plant, by Enel Generación Chile, which will use the resources from the Maule Lake and will have an installed capacity of approximately 150 MW. The carrying amount recorded in assets for this project was ThCh\$637,303,224 and ThCh\$541,401,896, as of December 31, 2020 and 2019, respectively.
- ii) Progress on the Sol de Lila, Azabache, Domeyko, Valle del Sol, Finis Terrae, Renaico II, Cerro Pabellón and Campos del Sol project, which together represent an installed capacity of approximately 1.3 GW, and which are being executed by Enel Green Power Chile. The carrying amount recorded in assets for this project was ThCh\$436,164,981 and ThCh\$17,485,325, as of December 31, 2020 and 2019, respectively.

Following the accounting criteria described in Note 3.a), only those investments made in the abovementioned generation projects qualify as assets suitable for capitalizing interest. As a whole, these projects represent cumulative cash disbursements in the amount of ThCh\$780,827,755 and ThCh\$543,844,674, as of December 31, 2020 and 2019.

## b) Capitalized cost

### b.1) Capitalized financial expenses

The capitalized cost for financial expenses amounted to ThCh \$ 33,109,819 as of December 31, 2020, (ThCh\$9,321,354 and ThCh\$6,435,646 as of December 31, 2019 and 2018, respectively) (see Note 34). The average financing rate ranged between 4.60% and 6.84% as of December 31, 2020 (5.86% as of December 31, 2019).

The increase in interest capitalization evidenced during 2020 is mainly explained by a greater development of non-conventional renewable energy projects and by a greater continuity in the development of the Los Cóndores project. Note that, with respect to the Los Cóndores Project, given the difficulties inherent to a project of this magnitude and the impacts related to COVID-19, which implied some suspensions in the execution of the same during the last years, an update of the Project schedule was made as informed by Enel Generación Chile in an essential event dated July 27, 2020, estimating that it will be completed in the last quarter of 2023.

### b.2) Capitalized personnel expenses in work-in-progress

The capitalized cost for personnel expenses directly related to constructions in progress amounted to ThCh\$25,539,316, ThCh\$17,610,861 and ThCh\$16,710,963 as of December 31, 2020, 2019 and 2018, respectively.

The increase in the capitalization of interest and personnel expenses compared to 2019 is mainly due to a greater development of non-conventional renewable energy projects.

## c) Other information

**i)** As of December 31, 2020, and 2019, the Group maintained commitments to acquire tangible fixed assets in the amount of ThCh\$303,709,257 and ThCh\$185,457,682, respectively.

**ii)** As of December 31, 2020, and 2019, Enel Chile had no property, plant and equipment pledged as collateral for liabilities.

**iii)** The Group and its consolidated entities have insurance contracts with policies that cover any risk, earthquake and machinery breakdown up to a limit of €1,000 million (ThCh\$873,300,000), and this coverage includes damages due to business disruption.

Additionally, the Group has civil liability insurance policies for third-party claims up to a limit of €500 million (ThCh\$436,650,000) when these claims are due to the rupture of any dams owned by the Company or its Subsidiaries, and Environmental Civil Liability to cover environmental damage claims up to €20 million (ThCh\$17,466,000). The premiums associated with these policies are recorded proportionally to each company in the caption prepaid expenses.

### iv) Decarbonization plan

#### Development during 2019

On June 4, 2019, the Company's subsidiaries Enel Generación Chile and Gasatacama Chile entered into an agreement by which both companies, in line with their own sustainability strategy and strategic plan, and the Ministry of Energy, regulated how they would proceed to progressively eliminate the Tarapacá, Bocamina I and Bocamina II coal-fired generation units (hereinafter, Tarapacá, Bocamina I and Bocamina II).

The agreement is subject to the condition precedent that the regulations on capacity transfers between generation companies go into force, which establishes, among other things, the essential conditions to ensure non-discriminatory treatment among the generators and to define the State of Strategic Reserve. By virtue of the above, Enel Generación and Gasatacama Chile

would formally and irrevocably agree to the final withdrawal of Bocamina 1 and Tarapacá, respectively, from the National Electricity System, establishing their deadlines at May 31, 2020 for Tarapacá, and December 31, 2023 for Bocamina I.

The Group stated its intention to accelerate the withdrawal of Tarapacá and Bocamina I, promoting the termination of their operations, all fully coordinated with the Authority. Within this context, on June 17, 2019, Gasatacama Chile submitted a request to the National Energy Commission (hereinafter CNE) to perform the final withdrawal, disconnection, and termination of operations of Tarapacá at an earlier date, i.e., by December 31, 2019. On July 26, 2019, by Exempt Resolution No. 450 and in accordance with the provisions of article 72 -18 of the General Law of Electricity Services, the CNE authorized the final withdrawal, disconnection, and termination of operations of Tarapacá from December 31, 2019.

The management of the Tarapacá and Bocamina I assets will be carried out separately, and these assets will not form part of the Cash-Generating Unit formed by the rest of the plants owned by the Enel Generacion Chile Group, whose economic management is performed in an integrated manner.

Due to the abovementioned and as a result of impairment testing on an individual basis, in 2019 the Group recognized impairment losses in the amount of ThCh\$197,188,542 and ThCh\$82,831,721 to adjust the carrying amount of the capitalized investment in Tarapacá and Bocamina I, respectively, to their recoverable amount. The resulting recoverable amount, after the recorded impairment, corresponds to the value of the lands held in Tarapacá and Bocamina I, in the amount of ThCh\$1,613,803 and ThCh\$6,362,581, respectively.

With respect to Bocamina II, Enel Generación Chile set a goal for its early withdrawal by December 31, 2040, at the latest. All of the above was subject to the authorization established in the General Law of Electricity Services. The financial effects would depend on the factors involved in the electricity market behavior, such as fuel prices, hydrological conditions, the growth of electricity demand, and international inflation indexes, which could not be determined at the close of 2019.

Notwithstanding the above, the useful lives of the Bocamina II assets were adjusted such that in any case, the depreciation would be calculated for any useful lives beyond December 31, 2040. This measure implied the recognition of a higher depreciation of ThCh\$4,083,855 during 2019.

### **Development during 2020:**

On May 27, 2020, the Board of Directors of Enel Generación Chile approved, subject to the corresponding CNE authorizations, the early withdrawal of Bocamina I and Bocamina II, establishing deadlines for such withdrawals on December 31, 2020 and May 31, 2022, respectively. The corresponding request was communicated to the CNE that same day.

This decision is a display of the Company's commitment to fight against climate change and also considered the deep changes being experienced by the Industry, including the constant and increasing penetration of renewable energies and the reduction in commodities prices, making gas-powered production more competitive, which would give greater flexibility to the system's operations in comparison to coal-fired production.

On July 3, 2020, the CNE issued Exempt Resolution No. 237 authorizing the final withdrawal, disconnection, and termination of operations of Bocamina I from December 31, 2020.

Regarding Bocamina II, the Group also intended to accelerate its early closure, promoting the discontinuation of its operations in strict coordination with the Authority. In this context, on July 23, 2020, the CNE issued Exempt Resolution No. 266 authorizing the final closure, disconnection, and termination of operations of Bocamina II as of May 31, 2022.

As occurred in 2019 with Tarapacá and Bocamina I, Bocamina II's management will be carried out separately and, accordingly, these assets will not form part of the Cash-Generating Unit consisting of the rest of the plants owned by the Enel Generación Chile Group, whose economic management continues to be carried out in a centralized manner.

Consequently, and as a result of impairment testing on an individual basis, in 2020 the Group recorded an impairment loss of ThCh\$697,856,387 to adjust the carrying amount of the capitalized investment in Bocamina II to its recoverable value (See Note 31). The resulting recoverable value, after the impairment recorded, corresponds to the value of the land associated with this plant, which as of December 31, 2020 was ThCh\$2,014,684.

These situations have effects on deferred taxes, which are disclosed in Note 19.b.

v) As of September 2020, the Company's subsidiary Empresa Nacional de Geotermia recorded an impairment of its works in progress of ThCh\$378,993. Subsequently, its liquidation process began in December 2020.

vi) As a result of the public disturbances occurred in Chile during the last quarter of 2019, write-offs related to property, plant and equipment amounting to ThCh\$1,629,983 were recorded. On the other hand, equipment disposals amounting to ThCh\$1,880,608 were performed. Both concepts total ThCh\$3,510,591, see Note 32.

## NOTE 17. Investment property

The investment property breakdown and activity during 2020 and 2019 are detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Investment Property, Net, Cost Model	Investment Properties, Gross	Accumulated Depreciation, Amortization and Impairment	Investment Properties, Net
<b>Balance at January 1, 2019</b>	<b>9,189,377</b>	<b>(1,632,021)</b>	<b>7,557,356</b>
Depreciation expense	-	(19,812)	(19,812)
Impairment loss recognized in the income statement	-	(742,389)	(742,389)
<b>Balance at December 31, 2019</b>	<b>9,189,377</b>	<b>(2,394,222)</b>	<b>6,795,155</b>
Depreciation expense	-	(19,812)	(19,812)
Reversals of impairment recognized in the income statement	-	646,597	646,597
<b>Balance at December 31, 2020</b>	<b>9,189,377</b>	<b>(1,767,437)</b>	<b>7,421,940</b>

During 2020 and 2019, no real estate property has been sold.

## - Fair value measurement and hierarchy

As of December 31, 2020 and 2019, the fair value of the investment was ThCh\$8,484,901 and ThCh\$7,880,432, respectively. This value was determined according to independent appraisals.

The input data used in this valuation are considered to be Level 3 for the purposes of the fair value hierarchy.

The fair value hierarchy for investment properties is the following:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

	Fair value measured as of December 31, 2020		
	Level 1	Level 2	Level 3
Investment properties	-	-	8,484,901

See Note 3.h.

The revenue and expenses derived from investment properties for the years ended December 31, 2020, 2019 and 2018, are detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Income and expenses from investment properties	12-31-2020	12-31-2019	12-31-2018
Income derived from rental income from investment properties	196,955	202,896	204,166
Direct operating expenses from investment properties that generate rental income	(36,761)	(44,136)	(56,327)
<b>Total</b>	<b>160,194</b>	<b>158,760</b>	<b>147,839</b>

There are no contracts for repairs, maintenance, acquisition, construction, or development which represent future obligations for the Group as of December 31, 2020 and 2019.

The Group has engaged insurance policies to cover the possible risks to which the different elements of its real estate investments are exposed, as well as potential claims that may arise due to the performance of its activities, with the understanding that these policies sufficiently cover these risks.

## NOTE 18. Right-of-use assets

Right-of-use assets for the year ended December 31, 2020 and 2019, are detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Changes in 2020	Land	Other Plant and equipment, Net	Right-of-use asset, Net
<b>Opening balance as of January 1, 2020</b>	<b>34,081,799</b>	<b>21,761,711</b>	<b>55,843,510</b>
New assets contracts, by right-of use	213,445	2,491,480	2,704,925
Increases (decreases) from foreign currency translation differences	830,349	157,520	987,869
Depreciation	(1,894,646)	(2,139,466)	(4,034,112)
New contracts (decrease)	356,444	(356,444)	-
Other increases (decreases)	(707,853)	(2,338,390)	(341,318)
<b>Closing balance as of December 31, 2020</b>	<b>33,373,946</b>	<b>19,423,321</b>	<b>55,502,192</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Changes in 2019	Land	Other Plant and equipment, Net	Right-of-use asset, Net
<b>Opening balance as of January 1, 2019 before application of IFRS 16</b>	<b>2,758</b>	<b>17,651,914</b>	<b>17,654,672</b>
Effects first application IFRS 16	23,097,767	5,716,375	28,814,142
<b>Opening balance as of January 1, 2019 after application of IFRS 16</b>	<b>23,100,525</b>	<b>23,368,289</b>	<b>46,468,814</b>
Increases (decreases) from foreign currency translation differences	1,537,867	-	1,537,867
Depreciation	(1,482,706)	(1,838,562)	(3,321,268)
New contracts (decrease)	10,926,113	231,984	11,158,097
Total movimientos	10,981,274	(1,606,578)	9,374,696
<b>Closing balance as of December 31, 2019</b>	<b>34,081,799</b>	<b>21,761,711</b>	<b>55,843,510</b>

As of December 31, 2020 and 2019, the main right-of-use assets and lease liabilities are detailed as follows:

- These come primarily from a contract for Electricity Transmission Lines and Facilities (Ralco-Charrúa 2X220 KV), entered into by Enel Generación Chile S.A. and Transelec S.A. This contract has a duration of 20 years and accrues interest at an annual rate of 6.5%.
- In addition, as a consequence of the application of IFRS 16 (see Note 3.f), the Group recognized as of January 1, 2019 right-of-use assets related to property, plant and equipment in the amount of ThCh\$28,814,142.

The present value of future payments derived from those contracts is detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)						
	12-31-2020			12-31-2019		
	Gross	Interest	Present Value	Gross	Interest	Present Value
Less than one year	8,783,640	1,775,929	7,007,711	7,602,720	1,760,705	5,842,015
From one to two years	6,583,269	1,546,496	5,036,773	6,234,867	1,719,045	4,515,822
From two to three years	8,399,111	1,332,024	7,067,087	6,049,847	1,484,321	4,565,526
From three to four years	3,271,835	1,245,169	2,026,666	8,326,858	1,265,224	7,061,634
From four to five years	3,077,572	1,174,438	1,903,134	2,964,375	1,180,435	1,783,940
More than five years	37,595,016	8,770,869	28,824,147	38,630,310	8,991,558	29,638,752
<b>Total</b>	<b>67,710,443</b>	<b>15,844,925</b>	<b>51,865,518</b>	<b>69,808,977</b>	<b>16,401,288</b>	<b>53,407,689</b>

## a) Short-term and low-value leases

The consolidated income statement for the years ended December 31, 2020 and 2019 includes expenses in the amount of ThCh\$4,958,760 and ThCh\$3,824,195, respectively, of which ThCh\$3,334,241 correspond to short-term lease payments in 2020 and ThCh\$1,995,392 in 2019; while ThCh\$1,624,519 relate to leases with variable payment clauses in 2020, and ThCh\$1,828,803 in 2019, which are exempt from the application of IFRS 16 (see Note 3.f).

As of December 31, 2020 and 2019, future payments derived from those contracts are detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)		
Years	12-31-2020	12-31-2019
Less than one year	4,813,265	3,485,151
From one to two years	-	-
From two to three years	-	-
From three to four years	-	-
From four to five years	-	-
More than five years	-	-
<b>Total</b>	<b>4,813,265</b>	<b>3,485,151</b>

## NOTE 19. Income tax and deferred taxes

### a) Income taxes

The components of income tax for the years ended 2020, 2019 and 2018 are detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)			
Current Income Tax and Adjustments to Current Income Tax for Previous Periods	2020	2019	2018
Current income tax	(155,196,656)	(54,904,679)	(47,354,780)
Adjustment for prior period current taxes	3,694,656	(2,251,167)	(6,304,285)
Current tax (expenses) / benefit (related to cash flow hedges)	72,354,119	(36,172,878)	(60,650,786)
Other (expenses) / benefit from Current Tax	(98,646)	(1,197,052)	(856,466)
<b>Current tax expense, net</b>	<b>(79,246,527)</b>	<b>(94,525,776)</b>	<b>(115,166,317)</b>
Benefit / (expense) from deferred taxes for origination and reversal of temporary differences	160,551,634	33,297,872	(43,134,500)
Adjustments for deferred taxes from the previous period	-	-	4,818,298
<b>Total deferred tax benefit / (expense)</b>	<b>160,551,634</b>	<b>33,297,872</b>	<b>(38,316,202)</b>
<b>Income tax expense</b>	<b>81,305,107</b>	<b>(61,227,904)</b>	<b>(153,482,519)</b>

The following table shows the reconciliation of tax rate as of December 31, 2020, 2019 and 2018:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)						
Reconciliation of Tax Expense	Tax Rate	2020	Tax Rate	2019	Tax Rate	2018
<b>ACCOUNTING INCOME BEFORE TAX</b>		<b>(133,691,942)</b>		<b>377,321,122</b>		<b>566,330,276</b>
<b>Total tax income (expense) using statutory rate</b>	<b>27.00%</b>	<b>36,096,825</b>	<b>(27.00%)</b>	<b>(101,876,703)</b>	<b>(27.00%)</b>	<b>(152,909,175)</b>
Tax effect of rates applied in other countries		-	0.06%	232,897		-
Tax effect of tax-exempt revenue and other positive effects impacting the effective rate	31.83%	42,557,794	11.30%	42,638,986	0.31%	1,746,052
Tax effect of non-deductible expenses for determining taxable profit (loss)	(7.32%)	(9,790,603)	(2.76%)	(10,399,776)	(2.26%)	(12,786,965)
Tax effect of adjustments to income taxes in previous periods	2.76%	3,694,656	(0.60%)	(2,251,167)	(1.11%)	(6,304,285)
Adjustments for prior periods deferred taxes	-	-	-	-	0.85%	4,818,298
Price level restatement for tax purposes (investments and equity)	6.54%	8,746,435	2.76%	10,427,859	2.11%	11,953,556
<b>Total adjustments to tax expense using statutory rate</b>	<b>33.82%</b>	<b>45,208,282</b>	<b>10.77%</b>	<b>40,648,799</b>	<b>(0.10%)</b>	<b>(573,344)</b>
<b>Income tax benefit (expense)</b>	<b>60.82%</b>	<b>81,305,107</b>	<b>(16.23%)</b>	<b>(61,227,904)</b>	<b>(27.10%)</b>	<b>(153,482,519)</b>

The main temporary differences are described below.

## b) Deferred taxes

The origin of and changes in deferred tax assets and liabilities as of December 31, 2020 and 2019 are as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)				
Deferred Taxes Assets/(Liabilities)	12-31-2020		12-31-2019	
	Assets	Liabilities	Assets	Liabilities
Depreciations	55,197,762	(249,821,145)	10,652,313	(404,453,928)
Obligations for post-employment benefits	9,581,174	(5,997)	7,772,646	(34,413)
Revaluations of financial instruments	-	-	456,888	-
Tax loss	46,518,690	-	81,154,636	-
<b>Provisions</b>	<b>91,579,562</b>	<b>-</b>	<b>87,275,541</b>	<b>-</b>
Dismantling Provision	51,513,634	-	44,485,711	-
Provision for Civil Contingencies	3,991,087	-	3,502,161	-
Provision for Contingencies Workers	-	-	492,522	-
Allowance for doubtful accounts	12,544,171	-	14,555,712	-
Provision for Human Resources accounts	8,605,410	-	7,859,341	-
Other Provisions	14,925,260	-	16,380,094	-
<b>Other Deferred Taxes</b>	<b>24,942,402</b>	<b>(38,036,065)</b>	<b>20,980,774</b>	<b>(31,240,859)</b>
Capitalization of expenses for issuance of financial debt	-	(10,691,535)	-	(11,412,737)
Monetary Correction – Argentina	-	(1,015,095)	-	(657,871)
Other Deferred Taxes	24,942,402	(26,329,435)	20,980,774	(19,170,251)
<b>Deferred tax assets/(liabilities) before offsetting</b>	<b>227,819,590</b>	<b>(287,863,207)</b>	<b>208,292,798</b>	<b>(435,729,200)</b>
Offsetting of deferred tax assets/liabilities	(119,805,645)	119,805,645	(186,444,559)	186,444,559
<b>Deferred taxes Assets/(Liabilities) after compensation</b>	<b>108,013,945</b>	<b>(168,057,562)</b>	<b>21,848,239</b>	<b>(249,284,641)</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Changes in Deferred Tax Assets (Liabilities)	Net balance as of January 1, 2020	Changes				Net balance as of December 31, 2020
		Recognized in profit or loss	Recognized in other in comprehensive income	Foreign currency translation difference	Other increases (decreases)	
Deferred Tax on Assets and Net Liabilities related to:						
Depreciations <sup>(1)</sup>	(393,801,615)	191,919,566	-	7,258,666	-	(194,623,383)
Obligations for post-employment benefits	7,738,233	(464,804)	2,308,510	(6,762)	-	9,575,177
Revaluations of financial instruments	456,888	(93,879)	(387,000)	23,991	-	-
Tax loss	81,154,636	(33,611,187)	-	(1,024,759)	-	46,518,690
<b>Provisions</b>	<b>87,275,541</b>	<b>5,091,987</b>	<b>-</b>	<b>(787,966)</b>	<b>-</b>	<b>91,579,562</b>
Dismantling Provision	44,485,711	7,238,957	-	(211,034)	-	51,513,634
Provision for Civil Contingencies	3,502,161	464,407	-	24,519	-	3,991,087
Provision for Contingencies Workers	492,522	(517,792)	-	25,270	-	-
Allowance for doubtful accounts	14,555,712	(1,995,773)	-	(15,768)	-	12,544,171
Provision for Human Resources accounts	7,859,341	801,863	-	(55,794)	-	8,605,410
Other Provisions	16,380,094	(899,675)	-	(555,159)	-	14,925,260
<b>Other Deferred Taxes</b>	<b>(10,260,085)</b>	<b>(2,290,049)</b>	<b>2,464</b>	<b>2,512</b>	<b>(548,505)</b>	<b>(13,093,663)</b>
Capitalization of expenses for issuance of financial debt	(11,412,738)	721,203	-	-	-	(10,691,535)
Monetary Correction – Argentina	(657,871)	191,281	-	-	(548,505)	(1,015,095)
Other Deferred Taxes	1,810,524	(3,202,533)	2,464	2,512	-	(1,387,033)
<b>Deferred taxes Assets/(Liabilities)</b>	<b>(227,436,402)</b>	<b>160,551,634</b>	<b>1,923,974</b>	<b>5,465,682</b>	<b>(548,505)</b>	<b>(60,043,617)</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Changes in Deferred Tax Assets (Liabilities)	Net balance as of January 1, 2019	Changes				Net balance as of December 31, 2019
		Recognized in profit or loss	Recognized in other in comprehensive income	Foreign currency translation difference	Other increases (decreases)	
Deferred Tax on Assets and Net Liabilities related to:						
Depreciations <sup>(1)</sup>	(349,976,401)	(5,668,543)	-	(1,561,204)	(36,595,467)	(393,801,615)
Obligations for post-employment benefits	5,709,648	126,352	2,099,845	-	(197,612)	7,738,233
Revaluations of financial instruments	-	-	710,523	-	(253,635)	456,888
Tax loss	36,921,157	14,343,314	-	2,096,339	27,793,826	81,154,636
<b>Provisions</b>	<b>55,080,385</b>	<b>24,123,136</b>	<b>-</b>	<b>795,123</b>	<b>7,276,897</b>	<b>87,275,541</b>
Dismantling Provision	23,627,264	20,711,621	-	34,574	112,252	44,485,711
Provision for Civil Contingencies	4,108,710	(606,549)	-	-	-	3,502,161
Provision for Contingencies Workers	430,900	61,622	-	-	-	492,522
Allowance for doubtful accounts	13,253,612	1,302,403	-	128	(431)	14,555,712
Provision for Human Resources accounts	7,432,939	3,233,471	-	(13,109)	(2,793,960)	7,859,341
Other Provisions	6,226,960	(579,432)	-	773,530	9,959,036	16,380,094
<b>Other Deferred Taxes</b>	<b>(6,643,613)</b>	<b>373,614</b>	<b>992</b>	<b>-</b>	<b>(3,991,078)</b>	<b>(10,260,085)</b>
Capitalization of expenses for issuance of financial debt	(11,202,063)	(407,318)	-	-	196,643	(11,412,738)
Monetary Correction – Argentina	(425,687)	(207,916)	-	-	(24,268)	(657,871)
Other Deferred Taxes	4,984,137	988,848	992	-	(4,163,453)	1,810,524
<b>Deferred taxes Assets/(Liabilities)</b>	<b>(258,908,824)</b>	<b>33,297,873</b>	<b>2,811,360</b>	<b>1,330,258</b>	<b>(5,967,069)</b>	<b>(227,436,402)</b>

(1) See Note 16, c), iv).

Recovery of deferred tax assets will depend on whether sufficient taxable profits are obtained in the future. The Company's Management believes that the future profit projections for its subsidiaries will allow these assets to be recovered.

As of December 31, 2020, the Group has not recognized deferred tax assets related to tax losses carry forward for ThCh\$4,551,790 (ThCh\$4,625,940 as of December 31, 2019) (see Note 3.p).

Concerning temporary differences related to investments in consolidated entities and certain joint ventures, the Group has not recognized deferred tax liabilities associated with undistributed profits, in which the position of control exercised by the Group over such consolidated entities allows it to manage the time of their reversal, and it is estimated that they will not be

reversed in the near future. The total amount of these taxable temporary differences, for which no deferred tax liabilities have been recognized as of December 31, 2020, amounts to ThCh\$1,317,729,055 (ThCh\$1,323,714,721 as of December 31, 2019). Additionally, no deferred tax assets have been recorded in relation to the deductible temporary differences associated with investments in consolidated entities and certain joint ventures. Such temporary differences are not expected to be reversed in the foreseeable future or tax gains will not be available for their use. As of December 31, 2020, such deductible temporary differences amount to ThCh\$999,207,087 (ThCh\$691,241,687 as of December 31, 2019).

The Group companies are potentially subject to income tax audits by the tax authorities of each country in which the Group operates. Such tax audits are limited to a number of annual tax periods and once these have expired, audits of these periods can no longer be performed.

Tax audits by nature are often complex and can require several years to complete. Tax years potentially subject to examination are 2017 to 2019.

Given the range of possible interpretations of tax standards, the results of any future inspections carried out by tax authorities for the years subject to audit can give rise to tax liabilities that cannot currently be quantified objectively. Nevertheless, the Company's Management estimates that the liabilities, if any, that may arise from such audits, would not significantly impact the Group companies' future results.

The effects of deferred taxes on the components of other comprehensive income attributable to both controlling and non-controlling interests for the years ended 2020, 2019 and 2018, are as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)									
Effects of Income Tax on the Components of Other Comprehensive Income	2020			2019			2018		
	Amount before Tax	Income Tax Expense (Benefit)	Amount After Tax	Amount before Tax	Income Tax Expense (Benefit)	Amount After Tax	Amount before Tax	Income Tax Expense (Benefit)	Amount After Tax
Financial assets at fair value through other comprehensive income	(9,125)	2,464	(6,661)	(3,673)	992	(2,681)	(411)	111	(300)
Cash flow hedges	267,540,328	(72,741,119)	194,799,209	(139,174,121)	36,883,401	(102,290,720)	(221,906,855)	60,650,786	(161,256,069)
Share of other comprehensive income from associates and joint ventures accounted for using the equity method	18,982	-	18,982	-	-	-	-	-	-
Foreign currency translation	(69,218,245)	-	(69,218,245)	73,114,966	-	73,114,966	107,492,316	-	107,492,316
Actuarial gains (losses) from defined benefit pension plans	(8,545,834)	2,308,510	(6,237,324)	(7,777,204)	2,099,845	(5,677,359)	37,881	(10,228)	27,653
<b>Income tax related to components of other income and expenses with a charge or credit in equity</b>	<b>189,786,106</b>	<b>(70,430,145)</b>	<b>119,355,961</b>	<b>(73,840,032)</b>	<b>38,984,238</b>	<b>(34,855,794)</b>	<b>(114,377,069)</b>	<b>60,640,669</b>	<b>(53,736,400)</b>

The following table shows the reconciliation of deferred tax movements between balance sheet and income taxes in other comprehensive income as of December 31, 2020, 2019 and 2018:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)			
Reconciliation of deferred tax movements between Balance Sheet and income taxes in Comprehensive results	For the years ended December 31,		
	2020	2019	2018
<b>Balance: Total Increases (decreases) for deferred taxes in other comprehensive income</b>	<b>1,923,974</b>	<b>2,811,360</b>	<b>(10,117)</b>
Current taxes on movements of reserves due to cash flow hedges (income hedge, derivatives)	(72,354,119)	36,172,878	60,650,786
<b>Equity: Total income taxes related to components of other comprehensive income</b>	<b>(70,430,145)</b>	<b>38,984,238</b>	<b>60,640,669</b>

## NOTE 20. Other financial liabilities

The balance of other financial liabilities as of December 31, 2020 and 2019 is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)				
Other Financial Liabilities	12-31-2020		12-31-2019	
	Current	Non-Current	Current	Non-Current
Interest-bearing borrowings	152,076,992	1,467,421,655	158,562,319	1,667,271,871
Hedging derivatives <sup>(*)</sup>	5,398,864	16,167,471	48,225,766	25,208,326
Non-hedging derivatives <sup>(**)</sup>	23,285	-	2,026,476	124,048
<b>Total</b>	<b>157,499,141</b>	<b>1,483,589,126</b>	<b>208,814,561</b>	<b>1,692,604,245</b>

(\*) See Note 23.2.a

(\*\*) See Note 23.2.b

### 20.1. Interest-bearing borrowings

The detail of current and non-current interest-bearing borrowings as of December 31, 2020 and 2019 is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)				
Classes of Interest-Bearing Borrowings	12-31-2020		12-31-2019	
	Current	Non-Current	Current	Non-Current
Interest-bearing borrowings	152,076,992	1,467,421,655	158,562,319	1,667,271,871
Secured bank loans	106,783,562	21,315,003	113,247,263	135,297,019
Unsecured bank loans	4	-	5	-
Unsecured bonds with the public	45,293,426	1,446,106,652	45,315,051	1,531,974,852
<b>Total</b>	<b>152,076,992</b>	<b>1,467,421,655</b>	<b>158,562,319</b>	<b>1,667,271,871</b>

### - Identification of bank borrowings by company

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)										
Taxpayer ID Number	Company	Country	Taxpayer ID Number	Financial Institution	Country	Currency	Effective Interest Rate	Nominal Interest Rate	Type of Amortization	Secured
96,800,570-7	Enel Distribución Chile S.A.	Chile	97036.000-k	Banco Santander (Linea de sobregiro)	Chile	CLP	6.00%	6.00%	Upon expiration	No
91,081,000-6	Enel Generación Chile S.A.	Chile	97036.000-k	Banco Santander (Linea de sobregiro)	Chile	CLP	6.00%	6.00%	Upon expiration	No
76,412,562-2	Enel Green Power Chile S.A.	Chile	97018.000-1	Scotiabank Chile	Chile	US\$	2.10%	2.10%	Upon expiration	Yes
76,412,562-2	Enel Green Power Chile S.A.	Chile	Foreign	Inter-American Development Bank ( BID )	E.E.U.U.	US\$	1.50%	1.50%	Upon expiration	Yes
76,321,458-3	Almeyda Solar SPA	Chile	91.018.000-1	Scotiabank Chile	Chile	US\$	2.03%	2.03%	Upon expiration	Yes
<b>Total</b>										

### 20.2. Unsecured liabilities

The detail of Unsecured Liabilities by currency, maturity and debtors as of December 31, 2020 and 2019 is as follows:

### - Summary of Unsecured liabilities by currency and maturity

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)							
Country	Currency	Effective Interest Rate	Nominal Interest Rate	Secured	12-31-2020		Total Current
					Less than 90 days	Three to Twelve months	
Chile	US\$	6.71%	6.49%	No	9,140,614	2,551,520	11,692,134
Chile	UF	6.00%	5.48%	No	-	33,601,292	33,601,292
<b>Total</b>					<b>9,140,614</b>	<b>36,152,812</b>	<b>45,293,426</b>

Bank borrowings by currency and contractual maturity as of December 31, 2020 and 2019 are as follows:

## - Summary of bank borrowings by currency and maturity

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

		12-31-2020								
					Maturity		Maturity			
Country	Currency	Effective Interest Rate	Nominal Interest Rate	Secured / Unsecured	One to three months	Three to twelve months	Total Current	One to two years	Two to three years	Total Non-Current
Chile	US\$	1.77%	1.77%	Secured	-	106,783,562	106,783,562	21,315,003	-	21,315,003
Chile	CLP	6.00%	6.00%	Unsecured	4	-	4	-	-	-
<b>Total</b>					<b>4</b>	<b>106,783,562</b>	<b>106,783,566</b>	<b>21,315,003</b>	<b>-</b>	<b>21,315,003</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

		12-31-2019								
					Maturity		Maturity			
Country	Currency	Effective Interest Rate	Nominal Interest Rate	Secured / Unsecured	One to three months	Three to twelve months	Total Current	One to two years	Two to three years	Total Non-Current
Chile	US\$	3.31%	3.31%	Si	134,532	113,112,731	113,247,263	112,747,516	22,549,503	135,297,019
Chile	CLP	6.00%	6.00%	No	5	-	5	-	-	-
<b>Total</b>					<b>134,537</b>	<b>113,112,731</b>	<b>113,247,268</b>	<b>112,747,516</b>	<b>22,549,503</b>	<b>135,297,019</b>

## Fair value measurement and hierarchy

The fair value of current and non-current bank borrowings as of December 31, 2020 is ThCh\$127,771,152 (ThCh\$247,030,075 as of December 31, 2019). The borrowings have been classified as Level 2 fair value measurement based on the entry data used in the valuation techniques (see Note 3.h).

		12-31-2020					12-31-2019						
		Current		Non-Current			Current			Non-Current			
		Less than 90 days	More than 90 days	Total Current	One to two years	Two to three years	Total Non-Current	Less than 90 days	More than 90 days	Total Current	Two to three years	Three to four years	Total Non-Current
		1	-	1	-	-	-	1	-	1	-	-	-
		3	-	3	-	-	-	4	-	4	-	-	-
		-	-	-	-	-	-	134,532	112,747,516	112,882,048	-	-	-
		-	39,966	39,966	21,315,003	-	21,315,003	-	43,220	43,220	-	22,549,503	22,549,503
		-	106,743,596	106,743,596	-	-	-	-	321,995	321,995	112,747,516	-	112,747,516
		<b>4</b>	<b>106,783,562</b>	<b>106,783,566</b>	<b>21,315,003</b>	<b>-</b>	<b>21,315,003</b>	<b>134,537</b>	<b>113,112,731</b>	<b>113,247,268</b>	<b>112,747,516</b>	<b>22,549,503</b>	<b>135,297,019</b>

12-31-2020						
Maturity						
One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total Non-Current	
-	-	282,085,533	-	914,327,429	1,196,412,962	
32,474,175	32,474,175	32,474,175	32,474,175	119,796,990	249,693,690	
<b>32,474,175</b>	<b>32,474,175</b>	<b>314,559,708</b>	<b>32,474,175</b>	<b>1,034,124,419</b>	<b>1,446,106,652</b>	

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Country	Currency	Effective Interest Rate	Nominal Interest Rate	Secured	12-31-2019		
					Maturity		Total Current
					Less than 90 days	Three to Twelve months	
Chile	US\$	6.59%	6.49%	No	7,700,030	4,755,019	12,455,049
Chile	UF	6.00%	5.48%	No	-	32,860,002	32,860,002
<b>Total</b>					<b>7,700,030</b>	<b>37,615,021</b>	<b>45,315,051</b>

## - Individual identification of Unsecured liabilities by debtor

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Taxpayer ID No.	Company	Country	Taxpayer ID No.	Name	Country	Currency	Effective Interest Rate	Nominal Interest Rate	Maturity	Secured	12-31-2020		
											Current		
											Less than 90 days	Three to Twelve months	Total Current
91.081.000-6	Enel Generación Chile S.A.	Chile	Extranjero	BNY Mellon - Primera Emisión S-1	E.E.U.U.	US\$	796%	788%	Upon expiration	No	4,802,802	-	4,802,802
91.081.000-6	Enel Generación Chile S.A.	Chile	Extranjero	BNY Mellon - Primera Emisión S-2	E.E.U.U.	US\$	740%	733%	Upon expiration	No	1,535,840	-	1,535,840
91.081.000-6	Enel Generación Chile S.A.	Chile	Extranjero	BNY Mellon - Primera Emisión S-3	E.E.U.U.	US\$	8,26%	8.13%	Upon expiration	No	972,757	-	972,757
91.081.000-6	Enel Generación Chile S.A.	Chile	Extranjero	BNY Mellon - Unica 24296	E.E.U.U.	US\$	4,67%	4.25%	Upon expiration	No	-	2,551,520	2,551,520
91.081.000-6	Enel Generación Chile S.A.	Chile	97036.000-k	Banco Santander -317 Serie-H	Chile	UF	7,17%	6.20%	Semestral	No	-	6,682,676	6,682,676
91.081.000-6	Enel Generación Chile S.A.	Chile	97036.000-k	Banco Santander 522 Serie-M	Chile	UF	4,82%	4.75%	Semestral	No	-	26,918,616	26,918,616
76.536.353-5	Enel Chile S.A.	Chile	Extranjero	BNY Mellon - Unica	E.E.U.U.	US\$	5,24%	4,88%	Upon expiration	No	1,829,215	-	1,829,215
<b>Total</b>											<b>9,140,614</b>	<b>36,152,812</b>	<b>45,293,426</b>

## 20.3. Secured liabilities

As of December 31, 2020 and 2019, there are no Secured bonds.

### Fair value measurement and hierarchy

The fair value of the current and non-current secured and unsecured liabilities as of December 31, 2020 amounts to ThCh\$1,866,198,159 (ThCh\$1,941,481,412 as of December 31, 2019). These liabilities have been classified as Level 2 fair value measurement based on the entry data used in the valuation techniques used (see Note 3.h). It is important to note that these financial liabilities are measured at amortized cost (see Note 3.g.4)

## 20.4. Hedged debt

The debt denominated in U.S. dollars for ThCh\$1,931,705,893 held by the Group as of December 31, 2020, is related to future cash flow hedges for the Group's U.S. dollar-linked operating revenues (ThCh\$1,585,140,233 as of December 31, 2019) (see Note 3.g.5).

**12-31-2019**

Maturity					
One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total Non-Current
-	-	-	296,420,703	961,519,091	1,257,939,794
31,624,776	31,624,776	31,624,776	31,624,776	147,535,954	274,035,058
<b>31,624,776</b>	<b>31,624,776</b>	<b>31,624,776</b>	<b>328,045,479</b>	<b>1,109,055,045</b>	<b>1,531,974,852</b>

**12-31-2020**

**12-31-2019**

Non-Current						Current			Non-Current					
One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total Non-Current	Less than 90 days	Three to Twelve months	Total Current	One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total Non-Current
				145,773,744	145,773,744	5,058,091	-	5,058,091	-	-	-	-	153,480,285	153,480,285
				49,297,180	49,297,180	1,617,476	-	1,617,476	-	-	-	-	51,960,662	51,960,662
				23,349,497	23,349,497	1,024,463	-	1,024,463	-	-	-	-	24,876,133	24,876,133
		282,085,533			282,085,533	-	2,828,573	2,828,573	-	-	-	296,420,703	-	296,420,703
6,046,629	6,046,629	6,046,629	6,046,629	15,431,031	39,617,547	-	6,592,332	6,592,332	5,888,467	5,888,467	5,888,467	5,888,467	20,428,651	43,982,519
26,427,546	26,427,546	26,427,546	26,427,546	104,365,959	210,076,143	-	26,267,670	26,267,670	25,736,309	25,736,309	25,736,309	25,736,309	127,107,303	230,052,539
				695,907,008	695,907,008	-	1,926,446	1,926,446	-	-	-	-	731,202,011	731,202,011
<b>32,474,175</b>	<b>32,474,175</b>	<b>314,559,708</b>	<b>32,474,175</b>	<b>1,034,124,419</b>	<b>1,446,106,652</b>	<b>7,700,030</b>	<b>37,615,021</b>	<b>45,315,051</b>	<b>31,624,776</b>	<b>31,624,776</b>	<b>31,624,776</b>	<b>328,045,479</b>	<b>1,109,055,045</b>	<b>1,531,974,852</b>

The following table details changes in "Reserve for cash flow hedges" as of December 31, 2020, 2019 and 2018, due to exchange differences from this debt:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

	<b>12-31-2020</b>	<b>12-31-2019</b>	<b>12-31-2018</b>
<b>Balance in hedging reserves (hedge income) at beginning of year, net</b>	<b>(189,813,409)</b>	<b>(127,508,852)</b>	<b>(27,168,007)</b>
Exchange differences recorded in shareholders' equity, net	98,288,849	(77,347,380)	(101,790,308)
Exchange differences charged to income, net	31,178,897	15,042,823	12,478,369
Other (OPA 33.57% 02.04.2018 on Enel Generación Chile)	-	-	(11,028,906)
Balance in hedge reserves (hedge income) at the end of the year, net	(60,345,663)	(189,813,409)	(127,508,852)

## 20.5. Other information

As of December 31, 2020, the Group has unconditional long-term lines of credit for ThCh\$140,143,000 (ThCh\$146,268,500 as of December 31, 2019) at its disposal.

## 20.6. Future undiscounted debt flows.

The following table shows the estimates of undiscounted cash flows by type of financial debt:

### a) Summary of secured and unsecured bank borrowings

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Country	Currency	Nominal Interest Rate	Current			Non-Current					Total Non-Current as of 12-31-2020	
			Maturity		Total Current as of 12-31-2020	Maturity						
			One to Three Months	Three to Twelve Months		One to two years	Two to three years	Three to four years	Four to five years	More than five years		
Chile	US\$	1.77%	845,182	109,110,564	109,955,746	21,608,084	-	-	-	-	-	21,608,084
Chile	CLP	6.00%	4	-	4	-	-	-	-	-	-	-
<b>Total</b>			<b>845,186</b>	<b>109,110,564</b>	<b>109,955,750</b>	<b>21,608,084</b>	-	-	-	-	-	<b>21,608,084</b>

### b) Summary of Guaranteed and Unsecured bonds

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Country	Currency	Nominal Interest Rate	Current			Non-Current					Total Non-Current as of 12-31-2020
			Maturity		Total Current as of 12-31-2020	Maturity					
			One to Three Months	Three to Twelve Months		One to two years	Two to three years	Three to four years	Four to five years	More than five years	
Chile	US\$	6.49%	16,734,114	50,202,339	66,936,453	66,936,453	66,936,453	342,771,185	54,388,490	1,256,555,902	1,787,588,483
Chile	UF	5.48%	3,570,187	42,691,404	46,261,591	44,640,241	43,018,892	41,397,542	39,776,193	138,302,651	307,135,519
<b>Total</b>			<b>20,304,301</b>	<b>92,893,743</b>	<b>113,198,044</b>	<b>111,576,694</b>	<b>109,955,345</b>	<b>384,168,727</b>	<b>94,164,683</b>	<b>1,394,858,553</b>	<b>2,094,724,002</b>

## NOTE 21. Lease liabilities

As of December 31, 2020 and 2019, the balance of lease liabilities is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Lease liability	12-31-2020		12-31-2019	
	Current	Non-Current	Current	Non-Current
Lease liability	7,007,711	44,857,807	5,842,015	47,565,674
<b>Total</b>	<b>7,007,711</b>	<b>44,857,807</b>	<b>5,842,015</b>	<b>47,565,674</b>

Current			Non-Current					
Maturity			Maturity					
One to Three Months	Three to Twelve Months	Total Current as of 12-31-2019	One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total Non-Current as of 12-31-2019
2,542,588	120,375,278	122,917,866	118,121,339	22,859,559	-	-	-	140,980,898
5	-	5	-	-	-	-	-	-
<b>2,542,593</b>	<b>120,375,278</b>	<b>122,917,871</b>	<b>118,121,339</b>	<b>22,859,559</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140,980,898</b>

Current			Non-Current					
Maturity			Maturity					
One to Three Months	Three to Twelve Months	Total Current as of 12-31-2019	One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total Non-Current as of 12-31-2019
17,750,370	53,251,108	71,001,478	71,001,479	71,001,479	71,001,479	362,787,755	1,387,871,953	1,963,664,145
6,136,022	49,438,671	55,574,693	53,077,463	50,580,233	48,083,003	45,585,772	186,005,287	383,331,758
<b>23,886,392</b>	<b>102,689,779</b>	<b>126,576,171</b>	<b>124,078,942</b>	<b>121,581,712</b>	<b>119,084,482</b>	<b>408,373,527</b>	<b>1,573,877,240</b>	<b>2,346,995,903</b>

# 21.1. Individualization of Lease Liabilities

(IN THOUSANDS OF CHILEAN PESOS - THCHS)

Taxpayer ID No.	Company	Country	Taxpayer ID No.	Company	Country	Currency	Effective Interest Rate	Maturity	12-31-2020			
									Current	Less than 90 days	More than 90 days	Total Current
91.081.000-6	Enel Generación Chile S.A.	Chile	76.555.400-4	Transelec S.A.	Chile	US\$	6,50%	Monthly	613,801	1,900,462	2,514,263	
91.081.000-6	Enel Generación Chile S.A.	Chile	10.579.624-2	Marcelo Alberto Amar Basulto	Chile	UF	2,06%	Monthly	4,631	13,872	18,503	
91.081.000-6	Enel Generación Chile S.A.	Chile	91.004.000-6	Productos Fernandez S.A.	Chile	UF	2,09%	Monthly	13,012	26,063	39,075	
91.081.000-6	Enel Generación Chile S.A.	Chile	61.216.000-7	Empresa de Ferrocarriles del Estado	Chile	UF	1,07%	Biannual	1,163	578	1,741	
91.081.000-6	Enel Generación Chile S.A.	Chile	78.392.580-K	Agrícola el Bagual LTDA.	Chile	UF	1,91%	Annual	1,205	-	1,205	
91.081.000-6	Enel Generación Chile S.A.	Chile	99.527.200-8	Rentaequipos Tramaca S.A.	Chile	UF	0,83%	Monthly	144,460	-	144,460	
91.081.000-6	Enel Generación Chile S.A.	Chile	96.565.580-8	Compañía de Leasing Tattersall S.A.	Chile	UF	0,83%	Monthly	9,546	-	9,546	
91.081.000-6	Enel Generación Chile S.A.	Chile	8.992.234-8	Roberto Guzman Borquez	Chile	CLP	1,37%	Monthly	367	1,099	1,466	
91.081.000-6	Enel Generación Chile S.A.	Chile	19.048.130-1	Yaritza Alexandra Bernal	Chile	UF	1,37%	Monthly	379	1,140	1,519	
91.081.000-6	Enel Generación Chile S.A.	Chile	71.024.400-6	Corporación Comunidades V.	Chile	CLP	1,07%	Monthly	1,034	3,005	4,039	
96.800.570-7	Enel Distribución Chile S.A.	Chile	96.643.660-3	INMOBILIARIA EL ROBLE S.A.	Chile	UF	1,41%	Monthly	19,023	38,171	57,194	
96.800.570-7	Enel Distribución Chile S.A.	Chile	2.859.481-K	NURIA FERRER PARES	Chile	UF	1,20%	Monthly	-	-	-	
96.800.570-7	Enel Distribución Chile S.A.	Chile	2.478.836-9	JUANA FERRER PARES	Chile	UF	1,20%	Monthly	-	-	-	
96.800.570-7	Enel Distribución Chile S.A.	Chile	3.800.735-1	CARMEN ELVIRA ECHAVARRY DE LA SIERRA	Chile	UF	1,20%	Monthly	-	-	-	
96.800.570-7	Enel Distribución Chile S.A.	Chile	5.742.701-9	JORGE FERRER PARES	Chile	UF	1,20%	Monthly	-	-	-	
96.800.570-7	Enel Distribución Chile S.A.	Chile	5.120.460-3	CARMEN FERRER PARES	Chile	UF	1,20%	Monthly	-	-	-	
96.800.570-7	Enel Distribución Chile S.A.	Chile	70.015.730-K	MUTUAL DE SEGUROS DE CHILE	Chile	UF	1,91%	Monthly	21,619	47,378	68,997	
96.800.570-7	Enel Distribución Chile S.A.	Chile	76.596.523-3	CAPITAL INVESTI	Chile	UF	1,91%	Monthly	17,765	38,732	56,497	
96.800.570-7	Enel Distribución Chile S.A.	Chile	77.651.230-3	INVERSIONES TAPIHUE LTDA	Chile	UF	1,20%	Monthly	-	-	-	
96.800.570-7	Enel Distribución Chile S.A.	Chile	76.253.641-2	BCYCLE LATAM S.P.A	Chile	CLP	6,24%	Annual	60,000	-	60,000	
96.800.570-7	Enel Distribución Chile S.A.	Chile	76.203.089-6	RENTAS INMOBILIARIAS AMANECER S.A.	Chile	UF	1,56%	Monthly	4,563	39,724	44,287	
96.800.570-7	Enel Distribución Chile S.A.	Chile	61.219.000-3	EMPRESA DE TRANSPORTE DE PASAJEROS METRO S.A	Chile	US\$	5,99%	Annual	-	327,074	327,074	
96.800.570-7	Enel Distribución Chile S.A.	Chile	85.208.700-5	RENTAEQUIPOS LEASING S.A.	Chile	UF	1,20%	Monthly	-	-	-	
96.800.570-7	Enel Distribución Chile S.A.	Chile	96.565.580-8	COMPAÑIA DE LEASING TATTERSALL S.A.	Chile	UF	1,41%	Monthly	6,122	3,174	9,296	
96.800.570-7	Enel Distribución Chile S.A.	Chile	76.013.489-9	INVERSIONES DON ISSA LTDA	Chile	UF	1,67%	Monthly	23,746	54,777	78,523	
96.800.570-7	Enel Distribución Chile S.A.	Chile	76.164.095-K	INMOBILIARIA MIXTO RENTA SpA	Chile	UF	1,07%	Monthly	-	-	-	
96.800.570-7	Enel Distribución Chile S.A.	Chile	96.565.580-8	COMPAÑIA DE LEASING TATTERSALL S.A.	Chile	UF	1,41%	Monthly	2,735	-	2,735	
96.800.570-7	Enel Distribución Chile S.A.	Chile	96.565.580-8	COMPAÑIA DE LEASING TATTERSALL S.A.	Chile	UF	1,41%	Monthly	3,734	1,864	5,598	
96.800.570-7	Enel Distribución Chile S.A.	Chile	99.530.420-1	INMOBILIARIA NIALEM SA	Chile	UF	0,40%	Monthly	42,897	128,922	171,819	
96.800.570-7	Enel Distribución Chile S.A.	Chile	76.164.095-K	INMOBILIARIA MIXTO RENTA SPA	Chile	UF	0,10%	Monthly	27,018	81,066	108,084	
96.800.570-7	Enel Distribución Chile S.A.	Chile	96.565.580-8	COMPAÑIA DE LEASING TATTERSALL S.A.	Chile	UF	0,10%	Monthly	178,447	267,473	445,920	
96.800.570-7	Enel Distribución Chile S.A.	Chile	76.013.489-9	INVERSIONES DON ISSA LTDA	Chile	UF	1,87%	Monthly	17,661	51,992	69,653	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	35,148	35,148	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	25,341	25,341	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	29,576	29,576	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	26,576	26,576	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	3,334	3,334	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	47,443	47,443	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	31,209	-	31,209	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	28,607	-	28,607	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	634	-	634	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	1,982	1,982	
76.412.562-2	Enel Green Power Chile S.A.	Chile	76.400.311-K	Fundo Los Buenos Aires SpA	Chile	UF	2,54%	Annual	109,911	-	109,911	
76.412.562-2	Enel Green Power Chile S.A.	Chile	3.750.131-K	Federico Riosco Garcia	Chile	UF	4,94%	Annual	33,580	-	33,580	
76.412.562-2	Enel Green Power Chile S.A.	Chile	3.750.132-8	Juan Rioseco Garcia	Chile	UF	4,94%	Annual	38,089	-	38,089	
76.412.562-2	Enel Green Power Chile S.A.	Chile	3.750.132-8	Juan Rioseco Garcia	Chile	UF	4,94%	Annual	13,834	-	13,834	
76.412.562-2	Enel Green Power Chile S.A.	Chile	4.595.479-K	Adriana Castro Parra	Chile	UF	4,94%	Annual	33,522	-	33,522	
76.412.562-2	Enel Green Power Chile S.A.	Chile	7.256.021-3	Alicia Freire Hermosilla	Chile	UF	4,31%	Annual	97,512	-	97,512	
76.412.562-2	Enel Green Power Chile S.A.	Chile	77.378.630-5	Agrícola Santa Amalia	Chile	UF	4,94%	Annual	22,346	-	22,346	
76.412.562-2	Enel Green Power Chile S.A.	Chile	77.894.990-3	Orafti Chile S.A.	Chile	UF	4,94%	Annual	8,966	-	8,966	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	4,87%	Annual	250,048	-	250,048	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	4,94%	Annual	13,703	-	13,703	
76.412.562-2	Enel Green Power Chile S.A.	Chile	78.201.750-0	Sociedad Agrícola Parant	Chile	UF	4,94%	Annual	19,817	-	19,817	
76.412.562-2	Enel Green Power Chile S.A.	Chile	78.201.750-0	Sociedad Agrícola Parant	Chile	UF	4,94%	Annual	46,780	-	46,780	
76.412.562-2	Enel Green Power Chile S.A.	Chile	3.750.131-K	Federico Riosco Garcia	Chile	UF	4,94%	Annual	233,017	-	233,017	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	70,834	-	70,834	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	91,996	91,996	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	71,401	-	71,401	
76.412.562-2	Enel Green Power Chile S.A.	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	43,930	43,930	
76.126.507-5	Parque Eólico Talinay Oriente S.A.	Chile	76.248.317-3	Agrícola Alto Talinay	Chile	EUR	4,61%	Annual	374,657	-	374,657	
76.321.458-3	Almeyda Solar SPA	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	EUR	5,02%	Annual	-	596,278	596,278	
76.321.458-3	Almeyda Solar SPA	Chile	76.259.106-5	Inmobiliaria Terra Australis Tres S.A.	Chile	UF	6,39%	Biannual	32,757	19,025	51,782	
76.321.458-3	Almeyda Solar SPA	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	6,39%	Annual	-	99,022	99,022	
76.321.458-3	Almeyda Solar SPA	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,23%	Annual	47,369	-	47,369	
76.321.458-3	Almeyda Solar SPA	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,36%	Annual	32,932	-	32,932	
76.321.458-3	Almeyda Solar SPA	Chile	79.938.160-5	Soc. Serv. Com. Multiservice F.L	Chile	UF	2,94%	Annual	-	101,743	101,743	
76.321.458-3	Almeyda Solar SPA	Chile	61.402.000-8	Ministerio de Bienes Nacionales	Chile	UF	2,54%	Annual	-	26,523	26,523	
76.536.353-5	Enel Chile S.A.	Chile	96.565.580-8	COMPAÑIA DE LEASING TATTERSALL S.A.	Chile	UF	0,10%	Monthly	2,710	4,065	6,775	
76.536.353-5	Enel Chile S.A.	Chile	78.822.300-5	Inversiones Cardinal S.A	Chile	UF	1,20%	Monthly	-	-	-	
76.536.353-5	Enel Chile S.A.	Chile	78.822.300-5	Inversiones Cardinal S.A	Chile	UF	1,20%	Monthly	-	-	-	
<b>Total</b>									<b>2,829,163</b>	<b>4,178,548</b>	<b>7,007,711</b>	

