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WE EMPOWER SUSTAINABLE PROGRESS.



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**2021 Enel Generación Chile
Annual Report**



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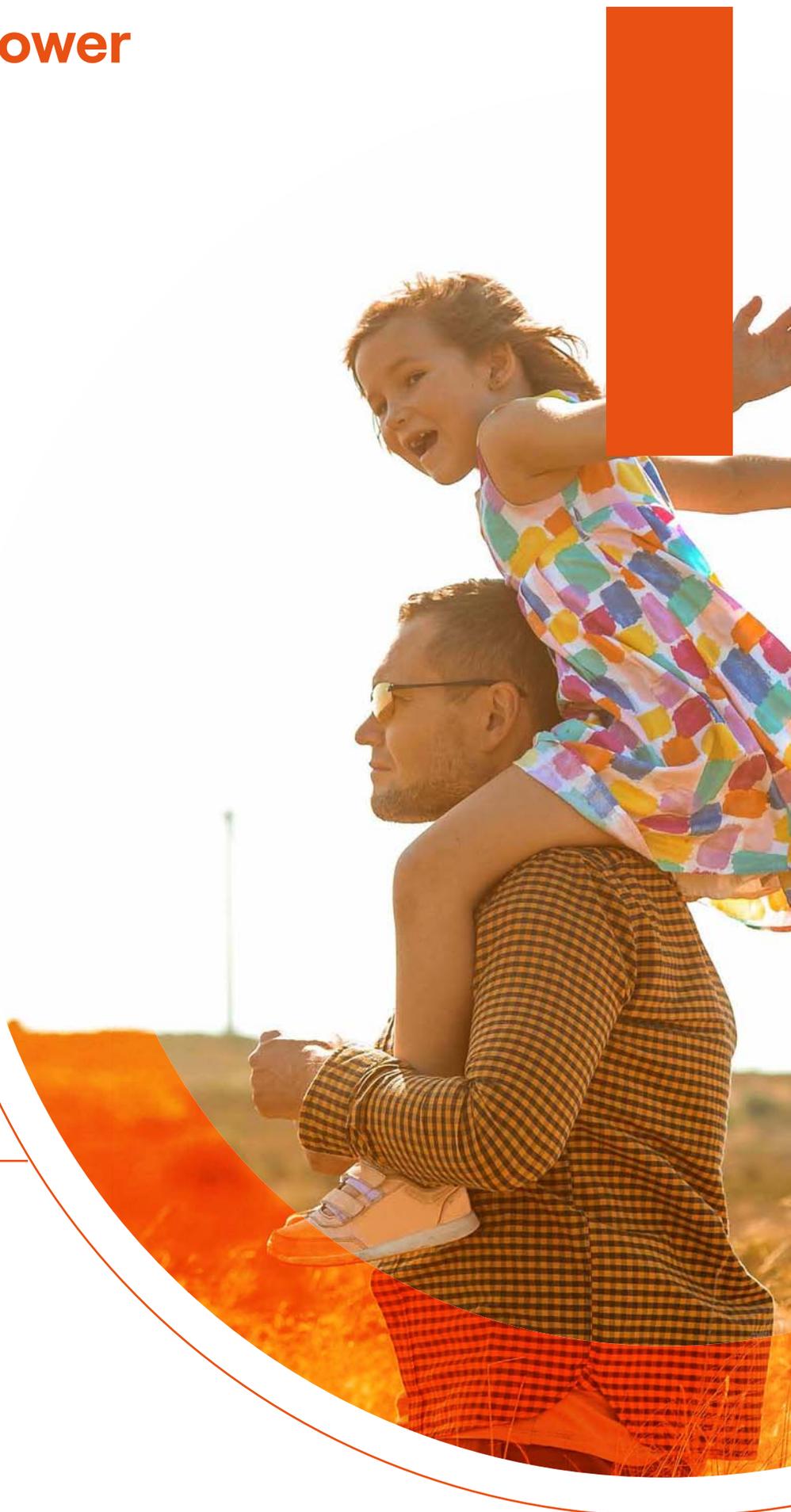
Enel is Open Power

POSITIONING

Open Power

VISION

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





MISSION

- 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 pro-actively to improve conditions for health, safety, and well-being.
- Work for the integration of all, recognizing and leveraging individual diversity (culture, gender, age, disability, personality, 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 that can improve their contribution

VALUES

- Trust
- Proactivity
- Responsibility
- Innovation



Letter from the Chairman to shareholders and stakeholders



Giuseppe Conti
Chairman of Enel Generación Chile



James Lee Stancampiano
Chief Executive Officer of
Enel Generación Chile

Dear shareholders and stakeholders,

We are pleased to present Enel Generación Chile's 2021 Annual Report and Consolidated Financial Statements.

Commenting on the complex situation brought by the Covid-19 pandemic on a global and local scale is a must. The pandemic undoubtedly had a significant economic and sanitary impact in 2021 and continues to do so. We have maintained all preventive and safety measures to avoid infections and also continue to operate all our power plants in Chile efficiently, and in line with the Group's high standards.

We must specially recognize the work of our employees, including those who have been working on-site in power plants and those who have been remotely carrying out administrative and management tasks. They have been able to perform operational activities without interruptions, in all our power plants, while strictly following the Company's sanitary protocols.

The tough situation brought upon the country by the harsh drought must also be highlighted. It has lasted over a decade and has presented several challenges. We are proud of our significant contribution to the consolidation and legal establishment of the Biobío River Monitoring Committee. The Biobío River is one of the most relevant hydrological river basins in the country, and where the Company has important electricity generation operations. Thanks to this Committee, we will be able to monitor the appropriate use and conservation of the Biobío hydrological resources, ensure its sustainability, and collaborate with all those that use its water resources, including neighboring communities.

Decarbonization and Fair Energy Transition

The decarbonization process of our generation matrix is reaching its final stage and will be completed once we disconnect and close down Bocamina Power Plant Unit II located in Coronel. We have reached this milestone 18 years sooner than initially scheduled in the Government's National Decarbonization Agreement presented in June 2019.

As we have affirmed, this decarbonization process is being carried out as a Fair Energy Transition. It implies, among many things, following through with our commitments with the neighboring communities of our coal fired power plants and also providing job opportunities for the workers of such power plants, so as to leave no one behind.

We are proud to announce that during 2021, thanks to our collaborative work with the community, the Company inaugurated social infrastructure for several organizations in Coronel to use as community centers and sports and recreational facilities. This included the first eco-site and the first eco-park in Los Sentidos, located in the Cerro Obligado area, and the recreational center and neighborhood gathering venue in Huertos Familiares.

A milestone for Los Córdoros

Regarding the Company's Los Córdoros project (150 MW), a hydroelectric pass-through power plant being built in the Maule Region, despite all the difficulties we had to deal with in 2021, in November we were able to connect the two sections of the 14 km tunnel using TBM2 tunneling machinery. We began using this machinery to do this job in October 2020. This underground operation required top of the line, world class engineering practices to face the geological complexity of the area.

Risk Rating and Recognition

It is important to mention that despite the economic, political, sanitary, and hydrological context in Chile, Enel Generación Chile managed to maintain its Investment Grade rating. Risk rating agencies highlight the Company's diverse and primarily renewable asset portfolio, its appropriate debt profile, its commercial strategy, and its leading position in the country's decarbonization process.

Along these lines, we also want to highlight Enel Generación Chile's important accomplishments in the 2021 Informe Reporta, which evaluated the 70 companies with highest market capitalization in the Country and resulted in the recognition of Enel Generación Chile for its decarbonization strategy.

Corporate Reorganization Proposal

During June 2021, Enel Generación Chile's Board of Directors presented a proposal to merge with Empresa Eléctrica Pehuenche S.A. as part of the Company's reorganization strategy being developed over the last few years to simplify its corporate structure.

However, a group of Pehuenche's minority shareholders have carried out legal actions that have suspended the operation.



2021 Performance

During 2021, Enel Generación Chile's net electricity generation reached 15,583 GWh, 2.1% less than the figure for 2020. This is partly due to lower hydroelectric generation because of the drought in Chile, which was partly compensated by the Company's efficient thermal generation capacity.

EBITDA reached Ch\$260.005 billion, which represents a 52.5% reduction when compared to 2020. Operating revenue totaled Ch\$1,899.774 billion, which represents a 27.5% increase when compared to 2020. Operating revenue increased because physical energy sales and gas sales increased in 2021, particularly during the second and third quarter of the year.

Net income attributable to Enel Generación Chile's shareholders totaled Ch\$115.941 billion in 2021,

compared to a Ch\$155.087 billion loss booked in 2020. The improvement this year responds to the Ch\$642.682 billion impairment loss booked in 2020 due to the retirement of Bocamina II coal generation unit.

We will continue to work hard to accomplish our goals, innovate, and contribute to the country's energy transition. We are convinced that we can make significant contributions to the sustainable development we all hope for.

Thank you very much,

Giuseppe Conti

Chairman of Enel Generación Chile

James Lee Stancampiano

Chief Executive Officer of Enel Generación Chile





1. Enel Generación Chile at a glance

About Enel Generación Chile

Enel Generación Chile is the leading electricity generation company in Chile with a total 6,000 MW installed capacity at yearend 2021.

Enel Generación Chile's Value creation model

This Annual Report explains how the Company transforms its resources into results and creates value for all of its stakeholders prioritizing the achievement of Sustainable Development Goals (SDG) 7,9,11 and 13.

Milestones of our 2021 performance

Enel Generación Chile decided to continue the decarbonization of its generation matrix by closing power plant Bocamina II.





Connectivity Matrix

Enel Generación Chile has developed a matrix to represent information connectivity and the relationship between the Company's strategic objectives and the achievement of United Nations' Sustainable Development Goals (SDG), particularly, the four key objectives of its Strategic Plan (SDG 7, SDG 9, SDG 11, and SDG 13): governance, risks and opportunities, performance, and the prospects of its business.

Enel Chile's businesses	Value Creation Model	Governance	Strategic Actions
  	<p>Integrated Business Model</p> <p>Client-centered</p>	<p>Enel Generación Chile's Corporate Governance System</p> <p>Organizational Model</p>	<p>Enel Generación Chile's Strategic Plan:</p> <p>2022 – 2024 triennium plans:</p> <ul style="list-style-type: none"> • Cumulative EBITDA between US\$ 1.9 and 2.1 billion and a cumulative CAPEX of approximately US\$ 0.45 billion. • The fight against climate change is a fundamental and integral part of the Company's business management strategy. • Sustainability and governance are crucial factors that are at the center of Enel Generación Chile's sustainable business model. • ESG dimensions are integrated into the business and the vision of economic progress, which is further connected to social and environmental progress. • The Company's activities are geared towards contributing to the Sustainable Development Goals (SDGs).

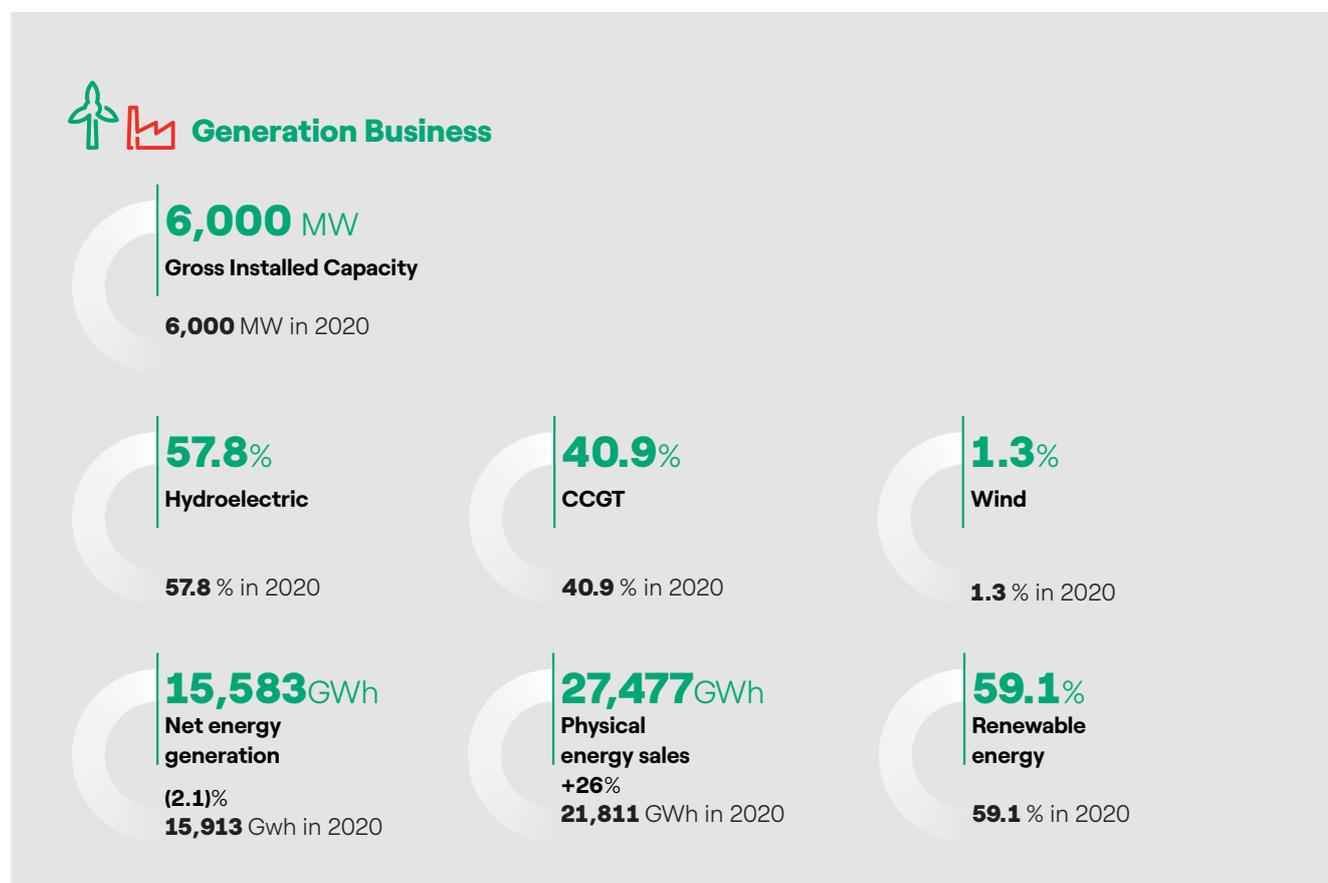
SDGs	Risk and opportunities	Performance and KPI	Outlook
<p>The deployments of SDGs 7, 9, and 11 will contribute to SDG 13 to reduce the impacts of climate change, a priority in our agenda.</p> <div style="display: flex; flex-direction: column; gap: 10px;"> <div data-bbox="242 1028 386 1171"> </div> <div data-bbox="242 1261 386 1404"> </div> <div data-bbox="242 1494 386 1637"> </div> <div data-bbox="242 1718 386 1861"> </div> </div>	<p>Six macro risk categories:</p> <ul style="list-style-type: none"> » Strategic; » Governance and Culture; » Technology and Culture; » Compliance; » Operational; » Financial 	<p>Zero Coal capacity</p> <ul style="list-style-type: none"> » Retiring Bocamina II retirement by May 2022. 	<p>2022-2024</p> <ul style="list-style-type: none"> » Accelerate Net Zero CO2 decarbonization emissions by 2040. » Total investments for the 2022 – 2024 period will reach an accumulated CAPEX of US\$ 0.45 billion, approximately.

(1) Rounded figures Assumes 30% dividend policy.



About Enel Generación Chile

Main Business data



Enel Generación Chile is the leading electricity generation company in Chile with a total 6,000 MW gross installed capacity at yearend 2021 of which 59.1% is renewable power and 40.9% is thermal. .

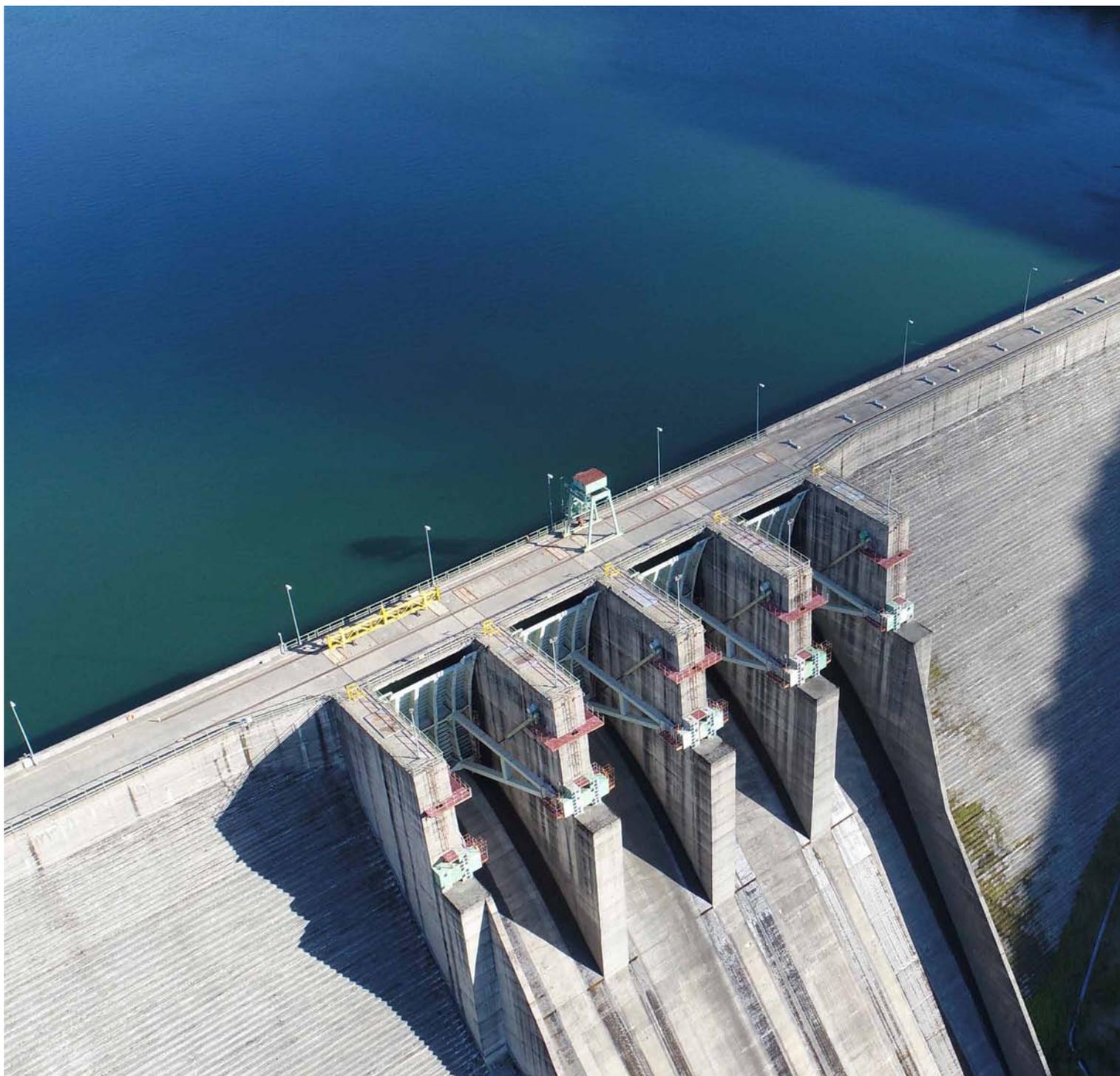


The Company owns and operates 109 generation units: **38 hydroelectric** units (3,469 MW installed capacity); **20 thermal units**, fired with either gas, coal, or fuel oil (2,454 MW installed capacity), and **51 wind units** (78 MW installed capacity).

As of December 2021, the Company's market share of the National Electricity System ("SEN" in its Spanish acronym) in terms of **physical electricity sales (GWh) was 36.7%**.

Enel Generación Chile is part of [Enel S.p.A.](#), a global energy company and a leading, integrated player in the worldwide gas and renewable energy markets. Enel operates in over 30 countries; has over 90 GW installed

capacity and distributes electricity through over 2.2 million kilometers of electricity lines to over 75 million end customers worldwide. It has the broadest customer base among its European peers.



Strong commitment to decarbonization

Disconnecting Bocamina II makes Enel Generación Chile the first electricity company in Chile to retire all its coal-fired power capacity.

Decarbonization is considered a strategic pillar of Enel Generación Chile Group. The Group is committed to reach complete decarbonization by 2050.

On June 4, 2019, Enel Generación Chile S.A., through a significant event, informed the market that together

with its subsidiary Gasatacama Chile S.A., had signed a decarbonization agreement with the Ministry of Energy to progressively retire the Tarapacá coal-fired power plant located in Iquique County, and Bocamina I and Bocamina II, located in Coronel County with 158 MW, 128 MW and 350 MW installed capacity, respectively. This process is in line with [our parent company's Sustainability Strategy and its Strategic Plan for Chile](#).



0% coal-fired electricity generation

Leading the decarbonization process in Chile



This agreement was a formal and irrevocable commitment made by Enel Generación Chile and Gasatagama Chile S.A to retire Central Tarapacá by May 31, 2020, Bocamina I by December 31, 2023, and Bocamina II by December 31, 2040. Under Chilean Electricity Law, this commitment required government authorization.

Retirement of Central Tarapacá

On December 31, 2019, Enel Generación Chile disconnected and shut down Central Tarapacá after formally requesting, on July 26, 2019, the authority's permission to retire this power plant earlier than May 2020, the initially scheduled date. Central Tarapacá had 158MW installed capacity, equivalent to 25% of the total coal-fired generation capacity Enel Generación Chile had at the time.

In line with its commitment to shut down the plant in a sustainable manner, the Company worked with each of the 43 employees that performed different activities at the 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 Company and in other Group companies. The objective of these efforts was to close the plant and also minimize the impact on its workers' lives.

Retirement of Central Bocamina

In May 2020, the Company decided to accelerate the decarbonization process of its generation matrix by requesting authorization to shut down Bocamina I by December 31, 2020, and Bocamina II by May 2022, which were originally scheduled to shut down by December 2023 and December 2040, respectively. Both requests were approved by the authority in June 2020.

Enel Generación Chile disconnected and shut down Central Bocamina I on December 31, 2020, three years earlier than scheduled. This 128 MW coal-fired power plant was inaugurated in 1971 to strengthen the industrial development of the Biobío region and the country and provided jobs for Coronel County for 50 years.

Closing these power plants is part of the Company's fair energy transition process, which means that all workers of such power plants are offered alternative jobs. In this regard, the 28 Bocamina I workers were offered reskilling training to be able to work in other Company business lines or pursue other professional options and those that decided to leave the Company were offered voluntary retirement plans.

Tarapacá	Bocamina I	Bocamina II
158 MW	128 MW	350 MW
Disconnection Dec 31, 2019	Disconnection Dec 31, 2020	Disconnection May 31, 2022

Relevant business figures

Enel Generación Chile is the most important electricity generation company in Chile. It has 6,000 MW installed capacity and generated 15,583 GWh of electricity in 2021 of which 47.6% was hydroelectricity, 51.6% was thermal electricity and 0.8% was wind sourced electricity.

Markets in which Enel Generación Chile participates	2021	2020
Total National Electricity System Sales (SEN)(GWh)	74.882	71.808
Enel Generación Chile electricity sales (GWh)	27.478	21.811
Enel Generación Chile electricity sales market share (%)	36.7%	30.4%

Enel Generación Chile installed capacity, by technology (GWh)	2021	2020
Hydroelectric (%)	57.8%	57.8%
Thermal (%)	40.9%	40.9%
Wind (%)	1.3%	1.3%
Total System Energy Generation (MW)	27,688	25,407
Market Share (%) of total system energy generation	21.7%	23.6%

Enel Generación Chile Electricity Generation, by technology (GWh)	2021	2020
Hydroelectric (%)	47.6%	58.6%
Thermal (%)	51.6%	40.5%
Wind (%)	0.8%	0.9%
Total System Electricity Generation (MW)	81,480	77,694
Market Share (%) of total system electricity generation	19.1%	20.5%



Sales to customers (Ch\$ million)	2021	2020
Regulated customer sales	772,624	778,840
Unregulated customer sales	923,199	586,591
Spot market sales	52,852	47,035
Total electricity sales	1,748,676	1,412,466



Indexes and ESG Commitments

Enel Generación Chile is currently part of the [General Stock Price Index \(SPCLXIGPA\)](#) that includes most of the stocks that trade on the Santiago Stock Exchange.

Enel Generación Chile is a subsidiary of Enel Chile, which is known as a leading company in sustainability. The importance of sustainability is evident when observing Enel Chile's presence in the [main ESG indexes](#), such as, Dow Jones Sustainability Index (DJSI), FTSE4 GOOD, Vigeo-Eiris, MSCI ESG Indexes and Sustainalytics ISS ESG.

The community relations strategy of Enel Chile has focused on sharing its views with the community and going down the energy transition path together. Therefore, social investments have focused on renewable energy access projects, energy safety, sustainable economic development projects (SMEs), and quality education, in accordance with the UN Sustainable Development Goals. The Company's strategy is linked to Sustainable Development Goals (ESG) and determines the business metrics that are used to create shared value.

Main financial metrics:

As of December 31, of each year	2021	2020
Total Assets	3,301,884	3,090,961
Total Liabilities	1,791,276	1,351,631
Operating Revenue	1,899,774	1,490,102
EBITDA	260,005	547,442
Net Income ¹	115,941	(155,087)
Liquidity index (times)	1.07	1.34
Debt ratio (times) ²	1.19	0.78

(1) Since 2008, the figure represents net income attributable to the controlling shareholder.

(2) Total Liabilities/equity plus minority interest

Main operating metrics:

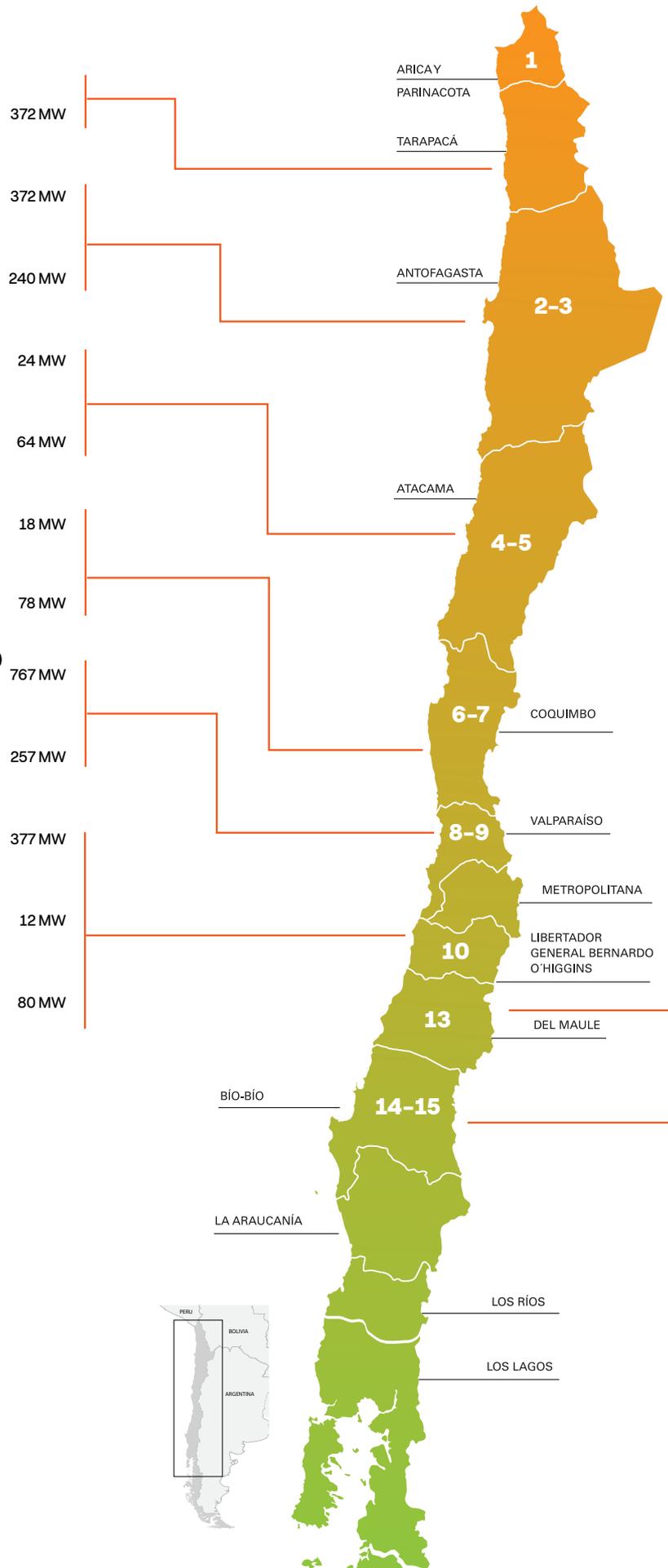
As of December 31, of each year	2021	2020
Total collaborators	658	670
Number of generation units	109	109
Gross installed capacity (MW)	6,000	6,000
Energy generation (GWh)	15,583	15,913
Energy sales (GWh)	27,478	21,811





Presence in Chile

- 
1 Tarapacá
 Installed Capacity : 372 MW
- 
2 Atacama
 Installed Capacity : 372 MW
- 
3 Taltal
 Installed Capacity : 240 MW
- 
4 Diego de Almagro
 Installed Capacity : 24 MW
- 
5 Huasco
 Installed Capacity : 64 MW
- 
6 Los Molles
 Installed Capacity : 18 MW
- 
7 Canela 1 y Canela 2
 Installed Capacity : 78 MW
- 
8 San Isidro 1 y San Isidro 2 (CC)
 Installed Capacity : 767 MW
- 
9 Quintero
 Installed Capacity : 257 MW
- 
10 Rapel
 Installed Capacity : 377 MW
- 
11 Sauzalito
 Installed Capacity : 12 MW
- 
12 Sauzal
 Installed Capacity : 80 MW



13 MAULE POWER PLANTS

	Curillinque Installed Capacity :	89 MW
	Loma Alta Installed Capacity :	40 MW
	Pehuenche Installed Capacity :	570 MW
	Ojos de Agua Installed Capacity :	9 MW
	Cipreses Installed Capacity :	106 MW
	Isla Installed Capacity :	70 MW

14 LAJA POWER PLANTS

	Antuco Installed Capacity :	321 MW
	Abanico Installed Capacity :	136 MW
	El Toro Installed Capacity :	450 MW
	15 Bocamina Installed Capacity	350 MW

15 BIOBIO POWER PLANTS

	Ralco Installed Capacity:	690 MW
	Palmucho Installed Capacity :	34 MW
	Pangue Installed Capacity :	467 MW



Hydroelectric Power Plants



Wind-powered Power Plants



Fuel and Gas Power Plants



Coal-powered Power Plants – Retired in 2020



Milestones of our 2021 performance

Leading generation company in Chile

Enel Generación Chile has a total 6,000 MW gross installed capacity at yearend 2021 of which 59% is renewable power, including 38 hydroelectric units (3,469 MW) and 51 wind units (78 MW). The remaining 41% is thermal power provided by 20 thermal plants (2,454 MW). Although 2021 was a complicated year, mainly due to 10 years of dry hydrology, Enel Generación Chile continues to be the leading electricity generation company in Chile.

2022-2024 Strategic Plan

The Company issued a [Significant Event](#) informing that the Board of Directors Meeting of Enel Generación Chile held on November 26, 2021 approved the Company's 2022-2024 Strategic Plan.

The macro elements included in the Strategic Plan for the three-year period have an estimated accumulated EBITDA of approximately US\$ 1.9 billion and an estimated accumulated CAPEX of approximately US\$ 0.45 billion.

Commitments to the community

During 2021, as part of the decarbonization process, the fair energy transition and also to follow through with the commitments with the Coronel community established before closing down Bocamina II unit in May 2022, the Company finished various social infrastructure projects for the county, including community centers and recreational areas. The first eco-community center and the first eco-park are worth highlighting. Eco-Sede and Eco-Parque de los Sentidos, both located in Cerro Obligado area, and the recreational sports area and community center in Huertos Familiares. These initiatives were all carried out by the Company together with the community and neighborhood leaders.

Water management under drought conditions

Despite the severe drought that has affected the level of water to generate electricity in Chile, the company

continues to be a relevant player in the industry and has therefore formed part of the Bio Bio River Basin water surveillance council to ensure that in the areas where the company has important operations, including Ralco, Pangué, Palmucho, and Antuco power plants, water is conserved and used correctly. The Company seeks to manage water resources efficiently and sustainably with end users and the surrounding communities to ensure future supply.

Project continuity

2021 was a challenging year that required managing human resources and operations under pandemic conditions. Nevertheless, Enel Generación Chile was able to achieve a milestone in the construction of Los Cóndores power plant. The excavations allowed connecting the 14-kilometer tunnel of the mega pass-through power plant located in Maule Region.

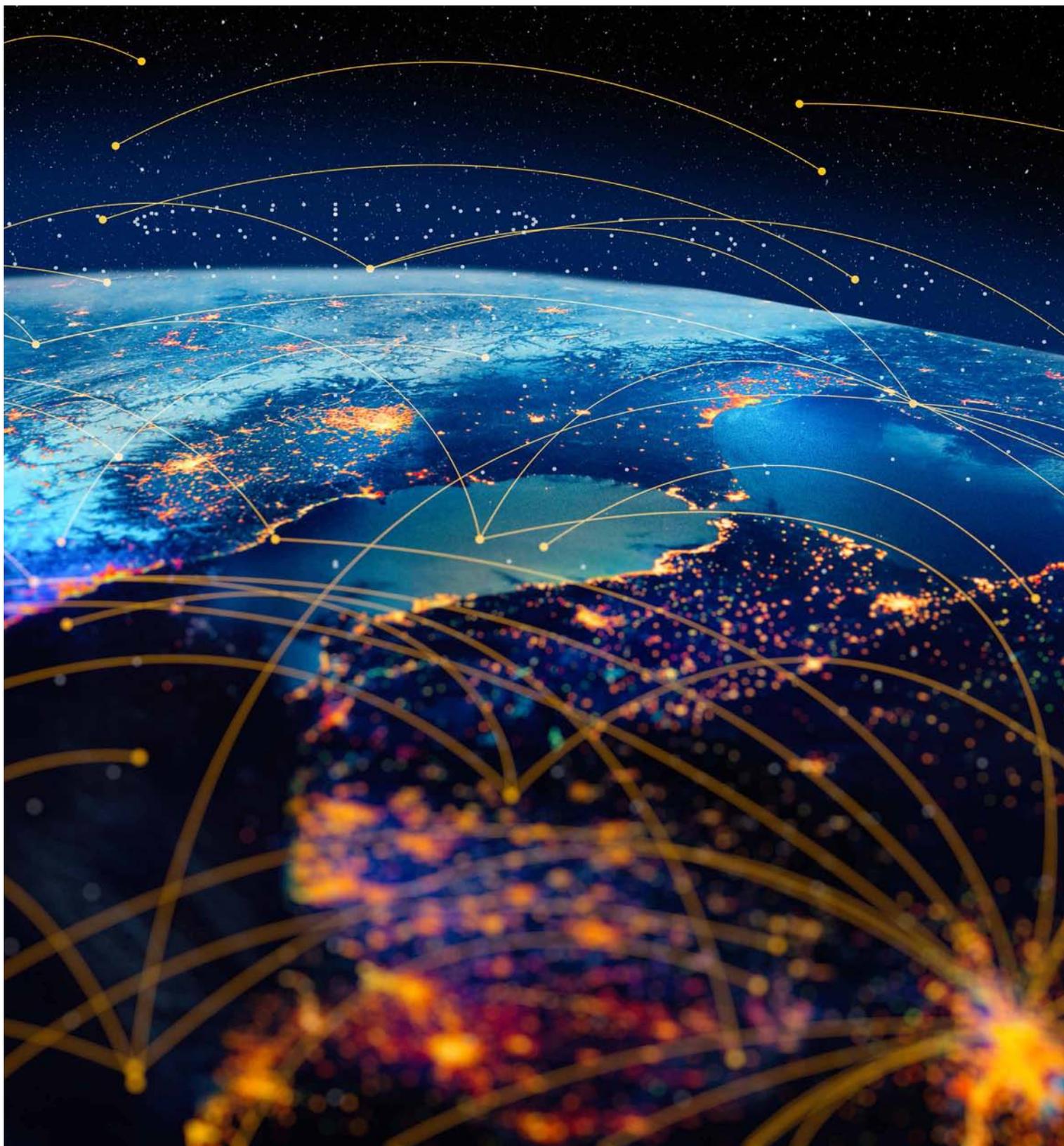
Promoting renewable energy contracts

The Company continued promoting 100% renewable energy supply contracts with companies from various industries in 2021. Most of the numerous contracts signed throughout the year involved supplying electricity from renewal sources, such as, solar, wind, geothermal and hydroelectric sources.

These contracts must certify that the electricity supplied is generated with 100% renewable energy sources.

Credit Risk Rating

This year, the main credit rating agencies once again ratified the Company's financial, commercial and operations management. This is particularly relevant this year due to the challenging energy industry context. The rating agencies highlighted Enel Generación Chile for its solid and stable business, its diversified and mainly renewable asset portfolio, its adequate debt profile, commercial strategy and leadership position in the country's decarbonization process.



Informe Reporta 2021 Award

This tool evaluates the performance of the 70 companies in Chile with the highest market capitalization. The award recognized Enel Generación Chile for its decarbonization strategy. The Informe Reporta methodology also analyzes indexes separated into four categories: financial, economic and operational information transparency; commitment to environmental, social and corporate governance information; relevance of information disclosed; and level of access and clarity of information.



2 Governance

Corporate Governance

Enel Generación Chile's corporate governance structure is fundamental to ensure efficient and successful business management and also allows controlling that Company activities create value for shareholders and stakeholders.

Values and ethical pillars

Transparency and equity are the principles that inspire the Company's corporate governance.

Auditing and Internal Control

The Company has an Internal Control and Risk Management System that consists of a set of rules and procedures to identify, measure, manage, and monitor the Company's main corporate risks.

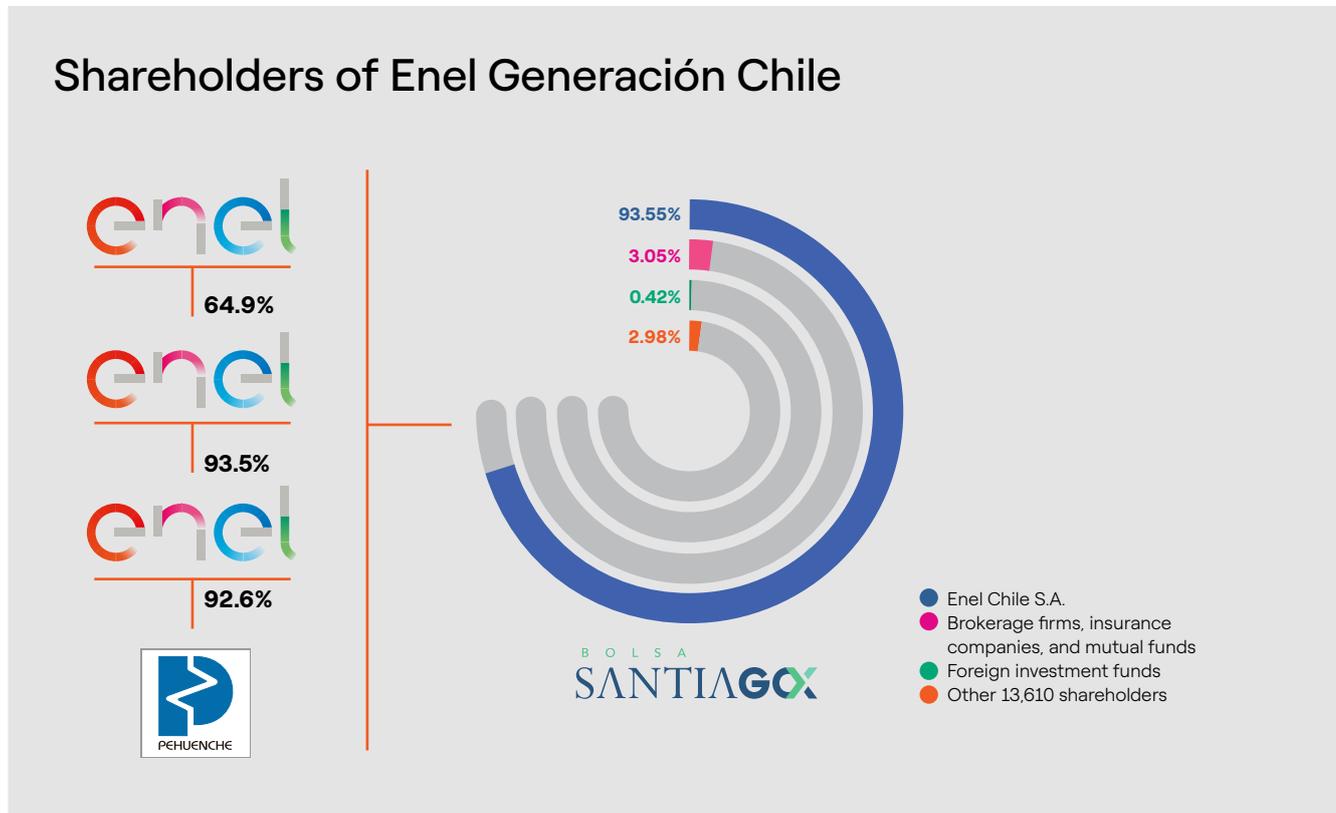




Governance

Corporate Governance

Ownership and control



The Company's total share capital is divided into 8,201,754,580 shares subscribed and paid and of a single series with no par value and each share has the right to one vote. No shares give the government the right to veto.

Number of shareholders

At yearend, Enel Generación Chile had 13,670 registered shareholders. As of December 31, 2021, all shares were subscribed and paid, and ownership was distributed as follows:

Shareholders of Enel Generación Chile S.A.		
	Number of shares	% Share
Enel Chile S.A.	7,672,584,961	93.55%
Brokerage firms. Insurance companies, and mutual funds	249,793,514	3.05%
Foreign investment funds	34,792,938	0.42%
Other 13,610 shareholders	244,583,167	2.98%
Total (13,670 shareholders)	8,201,754,580	100.00%

Controlling shareholders

Enel Chile S.A. is the controlling shareholder of Enel Generación Chile S.A. through a 93.55% direct ownership share of the Company and does not have a shareholders' agreement with other shareholders.

12 major shareholders of Enel Chile S.A.

As of December 31, 2021, the 12 major shareholders of Enel Chile S.A. are:

Shareholders of Enel Chile		
	Number of shares	% Share
Enel SpA (*)	44,907,055,101	64.93%
Citibank N.A. according to Circular 1375 S.V.S.	3,562,062,323	5.15%
Banco de Chile on behalf of non-resident third parties	3,049,207,118	4.41%
Banco Santander on behalf of foreign investors	2,615,579,887	3.78%
Banco de Chile on behalf of State Street	2,302,850,964	3.33%
AFP Habitat S.A. for Type C Pension Fund	1,658,905,477	2.40%
AFP Provida S.A. for Type C Pension Fund	1,070,579,147	1.55%
AFP Capital S.A. for Type C Pension Fund	868,272,075	1.26%
Banchile Corredores de Bolsa S.A.	685,197,487	0.99%
AFP Habitat S.A. for Type B Pension Fund	557,286,541	0.81%
AFP Habitat S.A. for Type A Pension Fund	488,368,253	0.71%
Banco Itau Corpbanca on behalf of foreign investors	436,370,348	0.63%
12 shareholder subtotal	62,201,734,721	89.93%
Other 6,544 shareholders	6,964,822,498	10.07%
TOTAL 6,556 SHAREHOLDERS	69,166,557,219	100.00%

(*) Enel S.p.A. owns 11,457,799 ADS or the equivalent of 572,889,950 shares of Enel Chile S.A..

12 major shareholders of Enel Generación Chile S.A.

As of December 31, 2021, the 12 major shareholders of Enel Generación Chile S.A. are:

Shareholder			
	ID Number	Number of shares	% Share
Enel Chile S.A. (*)	76,536,353-5	7,672,584,961	93.55%
Larrain Vial S.A. Corredora de Bolsa S.A.	80,537,000-9	77,104,262	0.94%
Banchile Corredores de Bolsa S.A.	96,571,220-8	38,164,350	0.47%
Banco de Chile on account of Citi NA New York clients	97,004,000-5	31,537,000	0.38%
Consorcio C de B S.A.	96,772,490-4	23,881,953	0.29%
Santiago Stock Exchange	90,249,000-0	17,605,818	0.21%
BCI C. de B S.A.	96,519,800-8	13,227,558	0.16%
Santander Corredores de Bolsa Limitada	96,683,200-2	10,298,218	0.13%
MBI Deuda Plus Investment Fund	76,052,365-8	9,999,620	0.12%
Inversiones Orenco S.A.	90,170,000-1	9,286,405	0.11%
MBI Corredores de Bolsa S.A.	96,921,130-0	8,766,921	0.11%
Moneda Corredores de Bolsa Limitada	76,615,490-5	8,471,463	0.10%
12 Shareholder Subtotal		7,920,928,529	
Others (13,658 shareholders)		280,826,051	3.42%
Total (13,670 shareholders)		8,201,754,580	100.00%

(*) Enel SpA controls Enel Chile S.A through its 64.93% ownership share, excluding shares of own issuance.



Most important changes in ownership

The most important changes in the ownership share of Enel Generación Chile S.A. from 2020 to 2021 are listed below:

	ID Number	N° of shares as of 31/12/2020	N° of shares as of 31/12/2021	% Share variation, in percentage points
Larrain Vial S.A. Corredora de Bolsa	80,537,000-9	73,507,056	77,104,262	0.0004
Banchile C de B S.A.	96,571,220-8	32,447,821	38,164,350	0.0007
Banco de Chile por cuenta de Citi NA New York clientes	97,004,000-5	18,943,000	31,537,000	0.0015
Banco de Chile por cuenta de Citi NA Hong Kong clientes	97,004,000-5	16,964,419	0	-0.0021
MBI arbitrage Fondo de Inversión	76,023,598-9	14,855,062	6,701,086	-0.0010
EFM retorno absoluto FIP	76,048,255-2	14,614,923	2,644,186	-0.0015
BCI C de B S.A.	96,519,800-8	12,607,060	13,227,558	0.0001
MBI corredores de Bolsa S.A.	96,921,130-0	11,016,061	8,766,921	-0.0003
Santander corredores de bolsa limitada	96,683,200-2	10,920,671	10,298,218	-0.0001
Bolsa de Comercio de Santiago Bolsa de Valores	90,249,000-0	7,629,469	17,605,818	0.0012
Consorcio C de B S.A.	96,772,490-4	7,454,798	23,881,953	0.0020
Moneda Corredores de Bolsa Limitada	76,615,490-5	5,538,467	8,471,463	0.0004
Fondo Mutuo BTG Pactual Chile Acción	96,966,250-7	5,116,750	7,262,419	0.0003
Bolsa Electrónica de Chile Bolsa de Valores	96,551,730-8	4,147,582	0	-0.0005
Banco Santander por cuenta de Inv Extranjeros	97,036,000-K	3,709,249	1,144,854	-0.0003
Banco de Chile por cuenta de State Street	97,004,000-5	3,127,244	286,483	-0.0003
Credicorp Capital S.A. corredores de bolsa	96,489,000-5	2,932,088	6,296,368	0.0004
Banco ITAU Corpbanca por cta. de inversionistas extranjeros	97,023,000-9	1,975,020	919,400	-0.0001
Fondo Mutuo Larrain Vial Enfoque	96,955,500-K	1,097,227	2,028,512	0.0001
Costa Verde Inversiones Financieras S.A.	76,183,853-9	816,739	0	-0.0001
MBI deuda Plus Fondo Inversión	76,052,365-8	0	9,999,620	0.0012

Board members' and executives' ownership share of the Company

Based on the Shareholder's Register, as of December 31, 2021, no board member or key executive currently in office owned shares of the Company. There are no requirements regarding the ownership of the Company's shares by the Chief Executive Officer or key executives. The Securities Market Law 18,045 and the

Company's Manual on Handling Information of Market Interest state that their share position and the respective transactions during the period covered by the respective Annual Report must be informed.

Board members and key executives of the Company did not trade Enel Generación Chile shares during 2021.

Governance Framework

Enel Generación Chile has [Corporate Governance Guidelines](#) that, among other things, establish the fundamental principles of the Company's corporate governance and also the standardized guidelines for its implementation in all Group companies.

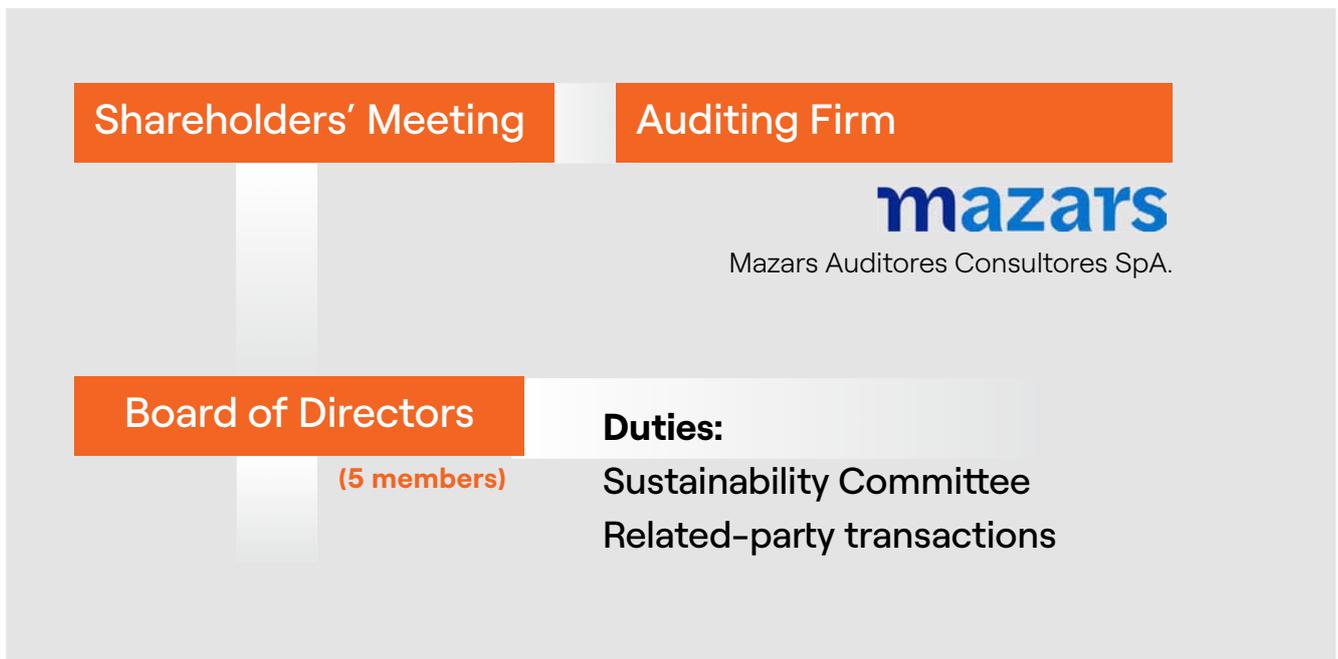
The governance manual recognizes the advantages of having the Company coordinate strategies and also guarantees the legal independence of subsidiaries to properly protect the interests and the rights of its stakeholders, placing special attention to related party transactions and conflicts of

interest. Norms and procedures are also established to guarantee that board members are loyal to the Company and avoid any situation that could jeopardize such responsibility.

Commitment to transparency

Transparency and honesty are nonnegotiable values of Enel Generación Chile. Acting in good faith and placing public interest ahead of self-interest constitute part of the essence of our [Manual on Handling Information of Market Interest](#).

The Company's Corporate Governance structure is presented below:



Enel Generación Chile's corporate governance structure is fundamental to ensure efficient and successful business management and also allows controlling that Company activities create value for shareholders and stakeholders.

Transparency and equity are the principles that inspire the Company's corporate governance, as established by its rules and regulations. Such rules follow the recommendations of Enel Generación Chile Corporate Governance Guidelines that are aligned with international best practices.

The Internal Control and Risk Management System ("SCIGR" in its Spanish acronym) is based upon the principles included in the Enel Group's Internal Control and Risk Management System Guidelines. In line with international best practices, the company bodies involved in controlling and managing risk are Internal Auditing, Risk Management, and the Board of Directors.



Management

Enel Generación Chile is managed by a Board of Directors comprised of five members that do not have to be shareholders of the Company. [The Extraordinary Shareholders Meeting held on April 24, 2018](#), approved the amendment to article seven of the [Company Bylaws](#) reducing the number of board members from nine to five. This amendment became effective when the Ordinary Shareholders meeting during the first four months of 2019 took place. Since April 26, 2019, Enel Generación Chile is managed by a Board of Directors comprised of five members elected by the Shareholders' Meeting. Board members are elected for a three-year term and may be reelected. In the event of death, resignation, bankruptcy, incompatibilities or limitations or other impossibility that disqualifies a director from performing his/her functions or makes him/her cease in them, the entire Board must be elected at the Company's next Ordinary Shareholders' Meeting. In the meantime, the Board may appoint a replacement to fill the vacancy.

The Board of Directors judicially and extrajudicially represents the Company regarding compliance with the company's social purpose, which does not need to be proven to third parties. The Board of Directors is vested with extensive powers to manage the Company with the exception of powers vested by Law or Bylaws exclusively to the Shareholders' Meeting without requiring any special empowerment, including acts or contracts in which the law establishes such requirements. The law and Bylaws also vest the Chief Executive Officer with representation powers. The Board of Directors may delegate some of its powers to Company managers, deputies, lawyers, a board member, or a directors' commission. The Board may also delegate powers to other individuals for certain specific purposes.

The Company is to have a Chief Executive Officer appointed by the Board of Directors and vested with the powers required to carry out the business and other powers vested by the Board. The CEO position is incompatible with Chairman of the Board, member of the Board, auditor, or accountant. The Board of Directors assigns the CEO's duties and responsibilities. The CEO represents the Company judicially and is responsible for managing the Company's business.

Shareholders' Meeting

Shareholders are called to ordinary and extraordinary meetings. Ordinary shareholders' meetings are held once a year within the first four months of each year, and

extraordinary meetings may be held at any time- as required by company needs- to decide on matters established by law or the Company Bylaws..

Ordinary shareholders' meeting topics include the following, among others:

- Examination of Company condition and external auditor's report;
- Approval of Annual Report and Balance Sheet;
- Yearly profit distributions, particularly dividend distributions;
- Election or renewal of members to the Board;
- Other matters of interest to the Company that are not competence of the Extraordinary Meeting;
- Annual appointment of independent external auditors;
- Approval of Investment and Finance Policy proposed by Company management pursuant to Article 119 of Decree 3500 issued in 1980 and its amendments.

Extraordinary shareholders' meeting topics include the following, among others:

- Dissolution;
- Transformation, merger, or division of the Company and amendments to its Bylaws;
- Issuance of bonds, or convertible debentures;
- Sale of 50% or more of Company assets, and other matters that, according to the law or the Company's Bylaws, are competence of the shareholders' meeting;
- Also, the sale of goods or rights declared as essential to the Company's operations in its Finance and Investment Policy, as well as, granting guarantees on them; and modifying the Finance and Investment Policy before amendments have been approved by the ordinary shareholders' meeting.

2021 Ordinary Shareholders' Meeting

Pursuant to Articles 32 and 56 of the Corporations Law 18046 and Article 20 of the Company Bylaws, the [Ordinary Shareholders' Meeting held April 27, 2021](#), was to pronounce on the renewal of the entire Board of Directors, which was nominated for a three-year period. Within the COVID-19 pandemic context, the Shareholders' Meeting was transmitted live using a remote attendance and voting system to safeguard the health of shareholders and personnel.





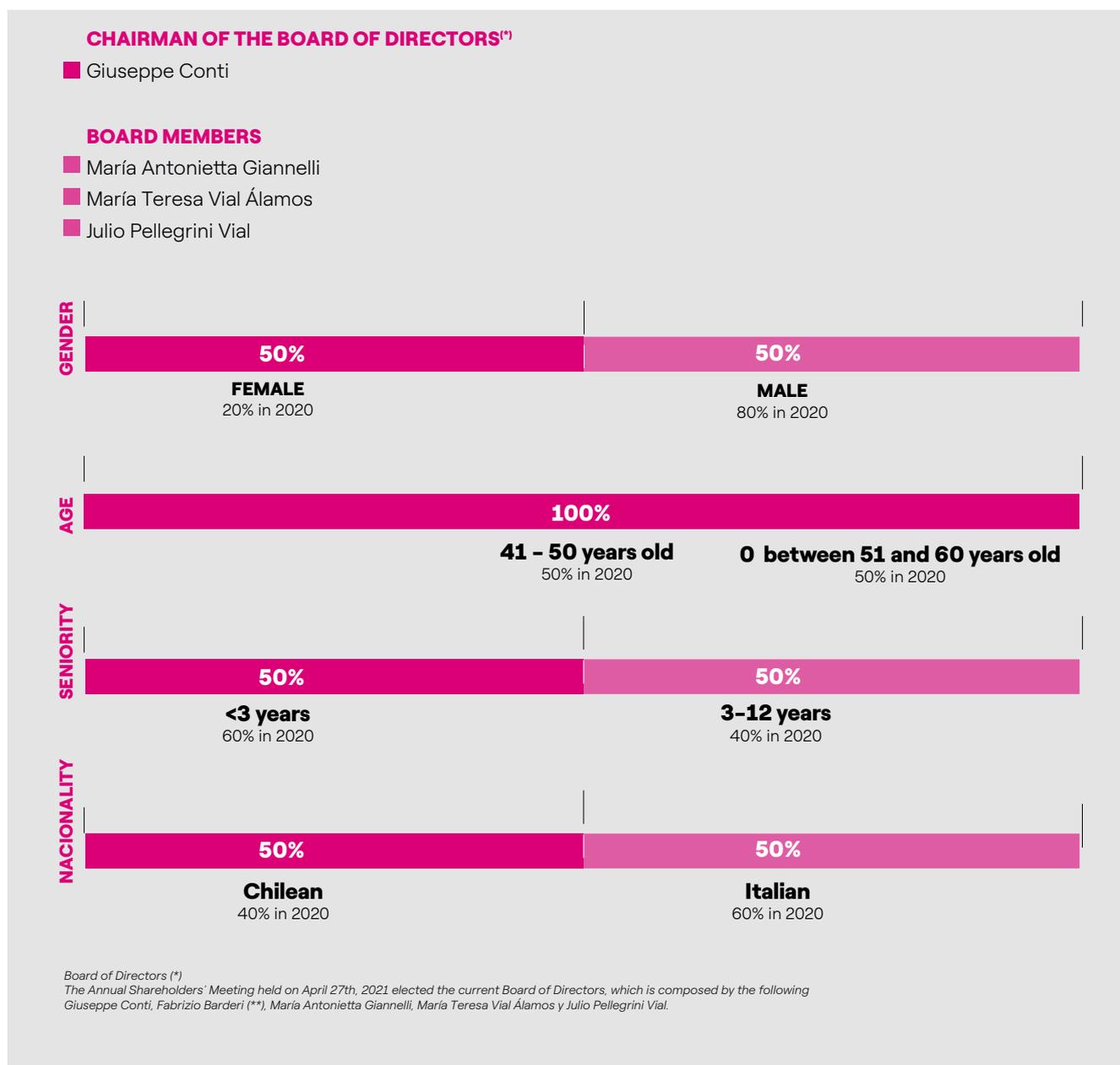
Board of Directors

Board member nomination and appointment

The Company posts the list of board member nominees on the Company website (<https://www.enel.cl/en/investors/investor-enel-generacion.html>) for shareholders to review the candidates' abilities and experience before the Ordinary Shareholders' Meeting that is to appoint the members to the Board. The current Board of Directors was elected during the Ordinary Shareholders' Meeting held April 27, 2021.

Pursuant to Article 73 of the rules under the Corporations Laws, [the list of board member nominees and their professional experience](#) was posted on the Company website on April 6, 2021, more than two days before the Ordinary Shareholders' Meeting so that shareholders and the general public could review the candidates' abilities and experience in advance.

Composition of the Board of Directors



Mr. Giuseppe Conti was appointed Chairman of the Board during the Board Meeting held April 27, 2021.

(*) The experience of each board member is included in Chapter 6 of this Annual Report. Alternate members are not established.

(**) Mr. Fabrizio Barderi presented his resignation on February 28, 2021.

Members of the Board over last two years

In addition to the board members identified above, the following people were also members to the Board of Directors of Enel Generación Chile over the past two years::

Mr. Fabrizio Barderi

Mr. Fabrizio Barderi
 ID Number: 24,852,375-1(*)
 Date of birth: January 23, 1971
 Nationality: Italian
 Profession: Electric Engineer, Universidad de Pisa, Italia
 Held position from August 28,2017 until February 25, 2022

Mrs. Maria Soledad Arellano Schmidt

ID Number: 10,745,775-5 (*)
 Commercial Engineer major in Economics, Pontificia Universidad Católica de Chile
 Master's in Economics, Pontificia Universidad Católica de Chile

Doctorate in Economics, MIT
 Held position from April 26,2019 until March 12, 2021

Mr. Cristiano Bussi

Identification Number: YA2326668 (*)
 Chemical Engineer, Universidad de Pisa, Italia
 Held position from November 29, 2018, until March 25, 2021.

(*) The ID number of Ms. Arellano is her taxpayer identification number and the ID numbers of Mr. Bussi and Mr. Barderi are their passport numbers.

Independent Board Members

The Company is not obliged to appoint any independent board member because it does not comply with the requirements established by Article 50 bis of Law 18046 and does have to have a Directors' Committee either.

Board of Directors' Experience Matrix

The combination of abilities and experience of the members of the Board of Directors provides the Company with adequate management and governance. The experience matrix is presented in detail below:

	Cimatic Change	Energy Sector	Strategy	Accounting, Finance	Communications, Human Resources	Corporate Governance
Sr. Giuseppe Conti	●	●	●	●	●	●
Sr. Fabrizio Barderi (**)	●	●	●	●	●	●
Sra. María Antonietta Giannelli	●	●	●	●	●	●
Sra. María Teresa Vial Álamos	●	●	●	●	●	●
Sr. Julio Pellegrini Vial	●	●	●	●	●	●

(**) On February 28, 2021, Mr. Fabrizio Barderi voluntarily resigned from the Board of Directors.



Duties and Responsibilities of the Board

Pursuant to the Corporations Law and the Company Bylaws, the Board of Directors is vested with extensive powers to manage the Company under ordinary and extraordinary conditions and has the power to execute the actions considered convenient to accomplish the Company's purpose.

Summary of Shareholders' and Directors' Committee Comments and Proposals

From January 1 and until December 31, 2021, Enel Generación Chile S.A. did not receive any comments or proposals regarding the Company's business operations from

shareholders that either own or represent 10% or more of the shares issued with voting rights, as established by article 74 of Law 18046 and Article 136 of the Corporations Law. The Company does not have a Directors' Committee.

Committees

The Company does not have a Directors' Committee. The Extraordinary Shareholders' Meeting held on December 20, 2017, approved eliminating articles 1° bis, 5° bis, 16° bis, 20° bis, 35° bis, 36° bis, 40° bis, 42° bis, 43° bis and 44° bis of the Company Bylaws to eliminate all limitations and restrictions established by Title XII of Law 3,500 issued in 1980. This amendment became effective when the Company's Ordinary Shareholders Meeting took place during the first four months of 2019.

Executive Team





Chief Executive Officer

Mr. James Lee Stancamniano

ID Number: 24,158,936-6(*)

Profession: Environmental Economist, Università degli Studi di Siena

Date appointed to this position: January 1, 2021

Hired by the Company on February 1, 2013

People and Organization Officer

Mr. Pablo Antonio Arnés Poggi

Documento de identidad: 11.932.363-0 (*)

ID Number: 11,932,363-0(*)

Profession: Mechanical Engineer, Universidad Técnica Federico Santa María

Date appointed to this position: July 1, 2020

Hired by the Company on January 15, 2007

General Counsel

Mr. Ignacio Quiñones Sotomayor

ID Number: 7,776,718-5(*)

Profession: Lawyer, Universidad Diego Portales

Date appointed to this position: November 1, 2013

Hired by the Company on November 1, 2013

Management, Finance and Control Officer

Mr. Juan Francisco da Fonseca Puentes

ID Number: 13,762,258-0(**)

Profession: Civil Engineer, Pontificia Universidad Católica de Chile

Date appointed to this position: March 1, 2022

Hired by the Company on November 1, 2007

Trading and Commercialization Officer

Mr. Alfredo Armando Hott Riquelme

ID Number: 11,629,179-7(*)

Profession: Civil Electric Engineer, Universidad de Chile

Date appointed to this position: October 1, 2021

Hired by the Company on February 1, 2017

(**) Mr. Juan Francisco Fonseca was appointed Management, Finance and Control Officer on March 1, 2022, replacing Mr. Simone Conticelli that held the position from May 1, 2020, until February 28, 2022.

Main executives of subsidiaries

Chief Executive Officer of Empresa Eléctrica

Pehuenche S.A.

Gerente General

Mr. Carlos Peña Garay

ID Number: 7,700,353-3(*)

Profession: Electrical Engineer, Universidad Técnica Federico Santa María

Date appointed to this position: March 1, 2020

Hired by the Company on May 17, 1993

Executive Committees

Pehuenche does not have an Executive Committee.

(*) The taxpayer identification number is the ID number for all executives.



Enel Generación Chile Values and Ethical Pillars

Enel Generación Chile works to improve people's quality of life

All Enel S.p.A. Group people share the same objectives, mission, vision, and commitment. The Enel brand is the visible sign of our unified global identity, and Enel Generación Chile is part of this approach to energy management that is based upon the Open Power values: **trust, responsibility, innovation, and proactivity.**

Open Power values

Trust

Enel Generación Chile's work is based on transparency: at power plants. The Company's success comes from the trust built with the community and workers on a daily basis.

Responsibility

Enel Generación Chile searches 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 are also interested in supplying renewable electricity to people that are still lacking access.

Innovation

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

Proactivity

Enel Generación Chile's vision to improve the quality of life with sustainable energy is ambitious. It requires creative, innovative people that question themselves and understand challenges as opportunities.

Enel Generación Chile's governance system is rooted in Open Power values. These values constitute a fundamental pillar of the Company's business model, which aims to make a significant contribution to solve the increasing energy problems in the regions where it has operations by multiplying the effects of the progress achieved. Therefore, the Company offers more and more services to more people, boosting the economy of the neighboring communities of its operations and increasing access to energy where possible.

This approach has a positive impact on customer satisfaction, our shareholders' investment return, market competitiveness, and our workers' expectations.

Enel Generación Chile's compliance management system

Enel Generación Chile's governance is built on three pillars: integrity; information transparency and privacy; environment, community, and workers.

Enel Generación Chile understands compliance as an integrated system that includes the industry's regulatory framework, and internal commitments related to corporate ethics – meaning respect the law- and rules, norms, and regulations, in addition to the norms that the Company has imposed on itself voluntarily.

The Compliance Management System follows ISO 37301:2021 Compliance Management Systems – Requirements with guidance for use, which allows the Company to develop and disseminate a compliance culture that is effective and solid in terms of the risks involved in implementation. This international standard establishes the requirements¹ that must be satisfied to **implement, develop, evaluate, maintain, audit, and improve a Compliance Management System.**

1. Compliance Management System: ISO 37301:2021 is the outcome of a process to define an international standard regarding compliance management to update and replace ISO 19600:2014
2. ISO 37001:2016 Antibribery Management System

ISO 37001², a standard to *prevent, detect, and address bribery and corruption*, is another component of the Company's Compliance Management System, along with other rules the Company follows voluntarily. The Company is currently certified under this standard for the maximum time period possible (three years). It focuses on identifying risks and designing, executing, and improving controls and standards for the operations that are considered at risk. The Board of Directors is the maximum governance authority, and together with top management, are responsible for promoting the prevention of any type of bribery within the Company's activities and daily operations.

Components of the Compliance Management System

The most important components of the Compliance Management System are the Enel Global Compliance Program, the Code of Ethics, Zero Tolerance with Corruption Plan, and the Criminal Risk Prevention Model ("MPRP" in its Spanish acronym).



Enel Generación Chile's subsidiary has a Compliance Management System that is aligned with Enel Group S.p.A. guidelines and specific regulatory standards.



Tool that promotes an ethical culture and transparency. Incorporates international best practices:

- *FCPA*¹
- *UK Bribery Act*
- *Transparency International*
- *OCDE*²
- *ISO37001*

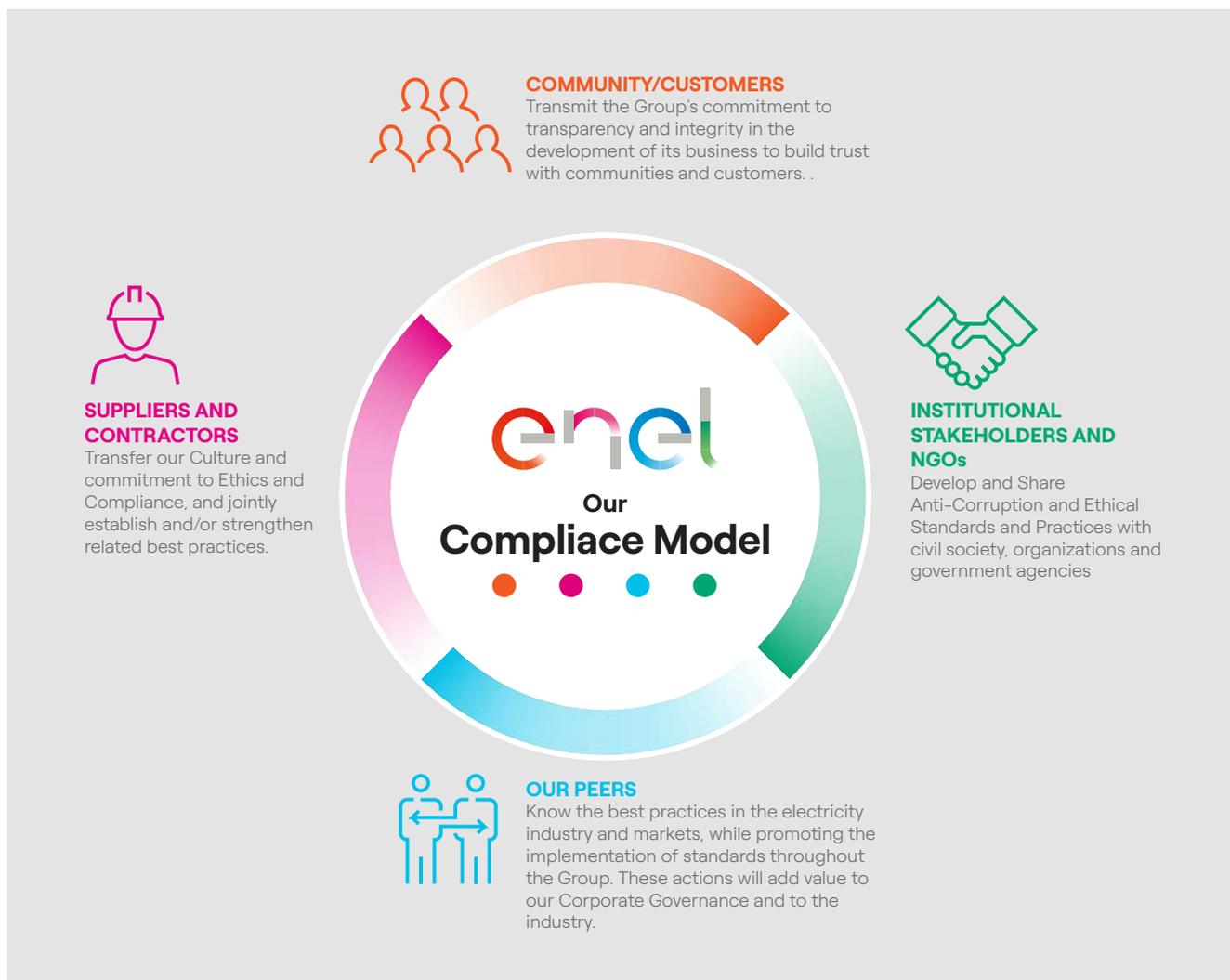


+
Other Norms
and Internal
Regulations

1. FCPA, Foreign Corrupt Practices Act.
2. OCDE: Organization for Economic Co-operation and Development

Compliance Road map

The internal and external implementation of the Company's Compliance Management System is evaluated and monitored using the Compliance Road Map (CRM), which is a methodology to plan and execute the mid-term activities related to the Compliance Management System and the MPRP. The objective of CRM is to monitor, evaluate, and improve Enel Generación Chile's MPRP as well as contribute to the Group's Corporate Governance and Sustainability Strategy. The Compliance Road Map is built upon several pillars that involve different stakeholders:



Enel Global Compliance Program

[Enel Global Compliance Program on Corporate Criminal Liability \(EGCP\)](#): a governance mechanism to strengthen proactive prevention of corporate criminal liability pursuant to Italian Legislative Decree 231. It is designed to strengthen the Company's commitment to the highest ethical, legal and professional standards to improve and preserve the Company's reputation and prevent Enel Generación Chile's criminal liability. The document is based on the most relevant international standards regarding the subject, which includes ISO 37001:2016, Foreign Corrupt Practices Act (U.S.A.) and the Bribery Act (United Kingdom). Enel Generación Chile also included United Nations Global Compact and Sustainable Development Goal definitions, particularly SDG 16 to promote just, peaceful, and inclusive societies; and UN Global Compact Principle 10, committing businesses to work against corruption in all its forms, including extortion and bribery. Enel Generación Chile contributes by enforcing and maintaining the pillars of its

Compliance Management System.

The crimes covered by EGCP are listed below:

- Bribery/corruption;
- Other crimes against government bodies;
- Accounting fraud;
- Market abuse;
- Financing terrorism and money laundering;
- Crime against private parties;
- Health and safety related crimes;
- Environmental crimes
- Cybercrimes;
- Copyright crimes.



Code of Ethics

Enel Generación Chile and its subsidiary have a Code of Ethics that guides the conduct of board members, and workers with either temporary or indefinite contracts with the Company, and the controlling bodies of the Company. This Code presents the ethical commitments and responsibilities of the Company and its subsidiary regarding business management and activities.

The Code of Ethics and the most important documents that conform Enel Generación Chile's ethical culture framework are given to workers, board members, suppliers and contractors and are also posted internally and on the Company website for all stakeholders.

The last update to the Code was performed in 2021 and was approved by the Board of Directors on June 25. The key words of the new Code of Ethics are **trust, responsibility, and reciprocity**¹.

Enel Generación Chile's mission, vision, and strategy imply the following in terms of ethical conduct:

- Enel Generación 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 markets in which it operates and the expectation of the people that work for the Company.
- Enel Generación Chile serves the community through its subsidiary, respecting the environment and peoples' safety to ensure a better world for future generations.
- Enel Generación 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.
- Parties involved are those that somehow invest in Enel Generación Chile's activities. First, our shareholders and then our workers, customers, suppliers, and partners. Broadly speaking, the individuals, groups, organizations, and institutions whose interests are directly or indirectly affected by Enel Generación Chile's activities. This would include local communities where Enel Generación

Chile operates, environmental associations, and future generations, among others.

- Unethical conduct threatens the relationship of trust between Enel Generación 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.

The Company strictly abides to 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.

Enel Generación Chile's Policy 1124 seeks to establish the key principals required to disseminate a culture that rejects and does not accept any form of harassment at the workplace and also provides the mechanism to address these unacceptable situations. This Policy applies to all Enel Generación Chile and its subsidiary's workers and third parties that relate to any worker in all instances of the Company's operations (at the workplace or any other place where workers are performing a task for the Company) such as, business trips, luncheons, dinners, fieldtrips, training, online and telephone communication within working hours and social events related to work. Activities carried out within, and outside Company facilities must always be consistent with Enel Generación Chile values and commitment to diversity and inclusion.

The respective document at Enel S.p.A. is the Workplace Harassment Policy². This policy is implemented and enforced at Enel Generación Chile and its subsidiary, when possible, and in conformity with laws, regulations, and applicable governance norms, including pertinent provisions, which in any case, shall supersede the provisions contained in such document.

Ethical conduct and transparency in employee and commercial relations is vital. Therefore, the Company is always promoting a culture of integrity among its workforce regarding their relationship with peers and with the organization. The objective of the Conflict-of-Interest

1. The general principles are inspired on 1948 United Nations Universal Human Rights Declaration and the 1950 European Convention on Human Rights.

2. Policy PL 431

Policy is to govern reporting, analysis, and resolution of existing or potential conflict of interest situations identified by the Code of Ethics, Zero Tolerance with Corruption Plan, Enel Global Compliance Program, Criminal Risk Prevention Model, Internal Order, Health and Safety Rules and the legal provisions that regulate the subject.

Consequently, all employees that have an employment contract with the Company directly, must annually sign a conflict-of-interest statement establishing the existence or not of any conflict of interest, taking into consideration the provisions of the mandatory Criminal Risk Prevention Model (Law 20393). This document also applies to the conflicts of interest of managers and coordinators of operational contracts.

Legal Corporate Affairs (LCA) manages the conflict-of-interest statements of board members and key executives registered as such by the Financial Market Commission ("CMF" in its Spanish acronym) in a separate procedure.

Fundamental Principles of the Code of Ethics

- General principles regarding the relationship among those involved, which abstractly define the reference values of Enel Generación Chile's activities;
- Conduct criteria regarding each type of player involved providing the specific guidelines and norms that must be followed by Enel Generación Chile workers to respect the general principles and prevent unethical conduct risk;
- Implementation mechanisms that describe the system that controls compliance with the Code of Ethics and its continuous improvement.

Code of Ethics principles

- Impartiality and non-arbitrary discrimination
- Honesty
- Proper conduct in potential conflict of interest situations
- Confidentiality
- Shareholder relations
- Valuation of capital investments
- Value of people
- Integrity
- Fairness

- Transparent, comprehensive, accurate and true information
- Diligence and precision in performing activities and executing contracts
- Quality of products and services
- Fair competition
- Accountability
- Environmental protection
- Personal data protection

The principles and provisions of the Code of Ethics are to be followed by the members of the board, Directors' Committee, and other controlling bodies of Enel Generación Chile and its subsidiary, and also by executives, employees and workers related to such companies through any type of contract, including temporary or occasional workers.

The Company requires its subsidiary and its suppliers, and partners to adopt conduct that conform with the general principles of the [Code](#).

[Code of Ethics \(in Spanish\)](#)

Ethical Channel

The Company has an [Ethical Channel](#) to confidentially and anonymously report improper conduct. This channel has been properly disclosed within the Company and is to be used by employees, contractors, suppliers, customers, communities, and other stakeholders.

Complaints: whistleblower protection

The Company promotes principles and norms that are effective, transparent, and fair to ensure that its governance bodies are effective, transparent and fair so as to safeguard the company's best interest. 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 policy follows the guidelines of Norm ISO 37002:2021 that presents the practices and procedures to establish, implement, maintain, and improve an effective and solid whistleblowing management system based on the principles of trust, impartiality and whistleblower protection.



The Ethical Channel is managed by the Internal Audit Department but operated by a contractor (Navex). It allows anonymous reports on any irregular conduct contrary to the principles of the Criminal Risk Prevention Model or the Code of Ethics, as well as other concerns related to accounting, control, internal audit, or crimes, such as asset laundering, terrorism financing, bribery, corruption between individuals, misappropriation, incompatible negotiation,

and environmental crimes, among others. The Internal Audit Department investigates the complaints received and reports them to the Board of Directors.

In 2021, the Ethical Channel received and adequately managed 8 complaints related to Enel Generación Chile and its subsidiary concerning contract management and conflict of interest.

KPI	UM	2021	2020	2019	2018	2017	2021-2020	%
Complaints received ⁽¹⁾	n.	8	3	4	8	5	5	167%
Non-compliance related to episodes of:	n.	2	0	2	1	2	2	100%
Conflicts of interest/corruption ⁽²⁾	n.	0	0	2	0	0	0	0%
Misuse of assets	n.	0	0	0	0	1	0	0%
Labor climate	n.	1	0	0	0	0	1	100%
Community and company	n.	0	0	0	0	0	0	0%
Other motivations ⁽³⁾	n.	1	0	0	1	1	1	100%
Workplace and sexual harassment	n.	0	0	0	0	0	0	0%

1. There was a slight reduction in the number of reports on potential violations to the Code of Ethics in 2021.

2. Corruption is abuse of power for private gain and may be exercised by public or private sector individuals. Corrupt practices include bribery, extortion, collusion, conflicts of interest and asset laundering. Corrective measures and sanctions were adopted regarding two workers employed by Enel Generación Chile's subsidiary, according to the internal norms of such company.

3. Other motivation refers to control weaknesses in technical processes or violations related to contractors.

Where to report concerns about Enel Generación Chile and its subsidiary?

Code of Ethics

<https://www.enel.cl/content/dam/enel-cl/inversionistas/enel-generacion-chile/gobierno-corporativo/codigo-etico-y-plan-tcc/codigo-etico-enel-generacion.pdf>

Internet

Directly to Ethical Channel

<https://www.enel.cl/en/investors/investor-enel-chile/corporate-governance/ethical-channel.html>

In person or in writing

Enel Generación Chile

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

Analysis of complaints received through the Ethical Channel

The Board of Directors analyzes the report presented by the Internal Audit Manager which includes all complaints received through the Ethical Channel that were investigated during the period. The Board suggests corrective measures. Based on the relevance of the complaint, the chairman of the Board may also be required to call an extraordinary meeting. No extraordinary meetings were held in 2021 regarding Ethical channel complaints.

Zero Tolerance for Corruption Plan

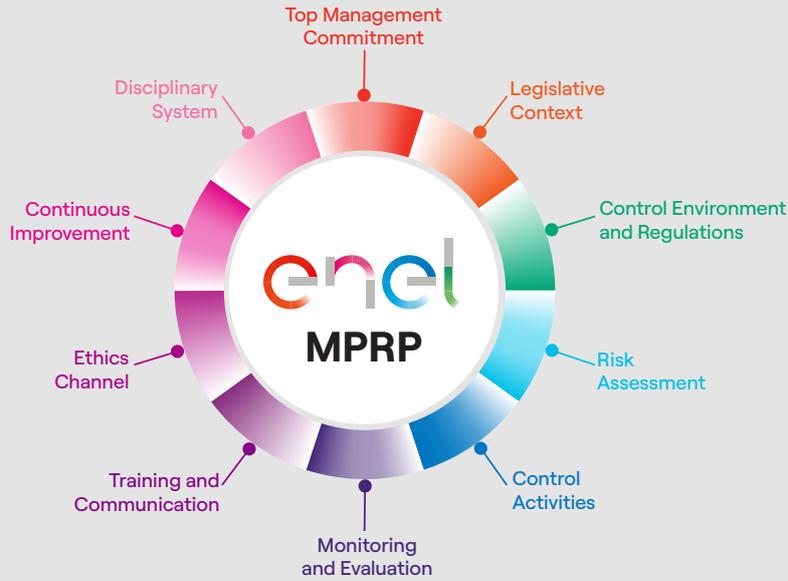
Enel Generación Chile is fully committed to its Code of Ethics. The Company requires its collaborators to perform their work with honesty, transparency, and fairness. These commitments translate into the following general principles: **Enel Generación Chile rejects all forms of corruption, either direct or indirect; Enel Generación Chile has a program in place to fight corruption named "[Zero Tolerance for Corruption Plan](#)"** ("TCC" in its Spanish acronym). This Plan supports the Company's adherence to Principle 10 of United Nations Global Compact regarding the fight against corruption and involves the following commitments:

- **Bribes:** The Company forbids the use of any form of unlawful payment, in money or other benefits, to obtain an advantage when relating to its stakeholders.
- **Contributions to political parties:** The Company 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:** The Company supports initiatives concerning social, environmental, sports, entertainment, art, science, and technology issues that guarantee quality, and have national relevance or respond to specific local or regional needs through sponsorship and formal special agreements.
- **Facilitation:** The Company 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:** The Company 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 Enel Generación Chile.

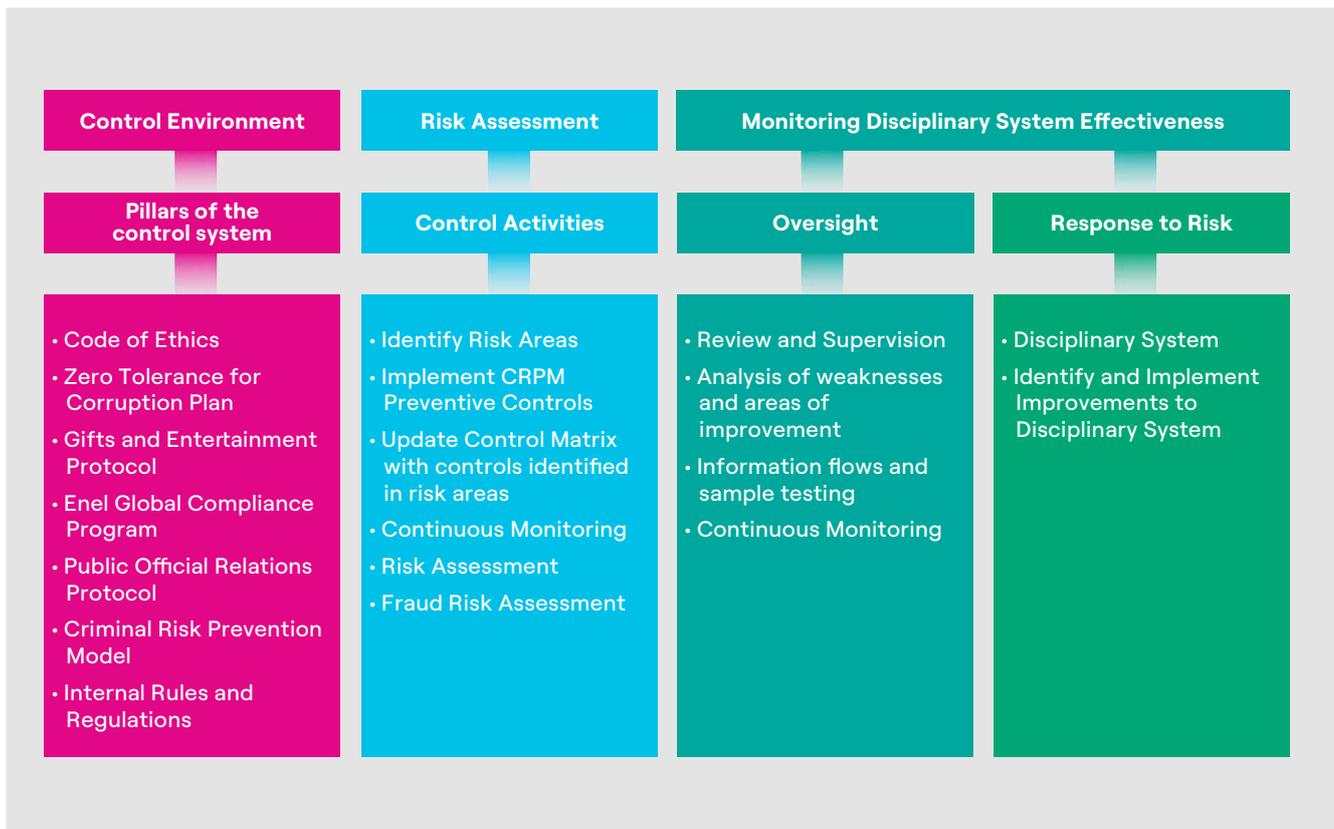
Criminal Risk Prevention Model

Enel Generación Chile is fully committed to its ethical norms and conduct, and the existing regulation in every one of its businesses regarding its relations, both internal and external, with other stakeholders. The Company's [Criminal Risk Prevention model](#) covers the activities and conduct of board members, managers and executives, collaborators, suppliers, government employees, communities, and other Company counterparts. This model is complementary to the standards and guidelines of the Enel Global Compliance Program., the Antibribery Management System (ISO 37301) and the Compliance Management System.