12-31-2020							12-31-2019									
Non-Current							Current			Non-Current						
One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total Non-Current	Less than 90 days	More than 90 days	Total Current	One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total Non-Current		
2,677,690	5,044,096	-	-	-	7,721,786	606,973	1,879,324	2,486,297	2,647,907	2,820,020	5,312,211	-	-	10,780,138		
18,828	19,215	19,610	20,014	193,632	271,299	4,067	13,237	17,304	17,966	18,335	18,713	19,097	208,057	282,168		
35,386	36,127	36,882	37,654	384,022	530,071	12,399	24,861	37,260	33,755	34,460	35,182	35,917	410,646	549,960		
-	-	-	-	-	-	1,104	557	1,661	1,123	-	-	-	-	1,123		
588	597	-	-	-	1,185	1,152	-	1,152	564	573	581	-	-	1,718		
-	-	-	-	-	-	144,436	-	144,436	-	-	-	-	-	-		
-	-	-	-	-	-	6,607	-	6,607	-	-	-	-	-	-		
1,483	1,377	-	-	-	2,860	-	-	-	-	-	-	-	-	-		
1,538	1,431	-	-	-	2,969	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	12,589	41,263	53,852	48,574	-	-	-	-	48,574		
-	-	-	-	-	-	4,244	7,621	11,865	-	-	-	-	-	-		
-	-	-	-	-	-	4,244	7,621	11,865	-	-	-	-	-	-		
-	-	-	-	-	-	4,244	7,621	11,865	-	-	-	-	-	-		
-	-	-	-	-	-	4,244	7,621	11,865	-	-	-	-	-	-		
-	-	-	-	-	-	4,244	7,621	11,865	-	-	-	-	-	-		
64,225	65,453	66,704	67,977	57,639	321,998	13,990	45,274	59,264	61,373	62,545	63,741	64,959	111,258	363,876		
52,505	53,508	54,530	55,571	47,121	263,235	11,479	37,011	48,490	50,173	51,131	52,108	53,104	90,955	297,471		
-	-	-	-	-	-	10,501	-	10,501	-	-	-	-	-	-		
16,679	17,719	18,825	-	-	53,223	-	20,000	20,000	15,699	16,679	17,719	18,825	-	68,922		
17,803	-	-	-	-	17,803	12,239	24,679	36,918	51,480	14,593	-	-	-	66,073		
111,940	118,640	125,742	133,269	1,249,650	1,739,241	-	350,227	350,227	114,222	120,634	130,857	132,426	1,476,550	1,974,689		
-	-	-	-	-	-	774	-	774	-	-	-	-	-	-		
-	-	-	-	-	-	1,628	5,363	6,991	4,544	-	-	-	-	4,544		
73,305	30,904	-	-	-	104,209	16,118	51,903	68,021	70,215	71,388	24,186	-	-	165,789		
-	-	-	-	-	-	16,530	-	16,530	-	-	-	-	-	-		
-	-	-	-	-	-	278	3,392	3,670	652	-	-	-	-	652		
-	-	-	-	-	-	988	3,231	4,219	2,736	-	-	-	-	2,736		
172,496	173,183	173,873	43,576	-	563,128	-	-	-	-	-	-	-	-	-		
9,011	-	-	-	-	9,011	-	-	-	-	-	-	-	-	-		
356,941	29,760	-	-	-	386,701	-	-	-	-	-	-	-	-	-		
70,469	71,799	73,155	30,888	-	246,311	-	-	-	-	-	-	-	-	-		
28,589	29,315	30,060	30,824	710,142	828,930	-	36,519	36,519	27,274	27,967	28,677	29,406	723,912	837,236		
20,609	21,133	21,670	22,220	511,934	597,566	-	26,329	26,329	19,661	20,161	20,673	21,198	521,858	603,551		
24,055	24,666	25,293	25,936	597,533	697,483	-	30,727	30,727	22,949	23,532	24,130	24,743	609,121	704,475		
21,613	22,162	22,725	23,303	536,865	626,668	-	27,615	27,615	20,619	21,143	21,680	22,231	547,270	632,943		
2,524	2,591	2,659	2,729	86,937	97,440	-	3,738	3,738	2,793	2,864	2,937	3,011	74,129	85,734		
43,329	44,481	45,664	46,879	1,249,297	1,429,650	-	47,317	47,317	44,688	45,824	46,988	48,182	1,190,338	1,376,020		
19,136	19,622	20,121	20,632	508,573	588,084	31,087	-	31,087	18,256	18,720	19,195	19,683	517,037	592,891		
16,343	16,772	17,213	17,665	530,780	598,773	29,105	-	29,105	17,619	18,066	18,525	18,996	467,606	540,812		
401	412	422	433	9,973	11,641	628	-	628	393	393	403	413	10,169	11,761		
716	734	753	772	19,605	22,580	-	1,331	1,331	683	700	718	736	20,591	23,428		
70,851	72,651	74,497	76,389	1,408,792	1,703,180	-	111,365	111,365	67,592	69,309	71,070	72,876	1,450,422	1,731,269		
3,163	3,320	3,484	3,656	98,672	112,295	7,914	-	7,914	2,949	3,095	3,248	3,408	99,995	112,695		
6,968	7,313	7,674	8,054	188,256	218,265	15,877	-	15,877	6,496	6,817	7,154	7,507	185,500	213,474		
1,582	1,660	1,742	1,828	49,336	56,148	3,961	-	3,961	1,474	1,547	1,624	1,704	49,994	56,343		
13,937	14,626	15,349	16,108	363,230	423,250	31,828	-	31,828	12,991	13,633	14,307	15,015	370,630	426,576		
-	-	-	-	-	-	93,160	-	93,160	88,809	-	-	-	-	88,809		
13,937	14,626	15,349	16,108	363,230	423,250	31,828	-	31,828	12,991	13,633	14,307	15,015	370,631	426,577		
6,640	6,968	7,313	7,674	183,027	211,622	15,918	-	15,918	6,496	6,817	7,154	7,507	192,635	219,292		
243,730	255,590	268,028	281,070	4,158,235	5,206,653	-	472,736	472,736	227,365	238,428	250,031	262,197	4,335,384	5,313,405		
14,008	14,701	15,428	16,190	513,821	574,148	41,389	-	41,389	13,058	13,704	14,381	15,092	520,042	576,277		
2,297	2,411	2,530	2,655	67,813	77,706	5,605	-	5,605	2,247	2,359	2,475	2,591	66,716	75,938		
39,840	41,810	43,877	46,046	1,138,013	1,309,586	95,241	-	95,241	37,137	38,973	40,900	42,922	1,156,961	1,316,893		
3,320	3,484	3,656	3,837	94,835	109,132	7,935	-	7,935	3,095	3,248	3,408	3,577	96,415	109,743		
45,685	46,846	48,036	49,256	1,134,814	1,324,637	76,055	-	76,055	43,584	44,691	45,827	46,991	1,156,664	1,337,757		
44,907	46,048	47,218	48,418	1,039,441	1,226,032	-	117,630	117,630	42,842	43,930	45,047	46,191	1,066,692	1,244,702		
17,423	17,866	18,320	18,785	463,049	535,443	29,696	-	29,696	16,622	17,044	17,477	17,921	439,871	508,935		
20,454	20,973	21,506	22,052	508,069	593,054	-	29,189	29,189	19,513	20,009	20,517	21,038	548,843	629,920		
218,600	228,677	239,219	250,247	2,840,625	3,777,368	-	367,982	367,982	201,806	211,109	220,842	231,022	2,951,326	3,816,105		
181,888	191,016	200,603	210,671	2,441,450	3,225,628	-	260,072	260,072	167,261	175,655	184,471	193,729	2,532,578	3,253,694		
39,084	40,507	41,981	43,509	1,177,273	1,342,354	-	46,597	46,597	54,543	55,929	57,350	58,807	1,012,677	1,239,306		
74,302	76,190	78,126	80,111	1,845,677	2,154,406	-	98,189	98,189	70,885	72,686	74,533	76,427	1,881,835	2,176,366		
39,288	40,165	41,061	41,978	224,377	386,869	48,681	-	48,681	37,594	38,433	39,291	40,168	258,481	413,967		
23,945	24,511	25,090	25,683	292,688	391,917	32,269	-	32,269	22,884	23,424	23,978	24,545	311,762	406,593		
36,866	37,949	39,065	40,213	963,970	1,118,063	-	35,334	35,334	35,034	36,064	37,124	38,215	981,212	1,127,649		
10,430	11,006	11,613	12,254	571,751	617,054	-	34,408	34,408	25,058	25,694	26,347	27,017	621,989	726,105		
5,426	476	-	-	-	5,902	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	9,281	24,801	34,082	-	-	-	-	-	-		
-	-	-	-	-	-	9,714	19,465	29,179	-	-	-	-	-	-		
<b>5,036,773</b>	<b>7,067,087</b>	<b>2,026,666</b>	<b>1,903,134</b>	<b>28,824,147</b>	<b>44,857,807</b>	<b>1,512,244</b>	<b>4,329,771</b>	<b>5,842,015</b>	<b>4,515,822</b>	<b>4,565,526</b>	<b>7,061,634</b>	<b>1,783,940</b>	<b>29,638,752</b>	<b>47,565,674</b>		

## 21.2. Undiscounted debt cash flows.

Undiscounted debt cash flows are detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Country	Currency	Nominal Interest Rate	Current			Non-Current					Total Non-Current as of 12-31-2020
			Maturity		Total Current as of 12-31-2020	Maturity					
			One to Three Months	Three to Twelve Months		One to two years	Two to three years	Three to four years	Four to five years	More than five years	
Chile	US\$	6.25%	805,609	2,544,526	3,350,135	3,343,654	5,400,991	227,622	219,295	1,598,935	10,790,497
Chile	EUR	4.82%	427,451	-	427,451	582,405	563,152	543,900	524,648	2,334,458	4,548,563
Chile	UF	2.74%	2,058,130	2,175,978	4,234,108	3,289,984	2,954,856	2,808,037	2,598,818	30,660,789	42,312,484
Chile	CLP	2.89%	24,156	-	24,156	20,234	19,173	18,112	-	-	57,519
<b>Total</b>			<b>3,315,346</b>	<b>4,720,504</b>	<b>8,035,850</b>	<b>7,236,277</b>	<b>8,938,172</b>	<b>3,597,671</b>	<b>3,342,761</b>	<b>34,594,182</b>	<b>57,709,063</b>

## NOTE 22. Risk management policy

The Group companies follow the guidelines of the Risk Management Control System (SCGR) defined at Holding level (Enel SpA), which establishes rules for managing risks through the respective standards, procedures, systems, etc., applicable to the different levels of the Group companies, in the ongoing business risk identification, analysis, evaluation, treatment, and communication processes. These are approved by the Enel SpA Board of Directors, which includes a Risk and Controls Committee responsible for supporting the Enel Chile Board's evaluation and decisions regarding internal control and risk management system, as well as those related to the approval of periodic financial statements.

To comply with this, each company has its own specific Control Management and Risk Management policy, which is reviewed and approved at the beginning of each year by the Enel Chile Board of Directors, observing and applying all local requirements in terms of the risk culture.

The company seeks protection against all risks that could affect the achievement of the business objectives. In January 2020, a new risk taxonomy has been approved for the Enel Group, which considers 6 macro-categories and 37 sub-categories.

The Enel Group risk management system considers three lines of action (defense) to obtain effective and efficient risk management and controls. Each of these three "lines" plays a different role within the organization's broader governance structure (Business and Internal Control areas acting as the first line, Risk Control as the second line, and Internal Audit as the third line of defense). Each line of defense has the obligation to report to and keep upper Management and the Directors up-to-date on risk management. In this sense, the first and second lines of defense report to upper Management, and the second and third lines report to the Board of Directors.

Within each of the Group's companies, the risk management is decentralized. Each manager responsible for the operating process in which the risk arises is also responsible for treating the risk and adopting risk control and mitigation measures.

## 22.1. Interest rate risk

Changes in interest rates affect the fair value of assets and liabilities bearing fixed interest rates, as well as, the expected future cash flows of assets and liabilities subject to floating interest rates.

The objective of managing interest rate risk exposure is to achieve a balance in the debt structure to minimize the cost of debt with reduced volatility in profit or loss.

The comparative structure of the Group's financial debt, according to the fixed and/or protected interest rate on gross debt, after the contracted derivatives, is the following:

Current			Non-Current					Total Non-Current as of 12-31-2019
Maturity			Maturity					
One to Three Months	Three to Twelve Months	Total Current as of 12-31-2019	One to two years	Two to three years	Three to four years	Four to five years	More than five years	
859,011	2,802,479	3,661,490	3,570,048	3,554,711	5,731,772	258,317	2,063,704	15,178,552
80,971	240,372	321,343	499,678	485,713	471,749	457,785	2,453,454	4,368,379
821,084	2,293,383	3,114,467	2,895,029	2,523,717	2,462,599	2,412,029	30,885,469	41,178,843
1,180	23,113	24,293	17,847	16,967	16,087	15,207	-	66,108
<b>1,762,246</b>	<b>5,359,347</b>	<b>7,121,593</b>	<b>6,982,602</b>	<b>6,581,108</b>	<b>8,682,207</b>	<b>3,143,338</b>	<b>35,402,627</b>	<b>60,791,882</b>

	12-31-2020 %	12-31-2019 %
Fixed interest rate debt	99%	98%

Depending on the Group's estimates and the objectives of the debt structure, hedging transactions are performed by entering into derivative contracts to mitigate these risks.

Risk control through specific processes and indicators allows companies to limit possible adverse financial impacts and, at the same time, optimize the debt structure with an adequate degree of flexibility. In this sense, the volatility that characterized the financial markets during the first phase of the pandemic, in many cases went back to pre-COVID-19 levels and was offset by effective risk mitigation actions using derivative financial instruments.

## 22.2. Exchange rate risk

Exchange rate risks involve basically the following transactions:

- Debt taken on by the Group's companies that is denominated in a currency other than the currency in which its cash flows are indexed.
- Payments to be made in a currency other than that in which its cash flows are indexed for the acquisition of project-related materials and for corporate insurance policies.
- Income in Group companies directly linked to changes in currencies other than the currency of its cash flows.

In order to mitigate foreign currency risk, the Group seeks to maintain a balance between flows indexed to US\$ or local currencies, if any, and the levels of assets and liabilities denominated in such currencies. The objective is to minimize the exposure to variability in cash flows that are attributable to foreign exchange risk.

The hedging instruments currently being used to comply with the policy are currency swaps and forward exchange contracts.

During the last quarter of 2020, exchange rate risk management continued in the context of complying with the previously mentioned risk management policy, without difficulty to access the derivatives market. It should be noted that the volatility that characterized the financial markets during the first phase of the pandemic, in many cases went back to pre-COVID-19 levels and was offset by risk mitigation actions through derivative financial instruments.

## 22.3. Commodities risk

The Group has a risk exposure to price fluctuations in certain commodities, basically due to:

- Purchases of fuel used to generate electricity.
- Energy purchase/sale transactions that take place in local markets.

To reduce the risk in situations of extreme drought, the Group has designed a commercial policy that defines the levels of sales commitments in line with the capacity of its generating power plants in a dry year. It also includes risk mitigation terms in certain contracts with unregulated customers and with regulated customers subject to long-term tender processes, establishing indexation polynomials that allow for reducing commodities exposure risk.

Considering the operating conditions faced by the power generation market, with drought and highly volatile commodity prices on international markets, the Company is constantly evaluating the use of hedging to minimize the impacts that these price fluctuations have on its results.

As of December 31, 2020, there were current transactions for 1,782 kBbl from Brent to be settled in 2021 and 16.8 Tbtu from Henry Hub to be settled in 2021.

As of December 31, 2019, there were current transactions for 1,412 kTon from API2 to be settled in 2020, 1,059 kBbl from Brent to be settled in 2020, and 4.79 TBtu from HH to be settled in 2020.

Depending on the Group's permanently updated operating conditions, these hedges may be modified, or include other commodities.

Thanks to the mitigation strategies implemented, the Group was able to minimize the effects of basic product price volatility on the results of the fourth quarter of 2020.

## 22.4. Liquidity risk

The Group maintains a liquidity risk management policy that consists of entering into long-term committed banking facilities and temporary financial investments for amounts that cover the projected needs over a period of time that is determined based on the situation and expectations for debt and capital markets.

The projected needs mentioned above include maturities of financial debt net of financial derivatives. For further details regarding the features and conditions of financial obligations and financial derivatives (see Notes 20 and 23).

As of December 31, 2020, the Group presents liquidity in the amount of ThCh\$332,036,013 in cash and cash equivalents and ThCh\$140,643,000 in unconditionally available long-term lines of credit. As of December 31, 2019, the Group recorded liquidity of ThCh\$235,684,500 in cash and cash equivalents and ThCh\$146,268,500 in unconditionally available long-term lines of credit.

## 22.5. Credit risk

The Group closely monitors its credit risk.

### Trade receivables:

The credit risk for receivables from the Group's commercial activity has historically been very low, due to the short-term period of collections from customers, resulting in non-significant cumulative receivables amounts. This situation applies to the electricity generating and distribution lines of business.

In the Company's electricity generating business, some countries' regulations allow disrupting the energy service to customers recording payment default, and most contracts have termination clauses for payment default. The Company monitors its credit risk on an ongoing basis and measures quantitatively its maximum exposure to payment default risk, which, as stated above, is very low.

In the Company's electricity distribution company, the disruption of energy service to customers in payment default is applied in accordance with current regulations. This improves the ease of the process for evaluating and controlling credit risk, which is also limited. However, the action to disrupt energy service to customers recording payment default was suspended by Enel Distribución Chile from March 2020 to support its most vulnerable customers, and subsequently, to comply with Law No. 21,249 and Law 21,301 which were enacted in August 2020 and December 2020, respectively, and will remain in force until May 2021 (see note 4.b.iv).

Regarding the impact of COVID-19, the results of specific internal analyses did not reveal significant statistical correlations between the main economic indicators (GDP, unemployment rate, etc.) and solvency. However, impairment losses have increased in 2020 as a consequence of an increase in expected credit losses from counterparties (see Notes 3.g.3 and 9.d).

### **Financial assets:**

Cash surpluses are invested in the highest-rated local and foreign financial entities (with risk rating equivalent to investment grade where possible) with thresholds established for each entity.

Banks that have received investment grade ratings from the three major international rating agencies (Moody's, S&P, and Fitch) are selected for making investments.

Investments may be supported through Chilean treasury bonds and / or commercial papers issued by the highest rated banks; the latter are preferable as they offer higher returns (always in line with current investment policies).

It is noted that the downturn in the macroeconomic scenario due to COVID-19 had no significant impact on counterparties' credit quality.

## **22.6. Risk measurement**

The Group measures the Value at Risk (VaR) of its debt positions and financial derivatives, in order to monitor the risk assumed by the company, thereby reducing volatility in the income statement. The portfolio of positions included for purposes of calculating the present VAR include:

- Financial debt.
- Hedge derivatives for debt.

The VaR determined represents the potential variation in value of the portfolio of positions described above in a quarter with a 95% confidence level. To determine the VaR, we take into account the volatility of the risk variables affecting the value of the portfolio of positions, including:

- U.S. dollar LIBOR interest rate.
- The exchange rates of the various currencies used in the calculation.

The calculation of VaR is based on generating possible future scenarios (at one quarter) of market values of the risk variables based on scenarios based on real observations for the same period (at one quarter) during five years.

The quarter 95% confidence VaR number is calculated as the 5% percentile most adverse of the quarterly possible fluctuations.

Taking into consideration the assumptions previously described, the quarter VaR of the previously discussed positions was ThCh\$308,778,352.

This value represents the potential increase of the Debt and Derivatives' Portfolio, thus these VaR are inherently related, among other factors, to the Portfolio's value at each quarter end.

## NOTE 23. Financial instruments

### 23.1. Financial instruments classified by type and category

a) The detail of financial asset, classified by type and category, as of December 31, 2020 and 2019 is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

	12-31-2020			
	Financial assets at fair value through profit or loss	Financial assets measured at amortized cost	Financial assets at fair value through other comprehensive income	Financial derivatives for hedging
Equity instruments	-	-	127,854	-
Trade and other accounts receivable	-	592,856,895	-	-
Derivative instruments	3,033,502	-	18,387,261	1,000,964
Other financial assets	-	808,692	-	-
<b>Total Current</b>	<b>3,033,502</b>	<b>593,665,587</b>	<b>18,515,115</b>	<b>1,000,964</b>
Equity instruments	-	-	2,326,480	-
Trade and other accounts receivable	-	493,375,481	-	-
Derivative instruments	1,911,233	-	-	16,422,737
Other financial assets	-	-	-	-
<b>Total Non-Current</b>	<b>1,911,233</b>	<b>493,375,481</b>	<b>2,326,480</b>	<b>16,422,737</b>
<b>Total</b>	<b>4,944,735</b>	<b>1,087,041,068</b>	<b>20,841,595</b>	<b>17,423,701</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

	12-31-2019			
	Financial assets at fair value through profit or loss	Financial assets measured at amortized cost	Financial assets at fair value through other comprehensive income	Financial derivatives for hedging
Equity instruments	-	-	127,854	-
Trade and other accounts receivable	-	576,740,203	-	-
Derivative instruments	1,618,318	-	1,323,556	277,702
Other financial assets	-	860,425	-	-
<b>Total Current</b>	<b>1,618,318</b>	<b>577,600,628</b>	<b>1,451,410</b>	<b>277,702</b>
Equity instruments	-	-	2,349,221	-
Trade and other accounts receivable	-	347,981,527	-	-
Derivative instruments	-	-	-	4,871,397
Other financial assets	-	2	-	-
<b>Total Non-Current</b>	<b>-</b>	<b>347,981,529</b>	<b>2,349,221</b>	<b>4,871,397</b>
<b>Total</b>	<b>1,618,318</b>	<b>925,582,157</b>	<b>3,800,631</b>	<b>5,149,099</b>

The carrying amount of trade accounts receivable and payable approximates their fair value.

b) The detail of financial liabilities, classified by type and category, as of December 31, 2020 and 2019 is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)				
12-31-2020				
	Financial assets at fair value through profit or loss	Financial liabilities measured at amortized cost	Financial assets at fair value through other comprehensive income	Financial derivatives for hedging
Interest-bearing loans	-	152,076,992	-	-
Trade and other accounts payable	-	757,965,390	-	-
Derivative instruments	4,841,020	-	45,543	581,129
Other financial liabilities	-	7,007,711	-	-
<b>Total Current</b>	<b>4,841,020</b>	<b>917,050,093</b>	<b>45,543</b>	<b>581,129</b>
Interest-bearing loans	-	1,467,421,655	-	-
Trade and other accounts payable	-	1,281,254,521	-	-
Derivative instruments	-	-	-	16,167,471
Other financial liabilities	-	44,857,807	-	-
<b>Total Non-Current</b>	<b>-</b>	<b>2,793,533,983</b>	<b>-</b>	<b>16,167,471</b>
<b>Total</b>	<b>4,841,020</b>	<b>3,710,584,076</b>	<b>45,543</b>	<b>16,748,600</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)				
12-31-2019				
	Financial assets at fair value through profit or loss	Financial liabilities measured at amortized cost	Financial assets at fair value through other comprehensive income	Financial derivatives for hedging
Interest-bearing loans	-	164,404,334	-	-
Trade and other accounts payable	-	750,103,757	-	-
Derivative instruments	2,026,476	-	8,924,831	48,225,766
Other financial liabilities	-	-	-	-
<b>Total Current</b>	<b>2,026,476</b>	<b>914,508,091</b>	<b>8,924,831</b>	<b>48,225,766</b>
Interest-bearing loans	-	1,714,837,545	-	-
Trade and other accounts payable	-	840,623,569	-	-
Other financial liabilities	124,048	-	-	25,208,326
<b>Total Non-Current</b>	<b>124,048</b>	<b>2,555,461,114</b>	<b>-</b>	<b>25,208,326</b>
<b>Total</b>	<b>2,150,524</b>	<b>3,469,969,205</b>	<b>8,924,831</b>	<b>73,434,092</b>

## 23.2. Derivative instruments

The risk management policy of the Group uses primarily interest rate and foreign exchange rate derivatives to hedge its exposure to interest rate and foreign currency risks.

The Company classifies its hedges as follows:

- Cash flow hedges: Those that hedge the cash flows of the underlying hedged item.
- Fair value hedges: Those that hedge the fair value of the underlying hedged item.
- Non-hedge derivatives: Financial derivatives that do not meet the requirements established by IFRS to be designated as hedging instruments are recognized at fair value through profit or loss (financial assets held for trading).

## a) Assets and liabilities for hedge derivative instruments

As of December 31, 2020 and 2019, financial derivative qualifying as hedging instruments resulted in recognition of the following assets and liabilities in the statement of financial position:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)								
	12-31-2020				12-31-2019			
	Asset		Liability		Asset		Liability	
	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current
Interest rate hedge:	-	-	1.947.377	12.944.130	322.316	8.447	-	7.743.401
Cash flow hedge	-	-	1.947.377	12.944.130	322.316	8.447	-	7.743.401
Exchange rate hedge:	1.000.964	16.422.737	3.451.487	3.223.341	-	4.862.950	48.225.766	17.464.925
Cash flow hedge	1.000.964	16.422.737	3.451.487	3.223.341	-	4.862.950	48.225.766	17.464.925
<b>TOTAL</b>	<b>1.000.964</b>	<b>16.422.737</b>	<b>5.398.864</b>	<b>16.167.471</b>	<b>322.316</b>	<b>4.871.397</b>	<b>48.225.766</b>	<b>25.208.326</b>

### - General Information Related to Hedging Derivative Instruments

Hedging derivative instruments and their corresponding hedged instruments are shown in the following table:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)					
Type of Hedge Instrument	Description of hedged risk	Description of hedged item	Fair Value of Hedged Item 12-31-2020	Fair Value of Hedged Item 12-31-2019	Type of risk hedged
SWAP	Interest rate	Other	-	(699,158)	Cash flow
SWAP	Exchange rate	Unsecured obligations (bonds)	12,763,777	(9,530,240)	Cash flow
SWAP	Interest rate	Loans with Related Companies	(12,944,129)	(6,991,184)	Cash flow
SWAP	Interest rate	Bank borrowing	(1,947,377)	277,703	Cash flow
FORWARD	Exchange rate	Operational Income	(1,967,328)	(51,297,500)	Cash flow
FORWARD	Interest rate	Other	(77,558)	-	Cash flow
FORWARD	Exchange rate	Other	29,981	-	Cash flow

As of December 31, 2020 and 2019, the Group has not recognized significant gains or losses for ineffective cash flow hedges.

At the reporting date, the Group did not establish fair value hedging relationships.

## b) Financial derivative instruments assets and liabilities at fair value through profit or loss

As of December 31, 2020 and 2019, financial derivative transactions recognized at fair value through profit or loss, resulted in the recognition of the following liabilities in the statement of financial position:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)								
	12-31-2020				12-31-2019			
	Current assets	Current liabilities	Non-current assets	Non-current liabilities	Current assets	Current liabilities	Non-current assets	Non-current liabilities
Non-hedging derivative instruments	1,414,895	23,285	1,911,233	-	-	2,026,476	-	124,048
<b>Total</b>	<b>1,414,895</b>	<b>23,285</b>	<b>1,911,233</b>	<b>-</b>	<b>-</b>	<b>2,026,476</b>	<b>-</b>	<b>124,048</b>

Correspond to forward contracts entered into by the Group mainly to hedge foreign exchange risk related to dividends received or to be received from its foreign subsidiaries. Although, the hedge relationship has economic substance, they do not comply with all the hedging documentation requirements set forth by IFRS 9 Financial Instruments to qualify for hedge accounting.

## c) Other information on derivatives:

The following table sets forth the fair value of hedging and non-hedging derivatives entered into by the Group as well as the remaining contractual maturities as of December 31, 2020 and 2019.

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Financial Derivatives	Fair value	12-31-2020					Total
		Notional amount					
		Less than 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	
Interest rate hedge:	(14,891,507)	106,642,500	284,380,000	-	-	-	391,022,500
Cash flow hedge	(14,891,507)	106,642,500	284,380,000	-	-	-	391,022,500
Exchange rate hedge:	10,748,873	143,449,971	3,390	-	504,391,045	95,129,590	742,973,996
Cash flow hedge	10,748,873	143,449,971	3,390	-	504,391,045	95,129,590	742,973,996
Derivatives not designated for hedge accounting	3,302,843	30,063,763	21,189,518	8,742,828	285,368	-	60,281,477
<b>TOTAL</b>	<b>(839,791)</b>	<b>280,156,234</b>	<b>305,572,908</b>	<b>8,742,828</b>	<b>504,676,413</b>	<b>95,129,590</b>	<b>1,194,277,973</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Financial Derivatives	Fair value	12-31-2019					Total
		Notional amount					
		Less than 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	
Interest rate hedge:	(7,412,638)	112,311,000	112,311,000	299,496,000	-	-	524,118,000
Cash flow hedge	(7,412,638)	112,311,000	112,311,000	299,496,000	-	-	524,118,000
Exchange rate hedge:	(60,827,741)	490,799,070	40,581,708	-	-	517,637,686	1,049,018,464
Cash flow hedge	(60,827,741)	490,799,070	40,581,708	-	-	517,637,686	1,049,018,464
Derivatives not designated for hedge accounting	(2,150,524)	31,746,086	2,061,840	-	-	-	33,807,926
<b>TOTAL</b>	<b>(70,390,903)</b>	<b>634,856,156</b>	<b>154,954,548</b>	<b>299,496,000</b>	<b>-</b>	<b>517,637,686</b>	<b>1,606,944,390</b>

The contractual maturities of hedging and non-hedging derivatives do not represent the Group's total risk exposure, as the amounts presented in the above tables have been drawn up based on undiscounted contractual cash inflows and outflows for their settlement.

## 23.3. Fair value hierarchies

Financial instruments recognized at fair value in the consolidated statement of financial position are classified based on the hierarchies described in Note 3.h.

The following table presents financial assets and liabilities measured at fair value as of December 31, 2020 and 2019:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Financial Instruments Measured at Fair Value	12-31-2020	Fair Value Measured at End of Reporting Period Using:		
		Level 1	Level 2	Level 3
<b>Financial Assets :</b>				
Financial derivatives designated as cash flow hedge	17,423,701	-	17,423,701	-
Financial derivatives not designated for hedge accounting	3,326,128	-	3,326,128	-
Derivatives of commodities designated as non-hedging of cash flow at fair value through profit or loss	1,618,607	-	1,618,607	-
Derivatives of commodities designated as cash flow hedges at fair value with changes in other comprehensive income	18,387,261	-	18,387,261	-
Equity instruments at fair value with changes in other comprehensive income	2,454,334	2,326,480	127,854	-
<b>Total</b>	<b>43,210,031</b>	<b>2,326,480</b>	<b>40,883,551</b>	<b>-</b>
<b>Financial liabilities</b>				
Financial derivatives designated as cash flow hedge	21,566,335	-	21,566,335	-
Financial derivatives not designated for hedge accounting	23,285	-	23,285	-
Derivatives of commodities designated as cash flow hedges at fair value with changes in other comprehensive income	45,543	-	45,543	-
<b>Total</b>	<b>21,635,163</b>	<b>-</b>	<b>21,635,163</b>	<b>-</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Financial Instruments Measured at Fair Value	12-31-2019	Fair Value Measured at End of Reporting Period Using:		
		Level 1	Level 2	Level 3
<b>Financial Assets :</b>				
Financial derivatives designated as cash flow hedge	5,193,713	-	5,193,713	-
Derivatives of commodities designated as non-hedging of cash flow at fair value through profit or loss	1,573,704	-	1,573,704	-
Derivatives of commodities designated as cash flow hedges at fair value with changes in other comprehensive income	1,323,556	-	1,323,556	-
Equity instruments at fair value with changes in other comprehensive income	2,477,077	2,349,223	127,854	-
<b>Total</b>	<b>10,568,050</b>	<b>2,349,223</b>	<b>8,218,827</b>	<b>-</b>
<b>Financial liabilities</b>				
Financial derivatives designated as cash flow hedge	73,434,092	-	73,434,092	-
Financial derivatives not designated for hedge accounting	2,150,524	-	2,150,524	-
Derivatives of commodities designated as cash flow hedges at fair value with changes in other comprehensive income	8,924,831	-	8,924,831	-
<b>Total</b>	<b>84,509,447</b>	<b>-</b>	<b>84,509,447</b>	<b>-</b>

## NOTE 24. Current and non-current payables

The detail of Trade and Other Current Payables as of December 31, 2020 and 2019 is as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Trade and Other Payables	Current		Non-Current	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
<b>Trade payables</b>				
Energy suppliers <sup>(1)</sup>	135,817,661	178,153,813	112,895,627	53,941,373
Fuel and gas suppliers	36,735,748	55,179,023	-	-
Payables for goods and services	153,883,621	183,848,556	487	487
Payables for assets acquisitions	251,679,169	100,307,602	4,233,657	2,281,051
<b>Subtotal Trade Payables</b>	<b>578,116,199</b>	<b>517,488,994</b>	<b>117,129,771</b>	<b>56,222,911</b>
<b>Other payables</b>				
Dividends payable to third parties	5,755,000	41,582,444	-	-
Accounts payables to employees	35,256,939	33,495,586	-	-
Other payables	8,829,884	6,696,184	80,288	27,174
<b>Subtotal other current payables</b>	<b>49,841,823</b>	<b>81,774,214</b>	<b>80,288</b>	<b>27,174</b>
<b>Total</b>	<b>627,958,022</b>	<b>599,263,208</b>	<b>117,210,059</b>	<b>56,250,085</b>

(1) The non-current portion shows delays in payments for energy purchases, generated by the temporary electric power pricing stabilization mechanism for customers subject to price regulation, as established in Law No. 21,185 (see Note 9).

The description of liquidity risk management policy is detailed in Note 22.4.

The detail of trade payables, both up to date and past due as of December 31, 2020 and 2019 are presented in Appendix 3.

## NOTE 25. Provisions

a) The detail of provisions as of December 31, 2020 and 2019, is detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)				
Provisions	Current		Non-Current	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
Provisions for legal proceedings	1,492,140	2,320,885	14,843,034	11,210,305
Decommissioning or restoration <sup>(1)</sup>	-	-	191,867,939	160,649,977
Other provisions	1,942,664	1,745,080	3,530,698	-
<b>Total</b>	<b>3,434,804</b>	<b>4,065,965</b>	<b>210,241,671</b>	<b>171,860,282</b>

(1) See Note 3.a.

Considering the new environmental regulation in Chile, the provision for decommissioning arises from recent clarifications concerning the scope of rights and obligations related to environmental permits. Therefore, the allowance has been adjusted to reflect the best estimate at the closing date of these financial statements.

The expected timing and amount of any cash outflows related to the above provisions is uncertain and depends on the resolution of specific matters related to each one. For example, specifically for litigations, this depends on the final resolution of the corresponding legal claim. Management believes that provisions recognized in the financial statements cover the related risks appropriately.

Changes in provisions as of December 31, 2020 and 2019, are as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)				
Provisions	Legal Proceedings	Decommissioning or Restoration	Environmental Issues and Other Provisions	Total
<b>Changes in Provisions</b>				
<b>Balance as of January 1, 2020</b>	<b>13,531,190</b>	<b>160,649,977</b>	<b>1,745,080</b>	<b>175,926,247</b>
Increase (decrease) in existing provisions <sup>(1)</sup>	5,905,427	29,964,811	3,728,282	39,598,520
Provision used	(1,471,151)	(1,743,534)	-	(3,214,685)
Reversal of unused provision	(1,474,149)	-	-	(1,474,149)
Increase from adjustment to time value of money <sup>(3)</sup>	-	4,115,292	-	4,115,292
Foreign currency translation	(156,143)	(1,118,607)	-	(1,274,750)
<b>Total Changes in Provisions</b>	<b>2,803,984</b>	<b>31,217,962</b>	<b>3,728,282</b>	<b>37,750,228</b>
<b>Balance as of December 31, 2020</b>	<b>16,335,174</b>	<b>191,867,939</b>	<b>5,473,362</b>	<b>213,676,475</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)				
Provisions	Legal Proceedings	Decommissioning or Restoration	Environmental Issues and Other Provisions	Total
<b>Changes in Provisions</b>				
<b>Balance as of January 1, 2019</b>	<b>17,352,876</b>	<b>92,402,517</b>	<b>1,704,768</b>	<b>111,460,161</b>
Increase (decrease) in existing provisions <sup>(2)</sup>	3,749,833	62,688,286	40,168	66,478,287
Provision used	(3,946,144)	(31,436)	(11)	(3,977,591)
Reversal of unused provision	(3,612,445)	-	-	(3,612,445)
Increase from adjustment to time value of money <sup>(3)</sup>	-	4,356,650	-	4,356,650
Foreign currency translation	(12,930)	1,233,960	155	1,221,185
<b>Total Changes in Provisions</b>	<b>(3,821,686)</b>	<b>68,247,460</b>	<b>40,312</b>	<b>64,466,086</b>
<b>Balance as of December 31, 2019</b>	<b>13,531,190</b>	<b>160,649,977</b>	<b>1,745,080</b>	<b>175,926,247</b>

1) Particularly, the increase in the allowances for decommissioning or restoration during 2020 is explained primarily by the discontinuation process of Bocamina II Plant's operations. This resulted in an increase in the present value of the obligation, as a consequence of the adjustment to the previously established terms for making the disbursements, along with performing an update to the estimated values thereof (see Note 16.c.iv).

- 2) The variation in allowances for decommissioning or restoration during the year ended December 31, 2019 is primarily due to the increase in expected disbursements for the early closure of the Tarapacá and Bocamina I plants, framed within the Group's agreement with the Ministry of Energy to progressively cease operations of coal-fired generation plants (see Note 16.c.iv); and, to a lesser degree, an increase in the present value of provisions, due to a relevant decrease in the discount rates applied.
- 3) Corresponds to a financial restatement, see Note 34.

## NOTE 26. Post-employment benefit obligations

### 26.1. General information

Enel Chile S.A. and certain subsidiaries granted various post-employment benefits to either all or certain active or retired employees. These benefits are calculated and recognized in the financial statements according to the criteria described in Note 3.m.1, and include primarily the following:

Defined benefit plans:

- **Employee severance indemnities:** The beneficiary receives a certain number of contractual salaries on the date of his retirement. This benefit becomes enforceable once the employee has provided services for a minimum period that, depending on the company, ranges from 5 to 15 years.
- **Complementary pension:** The beneficiary is entitled to receive a monthly amount that supplements the pension obtained from the respective social security system.
- **Electricity supply:** The beneficiary receives a monthly bonus, which covers a part of the billing for their home consumption.
- **Healthcare benefits:** The beneficiary receives additional coverage to that provided by the social security regime.

### 26.2. Details, changes and presentation in financial statements

a) The post-employment obligations associated with defined benefits plans and the related plan assets as of December 31, 2020 and 2019.

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)		
	12-31-2020	12-31-2019
Employee severance indemnities	50,011,279	42,697,317
Complementary Pension	18,896,906	17,853,600
Health Plans	3,145,989	3,090,670
Energy Supply Plans	3,484,091	2,521,903
<b>Total post-employment obligations, net</b>	<b>75,538,265</b>	<b>66,163,490</b>

The increase in post-employment liabilities is explained primarily by the adjustment to the discount rate applied by the Group at the year ended December 31, 2020, due to the decrease in this actuarial assumption (by 80 base points from the close of 2019), based on changes in the macroeconomic and financial environments due to the COVID-19 pandemic (see Notes 2.3 and 35.5).

b) The following amounts were recognized in the consolidated statement of comprehensive income for the years ended December 31, 2020, 2019 and 2018.

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Expense Recognized in Comprehensive Income	2020	2019	2018
Cost of current defined benefit plan service	(2,132,231)	(1,928,868)	(1,920,262)
Defined benefit plan interest cost <sup>(1)</sup>	(2,146,386)	(2,639,738)	(2,750,376)
Past Service Costs	-	(1,224,527)	39,060
<b>Expenses recognized in Profit or Loss</b>	<b>(4,278,617)</b>	<b>(5,793,133)</b>	<b>(4,631,578)</b>
(Gains) losses from remeasurement of defined benefit plans	(8,545,834)	(7,777,204)	37,881
<b>Total expense recognized in Comprehensive Income</b>	<b>(12,824,451)</b>	<b>(13,570,337)</b>	<b>(4,593,697)</b>

(1) See Note 34.

c) The balance and changes in post-employment defined benefit obligations as of December 31, 2020 and 2019 are as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Actuarial Value of Post-employment Obligations	
<b>Balance as of January 1, 2019</b>	<b>56,602,664</b>
Current service cost	1,928,868
Interest cost	2,639,738
Actuarial (gains) losses from changes in financial assumptions	5,724,985
Actuarial (gains) losses from changes in experience adjustments	2,052,219
Foreign currency translation	9,786
Past Service Cost Defined Benefit Plan Obligation	1,224,527
Contributions paid	(4,068,988)
Transfer of employees	49,691
<b>Balance as of December 31, 2019</b>	<b>66,163,490</b>
Current service cost	2,132,231
Interest cost	2,146,386
Actuarial (gains) losses from changes in financial assumptions	4,695,927
Actuarial (gains) losses from changes in experience adjustments	3,849,907
Foreign currency translation	102,073
Contributions paid	(3,335,366)
Transfer of employees	(216,383)
<b>Balance as of December 31, 2020</b>	<b>75,538,265</b>

## 26.3. Other disclosures

### • Actuarial assumptions:

As of December 31, 2020, and 2019, the following assumptions were used in the actuarial calculation of defined benefit plans:

	Chile	
	12-31-2020	12-31-2019
Discount rates used	2.60%	3.40%
Expected rate of salary increases	3.80%	3.80%
Turnover rate	7.10%	5.24%
Mortality tables	CB-H-2014 and RV-M-2014	CB-H-2014 and RV-M-2014

### • Sensitivity:

As of December 31, 2020, the sensitivity of the value of the actuarial liability for post-employment benefits to variations of 100 basis points in the discount rate assumes a decrease of ThCh\$5,602,670 (ThCh\$5,330,365 as of December 31, 2019) if the rate rises and an increase of ThCh\$6,136,668 (ThCh\$5,829,095 as of December 31, 2019) if the rate falls.

## • Defined contribution:

According to the available estimate, the disbursements foreseen to cover the defined benefit plans for 2021 amount to ThCh\$8,445,218.

## • Length of commitments:

Enel Chile's obligations have a weighted average length of 7.98 years and the outflows of benefits for the next 10 years is expected to be as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)	
Years	
1	8,445,218
2	6,484,023
3	5,441,166
4	6,022,293
5	5,467,563
6 to 10	25,094,378

# NOTE 27. Equity

## 27.1. Equity attributable to the owners of Enel Chile

### 27.1.1. Subscribed and paid capital and number of shares

The issued capital of Enel Chile for the years ended December 31, 2020 and 2019 is ThCh\$3,882,103,470 divided into 69,166,557,220 authorized, subscribed and paid shares. All of the shares issued by the Company are subscribed and paid, and they are listed for trade on the Bolsa de Comercio de Santiago de Chile, the Bolsa Electrónica de Chile, and the New York Stock Exchange (NYSE).

### 27.1.2. Treasury shares

As of December 31, 2020, and 2019, there are no treasury shares in the Group's portfolio. As of December 31, 2018, they totaled ThCh\$72,388,009 and represented 967,520,597 shares, which were acquired as a result of the merger with Enel Green Power Latin América Ltda. ("EGPL"). On April 29, 2019, these shares were legally deducted from the number of shares issued, as they had not been sold within one year from the date of acquisition, in accordance with the provisions of Art. 27 of the Corporations Law No. 18,046.

### 27.1.3. Changes in Paid-in Capital as a Result of the Corporate Reorganization

Due to the corporate reorganization process (as described in Note 5), the Company increased its share capital in the voluntary tender offer of the shares of its subsidiary Enel Generación Chile (Enel Generación) and the merger with the company EGPL, in which the renewable assets of Enel SpA were incorporated into Enel Chile. The phases of this process are described below.

#### - Tender Offer for the acquisition of the shares "OPA by its Spanish acronym" of Enel Generación

During the tender offer period between February 16 and March 22, 2018, the Company received acceptances and sale orders for a total of 2,582,336,287 shares of Enel Generación and 5,691,996 ADSs, equivalent to 170,759,880 shares of Enel Generación; accordingly, the Company increased its interest and acquired 2,753,096,167 shares issued by Enel Generación. According to the terms and conditions established in the transaction, the shareholders of Enel Generación who agreed to

sell their shares, would allocate 40% of the established purchase price (Ch\$590 per share) to the subscription of shares issued for the first time of Enel Chile, thus receiving, in exchange for that 40%, 2.87807 shares in Enel Chile for each share issued by Enel Generación and sold in the tender offer. By virtue of the above, the shareholders of Enel Generación received Ch\$1,624,326,738,530 in cash, divided into Ch\$1,523,578,409,330 for Chilean shareholders and Ch\$100,748,329,200 for foreign shareholders. Likewise, these shareholders subscribed shares of Enel Chile for a total of Ch\$649,730,695,412, equivalent to 7,923,600,070 shares.

## - Right to the preferential subscription of shares

According to the provisions of the Public Corporations Law, the Company's existing shareholders have a preferential right to subscribe the shares issued in a capital increase, in proportion to their holdings in the Company. Any shareholder existing at the time of the Enel Chile capital increase, could exercise such right by paying exclusively in cash for those shares. On March 16, 2018, the preferential subscription option was exercised for 47,860,124 shares, paying a price of Ch\$82.00 for each share, thus increasing Capital by Ch\$3,924,530,168.

## - Merger with Enel Green Power Latin América

The reorganization concluded with the merger of EGPL and Enel Chile, which was performed once the tender offer was declared successful, and became effective on April 2, 2018. As a result of this merger, Enel Chile's share capital increased by Ch\$1,071,727,278,668, equivalent to 13,069,844,862 shares, corresponding to 827,205,371 shares of EGPL owned by Enel SpA, at an exchange rate of 15.8 Enel Chile shares for each EGPL share.

Changes in the number of Enel Chile's shares as a result of the abovementioned corporate reorganization process are detailed as follows:

<b>Number of outstanding shares of Enel Chile prior to the reorganization</b>				<b>49,092,772,762</b>
	<b>Number of shares</b>	<b>Ratio for exchange of shares</b>		<b>Number of shares</b>
<b>Public Tender Offer Shares of Enel Generación<sup>(1)</sup>:</b>				
Purchased shares - national market	2,582,336,287	2.88		7,432,144,598
Purchased shares - ADS	170,759,880	2.88		491,455,472
<b>Total Public Tender Offer for Shares</b>	<b>2,753,096,167</b>			<b>7,923,600,070</b>
<b>Enel Chile Preemptive right shares<sup>(2)</sup>:</b>				
Shares paid for by shareholders	47,860,124			47,860,124
<b>Total Preemptive Rights</b>	<b>47,860,124</b>			<b>47,860,124</b>
<b>Merger with EGPL<sup>(3)</sup>:</b>				
Shares issued to Enel SpA	827,205,371	15.8		13,069,844,862
<b>Total Merger with EGPL</b>	<b>827,205,371</b>			<b>13,069,844,862</b>
<b>Repurchase of shares<sup>(4)</sup>:</b>				
Withdrawal Rights exercised by minority shareholders of Enel Chile	(967,520,598)			(967,520,598)
<b>Total repurchase of shares</b>	<b>(967,520,598)</b>			<b>(967,520,598)</b>
<b>Number of issued shares in Enel Chile after merger</b>				<b>69,166,557,220</b>
Total number of shares issued				70,134,077,818
Total number of treasury shares				(967,520,598)
<b>Number of issued shares in Enel Chile after merger</b>				<b>69,166,557,220</b>

(1) The total amount for the issuance of these new shares was ThCh\$649,730,695.

(2) The payment made by the minority shareholders of Enel Chile was ThUS\$ 3,924,530.

(3) The valuation of the capital increase due to the merger was ThCh\$1,071,727,279.

(4) The total amount paid for the repurchase of shares was ThCh\$72,388,009.

## 27.2. Dividends

Dividend No.	Type of Dividend	Agreement Date	Payment Date	Total Amount ThCh\$	Pesos per Share	Charged to
4	Interim	12-20-2017	01-26-2018	37,134,944	0.75642	2017
5	Final	04-25-2018	05-18-2018	155,025,509	2.24134	2017
6	Interim	11-29-2018	01-25-2019	31,288,371	0.45236	2018
7	Final	04-29-2019	05-17-2019	185,737,592	2.68537	2018
8	Interim	11-26-2019	01-31-2020	30,933,437	0.44723	2019
9	Final	04-29-2020	05-27-2020	146,758,726	2.12182	2019
9	Eventual	04-29-2020	05-27-2020	114,883,119	1.66096	(1)

(1) On April 29, 2020, the distribution of the obligatory minimum dividend (final dividend No. 9) was agreed upon, with charge to the profit for 2019. Additionally, and to offset the resulting impairment of the subsidiary Enel Generación in 2019 (see Note 16.c.iv, Development during 2019), the distribution of a provisional dividend (No. 9) was approved with charge to the retained earnings for previous years.

## 27.3. Foreign currency translation reserves

The detail by company of the translation differences attributable to owners of the Group, of the consolidated statement of financial position as of December 31, 2020, 2019 and 2018, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Reserves for Accumulated Currency Translation Differences	12-31-2020	12-31-2019	12-31-2018
Enel Generación Chile S.A.	(7,746,933)	(3,292,629)	302,222
GNL Chile S.A.	907,869	1,022,047	900,483
Grupo Enel Green Power Chile	110,921,404	168,387,151	100,452,131
Enel AMPCI Ebus Chile SpA	(432,247)	-	-
<b>TOTAL</b>	<b>103,650,093</b>	<b>166,116,569</b>	<b>101,654,836</b>

## 27.4. Restrictions on subsidiaries transferring funds to the parent

Our subsidiary Enel Generación Chile must comply with certain financial ratios or covenants, which require a minimum level of equity or contain other characteristics that restrict the transfer of assets to the Parent. As of December 31, 2020, the Company's interest in the net restricted assets of Enel Generación Chile amounts to ThCh\$712,519,037 (ThCh\$752,696,419 as of December 31, 2019).

## 27.5. Other reserves

Other reserves for the years ended December 31, 2020 and 2019, are as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Detail of other reserves	01-01-2020	2020 Changes	12-31-2020
Exchange differences on translation	166,116,569	(62,466,476)	103,650,093
Cash flow hedges	(291,006,520)	188,060,425	(102,946,095)
Financial assets at fair value through other comprehensive income	8,384	(6,601)	1,783
Other miscellaneous reserves	(2,280,627,568)	2,296,302	(2,278,331,266)
<b>TOTAL</b>	<b>(2,405,509,135)</b>	<b>127,883,650</b>	<b>(2,277,625,485)</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Detail of other reserves	01-01-2019	2019 Changes	12-31-2019
Exchange differences on translation	101,654,836	64,461,733	166,116,569
Cash flow hedges	(191,870,545)	(99,135,975)	(291,006,520)
Financial assets at fair value through other comprehensive income	11,041	(2,657)	8,384
Other miscellaneous reserves	(2,285,467,896)	4,840,328	(2,280,627,568)
<b>TOTAL</b>	<b>(2,375,672,564)</b>	<b>(29,836,571)</b>	<b>(2,405,509,135)</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Detail of other reserves	01-01-2018	2018 Changes	12-31-2018
Exchange differences on translation	6,976,383	94,678,453	101,654,836
Cash flow hedges	(32,849,736)	(159,020,809)	(191,870,545)
Financial assets at fair value through other comprehensive income	11,284	(243)	11,041
Other miscellaneous reserves	(971,468,479)	(1,313,999,417)	(2,285,467,896)
<b>TOTAL</b>	<b>(997,330,548)</b>	<b>(1,378,342,016)</b>	<b>(2,375,672,564)</b>

- a) Reserves for exchange differences on translation: These reserves arise primarily from exchange differences relating to the translation of financial statements of the Company's consolidated entities with functional currencies other than the Chilean peso (see Note 2.7.3).
- b) Cash flow hedge reserves: These reserves represent the cumulative effective portion of gains and losses on cash flow hedges (see Note 3.g.5 and 3.h).
- c) Other miscellaneous reserves:

The main items and their effects are the following:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Other Miscellaneous Reserves	12-31-2020	12-31-2019	12-31-2018
Company restructuring reserve ("Division") <sup>(i)</sup>	(534,057,733)	(534,057,733)	(534,057,733)
Reserve for transition to IFRS <sup>(ii)</sup>	(457,221,836)	(457,221,836)	(457,221,836)
Reserve for subsidiaries transactions <sup>(iii)</sup>	12,502,494	12,502,494	12,502,494
Reserves for Tender Offer of Enel Generation "Reorganization of Renewable Assets" <sup>(iv)</sup>	(910,437,224)	(910,437,224)	(910,437,224)
Reserves "Reorganization of Renewable Assets" <sup>(v)</sup>	(407,354,462)	(407,354,462)	(407,354,462)
Argentine hyperinflation <sup>(vi)</sup>	11,216,652	8,939,332	3,508,753
Other miscellaneous reserves <sup>(vii)</sup>	7,020,843	7,001,861	7,592,112
<b>Total</b>	<b>(2,278,331,266)</b>	<b>(2,280,627,568)</b>	<b>(2,285,467,896)</b>

**i) Corporate restructuring (division) reserve:** This represents the effect generated by the corporate reorganization of Enersis S.A. (currently Enel Américas), concluded in 2016, by which the company divided its businesses between Chile and the rest of South America. The new company was called Enersis Chile (now Enel Chile), and was assigned the equity corresponding to the related business in Chile.

**ii) APV reserves for transition to IFRS:** In compliance with the provisions of Circular No. 456 by the Financial Market Commission, the price-level restatement of accumulated paid-in capital has been incorporated in this category from the date of the Company's transition to IFRS, i.e., January 1, 2004, through December 1, 2008.

**iii) Reserves for business combinations:** These represent the effect generated by the purchases of interest under common control.

**iv) "Reorganization of Renewable Assets" Enel Generación Takeover Reserve:** This represents the difference between the carrying amount of non-controlling interest acquired as part of the tender offer aimed at acquiring all shares issued by the subsidiary Enel Generación (see Note 5.i).

**v) "Reorganization of Renewable Assets" Reserve:** This corresponds to the reserve constituted by the merger between Enel Green Power Latin América and Enel Chile on April 2, 2018. It represents the recognition of the difference produced by the capital increase in Enel Chile (corresponding to the market value of interest in Enel Green Power Chile and subsidiaries) and the carrying amount of Enel Green Power Latin América's equity that was incorporated under share capital in the net equity distributable to the owners of Enel Chile, as a result of the merger (see Note 5.iii).

**vi) Hyperinflation in Argentina:** This corresponds to the calculated effect of the application of IAS 29 "Financial Reporting in Hyperinflationary Economies" on the branch held by the Enel Generación Group in Argentina (see Note 2.9).

**vii) Other miscellaneous reserves** This reserve derives from transactions performed in prior years.

## 27.6. Non-controlling Interests

The detail of non-controlling interests as of December 31, 2020, 2019 and 2018, is as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)						
Companies	12-31-2020	Non-controlling interests				
		Equity			Profit (Loss)	
		12-31-2020	12-31-2019	2020	2019	2018
Enel Distribución Chile S.A.	0.91%	8,188,827	7,691,319	749,261	1,079,941	1,112,709
Enel Generación Chile S.A.	6.45%	111,567,532	126,700,973	(10,006,037)	12,667,880	42,883,953
Empresa Eléctrica Pehuenche S.A.	7.35%	10,113,358	10,079,858	6,403,829	6,241,062	6,885,422
Sociedad Agrícola de Cameros Ltda.	42.50%	2,068,169	1,837,612	230,557	(504,550)	(254,604)
Geotermica del Norte SA	15.41%	55,283,359	57,871,809	645,440	(264,158)	(187,989)
Empresa Nacional de Geotermia SA	49.00%	11,134	995,614	(515,293)	(74,963)	41,780
Parque Eólico Talinay Oriente SA	39.09%	55,283,519	57,586,860	945,454	868,127	662,374
Others		(157,189)	(178,379)	20,267	(73,726)	(5,825)
<b>TOTAL</b>		<b>242,358,709</b>	<b>262,585,666</b>	<b>(1,526,522)</b>	<b>19,939,613</b>	<b>51,137,820</b>

## NOTE 28. Revenue and other operating income

The detail of revenue presented in the statement of comprehensive income for the years ended December 31, 2020, 2019 and 2018, is as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)			
Revenues	2020	2019	2018
Energy sales	2,380,736,600	2,405,903,242	2,202,078,088
<b>Generation</b>	<b>1,111,508,158</b>	<b>1,090,021,527</b>	<b>1,034,975,160</b>
Regulated customers (1)	480,168,004	540,017,333	643,494,066
Unregulated customers	571,587,710	524,559,735	357,725,928
Spot market sales	59,752,444	25,444,459	33,755,166
<b>Distribution</b>	<b>1,269,228,442</b>	<b>1,315,881,715</b>	<b>1,167,102,928</b>
Residential (1)	608,703,250	552,124,205	455,840,910
Business	366,874,872	450,108,855	378,092,990
Industrial	168,931,181	181,595,960	209,252,478
Other customers (2)	124,719,139	132,052,695	123,916,550
<b>Other sales</b>	<b>58,870,872</b>	<b>124,113,792</b>	<b>123,345,383</b>
Gas sales	38,808,266	97,564,262	103,717,558
Sales of goods and services	20,062,606	26,549,530	19,627,825
<b>Revenue from other services</b>	<b>108,776,845</b>	<b>94,559,289</b>	<b>84,936,988</b>
Tolls and transmission	41,859,311	31,232,252	20,311,403
Metering equipment leases	3,387,302	2,131,427	4,702,334
Services and Business Advisories provided (Public lighting, connections and electrical advisories)	53,121,851	47,455,465	45,904,638
Other services	10,408,381	13,740,145	14,018,613
<b>Total revenue</b>	<b>2,548,384,317</b>	<b>2,624,576,323</b>	<b>2,410,360,459</b>
(IN THOUSANDS OF CHILEAN PESOS – THCH\$)			
Other Income	2020	2019	2018
Temporary leasing of generating facilities	10,662,952	2,777,404	-
Commodity derivative income	4,473,463	5,967,739	9,819,777
Income from early termination of electricity supply contracts (3)	-	121,117,605	-
Income from insurance claims	10,799,437	5,952,589	25,442,309
Other income (4)	11,082,028	10,442,700	11,538,881
<b>Total other income</b>	<b>37,017,880</b>	<b>146,258,037</b>	<b>46,800,967</b>

- (1) For the year ended December 31, 2020, this concept includes an effect of ThCh\$77,973,766 corresponding to the differences between the prices of electricity supply contracts and regulated prices, which will be billed in the future in accordance with the schedule established in Law 21,185 (see Note 9). Of this amount, ThCh\$25,154,565 correspond to income that the Group will have to transfer to final customers through its subsidiary Enel Distribución Chile.
- (2) For the year ended December 31, 2020, this includes revenues from the sale of energy to municipalities of ThCh\$35,598,366 (ThCh\$45,768,456 and ThCh\$36,878,861 as of December 31, 2019 and 2018, respectively), governmental entities of ThCh\$17,334,983 (ThCh\$20,432,048 and ThCh\$20,246,633 as of December 31, 2019 and 2018, respectively), agricultural sector companies of ThCh\$10,324,464 (ThCh\$9,100,691 and ThCh\$6,173,077 as of December 31, 2019 and 2018, respectively), utilities and telecommunications companies of ThCh\$27,014,443 (ThCh\$24,818,503 and ThCh\$26,636,066 as of December 31, 2019 and 2018, respectively), education sector of ThCh\$5,749,102 (ThCh\$9,367,933 and ThCh\$12,470,709 as of December 31, 2019 and 2018, respectively), healthcare services of ThCh\$21,407,325 (ThCh\$18,975,909 and ThCh\$19,629,502 as of December 31, 2019 and 2018, respectively) and other of ThCh\$7,290,456 (ThCh\$3,589,156 and ThCh\$1,881,702 as of December 31, 2019 and 2018, respectively).
- (3) In February 2019, Anglo American Sur S.A. notified Enel Generación Chile of its decision to early terminate three electricity supply contracts, which both parties had signed in 2016. As stipulated in the termination clauses of the respective contracts, the notice of early termination granted Enel Generación Chile the right to receive a termination compensation, consisting of a cash payment by Anglo American Sur S.A., which would be determined according to a predefined calculation mechanism.

It is important to note that between the date of notice of the early termination and the date of effective termination of the contracts, there were no performance obligations pending delivery by Enel Generación Chile, as the original contracts established the start of supply in January 2021. Therefore, following the accounting criteria described in Note 3.q), income of ThCh\$121,117,605 was recognized.

Finally, on June 21, 2019, Enel Generación Chile made a non-recourse assignment of the cash flows of this agreement. Consequently, the cash inflow resulted in the derecognition of the account receivable from Anglo American Sur S.A. existing at that date.

- (4) For the year ended December 31, 2020, this includes revenue recovery from customers with unrecorded consumption of ThCh\$3,084,840 (ThCh\$2,746,764 and ThCh\$2,847,740 as of December 31, 2019 and 2018, respectively), income from late cancellation of ThCh\$456,781 (ThCh\$485,684 and ThCh\$675,202 as of December 31, 2019 and 2018, respectively), sale of demineralized water of ThCh\$1,408,798 (ThCh\$498,577 and ThCh\$542,927 as of December 31, 2019 and 2018, respectively) and other income of ThCh\$6,131,609 (ThCh\$6,711,675 and ThCh\$7,473,012 as of December 31, 2019 and 2018, respectively).

## NOTE 29. Raw materials and consumables used

The detail of raw materials and consumables used presented in profit or loss for the years ended December 31, 2020, 2019 and 2018, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)			
Raw Materials and Consumables Used	2020	2019	2018
Energy purchases	(864,863,454)	(835,284,742)	(747,646,603)
Fuel consumption	(231,176,489)	(230,944,415)	(231,028,169)
Gas	(149,734,219)	(134,127,365)	(140,145,010)
Oil	(6,100,077)	(3,326,061)	(11,146,001)
Coal	(75,342,193)	(93,490,989)	(79,737,158)
Transportation costs	(141,539,687)	(196,848,788)	(166,875,801)
Gas sales costs	(34,332,998)	(74,998,608)	(80,477,713)
Other variable supplies and services	(102,533,011)	(83,128,698)	(66,148,830)
<b>Total Raw Materials and Consumables Used</b>	<b>(1,374,445,639)</b>	<b>(1,421,205,251)</b>	<b>(1,292,177,116)</b>

## NOTE 30. Employee benefits expense

The detail of employee expenses for the years ended December 31, 2020, 2019 and 2018, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)			
Employee Benefits Expenses	2020	2019	2018
Wages and salaries	(117,220,406)	(109,101,737)	(102,897,710)
Post-employment benefit expense	(2,132,231)	(3,153,395)	(1,881,202)
Social security and other contributions	(12,346,828)	(14,334,587)	(13,405,944)
Other employee expenses	(5,527,283)	(3,015,237)	(4,945,478)
<b>Total Employee Benefits Expenses</b>	<b>(137,226,748)</b>	<b>(129,604,956)</b>	<b>(123,130,334)</b>

## NOTE 31. Depreciation, amortization and impairment loss of property, plant and equipment and financial assets UNDER-IFRS 9

a) The detail of depreciation and amortization for the years ended December 31, 2020, 2019 and 2018, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)			
	2020	2019	2018
Depreciation	(215,581,938)	(224,724,380)	(202,971,892)
Amortization	(14,375,081)	(11,903,007)	(12,215,408)
<b>Total</b>	<b>(229,957,019)</b>	<b>(236,627,387)</b>	<b>(215,187,300)</b>

b) The detail of the items related to impairment for the years ended December 31, 2020, 2019 and 2018, is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)												
Information on Impairment Losses by Reportable Segment	Generation			Distribution			Other			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018
Property, Plant and Equipment (see Note 16) <sup>(*)</sup>	(698,235,380)	(280,020,263)	-	-	-	-	-	-	-	(698,235,380)	(280,020,263)	-
Intangibles (see Note 14)	(217,658)	-	-	-	-	-	-	-	-	(217,658)	-	-
Investment Property (see Note 17)	-	-	-	-	-	-	646,597	(742,389)	(779,825)	646,597	(742,389)	(779,825)
<b>Total Reversal of impairment losses (impairment losses) recognized in profit or loss</b>	<b>(698,235,380)</b>	<b>(280,020,263)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>646,597</b>	<b>(742,389)</b>	<b>(779,825)</b>	<b>(697,806,441)</b>	<b>(280,762,652)</b>	<b>(779,825)</b>
<b>Impairment gain and reversals from impairment losses in accordance with IFRS 9 (see note 10.d)</b>	<b>(1,305,341)</b>	<b>(1,338,599)</b>	<b>(106,264)</b>	<b>(12,998,719)</b>	<b>(8,153,419)</b>	<b>(4,676,808)</b>	<b>(863,647)</b>	<b>(554,982)</b>	<b>-</b>	<b>(15,167,707)</b>	<b>(10,047,000)</b>	<b>(4,783,072)</b>

(\*) Relates to the decarbonization of Bocamina II for ThCh\$697,856,387 mainly, see Note 16, paragraph c), iv).

## NOTE 32. Other expense, by nature

Other miscellaneous operating expense for the years ended December 31, 2020, 2019 and 2018, are detailed as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)			
Other expenses by nature	2020	2019	2018
Professional, outsourced and other services	(74,630,728)	(60,819,733)	(69,692,677)
Administrative expenses	(7,214,238)	(8,893,785)	(5,991,676)
Repairs and maintenance	(49,051,950)	(50,846,851)	(41,829,409)
Indemnities and fines	(1,029,517)	(1,243,376)	(455,825)
Taxes and charges	(5,675,978)	(6,802,176)	(4,415,819)
Insurance premiums	(19,992,385)	(19,200,681)	(15,794,761)
Leases and rental costs	(4,958,760)	(3,824,195)	(3,775,007)
Marketing, public relations and advertising	(2,491,884)	(3,274,693)	(2,440,070)
Write-off Property, Plant and Equipment (*)	-	(3,510,591)	-
Travel expenses	(2,223,358)	(3,991,349)	(2,436,407)
Environmental expenses	(8,313,182)	(9,886,690)	(9,664,683)
Other supplies and services	(15,011,354)	(11,849,020)	(10,713,687)
<b>Total Other expenses by nature</b>	<b>(190,593,334)</b>	<b>(184,143,140)</b>	<b>(167,210,021)</b>

(\*) See explanation in Note 16 e) paragraph vi).

## NOTE 33. Other gains (losses)

The detail of other gains (losses) for the years ended December 31, 2020, 2019 and 2018 is as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)			
Other Gains (Losses)	2020	2019	2018
Gain on sale of Property, Plant and Equipment	9,384,038	1,530,689	3,024,549
Result of other investments	104,777	262,512	385,830
<b>Total</b>	<b>9,488,815</b>	<b>1,793,201</b>	<b>3,410,379</b>

## NOTE 34. Financial results

Finance income and costs for the years ended December 31, 2020, 2019 and 2018, are as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)			
Finance income	2020	2019	2018
Income from deposits and other financial instruments	7,324,057	8,973,606	9,612,575
Interests charged to customers in energy accounts and billing	12,477,393	8,057,203	7,140,984
Financial income by Law N°21,185 (1)	15,328,829	5,225,739	-
Other financial income	1,030,181	5,142,727	3,180,909
<b>Total Financial Income</b>	<b>36,160,460</b>	<b>27,399,275</b>	<b>19,934,468</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

	2020	2019	2018
<b>Finance cost</b>	<b>(127,408,771)</b>	<b>(164,897,900)</b>	<b>(122,184,189)</b>
Bank borrowings	(7,151,030)	(14,487,700)	(20,701,774)
Bonds payable to the public not guaranteed	(84,268,247)	(81,818,564)	(62,255,300)
Lease obligations	(2,128,360)	(1,815,170)	(739,069)
Valuation of financial derivatives for cash flow hedging	(5,887,498)	1,775,749	1,183,228
Financial update of provisions (2)	(4,115,292)	(4,356,650)	(3,176,001)
Post-employment benefit obligations (3)	(2,146,386)	(2,639,738)	(2,750,376)
Debt formalization expenses and other associated expenses	(2,646,906)	(4,710,012)	(9,373,412)
Capitalized borrowing costs	33,109,819	9,321,354	6,435,646
Financial cost related companies	(35,079,947)	(31,304,382)	(23,228,947)
Financial cost by Law N°21,185 (1)	(4,518,268)	(19,062,333)	-
Other financial costs	(12,576,656)	(15,800,454)	(7,578,184)
<b>(Loss) gain from indexed assets and liabilities, net (*)</b>	<b>2,085,768</b>	<b>(2,982,268)</b>	<b>(818,146)</b>
<b>Foreign currency exchange differences (**)</b>	<b>(23,272,231)</b>	<b>(10,412,110)</b>	<b>(7,807,197)</b>
<b>Total financial costs</b>	<b>(148,595,234)</b>	<b>(178,292,278)</b>	<b>(130,809,532)</b>
<b>Total financial results</b>	<b>(112,434,774)</b>	<b>(150,893,003)</b>	<b>(110,875,064)</b>

- (1) Relates to finance income and costs generated by the temporary electric power pricing stabilization mechanism for customers subject to price regulation, as established in Law No. 21,185 (see Note 9).  
(2) See Note 25.  
(3) See Note 26.2, b).

The origins of the effects on results for the application of adjustment units and foreign exchange gains (losses) are as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

<b>Gains (losses) from Indexed Assets and Liabilities (*)</b>	2020	2019	2018
Cash and cash equivalents	-	36,797	-
Other non-financial assets	-	-	45,108
Trade and other receivables	2,212,324	1,410,408	1,197,498
Current tax assets and liabilities	1,026,963	2,557,465	3,424,644
Other financial liabilities (financial debt and derivative instruments)	980,933	(1,637,291)	(1,714,216)
Trade and other payables	241,532	16,939	15,145
Other provisions	(196,777)	-	-
Other non-financial liabilities	(643)	(1,688)	-
<b>Sub total</b>	<b>4,264,332</b>	<b>2,382,630</b>	<b>2,968,179</b>
Intangible assets other than goodwill	142	203	180
Property, plant and equipment	764,982	1,132,453	1,035,084
Deferred tax liabilities	(548,505)	-	-
Equity	(2,434,384)	(5,805,120)	(3,743,959)
Other Provision of Services	(1,246)	-	(1,189,452)
Energy Sales	-	(1,352,295)	-
Energy Purchases	-	432	-
Other variable supplies and services	-	-	21,503
Work for the Fixed Assets	-	103,512	-
Personal expenses	130,213	166,715	143,148
Other fixed operating expenses	108,226	23,714	147,975
Financial income	(204,137)	(367,059)	(268,511)
Financial expenses	6,145	732,547	67,707
<b>Sub total Hyperinflation result (1)</b>	<b>(2,178,564)</b>	<b>(5,364,898)</b>	<b>(3,786,325)</b>
<b>Gains from indexed assets and liabilities, net</b>	<b>2,085,768</b>	<b>(2,982,268)</b>	<b>(818,146)</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

<b>Foreign Currency Exchange Differences (**)</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Cash and cash equivalents	10,110,166	(937,177)	(415,962)
Other financial assets	6,316,333	2,052,540	5,733,173
Other non-financial assets	6,086,388	(1,712,690)	(534,401)
Trade and other receivables (2)	(24,504,740)	1,811,670	726,347
Current tax assets and liabilities	(4,361,506)	(1,633,471)	(1,903,963)
Other financial liabilities (financial debt and derivative instruments)	(10,265,859)	(8,147,939)	(5,726,246)
Trade and other payables (2)	(5,755,302)	(2,345,422)	(5,379,210)
Other non-financial liabilities	(897,711)	500,379	(306,935)
<b>Total Foreign Currency Exchange Differences</b>	<b>(23,272,231)</b>	<b>(10,412,110)</b>	<b>(7,807,197)</b>

(1) Corresponds to the financial effect derived from the application of IAS 29 “Financial Reporting in Hyperinflationary Economies” on the branch held by the Enel Generación Group in Argentina (see Note 2.9).

(2) This includes the foreign currency translation difference due to the dollarization of trade receivables and payables in the amount of ThCh\$(36,494,889) and ThCh\$11,234,506 respectively, as a result of the temporary electric power pricing stabilization mechanism for customers subject to price regulation, as established in Law No. 21,185 (see Note 9).

## NOTE 35. Information by segment

### 35.1. Basis of segmentation

The Group's activities operate under a matrix management structure with dual and cross management responsibilities (based on business and geographical areas of responsibility), and its subsidiaries are engaged in either the Generation and Transmission Business or the Distribution Business.

The Group adopted a “bottom-up” approach to determine its reportable segments. The Generation and Transmission and the Distribution reportable segments have been defined based on IFRS 8.9 and on the criteria described in IFRS 8.12.

**Generation Segment:** The electricity generation segment is comprised of a group of electricity companies that own electricity generating plants, whose energy is transmitted and distributed to end consumers. The Generation Business in Chile is conducted by the Company's subsidiaries Enel Generación Chile S.A. and Empresa Eléctrica Pehuenche S.A., and the Company's group is engaged in the development and exploitation of renewable energies with the wind power subsidiaries Parque Eólico Tal Tal SpA and Parque Talinay Oriente S.A., and the geothermal subsidiary Geotérmica del Norte S.A., as well as the wind and solar power from Enel Green Power Chile S.A., and the subsidiary Almeyda Solar SpA, which is engaged in hydro, solar and wind power generation.

**Distribution Business:** The Distribution Reportable Segment is comprised of the company Enel Distribución Chile S.A., operating under a public utility concession, with service obligations and regulated tariffs for supplying regulated customers.

Each of the operating segments generates separate financial information, which is aggregated into one combined set of information for the Generation Business, and another set of combined information for the Distribution Business at the reportable segment level. In addition, in order to assist the decision maker process, the Planning & Control Department at the parent company level prepares internal reports containing combined information at the reportable segment level about the main key performance indicators (KPIs), such as: EBITDA, Gross Margin, Total Capex, Total Opex, Net income, Total Energy Generation and Transmission, among others. The presentation of information under this business approach has been made taking into consideration that the KPIs are similar in each of the following aspects:

- the nature of the activities: generation on one hand, and distribution on the other;
- the nature of the production processes: The Generation Business deals with the generation of electricity and its transmission to dispatch centers, while the Distribution Business does not generate electricity, but distributes electricity to end customers;

- c) the type or class of customer for their products and services: the Generation Business provides services mainly to unregulated customers, while the Distribution Business provides services to regulated customers;
- d) the methods used to distribute their products or provide their services: generators generally sell energy through energy auctions, while distributors provide energy in their concession area; and
- e) the nature of the regulatory environment (public utilities): the regulatory frameworks differ in the Generation and Transmission Business and Distribution Business.

## 35.2. Generation and distribution

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Line of Business	Generation		Distribution	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>	<b>581,661,790</b>	<b>941,262,837</b>	<b>282,024,842</b>	<b>289,393,933</b>
Cash and cash equivalents	4,971,820	26,391,853	3,657,471	2,331,366
Other current financial assets	2,562,093	489,658	29,977	64,222
Other current non-financial assets	11,665,802	8,908,239	2,830,106	8,868,077
Trade and other current receivables	285,241,891	230,670,997	259,172,712	260,840,411
Current accounts receivable from related companies	232,991,789	587,067,775	4,269,460	10,115,511
Inventories	18,163,284	34,705,515	3,397,415	3,150,941
Current tax assets	26,065,111	53,028,800	8,667,701	4,023,400
<b>NON-CURRENT ASSETS</b>	<b>4,722,779,027</b>	<b>4,771,905,050</b>	<b>1,369,182,558</b>	<b>1,175,550,963</b>
Other non-current financial assets	20,660,446	7,189,431	4	22,741
Other non-current non-financial assets	62,608,451	34,903,436	2,791,875	2,576,581
Trade and other non-current receivables	166,469,458	88,225,632	277,378,406	157,051,931
Non-Current accounts payable from related companies	141,649,129	80,926,788	-	-
Investments accounted for using the equity method	9,551,139	7,928,588	-	-
Intangible assets other than goodwill	94,464,506	76,077,944	65,335,352	51,360,791
Goodwill	32,682,252	33,135,272	2,240,478	2,240,478
Property, plant and equipment	4,037,877,000	4,370,419,860	1,015,249,248	957,752,451
Investment property	-	-	-	-
Assets for right of use	50,373,648	52,155,733	5,117,436	3,640,101
Deferred tax assets	106,442,998	20,942,366	1,069,759	905,871
<b>TOTAL ASSETS</b>	<b>5,304,440,817</b>	<b>5,713,167,887</b>	<b>1,651,207,400</b>	<b>1,464,944,896</b>

The Company's chief operating decision maker ("CODM") in conjunction with managers in Chile reviews on a monthly basis these internal reports and uses the KPI information to make decisions on the allocation of resources and the assessment of the performance of the operating segments for each reportable segment.

The information disclosed in the following tables is based on the financial information of the companies forming each segment. The accounting policies used to determine the segment information are the same as those used in the preparation of the Group's consolidated financial statements.

	Holdings and eliminations		Totals	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
<b>9</b>	<b>162,714,564</b>	<b>(212,444,109)</b>	<b>1,026,401,196</b>	<b>1,018,212,660</b>
5	323,406,722	206,961,282	332,036,013	235,684,500
0	760,334	756,717	3,352,404	1,310,595
7	5,305,665	16,858,247	19,801,573	34,634,563
0	10,472,036	19,943,923	554,886,639	511,455,330
0	(179,285,124)	(529,001,152)	57,976,125	68,182,133
3	1,749,330	1,815,792	23,310,029	39,672,250
7	305,601	70,221,082	35,038,413	127,273,289
<b>2</b>	<b>786,108,803</b>	<b>892,319,492</b>	<b>6,878,070,388</b>	<b>6,839,775,504</b>
1	-	8,448	20,660,450	7,220,620
5	386,889	570,163	65,787,215	38,050,184
3	1,168,702	68,296,820	445,016,566	313,574,385
-	(93,290,214)	(46,519,646)	48,358,915	34,407,142
-	3,441,664	-	12,992,803	7,928,588
5	5,314,663	4,839,854	165,114,521	132,278,593
8	880,782,639	881,977,224	915,705,369	917,352,974
4	(19,629,776)	(23,696,200)	5,033,496,472	5,304,476,114
-	7,421,940	6,795,155	7,421,940	6,795,155
3	11,108	47,674	55,502,192	55,843,510
3	501,188	-	108,013,945	21,848,239
<b>4</b>	<b>948,823,367</b>	<b>679,875,383</b>	<b>7,904,471,584</b>	<b>7,857,988,164</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Line of Business	Generation		Distribution	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>	<b>903,590,885</b>	<b>844,513,549</b>	<b>335,412,469</b>	<b>317,248,200</b>
Other current financial liabilities	155,592,371	206,888,115	77,554	
Current lease liabilities	5,495,257	5,039,971	1,505,677	738,78
Trade and other current payables	416,425,675	300,957,548	190,709,618	200,472,93
Current accounts payable to related companies	237,326,397	296,861,070	118,883,364	87,507,31
Other current provisions	2,933,069	3,619,734	-	
Current tax liabilities	65,963,158	17,717,789	95,556	34,71
Other current non-financial liabilities	19,854,958	13,429,322	24,140,700	28,494,45
<b>NON-CURRENT LIABILITIES</b>	<b>1,647,789,150</b>	<b>1,899,077,568</b>	<b>415,149,858</b>	<b>301,769,860</b>
Other non-current financial liabilities	774,737,983	954,402,603	4	
Non-current lease liabilities	41,147,046	44,572,348	3,704,860	2,993,32
Trade and other non-current payables	4,286,773	2,281,053	112,922,799	53,968,54
Non-current accounts payable to related companies	457,825,939	486,839,484	228,805,329	182,031,40
Other long-term provisions	194,653,912	160,006,401	15,587,759	11,853,88
Deferred tax liabilities	152,083,137	231,156,234	20,212,892	19,818,62
Non-current provisions for employee benefits	23,054,360	19,819,445	32,738,247	29,801,32
Other non-current non-financial liabilities	-	-	1,177,968	1,302,75
<b>EQUITY</b>	<b>2,753,060,782</b>	<b>2,969,576,770</b>	<b>900,645,073</b>	<b>845,926,820</b>
<b>Equity attributable to Enel Chile</b>	<b>2,753,060,782</b>	<b>2,969,576,770</b>	<b>900,645,073</b>	<b>845,926,820</b>
Issued capital	1,403,737,121	1,185,731,351	230,137,980	230,137,98
Retained earnings	1,473,514,878	1,735,720,458	988,991,623	933,560,28
Issuance premiums	85,511,492	85,511,492	354,220	354,22
Treasury shares in portfolio	(252,632,367)	-	-	
Other reserves	42,929,658	(37,386,531)	(318,838,750)	(318,125,66
<b>Non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Equity</b>	<b>5,304,440,817</b>	<b>5,713,167,887</b>	<b>1,651,207,400</b>	<b>1,464,944,890</b>

The Holding, Eliminations and Others column corresponds to transactions between companies in different lines of business and country, primarily purchases and sales of energy and services.

	Holdings and eliminations		Totals	
	12-31-2020	12-31-2019	12-31-2020	12-31-2019
<b>9</b>	<b>(193,523,189)</b>	<b>(120,461,904)</b>	<b>1,045,480,165</b>	<b>1,041,299,852</b>
1	1,829,216	1,926,445	157,499,141	208,814,561
2	6,777	63,262	7,007,711	5,842,015
8	20,822,729	97,832,722	627,958,022	599,263,208
2	(226,155,799)	(224,558,495)	130,053,962	159,809,887
-	501,735	446,231	3,434,804	4,065,965
8	6,301,230	243,326	72,359,944	17,995,833
6	3,170,923	3,584,605	47,166,581	45,508,383
<b>1</b>	<b>1,201,777,912</b>	<b>868,557,231</b>	<b>3,264,716,920</b>	<b>3,069,404,660</b>
-	708,851,139	738,201,642	1,483,589,126	1,692,604,245
6	5,901	-	44,857,807	47,565,674
5	487	487	117,210,059	56,250,085
4	477,413,194	115,502,596	1,164,044,462	784,373,484
1	-	-	210,241,671	171,860,282
5	(4,238,467)	(1,690,218)	168,057,562	249,284,641
1	19,745,658	16,542,724	75,538,265	66,163,490
9	-	-	1,177,968	1,302,759
<b>6</b>	<b>(59,431,356)</b>	<b>(68,219,944)</b>	<b>3,594,274,499</b>	<b>3,747,283,652</b>
<b>6</b>	<b>(59,431,356)</b>	<b>(68,219,944)</b>	<b>3,351,915,790</b>	<b>3,484,697,986</b>
0	2,248,228,369	2,466,234,139	3,882,103,470	3,882,103,470
8	(715,068,696)	(661,177,095)	1,747,437,805	2,008,103,651
0	(85,865,712)	(85,865,712)	-	-
-	252,632,367	-	-	-
2)	(1,759,357,684)	(1,787,411,276)	(2,277,625,485)	(2,405,509,135)
<b>-</b>	<b>-</b>	<b>-</b>	<b>242,358,709</b>	<b>262,585,666</b>
<b>4</b>	<b>948,823,367</b>	<b>679,875,383</b>	<b>7,904,471,584</b>	<b>7,857,988,164</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Line of Business	Generation			Distribution		
	2020	2019	2018	2020	2019	2018
<b>STATEMENTS OF COMPREHENSIVE INCOME (LOSS)</b>						
<b>REVENUE</b>	<b>1,577,422,263</b>	<b>1,726,611,508</b>	<b>1,580,653,088</b>	<b>1,382,068,220</b>	<b>1,412,871,738</b>	<b>1,263,224,072</b>
Revenues	1,543,647,794	1,581,230,963	1,540,352,133	1,376,425,433	1,408,588,042	1,254,943,604
Energy sales	1,494,203,779	1,472,565,933	1,425,942,129	1,270,159,653	1,318,386,716	1,170,129,333
Other sales	38,825,239	97,870,470	103,779,801	6,601,069	9,365,186	16,411,425
Other services rendered	10,618,776	10,794,560	10,630,203	99,664,711	80,836,140	68,402,846
Other operating income	33,774,469	145,380,545	40,300,955	5,642,787	4,283,696	8,280,468
<b>RAW MATERIALS AND CONSUMABLES USED</b>	<b>(616,852,308)</b>	<b>(678,187,609)</b>	<b>(709,506,221)</b>	<b>(1,116,324,483)</b>	<b>(1,114,936,281)</b>	<b>(972,499,918)</b>
Energy purchases	(177,049,909)	(160,044,206)	(213,114,437)	(1,060,494,642)	(1,056,562,636)	(926,385,346)
Fuel consumption	(231,176,490)	(230,944,414)	(231,028,169)	-	-	-
Transportation expenses	(113,704,101)	(169,062,680)	(154,044,158)	(23,694,571)	(22,725,942)	(9,816,883)
Other miscellaneous supplies and services	(94,921,808)	(118,136,309)	(111,319,457)	(32,135,270)	(35,647,703)	(36,297,689)
<b>CONTRIBUTION MARGIN</b>	<b>960,569,955</b>	<b>1,048,423,899</b>	<b>871,146,867</b>	<b>265,743,737</b>	<b>297,935,457</b>	<b>290,724,154</b>
Other work performed by the entity and capitalized	15,581,738	8,887,421	8,663,737	9,805,315	8,723,440	6,667,947
Employee benefits expense	(65,564,485)	(62,871,525)	(61,991,737)	(37,496,730)	(34,828,194)	(32,598,818)
Other expenses	(121,366,276)	(120,522,841)	(104,190,567)	(79,580,559)	(70,678,241)	(64,179,201)
<b>GROSS OPERATING RESULT</b>	<b>789,220,932</b>	<b>873,916,954</b>	<b>713,628,300</b>	<b>158,471,763</b>	<b>201,152,462</b>	<b>200,614,082</b>
Depreciation and amortization expense	(185,479,080)	(196,623,025)	(179,901,682)	(45,583,947)	(40,705,580)	(36,677,957)
Impairment losses (reversal of impairment losses) recognized in profit or loss	(698,453,039)	(280,020,263)	-	-	-	-
Impairment gains and reversals of impairment losses (Impairment losses) determined in accordance with IFRS 9.	(1,305,341)	(1,338,599)	(106,264)	(12,998,719)	(8,153,419)	(4,676,808)
<b>OPERATING INCOME</b>	<b>(96,016,528)</b>	<b>395,935,067</b>	<b>533,620,354</b>	<b>99,889,097</b>	<b>152,293,463</b>	<b>159,259,317</b>
<b>FINANCIAL RESULT</b>	<b>(80,090,891)</b>	<b>(101,324,905)</b>	<b>(86,621,659)</b>	<b>5,929,058</b>	<b>5,232,127</b>	<b>6,088,801</b>
Finance income	15,080,015	15,241,046	8,727,356	22,717,208	22,742,687	11,166,433
Cash and cash equivalents	597,718	3,556,554	5,673,621	1,562,194	1,456,253	1,633,373
Other financial income	14,482,297	11,684,492	3,053,735	21,155,014	21,286,434	9,533,060
Finance costs	(59,088,322)	(111,219,566)	(82,878,715)	(17,696,544)	(19,061,123)	(6,724,490)
Bank borrowings	(7,112,931)	(11,813,855)	(9,269,535)	(33,244)	(40,508)	(5,374)
Secured and unsecured obligations	(47,654,290)	(45,714,879)	(43,965,839)	-	-	-
Others	(4,321,101)	(53,690,832)	(29,643,341)	(17,663,300)	(19,020,615)	(6,719,116)
Income from indexation units	(703,130)	(5,157,076)	(2,480,291)	1,124,304	1,843,435	1,616,607
Foreign exchange profits (losses)	(35,379,454)	(189,309)	(9,990,009)	(215,910)	(292,872)	30,251
Share of profit (loss) of associates and joint ventures accounted for using the equity method	2,424,250	366,089	3,190,240	-	-	-
Other gains (losses)	9,478,528	1,683,246	3,434,503	10,287	12	-
Gain (loss) from other investments	94,490	152,557	409,954	10,287	12	-
Gain (loss) from the sale of assets	9,384,038	1,530,689	3,024,549	-	-	-
<b>Profit (loss) before taxes</b>	<b>(164,204,641)</b>	<b>296,659,497</b>	<b>453,623,438</b>	<b>105,828,442</b>	<b>157,525,602</b>	<b>165,348,118</b>
Income tax expense (income)	97,419,625	(40,347,869)	(113,783,941)	(23,421,217)	(38,748,555)	(42,967,123)
<b>PROFIT (LOSS)</b>	<b>(66,785,016)</b>	<b>256,311,628</b>	<b>339,839,497</b>	<b>82,407,225</b>	<b>118,777,047</b>	<b>122,380,995</b>
Profit (loss) attributable to	(66,785,016)	256,311,628	339,839,497	82,407,225	118,777,047	122,380,995
Profit (loss) attributable to owners of the parent	-	-	-	-	-	-
Profit (loss) attributable to non-controlling interests	-	-	-	-	-	-

Holdings and eliminations			Totals		
2020	2019	2018	2020	2019	2018
<b>(374,088,286)</b>	<b>(368,648,886)</b>	<b>(386,715,734)</b>	<b>2,585,402,197</b>	<b>2,770,834,360</b>	<b>2,457,161,426</b>
(371,688,910)	(365,242,682)	(384,935,278)	2,548,384,317	2,624,576,323	2,410,360,459
(383,626,832)	(385,049,407)	(393,993,374)	2,380,736,600	2,405,903,242	2,202,078,088
13,444,564	16,878,136	3,154,157	58,870,872	124,113,792	123,345,383
(1,506,642)	2,928,589	5,903,939	108,776,845	94,559,289	84,936,988
(2,399,376)	(3,406,204)	(1,780,456)	370,178,800	146,258,037	46,800,967
<b>358,731,152</b>	<b>371,918,639</b>	<b>389,829,023</b>	<b>(1,374,445,639)</b>	<b>(1,421,205,251)</b>	<b>(1,292,177,116)</b>
372,681,097	381,322,099	391,853,181	(864,863,454)	(835,284,743)	(747,646,602)
-	-	-	(231,176,490)	(230,944,414)	(231,028,169)
(4,141,015)	(5,060,166)	(3,014,761)	(141,539,687)	(196,848,788)	(166,875,802)
(9,808,930)	(4,343,294)	990,603	(136,866,008)	(158,127,306)	(146,626,543)
<b>(15,357,134)</b>	<b>3,269,753</b>	<b>3,113,289</b>	<b>1,210,956,558</b>	<b>1,349,629,109</b>	<b>1,164,984,310</b>
152,263	-	1,379,279	25,539,316	17,610,861	16,710,963
(34,165,533)	(31,905,237)	(28,539,779)	(137,226,748)	(129,604,956)	(123,130,334)
10,353,501	7,057,942	1,159,747	(190,593,334)	(184,143,140)	(167,210,021)
<b>(39,016,903)</b>	<b>(21,577,542)</b>	<b>(22,887,464)</b>	<b>908,675,792</b>	<b>1,053,491,874</b>	<b>891,354,918</b>
1,106,008	701,218	1,392,339	(229,957,019)	(236,627,387)	(215,187,300)
646,598	(742,389)	(779,825)	(697,806,441)	(280,762,652)	(779,825)
(863,647)	(554,982)	-	(15,167,707)	(10,047,000)	(4,783,072)
<b>(38,127,944)</b>	<b>(22,173,695)</b>	<b>(22,274,950)</b>	<b>(34,255,375)</b>	<b>526,054,835</b>	<b>670,604,721</b>
<b>(38,272,941)</b>	<b>(54,800,225)</b>	<b>(30,342,206)</b>	<b>(112,434,774)</b>	<b>(150,893,003)</b>	<b>(110,875,064)</b>
(1,636,763)	(10,584,458)	40,679	36,160,460	27,399,275	19,934,468
5,164,145	3,960,799	2,305,581	7,324,057	8,973,606	9,612,575
(6,800,908)	(14,545,257)	(2,264,902)	28,836,403	18,425,669	10,321,893
(50,623,905)	(34,617,211)	(32,580,984)	(127,408,771)	(164,897,900)	(122,184,189)
(4,855)	(2,633,337)	(11,426,865)	(7,151,030)	(14,487,700)	(20,701,774)
(36,613,957)	(36,103,685)	(18,289,461)	(84,268,247)	(81,818,564)	(62,255,300)
(14,005,093)	4,119,811	(2,864,658)	(35,989,494)	(68,591,636)	(39,227,115)
1,664,594	331,373	45,538	2,085,768	(2,982,268)	(818,146)
12,323,133	(9,929,929)	2,152,561	(23,272,231)	(10,412,110)	(7,807,197)
1,085,142	-	-	3,509,392	366,089	3,190,240
-	109,943	(24,124)	9,488,815	1,793,201	3,410,379
-	109,943	(24,124)	104,777	262,512	385,830
-	-	-	9,384,038	1,530,689	3,024,549
<b>(75,315,743)</b>	<b>(76,863,977)</b>	<b>(52,641,280)</b>	<b>(133,691,942)</b>	<b>377,321,122</b>	<b>566,330,276</b>
7,306,699	17,868,520	3,268,545	81,305,107	(61,227,904)	(153,482,519)
<b>(68,009,044)</b>	<b>(58,995,457)</b>	<b>(49,372,735)</b>	<b>(52,386,835)</b>	<b>316,093,218</b>	<b>412,847,757</b>
(68,009,044)	(58,995,457)	(49,372,735)	(52,386,835)	316,093,218	412,847,757
-	-	-	(50,860,313)	296,153,605	361,709,937
-	-	-	(1,526,522)	19,939,613	51,137,820

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

STATEMENT OF CASH FLOWS	Generation			Distribution		
	2020	2019	2018	2020	2019	2018
Net cash flows from (used in) operating activities	551,979,917	754,113,794	638,607,494	111,689,249	50,246,845	117,692,384
Net cash flows from (used in) investing activities	(100,557,328)	(426,038,012)	(451,284,432)	(111,939,127)	(28,896,947)	(123,070,452)
Net cash flows from (used in) financing activities	(469,832,875)	(453,927,358)	(249,051,150)	1,578,034	(23,901,991)	(32,268,227)

The Holding, Eliminations and Others column corresponds to transactions between companies in different lines of business and country, primarily purchases and sales of energy and services.

## NOTE 36. Guarantees with third parties, contingent assets and, liabilities, and other commitments

### 36.1. Direct guarantees

As of December 31, 2020, Enel Chile had future energy purchase commitments amounting to ThCh\$6,458,055,505 (ThCh\$7,647,064,710 as of December 31, 2019).

### 36.2. Indirect guarantees

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Contract	Maturity	Creditor of Guarantee	Debtor		Type of Guarantee	Currency	Outstanding balance as of	
			Company	Relationship			12-31-2020	12-31-2019
Bonds Series B (*)	October 2028	Bondholders of Enel Américas' Bonds	Enel Américas	Entities demerged from original debtor Enersis S.A. (codebtor Enel Chile S.A.)	Codebtor	UF	7,672,851	11,646,991
Credit agreement	December 2020	Scotiabank Chile	Enel Green Power Chile S.A.	Subsidiary	Guarantor	USD	-	112,882,048
Credit agreement	November 2022	Pto. GDN BID	Enel Green Power Chile S.A.	Subsidiary	Guarantor	USD	21,368,491	22,592,723
Credit agreement	December 2021	Scotiabank Chile	Enel Green Power Chile S.A.	Subsidiary	Guarantor	USD	106,811,188	113,069,511
Guarantee contract	December 2027	Enel Finance International N.V.	Enel Green Power Chile S.A.	Subsidiary	Guarantor	USD	458,115,841	484,341,824

(\*)Upon the demerger of the original issuer, Enersis (currently Enel Américas), and in accordance with the bond indenture, all entities arising from the demerger are liable for the debt, regardless that the payment obligation remains in Enel Américas.

### 36.3. Lawsuits and Arbitration Proceedings

As of the date of these consolidated financial statements, the most relevant litigation involving the Company and its subsidiaries are as follows:

1. Inversiones Trichahue filed a tort liability lawsuit against Enel Chile S.A., claiming its alleged liability for the economic losses suffered as a result of the corporate restructuring. To settle this lawsuit, this company and its subsidiary request ThCh\$72,558,025 and ThCh\$12,431,395, respectively. The claim was notified on October 29, 2020. Enel Chile S.A. filed a plea claiming that this matter was not under the jurisdiction of the court, which was rejected by the court on December 22, 2020. Enel Chile S.A. filed an appeal, which is pending hearing and ruling. On January 5, 2021, the lawsuit was answered.
2. Mrs. Evelyn del Carmen Molina González, on behalf of herself and her minor daughters Maite Alué Letelier Molina and Daniela Anaís Letelier Molina, filed a claim for compensation of damages against Chilectra S.A. (currently Enel

Holdings and eliminations				Totals	
2020	2019	2018	2020	2019	2018
92,197,032	(60,648,920)	(20,774,356)	755,866,198	743,711,719	735,525,522
(342,154,935)	143,403,148	(1,307,204,810)	(554,651,390)	(311,531,811)	(1,881,559,694)
340,585,507	37,393,661	1,247,896,253	(127,669,334)	(440,435,688)	966,576,876

Distribución Chile S.A.) and its subcontractor Sociedad de Servicios Personales para el Área Eléctrica Limitada (“SSPAEL”) for a total amount of ThCh\$2,000,000 (ThCh\$1,000,000 for the first plaintiff and ThCh\$500,000 for each of the latter two plaintiffs) for punitive damages due to the death of their spouse and father, respectively, Mr. David Letelier Riveros (deceased), which occurred on May 25, 2013 as a result of the injuries sustained after receiving an electric shock and falling from the height of a public street lighting post on which he was working. A judgment was issued on November 7, 2017 which found SSPAEL and Enel Distribución Chile (Chilectra) jointly liable to pay the sum of ThCh\$90,000 for punitive damages to the plaintiffs, plus adjustments and costs. On November 24, 2017 Enel Distribución Chile filed an appeal against the judgment, submitting the background information to the Court of Appeals of Santiago on December 4, 2017. On December 21, 2018 the judgment was confirmed by the Court of Appeals reducing the punitive damages to ThCh\$70,000. On January 10, 2019, an appeal was filed. (14th Civil Court of Santiago, Case C-7304-2014).

3. Mrs. Ximena Acevedo Herrera, Benjamín Jiménez Acevedo, Francisco Jiménez Acevedo, Nancy Garrido Muñoz, Juan Carlos Jiménez Rocuant, Carolina Jiménez Garrido and Natalia Jiménez Garrido filed a claim for compensation of damages against Ingeniería Eléctrica Azeta Ltda and Enel Distribución Chile S.A. for a total amount of ThCh\$878,227 (ThCh\$28,227 for loss of profits and ThCh\$850,000 for punitive damages) due to the death of their spouse, father, son, and brother, Mr. Juan Pablo Jiménez Garrido (deceased), which occurred on February 22, 2013 as a result of a head trauma caused by a bullet that was lodged in his brain. Enel Distribución Chile S.A. is a defendant in its capacity as the contractor of Azeta. The trial period is over. The motion for abandonment of the proceedings is pending service on the plaintiff. (5th Civil Court of Santiago, Case C-233-2017).
4. Mr. Víctor Hugo Coronado González and Mrs. Francia Magali Bustos Uribe, both on behalf of themselves and their minor daughter, Nicolson Rocío Coronado Bustos, and son, Víctor Ignacio Coronado Bustos, filed a claim for compensation of damages against Enel Distribución Chile S.A. for a total amount of ThCh\$704,860 (ThCh\$264,860 for loss of profits and ThCh\$440,000 for punitive damages) due to an accident occurred on June 22, 2015 that affected Mr. Coronado who received an electrical shock and suffered severe injuries. The trial period is over. A judgment of May 22, 2019 dismissed the lawsuit against Enel Distribución Chile S.A. On June 19, 2019, the plaintiffs filed an appeal, which is pending resolution. (7th Civil Court of Santiago, Case C-15965-2017).
5. Inmobiliaria Proyecto CR S.A. filed a claim for breach of contract and damages against Enel Distribución Chile S.A., in connection with contracts for the supply of electricity in the properties located at Lot 7A1, the entrance of which is located at Avenida Camino Real No. 4690 and Lot 7A2, the entrance of which is located at Avenida Camino Real No. 4680, district of Lo Barnechea. This company requested that Enel Distribución Chile S.A. pays UF 253,422, which is equivalent to ThCh\$7,367,061. On September 12, 2020, the claim was answered. The discussion period concluded and the conciliation hearing is pending. (29th Civil Court of Santiago, Case No. C-15986-2020).
6. By means of Exempt Resolution No. 21,036 dated November 3, 2017, the Superintendency of Electricity and Fuels confirmed a fine of 35,611 UTM (ThCh\$1,817,194) imposed on Enel Distribución Chile S.A. upon issuing a ruling against the request for reconsideration filed on January 14, 2016 against Exempt Resolution No. 11,750 dated December 29, 2015 because it determined that, in the period 2013-2014, Enel Distribución Chile had repeatedly exceeded the continuity of supply indices established by law. In opposition to this ruling, Enel Distribución Chile filed an appeal with the Court of Appeals of Santiago on November 28, 2017. On April 21, 2019, the expert witness submitted a report, which the Court of Appeals of Santiago accepted on April 30, 2019. On June 21, 2019 the claim was ready to be heard by the court. On June 26, 2019, the Constitutional Court issued a ruling, which gives effect to the principle of inapplicability due to unconstitutionality presented by Enel Distribución Chile. On June 28, 2019, the Court of Appeals of Santiago accepted the ruling issued by the Constitutional Court and thereby stated the suspension of the proceeding through

an official letter to the Constitutional Court issued on June 28, 2019. On November 7, 2019, the Constitutional Court rejected the appeal for inapplicability due to unconstitutionality, resuming the litigation proceeding on November 22, 2019. Arguments were heard on January 16, 2020. On September 8, 2020, the court decided to reject the action filed by Enel Distribución Chile, and on September 22, 2020, Enel Distribución Chile S.A. filed an appeal against the decision. On October 20, 2020, the case was submitted to the Supreme Court. On November 5, 2020, the pleadings were held and the case was settled. On November 20, 2020, the court requested a report to the Superintendency, which should indicate the mathematical formula used by the Superintendency to apply the fines on the regulated parties. The report is intended to serve as a measure to facilitate judgment, and was issued on December 10, 2020, where Enel Distribución Chile S.A. made remarks on the contents on December 16, 2020. To date, the Court has not issued a ruling on the appeal.