MPRP monitoring is led by the Head of Crime Prevention and Compliance, who reports the effectiveness of the Crime Prevention Model to the Board of Director at least quarterly. This report includes any serious deficiencies that may have been detected or any other irregular situation that should be reported to the oversight body or other competent bodies.

Criminal Risk Prevention Model Components





The MPRP is built upon the Company's Compliance System. Its objective is to control and prevent criminal activity within the organization, mitigate the Company's criminal risk exposure as established by Law 20393 and the liability risk identified by the Enel Global Compliance Program, ensuring compliance with norms, transparency in the activities of all companies in which Enel Generación 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 the [Corporate Criminal Liability Law 20,393¹](#) and its amendments. This model also covers reputation and compliance risk although they are already mitigated by other internal control measures.

The Board of Directors is responsible for overseeing compliance with ethical norms, the Code of Ethics and criminal risk prevention in the Company. Monitoring and management 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, power, and resources required to perform its duties.

The Board meets with the Internal Audit Department quarterly to analyze the Annual Audit Plan, monitor action plans, and evaluate the effectiveness of the Crime Prevention Model implemented pursuant to provisions of Law 20393,

and other matters. Any deficiencies of the Internal Control and Risk Management System of the Company are also analyzed during these meetings and the implementation of recommendations and improvement plans to mitigate the Company's processes and operations risk are reviewed.

In 2021, Enel Generación Chile's Board of Directors, senior management, and all company departments completed the review and performed the adjustments to the Criminal Risk Prevention Model to include the 2020 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 Criminal Risk Prevention Model.

The Board met with the Head of Crime Prevention in February and September of 2021 to review the effectiveness of the Criminal Risk Prevention Model. During the Board meetings held in February, March, June, September and December of 2021, the Audit Officer and Compliance Officer reported on the subjects previously mentioned and also referred to the management of the Ethical Channel, which was all properly documented in the sessions' minutes.

Enel Generación Chile obtained certification for the Criminal Risk Prevention Model, which was awarded most recently in 2021 for two years (maximum by law) until 2022. The accredited certification company (ICR Chile), authorized by the CMF, objectively evaluated the Company's prevention system to the standards stipulated by Law 20393.

1. Law 20393 establishes that a private or government corporation may be held criminally liable for the following crimes: domestic or international bribery, asset laundering, terrorism financing, fencing, kickbacks among private parties, misappropriation, collusion, incompatible negotiation, polluting water, selling banned products, illegal fishing of seabed resources, processing, storing, and using scarce resources.



This certification considers the crimes added by Law 20393 in 2018 and 2019 and highlights the liability of private parties in corruption, disloyal administration, incompatible negotiations, improper appropriation, illegal fishing, water contamination, activities with banned products, and fishing activities without proper legal accreditation.

Enel Generación Chile's subsidiary also has a compliance program in place that is in line with the Company's program and includes other specific business practice rules.

Certifications

Enel Generación Chile has been at the forefront when it comes to the implementation of business ethics and transparency practices.

Under the tenth principle of Global Compact, companies commit to fight corruption in all its forms, including extortion and bribery. Enel Generación Chile contributes to this commitment by executing and maintaining 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, and also requires companies to comply with commitments set voluntarily.

Policies and procedures

[Manual on Handling Information of Market Interest](#). The Code of Ethics states that the Company must avoid situations in which the players involved in any type of transaction are, or appear to be, in conflict of interest. This occurs when the interest of a worker is not aligned with the Company's mission and when interests are not balanced or an individual may obtain a personal gain from a potential business opportunity, or if the representatives of customers or suppliers or government bodies act against the fiduciary duty of their position when relating to Enel Generación Chile.

[Free Competition Compliance Program](#)

The Program uses the Company's Free Competition Manual to educate employees and provide relevant information that allows them to detect risky situations in time to prevent them. In addition to the Program and the Manual, a series of other tools have been implemented to create an active prevention program that is aligned with the Company's commercial policies. The Company relies on the Free Competition Manual, a free competition related Inquiry Channel, a Risks

and Conduct Guide, a Self-Certification Procedure for every department, a Free Competition Training Program for Company workers, a Monitoring Program of compliance with the Self-Certification Procedure, a Dawn Raid Procedure, and interlocking internal controls.

The Company participates with other organizations and roundtables and numerous national and international events to share its experience regarding the implementation of this important certification process. Worth highlighting is Chile Transparente, Fundación Generación Empresarial, Alliance for Integrity, Santiago Stock Exchange, Global Compact Network Chile, AHK German-Chilean Chamber of Commerce, among others. The goal is to share experiences and promote best practices regarding business integrity, organizational culture, and business ethics and transparency.

Certifications

Enel Generación Chile is committed to the implementation of international best practices. At yearend 2021, the Company's Anti-Bribery Management System has ISO 37001:2016 certification.

and Conduct Guide, a Self-Certification Procedure for every department, a Free Competition Training Program for Company workers, a Monitoring Program of compliance with the Self-Certification Procedure, a Dawn Raid Procedure, and interlocking internal controls.

[Corporate Governance Guidelines](#)

The Company's corporate governance is based on a series of principles that are identified in the Good Governance Manual. This Manual also includes implementation guidelines so that it is applied uniformly at all Group companies.

[Habituality Policy](#)

The Habituality Policy was approved by the Company's Board of Directors as required by Article 147, letter b) of Law 18046. This policy allows related party transactions to be executed without complying with requirements and procedures established in numerals 1 thru 7 of Article 147 of Law 18046.

Risk Management Policy

It is a set of decisions to determine the acceptable level of risk inherent to the Company's business. The ordinary course of business must be addressed and also the measures required to properly manage, monitor, and control such risks.

[Investor Relations Policy](#)

The Board of Directors has adopted an Investor Relations Policy to guarantee that the Company communicates equal and transparent information to institutional investors and all shareholders and bond holders. The Policy is in line with international best practices and local regulation to prevent securities' market abuse. It also considers good governance practices adopted by institutional investors that are included in Enel Generación Chile's codes and policies.

[Human Rights Policy](#)

Enel Generación Chile is fully committed to respect and promote human rights. The Company's approach to human rights is based on the United Nations Guiding Principles on Business and Human Rights that establishes global standards to appraise human right risks within business management systems.

In 2013, Enel Group adhered to the United Nations Guiding Principles on Business and Human Rights to "Protect, Respect and Remedy". The Board of Directors of each one of its subsidiaries approved a human rights policy, which is a commitment to strengthen Enel Generación Chile's corporate ethical values and pillars as established in the Code of Ethics, the Zero Tolerance for Corruption and Enel Global Compliance Program.

The Human Rights Policy has 12 principles divided into two major topics: "Work practices" and "Community and society".

Principles of the Human Rights Policy

Work practices:

- Prohibit forced labor and child labor
- Respect diversity and non-discrimination
- Freedom of association and collective bargaining
- Health, safety, and wellbeing
- Just and favorable work conditions

Community and society:

- Environment
- Respect community rights
- Respect local community rights
- Respect indigenous and tribal people rights
- Integrity – zero tolerance for corruption
- Privacy
- Communications

This policy establishes the commitments and responsibilities of all Enel Generación Chile people regarding human rights as well as stakeholder standards required. The Company encourages contractors, suppliers, and commercial partners to adhere to the same human rights principles placing special attention on high risk and conflictive situations.

[Diversity and Inclusion Policy](#)

Enel Generación Chile believes that respect, promotion of nondiscrimination principles, equal opportunities and inclusion are fundamental business values. The Company strives to improve the work environment and work-life quality for its employees and believes that better work conditions should translate into better performance. Within this context, the objective of the Company's Diversity and Inclusion Policy is to define the key principles required to disseminate a culture of diversity that adds value to the Company.

Other protocols

- [Conduct with Public Officials and Authorities Protocol](#)
- [Gifts, Presents, and Benefits Protocol](#)



Communication and training

The Code of Ethics states that personnel management policies are available to all workers through the Company's communication channels (company intranet, organizational documents, and communication with the area in charge). They are also disseminated through specific internal and external communication channels to ensure they are being correctly understood by all workers.

The Human Resources Department prepares and implements an Annual Training Plan, as established by the Company's Internal Audit Officer, to educate workers on norms and principles. The training tool is adjusted to the specific duties of different workers.

The Company and its subsidiary kept communication and training plans in place during 2021 and focused on disclosing the most relevant aspects of the Compliance Program and foster a compliance culture among workers and suppliers. This plan includes internal and external activities, such as, induction programs for new hires providing specific training on the Company's Compliance System.

Enel Generación Chile's Ethics Week took place in October 2021. Training and communication activities were offered to workers, managers, board members and suppliers to reinforce the concept of conflicts of interest, Company

values, transparency, and the Antibribery Management System ISO 37001. The event was carried out entirely online. It highlighted the commitment of workers, managers, suppliers, and board members to transparency, and particularly focused on the relationship between compliance programs and Corporate Governance and Sustainability. These events were attended by distinguished guests coming from Chile and other countries in the region.

The Company and its subsidiary provided 3,008 hours of training on the Criminal Risk Prevention Model to 571 workers. The training program focused on prevention of corruption and unethical conduct, the use of the Ethical Channel, the Antibribery Management System (ISO 37001) and general knowledge regarding the Company's Compliance System.

During 2021, a significant part of communication and training plans focused on promoting the use of the Ethical Channel through publications and training. Workers were shown the usefulness of the Channel and were taught how to use it. It was also promoted through releases and talks with suppliers.

The purpose of the communication and training program is to strengthen the Company's ethics and compliance culture, which includes the Code of Ethics.

	2021		2020		% Variation	2021	
	Number of people	Hours of training	Number of people	Hours of Training	Number of people	Hours of Training	Coverage
Company							
Enel Generación Chile S.A.	567	2,992	299	491	90%	509%	86%
Pehuenche S.A.	2	8	2	2	0%	300%	100%
Total	569	3,000	301	493	89%	509%	86%
Total	569	3,000	301	493	89%	509%	86%

Note: Training includes sexual and workplace harassment.

Training on sexual and workplace harassment policies and practices	2021		
	Number of people	Hours of Training	% of total workforce that received training
Company			
Enel Generación Chile S.A.	202	168	30%
Empresa Eléctrica Pehuenche S.A.	1	1	50%
Total	203	169	30%

Auditing and Internal Control

Internal Control and Risk Management System

The Company's Internal Control and Risk Management System ("SCIGR" in its Spanish acronym) consists of a set of rules and procedures to identify, measure, manage, and monitor the Company's main corporate risks. It also contributes to guarantee the value of assets, the efficiency and effectiveness of business processes, the reliability of financial information, and compliance with

laws and regulations, bylaws, and internal procedures.

The SCIGR plays a central role in the Company by allowing decision making to be consistent with the level of appetite for risk, and also by disseminating the proper understanding of risks, laws and corporate values.

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

First level of control
Is present in all control activities that the Company's operational units carry out to ensure that operations are executed properly.
Second level of control
Is assigned to specific corporate functions to manage and monitor certain types of risk.
Third level of control
Are Internal audit activities to verify the structure and the functionality of the SCIGR, including monitoring first and second level control activities.

Enel Generación Chile's SCIGR is part of the Company's Corporate Governance Model and follows the guidelines of [Enel S.p.A. Internal Control System](#). More specifically, the system includes the recommendations of the Corporate Governance Code and is consistent with the Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) that is the international benchmark used to analyze and evaluate the effectiveness of SCIGR.

The detail on how the Company addresses climate change and cybersecurity risk is in [Chapter 3: Strategy and Risk Management](#).

Objectives of the Internal Control and Risk Management System

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

The main objectives of the system are:

- Build in controls at every operating level of the Company, clearly identifying tasks and responsibilities to avoid duplicities and ensure a coordinate effort among the main parties involved in the SCIGR;
- Separate tasks and responsibilities to prevent that responsibilities include incompatible tasks; guarantee the necessary division of operating activities and control activities to avoid -when possible- or mitigate conflicts of interest;
- Incorporate supplementary tools and methods to measure and assess risks, and information flows between different operating activities regarding the results of the different tasks assigned;
- Guarantee reliable and adequate information systems at all control levels;
- Guarantee the traceability of risk identification, evaluation, management, and monitoring activities to ensure that the information that supports such activities may be reconstructed over time;



- Coherence with best practices allowing employees (and third parties) to report potential irregularities or violations to applicable legal provisions and/or internal controls. These complaint procedures must include specific communication channels to ensure whistleblower anonymity;
- Reveal abnormal situations that may indicate an inefficiency in risk measurement and control systems;
- Guarantee that abnormalities detected by the system are quickly reported to the proper level of authority so that the adequate corrective measures are applied effectively. .

Internal Control System Governance

Board's oversight role

The Board of Directors monitors and controls that the Company has an ethical corporate culture and a solid internal control and risk management system. This oversight role assigned to the Board supports the Company's purpose, vision and long-term strategy and sustainability..

Internal Audit

The Internal Audit Department is responsible for objectively and independently ensuring the efficiency and effectiveness of the Internal Control and Risk Management System.

Given the nature of the Internal Audit function, it reports directly to the Board of Directors at least once every quarter, including any serious deficiencies detected or possible irregularities that must be reported to the auditing bodies or other competent entities, as well as events that may affect the Company's judicial standing.

This department carries out periodical audits to evaluate the performance of the Company's operations under a risk-based approach, identifying the areas of improvement

and facilitating, together with the process owners, action plans to strengthen the Internal Control System to minimize irregularities or cases of potential fraud that could affect the Company.

The results of each audit and the follow-up on the implementation of action plans are reported regularly to the Board, which directly oversees the execution of improvement plans. In 2021, the Audit Officer and the Compliance Manager attended the Board of Directors' Meetings held in February, March, June, September, and December to report on the issues indicated above, and also on the management of the Ethical Channel.

This methodology is also applied by the Company's subsidiary, considering the characteristics of its specific business and regulatory framework.

Financial Reporting Internal Control System

The high standards of transparency needed in the preparation of the Company's financials requires that the Internal Control over Financial Reporting System ("SCIIF" in its Spanish acronym) be designed, implemented, and monitored by management and the Board of Directors. The SCIIF has been designed 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.

SCIIF complies with all requirements to periodically monitor the Sarbanes-Oxley Act, including the External Auditor's semiannual certification of these controls, and to 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.





3 Strategy and risk management

Enel Generación Chile's Strategy

Enel Generación Chile believes sustainability means creating long term value for all stakeholders, which is achieved by integrating economic, environmental, social and governance goals into the Company's business plan..

Integrating sustainability into the business model

Enel Generación Chile integrates stakeholders' expectation that are identified through the materiality process, into the Company's social purpose.

Risk Management

Understanding the economic, environmental, and social context is essential in identifying internal and external factors that may become potential business risks.





Strategy and risk management

Climate action can't wait. The coming decade is crucial in achieving the goals set by the Paris Agreement in 2015 to avoid the 1.5 °C increase in global temperature.

People will benefit from the energy transition. It will provide a cleaner and more sustainable electricity generation system, and a more resilient, digitalized, and smart distribution network.

Electrification will play a vital role in the decarbonization process. It will become the energy vector of the future and Chile is very well positioned to capture the opportunities it will offer.

An important gap must be filled to significantly increase electrification in Chile. The roadmap is quite clear: electric mobility is just an example, but more efficient and clean equipment, fully electric buildings and the basic idea of decontaminating cities is needed to improve the health and quality of life of the population.

According to the latest publications on climate change, limiting global warming to 1.5 °C requires a worldwide electrification rate of 50% by 2050. Chile is on track to achieve this goal.

The global energy economy is currently undergoing decarbonization and electrification. As stated in the 2021 World Energy Outlook (WEO) report by the International Energy Agency (IEA), the electricity industry plays an essential role in the transition towards Net Zero¹ emissions by 2050, where clean electrification is considered a priority in minimizing serious climatic and environmental externalities. To achieve this objective, the electrification rate must double, reaching at least 50% by 2050 and customers must participate in the process by guiding the transition. Customers must be able to rely on clean, accessible, reliable, and high-quality energy, which requires increasing network resilience through digitalization.

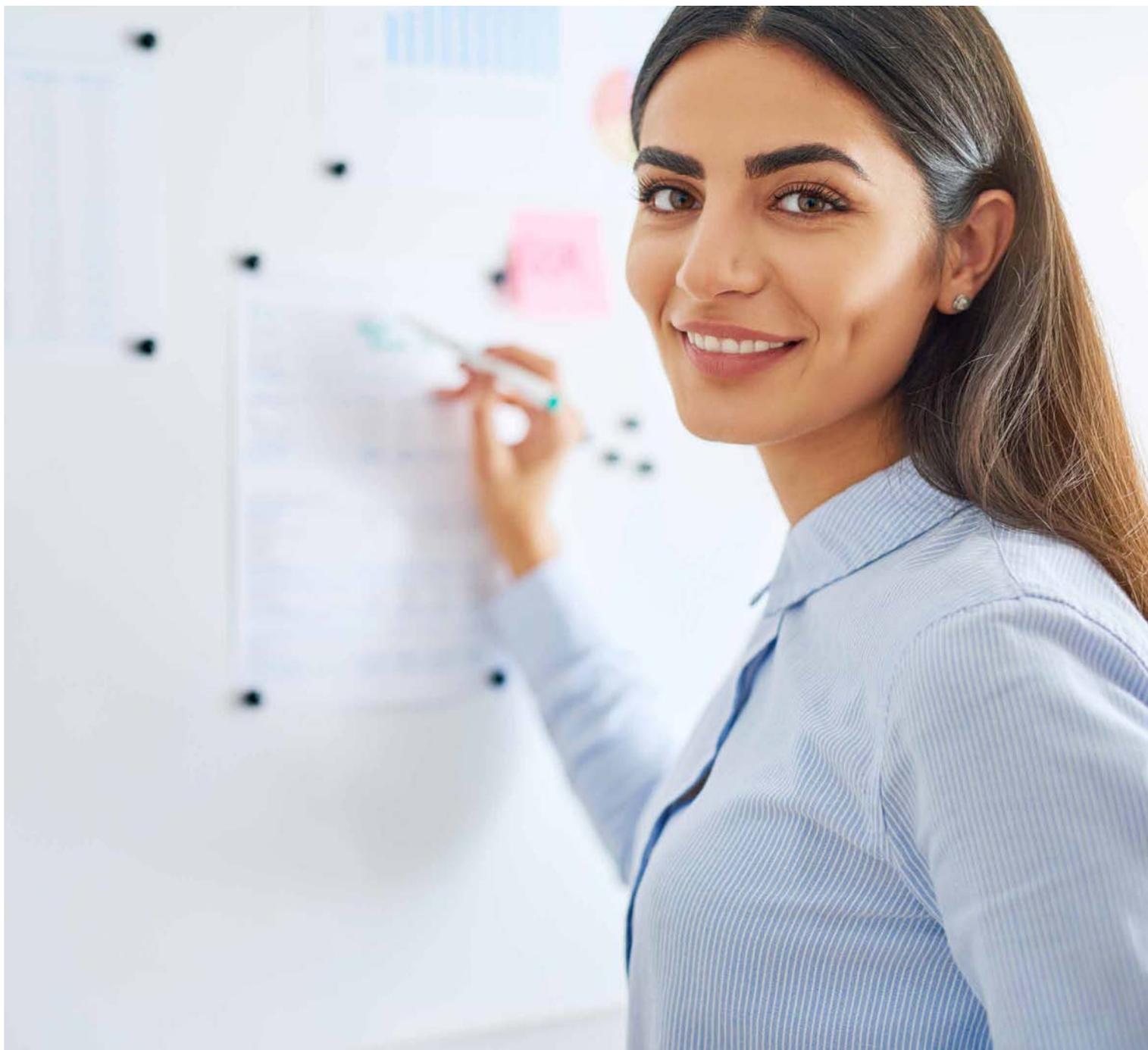
The evolution of electricity demand will be linked to the potential penetration of electricity consumption in the country. Decarbonization and electrification will be the main drivers in achieving the Net Zero goal by 2050.

Over last few years, technological advancements have accelerated renewable energy penetration in the energy matrices of different economies. Over the last six years, Chile has increased its renewable energy generation capacity fivefold and hopes it will represent 80% of generation capacity by 2030. In fact, at yearend 2021, the National Electricity System reported an installed capacity of 30,862 MW of which 56% is renewable energy, and an additional 5,472 MW renewable capacity is currently under construction. Chile has managed to position itself as a regional leader in clean energy, significantly aided by the geographical characteristics that have provided a favorable environment for local industry. Solar energy is the fastest growing segment, followed by wind; however, technological advancements could allow the introduction of other forms of energy, such as maritime energy.

Chile's renewable energy potential, added to global demand for clean energy, will contribute to its economic development, and enable the country to become a competitive and relevant player in the renewable energy and green hydrogen industries. This growth potential has been internationally recognized in Bloomberg's Climatescope ranking, situating Chile as one of the most attractive renewable energy markets for investors. This has undoubtedly been reflected in the constant increase in the number of projects submitted to environmental evaluation. This explains why projects adding more than 8,700 MW in generation capacity were approved in 2021 alone, of which over 99% is renewable energy.

The facts indicated above, in addition to decarbonization and electrification, are the fundamental pillars that back the strategy to reach Net Zero. From this perspective, the evolution of electricity demand in Chile will be linked to the increase in the use of electricity to meet the country's energy requirements. Similarly, innovation and digitalization will be the main allies in driving electrification of services. Enel Generación Chile's strategy has accelerated the retirement of Bocamina I and Bocamina II to contribute to decarbonization and also considers the development of different initiatives that promote clean electricity generation to contribute to decontamination.

1. Net Zero by 2050; BNEF (2021)



Enel Generación Chile's strategy

Context

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Enel Generación Chile 2022-2024 Strategic Plan

We believe energy is a driver of development and even more so if it is clean and accessible energy. Therefore, we have a long-term business model that guides our daily activities and prioritizes accelerating decarbonization.

The Company's 2022-2024 Strategic Plan was approved on November 26, 2021. It projects accumulated EBITDA during the three-year period to reach between US\$ 1.9 billion and US\$ 2.4 billion and accumulated CAPEX to amount to roughly US\$ 0.45 billion.

Sustainable business strategy

For Enel Generación Chile, sustainability means long-term value creation for all stakeholders, which is achieved by integrating economic, environmental, social, and governance goals into the Company's business plan. This model is aligned with the Sustainable Development Goals (SDG) that guide the Company's management.

The Company's Sustainability Plan is a three-year plan that is assessed annually based on the existing context and megatrends. This plan guides the Company's most important actions that are part of the Company's business strategy, which is based on the energy transition and gears the investment plan

and involves workers and communities in its implementation.

The implementation of the Company's action plans involves four ESG goals including **occupational health, sustainable supply chain promotion, governance and environmental management integration.**

Enel Generación Chile has identified **innovation and cybersecurity** as accelerators to speed up the implementation of action plans to **increase digitalization and financial sustainability.**

The 2022-2024 Sustainability Plan is shaped by Enel Generación Chile's sustainable business model. It represents Enel Generación Chile's commitment to Agenda 2030 goals by including 17 Sustainable Development Goals, although focuses particularly on the SDG's directly related to the Company's strategy.

Sustainability Plan and its contribution to Sustainable Development Goals

The analysis of the context, megatrends, and the expectations that stakeholders bring to light in the materiality process are the starting points for the definition of Enel Generación Chile's Sustainability Plan as part of Enel Chile.

These goals are updated annually, and new ones are defined and introduced to maintain continuous alignment with the Company's strategy and results. This process is performed to integrate sustainability throughout the entire value chain, considering the potential impact on the economy, the environment, and people.

The Company's 2022-2024 Sustainability plan is divided into 6 interconnected topics that represent strategic lines of work:

- 1. Net Zero Ambition:** Accelerate "Net-Zero" goals to 2040.
- 2. Electrification:** Enable electrification of customers' energy demand offering a reliable and sustainable service.
- 3. People:** Create long-term value for our stakeholders, helping them grow and address challenges.
- 4. Nature:** Promote the protection of natural capital and biodiversity.
- 5. Growth Catalysts:** Accelerate sustainable development through innovation, digitalization, and circular economy.
- 6. ESG Principles:** Support good governance, respect and promotion of human rights, and continuous improvement of health and safety objectives.

1. ESG por sus siglas en inglés ASG ambiental, social y gobernanza.

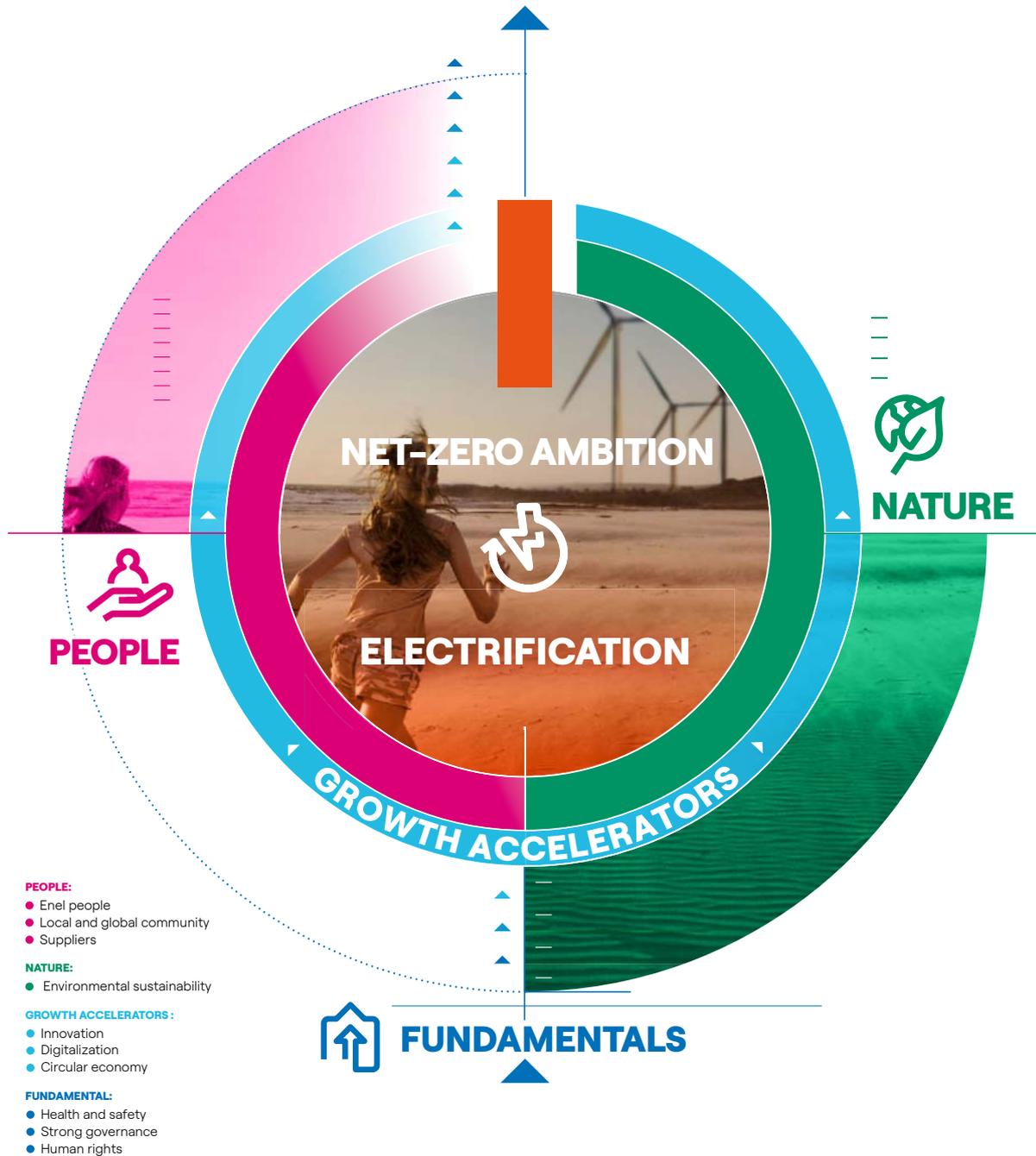




Sustainable development along the entire value chain



Long-term Sustainable Value Creation





Net Zero Ambition involves actions to limit the increase in global temperature to less than 1.5 degrees Celsius compared to pre-industrial levels. To reach this ambitious goal we will not compensate emissions. We rely on decarbonizing the generation matrix, which means closing coal fired plants for Enel Generación Chile and, through Enel Chile, gradually replace the thermoelectric power portfolio with new, renewable capacity, taking advantage of hybrid power plants with storage solutions.

Electrification means increasing and expanding our commitment to the electrification of end uses enabling people and their daily choices to be the agents of change. Our strategic actions are supported by Enel Chile's unified platform that is able to manage the world's largest customer database. By 2030, this will have created value for clients through the reduction of energy expenses and their carbon footprint. This is a significant and tangible contribution to everyone's quality of life.



People represents the commitment to empower people and improve their skills and abilities to carry out the necessary actions to accomplish the energy transition. We focus on building sustainable relationships with stakeholders, including workers, suppliers, community members, and clients. To respond to our stakeholders needs, we must pay attention to those who find themselves more exposed during this transition phase, considering requalification and conversion processes to create a more resilient, diverse, and inclusive ecosystem.



Nature, the climate change challenge is peoples' biggest obstacle. Protecting the environment and natural resources, the fight against climate change, and contributing to sustainable economic development are all strategic factors in the planification, operation, and development of Enel Generación Chile's activities. Decarbonization and environmental sustainability translate into daily commitments to conserve and preserve nature and biodiversity by reducing and mitigating the potential impact of the Company's operations on the Planet.



Catalysts for Growth are fundamental tools to increase and broaden our action to reach the Company's objectives, by encompassing and strengthening every subject of our sustainability strategy. Innovation facilitates integrating sustainability in all business activities, playing a central role in responding to stakeholders' needs and broadening the scope of our strategic actions and impact. Circular economy is also a challenge of our business model and a catalyst to reduce consumption of materials throughout the Company's value chain and develop circular business models and new solutions, such as exchange platforms. Cybersecurity is another key element to strengthen our strategy, and the basis of the digital transformation needed to increase resilience and provide the proper digital support, that is, the platforms and tools to make workers' daily activities more sustainable.

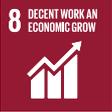


ESG Principles, the Company's commitment to respect human rights throughout the value chain is at the center of its sustainable development strategy. Workplace Health & Safety is a key principle to reach this goal. Solid governance is the basis of sustainable success and must be part of the Company's corporate governance structure that must include ESG in its main corporate decision-making processes.



Enel Generación Chile has committed to the following 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)
- Climate action (SDG 13)

SDG	Enel Generación Chile commitment
 <p>4 QUALITY EDUCATION</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for everyone for life</p>	<p>Enel Generación Chile commits to promote economic and social development in communities where it is present. Not only has the Company provided access to clean energy where it is needed the most, but investments have been made towards quality education (SDG 4), decent work and economic growth (SDG 8).</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Promote inclusive and sustainable economic growth, employment, and decent work for all</p>	<p>In the regions where the Company operates, some of the initiatives that contribute towards social development and economic growth consider the expansion of infrastructure, training programs, and projects that support both culture and the economy, among others.</p>
 <p>7 ENERGÍA ASESQUIBLE Y NO CONTAMINANTE</p> <p>Ensure access to affordable, reliable, sustainable, and modern energy for all</p>	<p>Enel Group decided to invest in 100% renewable power plants many years ago, aiming towards ensuring access to affordable, reliable, safe, sustainable, and modern energy for all (SDG 7). As part of this process, Enel Generación Chile has continued the decarbonization of its energy matrix.</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>	<p>For clean energy to reach our homes, Enel Group needs solid, digitalized, and resilient infrastructure. Consequently, Enel S.p.A. investments focus on network digitalization and service quality, in line with SDG 9.</p>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> <p>Sustainable cities and human settlements</p>	<p>Urbanization challenges the energy industry to contribute to urban sustainability, where citizens can choose between different services that are affordable, inclusive, and pollute less. Consequently, Enel Generación Chile contributes with clean energy to electrification and digitalization s, in line with SDG 11.</p>
 <p>13 CLIMATE ACTION</p> <p>Climate Action</p>	<p>To accomplish SDG 7, 9 and 11, the Company must take action towards reaching SDG 13, "Climate Action". This includes reducing direct emissions and our customers' carbon footprint.</p> <p>Decarbonization and the energy transition are part of Enel Group's strategic pillars. An estimated 68% reduction in direct CO2 emissions is intended by 2024 compared to emissions in 2017, bringing total specific emissions to less than 90 CO2 grams per kWh to reach Net Zero by 2040.</p>

Stakeholders and Materiality

Identifying, integrating and aligning stakeholder's expectations with Enel Generación Chile's purpose is of utmost importance. Consequently, the Company and its subsidiary carry out an annual process to identify, evaluate, and define material issues related to economic, ethical, environmental, and social topics and include them as strategic priorities. In line with its parent company Enel Chile S.A., the Company uses the Global Reporting Initiative's (GRI) standards to place stakeholder's priorities at the center of the company's strategic planning and to determine the guidelines of sustainability plans.

Understanding stakeholder's expectations is the cornerstone of Enel Generación Chile's sustainability strategy. This approach seeks to identify the drivers that make energy models sustainable, competitive, and safe while developing perspectives that are innovative, exhaustive, and cutting-edge, to anticipate events, manage risks, and differentiate the Company.

Stakeholders

Maintaining continuous dialogue with stakeholders is fundamental to collaboration, development, and trust in the work environment. Enel Generación Chile checks, identifies, and maps its stakeholders at the national and local levels regularly. Essentially, the Company believes that stakeholder management and communication contribute 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

Company managers are responsible for managing their respective stakeholders continuously.

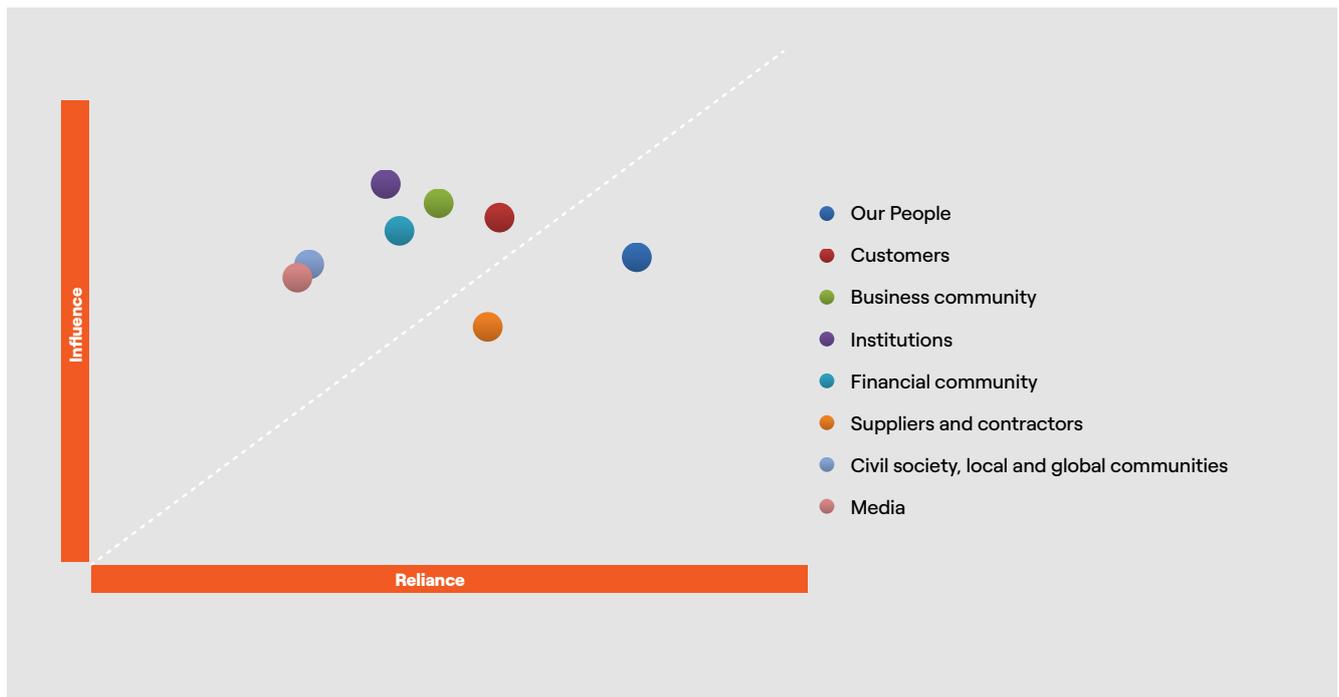
Once a year, the entire Company participates directly in the process of identifying and prioritizing stakeholders. Once identified, relevant stakeholders are consulted about their priorities and what they expect from the Company. This same procedure is carried out internally to determine the Company's strategic priorities.

In 2021, the different business and corporate units participated in the process prioritizing stakeholders according to their relevance for the Company. Stakeholders were prioritized based on two criteria:

Dependency: Groups or individuals that directly or indirectly depend on the Company's activities, products or services and its related activities.

Influence: Groups and individuals that may have an impact on the organization or stakeholders that are strategic to the decision-making process.

Dependence and influence matrix





Communication channels

The Company's operational excellence relies on the continuous interaction with its stakeholders during their

regular activities. The Company obtains solid knowledge of stakeholders' needs and expectations through various communication channels and procedures. Additionally, the Ethical channel is available to all stakeholders.

	Financial Community	Suppliers and Contractors	Civil society and local communities	Our people	Institutions	Companies and trade associations	Customers	Media
Enel Investor App	●	●	●	●	●	●	●	●
Mobile App	●	●	●	●	●	●	●	●
Complaints Channel	●	●	●	●	●	●	●	●
Web channel	●	●	●	●	●	●	●	●
Press releases	●	●	●	●	●	●	●	●
Direct contacts	●	●	●	●	●	●	●	●
Dedicated meetings	●	●	●	●	●	●	●	●
Surveys	●	●	●	●	●	●	●	●
Research interviews	●	●	●	●	●	●	●	●
Forums	●	●	●	●	●	●	●	●
Working groups	●	●	●	●	●	●	●	●
Intranet	●	●	●	●	●	●	●	●
Investor Day	●	●	●	●	●	●	●	●
Newsletter	●	●	●	●	●	●	●	●
Social media	●	●	●	●	●	●	●	●
Business magazines	●	●	●	●	●	●	●	●
Roadshows	●	●	●	●	●	●	●	●

Stakeholders

- Our people;
- Customers;
- Business Community;
- Institutions;

- Financial Community;
- Suppliers and contractors;
- Civil society and local and global communities;
- Media.

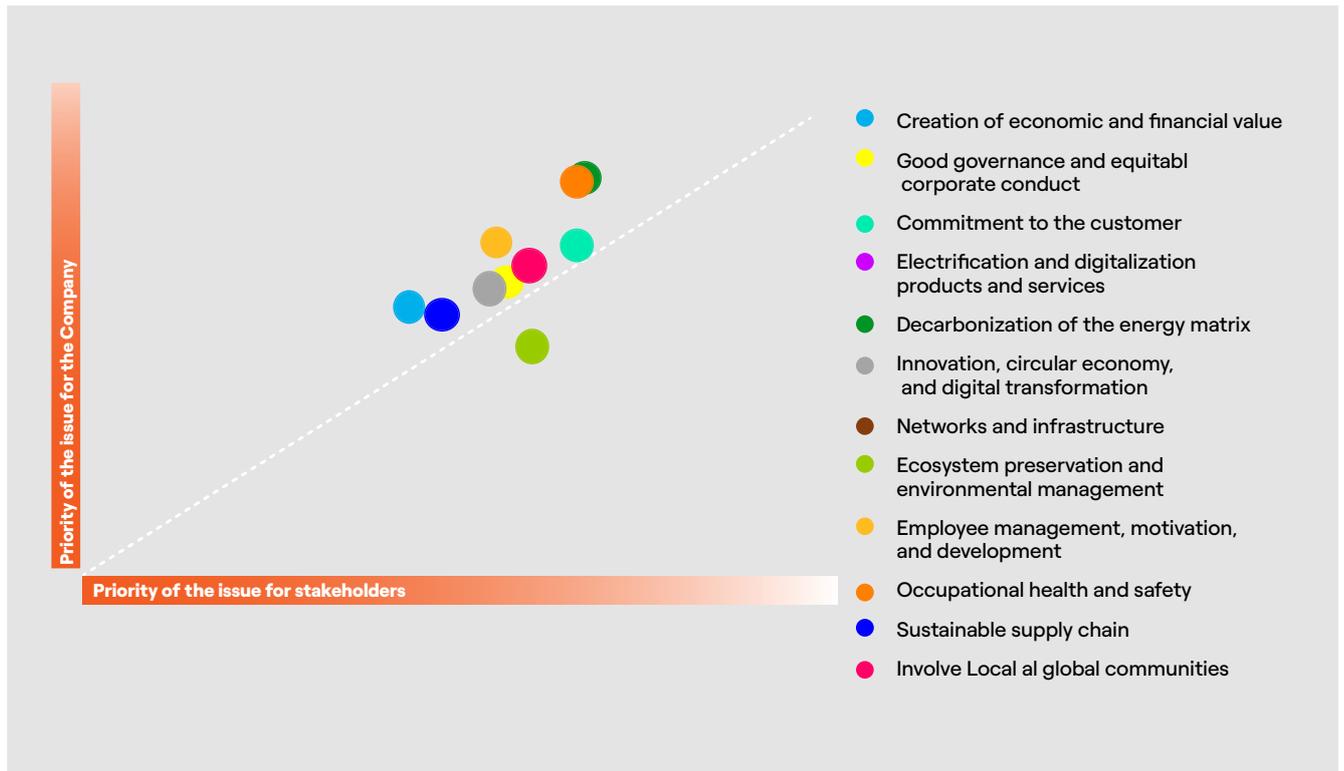
Materiality Matrix

Enel Generación Chile's materiality matrix is built with information gathered in the materiality analysis and presents the relationship between the issues that are a priority for stakeholders and those that are strategic to the Company.

This matrix is presented to the Board of Directors. It is a fundamental tool in the definition of the issues to be addressed in the Annual Report and in the Sustainability

Report. These reports respond to stakeholder's expectations and establish the main focus of our work as described in Enel Generación Chile's Sustainability Plan.

The results of the Company's materiality analysis are presented in the following materiality matrix, which links the material issues to the United Nation's SDGs:





Management approach to material issues

Our stakeholders' priorities are identified through surveys responded directly by stakeholders and from secondary

sources. The following are the consolidated priorities that of stakeholders that Enel Generación Chile identified during 2021:

Stakeholders' Priorities

	Community	Civil society and local and global communities	Customers	Financial Community	Institutions	Media	Our people	Suppliers and contractors
Creation of economic and financial value	●	●	●	●	●	●	●	●
Good governance and equitable corporate conduct	●	●	●	●	●	●	●	●
Commitment to customers	●	●	●	●	●	●	●	●
Electrification and digitalization products and services	●	●	●	●	●	●	●	●
Decarbonization of energy matrix	●	●	●	●	●	●	●	●
Innovation, circular economy, and digital transformation	●	●	●	●	●	●	●	●
Infrastructure and networks	●	●	●	●	●	●	●	●
Ecosystem preservation and environmental management	●	●	●	●	●	●	●	●
Employee management, motivation, and development	●	●	●	●	●	●	●	●
Occupational health and safety	●	●	●	●	●	●	●	●
Sustainable supply chain	●	●	●	●	●	●	●	●
Engaging local and global communities	●	●	●	●	●	●	●	●

● Priority values from 1.0 a 2.5
● Priority values from 2.6 a 4.0
● Priority values from 4.1 a 5.0

The following are the highlights among Company and stakeholder priorities:

Energy matrix decarbonization

Climate change is currently one of humanity's greatest challenges. Enel Generación Chile therefore continues to contribute to this fight and has taken another step towards

the decarbonization of its energy matrix by disconnecting coal fired units and developing new renewable energy projects. These actions also contribute towards reaching the Group's goal to reduce direct CO2 emissions.

This commitment has had a significant impact on the industry because Enel Generación Chile became the first Chilean energy company to develop and implement a plan



to reduce electricity generation direct CO2 emissions, and one of the first publicly traded companies in Chile in the IPSA index to include and execute such a plan as part of its strategy.

Occupational Health & Safety

Enel Generación Chile is committed to safety and therefore has an integrated management system that is implemented in each and every one of its business lines. The Company's goal is to have "zero accidents", among directly hired workers and contractors. Reaching such a goal necessarily involves the promotion of a safety culture. Our work regarding safety is guided by a three-year plan that is updated annually. It leads the way towards cultural change by carrying out actions determined by four pillars: Operational control; Digitalization and process analysis;

Culture and training; and Safety culture. Moreover, each decision made by the Company is focused on permanently protecting people's health from a preventive care perspective and minimizing risks.

Commitment to customers

Enel Generación Chile places its customers at the center of its business model. Its business strategy is defined based on satisfying its customers' needs with a variety of affordable, clean energy products and services. The Company promotes efficient and sustainable use of energy and takes advantage of the technological revolution to provide people with the tools they need to play a more active role and manage their electricity consumption directly. The Company prioritizes the quality of its relationship with its customers and has made several effective and fair communication channels available to them.



Economic value generated and distributed

		2021	2020
		Ch\$ millions	Ch\$ millions
	Revenue	1,939,369	1,514,150
Economic Value Generated (EVG)	Operating	1,899,774	1,490,102
	Non-operating	39,595	24,048
Economic Value Distributed (EVD)	Operating costs	1,692,084	1,682,539
	Non-operating costs	-	30,228
	Salaries and employee benefits	49,162	44,171
	Payments to providers of capital	252,712	271,946
	Financial expenses	68,653	28,329
	Dividend payments	184,059	243,618
	Payments to government	5,812	(122,434)
	Economic Value Retained (EVR) ERV = EVG - EVD	(60,400)	(392,300)

Operating revenue amounted to Ch\$ 1,899.774 billion as of December 31, 2021, which represents a 27.5% increase when compared to December 2020, primarily due to greater physical electricity sales in 2021 and higher gas sales.

Operating costs reached Ch\$ 1,692.084 billion, which represents a 0.6% increase when compared to 2020, primarily explained by the Ch\$ 446.742 billion increase in energy purchases due to both the higher physical amount purchased and a higher average purchase price, and also a Ch\$ 143.572 billion increase in fuel consumption due to

the less efficient generation mix caused by dry hydrology and a Ch\$ 76.498 billion increase in gas commercialization costs, partially offset by a Ch\$ 669.083 billion reduction in impairment losses of Bocamina II.

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

Main Sustainability Policies

Enel Generación Chile's Board of Directors defines policies within the framework of the Company's purpose and values that determine the Company's activities related to the implementation of the sustainable business strategy.

[Biodiversity Policy](#)

The Biodiversity Policy identifies six practices that are aligned with international principles and standards described in the United Nation's Convention on Biological Diversity (CBD), UN Strategic Plan for Biodiversity 2011-2020 and the Aichi Biodiversity Targets, as well as other national and international biodiversity standards and strategies.

This policy promotes the Company's "no net loss" principle by requiring adequate project planning and preventive environmental biodiversity assessment (no net loss) to avoid, reduce, and/or compensate the negative

impacts on species and natural habitats, based on the degree of protection, representation index and/or ecosystems value.

The company collaborates with local communities, academic institutions, and NGOs to identify and assess the biodiversity and ecosystems present in the areas where the Company carries out its operations. Projects are proposed and developed from these joint efforts to restore, preserve, and monitor the environment.

[Environmental Policy](#)

Through this policy, Enel Generación Chile and its subsidiary assert that care for the environment and natural resources, and climate action are strategic factors within Company planning and operations, considering they are fundamental to the energy transition and sustainable development commitments. The 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 Relations Policy](#)

This policy raises awareness of the commitments, principles and guidelines geared towards promoting long-term social and economic development in the communities surrounding the Company's operations. Enel Generación Chile has implemented a shared value model throughout its value chain to integrate environmental and social matters into its business strategy. By implementing this model, the Company establishes transparent relationships with stakeholders, and legitimizes its operations by promoting socioeconomic development of neighboring communities. This is done hand in hand with co-designed plans that address local needs and priorities, enabling relationships based on trust and constant dialogue.



Innovation and circular economy accelerate sustainability

Innovation

Innovating in products, services, and processes is a strategic priority for the Company that guarantees long-term success in an increasingly demanding and competitive market. This scenario offers new opportunities based on developing new energy solutions that promote sustainability and also offer product and service diversification.

Enel Generación Chile has two areas of work: innovation ecosystems following the *Open Innovability* model and presented through the *Innovation Hub*, and an innovation culture through *Idea Hub*.

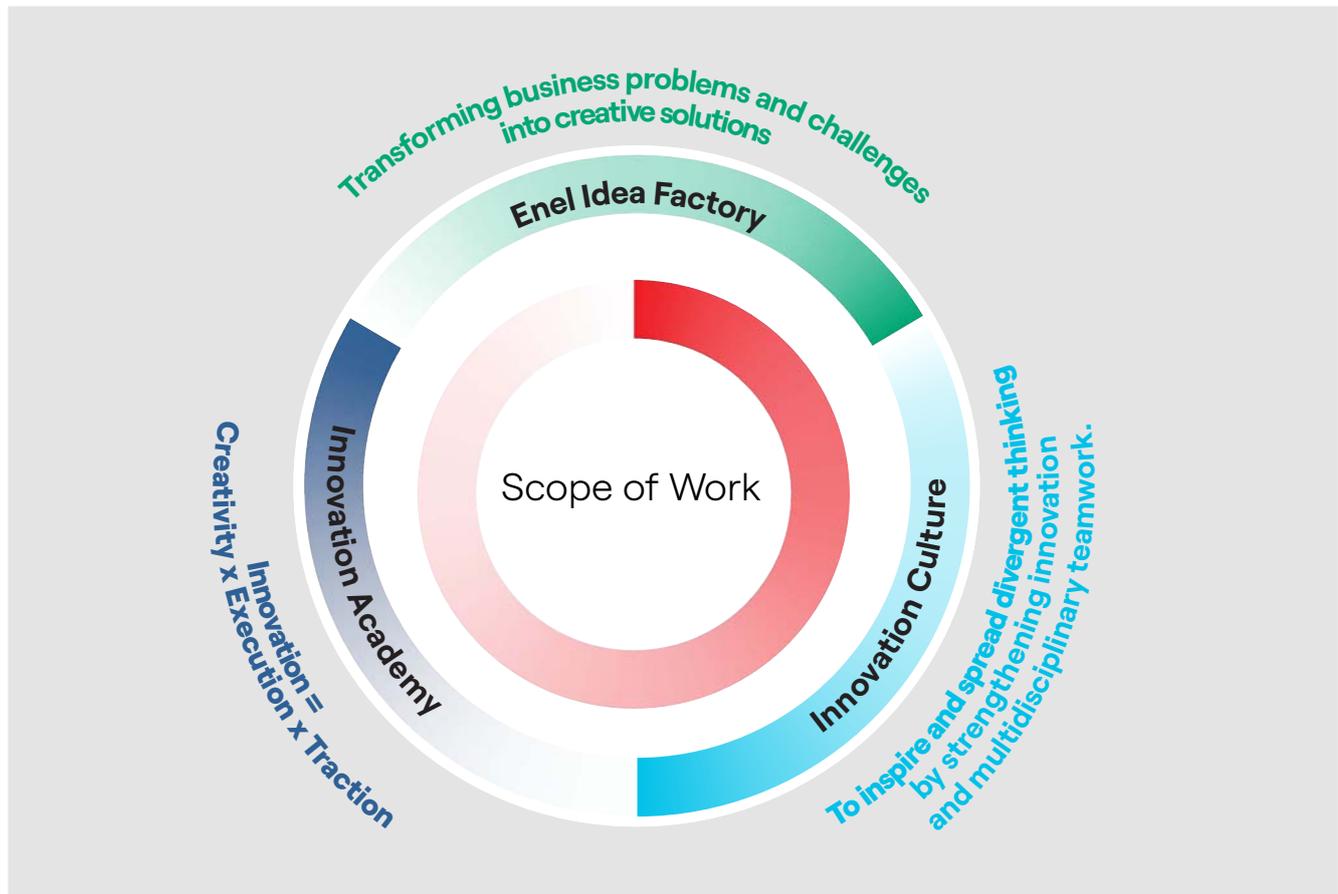
Innovation Hub

The *Open Innovability* model -otherwise known as sustainable open innovation- creates solutions, products,

and services to continually transform the current energy model. Innovation Hub focuses on contacting startups that have developed technology that can transform good ideas into business solutions. Due to the pandemic, the Innovation Hub carried out online Bootcamps to facilitate associations between the Enel Group’s global business lines and the local ecosystem, while boosting fluidity with startups.

Ideas Hub

The Company considers innovation to be a sustainability driver that should be a part of everyone’s daily work life. Hence, Idea Hub was created to promote a culture of innovation and entrepreneurship within the Company, while ensuring the participation of all workers and integrating all businesses. This model encourages creativity within professional and technical teams, giving them tools to develop their abilities.



• **Innovation Academy:** open innovation academy is open to everyone in the Company that participates, develops, or has an interest in innovation and digital transformation, and would like to incorporate new knowledge and methodologies to their line of work.

• **Enel Idea Factory:** innovation methodologies to find new solutions for business challenges and promote entrepreneurship within the Company.

• **Innovation Culture:** various activities, talks, and workshops focused on inspiring and encouraging to think outside the box.

• **Innovation Ambassadors:** community of innovation ambassadors to promote open innovation culture within the organization, disseminate methodologies, lead creativity sessions, and promote entrepreneurship.

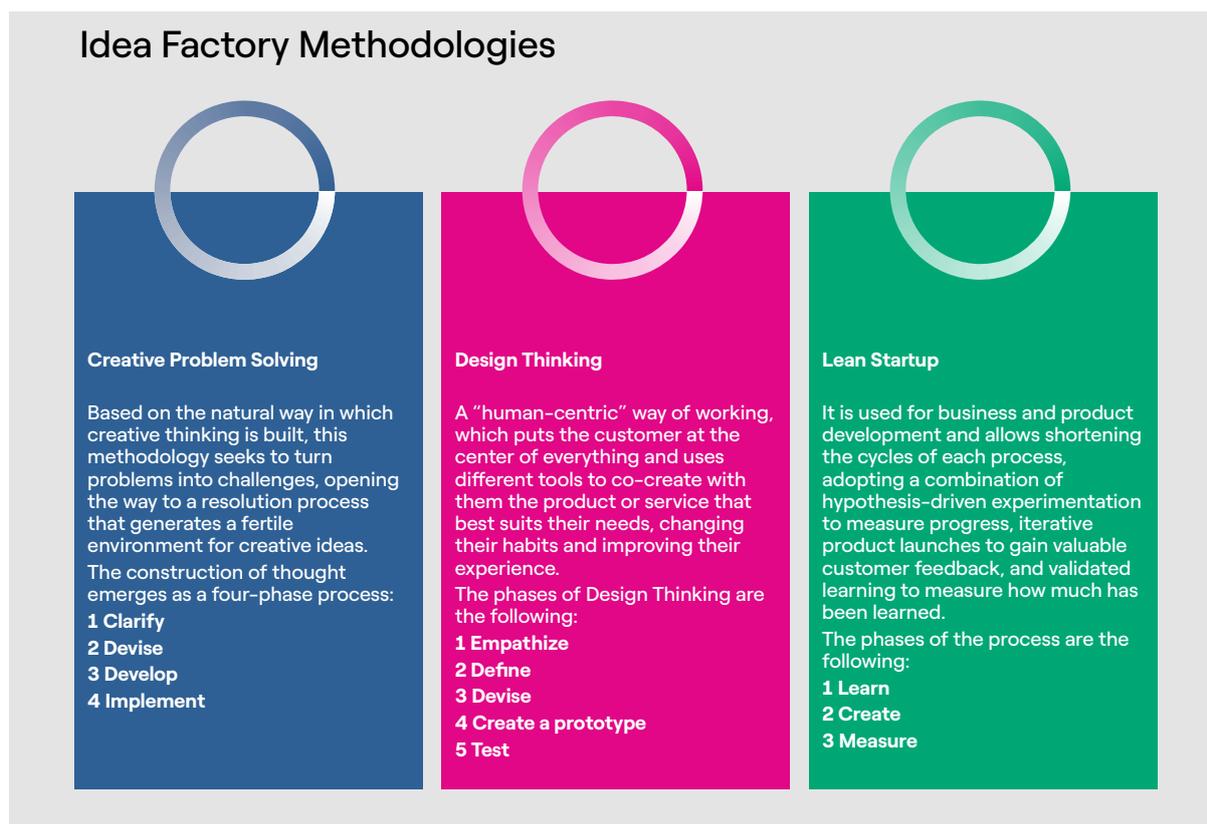
Innovation Academy presents innovation and creativity methods, developing critical thinking through *Design*

Thinking, *Lean Startup*, *Creative Problem Solving* and effective presentations, among others.

The Woman Innovation Lab launched a contest to select WIL – WEP Directors to take on the responsibility of leading teams to carry out various initiatives. The first Mentoring program had women participate in various talks and workshops with female role models.

Some Idea Hub initiatives promoted during 2021 are the following:

A través de Enel **Idea Factory**, la Compañía impulsa el uso de diferentes metodologías que ayuden a los trabajadores a pensar de un modo divergente, ofreciéndoles apoyo en el análisis, selección e implementación de las mejores soluciones a los diversos problemas y/o desafíos que se les plantean, transformando los espacios de trabajo en verdaderos laboratorios de innovación.





Innovation methodologies

- Scouting startups through a process called Bootcamp, where different innovative initiatives of startup companies were analyzed.
- **Power G** program for Enel Generación Chile's workers to promote innovative ideas.
- Round of meetings on generation technologies (solar, wind, hydroelectricity, geothermal, and thermal) to share innovative solutions.
- Participation in **AntofalInnova**, organized by the Innovation Club and Corfo.
- Participation in Corfo's **EcolImpacta** Challenge, to scout for innovative startups to propose new ways to manage and dispose of pruning residue.

Open Innovability Model

In 2020, three initiatives (Gxcellence, Digital-G and Hall of Energies) came together in a single program under the name Power G (Global Power Generation). It recognizes people whose conduct conforms to the Company's Open Power values, that have innovative ideas and good practices, and have adopted new digital tools. The 2021 edition proved to be more successful than the first edition because more ideas were received.

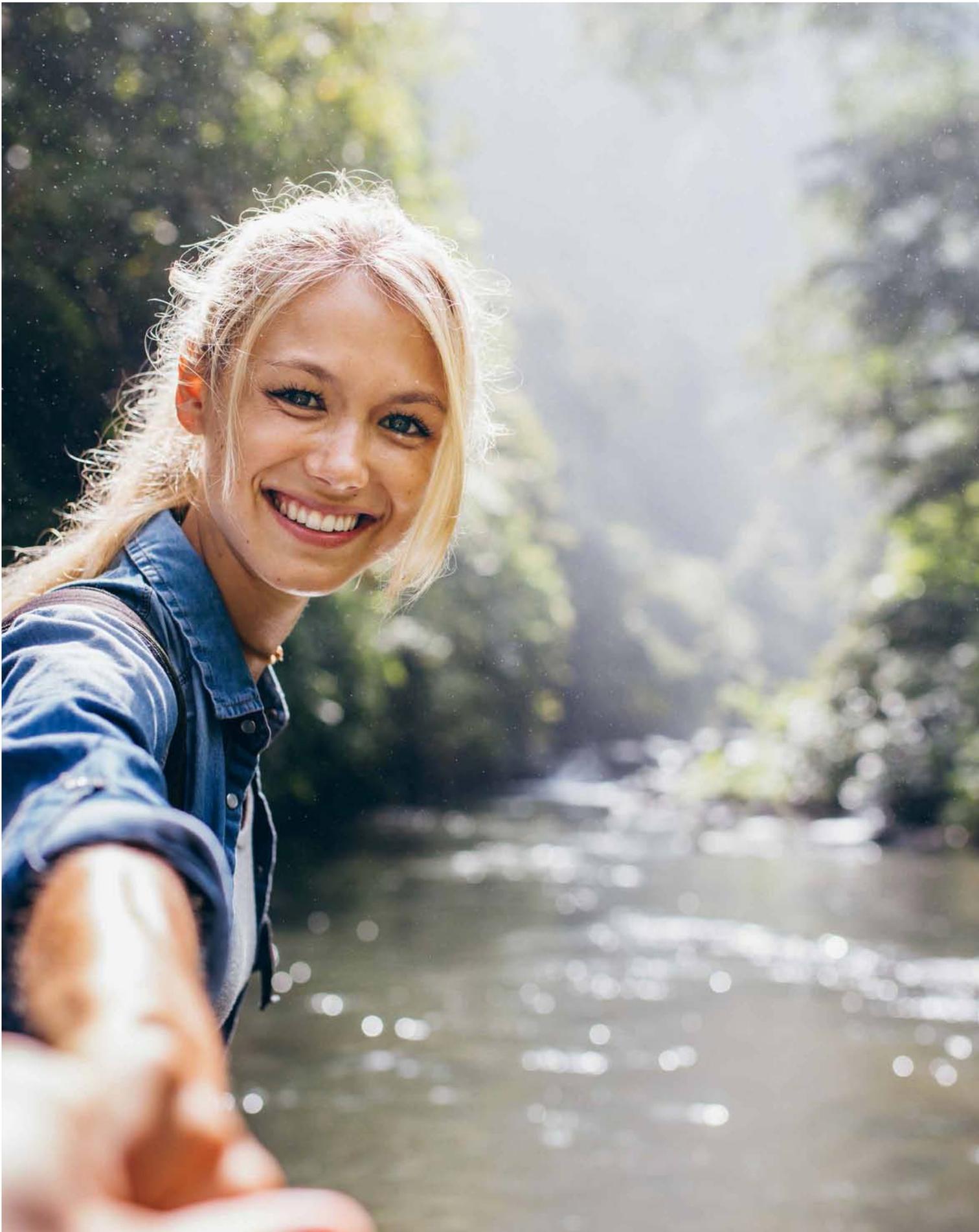


Enel Generación Chile's outstanding projects

- **Water management:** this is a pilot project that seeks to optimize the use of water at the San Isidro thermoelectric power plant. The pilot system is to arrive in late January 2022, be installed in February and begin tests in March 2022. It is expected to reduce OPEX and save and conserve water. The advantages of this technology, currently undergoing a validation process, is cost reduction, less sludge production and a higher recovery rate.
- **Tethered Solutions Drone and Balloon for Communications and Security:** this was a success as a Proof of Concept (PoC) project. It was successful at proving that the connectivity of remote areas can be expanded. The PoC consisted in elevating a drone connected to a 4G electricity line 80 meters to illuminate an area and verify the reach of the WIFI signal in the area that is being tested.
- **Automatic analysis of aerial thermographic images and live camera images:** an aerial tool that allows monitoring solar photovoltaic module failures. This project, still in the Beta phase, may allow reducing the high cost of the outsourced image analysis service providing the funds to develop an inhouse system. It was presented by Enel Generación Chile's Solar Efficiency and improvements unit of the Solar Operations and Maintenance Department and was carried out with the Company's Innovation Department and external drone and digitalization experts.
- **Underwater inspection of Central San Isidro's towers and the Central Atacama's intake:** this is a digital, remote-control device to perform underwater inspections using robotics.

Circular Economy: A catalyst to our sustainable business model

The Company has incorporated circular economy principles to accelerate the implementation of its sustainability strategy. This new economic model is an accelerator because it has an impact on decarbonization, on the efficient use of energy and on materials used in industrial processes. It is also a tool to break down and analyze the life cycle of productive processes to detect gaps and circularity potential. It is an important change that involves taking a new look at the conventional relationship between business, market, customers, and natural ecosystems.





Climate change is an urgent call for action. Human activity currently consumes nearly 1.75 times the Earth's capacity, which means that every year, we are using approximately 75% more natural resources than the planet can regenerate in a year. If the current linear economic system based on "extracting, producing, consuming, discarding" continues, current consumption and contamination is expected to continue increasing. Circular Economy proposes transforming the entire economic system, separating growth from the extraction of nonrenewable natural resources based on the following principles: design out waste and pollution, keep products and materials in use over time, and regenerate natural

systems. Within this framework, the energy transition towards clean energy technologies plays a crucial role.

Roughly half of global emissions come from polluting energy sources, while the rest is produced throughout the supply chains of different economic sectors. The circular economy approach has the potential to generate disruptive changes that ensure a sustainable future and also offer new business opportunities to enter new markets with innovative solutions, products, and services.

Enel Generación Chile has designed a new strategy based on five pillars that foster circularity and build on the opportunities presented by circularity:

Pilar	Description	Main metrics
Circular inputs 	Production and consumption model based on materials that are renewable or had previous life cycles (reused or recycled).	<ul style="list-style-type: none"> • Efficiency • Renewable • Reused • Recycled
Useful life extension 	Approach to the design and management of a product or asset to extend its useful life. For example, through modular design, reduced consumer maintenance requirements, or predictive maintenance.	<ul style="list-style-type: none"> • Life cycle extension
Product as a service 	Business model in which the customer acquires a service for a limited amount of time while the Company is responsible for the product itself and its associated services, hence maximizing its useful life and load factor.	<ul style="list-style-type: none"> • Higher load factor
Platforms sharing 	Sharing an underutilized asset among multiple users through information technology	<ul style="list-style-type: none"> • Load factor increase
New life cycles 	All solutions are geared towards preserving the value of the asset at the end of its life cycle by reusing, regenerating, and recycling, together with the other pillars.	<ul style="list-style-type: none"> • Reuse • Recycle • Waste

Enel Generación Chile has taken on the challenge of incorporating the Circular Economy approach throughout its value chain, from suppliers to customers, as a strategic catalyst of its sustainable business model by combining innovation, competitiveness, and sustainability. In 2021, an Action Plan involving the following four-axis was carried out:

- Cultural Change Management
- Connecting with the Ecosystem
- Transforming the value chain
- Circularity metrics

Highlights in Cultural change

To promote a circular economy culture, the second and third editions of Enel S.p.A. LATAM Circular Economy School were held during 2021. It is an eight-week program specially designed for the Group's workers in Latin America. The following topics were discussed, among others:

- Energy transition finances
- Social impact of the Circular Economy model
- The role of innovation in Circular Economy
- Circular cities in the context of COP26



Highlights in Interacting with Ecosystems

Circular Economy is a systemic target, and therefore relies on cooperation among different institutions and organizations to co-define which tools and processes should be implemented to accelerate the circular transition in the country and region. Within this context, Enel Generación Chile has participated in the most relevant roundtables in Chile, such as, the following:

- Secondary Market Technical Roundtables to develop a National Circular Economy RoadMap, led by the Ministry of Environment and the Ministry of Economy, the Chilean government's economic development agency, Corfo, and the Sustainability and Climate Change Agency. They traced a roadmap through this participatory process to develop a regenerative circular economy that drives Chile towards sustainable, fair, and participative economic development by 2040.
- Mirror Committee ISO TC/323 to define an international standard (ISO) on Circular Economy. This is being

developed by experts from 79 countries. In Chile, it is led by the Instituto Nacional de Normalización.

Throughout 2021, these collaborations have enabled the creation of a network of industry players to sustain the industry's circular economy developments and also contribute to the country's progress on the subject. The Company's participation in the diagnosis of the industry to reach a Clean Production Agreement titled "Moving towards a Circular Economy", by providing strategic information to establish goals and actions is worth mentioning. The Company also signed a cooperation agreement with Universidad del Desarrollo to carry out joint research and development projects in circular economy, emphasizing circular metrics and the promotion of circular cities, and joined Sofofa Hub as a strategic partner by participating in the World Economic Forum's Scale360 project that fast-tracks Fourth Industrial Revolution in circular economy.



Highlights in transforming the Value Chain

The main projects developed by Enel Generación Chile in 2021 are presented in the following table. They have all been acknowledged within the Enel Group as a contribution to the Company's circularity and EBITDA and therefore bring both environmental and economic benefits.

	Proyectos	Descripción	KPI 2021	Pilar principal
	Circular management of wastewater	Selling residual water from cooling towers so that it can be recovered by a third party. This reduces and/or avoids purchasing fresh water from external suppliers and extracting water from our own wells, while giving liquid industrial waste a productive use.	1.5 Mm ³ liquid industrial waste has been sold 0.3 Mm ³ water has been saved (or not purchased)	New life cycles
	Proyecto <i>New Life</i>	Establishes a circular strategy to renew the life cycle of equipment and spare parts, optimizing warehouse stock and the supply chain for thermoelectric power plants. This initiative began in the coal fired power plants that are now being shut down.	27 t recirculated materials	New life cycles

Circularity Metrics

Circular economy is a catalyst to the Company's strategy, and therefore its implementation demands numeric quantification to determine the degree to which its principles are being upheld in processes and activities.

Enel Generación Chile has adopted the CirculAbility model, developed by Enel Group in 2018. It is a metric system that incorporates the five pillars of the Company's strategy based on measuring the material and energy flow required for new investments and asset operations, valuing innovative solutions that increase the use of renewable energy sources, efficiency, and the useful life and/or productivity of resources.

This system makes Enel S.p.A. a pioneer in measuring circularity and allows calculating indicators to evaluate the Company's current state of circularity, identify critical issues and develop improvement plans. These indexes are:

- Circularity Index (%)
- Circular Input (%)
- Circular Output (%)
- Resource flow per unit (kg/MWh)

This analysis provides important information regarding the flow of materials and their use over time. This methodology is applied in addition to other methodologies that measure environmental impact throughout the value chain, providing valuable information for decision making, aligned with a fair energy transition and climate action.

Climate change

After COP26 in Glasgow, the world has agreed that all actions carried out during the next decade are decisive to contain the effects of climate change and avoid the environmental, social, and economic repercussions of an average temperature increase above 1.5 °C. The entire world is moving towards Net Zero, which requires a massive increase in electrification. Electricity will play a central role in this transition, even in sectors where it hasn't existed before.

Enel Group strategy integrates sustainability throughout the entire value chain, paying attention to climate change issues and guaranteeing profitability for stakeholders. Being an industry leader involves guiding the energy transition towards decarbonization and electrification of energy consumption, which is an opportunity to create value and contribute to the accomplishment of the SDGs established in the UN's 2030 Agenda.

Enel Generación Chile, as part of the Enel Group, promotes the participation of its stakeholders to increase awareness and communication to include their contribution in designing solutions to mitigate the impact on climate change. The Company's sustainability strategy and its integrated business model have created value for all stakeholders, have capitalized on the opportunities of electrification and the energy transition and have limited related risks.

Energy plays a key role

The energy sector plays a major role in reducing greenhouse gas emissions because it is responsible for producing and distributing clean energy. During this transition, Enel Generación Chile provides reliable gas fired electricity and the generation flexibility needed to ensure electricity supply.

Enel Group's 2022–2024 Strategic Plan anticipates decarbonization to occur within ten years and commits to reach the Net Zero goal for direct CO₂ emissions (Scope 1) in 2040. To contribute to this ambitious goal, Enel Generación Chile has focused on decarbonization by closing coal fired plants and increasing renewable capacity. These actions seek to speed up the efforts to slow down global warming.

Sustainable business strategy

Enel Generación Chile believes sustainability means creating long-term value for all stakeholders, which is achieved by integrating economic, environmental, social and governance goals into the Company's business plan. This model is aligned with the Sustainable Development Goals (SDG) that guide the Company's management.

Decarbonization

Decarbonization is one of Enel Group's strategic pillars. Therefore, it must be carried out properly to mitigate any potential impacts down the line, which is why the concept of fair energy transition is so relevant. It is a principle that has been promoted by local and international organizations to transition towards a sustainable economy taking all stakeholders into consideration, especially those who are most vulnerable to change. Within this context, the process must be carried out with a long-term and transversal view including all stakeholders to capitalize and share the new opportunities and benefits of the energy transition.

Business sustainability

Enel Generación Chile ha enfocado sus inversiones en optimizar sus centrales térmicas, adelantando el cierre de las Enel Generación Chile has concentrated its investments on thermal power plant optimization projects. The Company has retired its coal fired plants ten years in advance as part of its commitment to the 2040 goals of the country's Decarbonization Plan.

Enel Generación Chile S.A. and GasAtacama S.A. signed a decarbonization agreement with the Ministry of Energy to retire the coal-fired power plants Tarapacá, located in Iquique County, and Bocamina I and Bocamina II, both located in Coronel County, with an installed capacity of 158MW, 128MW, and 350MW, respectively. This commitment retires Central Tarapacá power plants from the SEN no later than May 31, 2020, Bocamina I no later than December 31, 2023, and Bocamina II no later than December 31, 2040. These commitments were subject to authorization, as established by Chilean Electricity Law.

In 2020, Enel Generación exceeded expectations by committing to close the last power plant by May 2022, 18 years sooner than scheduled. This important milestone makes Enel Generación Chile the first conventional generation company in Chile to have a generation matrix without coal. This process is being carried out under fair transition conditions, mitigating the impact of the process on workers, local communities and the environment.

Currently, 59.1% of Enel Generación Chile's installed capacity is based on renewable energy sources, mainly water. However, the climate crisis has significantly affected Chile causing a severe drought that has negatively affected hydroelectricity. Within this context, in 2020 the Company focused on optimizing its combined cycles that are mainly gas fired units, to ensure electricity supply and provide stability to the SEN. These efforts have increased operational



efficiency and have also added flexibility to the matrix, facilitating the addition of new renewable sources of energy to the SEN.

Enel Generación Chile contributes to Enel Chile's Sustainability Plan through the decarbonization of its generation matrix, providing reliability and flexibility to the system by operating efficient gas fired power plants and supplement the intermittent renewable energy sources. These actions are carried out keeping the focus on people, on the Company's workers and the communities that are an important part of long-term value creation.

Climate change governance

Enel Generación Chile's corporate governance and structure define the tasks and responsibilities of each governance body within the Company ensuring that risks and opportunities related to climate change are considered in all relevant corporate decision-making processes.

Board of Directors

The Board of Directors is in charge of assessing and approving the Company's strategy, its annual budget and business plan, which all incorporate the Company's main actions and goals regarding the energy transition and sustainability in general to gear investments towards a sustainable business model that creates long-term value and contributes to a low carbon economy.

Strategy to address Climate Change

The sustainable strategy developed over the last few years and the integrated business model have created value for Enel and all its stakeholders, capturing opportunities that arise from the energy transition and the fight against climate change. The Company has focused on decarbonization, primarily closing down coal fired power plants, but also by investing on increasing renewable energy capacity.

Within this framework, Enel Generación Chile's strategic plan places the acceleration of the energy transition at the center of its corporate strategy together with sustainable development and creating significant shared value for shareholders, customers, the environment and the Company.

Main risks and opportunities related to climate change

The definition of Enel Generación Chile's strategies goes hand in hand with the assessment of risks and opportunities including those related to climate change. Enel Group has adopted an assessment framework that is consistent with TCFD (Task Force on Climate-Related Financial Disclosures) recommendations, and explicitly represent the main relationships between types of risks and opportunities.

Two categories of risks/opportunities were identified from this analysis: those derived from physical variables, and those related to transition scenarios. These categories are related to the potential impact of risk/opportunities on the business, presented in three different time horizons: short-term, medium-term, and long-term. Then a sensitivity analysis is performed based on the Group's Strategic Plan. For further detail on the subject, see the Company's **Sustainability Report**.



Risk Management

Context

Enel Generación Chile sees risk management as one of the main tools to define business sustainability throughout its entire value chain and for all business lines. Understanding the economic, environmental, and social context is essential in identifying internal and external factors that may become potential business risks.

Consequently, an Internal Control and Risk Management System has been implemented to preemptively identify, treat, and monitor risks that could affect business continuity. 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.

Internal Control and Risk Management System Guidelines

Enel Generación Chile's Internal Control and Risk Management System ("SCIGR" in its Spanish acronym) is based on and includes the principles contained in the [Guidelines of the Enel Group's Internal Control and Risk Management System](#) of Enel S.p.A.. It is a central part of the Corporate Governance structure and is based on national and international best practices, and as such, is consistent with the Internal Controls - Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report), which is the benchmark used to analyze and evaluate the effectiveness of the SCIGR. This system is subject to audit tests and

Within this framework, Enel Generación Chile is committed to the new concept of stakeholder capitalism and is convinced that today, more than ever, companies must play a fundamental role in contributing to the economic, social, and sustainable development of the territories where the Company has operations.

Enel Generación Chile utilizes the Sustainable Development Goals of the United Nations, the World Economic Forum guidelines, and the global objective of the Paris Agreement as references to analyze global risks that can impact its specific business and adapt and mitigate the effects of climate change.

verifications like ISO 31000: 2018 (G31000) or COSO.

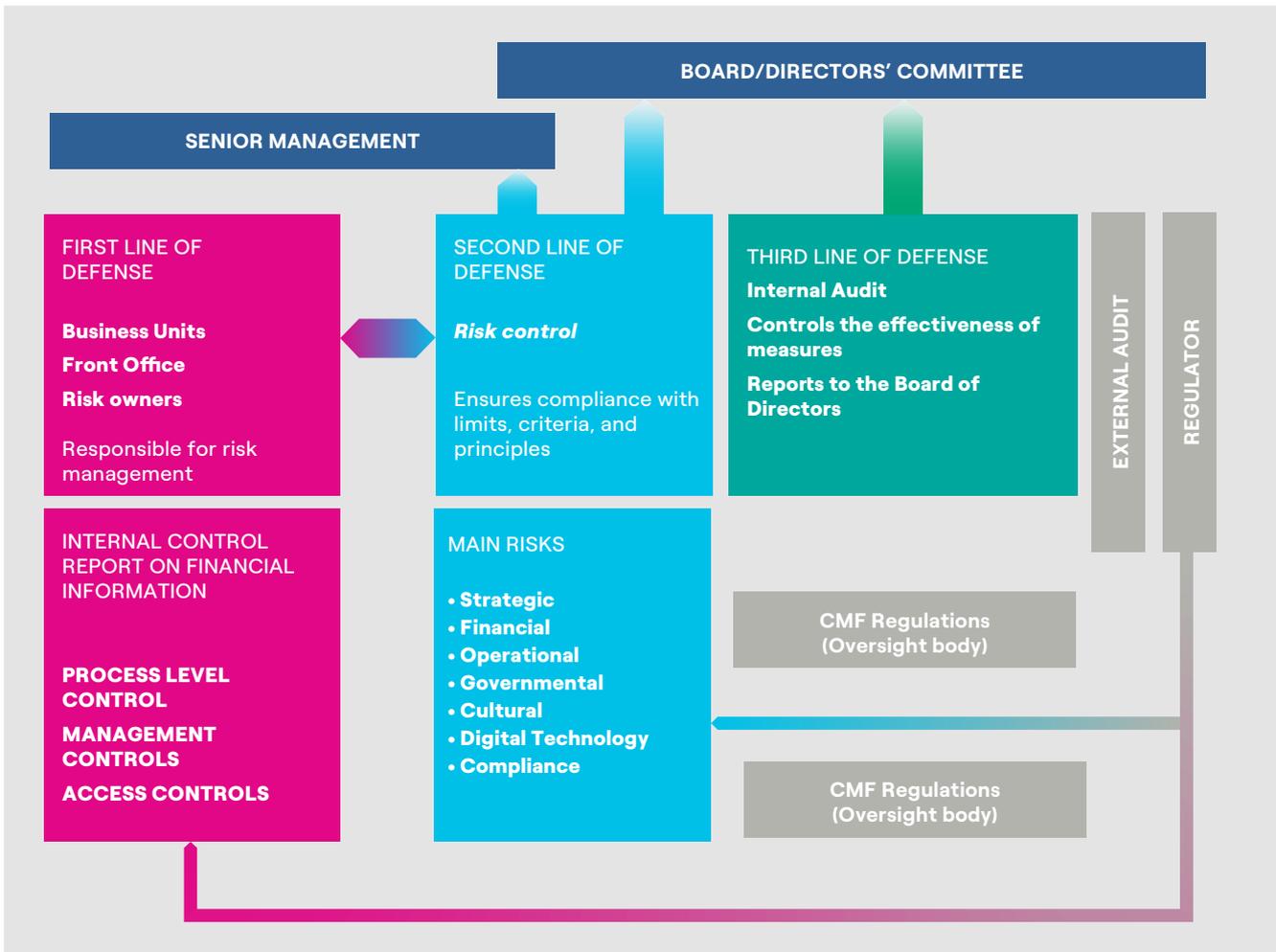
Among other aspects, the SCIGR involves:

- Defining risk strategies that guide the deployment of the different levels and types of risk, in line with business and strategic objectives;
- Separating duties and responsibilities of the different units, especially the division between operating activities and control activities.



Governance

Enel Generación Chile’s risk governance model is in line with best practices. The following are the bodies and activities that conform this structure:



Risk Control and Management Policy

Enel Generación Chile’s Risk Control and Management Policy determines the acceptable framework for risk levels inherent to the Company’s operations. Its objectives are to establish a risk control and management model, regulate the risk control and management model and identify its main functions. The policy reaches and binds everyone in the Company, regardless of the functions of their respective position. It is also made extensive to the companies in which the Company holds directly or indirectly a 100% ownership share.

Enel Generación Chile’s Internal Control and Risk Management System

The SCIGR refers to the set of rules, procedures and bodies that allow identifying, measuring, and managing the Company’s main risks. Its effectiveness is provided by a model with three levels of action, or with Three Lines of Defense, which segregates functions. The first two lines of defense are responsible for containment and report to management, while the third reports to the Board of Directors, in accordance with international corporate governance best practices.

The Board of Directors and the executive team represent one of the key internal stakeholders served by the lines of defense and are in the best position to help ensure that the model is applied to the Company’s risk management and control processes.

First Line of Defense	Second Line of Defense	Third Line of Defense
Business Units	Risk Department	Internal Audit
These units must manage their risks	This department is responsible for internal controls developed to ensure optimal risk management and oversight.	Independent evaluation that also reports the outcomes of activities to corporate bodies.

Risk Control Department

The Risk Control department constitutes the Second Line of Defense, and actively participates in many corporate bodies to ensure effective risk governance.

Duties of the Second Line of Defense: Risk Control department

- Define the methodologies and tools used to identify, measure, and control risks;
- Annually submit risk limits and thresholds for the approval of the CEO of Enel Generación Chile;
- Follow up on risks and analyze their compliance with limits, at least quarterly;
- Approve or deny exceptions requested to surpass risk limits (waivers). Any action that exceeds the approved risk thresholds must have the approval of the CEO of Enel Generación Chile;
- Support Risk Owners in defining risk mitigation plans, as well as monitoring these plans and proposing corrective actions, if necessary;
- Support subsidiaries in defining their risk policies so that these meet the general guidelines of the Group;
- Analyze the impact of relevant operations on risk;
- Report the Company's Risk Map to the Board of Directors, including both direct and indirect risks, at least once a year;
- Promote and plan permanent training of the Company's relevant personnel, regardless of the contractual relationship.

The Internal Audit department is the Third Line of Defense and is responsible for the general oversight of the SCIGR's structure and functionality. Among other issues, it is responsible for:

Duties of the Third Line of Defense: Internal Audit department

- Prepare the annual Audit Plan –based on a structured process of analysis and identification of main risks–, which is presented to and approved by the Company's Board of Directors;
- Monitor the operation and effectiveness of the SCIGR;
- Perform controls on specific corporate functions or operations when deemed appropriate or at the request of the Board of Directors;
- Report directly to the Board of Directors. It is not responsible or accountable to any operating department;
- Prepare periodic reports containing adequate information on its actions and procedures for risk control and management, as well as compliance with established plans;
- Report the results of its activities to corporate bodies, in accordance with local regulations and applicable foreign regulations (such as the Sarbanes-Oxley Act of 2002 and the complementary regulations of the Securities and Exchange Commission and the New York Stock Exchange of the United States of America);
- Prepare timely reports on particularly significant events;
- Review, as part of the Audit Plan, the reliability of information systems;
- Monitor the implementation and effectiveness of the Company's compliance programs inherent to the criminal risks for the legal entity, in accordance with the provisions of applicable regulations.



The Role of the Board of Directors

The Board of Directors is responsible for monitoring and controlling the main risks that affect the Company and its subsidiary's business –including any risk that may affect sustainability in the medium- to long-term, determining the degree of compatibility of such risks with the established strategic objectives.

Among other duties, the Board of Directors approves SCIGR guidelines and evaluates its performance; approves the Audit Plan, based on a structured process of analysis and identification of main risks; and reviews reports on actions and procedures as part of its risk management and control duty.

At least quarterly, the Board of Directors reviews the main strategic risks related to the Company's business and identifies new risks, and also monitors the development of those previously identified. This review is in line with Risk Policies, ISO 31000:2018, and internal procedures and external regulations to safeguard business continuity.

Reviewing risks related to climate change

In addition to the quarterly presentations described above, during 2021 presentations to address climate-specific risks were added, which include, among others: in July, the risk related to the water crisis, and in October the risk related to not complying with quality indicators whose source of risk is climate change.

Internal Controls Management

Internal Controls management seeks to ensure that business activities mitigate risks by strictly abiding to all procedures and regulations, as established by the COSO methodology.

This department complies with all the requirements related to periodic monitoring of the Sarbanes-Oxley Act, including the semi-annual certification of these controls by external auditors. Also, and along with the Process Owners and Control Owners, it defines the remediation actions to mitigate the control deficiencies identified by the independent external auditors, seeks to continuously improve processes, and monitor the implementation of these actions and communicate their status to the Board of Directors.

Policies

The Risk Control and Management Policy is reviewed and approved annually by the Board of Directors and is supplemented with specific Company policies that have been established regarding certain risks, corporate duties, or businesses. The main policies are described below:

- **Collateral Management Policy:** establishes the guidelines and methodologies to be applied in managing received collateral, and to ensure an effective mitigation of counterparty risk, both in the profile of the supplier and the guarantor.
- **Commodities Risk Control Policy:** its goal is to manage and control of commodity risk, enabling the Company to make risk-conscious decisions and minimize the probability of not achieving strategic results. It also allows the Company to control the risks of non-compliance with commodity price, volume, exchange rate, credit, and counterparty regulations, as well as financial regulations.
- **Credit and Counterparty Risk Control Policy:** its goal is to manage and control counterparty credit risk, minimizing the probability that expected results will be affected by the default or a credit quality reduction of a counterparty.

The purpose of this policy is to mitigate financial risks associated with exchange rate and interest rate variations, minimizing the exposure of cash flows to the volatility of these variables.

- Hedging Policy
 - Exchange Rate Hedging Policy: states that there must be a balance between flows indexed to the US dollar, Chilean pesos or local currency, if any, and the level of assets and liabilities in such currency. The instruments used to comply with this policy are currency swaps and exchange rate forwards.
 - Interest Rate Hedging Policy: the purpose of this policy is to achieve a balanced debt structure that minimizes the cost of debt and reduces income statement volatility. The instruments currently used are interest rate swaps that transform a variable rate into a fixed rates.
- **Climate Change Policy:** this policy aims to establish a company-wide common framework to ensure effective climate-related risk management and identify strategic opportunities, integrating the Company's main processes and decision making.



Risk Culture

Enel Generación Chile offered several training activities within the framework of Risk Management Culture in 2021 with the participation of Enel Chile Risk Owners and Board members.

A Risk Owner is a person responsible for identifying, reporting, assessing, and monitoring risks related to his department or business line. His or her role, in addition to managing the risks under each one's perimeter and responsibility, has been to act as a disseminator of Risk Management Culture, in addition to encouraging and promoting commitment to maintaining the best risk management practices transversally throughout all Enel Generación Chile business areas.

In 2021, the members of the Board of Directors of Enel Generación Chile participated in training courses on Risk Management Culture and Cyber Risks. Enel Generación Chile's C-levels¹ also participated in these training programs.

The SAP-GRC System was implemented transversally in all Company business lines, as part of the Company's Risk Management Culture, and reached over 280 active users. Its main objective is to improve the risk management process and automate the workflow throughout all management stages, from risk identification to its assessment and

treatment. The Risk Owner must self-assess, manage, and keep an updated log of the risks under his/her responsibility with a frequency that is determined with LatAm Risk Control, and/or as needed when there has been a significant risk change.

The SAP-GRC system offers tools for the complete and automated management of organizational processes that pose potential risks to the Company's governance, adapting compliance rules for safe and preventive management. It also allows the different business lines to track information and make comprehensive risk assessments for relevant decision making. The implementation of the SAP-GRC system has allowed performing the Company's Annual Risk Self-Assessment Process. All hierarchical levels, including the person directly responsible for the risk and even the Country Manager that participated in the process, approved the information reported and monitored with the SAP-GRC system.

In this regard, SAP-GRC has positioned itself as a solid and reliable tool that has increased efficiency of Enel Generación Chile's risk management and ongoing monitoring processes, providing relevant information in real time, and ensuring compliance with risk governance and management best practices.

Strategic Plan Risks and Opportunities

Based on the nature of the Company's operations, Enel Generación Chile identifies six risk categories it is exposed to: Strategic, Governance and Culture, Compliance, Financial, Operational and Digital Technology.

Risk analysis includes environmental, social and governance (ESG) risks, which are analyzed by the Risk Control department in collaboration with the Sustainability department. Both departments design the process of identifying ESG risks that affect the Company's business. This process directly involves all responsible units and creates awareness and culture regarding the relevance of these risks for the Company and the world in general. The outcome of the process is a risk matrix.

The risks are defined in a catalog that serves as a reference for the various departments of Enel Generación Chile, and also for all units involved in management and follow up

processes. The adoption of a common language facilitates the mapping, understanding, and exhaustive representation of risks, thus contributing to identifying those that impact the processes and activities of the organizational units involved in risk management.

While assessing risk, the Company uses Enel S.p.A.'s risk taxonomy, based on the aforementioned six macro risk categories. This involves an exhaustive understanding of the value chain, and the multidirectional, dynamic relationships, in different time horizons, between external variables and each of its stages under different scenarios, internalizing mega trends and their probable impacts in different time periods.

A structured and systematic theoretical framework is used to identify risks, one that considers the contributions of financial analysts, sustainability analysts, perception surveys,

1. Refers to the CEO and CFO.



the guidelines of [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#), human rights due diligence processes, and internal, external and ISO audits, among others.

Once the variables have been identified, their relevance to the Company's financial results and strategy is determined. This process integrates the materiality analysis that is updated annually and allows knowing the priorities of stakeholders.

A probability of occurrence and impact is estimated for each risk with the input of the business lines and staff areas that are actively involved, as a way of creating a culture of risk

and sustainability. If necessary, actions with varying time horizons are agreed upon to mitigate such risks.

The strategic definition process considers the main risks and their opportunities, as well as the business model's resilience to the occurrence of such risks. Risks related to climate change have been addressed, among others, which are integrated into the Company's strategy and its parent company Enel SpA's commitment to Net Zero Emissions by 2040.

In November 2021, the Board of Directors approved Enel Generación Chile's Strategy, which is described at the beginning of this chapter.



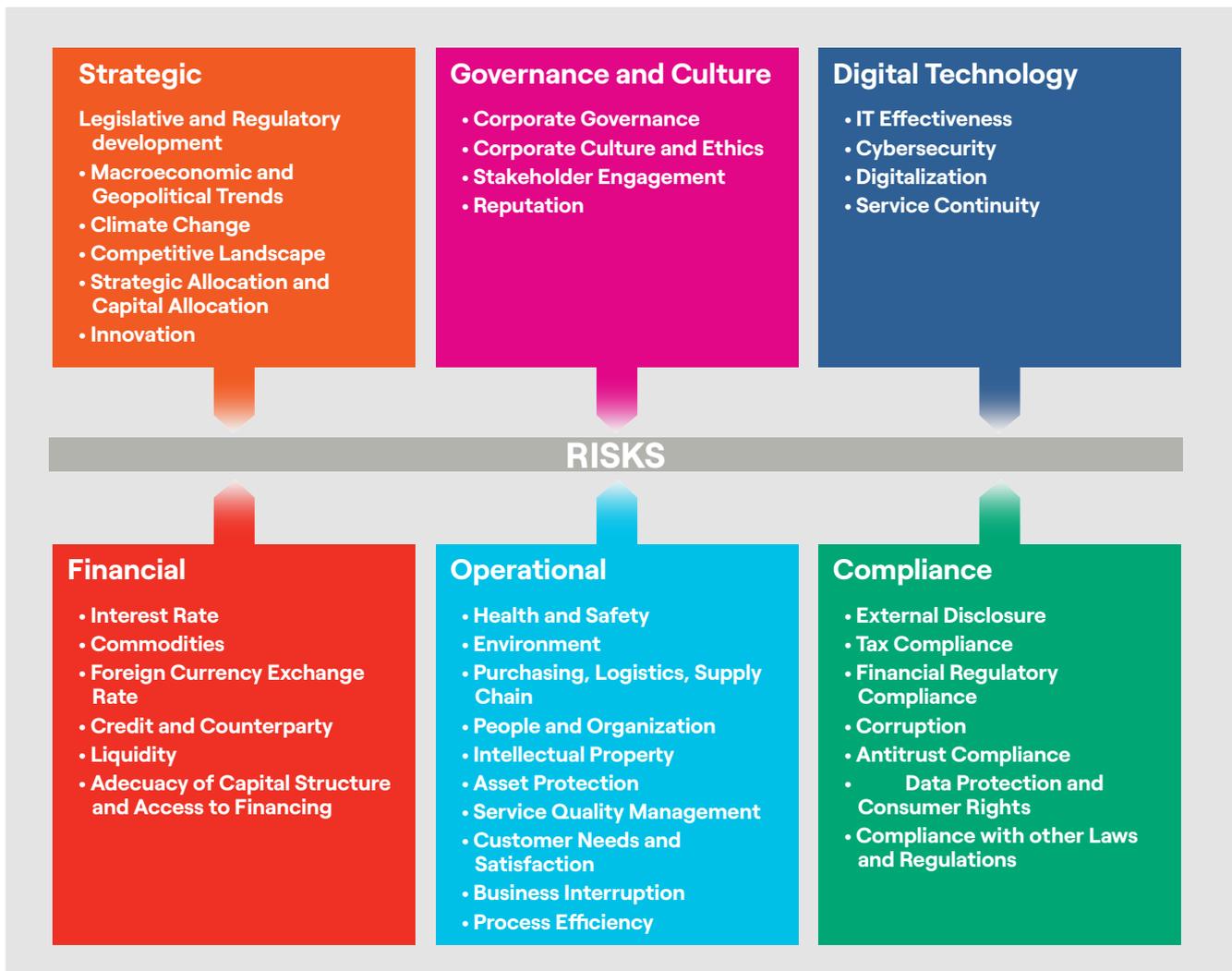
Main risks

According to the main findings of the [World Economic Forum's Global Risk Report 2021](#), the most impactful risks in the coming decade are infectious diseases, followed by climate action failure and other environmental risks; the list also includes the use of weapons of mass destruction, debt crises, means of livelihood, and IT infrastructure.

During the next two years, critical risks with the highest probability of occurrence and greatest impact on the world are the employment and livelihood crisis, widespread youth disillusionment, digital inequality, economic stagnation, human damage to the environment, erosion of social cohesion, and terrorist attacks.

The main risks identified over a three-to-five-year time period include asset bubbles, price instability, commodities shocks, and debt crises, followed by failed intergovernmental relations and geopolitics of natural resources. Finally, over a five-to-ten-year time period, the main risks are biodiversity loss, natural resource crises, climate action failure; followed by weapons of mass destruction, adverse effects of technology and the collapse of multilateral institutions.

Enel Generación Chile's goal is to mitigate all risks that may affect its ability to reach its business objectives. In 2020, the risk taxonomy was approved for the entire Enel Group, which, as mentioned above, considers six macro categories and 37 subcategories, which are detailed below:



Risk Category	Risk Subcategories	Potential Impacts
Strategic	<ul style="list-style-type: none"> Legislative and regulatory developments; Macroeconomic and geopolitical trends; Climate change (physical risks and transition risks); Competitive landscape; Strategic planning and capital allocation; Innovation. 	<ul style="list-style-type: none"> Potential unfavorable effects on the business as a result of regulatory changes; Potential effects of deteriorating global economic and geopolitical conditions resulting from economic, financial or political crises; Potential impacts of slow or inadequate responses to environmental and climate change; Potential impacts of a weakened competitive positioning in markets.
Governance and Culture	<ul style="list-style-type: none"> Corporate Governance; Corporate culture and ethics; Stakeholder engagement; Reputation. 	<ul style="list-style-type: none"> Potential reputational impacts that may affect the Company's image.
Digital Technology	<ul style="list-style-type: none"> IT Effectiveness; Cybersecurity; Digitalization; Service continuity; 	<ul style="list-style-type: none"> Potential impact of ineffective IT system support for business processes and operational activities; Potential impact of cyberattacks and theft of sensitive Company and customer data; Organizational and operational impact on business processes, with potential increased costs due to inadequate digitalization level; Potential impact of IT/OT systems exposure to service disruptions and data loss.
Compliance	<ul style="list-style-type: none"> Divulgación externa; Cumplimiento tributario; Cumplimiento regulación financiera; Corrupción; Cumplimiento antimonopolio; Protección de datos y derechos de los consumidores; Cumplimiento de otras leyes y regulaciones; 	<ul style="list-style-type: none"> Impacts from violations of applicable data protection and privacy laws.
Operational	<ul style="list-style-type: none"> Health and safety; Environment; Purchases, logistics and supply chain; People and organization; Intellectual property; Asset protection; Service quality management; Customer needs and satisfaction; Business disruptions; Process efficiency; 	<ul style="list-style-type: none"> Potential impact on the health and safety of employees and others involved as a result of health and safety laws violations; Impact of applicable data protection and privacy laws violations; Impact attributable to inadequate organizational structures or lack of internal competencies.
Financial	<ul style="list-style-type: none"> Interest rate; Commodities; Foreign currency exchange rate; Credit and counterparty; Liquidity; Capital structure adequacy and access to financing. 	<ul style="list-style-type: none"> Impacts of higher interest rate volatility. Volatility of commodity prices or lack of demand or availability of raw materials; Impact of adverse exchange rate changes; Impact of deteriorating creditworthiness, contract default or over-concentration of exposures; Potential impact of short-term financial stress.

Note: The risk related to non-compliance with human rights is considered a risk throughout the six macro categories.



The six macro categories are detailed below:

• **Strategic Risks:** risks that may significantly affect the achievement of the Company's strategic objectives, in the short and long term. These objectives have been defined by Enel Group management.

• **Governance and Culture Risks:** risk of incurring judicial or administrative sanctions, economic or financial losses, and reputational damage as a result of the inability to meet stakeholder expectations, ineffective exercise of oversight functions and/or the absence of integrity and transparency in decision-making processes and/or as a consequence of unauthorized attitudes and conduct of employees and senior management, in violation of the Company's ethical values.

• **Digital Technology Risks:** risks related to being vulnerable to cyberattacks, which can take on many forms, from data theft and ransomware to system invasion with large-scale damage potential and even service disruptions.

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

– **Data protection and consumer rights**

The Company has a large customer base and consequently manages a significant volume of personal data. This implies greater exposure to risks related to personal data processing and increasingly strict privacy legislation. This risk has been defined by the Company as an emerging risk, which is detailed later in this chapter

– **Risks related to antitrust regulation**

Refers to non-compliance with free competition policies. Enel Generación Chile has an Antitrust Compliance Program, which provides guidelines on the correct ways to prevent conduct that is dangerous or harmful to free competition. The Program provides employees with information and education in an Antitrust Manual, so that they can opportunely detect dangerous situations and thus prevent them from materializing.

• **Operational Risks:** risks related to the Company's operations resulting from inadequate internal processes, systemic network failures, and other events with external causes, which may affect the quality of energy supply and performance indicators. They represent the risks that affect energy supply quality and the losses rate.

• **Financial Risk:** Refers to the probability of occurrence of an event that will have a negative financial impact on the Company, related to (i) the financial market due to interest rate and exchange rate variability and volatility; (ii) 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 risk.

– **Commodities Financial Risk:** related to 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.

– **Credit and Counterparty Financial Risk:** refers to risk of economic loss due to non-payment by customers or non-compliance from any of the Company's suppliers.



Risks related to climate change

Physical risks ¹

Physical risks are those related to extreme weather conditions, or gradual but structural changes in climate conditions. Extreme weather events may expose Enel Generación Chile to prolonged asset and infrastructure unavailability, recovery costs, customer dissatisfaction, among others. They are recurrent changes that impact the resources required to generate electricity or those that affect demand, such as droughts and higher temperature.

In December 2020, the Chilean Ministry of Environment published a Climate Risk Atlas, which identified focal points of potential impact for each industrial sector. This important project has identified chains of impact separated into 12 sectors. Each chain includes maps of climate hazards (A), exposure (E) and sensitivity (S) for each analyzed sector. Climate Risk is defined as a combination of these three variables. The atlas defined the following impacts for the electricity sector:

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

The Company has integrated these risks into its analysis and has kept its monitoring and predictive measurement

system in place 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.

Diversification, in terms of geographic location and technology of our generation assets, along with good predictive measurements of climate phenomena, allow mitigating and managing changes related to climate patterns.

The Company's investments to increase resilience are mitigating measures against these climatic phenomena. All areas of the Company are subject to ISO 14001 certification. Potential sources of risk are monitored using world class Environmental Management Systems (EMS) so that any critical situation can be detected promptly.

Transition risks

The path towards a low carbon economy may involve risks related to regulatory, political, legal, technological and market changes, among others, with short-, medium- and long-term effects. Enel Generación Chile's competitive advantage in managing these risks is that it belongs to a group that operates in a more mature market, thus having the ability to share regulatory, technological and market best practices, among others.

1. As noted by TCFD, climate-related risks are divided into two main categories: i) risks related to the transition to a low-emission economy, which are related to regulations and standards that may affect the impact of climate change, and ii) risks related to the physical impacts of climate change, which may affect business continuity, the environment, and people and society.



Social Risks

Regarding social risk management, we highlight the following:

- Social conflicts that may jeopardize the continuity of operations. To address these potential risks, the Company relies on the presence of specialized community relations personnel spread out geographically to implement the Company's continuous dialogue strategy and maintain the relationships with communities and stakeholders, invest in social and local development, and run a structured Complaints Management System.
- Regarding national contingencies, the Company 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 and customers, and also peoples' safety.
- Risks associated to health and safety, such as work-related accidents affecting employees and/or contractors. Enel Generación Chile mitigates these risks by fostering a culture of prevention and safety, highlighting policies, and integrating safety into processes and providing training, among others.
- Risk related to diversity and attracting and retaining human resources during the energy transition period. To address these challenges, Enel Generación Chile relies on diversity, and talent promotion and development 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.

Governance Risks

Regarding governance risk management, we highlight the following:

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

Emerging Risks

- **Cybersecurity Risks:** The speed of technological development is constantly generating new challenges, as seen through the constant increase in the frequency and intensity of cyberattacks. Not only that, but also their tendency to affect critical infrastructure and strategic industrial sectors, which highlights the potential risk that, in extreme cases, normal business operations may suffer a setback. Cyberattacks have changed dramatically in recent years: the number, complexity and impact of Cyberattacks has grown exponentially (theft of corporate and customer data), making it increasingly difficult to identify the source in a timely manner. The fact that Enel Generación Chile operates in several realms (data, industry, and people), adds to the intrinsic complexity that already exists and has increasingly become part of the Company's daily operational processes over the years.

The Group has adopted a holistic cybersecurity governance model, which applies to the IT (Information Technology), OT (Operational Technology) and IoT (Internet of Things) sectors. The framework is based on the commitment of top management, global strategic management, and also the involvement of all business areas, as well as units dedicated to system design and implementation. It also strives to use market-leading technologies, design ad hoc business processes, strengthen people's IT awareness and implement regulatory requirements related to IT security.

In addition, the Group has defined and adopted a risk management methodology for IT security based on "risk-based" and "cybersecurity by design" approaches, thus making corporate risk analysis the fundamental step in all strategic decisions. Enel S.p.A. has also created its own Cyber Emergency Readiness Team (CERT) to proactively respond to and manage any incident in the field of IT security.

Furthermore, in addition to mitigating risk exposure through technical countermeasures, since 2019 the Group has a cybersecurity risk insurance policy.

Además, desde 2019, con el fin de mitigar la exposición no solo con contramedidas técnicas, el Grupo ha contratado un seguro sobre los riesgos relacionados con la ciberseguridad.

- **Digitalization, IT effectiveness and service continuity:** Enel Generación Chile is carrying out a digital transformation process of its entire value chain, developing new business models and digitalizing processes, integrating systems, and adopting new technologies. This digital transformation is increasing the Group's exposure to risks related to IT systems implemented throughout the Company that impact operational processes and activities and could lead to



exposing IT and OT systems to service disruptions or data loss.

A series of internal measures developed to drive the digital transformation process ensure that these risks are being monitored. Specifically, an internal control system has been implemented that introduces control points along the entire IT Value Chain to reduce risks, such as, the risk of creating services that do not adhere to business needs, the lack of adequate security measures, and service disruptions risk. The internal control system monitors activities performed internally as well as those entrusted to external collaborators and suppliers. The Company is also promoting the dissemination of digital culture and skills within Enel Generación Chile to successfully drive the digital transformation process and minimize the associated risks.

Personal data protection: in the era of digitalization and market globalization, the Company's business strategy focuses on accelerating the transformation process towards a business model with a data-driven customer centered approach based on digital platforms, which is being implemented throughout the value chain. Enel Generación Chile has a customer base and directly employs more than six hundred people.

Consequently, the Company's new business model requires managing an increasingly significant and growing volume of personal data to achieve the financial results included in its 2022-2024 Strategic Plan.

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 in 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 Generación 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, "DPO"), the adoption of digital tools for data mapping, adequate risk impact assessment, and technical and organizational safety measures, among others.



Information Security

As technological components become increasingly integrated into the digital life of the business world, cyberthreats inherent to those environments are becoming more frequent and sophisticated. This has caused cybersecurity to become a global issue, and therefore one of the pillars of the Group's digitalization strategy.

Cybersecurity is being developed in coordination with the Personal Data Protection, Information Security, and Digital Services functions.

Personal data protection

Compliance with EU General Data Protection Regulation (GDPR) and the Law on Private Life Protection ([Law 19,628](#)) requires Enel Group to have a Data Protection Office that must be autonomous and independent.

Even though the aforementioned laws and regulations are not applicable in Latin America, the Group has decided to increase personal data protection standards in every company it participates in and go above and beyond local regulation requirements.

Thus, during 2020, the Company began working on implementing a compliance model that includes a Data Protection Officer (DPO), who reports directly to and works in coordination with our holding company's DPO.

The Personal Data Protection Governance Model assigns roles and responsibilities to the first and second levels of each company's hierarchy to securely manage personal data and data processing applications and to monitor the registry of all data processing carried out by the Group. Compliance with security and personal data protection policies and procedures is demanded from all Company employees and third-party contractors.

Higher risk data processing operations are subject to data protection impact assessments, conducted through methodologies designed according to international standards and in compliance with local legislation.

The DPO assists the CEO and each business line so that all procedures and operations comply with privacy standards by design and by execution. The DPO also defines the personal data protection policies and operational instructions, including data protection topics in codes of conduct and security measures for third parties that perform personal data management functions for the Company. It is in charge of contractual design, so that contracts include norms related to privacy and the regulation of cookies, and also manages security incidents that affect personal data, along with other cybersecurity and information security operations. The Company has also established channels to attend to personal data holders exercising their rights and has developed new and modern data protection compliance platforms to ensure and demonstrate legislation compliance.

This Office also carries out the Company's personal data protection training and outreach activities, while also acting as the point of contact between filed claims and provisions of personal data holders, the Data Protection Authorities, and the Company.

Information security

Enel S.p.A. is a multinational energy company and one of the leading integrated gas and electricity operators worldwide. The Group operates an organized and complex structure of people and machines that is constantly exchanging sensitive data. Changes in energy technology and landscape, increasingly characterized by numerous small-scale, geographically dispersed, interconnected renewable energy power plants with cloud-based data storage systems, represent improvement opportunities for the ecosystem as a whole.

Cybernetic risk is considered a corporate risk; however, when analyzed along with the complexities of the energy industry, it represents a risk of different proportions, which may affect the entire ecosystem. Cyber resilience is a challenge for every organization, but it particularly important in the energy industry. In such a complex scenario, a large-scale blackout, for instance, would have socioeconomic ramifications affecting homes, organizations, and institutions.

Cybersecurity

Enel Group employs a holistic and systemic cybersecurity action and management model that covers all Enel Group companies. 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, the Company benefits from the Global Cybersecurity Unit, which reports directly to the Chief Information Officer (CIO) through the Chief Information Security Officer (CISO). This allows speeding up the decision-making process globally, which is especially relevant in a context where response times are essential.

Senior management and global strategic management have committed to the cybersecurity governance model, and have established the need to use state-of-the-art technologies, design ad-hoc business processes, increase the public's cybernetic risk awareness, and transpose cyber-regulatory requirements.

A "risk-based" model makes risk analysis a basic step in all strategic decisions. Since 2017, the cyber risk management model applies to all Enel Group companies, and therefore to Enel Generación Chile. This model is based on a methodology that applies to all types of information systems (IT/OT/IoT).

All companies, especially in the energy sector, are a part of a much larger, complex, and interconnected ecosystem, where organizations exchange information and share critical services, systems, and components. Laws and regulations that provide common guidelines must stay up to date with ever-changing cybernetic risks.

Cybernetic cooperation, therefore, becomes essential for all stakeholders, including companies, legal or supervising institutions, suppliers, customers, and employees.

Within this context, the Company implements an integrated vision in all its projects, carrying out activities in tandem with all stakeholders that can ensure safe environment designs, at both a technical and a data protection level.

Within this context, the Company implements an integrated vision in all its projects, carrying out activities in tandem with all stakeholders that can ensure safe environment designs, at both a technical and a data protection level, and identifies, prioritizes, and quantifies cybersecurity risks associated to these systems to ultimately adopt the most adequate safety measures to mitigate and minimize these risks. Therefore, and in line with this methodology, Enel Generación Chile identifies the information systems that require this risk analysis to then establish adequate mitigation measures according to risk type and severity.

In addition, adopting a global "cybersecurity by design" approach allows centering the activities of an IT project around cybersecurity starting from the initial design and implementation stages, thus increasing their resilience against cyberattacks.

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

Enel Group S.p.A. also relies on its Cybersecurity Unit, the CERT (Cyber Emergency Readiness Team), and its Control Room, which is dedicated to proactively managing potential cyber incidents for the entire Group, including Enel Generación Chile, in collaboration with local and international communities.



CERT participates in local communities through affiliation with nine national CERTs. International collaborations include “Trusted Introducer”, a network of 445 CERTs present in 73 countries, and since 2018 with “FIRST”, the largest collaborative community in the sector, with more than 602 members in 99 countries.

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

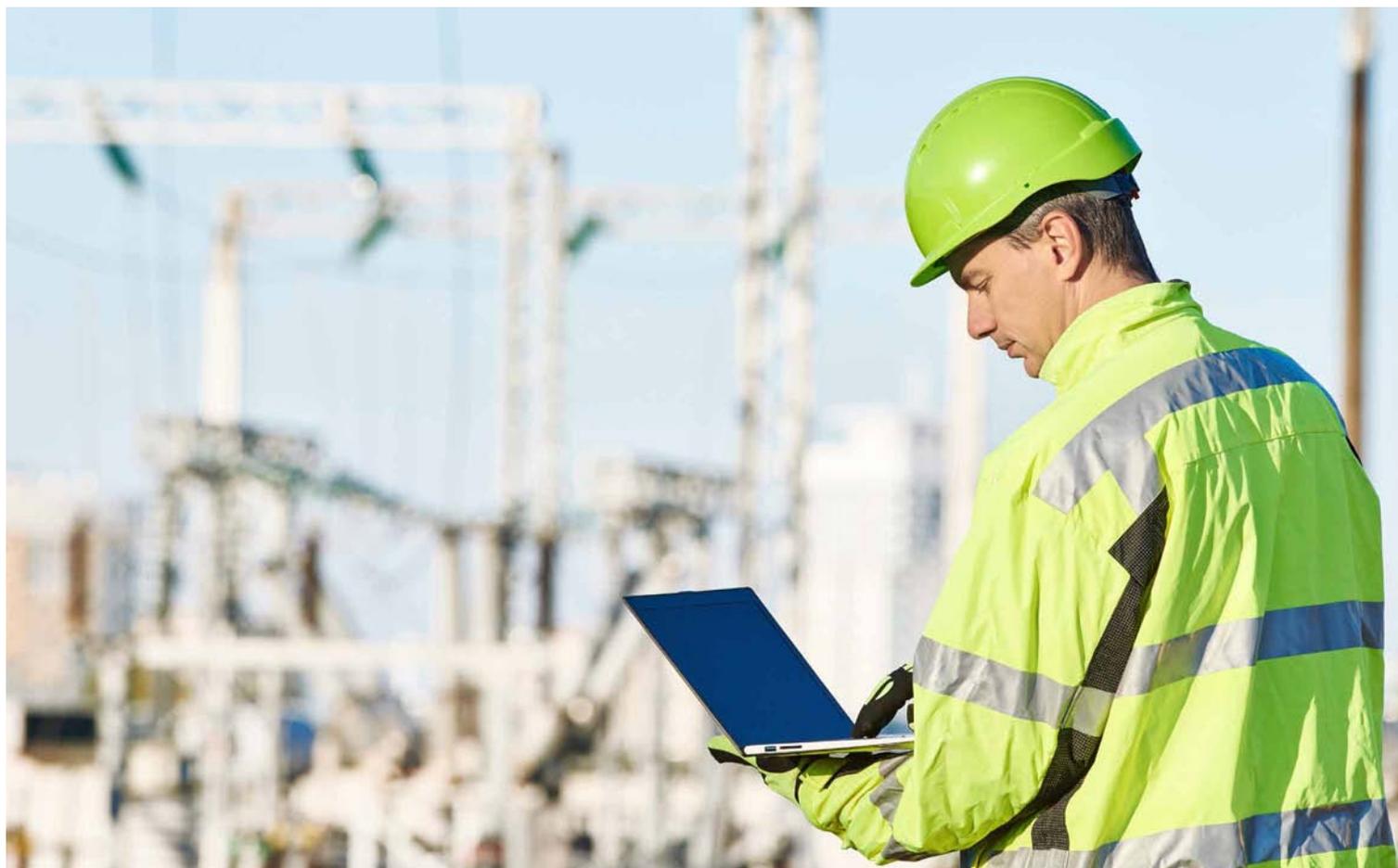
CERT is characterized by its ability to:

- Prevent, detect, and respond to cybersecurity incidents (Cyber Incident Response). In other words, CERT and internal interested parties communicate and apply a systematic and structured approach to incident management;
- Monitor cybersecurity threats (Cyber Threat Intelligence) through the collection of detailed management information regarding threats and cyber incidents and events. In other words, a process aimed at detecting privileged information and translate it into actions that can avoid, mitigate, or manage a potential security incident;
- Exchange information and collaborate with all parties

needed to handle a cybersecurity incident, within a “secure” communication context. This relies on the “trust” principle regarding the information to be exchanged, i.e., according to the “need to know” and “need to share” principles of the parties involved..

During 2021, the main activities carried out in the various areas of cybersecurity were the following:

- **CERT:** Continued with the Enel Group’s perimeter protection methods by improving machine learning solutions and performing cybersecurity training sessions for industrial site employees (cyber exercises).
- **Awards and events:** As part of Enel Group, the Company actively contributes to the evolution of the international cybernetic ecosystem through collaborations with international organizations, relations with institutions and academia, technological alliances, participation in institutional events, and speeches in international conventions. This dense collaboration network allows the Company to positively influence the entire ecosystem, and particularly, the supply chain, to:
 - Contribute to the formulation of standards, regulations, and guidelines;
 - Develop and strengthen channels for “information sharing”
 - Foster cybersecurity culture and training
 - Support “open innovation”
 - Share best practices and operational models



- During 2021, Enel Generación Chile contributed, among other activities, to the drafting of cybersecurity norms and laws around the world by publishing commentaries in public consultations. The main driver promoted by Enel SpA was the harmonization of the current state of cybersecurity legislation and the cybernetic ecosystem's resilience, implementing an approach based on risk and safety by design.

- **Cybersecurity education, training, and awareness:**

- Training, to improve necessary cybersecurity skills in professional life. During 2020, the Cyber Security Unit started teaching cybersecurity courses (Cyber School) for all the entire Enel Group population. The first edition of these courses was done virtually (some in 2020, and the rest in 2021). In 2021, the courses were redesigned to be offered in e-learning mode, becoming permanently available and offering an awareness-raising path that fosters internal capabilities on strategic subjects, thus addressing eventual upskilling and reskilling needs.
- Awareness aimed at all Enel Group people, including Enel Generación Chile, to reduce cybersecurity risks associated to the human factor. In 2021, the Group

tool TheRedPill was launched, which, through a variety of challenges (simulated phishing campaigns and other activities covering a vast array of cybersecurity subjects), strengthens, supports, and guides the entire Enel population.

- Knowledge Assessment: used to assess the baseline of cybersecurity risk, identifying strengths and weaknesses to better orient and calibrate awareness initiatives.
- Simulated phishing activity: by sending simulated phishing e-mails (which posed similar dangers to malicious ones), Enel's population is trained to recognize the characteristics of real ones.
- Awareness Assignment: used to provide people with awareness courses and content to gradually increase their knowledge of cybersecurity issues.
- The Global Intranet is another vehicle used to disseminate communications and information on cybersecurity issues (including detailed news reports, interviews, and videos).

In addition, global cybersecurity awareness activities continued at a global level. Since 2019, Enel Group relies on cybersecurity risk insurance to mitigate cybersecurity risk.



Context and regulatory framework

Macroeconomic scenario

Consumption in the Chilean economy, probably unlike any other country in the region, played a very significant role in 2021. The three withdrawals from the country's private pension system that began in June 2020 and added up to a total aggregate US\$49 billion, injected tremendous liquidity into the economy. The dynamism caused by this liquidity, in addition to the impact of the international scenario, led to a constant increase in inflation that reached 7.2% by yearend, the highest in 14 years. This scenario made the Central Bank make successive policy rate hikes to contain inflation. The latest 150 basis point increase that took place in January 2022 increased the rate to 5.5%, the highest level since February 2009. The labor market continued recovering after the tremendous impact of the health crisis in 2020 and early 2021. The unemployment rate reached 7.2%, which is 3.1 percentage points lower than the figure for the previous year. Within this context, Chile's GDP increased 11.8% according to World Bank estimates.

Potential impact of Russia-Ukraine armed conflict

The effects on the Company of the armed conflict between Russia and Ukraine that began in February 2020 are unknown. Although Enel Generación Chile has no direct business relationship or transactions with suppliers, customers or financial institutions in Russia or Ukraine, its business, results of operations and financial condition could be affected due to the following, among others: (i) limited access to financial markets; (ii) potential interruptions in global supply chain; (iii) commodity price volatility; and (iv) greater inflationary pressure in Chile.

Regulatory framework

The electricity sector in Chile is governed by Chilean Electricity Law 20018, 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 medium sized 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 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 negotiated 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.

Generation Segment

Generation companies' operations are determined by the Operations Plan of the CEN, although they may freely decide whether to sell their energy to either regulated or nonregulated customers. Any surplus or deficit between sales 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:

- **Unregulated customers.** They are customers whose connected capacity is greater than 5,000 kW (mainly industrial and mining companies) and customers whose connected capacity ranges between 500 and 5,000 kW and choose to be unregulated for a minimum of 4 years. These customers may freely negotiate their electricity supply prices with suppliers.
- **Distribution companies.** They supply electricity to regulated customers. Distribution companies buy





electricity from generation companies through public tenders regulated by the CNE.

- **Other Generation companies.** The relationship between generation companies may be formalized through bilateral contracts or on the Spot or short-term market: The latter refers to the transactions of energy and capacity between generation companies resulting from the efficient operation of the market by the National Electricity Coordinator. The surplus (deficit) of production after providing the electricity they have contractually committed to their customers, are transferred by selling (buying) to (from) other generators connected to the system. These electricity transfers are priced at the marginal cost of the system. Capacity transfers are carried out at the corresponding node price, as set every semester by the authority.

In Chile, capacity payments to each generator depend on the calculation performed annually by the National Electricity Coordinator that determines the firm capacity of each power plant based on rules existing at the time of each annual process. Firm capacity mainly depends on availability of the facilities and the source of electricity generation.

Law 20257 enacted in April 2008 creates incentives to use non-conventional renewable energies (NCRE). The current Law 20257 determines that by 2025, 20% of the country's energy matrix will be NCRE. For contracts in force up to July 2013, the withdrawals established by the previous law are to be respected.

Transmission Segment

The transmission system is divided into five segments: National Transmission, Development Pole Transmission, Zonal Transmission, Dedicated Transmission, and International Interconnection Systems. Transmission installations are open access to any user that requests it, without discrimination. The compensation for existing transmission installations, either National, Development Pole, or Zonal Transmission and the Dedicated Transmission facilities used by regulated customers is determined through a tariff setting process performed every four years.

The development of the National, Zonal and Development Pole Transmission systems is determined through a regulated and centralized process in which the CEN and interested parties propose expansion projects annually. The National Energy Commission is in charge of preparing

an annual expansion plan that is carried out by presenting Technical Reports. Interested parties may present observations and discrepancies with such reports to the Experts' Panel.

Distribution Segment

The distribution segment includes 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 electricity company but must pay a regulated toll for using the distribution network.

Regarding electricity service to regulated customer, the law determines that distribution companies must permanently provide electricity through open, non-discriminatory, and transparent public tenders. These tenders are designed by the CNE and are carried out at least five years in advance to award 20-year term contracts. If demand changes unexpectedly, the authority has the power to call a short-term tender and also a regulated procedure to remunerate non-contracted electricity sales.

Regulated electricity distribution prices are set by the authority 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 21194 (Short Law), which reduces the rate of return of distribution companies 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 Net 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.

Commercial and operational scenario

General commercial and operational scenario

Electricity operations were extremely complex in 2021 due to the unprecedented extreme drought in Chile, the delay in commissioning of new renewable power capacity due to the pandemic, in addition to a complicated international scenario and record prices of commodities, making access to back up fuel (LNG, coal, etc.) to generate electricity very difficult. Within this context, in August 2021, the Ministry of Energy issued Preventive Electricity Rationing Decree 51 that establishes preventive measures to face the SEN's tight operational scenario that persists to this date.

This year was also affected by the Covid-19 pandemic, but the successful vaccination campaign promoted by the Chilean government allowed gradually lifting mobility restrictions, critical to the recovery of the economy and electricity consumption.

In terms of the electricity market, the national electricity generation availability index was solid, which is extremely relevant considering its importance to economic development and domestic life. This availability level responds to the companies' efforts to keep generation resources and transmission networks available, but also to the use of technology by all industry players including 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 commissioned in 2019 has been crucial 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 flexibility of hydroelectricity 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 2021, the National Energy Commission reported roughly 8,700 MW NCRE capacity and 4,500 MW in projects under construction, primarily solar photovoltaic power projects followed by wind projects and lastly, hydroelectric and biomass projects.

The construction of this new 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, and because Enel Chile has been one of the main promoters of NCRE in Chile through its subsidiary EGP Chile. Enel Generación Chile's contracts with its subsidiary Pehuenche S.A. and EGP Chile provide low production cost energy that represented almost 20% of the Company's sales in 2021, and an advantage when competing for customers in the competitive Chilean electricity generation market.

This increase in intermittent renewable power capacity leads to the need of new technology to add energy management and flexibility to the power system.

According to the projections of the government's Finance Department disclosed in its fourth quarter report, Chile's GDP for 2021 will increase 11.9%, a strong rebound when compared to the 6% fall in 2020. The economic recovery led to the recovery of electricity consumption when compared to 2020, but less than 2021 GDP growth. Annual electricity demand (sales) increased 4.5% in 2021 compared to 0.2% in 2020. There were months in 2021, between April and November, when demand increased over 5%, not seen since 2018. Annual regulated customer consumption increased 3.3% and unregulated customer consumption increased 5.3% in 2021.



The decarbonization process of the Chilean energy matrix began in 2019 with the retirement of three coal-fired generation units amounting to 328 MW that includes 158 MW Central Tarapacá owned by Enel Generación Chile. The process continued in 2020 with the disconnection of two coal-fired plants, 114 MW Ventanas 1 located in Puchuncavi county, Valparaiso Region, and 128 MW Bocamina I owned by Enel Generación Chile. Consequently, a total 570 MW have been disconnected from the SEN and the major companies in the industry have committed to speed up the disconnection of coal fired units to reach a 3,700 MW (65%) of the SEN retired by 2025. Enel Generación Chile is programmed to close Bocamina II (350 MW) in May 2022, becoming the first electricity generation company in the country to have completely eliminated all its coal fired power.

For further detail on Enel Generación Chile's decarbonization process, refer to Chapter 3 of this Annual Report.

Regarding regulated electricity supply auctions, there was one tender for regulated customer demand in 2021 (CNE 2021/01 bid) for 2,310 MW. It was a very competitive bid awarded to new solar and wind projects at a price (23.8 USD/MWh) that represents a milestone and proves the competitiveness of these technologies in Chile. Enel Generación Chile played a major role in the two previous bids (2016 and 2017) being awarded nearly 8,300 GWh/year at prices considerably higher. Within this highly competitive regulated customer scenario, the Company's commercial department concentrated on the unregulated customer market in 2021 and was awarded an important percent of the medium and long-term supply contracts, either tendered or negotiated amounting to roughly 3,200 GWh/year of which large mining or industrial customers represent over 60%. Maintaining leadership in the regulated customer segment as a consequence of the bids in 2016 and 2017 and increasing customer base and portfolio diversification with favorable unregulated customer supply contracts, despite

the adverse economic scenario caused by the pandemic and the significant level of competition that exists in this industry, is a commercial highlight for the Company.

The publication of Law 21185, "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 2018 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 mid-2022, when the maximum amount allowed on the credit/debit account is expected to be reached according to the figures published by the CNE in its January 2022 final technical report on the average node price setting process (*Informe Técnico Definitivo de Precio Nudo Promedio Fijación Enero 2022*). It is important to note that this Law provides a compensation mechanism from then and until roughly 2026. If the PEC price is higher than the indexed price of the applicable contracts, the lower regulated price would be adjusted to such price, so as to gradually compensate the Company's cash flow for the price increases that in the previous period (2019-2022) were applicable according to the indexation clauses of such contracts currently in force but were frozen by law and accumulated in a credit/debit account to later be used as part of the compensation mechanism. 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 Company has also implemented some mitigation measures such as factoring these price credits. The negative impact is also lessened by the greater level of diversification resulting from the additional unregulated customer contracts.



Main events that affected operational and commercial performance

The scenario described above confirms that, despite the complicated environment in 2021, Enel Generación Chile can adapt and adjust its operations to different circumstances, either favorable or not, as it has 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, renewable and thermal power plants, which allow the company to be extremely competitive and generate at low average operating costs.

ii) Enel Generación Chile has significant energy purchase agreements with EGP Chile. EGP Chile takes the lead in the development of renewable wind and solar projects, which allows Enel Generación Chile to purchase low-cost energy at competitive market prices and be a competitive and sustainable participant in electricity supply tenders, including those open to distribution companies and the private tenders to supply non-regulated customers. Enel Generación Chile's success in both types of tenders is proof of the advantage provided by such purchase agreements.

iii) The production processes, maintenance and modernization policies fully comply with technical and environmental standards established by the applicable regulation allowing the Company's generation facilities to operate in alignment with high availability and sustainability principles.

iv) The Company's commercial policy is consistent with its generation facilities and its renewable energy purchase contracts and is constantly adapting to the changes and increasingly competitive market conditions. The goal of this policy is to provide an attractive return and low exposure to production and market risk.

v) Innovation is part of the Company's business model, allowing it to constantly adapt to new market challenges to sustain future growth and competitiveness in the industry.

vi) Year 2020 and 2021 put the spotlight on the outstanding performance of the Enel Group workforce. The team was successful when forced to drastically change working conditions due to COVID-19, including those that stayed home and worked remotely and those that went to Enel Generación Chile or its subsidiary's 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 the Company 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 Generación Chile's thermal production costs and the sales price indexation clause of some 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 risks indicated above are managed by the Company using hedging instruments.

Hydrologic conditions

Hydroelectricity represents a significant portion of Enel Generación 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. The extreme drought conditions we have seen over the last few years continued in 2021, becoming the driest calendar year since 1960.

Overall, the water inflow of Enel Generación Chile's power plants was equivalent to 95% exceedance probability, in other words, extremely dry. The distribution of rainfall in the regions where the Company's electricity generation power plants are located, the Cachapoal River basin for instance, had a 45% rainfall deficit when compared to a normal year, the Maule River basin had nearly 60% deficit and the Bio Bio River basin almost 50% deficit.

Considering the extreme drought conditions, on August 18, 2021, the Ministry of Energy issued Preventive Electricity Rationing Decree 51 that establishes, among other exceptional measures, that a level of operational reserves must be maintained in reservoirs to ensure electricity supply and service quality. In addition to this operational reserve, the system's electricity coordinator may propose a level of water reserve if they foresee a deficit of electricity.

Electricity generation and supply costs

Electricity generation in the SEN in 2021 reached 81.5 TWh, which represents a 4.9% growth rate when compared to 2020. Hydroelectricity represented roughly 20% of total generation (16.5 TWh), thermal electricity accounted for 54% (44.4 TWh), primarily coal (34%), followed by natural gas (18%). A total 25% of total electricity generation came from non-conventional renewable sources (20.4 TWh): solar (13.2%); wind (8.9%); biomass (2.5%); geothermal (0.4%).

Enel Generación Chile's power plants generated 19% of the SEN's total electricity generation amounting to 15.6 TWh, which is roughly 2% less than the amount produced in 2020. The Company's Hydroelectric generation was roughly 7.4 TWh, representing 45% of the SEN hydroelectric generation and 20% less than the 9.3 TWh generated in 2020. Enel Generación Chile's thermal generation increased 24.6% from 6.4 TWh in 2020 to 8.0 TWh in 2021. Coal-fired generation increased 17% and gas and liquid fuel electricity generation increased 28%. The Company's NCRE generation (wind) reached 0.13 TWh in 2021, 10% less than the 0.14 TWh in 2020.

During 2021, average fuel prices increased considerably when compared to 2020 due to the significant increase in international commodity prices. Coal was once again the predominant fuel used to generate electricity in the SEN. According to authority's statistics, the average price of coal increased approximately 50% from an annual average 84 US\$/ton in 2020 to an annual average of roughly 126 US\$/ton in 2021. Regarding the price of natural gas, although the purchase prices of Enel Generación Chile are confidential, according to market information provided by the electricity authority, the Henry Hub and the Brent, the parameters used

for the Company's long-term LNG contracts, increased 85% on average in 2021 (2.1 to 3.8 US\$/MMBTU) and 70% (41.7 to 70.7 US\$/bbl.) respectively. The Brent also has an impact on liquid fuel that represented an extremely low share of the SEN's generation in 2021.

This increase in the cost of fuels, extremely dry hydrology, and delays in commissioning of several new renewable projects are the main factors that explain the increase in the SEN's marginal costs in 2021. The marginal cost at the 220 kV Quillota node went from 39.5 US\$/MWh in 2020 to 79.8 US\$/MWh in 2021 (+99.5%). At the Crucero node, which represents the northern region of the SEN, the marginal cost went from 39.6 US\$/MWh to 72.9 US\$/MWh (84%).

The importance of liquefied natural gas (LNG)

Enel Generación Chile entered the LNG market in 2009, 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 a supply of natural gas for Chile 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 2021, Enel Generación Chile consumed 1,409 MMm3 of LNG to satisfy its gas commercialization and electricity generation requirements, 90% more than the amount in 2020, mainly due to the greater requirements of electricity generation and the lower volume of Argentine natural gas available when compared to 2020.

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 Generación Chile to maintain its interruptible NG supply contracts with important Argentine natural gas producers in 2021, although the supply from Argentina was interrupted in late 2020 and was only restored in late 2021. In 2021, Enel Generación

Chile imported 180 MMm3 of NG from Argentina through central Chile, which represented 11% of Chile's total gas needs (to produce electricity and supply customers), and 7% of the total amount of natural gas supplied to generate electricity in the central region.

In 2021, Enel Generación Chile was very active in managing its LNG supply portfolio to improve its supply mix, negotiating considerable spot purchase capability in addition to its long-term LNG contracts seeking to face the greater LNG needs due to the year's extremely dry hydrology. Enel Generación Chile purchased 8 shipments of spot LNG, equivalent to 573 MMm3, 36% of its 2021 supply, which was used as back up for its own electricity generation but also as back up for other generators whose access to LNG was difficult due to lack of liquidity or due to high international prices.

The terminal use agreement, TUA, with GNL Mejillones still in force, allowed the Company to use the terminal to unload an LNG shipment in 2021. This shipment allowed signing natural gas sales contracts with important mining and industrial customers located in northern Chile making the Company the leading industrial gas trader in northern Chile. It also made natural gas available for Enel Generación Chile generation units (Taltal and GasAtacama) connected to the northern gas pipeline.

Regarding the commercialization of LNG in trucks, our operations increased to reach 89 MMm3 in 2021 allowing Enel Generación Chile to maintain its relevant position in this market. During the first half of 2021, Enel Generación Chile expanded the capacity of its LNG truck loading station at the LNG Quintero Terminal. The project involved the construction of a fifth loading yard for 375,000 m3/day that is expected to begin operations in late 2022. This project will allow Enel Generación Chile to continue increasing its operations in this business, providing a competitive service that contributes to the energy transition by allowing to substitute more contaminating fuel with LNG.

The Company continues to be a relevant player and pioneer in the gas market in Chile. Innovation in this business has driven the Company's expansion in gas and LNG commercialization in the local and international markets.



4 Enel Generación Chile's Business

Brief History

Enel Generación Chile S.A. is part of Enel S.p.A., a global energy company and a leading, integrated player in the gas and renewable energy markets worldwide.

The Electricity generation business

Enel Generación Chile has a solid electricity generation portfolio of which 59% is renewable power..





Enel Generación Chile

Brief History of the Company

Enel Generación Chile was created on December 1, 1943, as Empresa Nacional de Electricidad S.A., a limited liability corporation, and subsidiary of Corporación de Fomento de la Producción ("CORFO" in its Spanish acronym, a government economic development agency) to carry out Chile's Electrification Plan, which included electricity generation, transportation and distribution.

Enel Generación Chile S.A. was owned by the Chilean state for 44 years. It became one of the most important companies in Chile. The Company played a major role in the electricity sector and was the motor of industry development. Large investments were made to build important engineering and electrification infrastructure.

The privatization process of the Company began in 1987 through a series of public offerings and concluded in 1989. The offerings attracted investors such as pension funds (AFPs), Company employees, institutional investors and thousands of small investors.

On July 27, 1994, Enel Generación Chile shares began trading on the New York Stock Exchange (NYSE) as Endesa Chile at the time, in the form of ADRs and with the EOC ticker symbol.

In May 1999, Enersis S.A. (currently Enel Chile), through a public tender offer (PTO), became the company's controlling shareholder, with 60% of the shares of Endesa Chile (Enel Generación Chile today).

On April 28, 2015, the Board of Directors of Enel Generación Chile S.A. agreed to begin analyzing a corporate reorganization to divide the existing Endesa Chile. The proposal suggested separating Chilean operations from those carried out in other countries and merge all operations outside Chile into a sole company. Later, on March 1, 2016, having complied with the suspensive conditions, the division of Empresa Nacional de Electricidad S.A. and the incorporation of Endesa Americas S.A. took place.

In October 2016, the Extraordinary Shareholders' Meeting approved an amendment to the Company Bylaws to change the name to Enel Generación Chile S.A. replacing the trademark Endesa Chile and the name Empresa Nacional de Electricidad.

In August 2017, the possibility of a corporate reorganization of Enel Chile in which Enel Green Power Latinamerica S.A. would be absorbed by Enel Chile and also a Public Tender Offer (PTO) for 100 % of the shares of Enel Generación Chile was discussed. In December 2017, the Extraordinary Shareholders' Meetings of the companies approved the terms of the reorganization, which became effective on April 2, 2018. Consequently, as a result of such PTO, Enel Chile S.A. increased its shareholding of Enel Generación Chile to 93.55%.

On December 19, 2018, the Board of Directors of Enel Generación Chile S.A. unanimously approved to request delisting from the New York Stock Exchange (NYSE) of the United States of America. The request was submitted through Form 25 to the Securities and Exchange Commission (SEC) of the United States of America on December 31, 2018. The request was approved and became effective ten days after the day the form was presented. However, the Company's ADS program continued to trade in the United States of America on the Over-the-Counter market.

In line with the Group's strategic plan and sustainability strategy, in June 2019, Enel Generación Chile signed a decarbonization agreement with the Ministry of Energy to progressively retire the coal power plants Tarapacá, located in the Iquique County, and Bocamina I and Bocamina II, located in the Coronel County with 158 MW, 128 MW and 350 MW installed capacity, respectively. The agreement established that Central Tarapacá was to retire by May 31, 2020, and Bocamina I by December 31, 2023. Enel Generación Chile was expected to retire Bocamina II by December 31, 2040.

On December 31, 2019, Enel Generación Chile disconnected and shutdown Central Tarapacá. The company formally requested the authority's permission to anticipate the retirement of this power plant that was originally scheduled to take place in May 2020. This made Central Tarapacá the first operational coal-fired power plant to disconnect from the National Electricity System as part of the decarbonization agreement signed with the government.

On September 7, 2020, the Board of Directors of Enel Generación Chile unanimously agreed to terminate the Company's ADS program as of December 17, 2020, and instruct Citibank, as the depositary Bank, to inform of such decision to ADS holders. The termination of the

ADS program had no material adverse financial effect on the Company.

On December 31, 2020, Enel Generación Chile disconnected and shut down Central Bocamina I located in Coronel, which takes place three years earlier than scheduled, a leap in the decarbonization process of the Company's generation matrix.

Decarbonization is one of Enel Group's strategic pillars. The decision to retire its coal fired power plants sooner than scheduled was adopted within the framework of the agreement with the Chilean government's Ministry of Energy signed in June 2019. Enel decided to gradually retire both Bocamina units sooner than originally scheduled (Bocamina I by December 2020 and Bocamina II in May 2022), and Enel Generación Chile received the

National Energy Commission's approval to disconnect Central Bocamina Unit I in July 2020.

Therefore, by the end of 2022, Enel Generación Chile will become the first electricity company in Chile to complete its decarbonization process. At that time, nearly 63% of the Company's gross installed capacity will be based on renewable energy sources.

Enel Generación Chile is part of Enel S.p.A., a global energy company and a leading, integrated player in the gas and renewable energy markets worldwide. Enel S.p.A. operates in over 30 countries; has over 90 GW installed generation capacity and distributes electricity through over 2.2 million kilometers of power lines to roughly 75 million end customers worldwide. It has the broadest customer base among its European peers.

Business description

Enel Generación Chile and its subsidiary's main activities, as described in Note 1 of the Company's Consolidated Financial Statements as of December 31, 2021, are related to electricity generation and commercialization, and also consulting and engineering services. The Company and its subsidiary operate 109 generation units throughout Chile with a total 6,000 MW gross installed capacity which represents 22% of the SEN's total installed capacity.

Hydroelectric generation capacity represents 57.8% of Enel Generación Chile and its subsidiary's total capacity, thermal capacity represents 40.9% and wind power represents 1.3%.

Electricity Generation

At yearend 2021, Enel Generación Chile has a total 6,000 MW gross installed capacity of which 59.1% is renewable, 3,469 MW is hydroelectric power, 2,454 MW is gas, coal or fuel oil fired thermal power and 78 MW is wind power. Total consolidated electricity generation in 2021 reached

15,583 GWh and energy sales amounted to 27,477 GWh.

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

Electricity generation operations

Enel Generación Chile and its subsidiary operate 101 generation units throughout Chile's former Central Interconnected System ("SIC" in its Spanish acronym) and 8 generation units throughout the former Northern Interconnected System ("SING" in its Spanish acronym). In November 2017, both former electricity systems were connected forming the National Electricity System, which includes all generation facilities, transmission lines, substations, and distribution lines from Arica to Chiloé.



Enel Generación Chile generation power plants

Gross Installed Capacity (MW) ⁽¹⁾					
Power Plant	Company	Region	Technology	2021	2020
Los Molles	Enel Generación Chile	Coquimbo	Hydroelectric	18	18
Rapel	Enel Generación Chile	Gral. Bdo O'Higgins	Hydroelectric	377	377
Sauzal	Enel Generación Chile	Gral. Bdo O'Higgins	Hydroelectric	80	80
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	570
Curillinque	Pehuenche	Maule	Hydroelectric	89	89
Loma Alta	Pehuenche	Maule	Hydroelectric	40	40
Pangue	Enel Generación Chile	Biobío	Hydroelectric	467	467
Abanico	Enel Generación Chile	Biobío	Hydroelectric	136	136
El Toro	Enel Generación Chile	Biobío	Hydroelectric	450	450
Antuco	Enel Generación Chile	Biobío	Hydroelectric	321	321
Ralco	Enel Generación Chile	Biobío	Hydroelectric	690	690
Palmucho	Enel Generación Chile	Biobío	Hydroelectric	34	34
Canela	Enel Generación Chile	Coquimbo	Wind	18	18
Canela II	Enel Generación Chile	Coquimbo	Wind	60	60
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
Bocamina II ⁽²⁾	Enel Generación Chile	Biobío	Coal	350	350

(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 with the corresponding contractual frameworks.

(2) 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. The Group intends to speed up the disconnection of Bocamina II with the authority's approval. On July 23, 2020, the CNE issued Exempt Resolution 226 authorizing the disconnection and retirement of Bocamina Unit II to take place on May 31, 2022.

In 2021, total electricity sales of Enel Generación Chile and its subsidiary reached 27,477 GWh, a 26% sales increase as a consequence of implementation of the Company's business plan and more flexible confinement measures related to the Covid-19 pandemic.

Enel Generación Chile's total regulated, non-regulated and spot market sales volume represents 36.7% market share of total SEN sales.



Installed capacity, electricity generation and sales of Enel Generación Chile and its subsidiary

Installed Capacity(MW) ⁽¹⁾⁽³⁾	2021	2020
Enel Generación Chile	5,301	5,301
Pehuenche S.A.	699	699
Total	6,000	6,000
Generation ⁽²⁾	2021	2020
Enel Generación Chile	13,648	13,613
Pehuenche S.A.	1,935	2,300
Total	15,583	15,913
Sales	2021	2020
Sales to end customers		
Enel Generación Chile	26,619	20,911
Pehuenche S.A.	342	311
Spot market sales	516	589
Total	27,477	21,811
Energy Purchases ⁽³⁾	2021	2020
Purchases to other generation companies	6,953	2,628
Spot market purchases	4,942	3,269
Total	11,895	5,897

(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 with the corresponding contractual frameworks.

(2) Refers to total generation after deducting own consumption and transmission losses.

(3) Includes the 4,455 GWh purchased by Enel Generación Chile from EGP Chile in 2021 and 2,387 GWh purchased by Enel Generación Chile from EGP Chile in 2020.



5 2021 Management

Investments and financial activities

In line with the Company's commitment to the decarbonization process, Bocamina II is expected to close in May 2022, making Enel Generación Chile the first electricity company in Chile to retire all coal fired power plants, reaffirming its strong commitment to sustainable development.

Economic management

Enel Generación Chile committed to supply 330 GWh/year for between four- and seven-years beginning in January 2022.

Environmental management

Environmental protection is one of Enel Generación Chile's management pillars.

Social management

At Enel Generación Chile people are the focus.





2021 Management

Investments and financial activities

2021 Most relevant financial transactions

The ADSs of Enel Generación Chile ceased to trade on the New York Stock Exchange on December 31, 2018. From that date on, they traded exclusively on the over-the-counter market (Over The Counter, OTC) in the United States, until December 17, 2020, when the cancellation of the ADS program became effective. Also, in February 2021, the Company submitted form 15F to the United States Securities and Exchange Commission to voluntarily delist

Enel Generación Chile from the U.S. Securities Exchange Act of 1934. Such delisting became effective in May 2021. On January 20, 2021, Enel Generación Chile signed a Joinder becoming a party to the Commitment and Engagement Letter under foreign jurisdiction dated December 31, 2020, signed by Goldman Sachs & Co. LLC and Goldman Sachs Lending Partners LLC.

2021 Investment Plan and Policy

The Company made direct investments and indirect investments through its subsidiary, in accordance with its Bylaws. The investment areas and respective maximum investment limits are indicated below:

1. Electricity generation and transmission

The maximum investment limit is the amount needed by Enel Generación Chile to meet its main object (production, transportation, and supply of electricity) and may not exceed 50% of the Company's net equity defined as the respective amount in the consolidated balance sheet as of December 31, 2021.

2. Capital contributions to subsidiary and associate companies

Contributions will be made to subsidiaries and associates, so that, they can complete their projects and carry out the investments and activities needed to meet their respective corporate objects.

The maximum global investment limit for all subsidiaries and associates for 2021 will be the amount equivalent to 50% of Enel Generación Chile S.A. Total Equity defined as the

respective amount in the Company's consolidated balance sheet as of December 31, 2021.

3. Other investments

The Company may invest in financial assets, certificates, rights, securities, real estate, contributions to companies and the creation of subsidiaries and associate companies, as established in its bylaws, to undertake projects and operations or activities in industrial processes related to energy sources, and those in which electricity is essential, decisive, and intensively used.

The total global maximum investment limit to capitalize on business opportunities is 50% of Enel Generación Chile's Total Equity defined as the respective amount in the consolidated balance sheet as of December 31, 2021..

4. Investment in financial instruments

Enel Generación Chile may invest in financial instruments according to the portfolio selection and diversification criteria set by the Company's management to optimize the return on its cash surpluses.

As determined by this policy, which has been approved by the Shareholders' Meeting, the Board of Directors must decide on the specific investments the Company is to carry out, define the amount and financing strategy in each case, and adopt the necessary mechanisms to control such investments.

2021 Financial Policy

Enel Generación Chile's financial policy establishes the level of debt, determined as the ratio of Total Financial Debt (calculated as other current financial liabilities plus other noncurrent financial liabilities) to Equity, must be equal to or lower than 2.2 times, calculated using the figures from the consolidated balance sheet of Enel Generación Chile as of December 31, 2021.

Funds may be obtained from the following sources, among others:

- Own resources
- Supplier credit
- Loans from banks and financial institutions

Most important activities related to the Investment Plan

Enel Generación Chile S.A. coordinates the global financing strategy of its subsidiary, including the terms and conditions of disbursements and credits among companies to optimize the management of debt and liquidity, through a Centralized Cash Management contract with Enel Chile. The operating subsidiaries generally develop their capital expenditure plans independently, prioritizing the use of internally generated funds, or alternatively using the best financing instruments available, including related company loans at prevailing market prices. Although the form of financing these investments has been considered part of the Company's budgeting process, no financing structure has been committed. The investments depend on the prevailing market conditions at the time the cash flows are needed.

- Placing securities in the local and international markets
- Income from the sale of assets and/or services provided by Enel Generación Chile
- Intercompany loans

Other issues

As established by Article 120 of Decree Law 3,500, the sale or constitution of liens on goods or rights that are essential to the Company's business must be approved by an Extraordinary Shareholders Meeting. Consequently, and in compliance with article 119 of the same Law, the following assets are declared essential to the company's operations:

The majority shareholding owned by Enel Generación Chile S.A. of Empresa Eléctrica Pehuenche S.A., that allow having control of Pehuenche.

Regarding management's authority to agree with creditors on Enel Generación Chile dividend payment restrictions, they may only agree to such restrictions if they have been previously approved by the Shareholders Meeting (ordinary or extraordinary).

The investment plan of Enel Generación Chile is sufficiently flexible to adapt to changing circumstances, prioritizing each project differently based on profitability and strategic objectives. Current investment priorities include developing environmentally and socially responsible projects to ensure reliable levels of supply.

For the 2022-2024 period, Ch\$ 316,859 billion are expected to be disbursed in the Company's subsidiary, on a consolidated basis, on investments currently underway, maintenance of existing installed capacity, and studies required for the development of other potential generation projects.

The following table shows the expected capital expenditure for the 2022 - 2024 period and the amount incurred by Pehuenche over the past three years:

CAPITAL EXPENDITURES ⁽¹⁾ (Ch\$ MILLIONS)	2022-2024	2021	2020	2019
Chile	316,859	219,996	137,183	192,933
Total	316,859	219,966	137,183	192,933

(1) The figures of capital expenditure represent payments effectively made each year, net of capitalized expenses, except for future projections.



Relevant investment in 2021, 2020 and 2019

Capital investments over the past three years were primarily related to the following projects:

- 1 Los Cóndores 150 MW project.
2. Maintenance of existing installed capacity

Capital investments indicated above were financed with funds generated by the Company.

Projects under construction and optimization

Closure of Bocamina Power Plant Ash Landfill

The project involves implementing best practices at the ash dumpsite facilities. It considers improvements to the landfill's infrastructure and operations, the implementation of high standards for its closure, and fulfillment of the obligations arising from the Environmental Qualification Resolution ("RCA" in its Spanish acronym) approved in March 2015.

The project is being carried out in two stages:

- **Stage 1:** covers 67,000 m² of the landfill and involves waterproofing materials, including a conductive geomembrane and the thickest fillers and substrates.
- **Stage 2:** high density native species reforestation with the support of Universidad de Concepción and following the maintenance and follow up procedures required for each species.

The total investment approved amounted to 15.9 million euros of which 8.1 million euros were invested by December 31, 2021. Construction is expected to conclude during 2022.

Los Cóndores Hydroelectric Project

The Los Cóndores project is located on the Maule River basin in San Clemente County, Maule Region, in central Chile. It is a 150 MW pass-through hydroelectric power

plant 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 Ancoa substation (220kV).

By December 31, 2021, the project had reached 87% progress and 96% of the transmission infrastructure had been assembled.

The total investment approved amounts to US\$ 1.2 billion of which US\$ 935.7 million have been invested as of December 31, 2021. Construction began in April 2014, and we expect it to conclude in 2023.

Central Rapel Smart Repowering Project

The Rapel power plant 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 and reach efficiency levels of under 85%. The new turbines have a new hydraulic design, more efficient and offer broader operational range, which we expect will increase 2 MW of capacity (1 MW per unit) and produce 67 GWh more a year. The contract was awarded in September 2020 and the detail engineering began immediately.

By December 31, 2021, the project had reached 19% progress. The engineering design concluded in 2021, and model testing and manufacturing is taking place. Unit 3 will be dismantled in 2022 and the installation of the new turbine will begin in 2022. Once the new unit 3 turbine is installed, we will begin dismantling unit 4 and installing the new unit 4 turbine.

The total investment approved amounts to US\$ 11.9 million of which US\$ 2.7 million had been invested as of December 31, 2021. We expect both new units to be installed and end the project by 2023.

Projects under development

Central Quintero combined cycle project

The Quintero Project is located in Valparaíso Region in central Chile. It is an energy efficiency project that uses the heat of gas generated by existing turbines to produce steam, by installing a steam turbine and a generator, converting the existing open circuit power plant into a gas fired combined cycle. Quintero power plant currently has two turbines with and aggregate 257 MW installed capacity and will reach 387 MW capacity once the 130 MW steam turbine is installed.

The energy produced will be delivered to the SEN through the existing Quintero-San Luis 220 kW line built to transport electricity generated by the combined cycle power plant.

The environmental impact study and the sustainability plan began in 2017. However, the Quintero and Puchuncavi geographical areas faced an environmental crisis in August 2018. Over 300 people were intoxicated with the gas emissions of other industries located in the area. The Quintero project was therefore postponed indefinitely, and the environmental impact study was suspended.

The total estimated investment amounts to US\$ 215.1 million of which US\$ 3.4 million have been invested as of December 31, 2021.

Central San Isidro Upgrade

Central San Isidro is a combined cycle power plant located in Valparaíso Region. It has two combined cycle units (Unit I and Unit II) that have a total aggregate 740 MW installed capacity. The project involves improving efficiency by reducing fuel consumption and add 10MW capacity, which is consistent with the existing environmental framework approved.

The feasibility studies were finished in 2021 and the equipment for the project was tendered.

The total estimated investment amounts to US\$ 25.5 million of which US\$ 9.8 million have been invested as of December 31, 2021. Construction of Unit 2 and Unit 1 is expected to begin in 2022 and 2024, respectively, and the project is expected to be finished by 2026..

Central Taltal Combined Cycle Project

Central Taltal is a power plant located in northern Chile's Antofagasta Region. It has two 120 MW gas turbines totaling 240 MW installed capacity. The project will increase efficiency, transforming the existing open cycle gas-fired power plant into a combined cycle by installing a steam turbine that uses the steam produced by the heat of the existing gas turbines to produce energy, adding 130 MW capacity to reach a total 370 MW installed 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 the Antofagasta Region environmental authority ("SEA" in its Spanish acronym), in January 2017. 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.

The total estimated investment amounts to US\$ 196.4 million of which US\$ 3.4 million have been invested as of December 31, 2021. We expect construction to begin in 2022 and end in 2023.



Financial condition

The financial condition of the Company in 2021 is summarized in the following table. For further detail on the Company's performance, see Management's Financial Statement Analysis in the Appendix of this Annual report.

RATIO	UNIT	Dec. 2021	Dec. 2020	Variation %	
Liquidity	Liquidity ⁽¹⁾	Times	1.34	1.21	10.7%
	Acid Test ⁽²⁾	Times	1.30	1.15	13.0%
	Working capital	MMCh\$	117,913	102,901	14.6%
Debt	Debt ratio ⁽³⁾	Times	0.78	0.82	(4.9%)
	Short Term Debt ⁽⁴⁾	%	25.7%	30.3%	(15.1%)
	Long Term Debt ⁽⁵⁾	%	74.3%	69.7%	6.5%
	Interest Coverage Ratio ⁽⁶⁾	Times	9.35	9.88	(5.4%)
Profitability	Operating Income/Operating revenue	%	(15.9%)	17.1%	(192.6%)
	Controlling Shareholder Annual Return on Equity (ROE) ⁽⁷⁾	%	(8.4%)	10.0%	(184.2%)
	Annual Return on Assets (ROA) ⁽⁸⁾	%	(4.5%)	5.5%	(180.3%)

(1) It is the ratio of (i) Current assets to (ii) Current Liabilities

(2) It is the ratio of (i) Current assets net of inventories and advance payments to (ii) Current Liabilities.

(3) It is the ratio of (i) Total Liabilities to (ii) Total Equity.

(4) It is the ratio of (i) Current Liabilities to (ii) Total Liabilities

(5) It is the ratio of (i) Non-Current Liabilities to (ii) Total Liabilities.

(6) It is the ratio of (i) Gross Operating Income to (ii) Financial Result minus Financial Income

(7) It is the ratio of (i) 12 month rolling Profit attributable to the controlling shareholder as of December 31 and (ii) the average between the equity attributable to the controlling shareholder at the beginning of the period and at the end of the period.

(8) It is the ratio of the (i) 12 month rolling Total Profit as of December 31 and (ii) the average between the total assets at the beginning of the period and at the end of the period.

Hedging Policies

Exchange Rate

Enel Generación Chile Group manages the financial risk of its balance sheet, income statement and cash flow by reducing its exposure to exchange rate variations.

The Company's 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 yearend 2021, 100% of all consolidated financial debt is denominated in US dollars or has been converted to US dollars using derivatives.

Interest Rate

The Company's interest rate hedging policy consists in maintaining 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 yearend 2021, consolidated fixed debt to total financial debt was 100%.



Enel Generación Chile's Customers

The Commercial Front

The commercial actions carried out by Enel Generación Chile in 2021 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 internal commercial management efficiency. The main commercial actions carried out are described below.

New electricity supply contracts were signed in 2021 for over 3,200 GWh/year, which contributes to the Company's excellent 2020 contract profile.

Agreements were signed with important unregulated industrial and mining customers to supply nearly 2,050 GWh/year of electricity for three and up to eleven-year terms.

Regarding the small, regulated customer segment, the Company capitalized on the trend among these customers to migrate to the unregulated customer category, which is allowed by industry regulation when they subscribe new supply contracts. **Enel Generación Chile signed contracts directly with these customers for 700 GWh/year of electricity for two and up to ten-year terms.**

The Company also had indirect access to the smaller consumer market through contracts signed with distribution companies to supply electricity to their unregulated customers, amounting to 100 GWh/year with four to five-year terms. **Enel Generación Chile signed electricity supply contracts with other generation companies to provide electricity to their unregulated customers as well, which represented 330 GWh/year with four to six-year terms beginning in January 2022.**



Environmental management

Environmental protection is one of the main pillars of Enel Group's management system. Operations are to be carried out in accordance with applicable regulation and respecting the environment. Protecting the environment and human resources, the fight against climate change, and defending sustainable economic development are all strategic factors considered in the planification, implementation and development of Enel Generación Chile's activities.

Environment

The Company has defined an ambitious environmental management path, clearly geared towards the **energy transition**. It implies efforts to reduce CO2 emissions by closing down coal fired power plants and developing a wide array of projects powered by renewable energy sources. The Company is also working on measures to **reduce waste** wherever possible, and otherwise reuse, recycle, and/or recover waste; **optimizing water consumption; protecting biodiversity; and building close relationships with neighboring communities**.

From an organizational standpoint, the **Power Generación HSEQ Environment** department has taken on the role of directing and coordinating the implementation and application of environmental policies, strategic objectives, and environmental standards and procedures in all operating power plants. They promote their work and encourage the exchange of best practices, seeking improvement opportunities and guaranteeing a continuous commitment to reduce risk and protect the environment. The **Stop Work Policy** strengthens this commitment by looking out for worker's safety and avoiding potential negative impacts on the environment.

Environmental Management

During 2021, the Company's Environmental management unit focused on three main lines of work: 1) Developing environmental programs, 2) Complying with regulation, 3) Performing other environmental monitoring activities.

The environmental programs developed were oriented towards different environmental topics, focusing specifically on "protecting biodiversity", "reducing water consumption", "waste management", and "national and international environmental recognitions". The main purpose behind these programs was to raise awareness about respecting and caring for the environment through activities carried

out for company employees and contractors.

In terms of water and waste management, the Company collaborated with various projects promoted by Enel Group on a global scale. These include the WAVE project, to improve water management, and the Zero Waste Project to reduce waste, among others.

In terms of regulatory compliance, during 2021 we moved forward with our plans to monitor internal environmental commitments according to Company standards and environmental sustainability policies. We have also followed other environmental commitment plans to ensure compliance with -and sometimes execute- such plans according to Environmental Qualification Resolutions ("RCA" in its Spanish acronym) for operating power plants.

In this regard, in 2021 we monitored environmental performance in all facilities, managed environmental monitoring contracts and strategic environmental projects, and also contributed to initiatives with work and consultancy services. We represented Enel in different environmental committees held by the Generation Companies' Trade Association ("AGG" in its Spanish acronym), Chile's Manufactures Association ("SOFOPA" in its Spanish acronym) and the Chilean Renewable Energy and Energy Storage Association ("ACERA" in its Spanish acronym), among others.

We continued to prioritize managing Power Generation permits this year, complementing the permit repository, and following through with applicable authorizations for power plants. This repository currently stores, organizes, and acts as custodian of over 7,000 permits.

Finally, during 2021 we performed other environmental monitoring activities, such as, following up on environmental KPIs and environmental inspections and assessments., among others.

2021 Milestones

The following are the most outstanding Environmental Management projects developed during 2021:

Biodiversity Projects

HSEQ Environment department put tremendous effort on a biodiversity program called ***"The Nature of our Plants", to raise awareness and protect biodiversity surrounding generation power plants and put activities and projects to work.***

The following are the highlights of this program:

• Selecting Flagship species

We carried out a broad consultation process with our field team, knowledgeable on the subject, to determine which species to use as flagships of the Company's biodiversity program. They voted for the Chilean Cedar and the Culpeo fox as flora and fauna to represent Power Generation biodiversity, both found in the Maule basin. A logo was designed with these two species, which gave the program a special stamp. The logo was used in presentations, as background wallpaper and in other media.

• EnelBioData Bulletin

A summary with standardized information on the biodiversity at the Company's power plants was posted internally for the first time. This bulletin is used to disclose biodiversity indicators, critical issues, and also promote best practices and disseminate knowledge in a friendly format and simple language. It is an environmental management tool that will be posted every six months.

• Training

Various initiatives were carried out throughout the year, of which we highlight the following: talks on the impact of WIND technology (Canela Wind Park), talks about bats, swallows, reptiles, small refuge pilots, and biodiversity monitoring technology.

• Pilot projects

Through collaborations with consultants, NGOs, and specialists, we have reached agreements to execute

biodiversity pilot projects that bring best practices to the Company's operations. The pilot projects are the following: Swallow nests; artificial carcass, nest and perch removal at Canela. Many of these projects have implementation guides and offer workshops to transfer knowledge.

• Reforestation with Native Species

As part of the Environmental Qualification Resolutions of Project Ralco, Enel Generación Chile has committed to reforest land with native species. In order to fulfill this commitment, by the end of 2015 Enel Generación Chile signed an agreement with Universidad de Concepción to elaborate a plan and reforest with native species through a collaborative effort with landowners interested in forest conservation. During 2020, 632 hectares were planted with Oak trees (*Nothofagus obliqua*), Raulí (*Nothofagus alpina*), and Coihue (*Nothofagus dombeyi*). During 2021, the land reforested during 2017-2021 was certified by an external accreditation committee recognized by Chile's national forest corporation ("CONAF" in its Spanish acronym). The reforestation project involved planting more than two million native trees (2,266,502).

• Ecological Restoration

The Ecological Restoration Project began in 2019 as part of the Ralco Hydroelectric Power Plant Project, considering the species Chilean Plum Yew (*Prumnopitys andina*), Brush Bush (*Eucryphia glutinosa*), and Chilean Cedar (*Austrocedrus chilensis*), among others. To this date, 19.1 hectares have been restored, with a total 129,000 trees planted including target species and non-target native species. Ecological restoration is a system that increases the chance of survival of these protected species. Their environmental needs require a specific work method that differs from the traditional reforestation methodology.

To this date, both agreements with Universidad de Concepción (reforestation and restoration) consider scientific research developed by this same university, mainly related to assessing ecosystem recovery through reforestation with native species. The project has enabled eight undergraduate and postgraduate thesis studies, presentations at conferences and seminars, and also raise awareness among the non-scientific community.



Waste Management

During 2021, the Company worked on a waste management program called "Zero Waste", which seeks to reduce waste production and increase waste recovery to minimize the amount of waste ultimately disposed.

In addition to Zero Waste, we also highlight the following activities:

- **Training:** several training sessions were carried out to transfer the criteria and standards of Operational Procedure 1805 regarding Power Generation Chile Solid Waste Management.
- **Recycling Session:** an event to raise awareness of the people from all Power Generation Chile power plants, about waste management concepts, objectives, and the importance of appropriate waste management activities to reduce waste production and increase its recovery.

Water Management

During 2021, the Power Generation Environment Department worked on the WAVE program (Water Value Enhancement) to reduce water consumption throughout the entire electricity generation process and minimize the use of this resource at all power plants.

We have focused our work on water management at the San Isidro Thermoelectric Power Plant because it is the plant that uses the greatest amount of water.

During the first stage of the program, water consumption was reduced, when compared to 2019, through a circular economy project that transported the water used for cooling at electricity power plants to be used in mining company processes. This avoids liquid industrial waste discharges into the Aconcagua River, hence eliminating the Company's restrictions associated to sulphate discharges.

Within this context, water may be used several times, consequently demanding a lower amount of fresh water in a geographical area that is currently undergoing hydric stress.

The business model agreed upon with the mining company establishes that the cargo and transportation service of water to their final destination, including all costs, is the mining company's responsibility.

- **Separating at the source:** we created an infrastructure registry to separate waste from power plants at the source and improve waste recovery conditions.
- **Waste managers:** we created a database of managers and third-party facilities that transport and recover waste in the area surrounding our power plants. The information was obtained from environmental specialists that collaborate with Enel and the Ministry of Environment. As a result of this effort, all operating power plants and those under construction in a specific region have a single list of all authorized waste recovery organizations, which has facilitated waste management activities.

The engineering to implement the ZLD (Zero Liquid Discharge) project is currently being developed and will lead to a 45% reduction of water consumption at the San Isidro Power Plant. This will be implemented once the Environmental Qualification Resolution has been approved.

Environmental Awareness: Important Environmental Dates

The Power Generation HSEQ Environment Department developed an Environmental Dates program in 2021 to educate, communicate, and add value to Power Generation Environmental management.

The logic of this program is to address different environmental subjects by taking advantage of important dates that commemorate different environmental topics on a national and international level, such as, the "World Reducing CO2 Emissions Day" or "World Water Day", among others. These activities include talks, training courses, internal and internet publications, newsletters, and mass emails, along with external publications through the web page, press releases, and the Company's social media. These channels have been used to raise awareness on the subject and to communicate the Company's best practices.

- International Reducing CO2 Emissions Day
- World Wetlands Day
- World Wildlife or Nature Day
- International Forest Day
- World Water Day
- International Day for Monuments and Sites
- Earth Day
- Global Recycling Day
- International Day for Biological Diversity
- Chilean Heritage Day

- World Environment Day
- World Tree Day
- Plastic Bag Free Day
- World Parks Day
- National Environment Day
- World Habitat Day
- International Archeology Day
- International Day Against Climate Change
- Chilean Fauna Day
- World Soil Day

Emissions

Enel Generación Chile has decisively moved forward to contribute to Enel Chile's commitment to reduce CO2 emissions. Decarbonization has been one of the main courses of action.

Coal facilities played a very important role in Chile. They provided stability to the country's electricity system and contributed to the development of Chilean energy and industry. Nevertheless, its life cycle is coming to an end, and today the Company's management is set on renewing its electricity generation park to comply with sustainable development goals and reduce greenhouse gas emissions.

Within the context of decarbonization, the Company's Tarapacá coal fired power plant and Bocamina I were disconnected and ceased operations sooner than originally programmed, and Bocamina II is scheduled to shut down in May 2022. When that happens, Enel Generación Chile will be the first company in the country to have disconnected all its coal fired generation power plants from the SEN.

To this date, the main milestones in Enel Generación Chile's decarbonization path are the following:

- On June 4, 2019, Enel Generación Chile S.A. signed an agreement with the Ministry of Energy to retire the coal-fired power plants connected to the SEN. The commitment involved closing Tarapacá (158MW), Bocamina I (128MW), and Bocamina II (350MW), the company's entire coal fired generation capacity.
- On December 31, 2019, Central Tarapacá power plant located in Iquique County was disconnected and shut down, sooner than the original May 2020 schedule and avoiding approximately 500 thousand tons of CO2 emissions a year.

- On December 31, 2020, Unit I of the Bocamina Power Plant located in Coronel County was disconnected from the system and ceased operations, three years sooner than the scheduled May 2022 commitment, and avoiding an additional 500 thousand tons of CO2 emissions a year.

Closing down Bocamina II in May 2022, 18 years sooner than 2040 when it was originally scheduled to take place, has received government approval. Two million tons of CO2 emissions a year will be avoided when the power plant is retired.

In conclusion, by 2022, Enel Generación Chile will be the first company in the country to have disconnected all its coal fired generation power plants from the SEN, and sooner than expected. Three million tons of CO2 emissions will be avoided, which is equivalent to the emissions of one million automobiles in a year.

The Company is currently working on the future use of these facilities, which involves research, engineering, and complying with regulatory requirements.

Shutting down these coal fired power plants requires a global vision that aims at having a positive impact on society. The Company is aligned with fair transition principles, and inspired by consolidated global frameworks regarding climate change, human rights, gender equality, labor regulations, and inclusive growth, all the while implying that attention must focus on foreseeing social repercussions and environmental impacts that could arise in this process. Hence, reintegrating workers into the market or finding sustainable and consensual alternatives is an important part of the energy transition in Chile. Local market opportunities are scouted and shared with contractors and commitments with local communities that we are continuously in contact with, continue to be respected and fulfilled.



Compliance with thermal power plant emissions standards

The Superintendence of Environment (“SMA” in its Spanish acronym) published the reports on 2021 compliance with the limits established by D.S. 13/11 regarding thermoelectric power plant emissions. The SMA verified that the Company’s Electricity Generation Units (“UGE” in its Spanish acronym) complied with emission limits based on the information provided by the quarterly reports presented by each power plant using the SMA’s “Thermoelectric Power Plants” portal.

To comply with provisions established by the Superintendence of Environment through Exempt Resolution 680 dated March 23, 2021, on December 31, 2021, the continuous emissions monitoring systems (CEMS) of thermoelectric power plants were connected online to the SMA, providing parameters and operational variables used for environmental monitoring..

Green taxes

In 2021, Enel Generación Chile paid thermoelectric power plant taxes for MP, NO_x, SO₂, and CO₂ emissions. The green tax amount to be paid was determined based on the SMA’s methodology to quantify emissions. The total amount of taxes paid in April 2021 for the emissions of the thermoelectric plants during 2020 amounted to US\$23,455,101.

Social Management

Focusing on People: Creating social value

Enel Generación Chile focuses on its people. The Company is committed to develop a culture that promotes diversity, where everyone feels included, valued, and moved by the same purpose, and where a sense of belonging and the possibility to express one's own talents is recognized by meritocracy.

Enel SpA has adopted and promoted gentle leadership, transforming the concept of a leader towards someone who works to fulfill objectives, but worries about why and how. Gentle leaders listen, worry about people, work alongside collaborators, and make talent flourish while being open to feedback and aware of their team's needs and aspirations.

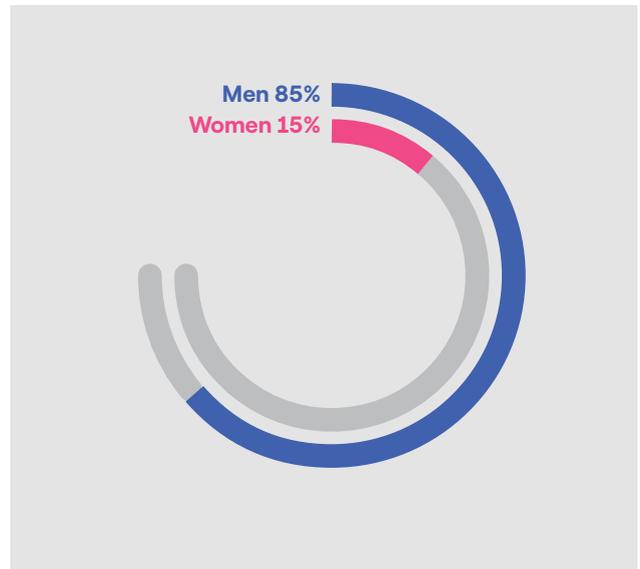
These commitments are represented by Enel SpA's **"Open Power for a Brighter Future"**.

Open Power

The **Open Power** vision and philosophy represent the Company's reference point for all people management processes. The key values of **Open Power** are trust, responsibility, proactivity, and innovation. It is the basis of an open and dynamic work environment that encourages taking risks, managing sustainability, and integrating ethics and transparency into the business. Thanks to these values, we have continued to grow as a Company, keeping the promises we have made to workers, customers, and society.

Value and foster people

As of December 31, 2021, Enel Generación Chile had 658 employees, 12 people less than at yearend 2020. This reduction is explained by the net balance between new hires and the number of people that left the company during the year (-53 people), the perimeter change (-39 people altogether) and the addition of 14 new workers. For further detail see **Chapter 8: Metrics**.



Percent of male and female staff members by yearend 2021:

During 2021, Enel Generación Chile strengthened processes to empower its workers, shifting towards a leadership style that is characterized by excellence, motivation, and purpose. This corporate culture prepares people to address future challenges, which requires new skills and therefore enhances the importance of Upskilling and Reskilling strategies. Hence, the Company is investing in technical tools and relational skills, aligned with the following objectives:

- **Promoting quality of life and wellbeing** through responsibility in a flexible, trustworthy, motivating, and challenging work environment that fosters a sense of pride and identity with Enel Generación Chile.
- **Strengthening leadership style**, by developing skills and providing the right tools for people to find purpose within their teams, promoting trust, autonomy, empowerment, proactivity, and diversity.

1. Upskilling implica evolucionar las competencias necesarias dentro de un mismo puesto o perfil.

2. Reskilling se refiere a la adquisición de nuevas competencias para poder pivotar de un puesto a otro, de una función a otra.

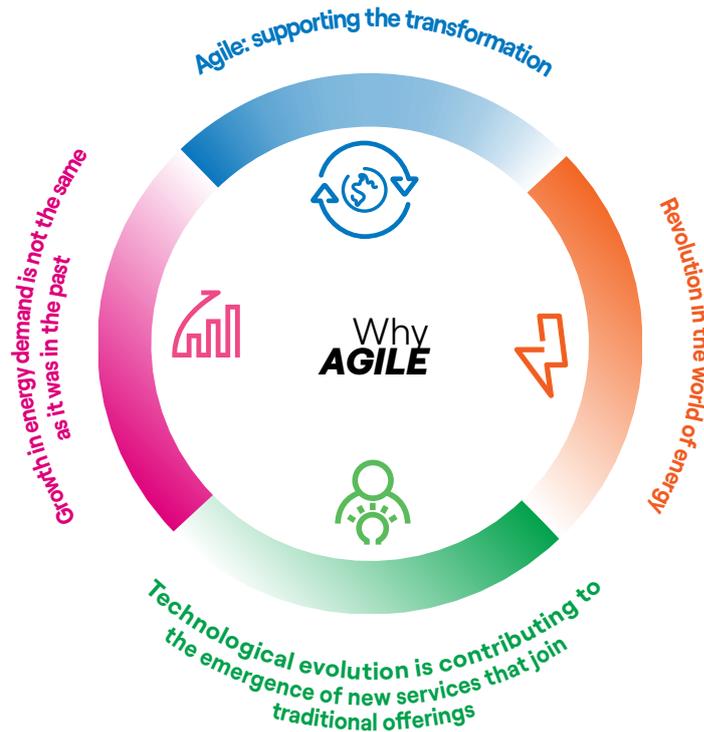


- **Promoting cultural change within the organization** and developing skills to digitalize processes, encourage the use of platforms, and manage efficiency through data and workers' experiences.
- **Understand workers as strategic partners** that challenge and support the Company's business, contributing with innovative, effective, and integrated solutions that promote the development of a sustainable organization in a leadership position.

Promoting Cultural Change

Agile Methodology

The Enel SpA Group adopted the Agile Methodology- a collaborative model based on openness and flexibility- to face the challenges of people management during times of uncertainty and change. Within this framework, interdisciplinary teams develop projects through iterative processes which include the participation of the final customer.



In 2021, several activities were carried out in different Company units to bring people closer to the agile work environment. These activities provided workers with the necessary skills and knowledge to work under an adaptive and iterative approach to project management and product development. Among these activities, we highlight:

Agile Fullness Workshop: focused on guiding principles, concepts, and roles within the agile methodology, giving people the necessary knowledge to identify them in their own workspace and understand why agility is the answer to the VUCA¹ world. Twenty people from different areas of the organization participated in the 2021 workshop.

Agile Room: an activity for teams to analyze the life cycle of a problem, initiative, or project, applying tools and

methodologies according to each case. The goal is to effectively resolve complex problems, strategic decisions, or service/product definitions in a short period of time. Eight Agile Rooms were held during 2021, with the participation of 58 people from different areas of the Company.

Leadership and skills development

Flexibility and adaptation are key components to address the current transformation scenario. The Company provides experiences that inspire and prepare people, involve and motivate them to reach their maximum potential through personal and professional development opportunities. The processes to select, hire, and train people play a fundamental role in guaranteeing the Company's continuous business growth.

1. Volatility, Uncertainty, Complexity, Ambiguity



In 2021, the Company introduced a new style of leadership: gentil leadership. It maintains and promotes culture by encouraging people to express their passion and vocation, listen with empathy, and give workers the space to grow, because hierarchy has no place when it comes to ideas and talent. This leadership style fosters people and motivates teams, improving their wellbeing and the Company's results.