7. By means of Exempt Resolution No. 24,805 dated July 20, 2018, the Superintendence of Electricity and Fuels confirmed a fine imposed on Enel Distribución Chile S.A. for 80,000 UTM (ThCh\$4,082,320) when it issued a ruling against the request for reconsideration filed against Exempt Resolution No. 21,788 dated December 29, 2017 because it determined that Enel Distribución Chile S.A. kept more than 100,000 customers without electricity supply for a period exceeding 20 hours, in relation to the power outage that occurred on July 15, 2017 (the snowstorm event). In opposition to this ruling, Enel Distribución Chile S.A. filed an appeal with the Court of Appeals of Santiago on August 7, 2018. On March 7, 2019, Enel Distribución Chile S.A. requested the court to appoint a new civil electrical engineer expert, who was appointed in a resolution dated March 15, 2019. The expert was notified on July 3, 2019, and accepted the appointment and proposed his fees on August 16, 2019. The court gave notice to the parties, and on September 5, 2019 the parties responded and accepted the expert's fees and payment method. On November 28, 2019, the hearing to acknowledge this matter was held and subsequently on December 20, 2019, a certification of the end of the trial period was requested, the issuance of which was performed by the clerk on January 7, 2020. On January 29, 2020, the appointed expert witness submitted his report. On February 5, 2020, Enel Distribución Chile S.A. requested the joinder of proceedings with case IC 339-2018 and to be heard at the Court of Appeals of Santiago, where the Superintendency imposed a fine on Enel Distribución Chile S.A. of 10,000 UTM (ThCh\$510,290), with respect to events that also occurred during the wind and snow storm of July 2017. On February 6, 2019, the Court of Appeals of Santiago deemed the expert's report to have been issued and, with respect to the request for joinder of proceedings, requested the clerk to issue the corresponding certification. On February 10, 2020, the attesting official certified that, although there is a close relationship between the appeals, they challenged different administrative acts. By means of a resolution dated February 7, 2020, the Court of Appeals denied the request for joinder and on February 21, 2020, Enel Distribución Chile S.A. filed another appeal. In this regard, the Court of Appeals of Santiago gave notice to the Superintendency - dated February 27, 2020 - requesting its opinion on the matter. On March 12, 2020, it was certified that the Superintendency did not respond. On March 18, 2020, by means of a writ containing a petition that due note should be taken, Enel Distribución Chile S.A. suggested to the Court of Appeals certain points on which its decision to accept our motion for reconsideration should be based. On July 23, 2020, the court resolved to grant another hearing in respect of case 339-2018, joining the hearing of these two cases. On July 29, 2020, Enel Distribución Chile S.A. deposited the expert's money, thus fulfilling the obligation to pay the expert's fee. On August 5, 2020, the court noted that the payment was made and requested certification from the clerk of the court to determine whether the entire obligation regarding the payment of the expert had been fulfilled. On August 20, 2020, Enel Distribución Chile S.A. requested that the funds corresponding to the expert's services be transferred to the name of the expert and that the check be drawn. On August 21, 2020, the court pointed out that there were inconsistencies between the amounts and the deposit and asked for clarification. On August 26, 2020, Enel Distribución Chile S.A. filed a written statement clearing up such inconsistencies. On September 21, 2020, the court deemed the order to have been complied with, requesting the corresponding certification, certifying that the money was ready to be delivered to the expert on September 24, 2020. On October 2, 2020, it was finally resolved that the check had to be issued to the expert as payment for his report, which was delivered to the expert on November 16, 2020.
8. By means of Exempt Resolution No. 24,821 dated July 23, 2018, the Superintendency of Electricity and Fuels confirmed the fine imposed on Enel Distribución Chile S.A. of 10,000 UTM, (ThCh\$510,290), when it issued a ruling against the request for reconsideration filed against Exempt Resolution No. 21,790 dated December 29, 2017, because it determined that Enel Distribución Chile S.A. did not provide adequate and timely customer service during the power outage that occurred on July 15, 2017 (the snowstorm event), which resulted from not having adequate customer service and

information systems. In opposition to this resolution, Enel Distribución Chile S.A. filed an appeal with the Court of Appeals of Santiago on August 7, 2018. On February 1, 2019, Enel Distribución Chile S.A. presented a list of witnesses, and such evidence was received on February 8, 2019, when Enel Distribución Chile S.A. also requested a hearing for the appointment of an expert. The request was accepted and the Court hearing was scheduled for February 13, 2019. On February 28, 2019, Enel Distribución Chile S.A. requested again that the Court appointed an expert, following the non-appearance of the counterparty at the hearing to designate an expert. On March 7, 2019, an expert was appointed, who accepted the appointment and proposed his fees on March 17, 2019. The Court acknowledged the acceptance of the appointment in a resolution dated March 25, 2019. On September 6, 2019, Enel Distribución Chile S.A. recorded 50% of the expert's fees, which the Court made effective on September 24, 2019. On November 27, 2019, the expert received the corresponding payment. On March 24, 2020, the Court of Appeals of Santiago suspended the procedure ex officio, based on the health emergency. On April 18, 2020, the appointed expert witness submitted his report, which was deemed to have been submitted on May 26, 2020, date on which the procedure resumed and the clerk was requested to certify whether the trial period had expired. On June 2, 2020 the expiration was certified, leaving the case ready to be reported on by the reporting judge. On June 22, 2020, Enel Distribución Chile S.A. submitted to the court the joinder request made in case IC No. 340-2018, determining in this case a schedule for the hearing of case IC No. 340-2018 on July 23, 2020. On July 29, 2020, money was deposited for the expert, which was requested on August 20, 2020, and it was resolved on September 11, 2020, that prior to the drawing of the check it was necessary to certify whether the corresponding amount was deposited, which was certified by the secretary of the court on October 8, 2020. Finally, in view of what was already certified, the drawing of the check was requested again on October 22, 2020, and the check was delivered to the expert on November 16, 2020.

9. By means of Exempt Resolution No. 24,246 dated June 13, 2018, the Superintendency of Electricity and Fuels imposed a fine of 2,000 UTM (ThCh\$102,058) on Enel Distribución Chile S.A. for operating its facilities in violation of current electrical regulations, by not maintaining its facilities in good condition, as evidenced by the electric shock produced in the insulator of portal No. 74 of the 110 Kv Cerro Navia-Lo Prado line, attributed to contamination from bird droppings, which affected the electricity supply of customers for more than 2 hours. In opposition to this resolution, Enel Distribución Chile S.A. filed a request for reconsideration, which was rejected by Exempt Resolution No. 28,857 dated April 23, 2019. On May 14, 2019, an appeal was filed with the Court of Appeals of Santiago. On June 5, 2019, a resolution was issued that received the appeal and requested a report from the Superintendency of Electricity and Fuels. On July 24, 2019, the Superintendency of Electricity and Fuels issued a report, and the claim was ready to be heard on August 20, 2019. On October 29, 2019, the allegations of the parties were heard and subsequently, on December 6, 2019, the Court of Appeals of Santiago issued a ruling rejecting the appeal filed. On December 18, 2019, Enel Distribución Chile S.A. filed an appeal requesting a hearing and judgment with the Supreme Court. On January 15, 2020, arguments were heard, the case was ready for judgment and Judge Sergio Muñoz Gajardo was appointed to draft the ruling. On May 25, 2020, the Supreme Court issued its ruling, confirming the fine imposed by the Superintendency. On October 28, 2020, the judgment of the Supreme Court was ordered for compliance. The payment of the fine is pending.
10. By means of Exempt Resolution No. 31,912, dated February 20, 2020, the Superintendency of Electricity and Fuels imposed a fine on Enel Distribución Chile S.A. of 1,000 UTM (approx. ThCh\$51,029), because it considered that Enel Distribución Chile S.A. had not complied with its obligation to maintain the medium voltage poles located in the district of Cerro Navia in good condition. Likewise, the Superintendency considered that Enel Distribución Chile S.A. committed a second violation when it found that connection conductors of circuits were not protected against current overloads, located in the same district. Against this resolution, Enel Distribución Chile S.A. filed an appeal before the Court of Appeals of Santiago, which was heard in IC No. 142-2020, and was the subject of a procedural order on April 21, 2020, requesting a report from the Superintendency, which issued it on April 28, 2020. The case was ready to be reported on by the reporting judge on May 4, 2020, and on July 21, 2020, the arguments of the case were heard, and the case was ready for judgment. On July 29, 2020, the court rejected Enel Distribución Chile S.A.'s arguments. On August 10, 2020, the judgment of the Court of Appeals was appealed. On September 8, 2020, Enel Distribución Chile S.A. filed an appeal with the Supreme Court under case number 119225-2020, and it was ready to be reported on by the reporting judge since September 24, 2020, and on September 29, 2020, pleadings were scheduled for October 5, 2020. On that date, pleadings were held, where the ruling of the Court of Appeals was finally confirmed. On November 9, 2020, the Supreme Court's sentence was ordered for compliance. The payment of the fine is pending.

11. By means of Exempt Resolution No. 21,789 dated December 29, 2017, the Superintendency of Electricity and Fuels imposed a fine on Enel Distribución Chile S.A. of 20,000 UTM (approximately ThCh\$1,020,580), for providing erroneous information to the regulatory body regarding the supply restoration, in relation to the outage that occurred on July 15, 2017 (snowstorm). Enel Distribución Chile S.A. filed a request for reconsideration against this resolution, which was partially accepted in Exempt Resolution No. 32,515, setting the fine at 10,000 UTM (ThCh\$510.290). An appeal against this resolution was filed with the Court of Appeals of Santiago under Case Number 450-2020 on August 19, 2020, certifying the necessary judicial deposit for this type of claims on September 24, 2020. On October 2, 2020, the claim was processed, and a report was requested from the Superintendency on October 6, 2020, which was issued on October 20, 2020, and the case entered the reporting stage on October 21, 2020. Subsequently, the case was subject to hearing on November 25, 2020, where parties declared their arguments. To date, this case remains ready for judgment to date.
  
12. By means of Exempt Resolution No. 27,005 dated December 28, 2018 (received on January 28, 2019) the Superintendency of Electricity and Fuels imposed a fine on Enel Distribución Chile S.A. of 16,911 UTM (ThCh\$862,951), for estimating that Enel Distribución Chile S.A. exceeded the standard established in the supply continuity index for the period 2015-2016. Enel Distribución Chile S.A. filed a request for reconsideration against this resolution, which was rejected in Exempt Resolution No. 32,760. Consequently, an appeal was filed against this resolution with the Court of Appeals of Santiago under Case Number 493-2020 on September 9, 2020. On September 10, 2020, a brief was submitted, which stated that the judicial deposit could not be made due to the computer problem of Banco Estado, accompanying a certificate from Banco Estado that reported the situation. On September 29, 2020, the deposit slip was attached. On October 5, 2020, the court requested that the deposit was certified, confirming that the deposit did not appear until October 7, 2020. On October 9, 2020, the court resolved that prior to issuing a procedural resolution, the deposit should be accounted for, resolution of which was sent on October 14, 2020, providing an additional certification that the amount had been deposited, and certifying on October 21, 2020 that the amounts had indeed been deposited. On October 26, 2020, the court again issued a warning, requesting Enel Distribución Chile S.A. to report the date on which it was notified of the resolution it was appealing. Enel Distribución Chile S.A. complied with the court's order on October 29, 2020.
  
13. By means of Exempt Resolution No. 32,555 dated May 13, 2020, the Superintendency of Electricity and Fuels imposed on Enel Distribución Chile S.A. a fine of 10,000 UTM (approx. ThCh\$510,290), because it considered that Enel Distribución Chile S.A. operated its owned facilities in violation of the electric regulations in force, by failing to maintain in good condition its facilities 11Kv El Salto- Almendros line on July 28, 2018, affecting 233,000 customers with this action. In addition, the resolution also included a penalty for delivering erroneous information to the National Electric Coordinator. Enel Distribución Chile S.A. filed a request for reconsideration, which was rejected by the authority through Exempt Resolution No. 33,230 dated August 31, 2020. Consequently, an appeal against such resolution was filed with the Court of Appeals of Santiago under Case Number 524-2020 on September 16, 2020. On September 24, 2020, Enel Distribución Chile S.A. was warned to correct the petition of the written document since the Exempt Resolution had been misidentified, and on September 29, 2020, Enel Distribución Chile S.A. complied with the order.

On October 6, 2020, it was certified that the required money to file the claim had been deposited. On October 9, 2020, the court again determined that the resolution dated September 24, 2020 had to be fully complied with, and therefore requested that Enel Distribución Chile S.A. complied with the order to set the date of notification of Resolution No. 332,030. Once the order was complied with on October 14, 2020, the court determined on October 29, 2020 that the claim was untimely, and therefore declared it inadmissible. On November 3, 2020, Enel Distribución Chile S.A. filed an alternative appeal to this resolution, which was rejected by the court on November 5, 2020, and consequently, the case was submitted to the Supreme Court for reviewing the admissibility of the claim. On November 20, 2020, the case was submitted to the Supreme Court under Case Number 138642-2020 of the Supreme Court. On December 1, 2020, the case was heard, and during the same day the court issued its judgment, in which Enel Distribución Chile S.A.'s arguments were rejected. However, the Supreme Court emended the decision of the Court of Appeals because, in its view, it was not appropriate how the deadlines were calculated. As a result, given the criterion that was used by the Supreme Court, it was understood that the claim was filed within the deadline; therefore, it was declared to be admissible. On December 21, 2020, the Court of Appeals issued the order of enforcement.

14. By means of Exempt Resolution No. 33,048 dated August 5, 2020, the Superintendency of Electricity and Fuels imposed a fine on Enel Distribución Chile S.A. of 1000 UTM (approx. ThCh\$51,029), for considering that Enel Distribución S.A. is responsible for the poor condition of the power lines at 584 Atom Street, Maipú, for not maintaining the power poles in good condition which, in the Superintendency's opinion, caused injuries to a 3-year old child and an 18-year old boy, who had indirect contact with the power lines. Enel Distribución Chile S.A. filed a request for reconsideration against this resolution, which was rejected by Exempt Resolution No. 33,404 dated October 7, 2020. Consequently, an appeal was filed against such resolution with the Court of Appeals of Santiago under Case Number 673-2020 on October 31, 2020, certifying the necessary deposit for this type of claim on November 6, 2020.
15. By means of Exempt Resolution No. 32,976 dated July 24, 2020, the Superintendency of Electricity and Fuels imposed a fine on Enel Distribución Chile S.A. of 40,000 UTM (ThCh\$2,041,160), for considering that Enel Distribución Chile S.A. did not comply with the provisions of Article 72-14 of the Electric Services Law, violation that occurred when it did not have the measurement of 80% of its feeders, within 18 months from the publication of the technical standard of service quality for the distribution system in the Official Gazette. Enel Distribución Chile S.A. filed a request for reconsideration, which was rejected by Exempt Resolution No. 33,498 dated October 27, 2020. Consequently, an appeal was filed against such resolution with the Court of Appeals of Santiago under Case Number 711-2020 on November 13, 2020, and the necessary deposit for this type of appeal was certified on November 17, 2020. On November 18, 2020, the claim was processed, requesting a report from the Superintendency, which was issued on December 1, 2020, and the case decision was referred to the reporting judge on December 4, 2020, and its hearing was scheduled for December 16, 2020. The hearing of the case was suspended by the Superintendency on December 15, 2020, pending its return to the docket.

In relation to the litigation proceedings described above, the Group has established provisions for ThCh\$10,882,854 as of December 31, 2020 (see Note 25). There are other sanctions that also have associated provisions but they are not described in this note since they individually represent smaller amounts. Management believes that the provisions recorded adequately cover the risks due to penalties. Therefore, they do not expect additional liabilities to arise from other than those already registered.

Because of the characteristics of the risks covered by these provisions, it is not possible to determine a reasonable payment schedule, if any.

## 36.4. Financial restrictions

Several debt contracts of the Company, and of some of its subsidiaries include the obligation to comply with certain financial ratios, which is common in contracts of this nature. There are also affirmative and negative covenants that require monitoring of these commitments. In addition, there are restrictions in the sections of events of default that must be fulfilled to avoid acceleration of the debt.

### 1. Cross Default

Some of the financial debt contracts contain cross default clauses.

Enel Chile's committed international credit facility under the law of the State of New York, entered into in June 2019 and expiring in June 2024, indicates that cross default for non-payment could be triggered by another debt of the same company, for any amount in default, provided that the principal amount of the debt giving rise to the cross default exceeds US\$150 million in an individual debt, or its equivalent in other currencies. To accelerate the debt under this facility due to cross default on other debt, the amount in default on an individual debt must exceed US\$150 million, or its equivalent in other currencies, and other conditions must also be satisfied, including the expiration of grace periods (if any in the defaulted contract), and a formal notice of the intention to accelerate the debt by creditors representing more than 50% of the amount due or committed under each contract. As of December 31, 2020, this credit line was not disbursed.

For Enel Chile's bonds registered with the Securities and Exchange Commission ("SEC") of the United States of America, commonly referred to as "Yankee Bonds", cross default for non-payment could be triggered by other debt of the same company, or any of its Chilean subsidiaries, for any amount in default, provided that the principal amount of the debt giving rise to the cross default exceeds US\$ 150 million in an individual debt, or its equivalent in other currencies. Acceleration of the debt due to cross default is not automatic, but must be required by the holders of at least 25% of the bonds of a certain series of Yankee Bonds. Enel Chile's Yankee Bond matures in 2028. At December 31, 2020, the amount due on the Yankee Bond totals ThCh\$697,736,223.

For Enel Generación Chile's bonds registered with the Securities and Exchange Commission ("SEC") of the United States of America, commonly referred to as "Yankee Bonds", cross default for non-payment could be triggered by other debt of Enel Generación Chile, or any of its Chilean subsidiaries, for any amount in default, provided that the principal amount of the debt giving rise to the cross default exceeds US\$ 30 million in an individual debt, or its equivalent in other currencies. Acceleration of debt due to cross default is not automatic, but must be required by the holders of at least 25% of the bonds of a certain series of Yankee Bonds. Enel Generación Chile's Yankee Bonds mature in 2024, 2027, 2037 and 2097. In the case of the Yankee Bond maturing in 2024 (issued in April 2014), the principal amount of the debt individually giving rise to the cross default is US\$50 million, or its equivalent in other currencies. As of December 31, 2020, the amount due on the Yankee Bonds totals ThCh\$510,368,873.

Enel Generación Chile's bonds issued in Chile stipulate that cross default can be triggered only by the Issuer's own default, in cases where the amount in default exceeds US\$ 50 million in an individual debt, or its equivalent in other currencies. In turn, the acceleration must be required at a Bondholders' Meeting by the holders of at least 50% of the bonds of a certain series. As of December 31, 2020, the amount owed for local bonds totals ThCh\$283,294,982.

The bank borrowing that Enel Green Power Chile subscribed in February 2017, for US\$ 30 million stipulates that cross default is triggered by default of the Debtor itself, i.e. Enel Green Power Chile, or of any material subsidiary, as contractually defined. To accelerate this debt due to cross default originating from other debt, the amount in default, whether on an individual debt or at the aggregate debt level, must exceed US\$ 50 million, or its equivalent in other currencies. As of December 31, 2020, the amount outstanding on this borrowing totals ThCh\$21,354,969.

Enel Distribución Chile's uncommitted credit lines stipulate that cross default may be triggered by a default of the Issuer's own individual debt in any obligation contracted in favor of any creditor. Upon the occurrence of the event of default, the bank will communicate to Enel Distribución Chile about the termination of the credit line. As of December 31, 2020, these credit lines were not disbursed.

## 2. Financial covenants

Financial covenants are contractual commitments with respect to minimum or maximum financial ratios that the Company is obliged to meet at certain periods of time (quarterly, annually, etc.) and in some cases only when certain conditions are met. Most of the financial covenants of the Company limit leverage and track the ability to generate cash flow that will service the companies' indebtedness. Certain companies are also required to periodically certify these covenants. The types of covenants and their respective limits vary according to the type of debt and contract.

The Enel Generación Chile's bonds issued in Chile include the following financial covenants, whose definitions and calculation formulas are set out in the respective contracts:

### H Series

- Consolidated Indebtedness Level: The Financial Obligations to Total Capitalization ratio must remain equal to or less than 0.64. Financial Obligations is the sum of Current interest-bearing loans, Non-current interest-bearing loans, Other current financial liabilities, Other non-current financial liabilities, and Other obligations secured by the Issuer or its subsidiaries, while Total Capitalization is the sum of Financial Obligations and Total Equity. As of December 31, 2020, the Indebtedness Level was 0.31.

- Consolidated Equity: A Minimum Equity of Ch\$761,684 million must be maintained, a limit adjusted at the end of each year as established in the indenture. Equity corresponds to net Equity attributable to the owners of the controller. As of December 31, 2020, the net Equity attributable to the owners of Enel Generación Chile's controller was Ch\$ 1,729,218 million.
- Finance Expense Hedge Ratio: The company must maintain a Finance Expense Hedge Ratio equal to or greater than 1.85. The hedging of finance expenses is the quotient between: i) the Gross operating revenue, plus Finance revenue and dividends received from associated companies, and, ii) Financial expenses; both with respect to the period of four consecutive quarters ending at the close of the reporting quarter. As of December 31, 2020, this ratio was 19.75.
- Net Asset Position with Related Companies: A Net Asset Position with Related Companies must be maintained at or below the equivalent sum in Chilean pesos of US\$500 million, according to the exchange rate prevailing at the date of calculation. The Net Asset Position with Related Companies is the difference between: i) the sum of Current Accounts Receivable from Related Companies and Non-Current Accounts Receivable from Related Companies and ii) the sum of Current Accounts Payable to Related Companies and Non-Current Accounts Payable to Related Companies. The foregoing must exclude the corresponding amounts that meet all of the following requirements: i) operations with a duration of less than 180 days; and ii) operations referring to balances in the barter accounts, documents and accounts of Enel Generación Chile or its subsidiaries, resulting from the ordinary course of business of Enel Generación Chile or its subsidiaries. Likewise, it must also exclude the operations of the associated companies of Enel Generación Chile and its subsidiaries, as long as Enel Chile S.A. has no interest in the respective associated company, whether directly or indirectly through a subsidiary or associate of Enel Chile S.A., other than Enel Generación Chile and its subsidiaries. As of December 31, 2020, considering the exchange rate prevailing at that date, the Net Asset Position with Related Companies was US\$244.15 million, indicating that Enel Generación Chile is a net creditor for its related companies.

### **M Series**

- Consolidated Debt Level: Idem H Series.
- Consolidated Equity: Idem H Series.
- Finance Expense Hedge Ratio: Idem H Series.

The "Yankee Bonds" issued by Enel Generación Chile and Enel Chile are not subject to compliance with financial covenants.

As of December 31, 2020, Enel Generación Chile's most restrictive financial covenant was the Consolidated Indebtedness Level.

The rest of the Group's companies not mentioned in this Note are not subject to compliance with financial covenants.

Finally, in most of the contracts, debt acceleration due to non-compliance with these covenants does not occur automatically, but rather certain conditions must be met, such as the expiration of the remedial periods established therein, among other conditions.

As of December 31, 2020, neither Enel Chile or its subsidiaries record non-compliance with the financial covenants summarized herein, or with any other financial obligations that could lead to the accelerated maturity of its financial commitments.

## **36.5. COVID-19 contingency**

On January 30, 2020, the World Health Organization (WHO) declared the outbreak of the new coronavirus 2019, or COVID-19, to be a "Public Health Emergency of International Concern." On March 11, 2020, the WHO confirmed that the outbreak of COVID-19 had reached the level of a pandemic, which could significantly affect Chile, as well as the Company's commercial partners within and outside the country.

To address this international public health emergency due to COVID-19, on March 18, 2020, President Sebastián Piñera decreed a State of Constitutional Exception of Catastrophe, establishing containment measures, specifically designed to restrict the free movement of people, which include curfews, mandatory selective quarantines, prohibition of mass meetings, temporary closure of companies and businesses, among other measures.

Accordingly, the Company's subsidiary Enel Distribución Chile announced it would adopt certain preventive measures, such as the suspension of meter readings and focusing field activities on essential operations for supply continuity. It also announced extraordinary measures to support the most vulnerable households, such as not disrupting energy services due to customers recording payment default and offering payment installment plans, with no down payment or interest for customers holding debt with the company.

Additionally, the Group issued guidelines to guarantee compliance with the measures introduced by the Chilean government and has taken a number of actions to adopt the most appropriate procedures to prevent and/or mitigate the effects of COVID-19 contagion among employees, while guaranteeing business continuity. This has been made possible mainly due to:

- The use of telework for all employees whose jobs can be performed remotely (75% of the staff). This work mode was introduced in the Group a few years ago, which thanks to digitalization investments, allows work to be performed remotely with the same level of efficiency and effectiveness;
- Digitalization of processes and infrastructure, which ensure the normal operation of the Company's generation assets, continuity of the electrical service, and remote management of all activities related to the market and customer relations.

All the company's efforts continue to focus on guaranteeing the correct and safe operation of our businesses, while safeguarding the health and safety of our people.

On August 5, 2020, Law 21,249 on Basic Utilities Services was enacted. This law includes extraordinary measures to support the most vulnerable customers, although Enel Distribución Chile had already been applying most of these measures. These measures include not disrupting energy services due to customers recording payment default and the possibility of signing agreements to pay off electricity debt in installments, in both cases, for a group of vulnerable customers. The benefit associated with not disrupting energy services due to customers recording payment default was effective for 90 days following the enactment of the Law, and debts accumulated by customers covered by this measure must be paid within a maximum of 12 installments from the end of the grace period.

Subsequently, on December 29, 2020, Law No. 21,301 was enacted, which extended the terms defined in Law No. 21,249, setting the duration of the benefit to 270 days following the enactment of this new Law instead of the initial 90 days. Also, the number of installments was modified to a maximum of 36 instead of the 12 maximum installments previously defined.

In relation to the degree of uncertainty generated in the macroeconomic and financial environments in which the Group operates and their effects on the Company's income as of December 31, 2020, these are fundamentally related to an increase in the impairment loss on trade receivables (see Notes 2.3, 3.g.3, 9.d and 26.2)

## NOTE 37. Headcount

Enel Chile's personnel, as of December 31, 2020 and 2019, is as follows:

12-31-2020				
Country	Managers and key executives	Professionals and Technicians	Staff and others	Total
Chile	55	2.025	117	2.197
Argentina	-	5	17	22
<b>Total</b>	<b>55</b>	<b>2.030</b>	<b>134</b>	<b>2.219</b>
Average	54	2.010	138	2.202

12-31-2019				
Country	Managers and key executives	Professionals and Technicians	Staff and others	Total
Chile	56	1.915	139	2.110
Argentina	-	6	17	23
<b>Total</b>	<b>56</b>	<b>1.921</b>	<b>156</b>	<b>2.133</b>
Average	58	1.887	159	2.104

## NOTE 38. Sanctions

The following Group companies have received sanctions from administrative authorities:

### 1. Enel Generación Chile S.A.

As of December 31, 2020, the request for reconsideration of the sanction proceedings initiated by the Bío Bío Regional Health Ministry, by Act 180566, which imposed a fine in the amount of 500 UTM (ThCh\$25,515), for alleged breaches by Enel Generación Chile S.A. of obligations and regulations related to waste disposal regulations in the Cantarrana landfill is pending.

As of December 31, 2020, the Valparaíso Regional Health Ministry initiated sanction proceedings with respect to inspection report No. 1705213, for alleged breaches of obligations and regulations related to the Noise Exposure Protocols and other health surveillance regulations at the Quintero plant. The amount of this fine is 500 UTM (ThCh\$25,515).

As of December 31, 2020, the Tarapacá Regional Health Ministry initiated sanction proceedings under inspection report No. 000766, in the amount of 500 UTM (ThCh\$25,515), for the alleged breach by Celta in the use of lime in the Tarapacá Thermal Power Station, which is pending resolution.

As of December 31, 2020, the Coquimbo Regional Health Ministry initiated sanction proceedings under inspection report No. 10066, dated June 21, 2016, in the amount of 500 UTM (ThCh\$25,515) for the alleged violation committed by Gasatacama, currently Enel Generación Chile, for keeping waste in an unauthorized area, which is pending resolution.

As of December 31, 2020, the Regional Health Ministry of the Metropolitan Region initiated sanction proceedings under Exempt Resolution No. 20131261, in the amount of 50 UTM (ThCh\$2,551), for the alleged violation of health regulations due to COVID-19, which is pending resolution.

## 2. Enel Distribución Chile S.A.

By means of Exempt Resolution No. 13,630 dated May 23, 2016, the Superintendency of Electricity and Fuels imposed on Enel Distribución Chile S.A. a fine equivalent to 2,000 UTM (ThCh\$102,058) for Enel Distribución Chile S.A.'s failure to fulfill its obligation to maintain its electrical installations in good condition to meet quality requirements and supply continuity, with regard to the fire that affected the San Joaquin substation on May 19, 2015. Enel Distribución Chile S.A. has filed a request for reconsideration against this fine, which is pending of resolution.

By means of Exempt Resolution No. 32,918 dated July 14, 2020, the Superintendency of Electricity and Fuels imposed a fine on Enel Distribución Chile S.A. of 10,000 UTM (ThCh\$510,290), alleging that on March 7, 2019 it failed to comply with its duty to maintain the electric service by disconnecting the 12 KVN1 bus and the transfer busbar in Substation Brasil, due to the failure of the electric arc caused by a closing maneuver and subsequent opening of a connector under load, by field personnel, during the performance of works in the substation. Enel Distribución Chile S.A. filed a request for reconsideration against this fine, which is pending resolution.

## NOTE 39. Environment

Environmental expenses for the years ended December 2020, 2019 and 2018, are as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Disbursing Company	Project Name	Environmental Description
Pehuenche	PEHUENCHE CENTRAL	Waste Management Environmental Sanitation Materials Environment Campaigns and Studies
Enel Distribución Chile S.A.	VEGETATION CONTROL IN AT NETWORKS	It consists of cutting branches until reaching the safety conditions that the foliage must be left with respect to the drivers. This activity contemplates the maintenance of the band of easement of high voltage lines between 34,5 y 500kv.
	VEGETATION CONTROL IN MT/BT	Pruning of trees near the media network and low voltage.
	IMPROVEMENTS IN THE MT NETWORK	Replacement underground transformers by Technical Standard (PCB)
	REPLACE TRAFOS TRIFAS MEJ QUALITY BT	This project corresponds to: - replacement of traditional network by Calpe BT - replacement of concentric network by Calpe BT - replacement of transformers with loadability problems
	ENVIRONMENTAL MANAGEMENT IN SSEE	The service consists of the maintenance of green areas with replacement of species and grass in Enel substation enclosures. Maintenance tree planting of SSEE and removal of weeds, debris and garbage, exterior perimeter. The withdrawal and transfer was carried out.
	RESPEL MANAGEMENT	Hazardous waste removal and treatment management
	SEC STANDARDIZATION PROJECT (CAPEX)	Maintenance of trees, SSEE and removal of weeds, debris and garbage, exterior perimeter.
	ENVIRONMENTAL MANAGEMENT	Environmental Management of Reforestation in the Metropolitan Park.
	OIL ANALYSIS AT POWER TD (OPEX)	The waste material was removed and transferred to a dump from a Substation.
Enel Generación Chile S.A.	ENVIRONMENTAL EXPENSES CC.CC.	The main expenses incurred are: Operation and maintenance, monitoring air quality and meteorological stations, Environmental audit monitoring network once a year, Annual CEMS Validation, Biomass Protocol Service, Environmental Materials (magazine, books), Isokinetic Measurements, SGI Works (NC objective, inspections, audits and supervision) ISO 14001, OHSAS certification, CEMS operation and maintenance service.
	ENVIRONMENTAL EXPENSES CC.TT.	Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in thermoelectric plants (C.T.)
	ENVIRONMENTAL EXPENSES CC.HH.	Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in hydroelectric plants (C.H.)

By means of Exempt Resolution No. 33,196 dated August 25, 2020, the Superintendency of Electricity and Fuels imposed a fine on Enel Distribución Chile S.A. of 22,000 UTM (ThCh\$1,122,638), alleging that it did not comply with Article 4-2 on technical quality standards for distribution services, which is evidenced by the information provided by Enel Distribución Chile S.A. in the proceeding referred to as "2018 Outages", which indicates that it has exceeded the maximum SAIDI limit, established in the current standards in at least 4 municipalities. Enel Distribución Chile S.A. filed a request for reconsideration against this fine, which is pending resolution.

In relation to the sanctions described above, the Group has established provisions for ThCh\$1,839,490 as of December 31, 2020 (see Note 25). There are other sanctions that also have associated provisions but they are not described in this note since they individually represent smaller amounts. Management believes that the provisions recorded adequately cover the risks due to penalties. Therefore, they do not expect additional liabilities to arise from other than those already registered.

Project Status [Finished, in progress]	12-31-2020						
	Disbursement amount	Capitalized amount	Expense amount	Future disbursement amount	Estimated date of future disbursement	Total disbursements	Amount of prior period disbursement
In progress	13,128	-	13,128	19,298	12-31-2021	32,426	3,165
In progress	3,528	-	3,528	5,334	12-31-2021	8,862	1,988
In progress	4,993	-	4,993	24,720	12-31-2021	29,713	9,061
In progress	4,235	-	4,235	6,180	12-31-2021	10,415	-
Completed	305,701	-	305,701	-	12-31-2020	305,701	2,600
Completed	303,873	-	303,873	-	12-31-2020	303,873	67,291
Completed	3,296,066	-	3,296,066	-	12-31-2020	3,296,066	3,507,502
Completed	91,353	91,353	-	-	12-31-2020	91,353	170,077
Completed	3,649,294	3,649,294	-	-	12-31-2020	3,649,294	1,168,343
Completed	340,704	-	340,704	-	12-31-2020	340,704	64,737
Completed	19,122	-	19,122	-	12-31-2020	19,122	103,847
Completed	1,774,155	1,774,155	-	-	12-31-2020	1,774,155	-
Completed	1,374	-	1,374	-	12-31-2020	1,374	2,337
Completed	32,096	-	32,096	-	12-31-2020	32,096	-
In progress	595,987	95,976	500,011	599,144	12-31-2021	1,195,131	2,307,825
In progress	2,048,635	158,028	1,890,607	1,520,333	12-31-2021	3,568,968	7,151,486
In progress	263,737	-	263,737	-	12-31-2020	263,737	759,980

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Disbursing Company	Project Name	Environmental Description
Enel Green Power Chile S.A.	Waste management	Contracts for the removal of hazardous and non-hazardous waste, and removal of household waste.
	Environmental Sanitation	Contracts for vector control, deratization, disinsection.
	Water Analysis	Monitoring and analysis of drinking water and sewage
	Rent/Vehicle Expenses	Vehicle rental for environmental trips (field visits / Plants)
	Campaigns and Studies	Contracts for Environmental Monitoring (Collision of Birds- Flora and Fauna- Archeology, others)
	Technical Counterpart Environmental Studies	Technical Counterpart Environmental Studies
	Environmental Materials	Buy environmental materials (containers, spill kit, others)
	Sewage Treatment Plant	Contract for removal and cleaning of pits and sewage
	Outsourced Services	Other services (contracts with third parties)
Geotérmica del Norte S.A.	Travel Environment	Tickets - accommodation and viatics for site visit in facilities
	Waste management	Contracts for the removal of hazardous and non-hazardous waste, and removal of household waste.
	Environmental Sanitation	Contracts for vector control, deratization, disinsection.
	Campaigns and Studies	Contracts for Environmental Monitoring (Collision of Birds- Flora and Fauna- Archeology, others)
	Environmental Materials	Buy environmental materials (containers, spill kit, others)
Parque Eólico Talinay Oriente S.A.	Sewage Treatment Plant	Contract for removal and cleaning of pits and sewage
	Waste management	Contracts for the removal of hazardous and non-hazardous waste, and removal of household waste.
	Environmental Sanitation	Contracts for vector control, deratization, disinsection.
	Campaigns and Studies	Contracts for Environmental Monitoring (Collision of Birds- Flora and Fauna- Archeology, others)
Almeyda Solar SpA	Sewage Treatment Plant	Contract for removal and cleaning of pits and sewage
	Waste management	Contracts for the removal of hazardous and non-hazardous waste, and removal of household waste.
	Environmental Sanitation	Contracts for vector control, deratization, disinsection.
Total	Water Analysis	Monitoring and analysis of drinking water and sewage
	Campaigns and Studies	Contracts for Environmental Monitoring (Collision of Birds- Flora and Fauna- Archeology, others)
	Environmental Materials	Buy environmental materials (containers, spill kit, others)
	Sewage Treatment Plant	Contract for removal and cleaning of pits and sewage

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Disbursing Company	Project Name	Environmental Description
Pehuenche	PEHUENCHE CENTRAL	Waste Management Environmental Sanitation
	CURILLINQUE CENTRAL	Campaigns and Studies Environmental Sanitation
	LOMA ALTA CENTRAL	Environmental Sanitation
Enel Distribución Chile S.A.	CHANGE OF TRAD X CALPE NETWORK	Concentrical network replacement by Calpe (Pre-assembled aluminum cable) BT
	VEGETATION CONTROL IN AT NETWORKS	It consists of cutting branches until reaching the safety conditions that the foliage must be left with respect to the drivers. This activity contemplates the maintenance of the band of easement of high voltage lines between 34,5 y 500kv.
	VEGETATION CONTROL IN MT/BT	Pruning of trees near the media network and low voltage.
	ENVIRONMENTAL MANAGEMENT IN SSEE	The service consists of the maintenance of green areas with replacement of species and grass in Enel substation enclosures. Maintenance tree planting of SSEE and removal of weeds, debris and garbage, exterior perimeter. The service consists of weeding and weed control in electrical power substation enclosures in order to keep the enclosures free of weeds, ensuring a good operation of these facilities. The removal and transfer to waste dump from a Substation was carried out.
	MANEJO AMBIENTAL	Environmental Management of Reforestation in Metropolitan Park.
	MEJORAS EN LA RED MT	Replacement of MT network with protected cable
	GESTIÓN DE RESPEL	Hazardous waste removal and treatment management
	REPLACE TRIFAS TRIFAS MEJ QUALITY BT	Replacement of transformers with chargeability problems
	REPLACEMENT TD DAE CONCENTRICA X TD. TRIF. RED CALPE	Concentrical network replacement by Calpe (Pre-assembled aluminum cable) BT

Project Status [Finished, in progress]	12-31-2020						
	Disbursement amount	Capitalized amount	Expense amount	Future disbursement amount	Estimated date of future disbursement	Total disbursements	Amount of prior period disbursement
In progress	84,113	-	84,113	148,447	12-31-2021	232,560	33,841
In progress	46,957	-	46,957	104,448	12-31-2021	151,405	36,175
In progress	-	-	35,266	44,588	12-31-2021	-	-
In progress	51,716	-	51,716	66,741	12-31-2021	118,457	-
In progress	189,321	-	189,321	355,550	12-31-2021	544,871	147,392
In progress	-	-	-	5,287	12-31-2021	5,287	-
In progress	32,032	-	32,032	40,578	12-31-2021	72,610	4,822
In progress	8,066	-	8,066	31,591	12-31-2021	39,657	17,629
In progress	222,291	-	222,291	297,167	12-31-2021	519,458	53,970
In progress	56,820	-	56,820	85,150	12-31-2021	140,368	-
In progress	21,992	-	21,992	32,918	12-31-2021	54,910	-
In progress	6,500	-	6,500	14,319	12-31-2021	20,819	-
In progress	313,280	-	313,280	339,170	12-31-2021	652,450	-
In progress	91	-	91	3,559	12-31-2021	3,650	-
In progress	4,816	-	4,816	1,324	12-31-2021	6,140	-
In progress	13,064	-	13,064	18,580	12-31-2021	31,644	11,865
In progress	6,939	-	6,939	4,109	12-31-2021	11,048	-
In progress	76,595	-	76,595	-	12-31-2021	76,595	63,666
In progress	2,087	-	2,087	-	12-31-2021	2,087	1,738
In progress	39,521	-	39,521	31,508	12-31-2021	71,029	37,904
In progress	33,992	-	33,992	36,542	12-31-2021	70,534	33,467
In progress	-	-	-	24,435	12-31-2020	24,435	-
In progress	63,736	-	63,736	64,160	12-31-2021	127,896	121,506
In progress	16,663	-	16,663	28,702	12-31-2021	45,365	394
In progress	8,149	-	8,149	12,795	12-31-2021	20,944	17,419
	<b>14,046,722</b>	<b>5,768,806</b>	<b>8,313,182</b>	<b>3,966,677</b>		<b>17,967,209</b>	<b>15,902,027</b>

Project Status [Finished, in progress]	12-31-2019						
	Disbursement amount	Capitalized amount	Expense amount	Future disbursement amount	Estimated date of future disbursement	Total disbursements	
In progress	3,165	-	3,165	-	-	3,165	
In progress	1,988	-	1,988	-	-	1,988	
In progress	9,061	-	9,061	-	-	9,061	
In progress	882	-	882	-	-	882	
In progress	882	-	882	-	-	882	
In progress	1,476,780	1,476,780	-	-	12-31-2019	1,476,780	
Completed	2,600	-	2,600	-	12-31-2019	2,600	
Completed	67,291	-	67,291	-	12-31-2019	67,291	
Completed	3,507,502	-	3,507,502	-	12-31-2019	3,507,502	
Completed	64,737	-	64,737	-	12-31-2019	64,737	
Completed	19,706	-	19,706	-	12-31-2019	19,706	
Completed	21,719	-	21,719	-	12-31-2019	21,719	
Completed	2,337	-	2,337	-	12-31-2019	2,337	
In progress	170,077	170,077	-	-	12-31-2019	170,077	
Completed	103,847	-	103,847	-	12-31-2019	103,847	
In progress	1,168,343	1,168,343	-	-	12-31-2019	1,168,343	
In progress	492,260	492,260	-	-	12-31-2019	492,260	

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Disbursing Company	Project Name	Environmental Description
Enel Generación Chile S.A.	ENVIRONMENTAL MONITORING	Environmental Monitoring Contract with SK Ecology, operation and maintenance CEMS.
	CEMS STANDARDIZATION	Warehouse standardization, environmental management, regularization of environmental impact assessment (EIA)
	HYDRAULIC CENTRALS	Waste management and sanitation
	ENVIRONMENTAL EXPENSES CC.CC.	The main expenses incurred are: Bocamina U1-2: Operation and maintenance, monitoring air quality and meteorological stations, Environmental audit monitoring network once a year, CEMS Annual Validation, Biomass Protocol Service, Environmental Materials (magazine, books), Measurements Isokineticas, Trabajos SGI (NC objective, inspections, audits and supervision) ISO 14001, OHSAS certification, CEMS operation and maintenance service.
	ENVIRONMENTAL EXPENSES CC.TT.	Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in thermoelectric plants (C.T.)
Enel Green Power del Sur Spa.	ENVIRONMENTAL EXPENSES CC.HH.	Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in hydroelectric plants (C.H.)
	CENTRAL QUINTERO	CEMS Central Quinteros
	Carrera Pinto	Waste Management
		Environmental Sanitation
		Wastewater Treatment Plant
	Finis Terrae	Waste Management
		Environmental Sanitation
		Wastewater Treatment Plant
	La Silla	Environmental Sanitation
	Los Buenos Aires	Waste Management
		Campaigns and Studies
		Environmental Sanitation
		Wastewater Treatment Plant
	Pampa Norte	Materials Environment
Waste Management		
Environmental Sanitation		
Renaico	Wastewater Treatment Plant	
	Materials Environment	
	Outsourced Services	
Sierra Gorda	Waste Management	
	Campaigns and Studies	
	Environmental Sanitation	
	Wastewater Treatment Plant	
Empresa Electrica Panguipulli S.A.	Chañares	Waste Management
		Campaigns and Studies
		Environmental Sanitation
		Wastewater Treatment Plant
	Lalackama	Waste Management
		Environmental Sanitation
	Pilmaiquen	Wastewater Treatment Plant
		Waste Management
Pullinque	Environmental Sanitation	
	Waste Management	
	Campaigns and Studies	
Talinay Poniente	Environmental Sanitation	
	Materials Environment	
Parque Eolico Tal Tal S.A.	Taltal	Campaigns and Studies
		Waste Management
		Campaigns and Studies
		Environmental Sanitation
Parque Eolico Valle De Los Vientos S.A.	Valle de los Vientos	Wastewater Treatment Plant
		Waste Management
		Campaigns and Studies
Parque Eolico Talinay Oriente S.A.	Talinay Oriente	Environmental Sanitation
		Waste Management
		Campaigns and Studies
		Wastewater Treatment Plant
Almeyda Solar Spa	Diego de Almagro	Waste Management
		Environmental Sanitation
		Wastewater Treatment Plant
<b>Total</b>		

Project Status [Finished, in progress]	12-31-2019					
	Disbursement amount	Capitalized amount	Expense amount	Future disbursement amount	Estimated date of future disbursement	Total disbursements
In progress	576,519	-	576,519	-	-	576,519
In progress	207,966	207,966	-	-	-	207,966
In progress	2,315	-	2,315	-	-	2,315
In progress	1,452,158	855,667	596,491	855,667	12-31-2020	2,307,825
In progress	5,387,657	1,763,829	3,623,828	1,763,829	12-31-2020	7,151,486
In progress	339,103	-	339,103	420,877	12-31-2020	759,980
In progress	458,001	110,923	347,078	37,983	12-31-2020	495,984
Completed	4,432	-	4,432	-	-	4,432
Completed	6,466	-	6,466	-	-	6,466
Completed	4,436	-	4,436	-	-	4,436
Completed	10,954	-	10,954	-	-	10,954
Completed	7,674	-	7,674	-	-	7,674
Completed	2,154	-	2,154	-	-	2,154
Completed	2,902	-	2,902	-	-	2,902
Completed	1,509	-	1,509	-	-	1,509
Completed	20,613	-	20,613	-	-	20,613
Completed	3,989	-	3,989	-	-	3,989
Completed	882	-	882	-	-	882
Completed	5,589	-	5,589	-	-	5,589
Completed	5,098	-	5,098	-	-	5,098
Completed	6,618	-	6,618	-	-	6,618
Completed	3,459	-	3,459	-	-	3,459
Completed	2,281	-	2,281	-	-	2,281
Completed	83,820	-	83,820	-	-	83,820
Completed	5,226	-	5,226	-	-	5,226
Completed	982	-	982	-	-	982
Completed	4,822	-	4,822	-	-	4,822
Completed	53,970	-	53,970	-	-	53,970
Completed	13,999	-	13,999	-	-	13,999
Completed	42,959	-	42,959	-	-	42,959
Completed	3,300	-	3,300	-	-	3,300
Completed	127	-	127	-	-	127
Completed	1,613	-	1,613	-	-	1,613
Completed	7,981	-	7,981	-	-	7,981
Completed	5,262	-	5,262	-	-	5,262
Completed	5,591	-	5,591	-	-	5,591
Completed	1,678	-	1,678	-	-	1,678
Completed	7,091	-	7,091	-	-	7,091
Completed	3,273	-	3,273	-	-	3,273
Completed	1,450	-	1,450	-	-	1,450
Completed	6,822	-	6,822	-	-	6,822
Completed	785	-	785	-	-	785
Completed	2,627	-	2,627	-	-	2,627
Completed	4,129	-	4,129	-	-	4,129
Completed	394	-	394	-	-	394
Completed	46,026	-	46,026	-	-	46,026
Completed	10,745	-	10,745	-	-	10,745
Completed	44,656	-	44,656	-	-	44,656
Completed	2,476	-	2,476	-	-	2,476
Completed	2,515	-	2,515	-	-	2,515
Completed	11,546	-	11,546	-	-	11,546
Completed	20,216	-	20,216	-	-	20,216
Completed	2,471	-	2,471	-	-	2,471
Completed	11,865	-	11,865	-	-	11,865
Completed	63,666	-	63,666	-	-	63,666
Completed	9,419	-	9,419	-	-	9,419
Completed	1,738	-	1,738	-	-	1,738
Completed	10,087	-	10,087	-	-	10,087
Completed	5,216	-	5,216	-	-	5,216
Completed	6,040	-	6,040	-	-	6,040
	<b>16,132,535</b>	<b>6,245,845</b>	<b>9,886,690</b>	<b>3,078,356</b>		<b>19,210,891</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Disbursing Company	Project Name	Environmental Description
Pehuenche	ENVIRONMENTAL EXPENSES HYDROELECTRIC POWER PLANTS	C.H. Pehuenche E E Pehuenche S.A. Supply of flow measurement equipment. . Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in thermoelectric plants (C.T.)
Enel Distribución Chile S.A.	VEGETATION CONTROL IN AT NETWORKS	It consists of cutting branches until reaching the safety conditions that the foliage must be left with respect to the drivers. Tree pruning near the medium voltage network.
	RESPEL MANAGEMENT	Hazardous waste management.
	ENVIRONMENTAL MANAGEMENT IN SSEE	The service consists of the maintenance of green areas with replacement of species and grass in Enel substation enclosures. The service consists of weeding and weed control in electrical power substation enclosures in order to keep the enclosures free of weeds, ensuring a good operation of these facilities.
	ENVIRONMENTAL PERMITS	Environmental Impact Statement: 1) New Lampa Sectioning Substation and 2) Ochagavia - Florida Line, Sanjon La Aguada section.
	VEGETATION CONTROL IN MT / BT NETWORKS	Improvement in the traditional network by calpe (pre-assembled aluminum cable)
	IMPROVEMENTS IN THE MT NETWORK	Replacement of MT bare network by shielded cable
	CHANGE OF NETWORK TRAD X CALPE	Replacement of traditional network by Calpe (Pre-assembled aluminum cable) BT
	REPLACEMENT TD DAE CONCENTRICA X TD. TRIF. RED CALPE	Concentrical network replacement by Calpe (Pre-assembled aluminum cable) BT
	REPLACEMENT OF TRAFOS TRIFAS QUALITY BT	Replacement of transformers with chargeability problems
	ENVIRONMENTAL MANAGEMENT	Environmental Management of Reforestation in Cerro Chena and Metropolitan Park.
	Asbestos removal from underground cables	Removal of asbestos flame retardant tape from the MT underground network.
Enel Generación Chile S.A.	ENVIRONMENTAL MONITORING	Environmental Monitoring Contract with SK Ecology, operation and maintenance CEMS
	CEMS STANDARDIZATION	Winery standardization, environmental management, environmental impact assessment regularization (EIA)
	HYDRAULIC CENTRALS	Waste Management e higienización
	ENVIRONMENTAL EXPENSES CC.TT.	The main expenses incurred are: Bocamina U1-2: Operation and maintenance, monitoring air quality and meteorological stations, Environmental audit monitoring network once a year, CEMS Annual Validation, Biomass Protocol Service, Environmental Materials (magazine, books), Measurements Isokineticas, Trabajos SGI (NC objective, inspections, audits and supervision) ISO 14001, OHSAS certification, CEMS operation and maintenance service. Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in thermoelectric plants (C.T.)
	ENVIRONMENTAL EXPENSES CC.HH.	Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in hydroelectric plants (C.H.)
	C.H. RALCO	Ralco Plan: Reforestation according to an agreement with the Universidad Católica and electrification of homes in Ayin Maipú.
	CENTRAL QUINTERO	CEMS Central Quinteros
<b>Total</b>		

Project Status [Finished, in progress]	12-31-2018					
	Disbursement amount	Capitalized amount	Expense amount	Future disbursement amount	Estimated date of future disbursement	Total disbursements
In progress	48,574	48,574	-	-		48,574
In progress	62,560	-	62,560	-	-	62,560
In progress	134,394	-	134,394	19,654	12-31-2018	154,048
In progress	5,790,042	2,472,768	3,317,274	502,599	03-31-2019	6,292,641
Completed	1,780	-	1,780	-	06-30-2018	1,780
Completed	15,383	-	15,383	36,633	12-31-2018	52,016
En proceso	46,339	-	46,339	568	03-31-2018	46,907
In progress	1,767	1,767	-	5,203	03-31-2019	6,970
In progress	19,416	19,416	-	373,059	03-31-2019	392,475
In progress	158,086	158,086	-	18,056	03-31-2019	176,142
In progress	851,792	851,792	-	530,712	03-31-2019	1,382,504
In progress	712,455	712,455	-	295,961	03-31-2019	1,008,416
In progress	1,288,155	1,288,155	-	1,353,909	03-31-2019	2,642,064
In progress	5,831	-	5,831	803	03-31-2019	6,634
In progress	265,577	146,300	119,277	118,337	03-31-2019	383,914
In progress	797,543	-	797,543	-	-	797,543
In progress	645,302	645,302	-	-	-	645,302
In progress	11,567	-	11,567	-	-	11,567
In progress	2,102,056	-	2,102,056	-	-	2,102,056
In progress	2,867,523	-	2,867,523	-	-	2,867,523
In progress	183,156	-	183,156	-	-	183,156
In progress	4,542,216	4,542,216	-	-	-	4,542,216
In progress	417,194	417,194	-	-	-	417,194
	<b>20,968,708</b>	<b>11,304,025</b>	<b>9,664,683</b>	<b>3,255,494</b>		<b>24,224,202</b>

# NOTE 40. Financial information on subsidiaries, summarized

As of December 31, 2020, 2019 and 2018, summarized financial information of the Company's principal consolidated subsidiaries prepared under IFRS is as follows:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

12-31-2020									
Financial Statements	Current Assets	Non-Current Assets	Total Assets	Current Liabilities	Non-Current Liabilities	Equity	Total Liabilities and Equity	Revenues	
Grupo Enel Distribución Chile	Consolidated	582,076,850	1,069,130,548	1,651,207,398	394,984,535	355,577,789	900,645,074	1,651,207,398	1,382,068,218
Enel Generación Chile	Separate	450,585,522	2,568,790,911	3,019,376,433	346,738,652	962,018,025	1,710,619,756	3,019,376,433	1,454,983,823
Enel Distribución Chile	Separate	577,456,051	1,060,265,626	1,637,721,677	377,127,464	355,408,175	905,186,038	1,637,721,677	1,378,024,639
Empresa Eléctrica Pehuenche S.A.	Separate	576,448,247	165,957,367	223,605,614	43,582,095	42,466,077	137,557,442	223,605,614	162,555,069
Enel Green Power Chile Ltda.	Separate	-	-	-	-	-	-	-	2,643,361
Empresa Eléctrica Panguipulli S.A.	Separate	-	-	-	-	-	-	-	36,961,169
Geotermica del Norte S.A.	Separate	6,236,103	400,007,251	406,243,354	47,175,660	322,246	358,745,448	406,243,354	29,621,783
Parque Eólico Talinay Oriente S.A.	Separate	80,718,677	81,224,769	161,943,446	3,322,615	24,923,743	133,697,088	161,943,446	13,327,199
Enel Green Power Chile S.A.	Separate	48,915,258	1,536,057,410	1,584,972,668	337,590,586	542,949,053	704,433,029	1,584,972,668	176,960,820
Almeyda Solar S.P.A.	Separate	16,915,219	461,620,519	478,535,738	204,561,234	72,286,638	201,687,866	478,535,738	52,290,734
Grupo Enel Green Power	Consolidated	139,617,642	2,097,626,417	2,237,244,059	579,459,760	644,053,803	1,013,730,496	2,237,244,059	297,348,087
Grupo Enel Generación Chile	Consolidated	465,808,355	2,625,152,610	3,090,960,965	347,895,331	1,003,735,347	1,739,330,287	3,090,960,965	1,490,102,269