To kick off this new leadership style, we carried out the "Enel 2021 Talks for Leaders: State of the art strategy, leadership, and humanity". Four talks were held to cover the following topics:

- **Talk 1:** "Strategy and Leadership for a new reality" with Nicolás Majluf and Nureya Abarca
- **Talk 2:** "Humanity as a strategy in the new era: Self-knowledge and self-awareness" by Carolina Dell'Oro and Agnes Ortega.
- **Talk 3:** "Awareness of others: knowledge and affection" by Carolina Dell'Oro and Agnes Ortega.
- **Talk 4:** "Inclusion as an opportunity" with Álvaro Silberstein.

A total of 29 talks were held, with the participation of 89 leaders.

Training and development

To achieve sustainable growth, people must be able to express their talents and expand their digital, technical, and innovative abilities and be part of Enel Group's transformation.

This requires fostering and guiding workers to expand their existing talent in a new direction through reskilling and upskilling programs. Reskilling focuses on teaching workers new skills to take on new tasks, and upskilling refers to developing workers existing professional abilities to improve their performance.

There are two different training strategies to achieve these goals: Bottom up and top down. Bottom up refers to a learning strategy that promotes self-learning and self-managing one's own professional growth, with the help of digital platforms that provide tools to constantly learn something new. To improve this training strategy, we formed an alliance with LinkedIn Learning in 2021 to offer workers a wider array of content and hopefully motivate them to manage their own learning curve.

The second training strategy is the *top-down* strategy that focuses on aligning formative activities with Enel's strategy in terms of accomplishing organizational goals and involving Company leaders.

To guarantee the success of this strategy, Enel Generación Chile has a Training Policy in place that defines the general framework of formative activities in Group companies. These formative activities must contribute to consolidate Enel Generación Chile's values and objectives, encourage workers to deepen their personal and professional knowledge and skills as a means to improve their performance, and be prepared to assume new professional challenges.



The following programs were carried out in 2021, based on five strategic pillars:

1. Developing an Open Power Culture: the program “Skills for the Future” was carried out to strengthen this pillar, promoting Enel Generación Chile’s 15 areas of expertise through a course catalogue that allows workers to acquire, improve, or perfect the abilities they require for their future job.

2. Sustainability, HSEQ and D&I Program: Certification regarding electricity rules and regulations NFPA 70E, IEC and OSHAS is one of the most outstanding programs implemented to strengthen this pillar. The goal was to develop the competencies to perform electricity tasks safely, adopting the necessary safety measures. A total 15 workers attended the 60-hour program.

3. Preparing for the future, Reskilling: alliances were signed with Universidad de Chile and Universidad Técnica Federico Santa María to strengthen this pillar. The “New Energy and Smart Cities” certificate was offered to cover the main strategic points: “Operations and Maintenance of Photovoltaic power plants”, and “Electricity Market” to deepen workers’ knowledge on the new energy world.

4. Digital Transformation and Agility: we formed an alliance with Universidad de Chile to offer our workers a certificate on Digital Transformation to teach the concepts, management tools, work methods and analysis techniques to face the challenges of new technological and energy environments.

Another program related to this pillar is the instruction on NERC-CIP SEN Regulation, which is based on the results of the potential risk assessments of energy companies. The National Electricity Coordinator defined a specific scope for energy companies to coordinate and address cybersecurity to mitigate potential risk.

5. Clients and data at the center: 4A On Site Service quality and customer satisfaction program.

The goal is to identify, understand, and apply the Company’s Service Quality and Customer Satisfaction pillars in an actual operations site, using the 4As (Accommodate, Assist, Advise, and Agile). The goal is to improve customer satisfaction.

Overall, a total 684¹ hours of training were provided in 2021, 86% to men and 14% to women, amounting to a total Ch\$356.582² million investment in training, equivalent to 0.02% of the Company’s total revenue.

People’s Wellbeing

Maternity leave

Enel Generación Chile offers female workers the possibility to gradually return to the workplace by reducing their workday two hours more than the number of legal hours established by law during the first month, and one hour more than the legal number of hours during the second month.

We also provide permits for mothers and fathers to attend their newborn’s medical check-ups up to six months after birth.

Chilean Legal Framework

According to article 195 of the Labor Code, and notwithstanding the 12-week postnatal parental permit established in article 197 bis of the Labor Code (which goes into effect after postnatal leave), the employee has the right to a six-week maternity leave before scheduled childbirth and 12 weeks after it.

Notwithstanding the foregoing, there are a few special situations in which the length of pre and postnatal leaves might be altered. The prenatal period could be affected by a delayed or preterm birth, or due to the termination of pregnancy. The postnatal period could be affected by childbirth-related illness; when labor occurs before 33 weeks of pregnancy or if the child weighs less than 1500 grams at birth, when giving birth to two or more children.

1. This number includes Pehuenche S.A.
2. This number includes Pehuenche S.A.

Benefits

The Company has a benefit plan for workers and their families, among which we highlight:

Benefit	Detail	Employment Relationship
Supplemental Health Insurance	Includes medical coverage of outpatient care, hospital services, medication, and dental care. Considers catastrophic coverage of high medical expenses.	People with an indefinite or fixed term contract
Collective Health Insurance	Grants access to the following benefits: Direct payments from Company accounts to cover occupational disability subsidy grants on the day wages are usually paid, without having to carry out administrative collections of payments with insurance companies. Medical Checking Account: loan with special conditions for copayment or the fraction of health expenses that aren't covered by insurance companies.	People with an indefinite or fixed term contract
Supplement to Occupational Disability Subsidy	Monthly payment made by the Company to people with an occupational disability license, supplementing the amount granted that by law isn't given to people whose income is higher than the established limit. Also, the Company covers the payment of wages corresponding to the first three days of medical licenses longer than or equal to 10 days.	People with an indefinite or fixed term contract
Financial Support	Enel Generación Chile grants benefits to different groups of people, with financial support for mothers and fathers of students through loans to finance higher education, scholarships, school bonuses and stimulus checks for academic excellence, among others.	People with an indefinite or fixed term contract
Activities to promote self-care and physical wellbeing	The Company has developed an extensive program of recreational activities to promote physical activity, self-care, and a healthy lifestyle. These include in-person and online fitness programs every day of the week, annual screenings, and medical orientation based on results, nutritional consultations, and communications campaigns on disease prevention.	People with an indefinite or fixed term contract
Recreational activities and Social Connections	Enel Generación carries out activities for collaborators and their families to promote interaction and social connection, as well as its workers' commitment and corporate identity. Extracurricular workshops include painting, singing, and gardening, among others. The company also offers psychological assistance to workers and their families, whether it be personal or work-related matters.	People with an indefinite or fixed term contract
Parenting Program	EBenefits for fathers and mothers throughout their children's developments, including: <ul style="list-style-type: none"> • Parenting talks • Nutritional guidance • Physical activity program • Gradual return to the work-place post-maternity leave • Permission to attend children's doctors' appointments • School benefits • Recreational activities for families 	People with an indefinite or fixed term contract
Health Benefits	In a year that has been shaped by the Covid-19 pandemic and remote work, Enel Generación Chile developed remote initiatives to care for the physical and mental health and overall well-being of workers and their families. This included recreational-educational initiatives for worker's sons and daughters, flexible hours and other talks about physical and mental health, as well as tips regarding posture while working. Health benefits: During 2021, the Company carried out health and safety initiatives for workers. Preventive health campaigns and screenings were carried out, mainly during the first quarter and by the end of the exercise. At the same time, during the year preventive campaigns were carried out focused on worker's health.	People with an indefinite or fixed term contract



Open Communication with Workers

The health crises induced changes and digitalized relationships, leading the Company to revise the way it speaks to its workers. The Open Listening Workshop described as “an interview to build our future” was held in 2020. People shared their experiences and expectations of the “new normal” in relation to remote work, workspaces, new technologies, physical and psychological wellbeing, and new leadership models.

Enel Generación Chile considers internal dialogue to be a strong pillar within its corporate culture. It contributes to personal and organizational growth by encouraging and promoting the exchange of information, knowledge, and experience. Internal communication is a fundamental driver of our strategy and to accomplish objectives. Within this context, the following surveys were carried out in 2021:

Open Listening

It is a survey that seeks to build work for the future. It considers the perspectives of all workers regarding organizational culture and the leadership model, exploring the ability they consider their leaders have in terms of inspiring others and considering their needs in a context of remote working.

Open Listening
65.8% participated in the Survey
94.1% are committed and satisfied with their work.
88.8% are able to maintain a positive work-life balance.
97.5% think the current context facilitates autonomous, goal-oriented work.

Wellbeing

We also carried out a wellbeing survey to collaboratively build the “Global Wellbeing Program”, It aims to identify activities and initiatives to improve quality of life considering

the eight pillars of the new Wellbeing Model: Work-life balance; physical and psychological wellbeing, understood as being in peace with oneself; having a positive social life both inside and outside the work environment; ethical wellbeing defined as being coherent with one’s own values; intellectual wellbeing as an incentive to improve and develop new skills; sense of security; and economic wellbeing, understood as security in the workplace and valuing one’s own work.

Work flexibility

During the Covid-19 outbreak, Enel Generación Chile quickly incorporated measures to guarantee worker’s safety and continuity of operations. This was a global effort that was only possible thanks to the work experience that Enel S.p.A. had already begun in Italy 2016, which gradually extended throughout the Group. It was also feasible due to the technological transformation that began in 2014, which led to integrating digitalization in the strategy and turned Enel S.p.A. into the first public service company completely based on the cloud. The Company has kickstarted several initiatives to support the transition towards the digital scenario, promoting a work culture based on autonomy, delegation, trust, and optimal time management, supporting the well-being of our people and their families. The new ways of working must be more efficient and effective, all the while attaining a balance between personal and professional life.

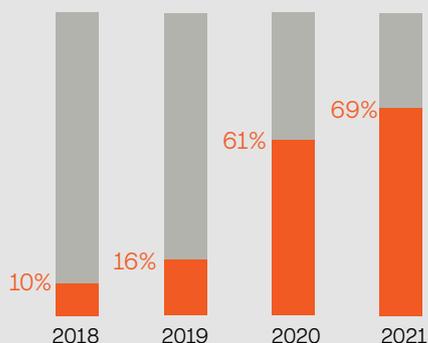
Working Remotely – Smart Working

Due to the Covid-19 pandemic, all collaborators began working remotely. Only those who worked in operations were allowed to go in person, since their work cannot be done remotely and cannot be postponed, because their tasks are related to service continuity and national energy system safety. During 2020, 61% of people in the Company were able to work remotely, and this number increased to 69% during 2021.

Within the context of the covid 19 pandemic, remote working is a new work arrangement, but before the pandemic it was seen as an means to balance personal and work life.

Companies	2018	2019	2020	2021
Enel Generación Chile and subsidiary (Number)	80	112	412	451
Enel Generación Chile and subsidiary (%)	10%	16%	61%	69%

Smart Working Program



The Smart Working and Remote Work Program allows collaborators to work from home or other places as long as they have a good Internet connection and meet the Company's safety requirements.

This initiative reduces emissions caused by commuting and makes the Company more resilient against crises, such as the COVID-19 pandemic.

Flexible Work Hours

This gives workers whose hours are clocked the option to begin their workday between 7:45 am and 9:00 am, hence concluding their workday up to 75 minutes earlier depending on the time they chose to begin the day. In remote working conditions, emphasis has been placed on a goal-oriented management style, seeking to attain a better balance between working hours and personal life.

Support programs

The Company offers individual psychological therapy to workers and their families through a six-session plan, in

which several subject areas can be explored, both work-related and personal. Group sessions are also offered, where team dynamics are explored with the guidance of a specialist.

These activities have promoted the creation of spaces where people can meet, reflect, and dialogue about different subject, sharing thoughts and experiences that have an impact on mental health, such as: how do I feel about returning to normality? How do I face difficult moments? How can I balance my family life with working remotely? How can I face loss?

Work-life balance

A central aspect of our people management strategy is based on the quality of life of our workers and finding work-life balance. Considering the context of the pandemic, existing activities were promoted more eagerly and carried out in an online format. Gradually, small groups were allowed to gather in person to favor teamwork and harmonious coexistence, always maintaining the appropriate sanitary precautions.

Recreational and educational activities were carried out for Enel Generación Chile's workers and their families, seeking to attain a positive work-life balance. This included yoga classes, sports activities, and preventive health talks regarding both physical and mental health, among others.

The Company also carried out a campaign focused on respecting worker's time off, their breaks during the workday, efficient use of meetings, emails, and phone calls.

Encouraging employees to take vacation

Enel Generación Chile motivates its collaborators to take time off and care for their own well-being, which is why in 2021 the campaign "Disconnect and Renew your Power" was launched. It creates incentives for people to take vacation between January and December. It was promoted twice throughout the year. This allowed teams to plan ahead and have the necessary time to disconnect.



Talent attraction and retention

Talent management integrates and promotes relationships, trust, and respect towards each person's individual set of skills and talents, with a goal-oriented focus.

Enel Generación Chile's main objective is to incorporate and retain professionals and technicians of excellence, that have the competencies required to navigate the cultural change the Company is undergoing. Developing each person's potential leads teams closer to reaching their group and individual goals. Therefore, teams must be gender diverse and inclusive at all levels of the organization.

In 2020 and 2021, 35 interns were selected to become a part of the Company through an evaluation model that chooses students with the greatest affinity to the Company's values and culture. Diversity and inclusion are considered very relevant, which is why we consider initiatives that force integration without age discrimination that specially promote women in the field.

Initiatives aimed at young professionals included the encounter "My Enel experience as an intern" and a study to recognize the "Best Companies for Young Professionals and Interns", among others.

Main initiatives to attract talent

Focus Groups with Young Professionals and Interns

Young professionals from different subsidiaries were able to participate in two focus groups held throughout the year, where the results of the **2021 Employer for Youth (EFY)** Survey were presented. The same initiative was carried out with student interns at the Company, where the results of the survey "**Best Companies for Interns in Chile, 2021**" were presented.

In these encounters, participants were asked about their perspective and ideas regarding how Enel Generación Chile could attract more young talent.

"My Enel Generación Chile experience as an intern" Induction Program

Student interns at Enel Generación Chile participate in an induction process where they are introduced to the **Open Power** philosophy and different aspects of the business. As a part of this activity, we celebrated Intern Day and FirstJob, where several students got to share their experiences.

Employability Workshop for Young Interns

Activity for student interns at Enel Generación Chile, aimed at helping them develop skills and acquire knowledge they can use once they have finished their studies and begin searching for job opportunities.

Job fairs

To attract new people that can contribute in their own, unique ways, the Company has participated in the following job fairs:

- Laborum's Regional Latam Job Fair
- Laborum's Chile Job Fair
- Energy + Women Job Fair, held by the Ministry of Energy
- Virtual 2021 Job Fair – Faculty of Engineering, Pontificia Universidad Católica de Chile
- Job Fair Universidad Federico Santa María
- First Virtual Job Fair held by State Universities
- Universidad de Santiago's "Unleash your Talent" Job Fair

Other activities

In order to connect with students who are still studying and spark their interest for the world of energy, the following initiatives were carried out:

- Electricity Market Regulation, with Universidad de Chile
- Challenges in the Green Hydrogen Industry, with Universidad de Santiago
- Electromobility, Charging Stations and Batteries, with Universidad Técnica Federico Santa María
- Renewable Energy Webinar, organized by First Job
- STEM Breakfast for Women held by Universidad de Santiago, where circular economy was discussed.





People Development Programs

As part of the people development strategy, the Company has three programs to contribute career development:

• **Coaching:** empowerment process based on self-awareness and recognizing one's own resources. It is a creative learning experience based on a relationship of trust between the coach and the coachee.

• **Job Shadowing:** activity between two co-workers in which a host collaborator accompanies and welcomes a guest collaborator, who gets involved in work activities, team meetings, and relationships with stakeholders. They share

experiences and daily meetings, and together co-design activities, goals, and processes.

• **Mentoring:** program in which an expert in certain areas (the mentor) shares his/her experiences with a less experienced coworker (the mentee). The mentor gives the mentee advice and helps the mentee understand internal dynamics, making the person responsible and offering the opportunity to develop the person's own skills and competences.

These programs are used as part of succession plans or career development total rewarding plans. They are handled internally through digital platforms, making them global and agile processes.

The following activities are related to motivation and development:

Teambuilding	Growing with Coaching	Certificación de coaching	Job Shadowing for all
Enel Generación Chile has continued its Teambuilding program virtually, incorporating activities that encourage teamwork and social cohesion between workers, according to business needs.	Initiative that began in May 2021 to make the coaching culture known throughout the organization. This involved informing people about how coaching processes take part within Enel Generación Chile and giving them daily coaching tools. For this purpose, several talks were held throughout the year.	Five people began their Coaching certification process in 2021, seeking to become a part of the Company's Chilean coaching team. These workers are prepared to coach other workers as determined by the career development needs of succession plans or Total Rewarding plans.	During this period, all workers had the opportunity of joining the "Job Shadowing for all" program, which was voluntary and virtual. It can be a great opportunity to get acquainted with the work that is done in other business sectors and/or countries, expanding people's network within the Company. The program consists of an accompaniment process between two people, a host and a guest, who co-construct activities, goals, and processes they want to achieve together. It is a learning opportunity for both parties to incorporate the other's point of view, inciting reflection and feedback.

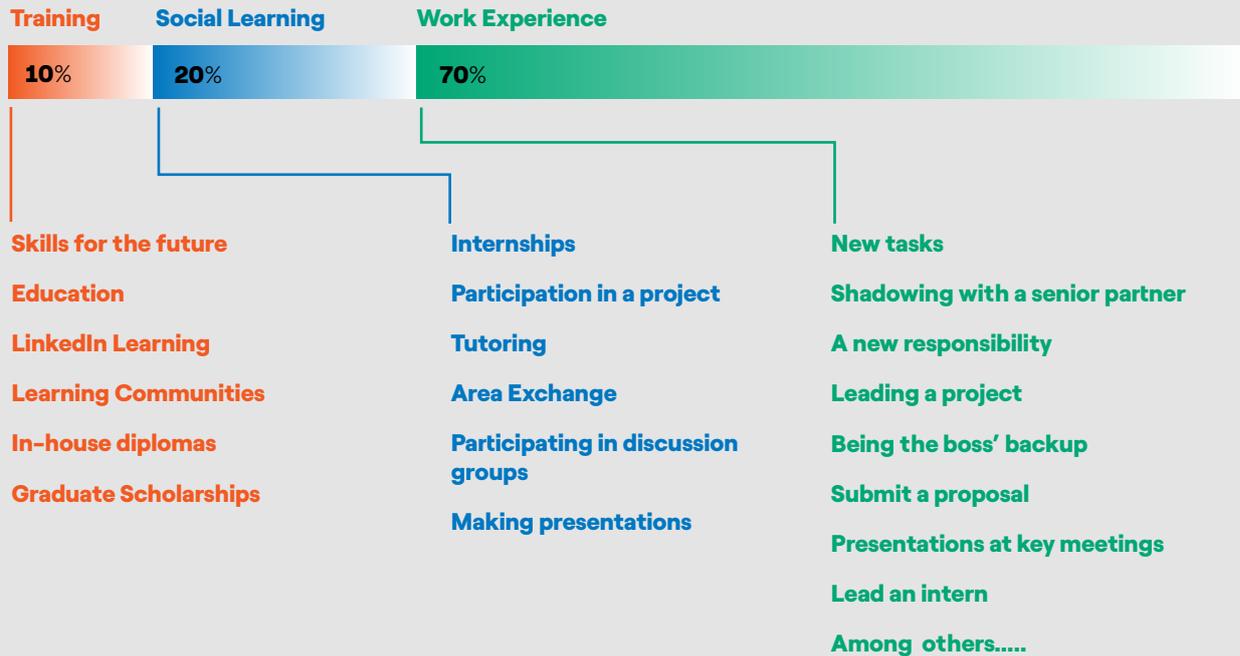
Performance Evaluation and internal mobility

Performance evaluation

During 2021, the performance of 93% of eligible workers in Enel Generación Chile and its subsidiary were evaluated. Of that total, 80% confirmed they had a feedback meeting, a step up from the 58% of people who reported this during 2020. A total 435 development plans were designed.

A new feedback phase was introduced to the 2020 Performance Evaluation, carried out in 2021, to design an individual training and development plan. With his or her leader, each person agreed on job learning experiences (70%), social learning experiences (20%), and training courses (10%). All learning experiences were to take place throughout the year, and people could choose among a variety of experiences and available courses that are to be assessed as part of the following performance evaluation process.

2021 Action Plan



Employees Evaluated at Enel Generación Chile and its Subsidiary

KPI	Unit	Top executives and other managers	Professionals	Workers and others	Total
Total employees	Number of people	15	586	57	658
Total employees evaluated	Number of people	15	557	40	612
% Employees evaluated	%	100%	95%	70%	93%



New Open Feedback Evaluation

This evaluation model, launched in September 2021, is based on Enel S.p.A.'s 15 competencies model, and also on individual and collective growth, and gentle leadership. It focuses on identifying talents and generosity as a quantifiable attribute. The model considers three dimensions: talent, action, and generosity. At Enel Generación Chile, feedback sessions between managers and workers are opportunities to strengthen transparency, align expectations and contribute to workers' professional development. The Open Feedback program seeks to foster a continuous feedback culture throughout the workplace network, based on the Open Power philosophy. This evaluation system has an online platform in which any worker can provide feedback to peers, teams, and managers, highlighting positive aspects of their performance and identifying opportunities of improvement.

Talent enables the development of competencies, valuing each person's strengths. These competencies will be visible and could be confirmed or modified. The generosity dimension enables sending and receiving feedback from coworkers, stimulating time management as a way to contribute to collective growth. Finally, the action dimension refers to a person assigning him or herself up to three professional goals.

Internal Mobility

Enel Generación Chile is truly committed to people's development. Therefore, the Total Rewarding process was implemented in 2020 to acknowledge worker's performance by offering important professional and personal empowerment opportunities.

This tool was available throughout 2021 and included compensation, development, mobility, and training as part of the comprehensive compensation plan. It is a proactive retention process, characterized by its dynamic nature that provides continuous improvement, integrating new experiences and best practices while introducing new tools to the system.

These initiatives have contributed to reinforce the Company's position in the main external recruitment platforms, all the while contributing to the diversity and richness of people's experiences in Enel Generación Chile through a strategy that considers synergy in content and user experience.

Workplace mobility was also developed during 2021, allowing people to embrace new challenges, enabling competencies, and creating increasingly horizontal programs. Of all job openings, 44% were filled with internal candidates. By yearend, 7 processes were carried out internally (3 through direct selection and 4 through internal job application processes).

Succession Planning and Handover Processes

Succession planning involves identifying people that have the talent to take on management positions and designing development programs tailored to them. This is a central, sensitive, and strategic process that impacts KPIs and promotes generational change and gender diversity. It is carried out annually and has the following phases:

Identification	The position holder picks their successors in two categories: ready (people who are ready to fill the position) and pipeline (people who must prepare to take on the position in the medium term).
Pooling	Gender diversity and cross-sectionalism must be considered within criteria to choose successors, ensuring 50% of women and 50% of men in proposals and presenting candidates from different areas and at least one person with an archetype that differs from that of the position holder .
Action and Communication Plan	The position holder shares the plan with leader, co-workers, and People Business Partner (PBP). Nominated successors are informed they have been selected, and to continue the process they must choose one of the following action plans: Coaching, Mentoring, Job Shadowing . Work experience within or outside the Company, experience in Agile projects, experience in diversity and inclusion projects, and training on emotional intelligence and skills.



Human Rights, Diversity, and Inclusion

Enel Generación Chile's corporate strategy focuses on contributing to a fair and inclusive society by integrating these concepts throughout the Company's entire value chain and protecting the environment and creating opportunities for the Company and its stakeholders.

The Company's respect for human rights is the basic guideline of all operations. It is part of the Company's purpose and corporate values. Enel Generación Chile promotes respecting

all internationally recognized human rights in its business relations and demands that its contractors, suppliers, and commercial partners adhere to the same principles.

For the Company, inclusion implies recognizing and stimulating all forms of diversity while promoting each person's many talents. It also means creating open contexts that embrace differences and guarantee the organizational and interpersonal, day-to-day conditions in which people can freely express their own potential, stimulating innovation and promoting new opportunities.



Promoting diversity and inclusion

Inclusion = Value is the paradigm that represents the approach centered on people, based on including diversity as an essential factor in the creation of sustainable value. This approach is ever more relevant in today's context, given the current circumstances in which it is necessary to innovate, co-create, inspire, and attract talent and create a framework that allows everybody to always express their singularity.

Enel Generación Chile's commitment with diversity and inclusion is set forth in the Human Rights Policy, in addition to the Diversity and Inclusion Policy, and its adherence to the seven Women's Empowerment Principles (WEP) promoted by the UN and UN Women in line with their Sustainable Development Goals.

Additionally, the Sustainability Plan points out that in order to ensure gender equality within the Company, we must increase the number of pre-selected female candidates in the external selection processes, which directly impacts the Recruitment and Selection process.

Enel Generación Chile's Diversity and Inclusion Policy

The [Diversity and Inclusion Policy](#) is based on the fundamental principles of non-discrimination, equal opportunities, dignity for all forms of diversity, inclusion, and work-life balance, and is based on the promotion of specific actions that include gender diversity as a priority.

The document defines the key principles required to establish a culture that pays special attention to diversity and its added value. The Company rejects all forms of arbitrary discrimination and is committed to ensuring and promoting diversity, inclusion, and equal opportunities. The administration will work towards promoting and maintaining an environment that is respectful of each persons' dignity, honor, and identity. It will also ensure the highest confidentiality standards regarding any information handled by the Company about worker's private life. Consequently, and fulfilling the values and principles within Enel Generación Chile's Code of Ethics, the following key principles have been adopted:

- Non arbitrary discrimination
- Equal treatment and dignity to all forms of diversity
- Inclusion
- Work-life balance

The policy is a reference point of how Enel Generación Chile's culture and attention to inclusion has evolved. Its fundamental principles of non-discrimination, equal

opportunities, dignity for all forms of diversity, inclusion, and work-life balance are major milestones for the development of specific initiatives that prioritize gender, disability, age, nationality, and promote an inclusive culture in all levels and contexts within the organization.

The Company has developed a set of practices related to gender, age, nationality, disability, and wellness, among other diversity groups as part of its strategy and its Diversity and Inclusion Policy.

The gender dimension seeks balance in all recruitment and selection processes.

In terms of people management, Enel Generación Chile and its subsidiary consider diversity and inclusion to be fundamental in every shape and form. The key aspects of the Company's Diversity and Inclusion Policy (2015) include gender diversity, integration of the LGBTI+ community and people with disabilities, interculturality (nationality/migrants), and generational diversity (age).

The Sustainability and Community Relations Management team in collaboration with the People & Organization department are responsible for reporting once every quarter, when the CEO's Report is presented to the Board of Directors, on the performance of Diversity and Gender management, including any relevant risks.

Diversity and Inclusion Program

This program addresses various barriers that limit the participation of different groups of people, especially those who are less represented in the work setting for cultural reasons. The Company provides information for the following measurements:

- Assessment of Unconscious Bias in Women's Employment, Training Processes, and Career Development in the Energy Industry.
- Best Companies for Young Professionals, by First Job
- Best Companies for Interns, by First Job
- Gender Equality Index (GEI)
- Company recognized for Diversity, Equity, and Inclusion, Ernst & Young's 2021
- Merco Corporate Business Reputation Monitor
- Business Workplace Inclusion Measurement ("MILE" in its Spanish acronym) by the Inclusive Businesses Network ("ReIN" in its Spanish acronym).
- Internal X-Ray by Pride Connection
- Intercultural Company Recognition, by the Intercultural Companies Network

Within the Company's Disabilities pillar, it is worth highlighting that Enel S.p.A. continues to be part of The Valuable 500 list, a global initiative that considers 500 private companies to promote and enhance the value of people with disabilities, in terms of social, economic, and corporate worth. The Group has already included disability in the Board of Directors' agenda, making a public commitment to action. Enel Generación Chile has followed Enel Chile's guidelines, joining The Valuable 500 and identifying gaps that limit the inclusion of people with disabilities in the Company. A dedicated team carried out an experimental journey through processes, from recruitment to workplace integration, identifying the physical, technological, and cultural barriers that need to be eliminated in order to guarantee inclusive and nondiscriminatory opportunities within the Company.

2021 Highlights

Executives-Managers Commitment

The Company has involved top executives in the Disability Plan to assume a greater commitment to the disability agenda, while raising awareness and sensitivity to establish a cultural transformation within the Company. Within this framework, and in the context of Enel's 2021 Talks for Leaders, the talk on "Inclusion as an Opportunity of Value and Creation" involved over 62 leaders.

Infrastructure

The Company is currently adapting its facilities to guarantee universal accessibility and eliminate existing barriers (considering universal accessibility in the design of all future facilities). In this aspect, we highlight the territorial work that has been carried out at the Pehuenche Power Plant, in the Maule Region. Additionally, a diagnosis of the Metropolitan Region has been performed to access useful initial information to create inclusive spaces under a hybrid model.

Risk Prevention PWD (People with Disabilities)

This "Inclusive Emergency Plan" establishes an Inclusive Protocol extensive to all Company subsidiaries and facilities, including an emergency protocol specific to each type of disability. Additionally, a specific emergency protocol is being proposed for each type of disability in order to incorporate them in emergency procedures.

Inclusive Employer

In an effort to attract diverse talent, and specially people with disabilities, the Company has participated in several online inclusive job fairs that have different accessibility tools on their application and interview platforms. They are:

- Expo Inclusion
- 2021 Inclusive Virtual Fair

Enel Generación Chile actively contributes to guaranteeing gender equality by creating specific programs destined to improve parenthood and promote collaborative programs that encourage women's participation in STEM careers. The Company also contributes to the attainment of a positive work-life balance through several initiatives, including Smart Working or working remotely. The Company is greatly concerned with gender equality, which is why it has a specific action plan to increase representation of women at all levels within the organization.

In order to create a medium-term impact that would inspire future professionals to enter the field of energy, Enel Generación Chile participated in "Ingenious: Science and Technology for All". This initiative is aimed at Chilean girls between the ages of 12 and 16, to motivate them and bring them closer to the world of STEM through inspirational talks, robotics, programming, and science workshops, among others.



The Company adheres to the + WOMAN Public-Private Energy Plan that promotes and increases women's participation in the field by encouraging and promoting female leadership. Enel has also joined Equal by 30 for gender equality, a global campaign that is a part of Clean Energy Ministerial (CEM) that aims to achieve gender equality in the clean energy industry. This is one of the programs taken on by the Clean Energy Education and Empowerment (C3E) International Initiative, which fosters policies and programs that promote technology based on clean energy, provides a platform to share lessons learned and good practices, and to accelerate the transition towards a clean energy global economy.

Female Leadership Program

Encourages, develops, and recognizes the leadership skills of our Company's female professionals. In this framework, a strategic plan with three objectives was designed in 2021 and will be in place until 2023. The objectives are to encourage female leadership in Enel Generación Chile; promote female empowerment over their professional development within the Company; increase brand awareness and visibility as a diverse employer that promotes gender equality.

During this period, a group of 12 women from different business lines was selected to participate in a training program aimed at making participants explore their potential and acquire and strengthen the following skills:

- Cross-sectional competences to succeed in competitive environments and cultures
- Self-management and self-development to build personal leadership
- Communication strategies to impact in an assertive way
- Work in highly productive teams
- Strategies to increase visibility in the corporate world and labor market
- Managing complex environments that are typically masculine

People with disabilities

These initiatives seek to eradicate prejudices about people with disabilities in recruitment, training, and career development. The main objective is that all workers perceive they have the same opportunities and are in equal conditions to develop professionally. A procedure was elaborated to incorporate people with disabilities.

The Company's figures related to Labor Inclusion Law 21015, which establishes an inclusion rate of people with disabilities of at least 1%, are as follows:

People with disabilities	2021	2020	2019
Enel Generación Chile and subsidiary	3	5	15

Alliances or Relevant Memberships

Since 2018, Enel Generación Chile's parent company, Enel Chile, is part of Sofa's Inclusive Business Network (ReIN). It is a group of 40 companies that promote workplace inclusion of people with disabilities. During 2021, we worked with *Fundación Avanza Inclusión*, which received the donation in compliance with the Labor Inclusion Law, and Randstad to offer disability awareness workshops for work teams and promote the recruitment of people with disabilities.

The following communication activities were implemented in 2021:

- Ending myths and prejudices about disability
- Workshop "How to identify types of disability and use inclusive language"
- Workshop "Labor Inclusion Law (21015) and disability benefits"
- Workshop "Inclusive Treatment"

Generational Diversity

At Enel Generación Chile, we believe that diversity and inclusion also refer to the importance of collaborating with people from different generations. Young talent and experience play fundamental roles in the organization. The Company carried out various initiatives to reinforce integration without age and gender discrimination, such as, the "My Enel Experience" encounter for young professionals and Enel Generación Chile interns, and the study related to recognizing the Best Companies for Young Professionals, among others.

The internship program involves receiving students all year round in different business lines, including power plants located throughout the country, while maintaining equity among candidates for each internship opening.

Despite the pandemic, between 2020 and 2021, more than 35 interns joined Enel Generación Chile. They were selected using an evaluation model called *Recruiting Day*, which recruits people that have the greatest affinity with the Group's values and culture.

Interculturality/Nationality/Migrants

Enel Generación Chile and its subsidiary promote diversity and inclusion, aspects that also imply the contribution of diverse cultures. In this framework, an organization is

enriched when the perspectives of people with different origins, formations, and cultural baggage come together.

In this regard, the Company has a tutoring program for expatriate workers. The goal of the program is to contribute to cultural inclusion of people from other countries that work at Enel Generación Chile and its subsidiary. The tutoring sessions integrate and orient expats into the new context. It is an informal focal point to learn about the local organization and the new country.

Sexual Diversity

In terms of sexual diversity, in 2021 the Company became part of the Pride Connection network, an organization that works towards the inclusion of people from the LGBTIQ+ community to the workplace.

To make progress on the subject, the Company brought sympathizers together as "A team with pride" a community where the people that work at Enel Generación Chile can share their experience, raise awareness on sexual diversity and carry out initiatives to accelerate cultural change.

In this context, workers have been trained on how to create a more inclusive culture for the LGBTIQ+ community.

The Company has carried out the following communicational campaigns:

- International Zero Discrimination Day
- International Day Against Homophobia, Transphobia and Biphobia
- LGBTIQ+ Pride Day
- Bisexuality Awareness Day

Chilean Legal Framework

Law 20422 establishes norms regarding social inclusion and equal opportunities for people with disabilities;
Law 21015 Workplace Inclusion Law promotes the inclusion of people with disabilities into the workplace;
Law 20609 establishes norms against discrimination.

Equity Policy

In line with the UN's Sustainable Development Goals, specifically with SDG 5, the Company is committed to its Gender Equality Policy.

1. Establishes Rules on Equal Opportunity and Social Inclusion of Persons with Disabilities.
2. Establishes Measures against Discrimination.

Enel Generación Chile revises its worker's wages on a regular basis by evaluating job positions and determining their relative value according to their importance and contribution to the organization's best interest. This methodology allows salaries can be compared objectively with labor market benchmarks and considering gender and equality criteria.

Sexual Harassment and Workplace Harassment Policy

The Company has a Sexual Harassment/Workplace Harassment Policy in place to prevent and manage workplace harassment situations. We are currently working on a communicational campaign to disseminate the policy throughout the Company and strengthen respectful worker conduct.

Enel Generación Chile considers diversity and inclusion to be fundamental for people management, and therefore has a Diversity and Inclusion Policy in place that focuses on gender, the LGBTIQ+ collective, people with disabilities, interculturality, and age diversity. The company promotes a culture of respect for everyone to work in an environment free of harassment.

The Company has always operated according to the fundamental principles of integrity and equal opportunities and now has added diversity, inclusion, and human resource development. These elements are key sustainability drivers that are integrated into Company operations and the services provided to customers. Enel Generación Chile will continue to promote these principles, focusing on its stakeholders and contributing to a more inclusive society.

The Sustainability and Community Relations Office collaborates with People & Organizations Department to report on diversity and gender management and relevant risks in the quarterly report presented by the CEO and his executive team to the Board of Directors.

Right to Unionize and Collective Bargaining

Collective contracts are prepared considering the following guidelines:

- Respect and protect freedom of association and the right to unionize (OIT C87).
- Respect the right to collective bargaining (OIT C98).
- Respect and protect workers' representatives (OIT C135)
- Prevent worker discrimination



- Local labor legislation
- Guarantee union rights at the workplace

The measures in place to inform workers on their union rights are implemented by union leaders or People & Organization personnel. In the event of an infringement of workers' or union rights, reports are received through the ethical channel and other means, such as emails and letters, having complete confidentiality and processed according to internal procedures.

The Company offers fair and favorable conditions to its workers through contracts and collective instruments elaborated through collective negotiation processes between the Company and unions, in line with current legislation. This contributes to responsible worker conditions management.

For Enel Generación Chile and its subsidiary, collective negotiation is an instrument that has been validated by both sides and has facilitated collaborative efforts. It enhances the organization's positive social impact, which manifests the promotion of best practices such as freedom of association and fair wages.

In 2021, 78% of workers were unionized. Enel Generación Chile's workers have the right to associate collectively and can join one of the many unions in the Company and its subsidiary.

% Unionized	2021
Enel Generación Chile and subsidiary	78% ⁽¹⁾

(1) Includes staff areas

Relocating people from coal fired power plants

Enel Generación Chile believes decarbonization is fundamental to the energy transition. The Company has taken on the challenge in a holistic way, integrating technological developments in the transition process for workers, contractors, suppliers, and communities.

People management has played a very relevant part in this "Fair Transition" process and has elaborated a specific program for workers from Units I and II of the Bocamina Power Plant.

As part of the relocation program that began in 2019, during 2020 and 2021 we were able to relocate 31 out of 43 people from the coal fired Tarapacá Power Plant and 17 out of 28 people from the coal fired Bocamina Power Plant that were both shut down.

The process of shutting down the Company's entire coal fired power plant operations is scheduled to end on May 31, 2022, when Bocamina II is to be disconnected from the electricity system.

During 2021, we maintained constant communication with unions and workers to reach our goal to offer job opportunities to Bocamina II workers by March 31, 2022. According to the program, the Company has committed to provide internal job alternatives to 100% of Enel Generación Chile's workers.

Voluntary Early Retirement Program

Several talks were held as part of the Voluntary Early Retirement Program, which prepares people to face retirement in terms of healthcare and insurance, but also emotionally. These talks focused on people that decided to leave the Company and the teams they worked with..

Health and Safety

Enel Generación Chile believes health, safety, and physical and psychological wellbeing are people's most valuable assets and must be protected at all times- at home, at work, at play. The Company is therefore committed to providing a solid safety culture throughout its operations to guarantee a workplace free of health and safety risks.

The goal is to raise awareness of risks and promote responsible behavior to guarantee that activities are carried out at high quality standards and without injuries. Enel Generación Chile also involves contractors in the development of training and communication programs: each person must feel responsible for their own health and safety, as well as other people's safety. Integrating safety in processes and in training and communication activities, having a diligent contractor selection and management system performing quality controls, exchanging experiences, and comparative evaluation are all fundamental elements of the Company's safety culture.

An important milestone for 2021 was the creation of Enel Generación Chile HSEQ (Health, Safety, Environment & Quality). It focuses on implementing a strategy based on integrating and optimizing health and safety processes; proposing and implementing safety improvements for safety issues that arise in contract management; and implementing Emergency Management (strategies and policies defined by the Group to manage emergencies that affect the work force).

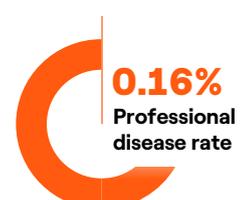
Enel Generación Chile has Joint Committees and a Psychosocial and Workplace Risk Committee which represent all workers and are focused on promoting the



Company's safety culture, carrying out inspections, and investigating when necessary. The Workplace Order, Safety, and Hygiene Rules are also in place. The Company has received ISO 45001 certification: "System of Workplace Health & Safety Management - Requirements and Guidelines".

Additionally, committees were formed to follow up on initiatives and projects related to worker's health and safety, with the participation of the People and Organization Department.

(*) These indices refer to workers hired directly by Enel Generación Chile and its subsidiary.





This year has been challenging in terms of health management because of the COVID-19 pandemic. It drastically changed the way people work and relate to each other. The Company has had to adapt to maintain operational continuity of the basic service it provides to the community. Protocols have been put in place to make necessary adjustments, such as, the Global Policy LP1031 “Coronavirus operational and emergency indications for Enel Group” and the Access Control operational instructions IO3420, among many others.

Stop Work Policy

The Policy requires people who work at Enel Generación Chile to stop working and intervene if risks were to arise affecting their own health and safety and the environment. In 2021, the policy was made extensive to contractors, and training sessions were carried out.

Outstanding programs for workers

ECoS Program (Extra Checking on Site):

Seven analysis clusters are used to identify good practices, improvement opportunities, and establish action plans to close gaps. During the evaluation, findings are brought to light and action plans are established to close gaps. In 2021, three ECoS were held online and in person (San Isidro, Finis Terrae Extension, Cerro Pabellón Tres).

Safety Moving Pool:

Professional growth program focused on improving health and safety of workers and contractors of generation power plants.

Contractors

Working with contractors is a relevant element of our health and safety strategy, which is why we integrate health and safety issues in the terms and conditions of tenders and use the *Supplier Performance Management (SPM)* tool to continually monitor and measure their performance.

Outstanding programs for contractors

Contractor Safety Index (CSI)

Index that classifies contractors based on their safety performance, considering number and severity of accidents.

Supplier Safety Assessment (SSA)

Audits suppliers' facilities and is performed during the qualification process of new suppliers or when critical events occur while the contract is in effect.

Contractor Safety Assessment (CSA)

Evaluates high risk contractors' compliance with the occupational health and safety management system. The process is carried out through the WeBuy platform, where several areas interact to perform a balanced and uniform assessment.

Enel Index Program (Asbestos)

Global methodology to mathematically calculate if an area or place has asbestos that should be managed.

Digital Work Permit in SAP E4E

Project to digitally manage work permits on the SAP E4E platform.

Community Relations

Involving local communities

The energy sector experienced significant change in 2021. The national energy matrix has been undergoing a decarbonization process while transitioning towards new renewable energy sources, while aiming to be fair and inclusive with workers and the environment. The Company has been working on implementing these fundamental changes while the country and the entire world is still fighting the global COVID-19 pandemic, working to reactivate the economy and resume the path towards sustainability. Electricity supply has been a fundamental part of this process. It has played a key role during the most difficult phases of the pandemic, when service continuity has been vital for homes, small and medium sized companies, and industries. Enel Generación Chile has also promoted the transition towards a circular economy to balance nature, society, and the economy.

The Company is eagerly working towards decarbonizing its matrix and fulfilling its commitments with the city of Coronel and its population, at the wake of the expected closure of Bocamina II power plant in May 2022¹, and focusing on a fair transition process with workers, communities, and the environment.

Enel Generación Chile's puts people and communities in Chile at the core of its Sustainability plan to respond to the main economic, social, and environmental problems while strengthening resilience and empowering local communities.

Enel Generación Chile and its subsidiary are present throughout the country, collaborating with communities, social organizations, and municipalities. The Company manages community relations through the teams present throughout the country, dedicated to understanding local

needs and identifying where such needs align with the Company's corporate strategy, and simultaneously ensure social sustainability of the Company's activities.

To identify and define sustainability actions, the Company first studies the national context by analyzing Multidimensional Poverty, Energy Poverty, the climate crisis, and the UN's SDGs. Enel Generación Chile has implemented a Creating Shared Value (CSV) model throughout the value chain and asset life cycle, incorporating a comprehensive understanding of geographic, cultural, economic, and social aspects, among others. This strategy examines each territory's specific needs and priorities with analytical tools and planning methods in an inclusive and collaborative way, promoting respect for human rights and developing joint actions that respond to local priorities.

Collaborating to Build Sustainable Progress

Communities must play a crucial role in the fair energy transition and therefore must have equitable access to knowledge and tools to participate. Enel Generación Chile's sustainability plan focuses on people and communities, orienting its actions towards the country's main economic, social, and environmental gaps, emphasizing resilience and empowering local communities. Enel Generación Chile aligns this work with three ESG goals that directly relate to the Company's line of work and the needs of surrounding communities.

The following section presents the main advances made in terms of ESG 4, 7, and 8, which guide Enel Generación Chile's Sustainability actions.

1. Subject to change if instructed by the Government in the event of a force majeure situation



Local communities



High quality, inclusive, and fair education

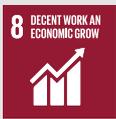
2021¹

41,000
Beneficiaries



Access to clean and affordable energy

19,000
Beneficiaries



Sustainable and inclusive employment and economic growth

269,000
Beneficiaries

1. 1 Cumulative figures since 2015

Creating Shared Value (CSV)

Understanding geographic, cultural, economic, social, and other types of diversity throughout the territory, Enel Generación Chile has implemented a model to create shared value throughout the value chain and life cycle of assets. Through its analytical and planification tools, it delves into the specific needs and priorities of each territory. This is carried out in an inclusive and participatory way that promotes respect for human rights and enables collaborations between interest groups to develop actions that respond to local priorities.

Education for Sustainable Development (SDG 4)

Enel Generación Chile firmly believes that education is the most relevant driver of sustainable development, both on the individual and collective level, which is why it has given communities access to financing, tools, and content that

enable young people to work towards fulfilling their life projects.

During 2021, 526 scholarships were granted to young people from indigenous communities in Alto Biobío, of which 68% were women. The Huinay Summer School initiative by Fundación Huinay and the first Climate Change diploma for teachers are other examples of educational initiatives carried out by the Company. During the 2015–2021 period, more than 41 thousand people participated in Enel Generación Chile's educational program.

Additionally, during 2021 an important milestone was reached in terms of the Company's commitment to the Pehuenche families in Alto Biobío. The design of the Quepuca Ralco School project, elaborated alongside local communities and salvaging their cultural identity, was allocated and construction is set to begin during the first months of 2022.

Energy – Access, Quality and Equity (SDG 7)



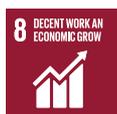
Enel Generación Chile is focused on working towards reducing the gaps in the three dimensions of Energy Poverty- access, quality, and equity.

Construction of the rural electrification project in the high basin of the Maule River was finalized during the first trimester of 2021. The Company will provide energy for 76 families in the Las Garzas, El Médano, and Curillín communities in San Clemente County. Alongside NGO Egea, we have been collaborating with communities to develop a community management model of the energy system based on the creation of an Energy Cooperative.

Additionally, during 2021 we continued to work on important energy efficiency projects in Quintero, Quillota, San Clemente, and Colbún. This included changing and installing over 380 LED luminaries and autonomous light poles that increase safety in the surrounding area with over 2000 people. We also gave the Quintero Hospital their first electric vehicle and its own electric charging station, increasing the availability of electric mobility.

In this line of work, Enel Generación Chile has involved over 19 thousand people during the 2015–2021 period.

Local Economic Development and Green Jobs (SDG 8)



One of the Company's priorities in 2021 has been collaborating with communities, authorities, private enterprises, and civil society to boost economic recovery, particularly supporting entrepreneurs. This has involved skills and technology training to boost communities' work quality and granting seed capital to strengthen their economic activity to nearly 840 entrepreneurs throughout the country.

Funds for the development of artisanal fishing in Coronel are intended to strengthen active entrepreneurs in the small-scale fishing industry and collaborate with the productive reconversion towards other areas of the local economy. It has financed 1312 projects since it was launched in 2020. Additionally, this year the start-ups that emerged from the San Clemente Ecotechnology training program were included as suppliers, considering that home repairs associated to the resettlement process of the construction of the Bocamina power plant are currently underway in Maule

region. They elaborate their products with waste material from Los Cóndores Hydroelectric Power Plant, which is being built in the same county.

In the Alto Biobío, Santa Bárbara, and Lonquimay Counties we have continued to work on development plans alongside nine Pehuenche communities, holding round-table discussions with each one of them. We have collaborated with communities, technical agencies, and Enel Generación Chile's local experts to strengthen and increase productive activities within the community, whether it be through knowledge, skills, infrastructure, or technologies. Through this initiative, we have improved the economic activity of over 1000 people, whose business lines include farming vegetables and crops, apiculture, preserves, small livestock, and tourism.

The collaboration with the "We Kimun" Pehuenche Agricultural Cooperative, Enel Generación Chile, the Lonquimay Municipality, and Sercotec seeks to reclaim traditional potato farming by incorporating technology and infrastructure. These initiatives received first place in the Good Practices for a Sustainable Future contest of the Chilean generation company trade association, Asociación de Generadores de Chile.

The Company has involved more than 269 thousand people during the 2015–2021 period, in line with its commitment to SDG 8.

Climate Change and Preserving Natural Resources (SDG 6/13/15)



In this line of work, Enel Generación Chile hopes to contribute to the largest challenge currently faced by society: climate change.

Since 2015, the Company has collaborated with Universidad de Talca's Agroclimatology and Irrigation Research and Transfer Center ("CITRA" in its Spanish acronym) in a water management project that broadens awareness of water consumption in agriculture by adopting irrigation techniques and technologies. This project is set in the Maule Region, one of the regions in the country with the greatest forestry, agriculture, and livestock industries. Since it began, the program and its Irrigation System Demo in the San Clemente Entre Ríos School have become a training platform for over 1500 people, including small and medium sized farmers and school communities. The program has saved up to 47% of water usage in some crops, while increasing its production by 40%. Projections estimate



that if farmers who have participated in the program were to adopt these techniques, roughly 15 million m³ of water could be saved annually. To date, the program has five meteorological stations that cover nearly the entire agricultural area of San Clemente County. Furthermore, an agroclimatic study of the area has been published, providing the Municipality and farmers with evidence for their decision-making processes regarding climate-crisis adaptation measures.

Two lagoons and a canyon were identified as key conservation spots that determine the basin's long-term sustainability. Territorial conservation plans will be designed for them. Additionally, an ecosystem study was carried out in La Escuadra and Pehuenche lands to identify and value the services available in these areas and define management plans that guarantee resource sustainability.

Affiliation to trade associations, and other organizations

Enel Generación Chile believes institutional relations are especially important to strengthen legislative, political, regulatory, and/or administrative knowledge that can affect

activities, interests, and relationships with stakeholders. They also provide information about the market and expand the Company's sphere of influence.

Enel Generación Chile, as part of Enel Chile, aims to maintain a fluid and constant relationship with civil society and authorities, under a legal framework that guarantees transparency and probity while promoting the country's sustainable growth.

During 2021, the Company and its subsidiary continued to participate in several trade and business associations.

Participation in Associations¹

- Asociación Gremial de Generadoras
- Sociedad de Fomento Fabril (Sofofa)
- Corporación del Desarrollo de las Comunidades de Puchuncaví y Quintero
- Asociación de Empresas de la Quinta Región (Asiva)
- Cámara de la Producción y del Comercio de Concepción
- Junta de Adelanto del Maule (JAM)
- Asociación de Industriales del Centro Región del Maule (Asicent)

1. Spanish acronyms are presented in parentheses.



Supplier management and qualification

A sustainable and resilient supply chain is essential in delivering affordable, renewable, reliable, safe, and high-quality energy.

In addition to complying with certain quality standards, the services provided by suppliers and contractors must also comply with best practices in terms of human rights, working conditions, health and safety, environmental responsibility, and ethics. The Company's procurement procedures are designed to guarantee service quality while abiding by the principles of economics, efficacy, opportunity, equity, and transparency.

Enel Generación Chile encourages its suppliers to engage in sustainable practices by supporting improvements in transparency and competence. This will allow quantifying the impact throughout the life cycle of supplies and services, as well as future collaboration to reduce their impact.

The Company has developed and implemented a Sustainable Supply Chain model that includes extending circular economy and digital innovation principles, and the willingness to share values and objectives with suppliers and contractors, so that they make them their own as well. Thus, the Company can receive value propositions that further the development of innovative processes that strengthen the integration and communication among stakeholders, in line with the Group's Open Power vision.





Circular Economy

For Enel Generación Chile, a circular economy is a business model that generates competitiveness by combining innovation and sustainability. Accordingly, the

Company has adopted a Circular Procurement Strategy, centered on having suppliers themselves acquire goods and services that reduce environmental impact and waste throughout their life cycle, and are thus in line with the Group's principles.

Economía circular



Supplier management involves three essential stages that include social, environmental, and governance aspects:

Supplier Qualification System

The Company integrates sustainability into its supply chain and monitors it from its inception using the Global Supplier Qualification System. This system not only evaluates technical, economic, financial, and legal criteria, but also evaluates the following factors: human rights and corporate ethics, health and safety, environmental impact, integrity, and reputation. All these aspects are analyzed at different levels depending on the risk the service represents for each business line.

This system guarantees a careful assessment and selection of companies that wish to participate in the contracting process and rewards suppliers that are committed to improving their sustainability processes, in addition to ensuring necessary quality standards. .

Suppliers qualified according to sustainability criteria

At yearend 2021, Enel Chile Group had 919 qualified suppliers (816 domestic and 103 foreign) and 100% of them were evaluated using sustainability criteria. Of the total number of contracts awarded, 97% were qualified suppliers. Enel Generación Chile's supplier management activities are performed by its parent company, Enel Chile.



Tender and contracting Process

In abiding with the commitment to introduce sustainability factors into bidding processes, the “K Sustainability Factor” was introduced into the bid evaluation process, which relates to requirements regarding social, environmental, health, safety, and circular economy factors.

Once the minimum technical requirements of the tender process are fulfilled, the supplier process decision considers a weighted mix of the economic offer and the “K Sustainability Factor”. Adding these factors into a bid could improve the supplier’s final standing in the selection ranking.

In addition, specific contractual sustainability clauses are expected to be included in all works, services, and

procurement contracts, including the respect, defense, and protection of human rights and compliance with ethical and social obligations. .

Supplier Performance Management (SPM)

The SPM system allows monitoring a supplier’s performance in real-time according to measurement and observation criteria, which include product or service quality, timeliness, safety, environment, human rights, innovation, and collaboration. Periodically evaluating supplier performance makes it possible to acknowledge those that perform at a high level or request mitigation plans from those that may perform below the standard. The latter is achieved through Consequence Management, which aims to support and motivate suppliers that have received an unsatisfactory



qualification through a letter that communicates the unconformities and prompts corrective action.

Subcontracting Policy

Enel S.p.A. defines subcontracting policies through a procedure that defines subcontracting management guidelines, which Enel Generación Chile adheres to and implements while complying with applicable local legislation. Should a conflict arise, what is mandatory by law will prevail over more restrictive norms. The principles of integrity, transparency, and compliance are to be respected, as stipulated in the Code of Ethics, the Zero Tolerance for Corruption Plan, the Human Rights Policy, and the Compliance Program; to ensure adequate traceability of the main phases of the process and abide by the external and internal norms in matters of health and social and occupational safety.

In addition to the correct performance of their duties, Enel Generación Chile expects all its contractors and subcontractors to faithfully comply with all labor and social security obligations stipulated in the Labor Code, as well as provisions established by Law 20123 that regulates labor under the Subcontracting and Temporary Services Regime in particular.

The Company also expects its contractors to have processes in place to ensure its employees have a proper work environment to develop the competencies and skills required to correctly execute the services they provide. To

Supplier Concentration

The Company's main suppliers are those related to the purchase of electricity, its transportation, fuel and fixed assets. GNL Chile S.A. concentrated more than 10% of the Company's purchases in 2021.

this end, control activities, which are defined in Operating Instructions, are carried out in all areas, worksites, services, projects, or works that include the following characteristics:

- Destined to the development of operations or the business.
- Services that extend for more than 30 days.
- When the works and/or services to be performed or provided by the respective contractor or subcontractor are carried out on a permanent or regular basis.

Supplier payment policy

Enel Generación Chile and its subsidiary rely on a payment policy that covers domestic and foreign suppliers that provide goods and/or services to Group companies and abides by Law 19983 that "Regulates Transfers and Grants Executive Merit to an Invoice Copy" and Law 21131, also known as "30-day Payment Law". This policy excludes documents that, due to their nature, require different payment terms than the ones set by the policy in general, which includes fuel, import rights and customs, debt service, and financial expenses. Documents related to spot market electricity purchases, capacity, tolls, transmission, and everything related to moving power, follow specific payment rules to comply with energy market regulation.

Tax documents and non-tax documents related to financial obligation payments must follow the Group's "Document Reception Policy" to be appropriately registered by the Administrative Services Center.





6 Corporate Governance Report

Board of Directors Effectiveness

The Board of Directors defines the Company's strategy, oversees its implementation, and establishes the governance that better adjusts to the business and the achievement of its corporate purpose.

Board of Directors

The Company is committed to contributing to and working for the sustainable development of neighboring communities.

Board of Directors Experience and Diversity

Enel Generación Chile is committed to ensure and promote diversity.





Corporate Governance Report

The Company is committed to and working for the sustainable development of the countries and neighboring communities of its operating facilities seeking to contribute to a more inclusive and resilient society. The Board of Directors is the body in charge of managing the Company to achieve this objective and implementing international corporate governance best practices to increase management and decision-making efficiency and effectiveness. The following are the highlights:

Board of Directors Effectiveness

Commitment to transparency

Ethics and transparency are fundamental values for Enel Generación Chile and represent the foundation of its Code of Ethics. This document presents the ethical commitments and responsibilities of Enel Generación Chile people regarding business management and all corporate activities.

Acting in good faith and placing public interest ahead of self-interest are nonnegotiable values that constitute part of the essence of Enel Generación Chile's [Manual on Handling Information of Market Interest](#), which is also inspired on transparency, care and diligence when using

information and operating in the market. Enel Generación Chile uses the Manual to manage classified information and disclose information to the market, paying special attention on insider information. This guide is used to preserve the confidentiality of classified information, and also ensure that business information being disclosed is correct, exhaustive, appropriate, opportune, and unbiased. The Company has rigorous procedures in place that are consistent with current regulation and also best practices for collaborators to deal with classified information to guarantee maximum transparency.

Managing risk

Risk is inherent to any business, its strategy and day to day operations. Therefore, the risks the Company is exposed to must be managed, geared and mitigated.

Risk control and management is a component of Corporate Governance and therefore, it must be included in the Company's strategic plans to be managed effectively. The conditions that may impact the achievement of our

business objectives must be identified and analyzed. The probabilities of occurrence must be estimated numerically, and the consequences must be quantified to determine the necessary actions that must be taken to increase the certainty on reaching goals.

Enel Generación Chile's risk management framework is designed to manage and mitigate those



The Board of Directors monitors and controls emerging risks that may affect future financial results.

Risk Control function

The risk control function is integrated in the Company's organizational structure. It is the function responsible for verifying compliance with the Company's Risk Policy. Each business line and corporate unit is a Risk Owner and performs risk management functions. They are responsible for leading risk management activities of their competence and must implement the risk controls required to comply with the guidelines and limits defined by the Risk Control Department.

Meetings with the risk control department

The Board of Directors meets with the Risk Control department quarterly to review main strategic risks, main sources of risks, and methods available to detect new risks, as well as the probability of occurrence of the most relevant risks and their impact on the Company's operations and financial results. The Risk Control department's recommendations, improvement suggestions and contingency plans designed to address critical events including Board continuity in crisis situations, are analyzed during the meetings. The Chief Executive Officer also attends these meetings.

The main strategic risks were presented to the Board of Directors in 2021 to be reviewed and analyzed and to provide a detailed view of current risk management practices and the risk environment. Given the close relationship between the Company's purpose, the energy transition, and the

impact and risks related to climate change, these subject are all included in risk control management and reviewed by the Board.

Enel Generación Chile Risk Control and Management Policy

This Policy consists of a set of decisions that the Company has considered acceptable considering the risks inherent to its business activities. It also includes the actions considered appropriate to manage and monitor such risks. This Policy involves all Company executives and employees, regardless of the nature of their job position and is adopted by all companies that are either directly or indirectly wholly owned by Enel Generación Chile. It is a set of decisions to determine the acceptable level of risk inherent to the Company's business. The ordinary course of business must be addressed and also the measures required to properly manage, monitor, and control such risks.

The Risk Control department must inform the Board of Directors on the Company's main strategic risks at least once a year, which includes direct risks as well as indirect risks. This includes commodity, financial, credit and counterparty, regulatory, fiscal, legal, sustainability, climate change, and cybersecurity risks among other economic, social, and environmental risks. The Risk Control function is integrated in the Company's organizational hierarchy.

Ethical principles and integrity culture

Enel Generación Chile is inspired by transparency and integrity principles that result from the promotion of an



ethical and integrity culture throughout the Company.

The Company creates shared and sustainable value for all stakeholders by innovating and thriving for excellence throughout the value chain of its business.

The Code of Ethics is built upon general principles regarding stakeholder relations, which define the benchmark for the Company's activities, and the conduct criteria when relating to each type of stakeholder. It also describes the Code of Ethics compliance control system and continuous improvement mechanisms. The document is applicable in every country in which the Company has operations, regardless of cultural, social and economic diversity in such countries.

The Company's Compliance System, among other things, ensures that the Law, Bylaws and good administration principles are followed and respected.

Meetings with the Internal Audit Department

Pursuant to numeral 1.f) of NCG 385, the Board of Directors must at least meet with the Internal Audit Department on a quarterly basis to analyze: (i) the Annual Audit Plan; (ii) potential significant deficiencies and irregular situations that must be disclosed to the respective oversight bodies or authority; (iii) recommendations and improvements that, in its opinion, should be implemented to minimize irregularities or fraud, and (iv) the effectiveness of the Company's Crime Prevention Model, the performance of the Head of the Crime Prevention Department, the activities carried out during the period and those that will be executed over the following months. The Chief Executive Officer of the Company is to attend these meetings.

Topics discussed in 2021:

- The results of the 2020 Internal Audit Plan;
- 2021 Internal Audit Plan;
- Internal Audit Risk Map;
- Significant deficiencies detected, if any, and any unusual situation that, given its nature, must be informed to respective oversight body or authority;
- Recommendations and improvements that, in its opinion, should be implemented to minimize irregularities or fraud and the effectiveness of the Company's crime prevention model.

Meetings with external auditors

The Board of Directors meets with external auditors on a quarterly basis to review topics related to the Audit Plan and other matters, as approved by the Board of Directors' Meeting held on September 28, 2015, and effective in 2017, in compliance with the voluntary measure included in CMF's NCG 385. The Chief Executive Officer of the Company is to attend these meetings to review the following, among others matters:

- Accounting practices, administrative system and internal auditing differences detected by the audit, if any;
- Significant deficiencies detected and irregular situations that must be disclosed to the respective oversight bodies, if any;
- Annual Audit Plan results;
- Conflicts of interest that may exist with the external audit firm or its staff regarding other services provided to the Company or to other companies within the Group and other audit related or staff related situations regarding other services provided to the Company, and any other situation.

Board of Directors monitoring and control of environmental and social issues

The Board of Directors defines the framework that governs stakeholder relations. The Company places stakeholders at the center of its sustainable business model and therefore has established a methodology to identify its stakeholders and their priorities. The Board of Directors is to regularly review sustainability priorities, which is proof of the Company's commitment to the energy transition. Stakeholder priorities include health and safety, risks and opportunities that emerge from the impact of climate change and progress on the Company's diversity and inclusion agenda.

Enel Generación Chile performs a materiality analysis of its stakeholders every year, which is described in the Materiality section of this Annual Report. It is approved by the Board of Directors and presented to the Ordinary Shareholders' Meeting to be ratified and then submitted to the regulatory body.

The Company relies on a procedure detailed in the Investor Relations Policy regarding shareholder and stakeholder relations¹. Enel Generación Chile also has an Investor Relations Department in charge of addressing the questions and concerns of all shareholders, bondholders, risk rating agencies and financial community in general.



Meetings with the Sustainability Department

Enel Generación Chile agreed to voluntarily have quarterly meetings² with the Sustainability Department, as suggested by the voluntary practice established in CMF NCG 385 numeral g). Consequently, the Sustainability Department reports to the Board of Directors quarterly and the Chief Executive Officer of Enel Generación Chile is to attend such meetings.

The following was reported in 2021:

- The effectiveness of the policies approved by the Board of Directors to disseminate the benefits of diversity and inclusion throughout the Company and to shareholders and general public.
- The organizational, social and cultural barriers that may be interfering with natural diversity that would have emerged without such barriers.
- The usefulness and acceptance of the sustainability reports made available to the Company's relevant stakeholders.
- The social responsibility and sustainable development policies the Company has adopted.
- The Company's relevant stakeholders and why they are considered relevant stakeholders.
- Relevant Company risks, including sustainability risks, and the source of such risks.
- The social responsibility and sustainable development indices monitored by the Company
- Sustainability indices goals, and performance.

1. The Board of Directors Meeting held September 21, 2020, agreed to approve a procedure to carry out Shareholders' Meetings virtually.
 2. Approved by the Board of Directors' Meeting held August 29, 2019.



Commitment to People

Enel Generación Chile's Code of Ethics guarantees equal opportunities and non-arbitrary discrimination when it comes to people management and appreciates each person's unique contribution to the Company. Just like in the selection process, evaluations are carried out in a broad manner, including supervisors, the People & Organization department, and whenever possible, those who have had a relationship with the person being evaluated.

The Company promotes the principles of diversity, inclusion and equal opportunities, fostering a work environment where people are treated equally, and individual dignities are respected. Enel Generación Chile is committed to protecting physical and psychological integrity and each person's individuality, opposing any form of arbitrary discrimination regarding gender, age, disability, nationality, sexual orientation, ethnicity, religion, political opinions or any other form of individual diversity or behavior that could be harmful to others because of their convictions or preferences. There is a no tolerance policy for any form of physical, verbal, visual and psychological abuse that creates a hostile, humiliating, intimidating, offensive or insecure environment. The workplace is a place for work related activities.

The Board of Directors monitors people management and hence approved the Diversity Policy that establishes formal procedures to inform the public on the Company's policies

regarding diversity and inclusion. Key indicators on these matters have been defined and included in the Sustainability Report that is presented to the Board of Directors quarterly, which considers gender and disability inclusion parameters.

The Company also participates in a cross-sectional program that includes all business lines and subsidiaries to identify barriers and integration plans. This initiative is a result of Enel S.p.A. adherence to the Valuable 500 program, a coalition of companies that seek to eliminate entry barriers faced by people with disabilities.

Enel Generación Chile has adopted Enel S.p.A. [Human Rights Policy](#) that is based on twelve principles: Work practices; Community and Society, the Company commits to reject forced labor and child labor; Respect diversity and non-discrimination; Freedom of assembly and collective negotiation; Health, safety and wellbeing; and Fair and favorable work conditions.

The Board of Directors also agreed on the implementation of training programs to identify and train new talents from among Company professionals to be carried out by the Organizations and People Management department. The goal is to develop skills, knowledge, and experience among our workers, while encouraging leadership.

Assessment of Board of Director Effectiveness

The Board of Directors has a continuous improvement process in place that includes a self-assessment and an independent third-party review. The Company hires an external expert to detect and implement potential Board improvements based on the practices recommended by NCG 385.

Self-assessment Process Report

The methodology used to prepare the self-assessment report includes interviewing board members, the CEO, Legal Counsel, the Internal Audit Officer and the Company's external auditors regarding Board performance, the preparation of meetings and the debates that take place during meetings, among other relevant aspects.

Board of Directors Self-assessment

The self-assessment of the Board is performed annually. In 2021, the self-assessment was reviewed and validated by the certification company *Programas de Cumplimiento BH Compliance Limitada*. The people or team that performed the certification process satisfied the requirements to perform such task, that is, have five years of experience in process assessment, control effectiveness and have carried out more than 100 criminal risk prevention model certifications in Chile and abroad. *BH Compliance* has been in the Santiago Stock Exchange Registry since June 2016. The independent review was also performed by *BH Compliance Limitada*. The results of this assessment are used to define training program for the following year.

Board of Directors' Advisors

When one or more Board members request hiring an expert adviser, the selection process is performed respecting Board voting quorums. When selecting an adviser, knowledge of the industry and the subject, and market reputation, among others, are taken into

Board of Directors Training

Enel Chile has adequate Corporate Governance practices in place to ensure that board members get the training they need to deal with weaknesses, including organizational, social and cultural barriers that may interfere with the Board's diverse abilities, visions, characteristics and conditions that would have emerged without such barriers.

Board of Directors' Continuous Training and Improvement Procedure

This procedure seeks to establish the mechanisms for Board members to receive ongoing and effective training and promote continuous improvement. The Company believes that Board members must be encouraged to further their development and update their knowledge to perform their duties correctly and detect and implement potential organizational improvements. The training program covers all subjects that may provide the knowledge and skills needed to carry out Board member responsibilities, accomplish Board objectives, and allow identifying board member's weak areas that need improvement. Board members receive training on regulatory and organizational changes and other subjects that may affect the Company's business and the market in general.

[Continuous Training Program and Calendar](#)

The content and calendar of the board member continuous improvement and ongoing training program is approved by the Board of Directors on a yearly basis, taking any suggestions made by the CEO and department managers into consideration. Board members receive training on subjects such as, among others:

- Long term energy industry trends;
- Relevant market analysis and related issues;

consideration. All the aforementioned in compliance with the provisions of Article 43 of the Corporations Law ("LSA" in its Spanish acronym) and article 80 of LSA rules and regulations. If an external adviser were to be a related party of the Company, the provisions of title XVI of LSA are strictly respected as well.

- Strategic economic analysis of main competitors;
- Main risks, and the main tools to manage them, including sustainability, among others;
- Applicable accounting standards;
- Legal and regulatory changes;
- Rulings, penalties and other relevant announcements made by the authorities over the last year in the domestic and international scenario related to care, confidentiality, loyalty, diligence and information;
- Corporate governance practices including those adopted by other entities locally and internationally;
- Most important progress in terms of inclusion, diversity and sustainability reports over the past year;
- Conflicts of interest and how they may be prevented or solved in the Company's best interest;
- Corporate organizational structure;
- Other topics that may be suggested from time to time by board members or Company officers.

The training program may include (i) visiting the main power plants of the Company's subsidiary allowing Directors to deepen their technical knowledge of the business; and (ii) external training.

Continuous Training and Improvement Program and Calendar Approval Procedure

Every December, after previously consulting with the Chairman of the Board, the CEO presents a series of training activities for the next twelve months to the Board of Directors. The calendar of training activities may be adjusted according to social events and content may be modified to include topics that are relevant to the Company. The Board of Directors or Company department managers may also request hiring external experts to cover certain topics of the Board's continuous training and improvement program.



	Modality	Activity	Description
January of 2021	Monographic Session	Data Protection	60-minute talk/ Enel Chile Internal Audit
March of 2021		Updates of Law 20393 on Criminal Liability of Legal Entities	60-minute talk/ External Expert
September of 2021		Structural reforms in Chile (retirement, labor market, etc.)	60-minute talk/ In-house Expert
October of 2021		Circular Economy	60-minute talk/ External Expert
November of 2021		Electric Mobility Trends	60-minute talk/ In-house Expert

New Board member induction process

Enel Generación Chile realizes that an appropriate new board member induction process must provide the adequate tools for their effective and informed participation. To accomplish this goal, the Company has implemented a [New Board Member Induction Procedure](#) that establishes the main documents that should be given to incoming directors regarding the Company's business, strategies and risks providing access to comprehensive information on the Company. The induction process also considers a series of meetings with the Chairman of the Board and the different department officers in which the business, the mission, vision, strategy, and Code of ethics are explained. The new board member may ask questions and request additional information deemed necessary during such meetings.

Documents delivered to new board members

New board members have access to the Company Bylaws, Board meeting minutes for the last two years; significant events, annual reports, sustainability reports, audited financial statements and quarterly financial statements, risk reports,

human rights policy, among others. The documentation includes comprehensive, and not just relevant information regarding the Company's business, strategies and risks. The new board member also receives a copy of current laws and regulations applicable to the Company's business, including the Corporations Law 18,046 and the Securities Market Law 18,045. Company manuals, policies and other rules adopted internally are also provided, such as, but not limited to, the Manual on Handling Information of Interest to the Market, the Code of Ethics and the Zero Tolerance for Corruption Plan.

Meetings

The induction process for new board members also considers a series of meetings with the Chairman of the Board and the different department officers in which the business and the relevant topics for each department officer are explained. The new director may ask questions and request additional information deemed necessary during such meetings. As established by the induction procedure, during the meetings with the Chairman of the Board and

the different department officers, the mission, vision, and Company strategy are also presented to the new board members. They also receive information on the Human Rights Policy, Sustainability Reports, and documents that present the Company's values and principles, such as, the Inclusion and Diversity Policy, the Code of Ethics and the Zero Tolerance for Corruption Plan.

Board members' duty of care and confidentiality

Directors are informed of their responsibilities and also receive a copy of the Corporations Law and its rules and regulations and other internal documents with the legal provisions that govern the duties and responsibilities of

a publicly traded corporation. As established by the New Board Member Induction Procedure, they also receive information on the most relevant rulings, sanctions, and pronouncements. They receive Board meeting minutes for the last two years so that they are aware of Board agreements and avoid any biases or incomplete information regarding such agreements. The Manual on Handling Information of Interest to the Market and the Code of Ethics include the Boards' definition of conflict of interest, which considers the legal rules and provisions set forth by the CMF. The New Board Member Induction Procedure also refers to the actions to be taken when facing a conflict-of-interest situation.

Board Meeting Attendance

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

The Company Bylaws establish the frequency of ordinary Board meetings. There are no specific rules regarding the length of meetings or the amount of time a director must dedicate to its duties. This is because according to the LSA, board members' dedication to their duties and responsibilities is governed by the care and diligence standard applicable to the business, making directors jointly liable for any action, either intentional or due to negligence that damages the Company and its shareholders.

The Board of Directors Policy requires the Company's administration to provide Board members with the information they need regarding the subjects to be addressed at every meeting at least three days prior to each meeting. Board members are regularly informed on current Company events, and they may call an extraordinary meeting when they consider the situation requires immediate attention.

Regarding Board Meeting attendance, 20 sessions were held in 2021, which on average reached 98% attendance. The Ordinary and Extraordinary Board meetings require the attendance of at least three of five members. The 20 sessions held in 2021 were all virtual meetings. There is no minimum attendance requirement.



Board of Directors information system

The Board of Directors has access to an Information and Electronic Interchange System that provides remote, permanent, and secure access to Board session documentation at least three days before each session.

The system allows:

- Having access to the minute or document that summarizes the subjects to be addressed during the meeting and other information that will be presented or that is needed to be prepared for such meeting, regardless of legal obligations regarding board meeting calls
- Access referred to above is to be provide at least five days before the respective session, but three days in advance has been adopted.
- Access to the Company's complaint system.
- Review the final text of every board meeting minute.
- The goal of the system is also paperless management of all documentation available to Board members.

Visits to facilities

The Board of Directors' Meeting held December 18, 2020, approved the facility visit calendar for 2021. The Board

agreed to at least two visits a year to an Enel Generación Chile Group facility.

CEO replacement

When the CEO of the Company must be replaced, the Board of Directors will appoint the person to take the position. When a key executive must be replaced, the CEO must determine who will assume the position's responsibilities temporarily until a replacement is appointed by the Board of Directors. When it is the CEO that is leaving, the Board of Directors must

file the background information of the candidate considered for the position as official information, which must include at least academic level, previous experience, and career. The executive that is leaving the Company, when possible, must attend one or more meetings with the incoming executive to discuss the position's most relevant topics.

Board of Directors' Compensation

As established by Article 33 of Law 18046, the Chilean Corporations Law, the Ordinary Shareholders' Meeting held on April 27, 2021, agreed on compensation for the Board of Directors of Enel Generación Chile for 2021. Board member compensation agreed upon amounts to a guaranteed monthly, fixed payment of UF 135 for each board member, and an additional UF 70 for attending each meeting, with a maximum of 15 compensated meetings a year. The compensation of the Chairman of the Board is double the amount earned by a director.

In the event that a Company board member is also a member of a subsidiary or affiliated company's Board or is a Board member or advisor in any other organization in which the Group holds any direct or indirect participation, such director will only receive compensation from one of said Boards of directors.

Executives working for the Company and/or its subsidiaries or affiliate companies will not receive compensation

in the event of being appointed as a director in any subsidiary, affiliate, or any other company in which Enel Generación Chile S.A. has an ownership share. All in all, said compensation could be received by the executive inasmuch as they are duly and expressly authorized as an advance assigned to the variable portion of the compensation scheme of the executive, paid by the company with which said executive has an employment contract.

Incentive Plans

Directors' compensation for 2021 and 2020 did not include an incentive plan.

Board of Directors' consulting expenses

The Board of Directors did not spend on consulting services in 2021 or 2020.

The total compensation expense during 2020 amounted to Ch\$ 158,952 million and during 2021 amounted to Ch\$ 179,782 million, which is detailed in the following table:

Board of Directors compensation in 2020				
Board Member	Position	Fixed Compensation Ch\$ thousands	Ordinary and Extraordinary meetings Ch\$ thousands	Total Ch\$ thousands
Giuseppe Conti ⁽¹⁾	Chairman	-	-	-
Fabrizio Barderi ⁽¹⁾	Director	-	-	-
Cristiano Bussi ⁽¹⁾	Director	-	-	-
Julio Pellegrini	Director	51,663	27,813	79,476
María Soledad Arellano	Director	51,663	27,813	79,476
Total		103,326	55,626	158,952

Board of Directors Compensation in 2021

Board of Directors Compensation in 2021				
Board Member	Position	Fixed Compensation Ch\$ thousands	Ordinary and Extraordinary meetings Ch\$ thousands	Total Ch\$ thousands
Giuseppe Conti ⁽¹⁾	Chairman	-	-	-
Fabrizio Barderi ⁽¹⁾	Director	-	-	-
Julio Pellegrini	Director	53,745	37,459	91,204
María Soledad Arellano	Director	10,321	4,086	14,407
María Teresa Vial	Director	40,581	33,590	74,171
Maria Antonietta Giannelli	Director	-	-	-
Total		104,647	75,135	179,782

(1) Giuseppe Conti, Cristiano Bussi, Fabrizio Barderi and María Antonietta Giannelli waived their compensation as Directors of the Company. Fabrizio Barderi presented his resignation as member of the Board on February 25, 2022.



Executive Team Compensation

During 2020, the compensation received by the Company's key executives amounted to Ch\$ 1,442 million and Ch\$ 429 million in short- and long-term benefits. These amounts include remuneration and benefits of officers and 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.

During 2021, the compensation and benefits received by the chief executive officer and key executives of the Company amounted to a fixed compensation of Ch\$ 1,378 million and Ch\$ 299 million in short- and long-term benefits.

Incentive plans

Enel Generación 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 that is expressed as a specific number of monthly gross salaries.

The company provides supplementary health insurance and catastrophic insurance coverage as a benefit 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.

Executive team salary review

- The Company's Board of Directors has not needed to establish a formal procedure to handle this subject. The Board addresses these issues periodically and in detail, abiding by article 50 bis of the Chilean Corporations Law. Salaries and compensation policies of the Company's top executives are elaborated from a balanced incentives perspective. Special attention is placed on not including incentives that expose the Company to risk or criminal conduct.

Benefits for Officers and Key Executives

The company provides supplementary health insurance and catastrophic insurance coverage as a benefit 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.

During 2020, these benefits received by the Company's key executives amounted to Ch\$ 16.8 million. During 2021, these benefits received by the Company's key executives amounted to Ch\$ 11 million.

Incentive plans for Managers and Key Executives

Enel Generación 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 that is expressed as a specific number of monthly gross salaries.

Severance payments to officers and key executives

Severance payments to officers and key executives for years of service amounted to Ch\$ 51 million in 2020 and Ch\$ 318 million in 2021.

- Although the Board has not established a formal procedure, information on this subject is disclosed to the public in the Company's Annual Report, which is available on the corporate website. The Board of Directors, as the body responsible for the Company's administration, has not deemed it necessary to implement such practice at this time.





Board of Directors Experience and Diversity

Mr. Guiseppe Conti

Chairman

D. Number: YA3320684

Birth Date: December 2, 1978

Nationality: Italian

Profession: Bachelor's degree in law (Lawyer), Universidad degli Studi di Messina

Date initially appointed to the Board: April 27, 2016

Date of last appointment: April 27, 2021

Other degrees:

Master's degree in economics, Energy and Environmental management, Scuola Superiore Enrico Mattei, Italy.

Professional career

He is a lawyer, with bachelor's in law from Università degli Studi di Messina in Italy.

He began to work for the Group in 2003 as a lawyer at Enel and Enel Green Power North America Inc. From 2009 to 2012, he was head of Endesa S.A. Legal Coordination and Research and Development (Spain). In 2013 he became head of Lawsuits and Legal Coordination at Enel and then head of Legal and Corporate Affairs at Enel Green Power S.p.A. until 2017. He is currently head of Legal and Corporate Affairs at Enel Italia.

Other Board positions:

Open Fiber

Miembro del Directorio desde agosto de 2021 hasta diciembre de 2021. Sociedad participada en 50% por Enel SpA hasta diciembre de 2021, fecha en que cesó el cargo de director del Sr. Conti.

Experience

He has experience in corporate governance, auditing and compliance, regulation, energy sector, risk management, finance and human resources. He also has international experience in environmental affairs, marketing and communications, risk management and information security and IT.

Mr. Julio Pellegrini Vial

Board member

ID. Number: 12,241,361-6

Birth Date: October 2, 1972

Nationality: Chilean

Profession: Bachelor's degree in law (Lawyer), Pontificia Universidad Católica de Chile

Date initially appointed to the Board: April 24, 2016

Date of last appointment: April 27, 2021

Other degrees:

Master's degree in Law, University of Chicago, United States

Professional career

He is a partner at Chilean legal buffet Pellegrini & Rencoret that specializes in civil, business and economic law, local and international arbitration, antitrust cases and regulation. He is an arbitrator at the Arbitration and Mediation Center of Santiago Chamber of Commerce. In 2016, he became a member of the legal circle of the Chilean Institute of Rational Business Administration (ICARE). Since 2012, he is a member of the Advisor Council of the Free Competition Center, and in the antitrust advisor committee of Pontificia Universidad Católica de Chile, where he has also been a Civil Law, Economics of Law and Free Competition Rights professor since 2003. From 2011 to 2019 he was an advisor to the Chilean Lawyers Association and Chairman of the Free Competition Commission of such Association. He was also an advisor to the Chilean Manufacturers Association Sofofa in 2020 and 2021.

Other Board positions:

Member of the Board of Directors of Fundación Bayos.

Experience

He has experience in corporate governance, regulation, auditing and compliance, communications, risk management, finance, information security and IT.

Ms. María Antonietta Giannelli

Board member

ID. Number: CA4291CW

Birth Date: May 17, 1973

Nationality: Italian

Profession: Bachelor's degree in business and economics, Università degli Studi di Lecce

Date initially appointed to the Board: April 27, 2021

Other degrees:

MBA at Luiss School of Management

Professional career

She graduated in business and economics from Università degli Studi di Lecce and has an MBA a from Luiss School of Management.

Experience

She became part of Enel Group in 2001 as Mergers and Acquisitions Project Manager. In 2008, she became an analyst of the Strategic and Financial Analysis unit of the Administration, Planning and Control Office and in 2009 became International Merger and Acquisition Manager. From 2012 to 2013, she was head of Mergers and Acquisitions of the One Company project. She is currently senior project manager of the Mergers and Acquisitions department of the Administration, Planning and Control Office of Enel S.p.A.. She is a Board member of PJSC Enel Rusia and a supervisor within the Board of Directors of Slovenske Elektrarne AS.

Ms. María Teresa Vial Álamos

Board member

ID. Number: 12,627,794-6

Birth Date: January 3, 1974

Nationality: Chilean

Profession: Bachelor's degree in law (Lawyer), Pontificia Universidad Católica de Chile

Date initially appointed to the Board: April 27, 2021

Other degrees:

Master's degree in Business Law and a Diploma in construction, both from Universidad de Los Andes. A Diploma in Negotiation from Pontificia Universidad Católica and a Diploma in ADR Insights in US and Latam from Boston College.

Professional career

She is a lawyer from Pontificia Universidad Católica and has a master's degree in Business Law and a Diploma in construction, both from Universidad de Los Andes. She also holds a Diploma in Negotiation from Pontificia Universidad Católica. She is currently Chair of the Santiago Chamber of Commerce, arbitrator and mediator at Santiago Arbitration and Mediation Center, external mediator of the Chilean State Defense Council and a member of the nominations committee of the International Chamber of Commerce (ICC) in Chile and is **also a member of the ethics committee of Endeavor Chile.**

Experience

She has experience in corporate governance, regulation, auditing and compliance, and the energy sector. She has international experience in environmental affairs, marketing and communications, risk management, finance, information security, cybersecurity and IT.



Candidates to the Board

The Board of Directors has implemented a Procedure to Inform on the Background of Candidates to the Board of Directors for shareholders to be informed about candidates prior to the shareholders' meeting at which board members will be elected.

Therefore, the [list of candidates to the Board](#) and information about each candidate was presented to shareholders before the 2021 Annual Ordinary Shareholders' Meeting. It was made available by the Company at least two days before such Shareholders' Meeting.

The Board of Directors has agreed that the Company must inform shareholders if the candidate to the Board has had a contractual, commercial or any other relationship with the Company's controlling shareholders, main competitors or local suppliers over the past 18 months on the corporate website two days before the Shareholders' Meeting, as long as such information has been provided by the respective candidate.

Remote Shareholders' Meetings Procedure

The Company has a Remote Participation Procedure, which complies with legal provisions and regulations, to carry out shareholders' meeting, register attendance and carry out the voting process remotely. This procedure considers an enrolling and validation mechanism available

on the Company website. The technological platform used for attendance and electronic voting was made available to the DCV Registry and the Santiago Stock Exchange. This procedure also includes the [Enrollment Procedure](#).

The Company, Society, shareholders and general public

Value creation for stakeholders

Enel Generación Chile S.A. satisfies its own interests and responds to its market responsibilities by ensuring a constant and open dialogue with institutional investors, asset managers or their representative associations, and all shareholders and bondholders, to increase stakeholders' understanding of the Company's operations.

Within this context, the Company's Board of Directors has adopted an [Investor Relations Policy](#) to ensure that the Company's communications are inspired on the principles of equity and transparency; are complying with local regulations; prevent and avoid stock market abuse; and are consistent with international best practices. The Policy also considers best practices adopted by Institutional Investors, which are reflected in Enel S.p.A. Group's policies and codes.

Investor Relations

The Company relies on its Investor Relations department to provide transparent, timely, and quality information to the market regarding its main financial, strategic, and operational issues.

Enel Generación Chile's Investor Relations department reports to the Administration, Finance and Control Officer. The main channels used to communicate with the Investor Relations department are email, telephone, and contact information included in the investor relations section of the Company website. The Investor Relations department communicates with institutional investors, financial analysts and risk rating agencies on a regular basis.

This department also interacts with shareholders and bondholders regularly providing them with information on issues, primarily related to the shareholders' meetings and respective participation procedures, and also on matters related to corporate governance or dividends, among others.

Information provided by the Investor Relations department, or any other authorized representative of the Company, to institutional investors and all shareholders must comply with veracity, clarity, consistency, integrity and symmetry criteria. Such information must be provided opportunely and in accordance with applicable internal corporate governance rules and practices to guarantee compliance with respective local legislation.



The main channels used to communicate with the market include our website, the Investor Relation App, conference calls, e-mails, face-to-face meetings, video conferences, and local and international conferences.

Documentation available to investors include quarterly presentations, annual reports, sustainability reports, and quarterly analysis of financial statements.

Communication channels

The corporate webpage (<https://www.enel.cl/en/meet-enel/enel-generation-chile.html>) has a special section named "Investors" to facilitate dialogue with institutional investors and all shareholders and bondholders, and also ensure information clarity and symmetry. This special "Investors" section makes the most relevant documentation available in Spanish and in English language.