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

12-31-2019									
Financial Statements	Current Assets	Non-Current Assets	Total Assets	Current Liabilities	Non-Current Liabilities	Equity	Total Liabilities and Equity	Revenues	
Grupo Enel Distribución Chile	Consolidated	289,393,933	1,175,550,962	1,464,944,895	317,248,208	301,769,861	845,926,826	1,464,944,895	1,412,871,737
Enel Generación Chile	Separate	583,721,624	2,934,658,635	3,518,380,259	449,869,095	1,081,712,205	1,986,798,959	3,518,380,259	1,566,647,603
Enel Distribución Chile	Separate	281,307,184	1,166,614,368	1,447,921,552	293,190,807	301,606,886	853,123,859	1,447,921,552	1,409,434,510
Empresa Eléctrica Pehuenche S.A.	Separate	40,913,391	172,823,608	213,736,999	32,304,951	44,330,262	137,101,786	213,736,999	147,472,130
Enel Green Power Chile Ltda.	Separate	93,176,241	728,572,966	821,749,207	148,584,958	26,709,820	646,454,429	821,749,207	17,470,331
Empresa Eléctrica Panguipulli S.A.	Separate	11,883,401	268,737,935	280,621,336	35,237,664	152,717,912	92,665,760	280,621,336	65,392,897
Geotermica del Norte S.A.	Separate	21,392,710	389,334,650	410,727,360	34,868,730	316,179	375,542,451	410,727,360	25,736,468
Parque Eólico Talinay Oriente S.A.	Separate	75,985,899	91,924,981	167,910,880	3,479,000	25,290,284	139,141,596	167,910,880	12,662,715
Enel Green Power Chile S.A.	Separate	190,106,543	732,488,168	922,594,711	54,033,958	534,433,995	334,126,758	922,594,711	144,036,603
Grupo Enel Green Power	Consolidated	371,759,514	1,775,791,317	2,147,550,831	377,911,553	773,916,901	995,722,377	2,147,550,831	273,239,617
Grupo Enel Generación Chile	Consolidated	591,085,044	2,996,113,733	3,587,198,777	488,183,716	1,125,160,667	1,973,854,394	3,587,198,777	1,638,374,434
Grupo GasAtacama Chile S.A.	Consolidated	-	-	-	-	-	-	-	186,194,326

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

12-31-2018									
Financial Statements	Current Assets	Non-Current Assets	Total Assets	Current Liabilities	Non-Current Liabilities	Equity	Total Liabilities and Equity	Revenues	
Grupo Enel Distribución Chile	Consolidated	296,453,470	982,926,699	1,279,380,169	450,182,594	63,065,351	766,132,224	1,279,380,169	1,263,224,070
Enel Generación Chile	Separate	548,220,314	2,725,004,288	3,273,224,602	569,928,285	938,139,970	1,765,156,347	3,273,224,602	1,454,348,386
Enel Distribución Chile	Separate	288,632,068	975,441,251	1,264,073,319	424,550,547	62,721,352	776,801,421	1,264,073,320	1,259,689,827
Empresa Eléctrica Pehuenche S.A.	Separate	51,279,432	179,693,183	230,972,615	44,459,384	46,238,192	140,275,039	230,972,615	162,768,188
Enel Green Power Chile Ltda.	Separate	162,710,963	669,741,595	832,452,558	113,123,832	125,240,940	594,087,786	832,452,558	12,831,131
Empresa Eléctrica Panguipulli S.A.	Separate	16,052,462	255,481,676	271,534,138	59,681,465	131,671,924	80,180,749	271,534,138	45,097,744
Geotermica del Norte S.A.	Separate	21,765,295	347,871,452	369,636,747	20,910,840	293,675	348,432,232	369,636,747	17,023,794
Parque Eólico Talinay Oriente S.A.	Separate	63,831,605	87,493,829	151,325,434	6,173,259	18,876,242	126,275,934	151,325,435	10,058,036
Enel Green Power del Sur	Separate	129,849,852	655,431,547	785,281,399	44,078,091	467,399,245	273,804,063	785,281,399	94,473,391
Grupo Enel Green Power	Consolidated	344,469,181	1,628,444,820	1,972,914,001	334,639,971	768,719,376	869,554,654	1,972,914,001	183,008,879
Grupo Enel Generación Chile	Consolidated	672,467,353	2,996,760,726	3,669,228,079	593,881,208	1,077,855,824	1,997,491,047	3,669,228,079	1,529,364,081
Grupo GasAtacama Chile S.A.	Consolidated	154,726,337	601,914,918	756,641,255	61,155,091	94,466,222	601,019,942	756,641,255	271,433,789

12-31-2020

Raw Materials and Consumables Used	Contribution Margin	Gross Operating Income	Operating Income	Financial Results	Income Before Taxes	Income tax	Profit (Loss)	Other Comprehensive Income	Total Comprehensive Income
(1,116,324,483)	265,743,735	158,471,761	99,889,095	5,929,058	105,828,440	(23,421,217)	82,407,223	(3,032,588)	79,374,635
(906,062,618)	548,921,205	421,458,046	(355,272,815)	(47,019,373)	(311,920,879)	154,534,331	(157,386,549)	97,628,933	(59,757,615)
(1,115,217,690)	262,806,949	156,516,439	99,162,164	5,643,080	104,815,531	(23,518,908)	81,296,623	(3,031,870)	78,264,753
(29,660,883)	132,894,186	126,117,737	118,664,949	537,780	119,202,729	(32,100,661)	87,102,068	-	87,102,068
-	2,643,361	656,694	443,065	(728,828)	(285,763)	(276,23)	(313,386)	32,849,632	32,536,246
(1,553,242)	35,407,927	30,644,413	17,824,133	(2,975,352)	14,848,781	(1,094,018)	13,754,763	3,300,577	17,055,341
(1,987,867)	27,633,916	22,284,312	4,542,775	(4,106)	4,538,668	(350,271)	4,188,397	(20,985,401)	(16,797,004)
(215,507)	13,111,692	10,119,202	2,877,967	569,821	3,447,787	(1,028,866)	2,418,922	(7,863,429)	(5,444,508)
(30,028,125)	146,932,695	119,153,489	72,729,793	(24,394,047)	48,335,747	(14,300,689)	34,035,057	(61,492,284)	(27,457,227)
(2,463,593)	49,827,141	41,553,826	24,434,638	(7,386,090)	17,048,548	(4,556,211)	12,492,337	(21,883,149)	(9,390,812)
(12,123,965)	285,224,122	241,778,194	140,591,339	(33,609,299)	106,911,680	(25,014,045)	81,897,635	(63,316,482)	18,581,153
(811,503,735)	678,598,534	547,442,737	(236,607,867)	(46,481,593)	(271,116,321)	122,433,670	(148,682,651)	97,437,499	(51,245,152)

12-31-2019

Raw Materials and Consumables Used	Contribution Margin	Gross Operating Income	Operating Income	Financial Results	Income Before Taxes	Income tax	Profit (Loss)	Other Comprehensive Income	Total Comprehensive Income
(1,114,936,281)	297,935,456	201,152,462	152,293,464	5,232,127	157,525,602	(38,748,555)	118,777,047	(5,268,320)	113,508,727
(1,015,974,072)	550,673,531	438,227,197	273,796,017	(61,735,905)	378,925,840	(47,979,392)	330,946,448	(51,590,095)	279,356,353
(1,113,958,943)	295,475,567	200,130,596	151,879,931	4,770,147	156,650,077	(38,583,882)	118,066,195	(5,258,044)	112,808,151
(19,725,956)	127,746,174	121,631,813	114,117,571	2,230,250	116,442,545	(31,554,368)	84,888,177	-	84,888,177
(5,891)	17,464,440	2,941,543	1,770,750	(3,819,658)	4,271,982	789,773	5,061,755	47,305,179	52,366,934
(10,089,283)	55,303,614	45,295,840	25,634,374	(7,544,701)	18,091,741	(3,984,287)	14,107,454	4,145,983	18,253,437
(4,666,032)	21,070,436	16,240,808	985,760	(2,431,778)	(1,446,018)	(268,161)	(1,714,179)	28,824,398	27,110,219
(891,215)	11,771,500	8,846,598	1,956,884	1,076,843	3,033,727	(812,645)	2,221,082	10,644,581	12,865,663
(25,778,573)	118,258,030	99,202,697	66,657,147	(23,438,689)	43,218,457	(9,496,203)	33,722,254	25,195,173	58,917,427
(26,298,083)	246,941,534	204,174,344	115,016,205	(42,962,825)	71,875,897	(16,890,333)	54,985,564	122,991,836	177,977,400
(834,936,802)	803,437,632	669,742,608	280,918,860	(58,362,079)	224,783,599	(23,457,536)	201,326,063	(55,986,126)	145,339,937
(54,061,747)	132,132,579	110,016,642	(107,102,417)	1,143,576	(103,917,448)	56,076,224	(47,841,224)	(4,396,031)	(52,237,255)

12-31-2018

Raw Materials and Consumables Used	Contribution Margin	Gross Operating Income	Operating Income	Financial Results	Income Before Taxes	Income tax	Profit (Loss)	Other Comprehensive Income	Total Comprehensive Income
(972,499,916)	290,724,154	200,614,083	159,259,319	6,088,801	165,348,120	(42,967,123)	122,380,997	(600,422)	121,780,574
(1,051,644,802)	402,703,785	300,148,133	226,154,177	(49,980,539)	378,187,852	(42,255,124)	335,932,728	(101,720,204)	234,212,523
(971,366,398)	288,323,429	199,676,810	159,625,438	5,418,883	165,044,321	(43,812,619)	121,231,702	(598,985)	120,632,717
(21,539,174)	141,229,015	135,558,558	128,068,159	224,543	128,348,399	(34,669,191)	93,679,208	-	93,679,208
(15,655)	12,815,476	2,521,606	1,702,927	(5,337,680)	71,323,446	1,601,922	72,925,368	71,701,018	144,626,386
(5,320,421)	39,777,324	32,476,777	18,680,884	(1,954,238)	16,726,646	(2,647,884)	14,078,762	(3,643,974)	10,434,788
(2,109,769)	14,914,025	13,168,978	2,001,882	(3,676,151)	(1,674,269)	454,355	(1,219,914)	45,243,420	44,023,506
(2,434,415)	7,623,621	5,310,400	1,014,857	1,312,902	2,327,759	(613,097)	1,714,661	16,552,523	18,267,184
(21,024,045)	73,449,347	60,053,812	37,537,228	(24,991,814)	12,545,413	(3,455,173)	9,090,240	34,497,623	43,587,863
(22,330,367)	160,678,512	131,378,740	69,236,957	(38,674,306)	30,471,438	(8,837,176)	21,634,262	173,923,954	195,558,216
(818,284,050)	711,080,031	582,249,559	464,383,396	(47,947,351)	423,152,001	(104,946,765)	318,205,236	(106,994,091)	211,211,145
(94,746,408)	176,687,381	146,123,452	109,465,013	1,808,644	115,039,230	(27,946,019)	87,093,211	(5,273,886)	81,819,325

## NOTE 41. SUBSEQUENT EVENTS

On January 2021, the Company's subsidiaries Enel Generación Chile and Enel Green Power Chile, signed a document referred to as a Joinder, by virtue of which they became party to the instrument governed by foreign law known as Commitment and Engagement Letter, dated December 31, 2020, jointly with Goldman Sachs & Co. LLC and Goldman Sachs Lending Partners LLC, among other parties, which also entered into this agreement. Subsequently, on January 29, 2021, Enel Generación Chile and Enel Green Power Chile signed an instrument with the Inter-American Investment Corporation referred to as Commitment Agreement, which is subject to foreign legislation. Both instruments are intended to regulate terms and conditions for the sale and transfer performed by Enel Generación Chile and Enel Green Power Chile of balances generated in their favor (the "Balances") from the application of the temporary electric power pricing stabilization mechanism for customers subject to price regulation, as established by Law No. 21,185 (see Note 9).

The transfer of Balances may be performed by Enel Generación Chile and Enel Green Power Chile, from time to time, and under different conditions, to a non-related entity referred to as Chile Electricity PEC SpA, which was incorporated specifically for this purpose, in accordance with the terms and conditions that would be established in the instrument subject to foreign legislation titled Sale and Purchase Agreement to be entered into by Enel Generación Chile, Enel Green Power Chile and Chile Electricity PEC SpA. The total nominal value of the Balances of both agreements is expected to be approximately US\$268 million for Enel Generación Chile and US\$ 21 million for Enel Green Power Chile.

Additionally, on January 29, 2021, Enel Generación Chile and Enel Green Power Chile entered into an agreement with Chile Electricity PEC SpA subject to foreign legislation, referred to as Sale and Purchase Agreement (the "Sale Agreement") for the sale and transfer of Balances. By virtue of this Sale Agreement, Enel Generación Chile and Enel Green Power Chile agreed to sell and transfer to Chile Electricity PEC the first set of Balances, for a nominal value of US\$81.3 million and US\$5.2 million, for Enel Generación Chile and Enel Green Power Chile, respectively. The sale and transfer of the first set of Balances is defined by terms and conditions established in the Commitment and Engagement Letter and in the Commitment Agreement, both described above.

The sale and transfer of the first set of Balances was concluded on February 8, 2021. As a result of this transaction, during 2021, Enel Generación Chile and Enel Green Power Chile will recognize a financial loss of US\$21.5 million and US\$ 1.4 million, respectively.

As indicated before, Enel Generación Chile and Enel Green Power Chile may continue to perform new sales of Balances from time to time. The actual performance of such sales will depend on Management's analysis and evaluation of cash needs and market conditions existing at the time.

Between January 1, 2021 and the date of issuance of these consolidated financial statements, the Company has no knowledge of any financial or other events which significantly affect its financial position and results presented.

# APPENDIX 1 Detail of assets and liabilities in foreign currency

This appendix forms an integral part of the consolidated financial statements of Enel Chile.

The detail of assets and liabilities denominated in foreign currency is as follows:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)								
ASSETS	12-31-2020							
	UF	Chilean Peso	Dollar	Euro	Colombian Peso	Argentine Peso	Brazilian Real	Total
<b>CURRENT ASSETS</b>								
Cash and cash equivalents	-	300,357,149	27,617,370	83,819	-	3,977,675	-	332,036,013
Other current financial assets	707,749	2,614,678	29,977	-	-	-	-	3,352,404
Other current non-financial assets	1,117,707	15,358,682	2,189,622	293,128	-	842,434	-	19,801,573
Trade and other current receivables	1,663,044	544,736,403	7,713,459	773,733	-	-	-	554,886,639
Current accounts receivable from related parties	-	3,106,532	29,404,983	25,464,610	-	-	-	57,976,125
Inventories	48,280	17,978,682	4,042,276	1,234,785	-	6,006	-	23,310,029
Current tax assets	-	35,025,069	-	-	-	13,344	-	35,038,413
<b>TOTAL CURRENT ASSETS</b>	<b>3,536,780</b>	<b>919,177,195</b>	<b>70,997,687</b>	<b>27,850,075</b>	<b>-</b>	<b>4,839,459</b>	<b>-</b>	<b>1,026,401,196</b>
<b>NON-CURRENT ASSETS</b>								
Other non-current financial assets	-	18,745,200	1,373,356	541,894	-	-	-	20,660,450
Other non-current non-financial assets	58,216	65,728,999	-	-	-	-	-	65,787,215
Trade and other non-current receivables	8,745,386	77,106,644	359,154,278	-	-	10,258	-	445,016,566
Non-current accounts receivable from related parties	-	-	48,358,915	-	-	-	-	48,358,915
Investments accounted for using the equity method	-	7,451,193	5,171,047	-	-	370,563	-	12,992,803
Intangible assets other than goodwill	-	115,140,459	49,736,710	-	-	237,352	-	165,114,521
Goodwill	-	887,257,655	28,447,714	-	-	-	-	915,705,369
Property, plant and equipment	1,045,376,735	3,102,444,105	871,743,874	-	-	13,931,758	-	5,033,496,472
Investment property	-	7,421,940	-	-	-	-	-	7,421,940
Right-of-use asset	19,262,028	27,760,561	1,634,255	6,845,348	-	-	-	55,502,192
Deferred tax assets	-	98,353,360	9,660,585	-	-	-	-	108,013,945
<b>TOTAL NON CURRENT ASSETS</b>	<b>1,073,442,365</b>	<b>4,407,410,116</b>	<b>1,375,280,734</b>	<b>7,387,242</b>	<b>-</b>	<b>14,549,931</b>	<b>-</b>	<b>6,878,070,388</b>
<b>TOTAL ASSETS</b>	<b>1,076,979,145</b>	<b>5,326,587,311</b>	<b>1,446,278,421</b>	<b>35,237,317</b>	<b>-</b>	<b>19,389,390</b>	<b>-</b>	<b>7,904,471,584</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)								
ASSETS	12-31-2019							
	UF	Chilean Peso	Dollar	Euro	Colombian Peso	Argentine Peso	Brazilian Real	Total
<b>CURRENT ASSETS</b>								
Cash and cash equivalents	-	209,818,277	18,115,385	654,319	-	7,096,519	-	235,684,500
Other current financial assets	707,749	280,529	322,317	-	-	-	-	1,310,595
Other current non-financial assets	-	34,098,847	535,716	-	-	-	-	34,634,563
Trade and other current receivables	-	500,407,168	10,964,072	84,090	-	-	-	511,455,330
Current accounts receivable from related parties	-	3,419,722	40,603,423	22,859,682	833,336	-	465,970	68,182,133
Inventories	53,034	34,959,079	4,212,534	447,603	-	-	-	39,672,250
Current tax assets	-	117,532,553	9,740,736	-	-	-	-	127,273,289
<b>TOTAL CURRENT ASSETS</b>	<b>760,783</b>	<b>900,516,175</b>	<b>84,494,183</b>	<b>24,045,694</b>	<b>833,336</b>	<b>7,096,519</b>	<b>465,970</b>	<b>1,018,212,660</b>
<b>NON-CURRENT ASSETS</b>								
Other non-current financial assets	-	7,220,618	2	-	-	-	-	7,220,620
Other non-current non-financial assets	56,950	37,993,234	-	-	-	-	-	38,050,184
Trade and other non-current receivables	-	146,276,706	167,297,679	-	-	-	-	313,574,385
Non-current accounts receivable from related parties	-	-	34,407,142	-	-	-	-	34,407,142
Investments accounted for using the equity method	-	7,928,588	-	-	-	-	-	7,928,588
Intangible assets other than goodwill	-	86,594,286	45,684,307	-	-	-	-	132,278,593
Goodwill	-	909,078,058	8,274,916	-	-	-	-	917,352,974
Property, plant and equipment	35,346,435	3,623,068,833	1,638,296,993	7,763,853	-	-	-	5,304,476,114
Investment property	-	6,795,155	-	-	-	-	-	6,795,155
Right-of-use asset	27,741,230	19,795,447	-	8,306,833	-	-	-	55,843,510
Deferred tax assets	-	6,530,201	15,318,038	-	-	-	-	21,848,239
<b>TOTAL NON CURRENT ASSETS</b>	<b>63,144,615</b>	<b>4,851,281,126</b>	<b>1,909,279,077</b>	<b>16,070,686</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,839,775,504</b>
<b>TOTAL ASSETS</b>	<b>63,905,398</b>	<b>5,751,797,301</b>	<b>1,993,773,260</b>	<b>40,116,380</b>	<b>833,336</b>	<b>7,096,519</b>	<b>465,970</b>	<b>7,857,988,164</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

LIABILITIES	12-31-2020						Total
	UF	Chilean Peso	Dollar	Euro	Colombian Peso	Argentine Peso	
<b>CURRENT LIABILITIES</b>							
Other current financial liabilities	33,601,292	4	123,897,845	-	-	-	157,499,141
Current lease liability	3,129,937	65,504	2,841,336	970,934	-	-	7,007,711
Trade and other current payables	16,207,046	363,193,954	242,153,349	6,133,452	-	270,221	627,958,022
Current accounts payable to related parties	-	3,105,229	21,185,153	105,759,004	4,576	-	130,053,962
Other current provisions	-	3,194,786	-	-	-	240,018	3,434,804
Current tax liabilities	-	69,682,409	2,677,535	-	-	-	72,359,944
Other current non-financial liabilities	-	43,065,405	542,959	3,532,025	-	26,192	47,166,581
<b>TOTAL CURRENT LIABILITIES</b>	<b>52,938,275</b>	<b>482,307,291</b>	<b>393,298,177</b>	<b>116,395,415</b>	<b>4,576</b>	<b>536,431</b>	<b>1,045,480,165</b>
<b>NON-CURRENT LIABILITIES</b>							
Other non-current financial liabilities	249,693,690	-	1,233,895,436	-	-	-	1,483,589,126
Non-current lease liability	28,337,700	56,084	9,461,026	7,002,997	-	-	44,857,807
Trade and other non-current payables	-	27,661	117,182,398	-	-	-	117,210,059
Non-current accounts payable to related entities	-	-	1,164,044,462	-	-	-	1,164,044,462
Other long-term provisions	-	192,728,322	17,513,349	-	-	-	210,241,671
Deferred tax liabilities	-	69,239,139	98,818,423	-	-	-	168,057,562
Non-current provisions for employee benefits	-	74,814,799	723,466	-	-	-	75,538,265
Other non-current non-financial liabilities	-	1,177,968	-	-	-	-	1,177,968
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>278,031,390</b>	<b>338,043,973</b>	<b>2,641,638,560</b>	<b>7,002,997</b>	<b>-</b>	<b>-</b>	<b>3,264,716,920</b>
<b>TOTAL LIABILITIES</b>	<b>330,969,665</b>	<b>820,351,264</b>	<b>3,034,936,737</b>	<b>123,398,412</b>	<b>4,576</b>	<b>536,431</b>	<b>4,310,197,085</b>

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

LIABILITIES	12-31-2019						Total
	UF	Chilean Peso	Dollar	Euro	Colombian Peso	Argentine Peso	
<b>CURRENT LIABILITIES</b>							
Other current financial liabilities	32,860,004	5	175,954,552	-	-	-	208,814,561
Current lease liability	2,357,438	20,000	2,836,524	628,053	-	-	5,842,015
Trade and other current payables	5,215,585	523,504,426	66,209,531	4,333,666	-	-	599,263,208
Current accounts payable to related parties	-	38,133,907	11,910,024	109,765,956	-	-	159,809,887
Other current provisions	-	4,065,965	-	-	-	-	4,065,965
Current tax liabilities	-	17,940,784	55,049	-	-	-	17,995,833
Other current non-financial liabilities	254,084	38,929,298	2,933,274	3,391,727	-	-	45,508,383
<b>TOTAL CURRENT LIABILITIES</b>	<b>40,687,111</b>	<b>622,594,385</b>	<b>259,898,954</b>	<b>118,119,402</b>	<b>-</b>	<b>-</b>	<b>1,041,299,852</b>
<b>NON-CURRENT LIABILITIES</b>							
Other non-current financial liabilities	274,035,059	-	1,418,569,186	-	-	-	1,692,604,245
Non-current lease liability	27,672,124	68,922	12,754,827	7,069,801	-	-	47,565,674
Trade and other non-current payables	-	27,661	56,222,424	-	-	-	56,250,085
Non-current accounts payable to related entities	-	-	486,839,483	297,534,001	-	-	784,373,484
Other long-term provisions	-	155,315,044	16,545,238	-	-	-	171,860,282
Deferred tax liabilities	-	161,017,178	88,267,463	-	-	-	249,284,641
Non-current provisions for employee benefits	-	65,531,375	632,115	-	-	-	66,163,490
Other non-current non-financial liabilities	-	1,302,759	-	-	-	-	1,302,759
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>301,707,183</b>	<b>383,262,939</b>	<b>2,079,830,736</b>	<b>304,603,802</b>	<b>-</b>	<b>-</b>	<b>3,069,404,660</b>
<b>TOTAL LIABILITIES</b>	<b>342,394,294</b>	<b>1,005,857,324</b>	<b>2,339,729,690</b>	<b>422,723,204</b>	<b>-</b>	<b>-</b>	<b>4,110,704,512</b>

## APPENDIX 2 Additional Information Circular No. 715 of February 3, 2012

This appendix forms an integral part of the consolidated financial statements of Enel Chile.

### a) Portfolio stratification

#### - By aging of trade and other accounts receivable:

(IN THOUSANDS OF CHILEAN PESOS – THCH\$)

Trade and other current receivables	12-31-2020										Total Current	Total Non- Current
	Up-to-date portfolio	1 - 30 days in arrears	31 - 60 days in arrears	61 - 90 days in arrears	91 - 120 days in arrears	121 - 150 days in arrears	151 - 180 days in arrears	181 - 210 days in arrears	211 - 250 days in arrears	More than 251 days in arrears		
Trade receivables, gross	377,746,656	36,385,017	12,407,192	6,537,514	6,900,741	7,546,970	7,056,042	3,869,232	3,539,702	69,190,250	531,179,316	377,160,616
Impairment provision	(5,564,122)	(291,820)	(999,683)	(1,089,744)	(2,061,977)	(2,685,492)	(3,242,896)	(2,392,141)	(2,225,233)	(29,184,188)	(49,737,296)	(113,332)
Accounts receivable for financial leasing	8,556,146	-	-	-	-	-	-	-	-	-	8,556,146	62,602,528
Impairment provision	(4,483,408)	-	-	-	-	-	-	-	-	-	(4,483,408)	-
Other receivables, gross	69,371,881	-	-	-	-	-	-	-	-	10,518,967	79,890,848	5,366,754
Impairment provision	-	-	-	-	-	-	-	-	-	(10,518,967)	(10,518,967)	-
<b>Total</b>	<b>445,627,153</b>	<b>36,093,197</b>	<b>11,407,509</b>	<b>5,447,770</b>	<b>4,838,764</b>	<b>4,861,478</b>	<b>3,813,146</b>	<b>1,477,091</b>	<b>1,314,469</b>	<b>40,006,062</b>	<b>554,886,639</b>	<b>445,016,566</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

12-31-2019

Trade and other current receivables	Up-to-date portfolio	1 - 30 days in arrears	31 - 60 days in arrears	61 - 90 days in arrears	91 - 120 days in arrears	121 - 150 days in arrears	151 - 180 days in arrears	181 - 210 days in arrears	211 - 250 days in arrears	More than 251 days in arrears	12-31-2019	
											Total Current	Total Non-Current
Trade receivables, gross	393,746,637	32,460,011	7,929,315	4,700,283	2,997,797	2,754,366	3,037,705	2,667,099	2,510,683	47,236,887	500,040,783	191,966,929
Impairment provision	(3,148,393)	(357,214)	(484,022)	(587,103)	(677,088)	(845,948)	(804,567)	(1,413,915)	(1,114,081)	(34,055,771)	(43,488,102)	-
Accounts receivable for financial leasing	13,158,795	-	-	-	-	-	-	-	-	-	13,158,795	117,873,340
Impairment provision	(2,036,917)	-	-	-	-	-	-	-	-	-	(2,036,917)	-
Other receivables, gross	43,836,461	-	-	-	-	-	-	-	-	9,883,938	53,720,399	3,734,116
Impairment provision	(55,690)	-	-	-	-	-	-	-	-	(9,883,938)	(9,939,628)	-
<b>Total</b>	<b>445,500,893</b>	<b>32,102,797</b>	<b>7,445,293</b>	<b>4,113,180</b>	<b>2,320,709</b>	<b>1,908,418</b>	<b>2,233,138</b>	<b>1,253,184</b>	<b>1,396,602</b>	<b>13,181,116</b>	<b>511,455,330</b>	<b>313,574,385</b>

## - By type of portfolio:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

	12-31-2020						12-31-2019					
	Non-renegotiated portfolio		Renegotiated portfolio		Total Gross Portfolio		Non-renegotiated portfolio		Renegotiated portfolio		Total Gross Portfolio	
	Number of customers	Gross amount	Number of customers	Gross amount	Number of customers	Gross amount	Number of customers	Gross amount	Number of customers	Gross amount	Number of customers	Gross amount
Up-to-date	1,466,900	523,805,724	52,534	231,101,548	1,519,434	754,907,272	1,340,828	469,633,677	36,952	116,079,889	1,377,780	585,713,566
1 to 30 days	395,186	34,812,023	20,715	1,572,994	415,901	36,385,017	433,225	30,871,310	21,280	1,588,701	454,505	32,460,011
31 to 60 days	80,032	9,839,311	6,815	2,567,881	86,847	12,407,192	106,521	7,630,607	8,018	298,708	114,539	7,929,315
61 to 90 days	33,889	6,030,130	3,116	507,384	37,005	6,537,514	17,349	4,363,345	2,080	336,938	19,429	4,700,283
91 to 120 days	20,530	6,763,017	2,021	1,377,24	22,551	6,900,741	11,084	2,852,961	1,661	144,836	12,745	2,997,797
121 to 150 days	14,558	6,398,089	1,478	1,148,881	16,036	7,546,970	5,819	2,510,766	1,256	243,600	7,075	2,754,366
151 to 180 days	14,025	5,653,084	1,393	1,402,958	15,418	7,056,042	3,962	2,863,659	544	174,046	4,506	3,037,705
181 to 210 days	9,955	3,625,873	1,311	243,359	11,266	3,869,232	3,647	2,571,731	377	95,368	4,024	2,667,099
211 to 250 days	8,864	3,314,300	1,526	225,402	10,390	3,539,702	2,677	2,421,028	342	89,655	3,019	2,510,683
More than 251 days	52,024	68,459,538	15,224	730,712	67,248	69,190,250	114,518	46,531,813	6,517	705,074	121,035	47,236,887
<b>Total</b>	<b>2,095,963</b>	<b>668,701,089</b>	<b>106,133</b>	<b>239,638,843</b>	<b>2,202,096</b>	<b>908,339,932</b>	<b>2,039,630</b>	<b>572,250,897</b>	<b>79,027</b>	<b>119,756,815</b>	<b>2,118,657</b>	<b>692,007,712</b>

## b) Portfolio in default and in legal collection process.

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Portfolio in Default and in Legal Collection Process	12-31-2020		12-31-2019	
	Number of customers	Amount	Number of customers	Amount
Notes receivable in default	1,878	256,927	1,888	258,073
Notes receivable in legal collection process (*)	1,140	5,600,040	1,287	6,313,513
<b>Total</b>	<b>3,018</b>	<b>5,856,967</b>	<b>3,175</b>	<b>6,571,586</b>

(\*) Legal collections are included in the portfolio in arrears.

## c) Provisions and write-offs

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Provisions and write-offs	12-31-2020	12-31-2019
Provision for non-renegotiated portfolio	12,467,992	4,403,135
Provision for renegotiated portfolio	2,699,715	5,643,865
<b>Total</b>	<b>15,167,707</b>	<b>10,047,000</b>

## d) Number and amount of operations.

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

	12-31-2020		12-31-2019	
	Total detail by type of transaction Last Quarter	Total detail by type of operation Year-to-date	Total detail by type of transaction Last Quarter	Total detail by type of operation Year-to-date
<b>Number and Amount of Transactions</b>				
<b>Allowance for impairment and recoveries:</b>				
Number of transactions	10,390	72,590	52,870	88,750
Amount of the transactions	7,768,107	15,167,707	2,451,690	10,047,000

# APPENDIX 2.1 Supplementary information on trade receivables

This appendix forms an integral part of the consolidated financial statements of Enel Chile.

## a) Portfolio stratification

### - By aging of trade receivables:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Trade receivables	12-31-2020					
	Up-to-date portfolio	1 - 30 days in arrears	31 - 60 days in arrears	61 - 90 days in arrears	91 - 120 days in arrears	121 - 150 days in arrears
<b>Trade receivables, Generation and Transmission</b>	<b>207,362,673</b>	<b>17,592,321</b>	<b>1,880,972</b>	<b>373,611</b>	<b>457,537</b>	<b>494,444</b>
- Large Clients	204,354,697	17,521,848	1,876,016	368,006	135,284	485,164
- Institutional Clients	-	-	-	-	-	-
- Other	3,007,976	70,473	4,956	5,605	322,253	9,280
Allowance for impairment	(123,260)	(989)	(1,163)	(1,002)	(56,036)	(633)
Unbilled services	174,934,439	-	-	-	55,670	-
Billed services	32,428,234	17,592,321	1,880,972	373,611	401,867	494,444
<b>Trade receivables, Distribution</b>	<b>170,383,983</b>	<b>18,792,696</b>	<b>10,526,220</b>	<b>6,163,903</b>	<b>6,443,204</b>	<b>7,052,526</b>
- Mass-market Clients	102,010,816	10,395,375	5,325,182	4,551,187	3,889,157	4,248,311
- Large Clients	63,058,780	6,720,252	1,907,638	817,788	1,875,941	1,031,268
- Institutional Clients	5,314,387	1,677,069	3,293,400	794,928	678,106	1,772,947
Allowance for impairment	(5,440,862)	(290,831)	(998,520)	(1,088,742)	(2,005,941)	(2,684,859)
Unbilled services	126,861,713	-	-	-	-	-
Billed services	43,522,270	18,792,696	10,526,220	6,163,903	6,443,204	7,052,526
<b>Total trade receivables, gross</b>	<b>377,746,656</b>	<b>36,385,017</b>	<b>12,407,192</b>	<b>6,537,514</b>	<b>6,900,741</b>	<b>7,546,970</b>
<b>Total Allowance for impairment</b>	<b>(5,564,122)</b>	<b>(291,820)</b>	<b>(999,683)</b>	<b>(1,089,744)</b>	<b>(2,061,977)</b>	<b>(2,685,492)</b>
<b>Total trade receivables, net</b>	<b>372,182,534</b>	<b>36,093,197</b>	<b>11,407,509</b>	<b>5,447,770</b>	<b>4,838,764</b>	<b>4,861,478</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

Trade receivables	12-31-2019					
	Up-to-date portfolio	1 - 30 days in arrears	31 - 60 days in arrears	61 - 90 days in arrears	91 - 120 days in arrears	121 - 150 days in arrears
<b>Trade receivables, Generation and Transmission</b>	<b>199,019,252</b>	<b>2,888,824</b>	<b>224,770</b>	<b>705,885</b>	<b>404,757</b>	<b>116,371</b>
- Large Clients	193,125,348	2,763,610	43,392	551,201	290,439	13,672
- Institutional Clients	-	-	-	-	-	-
- Other	5,893,904	125,214	181,378	154,684	114,318	102,699
Allowance for impairment	(10,907)	(260)	(200)	(142)	(103)	(93)
Unbilled services	142,968,302	-	-	-	-	-
Billed services	56,050,950	2,888,824	224,770	705,885	404,757	116,371
<b>Trade receivables, Distribution</b>	<b>194,727,385</b>	<b>29,571,187</b>	<b>7,704,545</b>	<b>3,994,398</b>	<b>2,593,040</b>	<b>2,637,995</b>
- Mass-market Clients	144,845,823	21,084,861	5,054,606	1,889,878	1,672,041	1,384,133
- Large Clients	44,406,790	6,202,698	1,154,539	421,771	95,168	271,785
- Institutional Clients	5,474,772	2,283,628	1,495,400	1,682,749	825,831	982,077
Allowance for impairment	(3,137,486)	(356,954)	(483,822)	(586,961)	(676,985)	(845,855)
Unbilled services	141,740,569	-	-	-	-	-
Billed services	52,986,816	29,571,187	7,704,545	3,994,398	2,593,040	2,637,995
<b>Total trade receivables, gross</b>	<b>393,746,637</b>	<b>32,460,011</b>	<b>7,929,315</b>	<b>4,700,283</b>	<b>2,997,797</b>	<b>2,754,366</b>
<b>Total Allowance for impairment</b>	<b>(3,148,393)</b>	<b>(357,214)</b>	<b>(484,022)</b>	<b>(587,103)</b>	<b>(677,088)</b>	<b>(845,948)</b>
<b>Total trade receivables, net</b>	<b>390,598,244</b>	<b>32,102,797</b>	<b>7,445,293</b>	<b>4,113,180</b>	<b>2,320,709</b>	<b>1,908,418</b>

12-31-2020							
151 - 180 days in arrears	181 - 210 days in arrears	211 - 250 days in arrears	More than 251 days in arrears	More than 365 days in arrears	Total Current	Total Non-Current	
<b>356,603</b>	<b>377,744</b>	<b>533,493</b>	<b>1,925,441</b>	<b>9,037,377</b>	<b>240,392,216</b>	<b>164,089,704</b>	
199,958	243,828	270,705	853,335	8,634,892	234,943,733	164,089,704	
-	-	-	-	-	-	-	
156,645	133,916	262,788	1,072,106	402,485	5,448,483	-	
(722)	(4,160)	(3,946)	(406,781)	(3,192,642)	(3,791,334)	(113,332)	
-	-	-	-	-	174,990,109	164,089,704	
356,603	377,744	533,493	1,925,441	9,037,377	65,402,107	-	
<b>6,699,439</b>	<b>3,491,488</b>	<b>3,006,209</b>	<b>12,804,907</b>	<b>45,422,525</b>	<b>290,787,100</b>	<b>213,070,912</b>	
4,049,459	2,189,259	2,730,394	8,211,749	31,036,019	178,636,908	209,112,768	
358,060	(17,541)	(16,790)	469,117	6,492,927	82,697,440	807,561	
2,291,920	1,319,770	292,605	4,124,041	7,893,579	29,452,752	3,150,583	
(3,242,174)	(2,387,981)	(2,221,287)	(8,803,398)	(16,781,367)	(45,945,962)	-	
-	-	-	-	-	126,861,713	206,186,925	
6,699,439	3,491,488	3,006,209	12,804,907	45,422,525	163,925,387	6,883,986	
<b>7,056,042</b>	<b>3,869,232</b>	<b>3,539,702</b>	<b>14,730,348</b>	<b>54,459,902</b>	<b>531,179,316</b>	<b>377,160,616</b>	
<b>(3,242,896)</b>	<b>(2,392,141)</b>	<b>(2,225,233)</b>	<b>(9,210,179)</b>	<b>(19,974,009)</b>	<b>(49,737,296)</b>	<b>(113,332)</b>	
<b>3,813,146</b>	<b>1,477,091</b>	<b>1,314,469</b>	<b>5,520,169</b>	<b>34,485,893</b>	<b>481,442,020</b>	<b>377,047,284</b>	
12-31-2019							
151 - 180 days in arrears	181 - 210 days in arrears	211 - 250 days in arrears	More than 251 days in arrears	More than 365 days in arrears	Total Current	Total Non-Current	
<b>787,421</b>	<b>187,920</b>	<b>592,987</b>	<b>1,354,217</b>	<b>6,240,193</b>	<b>212,522,597</b>	<b>86,403,772</b>	
574,794	78,802	487,520	846,079	4,944,351	203,719,208	86,403,772	
-	-	-	-	-	-	-	
212,627	109,118	105,467	508,138	1,295,842	8,803,389	-	
(258)	(154)	(98)	(577)	(2,901,975)	(2,914,767)	-	
-	-	-	-	-	142,968,302	86,403,772	
787,421	187,920	592,987	1,354,217	6,240,193	69,554,295	-	
<b>2,250,284</b>	<b>2,479,179</b>	<b>1,917,696</b>	<b>3,635,526</b>	<b>36,006,951</b>	<b>287,518,186</b>	<b>105,563,157</b>	
1,257,238	922,539	789,642	2,097,222	24,433,032	205,431,015	103,267,572	
448,510	209,272	206,091	775,558	5,784,217	59,976,399	7,086	
544,536	1,347,368	921,963	762,746	5,789,702	22,110,772	2,288,499	
(804,309)	(1,413,761)	(1,113,983)	(2,476,763)	(28,676,455)	(40,573,334)	-	
-	-	-	-	-	141,740,569	100,458,746	
2,250,284	2,479,179	1,917,696	3,635,526	36,006,951	145,777,617	5,104,411	
<b>3,037,705</b>	<b>2,667,099</b>	<b>2,510,683</b>	<b>4,989,743</b>	<b>42,247,144</b>	<b>500,040,783</b>	<b>191,966,929</b>	
<b>(804,567)</b>	<b>(1,413,915)</b>	<b>(1,114,081)</b>	<b>(2,477,340)</b>	<b>(31,578,430)</b>	<b>(43,488,101)</b>	<b>-</b>	
<b>2,233,138</b>	<b>1,253,184</b>	<b>1,396,602</b>	<b>2,512,403</b>	<b>10,668,714</b>	<b>456,552,682</b>	<b>191,966,929</b>	

Since not all of our commercial databases in our Group's different consolidated entities distinguish whether the final electricity service consumer is an individual or legal entity, the main management segmentation used by all consolidated entities to monitor and follow up on trade receivables is the following:

- Mass-market Customers
- Large Customers
- Institutional Customers

## - By type of portfolio:

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

	12-31-2020					
Type of Portfolio	Up-to-date portfolio	1 - 30 days in arrears	31 - 60 days in arrears	61 - 90 days in arrears	91 - 120 days in arrears	121 - 150 days in arrears
<b>GENERATION AND TRANSMISSION</b>						
<b>Non-renegotiated portfolio</b>	<b>207,362,673</b>	<b>17,592,321</b>	<b>1,880,972</b>	<b>373,611</b>	<b>457,537</b>	<b>494,444</b>
- Large Clients	204,354,697	17,521,848	1,876,016	368,006	135,284	485,164
- Institutional Clients	-	-	-	-	-	-
- Other	3,007,976	70,473	4,956	5,605	322,253	9,280
<b>Renegotiated portfolio</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
- Large Clients	-	-	-	-	-	-
- Institutional Clients	-	-	-	-	-	-
- Other	-	-	-	-	-	-
<b>DISTRIBUTION</b>						
<b>Non-renegotiated portfolio</b>	<b>151,965,997</b>	<b>17,219,702</b>	<b>7,958,339</b>	<b>5,656,519</b>	<b>6,305,480</b>	<b>5,903,645</b>
- Mass-market Clients	87,768,761	9,237,781	4,772,065	4,091,907	3,771,913	3,897,093
- Large Clients	61,579,935	6,530,802	1,801,692	772,761	1,855,461	1,031,268
- Institutional Clients	2,617,301	1,451,119	1,384,582	791,851	678,106	975,284
<b>Renegotiated portfolio</b>	<b>18,417,986</b>	<b>1,572,994</b>	<b>2,567,881</b>	<b>507,384</b>	<b>137,724</b>	<b>1,148,881</b>
- Mass-market Clients	14,242,055	1,157,595	553,116	459,280	117,244	351,218
- Large Clients	1,478,845	189,449	105,946	45,027	20,480	-
- Institutional Clients	2,697,086	225,950	1,908,819	3,077	-	797,663
<b>Total gross portfolio</b>	<b>377,746,656</b>	<b>36,385,017</b>	<b>12,407,192</b>	<b>6,537,514</b>	<b>6,900,741</b>	<b>7,546,970</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)

	12-31-2019					
Type of Portfolio	Up-to-date portfolio	1 - 30 days in arrears	31 - 60 days in arrears	61 - 90 days in arrears	91 - 120 days in arrears	121 - 150 days in arrears
<b>GENERATION AND TRANSMISSION</b>						
<b>Non-renegotiated portfolio</b>	<b>199,019,252</b>	<b>2,888,824</b>	<b>224,770</b>	<b>705,885</b>	<b>404,757</b>	<b>116,371</b>
- Large Clients	193,125,348	2,763,610	43,392	551,201	290,439	13,672
- Institutional Clients	-	-	-	-	-	-
- Other	5,893,904	125,214	181,378	154,684	114,318	102,699
<b>Renegotiated portfolio</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
- Large Clients	-	-	-	-	-	-
- Institutional Clients	-	-	-	-	-	-
- Other	-	-	-	-	-	-
<b>DISTRIBUTION</b>						
<b>Non-renegotiated portfolio</b>	<b>184,125,135</b>	<b>27,982,486</b>	<b>7,405,837</b>	<b>3,657,460</b>	<b>2,448,204</b>	<b>2,394,395</b>
- Mass-market Clients	136,847,474	20,324,155	4,780,197	1,556,017	1,527,205	1,162,547
- Large Clients	44,252,680	6,148,385	1,130,250	421,771	95,168	271,785
- Institutional Clients	3,024,981	1,509,946	1,495,390	1,679,672	825,831	960,063
<b>Renegotiated portfolio</b>	<b>10,602,250</b>	<b>1,588,701</b>	<b>298,708</b>	<b>336,938</b>	<b>144,836</b>	<b>243,600</b>
- Mass-market Clients	7,998,348	760,707	274,411	333,861	144,836	221,586
- Large Clients	154,110	54,312	24,288	-	-	-
- Institutional Clients	2,449,792	773,682	9	3,077	-	22,014
<b>Total gross portfolio</b>	<b>393,746,637</b>	<b>32,460,011</b>	<b>7,929,315</b>	<b>4,700,283</b>	<b>2,997,797</b>	<b>2,754,366</b>

12-31-2020

151 - 180 days in arrears	181 - 210 days in arrears	211 - 250 days in arrears	More than 251 days in arrears	Total gross portfolio	Total non- current gross portfolio
<b>356,603</b>	<b>377,744</b>	<b>533,493</b>	<b>10,596,272</b>	<b>240,025,670</b>	<b>164,089,704</b>
199,958	243,828	270,705	9,488,227	234,943,733	164,089,704
-	-	-	-	-	-
156,645	133,916	262,788	1,108,045	5,081,937	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>5,296,481</b>	<b>3,248,129</b>	<b>2,780,807</b>	<b>57,863,266</b>	<b>264,198,365</b>	<b>387,350</b>
3,590,787	1,945,914	2,524,013	38,886,067	160,486,301	163,843
358,060	(17,541)	(35,811)	6,962,044	80,838,671	223,507
1,347,634	1,319,756	292,605	12,015,155	22,873,393	-
<b>1,402,958</b>	<b>243,359</b>	<b>225,402</b>	<b>730,712</b>	<b>26,955,281</b>	<b>212,683,562</b>
458,673	243,345	206,381	728,248	18,517,155	208,948,925
-	-	19,021	-	1,858,768	584,054
944,285	14	-	2,464	6,579,358	3,150,583
<b>7,056,042</b>	<b>3,869,232</b>	<b>3,539,702</b>	<b>69,190,250</b>	<b>531,179,316</b>	<b>377,160,616</b>

151 - 180 days in arrears	181 - 210 days in arrears	211 - 250 days in arrears	More than 251 days in arrears	Total gross portfolio	Total non- current gross portfolio
<b>787,421</b>	<b>187,920</b>	<b>592,987</b>	<b>7,594,410</b>	<b>212,522,597</b>	<b>86,403,772</b>
574,794	78,802	487,520	5,790,430	203,719,208	86,403,772
-	-	-	-	-	-
212,627	109,118	105,467	1,803,980	8,803,389	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>2,076,238</b>	<b>2,383,811</b>	<b>1,828,041</b>	<b>38,937,403</b>	<b>273,239,010</b>	<b>85,518</b>
1,083,203	827,171	699,987	26,043,745	194,851,701	85,518
448,510	209,272	206,091	4,961,884	58,145,796	-
544,525	1,347,368	921,963	7,931,774	20,241,513	-
<b>174,046</b>	<b>95,368</b>	<b>89,655</b>	<b>705,074</b>	<b>14,279,176</b>	<b>105,477,639</b>
174,035	95,368	89,655	486,509	10,579,316	103,182,054
-	-	-	46,775	279,485	7,086
11	-	-	171,790	3,420,375	2,288,499
<b>3,037,705</b>	<b>2,667,099</b>	<b>2,510,683</b>	<b>47,236,887</b>	<b>500,040,783</b>	<b>191,966,929</b>

## APPENDIX 2.2 Estimates of sales and purchases of energy, power and toll

This appendix forms an integral part of the consolidated financial statements of Enel Chile.

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)				
BALANCE	12-31-2020		12-31-2019	
	Energy and Power	Tolls	Energy and Power	Tolls
Current accounts receivable from related parties	-	-	-	-
Trade and other receivables, current	229,499,918	33,270,963	209,842,624	13,929,209
Trade and other receivables, non-current	396,509,053	-	192,961,043	-
<b>Total Asset Estimate</b>	<b>626,008,971</b>	<b>33,270,963</b>	<b>402,803,667</b>	<b>13,929,209</b>
Current accounts payable to related parties	-	-	-	-
Trade and other payables, current	68,569,674	13,216,339	71,189,226	20,059,576
Trade and other payables, non-current	121,315,888	-	53,941,373	-
<b>Total Liability Estimate</b>	<b>189,885,562</b>	<b>13,216,339</b>	<b>125,130,599</b>	<b>20,059,576</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)				
INCOME STATEMENT	12-31-2020		12-31-2019	
	Energy and Power	Tolls	Energy and Power	Tolls
Energy sales	422,457,671	33,270,962	310,301,370	13,929,209
Energy purchases	147,662,168	11,928,862	125,130,599	20,059,576

## APPENDIX 3 Detail of due dates of payments to suppliers

This appendix forms an integral part of the consolidated financial statements of Enel Chile.

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)								
Suppliers with current payments	12-31-2020				12-31-2019			
	Goods	Services	Others	Total	Goods	Services	Others	Total
Up to 30 days	133,063,016	89,574,397	166,733,893	389,371,306	101,666,302	148,397,518	121,111,092	371,174,912
Between 31 and 60 days	49,211,386	60,808,696	79,770	110,099,852	5,579,618	71,069,622	219,965	76,869,205
Between 61 and 90 days	78,114,700	343,314	187,027	78,645,041	9,045,950	1,118,102	11,177,955	21,342,007
Between 91 and 120 days	-	-	-	-	-	-	-	-
Between 121 and 365 days	-	-	-	-	48,102,870	-	-	48,102,870
More than 365 days	-	487	117,129,284	117,129,771	-	487	56,222,424	56,222,911
<b>Total</b>	<b>260,389,102</b>	<b>150,726,894</b>	<b>284,129,974</b>	<b>695,245,970</b>	<b>164,394,740</b>	<b>220,585,729</b>	<b>188,731,436</b>	<b>573,711,905</b>

(IN THOUSANDS OF CHILEAN PESOS - THCH\$)								
Suppliers Detail	12-31-2020				12-31-2019			
	Goods	Services	Others	Total	Goods	Services	Others	Total
Suppliers for energy purchase	-	22,475,111	226,238,177	248,713,288	-	63,364,701	168,730,485	232,095,186
Suppliers for the purchase of fuels and gas	-	36,735,748	-	36,735,748	-	55,179,023	-	55,179,023
Accounts payable for goods and services	202,897,547	91,516,035	-	294,413,582	81,807,039	102,042,005	-	183,849,044
Accounts payable for the purchase of assets	57,491,555	-	57,891,797	115,383,352	82,587,701	-	20,000,951	102,588,652
<b>Total</b>	<b>260,389,102</b>	<b>150,726,894</b>	<b>284,129,974</b>	<b>695,245,970</b>	<b>164,394,740</b>	<b>220,585,729</b>	<b>188,731,436</b>	<b>573,711,905</b>



**Enel Chile S.A.**

## **REPORT OF INSPECTORS OF ACCOUNTS**

To the Shareholders,

In accordance with the Corporations Law 18,046 and the mandate given by the Ordinary Shareholders Meeting of April 29, 2020, we have examined the Financial Statements of Enel Chile S.A. for the calendar year 2020.

Our work was concentrated on the verification on a selective basis of the matching of the figures in the Statement of Financial Position and the Statement of Comprehensive Income with the official books of the Company. For this, we compared the figures shown in the general ledger with the grouping and classification sheets and then saw that these amounts, representing the sum of accounts of the same heading, coincide with those included in the final statements. The revision produced no differences.

We therefore have no comment to make.

Firmado  
digitalmente por  
LUIS OSVALDO  
RIVERA VILLAGRAN

**Luis Osvaldo Rivera Villagrán**

**Inspector of Accounts**

**Rolf Ernst Heller Ihle**

**Inspector of Accounts**

Santiago, February 19<sup>th</sup>, 2021.

# FINANCIAL STATEMENTS ANALYSIS

ANNOUNCES CONSOLIDATED RESULTS

FOR THE PERIOD ENDED DECEMBER 31, 2020

(Amounts expressed in millions of Chilean Pesos)

## Executive summary

- On December 31, 2020, Enel Chile, through its subsidiary Enel Generación Chile, disconnected and stopped operations of unit 1 of the Bocamina power plant located in Coronel county, three years before the date the Company had originally committed to end the operation of this coal-fired unit. The disconnection of this Bocamina unit in addition to the closure of Tarapacá power plant on December 31, 2019, is a significant progress in the Company's decarbonization process.
- At year-end 2020, Enel Chile had a total 1.3 GW in generation projects under construction, which includes the new photovoltaic plant Sol de Lila that began construction in November 2020 (163 MW), Domeyko (204 MW), Azabache (61 MW), the expansion of Finis Terrae (126 MW) and Campos de Sol (382 MW), among others. These projects are part of the Company's renewable projects portfolio intended to add a total 2.4 GW installed capacity by 2023.
- Enel Chile continues to carry out its strategy to fight climate change. According to the Company's Strategic Plan presented in December 2020, the goal is to reach a 64% reduction in its direct CO<sub>2</sub> emissions by 2023 when compared to emissions of its electricity generation business in 2017. This means that Enel Chile is committed to have roughly 90% of its electricity generation to be carbon free.
- Net income attributable to the shareholders of Enel Chile S.A. reached a Ch\$ 50,860 million loss as of December 2020 compared to a Ch\$ 296,154 million profit of the previous year, mainly explained by the Ch\$ 439,411 million greater impairment loss related to the decarbonization process and a Ch\$ 121,118 million extraordinary income booked in March 2019 due to the early termination of the electricity supply contract signed by Enel Generación Chile with Anglo American Sur in 2016. During Q4 2020, net income attributable to Enel Chile S.A. reached Ch\$ 175,193 million, which represents a 94.8% increase when compared to Q4 2019, mainly due to lower operating costs and lower tax expenses.
- When excluding these extraordinary effects, net income attributable to the shareholders of Enel Chile S.A. increased 9.4% to Ch\$ 442,958 million when compared to the Ch\$ 404,914 million adjusted net income booked as of December 2019. When applying the same criterion to quarterly results, net income increased 99.8% from Ch\$ 91,482 million for Q4 2019 to Ch\$ 182,791 million for Q4 2020.
- Operating revenues reached Ch\$ 2,585,402 million, a 6.7% reduction when compared to December 2019, mainly due to the extraordinary income booked in March last year as mentioned above and the lower gas sales, both coming from the generation business. During Q4 2020, operating revenues declined 6.6% to Ch\$ 637,937 million primarily due to lower energy sales in the distribution business and lower gas sales in the generation business.
- Procurement and services costs reached Ch\$ 1,374,446 million as of December 2020, a 3.3% decrease when compared to December 2019 because of lower transportation costs and other variable procurement and services costs, both in the generation business. The trend was similar but more pronounced in Q4 2020 partially thanks to the snow melting season, when procurement and services costs dropped 22.2% to Ch\$ 283,128 million, mainly explained by lower electricity purchases in both electricity generation and distribution businesses, coupled with lower transportation costs and other variable procurement and services costs in the generation business.

- As a result of the factors previously mentioned, Enel Chile's EBITDA decreased 13.8% to Ch\$ 908,676 million as of December 2020. When excluding the extraordinary effects, EBITDA remained stable when compared to 2019. During Q4 2020, EBITDA increased 13.6% to Ch\$ 276,920 million. When excluding extraordinary effects, EBITDA increased 17.3% to Ch\$ 286,015 million when compared to Q4 2019.

## Business segment summary

### Generation

- Net electricity generation reached 19,331 GWh as of December 2020, 8.1% less than December 2019, while Q4 2020 electricity generation reached 5,306 GWh, 4.4% more than Q4 2019, mainly due to greater hydroelectric generation and due to higher combined cycle power plant dispatch during 2020.
- Physical energy sales amounted to 22,960 GWh as of December 2020, a 2.4% reduction when compared to 2019 mainly explained by lower physical sales to regulated customers (-1,874 GWh) partially offset by greater physical sales to free customers (+1,141 GWh) and to the spot market (+179 GWh). These variations in physical sales show the impact of the lockdowns declared in the Country's main cities up until September due to the Covid-19 pandemic in addition to the effect of customer migration. However, the performance during Q4 2020 improved, with physical energy sales increasing 7.7% to 5,986 GWh due to higher physical sales to free customers (+341 GWh) and to the spot market (+352 GWh).
- Operating revenues reached Ch\$ 1,577,422 million as of December 2020, an 8.6% reduction mainly explained by the extraordinary income booked in March 2019 due to the early termination of the contracts with Anglo American Sur and also lower gas sales, partially offset by higher energy sales as a result of the positive effect of the average energy price when expressed in Chilean pesos. Operating revenues amounted to Ch\$ 392,227 million during Q4 2020, a 4.6% reduction when compared to Q4 2019 mainly explained by lower gas sales.
- Procurement and services costs reached Ch\$ 616,852 million as of December 2020, a 9.0% decrease when compared to 2019 due to lower transportation costs and other variable procurement and services costs. During Q4 2020, the trend was similar but heightened by the snow melting season leading procurement and services costs to decrease 38.0% to Ch\$ 103,455 million mostly due to lower energy purchases, lower transportation costs and lower other variable procurement and services costs.
- As a result of the abovementioned, EBITDA of the generation business reached Ch\$ 789,221 million, 9.7% less than the figure for 2019. However, EBITDA for Q4 2020 increased 23.7% to Ch\$ 245,250 million.

Physical Data	Cumulative			Quarterly		
	Dec-20	Dec-19	% Change	Q4 2020	Q4 2019	% Change
Total Sales (GWh)	22,960	23,513	(2.4%)	5,986	5,561	7.7%
Total Generation (GWh)	19,331	21,041	(8.1%)	5,306	5,082	4.4%

### Distribution

- Physical sales reached 16,481 GWh as of December 2020, representing a 3.8% decrease when compared to the previous year, mainly explained by lower sales in the industrial and commercial customer segments, to a great extent, due to the lockdowns declared in various counties within Santiago. On the other hand, during Q4 2020, physical sales only decreased 1.7% when compared to Q4 2019 to 4,123 GWh as a consequence of the gradual reopening in October, November and early December.

- The total number of customers grew 1.8% to a total 2,008,018 as of year-end 2020, mainly residential and commercial customers. Energy losses increased from 5.0% to 5.2%.
- Operating revenues reached Ch\$ 1,382,068 million as of December 2020, 2.2% less than 2019, mainly due to lower energy sales. During Q4 2020, operating revenues decreased 8.7% to Ch\$ 329,624 million to a great extent due to a lower average sales price when expressed in Chilean pesos.
- Procurement and services costs remained stable at Ch\$ 1,116,324 million as of December 2020. During Q4 2020, these costs decreased 7.7% to Ch\$ 261,863 million as a consequence of lower energy purchase costs related to lower physical purchases and a lower average purchase price when expressed in Chilean pesos.
- Consequently, EBITDA of the distribution business decreased 21.2% to Ch\$ 158,472 million when compared to December 2019. During Q4 2020, EBITDA decreased 29.3% when compared to the same period of 2019 to Ch\$ 40,429 million.

Physical Data	Cumulative			Quarterly		
	Dec-20	Dec-19	% Change	Q4 2020	Q4 2019	% Change
Total Sales (GWh)	16,481	17,135	(3.8%)	4,123	4,193	(1.7%)
Number of Customers	2,008,018	1,972,216	1.8%	2,008,018	1,972,216	1.8%

## Financial summary- Enel Chile

Gross debt of the company increased US\$ 408 million to US\$ 3,993 million as of December 2020 when compared to December 2019. This variation is mainly explained by two bank loans with Enel Finance International (EFI) signed in January 2020 and March 2020 for US\$ 200 million and US\$ 400 million respectively in addition to US\$ 1 million increase in leasing liabilities (IFRS 16). This was partially offset by the US\$ 150 million amortization of an EGP Chile bank loan, a US\$ 12 million amortization of Enel Generación Chile local bonds H and M, and a US\$ 31 million reduction in hedges of the Enel Generación Chile H and M bonds.

Liquidity available to Enel Chile is composed of the following:

- > Cash and cash equivalents : US\$ 467 million.
- > Undisbursed committed credit lines (\*) : US\$ 488 million.

(\*) includes two committed credit line with related parties for US\$ 50 million and US\$ 290 million of Enel Chile's with EFI that are completely undisbursed.

The average cost of Enel Chile's debt declined to 4.6% in December 2020 from 5.2% in December 2019.

### Hedging and protection:

To mitigate the risks associated with exchange rate and interest rate variations, Enel Chile has established policies and procedures to protect its financial statements against the volatility of these variables.

Enel Chile's exchange rate hedging policy states that there should be a balance between the currencies of each company's operations and the currency of its debt. Therefore, we have cross currency swap and forward contracts that amount to US\$ 843 million and US\$ 229 million, respectively.

To reduce financial statement volatility caused by interest rate variations, the Enel Chile Group maintains an adequate debt structure balance. Therefore, the Company has interest rate swaps for US\$ 550 million.

# Information relevant to the analysis of these Financial Statements

## Regulatory Changes:

- > As part of the Social Agenda announced by the government, the Ministry of Energy published Law 21,185 (hereafter the "Tariff Stabilization Law") in the Official Gazette on November 2, 2019. This Law creates a Temporary Regulated Customer Tariff Stabilization Mechanism that states that the price to charge regulated customers for electricity from July 1, 2019 through December 31, 2019 is to be equal to the prices in force during the first semester of 2019 (Decree 20T/2018). This stabilized price was named the "Stabilized Regulated Customer Price" PEC (in its Spanish acronym). From January 1, 2021 until the stabilization mechanism is suspended, the prices will be those defined in the tariff setting processes carried out every six months as established in Article 158 of the Electricity Law, but not to exceed the PEC adjusted by inflation according to the Consumer Price Index as of January 1, 2021, using the same date as base (adjusted PEC). The billing differences until 2023 are to be recorded as an account receivable in favor of generation companies, limited to a maximum US\$ 1,350 million. The balance of these account receivables must be recovered by December 31, 2027.

On September 14, 2020, the National Energy Commission published Exempt Resolution 340 that modified the technical provisions regarding the implementation of the Tariff Stabilization Law. This Resolution clarified that the payment to each supplier "must be booked against the balance in a chronological manner, beginning with the most dated to the most recent pending balances", and not weighted based on the total balance pending payment as it had been interpreted by the Industry up to such date.

Additionally, this Resolution established that the payment of Balances is to be performed using the Observed Exchange Rate on the sixth working day following the day the balance Payment Chart is published by the Coordinator, which replaces the average value of the dollar during the billing month that had been in force up to then.

- > On December 21, 2019, the Ministry of Energy issued Law 21,194 ("Distribution Short Law") that reduces Distribution Companies' Rate of Return and improves the electricity distribution tariff setting process. This Law eliminates the methodology that involved weighing the results of the VAD (Distribution Added Value, in its Spanish acronym) study performed by the CNE and the VAD study performed by distribution companies with a ratio of 2:3 and 1:3, respectively, and replaces it by using only the CNE's study. The discount rate in the calculation of the annual investment cost was also modified. The previous 10% real annual pre-tax discount rate was replaced by a discount rate to be calculated by the CNE every four years that may not be less than an annual real 6% nor greater than 8% after tax. This new methodology is to be applied in the following tariff setting process that began on November 4, 2020. The after-tax economic rate of return of distribution companies must not be two percentage points higher or three percentage points lower than the rate determined by the CNE. The new tariff to be applied in the new tariff cycle will be defined over the course of 2021, retroactive to November 2020.

Additionally, in order to comply with the latest amendments issued by the Ministry of Economy, Development and Reconstruction to Electricity Law 4/2016 establishing that distribution companies are only to distribute electricity as their sole purpose, on January 1, 2021 Enel Transmission Chile S.A. was created from the division of Enel Distribución Chile S.A. receiving all assets and liabilities of the electricity transmission business segment.

# Markets in which Enel Chile S.A. operates

## Generation Segment

We carry out our generation business in Chile through our subsidiaries Enel Generación Chile, and Enel Green Power Chile ("EGP Chile"), which combined, have a total 7,200 MW gross installed capacity as of December 31, 2020. Generation assets are diversified, with a focus on renewable energies, which represent 66% of Enel Chile's installed capacity. Thus, 3,561 MW correspond to hydroelectric generation units, 2,454 MW to thermal power plants that operate with gas, oil or coal, 642 MW to wind generation units, 496 MW to solar plants and 48 MW to geothermal capacity.

The following chart summarizes the accumulated and quarterly physical information of our generation business segment as of December 31, 2020 and 2019:

Markets in which participates	Energy Sales (GWh)						Market share (%)	
	Cumulative			Quarterly			Dec-20	Dec-19
	Dec-20	Dec-19	% Change	Q4 2020	Q4 2019	% Change		
Sistema Eléctrico Nacional (SEN)	22,960	23,513	(2.4%)	5,986	5,561	7.7%	32.0%	32.8%

## Distribution Segment

The distribution business is carried out by our subsidiary Enel Distribución Chile S.A., one of the largest electricity distribution companies in Chile in terms of the number of regulated customers, distribution assets, and electricity sales. It operates in a 2,105 square kilometer concession area. The Chilean Government granted the concession agreement to transmit and distribute electricity to 33 counties of the Metropolitan Region, including the concession areas of our subsidiaries Eléctrica de Colina Ltda. and Empresa de Transmisión Chena S.A., for an unlimited period of time. Its service area, from the Chilean tariff regulation perspective, is considered primarily a densely populated area, which makes it the largest electricity distribution company in Chile.

The following chart summarizes the physical information of our distribution business segment for the period ended December 31, 2020 and 2019:

Physical Information	Energy Sales (GWh) (*)						Energy Losses (%)	
	Cumulative			Quarterly			Dec-20	Dec-19
	Dec-20	Dec-19	% Change	Q4 2020	Q4 2019	% Change		
Distribution Business (*)	16,481	17,135	(3.8%)	4,123	4,193	(1.7%)	5.24%	4.99%

(\*) Final sales to the customers and tolls are included.

Other Information	Dec-20	Dec-19	% Change
Number of Customers	2,008,018	1,972,216	1.8%
Customers/Employees	2,660	2,654	0.2%

The following chart shows the accumulated and quarterly electricity sales revenue per business segment and customer type as of December 31, 2020 and 2019:

Energy Sales Revenues (Figures in Million Ch\$)	Cumulative Figures					
	Total Businesses		Structure and Adjustments		Total	
	Dec-20	Dec-19	Dec-20	Dec-19	Dec-20	Dec-19
<b>Generation:</b>	<b>1,494,150</b>	<b>1,472,562</b>	<b>(382,642)</b>	<b>(382,541)</b>	<b>1,111,508</b>	<b>1,090,021</b>
Regulated customers	842,229	912,285	(362,061)	(372,268)	480,168	540,017
Non regulated customers	592,169	524,560	(20,581)	-	571,588	524,560
Spot market	59,752	35,717	-	(10,273)	59,752	25,444
Other Clients	-	-	-	-	-	-
<b>Distribution:</b>	<b>1,270,159</b>	<b>1,318,387</b>	<b>(932)</b>	<b>(2,505)</b>	<b>1,269,227</b>	<b>1,315,882</b>
Residential	608,714	552,124	(11)	-	608,703	552,124
Commercial	366,875	450,109	-	-	366,875	450,109
Industrial	168,931	181,596	-	-	168,931	181,596
Other	125,639	134,558	(921)	(2,505)	124,718	132,053
Less: Consolidation adjustments	(383,574)	(385,046)	-	-	-	-
<b>Total Energy sales</b>	<b>2,380,735</b>	<b>2,405,903</b>	<b>(383,574)</b>	<b>(385,046)</b>	<b>2,380,735</b>	<b>2,405,903</b>
<b>Million Chilean pesos variation in Ch\$ and %</b>	<b>(25,168)</b>	<b>(1.05%)</b>	<b>-</b>	<b>-</b>	<b>(25,168)</b>	<b>(1.05%)</b>

Energy Sales Revenues (Figures in Million Ch\$)	Quarterly Figures					
	Total Businesses		Structure and Adjustments		Total General	
	Q4 2020	Q4 2019	Q4 2020	Q4 2019	Q4 2020	Q4 2019
<b>Generation:</b>	<b>366,045</b>	<b>370,620</b>	<b>(87,570)</b>	<b>(94,442)</b>	<b>278,475</b>	<b>276,178</b>
Regulated customers	192,498	155,437	(84,550)	(90,024)	107,948	65,413
Non regulated customers	140,010	199,343	(3,020)	-	136,990	199,343
Spot market	33,537	15,840	-	(4,418)	33,537	11,422
Other Clients	-	-	-	-	-	-
<b>Distribution:</b>	<b>295,919</b>	<b>331,064</b>	<b>(12)</b>	<b>(278)</b>	<b>295,907</b>	<b>330,786</b>
Residential	134,589	138,992	(11)	-	134,578	138,992
Commercial	83,618	109,905	-	-	83,618	109,905
Industrial	44,337	49,395	-	-	44,337	49,395
Other	33,375	32,772	(1)	(278)	33,374	32,494
Less: Consolidation adjustments	(87,582)	(94,720)	-	-	-	-
<b>Total Energy sales</b>	<b>574,382</b>	<b>606,964</b>	<b>(87,582)</b>	<b>(94,720)</b>	<b>574,382</b>	<b>606,964</b>
<b>Million Chilean pesos variation in Ch\$ and %</b>	<b>(32,582)</b>	<b>(5.37%)</b>	<b>-</b>	<b>-</b>	<b>(32,582)</b>	<b>(5.37%)</b>

# I. Consolidated Financial Statement Analysis

## 1. Statement of comprehensive income analysis

Net income attributable to the shareholders of Enel Chile as of December 31, 2020, reached a Ch\$ 50,860 million loss compared to a Ch\$ 296,154 million profit during 2019, which represents a Ch\$ 347,014 million decrease. Regarding Q4 2020 results, net income attributable to the shareholders of Enel Chile increased to Ch\$ 175,193 million, equivalent to a Ch\$ 85,263 million growth when compared to Q4 2019.

The following chart compares the accumulated and quarterly figure of each item of the income statement as of December 31, 2020 and 2019:

CONSOLIDATED INCOME STATEMENT (Million Ch\$)	Cumulative Figures				Quarterly Figures			
	Dec-20	Dec-19	Change	% Change	Q4 2020	Q4 2019	Change	% Change
<b>REVENUES</b>	<b>2,585,402</b>	<b>2,770,834</b>	<b>(185,432)</b>	<b>(6.7%)</b>	<b>637,937</b>	<b>682,803</b>	<b>(44,866)</b>	<b>(6.6%)</b>
Sales	2,548,384	2,624,576	(76,192)	(2.9%)	623,819	672,998	(49,178)	(7.3%)
Other operating revenues	37,018	146,258	(109,240)	(74.7%)	14,117	9,805	4,312	44.0%
<b>PROCUREMENT AND SERVICES</b>	<b>(1,374,446)</b>	<b>(1,421,205)</b>	<b>46,760</b>	<b>(3.3%)</b>	<b>(283,128)</b>	<b>(363,709)</b>	<b>80,582</b>	<b>(22.2%)</b>
Energy purchases	(864,863)	(835,285)	(29,579)	3.5%	(188,316)	(244,046)	55,730	(22.8%)
Fuel consumption	(231,176)	(230,944)	(232)	0.1%	(37,485)	(29,341)	(8,145)	27.8%
Transportation expenses	(141,540)	(196,849)	55,309	(28.1%)	(25,406)	(45,056)	19,650	(43.6%)
Other variable procurement and service cost	(136,866)	(158,127)	21,261	(13.5%)	(31,920)	(45,267)	13,347	(29.5%)
<b>CONTRIBUTION MARGIN</b>	<b>1,210,957</b>	<b>1,349,629</b>	<b>(138,673)</b>	<b>(10.3%)</b>	<b>354,809</b>	<b>319,094</b>	<b>35,715</b>	<b>11.2%</b>
Other work performed by entity and capitalized	25,539	17,611	7,928	45.0%	10,298	6,400	3,898	60.9%
Employee benefits expense	(137,227)	(129,605)	(7,622)	5.9%	(35,779)	(31,643)	(4,135)	13.1%
Other fixed operating expenses	(190,593)	(184,143)	(6,450)	3.5%	(52,408)	(49,989)	(2,419)	4.8%
<b>GROSS OPERATING INCOME (EBITDA)</b>	<b>908,676</b>	<b>1,053,492</b>	<b>(144,816)</b>	<b>(13.8%)</b>	<b>276,920</b>	<b>243,861</b>	<b>33,058</b>	<b>13.6%</b>
Depreciation and amortization	(229,957)	(236,627)	6,670	(2.8%)	(54,240)	(62,748)	8,508	(13.6%)
Impairment loss (Reversal)	(697,806)	(280,763)	(417,044)	148.5%	(1,980)	(2,152)	172	(8.0%)
Impairment loss (Reversal) for applying IFRS 9	(15,168)	(10,047)	(5,121)	51.0%	4,161	(5,245)	9,406	(179.3%)
<b>OPERATING INCOME (EBIT)</b>	<b>(34,255)</b>	<b>526,055</b>	<b>(560,310)</b>	<b>(106.5%)</b>	<b>224,861</b>	<b>173,717</b>	<b>51,144</b>	<b>29.4%</b>
<b>NET FINANCIAL EXPENSE</b>	<b>(112,435)</b>	<b>(150,893)</b>	<b>38,458</b>	<b>(25.5%)</b>	<b>(23,396)</b>	<b>(42,922)</b>	<b>19,526</b>	<b>(45.5%)</b>
Financial income	36,160	27,399	8,761	32.0%	3,513	15,705	(12,192)	(77.6%)
Financial costs	(127,409)	(164,898)	37,489	(22.7%)	(13,261)	(55,093)	41,832	(75.9%)
Gain (Loss) for indexed assets and liabilities	2,086	(2,982)	5,068	(169.9%)	1,300	604	696	115.1%
Foreign currency exchange differences, net	(23,272)	(10,412)	(12,860)	123.5%	(14,948)	(4,139)	(10,810)	261.2%
<b>OTHER NON-OPERATING RESULTS</b>	<b>12,998</b>	<b>2,159</b>	<b>10,839</b>	<b>N/A</b>	<b>10,510</b>	<b>(273)</b>	<b>10,783</b>	<b>N/A</b>
Net Income from other investments	105	263	(158)	(60.1%)	10	0	10	N/A
Net Income from Sale of Assets	9,384	1,531	7,853	N/A	9,384	-	9,384	N/A
Share of profit (loss) of associates accounted for using the equity method	3,509	366	3,143	N/A	1,115	(273)	1,388	N/A
<b>NET INCOME BEFORE TAXES</b>	<b>(133,692)</b>	<b>377,321</b>	<b>(511,013)</b>	<b>(135.4%)</b>	<b>211,974</b>	<b>130,521</b>	<b>81,453</b>	<b>62.4%</b>
Income Tax	81,305	(61,228)	142,533	(232.8%)	(24,657)	(34,083)	9,426	(27.7%)
<b>NET INCOME</b>	<b>(52,387)</b>	<b>316,093</b>	<b>(368,480)</b>	<b>(35.2%)</b>	<b>187,317</b>	<b>96,438</b>	<b>90,879</b>	<b>(35.2%)</b>
<b>Shareholders of the parent company</b>	<b>(50,860)</b>	<b>296,154</b>	<b>(347,014)</b>	<b>(117.2%)</b>	<b>175,193</b>	<b>89,931</b>	<b>85,263</b>	<b>94.8%</b>
Non-controlling interest	(1,527)	19,940	(21,466)	(107.7%)	12,124	6,508	5,616	86.3%
<b>Earning per share (Ch\$ /share)*</b>	<b>(0.74)</b>	<b>4.28</b>	<b>(5.02)</b>	<b>(117.2%)</b>	<b>2.53</b>	<b>1.30</b>	<b>1.23</b>	<b>94.8%</b>

(\*) As of December 31, 2020 and December 31, 2019 the average number of paid and subscribed shares was 69,166,557,220.

## EBITDA

The consolidated EBITDA of Enel Chile amounted to Ch\$ 908,676 million as of December 31, 2020, which represents a 13.8% reduction when compared to Ch\$ 1,053,492 million booked the same period of the previous year. This reduction is primarily explained by lower operating revenues from the generation business primarily related to the extraordinary income recorded in March 2019 due to the early termination of 3 energy supply contracts with Anglo American Sur and lower gas sales.

Consolidated EBITDA for Q4 2020 amounted to Ch\$ 276,920 million, which represents a Ch\$ 33,058 million increase when compared to Q4 2019 primarily explained by lower operating costs in the generation business.

Accumulated and quarterly operating revenues, operating costs, personnel, and other expenses that determine our EBITDA, broken down by business segment for the periods ended December 31, 2020 and 2019, are presented below:

EBITDA, BY BUSINESS SEGMENT (Figures in Million Ch\$)	Cumulative Figures				Quarterly Figures			
	Dec-20	Dec-19	Change	% Change	Q4 2020	Q4 2019	Change	% Change
Generation business revenues	1,577,422	1,726,612	(149,189)	(8.6%)	392,227	411,073	(18,846)	(4.6%)
Distribution business revenues	1,382,068	1,412,872	(30,804)	(2.2%)	329,624	361,188	(31,564)	(8.7%)
Less: consolidation adjustments and other activities	(374,088)	(368,649)	(5,439)	1.5%	(83,915)	(89,459)	5,544	(6.2%)
<b>Total Consolidated Revenues</b>	<b>2,585,402</b>	<b>2,770,834</b>	<b>(185,432)</b>	<b>(6.7%)</b>	<b>637,937</b>	<b>682,803</b>	<b>(44,866)</b>	<b>(6.6%)</b>
Generation business costs	(616,852)	(678,188)	61,335	(9.0%)	(103,455)	(166,815)	63,360	(38.0%)
Distribution business costs	(1,116,324)	(1,114,936)	(1,388)	0.1%	(261,863)	(283,756)	21,893	(7.7%)
Less: consolidation adjustments and other activities	358,731	371,919	(13,187)	(3.6%)	82,190	86,862	(4,672)	(5.4%)
<b>Total Consolidated Procurement and Services Costs</b>	<b>(1,374,446)</b>	<b>(1,421,205)</b>	<b>46,760</b>	<b>(3.3%)</b>	<b>(283,128)</b>	<b>(363,709)</b>	<b>80,582</b>	<b>(22.2%)</b>
Personnel Expenses	(49,983)	(53,984)	4,001	(7.4%)	(8,966)	(11,103)	2,137	(19.3%)
Other expenses by nature	(121,366)	(120,523)	(843)	0.7%	(34,557)	(34,921)	364	(1.0%)
<b>Total Generation business</b>	<b>(171,349)</b>	<b>(174,507)</b>	<b>3,158</b>	<b>(1.8%)</b>	<b>(43,523)</b>	<b>(46,024)</b>	<b>2,501</b>	<b>(5.4%)</b>
Personnel Expenses	(27,691)	(26,105)	(1,587)	6.1%	(7,733)	(6,028)	(1,705)	28.3%
Other expenses by nature	(79,581)	(70,678)	(8,902)	12.6%	(19,599)	(14,201)	(5,398)	38.0%
<b>Total Distribution business</b>	<b>(107,272)</b>	<b>(96,783)</b>	<b>(10,489)</b>	<b>10.8%</b>	<b>(27,332)</b>	<b>(20,229)</b>	<b>(7,103)</b>	<b>35.1%</b>
Less: consolidation adjustments and other activities	(23,660)	(24,847)	1,188	(4.8%)	(7,035)	(8,980)	1,945	(21.7%)
<b>EBITDA, by business segment</b>								
<b>Generation business EBITDA</b>	<b>789,221</b>	<b>873,917</b>	<b>(84,696)</b>	<b>(9.7%)</b>	<b>245,250</b>	<b>198,235</b>	<b>47,015</b>	<b>23.7%</b>
<b>Distribution business EBITDA</b>	<b>158,472</b>	<b>201,152</b>	<b>(42,681)</b>	<b>(21.2%)</b>	<b>40,429</b>	<b>57,203</b>	<b>(16,774)</b>	<b>(29.3%)</b>
Less: consolidation adjustments and other activities	(39,017)	(21,578)	(17,439)	80.8%	(8,759)	(11,576)	2,817	(24.3%)
<b>TOTAL ENEL CHILE CONSOLIDATED EBITDA</b>	<b>908,676</b>	<b>1,053,492</b>	<b>(144,816)</b>	<b>(13.8%)</b>	<b>276,920</b>	<b>243,861</b>	<b>33,058</b>	<b>13.6%</b>

## Generation Business EBITDA

EBITDA of our generation business reached **Ch\$ 789,221 million** as of December 31, 2020, which represents a Ch\$ 84,696 million, or 9.7%, reduction when compared to 2019. EBITDA of this business segment during Q4 2020 climbed 23.7% when compared to the same quarter of last year. The main variables that explain this result are described below:

- **Operating revenues amounted to Ch\$ 1,577,422 million** as of December 31, 2020, which represents a Ch\$ 149,189 million, or 8.6% reduction when compared to the same period of the previous year, mainly due to the following:
  - A Ch\$ 111,606 million reduction in **other operating revenues**, mainly due to Ch\$ 121,118 million extraordinary income recorded in 2019 due to the early termination of 3 energy supply contracts with Anglo American Sur, which was partially offset by higher revenues from temporary facility rentals amounting to Ch\$ 7,714 million.
  - A Ch\$ 59,045 million reduction in **other sales**, mainly due to lower gas sales.

The above was partially offset by:

- Higher **energy sales** amounting for Ch\$ 21,638 million, mainly explained by: (i) a positive effect of a higher average sales price when expressed in Chilean pesos due to the depreciation of the local currency-US dollar exchange rate during the period amounting to Ch\$ 53,194 million; (ii) a Ch\$ 23,130 million increase in revenues from ancillary services related to service quality and safety; and (iii) a Ch\$ 10,717 million increase in revenue from commodity hedges. These effects were partially offset by a 554 GWh reduction in physical sales amounting to Ch\$ 65,403 million (-1,874 GWh to regulated customers partially offset by +1,141 GWh in physical sales to free customers and +179 GWh to the spot market), significantly related to the lockdowns declared in the country's main cities due the COVID-19 pandemic, and also the effect of customer migration.

Regarding **Q4 2020**, operating revenues amounted to **Ch\$ 392,227 million**, which represents a Ch\$ 18,846 million reduction, or 4.6%, when compared to the same quarter of 2019. This variation is mainly explained by: (i) a Ch\$ 16,603 million reduction in **other sales** related to gas sales; and (ii) lower energy sales for Ch\$ 4,297 million due to the negative price effect when expressed in Chilean pesos for Ch\$ 48,319 million, offset by higher physical sales for Ch\$ 33,348 million (equivalent to +426 GWh) and a Ch\$ 10,771 million increase in ancillary services sales. These effects were offset by a Ch\$ 1,605 million increase in **other services**.

- **Operating costs reached Ch\$ 616,852 million as of December 31, 2020**, a 9.0% reduction equivalent to Ch\$ 61,335 million, when compared to 2019 due to the following:
  - A Ch\$ 55,359 million decrease in **transportation costs** mainly explained by: (i) a Ch\$ 62,607 million reduction in tolls primarily due to a Ch\$ 41,814 million reduction in the electricity transmission charge ("CET" in its Spanish acronym) that is a component of the toll for feeding electricity into the national transmission system, and a lower cost of the zonal transmission system's AAT (Spanish acronym for harmonization adjustment tariff) amounting to Ch\$ 18,086 million, and (ii) lower gas transportation costs for Ch\$ 6,390 million primarily due to lower amount of gas purchased from Argentina. These effects were partially offset by a Ch\$ 13,699 million increase in regasification costs.
  - **Other procurement and services costs** decreased Ch\$ 23,215 million, mainly due to: (i) lower gas commercialization costs for Ch\$ 40,666 million, and (ii) lower thermal emission taxes for Ch\$ 1,377 million. This was partially offset by: (i) a higher cost of commodity hedging transactions amounting to Ch\$ 13,541 million, and (ii) a higher cost related to temporary facility rentals for Ch\$ 5,572 million.

The above was partially offset by:

- Higher **energy purchases** for Ch\$ 17,006 million mainly explained by higher physical purchases in the spot market (+1,425 GWh) due to lower hydroelectric generation (-866 GWh) because of the country's hydrological conditions and also lower thermal dispatch (-780 GWh) primarily related to lower coal fired electricity generation.
- **Fuel consumption** costs increased Ch\$ 232 million mainly due to: (i) a higher cost of commodity hedging amounting to Ch\$ 23,746 million; (ii) a Ch\$ 21,246 million impairment loss on coal inventories and Ch\$ 329 million on diesel oil inventories booked in Q2 2020 due to the discontinued operations of Bocamina II; (iii) higher gas consumption costs for Ch\$ 8,012 million related to greater gas-fired electricity generation despite the lower price of gas purchases; and (iv) a Ch\$ 2,445 million increase in fuel oil consumption costs. These effects were partly offset by a Ch\$ 55,546 million reduction in coal consumption costs related to lower coal fired thermal generation and a lower purchase price of coal during the period.

During **Q4 2020**, operating costs decreased Ch\$ 63,360 million to **Ch\$ 103,455 million**, representing a 38.0% fall when compared to the same quarter of 2019. This variation is mainly due to: (i) a Ch\$ 42,255 million decrease in **energy purchases** as a consequence of a lower average purchase price; (ii) lower **transportation costs** for Ch\$ 18,324 million, mainly lower tolls; and (iii) a reduction in **other procurement and services costs** for Ch\$ 10,926 million mainly related to lower gas sales costs. The aforementioned was partially offset by a Ch\$ 8,145 million increase in **fuel consumption costs**, mainly the Ch\$ 3,873 million increase in gas consumption costs, higher commodity hedging costs for Ch\$ 8,083 million, the Ch\$ 5,304 million impairment loss on coal inventories and Ch\$ 118 million on diesel oil inventories due to the discontinued operations of Bocamina II, and a Ch\$ 727 million increase in fuel oil consumption costs compensated by lower coal consumption costs for Ch\$ 10,064 million.

- **Personnel Expenses (after capitalized personnel costs) reached Ch\$ 49,983 million** as of December 31, 2020, a Ch\$ 4,001 million reduction when compared to 2019, mainly due to a Ch\$ 6,694 million increase in the capitalization of employee costs primarily related to EGP Chile Group's renewable projects that began in 2020. This variation was partially offset by: (i) a Ch\$ 2,022 million increase in salaries as a consequence of a higher number of employees, and (ii) a Ch\$ 741 million increase in bonuses and other benefits.

In **Q4 2020**, personnel expenses (after capitalized personnel costs) reached **Ch\$ 8,966 million**, representing a Ch\$ 2,137 million reduction when compared to the same period of 2019, mainly due: (i) a Ch\$ 4,094 million increase in the capitalization of employee costs primarily related to EGP Chile Group's renewable projects, and (ii) a Ch\$ 2,300 million decrease in bonuses and other benefits. The aforementioned was partially offset by a Ch\$ 3,673 million increase in restructuring costs related to the decarbonization process.

- **Other Expenses as of December 31, 2020, amounted to Ch\$ 121,366 million**, a slight Ch\$ 843 million increase when compared to last year, mainly due to: (i) a Ch\$ 7,110 million increase in technical support and administrative costs; (ii) a Ch\$ 1,289 million increase in professional services costs; and (iii) a Ch\$ 423 million increase in the cost of insurance premiums. The aforementioned was partially compensated by: a (i) Ch\$ 4,104 million reduction in outsourced services; and (ii) a Ch\$ 3,764 million reduction in maintenance and repair service expenses.

Other Expenses during **Q4 2020** amounted to **Ch\$ 34,557 million**, similar to the Ch\$ 34,921 million booked the same quarter of last year.

### **Distribution Segment EBITDA:**

**EBITDA** of our Distribution Business Segment reached **Ch\$ 158,472 million** for year ended December 31, 2020, which represents a Ch\$ 42,681 million, or 21.2%, reduction when compared to last year. EBITDA for Q4 2020 declined 29.3% when compared to the same quarter of 2019. The main variables that explain this outcome are described below:

- **Operating revenues for the twelve-month period ended December 31, 2020 amounted to Ch\$ 1,382,068 million, a Ch\$ 30,804 million decrease** when compared to 2019. This 2.2% reduction is mainly due to the following:
  - A Ch\$ 48,227 million decrease in energy sales primarily as the result of lower physical energy sales (-654 GWh) equivalent to Ch\$ 50,307 million mainly in the commercial and industrial customer segments, particularly during Q2 and Q3 2020 because of the lockdowns in various counties within Santiago as a consequence of the COVID-19 pandemic. This was partially offset by a higher average sales price as a consequence of the Ch\$ 2,080 million greater exchange rate effect.
  - Other sales declined Ch\$ 2,764 million mainly due to: (i) lower income from non-recurring sale of Retail materials to Enel X Chile S.A. recorded in 2019 for Ch\$ 2,062 million; and (ii) lower non-regulated business services revenue, such as the relocation of customer connections and networks for Ch\$ 702 million.

The above was partially offset by:

- Higher other services revenue amounting to Ch\$ 18,829 million, mainly due to: (i) higher tolls in the zonal transmission segment for Ch\$ 11,423 million; and (ii) a Ch\$ 7,405 million increase in revenue from the construction of customer connections.
- Other operating revenues increased Ch\$ 1,359 million mainly explained by revenue from insurance claims.

Operating revenues for **Q4 2020** amounted to **Ch\$ 329,624 million**, a Ch\$ 31,564 million decrease, equivalent to 8.7%, when compared to the same quarter of 2019 mainly due to a Ch\$ 35,144 million reduction in revenues from **energy sales** that responds to the Ch\$ 29,652 million impact of the lower average sales price when expressed in Chilean pesos and Ch\$ 5,492 million impact as the result of lower physical energy sales (-70 GWh), due to the effect of the lockdowns in various counties within Santiago as a consequence of the COVID-19 pandemic, although with a significant improvement compared to Q2 and Q3 2020. This was partially offset by higher **other services** revenue for Ch\$ 3,240 million, primarily due to higher toll revenues in the zonal transmission segment amounting to Ch\$ 5,241 million, offset by lower revenue related to the construction of customer connections for Ch\$ 2,001 million.

- **Operating costs as of December 31, 2020 reached Ch\$ 1,116,324 million**, a slight Ch\$ 1,388 million increase, or 0.1%, due to:
  - Higher **energy purchases** for Ch\$ 3,932 million mainly explained by a higher average energy purchase price for Ch\$ 48,205 million, partially offset by lower physical purchases during the period (-759 GWh) amounting to Ch\$ 44,273 million.
  - A Ch\$ 969 million increase in **transportation costs** due to greater zonal transmission toll payments to electricity distribution and transmission companies.

These effects were partially offset by:

- Lower **other procurement and services costs for Ch\$ 3,512 million**, explained by lower income from non-recurring sale of Retail materials to Enel X Chile S.A. recorded in 2019 for Ch\$ 2,062 million, and lower other costs mainly related to emergency plans amounting to Ch\$ 1,450 million.

Operating costs for **Q4 2020** amounted to **Ch\$ 261,863 million**, a Ch\$ 21,893 million reduction when compared to Q4 2019. This variation is mainly due to lower **energy purchases** amounting to Ch\$ 21,302 million primarily as a result of a lower average purchase price explaining Ch\$ 10,753 million, in addition to lower physical energy purchases (-177 GWh) during the period for Ch\$ 10,549 million.

- **Personnel Expenses (after capitalized personnel costs) reached Ch\$ 27,691 million** for the period ended December 31, 2020, a Ch\$ 1,587 million increase when compared to year 2019 due to: (i) a Ch\$ 2,323 million increase in staffing costs in connection with the technical distribution standard; and (ii) a Ch\$ 1,109 million increase related to employee using less of their vacation time. The aforementioned was partially offset by: (i) greater personnel costs capitalization related to investment projects for Ch\$ 1,082 million; and (ii) lower expenses due to retirement plans performed in 2019 for Ch\$ 505 million.

Personnel expenses for **Q4 2020** increased **Ch\$ 1,705 million** when compared to Q4 2019, due to: (i) a Ch\$ 766 million increase in expenses related to the higher number of employees; (ii) a Ch\$ 509 million increase related to employees using less of their vacation time; and (iii) lower personnel cost capitalization related to investment projects for Ch\$ 253 million.

- **Other expenses for the year ended December 31, 2020 increased to Ch\$ 79,581 million**, a Ch\$ 8,902 million increase when compared to 2019, mainly due to: (i) higher technical support and administrative services costs for Ch\$ 4,536 million; and (ii) higher operations and maintenance costs for Ch\$ 4,366 million related to customer service (call center and meter reading), and maintenance and repairs.

Other expenses for **Q4 2020** increased Ch\$ 5,398 million due to: (i) higher technical support and administrative services costs for Ch\$ 2,637 million; and (ii) higher operations and maintenance costs for Ch\$ 2,761 million related to customer service (call center and meter reading), and maintenance and repairs.

## Depreciation, Amortization and Impairment

The following table summarizes the accumulated and quarterly figures of Enel Chile Group **EBITDA, depreciation, amortization and impairment expenses** and **EBIT** broken down by segment as of December 31, 2020 and 2019.

BUSINESS SEGMENT	Cumulative Figures (Figures in million Ch\$)					
	Dec-20			Dec-19		
	EBITDA	Depreciation, Amortization and Impairments	EBIT	EBITDA	Depreciation, Amortization and Impairments	EBIT
Generation business	789,221	(885,237)	(96,017)	873,917	(477,982)	395,935
Distribution business	158,472	(58,583)	99,889	201,152	(48,859)	152,293
Less: consolidation adjustments and other activities	(39,017)	889	(38,128)	(21,578)	(596)	(22,174)
<b>TOTAL ENEL CHILE CONSOLIDATED</b>	<b>908,676</b>	<b>(942,931)</b>	<b>(34,255)</b>	<b>1,053,492</b>	<b>(527,437)</b>	<b>526,055</b>

BUSINESS SEGMENT	Quarterly Figures (Figures in million Ch\$)					
	Q4 2020			Q4 2019		
	EBITDA	Depreciation, Amortization and Impairments	EBIT	EBITDA	Depreciation, Amortization and Impairments	EBIT
Generation business	245,250	(46,872)	198,377	198,235	(54,558)	143,676
Distribution business	40,429	(6,589)	33,840	57,203	(15,645)	41,558
Less: consolidation adjustments and other activities	(8,759)	1,402	(7,357)	(11,576)	59	(11,517)
<b>TOTAL ENEL CHILE CONSOLIDATED</b>	<b>276,920</b>	<b>(52,059)</b>	<b>224,861</b>	<b>243,861</b>	<b>(70,145)</b>	<b>173,717</b>

**Depreciation, amortization and impairment costs** amounted to **Ch\$ 942,931 million**, for the year ended December 31, 2020, a Ch\$ 415,494 million increase when compared to the previous year. This variation is mainly explained by:

- > A Ch\$ 407,256 million higher expense in the generation business segment due to: (i) a Ch\$ 417,836 million greater expense in the Enel Generación Chile Group due to the Ch\$ 697,856 million impairment loss related to the coal power plant Bocamina II booked in 2020 compared to the Ch\$ 197,188 million impairment loss for the Tarapacá coal power plant and Ch\$ 82,832 million impairment loss of Bocamina I coal power plant, both booked in 2019, all within the framework of the Group's decarbonization plan.

This effect is partially offset by Ch\$ 11,144 million lower depreciation and amortization, mainly a lower expense in Enel Generación Chile for Ch\$ 21,488 million primarily related to the lower depreciation of the coal fired power plants impaired in 2019 and 2020 for a total Ch\$ 20,744 million, compensated by greater depreciation of EGP Chile Group for Ch\$ 10,344 million mainly due to exchange rate effects.

- > A Ch\$ 9,724 million greater expense in the distribution business mainly due to: (i) a Ch\$ 4,845 million higher impairment loss of trade accounts receivables related to higher commercial debt primarily caused by the COVID-19 pandemic; (ii) higher intangible amortization related to software for Ch\$ 2,576 million; and (iii) a Ch\$ 1,874 million increase in fixed asset depreciation for increasing the amount of assets becoming operational.

During **Q4 2020**, depreciation, amortization, and impairment expenses amounted to **Ch\$ 52,059 million**, a Ch\$ 18,085 million decrease when compared to the same quarter of 2019 due to: (i) a Ch\$ 8,733 million reduction in impairment losses of trade accounts receivables in the distribution business as a consequence of receiving more payments from customers reducing their debt and increasing the level of payment arrangements with customers due to the various initiatives implemented by the Company during the last quarter of 2020; and (ii) a Ch\$ 8,508 million reduction depreciation and amortization mainly explained by the lower depreciation of Bocamina II power plant due to the Ch\$ 8,646 million impairment booked as of June 2020.

## Non-Operating Income

The following chart presents Enel Chile's accumulated and quarterly consolidated non-operating income as of December 31, 2020, and 2019:

NON OPERATING INCOME (Figures in million Ch\$)	Cumulative Figures				Quarterly Figures			
	Dec-20	Dec-19	Change	% Change	Q4 2020	Q4 2019	Change	% Change
Financial income	36,160	27,399	8,761	32.0%	3,513	15,705	(12,192)	(77.6%)
Financial costs	(127,409)	(164,898)	37,489	(22.7%)	(13,261)	(55,093)	41,832	(75.9%)
Gain (Loss) for indexed assets and liabilities	(23,272)	(10,412)	(12,860)	123.5%	(14,948)	(4,139)	(10,810)	261.2%
Foreign currency exchange differences, net	2,086	(2,982)	5,068	(169.9%)	1,300	604	696	115.1%
<b>NET FINANCIAL EXPENSE ENEL CHILE</b>	<b>(112,435)</b>	<b>(150,893)</b>	<b>38,458</b>	<b>(25.5%)</b>	<b>(23,396)</b>	<b>(42,922)</b>	<b>19,526</b>	<b>(45.5%)</b>
Net Income from other investments	105	263	(158)	(60.1%)	10	-	10	N/A
Net Income from Sale of Assets	9,384	1,531	7,853	N/A	9,384	-	9,384	N/A
Share of profit (loss) of associates accounted for using the equity method	3,509	366	3,143	N/A	1,115	(273)	1,388	N/A
<b>OTHER NON-OPERATING RESULTS</b>	<b>12,998</b>	<b>2,159</b>	<b>10,839</b>	<b>N/A</b>	<b>10,510</b>	<b>(273)</b>	<b>10,783</b>	<b>N/A</b>
<b>NET INCOME BEFORE TAXES</b>	<b>(133,692)</b>	<b>377,321</b>	<b>(511,013)</b>	<b>(135.4%)</b>	<b>211,974</b>	<b>130,521</b>	<b>81,453</b>	<b>62.4%</b>
Income Tax	81,305	(61,228)	142,533	(232.8%)	(24,657)	(34,083)	9,426	(27.7%)
<b>NET INCOME OF THE PERIOD</b>	<b>(52,387)</b>	<b>316,093</b>	<b>(368,480)</b>	<b>(116.6%)</b>	<b>187,317</b>	<b>96,438</b>	<b>90,879</b>	<b>94.2%</b>
<b>Attributable to Shareholders of the parent company</b>	<b>(50,860)</b>	<b>296,154</b>	<b>(347,014)</b>	<b>(117.2%)</b>	<b>175,193</b>	<b>89,931</b>	<b>85,263</b>	<b>94.8%</b>
Attributable to Non-controlling interest	(1,527)	19,940	(21,466)	(107.7%)	12,124	6,508	5,616	86.3%

## Net Financial Income

The consolidated net financial income of Enel Chile, as of December 31, 2020, amounted to a **Ch\$ 112,435 million** loss, which represents a Ch\$ 38,458 million improvement when compared to the Ch\$ 150,893 million loss booked for 2019. Regarding Q4 2020, net financial income improved 45.5% when compared to the same quarter of 2019 reaching a Ch\$ 23,396 million loss. These results are primarily explained by the following:

**Financial income increased Ch\$ 8,761 million** mainly explained by a higher income related to the Tariff Stabilization Law amounting to Ch\$ 10,103 million, of which Ch\$ 9,769 million represents the impact of changes to the technical provisions established to implement such Law determined by the National Energy Commission through CNE Resolution 340 issued in September 2020, which was partially offset by less income on short term fixed income investments amounting to Ch\$ 1,650 million.

During the **Q4 2020**, financial income **decreased Ch\$ 12,192 million** when compared to the same quarter of 2019 mainly due to: (i) lower income related to the Tariff Stabilization Law amounting to Ch\$ 6,452 million mainly explained by the higher interest booked during Q4 2019 when the Resolution was implemented; and (ii) by less income on short term fixed income investments and other financial income amounting to Ch\$ 6,078 million.

**Financial expenses decreased Ch\$ 37,489 million** mainly due to: (i) less expenses related to the Tariff Stabilization Law amounting to Ch\$ 14,544 million mainly explained by the higher amount of expenses booked during Q4 2019 when the Resolution was implemented; and (ii) a Ch\$ 23,788 million increase in capitalized interest primarily related to the development of non-conventional renewable energy projects and a greater continuity in the development of the Los Cóndores project, despite COVID-19; and (iii) a Ch\$ 7,337 million reduction in interest on bank loans primarily due to the amortization of Enel Chile debt amounting to Ch\$ 213,759 million and EGP Chile debt for US\$ 250 million (Ch\$ 187,393 million approx.). The aforementioned was partially offset by a Ch\$ 7,663 million increase in interests on derivative contracts.

During **Q4 2020**, financial expenses decreased **Ch\$ 41,832 million** when compared to the same quarter of 2019 mainly due to: (i) less expenses related to the Tariff Stabilization Law amounting to Ch\$ 19,140 million mainly explained by the higher amount of expenses booked during Q4 2019 when the Resolution was implemented; (ii) a Ch\$ 22,565 million increase in capitalized interest primarily related to the development of non-conventional renewable energy projects and a greater continuity in the development of the Los Cóndores project; and (iii) lower interest on bonds amounting to Ch\$ 3,192 million related to exchange rate and indexation effects. These effects were partially offset by Ch\$ 2,763 million higher interest expenses with related parties related to loans with EFI.

**Income related to indexation increased Ch\$ 5,068 million**, primarily due to Ch\$ 3,186 million lower indexation losses related to IAS 29 "Financial Reporting in Hyperinflationary Economies" on the branch of our subsidiary Enel Generación Chile located in Argentina and higher income on financial instruments and derivatives for Ch\$ 1,882 million.

During **Q4 2020**, the result related to indexation reached a **Ch\$ 696 million higher income** when compared to the same quarter of 2019, primarily due to a lower loss from indexation caused by hyperinflation for Ch\$ 935 million partially offset by less income from indexation on financial instruments and derivatives for Ch\$ 240 million.

**The loss from exchange rate differences increased Ch\$ 12,860 million**, mainly due to greater negative exchange rate difference on: (i) trade account receivables for Ch\$ 26,316 million including the Ch\$ 36,495 million negative effect related to the Tariff Stabilization Law that set the US dollar as the currency for the accounts receivables of pending billings to regulated customers; (ii) trade account payables for Ch\$ 3,410 million including the Ch\$ 11,235 million positive effect related to the Tariff Stabilization Law; and (iii) financial debt and derivatives for Ch\$ 2,118 million. The aforementioned was partially offset by the positive exchange rate difference effect on: (i) cash and cash equivalents for Ch\$ 11,047 million; and (ii) other financial assets and liabilities for Ch\$ 7,937 million.

During **Q4 2020**, the **loss from exchange rate differences increased Ch\$ 10,810 million**, when compared to the same quarter of 2019 primarily due to a greater negative exchange rate difference effect on: (i) trade accounts receivables for Ch\$ 43,772

million including the Ch\$ 43,183 million negative effect related to the Tariff Stabilization Law. The aforementioned was partially offset by the positive exchange rate differences effect on; (i) trade accounts payables for Ch\$ 14,527 million that include the Ch\$ 9,554 million positive effect related to the Tariff Stabilization Law; (ii) cash and cash equivalents for Ch\$ 8,551 million; (iii) financial debt and derivative instruments for Ch\$ 4,397 million; and other assets and liabilities for Ch\$ 5,487 million.

## Other non-operating results

**Net income from Sale of Assets increased by Ch\$ 7,853 million** when compared to 2019, mainly explained by the sale of the Quintero-San Luis transmission line for Ch\$ 9,384 million in December 2020, which is compared to net income from the sale of a gas turbine rotor to the related company Enel Generación Costanera for Ch\$ 1,341 million booked in 2019.

Regarding **Q4 2020**, net income from Sale of Assets increased by **Ch\$ 9,384 million** when compared to the same quarter of 2019, explained by the sale of the Quintero-San Luis transmission line in December 2020.

## Corporate Taxes:

**Corporate income tax represented a Ch\$ 81,305 million profit as of December 31, 2020**, a Ch\$ 142,533 million higher income when compared to the previous year, primarily explained by: (i) a Ch\$ 112,816 million income increase due to the higher impairment loss booked in 2020 as a consequence of the Group's decarbonization plan; (ii) a Ch\$ 33,700 million greater tax profit related to Enel Generación Chile fixed asset goodwill booked in 2020 resulting from the merger of Gas Atacama Chile in 2019; (iii) a Ch\$ 32,702 million expense reduction due to the extraordinary income in 2019 generated by the early termination of the 3 energy supply contracts with Anglo American Sur. The above was partially offset by higher income tax in 2019 resulting from the goodwill booked due to the merger of Gas Atacama Chile and Gasoducto Atacama Argentina for Ch\$ 29,269 million.

Regarding **Q4 2020**, Corporate income tax reached a **Ch\$ 24,657 million** expense, which represents a Ch\$ 9,426 million expense reduction when compared to Q4 2019 primarily due to the Ch\$ 33,700 million greater tax profit related to fixed asset goodwill booked in 2020 resulting from the merger of Gas Atacama Chile partially offset by the Ch\$ 23,390 greater tax expense mostly related to the Company's better results.

## 2. Análisis del Estado de Situación Financiera

ASSETS (Figures in million Ch\$)	Dec-20	Dec-19	Change	% Change
Current Assets	1,026,401	1,018,212	8,189	0.8%
Non Current Assets	6,878,071	6,839,776	38,295	0.6%
<b>Total Assets</b>	<b>7,904,472</b>	<b>7,857,988</b>	<b>46,484</b>	<b>0.6%</b>

**The Company's Total Assets** as of December 31, 2020, **increased Ch\$ 46,484 million**, a slight 0.6% increase when compared to total assets as of December 31, 2019.