In line with international best practices, in addition to ensuring continuous communication with investors, financial



analysts, and risk rating agencies, among others, the Investor Relations Department offers a series of interactive options that vary according to the topic of interest. The following are among the most outstanding:

Conference calls with institutional investors and financial analysts: the Company presents financial and economic results that have previously been disclosed to the market. To ensure information symmetry, the relevant documentation regarding the subject discussed during the conference call is simultaneously posted on the "Investors" section of the corporate website.

Regular meetings with the financial community including Capital Markets Day and Investors Day: The Investor Relations department presents updates to the Company's Strategic Plan to institutional investors, financial analysts, and risk rating agencies, among others, during regular meetings carried out for the financial community in general.

Roadshows: The Investor Relations department meets with institutional investors to explain in detail, as required by local legislation, the Company's actions to prevent securities market abuse, its strategic plan, the most recent financial and economic numbers, and any extraordinary transaction underway. These events are also an opportunity to debate, allowing the Company to listen to the market's interests and concerns.

In terms of meetings, in 2021, Enel Generación Chile, through its parent company Enel Chile, held more than 300 meetings with investors and participated in ten conferences and three roadshows, both domestic and international.

The Board of Directors is responsible for verifying that this [Investor Relations Policy](#) is being implemented correctly and that its provisions are adjusted according both evolving domestic and international best practices. The Company's Board of Directors is responsible for compliance with the provisions of this Policy, with diligence or care and loyalty.

Isabela Klemes

Investor Relations Manager

Investor Relations Team

Catalina González

Claudio Ortiz

Pablo Contreras

Francisco Basauri

Mónica de Martino – Oficina Nueva York

Contact Information

Email: ir.enelgeneracionchile@enel.com

Telephone Number: : +56 2 2630 9606

Channels



Website
Enel.cl



Mobile App
Enel Investors

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7 Other Corporate Information

Information on the Company's Shares and other securities

Enel Generación Chile's shares trade on the Santiago Stock Exchange and Chile's Electronic Stock Exchange.

Subsidiaries and associate companies

Relevant information regarding companies in which Enel Generación Chile is the controlling shareholder or has a significant influence.





Other Corporate information

Documents of incorporation

Incorporation

EEnel Generación Chile S.A. was incorporated as Empresa Nacional de Electricidad S.A. by public deed dated December 1, 1943, before the Santiago notary public, Luciano Hiriart Corvalán.

By Ministry of Finance Supreme Decree 97 dated January 3, 1944, the Company's existence and bylaws were approved. Bylaws state the Company's object to be the production, transportation, and distribution of electricity and, in particular, to carry out the country's Electrification Plan approved by Corfo's Council in its session 215 held March 24, 1943.

The abstract of the public deed and the decree mentioned above were published together in the Official Gazette on January 13, 1944 and registered in Santiago's Register of Commerce on page 61 N° 62 and page 65 N° 63, respectively, dated January 17, 1944.

Its legal existence was declared by Supreme Decree of the Ministry of Finance 1,226, on February 23, 1945, published in the Official Gazette on March 6, 1945, and registered in the Santiago's Register of Commerce on pages 727 N° 532, on March 16, 1945.

The company's bylaws have experienced numerous amendments. Noteworthy among them is that of 1980, which eliminated the objective to execute the country's Electrification Plan. This responsibility was reassigned by Law to the National Energy Commission. The bylaw's amendment in 1982, which adjusted them to Law 18046, standards of Decree Law 3500 of 1980, allowing funds managed by the Pension Funds Administrators ("AFP" in its Spanish acronym) to be invested in securities issued by the Company, and the 1988 amendment, which expanded the Company's object to include consultancy services.

The amendment of 1992 expanded the company's business object, allowing it to invest in financial assets, to develop projects and carry out operations in the energy field and other fields in which electricity is essential, and to participate in public works infrastructure concessions in civil or hydraulic areas, either directly or through subsidiaries or associate companies, both in Chile and abroad. The 1994 amendment increased its capital, so that, part of it could be placed in international markets through the ADS mechanism and adapted the bylaws to the new provisions introduced by Law 19301 to Decree Law 3500 of 1980, which allowed,

among other adjustments, an increase in maximum share concentration to 26%. The 1995 amendment modified the Company's arbitration system to allow the disputes among shareholders or between them and the Company or its managers to be settled, alternatively, through arbitration or ordinary courts of law. The 1999 amendment allowed an increase of the maximum percentage of share concentration to 65% of the capital with voting rights of the Company. The 2006 amendment added a new section title to the bylaws, the "Directors' Committee and Audit Committee", to give statutory consideration to a number of regulations related both to the Director's Committee, as referred to in Law 18,046, and to the Audit Committee, created by the Board of Directors, to comply with the provisions of the United States' Sarbanes-Oxley Act, to which the Company is subject, since it had ADSs and bonds registered in that market. The 2007 amendment modified permanent Article 5° and transitory Article 1° of the bylaws to reflect the Company's current capital and how it has been subscribed and paid. In 2008 the company amended clause 3° and 4° of Article 44, adapting them to Article 75 of the Chilean Corporations Act to replace the Board of Directors' obligation to forward a copy of the Balance Sheet and Annual Report, no later than the date of the first publication of summons to an Ordinary Shareholders' Meeting, to each shareholder registered in the respective Shareholders' Register, as well as its obligation to forward them a copy of the financial statements whenever amended by the Shareholder's Meeting, within the following 15 days, with the obligation, in both cases, of making the referred documents available to such shareholders on the occasions indicated above. The 2010 amendment modified: (a) several articles of the bylaws in order to tailor some of them to the Chilean Corporations Act and the Securities Market Law, which were amended by Law 20382 concerning the improvement of corporate governance, as well as others, to the rules and regulations of the Chilean Corporations Act; and (b) Chapter IV of the bylaws, "Directors' Committee and Audit Committee", in order to merge both committees, thereby reflecting the changes and independence requirements introduced into Article 50 bis of the Chilean Corporations Act, by the above-referred Law 20382.

Later, the Extraordinary Shareholders' Meeting held on December 18, 2015, agreed to modify the Company within the framework of a corporate Reorganization of the Group. The Extraordinary Shareholders' Meeting approved dividing the Company and creating a new company, Endesa Américas

S.A. Then, approved transferring all assets and liabilities of Endesa Chile outside Chile to this new company and maintain in Endesa Chile all assets and liabilities associated with the business in Chile. The aforementioned division was subject to complying with the condition precedent stating that the minutes of the Extraordinary Shareholders' Meeting in which the divisions of Enersis and Chilectra had been approved be duly registered as public deeds, and their corresponding extracts be duly and timely registered and published as determined by law. Also, as stated by Article 5 with regard to Article 148, both from the Rules and Regulations of the Chilean Corporations Act 18,046, the agreement stipulated that the Division must be effective as of the first calendar day of the month after the deed regarding Compliance with Conditions Precedent to the Division of Endesa Chile was issued. The deed was subscribed on January 29, 2016, before the Notary Public Víctor Olguín Peña, and was written to the side on the Company's registration document filed in Santiago's Register of Commerce.

The Extraordinary Shareholders Meeting held on October 4, 2016, modified the Company Bylaws once again, changing the name of the Company to Enel Generación Chile S.A. The amendment was duly recorded and written to the side on the Company's registration document filed in Santiago's Register

Social purpose

The Company's main purpose is to exploit the production, transportation, distribution, and supply of electricity, for which it may obtain, acquire, and make use of the respective concessions and rights.

The Company also provides consulting services in all areas and fields related to engineering and company management; acquire, design, build, maintain and develop civil or hydraulic infrastructure works, related directly to public works concessions; exploit the goods that comprise its assets; invest, develop projects and carry out operations or activities in the energy sector, and other activities or

of Commerce. The Extraordinary Shareholders Meeting held on April 25, 2017, modified several articles of the Company bylaws to update its provisions.

A new amendment was approved by the Extraordinary Shareholders Meeting held December 20, 2017, that eliminated Articles 1bis, 5bis, 16 bis, 20 bis, 35 bis, 36 bis, 40 bis, 42 bis, 43 bis and 45 bis to eliminate all limitations and restrictions established in Title XII of D.L. 3500/1980. This bylaw amendment was subject to the success of the 2018 Public Tender Offer (PTO) by Enel Chile to purchase the shares of Enel Generación Chile S.A. be declared a success as a suspensive condition, which was fulfilled.

Finally, the following amendments to the Company's Bylaws were approved in the Ordinary Shareholders' Meeting held April 24, 2018: approve the amendment to article 4 of the bylaws eliminating the last paragraph "in Chile or abroad"; approve the amendment to article 7 of the bylaws reducing the number of directors from nine to five. This amendment to article 7 became effective on April 26, when the Ordinary Shareholders' Meeting of Enel Generación Chile took place. Article 24 of the bylaws was also repealed and became effective on April 26, 2019, when the Ordinary Shareholders' Meeting of Enel Generación Chile took place.

products directly related to energy; invest, develop projects and carry out operations or activities in industrial projects and processes where electricity is essential, determinant and used intensively.

The Company may also invest in, acquire, manage, and sell property, financial assets, instruments or securities, rights in companies and commercial documents in general, provided they are related to its purpose.

In complying with its purpose, the Company is entitled to operate directly or through its subsidiaries or associates.



Summary of Significant events

January 20, 2021

On January 20, 2021, Enel Generación Chile signed a document named Joinder by means of which it became a party to the Commitment and Engagement Letter, within foreign jurisdiction, dated December 31, 2020, signed by Goldman Sachs & Co. LLC and Goldman Sachs Lending Partners LLC. The purpose of the instrument is to govern the terms and conditions of the sale and transfer of the Company's receivables accrued due to the implementation of the temporary electricity price stabilization mechanism for regulated customers established by Law 21185 of up to roughly US\$ 200 million, expressed in nominal value.

January 29, 2021

As a supplement to the Significant Event issued on January 20, Enel Generación Chile informs that the Company and Inter-American Investment Corporation (IDB Invest) signed a document, within foreign jurisdiction, named Commitment Agreement by means of which IDB Invest will fund a company that is not related to Enel Generación Chile and that was especially created for this purpose named Chile Electricity PEC S.p.A. to purchase the balance of the Company's receivables related to the tariff stabilization mechanism.

Enel Generación Chile and IDB Invest also signed an agreement, within foreign jurisdiction, a Sale and Purchase Agreement to sell and transfer the balances.

The sale and transfer of the balance of the first group of receivables is subject to the terms and conditions of the Commitment Agreement framework previously mentioned and the Commitment and Engagement Letter signed by the Company and Goldman Sachs & Co. LLC and Goldman Sachs Lending Partners LLC.

February 24, 2021

The Company informs that it will submit form 15F to the United States Securities and Exchange Commission to voluntarily delist Enel Generación Chile from the U.S. Securities Exchange Act of 1934 and its amendments and consequently not be subject to the disclosure requirements of Section 13(a) and Section 15(d) of the Exchange Act. Once form 15F is submitted, the Company must no longer file the annual report through the 20-F form nor file significant events as 6-K forms. The Company will continue to trade its stock on the Santiago Stock Exchange and the Chilean Electronic Stock Exchange.

April 27, 2021

On April 27, 2021, Enel Generación Chile's Ordinary Shareholders' Meeting agreed to distribute an eventual dividend equal to approximately 50% of the net profit of 2020, after deducting the impact of the impairment losses

related to the decarbonization process that do not affect the Company's cash flow. The dividend to be paid against previous year profits amounts to a total Ch\$ 117,174,340,028 equivalent to a Ch\$ 21.6020045832681 dividend per share expected to be paid on May 27, 2021.

April 27, 2021

On April 27, 2021, Enel Chile's Ordinary Shareholders' Meeting elected the following individuals as the members to the Board of Directors for the following three-year period:

Mr. Giuseppe Conti.

Mr. Fabrizio Barderi.

Ms. María Teresa Vial Álamos.

Ms. María Antonietta Giannelli.

Mr. Julio Pellegrini Vial.

On that same date, at the ordinary meeting, Mr. Giuseppe Conti was appointed Chairman of the Board and the Company and Mr. Ignacio Quiñones Sotomayor was appointed Secretary to the Board.

June 25, 2021

The Board of Directors analyzed the proposed merger of Empresa Eléctrica Pehuenche S.A. with and into Enel Generación Chile, according to the provisions of Article 155 and those thereafter of the Corporations Act. Enel Generación Chile, as the surviving entity, would absorb its subsidiary Empresa Eléctrica Pehuenche S.A, which would dissolve without liquidation, succeeding Pehuenche in all its rights and obligations, subject to the established terms and conditions. The Board of Directors agreed to begin the activities, analysis and steps needed to execute the corporate reorganization proposed. Finally, the Board appointed *Banchile Asesoría Financiera S.A.* as the independent appraiser of the operation and Alejandro Le Fort as independent expert.

July 16, 2021

Regarding the significant event disclosed June 25, 2021, the extraordinary Board of Directors' session held July 16, 2021, agreed to appoint Mr. Rafael Alejandro Malla Osorio as independent expert, replacing Mr. Alejandro Le Fort Cordero, Corporate Finance Officer of Ameris Capital. The parties involved detected a potential conflict of interest and therefore both Enel Generación Chile and Mr. Alejandro Le Fort Cordero agreed to terminate his service as independent expert.

August 6, 2021

During the extraordinary session held on August 6, 2021, the Board of Directors of Enel Generación Chile S.A. received and took notice of the expert reports issued regarding

the merger through which Enel Generación Chile would absorb Empresa Eléctrica Pehuenche S.A. as disclosed in a significant event dated June 25, 2021.

August 11, 2021

The Board of Directors' extraordinary meeting agreed to make additional information on the proposed merger of Empresa Eléctrica Pehuenche S.A. with and into Enel Generación Chile available to shareholders. The same meeting agreed to call an Extraordinary Shareholders' Meeting to take place on August 27, 2021, to submit various topics that would allow executing the merger operation to consideration by the Shareholders' Meeting.

August 27, 2021

On August 11, 2021, Inversiones Tricahue S.A. filed a request for a preliminary precautionary ruling against Enel Generación Chile before the 19th Civil Court of Santiago, file C6827-2021, requesting the court to grant and decree outright the preliminary precautionary ruling provided for in article 290 No. 4 of the Civil Code that would prohibit actions or agreements in relation to the shares owned by the Enel Generación Chile in Empresa Eléctrica Pehuenche S.A. that would affect the merger of said company with Enel Generación Chile.

To this date, the 19th Civil Court of Santiago has not resolved a reinstatement appeal against the resolution that granted the preliminary precautionary ruling. Therefore, Enel Generación Chile will refrain from participating in the Extraordinary Shareholders' Meeting of Pehuenche called for August 27 at 11:00 a.m. to pronounce on the Merger.

August 27, 2021

The Extraordinary Shareholders' Meeting held today approved the merger of Empresa Eléctrica Pehuenche S.A. with and into Enel Generación Chile. As a result of the Merger, Enel Generación Chile will acquire all of Pehuenche's assets and liabilities and succeed it in all its rights and obligations. Furthermore, the Merger was approved as a related party transaction governed by Title XVI of the

Corporations Law. Additionally, all proposed changes to the Bylaws to make the Merger viable were approved, in addition to other proposed amendments.

September 28, 2021

Enel Generación Chile issued a significant event informing that it would refrain from participating in the Extraordinary Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A. to take place on September 28, 2021, at 15:00 called to pronounce on the Merger because the preliminary precautionary ruling against the Company was still in effect.

September 28, 2021

The Company informs that, since one of the conditions precedent to complete the merger of Enel Generación Chile with Pehuenche was not satisfied because the Shareholders' Meeting did not reach the quorum required, the withdrawal right for the Company's Shareholders has not emerged, and consequently the payment to exercise said right is not required.

November 26, 2021

The Board of Directors' Meeting agreed to distribute an interim dividend attributable to 2021 yearend net income of up to 15% of the net income as of September 30, 2021, to be paid on January 21, 2022. The interim dividend for a total Ch\$ 9,673,252,484 is equivalent to Ch\$ 1.179412574382 per share. The shareholders registered in the Shareholders Registry by January 15, 2022, have a right to receive such dividend.

November 26, 2021

The Board of Directors of Enel Generación Chile approved the Company's 2022-2024 Strategic Plan. The macro variables included in the Strategic Plan for such three-year period estimated an approximate accumulated EBITDA within US\$1.9 and US\$2.1 billion and accumulated CAPEX for US\$0.45 billion. Considering the aforementioned Strategic Plan is based on projections of hypotheses that may or may not occur in the future, their effects cannot be determined at this time.



Properties and Facilities

The following are the main facilities available to carry out the Company's business:

Name of Power Plant	Company	Use	Technology	Type	Location
Los Molles	Enel Generación Chile	Power plant	Hydro	Owned	Route D557 Km 35, Montepatria, Coquimbo Region
Rapel	Enel Generación Chile	Power plant	Hydro	Owned	Route H62G, Km 60 Litueche, O'Higgins Region
Sauzal	Enel Generación Chile	Power plant	Hydro	Owned	Route H255 Camino Termas de Cauquenes, Km 11 S/N, Machali, O'Higgins Region
Sauzalito	Enel Generación Chile	Power plant	Hydro	Owned	Route H255 Camino Termas de Cauquenes, Km 7 S/N, Machali, O'Higgins Region
Cipreses	Enel Generación Chile	Power plant	Hydro	Owned	105 km. east of Talca, Maule Region
Isla	Enel Generación Chile	Power plant	Hydro	Owned	05 km. east of Talca, Maule Region
Ojos de Agua	Enel Generación Chile	Power plant	Hydro	Owned	Valle del río Cipreses, Maule Region
Pehuenche	Pehuenche	Power plant	Hydro	Owned	60 km. al oriente de Talca, Maule Region
Curillínque	Pehuenche	Power plant	Hydro	Owned	60 km. east of Talca, Maule Region
Loma Alta	Pehuenche	Power plant	Hydro	Owned	60 km. east of Talca, Maule Region
Pangue	Enel Generación Chile	Power plant	Hydro	Owned	87 km. east of Los Ángeles, Biobío Region
Abanico	Enel Generación Chile	Power plant	Hydro	Owned	90 km. east of Los Ángeles, Biobío Region
El Toro	Enel Generación Chile	Power plant	Hydro	Owned	90 km. east of Los Ángeles, Biobío Region
Antuco	Enel Generación Chile	Power plant	Hydro	Owned	91 km. east of Los Ángeles, Biobío Region
Ralco	Enel Generación Chile	Power plant	Hydro	Owned	105 km. east of Los Ángeles, Biobío Region
Palmucho	Enel Generación Chile	Power plant	Hydro	Owned	120 km. southeast of Los Ángeles, Biobío Region
Canela	Enel Generación Chile	Power plant	Wind	Owned	Canela County, Choapa Province, Coquimbo Region
Canela II	Enel Generación Chile	Power plant	Wind	Owned	Canela County, Choapa Province, Coquimbo Region
Tarapacá TG	Enel Generación Chile	Power plant	Fuel/Natural Gas	Owned	65 km. south of Iquique, I Region
Taltal	Enel Generación Chile	Power plant	Fuel/Natural Gas	Owned	50 km. north of Antofagasta, II Region
Diego de Almagro	Enel Generación Chile	Power plant	Fuel/Natural Gas	Owned	Diego de Almagro substation, Atacama Region
Huasco TG	Enel Generación Chile	Power plant	Fuel/Natural Gas	Owned	Puerto Guacolda, near Huasco, Atacama Region
San Isidro	Enel Generación Chile	Power plant	Fuel/Natural Gas	Owned	8 km. from Quillota, Valparaíso Region
San Isidro 2	Enel Generación Chile	Power plant	Fuel/Natural Gas	Owned	8 km. from Quillota, Valparaíso Region
Quintero	Enel Generación Chile	Power plant	Fuel/Natural Gas	Owned	Route F30-E lot 2 property 16901, Quintero, Valparaíso Region
Atacama	Enel Generación Chile	Power plant	Diesel/Natural Gas	Owned	50 km. north of Antofagasta, II Region

Land reserved for future projects

As of December 2021, Enel Generación Chile owned approximately 24.5 hectares in real estate or land to develop future combined cycle gas turbines. They are primarily located in Antofagasta Region.



Trademarks and insurance

Insurance

Operational

Enel Generación Chile S.A. and its subsidiary are covered by a global insurance program centralized by Enel S.p.A. 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, 2021 and expire on October 31, 2022.

Enel Generación Chile S.A. and its subsidiary also have insurance policies to cover cyber risk, maritime, air and land transportation of machinery, equipment and raw materials, life and accident insurance for its employees when travelling and others required by law.

Trademarks

Enel S.p.A. sent a letter to the Board of Directors of Enel Generación Chile S.A, dated August 2, 2016, informing that Enel Generación Chile was authorized to use the brand "Enel" free of charge and allowed it to be used in the Company's name, logo and otherwise. The trademark Enel Generación Chile is duly registered.

The Company also has the trademarks Endesa and Endesa Chile in services, products, and commercial and industrial establishments.

Construction works insurance

Enel Generación Chile S.A. has building insurance policies for all its construction works. These insurance policies are contracted through a private bidding process to which the main insurance companies are invited.

The insurance program established for all projects covers all risks, construction and assembly, transportation, civil liability, with limits and deductibles in line with the Company's risk policy.



Stock Information and other securities

Market information

Stock market transactions

During 2021, a total 111.8 million shares were traded on the Santiago Stock Exchange, equivalent to Ch\$ 25,096.9 million, and a total 7.9 million shares were traded on the Chilean Electronic Stock Exchange, amounting to Ch\$ 1,778.9 million. The closing price of Enel Generación Chile's stock at yearend 2021 on the Santiago Stock Exchange was Ch\$ 147.81 and Ch\$149.83 on the Electronic Stock Exchange.

Santiago Stock Exchange

	Units Traded	Amount (\$)	Average Price
2021			
1st Quarter	32,916,885	8,252,537,007	250.71
2nd Quarter	38,251,922	9,201,601,518	240.55
3rd Quarter	26,292,347	5,262,983,719	200.17
4th Quarter	14,308,971	2,379,817,008	166.32
Total 2021	111,770,125	25,096,939,252	224.54
2020			
1st Quarter	16,687,221	5,648,895,488	338.52
2nd Quarter	37,364,892	11,277,456,442	301.82
3rd Quarter	26,197,184	7,842,073,601	299.35
4th Quarter	40,357,757	9,803,381,596	242.91
Total 2020	120,607,054	34,571,807,127	286.65
2019			
1st Quarter	62,170,978	27,436,504,988	441.31
2nd Quarter	30,516,973	13,011,268,335	426.36
3rd Quarter	28,079,067	11,677,560,406	415.88
4th Quarter	56,789,163	20,447,154,701	360.05
Total 2019	177,556,181	72,572,488,430	408.73

Chile's Electronic Stock Exchange

	Units Traded	Amount (\$)	Average Price
2021			
1st Quarter	4,917,681	1,152,744,830	234.41
2nd Quarter	1,396,067	302,242,106	216.50
3rd Quarter	1,428,060	301,250,425	210.95
4th Quarter	136,984	22,658,066	165.41
Total 2021	7,878,792	1,778,895,427	225.78
2020			
1st Quarter	401,907	134,068,379	333.58
2nd Quarter	841,736	253,928,582	301.67
3rd Quarter	2,211,394	668,885,832	302.47
4th Quarter	3,251,659	809,156,892	248.84
Total 2020	6,706,696	1,866,039,685	278.24
2019			
1st Quarter	10,970,277	4,794,799,342	437.07
2nd Quarter	6,978,885	2,946,325,749	422.18
3rd Quarter	881,888	362,152,826	410.66
4th Quarter	2,956,258	1,111,228,412	375.89
Total 2019	21,787,308	9,214,506,329	422.93

Over-the-Counter Market

The Enel Generación Chile's ADSs ceased to trade on the New York Stock Exchange on December 31, 2018. They traded exclusively on the Over-The-counter market in the United States from that date until December 17, 2020, when the cancellation of the ADS program became effective. Also, in February 2021, the Company submitted form 15F

to the United States Securities and Exchange Commission to voluntarily delist Enel Generación Chile from the U.S. Securities Exchange Act of 1934 and consequently not be subject to the disclosure requirements of Section 13(a) and Section 15(d) of the Exchange Act. Such delisting became effective in May 2021 and the Company no longer files the annual report through the 20-F form nor significant events as 6-K forms.

Quarter (*) (**)	Units Traded (ADS units)	Amount (US\$)	Average ADS Price (US\$)
2020			
1st Quarter	197,506	2,385,623	12.08
2nd Quarter	119,995	1,202,353	10.02
3rd Quarter	48,334	530,013	10.97
4th Quarter	422,104	3,867,171	9.16
Total 2020	787,939	7,985,160	10.13
2019			
1st Quarter	1,169,066	22,724,988	19.58
2nd Quarter	355,000	6,434,623	18.43
3rd Quarter	197,039	3,359,147	17.36
4th Quarter	349,161	5,169,261	14.12
Total 2019	2,070,266	31,253,396	15.1

(*) The ADSs of Enel Generación Chile ceased to trade on the New York Stock Exchange on December 31, 2018. They traded exclusively on the Over-The-counter market in the United States after that date.

(**) The ADSs of Enel Generación Chile traded on the Over-The-counter market in the United States until December 17, 2020, after the Company requested the cancellation of the ADS program.

Market information

During 2021, the global economy continued to be affected by the COVID-19 pandemic. The vaccination process allowed countries' to gradually open their economies, but the circulation of virus variants challenged the normal operations of various industries, and therefore investors continued to flee risky asset. Overall, the market focused on the actions adopted by the different central banks to control inflation, which was caused by the various fiscal stimulus provided by governments to support their population. The political sector undoubtedly attracted the attention of investors, as Joe Biden took office in early 2021 prioritizing the fight against the virus and proposing a US\$ 1.9 billion fiscal plan that was finally approved in March. Europe also faced changes, with Brexit coming into effect on January 1.

The commodities market also faced complications. Several climate events, particularly in southern United States, led to closing plants and operations and consequently led to lower supply and increasing prices of various fuels, mainly affecting the energy sector.

It was a good year for the United States stock market .The Dow Jones Industrial Average™ closed 2021 with an 18.7% increase when compared to 2020 and the Nasdaq increased 21.4%.

In 2021, Chile experienced many changes in the political scenario. The participatory process to draft a new constitution, and also congress and presidential elections took place in 2021. The newly elected president, Gabriel Boric, took office on March 11, 2022.



The COVID-19 pandemic continued to affect the Chilean economy in 2021. Although the successful vaccination process positioned Chile as one of the countries most prepared to face the emergency, economic stimulus to face the pandemic continued. The local stock market was affected by the country's political situation, leading to a high level of volatility throughout the year. Uncertainty resulting from potential regulatory changes has affected the regulated sectors more severely, including water and electricity service companies.

In 2020, the SPCLXIPSA index dropped for the last of three consecutive years, and 2021 showed a 3.1% increase. The

political uncertainty is expected to continue, although there has been certain moderation in terms of the immediate structural changes to the country's economic system. The price of Enel Generación Chile's shares dropped 45% mainly due to uncertainty related to potential regulatory changes, the political scenario and the drought that has affected Chile since 2010.

Santiago Stock Exchange

The following table shows the variation of Enel Generación Chile's share and the Selective Stock Price Index (SPCLXIPSA, formerly IPSA) on the local market over the past two years:

Variation	2020	2021	Cumulative 2020- 2021
ENELGXCH	-28.62%	-44.61%	-60.46%
IPSA	-10.55%	3.14%	-7.74%

Over-The-Counter (OTC)

The following table shows the variation of Enel Generación Chile's ADS that traded on the OTC market in the United States of America and the Dow Jones Industrial Average™ and the Dow Jones Utilities Index (INDEXDJX) over the past two years:

Variation	2020	2021	Cumulative 2020- 2021
EOCCY (*)	-30.88%	-	-30.88%
Dow Jones Industrial	7.25%	18.73%	27.33%
Dow Jones Utilities	-1.65%	13.43%	11.56%

(*) The ADSs of Enel Generación Chile ceased to trade on the New York Stock Exchange on December 31, 2018. They traded exclusively on the Over-The-counter market in the United States after that date and until December 17, 2020, when the cancellation of the ADS program became effective.

Dividends

2021 Dividend Distributions

During the 2021 fiscal year, and in line with the 2021 Dividend Policy set forth in the Ordinary Shareholders' Meeting held on April 27, 2021, the Board of Directors agreed to distribute an interim dividend equal to 15% of the Company's net income as of September 30, 2021, as presented in the Company's Financial Statements to that date. On November 26, 2021, the Company informed that given the financial results of Enel Generación Chile S.A., the interim dividend equal to 15% of the Company's net income as of September 30, 2021, would be distributed. The dividend was paid in January 2022.

Concerning the definitive dividend to be paid out against earnings for the 2021 fiscal year, the Board of Directors' 2021 Dividend Policy proposed to distribute a final definitive dividend equivalent to 50% of net income. However, considering the impact of the drought during the year, commodity prices, and the Company's recent credit rating downgrade, the Board will propose to the next Ordinary Shareholders Meeting to be held during the first four months of 2022, to reduce the final dividend to 30% of the Company's net income for 2021 as a conservative measure. This decision only affects the final definitive dividend and not the interim one paid in January 2022.

Dividend Policy

2022 Dividend policy

General information

In accordance with the provisions of the Financial Market Commission's NCG 30, the following is the disclosure to shareholders of the Board of Directors' dividend policy.

Dividend Policy

The Board of Directors intends to distribute an interim dividend against 2022 earnings of up to 15% of net income as of September 30, 2022, as presented in the Financial Statements of Enel Generación Chile S.A. as of September 30, 2022, to be paid in January 2023.

The Board of Directors intends to propose to the Ordinary Shareholders' Meeting, to be held during the first four months of 2023, to distribute a final dividend and interim dividend that together are equivalent to 30% of net income for the 2022 fiscal year. The final definitive dividend to be distributed will

be determined by such Ordinary Shareholders' Meeting to take place during the first four months of 2023.

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 the lack of certain conditions during the year that could alter these projections.

Dividend payment procedure

Dividend payment procedure

The dividend payment methods offered by Enel Generación Chile S.A., for interim and final definitive dividends alike, to avoid wrongful claims are the following:

1. Deposit in a bank checking account, whose accountholder is the shareholder;
2. Deposit in a bank savings account, whose accountholder 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 Generación 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 Generación 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 Generación Chile 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 Generación Chile S.A.

Dividends paid

Distributable net income for 2021

Net income for 2021 reached Ch\$ 115,941 million.

The following chart shows the dividends paid by the Company over the last ten years:

Dividend No.	Dividend	Closing Date	Payment Date	Pesos (Ch\$ per share)	Allocated to year	Annual Dividend Amount (Ch\$)	% of Profit
49	Interim	20-01-11	26-01-11	6.42895	2010	-	-
50	Definitive	05-05-11	11-05-11	26.09798	2010	32.5269	50%
51	Interim	13-01-12	19-01-12	5.08439	2011	-	-
52	Definitive	11-05-12	17-05-12	22.1582	2011	27.2426	50%
53	Interim	18-01-13	24-01-13	3.04265	2012	-	-
54	Definitive	03-05-13	09-05-13	11.24302	2012	14.28567	50%
55	Interim	25-01-14	31-01-14	3.87772	2013	-	-
56	Definitive	09-05-14	15-05-14	17.69856	2013	21.57628	50%
57	Interim	24-01-15	30-01-15	3.44046	2014	-	-
58	Definitive	18-05-15	25-05-15	16.95495	2014	20.39541	50%
59	Interim	23-01-16	29-01-16	3.55641	2015	-	-
60	Definitive	17-05-16	24-05-16	11.02239	2015	14.5788	50%
61	Interim	21-01-17	27-01-17	7.24787	2016	-	-
62	Definitive	20-05-17	26-05-17	21.5605	2016	28.80837	50%
63	Interim	20-01-18	26-04-18	4.93614	2017	-	-
64	Definitive	11-05-18	18-08-18	23.12488	2017	28.06102	55%
65	Interim	05-01-19	11-01-19	11.19557	2018	-	-
66	Definitive	11-05-19	17-05-19	11.4115	2018	22.60707	60%
67	Interim	18-01-20	24-01-20	2.358435	2019	-	-
68	Definitive	20-05-20	27-05-20	12.00506	2019	14.36350	60%
69	Eventual	20-05-20	27-05-20	14.67898	2019	-	-
70	Eventual	20-05-21	27-05-21	21.60200	2020	-	-
71	Interim	15-01-22	21-01-22	1.17941	2021	-	-

Credit Risk Rating

The following main events regarding risk ratings took place in 2021:

Feller Rate

On June 30, 2021, Feller Rate maintained its "AA" local credit rating for Enel Generación Chile S.A. The rating agency improved the Company's outlook from Stable to Positive.

Fitch Ratings

On January 25, 2021, Fitch Ratings confirmed its "A-" international credit rating for Enel Generación Chile, with a Stable outlook. The long-term local rating was maintained at 'AA+(cl)' and the Company's outlook was improved from Stable to Positive. The 'First Class Level 1 (cl)' stock rating was ratified.

On January 19, 2022, Fitch Ratings confirmed its "A-" international credit rating for Enel Generación Chile, and its 'AA+(cl)' local rating, both with a Stable outlook. The 'First Class Level 1 (cl)' stock rating was also ratified.

Standard & Poor's

On April 20, 2021, Standard & Poor's confirmed its "BBB+" international rating for Enel Generación Chile with a Stable outlook.

On January 24, 2022, Standard & Poor's downgraded its "BBB+" international rating for Enel Generación Chile to "BBB" maintaining the Stable outlook.

Enel Generación Chile's current ratings are grounded on its diversified and primarily renewable asset portfolio, its adequate debt profile and its commercial policy.

International Rating		
Enel Generación Chile	S&P	Fitch Ratings
Corporate	BBB / Estable	A- / Stable

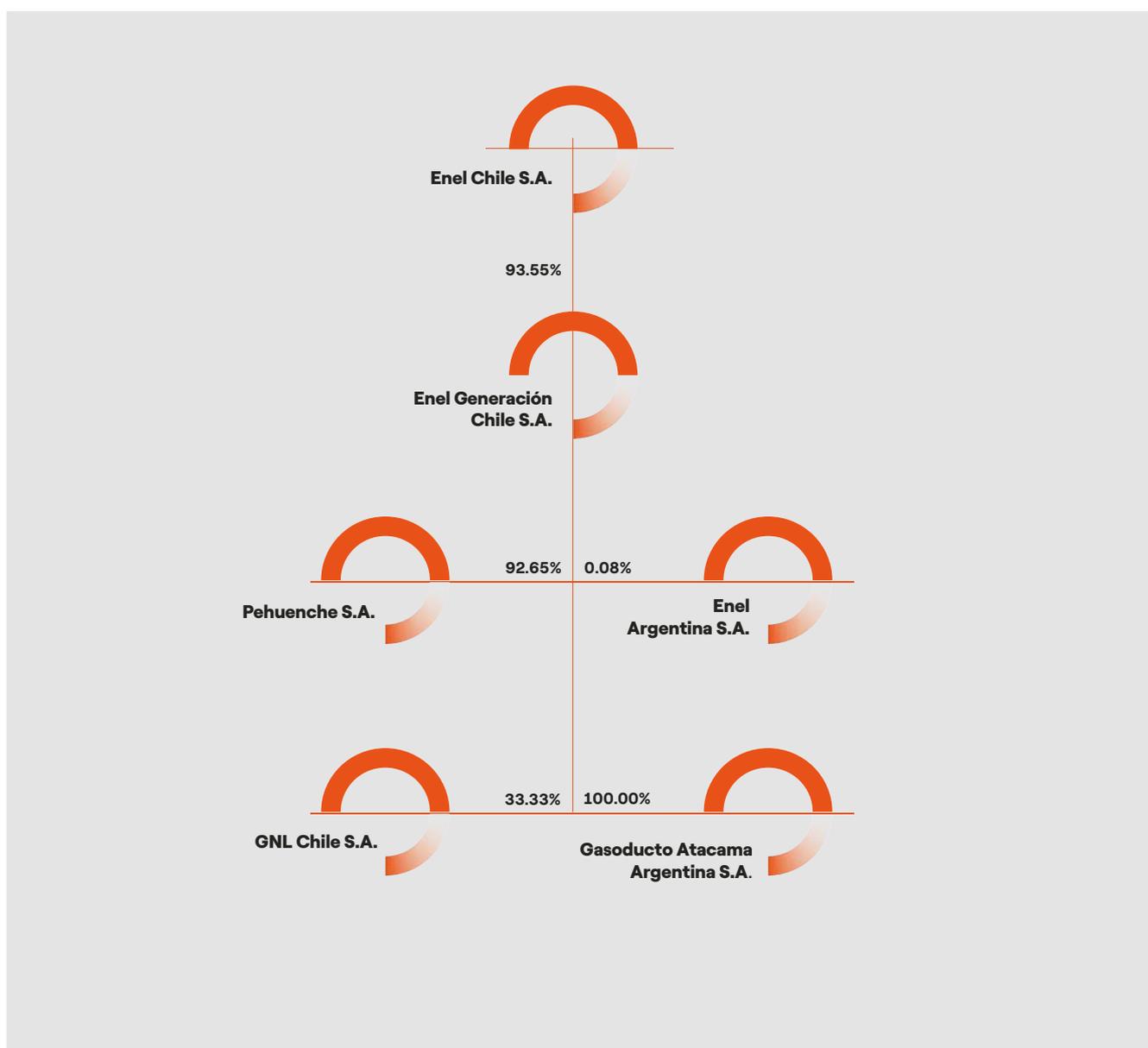
Local Rating		
Enel Generación Chile	Feller Rate	Fitch Ratings
Stocks	1st Class, Level 2	1st Class, Level 1
Bonds	AA / Positive	AA+ / Stable

Other securities issued

Guaranteed and non-guaranteed bonds, and the respective expiration dates may be found in Notes 20 of Enel Generación Chile Consolidated Financial Statements as of December 31, 2021. The financial covenants of each bond issued by the Company may be found in Note 34.4 of such consolidated financial statements.

Enel Generación Chile's direct and indirect shareholdings

Organization Structure





Subsidiaries and Affiliate Companies

Direct and indirect shareholdings

Subsidiary 2020	Shareholding	
	2020	2021
Chile		
Empresa Eléctrica Pehuenche S.A. (Pehuenche S.A.)	93%	93%

Affiliates and Jointly Controlled Companies Chile (1)	Shareholding	
	2020	2021
Chile		
GNL Chile S.A.	33%	33%
Transmisora Eléctrica de Quillota Ltda (2)	50%	-
Enel Argentina S.A	0.08%	0.08%

1) Jointly controlled companies are those in which the parent company either controls the majority of voting rights or has the power to control the companies' financial and operational policies granted by a shareholders' agreement with other shareholders. Jointly controlled companies are consolidated using the equity method, in other words with the proportion owned by Enel Generación Chile in the equity of such companies.

2) On December 30, 2021, Enel Generación Chile sold its 50% ownership share of Transmisora Eléctrica de Quillota Ltda

Financial Cost of Investments		
	Thousands of Pesos	% of investment in parent company's assets
Empresa Eléctrica Pehuenche S.A.	139,415,842	4.31%
GNL Chile S.A.	527,490	0.02%
Enel Argentina S.A.	1,242,010	0.04%

Identification of subsidiaries and associate companies

Pehuenche

Name

Empresa Eléctrica Pehuenche S.A.

Type of Company

Publicly held Limited Liability Stock Corporation, registered in the SVS (currently Financial Market Commission, CMF) 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

Claudio Arias Reyes
Ignacio Quiñones Sotomayor
Luis Alberto Vergara Adamides
Osvaldo Farías Luke
Simone Conticelli

Senior Executives

Carlos Iván Peña Garay
Gerente general

Business Relationship with Enel Generación Chile

Pehuenche has a contract with Enel Generación Chile for the operation and maintenance of its power plants, and commercial and financial management of the business. Furthermore, the company has a contract to sell electricity and generation capacity to Enel Generación Chile.



Name

GNL Chile S.A.

Type of Company

Privately held corporation

Taxpayer Identification Number

76,418,940-K

Address

532 Rosario Norte, office 1303, Las Condes, Santiago.

Telephone

(562) 2892 8000

Subscribed and Paid Capital (kCh\$)

2,556,032

Objeto Social

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) import LNG as determined by

LNG purchase contracts; c) 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; d) manage and coordinate the schedules and nominations of LNG shipments, as well as the delivery of natural gas and LNG to 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

Juan Oliva Vásquez
Klaus Lührmann Poblete

Senior Executives

Mario Camacho Acha
Chief Executive Officer

Business Relationship with Enel Generación Chile

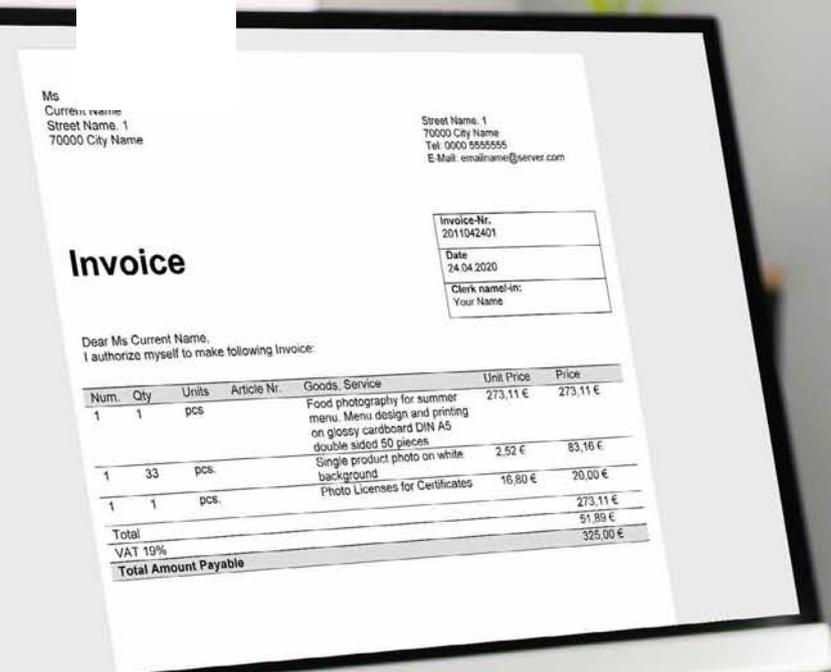
The company provides Enel Generación Chile the services described in its corporate purpose.



8 Main metrics

**Environmental,
Social and Governance Management**





Ms
Current Name
Street Name, 1
70000 City Name

Street Name, 1
70000 City Name
Tel: 0000 0000000000
E-Mail: emailname@servez.com

Invoice

Invoice-Nr. 2011042401
Date 24.04.2020
Clerk name/in: Your Name

Dear Ms Current Name,
I authorize myself to make following Invoice:

Num.	Qty	Units	Article Nr.	Goods, Service	Unit Price	Price
1	1	pcs		Food photography for summer menu, Menu design and printing on glossy cardboard DIN A5 double sided 50 pieces	273,11 €	273,11 €
1	33	pcs.		Single product photo on white background	2,52 €	83,16 €
1	1	pcs.		Photo Licenses for Certificates	16,80 €	16,80 €
Total						273,11 €
VAT 19%						51,89 €
Total Amount Payable						325,00 €



Main metrics

Social Metrics

Organizational diversity

2021				
Number of persons by gender	Managers and Key Executives	Professionals and Technicians	Staff and others	Total
Enel Generación Chile	15	584	57	656
Women	-	80	16	96
Men	15	504	41	560
Pehuénche	-	2	-	2
Women	-	-	-	-
Men	-	2	-	2
Total	15	586	57	658
Women	-	80	16	96
Men	15	506	41	562

2021				
Number of persons by gender	Managers and Key Executives	Professionals and Technicians	Staff and others	Total
Chilean	12	567	40	619
Women	-	75	15	90
Men	12	492	25	529
Spanish	-	3	-	3
Women	-	1	-	1
Men	-	2	-	2
Costa Rican	1	-	-	1
Women	-	-	-	-
Men	1	-	-	1
Argentinean	-	6	17	23
Women	-	1	1	2
Men	-	5	16	21
Mexican	-	1	-	1
Women	-	1	-	1
Men	-	-	-	-
Russian	-	1	-	1
Women	-	-	-	-
Men	-	1	-	1
French	-	1	-	1
Women	-	-	-	-
Men	-	1	-	1
Venezolana	-	2	-	2
Women	-	1	-	1
Men	-	1	-	1
Colombian	-	4	-	4
Women	-	1	-	1
Men	-	3	-	3
Italian	2	1	-	3
Women	-	-	-	-
Men	2	1	-	3
Total	15	586	57	658

2021				
Number of persons, by age range (years)	Managers and Key Executives	Professionals and Technicians	Colaboradores y otros	Total
Under 30	-	10	2	12
Women	-	6	1	7
Men	-	4	1	5
Between 30 and 40	2	163	17	182
Women	-	32	3	35
Men	2	131	14	147
Between 41 and 50	6	228	21	255
Women	1	32	7	40
Men	5	196	14	215
Between 51 and 60	4	149	14	167
Women	-	10	4	14
Men	4	139	10	153
Between 61 and 70	3	34	2	39
Women	-	-	1	1
Men	3	34	1	38
Over 70	-	2	1	3
Women	-	-	-	-
Men	-	2	1	3
Total	15	586	57	658

2021				
Number of persons, per years of work at the Company	Managers and Key Executives	Professionals and Technicians	Staff and others	Total
Under 3 years	-	45	1	46
Women	-	16	1	17
Men	-	29	-	29
Between 3 and 6 years	3	74	6	83
Women	-	16	1	17
Men	3	58	5	66
Between 6 and 9 years	3	41	9	53
Women	-	3	4	7
Men	3	38	5	46
Between 9 and 12 years	-	105	9	114
Women	-	10	1	11
Men	-	95	8	103
More than 12 years	9	321	32	362
Women	-	35	9	44
Men	9	286	23	318
Total	15	586	57	658

2021				
Number of persons with different abilities	Managers and Key Executives	Professionals and Technicians	Staff and others	Total
Enel Generación Chile⁽¹⁾	-	6	-	6
Women	-	3	-	3
Men	-	3	-	3
Total	-	6	-	6
Women	-	3	-	3
Men	-	3	-	3

(1) Includes Pehuenche



Employment Status

Type of Contract	2021							
	Undefined		Fixed Term		By Assignment or Work		Fee-based	
	N°	%	N°	%	N°	%	N°	%
Women	96	100,0%	-	0,0%	-	0%	-	0%
Men	555	99,0%	7	1,0%	-	0%	-	0%
Total	651	98,9%	7	1,0%	-	0%	-	0%

Employment Flexibility

Type of Contract	2021							
	Employees with Ordinary Working Hours		Part-time employees		Employees with adaptive working hours		Telecommuters	
	N°	%	N°	%	N°	%	N°	%
Women	10	10,0%	-	0%	-	0%	88	13%
Men	197	35,0%	-	0%	-	0%	363	55%
Total	207	32,0%	-	0%	-	0%	451	69%

Equal Pay

Women's salary gap by position category (*)	2021	
	Average	Median
Managers and Key Executives	71%	73%
Professionals and technicians	86%	87%
Staff and others	103%	99%
Total	79%	83%

* Expatriates are not considered in the calculation as their total gross salary is based on the market conditions of the country of origin. They also and receive additional benefits as a result of international mobility.

Training

Company	2021			
	Training Hours	Number of persons Trained	% Women	Men
Enel Generación Chile ⁽¹⁾	44.224	684	14%	86%
Total	44.224	684	14%	86%

(1) Includes Pehuenche

Governance Metrics

Board of Directors diversity

Number of persons, by gender		2021
Women		2
Men		2
Total		4

Number of persons, by age range (years)		2021
Between 41 and 50		4
Women		2
Men		2
Between 51 and 60		-
Women		-
Men		-
Between 61 and 70		-
Women		-
Men		-
More tan 70		-
Women		-
Men		-
Total		4
Women		2
Men		2

Number of persons per years of work		2021
Less than 3 years		2
Women		2
Men		-
Between 3 and 12 years		2
Women		-
Men		2
More than 12 years		-
Women		-
Men		-
Total		4

Number of persons, by nationality		2021
Chilean		2
Women		1
Men		1
Italian		2
Women		1
Men		1
Total		4



Environmental Metrics

Production

Production	GWh	15,583	15,913
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Emissions

Emissions	Unit	2021	2020
Direct Greenhouse Gas Emissions (Scope 1)	k tCO ₂ eq	5,130	4,255
Other emissions from electricity production and other activities	k tCO ₂ eq	56	48
Total direct emissions (Scope 1)	k tCO₂eq	5,186	4,303
Total specific emissions from net production	g/kWheq	333	270
Total indirect emissions (Scope 2)	k tCO₂eq	3,21	10,00
Total indirect emissions (Scope 3)	k tCO₂eq	1,360	177
Total avoided emissions	k tCO₂eq	8,047	7,275

Other atmospheric emissions

SO ₂ Emissions	Tons	1,681	2,313
NO _x Emissions	Tons	4,023	4,274
PM ₁₀ Emissions	Tons	85	76
Hg Emissions	Tons	0,014	0,014

Waste Management

Waste Production	Unidad	2021	2020
Non-hazardous waste	Tons	111,924	130,330
Hazardous waste	Tons	664	329
Total Waste Production	Tons	112,588	130,659

Water Management

Water abstraction in water-stressed areas	Unit (million)	2021	2020
Water abstraction from scarce water sources	m ³	5.97	4.49
Total water abstraction from water-stressed areas	m³	5.97	4.49
Water abstraction from non water-stressed areas			
Water abstraction from scarce water sources	m³	6.39	4.93
Water abstractions from non-scarce water sources	m ³	0.6	0.47
Total water abstraction from different sources	m³	6.99	5.40
Total water using in cooling systems	m ³	680.50	626.78
Consumption (Total abstraction - Total discharges) (*)	m ³	4.06	2.54
Water discharge by destination			
Total water discharge by destination	m³	683.44	629.64

(*) This calculation is made by subtracting the total number of abstractions, considering open and closed-cycle operations, from the total number of discharges carried out in this same process.

Other Metrics

Supplier Payments

Days	Company	Domestic			Foreign		
		No. of invoices paid	Amount (Ch\$ millions)	No. of suppliers	No. of invoices paid	Amount (Ch\$ millions)	Number of suppliers
Up to 30 days	Enel Generación Chile	20,592	1,800,144	1,513	241	142,845	70
	Pehuenche	9,181	67,347	704	6	110	4
	Total	29,773	1,867,491	-	247	142,955	-
Between 30 and 60 days	Enel Generación Chile	912	62,907	233	84	5,382	33
	Pehuenche	31	1,728	23	1	11	1
	Total	943	64,635	-	85	5,393	-
More than 60 days	Enel Generación Chile	263	11,939	76	11	2,260	8
	Pehuenche	2	0	2	-	-	-
	Total	265	120,846	-	11	69,807	-
Total		30,981	2,052,972	-	343	218,155	-





Basic Company Information

Santiago Stock Exchange

<https://www.bolsadesantiago.com>

ENELGXCH

Enel Generación Chile S.A. was incorporated as Empresa Nacional de Electricidad S.A. in 1943. In 1944, the Company's bylaws were amended adding the trade name Endesa and in 2005 the trade name Endesa Chile. In 2016, the Company's legal name changed to Enel Generación Chile S.A and the trade name to "Enel Generación Chile". The Company is registered in Santiago's Register of Commerce on page 61 N° 62 and page 65 N°63, respectively, dated January 19, 1944, and the business address and main office is 76 Santa Rosa Ave., Santiago, Chile.

As of December 31, 2020, the company's total subscribed, and paid capital amounted to Ch\$ 552,777 million represented by 8,201,754,580 shares. These shares are traded on Chile's stock exchanges (the Santiago Stock Exchange and the Electronic Stock Exchange) and until December 17, 2020, traded Over the Counter in the United States*.

The purpose of the Company is to engage in the exploitation, production, transportation, and distribution of electric power. The Company may also provide engineering consulting services, invest in financial assets, develop projects, and perform activities in the energy field and in other fields in which electricity is essential and also participate offering hydraulic services in public works tenders.

Enel Generación Chile is the leading electricity generation company in Chile. As of December 31, 2021, its market capitalization reached Ch\$ 1,220,503 million, total assets amounted Ch\$ 3,301,884 million, revenue reached Ch\$ 1,899,774 million and employed 658 people.

()The ADSs of Enel Generación Chile ceased to trade on the New York Stock Exchange on December 31, 2018. They traded exclusively in the over-the-counter market (Over-The-Counter ,OTC) in the United States from that date until December 17, 2020, when the cancellation of the ADS program became effective. Also, in February 2021, the Company submitted form 15F to the United States Securities and Exchange Commission to voluntarily delist Enel Generación Chile from the U.S. Securities Exchange Act of 1934 and consequently not be subject to the disclosure requirements of Section 13(a) and Section 15(d) of the Exchange Act and therefore the Company no longer must file the annual report through the 20-F form nor file significant events as 6-K forms. Such delisting became effective in May 2021.*

Presentation of this Annual Report

Enel Generación Chile's 2021 Annual Report presents sustainability as part of the Company's business model. Sustainability is part of the Company's daily decisions and therefore its financial performance is the outcome of a three-dimensional management model that considers environmental, social, and corporate governance issues (ESG).

Within this context, this report has been prepared in accordance with the rules established by General Norm 30 ("NCG" in its Spanish acronym) issued by the Financial Market Commission (Comisión para el Mercado Financiero or "CMF" in its Spanish acronym) including non-financial information regarding the Company's performance.

When referring to Annual Report or Report we are referring to the 2021 Annual Report. Also, Enel Generación Chile, the Company, the Firm, may all be used indistinctly when referring to Enel Generación Chile S.A. The digital version of the 2021 Annual Report will be available in the Investors' section of the Company website.

Scope of the Report

Financial and sustainability information included in this report relates to Enel Generación Chile S.A. and its subsidiary as detailed in Note 2.4 of the Company's Financial Statements.

Information of Enel Generación Chile S.A.

Name	Enel Generación 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)	91.081.000-6
Address	76 Santa Rosa St., 17th floor Santiago, Chile
Zip Code	833-0099 Santiago, Chile
Telephone No	(56) 22630 9000
PO. Box	1392 Santiago, Chile
Securities Registration No	N° 0114
External Auditors	Mazars Auditores Consultores SpA www.mazars.cl
Subscribed and paid-in capital (Ch\$)	552,777,321
Website	www.enel.cl / www.enelgeneracion.cl
Email	comunicacion.enelgeneracionchile@enel.com
Investor Relations Contact	Isabela Klemes Head of Investor Relations Isabela.klemes@enel.com ir.enelgeneracionchile@enel.com
Investors' Web address	https://www.enel.cl/es/inversionistas/inversionistas-enel-generacion.html
Ticker in Chilean stock exchanges	ENELGXCH
Domestic Risk Rating Agency	Feller Rate and Fitch Chile Clasificadora de Riesgo Limitada
International Risk Rating Agency	Fitch Ratings and Standard & Poor's



9 Appendices

Consolidated Financial Statements

Earnings Release

Consolidated Essential Events

Glossary





Consolidated Financial Statements



INDEPENDENT AUDITORS' REPORT (Translation of a report originally issued in Spanish)

To the Shareholders and Directors of
Enel Generación Chile S.A.

We have audited the accompanying consolidated financial statements of Enel Generación Chile S.A. and subsidiary, which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, changes in shareholder's equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statement

The Company's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards. This responsibility includes the design, implementation and maintenance of an internal controls relevant to the preparation and fair presentation of consolidated financial statements that are free of 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 audits. We conducted our audits 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.

Mazars Auditores Consultores SpA



Cerro El Plomo 5680, Of 301
Las Condes, Santiago - Chile
Phone: (56-2) 2963 3300
e-mail: contact@mazars.cl
www.mazars.cl

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 referred to above present fairly, in all material respects, the financial position of Enel Generación Chile S.A. and subsidiary as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Rubén López Di Rubba

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RUBBA

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Mazars Auditores Consultores SpA

Santiago, February 28, 2022



Consolidated Statements of Financial Position, Classified

as of december 31, 2021 and 2020

(In thousands of Chilean pesos – ThCLP\$)

ASSETS	Note	As of 12.31.2021	As of 12.31.2020
CURRENT ASSETS			
Cash and cash equivalents	5	3,797,668	4,659,210
Other current financial assets	6	1,889,279	2,550,779
Other current non-financial assets	7.a	44,539,229	8,065,234
Trade and other receivables, current	8	286,661,860	258,985,038
Due from related companies, current	9.1.a	161,492,247	155,062,582
Inventories, current	10	13,631,041	11,704,254
Current tax assets	11	34,161,508	24,781,258
TOTAL CURRENT ASSETS		546,172,832	465,808,355
NON-CURRENT ASSETS			
Other non-current financial assets	6	37,988,835	20,660,446
Other non-current non-financial assets	7.a	16,948,130	15,711,751
Trade and other receivables, non-current	8	94,147,994	153,634,511
Due from related companies, non-current	9.1.a	146,494,749	139,937,114
Investments accounted for using the equity method	12	6,093,771	9,551,139
Intangible assets other than goodwill	13	27,260,911	31,490,689
Goodwill	14	24,860,356	24,860,356
Property, plant and equipment	15	2,237,413,959	2,119,688,442
Right-of-use assets	16	15,954,443	16,797,693
Deferred tax assets	17	148,548,175	92,820,469
TOTAL NON-CURRENT ASSETS		2,755,711,323	2,625,152,610
TOTAL ASSETS		3,301,884,155	3,090,960,965

EQUITY AND LIABILITIES	Note	As of 12.31.2021	As of 12.31.2020
CURRENT LIABILITIES			
Other current financial liabilities	18	53,883,851	46,861,432
Current lease liabilities	19	3,407,483	2,735,817
Trade and other payables, current	22	270,141,435	153,625,332
Due to related companies, current	9.1.b	158,650,929	64,232,557
Other current provisions	23	17,720,240	2,933,069
Current tax liabilities	11	-	63,285,623
Other current non-financial liabilities	7b	4,318,525	14,221,501
TOTAL CURRENT LIABILITIES		508,122,463	347,895,331
NON-CURRENT LIABILITIES			
Other non-current financial liabilities	18	902,487,329	753,422,980
Non-current lease liabilities	19	6,793,041	8,530,170
Trade and other payables, non-current	22	2	2
Due to related companies, non-current	9.1.b	152,044,200	-
Other non-current provisions	23	164,410,543	177,128,201
Deferred tax liabilities	17	40,613,284	42,466,077
Non-current provisions for employee benefits	24.2.a	16,805,375	22,187,917
TOTAL NON-CURRENT LIABILITIES		1,283,153,774	1,003,735,347
TOTAL LIABILITIES		1,791,276,237	1,351,630,678
EQUITY			
Share and paid-in capital	25.1.1	552,777,321	552,777,321
Retained earnings		1,121,460,788	1,215,503,854
Issuance premium	25.1.1	85,511,492	85,511,492
Other reserves	25.5	(259,836,249)	(124,575,022)
Equity attributable to owners of the controlling company		1,499,913,352	1,729,217,645
Non-controlling interests	25.7	10,694,566	10,112,642
TOTAL EQUITY		1,510,607,918	1,739,330,287
TOTAL EQUITY AND LIABILITIES		3,301,884,155	3,090,960,965



Consolidated Statements of Comprehensive Income, by Nature

For the years ended December 31, 2021 and 2020

(In Thousands of Chilean pesos - ThCh\$)

STATEMENTS OF INCOME	Note	January - December	
		2021	2020
Income from ordinary activities	26	1,882,345,128	1,457,275,629
Other income, by nature	26	17,429,260	32,826,640
Total revenues from ordinary activities and other income by nature		1,899,774,388	1,490,102,269
Used raw material and consumables	27	(1,505,110,838)	(811,503,735)
Contribution margin		394,663,550	678,598,534
Other work performed by the entity and capitalized	15.b.2	3,183,119	4,659,355
Employee benefits expenses	28	(52,345,267)	(48,830,243)
Depreciation and amortization expenses	29	(72,007,238)	(85,968,035)
Reversal of impairment losses recognized on non-financial assets	29	(28,773,083)	(697,856,387)
Earnings from impairment and reversals of impairment losses (Impairment losses) determined as per IFRS 9 on financial assets	29	(697,402)	(226,182)
Other expenses by nature	30	(85,496,176)	(86,984,909)
Operating income		158,527,503	(236,607,867)
Other gains (losses)	31	10,167,424	9,478,529
Financial income	32	7,632,326	12,075,592
Financial costs	32	(68,652,677)	(28,328,656)
Share of profit (loss) from associates and joint ventures accounted for using the equity method	12.1	3,220,156	2,494,610
Gains (losses) from foreign currency exchange differences	32	15,190,050	(29,525,399)
Result from adjustment units	32	3,385,938	(703,130)
Profit (loss) before taxes		129,470,720	(271,116,321)
Income tax expenses	33	(5,812,252)	122,433,670
PROFIT (LOSS)		123,658,468	(148,682,651)
Profit (loss), attributable to			
Income (loss) attributable to owners of the parent		115,941,250	(155,086,482)
Income (loss) attributable to non-controlling interests	25.7	7,717,218	6,403,831
INCOME (LOSS)		123,658,468	(148,682,651)
		-	-
Basic earnings per share			
Basic earnings (losses) per share in continuing operations	CLP\$/share	14,14	(18,91)
Basic earnings (losses) per shares	CLP\$/share	14,14	(18,91)
Weighted average number of outstanding shares		8,201,754,580	8,201,754,580
Diluted earnings per share			
Diluted earnings (losses) per share from continuing operations	CLP\$/share	14,14	(18,91)
Diluted earnings (losses) per share	CLP\$/share	14,14	(18,91)
Weighted average number of outstanding shares		8,201,754,580	8,201,754,580

Consolidated Statements of Comprehensive Income, by Nature

For the years ended December 31, 2021 and 2020

(In thousands of Chilean pesos – ThCLP\$)

STATEMENTS OF COMPREHENSIVE INCOME	Note	January - December	
		2021	2020
Profit (loss)		123,658,468	(148,682,651)
Components of other comprehensive income that will not be reclassified subsequently to profit or loss, before taxes			
Gain (loss) on remeasurement of defined benefit plans	24.2.c.	2,701,915	(2,983,101)
Other comprehensive income that will not be reclassified subsequently to profit or loss		2,701,915	(2,983,101)
Components of other comprehensive income that will be reclassified subsequently to profit or loss, before taxes			
Gains (losses) from foreign currency translation difference		756,717	(4,883,581)
Gains (losses) on measuring Financial Asset at Fair Value through Other Comprehensive Income		31	-
Gains (losses) from cash flow hedges		(214,668,195)	106,464,916
Adjustments from reclassification of cash flow hedges, transferred to profit or loss		33,779,294	36,620,105
Other comprehensive income that will be reclassified subsequently to profit or loss		(180,132,153)	138,201,440
Other components from other comprehensive income, before taxes		(177,430,238)	135,218,339
Income tax related to components of other comprehensive income that will not be reclassified subsequently to profit or loss			
Income tax related to defined benefit plans		(729,517)	805,437
Income tax related to components of other comprehensive income that will not be reclassified subsequently to profit or loss		(729,517)	805,437
Income tax related to components of other comprehensive income that will be reclassified subsequently to profit or loss			
Income tax related to cash flow hedge		48,840,003	(38,632,956)
Income taxes related to financial assets measured at fair value through other comprehensive income		(8)	-
Income tax related to components of other comprehensive income that will be reclassified subsequently to profit or loss		48,839,995	(38,632,956)
Total other comprehensive income		(129,319,760)	97,390,820
TOTAL COMPREHENSIVE INCOME		(5,661,292)	(51,291,831)
Comprehensive income attributable to			
Comprehensive income attributable to owners of the controlling company		(13,378,510)	(57,695,662)
Comprehensive income attributable to non-controlling interests		7,717,218	6,403,831
TOTAL COMPREHENSIVE INCOME		(5,661,292)	(51,291,831)



Consolidated Statements of Changes in Net Equity

For the years ended December 31, 2021 and 2020

(In thousands of Chilean pesos – ThCLP\$)

Statements of Changes in Net Equity	Changes in other reserves				
	Share and paid-in capital (1)	Issuance premium (2)	Reserve for exchange differences from translation	Reserves for cash flow hedges	Reserves of gains and losses from defined benefit plans
Equity at the beginning of 01.01.2020	552,777,321	85,511,492	2,911,473	(202,393,842)	-
Increase (decrease) due to changes in accounting policies	-	-	-	-	-
Initial balance, restated	552,777,321	85,511,492	2,911,473	(202,393,842)	-
Changes in equity					
Comprehensive income	-	-	-	-	-
Profit (loss)	-	-	-	-	-
Other comprehensive income	-	-	(4,883,581)	104,452,065	(2,177,664)
Comprehensive income	-	-	-	-	-
Dividends	-	-	-	-	-
Increase (decrease) due to other changes	-	-	-	-	2,177,664
Total changes in equity	-	-	(4,883,581)	104,452,065	-
Equity at the end of the period 12.31.2020	552,777,321	85,511,492	(1,972,108)	(97,941,777)	-

Statements of Changes in Net Equity	Changes in other reserves				
	Share and paid-in capital (1)	Issuance premium (2)	Reserve for exchange differences from translation	Reserves for cash flow hedges	Reserve of exchange differences from translation
Equity at the beginning of 01.01.2021	552,777,321	85,511,492	(1,972,108)	(97,941,777)	-
Increase (decrease) due to changes in accounting policies	-	-	-	-	-
Initial balance, restated	552,777,321	85,511,492	(1,972,108)	(97,941,777)	-
Changes in equity					
Comprehensive income	-	-	-	-	-
Profit (loss)	-	-	-	-	-
Other comprehensive income	-	-	756,717	(132,048,898)	1,972,398
Comprehensive income	-	-	-	-	-
Dividends	-	-	-	-	-
Increase (decrease) due to other changes	-	-	-	-	(1,972,398)
Total changes in equity	-	-	756,717	(132,048,898)	-
Equity at the end of the period 12.31.2021	552,777,321	85,511,492	(1,215,391)	(229,990,675)	-

(1) See Note 25.1

(2) See Note 25.1

(3) See Note 25.6

(4) See Note 25.5

(5) See Note 25.7

Changes in other reserves

Reserve of gains and losses on financial asset measured at fair value through changes in other comprehensive income	Other sundry reserves (3)	Total other reserves (4)	Retained earnings (losses) Accumulated	Equity attributable to owners of the controlling company	Non-controlling interests (5)	Total Net Equity
(1,041)	(27,094,479)	(226,577,889)	1,552,064,328	1,963,775,252	10,079,142	1,973,854,394
-	-	-	-	-	-	-
(1,041)	(27,094,479)	(226,577,889)	1,552,064,328	1,963,775,252	10,079,142	1,973,854,394
-	-	-	-	-	-	-
-	-	-	(155,086,482)	(155,086,482)	6,403,831	(148,682,651)
-	-	97,390,820	-	97,390,820	-	97,390,820
-	-	-	-	(57,695,662)	6,403,831	(51,291,831)
-	-	-	(179,296,328)	(179,296,328)	(6,370,331)	(185,666,659)
-	2,434,383	4,612,047	(2,177,664)	2,434,383	-	2,434,383
-	2,434,383	102,002,867	(336,560,474)	(234,557,607)	33,500	(234,524,107)
(1,041)	(24,660,096)	(124,575,022)	1,215,503,854	1,729,217,645	10,112,642	1,739,330,287

Changes in other reserves

Reserve of gains and losses on financial asset measured at fair value through changes in other comprehensive income	Other sundry reserves (3)	Total other reserves (4)	Retained earnings (losses) Accumulated	Equity attributable to owners of the controlling company	Noncontrolling interests (5)	Total Net Equity
(1,041)	(24,660,096)	(124,575,022)	1,215,503,854	1,729,217,645	10,112,642	1,739,330,287
-	-	-	-	-	-	-
(1,041)	(24,660,096)	(124,575,022)	1,215,503,854	1,729,217,645	10,112,642	1,739,330,287
-	-	-	-	-	-	-
-	-	-	115,941,250	115,941,250	7,717,218	123,658,468
23	-	(129,319,760)	-	(129,319,760)	-	(129,319,760)
-	-	-	-	(13,378,510)	7,717,218	(5,661,292)
-	-	-	(211,956,715)	(211,956,715)	(7,135,294)	(219,092,009)
-	(3,969,069)	(5,941,467)	1,972,399	(3,969,068)	-	(3,969,068)
23	(3,969,069)	(135,261,227)	(94,043,066)	(229,304,293)	581,924	(228,722,369)
(1,018)	(28,629,165)	(259,836,249)	1,121,460,788	1,499,913,352	10,694,566	1,510,607,918



Consolidated Statements of Cash Flows, Direct Method

For the years ended December 31, 2021 and 2020

(In thousands of Chilean pesos – ThCLP\$)

Statement of Cash Flows, Direct Method	Note	January - December	
		2021	2020
Cash flows from (used in) operating activities			
Types of collections from operating activities			
Collections from the sales of goods and service		2,410,392,060	1,732,648,390
Collections from premiums and services, annual payments and other benefits from policies held		8,798,828	4,891,387
Types of cash payments from operating activities			
Payments to suppliers for the provision of assets and services		(1,947,916,051)	(1,177,931,240)
Payments to and on behalf of the employees		(43,642,398)	(45,338,518)
Payments for premiums and renderings, annuities and other obligations derived from the subscribed policy		(19,322,865)	(20,370,747)
Other payments for operating activities		(70,655,165)	(100,716,463)
Cash flows from (used in) operating activities			
Reimbursed (paid) income taxes		(92,262,131)	(30,791,419)
Other cash inflows (outflows)		(2,457,500)	(632,942)
Net cash flows from (used in) operating activities		242,934,778	361,758,448
Cash flows from (used in) investing activities			
Other collections for the sale of interests in joint ventures		11,786,767	-
Loans and funds transferred to related parties	9.1.d	(984,862,787)	(1,252,698,068)
Proceeds from sales of property, plant and equipment		18,197,075	-
Purchases of property, plant and equipment		(156,729,271)	(139,962,121)
Proceeds from the sales of intangible assets		2,489,340	-
Purchases of intangible assets		(5,007,321)	(10,564,764)
Payments from future, forward, option and swap contracts		(507,928)	(3,260,921)
Collections from future, forward, option and swap contracts		674,233	22,229
Collections from loans and funds transferred to related parties	9.1.d	984,669,979	1,368,612,694
Dividends received		6,386,740	-
Interests received		441,068	4,493,154

Net cash flows from (used in) investing activities		(122,462,105)	(33,357,797)
Cash flows from (used in) financing activities			
Loans from related parties	9.1. d	1,300,526,990	568,015,389
Loan repayments		(33,736,628)	(32,240,279)
Lease liability payments	5.c	(2,771,040)	(2,686,093)
Loan repayments to related parties	9.1. d	(1,147,678,190)	(568,015,389)
Dividends paid		(184,058,776)	(243,617,626)
Interests paid		(56,618,380)	(58,255,380)
Bank interests paid	5.c	(381)	(20,701)
Bond interests paid	5.c	(45,719,412)	(48,428,083)
Other interests paid	5.c	(2,609)	(556,274)
Interests paid to related parties	5.c	(1,964,376)	(512,180)
Interests paid on derivatives	5.c	(8,931,602)	(8,738,142)
Other cash inflows (outflows)		568,687	(207,604)
Cash flows provided by (used in) financing activities		(123,767,337)	(337,006,982)
Net increase (decrease) in cash and cash equivalents, before the effect of exchange rate changes		(3,294,664)	(8,606,331)
Effects of exchange rate changes on cash and cash equivalents			
Effects of exchange rate changes on cash and cash equivalents		2,433,122	(222,043)
Net increase (decrease) in cash and cash equivalents		(861,542)	(8,828,374)
Cash and cash equivalents at beginning of the year		4,659,210	13,487,584
Cash and cash equivalents at the end of the year		3,797,668	4,659,210



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Notes To The Consolidated Financial Statements

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

(In thousands of Chilean pesos – THCLP\$)

NOTE 1. General Information

Enel Generación Chile S.A. (hereinafter the “Parent Company”, the “Company”) and its subsidiaries comprise the Enel Generación Chile S.A.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. The Company is registered with the securities registry of the Financial Market Commission of Chile (“Comisión para el Mercado Financiero” or “CMF”), under No. 114. In addition, it was registered with the Securities and Exchange Commission of the United States of America (hereinafter the “U.S. SEC”) and its shares were traded on the New York Stock Exchange (NYSE) from 1994 to December 31, 2018, the date on which the Company requested the SEC to delist the securities issued. As of this date, the American Depositary Shares issued by Enel Generación Chile ceased to be traded on the NYSE. On February 24, 2021, the Company filed Form 15F with the U.S. SEC to voluntarily deregister the Company from Section 12(g) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), and terminate its disclosure obligations under Section 13(a) and Section 15(d) of the Exchange Act. Accordingly, upon filing Form 15F the Company ceased to disclose the annual report on Form 20 F and material facts on Form 6-Ks.

Enel Generation Chile S.A. is a subsidiary of Enel Chile S.A. (“Enel Chile”), an entity that in turn is controlled by Enel S.p.A. (hereinafter Enel).

The Company was incorporated through the execution of a public deed on December 1, 1943; under the name Empresa Nacional de Electricidad S.A. By Supreme Treasury Decree No. 97, dated January 3, 1944, its existence was authorized and its by-laws were approved. The existence of the company under its current name, Enel Generación Chile S.A., dates from October 4, 2016, when its corporate name was changed by amending the by-laws in the context of the corporate reorganization process carried out by the Group during that year. For tax purposes, the Company operates under the Tax ID No. 91,081,000-6.

As of December 31, 2021, the Group had 658 employees. During the fiscal year ended December 31, 2021, the Group averaged a total of 670 employees (see Note 35).

Enel Generación Chile’s corporate purpose is the generation, transportation, production and distribution of electricity. The purpose of the Company is also to make investments in financial assets, develop projects and carry out activities in the energy and other fields in which electricity is essential, and participate in public works infrastructure concessions in civil or hydraulic areas, being able to act directly or through a subsidiary or associated companies, in Chile or abroad.

NOTE 2. Basis Of Presentation Of The Consolidated Financial Statements

2.1. Accounting principles

The consolidated financial statements of Enel Generación Chile as of December 31, 2021, approved by its Board of Directors at its meeting held on February 28, 2022, 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 Generación Chile and its subsidiary as of December 31, 2021 and 2020, and the results of operations, changes in equity and cash flows for each of the years ended December 31, 2021 and 2020, and their 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 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, 2021:

Amendments	Mandatory application for annual periods beginning on or after:
<i>Amendments to IFRS 16: COVID-19 - Related Rent Concessions</i>	June 1, 2020
<i>Amendments to IFRS 9 IAS 39 IFRS 7 IFRS 4 and IFRS 16: Interest Rate Benchmark Reform - Phase 2</i>	January 1, 2021

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 or after 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.

The application of these improvements did not generate 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 finalized a reform that phased out benchmark interest rates, such as Interbank Offering Interest Rates ("IBORs"), by issuing a package of amendments to the following IFRS:

- IFRS 9 Financial Instruments
- IAS 39 Financial Instruments: Recognition and Measurement
- IFRS 7 Financial Instruments: Disclosures
- IFRS 4 Insurance Contracts
- IFRS 16 Leases

The aim of these amendments is to help companies provide investors with useful information about the effects of the reform on their financial statements.

Background information

IBORs are interest rates published daily as a reference to the average interest at which a certain number of financial institutions would grant unsecured interbank loans at different terms and currencies.



Because of concerns regarding attempts to manipulate benchmark interest rates in recent years, regulators around the world started a radical reform on these rates to increase the reliability of benchmark interest rates within the international financial system. The objective of the reform is to replace interbank offering interest rates with alternative risk-free benchmark interest rates, which are based on liquid transactions in underlying markets and do not depend on expert judgments, such as the Secured Overnight Funding Rate (SOFR).

Phase 1 Amendments

Phase 1 of the IASB's work was focused on providing temporary exceptions that allow entities to continue to apply hedge accounting during the uncertain period prior to IBOR replacement. This phase finished in 2019 with the issuance of amendments to IFRS 9, IAS 39 and IFRS 7, which became effective on January 1, 2020.

Phase 2 Amendments

Phase 2 complements the previous amendments and addresses the effects on financial statements when a company replaces a previous benchmark interest rate with an alternative benchmark interest rate. These amendments mainly relate to the following:

- 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.

Phase 2 amendments issued became effective beginning on January 1, 2021, with retrospective application, subject to certain exceptions. It is not necessary to restate previous periods.

Enel Generación Chile and its subsidiary do not have financial instruments directly affected by the reform, therefore, the application of these amendments did not have an impact on the Group's consolidated financial statements.

b) Accounting pronouncements applicable beginning on January 1, 2022 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:

Amendments and Improvements	Mandatory application for annual periods beginning on or after:
<i>Amendments to IFRS 16: COVID-19 - Related Rent Concessions Beyond June 30, 2021</i>	April 1, 2021
<i>Amendments to IFRS 3: Reference to the Conceptual Framework</i>	January 1, 2022
<i>Amendments to IAS 16: Proceeds before Intended Use</i>	January 1, 2022
<i>Amendments to IAS 37: Onerous contracts - Cost of Fulfilling a Contract</i>	January 1, 2022
<i>Annual Improvements to IFRS: 2018-2020 Cycle</i>	January 1, 2022
- <i>IFRS 1: First-time Adoption of International Financial Reporting Standards</i>	
- <i>IFRS 9: Financial Instruments</i>	
- <i>Amendment to Illustrative Examples accompanying IFRS 16</i>	
- <i>IAS 41: Agriculture</i>	
<i>Amendments to IAS 1: Classification of Liabilities as Current or Non-Current</i>	January 1, 2023
<i>Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies</i>	January 1, 2023
<i>Amendments to IAS 8: Definition of Accounting Estimates</i>	January 1, 2023
<i>Amendment to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	January 1, 2023

Amendments to IFRS 16: "COVID-19-Related Rent Concessions after June 30, 2021"

Because of the continued impact of the COVID-19 pandemic, the IASB issued an amendment to IFRS 16 "Leases" on March 31, 2021, that extended by one year the period of application of the practical expedient that helps lessees to account for rental concessions linked to COVID-19. With these amendments, the IASB extended the practical expedient to rent concessions that reduce lease payments originally due on or before June 30, 2022.

The amendment is effective for annual periods beginning on or after April 1, 2021, retrospectively, recognizing the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or another component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment. Earlier application is permitted, even for financial statements that have not been authorized for publication as of March 31, 2021. Enel Chile has decided not to early apply these amendments.

Management has assessed the impacts of this amendment and has concluded that its implementation does not have a significant impact 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 or after January 1, 2022. Early application is permitted.

Management has assessed the impacts of this amendment and has concluded that its implementation does not have a significant impact 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 or after 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 has assessed the impacts of this amendment and has concluded that its implementation does not have a significant impact 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 or after January 1, 2022. Early application is permitted. 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 has assessed the impacts of this amendment and has concluded that its implementation does not have a significant impact 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 or after 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 accompanying 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 has assessed the impacts of this amendment and has concluded that its implementation does not have a significant impact on the Group's consolidated financial statements.

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 assessing the potential impact of the application of these amendments on the Group's consolidated financial statements.

Amendments to IAS 1 and IFRS Practice Statement 2: "Disclosure of Accounting Policies"

On February 12, 2021, the IASB issued limited-scope amendments to IAS 1: Presentation of Financial Statements and IFRS: Practice Statement No. 2 Making Materiality Judgements. This related to the final stage of its materiality improvement work, in order to help entities with their accounting policy disclosures. The aim was to provide more useful information to investors and other primary users of the financial statements.

Amendments to IAS 1 require entities to disclose their material information on the accounting policies rather than their significant accounting policies. The amendments to IFRS Statement of Practice No. 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early application is permitted.

Management is assessing the potential impact of the application of these amendments on the Group's consolidated financial statements disclosures.

Amendments to IAS 8: "Definition of Accounting Estimates"

On February 12, 2021, the IASB issued limited-scope amendments to IAS 8: "Accounting Policies, Changes to Accounting Estimates and Errors." The aim was to clarify how companies should distinguish between changes to accounting policies and changes to accounting estimates, in order to reduce diversity in practice.

This distinction is important because accounting estimate changes only apply prospectively to future transactions and other future events. In addition, accounting policy changes generally apply retrospectively to past transactions and other past events.

The amendments are effective for annual periods beginning on or after January 1, 2023 and will be applied prospectively to changes to estimates and accounting policies that occur from the beginning of the first year in which the entity applies the amendments. Early application is permitted.

Management is assessing the potential impact of the application of these amendments on the Group's consolidated financial statements.

Amendments to IAS 12: "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

On May 7, 2021, the IASB issued specific amendments to IAS 12: Income Taxes, with the aim of clarifying how companies should account for deferred taxes on transactions, such as leases and decommissioning obligations.

In certain circumstances, companies are exempt from recognizing deferred taxes when they recognize assets or liabilities for the first time. Previously, there was some uncertainty about whether the exemption applied to transactions, such as leases and decommissioning obligations, transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption is not applicable to these transactions and companies are required to recognize deferred taxes on such transactions.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early application is permitted.

Management is assessing 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.d).
- The hierarchy of information used to measure assets and liabilities at fair value (see Note 3.g).
- Application of the revenue recognition model in accordance with IFRS 15 (see Note 3.p).



The estimates refer basically to:

- The valuations performed to determine the existence of impairment losses in non-financial assets and goodwill (see Note 3.d).
- The assumptions used to calculate the actuarial liabilities and obligations with employees, such as discount rates, mortality tables, salary increases, etc. (see Notes 3.1.1 y 24).
- The useful lives of property, plant and equipment and intangible assets (see Notes 3.a y 3.c).
- The assumptions used to calculate the fair value of financial instruments (see Notes 3.f y 21).
- 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 4.2).
- 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 8).
- The probability that uncertain or contingent liabilities will be incurred and their related amounts (see Note 3.l).
- 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.o).
- 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.f.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.e).

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, 2021, 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 on 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 Generación Chile S.A. 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.

Enel Generación Chile S.A. has power over its subsidiaries when it holds the majority of substantive voting rights, or if this is not the case, when it holds the rights that grant it present capacity to direct their relevant activities, i.e., the activities that significantly affect the subsidiary's performance.

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 in Appendix 1.

On June 25, 2021, the Company's directors analyzed the corporate reorganization proposal consisting of a merger by absorption of Empresa Eléctrica Pehuenche S.A. into Enel Generación, as provided for in Article 155 and following articles of the Corporations Regulation, as a result of which Enel Generación, as absorbing entity, would incorporate the subsidiary company Empresa Eléctrica Pehuenche S.A., which would be dissolved without the need for its liquidation, with Enel Generación taking in all its rights and obligations, subject to the terms and conditions to be established.

The Board of Directors resolved, by unanimous decision, to initiate all the work, analysis and steps leading to the execution of the aforementioned corporate reorganization project, in the terms described, subjecting the operation to the rules established in Title XVI of the Corporations Law, which governs operations between related parties. Additionally, Banchile Asesoría Financiera S.A. and Mr. Rafael Alejandro Maya Osorio, Director of Corporate Finance of Ameris Capital, were appointed as independent appraisers of the transaction.

Finally, Inversiones Tricahue S.A. filed before the 19th Civil Court of Santiago, a request for a preliminary injunction prohibiting the execution of acts and contracts against Enel Generación Chile S.A.. Consequently, Enel Generación Chile S.A. refrained from participating in the Extraordinary Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A. held on September 28, 2021, which was called to decide on the merger of the latter with Enel Generación Chile. As a result the transaction could not be approved (see Note 34.3).

2.5. Investments in associates

Associates are entities over which Enel Generación Chile S.A., 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.h.

The detail of the companies that qualify as associates are detailed in Appendix 2.



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.h.
- 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.

Currently, Enel Generation Chile is not involved in any joint arrangement that qualifies as a joint operation.

Appendix 2 to these consolidated financial statements describes the relationship of Enel Generación Chile with each of these companies.

2.7. Basis of consolidation and business combinations

The subsidiary 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 subsidiary have been consolidated under the following basic principles:

1. At the date the Parent Company 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 Parent 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 subsidiary 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 subsidiary 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 Company.
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 Company, 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 charge or credit to Other reserves. The Group does not apply retrospective accounting for business combinations under common control.

2.8. Functional currency

The functional and presentation currency of the consolidated financial statements of Enel Generación 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 company 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 statement of comprehensive income in Other comprehensive income (see Note 25.2).



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. Changes in the Company's net investment in the subsidiary, which operates in a hyperinflationary economy, based on the application of the price-level restatement/translation method, are recorded as follows: (i) the effect of restatement due to inflation is recognized directly in Equity, under the "Other reserves" account; and (ii) the effect of foreign currency translation is recognized in Gain (losses) from foreign currency translation, in the consolidated statements of comprehensive income: Other comprehensive income.

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 consolidated 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:

	General price index
From January to December 2020	36.13%
From January to December 2021	50.95%

The effects of the application of this standard on these consolidated financial statements are detailed in Note 32.

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 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 e.g., 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 15.b.1).
- Employee expenses directly related to construction in progress (see Note 15.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 23.b).

Assets under 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 longer useful life are capitalized as an increase in the cost 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.

The Company, based on the results of the impairment tests explained in Note 3.d, considers that the carrying amount of the assets does not exceed their recoverable value.

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.e.

The following are the main categories of property, plant and equipment with their related estimated useful lives:

Classes of property, plant and equipment	Years of estimated useful life
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 class of plant and equipment:

Class of plant and equipment	Years of estimated useful life
Generating plant and equipment	
Hydroelectric plants	
Civil engineering works	10 – 65
Electromechanical equipment	10 – 45
Combined cycle power plants	10 – 25
Renewable	10 – 50
Natural gas transportation	
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) 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 Company 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.d).

c) 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, 2021 and 2020, intangible assets with indefinite useful lives amounted to ThCh\$4,139,814, 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 d) of this Note below.

c.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.

c.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.

d) 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 2021, the rates used to extrapolate the projections was 3.0%.

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 2021 was 7.7%.

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.



- 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 2021, the deviations observed with respect to the projections used to perform impairment testing as of December 31, 2020, were not significant and cash flows generated in 2021 remained in a reasonable variance range compared to those expected for that period.

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.

e) Leases

In order to determine whether an arrangement is, or contains, a lease, Enel Generación 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.

e.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.d 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.

e.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.



f) 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.

f.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.h) and non-current assets and disposal groups held for sale or distribution to owners (see Note 3.j), into 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.

f.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.

f.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); ii) Loss Given Default (LGD), and iii) Exposure at Default (EAD).

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 Generación Chile and its subsidiary.

For trade accounts receivable, contractual assets and lease receivables, the Group primarily performs an individual assessment in order to determine expected credit losses. Given the regulatory context and the type of business in which the Company operates, Management has considered accounts receivable to be individually significant, and therefore applies an analytical approach to each of them. For this individual assessment, the Probability of Default (PD) is obtained primarily from an external provider, whenever possible, and the LGD through an internal model that considers the recovery rate and other contractual and financial characteristics of the 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 invoices issued but not due and invoices to be issued for services rendered, net of potential cash deposits obtained as collateral.

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.



f.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.f.1).

Lease liabilities are initially measured at the present value of future lease payments, determined in accordance with the criteria described in Note 3.e.

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 18, 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.

f.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 used 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.

f.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. Transaction costs are recognized in profit and loss by using the effective interest method (see Note 3.f.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.

f.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:

- here 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.

f.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:

- 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.



g) 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 CVA and 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 21.

h) 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."

Appendix 2 to these consolidated financial statements describes the relationship of Enel Generación Chile with each of these companies.

i) 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.

j) 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.

k) 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.

l) 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.

I.1) Provisions for post-employment benefits and similar obligations

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".

m) 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 receivable 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.

n) 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.

o) 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 provide 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, 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.

p) 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.
- The 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.
- 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 26 and Appendix 4.2).

- 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.

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 obligations 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, 2021 and 2020 the Group has not incurred costs to obtain or perform a contract which meet the conditions for their capitalization.

Interest income (expense) are recorded considering the effective interest rate applicable to the principal pending amortization during the related accrual period.

q) 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.



r) Dividends

Article No. 79 of Law No. 18,046 (Chilean Corporations Law) 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 Generación Chile S.A. 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" 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.

s) 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.

t) Segmentation criteria

In order to identify the reporting operating segments, the Group takes into account the manner in which the operations results are regularly presented for decision-making by Management and the aggregation criteria, in accordance with the provisions of IFRS 8 "Operating Segments".

The main business of Enel Generación Chile is the generation and sale of electricity. This business is conducted through a number of thermoelectric, hydroelectric and wind power plants, for which the economic management, as well as operating decision making, is carried out as a single generation portfolio. The commercial policy is optimized by considering the portfolio of all the power plants in order to maximize the variable margin and minimize business volatility (hydrology, demand, fuel prices, etc.) and therefore there is no allocation of contracts per power plant.

The Enel Generación Chile Group's electricity-generating plants operate within the National Electric System, in which the generation of each of the generating units is defined by the National Electric Coordinator. On the other hand, consistent with its commercial policy, Enel Generación Chile makes bids for regulated supply considering all the electricity-generating assets in the country jointly, and the contracts can not be divided by generation unit. Consequently, a geographic segmentation is not applicable.

As a result, for the purposes of applying IFRS 8, the only operating segment for Enel Generación Chile is defined as the entire business described above.

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, which 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 (SEC) supervises and oversees compliance with the laws, regulations, and technical standards for 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 pronounce on any discrepancies produced in terms of the matters established in the Electricity Law and in the application of other laws on energy, by means of binding decrees.

The Law establishes a National Electricity 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: National Electricity System (SEN) and two isolated medium-sized systems: Aysén and Magallanes. The SEN was created with the interconnection of the Sistema Interconectado Central ("SIC") and Sistema Interconectado del Norte Grande ("SING") in November 2017. Until the interconnection, the SIC was the country's main system, which extended longitudinally 2,400 km and connected the country from Taltal in the north to Quellón, on the island of Chiloé in the south. Besides, the SING covered the northern part of the country, from Arica down to Coloso a length of some 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 basic characteristics, 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 generator or distributor companies in the National Transmission segment, and prohibits the participation of the National Transmission companies in the generation and distribution segment.

In addition, as of January 1, 2021, through exempt resolution No. 173 of the National Energy Commission, it determined the scope of the obligation of exclusive line of business and separate regulatory accounting for the provision of the public electricity distribution service in accordance with the provisions of Law No. 21,194..

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 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, but must remain within the system 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 come about 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 twice a year 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.

Law No. 20,257 of April 2008, promotes the use of Non-Conventional Renewable Energies (NCRE). The current version of this Law 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 is 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 fees of the existing facilities of the National and Zonal Transmission segments, Development Hubs and dedicated transmission facilities used by users subject to price regulation is determined through a tariff setting process that is carried out every four years.

The planning of the National Transmission, Zonal Transmission and Development Hubs systems is a regulated and centralized process, where each year both the National Electric Coordinator as the interested parts propose expansion works. The National Energy Commission is in charge of preparing an annual expansion plan through Technical Reports, which can be observed and challenged before the Panel of Experts.

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). It should be noted that customers with the free rate 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 tariff-setting in this segment is done 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.

b) Regulatory Matters

Laws 2019 - 2021

(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) and shall be called the "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) CNE Exempt Resolution No. 176 /2020 – Exclusive Line of Business

On June 9, 2020, CNE Exempt Resolution No. 176 was published in the Official Gazette, which determines the scope of the obligation of Exclusive Line of Business and Separate Accounting, for the provision of the public service of electricity distribution in accordance with the provisions of Law No. 21,194.

In accordance with this Resolution and its amendments, the public distribution service concessionaires that operate in the National Electric System must be incorporated as exclusive distribution companies and may only carry out economic activities aimed at providing the public distribution service, in accordance with the requirements established by the Law and the regulations in force. The requirements contained in the aforementioned Resolution will apply as from January 1, 2021. Notwithstanding the foregoing, those operations that due to their nature cannot be carried out prior to that date, must be justifiably informed to the CNE, including a planning calendar, indicating the deadlines for compliance with the respective requirements, which in no case may exceed January 1, 2022.

(iii) Electricity Portability Bill

On September 9, 2020, the bill that establishes the right to electric portability was introduced in the Chamber of Deputies, with the purpose of modifying the General Law of Electric Services to introduce the figure of the energy trader. In this way, all the services that can be offered to end customers are decoupled from the distribution company, so that the latter can dedicate itself exclusively to the operation of its networks. A transitory period is contemplated, which will be defined by future decrees, so that regulated consumers in certain areas may gradually obtain the freedom to choose their marketer. The main point to be discussed in this bill deals with the gradual liberalization of the market as it could affect the existing regulated contracts.

(iv) Law No. 21.305- On energy efficiency

On February 13, 2021, the Law on Energy Efficiency was published, the purpose of which is to prepare the First National Energy Efficiency Plan, which will be renewed every five years, with a goal of reducing energy intensity by at least 10% by 2030, with respect to 2019. Additionally, such plan must include a goal for consumers with energy management capacity to reduce their energy intensity by at least 4% on average during its period of validity.

Other matters are included in the Law, such as the construction of housing, public buildings, commercial buildings and office buildings, which must have an energy rating in order to obtain the final or definitive reception by the respective Municipal Works Directorate. It also provides that the Ministry of Energy will regulate the interoperability of the electric vehicle recharging system.

(v) Bill on Storage Systems and Electromobility

On November 23, 2021, a bill was introduced in the Chamber of Deputies that promotes the storage of electric energy through the remuneration of sufficiency power to those Stand Alone energy storage systems, and electromobility through a transitory reduction in the circulation permit for electric vehicles, allowing new business models for electromobility and to be able to use the batteries of electric vehicles through the provision of services to the network. Additionally, it incorporates the concept of generation and consumption infrastructure project that enables renewable projects plus storage to withdraw energy from the electric system and also inject surplus energy.

(vi) Bill on Non-Conventional Renewable Energies

On November 23, 2021, a bill was introduced in the Chamber of Deputies that promotes the participation of renewable energies in the national energy matrix through the promotion of small-scale distributed generation, especially in net *billing* projects, the creation of a traceability system of the renewable nature of energy and the increase of the NCRE quota in the National Electric System, establishing a production goal of 40% by 2030.

(vii) Bill on Green Hydrogen

On November 23, 2021, a bill was introduced in the Chamber of Deputies to promote the production and use of green hydrogen in the country, establishing hydrogen mixtures in natural gas networks and enabling the National Petroleum Company (ENAP) to participate in its development. It is proposed to require that the gas distribution concessionaires require the participation of green hydrogen in the gas networks, which allows to generate local demand for green hydrogen and, at the same time, use the existing gas infrastructure and industry experience. Additionally, the project would allow the use of other gases such as biomethane or synthetic methane, to meet this participation within the mix with natural gas.

Regulations and Technical Standards Published 2019 - 2021

Complementary Services Regulations: On March 27, 2019, the Ministry of Energy published Decree No. 113/2017 corresponding to the regulation that establishes the provisions applicable to the complementary services referred to in Article No. 72-7 of the General Law of Electric Services that the National Electric System must have, with deferred validity as of January 1, 2020.

Regulation of the Coordination and Operation of the National Electric System: On December 20, 2019, the Ministry of Energy published Decree No. 125/2017 corresponding to the regulation that establishes the provisions applicable to the coordination and operation of the National Electric System, as well as the other matters necessary for the proper exercise of the functions of the Independent Coordinator of the National Electric System, and the rights and duties of the entities subject to such coordination.

Regulation Rule 4: On March 05, 2020, the Ministry of Energy published Decree No. 8/2019 corresponding to the Safety Regulation of Electrical Energy Consumption Facilities.

Netbilling Regulation: On September 24, 2020, the Ministry of Energy, published Decree No. 57/2019 corresponding to the Regulation of Distributed Generation for Self-consumption.

Modification of Sufficiency Power Regulation: On December 26, 2020, the Ministry of Energy publishes Decree No. 42 that modifies the Power Regulation in force in Supreme Decree 62/2006. This regulation incorporates the Strategic Reserve Status which recognizes a proportion of sufficiency power to plants that are withdrawn from the system within the framework of the decarbonization plan for 5 years from the announcement. In addition, a calculation methodology is established to recognize the sufficiency power for hydroelectric plants with storage capacity.

Draft New Sufficiency Power Regulation: In September 2021 the Ministry of Energy issued a draft of a new power regulation, where the major modifications are the inclusion of an efficiency factor affecting high variable cost generation units; recognition of sufficiency power to storage systems of renewable power plants with storage capacity and; modification in the methodology for recognition of sufficiency power by eliminating technological discretionality.

Draft Regulation on Distribution Tolls: On November 05, 2021 the Ministry of Energy issued the draft regulation of distribution tolls establishes the procedure for the setting and application of distribution tolls, which allows access to distribution facilities to generating companies that supply Free Clients located within the concession area.

Modification to the LNG Technical Standard: On October 13, 2021, the National Energy Commission, through Exempt Resolution No. 411, approves the modification to the Technical Standard for the programming of the operation of units that use regasified natural gas. This technical norm gives the responsibility to the National Electric Coordinator to carry out a LNG Units Generation Projection Study ("LNG Study"), which will have the objective of determining the maximum volumes of LNG susceptible to be declared in inflexible condition by each LNG Company for the following calendar year, an action that discourages the additional purchase of LNG Regas by the companies that operate this type of generating units.

c) Tariff Revisions and Supply Processes

c.1 Supply Bidding

Under the new bidding law, three processes have been carried out: Supply Bidding 2015/01, Supply Bidding 2015/02 and Supply Bidding 2017/01. The latter, which contemplates as supply period the years 2026-2040 and a volume of 2,310 GWh/year, ended on September 7, 2021 with an average award price of US\$23.78 per MWh, in which Enel Generación obtained a null award of supply blocks.

On December 31, 2021, the National Energy Commission published the preliminary bases for the 2022/01 Supply Bidding, which contemplates a bidding of 5,250 GWh/year.



NOTE 5. Cash And Cash Equivalents

a) The detail of this item as of December 31, 2021 and 2020, is as follow:

In thousands of Chilean pesos – ThCLP\$		
Cash and cash equivalents	as of 12.31.2021	as of 12.31.2020
Cash on hand	8,281	7,987
Cash in banks	3,760,464	4,059,653
Short-term deposits	28,923	591,570
Total	3,797,668	4,659,210

Term deposits mature in less than three months from the acquisition date and accrue market interest for these types for short-term investments.

b) The detail per kind of currency of the previous balances, is as follow:

In thousands of Chilean pesos – ThCLP\$		
Currency	as of 12.31.2021	as of 12.31.2020
Chilean pesos	402,013	196,112
Argentinean Pesos	195,682	755,871
Euros	56,915	27,493
United States Dollar (US Dollar)	3,143,058	3,679,734
Total	3,797,668	4,659,210

c) Reconciliation of liabilities arising from financing activities:

In thousands of Chilean pesos – ThCLP\$										
Liabilities originated from financing activities	as of 01.01.2021	Financing cash flows				Changes that do not represent cash flows				as of 12.31.2021
		From	Used	Interests paid	Total	Changes in fair value	Exchange rate differences	Financial costs	Other changes	
Financial debt, current	43,569,155	1,147,678,190	(1,181,414,818)	(56,615,771)	(90,352,399)	-	11,652,315	49,866,476	33,736,628	48,472,175
Financial debt, non-current	753,821,615	152,848,800	(1,585,766)	-	151,263,034	22,742,173	158,362,109	2,201,156	(34,541,228)	1,053,848,859
Lease liabilities	11,265,987	-	(2,771,040)	(2,609)	(2,773,649)	-	1,705,660	369,391	(366,865)	10,200,524
Assets held to hedge liabilities arising from financing activities	(16,490,690)	2,154,453	-	-	2,154,453	(3,199,941)	(18,126,146)	-	-	(35,662,324)
Total	792,166,067	1,302,681,443	(1,185,771,624)	(56,618,380)	60,291,439	19,542,232	153,593,938	52,437,023	(1,171,465)	1,076,859,234

In thousands of Chilean pesos – ThCLP\$										
Liabilities originated from financing activities	as of 01.01.2021	Financing cash flows				Changes that do not represent cash flows				as of 12.31.2020
		From	Used	Interests paid	Total	Changes in fair value	Exchange rate differences	Financial costs	Other changes	
Financial debt, current	43,388,609	568,015,389	(600,255,668)	(57,699,106)	(89,939,385)	-	9,692,482	48,187,171	32,240,278	43,569,155
Financial debt, non-current	815,166,030	-	(915,667)	-	(915,667)	4,686,281	(34,032,366)	1,157,616	(32,240,279)	753,821,615
Lease liabilities	14,309,824	-	(2,686,093)	(556,274)	(3,242,367)	-	(378,368)	558,427	(1,179)	11,265,987
Assets held to hedge liabilities arising from financing activities	(4,862,949)	708,062	-	-	708,062	(4,578,826)	(7,756,977)	-	-	(16,490,690)
Total	868,001,514	568,723,451	(603,857,428)	(58,255,380)	(93,389,357)	107,455	(32,475,229)	49,903,214	(1,180)	792,166,067

NOTE 6. Other Financial Assets

The detail of this caption as of December 31, 2021 and 2020, is as follow:

Other financial assets	Current		Non-current	
	as of 12.31.2021	as of 12.31.2020	as of 12.31.2021	as of 12.31.2020
Derivative hedge instruments (*)	1,513,005	970,987	35,662,324	16,422,733
Derivative non-hedge instruments	210,077	1,414,895	-	1,911,233
Financial assets at fair value through profit or loss	127,854	127,854	2,326,511	2,326,480
Financial assets measured at amortized cost	38,343	37,043	-	-
Total	1,889,279	2,550,779	37,988,835	20,660,446

(*) See Note 21.2.a.

NOTE 7. Other Non-Financial Assets And Liabilities

a) Other non-financial assets

The detail of this caption as of December 31, 2021 and 2020, is as follow:

In thousands of Chilean pesos – ThCLP\$				
Other non-financial assets	Current		Non-current	
	as of 12.31.2021	as of 12.31.2020	as of 12.31.2021	as of 12.31.2020
VAT fiscal credit and other taxes	27,619,466	7,242,235	-	-
Prepaid expenses	16,367,364	396,317	-	-
Credit water rights	-	-	9,298,704	7,910,531
Spare parts with consumption schedule over 12 months	-	-	7,392,047	7,543,841
Other	552,399	426,682	257,379	257,379
Total	44,539,229	8,065,234	16,948,130	15,711,751

b) Other non-financial liabilities

The detail of this caption as of December 31, 2021 and 2020, is as follow:

In thousands of Chilean pesos – ThCLP\$				
Other non-financial liabilities	Current		Non-current	
	as of 12.31.2021	as of 12.31.2020	as of 12.31.2021	as of 12.31.2020
VAT fiscal debit and other taxes	4,318,525	14,221,501	-	-
Total	4,318,525	14,221,501	-	-

NOTE 8. Trade And Other Receivables

a) The detail of this caption as of December 31, 2021 and 2020 is as follows:

In thousands of Chilean pesos – ThCLP\$				
Trade and other receivables, gross	as of 12.31.2021		as of 12.31.2020	
	Current	Non-current	Current	Non-current
Trade and other receivables, gross	289,494,343	94,214,484	261,775,195	153,747,843
Trade receivables, gross	276,422,183	93,149,027	228,582,783	152,523,137
Other receivables, gross	13,072,160	1,065,457	33,192,412	1,224,706

In thousands of Chilean pesos – ThCLP\$				
Trade and other receivables, net	as of 12.31.2021		as of 12.31.2020	
	Current	Non-current	Current	Non-current
Trade and other receivables, net	286,661,860	94,147,994	258,985,038	153,634,511
Trade receivables, net	273,589,700	93,082,537	225,792,626	152,409,805
Other receivables, net (1)	13,072,160	1,065,457	33,192,412	1,224,706

(1) The detail of other accounts receivable is as follows:



In thousands of Chilean pesos – ThCLP\$				
Detail of other receivables, net (1)	as of 12.31.2021		as of 12.31.2020	
	Current	Non-current	Current	Non-current
Advance payments suppliers and creditors	8,785,915	-	23,397,703	-
Accounts receivable from personnel	3,762,612	1,064,645	3,124,045	1,214,447
VAT register (provision of invoices)	8,905	-	875,927	-
Recovery claims Tarapacá and Bocamina 1	-	-	5,360,345	-
Fine consigned in court Black out	80,337	-	-	-
Other	434,391	812	434,392	10,259
Total	13,072,160	1,065,457	33,192,412	1,224,706

a.1) Decrease in trade and other receivables:

The main decrease as of December 31, 2021 is evidenced in long-term trade accounts receivable, which decreased by ThCLP\$ 59,374,110 in comparison to the end of 2020. This variation is mainly explained by the fact that during the first half of 2021 there were Assignments of rights and sale of accounts receivable from customers for a total amount of ThCLP\$ 146,249,953 (see section a.2 of this note). These assignments are related to accounts receivable arising from the application of Law 21,185, which is described below:

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) and shall be called the "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).

The differences produced between billing while applying the stabilization mechanism, and the theoretic 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, and until 2023. All billing differences will be recorded in USD and will not accrue financial interest 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 our Electricity Generation segment, with the corresponding financial and accounting impact brought about by this situation.

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 "The payment of balances should be charged chronologically, paying from the oldest balances to the newest", and not on a weighted basis over the total payment balances pending, as the Industry had interpreted prior to said date.

In addition, this Resolution established that the payment of Balances shall be done according to the USD exchange rate observed on the sixth business day following the day of publication of the Coordinator's Balance Payment Chart, instead of the average USD exchange rate of the month of billing, as established up to then.

As a result of the situations described above, the accounting effects recorded by the Group are summarized:

- Non-current trade receivables amount to ThCLP\$ 93,149,027 as of December 31, 2021 (ThCLP\$ 152,523,137 as of December 31, 2020).
- **Lower revenue from energy sales of** ThCLP\$ 8,479,939 as of December 31, 2021 (ThCLP\$ 8,629,066 as of December 31, 2020).
- **Higher finance revenue of** ThCLP\$ 2,541,286 as of December 31, 2021 (ThCLP\$ 10,586,478 as of December 31, 2020), (see Note 32)..
- **Higher finance costs of** ThCLP\$ 2,442,010 as of December 31, 2021, (ThCLP\$ 0 as of December 31, 2020), (see Note 32).
- **Foreign exchange income (loss) of** ThCLP\$ 30,103,633 as of December 31, 2021 (ThCLP\$ (23,891,326) as of December 31, 2020), due to the dollarization of unbilled accounts receivable, (see Note 32).

The aforementioned trade and non-trade concepts, while included in the model to determine impairment losses (see note 3.f.3), have no greater impact at the close of December 2021 and 2020, due to the nature of these captions: invoices not yet issued, invoices not yet due, or past due invoices within normal business ranges.

a.2) Assignment of rights and sale of accounts receivable to customers

On January 2021, Enel Generación Chile signed a document known as a Joinder, by virtue of which they became party to the instrument subject to foreign legislation known as the Commitment and Engagement Letter, dated December 31, 2020, and also entered into by Goldman Sachs & Co. LLC and Goldman Sachs Lending Partners LLC, among other parties. Subsequently, on January 29, 2021, Enel Generación Chile signed an instrument with the Inter-American Investment Corporation, subject to the foreign legislation, called the Commitment Agreement. Both instruments are intended to regulate the terms and conditions for the sale and transfer by Enel Generación Chile of balances generated in their favor (the "Balances") from the application of the transitory mechanism to stabilize electricity prices for customers subject to rate regulation, as established by Law No. 21,185.

The assignments of Balances may be made by Enel Generación Chile, from time to time, and subject to compliance with different conditions, to a non-related entity specially constituted for this purpose, by the name of Chile Electricity PEC SpA, in accordance with the terms and conditions to be established in the instrument subject to foreign legislation entitled the Sale and Purchase Agreement to be entered into by Enel Generación Chile and Chile Electricity PEC SpA.. The total nominal value of the Balances of both agreements is expected to be upwards of around US\$ 268 million approximately.

Additionally, also on January 29, 2021, Enel Generación Chile entered into an agreement with Chile Electricity PEC SpA subject to foreign legislation, entitled the Sale and Purchase Agreement (the "Sale Agreement") for the sale and transfer of Balances. By virtue of this Sale Agreement, Enel Generación Chile agreed to sell and transfer to Chile Electricity PEC a first set of Balances, for a nominal value of US\$ 158.9 million. The sale and transfer of the first set of Balances is framed within the 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 finalized on February 8, 2021.

On June 21, 2021, Enel Generación Chile and certain Allianz entities, among others, entered into a Fee Letter, which detailed, among other matters, the commitments assumed by the Allianz entities to provide financing to Chile Electricity PEC SpA, as well as the amendments thereto. Also on June 21, 2021, Enel Generación Chile, together with Chile Electricity PEC SpA, entered into amendments to the respective Sale and Purchase Agreements referred to above, in order to, among other things, regulate the terms and conditions of future sales of Balances that Enel Generación Chile may decide to carry out.

Finally, on June 30, 2021, Enel Generación Chile sold and assigned to Chile Electricity PEC SpA Balances for a nominal value of US\$ 41.7 million (ThCLP\$ 30,382,074).

As a result of this transaction, Enel Generación Chile recognized a financial cost of US\$ 53.8 million (ThCLP\$ 38,532,169) during 2021 (see Note 32).

As indicated above, Enel Generación Chile may continue to make, from time to time, new sales of Balances. The realization or not of the referred sales will depend on the analysis and evaluation made by Management of the cash needs and prevailing market conditions on every occasion.

a.3) Purchase of portfolio of free customers from Enel Distribución S.A.

On January 4, 2021, the Company acquired the right to trade contracts for the purchase and sale of energy and power for the supply of free customers from the related company Enel Distribución Chile S.A. The value of the transaction was ThCLP\$ 21,478,199, which is comprised of (i) the value of the accounts receivable corresponding to the portfolio as of December 31, 2020 of the customer contracts assigned, amounting to ThCLP\$ 13,104,365 (the equivalent of ThUS\$ 8,378), which were recognized as financial assets, and (ii) the value of the rights corresponding to the discounted cash flows of the portfolio of contracts for the purchase and sale of energy to free customers, amounting to ThCLP\$ 8,373,834 (the equivalent of ThUS\$ 11,601), which was considered as a transaction between related parties under common control; therefore, the amount corresponding to these rights is presented in the caption Other miscellaneous reserves (see Note 25.6).



a.4) Others

There are no restrictions on the disposition of this type of accounts receivable of significant amount.

See Note 9.1 for amounts, and terms and conditions related to accounts receivable from related parties.

b) As of December 31, 2021 and 2020, the analysis of trade accounts receivable for past due and unpaid but not impaired sales Are as follows:

In thousands of Chilean pesos – ThCLP\$		
Trade accounts of sales, overdue and unpaid, but not impaired	as of 12.31.2021	as of 12.31.2020
With aging less than three months	59,548,090	19,725,881
With aging between three and six months	2,236,825	656,996
With aging between six and twelve months	5,378,487	1,190,488
With aging over twelve months	8,084,806	5,844,735
Total	75,248,208	27,418,100

c) Movements in impairment losses on trade accounts receivable (determined in accordance with Note 3.f.3), were as follows:

In thousands of Chilean pesos – ThCLP\$	
Trade accounts of sales, overdue and unpaid, and impaired	Current and non-current
Balance as of January 1, 2020	2,900,602
Increases (decreases) for the year (*)	226,182
Written off amounts	(223,296)
Other movements	1
Balance as of December 31, 2020	2,903,489
Increases (decreases) for the year (*)	697,402
Written off amounts	(725,271)
Other movements	23,353
Balance as of December 31, 2021	2,898,973

(*) See Note 29

Bad Debt Write-off

The write-off of bad debts is done once all collections proceedings have been exhausted, including legal collection proceedings, and the customer's insolvency can be proved. In the case of our generation business, the process normally involves at least one year of proceedings.

d) Additional Information:

- Additional statistical information required by CMF under Official Bulletin No. 715 of the CMF of February 3, 2012, (XBRL taxonomy). See Appendix No. 4.
- Complementary information on trade receivables, see Appendix 4.1.

NOTE 9. Balances And Transactions With Related Parties

Related party transactions are performed at current market conditions.

Transactions with the subsidiary have been eliminated on consolidation and are not itemized in this note.

As of the date of these consolidated financial statements, no guarantees have been given or received nor has any allowance for bad or doubtful accounts been recorded with respect to receivable balances of related party transactions.

9.1. Balances and transactions with related parties

The balances of accounts receivable and payable as of December 31, 2021 and 2020 are as follows:

a) Accounts receivables from related parties

In thousands of Chilean pesos – ThCLP\$							Current		Non-current	
Tax ID Number	Company	Description of the transaction	Transaction period	Nature of the relationship	Currency	Country	as of 12.31.2021	as of 12.31.2020	as of 12.31.2021	as of 12.31.2020
76.201.136-0	Energía y Servicios South America S.p.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	90,896	85,382	-	-
76.321.458-3	Almeyda Solar S.P.A.	Energy sales	Less than 90 days	Common parent	CLP	Chile	-	46,936	-	-
76.321.458-3	Almeyda Solar S.P.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	-	26,847	-	-
76.412.562-2	Enel Green Power Chile S.A.	Other services	Less than 90 days	Common parent	CLP	Chile	182,206	178,099	-	-
76.412.562-2	Enel Green Power Chile S.A.	Energy sales	Less than 90 days	Common parent	CLP	Chile	858	-	-	-
76.412.562-2	Enel Green Power Chile S.A.	Engineering services	Less than 90 days	Common parent	CLP	Chile	4,420,041	2,675,222	-	-
76.412.562-2	Enel Green Power Chile S.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	343,417	248,793	-	-
76.418.940-K	GNL Chile S.A.	Advance payment Gas purchase	Less than 90 days	Associate	US\$	Chile	15,677,431	20,067,363	-	-
76.418.940-K	GNL Chile S.A.	Advance payment Gas purchase	More than 90 days	Associate	US\$	Chile	-	-	6,348,001	48,358,914
76.418.940-K	GNL Chile S.A.	Dividends	Less than 90 days	Associate	US\$	Chile	-	616,697	-	-
76.536.353-5	Enel Chile S.A.	Other services	Less than 90 days	Parent	CLP	Chile	39,229	649,667	-	-
76.536.353-5	Enel Chile S.A.	Contract for Centralized Cash	Less than 90 days	Parent	CLP	Chile	80,848,138	80,781,392	-	-
76.536.353-5	Enel Chile S.A.	Reimbursement of expenses	Less than 90 days	Parent	CLP	Chile	-	320,434	-	-
76.536.353-5	Enel Chile S.A.	Loans	Less than 90 days	Parent	US\$	Chile	368,940	-	-	-
76.924.079-9	Enel X Chile S.p.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	33,845	28,295	-	-
77.282.311-8	Enel Transmisión Chile S.A.	Electricity tolls	Less than 90 days	Common parent	CLP	Chile	302,688	-	-	-
77.282.311-8	Enel Transmisión Chile S.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	10,224	-	-	-
94.271.000-3	Enel Américas S.A.	Other services	Less than 90 days	Common parent	CLP	Chile	57,633	103,259	-	-
94.271.000-3	Enel Américas S.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	120,367	11,536	-	-
96.800.570-7	Enel Distribución Chile S.A.	Other services	Less than 90 days	Common parent	CLP	Chile	207,288	251,470	-	-
96.800.570-7	Enel Distribución Chile S.A.	Energy sales	More than 90 days	Common parent	US\$	Chile	-	-	140,146,748	91,578,200
96.800.570-7	Enel Distribución Chile S.A.	Energy sales	Less than 90 days	Common parent	CLP	Chile	31,285,954	22,281,203	-	-
96.800.570-7	Enel Distribución Chile S.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	326,011	99,664	-	-
96.971.330-6	Geotérmica del Norte S.A.	Energy sales	Less than 90 days	Common parent	CLP	Chile	-	28,831	-	-
96.971.330-6	Geotérmica del Norte S.A.	Engineering services	Less than 90 days	Common parent	CLP	Chile	289,940	199,567	-	-
Foreign	Chinango	Engineering services	Less than 90 days	Common parent	US\$	Peru	18,269	70,925	-	-
Foreign	Emgesa S.A. E.S.P	Engineering services	Less than 90 days	Common parent	US\$	Colombia	223,213	198,066	-	-
Foreign	Emgesa S.A. E.S.P	Expat service personnel	Less than 90 days	Common parent	US\$	Colombia	140,226	164,018	-	-
Foreign	Endesa España S.A.	Expat service personnel	Less than 90 days	Common parent	EUR	Spain	16,449	15,032	-	-
Foreign	Endesa Generación S.A.	Engineering services	Less than 90 days	Common parent	EUR	Spain	50,844	42,794	-	-
Foreign	Enel Brasil S.A.	Engineering services	Less than 90 days	Common parent	US\$	Brazil	14,980	-	-	-
Foreign	Enel Brasil S.A.	Expat service personnel	Less than 90 days	Common parent	US\$	Brazil	70,707	59,512	-	-
Foreign	Enel Generación Costanera S.A.	Engineering services	Less than 90 days	Common parent	US\$	Argentina	184,990	155,722	-	-
Foreign	Enel Generación El Chocón S.A.	Engineering services	Less than 90 days	Common parent	US\$	Argentina	14,203	11,954	-	-
Foreign	Enel Generación Perú S.A.	Engineering services	Less than 90 days	Common parent	US\$	Peru	843,705	1,004,844	-	-
Foreign	Enel Generación Perú S.A.	Expat service personnel	Less than 90 days	Common parent	US\$	Peru	331,985	228,976	-	-
Foreign	Enel Generación Piura S.A.	Engineering services	Less than 90 days	Common parent	US\$	Peru	77,487	55,897	-	-
Foreign	Enel Global Thermal Generation S.R.L.	Technical services	Less than 90 days	Common parent	EUR	Italy	1,223,525	753,544	-	-
Foreign	Enel Global Trading S.p.A.	Commodity derivatives	Less than 90 days	Common parent	US\$	Italy	21,198,832	22,048,245	-	-
Foreign	Enel Global Trading S.p.A.	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	477,950	216,185	-	-
Foreign	Enel Green Power Brasil Participações Ltda.	Engineering services	Less than 90 days	Common parent	US\$	Brazil	-	6,717	-	-
Foreign	Enel Green Power Colombia	Engineering services	Less than 90 days	Common parent	US\$	Colombia	-	82,102	-	-
Foreign	Enel Green Power Morocco, S.A.R.L.A.U.	Expat service personnel	Less than 90 days	Common parent	EUR	Morocco	377,899	252,803	-	-
Foreign	Enel Green Power Perú	Engineering services	Less than 90 days	Common parent	US\$	Peru	258,537	210,650	-	-
Foreign	Enel Green Power Spa Glo	Engineering services	Less than 90 days	Common parent	EUR	Italy	126,210	170,756	-	-
Foreign	Enel Italia S.R.L.	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	127,488	9,363	-	-
Foreign	Enel Produzione S.P.A.	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	230,049	60,644	-	-
Foreign	Enel S.P.A.	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	472,306	228,659	-	-
Foreign	Energetica Monzon	Engineering services	Less than 90 days	Common parent	US\$	Peru	258,017	217,165	-	-
Foreign	Proyectos y Soluciones Renovables S.A.C.	Expat service personnel	Less than 90 days	Common parent	US\$	Peru	149,270	96,263	-	-
Foreign	Renovable Guatemala S.A.	Engineering services	Less than 90 days	Common parent	US\$	Guatemala	-	1,089	-	-
Total							161,492,247	155,062,582	146,494,749	139,937,114

(*) Non-current accounts receivable with Enel Distribución Chile, correspond to the application of the Transitory Mechanism to Stabilize Electricity Prices for Customers Subject to Rate Regulation (see Note 8.a).



b) Accounts payable to related parties

In thousands of Chilean pesos – ThCLP\$										
Tax ID Number	Company	Description of the transaction	Transaction period	Nature of the relationship	Currency	Country	Current		Non-current	
							as of 12.31.2021	as of 12.31.2020	as of 12.31.2021	as of 12.31.2020
76.126.507-5	Parque Eólico Talinay Oriente S.A.	Energy purchases	Less than 90 days	Common parent	CLP	Chile	7,948	26,263	-	-
76.201.136-0	Energía y Servicios South America S.p.A.	Other services	Less than 90 days	Common parent	CLP	Chile	50,677	-	-	-
76.201.136-0	Energía y Servicios South America S.p.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	77,643	77,643	-	-
76.321.458-3	Almeyda Solar S.P.A.	Energy purchases	Less than 90 days	Common parent	CLP	Chile	-	4,551,112	-	-
76.412.562-2	Enel Green Power Chile S.A.	Energy purchases	Less than 90 days	Common parent	CLP	Chile	31,994,116	14,940,423	-	-
76.412.562-2	Enel Green Power Chile S.A.	Other services	Less than 90 days	Common parent	CLP	Chile	232,779	-	-	-
76.412.562-2	Enel Green Power Chile S.A.	Engineering services	Less than 90 days	Common parent	CLP	Chile	457,219	363,735	-	-
76.412.562-2	Enel Green Power Chile S.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	780,930	478,204	-	-
76.418.940-K	GNL Chile S.A.	Gas purchase	Less than 90 days	Associate	US\$	Chile	6,484,164	14,650,079	-	-
76.536.353-5	Enel Chile S.A.	Dividends	Less than 90 days	Parent	CLP	Chile	32,538,248	-	-	-
76.536.353-5	Enel Chile S.A.	Other services	Less than 90 days	Parent	CLP	Chile	4,395,280	1,825,314	-	-
76.536.353-5	Enel Chile S.A.	IT Services	Less than 90 days	Parent	CLP	Chile	266,575	-	-	-
76.536.353-5	Enel Chile S.A.	Contract for Centralized Cash	Less than 90 days	Parent	CLP	Chile	115,885	-	-	-
76.536.353-5	Enel Chile S.A.	Reimbursement of expenses	Less than 90 days	Parent	CLP	Chile	-	459,779	-	-
76.536.353-5	Enel Chile S.A.	Loans	Less than 90 days	Parent	US\$	Chile	266,964	-	-	-
76.536.353-5	Enel Chile S.A.	Loans	More than 90 days	Parent	US\$	Chile	-	-	152,044,200	-
76.722.488-5	Empresa De Transmisión Chena S.A.	Electricity tolls	Less than 90 days	Common parent	CLP	Chile	-	31,709	-	-
76.924.079-9	Enel X Chile S.p.A.	Other services	Less than 90 days	Common parent	CLP	Chile	20,159	-	-	-
76.924.079-9	Enel X Chile S.p.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	-	1,067	-	-
77.017.930-0	Transmisora Eléctrica De Quillota Ltda.	Electricity tolls	Less than 90 days	Joint venture	CLP	Chile	-	13,887	-	-
77.282.311-8	Enel Transmisión Chile S.A.	Other services	Less than 90 days	Common parent	CLP	Chile	8,939	-	-	-
77.282.311-8	Enel Transmisión Chile S.A.	Electricity tolls	Less than 90 days	Common parent	CLP	Chile	1,854,161	-	-	-
94.271.000-3	Enel Américas S.A.	Other services	Less than 90 days	Common parent	CLP	Chile	215,407	-	-	-
94.271.000-3	Enel Américas S.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	-	65,353	-	-
96.800.570-7	Enel Distribución Chile S.A.	Energy purchases	Less than 90 days	Common parent	CLP	Chile	25	11,540	-	-
96.800.570-7	Enel Distribución Chile S.A.	Other services	Less than 90 days	Common parent	CLP	Chile	842,911	-	-	-
96.800.570-7	Enel Distribución Chile S.A.	Electricity tolls	Less than 90 days	Common parent	CLP	Chile	3,522,598	347,429	-	-
96.800.570-7	Enel Distribución Chile S.A.	Reimbursement of expenses	Less than 90 days	Common parent	CLP	Chile	565,342	112,531	-	-
96.971.330-6	Geotérmica del Norte S.A.	Energy purchases	Less than 90 days	Common parent	CLP	Chile	2,150	8,021	-	-
Foreign	Cesi S.P.A.	Engineering services	Less than 90 days	Common parent	EUR	Italy	316,622	247,773	-	-
Foreign	Endesa Generación S.A.	Engineering services	Less than 90 days	Common parent	EUR	Spain	-	190,878	-	-
Foreign	Endesa Generación S.A.	Expat service personnel	Less than 90 days	Common parent	EUR	Spain	-	25,643	-	-
Foreign	Endesa Generación S.A.	Purchase of coal	Less than 90 days	Common parent	EUR	Spain	501,677	-	-	-
Foreign	Enel Generación Costanera S.A.	Purchase of materials	Less than 90 days	Common parent	US\$	Argentina	1,331,437	-	-	-
Foreign	Enel Global Services	IT Services	Less than 90 days	Common parent	EUR	Italy	-	83,904	-	-
Foreign	Enel Global Thermal Generation S.R.L.	IT Services	Less than 90 days	Common parent	EUR	Italy	3,030,943	2,125,349	-	-
Foreign	Enel Global Thermal Generation S.R.L.	Engineering services	Less than 90 days	Common parent	EUR	Italy	203,833	-	-	-
Foreign	Enel Global Thermal Generation S.R.L.	Technical services	Less than 90 days	Common parent	EUR	Italy	5,977,965	4,782,053	-	-
Foreign	Enel Global Thermal Generation S.R.L.	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	1,252,569	947,100	-	-
Foreign	Enel Global Trading S.p.A.	Commodity derivatives	Less than 90 days	Common parent	US\$	Italy	36,208,560	2,405,919	-	-
Foreign	Enel Global Trading S.p.A.	IT Services	Less than 90 days	Common parent	EUR	Italy	303,992	-	-	-
Foreign	Enel Global Trading S.p.A.	Technical services	Less than 90 days	Common parent	EUR	Italy	7,562,517	5,042,033	-	-
Foreign	Enel Global Trading S.p.A.	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	356,568	201,070	-	-
Foreign	Enel Green Power Spa Glo	IT Services	Less than 90 days	Common parent	EUR	Italy	217,547	93,930	-	-
Foreign	Enel Green Power Spa Glo	Technical services	Less than 90 days	Common parent	EUR	Italy	7,327,161	4,075,466	-	-
Foreign	Enel Green Power Spa Glo	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	1,454,588	546,217	-	-
Foreign	Enel Iberia SRL	IT Services	Less than 90 days	Common parent	EUR	Spain	130,832	96,784	-	-
Foreign	Enel Italia S.R.L.	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	664,568	-	-	-
Foreign	Enel Produzione S.P.A.	Engineering services	Less than 90 days	Common parent	EUR	Italy	1,880,143	1,999,721	-	-
Foreign	Enel Produzione S.P.A.	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	1,033,214	1,395,436	-	-
Foreign	Enel S.P.A.	IT Services	Less than 90 days	Common parent	EUR	Italy	314,187	117,685	-	-
Foreign	Enel S.P.A.	Technical services	Less than 90 days	Common parent	EUR	Italy	3,737,798	1,535,786	-	-
Foreign	Enel S.P.A.	Expat service personnel	Less than 90 days	Common parent	EUR	Italy	92,855	268,307	-	-
Foreign	Enel Trading Argentina S.R.L.	Other services	Less than 90 days	Common parent	US\$	Argentina	178,47	13,574	-	-
Foreign	Tecnatom S.A.	Engineering services	Less than 90 days	Common parent	EUR	Spain	33,386	73,840	-	-
Total							158,650,929	64,232,557	152,044,200	-

c) Significant transactions and their effects on profit or loss:

The detail of the most significant transactions with non-consolidated related parties, is as follows:

In thousands of Chilean pesos – ThCLP\$						
Tax ID Number	Company	Country of Origin	Nature of the relationship	Description of the transaction	as of 12.31.2021	as of 12.31.2020
76.052.206-6	Parque Eólico Valle De Los Vientos S.A.	Chile	Common parent	Energy purchases	-	(2,913,280)
76.052.206-6	Parque Eólico Valle De Los Vientos S.A.	Chile	Common parent	Services rendered	-	3,936
76.052.206-6	Parque Eólico Valle De Los Vientos S.A.	Chile	Common parent	Energy sales	-	14,290
76.126.507-5	Parque Eólico Talinay Oriente S.A.	Chile	Common parent	Energy purchases	(804,123)	(418,542)
76.126.507-5	Parque Eólico Talinay Oriente S.A.	Chile	Common parent	Services rendered	23,613	19,678
76.126.507-5	Parque Eólico Talinay Oriente S.A.	Chile	Common parent	Energy sales	5	1,187
76.179.024-2	Parque Eólico Tal Tal S.A.	Chile	Common parent	Energy purchases	-	(17,124,321)
76.179.024-2	Parque Eólico Tal Tal S.A.	Chile	Common parent	Services rendered	-	30,865
76.179.024-2	Parque Eólico Tal Tal S.A.	Chile	Common parent	Energy sales	-	16,586
76.321.458-3	Almeyda Solar S.P.A.	Chile	Common parent	Energy purchases	-	(21,251,320)
76.321.458-3	Almeyda Solar S.P.A.	Chile	Common parent	Services rendered	-	118,906
76.321.458-3	Almeyda Solar S.P.A.	Chile	Common parent	Energy sales	-	221,620
76.418.940-K	GNL Chile S.A.	Chile	Associate	Gas consumption	(314,415,258)	(164,410,577)
76.536.353-5	Enel Chile S.A.	Chile	Parent	Financial costs	(2,347,225)	-
76.536.353-5	Enel Chile S.A.	Chile	Parent	Financial income	333,463	415,229
76.536.353-5	Enel Chile S.A.	Chile	Parent	IT Services	(426,915)	(810,331)
76.536.353-5	Enel Chile S.A.	Chile	Parent	Services rendered	2,168,177	2,021,567
76.536.353-5	Enel Chile S.A.	Chile	Parent	Services received	(13,809,975)	(14,364,587)
76.722.488-5	Empresa De Transmisión Chena S.A.	Chile	Common parent	Energy purchases	(4,803)	-
76.722.488-5	Empresa De Transmisión Chena S.A.	Chile	Common parent	Electricity tolls	(107,683)	92,090
77.017.930-0	Transmisora Eléctrica De Quillota Ltda.	Chile	Common parent	Financial income	105	-
77.282.311-8	Enel Transmisión Chile S.A.	Chile	Common parent	Electricity tolls	(8,966,946)	-
77.282.311-8	Enel Transmisión Chile S.A.	Chile	Common parent	Energy sales	90,285	-
94.271.000-3	Enel Americas S.A.	Chile	Common parent	Services rendered	238,202	-
94.271.000-3	Enel Américas S.A.	Chile	Common parent	Services rendered	-	219,406
96.524.140-K	Empresa Eléctrica Panguipulli S.A.	Chile	Common parent	Energy purchases	-	(8,714,581)
96.524.140-K	Empresa Eléctrica Panguipulli S.A.	Chile	Common parent	Electricity tolls	-	(21,105)
96.524.140-K	Empresa Eléctrica Panguipulli S.A.	Chile	Common parent	Services rendered	-	76,234
96.524.140-K	Empresa Eléctrica Panguipulli S.A.	Chile	Common parent	Energy sales	-	74,322
96.783.910-8	Empresa Eléctrica De Colina Ltda.	Chile	Common parent	Electricity tolls	-	19,238
96.800.570-7	Enel Distribución Chile S.A.	Chile	Common parent	Financial costs	(2,442,010)	-
96.800.570-7	Enel Distribución Chile S.A.	Chile	Common parent	Financial income	1,985,777	4,110,743
96.800.570-7	Enel Distribución Chile S.A.	Chile	Common parent	Electricity tolls	(10,641,816)	6,580,423
96.800.570-7	Enel Distribución Chile S.A.	Chile	Common parent	Services rendered	1,635,277	1,613,895
96.800.570-7	Enel Distribución Chile S.A.	Chile	Common parent	Energy sales	293,494,738	351,034,684
96.920.110-0	Enel Green Power Chile S.A.	Chile	Common parent	Energy purchases	(254,578,521)	(154,782,894)
96.920.110-0	Enel Green Power Chile S.A.	Chile	Common parent	Electricity tolls	(53,346)	-
96.920.110-0	Enel Green Power Chile S.A.	Chile	Common parent	Engineering services	2,891,867	2,274,259
96.920.110-0	Enel Green Power Chile S.A.	Chile	Common parent	Services rendered	870,201	463,161
96.920.110-0	Enel Green Power Chile S.A.	Chile	Common parent	Services received	(278,780)	(232,316)
96.920.110-0	Enel Green Power Chile S.A.	Chile	Common parent	Energy sales	17,240,641	7,038
96.971.330-6	Geotérmica Del Norte S.A.	Chile	Common parent	Energy purchases	(440,637)	(22,059)
96.971.330-6	Geotérmica Del Norte S.A.	Chile	Common parent	Engineering services	97,388	238,706
96.971.330-6	Geotérmica Del Norte S.A.	Chile	Common parent	Energy sales	6,276	72,103
Foreign	Cesi S.P.A.	Italy	Common parent	Engineering services	(37,997)	(156,239)
Foreign	Chinango S.A.C.	Peru	Common parent	Engineering services	-	76,687
Foreign	Emgesa S.A. E.S.P.	Colombia	Common parent	Engineering services	303,997	390,530
Foreign	Enel Brasil	Brazil	Common parent	Services rendered	6,205	-
Foreign	Enel Generación Costanera S.A.	Argentina	Common parent	Engineering services	-	126,983
Foreign	Enel Generación Perú S.A.	Peru	Common parent	Engineering services	174,699	700,030
Foreign	Enel Generación Piura S.A.	Peru	Common parent	Engineering services	12,983	(2,249)
Foreign	Enel Global Services	Italy	Common parent	Technical services	-	542,637
Foreign	Enel Global Thermal Generation S.R.L.	Italy	Common parent	Engineering services	(202,833)	-
Foreign	Enel Global Thermal Generation S.R.L.	Italy	Common parent	IT Services	(529,677)	(908,241)
Foreign	Enel Global Thermal Generation S.R.L.	Italy	Common parent	Technical services	(412,303)	(3,360,571)
Foreign	Enel Global Trading S.p.A.	Italy	Common parent	Gas consumption	(2,618,484)	-
Foreign	Enel Global Trading S.p.A.	Italy	Common parent	Commodity derivatives	35,815,215	(37,771,702)
Foreign	Enel Global Trading S.p.A.	Italy	Common parent	IT Services	(240,641)	-
Foreign	Enel Global Trading S.p.A.	Italy	Common parent	Technical services	(2,227,748)	(2,183,183)
Foreign	Enel Green Power Brasil Participações Ltda.	Brazil	Common parent	Engineering services	-	11,164
Foreign	Enel Green Power Brasil Participações Ltda.	Brazil	Common parent	Services rendered	10	-
Foreign	Enel Green Power Colombia Sas	Colombia	Common parent	Engineering services	(82,102)	82,102
Foreign	Enel Green Power Perú	Peru	Common parent	Engineering services	40	(92,048)
Foreign	Enel Green Power S.p.A.	Italy	Common parent	Engineering services	38,265	(803,446)
Foreign	Enel Green Power S.p.A.	Italy	Common parent	IT Services	(107,356)	(290)
Foreign	Enel Green Power S.p.A.	Italy	Common parent	Technical services	(3,211,397)	(4,674,436)
Foreign	Enel Italia Servizi Srl	Italy	Common parent	IT Services	-	938,076
Foreign	Enel Produzione S.P.A.	Italy	Common parent	Engineering services	-	(1,679)
Foreign	Enel S.p.A.	Italy	Common parent	IT Services	(191,794)	(73,911)
Foreign	Enel S.p.A.	Italy	Common parent	Technical services	(2,064,182)	(1,539,887)
Foreign	Energetica Monzon	Peru	Common parent	Engineering services	-	262,483
Foreign	Renovable Guatemala S.A.	Guatemala	Common parent	Engineering services	(1,089)	1,089
Foreign	Sociedad Portuaria Central Cartagena S.A.	Colombia	Common parent	Engineering services	-	5,177
Total					(263,818,212)	(63,756,671)



d) Significant transactions:

- (i) Enel Chile S.A. provides administrative services, and others, to Enel Generación Chile S.A. and other subsidiaries of the Enel Chile Group, through a Centralized Cash Contract in operation since the second half of 2018, used to finance the cash deficits of its subsidiary or consolidate their cash surpluses. These accounts may have a debit or credit 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. Before the implementation of the Centralized Cash Contract, Enel Chile and Enel Generación Chile S.A. had a current account contract by which they could mutually transfer intercompany funds.
- (ii) As of December 31, 2021, Enel Generación Chile S.A. Presents the transfer of funds, as a result of surplus cash funds transferred to Enel Chile S.A. during the current period, through the Centralized Cash Contract, in the amount of ThCLP\$ 984,862,787 (ThCLP\$ 1,252,698,068 as of December 31, 2020), and recorded collections of funds transferred to Enel Chile S.A. in the amount of ThCLP\$ 984,669,979 (ThCLP\$ 1,368,612,694 as of December 31, 2020). This transaction accrues interest at an annual rate of TAB - 0.18% (TAB + 0.03% as of December 31, 2020).
- (iii) Additionally, as of December 31, 2021, Enel Generación Chile S.A. Shows funds received, as a result of the surplus cash funds transferred from Enel Chile S.A. during the current period, through the Centralized Cash Contract, in the amount of ThCLP\$ 1,147,678,190 (ThCLP\$ 568,015,389 as of December 31, 2020), and presents payments of funds received from Enel Chile S.A. in the amount of ThCLP\$ 1,147,678,190 (ThCLP\$ 568,015,389 as of December 31, 2020). This transaction accrues interest at an annual rate of TAB +1.44% (TAB + 1.21% as of December 31, 2020).
- (iv) On December 10, 2021, based on the authorization of the Board of Directors granted on November 26, 2021, Enel Chile S.A. granted a structured loan to Enel Generación Chile S.A. for US\$180 million, with an annual interest rate of 3.01%, semi-annual interest payments and maturity on December 10, 2026.

9.2. Board of directors and key management personnel

Enel Generación 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 by the Ordinary Shareholders' Meeting on April 27, 2021. In the Board of Directors' meeting held on April 27, 2021, Mr. Giuseppe Conti was elected as Chairman of the Board and Company, and Mr. Ignacio Quiñones Sotomayor was appointed as Secretary of the Board.

Members of the Board of Directors:

- Giuseppe Conti
- Fabrizio Barderi
- Maria Teresa Vial Alamos
- Maria Antonietta Giannelli
- Julio Pellegrini Vial

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 of the Board of Directors

In accordance with Article 33 of Law No. 18,046 governing stock corporations, the compensation of the Board of Directors is established each year at the General Shareholders Meeting of Enel Generación Chile. The benefits described below, with respect to their determination methodology, were established at the General Shareholders' Meeting held on April 27, 2021.

Accordingly, such compensation is broken down as follows:

- UF 150 as a fixed monthly fee in all event, and
- UF 70 as per diem for attendance to sessions, with a maximum of fifteen paid sessions per year.

According to the provisions of the bylaws, the remuneration of the Chairman of the Board will be double that of a Director.

In the event a Director of Enel Generación Chile 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 Américas 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 Generación Chile 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 Generación Chile subsidiaries, affiliates or investee in any way.

The remuneration of the Board of Directors of Enel Generación Chile S.A. as of December 31, 2021, and 2020, is detailed as follows:

(In Thousands Of Chilean Pesos – Thch\$)

2021					
Name	Position	Period in position	Enel Generación Chile Board	Board of subsidiaries	Directors' Committee
Giuseppe Conti	Chairman	January - December 2021	-	-	-
María Soledad Arellano Schimdt (1)	Director	January - March 2021	14,407	-	-
Julio Pellegrini Vial	Director	January - December 2021	91,204	-	-
María Teresa Vial Alamos	Director	April - December 2021	74,171	-	-
Fabrizio Barderi	Director	January - December 2021	-	-	-
Cristiano Bussi (2)	Director	January - March 2021	-	-	-
María Antonietta Giannelli	Director	April - December 2021	-	-	-
TOTAL			179,782	-	-

(In Thousands Of Chilean Pesos – Thch\$)

2020					
Name	Position	Period in position	Enel Generación Chile Board	Board of subsidiaries	Directors' Committee
Giuseppe Conti	Chairman	January - December 2020	-	-	-
María Soledad Arellano Schimdt	Director	January - December 2020	79,477	-	-
Julio Pellegrini Vial	Director	January - December 2020	79,477	-	-
Fabrizio Barderi	Director	January - December 2020	-	-	-
Cristiano Bussi	Director	January - December 2020	-	-	-
TOTAL			158,954	-	-

(1) Mrs. María Arellano Schimdt presented her resignation to the Board of Directors on March 12, 2021.

(2) Mr. Cristiano Bussi presented his resignation to the Board of Directors on March 25, 2021.

c) Guarantees established by the Company in favor of the directors

No guarantees have been established in favor of the directors.



9.3. Key management personnel

Enel Generación Chile's key personnel as of December 31, 2021 is comprised of the following people:

Key Management Personnel		
Rut	Name	Position
24.789.926-K	James Lee Stancampiano (1)	General Manager
0-E (Extranjero)	Conticelli Simone (2)	Administration, Finance and Control Manager
11.932.363-0	Pablo Antonio Arnes Poggi (3)	Human Resources and Organization Manager
11.629.179-7	Humberto Espejo Paluz (4)	Trading and Marketing Manager
15.041.230-7	Alfredo Hott Riquelme (4)	Trading and Marketing Manager
7.776.718-5	Luis Ignacio Quiñones Sotomayor	Prosecutor

- (1) Mr. James Lee Stancampiano assumed as Interim Chief Executive Officer and Chief Development and Regulatory Officer on January 1, 2021, replacing Mr. Michele Siciliano who served until December 31, 2020.
- (2) Mr. Simone Conticelli assumed as Administration, Finance and Control Manager on May 1, 2020, replacing Mr. Raúl Arteaga and Ms. Viviana Meneses.
- (3) Mr. Pablo Arnes Poggi assumed as Manager of Human Resources and Organization on July 1, 2020, replacing Ms. Maria Paulina Guglielmi.
- (4) Mr. Humberto Espejo Paluz presented his resignation to the Company on September 19, 2021. As of October 1, 2021, Mr. Alfredo Hott Riquelme is appointed to replace Mr. Humberto Espejo Paluz.

9.4. Compensation and incentive plans for key management personnel

Enel Generación Chile has an annual performance bonus plan for its executives, based on targets and the level of individual contribution to the Company's results. This plan defines a range of bonuses according to the executives' hierarchy. The bonuses potentially granted to the executives consist of a determined number of monthly gross salaries.

The remunerations received by key management personnel as detailed as follow:

(In Thousands Of Chilean Pesos - Thch\$)

	2021	2020	2019
Remuneration	1,377,686	1,441,551	1,953,096
Short-term benefits for employees	200,324	331,168	414,976
Other long-term benefits - IAS	142,655	96,445	86,937
Total	1,720,665	1,869,164	2,455,009

a) Guarantees established by the Company in favor of key management personnel.

No guarantees have been established in favor of key management personnel.

9.5. Remuneration plans linked to share price

There are no remuneration plans linked to the share price of Enel Generación Chile for the Board of Directors or key management personnel.

NOTE 10. Inventories

The detail of this caption as of December 31, 2021 and 2020, is as follow:

In thousands of Chilean pesos – ThCLP\$		
Types of inventories	as of 12.31.2021	as of 12.31.2020
Supplies for production	6,130,065	5,207,471
Gas	2,764,539	2,280,334
Oil	3,365,526	2,927,137
Spare parts and other consumables	7,500,976	6,496,783
Total	13,631,041	11,704,254

There are no inventories acting as security for liabilities..

As of December 31, 2021, raw materials and inputs recognized as fuel consumption amount to ThCLP\$ 374,747,647 (ThCLP\$ 231,176,490 as of December 31, 2020) (see Note 27).

As of December 31, 2021, are recorded adjustments for the impairment of coal stock and diesel fuel for ThCLP\$ 46,572,145 and ThCLP\$ 21,574,783, respectively, related to the discontinuity of the Bocamina II power plant (see Note 27).

As of December 31, 2021, the caption "Other non-current non-financial assets" shows a balance of ThCLP\$ 16,948,130 (ThCLP\$ 15,711,751 as of December 31, 2020), of which ThCLP\$ 7,392,047 corresponds to spare parts and materials to be used within a period exceeding twelve months (ThCLP\$ 7,543,841 as of December 31, 2020) (see Note 7.a).

NOTE 11. Current Tax Assets And Liabilities

a) The detail of current tax receivables as of December 31, 2021 and 2020, are as follow:

In thousands of Chilean pesos – ThCLP\$		
Tax assets	as of 31.12.2021	as of 31.12.2020
Monthly provisional payments	33,977,795	24,603,738
Credit for training expenses	183,713	177,520
Total	34,161,508	24,781,258

b) The detail of current tax payables as of as December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$		
Current tax liabilities	as of 31.12.2021	as of 31.12.2020
Income tax	-	63,285,623
Total	-	63,285,623



NOTE 12. Investments Accounted Using The Equity Method

12.1. Investments accounted using the equity method

a) Below is a detail of the Group's investees accounted using the equity method and the movements for the years ended December 31, 2021 and 2020:

In thousands of Chilean pesos - ThCLP\$

Tax ID number	Movements in investments in associates	Relationship	Country of origin	Functional currency
76.418.940-K	GNL Chile S.A.	Associate	Chile	US dollar
77.017.930-0	Transmisora Eléctrica de Quillota Ltda.	Joint venture	Chile	Chilean peso
76.014.570-K	Enel Argentina S.A.	Associate	Argentina	Argentinean peso

In thousands of Chilean pesos - ThCLP\$

Tax ID number	Movements in investments in associates	Relationship	Country of origin	Functional currency
76.418.940-K	GNL Chile S.A.	Associate	Chile	US dollar
77.017.930-0	Transmisora Eléctrica de Quillota Ltda.	Joint venture	Chile	Chilean peso
76.014.570-K	Enel Argentina S.A.	Associate	Argentina	Argentinean peso

12.2. Additional financial information of investments in associates

Financial information as of December 31, 2021 and 2020 of the main companies in which the Group has significant influence is as follows:

In thousands of Chilean pesos - ThCLP\$

Investments with significant influence	% Interest Direct / Indirect	Current assets	Non-current assets	Current liability
GNL Chile S.A.	33.33%	135,535,995	1,551,052,079	204,485,489

In thousands of Chilean pesos - ThCLP\$

Investments with significant influence	% Interest Direct / Indirect	Current assets	Non-current assets	Current liability
GNL Chile S.A.	33.33%	57,032,080	1,433,019,578	117,974,825

None of our associates have issued price quotations.

Appendix No. 2 of these consolidated notes describes the main activity of our associate, as well as the interest percentage.

Ownership interest	01.01.2021	Share of profit (loss)	Dividends declared	Foreign currency translation	Other increase (decrease)	as of 12.31.2021
33.33%	1,729,383	3,620,701	(381,860)	738,412	-	5,706,636
50.00%	7,451,193	(292,529)	(5,360,886)	-	(1,797,778)	-
0.08%	370,563	(108,016)	(66,360)	(5,705)	196,653	387,135
TOTAL	9,551,139	3,220,156	(5,809,106)	732,707	(1,601,125)	6,093,771

Ownership interest	01.01.2020	Share of profit (loss)	Dividends declared	Foreign currency translation	Other increase (decrease)	as of 12.31.2020
33.33%	1,410,206	1,127,312	(686,058)	(122,077)	-	1,729,383
50.00%	6,099,228	1,351,965	-	-	-	7,451,193
0.08%	401,908	15,333	-	(130,962)	84,284	370,563
TOTAL	7,911,342	2,494,610	(686,058)	(253,039)	84,284	9,551,139

As of 31.12.2021

Non-current liability	Ordinary income	Ordinary expenses	Income (loss)	Other comprehensive income	Comprehensive income
1,464,982,676	1,025,300,274	(1,014,438,171)	10,862,103	2,215,243	13,077,346

31 de diciembre de 2020

Non-current liability	Ordinary income	Ordinary expenses	Income (loss)	Other comprehensive income	Comprehensive income
1,366,888,682	553,288,674	(549,906,739)	3,381,935	(366,207)	3,015,728

12.3. Joint business ventures

Information as of December 31, 2021 and 2020 of the statements of financial position and statements of income of the joint venture related to Transmisora Eléctrica de Quillota Ltda., is included below:

In thousands of Chilean pesos – ThCLP\$

% Interest	50% (1) as of 12.30.2021 ThCLP\$	50,0% as of 12.31.2020 ThCLP\$
Total current assets	-	7,157,805
Total non-current assets	-	10,068,936
Total current liabilities	-	806,841
Total non-current liabilities	-	1,517,515
Cash and cash equivalents	-	4,261,166
Income from ordinary activities	896,616	4,643,283
Depreciation and amortization expenses	(824,314)	(782,799)
Other fixed operating expenses	(239,154)	(268,806)
Income from interests	61,769	29,103
Other revenues	25,735	4,188
Income tax expenses	(505,710)	(921,039)
Profit (loss)	(585,058)	2,703,930
Comprehensive income	(585,058)	2,703,930

(*) See Note 14.b

(1) On December 30, 2021, the joint venture with Transmisora Eléctrica de Quillota Ltda. was sold, of which the Company held 50% ownership (Appendix No. 2), obtaining a gain on sale of ThCLP\$ 9,968,845 (see note 31).



12.4. Restrictions on the disposal of funds of associates and joint ventures.

As of December 31, 2021 and 2020, there are no restrictions to the disposal of funds of associates and joint ventures.

NOTE 13. Intangible Assets Other Than Goodwill

The balances of this caption as at December 31, 2021 and, 2020 are presented below:

In thousands of Chilean pesos – ThCLP\$		
Types of intangible assets, gross	as of 12.31.2021	as of 12.31.2020
Easements and water rights	63,086,073	63,051,485
Servidumbre y Derechos de Agua	4,630,344	4,630,344
Software licenses	55,292,806	56,765,797
Other Identifiable Intangible Assets	3,162,923	1,655,344
Types of amortization and Impairment in Value, Intangible Assets	as of 12.31.2021	as of 12.31.2020
Identifiable Intangible Assets	(35,825,162)	(31,560,796)
Easements and water rights	(490,530)	(490,530)
Software licenses	(32,472,701)	(29,867,271)
Other Identifiable Intangible Assets	(2,861,931)	(1,202,995)
Types of Intangible Assets, Net	as of 12.31.2021	as of 12.31.2020
Identifiable Intangible Assets, Net	27,260,911	31,490,689
Easements and water rights	4,139,814	4,139,814
Software licenses	22,820,105	26,898,526
Other Identifiable Intangible Assets	300,992	452,349

The composition and movements of intangible assets other than goodwill during the years ended December 31, 2021 and 2020 were as follows:

In thousands of Chilean pesos – ThCLP\$

Changes of intangible assets	Easements and Water Rights	Software licenses	Other identifiable intangible assets, net	Intangible assets, net
Balance as of January 1, 2021	4,139,814	26,898,526	452,349	31,490,689
Changes of identifiable intangible assets				
Increases other than from business combinations	-	82,004	-	82,004
Increase (decrease) from foreign currency translation differences	-	(1)	(151,617)	(151,618)
Amortization (1)	-	(4,160,424)	-	(4,160,424)
Increase (decrease) due to transfers and other changes	-	-	-	-
Increases (decreases) from transfers and other changes	-	-	-	-
Disposals and removal from service	-	-	-	-
Provisions	-	-	-	-
Effect hyperinflation Argentina	-	-	260	260
Total changes in identifiable intangible assets	-	(4,078,421)	(151,357)	(4,229,778)
Balance as of December 31, 2021	4,139,814	22,820,105	300,992	27,260,911

In thousands of Chilean pesos – ThCLP\$

Changes of intangible assets	Easements and Water Rights	Software licenses	Other identifiable	
			intangible assets, net	Intangible assets, net
Balance as of January 1, 2020	5,756,396	24,184,746	452,495	30,393,637
Changes of identifiable intangible assets				
Increases other than from business combinations	-	7,771,320	-	7,771,320
Increase (decrease) from foreign currency translation differences	-	-	(288)	(288)
Amortization (1)	-	(3,500,411)	-	(3,500,411)
Increase (decrease) due to transfers and other changes	-	(1,557,129)	-	(1,557,129)
Increases (decreases) from transfers and other changes	-	(1,557,129)	-	(1,557,129)
Disposals and removal from service	(1,616,582)	-	-	(1,616,582)
Provisions	(1,616,582)	-	-	(1,616,582)
Effect hyperinflation Argentina	-	-	142	142
Total changes in identifiable intangible assets	(1,616,582)	2,713,780	(146)	1,097,052
Balance as of December 31, 2020	4,139,814	26,898,526	452,349	31,490,689

(1) See Note 29

As of December 31, 2021 and 2020, the Company has intangible assets with an indefinite useful life, which represent significant amounts of ThCLP\$ 4,139,814 in both years, and primarily related to easements and water rights.

There are no losses for impairment recognized as of December 31, 2021 and 2020. According to the estimates and projections of the Group's Management, the projected cash flows attributable to intangible assets allow the recovery of the net value of these assets recorded as of December 31, 2021 and 2020 (see Note 3.c).

NOTE 14. Goodwill

The following table shows Goodwill by the different Cash-Generating Units (CGUs) of groups of CGUs to which it belongs and movements for the years ended December 31, 2021 and 2020:

In thousands of Chilean pesos – ThCLP\$

Company	Cash-generating units	Final balance	Final balance
		as of 12.31.2021	as of 12.31.2020
Enel Generación Chile S.A.	Generación Chile	24,860,356	24,860,356
Total		24,860,356	24,860,356

The goodwills are the result of the acquisition of the following entities, later merged directly or indirectly into Gas Atacama Chile S.A. (now merged into Enel Generación Chile):

- 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 August 11, 2005, Empresa Nacional de Electricidad S.A. (currently Enel Generación Chile S.A.) purchased interest in the company Inversiones Lo Venecia Ltda., whose sole asset was a 25% holding in the company San Isidro S.A.
- Subsequently, Empresa Eléctrica Pangué S.A. and the company San Isidro S.A. merged with Compañía Eléctrica Tarapacá S.A., with the latter being the surviving company.
- On April 22, 2014, Enel Generación Chile S.A. acquired 50% interest in Inversiones Gas Atacama Holding Limitada, previously held by Southern Cross Latin América Private Equity Fund III L.P.
- On October 1, 2016, Inversiones Gas Atacama Holding Ltda. was merged with Compañía Eléctrica Tarapacá S.A., the latter being the surviving company.
- On November 1, 2016, Compañía Eléctrica Tarapacá S.A. merged with GasAtacama Chile S.A., with the latter being the legal surviving company.
- According to the estimates and projections made by the Management of Enel Generación Chile, the cash flow projections attributable to Cash-Generating Units or groups of CGUs to which the different goodwills have been assigned, will permit recovery of their value as of December 31, 2021 and 2020 (see Note 3.b).



NOTE 15. Property, Plant And Equipment

The following table sets forth the balances of this caption as of December 31, 2021 and 2020:

In thousands of Chilean pesos – ThCLP\$		
Types of property, plant and equipment, net	as of 12.31.2021	as of 12.31.2020
Property, plant and equipment, net	2,237,413,959	2,119,688,442
Construction in progress	947,917,663	778,469,881
Land	62,293,601	62,043,019
Buildings	46,034,522	40,276,471
Plant and equipment	1,141,625,902	1,208,465,629
Fixed facilities and accessories	39,542,271	30,433,442

In thousands of Chilean pesos – ThCLP\$		
Types of property, plant and equipment, gross	as of 12.31.2021	as of 12.31.2020
Property, plant and equipment, gross	5,992,672,859	5,791,179,263
Construction in progress	947,917,663	778,469,881
Land	62,293,601	62,043,019
Buildings	62,496,552	56,029,980
Plant and equipment	4,808,608,764	4,796,335,670
Fixed facilities and accessories	111,356,279	98,300,713

In thousands of Chilean pesos – ThCLP\$		
Types of Accumulated depreciation and value impairment, PP&E	as of 12.31.2021	as of 12.31.2020
Total Accumulated depreciation and value impairment, PP&E	(3,755,258,900)	(3,671,490,821)
Buildings	(16,462,030)	(15,753,509)
Plant and equipment	(3,666,982,862)	(3,587,870,041)
Fixed facilities and accessories	(71,814,008)	(67,867,271)

The composition and movements of the caption property, plant and equipment during the years ended December 31, 2021 and 2020 are as follows:

In thousands of Chilean pesos – ThCLP\$						
Movements 2021	Construction in progress	Land	Buildings	Plants and generation equipment	Fixed facilities and accessories	Property, plant and equipment, net
Balance as of January 1, 2021	778.469.881	62.043.019	40.276.471	1.208.465.629	30.433.442	2.119.688.442
Increase other than from business combinations	209.227.958	-	26.608	250.554	-	209.505.120
Increase (decrease) from foreign currency translation differences	289.562	(2.480)	(3.873)	43.521	64.866	391.596
Depreciation (*)	-	-	(645.801)	(62.920.373)	(3.360.016)	(66.926.190)
Losses from value impairment recognized in income/(loss) for the year	(28.773.083)	-	-	-	-	(28.773.083)
Increase (decrease) due to transfers and other changes	(31.742.965)	188.336	6.281.601	13.106.911	12.166.117	-
Increases (decreases) from transfers from construction in progress	(31.742.965)	188.336	6.281.601	13.106.911	12.166.117	-
Disposals and removal from service	-	-	-	(114.367)	-	(114.367)
Provisions	-	-	-	(114.367)	-	(114.367)
Withdrawals	-	-	-	-	-	-
Effect hyperinflation Argentina	190.198	64.726	99.516	781.907	237.862	1.374.209
Other increases (decreases)	20.256.112	-	-	(17.987.880)	-	2.268.232
Total movements	169.447.782	250.582	5.758.051	(66.839.727)	9.108.829	117.725.517
Balance as of December 31, 2021	947.917.663	62.293.601	46.034.522	1.141.625.902	39.542.271	2.237.413.959

(*) See Note 29.

In thousands of Chilean pesos – ThCLP\$

	Construction in progress	Land	Buildings	Plants and generation equipment	Fixed facilities and accessories	Property, plant and equipment, net
Movements 2020						
Balance as of January 1, 2020	730,069,617	61,662,723	30,487,377	1,879,714,167	279,900,039	2,729,923,923
Increases other than from business combinations	139,427,804	(31,389)	91,389	331,979	-	139,819,783
Increase (decrease) from foreign currency translation differences	295,499	65,061	105,522	(2,021,888)	332,586	(1,223,220)
Depreciation (*)	-	-	(1,044,976)	(77,520,429)	(2,937,392)	(81,502,797)
Losses from value impairment recognized in income/(loss) for the year	(45,217,402)	-	-	(652,638,985)	-	(697,856,387)
Increase (decrease) due to transfers and other changes	(52,721,826)	59,304	10,587,855	36,874,643	5,200,024	-
Increases (decreases) from transfers from construction in progress	(52,721,826)	59,304	10,587,855	36,874,643	5,200,024	-
Disposals and removal from service	(1,425,412)	-	-	(8,659,095)	-	(10,084,507)
Provisions	-	-	-	(8,659,095)	-	(8,659,095)
Withdrawals	(1,425,412)	-	-	-	-	(1,425,412)
Effect hyperinflation Argentina	16,143	35,206	56,113	441,263	216,257	764,982
Other increases (decreases)	8,025,458	252,114	(6,809)	31,943,974	(368,072)	39,846,665
Total movements	48,400,264	380,296	9,789,094	(671,248,538)	2,443,403	(610,235,481)
Balance as of December 31, 2020	778,469,881	62,043,019	40,276,471	1,208,465,629	30,433,442	2,119,688,442

Additional information on property, plant and equipment, net

a) Main investments

The main additions to property, plant and equipment correspond to investments in our networks, operating plants and new projects under construction. The total works in progress amounted to ThCLP\$ 947,917,659 and ThCLP\$ 778,469,881 as of December 31, 2021 and 2020, respectively.

Investments include works towards the new capacity program. In this sense, we can mention progress on the construction of the Los Cóndores Hydropower 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 ThCLP\$ 790,358,312 and ThCLP\$ 637,303,224, as of December 31, 2021 and 2020, 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 ThCLP\$ 739,437,091 and ThCLP\$ 635,459,039, as of December 31, 2021 and 2020, respectively.

b) Capitalized cost

b.1) Capitalized financial expenses

The capitalized cost for financial expenses as of December 31, 2021, amounted to ThCLP\$ 46,363,792 (ThCLP\$ 29,338,356 as of December 31, 2020), see Note 32.

The average financing rate was 6.86% as of December 31, 2021 (7.23% in 2020).

The increase in the capitalization of interest observed since 2020 is due primarily to a greater continuity in the development of the Los Cóndores project. It should be noted that, with respect to the Los Cóndores Project, given the difficulties inherent to a project of such breadth and the impact of COVID-19, which implied suspensions in the execution of the project during recent years, the project construction schedule was updated as reported by Enel Generación Chile in essential fact dated July 27, 2020, estimating completion of the project at the end of 2023.

b.2) Capitalized personnel expenses

The capitalized cost for personnel expenses directly related to construction in progress amounted to ThCLP\$ 3,183,119 and ThCLP\$ 4,659,355 as of December 31, 2021 and 2020, respectively.

c) Other information

1. Decarbonization plan

Development during 2019:

On June 4, 2019, our subsidiaries Enel Generación Chile and Gasatacama Chile signed 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 I and Tarapacá, respectively, from the National Electricity System, establishing their deadlines at May 31, 2020 for Tarapaca, and December 31, 2023 for Bocamina I.

The Group stated its intention to accelerate the withdrawal of Tarapacá and Bocamina I, promoting the discontinuity 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 Tarapaca at an earlier date, that is, by December 31, 2020. 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 Tarapaca as of December 31, 2020.

The management of the Tarapaca 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 Generación Chile Group, whose economic management is performed in an integrated way.

Due to the above and as a result of impairment testing on an individual basis, in 2019 the Group recorded impairment losses in the amount of ThCLP\$ 197,188,542 and ThCLP\$ 82,831,721 to adjust the carrying amount of the capitalized investment in Tarapacá and Bocamina I, respectively, to their recoverable values. The resulting recoverable value, after the recorded impairment, corresponds to the value of the lands held in Tarapacá and Bocamina I, in the amount of ThCLP\$ 1,613,803 and ThCLP\$ 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.

1.2 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 the fight against climate change and also considered the profound 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 as of December 31, 2020.

Regarding Bocamina II, the Group also intended to accelerate its early withdrawal, promoting the discontinuity 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 withdrawal, disconnection, and termination of operations of Bocamina II as of May 31, 2022.

The management of Bocamina II, as occurred in 2019 with Tarapaca and Bocamina I, would 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 Generación Chile Group, whose economic management continues to be carried out in a centralized manner.

Due to the above and as a result of impairment testing on an individual basis, in 2020 the Group recorded an impairment loss in the amount of ThCLP\$ 697,856,387 to adjust the carrying amount of the capitalized investment in Bocamina II to its recoverable value. Additionally, for the same reason, during 2021 the Group recorded an additional impairment loss of ThCLP\$ 28,773,083. 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 ThCLP\$ 2,014,684.

2. As of December 31, 2021 and 2020, Enel Generación Chile held commitments to acquire tangible fixed assets in the amount of ThCLP\$ 100,053,060 and ThCLP\$ 165,793,013, respectively.

3. As of December 31, 2021 and 2020, Enel Generación Chile had no property, plant and equipment pledged as collateral for liabilities.

4. The Company and its subsidiary have insurance contracts with policies to cover all risks, earthquake and machinery breakdown up to a limit of M€ 1,000, and this coverage includes damages due to business interruption. Additionally, the company has Civil Liability insurance for third-party claims up to a limit of M€ 200 and M€ 400 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 M€ 20.

NOTE 16. Right-Of-Use Assets

As of December 31, 2021 and 2020, the balances of this caption are as follows:

In thousands of Chilean pesos – ThCLP\$			
Movements 2021	Land	Other plants and equipment, net	Right-of-use assets, net
Opening balance as of 01.01.2021	11,437	16,786,256	16,797,693
Increase (decrease) from foreign currency translation differences	352	77,022	77,374
Depreciation	(5,622)	(915,002)	(920,624)
New contracts (decrease)	-	-	-
Total movements	(5,270)	(837,980)	(843,250)
Closing balance as of December 31, 2021	6,167	15,948,276	15,954,443

In thousands of Chilean pesos – ThCLP\$			
Movements 2020	Land	Other plants and equipment, net	Right-of-use assets, net
Opening balance as of 01.01.2020	2,304	17,717,488	17,719,792
Increase (decrease) from foreign currency translation differences	55	23,023	23,078
Depreciation	(10,572)	(954,255)	(964,827)
New contracts (decrease)	19,650	-	19,650
Total movements	9,133	(931,232)	(922,099)
Closing balance as of December 31, 2020	11,437	16,786,256	16,797,693

As of December 31, 2021 and 2020, 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), signed 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%.

The present value of future payments derived from those contracts is detailed as follows:

En miles de pesos chilenos – M\$						
	as of 12.31.2021			as of 12.31.2020		
	Gross	Interest	Present value	Gross	Interest	Present value
Up to one year	3,621,978	214,495	3,407,483	3,082,617	346,800	2,735,817
From one to two years	6,093,335	37,833	6,055,500	2,917,700	182,187	2,735,513
From two to three years	74,852	14,626	60,226	5,136,216	33,373	5,102,843
From three to four years	74,852	13,374	61,479	70,212	13,720	56,492
From four to five years	74,852	12,096	62,757	70,212	12,544	57,668
More than five years	600,555	47,476	553,079	633,534	55,880	577,654
Total	10,540,424	339,900	10,200,524	11,910,491	644,504	11,265,987



- Short-term and low value leases

The consolidated income statement for the periods ended December 31, 2021 includes expenses for short-term leases in the amount of ThCLP\$ 1,541,050, related to variable leases, which are exempt from the application of IFRS 16. As of December 31, December 2020, the amount recognized in profit or loss was ThCLP\$ 1,172,508, from asset lease contracts classified as operating leases, in accordance with IFRS 16.

As of December 31, 2021 and 2020, the future payments derived from said contracts are detailed as follows:

In thousands of Chilean pesos – ThCLP\$		
Years	as of 12.31.2021	as of 12.31.2020
Up to one year	283,297	742,917
From one to two years	-	-
From two to three years	-	-
From three to four years	-	-
From four to five years	-	-
More than five years	-	-
Total	283,297	742,917

NOTE 17. Deferred Taxes

The origin and movements of deferred taxes on assets and liabilities recorded as of December 31, 2021 and 2020 are:

In thousands of Chilean pesos – ThCLP\$			
Movements in deferred tax assets (liabilities)	Net balance as of January 1, 2021	Movements	
		Recognized in profits or losses	Recognized in other comprehensive income (loss)
Depreciations	(11,389,550)	15,933,323	-
Post-employment benefit obligations	3,523,730	(465,468)	(729,517)
Tax losses	-	34,217,465	-
Provisions	54,623,445	14,325,446	-
Provision for dismantling	46,871,326	(53,593)	-
Allowance for doubtful accounts	677,058	29,831	-
Provision of Human Resources accounts	2,556,008	1,637,928	-
Other provisions	4,519,053	12,711,280	-
Other deferred taxes	3,596,767	(4,325,253)	(8)
Deferred income	1,748,782	2,846,268	-
Effect hyperinflation Argentina	(1,015,094)	284,128	-
Other deferred taxes	2,863,079	(7,455,649)	(8)
Deferred tax assets/liabilities, before compensation	50,354,392	59,685,513	(729,525)
Compensación			
Deferred tax assets/liabilities, before compensation			

In thousands of Chilean pesos – ThCLP\$			
Movements in deferred tax assets (liabilities)	Net balance as of January 1, 2020	Movements	
		Recognized in profits or losses	Recognized in other comprehensive income (loss)
Depreciations	(183,234,004)	173,058,350	-
Post-employment benefit obligations	2,539,474	178,819	805,437
Provisions	46,753,223	7,870,222	-
Provision for dismantling	38,730,983	8,140,343	-
Allowance for doubtful accounts	676,279	779	-
Provision of Human Resources accounts	2,726,650	(170,642)	-
Other provisions	4,619,311	(100,258)	-
Other deferred taxes	3,846,581	298,691	-
Deferred income	7,398	1,741,384	-
Effect hyperinflation Argentina	(657,870)	191,281	-
Other deferred taxes	4,497,053	(1,633,974)	-
Deferred tax assets/liabilities, before compensation	(130,094,726)	181,406,082	805,437
Compensación			
Deferred tax assets/liabilities, before compensation			

Movements

Acquisitions through business combinations	Foreign currency translation differences	Other Increases (decreases)	Hyperinflation	Net balance as of December 31, 2021	Deferred tax assets	Deferred tax liabilities
-	-	-	-	4,543,773	67,699,330	(64,585,139)
-	-	-	-	2,328,745	2,328,745	-
-	54,093	-	-	34,271,558	34,271,558	-
-	-	-	-	68,948,891	68,948,891	-
-	-	-	-	46,817,733	46,817,733	-
-	-	-	-	706,889	706,889	-
-	-	-	-	4,193,936	4,193,936	-
-	-	-	-	17,230,333	17,230,333	-
-	-	-	(1,429,582)	(2,158,076)	4,595,049	(5,323,543)
-	-	(4,595,050)	-	-	-	-
-	-	-	(1,429,582)	(2,160,548)	-	(730,966)
-	-	4,595,050	-	2,472	4,595,049	(4,592,577)
-	54,093	-	(1,429,582)	107,934,891	177,843,573	(69,908,682)
					(29,295,398)	29,295,398
				107,934,891	148,548,175	(40,613,284)

Movements

Acquisitions through business combinations	Foreign currency translation differences	Other Increases (decreases)	Hyperinflation	Net balance as of December 31, 2020	Deferred tax assets	Deferred tax liabilities
-	(1,213,896)	-	-	(11,389,550)	45,650,351	(57,039,901)
-	-	-	-	3,523,730	3,523,730	-
-	-	-	-	54,623,445	54,623,445	-
-	-	-	-	46,871,326	46,871,326	-
-	-	-	-	677,058	677,058	-
-	-	-	-	2,556,008	2,556,008	-
-	-	-	-	4,519,053	4,519,053	-
-	-	-	(548,505)	3,596,767	9,792,684	(6,195,917)
-	-	-	-	1,748,782	1,748,782	-
-	-	-	(548,505)	(1,015,094)	-	(1,015,094)
-	-	-	-	2,863,079	8,043,902	(5,180,823)
-	(1,213,896)	-	(548,505)	50,354,392	113,590,210	(63,235,818)
					(20,769,741)	20,769,741
				50,354,392	92,820,469	(42,466,077)



The recovery of deferred tax asset balances depends on the availability of sufficient taxable profits in the future. The Company considers that the future profit projections for its different subsidiaries will cover the necessary amount to recover these assets.

As of December 31, 2021, the Group has recorded all deferred tax assets associated with its tax losses (see Note 3.o).

Enel Generación Chile has not recorded any deferred tax assets or liabilities for temporary differences related to investments in the Subsidiary and the joint venture. Additionally, it has not recognized any deferred tax liability associated with undistributed profits, where the control position exercised by the group on these companies allows it to manage the moment of their reversal, and it is estimated that these will not be reversed in the near future. The total amount of these temporary differences, for which no deferred tax liabilities have been recognized in the statement of financial position as of December 31, 2021, is ThCLP\$ 0 (ThCLP\$ 3,827,903 as of December 31, 2020).

On the other hand, the total amount of deductible temporary differences related to investments in the Subsidiary and certain joint ventures for which no deferred tax assets have been recorded as of December 31, 2021, is ThCLP\$ 146,005,249 (ThCLP\$ 135,367,805 as of December 31, 2020).

The Group companies are potentially subject to income tax audits by the Chilean tax authority. These audits are limited to a number of annual tax periods, which generally, once carried out, such audits expired. Due to their nature, tax audits are often complex and may take several years. The tax years potentially subject to verification are 2018 to 2020.

Due to potential differing interpretations of the tax regulations, the results of future inspections carried out by the tax authorities for the years subject to verification may generate tax liabilities whose amounts cannot be objectively quantified at this time. However, the Group's management estimates that the liabilities that may be generated for these concepts will have no significant effect on its future income.

To date, there are tax audits in progress, and the Group considers that the effects of uncertainties related to these audits have no significant effect on the consolidated financial statements as of December 31, 2021.

The effects of the deferred and current taxes on the components of other comprehensive income attributable to the Group's owners and non-controlling shares, for 2021 and 2020, are detailed as follows:

In thousands of Chilean pesos - ThCLP\$						
Effects from deferred taxes of components of other comprehensive income	As of 12.31.2021			As of 12.31.2020		
	Amount before taxes	Income tax expense (benefit)	Amount after taxes	Amount before taxes	Income tax expense (benefit)	Amount after taxes
Financial assets at fair value with changes in other comprehensive income	31	(8)	23	-	-	-
Cash flow hedges	(180,888,901)	48,840,003	(132,048,898)	143,085,021	(38,632,956)	104,452,065
Exchange rate differences for translation	756,717	-	756,717	(4,883,581)	-	(4,883,581)
Actuarial gains (losses) from defined benefit pension plans	2,701,915	(729,517)	1,972,398	(2,983,101)	805,437	(2,177,664)
Income tax related to the components of other income and expenses with charge or credit in equity	(177,430,238)	48,110,478	(129,319,760)	135,218,339	(37,827,519)	97,390,820

The following chart presents the reconciliation of movements in deferred taxes between the balance sheet and income tax in other comprehensive income as of December 31, 2021 and 2020.

In thousands of Chilean pesos - ThCLP\$		
Reconciliation of movements in deferred taxes between the balance sheet and income tax in other comprehensive income	As of 12.31.2021	As of 12.31.2020
Balance sheet: Total increases (decreases) for deferred taxes in other comprehensive income	(729,525)	805,437
Income taxes on changes of reserves for cash flow hedges (hedge income, derivatives)	48,840,003	(38,632,956)
Equity: Total of income taxes related to components of other comprehensive income	48,110,478	(37,827,519)

NOTE 18. Other Financial Liabilities

The balance of this caption as of December 31, 2021 and 2020 is as follow:

In thousands of Chilean pesos – ThCLP\$				
Other financial liabilities	as of 12.31.2021		as of 12.31.2020	
	Current	Non-current	Current	Non-current
Interest-bearing borrowings	47,410,061	829,418,622	43,464,214	750,199,644
Derivative hedge instruments (*)	4,964,613	72,386,037	3,373,933	3,223,336
Derivative hedge instruments (**)	1,509,177	682,670	23,285	-
Total	53,883,851	902,487,329	46,861,432	753,422,980

(*) See Note 21.2.a.