**Current Assets increased Ch\$ 8,189 million** as of December 31, 2020. The variations in the main categories are presented below:

- **Cash and cash equivalents increased Ch\$ 96,352 million**, mainly explained by the following cash inflows: (i) customer collections net of payments to suppliers for Ch\$ 1,026,734 million that includes the Ch\$ 44,598 million cash inflow related to the assignment of collection rights for sales made in certain customer segments of the distribution business; (ii) loans from related companies for Ch\$ 484,520 million; and (iii) cash inflows from asset rentals and sales net of such rental asset purchase or construction payments for Ch\$ 45,946 million. These cash inflows were partially offset by the following cash outflows: (i) purchase of property, plant and equipment for Ch\$ 514,807 million; (ii) dividend payments for Ch\$ 312,715 million; (iii) financial leasing and loan payments for Ch\$ 155,819 million; (iv) employee-related payments for Ch\$ 140,378 million; (v) interest payments on loans for Ch\$ 139,251 million; (vi) purchase of intangible assets for

Ch\$ 39,507 million; (vii) net cashflow related to insurance policies for Ch\$ 18,268 million; and (viii) other cash outflows for Ch\$ 140,103 million, mainly related to the payment of VAT and other taxes.

- **Other non-financial current assets decreased Ch\$ 14,833 million**, mainly due to lower value added tax credits for Ch\$ 10,922 million, primarily in Enel X Chile, and a Ch\$ 2,339 million reduction in prepaid expenses.
- **Current trade accounts receivables and other accounts receivables increased Ch\$ 43,431 million**, mainly explained by: (i) greater trade accounts receivables for Ch\$ 29,301 million; (ii) advance payments to suppliers and other creditors for Ch\$ 13,464 million; and (iii) insurance claim receivables related to Tarapacá and Bocamina I power plants for Ch\$ 5,360 million. These effects were partially offset by a reduction in financial leasing receivables for Ch\$ 7,901 million mainly due to the sale of the financial leasings of Enel X Chile electric buses to an associate company ENEL AMPCI Ebus Chile SpA.
- **Current related party accounts receivables decreased Ch\$ 10,206 million**, mainly due to: (i) lower GNL Chile S.A. accounts receivables for Ch\$ 10,341 million related to advance payments for gas purchases.
- **Inventory decreased Ch\$ 16,362 million**, mainly due to a Ch\$ 12,176 million reduction in coal inventory and lower spare parts and other supplies for Ch\$ 4,604 million, primarily due to the impairment booked in Q2 2020 related to the disconnection of the Bocamina II coal generation unit.
- **Current tax assets decreased Ch\$ 92,235 million**, mainly due to a reduction in tax credits related to retained earnings for Ch\$ 86,068 million and a reduction in monthly employee related payments for Ch\$ 4,001 million.

**Non-Current Assets increased Ch\$ 38,295 million** as of December 31, 2020 when compared to December 31, 2019. The variations in the main categories are presented below:

- **Other non-current financial assets increased Ch\$ 13,440 million** mainly explained by a Ch\$ 13,471 million increase in Enel Generación Chile hedging derivatives and other derivative instruments.
- **Other non-current non-financial assets increased Ch\$ 27,737 million** mainly explained by a Ch\$ 26,840 million increase in value added tax credits and other taxes.
- **Trade accounts receivables and other non-current accounts receivables increased Ch\$ 131,442 million** mainly explained by a Ch\$ 105,728 million and Ch\$ 77,704 million increase in trade accounts receivables of distribution and generation business segments, respectively, mainly due to pending tariff adjustments related to the Tariff Stabilization Law published in 2019. This was partly offset by the reduction of financial leasing accounts receivables for Ch\$ 55,271 million related to the sale of the financial leasings of Enel X Chile electric buses to an associate company ENEL AMPCI Ebus Chile SpA.
- **Non-current related party accounts receivables increased Ch\$ 13,952 million** mainly explained by greater accounts receivables related to advance payments for gas purchases to GNL Chile S.A.
- **Investments accounted for using the equity method increased by Ch\$ 32,836 million**, mainly due to: (i) the purchase of software for Ch\$ 32,123 million; and (ii) new concessions amounting to Ch\$ 23,221 million. The aforementioned were offset by: (i) amortization for 2020 amounting to Ch\$ 14,375 million; (ii) exchange rate differences for Ch\$ 4,741 million; (iii) intangible asset retirement for Ch\$ 1,616 million; and other write-offs for Ch\$ 1,776 million.
- **Property, plant, and equipment decreased Ch\$ 270,980 million**, mainly due to: (i) the impairment of the coal generation unit Bocamina II amounting to Ch\$ 697,856 million booked in 2020 within the context of the decarbonization plan carried out by the Group; (ii) depreciation for 2020 amounting to Ch\$ 211,528 million; (iii) exchange differences for Ch\$ 132,641 million; and (iv) other various reductions amounting to Ch\$ 11,878 million. These effects were partially offset by: (i) an increase in projects under construction for Ch\$ 745,193 million mainly in the generation business (~70%); and (ii) a Ch\$ 29,965 million increase in dismantling provisions primarily related to the Group's decarbonization plan.

- **Deferred tax assets increased Ch\$ 86,166 million** mainly due to the greater impairment losses booked in 2020 related to Bocamina II power plant.

<b>LIABILITIES AND EQUITY (Figures in million Ch\$)</b>	<b>Dec-20</b>	<b>Dec-19</b>	<b>Change</b>	<b>% Change</b>
Current Liabilities	1,045,480	1,041,300	4,180	0.4%
Non Current Liabilities	3,264,717	3,069,404	195,313	6.4%
Total Equity	3,594,275	3,747,284	(153,009)	(4.1%)
Attributable to the Shareholders of parent company	3,351,916	3,484,698	(132,782)	(3.8%)
Attributable to Non-controlling interest	242,359	262,586	(20,227)	(7.7%)
<b>Total Liabilities and Equity</b>	<b>7,904,472</b>	<b>7,857,988</b>	<b>46,484</b>	<b>0.6%</b>

**Total Liabilities** of the Company as of December 31, 2020, including Equity, increased **Ch\$ 46,484 million** when compared to total liabilities and equity as of December 31, 2019, mainly due to the following:

**Current liabilities** increased **Ch\$ 4,180 million**. The variations in the main categories are presented below:

- **Other current financial liabilities decreased Ch\$ 51,315 million** mainly due to a Ch\$ 44,830 million reduction in hedges and other derivatives and also Ch\$ 4,516 million less debt in the EGP Chile Group as a consequence of amortizations paid during 2020.
- **Current tax liabilities increased Ch\$ 54,364 million**, explained by an increase in income tax payable in the generation business amounting to Ch\$ 48,245 million and in Enel X Chile for Ch\$ 2,775 million.
- **Other current non financial liabilities increased Ch\$ 1,658 million** mainly explained by an increase in value added tax credits and other taxes for Ch\$ 8,500 million, compensated by a Ch\$ 6,795 million reduction in deferred income primarily responding to lower customer connection and network relocation services in the distribution business.

**Non-Current Liabilities** increased **Ch\$ 195,313 million** as of December 31, 2020, which is explained by the following:

- **Other non-current financial liabilities declined Ch\$ 209,015 million** mainly due to: (i) bank loan amortization for Ch\$ 118,638 million; (ii) bond payments for Ch\$ 32,240 million; and (iii) a lower exchange rate that reduced the balance of foreign currency debt by Ch\$ 56,448 million.
- **Other non-current accounts payable increase Ch\$ 60,960 million mainly** explained by a Ch\$ 58,954 million increase in energy purchases accounts payable in the distribution business.
- **Non-current related party trade accounts payable increased Ch\$ 379,671 million**, mainly explained by a Ch\$ 382,168 million increase in the balance of Enel Chile accounts payable to EFI related to the new loans obtained in January and March 2020 (US\$200 million and US\$ 400 million respectively) that amount to a total Ch\$ 484,520 million, partially offset by the impact of the exchange rate on the Group's total debt with EFI (US\$ 1,644 million) that amounted to Ch\$ 97,417 million.
- **Other non-current provisions increased Ch\$ 38,381 million**, mainly due to the Ch\$ 31,218 million increase in dismantling provisions primarily related to the scheduled withdrawal of Bocamina II coal fired power plant.
- **Deferred tax liabilities decreased Ch\$ 81,227 million**, which mainly responds to the effect on depreciation of the difference between the taxable fixed asset base and financial fixed asset base, primarily in the generation business.

**Total Equity** amounted to **Ch\$ 3,594,275 million** as of December 31, 2020.

**Equity attributable to the shareholders of Enel Chile** amounted to **Ch\$ 3,351,916 million**, and comprises the following: Issued capital for Ch\$ 3,882,103 million, Retained earnings for Ch\$ 1,747,438 million, and Other reserves for negative Ch\$ 2,277,625 million.

**Retained earnings decreased Ch\$ 260,666 million** in 2020 mainly due to the period's Ch\$ 50,860 million net loss and dividend payments for Ch\$ 203,729 million in addition to the actuarial results of post employment liability restatement for Ch\$ 6,076 million.

**Other reserves increased Ch\$ 127,884 million**, mainly explained by greater cash flow coverage reserves for Ch\$ 188,060 million and higher other various reserves for Ch\$ 2,011 million, partially offset by lower foreign currency translation reserves for Ch\$ 62,187 million.

**Equity attributable to non-controlling shareholdings amounted to Ch\$ 242,359 million**, which represents a Ch\$ 20,227 million reduction when compared to the balance on December 31, 2019 due to the Ch\$ 1,527 million loss of the period, Ch\$ 18,163 million in dividend payments, and lower other comprehensive income for Ch\$ 537 million.

## The performance of main financial ratios is the following:

RATIO	UNIT	Dec-20	Dec-19	Change	% Change	
Liquidity	Liquidity <sup>(1)</sup>	Times	0.98	0.98	0.00	0.2%
	Acid-test <sup>(2)</sup>	Times	0.96	0.94	0.02	1.7%
	Working capital	MMCh\$	(19,079)	(23,087)	4,008	(17.4%)
Leverage	Leverage <sup>(3)</sup>	Times	1.20	1.10	0.10	9.0%
	Short-term debt <sup>(4)</sup>	%	24.3%	25.3%	(1.0%)	(4.1%)
	Long-term debt <sup>(5)</sup>	%	75.7%	74.7%	1.0%	1.4%
	Financial expenses coverage <sup>(6)</sup>	Times	6.12	5.91	0.21	3.5%
Profitability	Op. income / Op. Revenues	%	(1.3%)	19.0%	(20.3%)	(107.0%)
	ROE <sup>(7)</sup>	%	(1.5%)	8.6%	(10.1%)	(117.3%)
	ROA <sup>(8)</sup>	%	(0.7%)	4.1%	(4.8%)	(116.2%)

(1) Current Assets / Current Liabilities

(2) Current Assets net of Inventories and prepayments

(3) Total Liabilities / Total Equity

(4) Current Liabilities / Total Liabilities

(5) Non Current Liabilities / Total Liabilities

(6) EBITDA/ Net Financial Costs

(7) Net income of the period attributable to the owners of the parent company for LTM / Average of equity attributable to the owners of the parent company at the beginning and at the end of the period

(8) Total Net Income of the period for LTM / Average of total assets at the beginning and at the end of the period

- > **The current ratio** as of December 31, 2020, reached 0.98 times, stable when compared to December 2019.
- > **Acid test or quick ratio**, as of December 31, 2020, was 0.96 times, which represents a slight 1.7% increase when compared to December 31, 2019.
- > **Working capital**, as of December 31, 2020, amounted to Ch\$ 19,079 million, which represents a Ch\$ 4,008 million positive variation when compared to December 31, 2019, due to the increase in trade accounts receivable and other current accounts receivable.
- > **The debt ratio** was 1.2 times, which means that the level of commitment of Enel Chile equity was 1.2 times for the year ended December 31, 2020 compared to 1.1 times as of December 31, 2019. This weaker ratio is mainly explained by the increase in accounts payable to related parties, mainly related to the new loans granted by EFI to Enel Chile (US\$600 million).
- > **The financial expense coverage ratio** for the period ended December 31, 2020, was 6.12 times, which represents the ability to cover all financial expenses with the EBITDA margin. The 3.5% reduction in this index when compared to last year is mainly due to the extraordinary income booked by Enel Generación Chile in 2019 due to the early termination of the 3 energy supply contracts with Anglo American Sur. When excluding the effects of extraordinary operations recognized in 2020 and 2019, the financial expense coverage ratio would have increased 20.2% as of December 31, 2020 (6.29 times as of December 31, 2020 versus 5.23 times as of December 31, 2019).

- > **The profitability index** was negative 1.3% as of December 31, 2020 compared to 19.0% for 2019. This variation is, to a great extent, due to the impairment loss related to Bocamina II power plant booked this period. When excluding the effects of extraordinary operations recognized in 2020 and 2019, the profitability index would have decreased 22.5% (26.6% as of December 31, 2020 versus 34.4% as of December 31, 2019).
- > **Return on equity** of the owners of the controlling shareholder was -1.5% for the period ended December 31, 2020, which represents a 117.3% reduction when compared to 2019. When excluding the effects of extraordinary operations recognized in 2020 and 2019, return on equity would have increased 12.7% (13.0% as of December 31, 2020 versus 11.5% as of December 31, 2019).
- > **Return on assets** was negative 0.7% for the period ended December 31, 2020, which is 4.8 percentage points below the figure for last year. When excluding the effects of extraordinary operations recognized in 2020 and 2019, return on assets would have increased 7.7% (6.0% as of December 31, 2020 versus 5.6% as of December 31, 2019).

### 3. Cash Flow Analysis

The net cash flow of Enel Group Chile reached a positive amount of Ch\$ 73,545 million as of December 31, 2020, which represents a Ch\$ 81,801 million increase when compared to the previous year. The main factors that explain this cash flow, classified as either operating, investing, or financing activities, compared to December 2019, are presented below:

NET CASH FLOW (Figures in million Ch\$)	Dec-20	Dec-19	Change	% Change
From Operating Activities	755,866	743,712	12,154	1.6%
From Investing Activities	(554,652)	(311,532)	(243,120)	78.0%
From Financing Activities	(127,669)	(440,436)	312,767	(71.0%)
<b>Total Net Cash Flow</b>	<b>73,545</b>	<b>(8,256)</b>	<b>81,801</b>	<b>N/A</b>

**Net cash flow from operating activities amounted to a Ch\$ 755,866 million** for the year ended December 31, 2020, which represents a slight 1.6% increase when compared to December 2019. This cash flow comprises the following main cash inflow: (i) collection of sales of goods and services amounting to Ch\$ 2,961,814 million; and (ii) net collections for making or acquiring assets for lease and later sale for Ch\$ 45,946 million. These cash inflows were partially offset by the following cash outflows: (i) supplier payments for Ch\$ 1,935,081 million; (ii) payments to employees for Ch\$ 140,378 million; (iii) insurance premium payments for Ch\$ 18,268 million; and (iv) other operational cash disbursements for Ch\$ 158,168 million.

**Net cash flow used in investing activities amounted to Ch\$ 554,652 million** for the year ended December 31, 2020. This cash flow comprises the following: (i) Ch\$ 514,807 million to purchase property, plant and equipment; and (ii) Ch\$ 39,507 million to purchase intangible assets.

The Ch\$ 243,120 million additional investment cash outflow, when compared to December 2019, is primarily explained by: (i) an increase in the purchase of property, plant and equipment for Ch\$ 214,461 million, mainly by EGP Chile Group related to the development of its renewable project portfolio; and (ii) a Ch\$ 18,775 million increase in the purchase of intangible assets.

**Net cash flow from financing activities amounted to Ch\$ 127,669 million** for the period ended December 31, 2020. This cash flow mainly comprises the following outflows: (i) dividend payments amounting to Ch\$ 312,715 million; (ii) amortization of loans and bonds for Ch\$ 150,878 million; (iii) interest payments for Ch\$ 139,251 million; and (iv) leasing liability payments and other cash outflows for Ch\$ 9,345 million. The aforementioned were partially offset by cash inflows received as loans from the related company EFI to Enel Chile for Ch\$ 484,520 million.

The Ch\$ 312,767 million increase in the financing cash flow when compared to December 2019 is mainly explained by the higher loans granted by EFI to Enel Chile for Ch\$ 200,688 million and by a Ch\$ 164,445 million lower amortization of bank loans and bonds, partially offset by greater cash outflows to pay dividends for Ch\$ 76,236 million.

The following table presents the cash disbursements related to additional Property, Plant and Equipment and its Depreciation for the years ended December 31, 2020 and 2019.

<b>INFORMATION FOR ASSETS AND EQUIPMENTS</b>				
<b>(Figures in million Ch\$)</b>				
<b>ENEL CHILE</b>	<b>Payments for Additions</b>		<b>Depreciation</b>	
	<b>of Fixed Assets</b>			
	<b>Dec-20</b>	<b>Dec-19</b>	<b>Dec-20</b>	<b>Dec-19</b>
Generation business in Chile	421,486	229,024	185,479	196,623
Distribution business in Chile	91,497	69,503	43,266	38,387
Other entities (business different to generation and distribution)	1,825	1,819	1,212	1,617
<b>Total Consolidated ENEL CHILE Group</b>	<b>514,807</b>	<b>300,346</b>	<b>229,957</b>	<b>236,627</b>

The most relevant cash outflows originate in the generation business and correspond to new renewable generation projects that the Group began construction in 2020 and amount to Ch\$ 421,486 million as of December 31, 2020. In the distribution business, cash disbursements amounted to Ch\$ 91,497 million and are mainly investments in network operational optimization to increase the level of efficiency and service quality.

## II. Main risks associated with the activity of Enel Chile S.A. Group

**The Group's activities are subject to a broad set of governmental regulations, and any changes in them could affect their activities, economic situation and operating income.**

The Group's operating subsidiaries are subject to a wide range of tariff regulations and other aspects that govern their operations in Chile. Consequently, the introduction of new laws or regulations, or the modification of current laws and regulations, could affect their operations, economic situation and operating results.

These new laws or regulations, on occasion, modify regulatory aspects that may affect existing entitlements; which, as the case might be, may adversely affect the Group's future income.

The Group's operations are also subject to wide-ranging environmental regulations that Enel Chile continuously meets. Eventual modifications introduced to such regulations could affect its operations, economic situation and operating income.

These regulations, among other things, require the preparation and submission of Environmental Impact Studies for projects under study, obtaining licenses, permits and other mandatory authorizations and complying with all the requirements imposed by such licenses, permits and regulations. Just as with any regulated company, Enel Chile cannot guarantee that:

- Public authorities will approve such environmental impact studies;
- Public opposition will not lead to delays or modifications to any proposed project;
- Laws or regulations will not be modified or interpreted in a manner that leads to increased expenses or that might affect the Group's operations, plants or plans.

**The Group's commercial operations have been planned in order to mitigate possible impacts as a result of changing hydrological conditions.**

The operations of Enel Chile Group include hydroelectric generation, and therefore, depend on actual hydrological conditions throughout a broad geographical area where the Group's hydroelectric generation facilities are located. Should the hydrological conditions lead to droughts or other conditions that might negatively affect hydroelectric generation business, our results could be adversely affected, which is why Enel Chile has established, as an essential part of its commercial policy, to refrain from contractually committing 100% of its generation capacity. At the same time, the electricity business is also affected by meteorological conditions,

such as temperatures, that affect consumption. Our margins may be affected by weather conditions depending on the different climate conditions.

**The financial situation and the results of our operations may be negatively affected if the exposure to interest rate fluctuations, commodity prices and foreign exchange rates are not effectively managed.**

## Risk management policy

The companies of the Enel Chile Group follow the guidelines of the Risk Management Control System (SCGR) defined at the Holding level (Enel SpA), which establishes the guidelines for risk management through the respective standards, procedures, systems, etc., which are applied at the different levels of the Enel Chile Group Companies, in the processes of identification, analysis, evaluation, treatment and communication of risks that the business faces continuously. These are approved by the Board of Directors of Enel SpA, which houses a Controls and Risks Committee, which supports the evaluation and decisions of the Board of Directors of Enel Chile with respect to internal controls and risk management system, as well as those related to the approval of the periodic financial statements.

To comply with this, there is a specific Risk Control and Management policy within each Company, which is reviewed and approved at the beginning of each year by the Board of Directors of Enel Chile, observing and applying local requirements in terms of risk culture.

The company seeks protection for all risks that may affect the achievement of business objectives. In January 2020, a new risk taxonomy has been approved for the entire Enel Group, which considers 6 macro categories and 37 sub-categories.

The Enel Group's risk management system considers three lines of action (defense) to obtain effective and efficient management of risks and controls. Each of these three "lines" plays a distinct role within the broader governance structure of the organization (Business and Internal Controls areas, acting as the first line, Risk Control, acting as the second line and Internal Audit as the third line of defense). Each line of defense has the obligation to inform and keep Senior Management and Directors updated on risk management, with Senior Management being informed by the first and second line of defense and the Board of Directors in turn by the second and third line of defense.

Within each company of the Group, the risk management process is decentralized. Each manager responsible for the operational process in which the risk originates is also responsible for the treatment and adoption of risk control and mitigation measures.

### Interest Rate Risk

Interest rate variations modify the fair value of interest bearing at a fixed rate assets and liabilities, as well as future flows of assets and liabilities indexed at a variable rate of interest.

The aim of managing the interest rate risk is to reach a debt structure balance that would enable to minimize debt costs while reducing Income Statement volatility.

The debt structure according to interest rate, measured as the percentage of fixed debt and/or protected above total gross debt, is the following:

INTEREST RATE (%)	December 31, 2020	December 31, 2019
Fixed Interest Rate	99%	98%

Depending on the Group's estimates and on the objectives of its debt structure, various hedging operations are carried out via contracting derivatives to mitigate such risks.

Risk control through specific processes and indicators allows limiting possible adverse financial impacts and, at the same time, optimizes the debt structure with an adequate degree of flexibility. In this sense, the volatility that characterized the financial markets during the first phase of the pandemic, in many cases returned to pre-COVID-19 levels and was offset by effective risk mitigation actions through derivative financial instruments.

## **Foreign Exchange Rate Risk**

Foreign exchange rate risks are primarily inherent to the following transactions:

- Debt contracted by the Group's companies denominated in currencies than those in which their cash flows are indexed.
- Payments in currencies other than those in which their cash flows are indexed, for example, payments for material purchases associated to projects and payment of corporate insurance policy premiums.
- Income of the Group's companies directly linked to the fluctuation of currencies other than the currency of their own cash flows.

In order to mitigate the foreign exchange rate risk, the hedging policy of the Enel Chile aims at maintaining a balance between US\$-indexed flows or local currencies flows if they exists, and the level of assets and liabilities denominated in such currency. The aim is to minimize the exposure of cash flows to foreign exchange rate variations.

The instruments currently used to comply with the policy are foreign exchange forwards and currency swaps.

During the fourth quarter of 2020, exchange rate risk management continued in the context of complying with the aforementioned risk management policy, without difficulty in accessing the derivatives market. It should be noted that the volatility that characterized the financial markets during the first phase of the pandemic, in many cases returned to pre-COVID-19 levels and was offset by risk mitigation actions through derivative financial instruments.

## **Commodity Risk**

The Enel Chile Group is exposed to the risk of price variations of certain commodities, primarily the following:

- Fuel purchases for the process of electricity generation.
- Purchase and sale of energy carried out in the local market.

In order to reduce the risk under extreme drought conditions, the Group has designed a policy that defines sale commitment levels in line with the capacity of its generating facilities during a dry year, by including risk mitigation clauses in some contracts with unregulated clients and, in the case of regulated clients subject to long-term tender processes, by establishing indexing polynomials to reduce commodity exposure.

In consideration of the operational conditions Chile is facing in the electricity generation market and the drought and commodity price volatility in international markets, the Company is continuously reviewing the convenience of hedging the impact of these price variations on its net income.

As of December 31, 2020, the Company held swaps for 1,782 kBbl of Brent to be settled in 2021 and 16.8 TBtu of Henry Hub to be settled in 2021.

As of December 31, 2019, the Company held swaps for 1,412 kTon of Coal API2 to be settled in 2020, for 1,059 kBbl of Brent oil to be settled in 2020 and 4.79 TBtu of Henry Hub gas to be settled in 2020.

According to the operating conditions that are updated permanently, these hedges may be amended, or include other commodities.

The Group was able to minimize the effects of volatility in commodity prices on the results of the fourth quarter of 2020 due to the mitigation strategies implemented.

## Liquidity risk

The Group maintains a liquidity policy that consists of contracting long-term credit commitment facilities and temporary financial investments for amounts sufficient to support the forecast needs in a given period which, in turn, is a function of the overall situation and expectations of the debt and capital markets.

The above-mentioned forecast needs include maturities of net financial debt, that is to say, net of financial derivatives. For additional information regarding the characteristics and the terms and conditions of such financial debt and financial derivatives see Notes 20 and 23, of the Financial Statements of Enel Chile as of December 31, 2020.

As of December 31, 2020, the liquidity of Enel Chile Group was Ch\$ 332,036 million in cash and cash equivalents and Ch\$ 140,643 million in long-term committed credit lines. As of December 31, 2019, the liquidity of Enel Chile Group was Ch\$ 235,685 million in cash and cash equivalents and Ch\$ 146,269 million in long-term committed credit lines.

## Credit risk

The Enel Chile Group continually monitors in depth all credit risks as described below:

### Commercial Accounts receivable

In relation to the credit risks of accounts receivable from commercial activities, this risk has historically been quite limited given that clients cannot accumulate significant amounts due to short collection terms. The foregoing is applied to both our electricity generation and distribution lines of business.

In our electricity generation line of business, in some contracts with unregulated clients, it is possible to cut off supply when there are payment defaults, and almost every contract includes non-payment as a reason for contract termination. To that effect, we continuously monitor the credit risk and measure the maximum amounts exposed to payment risk; which, as stated earlier, are quite limited. However, the measure of supply cut-off in the event of payment defaults was suspended since March 2020, as support measures for the most vulnerable customers adopted by Enel Distribución Chile, and subsequently in compliance with Law No. 21,249 and Law No. 21,301 enacted in August 2020 and December 2020, respectively, effective until May 2021.

With respect to the impact of COVID-19, the results of specific internal analyses did not reveal significant statistical correlations between the main economic indicators (GDP, unemployment rate, etc.) and solvency. However, impairment losses have increased in 2020 as a result of an increase in expected credit losses from counterparties (see notes 3g.3 and 9.d).

### Financial assets:

Investments of cash surpluses are made with both national and foreign first-class financial entities with limits set for each entity.

Investment banks selection considers those with Investment Grade rating, considering the three major international rating agencies (Moody's, S&P and Fitch).

Investments may be guaranteed by treasury bonds of Chile and/or paper issued by first class banks, giving priority to those offering the best returns (always within the current investment policies).

It should be noted that the downward macroeconomic scenarios due to the COVID-19 effect did not have significant impacts on the credit quality of the counterparties.

## Risk Measurement

The Enel Chile Group prepares a Value at Risk measurement for its own debt positions and financial derivatives, with the purpose of monitoring the risk taken on by the company, thus circumscribing Income Statement volatility.

The portfolio of the positions included for the purposes of calculating the present Value at Risk, is comprised of:

- > Financial Debt
- > Derivatives for debt hedging.

The calculated Value at Risk represents the possible value variation of the above-described positions portfolio within a quarter and with 95% certainty. To that effect, we have studied the volatility of the risk variables that affect the value of the positions portfolio in relation to the Chilean peso which includes:

- > The US\$ Libor rate of interest.
- > The exchange rates of the different currencies involved in the calculation.

The Value at Risk calculation is based on the extrapolation of future market value scenarios (one quarter out) of the risk variables based on real observations for the same period (quarter) through a 5-year period.

The Value at Risk for the next quarter, with 95% confidence level, is calculated as the percentile of the most adverse 5% of the possible quarterly changes.

Considering the assumptions described above, the Value at Risk at one quarter out of the foregoing positions corresponds to Ch\$ 308,778 million.

This value represents the potential increase of the debt and derivatives portfolio, therefore this value at Risk is intrinsically related, amongst other factors, with the value of the portfolio at the end of each quarter.

## Other risks

As is common practice in bank credit facilities and capital market operations, a portion of our financial debt, is subject to cross-default provisions. If certain non-payments are not corrected, they could result in a cross-default and eventually certain liabilities of Enel Generación Chile, EGP Chile or Enel Chile could become enforceable, as appropriate.

Non-payment – after any applicable grace period – of Enel Chile's debts, with an outstanding individual balance exceeding the equivalent of US\$ 100 million, and whose amount past due also exceeds the equivalent of US\$ 100 million, could lead to the advance payment of the bank credit under New York State law, which was drawn in March 2018. Furthermore, this credit line contains provisions under which certain events other than non-payment, at Enel Chile, such as bankruptcy, insolvency proceedings, and adverse judicial sentence rulings for an amount greater than US\$ 300 million, and expropriation of assets, among others, could lead to the acceleration of this debt.

Additionally, non-payment – after any applicable grace period – for any debt of Enel Chile or any of its subsidiaries, with a principal amount that exceeds US\$ 150 million, or its equivalent in other currencies, could lead to the mandatory advance payment of its Yankee bonds. The acceleration of the debt due to cross default does not occur automatically, but must be demanded by the holders of at least 25% of the bonds of a certain Yankee Bonds series.

There are no credit-agreement clauses stating that changes in the corporate or debt rating of Enel Chile or its subsidiaries' debt, performed by credit-rating agencies, would result in the need to make repayments of debt.

### III. Book value and economic value of assets

The following are the most important assets:

Property, plant, and equipment are valued at their acquisition cost, net of the corresponding accumulated depreciation, and impairment losses. The property, plant, and equipment, net of their residual value, depreciate by distributing the cost of their different components linearly over the years of the estimated useful life of the asset, which is the period in which the companies expect to use them. The estimated useful life of the asset is revised periodically.

Goodwill (lower value of investments or commercial funds) generated in the consolidation, represents the excess acquisition cost over the Group's participation in the fair value of assets and liabilities, including contingent liabilities and any non-controlling, identifiable shareholdings in a subsidiary, as of the date of acquisition. Goodwill is not amortized, but at the end of each accounting period an estimation of any impairment that might reduce its recoverable value to an amount below the recorded net cost is calculated, in which case an adjustment is made for the impairment. For additional information see Note 3.e. of the Financial Statements as of December 31, 2020.

Throughout the year and, primarily at its closing date, an evaluation is carried out to determine whether any asset might have suffered an impairment loss. In the event that there is an indication of such loss, an estimate of the recoverable value of such asset is made to determine the amount of the impairment. In the case of identifiable assets that do not generate cash flows independently, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs, which is considered to be the smallest group of assets that generate cash inflows independently.

Assets denominated in foreign currencies are presented at the exchange rate prevailing at the end of the period.

Accounts and notes receivable from related companies are classified according to their maturity in short-term and long-term. Transactions are adjusted to conditions prevailing in the market.

In summary, asset values are determined according to the International Financial Reporting Standards, whose criteria are included in Notes No. 2 and 3 of the Financial Statements of Enel Chile as of December 31, 2020.



# Other Risk Factors

## Risk related to our business

***Our businesses depend heavily on hydrology and are affected by droughts, flooding, storms, ocean currents, and other inclement weather conditions.***

Approximately 49% of our installed generation capacity in 2020 was hydroelectric. Accordingly, dry hydrological conditions could negatively affect our business, results of operations, and financial condition. Our results have been adversely affected when hydrological conditions in Chile have been significantly below average, which has been the case for much of the period since 2007.

Our subsidiary Enel Generation Chile has entered into certain agreements with the Chilean government and local irrigators regarding water use for hydroelectric generation purposes when water levels are low. However, if droughts persist, we may face increased pressure from the Chilean government or other third parties to restrict our water use further.

Our operating expenses increase during drought periods when thermal power plants, which have higher operating costs relative to hydroelectric power plants, are dispatched more frequently. Depending on our commercial obligations, we may need to buy electricity at higher spot prices to comply with our contractual supply obligations. Beyond increasing operating costs, the cost of these electricity purchases may exceed our contracted electricity sale prices, thus potentially producing losses from those contracts.

Droughts also indirectly affect the operation of our thermal power plants, including our power plants that use natural gas, fuel oil, or coal, in the following manner:

- Our thermal power plants require water for cooling, and droughts in extreme situations may reduce water availability and increase transportation costs. As a result, we would have to purchase water for our San

Isidro power plant from agricultural areas that would also be experiencing water shortages. These water purchases may increase our operating costs and may require us to negotiate with the local communities.

- Thermal power plants generate emissions such as nitrogen oxide (NO), carbon dioxide (CO<sub>2</sub>), carbon monoxide (CO), sulfur dioxide (SO<sub>2</sub>), and particulate matter into the atmosphere. Therefore, greater use of thermal power plants during droughts generally increases the risk of producing higher greenhouse gas levels (GHG) emissions.

A full recovery from the extended droughts that, since 2007, have been affecting the regions where most of our hydroelectric power plants are located may take many years, and new drought periods may recur in the future. Prolonged droughts may exacerbate the risks described above and have a further negative effect on our business, results of operations, and financial condition.

Our distribution business is also affected by inclement weather. Extreme temperatures can increase demand significantly within a short period of time, which may strain our service and result in service disruptions potentially subject to fines. Depending on weather conditions, results obtained by our distribution business can vary significantly from year to year. For example, because of severe rainstorms in June 2017, with high wind gusts that brought down part of the electricity network, 125,000 of our customers, or 7%, were left without electricity. In July 2017, an intense snowstorm over the Santiago Metropolitan Region caused massive damage to the electrical infrastructure, and a blackout affected 342,000 of our customers, 18%, and 17% of our feeders. This heavy snowstorm was the most damaging in Santiago since 1970 and left parts of the capital without electricity for more than a week. These events significantly increased our costs due to emergency responses, including payments related to damage compensation, fines, line maintenance, and tree trimming programs.

***We are subject to physical, operational, and financial risks related to climate change effects.***

The electricity generated by our solar and wind generation facilities is highly dependent on climate factors other than hydrology, including suitable solar and wind conditions,

which, even under normal operating circumstances, can vary greatly. Climate change may also have long-term effects on wind patterns and the amount of solar energy received at a particular solar facility, reducing electricity generated by the facilities. Although we base our business decisions on solar and wind studies for each renewable energy facility, actual conditions may not conform to these studies' findings. They may be affected by changes in weather patterns, including the potential impact of climate change.

If our renewable energy production falls below anticipated levels, we may have to dispatch our back-up thermal power plants to make up the shortfall in electricity generation. Our thermal power plants have higher operating costs and generate GHG emissions. We may also need to buy electricity in the spot market to fulfill our solar and wind generation facilities' contractual supply obligations, which may be at prices higher than the contracted electricity sales. These impacts could increase our costs or result in losses and have a material adverse effect on our business, results of operations, and financial condition.

***We depend on distributions from our subsidiaries to meet our payment obligations.***

We rely on cash payments from dividends, loans, interest payments, capital reductions, and other distributions from our subsidiaries to pay our obligations. Such payments and distributions may be subject to legal constraints, such as dividend restrictions and fiduciary obligations.

**Contractual Constraints:** Distribution restrictions included in certain credit agreements of our subsidiaries may prevent dividends and other distributions to shareholders if they do not comply with specified financial ratios. Our credit agreements typically prohibit any distribution in the event of ongoing default.

**Operating Results of Our Subsidiaries:** Our subsidiaries' ability to pay dividends or make loan payments or other distributions to us is limited by their operating results. To the extent that any of our subsidiaries' cash requirements exceed their available cash, they will not be able to make cash available to us.

Any of the situations described above could adversely affect our business, results of operations, and financial condition.

***We are involved in litigation proceedings***

We are involved in various litigation proceedings that could result in unfavorable decisions or financial penalties against us. We will continue to be subject to future litigation proceedings, which could cause material adverse consequences to our business. Our financial condition or results of operations could be unfavorably affected if we are unsuccessful in defending lawsuits and proceedings against us. For further information on litigation proceedings, refer to "Note 36.3" of the Notes to our consolidated financial statements.

***Construction and operation of power plants may encounter significant delays, stoppages, cost overruns, and stakeholder opposition that may impact our reputation and impair our corporate image.***

Our power plant projects may be delayed in obtaining regulatory approvals or may face shortages and increases in the price of equipment, materials, or labor. They may be subject to construction delays, strikes, accidents, and human error. Any such event could negatively affect our business, results of operations, and financial condition.

Market conditions may change significantly between the approval and completion of a project, which, in some cases, may decrease a project's profitability or render it impracticable. This has been the case with many of our past projects that were initially planned under quite different market conditions when energy prices were higher and there was less competition. Deviations in market conditions, such as estimates of timing and expenditures, may lead to cost overruns and delays in project completion that widely exceed our initial forecasts. In turn, this may have a material adverse effect on our business, results of operations, and financial condition.

We may develop new projects in locations that are sometimes challenging in terms of geographical topography, in some cases on mountain slopes with limited access. These factors may also lead to delays and cost overruns. For example, Cerro Pabellón, our 41 MW geothermal power plant, was built at 4,500 meters above sea level and is currently constructing a third unit that will increase its capacity 28 MW. We may face challenges associated with high-altitude construction, such as health concerns that may affect the project's schedule, and

associated investments. Additionally, given the location of some projects, there may be archaeological risks. In 2018, the Superintendence of Environment filed charges against our subsidiary Geotérmica del Norte S.A. for infractions related to the archaeological and operational components of the Cerro Pabellón project. These charges could result in high fines.

The operation of our power plants, especially those that are coal-fired, may affect our reputation with stakeholders due to GHG emissions that could unfavorably affect the environment and nearby residents. Furthermore, external stakeholders may influence the interests and perceptions of the local communities about the Company. If we fail to address appropriately all relevant stakeholders' concerns, including environmental, social, and corporate governance criteria (ESG), we may face opposition, which could negatively affect our reputation, stall operations, or lead to litigation threats or actions. Our reputation is the foundation of our relationship with key stakeholders and other constituencies. If we do not effectively manage these sensitive issues, they could adversely affect our business, results of operations, and financial condition.

Damage to our reputation may exert considerable pressure on regulators, creditors, and other stakeholders, possibly leading to the abandonment of projects and operations. This damage could cause the price of our shares to drop and hinder our ability to attract and retain valuable employees. Any of these outcomes could impair our corporate image with stakeholders.

***Our long-term electricity sales contracts are subject to fluctuations in the market prices of certain commodities, energy, and other factors.***

Our generation business is exposed to fluctuations in the market prices of certain commodities that affect our long-term electricity sales contracts. These contracts commit us to material obligations as selling parties and contain prices indexed to different commodities, exchange rates, inflation, and the market price of electricity. Unfavorable changes to these indices would reduce the rates we charge under these contracts, which could adversely affect our business, operation results, and financial condition.

***We are subject to incremental risks in distribution markets that are becoming more liberalized.***

Our distribution business is exposed to fluctuations in electricity prices. Since 2016, some customers who had freely chosen regulated rates have chosen to switch to the unregulated rate regime seeking for lower prices. These customers are tendering their electricity needs, either directly or in association with other customers, because regulated tariffs are currently higher than unregulated rates due to the former being based on contracts tendered in the past at higher prices. Lower market prices may reduce the number of customers who choose regulated tariffs as they choose an alternative energy provider from among our competitors. This situation would reduce our number of customers and could adversely affect our business, results of operations, and financial condition.

***Our electricity business is subject to risks arising from natural disasters, catastrophic accidents, and acts of vandalism or terrorism, which could unfavorably affect our operations, earnings, and cash flow.***

Our primary facilities include power plants and distribution assets that are exposed to damage from catastrophic natural disasters, such as earthquakes and fires, human causes, as well as acts of vandalism, protests, riots, and terrorism. A catastrophic event could cause prolonged unavailability of our assets, disruptions in our business, significant decreases in revenues due to lower demand, or significant additional costs not covered by our business interruption insurance. There may be lags between a significant accident or catastrophic event and the final reimbursement from our insurance policies, which typically carry a deductible and are subject to per event policy maximum amounts.

In mid-October 2019, widespread street demonstrations and protests took over Santiago and quickly spread throughout Chile. These actions became commonplace and, at times, were accompanied by looting, arson, and vandalism. Violent confrontations between protesters and the police and armed forces have resulted in a loss of human lives and serious injuries. The accumulated damage to public and private property amounted to billions of

dollars. Damage to Chile's economy, prospects for growth, perception of risk, and immediate repercussions in unemployment and productivity loss were also significant. Our corporate headquarters in Santiago suffered a severe arson attack on October 18, 2019, resulting in the dislocation of our management and headquarters employees for an extended period. An electricity substation belonging to an unrelated company in the northern city of Copiapó was set on fire on November 28, 2019. Chilean public authorities have voiced their concern for the country's strategic electricity infrastructure, including power stations, transmission lines, and distribution substations.

Any natural or human catastrophic disruption to our electricity assets in Chile could significantly affect our operations and financial condition.

***We are subject to financing risks, such as those associated with funding our new projects and capital expenditures or refinancing existing obligations.***

As of December 31, 2020, our consolidated debt totaled Ch\$ 2.9 billion (including Ch\$ 1.2 billion with Enel Finance International N.V., a related company). Our most material debt obligation was the US\$1.7 billion SEC-registered bonds issued in the U.S. under the law of the State of New York.

Our debt agreements are subject to several of the following provisions, including (1) financial covenants, (2) affirmative and negative obligations, (3) events of default, (4) mandatory prepayments for contractual breaches, (5) change of control clauses for material mergers and divestments, and (6) bankruptcy and insolvency proceeding covenants, among others.

A significant portion of our financial indebtedness is subject to cross default provisions, which have varying definitions, criteria, materiality thresholds, and applicability concerning subsidiaries that could result in cross default. Our debt may also become immediately due and payable in cases involving bankruptcy or insolvency proceedings of a significant or material subsidiary. Likewise, some of our debtholders may decide to accelerate our debt in cross default events dealing with significant or material subsidiaries, among other potential covenant defaults.

We may be unable to refinance our debt or obtain such refinancing on terms acceptable to us. In the absence of such refinancing, we could be forced to liquidate assets at unfavorable prices to make payments due on our debt. Furthermore, we may be unable to sell our assets at

opportune moments or sufficiently high prices to obtain proceeds that would enable us to make such payments.

We may also be unable to raise the necessary funds required to finish our projects under development or construction. Market conditions or unforeseen project costs prevailing when we need funds could compromise our ability to finance these projects and expenditures.

Our inability to finance new projects or capital expenditures, refinance our existing debt, or comply with our covenants could negatively affect our operations and financial condition.

***If third-party electricity transmission facilities, gas pipeline infrastructure, or fuel supply contracts fail to provide us with adequate service, we may be unable to deliver the electricity we sell to our final customers.***

We depend on transmission facilities owned and operated by other companies to deliver the electricity we sell. This dependence exposes us to several risks. If the transmission is disrupted, or its capacity is inadequate, we may be unable to sell and deliver our electricity. If a region's power transmission infrastructure is inadequate, our recovery of sales costs and profits may be insufficient. If restrictive transmission price regulations are imposed, transmission companies we rely on may not have sufficient incentives to invest in expanding their infrastructure, which could unfavorably affect our results of operations and financial condition or affect our ability to deploy our portfolio of projects under development. The construction of new transmission lines may take longer than in the past, mainly because of sustainability, social, and environmental requirements that create uncertainties regarding project completion timing. Also, our thermal power plants connected to natural gas pipelines are subject to stoppages should material disruptions in the pipeline occur. Stoppages could force us to purchase electricity at spot market prices, which could be higher than the contracted sale price to customers. This scenario could adversely affect our business, results of operations, and financial condition.

***We may be unable to reach satisfactory collective bargaining agreements with our unionized employees or retain key employees in labor conflict cases.***

A large percentage of our employees are members of unions with whom we have collective bargaining agreements that must be renewed regularly. For example, a labor union representing 148 workers went on strike as of

January 12, 2021, which forced us to halt operations at the Bocamina II power plant and limit our operational activities. A conflict was solved on January 14, 2021, and operations at the Bocamina II plant returned to normal the following day. Our business, results of operations, and financial condition could be unfavorably affected by a failure to reach a collective bargaining agreement with any labor union or by a deal with a labor union that contains terms we view as unfavorable. Chilean law provides legal mechanisms for judicial authorities to impose a collective bargaining agreement if the parties cannot agree. This situation is particularly true for some of our subsidiaries, including Enel Distribution Chile, Enel Colina, and Panguipulli, and these agreements may materially increase our costs.

We employ many highly specialized employees. Specific actions such as strikes, walkouts, or work stoppages by these employees could negatively affect our business, results of operations, financial condition, and reputation.

***We may be unable to enter suitable acquisitions or successfully integrate businesses that we acquire.***

We review acquisition prospects that may increase our market coverage or provide synergies with our existing businesses on an ongoing basis. However, there can be no assurance that we will be able to identify and acquire suitable companies in the future. The acquisition and integration of independent companies that we do not control is generally a complicated, costly, and time-consuming process that requires significant efforts and expenditures. If we do make further acquisitions, we could incur substantial debt, assume unknown liabilities, potentially lose key employees, be forced to amortize expenses related to tangible assets, and divert management's attention from other business concerns.

Integrating acquired businesses may be difficult, expensive, time-consuming, and a strain on our resources and relationships with our employees and customers. Ultimately, these acquisitions may not be successful or achieve the expected benefits. Any delays or difficulties encountered in connection with acquisitions and the integration of their operations could have a material adverse effect on our business, results of operations, or financial condition.

***Interruption in or failure of our information technology, control, and communications systems or cyberattacks to or cybersecurity breaches of these systems could have a material adverse effect on our business, results of operations, and financial condition.***

We operate in an industry that requires the continued operation of sophisticated information technology, control, and communications systems ("IT Systems") and network infrastructure. We use our IT Systems and infrastructure to create, collect, use, disclose, store, dispose of, and otherwise process sensitive information, including company and customer data and personal information regarding customers, employees and their dependents, contractors, shareholders, and others. IT Systems are critical to controlling and monitoring our power plants' operations, maintaining generation and network performance, generating invoices to bill customers, achieving operating efficiencies, and meeting our service targets and standards in our generation business. Our distribution business increasingly relies on IT Systems to monitor smart grids, billing processes for millions of customers, and customer service platforms. The operation of our generation, transmission, and distribution systems is dependent not only on the physical interconnection of our facilities with the electricity network infrastructure but also on communications among the various parties connected to the network. The reliance on IT Systems to manage information and communication among those parties has increased significantly since smart meters and intelligent grids in Chile.

Our generation, transmission and distribution facilities, IT Systems, and other infrastructure and the information processed by our IT Systems could be affected by cybersecurity incidents, including those caused by human error. Our industry has begun to see an increased volume and sophistication of cybersecurity incidents from international activist organizations, nation-states, and individuals and are among the emerging risks identified in our planning process. Cybersecurity incidents could harm our businesses by limiting our generation, transmission, and distribution capabilities, delaying the development and construction of new facilities or improvement projects to existing facilities, disrupting our customer operations,

or exposing us to various events that could make us liable. Our business systems are part of an interconnected system. Therefore, a disruption caused by the impact of a cybersecurity incident in the electric transmission grid, network infrastructure, fuel sources, or our third-party service providers' operations could also unfavorably affect our business.

Our business requires the collection and retention of personally identifiable information of our customers, employees, and shareholders, who expect that we will adequately protect the privacy of such information. Cybersecurity breaches may expose us to a risk of loss or misuse of confidential and proprietary information. Significant theft, loss, or fraudulent use of personally identifiable information may lead to potentially high costs to notify and protect the people affected. It could cause us to become subject to significant litigation, losses, liability, fines, or penalties, any of which could materially and adversely affect our results of operations and reputation. We may also be required to incur significant costs associated with governmental actions in response to such intrusions or to strengthen our information and electronic control systems.

The cybersecurity threat is dynamic, evolving, and increasing in sophistication, magnitude, and frequency. We may be unable to implement adequate preventive measures or accurately assess the likelihood of a cybersecurity incident. We are unable to quantify the potential impact of cybersecurity incidents on our business and reputation. These potential cybersecurity incidents and corresponding regulatory action could result in a material decrease in revenues and high additional costs, including penalties, third-party claims, repair costs, increased insurance expense, litigation costs, notification and remediation costs, security costs, and compliance costs.

## **Risk related to Regulatory Matters**

***Government regulations may unfavorably affect our businesses, cause delays, impede the development of new projects, or increase the costs of operations and capital expenditures.***

Our businesses and the rates we charge our customers are subject to extensive regulation that may negatively affect our profitability. For instance, government authorities might impose rationing policies during droughts or prolonged failures of power facilities, which may adversely affect our business, results of operations, and financial condition.

Some aspects of the Chilean electricity law have been subject to significant regulatory changes, and any such changes may unfavorably affect our future operations and profitability. For example, in the context of the social crisis that began in October 2019, the government established a transitional mechanism for stabilizing customers' electricity prices under the regulated price system. The mechanism eliminates the price increase of 9.2% that would have been applied to regulated customers as of July 2019 and defers the price increase for the sale of electricity under contracts between generation and distribution companies that start before 2021. A price stabilization funding program was implemented by the CNE and is effectively financed by companies in the generation industry, including our subsidiary Enel Generation Chile, through accounts receivable that are generated by the differences between the contractual rates and the stabilized rates, which are expected to enable the generation companies to recover the lost revenues by December 31, 2027. We have suffered a financial loss due to this revenue deferral because generation companies are being asked to finance such deferral, until billing differences begin to accrue financial remuneration in 2026. For further information, refer to Note 9 of the Notes to our consolidated financial statements. Other Chilean electricity sector regulations may also affect our generation companies' ability to collect revenues sufficient to cover their operating costs and adversely affect our future profitability.

In December 2019, the Ministry of Energy's Law 21,194 lowered the profitability of distribution companies and modified the electricity distribution tariff process. Among other things, the new law reduced the rate for calculating annual investment costs from 10% to a percentage calculated by the CNE every four years (which will be a yearly after-tax rate of between 6% and 8%) and established that the after-tax rate of return for each distribution company must be between three percentage points below and two percentage points above the rate calculated by the CNE. The Chilean Congress is currently discussing an electricity distribution tariff reform ("Ley Larga"), which, if approved, may reduce our future profitability. Law 21,185 maintained tariffs for 2020 and created a temporary electricity tariff stabilization mechanism for regulated customers. However, we expect a new tariff decree to be announced in December 2021 applicable for the 2020-2024 four-year period and retroactive to November 2020. We foresee tariffs to be reduced due to the new 6% after-tax discount rate.

Our operating subsidiaries are also subject to environmental regulations that, among other things,

require us to perform environmental impact studies on future projects and obtain construction and operating permits from local and national regulators. Governmental authorities may withhold or delay the approval of these permits until the completion of environmental impact studies. Therefore, their processing time may be longer than expected. Environmental regulations for existing and future generation capacity have become stricter and require increased capital investments. Any delay in meeting the required emission standards may constitute a violation of the environmental regulations. Failure to certify such monitoring systems' original implementation and ongoing emission standard requirements may result in significant penalties and sanctions or legal claims for damages. We expect that more restrictive emission limits will be established in the future. We are also subject to an annual "green tax" based on our GHG emissions during the previous year. Such taxes may increase in the future and discourage thermal electricity generation.

Changes in the regulatory framework are often submitted to legislators and administrative authorities. Some of these changes could have a material adverse effect on our business, results of operations, and financial condition.

***We are subject to potential business and financial risks resulting from climate change legislation and regulation to limit GHG emissions.***

Future climate change legislation and regulation restricting or regulating GHG emissions could increase our operating costs and have a material adverse effect on our business, results of operations, and financial condition. The adoption and implementation of any international treaty, legislation, or regulation imposing new or additional reporting obligations on, or limiting emissions of, GHGs from our operations could require us to incur additional costs to comply with such requirements and possibly require the reduction or limitation of GHG emissions associated with our operations. These higher compliance standards may involve additional costs to operate and maintain our equipment and facilities, install emission controls, or pay taxes and fees relating to GHG emissions, which could have a material adverse effect on our business, results of operations, and financial condition.

***Our business faces risks from promoting decarbonization efforts both on a global and on a national scale.***

In June 2019, the Chilean government announced its plan to phase out coal entirely from its energy mix by 2040 and achieve carbon neutrality by 2050. Our subsidiaries, Enel Generation and GasAtacama signed an agreement with the Chilean Ministry of Energy defining the process for the closures of our coal-fired power plants: Tarapacá (158 MW), Bocamina I (128 MW), and Bocamina II (350 MW). We closed the Tarapacá plant in December 2019 and the Bocamina I plant in December 2020, both ahead of schedule. We expect to close the Bocamina II plant by May 2022, well ahead of the scheduled deadline of December 31, 2040.

Even though the Chilean government's plan to achieve decarbonization may overlap with our sustainability strategy, the actual implementation of the government targets may exert considerable pressure on us and our ability to satisfy our contractual obligations with other cleaner sources. In turn, this may increase our expenses, decrease our profitability, and limit our ability to satisfy electricity demand fully.