(**) See Note 21.2.b

18.1. Interest-bearing borrowings

The detail of this caption, current and non-current, as of December 31, 2021 and 2020, are as follow:

In thousands of Chilean pesos – ThCLP\$				
Types of interests-bearing loans	as of 12.31.2021		as of 12.31.2020	
	Current	Non-current	Current	Non-current
Interests-bearing borrowings	47,410,061	829,418,622	43,464,214	750,199,644
Secured bank loans	3	-	3	-
Unsecured obligations to the public	47,410,058	829,418,622	43,464,211	750,199,644
Total	47,410,061	829,418,622	43,464,214	750,199,644

The breakdown of bank loans by currency and maturity as of December 31, 2021 and 2020, are as follows:

-Summary of bank loans by currency and maturity

In thousands of Chilean pesos – ThCLP\$								as of 12.31.2021							
Segment	Country	Currency	Effective rate	Nominal Rate	Security	Maturity			Maturity						
						One to three months	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	
Chile		CLP	6.00%	6.00%	No	3	-	3	-	-	-	-	-	-	-
						Total	3	-	3	-	-	-	-	-	-

In thousands of Chilean pesos – ThCLP\$								as of 12.31.2020							
Segment	Country	Currency	Effective rate	Nominal Rate	Security	Maturity			Maturity						
						One to three months	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	
Chile		US\$	6.00%	6.00%	No	3	-	3	-	-	-	-	-	-	-
						Total	3	-	3	-	-	-	-	-	-



- Individualizations of Bank Loans by Debtor

In thousands of Chilean pesos - ThCLP\$

Tax ID number Company Debtor	Name Company Debtor	Country Company Debtor	Tax ID number Entity Creditor	Name of the Creditor	Country Entity Creditor	Type of Currency	Interest rate Effective	Interest rate nominal
91.081.000-6	Enel Generación Chile S.A.	Chile	97.036.000-k	Banco Santander (Linea de sobregiro)	Chile	CLP	6.00%	6.00%
Total								

In thousands of Chilean pesos - ThCLP\$

Tax ID number Company Debtor	Name Company Debtor	Country Company Debtor	Tax ID number Entity Creditor	Name of the Creditor	Country Entity Creditor	Type of Currency	Interest rate Effective	Interest rate nominal
91.081.000-6	Enel Generación Chile S.A.	Chile	97.036.000-k	Banco Santander (Linea de sobregiro)	Chile	CLP	6.00%	6.00%
Total								

18.2. Unsecured liabilities

The detail of Unsecured Liabilities by currency and maturity as of December 31, 2021 and December 31, 2020, are as follows:

- Summary of Unsecured Liabilities by currency and maturity

In thousands of Chilean pesos - ThCLP\$

Segment Country	Currency	Effective rate	Annual nominal rate	Security	Maturity		
					One to three months	Three to twelve months	Total current
Chile	US\$	7.54%	6.90%	No	8,686,780	3,031,498	11,718,278
Chile	UF	6.01%	5.48%	No	-	35,691,780	35,691,780
Total					8,686,780	38,723,278	47,410,058

In thousands of Chilean pesos - ThCLP\$

Segment Country	Currency	Effective rate	Annual nominal rate	Security	Maturity		
					One to three months	Three to twelve months	Total current
Chile	US\$	7.07%	6.90%	No	7,311,399	2,551,520	9,862,919
Chile	UF	6.00%	5.48%	No	-	33,601,292	33,601,292
Total					7,311,399	36,152,812	43,464,211

		as of 12.31.2021					
		Current			Non-current		
Type from Amortization	Guarantee	Less than 90 days	More than 90 days	Total current	One to two years	One to two years	Total non-current
to maturity	No	3	-	3	-	-	-
		3	-	3	-	-	-

		as of 12.31.2020					
		Current			Non-current		
Type from Amortization	Guarantee	Less than 90 days	More than 90 days	Total current	One to two years	One to two years	Total non-current
to maturity	No	3	-	3	-	-	-
		3	-	3	-	-	-

as of 12.31.2021						
Maturity						
One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total non-current	
-	335,926,442	-	-	260,920,131	596,846,573	
34,620,562	34,620,562	34,620,562	34,620,562	94,089,801	232,572,049	
34,620,562	370,547,004	34,620,562	34,620,562	355,009,932	829,418,622	

as of 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	-	218,420,421	500,505,954	
32,474,175	32,474,175	32,474,175	32,474,175	119,796,990	249,693,690	
32,474,175	32,474,175	314,559,708	32,474,175	338,217,411	750,199,644	



- Individualizations of Unsecured liabilities by Debtor

In thousands of Chilean pesos – ThCLP\$

Tax ID Number debtor company	Name debtor company	Country debtor company	Tax ID Number creditor entity	Name of creditor	Country creditor entity	Type of Currency	Effective interest rate	Nominal interest rate	Type of amortization	Security
91.081.000-6	Enel Generación Chile S.A.	Chile	Foreign	BNY Mellon - Primera Emisión S-1	USA	US\$	8.00%	788%	to maturity	No
91.081.000-6	Enel Generación Chile S.A.	Chile	Foreign	BNY Mellon - Primera Emisión S-2	USA	US\$	8.80%	733%	to maturity	No
91.081.000-6	Enel Generación Chile S.A.	Chile	Foreign	BNY Mellon - Primera Emisión S-3	USA	US\$	8.68%	8.13%	to maturity	No
91.081.000-6	Enel Generación Chile S.A.	Chile	Foreign	BNY Mellon - Unica 24296	USA	US\$	4.67%	4.25%	to maturity	No
91.081.000-6	Enel Generación Chile S.A.	Chile	97036.000-k	Banco Santander -317 Serie-H	Chile	UF	7.17%	6.20%	Semi annually	No
91.081.000-6	Enel Generación Chile S.A.	Chile	97036.000-k	Banco Santander 522 Serie-M	Chile	UF	4.85%	4.75%	Semi annually	No
Total										

In thousands of Chilean pesos – ThCLP\$

Tax ID Number debtor company	Name debtor company	Country debtor company	Tax ID Number creditor entity	Name of creditor	Country creditor entity	Tipo de Moneda	Effective interest rate	Tasa de interés nominal	Tipo de Amortización	Security
91.081.000-6	Enel Generación Chile S.A.	Chile	Foreign	BNY Mellon - Primera Emisión S-1	USA	US\$	7.96%	788%	to maturity	No
91.081.000-6	Enel Generación Chile S.A.	Chile	Foreign	BNY Mellon - Primera Emisión S-2	USA	US\$	7.40%	733%	to maturity	No
91.081.000-6	Enel Generación Chile S.A.	Chile	Foreign	BNY Mellon - Primera Emisión S-3	USA	US\$	8.26%	8.13%	to maturity	No
91.081.000-6	Enel Generación Chile S.A.	Chile	Foreign	BNY Mellon - Unica 24296	USA	US\$	4.67%	4.25%	to maturity	No
91.081.000-6	Enel Generación Chile S.A.	Chile	97036.000-k	Banco Santander -317 Serie-H	Chile	UF	7.17%	6.20%	Semi annually	No
91.081.000-6	Enel Generación Chile S.A.	Chile	97036.000-k	Banco Santander 522 Serie-M	Chile	UF	4.82%	4.75%	Semi annually	No
Total										

18.3. Secured liabilities

As of December 31, 2021 and 2020, there are no secured liabilities with third parties.

Fair value measurement and hierarchy

The fair value of current and non-current, secured and unsecured liabilities, as of December 31, 2021 amounts to ThCLP\$ 1,059,651,210 (ThCLP\$ 1,027,755,726 as of December 31, 2020). For both periods, in consideration of the input data used in the valuation, the fair values of these financial instruments qualify as level 2 (see Note 3.g). It should be noted that these financial liabilities are recorded at amortized cost (see Note 3.f.4).

18.4. Hedged debt

The debt denominated in US dollars for ThCLP\$ 605,707,771 held by Enel Generación Chile, as of December 31, 2021, are related to the hedging of future cash flows from the Group's activity income that are linked to the dollar (see Note 3.m). As of December 31, 2020, these amounts amounted to ThCLP\$ 509,805,893.

	as of 12.31.2021									
	Current			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	
	5,706,279	-	5,706,279	-	-	-	-	-	173,387,986	173,387,986
	1,824,754	-	1,824,754	-	-	-	-	-	58,776,668	58,776,668
	1,155,747	-	1,155,747	-	-	-	-	-	28,755,477	28,755,477
	-	3,031,498	3,031,498	-	335,926,442	-	-	-	-	335,926,442
	-	7,047,198	7,047,198	6,446,281	6,446,281	6,446,281	6,446,281	10,683,388	-	36,468,512
	-	28,644,582	28,644,582	28,174,281	28,174,281	28,174,281	28,174,281	83,406,413	-	196,103,537
	8,686,780	38,723,278	47,410,058	34,620,562	370,547,004	34,620,562	34,620,562	355,009,932	355,009,932	829,418,622

	as of 12.31.2020									
	Current			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	
	4,802,802	-	4,802,802	-	-	-	-	-	145,773,744	145,773,744
	1,535,840	-	1,535,840	-	-	-	-	-	49,297,180	49,297,180
	972,757	-	972,757	-	-	-	-	-	23,349,497	23,349,497
	-	2,551,520	2,551,520	-	-	282,085,533	-	-	-	282,085,533
	-	6,682,676	6,682,676	6,046,629	6,046,629	6,046,629	6,046,629	15,431,031	-	39,617,547
	-	26,918,616	26,918,616	26,427,546	26,427,546	26,427,546	26,427,546	104,365,959	-	210,076,143
	7,311,399	36,152,812	43,464,211	32,474,175	32,474,175	314,559,708	32,474,175	338,217,411	338,217,411	750,199,644

The movement as of December 31, 2021 and 2020, in the caption "Total equity: Reserve for hedges" due to exchange differences from this debt, is as follows:

In thousands of Chilean pesos – ThCLP\$		
Hedge reserve	as of 12.31.2021	as of 12.31.2020
Balance in hedge reserves at the beginning of the year, net	(57,285,254)	(93,962,658)
Currency differences recorded in equity, net	(51,848,181)	19,409,042
Allocation of exchange differences to income, net	12,879,878	17,268,362
Balance in hedge reserves at the end of the year, net	(96,253,557)	(57,285,254)

18.5. Other information

As of December 31, 2021 and 2020, Enel Generación Chile did not have unconditional long-term credit lines



18.6. Future undiscounted debt flows

The following table shows the estimates of undiscounted cash flows by type of financial debt:

a) Secured and unsecured bank loans

In thousands of Chilean pesos – ThCLP\$				Current		
Segment Country	Currency	Nominal Rate	Security	Maturity		Total current at 12.31.2021
				One to three months	Three to twelve months	
Chile	CLP	6.00%	No	3	-	3
Total				3	-	3

In thousands of Chilean pesos – ThCLP\$				Current		
Segment Country	Currency	Nominal Rate	Security	Maturity		Total current at 12.31.2020
				One to three months	Three to twelve months	
Chile	CLP	6.00%	No	3	-	3
Total				3	-	3

b) Secured and unsecured liabilities

In thousands of Chilean pesos – ThCLP\$				Current		
Segment Country	Currency	Nominal Rate	Security	Maturity		Total current at 12.31.2021
				One to three months	Three to twelve months	
Chile	US\$	6.90%	No	9,269,247	27,807,742	37,076,989
Chile	UF	5.48%	No	3,524,020	44,954,298	48,478,318
Total				12,793,267	72,762,040	85,555,307

In thousands of Chilean pesos – ThCLP\$				Current		
Segment Country	Currency	Nominal Rate	Security	Maturity		Total current at 12.31.2020
				One to three months	Three to twelve months	
Chile	US\$	6.90%	No	7,716,063	23,148,187	30,864,250
Chile	UF	5.48%	No	3,570,187	42,691,404	46,261,591
Total				11,286,250	65,839,591	77,125,841

Non-current

Maturity					Total non-current at 12.31.2021
One to two years	Two to three years	Three to four years	Four to five years	More than five years	
-	-	-	-	-	-
-	-	-	-	-	-

Non-current

Maturity					Total non-current at 12.31.2020
One to two years	Two to three years	Three to four years	Four to five years	More than five years	
-	-	-	-	-	-
-	-	-	-	-	-

Non-current

Maturity					Total non-current at 12.31.2021
One to two years	Two to three years	Three to four years	Four to five years	More than five years	
37,076,990	367,670,708	21,995,537	21,995,537	524,897,453	973,636,225
46,675,021	44,871,725	43,068,428	41,265,131	108,039,559	283,919,864
83,752,011	412,542,433	65,063,965	63,260,668	632,937,012	1,257,556,089

Non-current

Maturity					Total non-current at 12.31.2020
One to two years	Two to three years	Three to four years	Four to five years	More than five years	
30,864,250	30,864,250	306,698,982	18,316,287	455,875,293	842,619,062
44,640,241	43,018,892	41,397,542	39,776,193	138,302,651	307,135,519
75,504,491	73,883,142	348,096,524	58,092,480	594,177,944	1,149,754,581



NOTE 19. Lease Liabilities

As of December 31, 2021 and 2020, the balances of this caption are as follows:

In thousands of Chilean pesos – ThCLP\$				
Lease liabilities	as of 12.31.2021		as of 12.31.2020	
	Current	Non-current	Current	Non-current
Lease liabilities	3,407,483	6,793,041	2,735,817	8,530,170
Total	3,407,483	6,793,041	2,735,817	8,530,170

19.1. Individualization of Lease Liabilities.

In thousands of Chilean pesos – ThCLP\$

Tax ID Number debtor company	Name debtor company	Country debtor company	Tax ID Number creditor entity	Name of creditor	Country creditor entity	Type of Currency	Effective interest rate	Type of amortization
91.081.000-6	Enel Generación Chile S.A.	Chile	76.555.400-4	Transelec S.A	Chile	US\$	6.50%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	10.579.624-2	Marcelo Alberto Amar Basulto	Chile	UF	2.06%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	91.004.000-6	Productos Fernandez S.A.	Chile	UF	2.09%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	61.216.000-7	Empresa de Ferrocarriles del Estado	Chile	UF	1.07%	Semi annually
91.081.000-6	Enel Generación Chile S.A.	Chile	78.392.580-K	Agrícola el Bagual LTDA.	Chile	UF	1.91%	Annual
91.081.000-6	Enel Generación Chile S.A.	Chile	99.527.200-8	Rentaequipos Tramaca S.A.	Chile	UF	0.83%	Monthly
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
91.081.000-6	Enel Generación Chile S.A.	Chile	8.992.234-8	Roberto Guzman Borquez	Chile	CLP	1.37%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	19.048.130-1	Yaritzza Alexandra Bernal	Chile	UF	1.37%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	71.024.400-6	Corporación Comunidades V.	Chile	CLP	1.07%	Monthly
Total								

In thousands of Chilean pesos – ThCLP\$

Tax ID Number debtor company	Name debtor company	Country debtor company	Tax ID Number creditor entity	Name of creditor	Country creditor entity	Type of Currency	Effective interest rate	Type of amortization
91.081.000-6	Enel Generación Chile S.A.	Chile	76.555.400-4	Transelec S.A	Chile	US\$	6.50%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	10.579.624-2	Marcelo Alberto Amar Basulto	Chile	UF	2.06%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	91.004.000-6	Productos Fernandez S.A.	Chile	UF	2.09%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	61.216.000-7	Empresa de Ferrocarriles del Estado	Chile	UF	1.07%	Semi annually
91.081.000-6	Enel Generación Chile S.A.	Chile	78.392.580-K	Agrícola el Bagual LTDA.	Chile	UF	1.91%	Annual
91.081.000-6	Enel Generación Chile S.A.	Chile	99.527.200-8	Rentaequipos Tramaca S.A.	Chile	UF	0.83%	Monthly
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
91.081.000-6	Enel Generación Chile S.A.	Chile	8.992.234-8	Roberto Guzman Borquez	Chile	CLP	1.37%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	19.048.130-1	Yaritzza Alexandra Bernal	Chile	UF	1.37%	Monthly
91.081.000-6	Enel Generación Chile S.A.	Chile	71.024.400-6	Corporación Comunidades V.	Chile	CLP	1.07%	Monthly
Total								

19.2. Undiscounted debt cash flows.

Undiscounted estimated cash flows are detailed as follows:

In thousands of Chilean pesos – ThCLP\$

Segment Country	Currency	Nominal Rate	Guarantee	Current		
				Maturity		Total current at 12.31.2021
				One to three months	Three to twelve months	
Chile	US\$	6.50%	No	930,191	2,787,786	3,717,977
Chile	UF	1.45%	No	205,462	36,093	241,555
Chile	CLP	1.22%	No	383	1,142	1,525
Total				1,136,036	2,825,021	3,961,057

In thousands of Chilean pesos – ThCLP\$

Segment Country	Currency	Nominal Rate	Guarantee	Current		
				Maturity		Total current at 12.31.2020
				One to three months	Three to twelve months	
Chile	US\$	6.50%	No	776,563	2,327,863	3,104,426
Chile	UF	1.45%	No	285,310	86,797	372,107
Chile	CLP	1.22%	No	4,928	14,700	19,628
Total				1,066,801	2,429,360	3,496,161

as of 12.31.2021									
Current				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	
776,668	2,404,736	3,181,404	5,992,962	-	-	-	-	5,992,962	
4,933	15,092	20,025	20,485	20,906	21,337	21,775	184,656	269,159	
16,794	28,366	45,160	38,515	39,320	40,142	40,982	368,423	527,382	
1,847	-	1,847	-	-	-	-	-	-	
1,285	-	1,285	636	-	-	-	-	636	
144,460	-	144,460	-	-	-	-	-	-	
10,176	-	10,176	-	-	-	-	-	-	
371	1,114	1,485	1,377	-	-	-	-	1,377	
409	1,232	1,641	1,525	-	-	-	-	1,525	
-	-	-	-	-	-	-	-	-	
956,943	2,450,540	3,407,483	6,055,500	60,226	61,479	62,757	553,079	6,793,041	

as of 12.31.2020									
Current				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	
613,801	1,900,462	2,514,263	2,677,690	5,044,096	-	-	-	7,721,786	
4,631	13,872	18,503	18,828	19,215	19,610	20,014	193,632	271,299	
13,012	26,063	39,075	35,386	36,127	36,882	37,654	384,022	530,071	
1,163	578	1,741	-	-	-	-	-	-	
1,205	-	1,205	588	597	-	-	-	1,185	
144,460	-	144,460	-	-	-	-	-	-	
9,546	-	9,546	-	-	-	-	-	-	
367	1,099	1,466	1,483	1,377	-	-	-	2,860	
379	1,140	1,519	1,538	1,431	-	-	-	2,969	
1,034	3,005	4,039	-	-	-	-	-	-	
789,598	1,946,219	2,735,817	2,735,513	5,102,843	56,492	57,668	577,654	8,530,170	

Non-current						Total non-current at 12.31.2021
Maturity						
One to two years	Two to three years	Three to four years	Four to five years	More than five years		
6,191,804	-	-	-	-	-	6,191,804
81,442	78,497	76,854	75,535	597,856	-	910,184
1,399	-	-	-	-	-	1,399
6,274,645	78,497	76,854	75,535	597,856		7,103,387

Non-current						Total non-current at 12.31.2021
Maturity						
One to two years	Two to three years	Three to four years	Four to five years	More than five years		
3,099,377	5,165,041	-	-	-	-	8,264,418
76,605	75,358	72,639	71,022	622,332	-	917,956
1,459	1,440	-	-	-	-	2,899
3,177,441	5,241,839	72,639	71,022	622,332		9,185,273



NOTE 20. Risk Management Policy

The Enel Generación Chile Group companies follow the guidelines of the Risk Management Control System (SCGR) defined at the Holding level (Enel SpA), which establishes rules for managing risks through the respective standards, procedures, systems, etc., applicable to the different levels of the Enel Generación Chile 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 Generación 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 Generación 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. The Enel Group has a risk taxonomy, 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.

20.1. 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.

Depending on the Group's estimates and the objectives of the debt structure, hedging transactions are performed by entering into derivatives contracts that mitigate interest rate risk.

The financial debt structure of Enel Generación Chile Group according to a fixed and / or protected interest rate on gross debt, net of hedging derivative instruments, is as follows:

Gross position

	2021 %	2020 %
Fixed interest rate debt	100%	100%
Total	100%	100%

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.

20.2. 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's foreign currency risk management policy is based on cash flows and includes maintaining a balance between U.S. dollar flows and the levels of assets and liabilities denominated in this currency. 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 correspond to currency swaps and exchange rate forwards.

During the fourth quarter of 2021, exchange rate risk management continued in the context of compliance 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 pandemic, which was offset by risk mitigation actions through derivative financial instruments.

20.3. Commodities risk

The Enel Generación Chile Group is exposed to the risk of variations in the price of some commodities, basically due to:

- Purchases of fuel used to generate electricity.
- Energy purchase/sale transactions that take place in local markets.

In order 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 bidding processes, establishing indexation polynomials that allow for reducing commodities exposure risk.

Considering of the operating conditions faced by the power generation market in Chile, 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, there were hedges for Brent por 1,93 kBbl to be settled in 2022 and 9.1 Tbtu of HH to be settled in 2022. As of December 31, 2020, there were operations in force for 1,782 kBbl of Brent to be settled in 2021 and 16.8 TBtu of Henry Hub to be settled in 2021.

According to the operating conditions that are permanently updated, these hedges may be modified, or include other commodities.

Thanks to the mitigation strategies implemented, the Group was able to minimize the effects of the volatility of commodity prices on the results of the fourth quarter of 2021.

20.4. 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 (Notes 18 and 21.2.).

As of December 31, 2021, the Enel Generación Chile Group presents liquidity in the amount of ThCLP\$ 3,797,668 in cash and cash equivalents. As of December 31, 2020, the Enel Generación Chile Group presents liquidity of ThCLP\$ 4,659,210 in cash and cash equivalents.

20.5. Credit risk

The Group Enel Generación Chile closely monitors its credit risk.

Trade receivables:

Regarding the credit risk corresponding to accounts receivable from commercial activity, this risk is historically very limited given that the short term of collection from clients means that they do not accumulate very significant amounts individually. In the case of non-payment, supply may be shut-off, and the contracts establish payment default as a cause for termination. For this reason, credit risk is continuously monitored, measuring the maximum amounts exposed to payment risk which, as mentioned, are very limited.

Regarding the impact of COVID-19, the results of specific internal analyses showed no significant statistical correlations between the main economic indicators (GDP, unemployment rate, etc.) and solvency.

Financial assets:

Cash surpluses are invested in the highest-rated local and foreign financial entities 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 can be backed with Chilean treasury bonds and / or papers issued by leading banks, the latter favoring higher returns (always framed in current placement 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 counterparts.

20.6. Risk measurement

The Group Enel Generación Chile 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 statement of income.

The portfolio of positions included for purposes of calculating the present Value at Risk 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. For such purpose, a study has been carried out regarding the volatility of the risk variables affecting the value of the portfolio of positions, in relation to the Chilean peso, including:

- U.S. dollar LIBOR interest rate.
- The exchange rates of the different currencies involved in the calculation.

The calculation of VaR is based on generating possible future scenarios (at one quarter) of market values for the risk variables, according to scenarios based on actual observations for the same period (quarter) during 5 years.

The VaR at one quarter with 95% confidence is calculated as the most adverse 5% percentile of the possible quarterly fluctuations.

Taking into consideration the assumptions previously described, the quarter VaR of the previously discussed positions was ThCLP\$ 123,770,514.

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 21. Financial Instruments

21.1. Classification of financial instruments by nature and category

a) The detail of financial assets, classified by type and category, as of December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$				
	as of 12.31.2021			
	Financial assets at fair value through profit or loss	Financial assets measured at amortized cost	Financial assets at fair value with changes in other comprehensive income	Financial derivatives for hedging
Equity instruments	-	-	127,854	-
Trade and other receivables	-	430,130,261	-	-
Derivative instruments	3,613,470	-	14,620,453	1,513,005
Other financial assets	-	38,343	-	-
Total current	3,613,470	430,168,604	14,748,307	1,513,005
Equity instruments	-	-	2,326,511	-
Trade and other receivables	-	240,642,743	-	-
Derivative instruments	-	-	-	35,662,324
Other financial assets	-	-	-	-
Total non-current	-	240,642,743	2,326,511	35,662,324
Total	3,613,470	670,811,347	17,074,818	37,175,329

In thousands of Chilean pesos – ThCLP\$				
	as of 12.31.2020			
	Financial assets at fair value through profit or loss	Financial assets measured at amortized cost	Financial assets at fair value with changes in other comprehensive income	Financial derivatives for hedging
Equity instruments	-	-	127,854	-
Trade and other receivables	-	394,041,752	-	-
Derivative instruments	3,033,502	-	18,387,261	970,987
Other financial assets	-	37,043	-	-
Total current	3,033,502	394,078,795	18,515,115	970,987
Equity instruments	-	-	2,326,480	-
Trade and other receivables	-	293,571,625	-	-
Derivative instruments	1,911,233	-	-	16,422,733
Other financial assets	-	-	-	-
Total non-current	1,911,233	293,571,625	2,326,480	16,422,733
Total	4,944,735	687,650,420	20,841,595	17,393,720



b) The detail of financial liabilities, classified by type and category, as of December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$				
	as of 12.31.2021			
	Financial liabilities at fair value with changes in profit or loss	Financial liabilities measured at amortized cost	Financial liabilities at fair value with changes in other comprehensive income	Financial derivatives for hedging
Interest-bearing loans	-	47,410,061	-	-
Trade and other payables	-	423,062,064	-	-
Derivative instruments	3,843,088	-	3,396,389	4,964,613
Other financial liabilities	-	3,407,483	-	-
Total current	3,843,088	473,879,608	3,396,389	4,964,613
Interest-bearing loans	-	829,418,622	-	-
Trade and other payables	-	152,044,202	-	-
Derivative instruments	682,670	-	-	72,386,037
Other financial liabilities	-	6,793,041	-	-
Total non-current	682,670	988,255,865	-	72,386,037
Total	4,525,758	1,462,135,473	3,396,389	77,350,650

In thousands of Chilean pesos – ThCLP\$				
	as of 12.31.2020			
	Financial liabilities at fair value with changes in profit or loss	Financial liabilities measured at amortized cost	Financial liabilities at fair value with changes in other comprehensive income	Financial derivatives for hedging
Interest-bearing loans	-	43,464,214	-	-
Trade and other payables	-	217,812,346	-	-
Derivative instruments	2,893,643	-	45,543	503,575
Other financial liabilities	-	2,735,817	-	-
Total current	2,893,643	264,012,377	45,543	503,575
Interest-bearing loans	-	750,199,644	-	-
Trade and other payables	-	2	-	-
Derivative instruments	-	-	-	3,223,336
Other financial liabilities	-	8,530,170	-	-
Total non-current	-	758,729,816	-	3,223,336
Total	2,893,643	1,022,742,193	45,543	3,726,911

21.2. Derivative instruments

The risk management policy of Enel Generación Chile 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, 2021 and 2020, financial derivative qualifying as hedging instruments resulted in recognition of the following assets and liabilities in the statement of financial position as follows:

In thousands of Chilean pesos – ThCLP\$								
	as of 12.31.2021				as of 12.31.2020			
	Assets		Liability		Assets		Liability	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Exchange rate hedge:	1,513,005	35,662,324	4,964,613	72,386,037	970,987	16,422,733	3,373,933	3,223,336
Cash flow hedge	1,513,005	35,662,324	4,964,613	72,386,037	970,987	16,422,733	3,373,933	3,223,336
TOTAL	1,513,005	35,662,324	4,964,613	72,386,037	970,987	16,422,733	3,373,933	3,223,336

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 – ThCLP\$					
Detail of hedge instruments	Description of hedge instruments	Description of hedged item	Fair Value of Hedged item As of 12.31.2021	Fair Value of Hedged item As of 12.31.2020	Nature of Risks that are covered
FORWARD	Exchange rate	Operating income	(4,285,347)	(1,967,326)	Cash flow
SWAP	Exchange rate	Unsecured Obligations (Bonds)	(37,402,978)	12,763,777	Cash flow
FORWARD	Exchange rate	Investments in property, plant and equipment	1,513,004	-	Cash flow

In relation to cash flow hedges, at the end of the years ended December 31, 2021 and 2020, the group has not recognized gains or losses due to ineffectiveness.

b) Financial derivative instruments assets and liabilities at fair value through profit or loss

As of December 31, 2021 and 2020, financial derivative transactions recognized at fair value through profit or loss, resulted in the recognition of the following assets and liabilities in the statement of financial position as follows:

In thousands of Chilean pesos – ThCLP\$								
	as of 12.31.2021				as of 12.31.2020			
	Current assets	Current liabilities	Non-current assets	Non-current liabilities	Current assets	Current liabilities	Non-current assets	Non-current liabilities
Derivative hedge instruments	210,077	1,509,177	-	682,670	1,414,895	23,285	1,911,233	-
Total	210,077	1,509,177	-	682,670	1,414,895	23,285	1,911,233	-

These derivative instruments correspond to forward contracts entered into by the Group to hedge foreign exchange risk related to future obligations that will arise from civil works contracts related to the construction of the Power Plant Los Córdoros. Although, the hedge relationship has economic substance, they do not comply with all the 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, 2021 and 2020:

In thousands of Chilean pesos – ThCLP\$							
as of 12.31.2021							
Financial derivatives	Fair value	Notional value					Total
		Less than 1 year	1–2 years	2–3 years	3–4 years	4–5 years	
Exchange rate hedge:	(40,175,321)	127,596,380	67,547,105	344,081,268	53,306,308	-	592,531,061
Cash flow hedge	(40,175,321)	127,596,380	67,547,105	344,081,268	53,306,308	-	592,531,061
Derivatives not designated for hedge accounting	(1,981,770)	26,610,132	10,387,480	339,050	-	-	37,336,662
TOTAL	(42,157,091)	154,206,512	77,934,585	344,420,318	53,306,308	-	629,867,723

In thousands of Chilean pesos – ThCLP\$							
as of 12.31.2020							
Financial derivatives	Fair value	Notional value					Total
		Less than 1 year	1–2 years	2–3 years	3–4 years	4–5 years	
Exchange rate hedge:	10,796,451	98,964,240	-	-	504,391,045	95,129,590	698,484,875
Cash flow hedge	10,796,451	98,964,240	-	-	504,391,045	95,129,590	698,484,875
Derivatives not designated for hedge accounting	3,302,843	30,063,763	21,189,518	8,742,828	285,368	-	60,281,477
TOTAL	14,099,294	129,028,003	21,189,518	8,742,828	504,676,413	95,129,590	758,766,352

The notional amount of contracts entered into does not represent the risk assumed by the Group, as this amount only represents the basis upon which derivative settlement calculations are made.

21.3. 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.g.

The following table presents financial assets and liabilities measured at fair value as of December 31, 2021 and 2020:

In thousands of Chilean pesos – ThCLP\$				
Financial instruments measured at fair value	as of 12.31.2021	Fair value measured at the end of the year using:		
		Level 1	Level 2	Level 3
Financial Assets				
Financial derivatives designated as cash flow hedge	37,175,329	-	37,175,329	-
Financial derivatives not designated for hedge accounting	210,077	-	210,077	-
Financial derivatives of commodities designated as non-hedging of cash flow at fair value through profit or loss	3,403,393	-	3,403,393	-
Financial derivatives of commodities designated as cash flow hedges at fair value through changes in other comprehensive income	14,620,453	-	14,620,453	-
Equity instruments at fair value with changes in other comprehensive income	2,454,365	2,326,511	127,854	-
Total	57,863,617	2,326,511	55,537,106	-
Financial Liabilities				
Financial derivatives designated as cash flow hedge	77,350,650	-	77,350,650	-
Financial derivatives not designated for hedge accounting	2,191,847	-	2,191,847	-
Financial derivatives of commodities designated as non-hedging of cash flow at fair value through profit or loss	2,333,911	-	2,333,911	-
Financial derivatives of commodities designated as cash flow hedges at fair value through changes in other comprehensive income	3,396,389	-	3,396,389	-
Total	85,272,797	-	85,272,797	-

In thousands of Chilean pesos – ThCLP\$

Financial instruments measured at fair value	At the end of the year using:			
	as of 12.31.2020	Level 1	Level 2	Level 3
Financial Assets				
Financial derivatives designated as cash flow hedge	17,393,720	-	17,393,720	-
Financial derivatives not designated for hedge accounting	3,326,128	-	3,326,128	-
Financial derivatives of commodities designated as non-hedging of cash flow at fair value through profit or loss	1,618,607	-	1,618,607	-
Financial derivatives of commodities designated as cash flow hedges at fair value through 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	-
Total	43,180,050	2,326,480	40,853,570	-
Financial Liabilities				
Financial derivatives designated as cash flow hedge	6,597,270	-	6,597,270	-
Financial derivatives not designated for hedge accounting	23,285	-	23,285	-
Financial derivatives of commodities designated as cash flow hedges at fair value through changes in other comprehensive income	45,543	-	45,543	-
Total	6,666,098	-	6,666,098	-

NOTE 22. Trade and other current and non-current accounts payables

The detail of this caption as of December 31, 2021 and 2020, is as follow:

In thousands of Chilean pesos – ThCLP\$				
Trade and other payables	Current		Non-current	
	One to five years			
	as of 12.31.2021	as of 12.31.2020	as of 12.31.2021	as of 12.31.2020
Trade creditors				
Energy suppliers	49,984,632	19,621,123	-	-
Fuel and gas suppliers	86,288,004	36,735,748	-	-
Payables for goods and services	42,048,172	21,151,199	-	-
Payables for assets acquisitions	68,734,211	54,865,727	-	-
Sub total	247,055,019	132,373,797	-	-
Other accounts payables				
Dividends payable to third parties	3,720,768	3,718,644	-	-
Security deposits	261,469	212,741	-	-
Accounts payables to employees	12,539,035	11,844,637	-	-
Other accounts payables	6,565,144	5,475,513	2	2
Sub total	23,086,416	21,251,535	2	2
Total trade and other payables	270,141,435	153,625,332	2	2

Refer to Note 20.4 for the description of the liquidity risk management policy.

The breakdown of on-time payments and past-due payments as of December 31, 2021 and 2020, is presented in Appendix No. 5..



NOTE 23. Provisions

a) The detail of this caption as of December 31, 2021 and 2020, is as follow:

In thousands of Chilean pesos – ThCLP\$				
Provisions	Current		Non-current	
	as of 12.31.2021	as of 12.31.2020	as of 12.31.2021	as of 12.31.2020
Provisions for legal proceedings	1,256,104	1,492,140	-	-
Decommissioning or restoration (1)	13,375,095	-	160,023,914	173,597,503
Other provisions (2)	3,089,041	1,440,929	4,386,629	3,530,698
Total	17,720,240	2,933,069	164,410,543	177,128,201

(1) See Note 3.a.

(2) In 2021, it includes an amount of ThCLP\$ 1,995,988 in the short term and ThCLP\$ 859,884 in the long term, related to restructuring provisions linked to the Group's digitalization strategy for the period 2021-2024, which enables the adoption of new working and operating models, demands new skills and knowledge to make processes even more efficient.

Allowances for legal claims primarily consist of contingencies related to lawsuits and administrative sanctions.

The allowance for decommissioning comes from the fact that, considering the new environmental institutionality in Chile, advances have been made recently in terms of the scope of rights and obligations related to environmental licenses. Therefore, the allowance has been adjusted to reflect the better estimate at the date of closing of the consolidated financial statements.

The expected amount and date of any cash disbursement related to the foregoing allowances are uncertain and depend on the resolution of specific matters related to each case. For example, in the specific case of lawsuits, these depend on the final ruling on the corresponding legal claim. Management considers that the provisions recognized in the consolidated financial statements adequately covers the corresponding risks.

b) The details of provisions in 2021 and 2020 are as follows:

In thousands of Chilean pesos – ThCLP\$				
Provisions	Provisions for legal proceedings	Decommissioning or restoration	Environment and other provisions	Total
Movements in provisions				
Balance as of January 1, 2021	1,492,140	173,597,503	4,971,627	180,061,270
Movements in provisions				
Increase (decrease) in existing provisions	19,558	4,757,417	2,880,358	7,657,333
Provision used	(54,241)	(2,782,780)	(376,315)	(3,213,336)
Reversal of unused provision (2)	(244,300)	-	-	(244,300)
Adjustments due Time Money Value	-	(2,173,131)	-	(2,173,131)
Foreign currency translation	42,947	-	-	42,947
Total movements in provisions	(236,036)	(198,494)	2,504,043	2,069,513
Balance as of December 31, 2021	1,256,104	173,399,009	7,475,670	182,130,783

In thousands of Chilean pesos – ThCLP\$				
Provisions	Provisions for legal proceedings	Decommissioning or restoration	Environment and other provisions	Total
Movements in provisions				
Balance as of January 1, 2020	2,320,885	143,448,085	1,298,849	147,067,819
Movements in provisions				
Increase (decrease) in existing provisions (1)	716,659	28,385,364	3,672,778	32,774,801
Provision used	(850,791)	(1,743,534)	-	(2,594,325)
Reversal of unused provision (2)	(538,470)	-	-	(538,470)
Adjustments due Time Money Value	-	3,507,588	-	3,507,588
Foreign currency translation	(156,143)	-	-	(156,143)
Total movements in provisions	(828,745)	30,149,418	3,672,778	32,993,451
Balance as of December 31, 2020	1,492,140	173,597,503	4,971,627	180,061,270

1) The variation in allowances for decommissioning or restoration during the year ended December 31, 2020 in the amount for ThCLP\$ 28,385,364, is due primarily to the increase in expected disbursements for the early withdrawal of the Bocamina II power plant

2) Corresponds to reversals of allowances for Lawsuits.

NOTE 24. Post-Employment Benefit Obligations

24.1. General information

The Group granted various post-employment benefit plans to either all or part of its active or retired workers, which are determined and recorded in the consolidated financial statements following the criteria described in note 3.1.1. These benefits include primarily the following:

Defined benefit plans:

- **Compensation for years of service:** The beneficiary receives a certain number of contractual salaries on the date of his retirement. This benefit becomes enforceable once the worker has provided services for a minimum period of time that, depending on the company, varies in a range 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.
- **Health benefit:** The beneficiary receives additional coverage to that provided by the pension scheme.

24.2. Details, changes and presentation in financial statements

a) As of December 31, 2021 and 2020, the balance of the post-employment obligations for defined benefits plans are as follows:

In thousands of Chilean pesos – ThCLP\$		
Post-Employment Obligations	as of 12.31.2021	as of 12.31.2020
Compensation for years of service	12,827,314	17,054,496
Supplementary pension	2,542,726	3,397,134
Health plans	1,435,335	1,736,287
Total Post-Employment Obligations, Net	16,805,375	22,187,917

The decrease in post-employment liabilities is mainly explained by the adjustment to the discount rate that the Group applied at the end of the year ended December 31, 2021. The increase in this actuarial assumption, of more than 100 basis points with respect to the end of 2020, was due to the changes in the macroeconomic and financial environment caused by the COVID-19 pandemic.

b) The movement of the post-employment defined benefit obligations as of December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$	
Actuarial value of post-employment obligations	as of 12.31.2021
Balance as of January 1, 2020	19,143,273
Current service cost	839,255
Interest costs	616,495
Actuarial (gains) losses from changes in financial assumptions	1,224,288
Actuarial (gains) losses from changes in experience adjustments	1,758,812
Contributions paid	(1,228,790)
Transfer of employees	(165,416)
Balance as of December 31, 2020	22,187,917
Current service cost	(26,228)
Interest costs	524,938
Actuarial (gains) losses from changes in financial assumptions	(3,765,325)
Actuarial (gains) losses from changes in experience adjustments	1,063,409
Contributions paid	(2,771,890)
Transfer of employees	(407,446)
Balance as of December 31, 2021	16,805,375

c) The amounts recognized in the consolidated statement of comprehensive income for the years ended December 31, 2021 and 2020, are as follows:



In thousands of Chilean pesos – ThCLP\$		
Expense Recognized in Comprehensive Income	as of 12.31.2021	as of 12.31.2020
Current service cost for defined benefits plan	(26,228)	839,255
Interest cost for defined benefits plan	524,938	616,495
Total expenses recognized in Profit or Loss	498,710	1,455,750
(Gains) losses from remeasurement of defined benefit plans	(2,701,915)	2,983,101
Total expense recognized in Comprehensive Income	(2,203,205)	4,438,851

24.3. Other revelations

• Actuarial assumptions:

As of December 31, 2021 and 2020, the following assumptions were used in the actuarial calculation of defined benefit plans:

In thousands of Chilean pesos – ThCLP\$		
Actuarial assumptions	Chile	
	as of 12.31.2021	as of 12.31.2020
Used discount rates	5,60%	2,60%
Expected rate of salary increases	3,80%	3,80%
Expected turnover rate	6,80%	6,90%
Mortality tables	CB-H-2014 and RV-M-2014	CB-H-2014 and RV-M-2014

• Sensitivity:

As of December 31, 2021, the sensitivity of the value of the actuarial liability for post-employment benefits to variations of 100 basis points in the discount rate represents a decrease of ThCLP\$ 946,384 (ThCLP\$ 1,419,377 as of December 31, 2020) in the event of an increase in the rate and an increase of ThCLP\$ 1,064,154 (ThCLP\$ 1,621,889 as of December 31, 2020) in the event of a reduction in the rate.

• Future disbursements:

According to the available estimate, the disbursements foreseen to meet the defined benefit plans for next year amount to ThCLP\$ 2,590,578.

• Length of commitments:

The Group's obligations have a weighted average length of 6.31 years, and the outflows of benefits for the next 10 years and more is expected to be as follows:

Years	ThCLP\$
1	2,590,578
2	1,647,809
3	1,910,571
4	1,652,590
5	1,486,430
6 a 10	7,316,487

NOTE 25. Equity

25.1. Equity attributable to the owners of the Group

25.1.1. Subscribed and paid capital and number of shares

As of December 31, 2021 and 2020, the issued capital of Enel Generación Chile amounts to ThCLP\$ 552,777,321 and is represented by 8,201,754,580 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 and the Bolsa Electrónica de Chile.

The issuance premium corresponds to a surcharge on the placement of shares arising from capital increase operations that occurred in 1986 and 1994. As of December 31, 2015, the issuance premium was ThCLP\$ 206,008,557, and since the distribution to Endesa Américas S.A., it was ThCLP\$ 85,511,492 as of December 31, 2016.

As of December 31, 2021 and 2020, the Group did not engage in any transaction of any kind with potential dilutive effects leading to diluted earnings per share that could differ from basic earnings per share.

25.1.2. Dividends

The Board of Directors, in its ordinary session held on February 25, 2021, unanimously agreed to propose the Dividend Policy to the Ordinary Shareholders' Meeting. That dividend was issued on April 27, 2021, which is expected to be charged to 2021, and a provisional dividend will be issued for 15% of the profit as of September 30, 2021, as shown by the consolidated financial statements as of that date, to be paid in January 2022.

At the Ordinary Shareholders' Meeting of Enel Generación Chile S.A. held on April 27, 2021, it was agreed to distribute an eventual dividend for an amount equivalent to approximately 50% of what would have been the profits for the year 2020, discounting the effect of those accounting impairment items associated with the decarbonization process that have no impact on cash. Specifically, it was agreed that Enel Generación Chile S.A. would distribute a dividend charged to the profits of previous years of CLP\$ 177,174,340,028 equivalent to CLP\$ 21.6020045832681 per share.

The following table sets forth the dividends paid in recent years:

No. Dividend	Type of dividend	Agreement date	Payment date	Total Amount ThCLP\$	Chilean pesos per share	Fiscal year
63	Interim	30-11-17	26-01-18	40,485,044	4,93614	2017
64	Final	24-04-18	18-05-18	189,664,552	23,12488	2017
65	Interim	29-11-18	11-01-19	91,823,319	11,19557	2018
66	Final	26-04-19	17-05-19	93,594,353	11,41150	2018
67	Interim	26-11-19	24-01-20	19,343,307	2,35844	2019
68	Final	28-04-20	27-05-20	98,462,590	12,00506	Retained Earnings
69	Eventual	28-04-20	27-05-20	120,393,380	14,67898	Retained Earnings
70	Eventual	27-04-21	27-05-21	177,174,340	21,60200	2020
71	Interim	26-11-21	21-01-22	9,673,252	1,17941	2021

25.2. Foreign currency translation reserves

The detail, by company, of the exchange differences from translation of the parent company, of the consolidated statement of financial position as of December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$		
Reserves for accumulated conversion currency differences	as of 12.31.2021	as of 12.31.2020
Enel Generación Chile S.A.	(3,230,083)	(3,248,388)
Other	2,014,692	1,276,280
TOTAL	(1,215,391)	(1,972,108)



25.3. Capital Management.

The Company's objective is to maintain an adequate level of capitalization in order to be able to secure its access to the financial markets, so as to fulfill its medium- and long-term goals while maximizing the return to its shareholders and maintaining a robust financial position.

25.4. Restrictions on subsidiaries transferring funds to the parent

There are no restrictions on the disposal of funds from the subsidiary, as of December 31, 2021 and 2020.

25.5. Other reserves

Other reserves for the years ended December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$			
Detail of other reserves	01.01.2021	Movements 2021	As of 12.31.2021
Exchange differences on translation	(1,972,108)	756,717	(1,215,391)
Cash flow hedges	(97,941,777)	(132,048,898)	(229,990,675)
Financial assets at fair value with changes in other comprehensive income	(1,041)	23	(1,018)
Other miscellaneous reserves	(24,660,096)	(3,969,069)	(28,629,165)
TOTAL	(124,575,022)	(135,261,227)	(259,836,249)

In thousands of Chilean pesos – ThCLP\$			
Detail of other reserves	01.01.2020	Movements 2020	As of 12.31.2020
Exchange differences on translation	2,911,473	(4,883,581)	(1,972,108)
Cash flow hedges	(202,393,842)	104,452,065	(97,941,777)
Financial assets at fair value with changes in other comprehensive income	(1,041)	-	(1,041)
Other miscellaneous reserves	(27,094,479)	2,434,383	(24,660,096)
TOTAL	(226,577,889)	102,002,867	(124,575,022)

a) Reserves for exchange differences on translation: These reserves arise primarily from exchange differences relating to:

- The foreign currency translation of our Subsidiary's balances recorded in a functional currency other than the Chilean peso (see Note 2.9).
- The valuation of goodwills arising on the acquisition of companies with a functional currency other than the Chilean peso (see Note 3.b).

b) Cash flow hedges: Represent the effective portion of those transactions that have been designated as cash flow hedges (see Note 3.f.5 and 3.m).

c) Re-measurement of financial assets available for sale: These represent variations in fair value, net of the tax effect of Investments available for sale (see Note 3.f.1).

25.6. Other miscellaneous reserves:

The following are the main items and associated effects for the years ended December 31, 2021 and 2020:

In thousands of Chilean pesos – ThCLP\$		
Other miscellaneous reserves	as of 12.31.2021	as of 12.31.2020
Corporate Restructuring Reserve ("Division") (1)	458,265,366	458,265,366
APV transition to IFRS Reserve (2)	(493,425,043)	(493,425,043)
Business Combination Reservations (3)	(4,047,288)	(4,047,288)
Other miscellaneous reserves (4)	10,577,800	14,546,869
Final balance	(28,629,165)	(24,660,096)

1) Reserve for corporate : This represents the effect generated by the division of Enel Generación Chile and the assignment of the business outside Chile to Endesa Américas.

2) Reserve for IFRS transition: These reserves, which are associated with the IFRS transition of Enel Generación Chile, refer primarily to:

In compliance with the provisions of Circular No. 456 by the Chilean Superintendency of Securities and Insurance, the price-level restatement of accumulated paid-in capital has been incorporated into this category from the date of our transition to IFRS, January 1, 2004, to December 31, 2008.

It should be noted that while the Company adopted IFRS as its legal accounting standards as of January 1, 2009, the date of transition to these international standards was the same used by its parent company Endesa España, that is, January 1, 2004. This is consistent with application of the exemption provided for this purpose in IFRS 1 "First-time adoption."

3) Reserve for business combinations: Corresponds to the effects of business combinations under common control and purchases of minority shareholdings.

4) On January 4, 2021, the Company acquired the right to commercialize energy and power purchase-sale contracts for the supply of free customers from the related company Enel Distribución Chile S.A. The value of the rights corresponding to the discounted flows of the portfolio of contracts for the purchase and sale of energy to free customers, amounting to ThCLP\$ 8,373,834 (equivalent to ThUS\$ 11,601) and its value net of tax ThCLP\$ 6,112,899, the operation was considered as a transaction between related parties under common control, therefore the amount corresponding to these rights is presented in the caption other miscellaneous reserves, (see Note 8.a.3).

25.7. Non-controlling Interests

The detail of the main non-controlling interests is as follows:

In thousands of Chilean pesos – ThCLP\$					
Companies	as of 12.31.2021 %	Non-controlling interests (% of control)			
		Equity		Profit / (loss)	
		as of 12.31.2021	as of 12.31.2020	as of 12.31.2021	as of 12.31.2020
Empresa Eléctrica Pehuenche S.A.	7.35%	10,694,566	10,112,642	7,717,218	6,403,831
TOTAL		10,694,566	10,112,642	7,717,218	6,403,831

NOTE 26. Revenue and other operating income

The detail of income from ordinary activities and other income for the years ended December 31, 2021 and 2020, is as follow:

In thousands of Chilean pesos – ThCLP\$		
Income from ordinary activities	As of 12.31.2021	As of 12.31.2020
Energy sales (*)	1,748,675,624	1,412,465,827
Generation	1,748,675,624	1,412,465,827
Regulated customers	772,624,041	778,839,925
Unregulated customers	923,199,165	586,590,595
Spot market sales	52,852,418	47,035,307
Other sales	129,626,809	38,825,239
Gas sales	129,442,332	38,808,266
Sale of other fuels	2,796	-
Sale of goods and services	181,681	16,973
Sale service renderings	4,042,695	5,984,563
Tolls and transmission	146,153	1,563,833
Engineering and consulting services	3,896,542	4,420,730
Total revenues from ordinary activities	1,882,345,128	1,457,275,629
In thousands of Chilean pesos – ThCLP\$		
Other income	as of 12.31.2021	as of 12.31.2020
Commodities trading revenue	6,814,747	4,473,463
Leases	5,403,352	4,497,917
Insurance compensation income	1,680,635	10,535,392
Temporary lease of facilities.	686,126	10,662,952
Other Income	2,844,400	2,656,916
Total other income	17,429,260	32,826,640

(*) The Enel Generación Chile Group has 3 customers with which it records sales representing 10% or more of its ordinary



revenues in the years ended December 31, 2021 and 2020. These customers correspond to the following:

- CGE Distribución S.A.
- Enel Distribución Chile S.A.
- GM Holding S.A.

NOTE 27. Raw Materials And Consumables Used

The detail of raw materials and consumables used for the years ended December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$		
Used raw material and consumables	as of 12.31.2021	as of 12.31.2020
Energy purchases	(824,941,340)	(378,198,777)
Fuel consumption	(374,747,647)	(231,176,490)
Gas	(251,009,877)	(149,734,219)
Oil (*)	(27,455,546)	(6,100,077)
Coal (*)	(96,282,224)	(75,342,194)
Transportation costs	(153,425,655)	(107,533,970)
Costs from construction contracts	(110,831,219)	(34,332,998)
Other variable supplies and services	(41,164,977)	(60,261,500)
Total raw materials and consumables used	(1,505,110,838)	(811,503,735)

(*) The amount corresponding to the third quarter of 2021 includes ThCLP\$ 45,904,847 of impairment adjustment to coal inventories and ThCLP\$ 667,298 of diesel oil (ThCLP\$ 21,246,157 of impairment adjustment to coal inventories and ThCLP\$ 328,626 for diesel oil, as of December 31, 2020), related to the discontinuance of the Bocamina II power plant (see Note 10).

NOTE 28. Employee Benefits Expense

The detail of the caption Employee benefits expenses for the years ended December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$		
Employee benefits expenses	as of 12.31.2021	as of 12.31.2020
Salaries and wages	(41,354,795)	(39,054,586)
Post-employment benefit expenses	26,228	(839,255)
Social security and other contributions	(3,892,055)	(4,130,276)
Other employee expenses	(7,124,645)	(4,806,126)
Total employee benefits expenses	(52,345,267)	(48,830,243)

(*) As of December 31, 2021, an amount of ThCLP\$ 6,001,488 is included for restructuring expenses and provisions related to the Group's digitalization strategy for the period 2021-2024, which enables the adoption of new work and operating models, demands new skills and knowledge to make processes even more efficient (see Note 23).

NOTE 29. Depreciation, amortization and impairment losses.

The detail of depreciation, amortization and impairment losses for the years ended December 31, 2021 and 2020, is as follows:

In thousands of Chilean pesos – ThCLP\$		
	as of 12.31.2021	as of 12.31.2020
Depreciation, amortization and impairment loss expenses		
Depreciations (1)	(67,846,814)	(82,467,624)
Amortizations (2)	(4,160,424)	(3,500,411)
Subtotal	(72,007,238)	(85,968,035)
Reversals (Losses) from impairment(*)	(29,470,485)	(698,082,569)
Total	(101,477,723)	(784,050,604)

In thousands of Chilean pesos – ThCLP\$		
	as of 12.31.2021	as of 12.31.2020
(*) Information on Impairment Losses by Reportable Segment		
Impairment profit and reversals from impairment losses in accordance with IFRS 9 (see note 8.c)	(697,402)	(226,182)
Reversal (Losses) due to Fixed Asset Impairment (3)	(28,773,083)	(697,856,387)
Total	(29,470,485)	(698,082,569)

(1) See Notes 15.16.

(2) See Note 13.

(3) See Note 15.c.1.2.

NOTE 30. Other Expenses By Nature

The detail of the caption other expenses by nature for the years ended December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$		
Other expenses by nature	as of 12.31.2021	as of 12.31.2020
Professional, independent, and outsourced services	(39,284,586)	(38,731,864)
Insurance premiums	(17,701,961)	(18,047,314)
Repairs and maintenance	(11,666,747)	(11,596,689)
Other supplies and services	(5,367,738)	(6,875,067)
Administrative expenses	(4,035,673)	(3,746,727)
Environmental expenses	(2,652,160)	(2,680,240)
Taxes and charges	(2,696,680)	(2,580,715)
Leases and rental costs	(1,541,050)	(1,172,508)
Travel expenses	(378,418)	(439,477)
Public relations and advertising	(150,408)	(148,833)
Indemnities and fines	(20,755)	(965,475)
Total Other expenses by nature	(85,496,176)	(86,984,909)

NOTE 31. OTHER GAINS (LOSSES)

The detail of the item as of December 31, 2021 and 2020, is as follows:

In thousands of Chilean pesos – ThCLP\$		
Other gains (losses)	as of 12.31.2021	as of 12.31.2020
Gain from sale of Transmisora Eléctrica de Quillota Ltda. (*)	9,968,845	-
Gain from sale of line San Luis Quintero	-	9,384,038
Dividends received	168,439	94,491
Sale of machinery	30,140	-
Total	10,167,424	9,478,529

(*) See note 12.3.



NOTE 32. Financial Results

The detail of financial income and costs for the years ended December 31, 2021 and 2020, are as follows:

In thousands of Chilean pesos – ThCLP\$		
Financial income	As of 12.31.2021	As of 12.31.2020
Financial income from Law No. 21.185 (1)	2,541,286	10,586,478
Cash and cash equivalents	29,479	580,325
Other financial income	5,061,561	908,789
Total financial income	7,632,326	12,075,592

In thousands of Chilean pesos – ThCLP\$		
Financial costs	As of 12.31.2021	As of 12.31.2020
Financial costs	(68,652,677)	(28,328,656)
Activated financial costs (2)	46,363,792	29,338,356
Assignment of rights and sale of accounts receivable to customers (3)	(39,919,437)	-
Financial costs from Law No. 21.185 (1)	(2,442,010)	-
Secured and unsecured liabilities	(47,518,870)	(47,654,290)
Post-employment benefit expenses	(524,938)	(616,495)
Bank loans	(381)	(20,701)
Other financial costs	(24,610,833)	(9,375,526)
Gains (losses) from indexed assets and liabilities (*)	3,385,938	(703,130)
Gains (losses) from foreign currency exchange differences (**)	15,190,050	(29,525,399)
Positive	55,613,241	28,634,840
Negative	(40,423,191)	(58,160,239)
Total financial costs	(50,076,689)	(58,557,185)
Total financial results	(42,444,363)	(46,481,593)

- (1) Corresponding to income and financial costs originated by the transitory mechanism for stabilizing electricity prices for customers subject to tariff regulation, as established in Law No. 21,185 (see Note 8.a.1.).
- (2) See Note 15.b.1.
- (3) See Note 8.a.2.

The origins of the effects on results for exchange differences and application of indexed units are as follows:

In thousands of Chilean pesos – ThCLP\$		
Gains (losses) from indexed assets and liabilities (*)	As of 12.31.2021	As of 12.31.2020
Assets and liabilities for current taxes	3,332,808	903,634
Dur from related companies, non-current	-	663,790
Trade and other receivables, non-current	-	1,072,810
Other financial liabilities (Financial Debt and Derivative Instruments)	2,154,449	(1,164,800)
Sub total result by adjustment	5,487,257	1,475,434
Sub total result by hyperinflation	(2,101,319)	(2,178,564)
Result Units by Adjustment	3,385,938	(703,130)

In thousands of Chilean pesos – ThCLP\$		
Gains (losses) from foreign currency exchange differences (**)	as of 12.31.2021	as of 12.31.2020
Cash and cash equivalents	886,970	2,231,687
Other financial assets	768,058	5,566,838
Trade and other receivables, current	8,362,335	7,872,573
Trade and other receivables, non-current (2)	30,103,633	(23,891,326)
Other financial liabilities (Financial Debt and Derivative Instruments)	(17,064,988)	(11,582,956)
Trade and other payables	(7,865,958)	(9,722,215)
Total Gains (losses) from foreign currency exchange differences (**)	15,190,050	(29,525,399)

- (1) This is the financial 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).
- (2) It contains the foreign currency translation difference due to the dollarization of trade receivables in the amount of ThCLP\$ 30,103,633 as of December 31, 2021 (ThCLP\$ (23,891,326) as of December 31, 2020), as a result of the transitory electricity price stabilization mechanism for customers subject to rate regulation, as established in Law No. 21,185 (see Note 8).

The effects on financial results from results by hyperinflation are as follows:

In thousands of Chilean pesos – ThCLP\$		
Result by hyperinflation	as of 12.31.2021	as of 12.31.2020
Inventories	20,926	-
Intangible assets other than goodwill	260	142
Property, plant and equipment	1,374,209	764,982
Deferred tax liabilities	(1,429,582)	(548,505)
Equity	(2,143,830)	(2,434,384)
Other service renderings	(1,849)	(1,246)
Personnel expenses	161,385	130,213
Other fixed operating expenses	139,968	108,226
Financial income	(231,931)	(204,137)
Financial expenses	9,125	6,145
Result by hyperinflation (1)	(2,101,319)	(2,178,564)

NOTE 33. Income Tax

As of December 31, 2021 and 2020, components of the income tax recorded in the consolidated statements of comprehensive income, are detailed as follows:

In thousands of Chilean pesos – ThCLP\$		
(Expense) / income for current taxes and adjustments for current taxes from previous periods	as of 31.12.2021	as of 31.12.2020
((Expense) / income for current taxes	(13,668,237)	(100,930,197)
Adjustments for current taxes from previous years	(728,590)	3,324,829
(Expenses) / income for current taxes (related to cash flow hedges)	(48,840,003)	38,632,956
Other (Expenses) / income for current taxes	(2,260,935)	-
Total (Expense) / income for current taxes	(65,497,765)	(58,972,412)
"Deferred tax expense /(income) related to the addition and reversal of temporary differences"	59,685,513	181,406,082
Total (Expense) / Income for Deferred Taxes	59,685,513	181,406,082
(Expense) / income from income taxes, continued operations	(5,812,252)	122,433,670

The main temporary differences are detailed in Note 17.

The following presents the reconciliation of the income tax resulting from the application of the general tax rate in force to "pre-tax income" and the expense recorded for said tax in the consolidated statements of income as of December 31, 2021 and 2020:

In thousands of Chilean pesos – ThCLP\$				
Reconciliation of the accounting result multiplied by the applicable tax rates	Interest %	as of 12.31.2021	Interest %	as of 12.31.2020
ACCOUNTING RESULT BEFORE TAXES		129,470,720		(271,116,321)
Total (expense) / income for taxes at applicable tax rate	27,00%	(34,957,094)	27,00%	73,201,406
Tax effect of tax rates supported abroad	(0.07%)	96,520		-
Tax effect of income from tax-exempted ordinary activities	(0.79%)	1,021,544	13,00%	35,256,819
Tax effect of non-deductible expenses for the determination of taxable gain (loss)	1.30%	(1,688,950)	(0.08%)	(211,306)
Tax effect of tax provided in excess in previous years	0.56%	(728,590)	1,23%	3,324,829
Tax monetary indexation (investments and equity)	(23.51%)	30,444,318	4,01%	10,861,922
Total adjustments to tax expenses using the applicable tax rates	(22.51%)	29,144,842	18,16%	49,232,264
(Expense) / income for income taxes on profits, continued operations	4.49%	(5,812,252)	45,16%	122,433,670



NOTE 34. Guarantees With Third Parties, Contingent Assets And, Liabilities, And Other Commitments

34.1. Direct guarantees

As of December 31, 2021 and 2020, Enel Generación Chile does not have property, plant and equipment encumbered as collateral for liabilities.

As of December 31, 2021, Enel Generación Chile has no future energy purchase commitments.

As of December 31, 2021 and 2020, the following are the main direct guarantees in force:

In thousands of Chilean pesos – ThCLP\$					
Company	Beneficiary	Date of origin	Maturity date	Currency	as of 12.31.2021
Enel Generación Chile S.A	National Electrical Coordinator	2021-12-14	2022-05-31	CLP	40,000,000
Enel Generación Chile S.A	National Electrical Coordinator	2021-12-14	2022-05-31	CLP	38,530,909
Enel Generación Chile S.A	Other	2021-12-14	2022-05-31	CLP	21,100,000
Enel Generación Chile S.A	National Electrical Coordinator	2021-09-16	2022-09-30	CLF	11,268,597
Enel Generación Chile S.A	National Electrical Coordinator	2020-12-01	2022-12-31	CLF	1,355,331
Enel Generación Chile S.A	National Electrical Coordinator	2020-04-14	2025-06-09	CLP	1,004,463

34.2. Indirect guarantees

There are no Indirect Guarantees, as of December 31, 2021 and 2020.

34.3. Litigation and Arbitration Proceedings

Inversiones Trichahue S.A. filed with the 19th Civil Court of Santiago, a request for an injunction to prohibit Enel Generación Chile S.A. from entering into acts and contracts. By resolution issued on August 18, 2021, an injunction was ruled that prohibits Enel Generación Chile S.A from holding acts or entering into agreements regarding the shares it owns in Empresa Eléctrica Pehuenche S.A that would lead to the merger of both companies. Therefore, Enel Generación Chile S.A. refrained from attending the Extraordinary Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A. held on September 28, 2021, that it was called to make a decision on its merger with Enel Generación Chile, and said operation could not be approved. It should be noted that the shareholders of Enel Generación Chile S.A. had approved the aforementioned merger at the Extraordinary Shareholders' Meeting held on August 27, 2021. Also, Inversiones Trichahue S.A. announced an arbitration claim, for which it judicially requested the appointment of an arbitrator for a compulsory arbitration. At the appointment hearing there was no agreement between the parties on an arbitrator, and for that reason it was the court that appointed the arbitrator on December 16, 2021.

The Management of Enel Generación Chile S.A. considers that the provisions recorded in the accompanying Consolidated Balance Sheet adequately cover the risks for litigation and other operations described in this Note; therefore, they do not expect that the latter will give rise to additional liabilities on top of those already recorded.

Given the characteristics of the risks covered by these provisions, it is not possible to determine a reasonable schedule containing payment dates, if payments were needed.

34.4. Financial restrictions

Various debt contracts of the Company, and of some of its subsidiaries include the obligation to comply with certain financial ratios, habitual in contracts of this nature. There are also affirmative (to do) and negative (not to do) 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.

Financial restrictions	Enel Generación Chile	Enel Generación Chile	Enel Generación Chile	Enel Generación Chile
Type of instrument with restriction	Yankee Bonds	Yankee Bonds	Series H and M bonds	Credit with Fin. Inst.
Restriction to be complied with by Reporting Party or Subsidiary	Any financial debt of Enel Generación Chile or its Chilean subsidiaries, for any amount in default, where the principal of the debt giving rise to the cross default exceeds US\$30 million in an individual debt.	Any financial debt of Enel Generación Chile or its Chilean subsidiaries, for any amount in default, where the principal of the debt giving rise to the cross default exceeds US\$50 million in an individual debt.	Any financial debt of Enel Generación Chile, for any amount in default, where the principal of the debt giving rise to the cross default exceeds US\$50 million in an individual debt.	Any financial debt of Enel Generación Chile, for any amount in default.
Creditor	Bank of New York Mellon (Representative of Bondholders)	Bank of New York Mellon (Representative of Bondholders)	Banco Santander (Representative of Bondholders)	Banco Santander Chile
Registration Number	ISIN: US29244TAC53; US29244TAB7; US29244TAA9	ISIN: US29246RAA14	Registration in the CMF's Securities Registry No. 317 for Series H and No. 522 for Series M	-
Name of financial indicator or ratio	Cross default	Cross default	Cross default	Cross default
Frequency of measurement	Quarterly	Quarterly	Quarterly	Quarterly
Calculation mechanism or definition of indicator or ratio	Principal of debt in default exceeding US\$30 million on an individual basis.	Principal of debt in default exceeding US\$50 million on an individual basis.	Principal of debt in default exceeding US\$50 million on an individual basis.	Debt in default.
Restriction to be met (Range, Value and Unit of Measurement)	Not have individual debt in default in excess of US\$30 million.	Not have individual debt in default in excess of US\$50 million.	Not have individual debt in default in excess of US\$50 million.	Not have individual debts in default.
Indicator or ratio determined by the company	There are no debts in default in excess of US\$30 million on an individual basis.	There are no debts in default in excess of US\$50 million on an individual basis.	There are no debts in default in excess of US\$50 million on an individual basis.	There are no debts in default.
Compliance YES/NO	Yes	Yes	Yes	Yes
Accounts used in the calculation of the indicator or ratio	-	-	-	-

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 bonds issued in Chile include the following financial covenants, whose definitions and calculation formulas are set out in the respective contract:

Financial restrictions	Enel Generación Chile	Enel Generación Chile	Enel Generación Chile	Enel Generación Chile
Type of instrument with restriction	Series H and M bonds	Series H and M bonds	Series H and M bonds	Series H Bonds
Restriction to be complied with by Reporting Party or Subsidiary	A ratio between Financial Obligations and Total Capitalization of less than or equal to 0.64 must be maintained.	Maintain a Minimum Equity of CLP 761,661 million, a limit that is updated at the close of each year, as established in the contract.	Maintain a Financial Expense Coverage Ratio greater than or equal to 1.85.	Maintain a Net Asset Position with Related Companies not exceeding the equivalent amount in Chilean pesos (the legal tender) of US\$500 million, according to the exchange rate on the calculation date.
Creditor	Banco Santander (Representative of Bondholders)	Banco Santander (Representative of Bondholders)	Banco Santander (Representative of Bondholders)	Banco Santander (Representative of Bondholders)
Registration Number	Registration in the CMF's Securities Registry No. 317 for Series H and No. 522 for Series M	Registration in the CMF's Securities Registry No. 317 for Series H and No. 522 for Series M	Registration in the CMF's Securities Registry No. 317 for Series H and No. 522 for Series M	Registration in the CMF's Securities Registry No. 317
Name of financial indicator or ratio	Level of Consolidated Indebtedness	Net Equity Attributable to the Parent Company	Financial Expense Coverage Ratio	Net Asset Position with Related Companies
Frequency of measurement	Quarterly	Quarterly	Quarterly	Quarterly
Calculation mechanism or definition of the indicator or ratio	Financial Obligations correspond to the sum of Interest-bearing loans, current; Interest-bearing loans, non-current; Other financial liabilities, current; Other financial liabilities, non-current; and Other obligations guaranteed by the Issuer or its subsidiaries, while Total Capitalization is the sum of Financial Obligations and Total Equity.	Equity corresponds to the Net Equity attributable to the owners of the Parent company, which is compared to the Minimum Equity level that will be adjusted by a percentage, provided it is positive, of the annual variation of the Consumer Price Index multiplied by the difference between 1 minus the ratio of Non-Monetary Assets in Chile recorded in Chilean pesos and the Net Equity Attributable to the Parent Company. If the annual variation of the Consumer Price Index is negative or if the ratio of Non-Monetary Assets in Chile recorded in Chilean pesos to Net Equity Attributable to the Parent Company is greater than one, there will be no readjustment in that year.	The coverage of financial expenses is the quotient between: i) the Gross Operating Income, plus Financial Income and dividends received from associated companies, and, ii) Financial Expenses; with both items involving the period of four consecutive quarters ending at the close of the quarter being reported.	The Net Asset Position with Related Companies is the difference between: i) the sum of Accounts Receivable from Related Entities of Current and Non-Current Assets and ii) the sum of Accounts Payable to Related Entities of Current and Non-Current Liabilities. The amounts that meet all of the following requirements must be excluded from the above: i) transactions with a duration of less than 180 days; and ii) transactions originating in the ordinary course of business of Enel Generación Chile or its subsidiaries.



Financial restrictions	Enel Generación Chile Series H and M bonds	Enel Generación Chile Series H and M bonds	Enel Generación Chile Series H and M bonds	Enel Generación Chile Series H Bonds
Restriction to be met (Range, Value and Unit of Measurement)	A ratio between Financial Obligations and Total Capitalization of less than or equal to 0.64 must be maintained.	Maintain a Minimum Equity of CLP 761,661 million, a limit that is updated at the close of each year, as established in the contract.	Maintain a Financial Expense Coverage Ratio greater than or equal to 1.85.	Maintain a Net Asset Position with Related Companies not exceeding the equivalent amount in Chilean pesos (the legal tender) of US\$500 million, according to the exchange rate on the calculation date.
Indicator or ratio determined by the company	0.37	1,499,913 million	3.99	-US\$20.76 million
Compliance YES/NO	Yes	Yes	Yes	Yes
Accounts used in the calculation of the indicator or ratio	Financial Obligations and Total Capitalization	Net equity attributable to owners of the parent.	Gross Operating Profit and Financial Expenses	Current and Non-Current Accounts Receivable from and Payable to Related Entities.

Finally, in most of the contracts, the acceleration of the debt due to non-compliance with these covenants does not occur automatically, but certain conditions must be met, such as the expiration of the cure terms established therein, among other conditions.

As of December 31, 2021, both Enel Generación Chile and its subsidiaries were in compliance with their financial obligations summarized herein, and also with other financial obligations whose non-compliance could cause the early maturity of their financial commitments.

34.5.COVID-19 Contingency

On January 30, 2020, the World Health Organization (WHO) declared the outbreak of the new coronavirus 2019, or COVID-19, a "Public Health Emergency of International Concern." On March 11, 2020, the WHO confirmed that the COVID-19 outbreak reached pandemic level, which could significantly affect Chile, as well as our trading partners at home and abroad.

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, instituting containment measures, specifically aimed at restricting the free movement of people, which include curfews, mandatory selective quarantines, prohibition of mass gatherings, temporary closure of companies and businesses, among other measures.

The Group issued guidelines to ensure compliance with the measures introduced by the government and has taken numerous actions to adopt the most appropriate procedures to prevent and/or mitigate the effects of COVID-19 infection in the workplace, while ensuring business continuity. This has been possible mainly due to:

- the implementation of telecommuting for all employees whose jobs can be performed remotely (60% of the workforce). This format was introduced in the Group a few years ago and, thanks to investments in digitalization, allows employees to work remotely at the same level of efficiency and effectiveness;
- the digitalization of processes and infrastructure, to ensure the normal operation of our generation assets, the continuity of electricity service, and the remote management of all activities related to the market and customer relations.

All of the company's efforts are aimed at guaranteeing correct and safe continuity of our operations, while also ensuring the health and safety of our people.

In relation to the degree of uncertainty generated in the macroeconomic and financial environment in which the Group operates and its effects on the Company's results as of December 31, 2021, are not significant.

NOTE 35. Personnel Figures

Enel Generación Chile's headcount as of December 31, 2021 and 2020, is as follow:

Country	al 31.12.2021			Total
	Managers and key executives	Professionals and Technicians	Staff and others	
Chile	17	579	40	636
Argentina	-	5	17	22
Total	17	584	57	658
Average	19	595	57	670

Country	al 31.12.2020			Total
	Managers and key executives	Professionals and Technicians	Staff and others	
Chile	17	582	49	648
Argentina	-	5	17	22
Total	17	587	66	670
Average	18	591	68	678

NOTE 36. Sanctions

The sanctions received from administrative authorities are as follows:

Enel Generación Chile S.A

As of December 31, 2021, the sanctioning process filed with the SEREMI de Salud del Biobío, initiated by report No. 180566, for an amount of 500 UTM (ThCLP\$ 27,086), for alleged breaches of waste disposal obligations and regulations at the Cantarrana landfill, is pending reinstatement.

As of December 31, 2021, the sanctioning process filed with the SEREMI of Health of Valparaíso, initiated through Inspection Report No. 1705213, for an amount of 500 UTM (ThCLP\$ 27,086), for alleged breaches of obligations and standards related to the Noise Exposure Protocols and other health surveillance standards at the Quintero Power Plant, is pending resolution.

As of December 31, 2021, the sanctioning process filed with the SEREMI de Salud de Tarapacá, initiated by Inspection Report No. 000766, for an amount of 500 UTM (ThCLP\$ 27,086), for an alleged breach by CELTA in the use of lime in the Tarapacá Thermal Power Plant, is pending resolution.

As of December 31, 2021, the sanctioning process filed with the SEREMI de Salud de Coquimbo, initiated by Inspection Report No. 10066, dated June 21, 2016, for an amount of 500 UTM (ThCh\$ 27,086) for the alleged infraction committed by Gasatacama, currently Enel Generación Chile, by keeping waste in an unauthorized area, is pending resolution.

As of December 31, 2021, the sanctioning process initiated by the SEREMI de Salud of the Metropolitan Region, initiated through exempt resolution No. 20131261, for an amount of 50 UTM (ThCLP\$ 2,709), for the alleged breach of health regulations associated with COVID-19, is pending resolution.

Empresa Eléctrica Pehuenche S.A.

There are no sanctions pending resolution as of December 31, 2021.

In relation to sanctions, the Group has established provisions of ThCLP\$ 111,053 as of December 31, 2021 (see Note 23). However, there are other sanctions with associated provisions, but they are not described in this note because they individually represent immaterial amounts. The Company's management considers that the provisions recorded in the consolidated financial statements are adequate to cover the risks resulting from the sanctions because management does not consider that there are additional liabilities other than those specified.



NOTE 37. Environment

Environmental expenses for the years ended December 31, 2021 and 2020 are as follows:

In thousands of Chilean pesos – ThCLP\$

Disbursing company	Project name	Environmental description	Project status (Finished, In progress)	
Pehuenche	CENTRAL PEHUENCHE	Waste Management	In progress	
		Environmental Recovery	In progress	
		Campaigns and Studies	In progress	
		Environmental Materials	In progress	
Enel Generación Chile S.A.	ENVIRONMENTAL EXPENSES CC.HH.	The main expenses incurred are: Operation and maintenance monitoring air and meteorological quality stations, Environmental Audit monitoring network 1 per year, Annual Validation CEMS, Biomass Protocol Service, Environmental Materials (magazine, books), Isokinetic Measurements, SGI Works (NC Objective, Inspections, Audits and Inspection) ISO 14001, OHSAS Certification, CEMS Operation and Maintenance Service,	In progress	
		ENVIRONMENTAL EXPENSES CC.HH.	Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in thermoelectric plants (T.P.)	In progress
		ENVIRONMENTAL EXPENSES CC.HH.	Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in hydroelectric plants (H.P.)	In progress
Total				

In thousands of Chilean pesos – ThCLP\$

Disbursing company	Project name	Environmental description	Project status (Finished, In progress)	
Pehuenche	CENTRAL PEHUENCHE	Waste Management	In progress	
		Environmental Recovery	In progress	
		Environmental Materials	In progress	
		Campaigns and Studies	In progress	
Enel Generación Chile S.A.	ENVIRONMENTAL EXPENSES CC.HH.	The main expenses incurred are: Operation and maintenance monitoring air and meteorological quality stations, Environmental Audit monitoring network 1 per year, Annual Validation CEMS, Biomass Protocol Service, Environmental Materials (magazine, books), Isokinetic Measurements, SGI Works (NC Objective, Inspections, Audits and Inspection) ISO 14001, OHSAS Certification, CEMS Operation and Maintenance Service,	In progress	
		ENVIRONMENTAL EXPENSES CC.HH.	Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in thermoelectric plants (T.P.)	In progress
		ENVIRONMENTAL EXPENSES CC.HH.	Studies, monitoring, laboratory analysis, removal and final disposal of solid waste in hydroelectric plants (H.P.)	In progress
Total				

							as of 12.31.2020
as of 12.31.2021							Amount disbursed in previous period
Disbursed amount	Capitalized amount	Expenses amount	Future disbursement amount	Estimated date of future disbursement	Total disbursements		
18,513	-	18,513	13,128	31-12-2022	31,641	32,426	
4,467	-	4,467	3,528	31-12-2022	7,995	8,862	
714	-	714	4,235	31-12-2022	4,949	10,415	
27,253	-	27,253	4,994	31-12-2022	32,246	29,713	
2,245,303	833,395	1,411,908	450,786	31-12-2022	2,696,089	1,195,131	
1,255,958	445,611	810,347	617,221	31-12-2022	1,873,179	3,568,968	
378,958	-	378,958	263,737	31-12-2022	642,694	263,737	
3,931,166	1,279,006	2,652,160	1,357,628		5,288,794	5,109,252	
							as of 12.31.2020
Disbursed amount	Capitalized amount	Expenses amount	Future disbursement amount	Estimated date of future disbursement	Total disbursements	Amount disbursed in previous period	
13,128	-	13,128	19,298	31-12-2020	32,426	3,165	
	-	3,528	5,334			1,988	
4,993	-	4,993	24,720	31-12-2020	29,713	9,061	
4,235	-	4,235	6,180	31-12-2020	10,415	-	
595,988	95,977	500,011	599,144	31-12-2020	1,195,132	2,307,825	
2,048,635	158,027	1,890,608	1,520,333	31-12-2020	3,568,968	7,151,486	
263,737	-	263,737	-	31-12-2020	263,737	759,980	
2,930,716	254,004	2,680,240	2,175,009		5,100,391	10,233,505	



NOTE 38. Summarized Financial Information On Subsidiaries

As of December 31, 2021 and 2020, summarized financial information of our principal subsidiaries prepared under IFRS is as follows:

In thousands of Chilean pesos - ThCLP\$					
Company Name	as of 12.31.2021				
	Financial Statements	Current assets,	Non-current assets	Total Assets	Current liabilities
Empresa Eléctrica Pehuenche S.A.	Individual	71,263,125	160,836,183	232,099,308	45,665,642

In thousands of Chilean pesos - ThCLP\$					
Company Name	as of 12.31.2020				
	Financial Statements	Current assets,	Non-current assets	Total Assets	Current liabilities
Empresa Eléctrica Pehuenche S.A.	Individual	57,648,245	165,957,367	223,605,612	43,582,094

NOTE 39. Subsequent Events

Between January 1, 2022 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.

as of 12.31.2021

	Non-Current Liabilities	Equity	Total equity and liabilities	Ordinary Revenues	Ordinary expenses	Profit (loss)	Total comprehensive income
	40,961,161	145,472,505	232,099,308	208,152,869	(50,164,405)	104,966,173	104,966,173

as of 12.31.2020

	Non-Current Liabilities	Equity	Total equity and liabilities	Ordinary Revenues	Ordinary expenses	Profit (loss)	Total comprehensive income
	42,466,077	137,557,441	223,605,612	162,555,069	(29,660,883)	87,102,068	87,102,068



APPENDIX No. 1 Companies That Compose Enel Generación Chile.

This appendix is part of Note 2.4 “Subsidiary Companies”. They correspond to control percentages.

Tax ID number	Company	Functional currency	12.31.2021			12.31.2020			Relationship	Country	Activity
			% Interest			% Interest					
			Direct	Indirect	Total	Direct	Indirect	Total			
96.504.980-0	Empresa Eléctrica Pehuenche S.A.	Chilean peso	92.65%	0.00%	92.65%	92.65%	0.00%	92.65%	Subsidiary	Chile	Full Electric Power Cycle

APPENDIX No. 2 Associated Companies And Joint Ventures

This appendix corresponds to Note 3.h “Investments accounted by the equity method”.

Tax ID number	Company	Functional currency	12.31.2021			12.31.2020			Relationship	Country	Activity
			% Interest			% Interest					
			Direct	Indirect	Total	Direct	Indirect	Total			
77.017.930-0	Transmisora Eléctrica de Quillota Ltda. (*)	Chilean peso	0.00%	0.00%	0.00%	50.00%	0.00%	50.00%	Joint venture	Chile	Electric Power Transport and Distribution
76.418.940-K	GNL Chile S.A.	Dólar	33.33%	0.00%	33.33%	33.33%	0.00%	33.33%	Associate	Chile	Full cycle of energy, electricity and fuel
Foreign	Enel Argentina S.A.	Argentinean peso	0.08%	0.00%	0.08%	0.08%	0.00%	0.08%	Associate	Argentina	Portfolio company

(*) See Note 12.3

APPENDIX No. 3 Details Of Assets And Liabilities In Foreign Currency

This appendix is an integral part of the consolidated financial statements of Enel Generación Chile. The detail of assets and liabilities denominated in foreign currency are as follows:

In thousands of Chilean pesos – ThCLP\$						
ASSETS	as of 12.31.2021					
	Unidad de fomento	Chilean Peso	US Dollar (US\$)	Euro	Argentinean peso	Total
CURRENT ASSETS						
Cash and cash equivalents	-	402,013	3,143,058	56,915	195,682	3,797,668
Other current financial assets	-	1,889,279	-	-	-	1,889,279
Other current non-financial assets	3,055,257	25,737,991	14,533,726	-	1,212,255	44,539,229
Trade and other receivables, current	86,201	286,366,079	-	209,580	-	286,661,860
Due from related parties current	-	118,558,735	39,830,792	3,102,720	-	161,492,247
Inventories, current	-	13,605,366	-	-	25,675	13,631,041
Current tax assets	-	34,161,508	-	-	-	34,161,508
TOTAL CURRENT ASSETS	3,141,458	480,720,971	57,507,576	3,369,215	1,433,612	546,172,832
NON-CURRENT ASSETS						
Other non-current financial assets	16,863,692	21,125,143	-	-	-	37,988,835
Other non-current non-financial assets	-	16,948,130	-	-	-	16,948,130
Trade and other receivables, non-current	-	94,147,182	-	-	812	94,147,994
Due from related parties, non-current	-	-	146,494,749	-	-	146,494,749
Investments accounted for using the equity method	-	-	5,706,636	-	387,135	6,093,771
Intangible assets other than goodwill	-	27,169,490	-	-	91,421	27,260,911
Goodwill	-	24,860,356	-	-	-	24,860,356
Property, plant and equipment	-	2,222,829,668	-	-	14,584,291	2,237,413,959
Right-of-use assets	655,882	15,298,561	-	-	-	15,954,443
Deferred tax assets	-	148,548,175	-	-	-	148,548,175
TOTAL NON-CURRENT ASSETS	17,519,574	2,570,926,705	152,201,385	-	15,063,659	2,755,711,323
TOTAL ASSETS	20,661,032	3,051,647,676	209,708,961	3,369,215	16,497,271	3,301,884,155

In thousands of Chilean pesos – ThCLP\$

as of 12.31.2020						
ASSETS	Unidad de fomento	Chilean Peso	US Dollar (US\$)	Euro	Argentinean peso	Total
CURRENT ASSETS						
Cash and cash equivalents	-	196,112	3,679,734	27,493	755,871	4,659,210
Other current financial assets	-	2,550,779	-	-	-	2,550,779
Other current non-financial assets	-	7,222,800	-	-	842,434	8,065,234
Trade and other receivables, current	-	256,407,792	1,911,625	665,621	-	258,985,038
Due from related parties current	-	108,016,597	45,296,205	1,749,780	-	155,062,582
Inventories, current	-	11,698,248	-	-	6,006	11,704,254
Current tax assets	-	24,767,914	-	-	13,344	24,781,258
TOTAL CURRENT ASSETS	-	410,860,242	50,887,564	2,442,894	1,617,655	465,808,355
NON-CURRENT ASSETS						
Other non-current financial assets	-	18,745,200	1,373,352	541,894	-	20,660,446
Other non-current non-financial assets	-	15,711,751	-	-	-	15,711,751
Trade and other receivables, non-current	-	1,101,116	152,523,137	-	10,258	153,634,511
Due from related parties, non-current	-	-	139,937,114	-	-	139,937,114
Investments accounted for using the equity method	-	7,451,193	1,729,383	-	370,563	9,551,139
Intangible assets other than goodwill	-	31,253,337	-	-	237,352	31,490,689
Goodwill	-	24,860,356	-	-	-	24,860,356
Property, plant and equipment	-	2,105,756,684	-	-	13,931,758	2,119,688,442
Right-of-use assets	-	16,797,693	-	-	-	16,797,693
Deferred tax assets	-	92,820,469	-	-	-	92,820,469
TOTAL NON-CURRENT ASSETS	-	2,314,497,799	295,562,986	541,894	14,549,931	2,625,152,610
TOTAL ASSETS	-	2,725,358,041	346,450,550	2,984,788	16,167,586	3,090,960,965

In thousands of Chilean pesos – ThCLP\$

as of 12.31.2021						
LIABILITIES	Unidad de Fomento	Chilean Peso	US Dollar (US\$)	Euro	Argentinean peso	Total
CURRENT LIABILITIES						
Other current financial liabilities	35,691,780	3	18,192,068	-	-	53,883,851
Current lease liabilities	224,595	1,485	3,181,403	-	-	3,407,483
Trade and other payables, current	1,988,245	261,396,590	4,592,501	1,489,432	674,667	270,141,435
Due to related companies, current	-	77,948,992	44,308,972	36,392,965	-	158,650,929
Other current provisions	-	17,491,515	-	-	228,725	17,720,240
Current tax liabilities	-	-	-	-	-	-
Other current non-financial liabilities	-	4,294,899	-	-	23,626	4,318,525
TOTAL CURRENT LIABILITIES	37,904,620	361,133,484	70,274,944	37,882,397	927,018	508,122,463
NON-CURRENT LIABILITIES						
Other non-current financial liabilities	232,572,049	-	669,915,280	-	-	902,487,329
Non-current lease liabilities	798,701	1,377	5,992,963	-	-	6,793,041
Trade and other payables, non-current	-	2	-	-	-	2
Due to related companies, non-current	-	-	152,044,200	-	-	152,044,200
Other non-current provisions	-	164,410,543	-	-	-	164,410,543
Deferred tax liabilities	-	40,613,284	-	-	-	40,613,284
Non-current provisions for employee benefits	-	16,805,375	-	-	-	16,805,375
TOTAL NON-CURRENT LIABILITIES	233,370,750	221,830,581	827,952,443	-	-	1,283,153,774
TOTAL LIABILITIES	271,275,370	582,964,065	898,227,387	37,882,397	927,018	1,791,276,237

In thousands of Chilean pesos – ThCLP\$

as of 12.31.2020						
LIABILITIES	Unidad de Fomento	Chilean Peso	US Dollar (US\$)	Euro	Argentinean peso	Total
PASIVOS CORRIENTES						
Other current financial liabilities	33,601,292	3	13,260,137	-	-	46,861,432
Current lease liabilities	216,050	5,505	2,514,262	-	-	2,735,817
Trade and other payables, current	4,456,339	141,042,457	6,182,542	1,673,773	270,221	153,625,332
Due to related companies, current	-	23,314,010	17,069,572	23,848,975	-	64,232,557
Other current provisions	-	2,693,051	-	-	240,018	2,933,069
Current tax liabilities	-	63,285,623	-	-	-	63,285,623
Other current non-financial liabilities	-	14,195,309	-	-	26,192	14,221,501
TOTAL CURRENT LIABILITIES	38,273,681	244,535,958	39,026,513	25,522,748	536,431	347,895,331
NON-CURRENT LIABILITIES						
Other non-current financial liabilities	249,693,690	-	503,729,290	-	-	753,422,980
Non-current lease liabilities	805,525	2,859	7,721,786	-	-	8,530,170
Trade and other payables, non-current	-	2	-	-	-	2
Other non-current provisions	-	177,128,201	-	-	-	177,128,201
Deferred tax liabilities	-	42,466,077	-	-	-	42,466,077
Non-current provisions for employee benefits	-	22,187,917	-	-	-	22,187,917
TOTAL NON-CURRENT LIABILITIES	250,499,215	241,785,056	511,451,076	-	-	1,003,735,347
TOTAL LIABILITIES	288,772,896	486,321,014	550,477,589	25,522,748	536,431	1,351,630,678



Appendix No. 4 Additional Information Official Bulletin No. 715 Of February 3, 2012

This appendix is an integral part of the consolidated financial statements of Enel Generación Chile.

a) Portfolio stratification

- Trade and other receivables by aging:

In thousands of Chilean pesos – ThCLP\$

Trade and other receivables, 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
Trade receivables gross	198,341,492	53,483,696	4,584,077	1,480,317	453,941
Provision for impairment	-	-	-	-	-
Other receivables gross	13,072,160	-	-	-	-
Total	211,413,652	53,483,696	4,584,077	1,480,317	453,941

In thousands of Chilean pesos – ThCLP\$

Trade and other receivables, 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
Trade receivables gross	198,374,526	17,515,160	1,875,409	335,312	123,369
Provision for impairment	-	-	-	-	-
Other receivables gross	33,192,412	-	-	-	-
Total	231,566,938	17,515,160	1,875,409	335,312	123,369

- By type of portfolio:

In thousands of Chilean pesos – ThCLP\$

Stretches of arrears	as of 12.31.2021				Total gross portfolio Number of customers
	Non-renegotiated portfolio		Renegotiated portfolio		
	Number of customers	Gross Amount	Number of customers	Gross Amount	
No arrears	112	291,490,519	-	-	112
Between 1 and 30 days	554	53,483,696	-	-	554
Between 31 and 60 days	136	4,584,077	-	-	136
Between 61 and 90 days	120	1,480,317	-	-	120
Between 91 and 120 days	72	453,941	-	-	72
Between 121 and 150 days	63	357,452	-	-	63
Between 151 and 180 days	312	1,425,432	-	-	312
Between 181 and 210 days	105	421,496	-	-	105
Between 211 and 250 days	36	1,579,465	-	-	36
Over 251 days	1,148	14,294,815	-	-	1,148
Total	2,658	369,571,210	-	-	2,658

In thousands of Chilean pesos – ThCLP\$

Provisions and write-offs	as of 12.31.2021	as of 12.31.2020
Provision for non-renegotiated portfolio	697,402	226,182
Total	697,402	226,182

In thousands of Chilean pesos – ThCLP\$

Number and amount of operations	as of 12.31.2021		as of 12.31.2020	
	Total details per type of operations Last quarter	Total details per type of operations Accumulated annual	Total details per type of operations Last quarter	Total details per type of operations Accumulated annual
Provision for impairment and recoveries:				
Number of operations	-	2	2	2
Amount of operations	-	697,402	58,623	226,182

as of 12.31.2021

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	Total current	Total non- current
357,452	1,425,432	421,496	1,579,465	14,294,815	276,422,183	93,149,027
-	-	-	-	(2,832,483)	(2,832,483)	(66,490)
-	-	-	-	-	13,072,160	1,065,457
357,452	1,425,432	421,496	1,579,465	11,462,332	286,661,860	94,147,994

as of 12.31.2020

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	Total current	Total non- current
334,099	199,528	243,814	268,068	9,313,498	228,582,783	152,523,137
-	-	-	-	(2,790,157)	(2,790,157)	(113,332)
-	-	-	-	-	33,192,412	1,224,706
334,099	199,528	243,814	268,068	6,523,341	258,985,038	153,634,511

as of 12.31.2020

Gross Amount	Non-renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Number of customers	Gross Amount	Number of customers	Gross Amount	Number of customers	Gross Amount
291,490,519	184	350,897,663	-	-	184	350,897,663
53,483,696	301	17,515,160	-	-	301	17,515,160
4,584,077	123	1,875,409	-	-	123	1,875,409
1,480,317	65	335,312	-	-	65	335,312
453,941	26	123,369	-	-	26	123,369
357,452	39	334,099	-	-	39	334,099
1,425,432	52	199,528	-	-	52	199,528
421,496	38	243,814	-	-	38	243,814
1,579,465	20	268,068	-	-	20	268,068
14,294,815	630	9,313,498	-	-	630	9,313,498
369,571,210	1,478	381,105,920	-	-	1,478	381,105,920



APPENDIX No. 4.1 Supplementary Information On Trade Receivables

This appendix is an integral part of the consolidated financial statements of Enel Generación Chile.

a) Portfolio stratification

- Trade receivables by aging:

In thousands of Chilean pesos – ThCLP\$

Trade other accounts receivable	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
Trade receivables Generation and transmission	198,341,492	53,483,696	4,584,077	1,480,317	453,941	357,452
- Large customers	198,341,492	53,483,696	4,584,077	1,480,317	453,941	357,452
Provision for impairment	-	-	-	-	-	-
Non-invoiced services	9,401,875	-	-	-	-	-
Invoices services	188,939,617	53,483,696	4,584,077	1,480,317	453,941	357,452
Total Trade receivables Gross	198,341,492	53,483,696	4,584,077	1,480,317	453,941	357,452
Total Provisions impairment	-	-	-	-	-	-
Total Trade receivables net	198,341,492	53,483,696	4,584,077	1,480,317	453,941	357,452

In thousands of Chilean pesos – ThCLP\$

Trade other accounts receivable	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
Trade receivables Generation and transmission	198,374,526	17,515,160	1,875,409	335,312	123,369	334,099
- Large customers	198,374,526	17,515,160	1,875,409	335,312	123,369	334,099
Provision for impairment	-	-	-	-	-	-
Non-invoiced services	166,510,307	-	-	-	-	-
Invoices services	31,864,219	17,515,160	1,875,409	335,312	123,369	334,099
Total Trade receivables Gross	198,374,526	17,515,160	1,875,409	335,312	123,369	334,099
Total Provisions impairment	-	-	-	-	-	-
Total Trade receivables net	198,374,526	17,515,160	1,875,409	335,312	123,369	334,099

as of 12.31.2021

151-180 days in arrears	181-210 days in arrears	211-250 days in arrears	More than 251 days	More than 365 days in arrears	Total current	Total non- current
1,425,432	421,496	1,579,465	3,377,526	10,917,289	276,422,183	93,149,027
1,425,432	421,496	1,579,465	3,377,526	10,917,289	276,422,183	93,149,027
-	-	-	-	(2,832,483)	(2,832,483)	(66,490)
-	-	-	-	-	9,401,875	-
1,425,432	421,496	1,579,465	3,377,526	10,917,289	267,020,308	93,149,027
1,425,432	421,496	1,579,465	3,377,526	10,917,289	276,422,183	93,149,027
-	-	-	-	(2,832,483)	(2,832,483)	(66,490)
1,425,432	421,496	1,579,465	3,377,526	8,084,806	273,589,700	93,082,537

as of 12.31.2020

151-180 days in arrears	181-210 days in arrears	211-250 days in arrears	More than 251 days	More than 365 days in arrears	Total current	Total non- current
199,528	243,814	268,068	678,606	8,634,892	228,582,783	152,523,137
199,528	243,814	268,068	678,606	8,634,892	228,582,783	152,523,137
-	-	-	-	(2,790,157)	(2,790,157)	(113,332)
-	-	-	-	-	166,510,307	-
199,528	243,814	268,068	678,606	8,634,892	62,072,476	152,523,137
199,528	243,814	268,068	678,606	8,634,892	228,582,783	152,523,137
-	-	-	-	(2,790,157)	(2,790,157)	(113,332)
199,528	243,814	268,068	678,606	5,844,735	225,792,626	152,409,805



- By type of portfolio:

In thousands of Chilean pesos – ThCLP\$

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
GENERATION AND TRANSMISSION					
Non-renegotiated portfolio	198,341,492	53,483,696	4,584,077	1,480,317	453,941
- Large customers	198,341,492	53,483,696	4,584,077	1,480,317	453,941
Total gross portfolio	198,341,492	53,483,696	4,584,077	1,480,317	453,941

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
GENERATION AND TRANSMISSION					
Non-renegotiated portfolio	198,374,526	17,515,160	1,875,409	335,312	123,369
- Large customers	198,374,526	17,515,160	1,875,409	335,312	123,369
Total gross portfolio	198,374,526	17,515,160	1,875,409	335,312	123,369

APPENDIX No. 4.2 Energy, Capacity And Toll Purchase And Sale Estimates

This appendix is an integral part of the consolidated financial statements of Enel Generación Chile.