***Our business and profitability could be unfavorably affected if water rights are denied or if water concessions are granted with limited duration.***

The Chilean Water Authority (Dirección General de Aguas) grants us water rights for water supply from rivers and lakes near our electricity generation power plants. Currently, these water rights are (i) for unlimited duration, (ii) absolute and unconditional property rights, and (iii) not subject to further challenge. Chilean generation companies must pay an annual license fee for unused water rights. New hydroelectric facilities are required to obtain water rights, and the conditions of such water rights may affect the design, timing, or profitability of a project.

Also, the new Chilean constitution being drafted may change existing rights, including rights to exploit natural resources, water, and property rights, any of which could adversely affect our business, results of operations, and financial condition.

Any limitations on our water rights, the granting of additional water rights, or on the duration of our water concessions could have a material adverse effect on our hydroelectric development projects and profitability.

***Regulatory authorities may impose fines on our subsidiaries due to operational failures or any breaches of regulations.***

Our electricity businesses are subject to regulatory fines for any breach of current regulations, including failures to supply energy. Local regulatory entities supervise our generation subsidiaries. They may be subject to fines or penalties when the regulator determines that the company is responsible for the operational failures that affect the regular energy supply to the system, including coordination issues. Regulations establish a compensation fee to end customers when energy is interrupted more than the standard allowed time due to events or failures affecting transmission facilities.

In 2020, the Superintendence of Electricity and Fuels ("SEF") fined Enel Distribution Chile 22,000 UTM (Ch\$1.1 billion) for breaches in electricity supply quality standards. On December 3, 2020, Enel Distribution filed an appeal to the SEF fine [which is still pending as of the date of this Report]. For further information on fines refer to Note 38 of the Notes to our consolidated financial statements. Additionally, in 2020, the SEF fined Enel Distribución Chile 40,000 UTM (Ch\$2,000 million) for non-compliance with technical quality standards. Enel Distribución Chile filed an appeal on November 13, 2020 and a final decision is still pending.

## **Risk related to Chile and Other Global Risks**

***Fluctuations in the Chilean economy, economic interventionist measures by governmental authorities, political and financial events, or other crises in Chile and other countries may affect our results of operations, financial condition, liquidity, and the value of our securities.***

All our operations are carried out in Chile. Accordingly, our revenues are affected by the performance of the Chilean economy. Chile is also vulnerable to external shocks, such

as financial and political events, that could cause significant economic difficulties and affect economic growth. If Chile experiences lower than expected economic growth or a recession, it is likely that our customers will demand less electricity and that some of our customers may experience difficulties paying their electric bills, possibly increasing our uncollectible accounts.

We are exposed to economic and political volatility, including civil unrest in Chile due to the challenges arising from changes in economic conditions, regulatory policies, laws governing foreign trade, manufacturing, development, and investments, and various crises and uncertainties. These factors, either individually or in the aggregate, could severely impact Chilean economic growth and our business, results of operations, and financial condition. Chile began to experience social turmoil throughout the country in October 2019. Increasingly violent student and civil protests brought about widespread and severe tensions, indiscriminate violence and vandalism, significant public and private sector property damage, disruption to institutions, commerce, general safety, civilian welfare, and peace. In response, the government launched various political, social, and economic reforms, including a guaranteed minimum wage, an increase in government-subsidized pensions, stabilization of electricity costs, a higher tax bracket for high-income earners, new health insurance programs, a pay cut for the members of the Chilean Congress and certain civil servants, and authorizing current withdrawals from individually funded private-sector pension accounts that usually only permit withdrawals in retirement.

In this context, the Chilean government held a national referendum in October 2020 to decide whether to create a new Chilean constitution and whether a popularly elected assembly or a combination of current legislators and a popularly elected assembly would draft the new constitution. Nearly 80% of voters approved the referendum for a new constitution and opted to have a popularly elected assembly draft the new constitution. Any new constitution could alter the Chilean political situation, affect the Chilean economy and its business outlook. A new constitution may also change existing rights, including rights to exploit natural resources, and water and property rights, any of which could adversely affect our business, results of operations, and financial condition.

Future adverse developments in Chile, including political events, financial or other crises, changes to policies regarding foreign exchange controls, regulations, and taxation, may impair our ability to execute our business plan and could adversely affect our results of operations and financial condition. Inflation, devaluation, social instability, and other political, economic, or diplomatic developments could also reduce our profitability. Economic and market conditions influence Chilean financial and securities markets in other countries. They may be affected by international events, which could unfavorably affect the value of our securities.

***We are subject to the adverse effects of worldwide pandemics.***

An international public health crisis, such as the one attributable to the coronavirus pandemic that began in December 2019, has led to high unemployment levels in Chile and has impacted the electricity demand, the financial markets, and the ability of our business to generate revenue.

In March 2020, due to the coronavirus pandemic, Chilean President Sebastián Piñera decreed a state of emergency (estado de excepción constitucional de catástrofe) for an initial 90 days, which was subsequently extended several times and is currently in effect until June 2021. Under this executive order, President Piñera has instituted nighttime military curfews, selective mandatory lockdowns in affected areas, control of entrance, exit and traffic within specified zones, the prohibition of mass gatherings, the closing of public schools, among other measures. The private sector has voluntarily taken further actions, such as adopting remote working wherever possible and closing commercial offices. Many businesses, such as restaurants and retail stores, have temporarily closed or have opened under constrained capacity, either voluntarily or by executive decree. Companies associated with travel, transportation, and tourism have been severely affected, and many have gone bankrupt.

The cumulative effect of such measures has led to high levels of unemployment, a reduction in business activity, business closures, reduced travel, and decreased demand for electricity. Recent increases in infection rates indicate a second wave of coronavirus infections in 2021. In February 2021, Chile began implementing a widespread vaccination program. However, in the event of a resurgence of the coronavirus pandemic, including new strains for which vaccines are not available, or the vaccination program is ineffective, our business, operating results and financial condition could be adversely affected.

***Political events or financial or other crises in any region worldwide can significantly impact Chile and may unfavorably affect our operations and liquidity.***

Chile is vulnerable to external shocks that could cause significant economic difficulties and affect growth. If Chile experiences lower than expected economic growth or a recession, it is likely that consumer demand for electricity will decrease and that some of our customers may have difficulties paying their electric bills, possibly increasing our uncollectible accounts. Any of these situations could adversely affect our results of operations and financial condition.

Financial and political events in other parts of the world could also negatively affect our business. For example, since 2018, the U.S. and China have been involved in a trade war involving protectionist measures that increased volatility in financial markets worldwide due to the uncertainty of political decisions. Also, instability in the Middle East or any other major oil-producing region could result in higher fuel prices worldwide, which would increase the operating costs for our thermal generation power plants and unfavorably affect our results of operations and financial condition. An international financial crisis and its disruptive effects on the financial industry could adversely affect our ability to obtain new bank financings under the same historical terms and conditions that we have benefited from to date.

Political events or financial or other crises could also diminish our ability to access capital markets in Chile and international capital markets as sources of liquidity or increase interest rates available to us. Reduced liquidity could negatively affect our capital expenditures, long-term investments and acquisitions, growth prospects, and dividend payout policy.

***Foreign exchange risks may unfavorably affect our results and the U.S. dollar value of dividends payable to ADS holders.***

The Chilean peso has been subject to devaluations and appreciations against the U.S. dollar and may be subject to significant fluctuations in the future. We pay our dividends in Chilean pesos, and a significant portion of our consolidated indebtedness has historically been in U.S. dollars. Although a substantial amount of our operating cash flows is linked to the U.S. dollar, we are exposed to fluctuations in the Chilean peso against the U.S. dollar because of time lags and other limitations to pegging our tariff rates to the U.S. dollar. This exposure can substantially decrease the value of the cash we generate in U.S. dollars due to the peso's devaluation. Future volatility in the currency exchange rate in which we receive revenues or incur expenditures may adversely affect our business, results of operations, and financial condition.

## **Risk Related to Ownership of Our Shares and ADS**

***Our controlling shareholder may influence us and may have a different strategic view for our development than our minority shareholders.***

Enel, our controlling shareholder, owns 64.9% of our voting shares as of the date of this Report. Under Chilean corporate law, Enel has the power to determine the outcome of substantially all material matters that require a simple majority of shareholders' votes, such as the

election of the majority of the seats on our board, and, subject to contractual and legal restrictions, the adoption of our dividend policy. Enel also exercises significant influence over our business strategy and operations. However, in some cases, its interests may differ from those of our minority shareholders. Certain conflicts of interest affecting Enel in these matters may be resolved in a manner that is different from the interests of our company or our minority shareholders.

***The relative illiquidity and volatility of the Chilean securities market could unfavorably affect the price of our common stock and ADS.***

Chilean securities markets are substantially smaller and have less liquidity than major securities markets in the United States and other developed countries. The low liquidity of the Chilean markets may impair shareholders' ability to sell shares, or holders of ADS to sell shares of our common stock withdrawn from the ADS program, on Chilean Stock Exchanges in the amount and at the desired price and time.

***Lawsuits against us brought outside of Chile or complaints against us based on foreign legal concepts may be unsuccessful.***

All our operations are located outside of the United States. All our directors and officers reside outside of the United States, and substantially all their assets are located outside the United States. If investors were to bring a lawsuit against our directors and officers in the United States, it may be difficult for them to effect service of legal process within the United States upon these persons. It may also be difficult to enforce judgments obtained in the U.S. courts based on civil liability provisions of U.S. federal securities laws against them in U.S. or Chilean courts. There is also doubt about whether an action could be brought successfully in Chile for liability based solely on the civil liability provisions of U.S. federal securities laws regarding securities.

## Consolidated Significant Events

In accordance with articles 9 and 10, second subparagraph, of the Securities Market Law N° 18,045, and as established under General Norm N°30 of the Financial Market Commission ("CMF" in Spanish), the following significant events are reported:

### ENEL CHILE S.A.

- On April 7, 2020, the following was reported as a significant event, that the Board of Directors of the Enel Chile S.A., in its meeting held March 30, 2020, as established by General Norm N° 435 and Circular N°1141 issued by the Financial Market Commission this past March 18, 2020, and regarding the measures to be taken as a consequence of the COVID-19 outbreak, known as Coronavirus, taking place in Chile, has agreed to use technological solutions in the upcoming Ordinary Shareholders' Meeting of Enel Chile to be held on April 29, 2020 at 9:30 am (the "Meeting"), to allow individuals that are not able to be physically present where the Meeting is to take place, to vote remotely. Such authorization was granted by the Board subject to the following requirements to be verified by the administration of the Company.

In accordance with General Norm N° 435 referred to previously, the technological solution to be implemented will allow shareholders, who are not physically present at the shareholders meeting location, to participate and guarantee the identity of such shareholders, and also ensure the principle of simultaneousness or secrecy of the votes that are carried out in the Meeting. Today, the administration of the Company has determined

that it is possible to implement a system that meets the requirements of current regulations and is compatible with the Company's shareholders registry that is managed by DCV Registros S.A.

In the summons to the Meeting and in the following link: <https://www.enel.cl/es/inversionistas/inversionistas-enel-chile/juntas-de-accionistas.html>, it will be informed how to access remotely and the details of the operation of the system to be implemented. Also, shareholders will be informed in a timely manner on how to certify identity and certify voting rights, if applicable.

The Company's shareholders are encouraged to contact DCV Registros S.A. at the following email: [atencionaccionistas@dcv.cl](mailto:atencionaccionistas@dcv.cl) and/or at the telephone number: +562 2393 9003, to update their contact information so as to facilitate participating remotely in the Meeting.

- On April 29, 2020, the following was reported as a significant event, the Ordinary Shareholders' Meeting, in its session held today, agreed to distribute a mandatory minimum dividend and an additional dividend, together amounting to 60% (sixty percent) of 2019 net income, equivalent to Ch\$ 2.56904738503000 per share. The cash amount to be paid to shareholders, after deducting the Ch\$ 0.447231118704613 per share interim dividend paid in January 2020, is Ch\$ 2.12181626632539 per share.

Additionally, as a means to compensate for the impairment caused by the decarbonization process of its subsidiary Enel Generación Chile S.A. disclosed as a significant event on June 4, 2019, the Ordinary Shareholders Meeting of Enel Chile approved the distribution of an eventual dividend equivalent to Ch\$ 1.66096337980578 per share from the retained earnings of previous years to be paid along with the definitive dividend for 2019.

The expected payment date is May 27, 2020. The shareholders who are registered in the Shareholders' Registry by May 20, 2020, will be entitled to receive these dividends.

- On May 27, 2020, the following was reported as a significant event, the Board of Directors of the Enel Chile S.A. approved, subject to the corresponding corporate authorizations of its subsidiary Enel Generación Chile S.A. ("Enel Generación") and the required authorizations from the National Energy Commission ("CNE"), the early disconnection of Bocamina I and Bocamina II coal-fired power plants, both located in the district of Coronel, with a gross installed capacity of 128 MW and 350 MW, respectively (hereinafter "Bocamina I" and "Bocamina II" respectively).

If the aforementioned authorizations from the CNE are obtained, the subsidiary Enel Generación will permanently withdraw and disconnect these two power plants from the National Electric System, establishing as deadlines for these milestones, December 31, 2020 for Bocamina I and May 31, 2022 for Bocamina II. All the abovementioned is subject to the authorization provided for in the General Law of Electrical Services, and to the applicable procedure for the power plants disconnection that is included in the Decarbonization Agreement between the Ministry of Energy and Enel Generación Chile S.A. subscribed on June 4, 2019.

As a sign of the Company's commitment to tackle climate change, in the event that the subsidiary Enel Generación determines so, Enel Chile would anticipate the date of disconnection and withdrawal of Bocamina I and II, initially planned for no later than December 31, 2023 and December 31, 2040, respectively, according to the significant event issued by the Company on June 04, 2019. Regarding the Bocamina I power plant, no significant effects in 2020 results are generated, considering that during 2019 an impairment loss was recorded regarding this power plant, which reduced its book value to its recoverable value.

The early closure of Bocamina I and Bocamina II implies that the subsidiary Enel Generación should record an impairment loss related to the Bocamina II power plant, which will affect the 2020 net income of this subsidiary for an approximate amount of Ch\$ 502,000 million (approximately USD 626 million). Consequently, Enel Chile should record a net loss of approximately Ch\$ 470,000 million (approximately USD 586 million).

- On July 7, 2020, the following was reported as a significant event, the press release ("Comunicato Stampa") issued today by our parent company, Enel S.p.A., in which it reports having increased its shareholding in Enel Chile S.A. through the acquisition of American Depositary Shares (ADSs) and ordinary shares, reaching a 64.9% stake in Enel Chile S.A., in line with what was previously reported to the market. More details in the "Comunicato Stampa" attached.
- On July 27, 2020, the following was reported as a significant event, the Board of Directors of Enel Chile S.A. ("Enel Chile" or the "Company"), by unanimity of its members, decided to propose in the corresponding corporate instances to its subsidiary Enel Generación Chile S.A. ("Enel Generación"), the update of both schedule and budget of the works of Los Cóndores project indicating as a new completion term the last quarter of 2023, followed by the commissioning and commercial operation of the generation units of the aforementioned project, with a total investment value of US\$ 1,152 million. The above represents an estimated increase of US\$ 195 million in the project budget, compared to the budget managed by that subsidiary.

The update of the project in the indicated terms implies direct financial effects for Enel Chile that are estimated in US\$ 195 million. It is not possible to determine at this date the financial effect of the longer operational start-up term, which will depend, among others, on the future price of the marginal cost, the price of the current contracts, the energy and power demand, maintenance and dispatch of other units of the system managed by the National Electric Coordinator, the exchange rate and the price of fuels.

- On July 27, 2020, the following was reported as a significant event in connection with the material fact issued on November 26, 2019 whereby the approval of the Strategic Plan 2020-2022 by the Board of Directors of the Company was informed:

Within the aforementioned Strategic Plan, macro elements were indicated for the three-year period 2020 - 2022 as well as EBITDA and CAPEX estimates, which were based on scenario projections that may or may not be verified in the future, considering the best estimates of the Company regarding the recent evolution of economic and market scenarios and climate projections.

Considering the situation of the current year 2020, especially including factors such as the effects of the Covid-19 pandemic and the consequent adoption of measures prioritizing health and safety, the fluctuation of exchange rates and hydrological conditions, deviations are expected in the macro elements included in the aforementioned Strategic Plan related to the 2020 period. Thus, once these projections have been revised based on the current conditions and the Company's results for the first half of 2020, a negative variation in the EBITDA for year 2020 is foreseen in a range between USD 350 million and USD 450 million approximately. Regarding CAPEX, no significant changes are foreseen when compared to the one reported in November 2019.

Considering that the aforementioned figures are based on scenario projections that might or might not come true in the future, their effects cannot be established at this date.

- On November 30, 2020, the following was reported as a significant event, in its session held today, the Board of Directors of Enel Chile has approved the Strategic Plan of the Company for the period 2021-2023.

The macro elements included in the Strategic Plan for the three-year period 2021-2023 have an estimated accumulated EBITDA of US\$ 4.6 billion and an estimated accumulated CAPEX of US\$ 2.4 billion.

Considering that contents of the aforementioned Strategic Plan are based on projections of hypotheses that may or may not occur in the future, their effects are not determinable at this date.

Likewise, Tuesday, December 1, a presentation will be held regarding the aforementioned figures, to which all local and foreign investors, shareholders, and the market in general will have access. Connection details, the conference agenda, and the presentation will be available to all interested parties in due course on the Company's website: [www.enelchile.cl](http://www.enelchile.cl).

- On November 30, 2020, the following was reported as a significant event, considering the financial results of Enel Chile S.A. (the "Company") as of September 30, 2020, and considering the 2020 Dividend Policy in force set forth at the Ordinary Shareholders Meeting on April 29, 2020, the interim dividend of 15% of accumulated earnings as of such date will not be distributed.

Additionally, Enel Chile S.A. expects to offset the impairment resulting from the decarbonization process of the subsidiary Enel Generación Chile S.A. by distributing an eventual dividend against the retained earnings of previous years. The above will be subject to deliberation by the Company's Board of Directors during the first four months of 2021 and, if approved by said corporate body, that eventual dividend will be proposed for approval at the next Ordinary Shareholders' Meeting of the Company.

**PRESS  
RELEASE**

**Media Relations**

T +39 06 8305 5699  
ufficiostampa@enel.com

enel.com

**Investor Relations**

T +39 06 8305 7975  
investor.relations@enel.com

enel.com

**ENEL REACHES 64.9% OF ENEL CHILE'S SHARE CAPITAL**

- *Enel has increased its shareholding in Enel Chile by an additional 3%, in line with Enel Group's announced objective to increase its stake in the Group's companies operating in South America, buying out minorities*

**Rome, July 7<sup>th</sup>, 2020** – Enel S.p.A. ("Enel") has increased its stake in its Chilean subsidiary Enel Chile S.A. ("Enel Chile") to 64.9% of the company's share capital, by settling two share swap transactions (the "Swap Transactions") entered into in December 2019 with a financial institution to acquire up to 3% of the share capital of Enel Chile, announced to the financial markets at the time.

Pursuant to the Swap Transactions, Enel has acquired:

- 1,502,106,759 shares of Enel Chile common stock; and
- 11,457,799 Enel Chile American depository shares ("ADSs"), each representing 50 shares of Enel Chile common stock.

The above-mentioned securities represent, in the aggregate, 3% of Enel Chile's share capital.

In accordance with the Swap Transactions, the total price paid for the shares of Enel Chile common stock and ADSs amounts to approximately 174 million US dollars, equal to around 154 million euros<sup>1</sup>, and was funded through internal cash flow generation.

The above-mentioned transactions are in line with the Enel Group's announced objective to increase its stake in the Group's companies operating in South America, buying out minorities.

## Enel Generacion Chile S.A.

- The Board of Directors of the Company, in its meeting held March 30, 2020, as established by General Norm N° 435 and Circular N°1141 issued by the Financial Market Commission this past March 18, 2020, and regarding the measures to be taken as a consequence of the COVID-19 outbreak, known as Coronavirus, taking place in Chile, has agreed to use technological solutions in the upcoming Ordinary Shareholders' Meeting of Enel Generación Chile to be held on April 28, 2020 at 12:00 pm (the "Meeting"), to allow individuals that are not able to be physically present where the Meeting is to take place, to vote remotely. Such authorization was granted by the Board subject to the following requirements to be verified by the administration of the Company.

In accordance with General Norm N° 435 referred to previously, the technological solution to be implemented will allow shareholders, who are not physically present at the shareholders meeting location, to participate and guarantee the identity of such shareholders, and also ensure the principle of simultaneousness or secrecy of the votes that are carried out in the Meeting. Today, the administration of the Company has determined that it is possible to implement a system that meets the requirements of current regulations and is compatible with the Company's shareholders registry that is managed by DCV Registros S.A.

In the summons to the Meeting and in the following link: <https://www.enel.cl/es/inversionistas/inversionistas-enel-generacion/junta-de-accionistas.html>, it will be informed how to access remotely and the details of the operation of the system to be implemented. Also, shareholders will be informed in a timely manner on how to certify identity and certify voting rights, if applicable.

The Company's shareholders are encouraged to contact DCV Registros S.A. at the following email: [atencionaccionistas@dcv.cl](mailto:atencionaccionistas@dcv.cl) and/or at the telephone number: +562 2393 9003, to update their contact information so as to facilitate participating remotely in the Meeting.

Notwithstanding all the above mentioned, and considering that the country is at this time in a constitutional state of exception identified as a catastrophe that was declared due to the COVID-19 pandemic, the Company believes that the health care of our people and our shareholders must prevail. Therefore, the Board of Directors has determined that both attendance, and development and voting at the Meeting are carried out remotely, for which the corresponding operational details will be duly communicated to the shareholders through the aforementioned website.

- The Ordinary Shareholders Meeting of Enel Generación Chile, in its session held on April 28, 2020, agreed to distribute a definitive dividend amounting to 60% (sixty percent) of 2019 net income, equivalent to Ch\$14.3634994508699 per share. The cash amount to be paid to shareholders, after deducting the interim dividend paid in January 2020, is Ch\$ 12.0050642091699 per share.

The Ordinary Shareholders Meeting of Enel Generación Chile also approved the distribution of an eventual dividend to be paid along with the definitive dividend for 2019 equivalent to Ch\$ 14.6789785748503 per share from the Ch\$ 120,393,379,756 in retained earnings of previous years.

Consequently, the total dividend to be distributed to shareholders amounts to Ch\$ 26.6840427840202 per share. The expected payment date is May 27, 2020.

The shareholders who are registered in the Shareholders' Registration by May 20, 2020, will be entitled to receive this dividend.

- On May 27, 2020 the Board of the Directors of Enel Generación Chile S.A. approved the early disconnection of Bocamina I and Bocamina II coal-fired power plants, both located in the district of Coronel, with a gross installed capacity of 128 MW and 350 MW, respectively (hereinafter "Bocamina I" and "Bocamina II" respectively). All the aforementioned is subject to the corresponding authorizations of the National Energy Commission ("CNE" in Spanish).

If the aforementioned authorizations from the CNE are obtained, Enel Generación Chile will permanently withdraw and disconnect these two power plants from the National Electric System, establishing as deadlines for these milestones, December 31, 2020 for Bocamina I and May 31, 2022 for Bocamina II. All the abovementioned is subject to the authorization provided for in the General Law of Electrical Services, and to the applicable procedure for the power plants disconnection that is included in the Decarbonization Agreement between the Ministry of Energy and Enel Generación Chile subscribed on June 4, 2019.

As a sign of the Company's commitment to tackle climate change, Enel Generación Chile has determined to anticipate the date of disconnection and withdrawal of Bocamina I and II, initially planned for no later than December 31, 2023 and December 31, 2040, respectively, according to the significant event issued by the Company on June 04, 2019. Regarding the Bocamina I power plant, no significant effects in 2020 results are generated, considering that during 2019 an impairment loss was recorded regarding this power plant, which reduced its book value to its recoverable value.

Consequently, Enel Generación Chile should record an impairment loss related to the Bocamina II power plant, which will affect the Company's 2020 net income for an approximate amount of Ch\$ 502,000 million (approximately USD 626 million).

- On July 27, 2020, the Board of the Company unanimously approved the update of both schedule and budget for the works of Los Cóndores Project (the "Project") indicating a completion term foreseen for the last quarter of year 2023, followed by the commissioning and commercial operation of the generation units of the Project, with a total investment value of US\$ 1,152 million.

Los Cóndores Project was informed to the Financial Market Commission through a significant event on April 1, 2014 and updated through a significant event on September 14, 2018.

The direct financial effects implying an increased amount up to US\$ 195 million are related to future disbursements for the construction and completion of Los Cóndores Project, not being possible to determine at this date the financial effect of the longer operational start-up term, which will depend, among others, on the future price of the marginal cost, the price of the current contracts, the energy and power demand, maintenance and dispatch of other units of the system managed by the National Electric Coordinator, the exchange rate and the price of fuels.

- On September 7, 2020; the Board of Directors of Enel Generación Chile S.A. unanimously approved to terminate the "Deposit Agreement" effective on December 17, 2020, and instruct Citibank, as the Depositary Bank of Enel Generación Chile S.A. ADR Program, to inform ADR holders on the Company's decision to terminate the Program on the same date indicated above, that is, December 17, 2020.

The aforementioned termination has no material financial effects on the Company.

- On November 26, 2020, the following was reported as a significant event, considering the financial results of Enel Generación Chile S.A. as of September 30, 2020, and considering the 2020 Dividend Policy in force set forth at the Ordinary Shareholders' Meeting of April 29 of the current year, the interim dividend of 15% of accumulated earnings as of such date will not be distributed.

Additionally, Enel Generación Chile S.A. expects to offset the impairment resulting from the Company's decarbonization process by distributing an eventual dividend charged to retained earnings of previous years, which would be paid together with the final dividend for the year 2020. The above will be subject to deliberation by the Company's Board of Directors during the first four months of 2021 and, if approved by said corporate body, that eventual dividend will be proposed for approval at the next Ordinary Shareholders' Meeting of the Company.

- In its session held on November 26, 2020, the Board of Directors of Enel Generación Chile has approved the Strategic Plan of the Company for the period 2021-2023.

The macro elements included in the Strategic Plan for the three-year period 2021-2023 have an estimated accumulated EBITDA of US\$ 2,500 million approx. and an estimated accumulated CAPEX of US\$ 462 million approx.

Given that contents of the aforementioned Strategic Plan obey and are based on projections and hypotheses that may or may not be verified in the future, their effects are not determinable at this date.

- On December 18, 2020, the Board of Directors of Enel Generación Chile S.A. took notice that Mr. Michele Siciliano presented his resignation to the position of Chief Executive Officer of Enel Generación Chile, effective December 31, 2020. In his place, the Board has unanimously agreed to appoint Mr. James Lee Stancampiano as the new Chief Executive Officer of Enel Generación Chile, effective January 1, 2021.

## Pehuenche

- In an Extraordinary Session of the Board of Directors of Empresa Eléctrica Pehuenche S.A., held on February 28, 2020, the Board of Directors took notice that that Mr. Carlo Carvallo Artigas presented his resignation to the position of Chief Executive Officer of the company, effective March 1, 2020. As his replacement, the Board has unanimously agreed to appoint Mr. Carlos Peña Garay as the new Chief Executive Officer of Empresa Eléctrica Pehuenche S.A., effective March 1, 2020.
- On April 7, 2020, the company reported that in an ordinary session held March 27, 2020, in accordance with General Norm No. 435 and Circular No. 1,141 issued by the Financial Market Commission ("CMF") on March 18, 2020, and regarding the measures to be taken as a consequence of the COVID-19 outbreak, known as Coronavirustaking place in Chile, the Board of Directors of Empresa Eléctrica Pehuenche S.A., has agreed to use technological solutions in the Ordinary Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A. to be held on April 27, 2020 (the "Meeting"), to allow individuals that are not able to be physically present where the Meeting is to take place, to vote remotely. Such authorization was granted by the Board subject to the following requirements to be verified by the administration of the Company.

In accordance with General Norm No. 435 referred to previously, the technological solution to be implemented will allow shareholders, who are not physically present at the shareholders meeting location to participate and guarantee the identity of such shareholders, and also ensure the principle of simultaneousness or secrecy of the votes that are carried out in the Meeting. Management of the Company has determined that it is possible to implement a system that meets the requirements of current regulations and is compatible with the Company's shareholders registry that is managed by DCV Registros S.A.

In the summons to the Meeting and in the following link: <https://www.enel.cl/es/inversionistas/inversionistas-enel-generacion/filiales/pehuenche-sa/juntas-de-accionistas.html>, it will be informed how to access remotely and the details of the operation of the system to be implemented. Also, shareholders will be informed in a timely manner on how to certify identity and certify voting rights, if applicable.

The Company's shareholders are encouraged to contact DCV Registros S.A. at the following email: [atencionaccionistas@dvc.cl](mailto:atencionaccionistas@dvc.cl) and/or at the telephone number: +562 2393 9003, to update their contact information so as to facilitate participating remotely in the Meeting.

Notwithstanding to the above mentioned, and considering that the country is at this time in a constitutional state of exception identified as a catastrophe that was declared due to the COVID-19 pandemic, the Company believes that the health care of our people and our shareholders must prevail. Therefore, the Board of Directors has determined that both attendance, and development and voting at the Meeting are carried out remotely, for which the corresponding operational details will be duly communicated to the shareholders through the aforementioned website.

- The Ordinary Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A., in its session held on April 27, 2020, agreed to distribute a definitive dividend corresponding to fiscal year 2019, equivalent to Ch\$ 51.774519938 per share. This dividend will be paid in May 15, 2020 to shareholders included in the Register of Shareholders at midnight on the fifth business day prior to the date indicated.

The corresponding notice was published on April 29, 2020, in the newspaper El Mercurio de Santiago.

- The Ordinary Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A., in its session held on April 27, 2020, a new Board of Directors of the company was elected for a period of three years from the date it was held. The Board is made up of the following persons: Mr.

Raúl Arteaga Errázuriz, Mrs. Viviana Meneses Robledo, Mr. Luis Ignacio Quiñones Sotomayor, Mr. Fernando Vallejos Reyes and Mr. Luis Vergara Adamides.

At an Ordinary Board of Directors meeting, held on April 27, 2020, after the aforementioned Shareholders Meeting, Mr. Raúl Arteaga Errázuriz was elected as Chairman of the Board and of the company, and Ms. Natalia Fernández Sepulveda as Secretary of the Board.

- The Board of Directors Meeting of Empresa Eléctrica Pehuenche S.A., held on September 25, 2020, approved the distribution of a first interim dividend corresponding to fiscal year 2020, equivalent to Ch\$ 48.82 per share. This dividend was paid in October 28, 2020, to the shareholders included in the Register of Shareholders at midnight on the fifth business day prior to the date indicated.

The corresponding notice was published on October 12, 2020, in the newspaper El Mercurio de Santiago.

- The Board of Directors Meeting of Empresa Eléctrica Pehuenche S.A., held on December 17, 2020, approved the distribution of a second interim dividend corresponding to fiscal year 2020, equivalent to Ch\$ 40.84 per share. This dividend to be paid in January 27, 2021, to the shareholders inscribed in the Register of Shareholders at midnight on the fifth business day prior to the date indicated.

The corresponding notice was published on January 11, 2021, in the newspaper El Mercurio de Santiago.

## Enel Distribución Chile S.A.

The Board of Directors of the Company, in its meeting held March 30, 2020, as established by General Norm No. 435 and Circular No. 1,141 issued by the Financial Market Commission ("CMF") on March 18, 2020, and regarding the measures to be taken as a consequence of the COVID-19 outbreak, known as Coronavirus, taking place in Chile, has agreed to use technological solutions in the upcoming Ordinary Shareholders' Meeting of Enel Distribución Chile S.A. to be held on April 28, 2020 at 9:30 pm (the "Meeting"), to allow individuals that are not able to be physically present where the Meeting is to take place, to vote remotely. Such authorization was granted by the Board subject to the following requirements to be verified by the administration of the Company.

In accordance with General Norm No. 435 referred to previously, the technological solution to be implemented will allow shareholders, who are not physically present at the shareholders meeting location, to participate and guarantee the identity of such shareholders, and also ensure the principle of simultaneousness or secrecy of the votes that are carried out in the Meeting. Today, the administration of the Company has determined that it is possible to implement a system that meets the requirements of current regulations and is compatible with the Company's shareholders registry that is managed by DCV Registros S.A.

In the summons to the Meeting and in the following link: <https://www.enel.cl/es/inversionistas-enel-chile/juntas-de-accionistas>, it will be informed how to access remotely and the details of the operation of the system to be implemented. Also, shareholders will be informed in a timely manner on how to certify identity and certify voting rights, if applicable.

The Company's shareholders are encouraged to contact DCV Registros S.A. at the following email: [atencionaccionistas@dcv.cl](mailto:atencionaccionistas@dcv.cl) and/or at the telephone number: +562 2393 9003, to update their contact information so as to facilitate participating remotely in the Meeting.

Notwithstanding all the above mentioned, and considering that the country is at this time in a constitutional state of exception identified as a catastrophe that was declared due to the COVID-19 pandemic, the Company believes that the health care of our people and our shareholders must prevail. Therefore, the Board of Directors has determined that both attendance, and development and voting at the Meeting are carried out remotely, for which the corresponding operational details will be duly communicated to the shareholders through the aforementioned website.

The Ordinary Shareholders' Meeting of Enel Distribución Chile S.A., held on April 28, 2020, the following persons were appointed as Directors of the Company:

- 1.- Mr. Edoardo Marcenaro
- 2.- Mrs. Alessandra Billia
- 3.- Mrs. Claudia Bobadilla Ferrer
- 4.- Mr. Marco Fadda
- 5.- Mr. Hernán Felipe Errázuriz Correa

In addition, in the ordinary Board of Directors Meeting No. 2, held on April 28, 2020, Mr. Edoardo Marcenaro was elected as Chairman of the Board.

The Ordinary Shareholders' Meeting of Enel Distribución Chile S.A., in its session held on April 28, 2020, agreed to distribute a definitive dividend No. 39, equivalent to Ch\$ 19.74691039 per share, charged to 2019 net income.

This dividend will be paid in May 27, 2020, to shareholders subscribed in the Register of Shareholders at midnight on the fifth business day prior to the date indicated.

In the Ordinary Board of Directors Meeting, held on June 25, 2020, the modification of the Policy of ordinary practices of the Company was approved, in order to expand its content from first paragraph in the sense of extending it to all matters related to contracts for the sale of electricity with power generating companies. The remaining content of the policy is unchanged.

The amended text now reads as follows:

“1.- Operations between related companies related to contracts for the sale of electricity and its related products, with generating and trading companies, are considered common. It is necessary and indispensable for Enel Distribución to subscribe and / or assign such contracts, since the Company, in turn, must sell and distribute it to its free and regulated clients.”

The Board of Directors of Enel Distribución Chile S.A. (“Enel Distribución” or the “Company”), in Ordinary session held on October 28, 2020, unanimously approved by its members present to call an Extraordinary Shareholders Meeting to be held on December 3, 2020 at 9:30 a.m..

The meeting will be held by technological solution, in order to facilitate the participation of persons who are not physically present at the shareholders meeting location, through remote voting mechanisms. This authorization was granted conditional on verification by the administration that the system to be implemented complies with the requirements indicated in General Norm No. 435 of the Commission for the Financial Market.

The Extraordinary Shareholders’ Meeting must pronounce on the following matters:

Division of the Company: Approve the division of the Company in accordance with the articles 94 and 95 of the Chilean Corporate Law, resulting from the division a new company that will be called “Enel Transmisión Chile S.A.”, (“Enel Transmisión”) to which the assets and liabilities associated to the electric power transmission business associated with Enel Distribución will be allocated, and all the shareholders of Enel Distribución will be incorporated into, for a number of shares that will be equal to the number they had in the divided society (1:1 ratio). Enel Distribución will retain all of the business that it currently develops related to the activity of distribution of electricity to customers subject to the pricing regime, those activities essential for the provision of said service, and those that contribute to its fulfillment, as provided in Exempt Resolution No. 176 of the c, whose consolidated, coordinated and systematized text was established by Exempt Resolution No. 322 of the National Energy Commission (“CNE”). The foregoing, including the part of the equity comprised by, among others, the assets, liabilities and administrative authorizations that the Company currently has.

Additionally, and in accordance with article 5 in relation to article 148, both of the Regulation of Chilean Corporations Law No. 18,046, the aforementioned division will take effect as of January 1, 2021 considering timely compliance with the registration formalities in the corresponding business register and publication in the Official Gazette of the extract of the reduction to public deed of the meeting minutes.

Decrease in capital and allocation of equity accounts: Approve the decrease in capital of the Company, which will be allocated to Enel Transmisión Chile S.A., as well as approve the way in which the other equity accounts of the Company will be distributed, between the latter and Enel Transmisión, as described in the pro forma balance sheets.

Transfer of all assets and liabilities of the Company that will be allocated to Enel Transmisión. Approve the assets of the Company that will be allocated to the new company that arises from the division, and the liabilities of the company that it will assume.

Modification of bylaws. Agree to modify the bylaws of the Company in all those matters that are necessary to reflect the division, including those that are necessary to account for the decrease in capital that is approved, as well as those destined to record in the bylaws of the Company regarding its subjection to the new requirements related to the exclusive line of distribution according to the latest modifications to Decree with Force of Law No. 4 / 20,018-2016 of the Ministry of Economy, Development and Reconstruction, which established the consolidated text, coordinated and systematized of the Decree with Force of Law No. 1-1,982 of the Ministry of Mining, General Law of Electric Services.

Election of the provisional Board of Directors of Enel Transmisión, that is, of the new company that arises from the division.

Appointment of the independent accounting firm, granting of powers and periodical in which the legal publications of Enel Transmisión are to be made, that is, of the new company that arises from the division.

Bylaws of the new company. Approve the text of the bylaws of the company that is born on the occasion of the division, which will be similar to the current bylaws of the Company, with the sole exception of the name, object, capital and number of shares into which the capital is divided, as well as the other modifications that are necessary for the purpose of adapting the statutes to the current legislation.

Number of Enel Transmisión Shares. Approve the number of Enel Transmisión shares that Enel Distribución shareholders will receive.

Inscription in the Securities Registry of the CMF. Agree that Enel Transmisión will be subject to the rules that govern public stock companies, being subject to the supervision of the Financial Market Commission, proceed to register Enel Transmisión and its shares in the Securities Registry in charge of the Financial Market Commission and, likewise, register it in one or more authorized Stock Exchanges of the country.

Transactions between related parties. Report on the transactions referred to in article 146 of the Chilean Corporate Law and that have been carried out during the period that has elapsed since the last Shareholders' Meeting of the Company.

Other necessary agreements. Adopt all the agreements that are necessary to carry out the division under the terms and conditions ultimately approved by the Board, and broadly empower the Board of Directors of the Company and Enel Transmisión to grant all the powers deemed necessary, especially those to legalize, materialize and carry out the division agreements and others that are adopted.

It is hereby made aware that it will be carried out, in a timely manner, in the terms and deadlines established by law, the sending to the Financial Market Commission, stock exchanges and the shareholders of the Company of the summons letters indicating the specific matters to be dealt with at the aforementioned meeting, as well as the publication on the website of the Company of all the documents that serve as background information on the proposed division.

In its session held on October 28, 2020, the Board of Directors of Enel Distribución Chile S.A. has approved the Strategic Plan of the Company for the period 2021-2023.

The macro elements included in the Strategic Plan for the three-year period 2021-2023 have an estimated accumulated EBITDA of US\$ 896 million approximately

and an estimated accumulated CAPEX of US\$ 497 million approximately. Given that contents of this Strategic Plan obey and are based on projections and hypotheses that may or may not be verified in the future, their effects are not determinable at this date.

The Board of Directors of the Company, in its meeting held November 26, 2020, agreed to distribute Provisional Dividend No. 40, equivalent to Ch\$ 7.32491806129279 per share. This amount corresponds to 15% of the net income of the Company for the nine-month period ended September 30, 2020, determined based on the financial statements of the Company as of that date. The interim dividend will be paid in December 18, 2020 to the shareholders subscribed in the Register of Shareholders at midnight on the fifth business day prior to the date indicated.

In the Extraordinary Shareholders' Meeting of Enel Distribución Chile S.A. held on December 3, 2020, the shareholders of Enel Distribución took notice of the requirements on the company only being able to carry out electricity distribution businesses in accordance with the latest amendments to Decree No. 4/2016 of the Ministry of Economy, Development and Reconstruction, which established the consolidated, coordinated and systematized text of Decree with Force of Law No. 1-1,982 of the Ministry of Mining, General Law of Electric Services.

After the foregoing, the Shareholders' Meeting, with the required legal quorum, resolved to approve the division of the Company in accordance with the articles 94 and 95 of the Chilean Corporations Law (the "Division"), arising from this a new company called "Enel Transmisión Chile S.A." ("Enel Transmisión") to which the assets and liabilities associated with the electric power transmission segment of Enel Distribución were assigned, and incorporating all of Enel Distribución shareholders for a number of shares equal to the one they had in the divided company (1:1 ratio); and Enel Distribución preserving all of the business that it currently develops related to the activity of distribution of electricity to customers subject to the pricing regime, those activities essential for the provision of said service, and those that contribute to its fulfillment,

as provided in Exempt Resolution No. 176 of the National Energy Commission, whose consolidated, coordinated and systematized text was established by Exempt Resolution No. 322 of the National Energy Commission dated August 26, 2020, published in the Official Gazette of dated September 7, 2020. The foregoing includes the part of the equity made up, among others, by the assets, liabilities and administrative authorizations of the Company.

The Division will take effect on January 1, 2021, without prejudice to the timely compliance with the registration formalities in the corresponding Commercial Registry and the publication in the Official Gazette of the extract of the reduction to public deed of the minutes of the Extraordinary Shareholders' Meeting approved by the Division.

As a consequence of the Division, the following was agreed: (i) decrease in the capital of Enel Distribución as a result of the Division from the amount of Ch\$ 230,137,979,938, divided into 1,150,742,161 registered shares, all of the same series and without par value, to the new amount of Ch\$ 177,568,664,063, divided into 1,150,742,161 registered shares, all of the same series and without par value; and (ii) establish the capital of Enel Transmisión, corresponding to the amount by which the capital of Enel Distribución decreased, in the amount of Ch\$ 52,569,315,875, divided into 1,150,742,161 registered shares, all of the same series and without par value. Likewise, the modification of the corporate purpose of Enel Distribución was approved, restricting it to the activity of distribution of electricity to customers subject to the pricing regime, those activities essential for the provision of said service and those that contribute to its fulfillment.

Additionally, the statutes of Enel Transmisión were approved, which will be subject to the regulations that govern open Chilean Corporations, being subject to the supervision of the Financial Market Commission, for which Enel Transmisión and its subsidiaries will be registered shares in the Securities Registry in charge of the Financial Market Commission and, likewise, register it in one or more authorized Stock Exchanges of the country.

Finally, the shareholders elected the provisional Board of Directors of Enel Transmisión, which is made up of Messrs. Antonella Pellegrini, Liliana Schnaidt, Claudia Navarrete Campos, Domingo Valdés Prieto and Daniel Gómez Sagner, who will remain in their positions until the first Ordinary Shareholders' Meeting is held, instance in which the definitive Board of Directors of Enel Transmisión will be elected.

# Glossary

## **ADS**

American Depository Share.

## **AFP**

Pension fund administration companies (“AFP” in its Spanish acronym) are corporations that manage a pension fund and provides its members the services established by law. The Superintendencia of Pensions is the government body that oversees and controls the AFPs and manages unemployment funds.

## **Bioenergy**

Energy obtained from organic and biodegradable matter (biomass) that may be used directly as fuel or converted into other biofuels. Biomass is a biological material, excluding material embedded in geological formations and/or transformed to fossil. Liquid, solid, or gaseous fuels produced directly from biomass is called biofuel.

## **Carbon Neutral**

Having a balance between GHG emissions and absorption within a specific period, assuming that emission is equal to less than absorption.

## **Central Securities Depository (“DCV” in its Spanish acronym)**

It is a corporation in Chile incorporated under Law 18,876 and its rules and the instructions issued by the CMF. The DCV is empowered to hold securities, either issued publicly, issued by banks or by the Chilean Central Bank and those issued or guaranteed by the State. It may also be the depository of other goods, documents, and contracts as authorized by the Commission in accordance with rules and regulations and allow ownership to be easily transferred according to the procedures established by the law. The DCV is an entity that electronically processes, and books ownership transferred on the stock exchanges and over the counter and provide the information needed to carry out the financial settlement of such transactions.

## **Concentrated solar power**

Solar energy is a renewable energy source. Concentrated technology is a thermoelectric generation technology that uses the sun's reflection on a receiver to concentrate the heat that transforms into fluid, which is used to produce steam and move a turbine to generate electricity.

## **CMF**

Spanish acronym for Comisión para el Mercado Financiero. Chilean Financial Market Commission, the governmental authority that supervises corporations, banks, securities, and insurance markets. Formerly known as the Chilean Superintendencia of Securities and Insurance, or SVS in its Spanish acronym. The CMF is a public service with technical expertise that seeks to ensure that the financial market is stable and functions and develops properly while facilitating participation and safeguarding public trust. It has a general and systemic view of the market, concerned about the interests of investors, depositors, and insured people and protecting public interests. It is responsible for overseeing that financial market participants comply with laws, rules, bylaws, and other governing provisions, from their incorporation to their liquidation, supervising every operation. The Commission is a legal entity with its own assets that structurally relates to the country's President through the Ministry of Finance.

<https://www.cmfchile.cl/portal/principal/613/w3-propertyname-720.html>

## **CNE**

Spanish acronym for Comisión Nacional de Energía. The National Energy Commission is a decentralized public body, with its own assets, and has full capacity to acquire rights and exercise duties that structurally relates to the country's President through the Ministry of Finance. It is governed by organic law D.L. 2,224 issued in 1978 and amended in 2010 by Law 20,402 that created the Ministry of Energy. It is a public body with technical expertise in charge of analyzing prices, tariffs, and ethical norms that govern electricity generation, transmission, and distribution companies to guarantee efficient, sufficient, safe, quality electricity.

<https://www.cne.cl/es/>

**Distributed generation**

It is the ability to generate and consume electricity within a same location, or by the same facility. If the generation facility is connected to the grid and generates more electricity than it consumes, the distribution company will pay for the power that is fed to the network.

**Distribution**

It is the process of supplying electricity to final customers (residential, commercial, industrial or transmission) using overhead or underground cables.

**EGP Chile**

Enel Green Power Chile is a privately held corporation incorporated under Chilean law that owns non-conventional renewable energy sourced electricity generation power plants. It is a subsidiary consolidated by Enel Chile since April 2, 2018.

**EGPL**

Enel Green Power Latin America S.A. is a privately held corporation incorporated under Chilean law that merged with Enel Chile on April 2, 2018. As a result of this merger Enel Chile currently consolidates EGP Chile.

**Electricity power plant**

A facility formed by one or more generation units that convert a primary source of energy into electricity. Such primary source may be renewable (solar, wind, hydro, geothermal) or not (oil, natural gas, coal)

**Electromobility**

The concept refers to propulsion or traction systems that apply electricity to various types of transportation.

**Enel Américas**

Is a limited liability corporation, controlled by Enel, incorporated under Chilean law that has subsidiaries mainly engaged in electricity generation, transmission, and distribution in Argentina, Brazil, Colombia, and Peru.

**Enel Chile**

Our Company is a Chilean publicly held limited liability stock corporation with subsidiaries engaged primarily in the generation and distribution of electricity in Chile. Registrant of this Report. Formerly known on an interim basis as Enersis Chile S.A.

**Enel Distribución Chile**

A Chilean electricity distribution company owned by Enel Chile that operates in the Santiago Metropolitan Region. Formerly known on an interim basis as Chilectra Chile S.A. and before that as Chilectra S.A.

**Enel Generación Chile**

A company incorporated under Chilean law that owns electricity generation power plants in Chile. Formerly known as Empresa Nacional de Electricidad S.A. or Endesa Chile.

**Enel X Chile**

A subsidiary of Enel Chile that seeks to satisfy customer needs through four business lines: e-City, e-Home, e-Industries, e-Mobility.

### **Energy efficiency**

This concept refers to making good use of energy, using less energy to provide the same service, either for transportation, lighting, cooking food, heating, or entertainment. By reducing energy consumption, the construction of new generation facilities may be delayed and consequently energy efficiency may be the cleanest, safest, and less expensive source of energy. The minimum efficiency performance standards (MEPS) are among the main measurements to reduce unnecessary energy consumption.

### **ESG**

Environmental, social and governance.

### **Generation**

It is the electricity power plant process that obtains energy by using coal, natural gas, water, the sun, wind, among other sources. These power plants are located throughout Chile because energy resources are spread throughout the country depending on the geography of each area.

### **Geothermal energy**

It is heat from within the sub-surface of the earth. This source of energy allows us to generate geothermal electricity using the high temperature steam and/or fluids from "geothermal reservoirs", which are channeled to geothermal power plants through insulated pipes.

### **Greenhouse Gas (GHG)**

A gaseous component of the atmosphere, natural and anthropogenic that absorb and emit infrared radiation in the wavelength range emitted by Earth, the atmosphere itself or clouds, as determined by the Convention or by the Kigali Amendment, or those that replace them.

### **GWh**

Gigawatt hours

### **Hydroelectric energy (reservoir)**

Hydroelectric energy from reservoirs is a renewable source of energy that captures and accumulates water from a river in a natural (lake) or artificial (dam) reservoir to increase water level and pressure. When the water is released back to the river it moves the turbine and generates electricity.

### **Installed capacity**

Maximum amount of power of a generation unit based on the technical availability of the facility. It is measured in Megawatts (MW).

### **LNG**

Liquified natural gas (LNG) is natural gas that has been processed to be transported as liquid.

### **Minimum Energy performance Standards (MEPS)**

It is a specification, containing several performance requirements for an energy-using device to be commercialized, that limits the maximum amount of energy that may be consumed by a product in performing a specified task.

### **National Electricity Coordinator**

A non-profit autonomous entity with its own capital and indefinite life that is in charge of coordinating the operations of the National Electricity System ("SEN" in its Spanish acronym) efficiently, dispatching generation units to satisfy demand. It replaced the CDEC for both the SIC and SING in November 2017. The organizational structure, composition, functions, and responsibilities are governed by Law 20,936 and its rules and regulations. <https://www.coordinador.cl/>

**NCRE**

Non-conventional energy sources. Sources of energy that are continuously replenished through natural processes, such as wind energy, biomass, mini hydroelectric, geothermal, solar, and tidal energy.

**Nonrenewable energy**

Source of energy found in nature that will not be replenished and therefore run out over time, such as fossil fuels, which come from the transformation of organic matter which takes millions of years.

**Renewable energy**

Virtually endless sources of energy for the immense amount of energy they contain or because they can regenerate naturally, such as the sun, wind, water, oceans, and heat from the earth.

**Santiago Stock Exchange**

An entity that provides the infrastructure needed for companies and investors to trade securities. The Santiago Stock Exchange is governed by the Securities Market Law 18,045 and the Corporations Law 18,046. The Santiago Stock exchange must also follow the rules established by its bylaws, and other internal regulation.

<https://www.bolsadesantiago.com/>

**Santiago Electronic Exchange**

It is a virtual security exchange that provides a platform to buy and sell financial instruments. The Santiago Electronic Exchange ("BEC" in its Spanish acronym) allows buyers and seller to make contact to finance various business deals. BEC is governed by the Securities Market Law 18,045 and the Corporations Law 18,046.

<https://www.bolchile.com/>

**Solar Photovoltaic energy**

Solar energy is a renewable energy source. Photovoltaic technology uses the energy from the sun (composed of photons or light particles) to generate electricity (direct current) using semiconductors in the photovoltaic cells.

**Thermal solar energy**

Thermal solar technology uses the energy from the sun to produce heat, for instance to heat water for household business, or industrial heating.

**Thermoelectric energy**

Thermoelectric power plants use fossil fuels, such as coal, natural gas or petroleum products, non-renewable energy sources, used in a thermodynamic cycle to move a turbine and generate electricity.

### **UN Convention on Biological Diversity (CBD)**

It is the international legal instrument for “the conservation of biological diversity, the sustainable use of its components and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources” that has been ratified by 196 nations. Its overall objective is to encourage actions, which will lead to a sustainable future.

### **Wind energy**

It is the kinetic energy of wind that wind turbines can transform into mechanic energy and then electricity.

# 9

## **Statement of Responsibility**





# Statement of Responsibility

The Directors of Enel Chile S.A. and its Chief Executive Officer, signatories of this statement, are responsible under oath of the veracity of the information provided in this Annual Report, in compliance with the General Norm 30, issued by the Financial Market Commission:



CHAIRMAN

Herman Chadwick Piñera  
Taxpayer Id: 4,975,992-4



DIRECTOR

Giulio Fazio

Passport: YA 4656507



DIRECTOR

Salvatore Bernabei  
Passport: YB 0600187



DIRECTOR

Pablo Cabrera Gaete  
Taxpayer Id: 4,774,797-K



DIRECTOR

Daniele Caprini  
Passport: YA 9188092



DIRECTOR

Gerardo Jofré Miranda  
Taxpayer Id: 5,672,444-3



DIRECTOR

Fernán Gazmuri Plaza  
Taxpayer Id : 4,461,192-9



CHIEF EXECUTIVE OFFICER

Paolo Pallotti  
Taxpayer Id: 26,102,661-9

enel