In thousands of Chilean pesos – ThCLP\$

	as of 12.31.2021		as of 12.31.2020	
	Energy and Power	Tolls	Energy and Power	Tolls
BALANCE SHEET				
Due from related companies, current	20,779,252	6,423	23,404,127	108,185
Trade and other receivables, current	132,080,449	8,269,055	127,713,426	32,036,657
Due from related companies, non-current	128,252,443	-	98,046,391	-
Trade and other receivables, non-current	96,308,507	-	163,721,720	-
Total estimated assets	377,420,651	8,275,478	412,885,664	32,144,842
Due to related companies, current	31,994,116	1,458,067	18,976,449	328,929
Trade and other accounts payable, current	44,884,815	2,313,243	14,153,713	9,305,131
Total estimated liabilities	76,878,931	3,771,310	33,130,162	9,634,060

In thousands of Chilean pesos – ThCLP\$

RESULTADO	as of 12.31.2021		as of 12.31.2020	
	Energy and Power	Tolls	Energy and Power	Tolls
Energy sales	265,690,751	8,275,478	124,755,669	24,639,296
Energy purchases	76,878,931	3,771,310	25,506,012	8,696,430

as of 12.31.2021

	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	Total gross portfolio	Total gross portfolio Non- current
	357,452	1,425,432	421,496	1,579,465	14,294,815	276,422,183	93,149,027
	357,452	1,425,432	421,496	1,579,465	14,294,815	276,422,183	93,149,027
	357,452	1,425,432	421,496	1,579,465	14,294,815	276,422,183	93,149,027

as of 12.31.2020

	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	Total gross portfolio	Total gross portfolio Non- current
	334,099	199,528	243,814	268,068	9,313,498	228,582,783	152,523,137
	334,099	199,528	243,814	268,068	9,313,498	228,582,783	152,523,137
	334,099	199,528	243,814	268,068	9,313,498	228,582,783	152,523,137

APPENDIX No. 5 Suppliers Expiration Detail

This appendix is an integral part of the consolidated financial statements of Enel Generación Chile.

In thousands of Chilean pesos – ThCLP\$

Suppliers with payments on schedule	as of 12.31.2021			as of 12.31.2020		
	Assets	Services	Total	Assets	Services	Total
Up to 30 days	73,117,482	173,937,537	247,055,019	55,628,946	76,744,851	132,373,797
Between 31 and 60 days	-	-	-	-	-	-
Between 61 and 90 days	-	-	-	-	-	-
Between 91 and 120 days	-	-	-	-	-	-
Between 121 and 365 days	-	-	-	-	-	-
More than 365 days	-	-	-	-	-	-
Total	73,117,482	173,937,537	247,055,019	55,628,946	76,744,851	132,373,797

In thousands of Chilean pesos – ThCLP\$

Detail of suppliers	as of 12.31.2021			as of 12.31.2020		
	Assets	Services	Total	Assets	Services	Total
Energy suppliers	-	49,984,632	49,984,632	-	19,621,123	19,621,123
Fuel and gas suppliers	-	86,288,004	86,288,004	-	36,735,748	36,735,748
Payables for goods and services	4,383,271	37,664,901	42,048,172	763,219	20,387,980	21,151,199
Payables for assets acquisitions	68,734,211	-	68,734,211	54,865,727	-	54,865,727
Total	73,117,482	173,937,537	247,055,019	55,628,946	76,744,851	132,373,797



EARNINGS RELEASE

CONSOLIDATED FINANCIAL STATEMENTS

ENEL GENERACIÓN CHILE

as of December 31, 2021

(Amounts in million Chilean Peso - CLP million)

EXECUTIVE SUMMARY

- The net income attributable to Enel Generación Chile S.A. is a net profit of CLP 115,941 million as of December, 2021, compared to a loss of CLP 155,087 million for the last period. This increase is mainly due to a higher impairment loss during 2020, equivalent to CLP 642,682, arising from the disconnection of the Coal Power Plant Bocamina II. During Q4, 2021, the net income was CLP 51,453 million, which is a reduction of CLP 92,881 million compared to Q4 2020, due to a relevant increase in operating expenses.
- If the extraordinary effects related to Bocamina II and the expenses recorded in 2021, equivalent to CLP 6,001 million, for the digitization strategy of the Group for the period 2021-2024 are isolated, the net profit for the Company reduced 52.7 %, with CLP 176,348 million as of December 2021, compared to the net adjusted profit of CLP 372,779 million for December 2020. If the same criterion is applied to quarterly results, the net profit contracted 40.8 %, with CLP 90,217 million for Q4 2021, mainly due to higher operating expenses.
- Our net energy generation was 15,583 GWh as of the end of 2021, 2.1 % less (- 330 GWh) compared to the same period of 2020. On Q4 2021, net generation was 4,225 GWh, a reduction of 2.5 % (- 109 GWh) compared to Q4 2020. This was mostly due to a lower energy generation because of the draught that the country is currently undergoing.
- The physical sales of energy were 27,477 GWh, as of December, 2021, with an increase of 26.0 % (+ 5,667 GWh), due to higher sales to independent clients, mostly related to new contracts, including those transferred from Enel Distribución Chile as a result of the Exclusive Economic Activity Act entry into force. Also, during Q4 2021, physical sales increased 27.3 % (+1,558 GWh), with a total of 7,259 GWh, due to higher sales to independent clients.
- Thus, Operating income was CLP 1,899,774 million, a growth of 27.5 % compared to 2020. Also, in Q4 2021, operating income increased 41.5 %, with a total of CLP 521,782 million. These fluctuations occurred due to higher physical sales of energy in 2021 and greater gas sales, particularly during Q2 2021 and Q3 2021.
- Procurement and service costs amounted to CLP 1,505,111, as of December 2021, equivalent to 85.5 %. The same trend was observed during Q4 2021, with an increase of 151.2 % and total expenses equivalent to CLP 398,675 million. The increase in expenses was mainly due to a higher cost of energy purchases related to higher amounts and average price, a higher cost related to fuel consumption, coming from a less efficient generation mix arising from the draught conditions, and higher commodity prices, as well as a higher cost of selling gas.
- Labor expenses increased 11.3 %, amounting to CLP 49,162, due to higher expenses mainly during Q2 2021, related to the Group's digitization strategy. During Q4 2021, labor expenses decreased 13.4 % compared to Q4 2020, amounting to CLP 9,919 million.
- Due to the aforementioned factors, the Company's EBITDA amounted to CLP 260,005 million, a reduction of 52.5 % compared to December, 2020. After isolating the aforementioned extraordinary circumstances, Enel Generación Chile's EBITDA decreased 45.2 %, CLP 313,982 million. During Q4 2021, the Company's EBITDA amounted to CLP 86,587 million, a decrease of 50.3 %. After isolating the aforementioned extraordinary circumstances, the Company's EBITDA decreased 39.5 %, CLP 110,916 million.
- The financial results feature lower expenses (CLP 4,037 million) as of December 2021, amounting to CLP 42,445 million, mainly due to earnings arising from differences in the exchange rates. However, during Q4 2021, the financial results recorded a net profit of CLP 3,199 million, which means a positive difference of CLP 19,645 million compared to Q4 2020, mainly due to earnings arising from differences in the exchange rates and higher financial earnings.

FINANCIAL SUMMARY

- The gross financial debt of the Company decreased by US\$ 46 million compared to December 2020, amounting to US\$ 1,066 million, as of December 2021.
- The average cost of debt increased from 6.6 % in December 2020, to 6.8% in December 2021.
- Cash and cash equivalents of the Company amount to US\$ 4 million, as of December 2021.

Enel Generación Chile Group owns and runs 109 power generation units, with a gross combined capacity of 6,000 MW, as of December 31, 2021. Out of the total, 38 units are hydropower units, with an installed capacity of 3,469 MW, 20 are thermal power units that run on gas, coal or oil, with an installed capacity of 2,454 MW, and 51 are wind power units, with an installed capacity of 78 MW. 59 % of our installed capacity uses renewable sources, and 41 % uses thermal sources.

Markets where it operates	Energy Sales (GWh)						Market Share %	
	Accumulated			Quarterly			dec-21	dec-20
	dec-21	dec-20	Var %	4T2021	4T2020	Var %		
National Electric Grid	27,477	21,810	26,0%	7,259	5,700	27,3%	36,7%	30,4%

RELEVANT INFORMATION FOR THE ANALYSIS OF THESE FINANCIAL STATEMENTS

Changes in the Regulatory Framework

As part of the Social Programs announced by the Government, Law 21,185 of the Ministry of Energy was published in the Official Gazette on November 2, 2019. This law created a Temporary Energy Price Stabilization Mechanism on Regulated Clients' Fees (hereinafter, the "Fee Stabilization Act".) According to this Law, between July 1, 2019 and December 31, 2020, the prices to be charged to regulated clients are those defined for the first semester of 2019 (Decree 20T/0218), named "Stabilized Price for Regulated Client" (PRC). From January 1, 2021 and until the expiration of the stabilization mechanism, the prices will be those defined in the semestral notices stated in article 158 of the Law of Electricity, but may not exceed the PEC adjusted according to the Consumer Price Index, beginning on January 1, 2021, based on the same date (adjusted PRC). Any differences in billing will be regarded as receivable accounts in favor of generation companies, with a limit of US\$ 1,350 million until 2023. The difference has to be collected before December 31, 2027.

On September 14, 2020, the National Energy Committee published Exempt Resolution No. 340, modifying the technical conditions for applying the Fee Stabilization Act. This Resolution made clear that the payment to each supplier "shall be settled in a chronological manner, paying first the oldest balances", and not in a weighed manner on the total of the pending balance, as the Industry understood.

Also, this Resolution states that the payment of outstanding balances shall be made according to the observed Dollar rate on the sixth business day from the publishing of the Payment Table of the Coordinator, replacing the average exchange rate of the dollar in the billing month, as it was stated up to that month.



I. ANALYSIS OF THE FINANCIAL STATEMENTS

1. ANALYSIS OF THE STATEMENT OF INCOME

The result of Enel Generación Chile as of the end of December 2021 was a profit of CLP 115,941, compared to a CLP 155,087 million loss during the last period. As for the results of Q4 2021, the net imputed profit of Enel Generación Chile was CLP 51,453 million, a reduction of CLP 92,881 million compared to Q4 2020.

Comparisons of each item of the Statement of Income of operations as of December 31, 2021 and 2020 are shown below:

CONSOLIDATED STATEMENT OF INCOME (in CLP million)	Accumulated Amounts				Quarterly Amounts			
	dec-21	dec-20	Fluctuation	Var %	dec-21	dec-20	Fluctuation	Var %
Revenue	1,899,774	1,490,102	409,672	27.5%	521,782	368,693	153,089	41.5%
Ordinary Revenue	1,882,345	1,457,276	425,069	29.2%	523,486	357,266	166,220	46.5%
Other Operating Revenue	17,429	32,826	(15,397)	(46.9%)	(1,704)	11,427	(13,131)	(114.9%)
Procurement and Services	(1,505,111)	(811,504)	(693,607)	85.5%	(398,675)	(158,685)	(239,990)	151.2%
Energy Purchases	(824,941)	(378,199)	(446,742)	118.1%	(218,377)	(83,214)	(135,163)	162.4%
Fuel Consumption	(374,748)	(231,176)	(143,572)	62.1%	(124,116)	(37,485)	(86,631)	N/A
Transportation Expenses	(153,426)	(107,534)	(45,892)	42.7%	(34,826)	(19,906)	(14,920)	75.0%
Other Procurement and Services	(151,996)	(94,595)	(57,401)	60.7%	(21,356)	(18,080)	(3,276)	18.1%
Contribution Margin	394,663	678,598	(283,935)	(41.8%)	123,107	210,008	(86,901)	(41.4%)
Fixed Asset Works	3,183	4,659	(1,476)	(31.7%)	1,012	1,372	(360)	(26.2%)
Labor Expenses	(52,345)	(48,830)	(3,515)	7.2%	(10,931)	(12,820)	1,889	(14.7%)
Other Itemized Expenses	(85,496)	(86,985)	1,489	(1.7%)	(26,601)	(24,328)	(2,273)	9.3%
Earnings Before Interest Tax Depreciation and Amortization (EBITDA)	260,005	547,442	(287,437)	(52.5%)	86,587	174,232	(87,645)	(50.3%)
Depreciation and Amortization	(72,007)	(85,968)	13,961	(16.2%)	(18,275)	(18,112)	(163)	0.9%
Impairment Losses (reversal)	(28,773)	(697,856)	669,083	(95.9%)	(28,773)	(2,030)	(26,743)	N/A
Impairment Losses (reversal) for IFRS 9 Application	(697)	(226)	(471)	N/A	(773)	(58)	(715)	N/A
Operating Results (EBIT)	158,528	(236,608)	395,136	(167.0%)	38,766	154,032	(115,266)	(74.8%)
Financial Results	(42,445)	(46,482)	4,037	(8.7%)	3,199	(16,446)	19,645	(119.5%)
Financial Revenue	7,632	12,075	(4,443)	(36.8%)	4,662	(1,200)	5,862	(488.5%)
Financial Expenses	(68,653)	(28,329)	(40,324)	142.3%	(9,240)	9,530	(18,770)	(197.0%)
Income (loss) from indexation units	3,386	(703)	4,089	N/A	2,212	1,056	1,156	109.5%
Exchange Rate Difference	15,190	(29,525)	44,715	(151.5%)	5,565	(25,832)	31,397	(121.5%)
Other Results Different from the Operation	13,387	11,973	1,414	11.8%	12,767	10,545	2,222	21.1%
Equity-accounted companies	3,220	2,495	725	29.1%	2,735	1,161	1,574	135.6%
Other Investments	10,137	94	10,043	N/A	10,032	-	10,032	100.0%
Asset Sales	30	9,384	(9,354)	(99.7%)	-	9,384	(9,384)	(100.0%)
Results Before Taxes	129,470	(271,117)	400,587	(147.8%)	54,732	148,131	(93,399)	(63.1%)
Corporate Taxes	(5,812)	122,434	(128,246)	(104.8%)	(726)	(1,595)	869	(54.5%)
Period Results	123,658	(148,683)	272,341	(183.2%)	54,006	146,536	(92,530)	(63.1%)
Income (loss) attributable to owners of parent	115,941	(155,087)	271,028	(174.8%)	51,453	144,334	(92,881)	(64.4%)
Income attributable to Non-Controlling Interest	7,717	6,404	1,313	20.5%	2,553	2,202	351	15.9%
(Loss) profit per share \$ (*)	14.14	(18.91)	33.05	(174.8%)	6.27	17.60	(11.32)	(64.4%)

(*) As of December 31, 2021 and 2020, the average number of ordinary outstanding shares was 8,201,754,580.

Operating Profit:

As of December 31, 2021, the Company's EBITDA decreased in CLP 287,437 million, with a profit of CLP 260,005 million, while the operating profit increased in CLP 395,136 million as of December 2021, amounting to a profit of CLP 158,528 million.

The operating income was CLP 1,899,774 million, with an increase of CLP 409,672 million, equivalent to 27.5 %, compared to the previous period, mainly due to the following factors:

- Higher **sales of energy** equivalent to CLP 336,210 million, arising from (i) higher physical sales, amounting to CLP 308,688 million, corresponding to + 5,667 GWh, due to higher sales to independent clients (+ 6,524 GWh), mainly from new contracts, including those transferred from Enel Distribución Chile S.A. to comply with the new requirements related to exclusivity of the distribution economic activity. This was offset by lower physical sales to regulated clients (- 785 GWh) and lower physical sales in the spot market (- 72 GWh), (ii) a positive effect in the prices in pesos for CLP 14,865 million arising from the hedge of the exchange rates that offset the negative effect in the price due to the appreciation of the local currency compared to the average US dollar exchange rate during the period, and (iii) higher income from supplementary services amounting to CLP 18,980 million, related to safety and quality of service. This was partially offset by (iv) lower income from commodity hedge for CLP 6,323 million.
- Higher **other sales** equivalent to CLP 90,802 million, mainly arising from higher gas sales income, equivalent to CLP 90,634 million.

This was also partially countered by:

Lower other operating income for CLP 15,397 million, due to a lower insurance income, equivalent to CLP 8,855 million, lower temporary facilities lease, equivalent to CLP 9,977 million. This was also offset by higher income from commodities, equivalent to CLP 2,341 million, and other services, equivalent to CLP 1,094 million.

As for Q4 2021, operating income amounted to CLP 521,782 million, an increase of CLP 153,089 million (or 41.5 %) compared to the same quarter of the previous year, where it was CLP 368,693. This fluctuation is mainly related to:

- Higher **energy sales** equivalent to CLP 166,712 million, higher physical sales equivalent to CLP 84,353 million (equivalent to + 1,558 GWh, mainly to independent clients), a positive effect in the price in Chilean peso, equivalent to CLP 79,480 million, and a higher income for supplementary services equivalent to CLP 4,418 million, countered by lower income from commodity hedges, equivalent to CLP 1,539 million.
- Lower **other operating income** equivalent to CLP 13,131 million, due to lower commodities income, equivalent to CLP 5,808 million, lower temporary facilities lease, equivalent to CLP 6,838 million, and a lower insurance income, equivalent to CLP 1,057 million

The provisioning and services expenses increased in CLP 693,607 million, equivalent to 85.5%, mainly due to:

- Higher **energy purchases** equivalent to CLP 446,742 million, mainly due to higher physical sales from other generators (+ 4,325 GWh) and in the spot market (+ +1,673 GWh), mainly due to higher demand of energy to fulfill the increase in demand from independent clients segments, linked to a higher spot price due to the system conditions.
- Higher costs of **fuel consumption** for CLP 143,572 million, mainly due to: (i) higher gas consumption equivalent to CLP 146,826 million, (ii) higher costs from oil consumption equivalent to CLP 21,017 million, (iii) losses from inventory impairment of coal, equivalent to CLP 24,659 million, and diesel, equivalent to CLP 339 million, both related to the decommissioning of the Bocamina II coal power plant, impaired on the first semester of 2020, and (iv) higher coal consumption equivalent to CLP 12,432 million. This was countered by (v) a lower cost from commodity hedge equivalent to CLP 61,701 million.
- **Transportation expenses** increased in CLP 45,892 million, mainly due to an increase in toll expenses equivalent to CLP 46,377 million, related to (i) a higher cost arising from the reliquidation of the contract with *Transquillota*, equivalent to CLP 2,593 million, (ii) higher costs related to AAT (*Ajuste de Armonización Tarifaria* - Fee Harmonization Adjustment) of the zone transmission system equivalent to CLP 7,445 million, (iii) higher costs related to fee income (IT), mainly related to an increase in marginal expenses equivalent to CLP 36,339 million.



- Higher **other procurement and services expenses** equivalent to CLP 57,401 million, mainly related to a higher sale cost for gas sales equivalent to CLP 76,498 million, higher expenses for thermal emissions taxes equivalent to \$ 5,578 million, countered by a lower cost of derivatives from commodities hedge equivalent to CLP 15,868 million, and lower expenses on other supplies for generation, equivalent to CLP 880 million (water, chemical products, etc.).

As for Q4 2021, the provisioning and services expenses amounted to CLP 398,675 million, an increase of CLP 239,990 million, equivalent to 151.2 %, compared to the same quarter of the previous year, where it was CLP 158,685 million. This fluctuation is mainly related to:

- Higher **energy purchases** equivalent to CLP 135,163 million, mainly due to higher physical sales from other generators (+ 1,555 GWh) and in the spot market (+ +113 GWh), mainly due to higher demand of energy to fulfill the increase in demand from independent clients segments, linked to a higher spot price due to the system conditions.
- Higher **fuel consumption** equivalent to CLP 86,631 million, mainly related to (i) higher gas consumption equivalent to CLP 70,161 million, (ii) higher oil consumption equivalent to CLP 5,839 million, (iii) higher coal consumption, equivalent to CLP 13,090 million, (iv) coal inventory impairment losses equivalent to CLP 18,125 million, partially countered by (v) a lower cost of commodity hedges, equivalent to CLP 20,672 million.
- **Transportation expenses** increased CLP 14,920 million, mainly due to higher toll expenses equivalent to CLP 8,902 million, a higher regasification cost equivalent to CLP 3,461 million, and a higher gas transportation cost, equivalent to CLP 2,557 million.
- Higher **other procurement and services expenses** equivalent to CLP 3,276 million, mainly related to (i) higher expenses for thermal emissions taxes equivalent to \$ 9,673 million, countered by (ii) a lower cost from temporary facility leases equivalent to CLP 4,598 and (iii) a lower cost of gas sales equivalent to CLP 2,063 million.

The **labor expenses (net of labor for fixed assets)** amounted to CLP 49,162 million, as of December 31, 2021, which is an increase of CLP 4,991 million compared to 2020, mainly due to higher restructuring expenses related to the Group's digitization strategy for the period 2021-2024 equivalent to CLP 6,001 million, a lower labor activation in Los Cóncores project equivalent to \$1,476, higher expenses related to bonuses to workers equivalent to CLP 2,816 million, countered by lower expenses in decarbonization expenses equivalent to CLP 3,673 million, and lower other recurring expenses equivalent to CLP 1,629 million, related to vacations, healthcare, quality of life, etc.

During Q4 2021, the **labor expenses (net of labor for fixed assets)** decreased in CLP 1,529, mainly due to lower decarbonization fund expenses equivalent to CLP 3,673 million, countered by a lower labor activation in Los Cóncores project, equivalent to CLP 360 million, and a higher salary payment and other recurring expenses equivalent to CLP 1,784 million.

Other itemized expenses decreased in CLP 1,489 million, mainly due to lower expenses related to support and management services equivalent to CLP 4,597 million, lower insurance expenses equivalent to CLP 345 million, lower outsourced services expenses equivalent to CLP 194 million, partially countered by higher expenses in maintenance and repair services, equivalent to CLP 3,766 million.

As for Q4 2021, **other itemized expenses** amounted to CLP 26,601 million, an increase of CLP 2,273 million, equivalent to 9.3 %, compared to the same quarter of the previous year, where it was CLP 24,328 million. The fluctuation is mainly related to a higher cost for outsourced services equivalent to CLP 643 million, a higher cost in maintenance and repair services equivalent to CLP 914 million and other services equivalent to CLP 716 million.

Depreciation/amortization decreased in CLP 13,961 million, mainly due to a lower depreciation of the Bocamina II generation unit, impaired on June 2020 for CLP 15,365 million due to the decarbonization process the Group is currently undergoing, partially countered by a higher amortization of software equivalent to CLP 660 million.

For Q4 2021, **depreciation and amortization** amounted to CLP 18,275 million, an increase of CLP 163 million, equivalent to 0.9 %, compared to the same quarter of the previous year, where it was CLP 18,112 million.

Impairment losses decreased in CLP 669,083 million due to the recognized impairment of Bocamina II on June, 2020, due to the decarbonization process the Group is currently undergoing.

For Q4 2021, **impairment losses** increased in CLP 26,743 million, compared to the same quarter of the last year, due to the decarbonization process the Company is currently undergoing.

Accumulated operating income, expenses and profit as of December 31, 2021 and 2020 are shown below:

	Accumulated Amounts (In CLP million)					
	dec-21			dec-20		
	Operating Revenue	Operating Expenses	Operating Profit Results	Operating Revenue	Operating Expenses	Operating Profit Results
Enel Generación Chile S.A.	1,869,125	(1,852,974)	16,151	1,454,984	(1,810,257)	(355,273)
Empresa Eléctrica Pehuenche S.A.	208,153	(65,776)	142,377	162,555	(43,890)	118,665
Subsidiary Consolidation Adjustments	(177,504)	177,504	-	(127,437)	127,437	-
ENEL GENERACIÓN Consolidated Total	1,899,774	(1,741,246)	158,528	1,490,102	(1,726,710)	(236,608)

	Accumulated Amounts (In CLP million)					
	dec-21			dec-20		
	Operating Revenue	Operating Expenses	Operating Profit Results	Operating Revenue	Operating Expenses	Operating Profit Results
Enel Generación Chile S.A.	511,558	(519,657)	(8,099)	351,744	(238,631)	113,113
Empresa Eléctrica Pehuenche S.A.	59,268	(12,403)	46,865	47,638	(6,719)	40,919
Subsidiaries Consolidation Adjustments	(49,044)	49,044	-	(30,689)	30,689	-
ENEL GENERACIÓN Consolidated Total	521,782	(483,016)	38,766	368,693	(214,661)	154,032

The sale of energy of Enel Generación Chile and its subsidiaries for the periods ended on December 31, 2021 and 2020 are shown below:

A summary of the non-operating results as of December 31, 2021 and 2020 is shown below:

(in CLP million)	Accumulated Amounts				Quarterly Amounts			
	dec-21	dec-20	Fluctuation	Var %	dec-21	dec-20	Variación	Var %
Regulated clients	772,624	778,840	(6,216)	(0.8%)	207,440	175,479	31,961	18.2%
Non-regulated clients	923,199	586,591	336,609	57.4%	295,405	138,651	156,755	113.1%
Spot Market Sales	52,852	47,035	5,817	12.4%	7,463	29,467	(22,003)	(74.7%)
Energy Sales Total	1,748,676	1,412,466	336,210	23.8%	510,309	343,596	166,712	48.5%



Financial Results:

As of December 31, 2021, the financial results amounted to a loss of CLP 42,445 million, a positive fluctuation of CLP 4,037 million compared to the last period, mainly due to:

Lower financial income equivalent to CLP 4,443 million, mainly due to lower financial income from interest arising from the application of the Fee Stabilization Act equivalent to CLP 8,045 million, from a lower financial yield of investments in fixed income instruments equivalent to CLP 551, lower interests yields from funds invested through a centralized cashflow contract with Enel Chile S.A. equivalent to CLP 573 million, countered by higher income from the financial update of the provision for decommissioning of plants impaired in the context of the decarbonization process for CLP 4,721 million, due to the increase in interest rates in the end of 2021.

During Q4 2021, financial income increased in CLP 5,682 million compared to the same period of last year, mainly due to higher financial income related to the application of the Fee Stabilization Act, equivalent to CLP 1,089 million, and higher income from the financial update of the provision for decommissioning of plants impaired in the context of the decarbonization process for CLP 4,721 million, due to the increase in interest rates in the end of 2021.

Higher financial expenses equivalent to CLP 40,324 million, mainly related to (i) higher financial expenses related to factoring operations of accounts receivable from clients for the sale of energy, equivalent to \$ 39,919 million, related to the application of the Temporary Energy Price Stabilization Mechanism on Regulated Clients' Fees (Fee Stabilization Act), (ii) higher financial expenses from commercial agreements with clients equivalent to CLP 13,314 million, (iii) higher financial expenses arising from the interest yields from the application of the Fee Stabilization Act with related companies, equivalent to CLP 2,442 million, (iv) higher financial expenses from interest yields from a structured loan and a Centralized Cashflow Agreement with Enel Chile S.A., equivalent to CLP 1,856 million, countered by (v) a higher interest capitalization related to Los Cóndores project, equivalent to CLP 17,025 million, and (vi) lower interest related to bonds equivalent to CLP 135 million.

During Q4 2021, financial expenses increased in CLP 18,770 million compared to the same quarter of last year, mainly due to (i) lower interest capitalization related to Los Cóndores project, equivalent to CLP 10,615 million, lower interest related to bonds equivalent to CLP 1,744 million, (ii) higher financial expenses related to factoring operations equivalent to \$ 2,972 million related to the application of the Temporary Energy Price Stabilization Mechanism on Regulated Clients' Fees, (iii) higher financial expenses arising from the interest yields from the application of the Fee Stabilization Act with related companies, equivalent to CLP 2,442 million, (iv) higher financial expenses from interest arising from a structured loan and a Centralized Cashflow Agreement with Enel Chile S.A., equivalent to CLP 1,766 million, (v) higher banking expenses and commissions equivalent to CLP 1,110 million, countered by lower financial expenses on commercial agreements with clients, equivalent to CLP 1,956 million.

Higher profit from adjustment units equivalent to CLP 4,089 million, mainly related to a higher profit from refundable taxes readjustments equivalent to CLP 2,429 million, a higher profit from other financial liabilities equivalent to CLP 1,583 million, and less negative effects from the application of IFRS 29 "Financial Reporting in Hyperinflationary Economies" on the Company's branch in Argentina, with a profit equivalent to CLP 77 million.

During Q4 2021, the result from adjustment units was a profit of CLP 1,156 million compared to the same period of the previous quarter, mainly related to a higher profit arising from refundable taxes readjustments equivalent to CLP 1,177 million, countered by a higher readjustment loss related to the application of hyperinflation (IFRS 29) equivalent to CLP 135 million.

Higher Profit from exchange rate differences equivalent to CLP 44,715 million, mainly due to: (i) a higher positive exchange rate on commercial accounts receivable equivalent to CLP 54,485 million, including CLP 50,193 million arising from the application of the Fee Stabilization Act, which applied the dollar conversion on accounts receivable from regulated clients and a positive exchange rate difference equivalent to CLP 3,847 million arising from client factoring, countered by (ii) a higher negative exchange rate difference on commercial accounts payable equivalent to CLP 1,856 million, (iii) lower positive exchange rate difference from derivative contracts, equivalent to CLP 5,482 million, (iv) lower positive exchange rate difference from \$ 4,799 million, and (v) lower positive exchange rate difference of cash and cash equivalents amounting to CLP 1,345 million.

During Q4 2021, there was a higher profit due to an exchange rate difference equivalent to CLP 31,397 million compared to the same period of last year, mainly due to a higher positive exchange rate difference on commercial accounts receivable equivalent to CLP 37,887 million including CLP 37,536 million arising from the application of the Fee Stabilization Act, countered by (i) a lower positive exchange rate difference on cash and cash equivalents amounting to CLP 821 million, (ii) a lower positive exchange rate difference in commercial accounts receivable equivalent to CLP 3,263 million, and (iii) a higher negative exchange rate difference from derivative contracts equivalent to CLP 3,830 million.

Other results different from the Operation:

Companies Accounted for Under Equity Method

The **result of companies accounted for under equity method** showed a positive fluctuation equivalent to CLP 725 million, mainly related to a higher profit of our related companies GNL Chile S.A., with CLP 2,494 million, partially countered by a loss in Transmisora Eléctrica de Quillota Ltda. equivalent to CLP 1,645 million.

During Q4, the **companies accounted for under equity method** showed a positive fluctuation equivalent to CLP 1,574 million, mainly related to a higher profit of our related companies GNL Chile S.A., with CLP 3,019 million, partially countered by a loss in Transmisora Eléctrica de Quillota Ltda., equivalent to CLP 1,381 million.

Other Investments

The result in **Other Investments** increased in CLP 10,043 million, mainly due to the sale of our joint control share on Transmisora Eléctrica de Quillota Ltda. for CLP 9,969 million.

The fluctuation in Q4 2021 is mainly related to the aforementioned.

Asset Sales

The results in **Asset Sales** decreased in CLP 9,354 million, mainly due to the sale of the Quintero-San Luis transmission line for CLP 9,384 million on December 2020.

The fluctuation in Q4 2021 is mainly related to the aforementioned.

Corporate Taxes:

The Corporate Earnings Tax amounted to CLP 5,812 million in expenses as of December 31, 2021, which lowered income by CLP 128,246 million compared to last year. This fluctuation is mainly due to (i) a lower income from taxes due to the impairment of Bocamina II coal power plant in 2020 and 2021, equivalent to 180,104 million, (ii) a lower income from taxes equivalent to CLP 33,700 million, due to the goodwill assigned on 2020 to the fixed assets obtained in the fusion



of Gas Atacama Chile and Enel Generación Chile, (iii) a lower income from taxes from the previous period, equivalent to CLP 4,075, countered by (iv) lower expenses from taxes equivalent to CLP 77,608 million, due to lower operating profit on 2021, and (v) a higher income from taxes on 2021 equivalent to CLP 19,582 million due to monetary correction.

During Q4 2021, corporate taxes amounted to \$ 726 million in expenses which lowered expenses by CLP 869 million compared to last year.

2. ANALYSIS OF THE STATEMENT OF FINANCIAL POSITION

Assets (in CLP million)	dec-21	dec-20	Fluctuation	Var %
Current Assets	546,173	465,808	80,365	17.3%
Non-Current Assets	2,755,711	2,625,153	130,558	5.0%
Total Activos	3,301,884	3,090,961	210,923	6.8%

The Company's **Total Assets**, as of December 2021, increased in **CLP 210,923 million** compared to December 2020, mainly due to:

- **Current Assets increased in CLP 80,365 million** as of December 31, 2021, and the fluctuations in the main areas were as follows:
 - **Increase in Other non-financial current assets equivalent to CLP 36,474 million**, mainly due to a higher VAT credit equivalent to CLP 20,377 million, and an increase of CLP 15,971 million from insurance policies.
 - **Increase in current trade accounts receivable and other accounts receivable equivalent to CLP 27,677 million**, mainly due to an increase in commercial client accounts receivable equivalent to CLP 47,797 million, partially countered by a lower outstanding balance from advanced payments to suppliers equivalent to CLP 14,612 million and a decrease in accounts receivable equivalent to CLP 5,360 million.
 - **Increase in current accounts receivable from related companies equivalent to CLP 6,430 million**, mainly related to higher accounts receivable from energy sales to Enel Distribución Chile S.A. equivalent to CLP 9,005 million, higher accounts receivable from professional services to Enel Green Power Chile S.A. equivalent to CLP 1,745 million, higher accounts receivable from professional services to Enel Global Thermal Generation S.R.L. equivalent to CLP 1,224 million, partially countered by lower accounts receivable from GNL Chile S.A. from advance payments and dividends equivalent to CLP 5,007 million.
 - **Increase in current tax assets equivalent to CLP 9,380 million**, due to an increase in refundable taxes from AT 2022, equivalent to CLP 27,350 million, countered by lower monthly provisional payments in the period equivalent to CLP 17,989 million.
- **Non-current assets increased in CLP 130,558 million** compared to the balance of December 31, 2020. The fluctuations in the main areas are related to the following:
 - **Increase in other non-current financial assets equivalent to CLP 17,328 million**, corresponding to hedging and non-hedging derivative instruments.
 - **Increase in non-current accounts receivable from related entities equivalent to CLP 6,558 million**, due to higher accounts receivable from the publication of Fee Stabilization Act from Enel Distribución Chile equivalent to CLP 48,569 million, countered by lower accounts receivable from GNL Chile S.A. from advance payments for gas purchases equivalent to CLP 42,011 million.
 - **Increase in Properties, Plant and Equipment equivalent to CLP 117,726 million**, mainly related to an increase in works in progress equivalent to CLP 209,505 million, partially countered by the depreciation in the period equivalent to CLP 66,926 million and an impairment loss equivalent to CLP 28,773 million.
 - **Increase in deferred tax assets equivalent to CLP 55,728 million**, mainly from tax losses equivalent to CLP 34,272 million and fixed assets equivalent to CLP 22,049 million.

- **Decrease in trade accounts receivable and other non-current accounts receivable equivalent to CLP 59,487 million**, mainly due to a factoring operation equivalent to CLP 142,666 million on client accounts receivable from the sale of energy, related to the application of the Temporary Energy Price Stabilization Mechanism on Regulated Clients' Fees ("Fee Stabilization Act), countered by the recognition for the period of outstanding fees to be applied, equivalent to CLP 83,179 million.
- **Decrease in investments accounted for under the equity method equivalent to CLP 3,457 million**, mainly due to the decrease in CLP 7,451 million in Transmisora Eléctrica de Quillota Limitada related to dividends and sale of the Company, and partially countered by the increase in CLP 3,977 million in GNL Chile S.A. from period profit and dividend payment.
- **Decrease in Intangible assets other than goodwill equivalent to CLP 4,230 million**, mainly due to amortization of software equivalent to CLP 4,160 million.

Liabilities and Equity (in Ch\$ million)	dec-21	dec-20	Fluctuation	Var %
Current Liabilities	508,122	347,895	160,227	46.1%
Non-Current Liabilities	1,283,154	1,003,735	279,419	27.8%
Total Equity	1,510,608	1,739,331	(228,723)	(13.2%)
Attributable to Owners of Parent	1,499,913	1,729,218	(229,305)	(13.3%)
Non-Controlling Interest	10,695	10,113	582	5.8%
Total Equity and Liabilities	3,301,884	3,090,961	210,923	6.8%

The Company's **total liabilities**, as of December 31, 2021, including equity, increased in **CLP 210,923 million**, compared to the total liabilities and equity as of December 31, 2020.

Current liabilities increased in **CLP 160,227 million**, and the fluctuations in the main areas were as follows:

- **Increase in other current financial liabilities equivalent to CLP 7,022 million**, mainly related to an increase in liabilities from hedging and non-hedging derivatives equivalent to CLP 3,077 million, bond readjustments in U.F. (Chilean Unit of Accounting) equivalent to CLP 2,146 million, interest yields from bond debts equivalent to CLP 47,519 million, partially countered by the payment of bond debt interests equivalent to CLP 45,720 million.
- **Increase in trade accounts payable and other accounts payable equivalent to CLP 116,516 million**, mainly due to higher accounts payable to goods and services creditors and fixed assets equivalent to CLP 34,765 million, a higher debt with energy purchase and fuel suppliers equivalent to CLP 79,916, a higher dividend payable to third parties equivalent to CLP 948, and higher other accounts payable equivalent to CLP 1,835 million.
- **Increase in accounts payable to related entities equivalent to CLP 94,418 million**, mainly due to higher accounts payable to Enel Green Power Chile S.A. equivalent to CLP 17,054 million from energy purchases, a higher balance payable with Enel Chile S.A. equivalent to CLP 32,538 million from dividends, higher accounts payable with Enel Global Trading SpA equivalent to CLP 36,426 million, related to commodities derivatives and professional services, and a higher balance payable to Enel Global Thermal Generation S.R.L. equivalent to CLP 5,978 million for services received.
- **Increase in other current provisions equivalent to CLP 14,787 million**, mainly related to an increase in the decommissioning provision equivalent to CLP 13,375 million.
- **Decrease in liabilities for current taxes equivalent to CLP 63,286 million**, due to income taxes.
- **Decrease in other current non-financial liabilities equivalent to CLP 9,903 million**, mainly related to a lower VAT credit.

Non-Current Liabilities increased in CLP 279,419 million, as of December 31, 2021, mainly due to the following:

- **Increase in other non-current financial liabilities equivalent to CLP 149,064 million**, mainly due to an increase in liabilities from hedging and non-hedging derivatives equivalent to CLP 69,845 million, and an increase in bond debt equivalent to CLP 79,219 million, from a higher exchange rate difference equivalent to CLP 95,902 million and a bond readjustment in U.F. equivalent to CLP 15,980 million, expense amortization from debt formalization equivalent to CLP 1,074 million, countered by payment of bonds equivalent to CLP 33,737 million.



- **Increase in non-current accounts payable to related entities equivalent to CLP 152,044 million**, related to a structured loan with Enel Chile S.A.
- **Decrease in other non-current provisions equivalent to CLP 12,718 million**, mainly related to a decrease in the decommissioning provision equivalent to CLP 13,574 million.
- **Decrease in non-current provisions for employee benefits equivalent to CLP 5,382 million**, mainly related to the payment of benefits for the voluntary retirement program.

The total equity amounts to CLP 1,510,608 million as of December 31, 2021.

- **The shareholders' equity of Enel Generación Chile amounts to CLP 1,499,913 million, with a decrease equivalent to CLP 229,305 million**, mainly related to the payment of dividends equivalent to CLP 211,957 million, to loss in integral results equivalent to CLP 129,320 million, countered by the positive results of the period equivalent to CLP 115,941 million.
- **The equity attributable to non-controlling interest amounts to \$ 10,695 million, with a positive fluctuation of CLP 582 million** compared to the balance as of December 31, 2020, mainly due to the positive results for the period, equivalent to CLP 7,717 million, offset by the payment of dividends equivalent to CLP 7,135 million.

The evolution of the main indicators was the following:

FINANCIAL INDICATORS		UNIDAD	dec-21	dec-20	Fluctuation	Fluctuation %
Liquidity	Current Liquidity (1)	Times	1.07	1.34	(0.27)	(20.2%)
	Acid-test Ratio (2)	Times	1.02	1.30	(0.28)	(21.5%)
	Working Capital	MMCh\$	38.051	117.913	(79.862)	(67.7%)
Debt	Debt Ratio (3)	Times	1.19	0.78	0.41	52.6%
	Short-term Ratio (4)	%	28.4%	25.7%	2.6%	10.2%
	Long-term Ratio (5)	%	71.6%	74.3%	(2.6%)	(3.5%)
	Financial Costs Hedge	Times	5.19	9.35	(4.16)	(44.5%)
Profitability	Profit/Operating Profit Results	%	8.3%	(15.9%)	24.2%	(152.5%)
	Yearly Dominant Equity Profitability	%	7.2%	(8.4%)	15.6%	(185.5%)
	Yearly Asset Profitability (ROA) (8)	%	3.9%	(4.5%)	8.4%	(186.0%)

(1) Corresponding to the ratio between (i) Current Assets and (ii) Current Liabilities.

(2) Corresponding to the ratio between (i) Net Inventory Current Assets and Anticipated Expenses and (ii) Current Liabilities.

(3) Corresponding to the ratio between (i) Current Liabilities and (ii) Total Equity.

(4) Corresponding to the ratio between (i) Current Liabilities and (iii) total liabilities.

(5) Corresponding to the ratio between (i) Non-Current Liabilities and (iii) total liabilities.

(6) Corresponding to the ratio between (i) Gross Operating Profit and (ii) Net Financial Results of financial revenue.

(7) Corresponding to the ratio between (i) revenue of the period attributable to owners of the parent for 12 rolling months as of June 30, and (ii) the average between the equity attributable to owners of the parent on the beginning and end of the period.

(8) Corresponding to ratio between (i) total result of period of 12 rolling months as of Sept. 30, and (ii) the average of total assets at period beginning and end.

- **Current liquidity**, as of December 31, 2021, reached 1.07 times, with a reduction of 20.2% compared to December 2020. This decrease is mainly due to an increase in commercial current accounts and other current accounts payable.
- **Acid-test ratio**, as of December 31, 2021, reached 1.02 times, with a reduction 21.5% compared to December 2020. This decrease is mainly due to an increase in commercial current accounts and other current accounts payable and a higher stock balance.
- **Working Capital**, as of December 31, 2021, amounted to CLP 38,051 million, with a decrease of CLP 79,862 million compared to December 2020, mainly due to an increase in current accounts and other current accounts payable.
- **Debt to equity ratio** is 1.19 times, which means Enel Generación Chile has a level of Equity commitment equivalent to 1.19 times for the period ending on December 31, 2021.
- **The Hedging of Financial Expenses** as of December 31, 2021 was 5.19 times, which means there is a capacity to hedge all financial expenses with the EBITDA margin generated for 2021. This indicator featured a reduction explained by a lower EBITDA in the 2021 period compared to 2020.

- **The Profitability Indicator** is measured in terms of profit results over profit income, which increased compared to the previous period, reaching 8.3 % as of December 31, 2021, due to a higher EBIT in the present period. If the effect of extraordinary operations recognized in the compared rolling period related mainly to the impairment of Bocamina II were isolated, the index would have reached 12.7 % (32.6% positive as of December 31, 2020).
- **Equity profitability** of the controlling share was equivalent to 7.2 % positive on the period ending on December 31, 2021, which is a relevant increase compared to the previous period, where it reached a negative 8.4 %. If the effect of extraordinary operations recognized in the compared rolling period related mainly to the impairment of Bocamina II were isolated, the equity profitability would have reached 10.7 % positive (17.7% positive as of December 31, 2020).
- **Asset profitability** reached 3,9 % positive for the period ending on December 31, 2021. If the effects of extraordinary operations recognized in the compared rolling period related mainly to the impairment of Bocamina II were isolated, the asset profitability would have reached 5.7 % positive (10.4% positive as of December 31, 2020).

3. ANALYSIS OF THE CASH FLOW STATEMENT

Enel Generación Chile Group generated a negative net cashflow equivalent to CLP 3,295 million for the period ending on December 31, 2021, which is a positive fluctuation equivalent to CLP 5,311 million compared to the previous period. The main variables per flow of activities of the operation, investment and financing explaining this increase in cashflows are described below:

CASH FLOWS (in CLP million)	dec-21	dec-20	Fluctuation	Var %
Cash flows from Operating Activities	242,935	361,758	(118,823)	(32.9%)
Cash flows from Investing Activities	(122,462)	(33,358)	(89,104)	n/a
Cash flows from Financing Activities	(123,768)	(337,006)	213,238	(63.3%)
Net Cash flows for the Period	(3,295)	(8,606)	5,311	(61.7%)

Operating activities generated a positive cashflow equivalent to CLP 242,935 million, which is a decrease of 32,9 % compared to December 2020. This flow is mainly comprised of charges for asset sales and service performance equivalent to CLP 2,410,392 million, partially countered by payments to suppliers for goods and services equivalent to CLP 1,947, 916 million, payments to, and on behalf of employees equivalent to CLP 43,642 million, payments for insurance primes equivalent to CLP 19,323, tax payments equivalent to CLP 92,262 million, and other payment for operating activities equivalent to CLP 70,655 million.

Investing activities generated a negative cashflow equivalent to CLP 122,426 million, mainly due to the procurement of properties, plant and equipment equivalent to CLP 156,729 million and intangible asset purchases equivalent to CLP 5,007 million, partially countered by the sale of Quintero San Luis transmission lines for CLP 20,686 million, the sale of Transmisora Eléctrica de Quillota Limitada for CLP 11,787 million, and dividends equivalent to CLP 6,387 million.

Financing Activities generated a negative cashflow equivalent to CLP 123,768 million. This cashflow is mainly related to dividends paid equivalent to CLP 184,059 million, interests paid equivalent to CLP 56,68 and bond loan payments equivalent to CLP 33,737 million, countered by a structured loan with Enel Chile S.A. equivalent to CLP 152,849 million.

The payments for procurement of Properties, Plant and Equipment and their impairment for the period ending on December 31, 2021 and 2020 are stated below.

COMPANY	Information on Property, Plant and Equipment (in CLP million)			
	Payments for Property, Plant and Equipment Procurement		Depreciation	
	dec-21	dec-20	dec-21	dec-20
Enel Generación Chile	156,130	139,627	60,504	74,180
Pehuenche	599	335	7,343	7,323
Consolidated Total	156,729	139,962	67,847	81,503



II. MAIN RISKS RELATED TO THE ACTIVITIES OF ENEL GENERACIÓN CHILE

The companies of Enel Generación Chile Group follow the guidelines of the Internal Control and Risk Management System (SCGR) defined at Holding level (Enel SpA). This system sets criteria for risk management through its corresponding standards, procedures, systems, etc., which will be applied on different levels in the Companies of Enel Generación Chile Group in the processes for identification, analysis, assessment, treatment and communication of the risks commonly faced by the business. These guidelines are approved by Enel SpA Board of Directors, with a Risk and Control Committee, which supports the assessments and decisions of the Board of Enel Generación Chile related to internal controls and risk management systems, as well as those related to the approval of periodic financial statements.

To do so, there is a specific Risk Control and Management policy in each Company, which is reviewed and approved on the beginning of each year by Enel Generación Chile's Board, observing and applying local requirements in terms of risk culture.

The Company seeks protection against all risks that may affect the achievement of the business goals. There is a risk taxonomy for the full Enel Group, which features 6 macro-categories and 37 sub-categories.

The risk management system of Enel Group features three lines of action (defense) to achieve an effective and efficient management of risks and controls. Each of these three "lines" plays an important part in the broader governance structure of the organization (Business and Internal Controlling as the first line, Risk control as the second line, and Auditing as the third line of defense). Each line of defense is mandated to report and update Senior Management and Directors on the risk management. The Senior Management receives reports from the first and second lines of defense, and the Board by the second and third lines of defense.

Within each Company of the group there is a decentralized risk management process. Each manager responsible for the operating process where the risk generates is also responsible for managing and adopting risk control and mitigation measures.

Interest Rates Risk

Fluctuations in the interest rate modify the reasonable value of those assets and liabilities that yield a fixed interest rate, as well as future flows of assets and liabilities with reference to a variable interest rate.

The objective of the risk management of interest rates is to reach a balance in the debt structure that allows to minimize the cost of debt and reduce volatility in the Statement of Income.

Depending on the Group's estimations and debt structure objectives, hedging operations are carried through the hiring of derivatives that reduce said risks.

The comparative financial debt structure of Enel Generación Chile Group according to fixed and/or protected interest rate on gross debt, after hired derivatives, is the following:

Gross position:

	dec-21	dec-20
Fixed and/or protected interest rate	100%	100%

Risk control through specific processes and indicators allows to limit the potential negative financial effects while it optimizes the debt structure with a proper degree of flexibility. During the pandemic, financial markets have usually shown volatility in interest rates, which has been offset with risk mitigation actions through derivative financial instruments.

Exchange Rates Risk

Exchange rates risks are mainly related to the following operations:

- Debt incurred by the Group's companies in a different currency whose cashflows are indexed.
- Payments to be made in a different currency from that where its cashflows are indexed, for instance, the purchase of materials related to projects and payments of corporate insurance policies, among others.
- Income on the Group's societies directly linked to the evolution of currency different from those of their cashflow.

In order to mitigate the exchange rates risk, the objective is to keep a balance between the indexed flows in USD or local currency, if present, and the asset and liability levels in said currency. The goal is to minimize exposition of cashflows to exchange rate fluctuations.

The instruments usually used for this are currency swaps and exchange rate forwards.

During Q4 2021, exchange rate risk management continued in the context of compliance with the aforementioned risk management policy, without any difficulties to the access to derivatives markets. During the pandemic, financial markets have usually shown volatility in exchange rates, which has been offset with risk mitigation actions through derivative financial instruments.

Commodities Risk

Enel Generación Chile Group is exposed to the risk of fluctuation in the price of some commodities, mainly through:

- Fuel purchases for generating electric power.
- Operations of purchase of energy in local markets,

In order to reduce the risk in extreme drought scenarios, the Group has designed a commercial policy that defines sale commitment levels according to the capacity of its plants in a dry year, including risk mitigation clauses in some contracts with independent clients, and for regulated clients under long-term tendering processes, some specific indexing polynomials that allow to reduce exposition to commodities.

Given the operating conditions of the Chilean power generation market, draught and commodity price volatility in international markets, the Company is always verifying the convenience of taking hedges to decrease the impact of these price variations in its results.

As of December 31, there were Brent hedges for 1.93 kBbl to be liquidated in 2022, and 9.1 tbtu of HH to be liquidated in 2022. As of December 31, 2020, there were active operations for 1,782 kBbl of Brent to be liquidated in 2021 and 16.8 TBtu of Henry Hub to be liquidated in 2021.

According to the operating conditions, which are continuously updated, these hedges may be modified or include other commodities. Thanks to the mitigation strategies used, the Group was able to minimize the effect of the price volatility of commodities in its results for Q4 2021.

Liquidity Risk

The Group has a coherent liquidity policy for entering into long-term committed credit facilities and temporary financial investments, equivalent to amounts sufficient to support its projected needs during a period that depends on the condition and expectations of the debt and capitals markets.

The aforementioned projected needs include net financial debt maturities, this is, after financial derivatives. For further detail on characteristics and conditions of financial debt and derivatives, see Notes 18 and 21.2.



As of December 31, 2021, Enel Generación Chile Group has a liquidity of CLP 3,798 million in cash and cash equivalents. As of December 31, 2020, Enel Generación Chile Group had a liquidity of CLP 4,659 million in cash and cash equivalents.

Credit Risk

Enel Generación Chile Group follows the credit risk closely.

Trade Accounts Receivable:

As for credit risk related to trade accounts receivable, this risk has been traditionally very limited, as the collection term from clients is extremely short, which means it is unlikely that significant debt is accumulated before the service is cut off for nonpayment, according to contract conditions. Notwithstanding, the credit risk and the maximum exposed amounts are continuously monitored for risk of payment, which, as said before, is very limited.

As for the impact of COVID-19, the specific internal analysis results showed no significant statistical correlation between the main economic indicators (GDP, unemployment rate, etc.) and solvency.

Financial Assets:

Excess cashflows investments are made in top-of-the-line national and international financial institutions with set limits for each entity.

For the selection of banks for investment, the considered institutions are those with an investment grade qualification from the three main international rating institutions (Moody's, S&P and Fitch).

Collocations may be backed with Chilean Treasury Bonds and/or papers issued by top-of-the-line banks, favoring the last for their higher return rates (always within current collocation policies).

It is worth mentioning that worsening macroeconomic scenarios related to COVID-19 had no significant impact on the credit rating of parties.

Risk Assessment

Enel Generación Chile Group makes a risk-value assessment of its debt and financial derivative positions, in order to monitor the risk undertaken by the Company, thus reducing the volatility of its statement of income.

The position portfolio included for the Risk-Value calculation is composed of:

- Financial Debt.
- Debt derivatives hedging

The calculated Risk-Value represents the possible variation of the value of the aforementioned portfolio during one quarter with 95 % confidence. To do so, a volatility assessment of risk variables affecting the value of the position portfolio compared to Chilean peso is made, including:

- Libor interest rate of US Dollar.
- Exchange rates of different currencies in the calculation.

Risk-value calculation is based on the extrapolation of future scenarios (one quarter) of market values of the risk variables regarding scenarios based on real observations for the same period (quarter) during five years.

Risk-Value with 95 % confidence is calculated as a percentile of the worst 5 % of the possible quarterly variations.

Considering the aforementioned hypothesis, the Risk-Value of a quarter for the aforementioned positions is equivalent to CLP 123,771 million.

This value represents the potential increase of the debt and derivatives portfolio. Thus, this risk value is closely related, among other elements, to the portfolio value at the end of each quarter.

Other Risks

As it is common with bank loans and capital market operations, an amount of our financial debts are subject to cross default clauses. If certain debts are not covered, they may end in a cross default and certain liabilities of Enel Generación Chile may become payable.

As for Yankee bonds, their mandatory early payment may be a result of the default (after any applicable grace period) of any debt of Enel Generación Chile or any Chilean branch. As for Yankee bonds issued on 1997, they would become payable if the outstanding balance of another debt exceeds US\$ 30 million or its equivalent in other currency. For the specific case of the Yankee bond issued on April 2014, with maturity in 2024, the threshold is US\$ 50 million, or its equivalent in other currency.

Lastly, as for locally issued bonds of Enel Generación Chile, their early maturity would be applicable only on default of its issuer or debtor, this is, Enel Generación Chile, excluding its subsidiaries. Cross default may occur if the defaulted amount exceeds US\$ 50 million for an individual debt or its equivalent in other currency.

There are no clauses in credit contracts that would mean that a change in corporate risk ratings, or debt ratings of Enel Generación Chile by a risk rating agency would mean the early maturity of debt.

III BOOK VALUE AND ECONOMIC VALUE OF ASSETS

For higher relevance assets, it is worth mentioning:

Property, plant and equipment are valued at their purchase cost, net of their corresponding accumulated depreciation, and impairment losses they may have experienced. Property, plant and equipment net for residual value of the item are depreciated linearly distributing the cost of the different elements that composed them within their estimated operating life, which is the period where the societies expect to use them. Said estimated operating life is reviewed periodically.

The goodwill (lesser value of investment or goodwill) generated in the consolidation represents the excess of the acquisition cost over the Group's share in the reasonable value of assets and liabilities, including contingent liabilities and non-controlling share identifiable in a subsidiary society on the acquisition date. The goodwill is not amortized, but on the end of each accounting period there is an estimation of whether there is an impairment that reduces its recoverable value to an amount lower than the recorded net cost, proceeding to, if adequate, adjust for impairment (See Note 3.b of the Financial Statements.)

Throughout the period, and specifically in the end date, it is assessed whether there is any indication of any asset suffering a loss for impairment. If there is an indication of an impairment, there is a calculation of the recoverable amount of the asset to determine, in this case, the amount of impairment. If they are identifiable assets that do not generate cashflows independently, the recoverability of the cash generation unit to which the asset belongs is calculated, understanding this as the lesser identifiable group of assets that generates independent cashflows.

Assets in a foreign currency are presented on the exchange rate valid at the end of the period.

The related accounts and documents receivable are classified according to their maturity in short- and long-term. Operations are adjusted on equity conditions similar to those prevalent in the market.

In summary, assets are presented with a value according to International Financial Reporting Standards, whose criteria are stated in Notes No. 2 and No. 3 of the Financial Statements.



CONSOLIDATED ESSENTIAL EVENTS

AS OF DECEMBER 31, 2021

ENEL GENERACION CHILE S.A.

- On January 20, 2021, the Company executed a document called Joinder to become a party to the instrument subject to foreign legislation called Commitment and Engagement Letter, which is dated December 31, 2020, and which was executed by, among others, Goldman Sachs & Co. LLC and Goldman Sachs Lending Partners LLC. The purpose of said instrument is to regulate the terms and conditions for the sale and assignment by the Company of balances generated in its favor (the "Balances") by application of the transitory mechanism for the stabilization of electric energy prices for customers subject to tariff regulation established by Law No. 21,185 ("PEC Law"), for a nominal value of up to approximately US\$200 million.

Such assignments of Balances may be made by the Company, from time to time, and subject to the fulfillment of various conditions, to an entity unrelated to the Company, and specially incorporated for this purpose, called Chile Electricity PEC SpA (the "Buyer"), pursuant to the terms and conditions to be established in the instrument subject to foreign legislation called Sale and Purchase Agreement to be executed by the Company and the Buyer.

In addition, the Company is negotiating with Inter-American Investment Corporation (IDB Invest) the execution of an instrument subject to foreign legislation called Commitment Agreement, related to the sale and assignment of Balances to the Buyer under the same modality described above, which will be subject to the fulfillment of certain conditions. Since this instrument is still under negotiation, at this date it is not possible to indicate the amounts committed under this.

Given that the eventual assignments of balances, both present and those that in the future will be recognized in favor of the Company by application of the PEC Law are subject to the fulfillment of various conditions, the financial effects of such assignments are not determinable at this date.

The Company will keep the market informed at the appropriate time regarding the execution of the Sale and Purchase Agreement, the Commitment Agreement with IDB Invest and any other relevant information for the execution of the transaction.

- In relation to the ongoing negotiations communicated by means of an essential event dated January 20, 2021, it is reported that the Company and Inter-American Investment Corporation (IDB Invest) entered into an instrument subject to foreign legislation called Commitment Agreement, which is intended to regulate the terms and conditions for the sale and assignment of balances generated in favor of the Company (the "Balances") by application of the transitory mechanism of stabilization of electric energy prices for customers subject to tariff regulation established by Law No. 21,185 ("PEC Law"). Under this instrument, subject to the fulfillment of various conditions, Inter-American Investment Corporation (IDB Invest) will provide financing to an entity unrelated to the Company, and specially incorporated for this purpose, called Chile Electricity PEC SpA (the "Buyer"), so that the latter may acquire, from time to time, the Balances owned by the Company, whose total nominal value may be up to approximately US\$91 million.

Additionally, it is reported that, on this date, the Company and the Buyer entered into an agreement subject to foreign law called Sale and Purchase Agreement (the "Sale Agreement") for the sale and assignment of Balances. Pursuant to this Sale and Purchase Agreement, the Company has committed to sell and assign to the Buyer a first group of Balances, for a nominal value of approximately US\$81 million. The closing of this transaction is subject to the fulfillment of certain conditions precedent and it is expected that the proceeds will be available in the next few weeks.

The sale and assignment of the first group of Balances is within the terms and conditions agreed in the Commitment Agreement previously reported, and in the instrument called Commitment and Engagement Letter entered into by the Company with Goldman Sachs & Co. LLC and Goldman Sachs Lending Partners LLC, which was previously informed by the Company to this Commission by means of an essential event dated January 20, 2021. Considering that Inter-American Investment Corporation (IDB Invest) will participate in the financing to be granted to the Buyer for the acquisition of the first group of Balances, it is expected that the nominal value of the total number of Balances held by the Company to be acquired by the Purchaser, including all future groups of Balances, will amount, in total, to approximately US\$268 million.

- On February 24, 2021, the Company filed with the U.S. Securities and Exchange Commission ("SEC") a Form 15F to voluntarily deregister the Company from Section 12(g) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), and terminate its disclosure obligations under Section 13(a) and Section 15(d) of the Exchange Act. Accordingly, upon the filing of Form 15F the Company will cease disclosing the annual report on Form 20-F and material events on Form 6Ks.

The Exchange Act deregistration is expected to be fully processed during May 2021.

The Company will continue to list its shares on the Santiago Stock Exchange and the Chilean Electronic Stock Exchange.

- At the Ordinary Shareholders' Meeting of Enel Generación Chile S.A. held on April 27, 2021, it was agreed to distribute an eventual dividend for an amount equivalent to approximately 50% of what would have been the earnings for the year 2020, deducting the effect of those accounting impairment items associated with the decarbonization process that have no impact on cash. Specifically, it was agreed that Enel Generación Chile S.A. will distribute a dividend charged to the profits of previous years of CLP 177,174,340,028 equivalent to CLP 21.6020045832681 per share.

Shareholders who are registered in the Shareholders' Registry until May 20, 2021 will be entitled to receive this dividend.

The scheduled payment date was May 27, 2021.

- At the Ordinary Shareholders' Meeting of Enel Generación Chile S.A. held on April 27, 2021, the new Board of Directors of the company was elected for a period of three years, composed of the following persons:
 - Giuseppe Conti
 - Fabrizio Barderi
 - Maria Teresa Vial Alamos
 - Maria Antonietta Giannelli
 - Julio Pellegrini Vial

At the ordinary meeting of the Board of Directors of Enel Generación Chile S.A., held on April 27, 2021, subsequent to the Shareholders' Meeting mentioned above, Mr. Giuseppe Conti was elected Chairman of the Board of Directors and of the Company, and Mr. Ignacio Quiñones Sotomayor was elected Secretary of the Board of Directors.

- The Board of Directors of Enel Generación Chile S.A. (hereinafter, "Enel Generación" or the "Company"), in an ordinary meeting held on June 25, 2021, has analyzed the proposal detailed below.

The directors of the Company analyzed the corporate reorganization proposal consisting of a merger by absorption of Empresa Eléctrica Pehuenche S.A. into Enel Generación, as provided for in Article 155 and following articles of the Corporations Regulations, under which Enel Generación, as absorbing entity, would absorb the subsidiary Empresa Eléctrica Pehuenche S.A., which would be dissolved without the need for its liquidation, with the former acquiring all the rights and obligations of the latter, subject to the terms and conditions to be established.

The Board of Directors has resolved, by the unanimous vote of its members, to commence all the work, analysis and steps leading to the execution of the aforementioned corporate reorganization project, in accordance with the above described terms, subjecting the operation to the rules established in Title XVI of the Chilean Corporations Law, which governs transactions between related parties.

Finally, Banchile Asesoría Financiera S.A. has been appointed as independent appraiser of the transaction and Alejandro Le Fort as independent expert.

- The Board of Directors of Enel Generación Chile S.A. (hereinafter, "Enel Generación" or the "Company"), in an extraordinary meeting held on July 16, 2021, and in relation to the essential event of June 25, 2021, unanimously agreed to appoint Mr. Rafael Alejandro Malla Osorio, as independent appraiser, replacing Mr. Alejandro Le Fort Cordero, Director of Corporate Finance of Ameris Capital.

This replacement is due to the fact that, as a result of the permanent review of the requirements and safeguards of the Company's policies, the parties detected a circumstance that in the extreme could be interpreted as a conflict of interest, so Enel Generación and Mr. Alejandro Le Fort Cordero decided by mutual agreement to terminate his appointment.



- The Board of Directors of Enel Generación Chile S.A. (“Enel Generación” or the “Company”), in an extraordinary meeting held on August 6, 2021, acknowledge receipt of the reports of the experts issued in connection with the merger operation through which Enel Generación will absorb Empresa Eléctrica Pehuenche S.A. (“Merger Transaction”), as informed by Essential Event dated June 25, 2021. In view of the foregoing, the following reports are made available to the shareholders:

(i) Report issued by the independent appraiser appointed by the Board of Directors of Enel Generación, Banchile Asesoría Financiera S.A., regarding the conditions of the Merger Transaction, its effects and its potential impact on the Company, and

(ii) Report issued by Mr. Rafael Malla Osorio, in his capacity as Independent Expert appointed by Enel Generación, on the value of the merging companies, and the exchange ratio of the shares of the involved companies.

Copies of the aforementioned documents will be available, as of this date,

to the shareholders at the Company’s website, <https://www.enel.cl/es/inversionistas/inversionistas-enel-generacion/proyectos/propuesta-fusion-pehuenche.html> and at the corporate offices located at Santa Rosa 76, 15th floor, Santiago, Chile, corresponding to the Investor Relations Department.

- On August 11, 2021, the following was informed as an essential event for Enel Generación S.A. (“Enel Generación” or the “Company”):

1. That, as reported to this Commission through essential events dated June 25; July 16 and August 6, 2021, the Company’s Board of Directors agreed to analyze the reorganization proposal consisting of the merger by absorption of Empresa Eléctrica Pehuenche S.A. (“Pehuenche”) into Enel Generación (the “Merger Transaction”), as well as to initiate all the work, analysis and procedures leading to its completion, including those that may be required under the provisions of Titles IX and XVI of the Corporations Law. In this context, the Board of Directors of Enel Generación, in a meeting held on June 25, 2021, appointed Banchile Asesoría Financiera S.A. as independent appraiser of the Merger Transaction, and in a meeting held on July 16, 2021, appointed Rafael Alejandro Malla Osorio as independent expert.

2. That, as informed by means of an essential event dated August 6, the reports of the expert and the independent appraiser were received by the Board of Directors and made available to the shareholders at the offices of Enel Generación, located in Santa Rosa No. 76, district and city of Santiago, and at the corporate website <https://www.enel.cl/es/inversionistas/inversionistas-enel-generacion/proyectos/propuesta-fusion-pehuenche.html>.

3. That, on August 10, 2021, the individual pronouncements were received of the directors of Enel Generación, Mr. Giuseppe Conti, Mr. Julio Pellegrini Vial, Ms. María Teresa Vial Álamos, Mr. Fabrizio Barderi and Ms. María Antonietta Giannelli, regarding the convenience of the Merger Transaction for the corporate interest, issued in accordance with the provisions of Article 147 of Law No. 18,046.

4. That, in an extraordinary meeting of the Company’s Board of Directors held today, the Board of Directors agreed to make available to the shareholders the following additional documents, all of which will be available at the offices and on the Company’s website previously mentioned:

- The abovementioned individual pronouncements of the directors of Enel Generación.
- The document entitled “Terms and Conditions of the Merger Transaction”, prepared in accordance with Article 155 (a) of the Corporations Regulation.
- The audited financial statements of the Company and Pehuenche as of June 30, 2021.
- The report of the independent appraiser Santander Asesorías Financiera Limitada and of the independent expert Mr. Pablo D’Agliano, both appointed by Pehuenche regarding the Merger Transaction.

5. Likewise, in the extraordinary meeting of the Company’s Board of Directors held today, the Board of Directors of Enel Generación unanimously agreed to call an Extraordinary Shareholders’ Meeting to be held on August 27, 2021 at 3:00 p.m., which will be held remotely from the offices located at Avenida del Parque No. 4694, Huechuraba, in accordance with the sanitary conditions in force, in order to submit for discussion and approval of the shareholders the following matters:

i. Transaction between related parties. Approve the Merger Transaction in accordance with the terms of Title XVI of the Corporations Law, since it is a related party transaction ("RPT"). In relation to this, as previously indicated, the following information has been made available to the shareholders, both at the Company's offices and on the Company's website: (a) report issued by Banchile Asesoría Financiera S.A. as independent appraiser; (b) report issued by Santander Asesoría Limitada as independent appraiser appointed by Pehuenche; and (c) the individual pronouncements of the directors of Enel Generación discussed in number 3 above.

ii. Merger. Approve, pursuant to the terms of Title IX of the Corporations Law and paragraph 3 of Title IX of the Corporations Regulation:

(a) The merger by absorption of Pehuenche into Enel Generación, as detailed in the document called "Terms and Conditions of the Merger Transaction". In accordance with this, Enel Generación will absorb Pehuenche and acquire all its assets and liabilities, replacing Pehuenche in all of the latter's rights and obligations, and, consequently, Pehuenche will be dissolved without the need for liquidation.

(b) The exchange ratio of the shares of Enel Generación and Pehuenche as a result of the Merger Transaction, which would correspond to 4.19 shares of Enel Generación for each share of Pehuenche, or such other ratio as may be agreed by the Extraordinary Shareholders' Meeting.

(c) A capital increase in Enel Generación in the amount of CLP 74,311,393,110, through the issuance of 188,721,115 new, ordinary, same series and no par value shares, or the amount of shares as the Extraordinary Shareholders' Meeting may finally decide, which will be fully subscribed and paid in with charge to the incorporation of the equity of Pehuenche as absorbed company, and will be fully delivered to the shareholders of Pehuenche (excluding Enel Generación), in the corresponding proportion according to the exchange ratio agreed to materialize the Merger Transaction.

(d) To amend the Fifth Permanent and First Transitory Articles of Enel Generación's bylaws to reflect the capital increase indicated above.

(e) That the Merger Transaction becomes effective on the first business day of the month following the month in which a public deed of compliance with the conditions precedent to which the Merger Transaction is subject is executed by the agents appointed by each of the Boards of Directors of Enel Generación and Pehuenche.

iii. Background information that is the basis for the Merger Transaction. Approve the following background information that serves as the basis for the Merger Transaction: (a) "Terms and Conditions of the Merger Transaction", a document prepared in accordance with section a) of Article 155 of the Corporations Regulation; (b) audited financial statements of Enel Generación and Pehuenche as of June 30, 2021; and (c) expert reports issued by Mr. Rafael Malla Osorio, as independent expert appointed by Enel Generación, and by Mr. Pablo D'Agliano as independent expert appointed by Pehuenche, in connection with the Merger Transaction.

iv. Adopt other resolutions that may be necessary to materialize the Merger Transaction. Adopt such other resolutions as may be necessary to carry out the Merger Transaction under the terms and conditions ultimately approved by the Extraordinary Shareholders' Meeting, and which broadly authorize the Board of Directors of Enel Generación to grant all the powers of attorney deemed necessary, especially those intended to legalize, materialize and carry out the resolutions associated with the Merger Transaction.

v. Revised bylaws. Approve the revised wording of the bylaws of Enel Generación that reflects the amendments agreed by the Extraordinary Shareholders' Meeting. The resolutions of the Extraordinary Shareholders' Meeting in relation to the amendments to the bylaws and the revised wording of the bylaws of Enel Generación will take effect together with the Merger Transaction.

vi. Other amendments to the bylaws of Enel Generación. Decide on other amendments to the bylaws of Enel Generación, in addition to the amendments to the capital stock, in accordance with the provisions in the document called "Terms and Conditions of the Merger Transaction" mentioned in item iii above.

vii. Information on Other Related Party Transactions. To be informed of the resolutions adopted regarding the Related Party Transactions referred to in Title XVI of Law No. 18,046 on Corporations other than the Merger Transaction during the period since the last shareholders' meeting of Enel Generación until the date of the meeting called, indicating the directors who have approved them.



Finally, it is informed that, in the event of the approval of the Merger Transaction by the Extraordinary Shareholders' Meeting, the dissenting shareholders of Enel Generación will have the right to withdraw in accordance with the law.

- On August 27, 2021, the following was informed as an essential event for Enel Generación S.A. ("Enel Generación" or the "Company").

1. On August 11, 2021 Inversiones Trichahue S.A. filed a request for a precautionary injunction against Enel Generación before the 19th Civil Court of Santiago, which was assigned case number C6827-2021, requesting that the judge grant and authorize outright the precautionary injunction provided in Article 290 No. 4 of the Code of Civil Procedure, in order to prohibit it from entering into acts or adopting resolutions with respect to the shares it owns in Empresa Eléctrica Pehuenche S.A. ("Pehuenche") that would entail the merger of said company with Enel Generación.

2. The aforementioned precautionary injunction was granted without giving notice to Enel Generación by the 19th Civil Court of Santiago, and the requested precautionary preliminary injunction was authorized outright. This precautionary injunction prevents more than 500 minority shareholders in Pehuenche from voting, despite the reports issued by two independent international entities recommending them to vote in favor of the Merger. The benefits of the Merger have been highlighted by the two independent appraisers and the two independent experts who have issued reports on the Merger.

3. As of this date, the 19th Civil Court of Santiago has not yet ruled on an appeal for reconsideration against the ruling that granted the precautionary injunction. For this reason, Enel Generación will abstain from participating in the Extraordinary Shareholders' Meeting of Pehuenche set for August 27 at 11:00 a.m., which was called to decide on the Merger.

- In an extraordinary meeting held on August 27, 2021 (the "Meeting"), the Company's shareholders approved the merger by absorption of Empresa Eléctrica Pehuenche S.A. ("Pehuenche") into Enel Generación (the "Merger"). Under the Merger, Enel Generación will acquire all the assets and liabilities of Pehuenche and will replace it in all its rights and obligations. Likewise, the Merger was approved as a related party transaction governed by Title XVI of the Corporations Law. Additionally, all the proposed bylaw changes to make the Merger feasible were approved, in addition to other proposed amendments in order to: (i) update the Company's bylaws as established by current regulations, and (ii) adjust them in accordance with recommendations made by the authority with respect to other companies in the group. The aforementioned amendments to the bylaws will take effect together with the Merger.

It is hereby stated that for the Merger to take effect all of the following conditions precedent must be met: (a) the shareholders of Enel Generación should have approved the Related Party Transaction consisting of the Merger, with the quorums established for each case by the Corporations Law and the bylaws of Enel Generación, and the minutes of the corresponding extraordinary shareholders' meeting should have been executed in a public deed; and (b) the shareholders of Pehuenche should have approved the Related Party Transaction consisting of the Merger, with the quorums established for each case by the Corporations Law and the bylaws of Pehuenche, and the minutes of the corresponding extraordinary shareholders' meeting should have been executed in a public deed.

The aforementioned conditions, as well as the terms and conditions of the Merger, are detailed in the document called "Terms and Conditions of the Merger of Empresa Eléctrica Pehuenche S.A. into Enel Generación S.A.", available in the Company's web page: <https://www.enel.cl/es/inversionistas/inversionistas-enel-generacion/proyectos/propuesta-fusionpehuenche.html>. Once the fulfillment of the approved conditions precedent has been verified, Enel Generación and Pehuenche will execute a single public deed stating their compliance with such conditions (the "Deed of Compliance with the Conditions of the Merger"). The Merger, as well as the agreed bylaw amendments, shall take effect on the first business day of the month following the date on which the Deed of Compliance with the Conditions of the Merger is executed.

As a consequence of the above, and in order to allow the materialization of the Merger, the Meeting approved to increase the capital of Enel Generación in the amount of CLP 74,311,393,110, through the issuance of 188,721,115 new, ordinary, nominative, same series, no par value shares, which will be fully subscribed and paid with charge to the incorporation of the equity of Pehuenche, as absorbed company, once the Merger takes effect. For such purposes, 4.19 shares of Enel Generación will be delivered for each share of Pehuenche held by the sole shareholder of the latter, without considering fractions of shares.

Finally, it is hereby communicated that in accordance with the provisions of Article 69 of Law No. 18,046 on Corporations, the dissenting shareholders of the Merger agreement will have the right to withdraw from Enel Generación, after the latter pays them the value of their shares. The details on how to exercise the right of withdrawal, its price and the modalities of payment of the price will be informed by means of a notice to be published in the newspaper El Mercurio of Santiago and on the website of Enel Generación indicated above, and in addition it will be informed in a written communication mailed to the shareholders to the address they have registered with the Company.

- On September 28, 2021, the following was informed as an essential event for Enel Generación S.A. ("Enel Generación" or the "Company").
 1. As the Commission is aware, on August 27 of this year, the Company issued an essential event informing that it would abstain from participating in the Extraordinary Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A. ("Pehuenche"), in light of the precautionary injunction issued at the request of Inversiones Tricahue S.A. by the 19th Civil Court of Santiago, under which the Company was prohibited from carrying out acts or entering into agreements with respect to the shares it owns in Pehuenche that would entail the merger of the latter with the Company.
 2. By means of an essential event dated August 27, 2021, Pehuenche informed that the Extraordinary Shareholders' Meeting of said company called for that date could not be held on the first summons due to the lack of sufficient quorum. In accordance with the provisions of current regulations, on August 31, 2021, the Board of Directors of Pehuenche informed by means of an essential event that it had agreed to call a second Extraordinary Shareholders' Meeting to be held on September 28, 2021, with the purpose of submitting to the consideration of the meeting the same matters as was the topic of the first summons.
 3. To date, the precautionary injunction referred to above against Enel Generación is maintained.
 4. Consequently, and in order to comply with the court order, Enel Generación informs that it will abstain from participating in the Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A. set for September 28, 2021 at 3:00 p.m., which was called to decide on the merger of the latter with the Company.
- On September 28, 2021, the following was informed as an essential event for Enel Generación S.A. ("Enel Generación" or the "Company").
 1. On September 28, 2021, Enel Generación, majority shareholder of Empresa Eléctrica Pehuenche S.A. ("Pehuenche") with 92.65% of the shares of the latter, issued an essential event where it informed the Commission and the market in general that, as a result of the precautionary injunction issued by the 19th Civil Court of Santiago, under which the Company was prohibited to perform acts or enter into agreements with respect to the shares it owns in Pehuenche that would lead to its merger with said company (the "Merger"), Enel Generación would not attend the Extraordinary Shareholders' Meeting of Pehuenche called in second summons for September 28, and which had the purpose of making a decision regarding the Merger.
 2. As informed by Pehuenche by means of an essential event dated September 28, 2021, on that date the Extraordinary Shareholders' Meeting of Pehuenche was held, with a participation of 33,760,746 shares, equivalent to 5.51% of the issued shares with voting rights of Pehuenche, a quorum much lower than that required by law and its bylaws to approve any of the matters submitted to decision, and in particular the Merger.
 3. Therefore, all the matters submitted to that meeting were deemed not to have been approved, since there was no sufficient quorum for their approval.
 4. That, one of the conditions for the merger of the Company with Pehuenche to take effect was that it be duly approved by the shareholders of both companies, which did not occur since the necessary quorums for approval were not present in Pehuenche.
 5. That, it will not be possible to have such authorization, at least without requiring the preparation of new audited financial statements, as well as other relevant documentation; therefore, it is reported that this condition has failed, and the Merger will not take effect.
 6. That, since one of the conditions necessary for the Merger to take effect has failed, the Company's shareholders may not exercise their right of withdrawal, and therefore, no payment should be made for the exercise of such right (this is the understanding of this Commission in Ordinary Official Letter No. 32,435 of December 6, 2017).



- At the ordinary board meeting of Enel Generación Chile S.A. held on November 26, 2021, it was agreed to distribute an interim dividend charged to the profits of the Year 2021, of up to 15% of the profits as of September 30, 2021, to be paid on January 21, 2022.

The interim dividend is CLP 9,673,252,484 equivalent to CLP 1.179412574382 per share.

Shareholders who are registered in the Shareholders' Registry until January 15, 2022 will be entitled to receive this dividend.

- At the ordinary board meeting of Enel Generación Chile S.A. held on November 26, 2021, the Company's Strategic Plan for the years 2022-2024 was approved.

The macro-elements of the Strategic Plan contemplate for the three-year period 2022 - 2024 an accumulated EBITDA between 1.9 and 2.1 billion US\$ (United States dollars) and an accumulated CAPEX of approximately 0.45 billion US\$.

Given that the contents of the aforementioned Strategic Plan are based on projections and assumptions that may or may not materialize in the future, their effects are not determinable at this date.

PEHUENCHE S.A.

- At the Ordinary Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A. held on April 26, 2021, the shareholders approved the distribution of a final dividend for the year 2020, in the amount of CLP 52.518293915 per share. This dividend was paid as of May 14, 2021, to shareholders registered in the Shareholders' Registry at midnight of the fifth business day prior to the aforementioned date.

The corresponding notice was published on April 28 in El Mercurio de Santiago newspaper.

- At the Ordinary Shareholders' Meeting of Empresa Eléctrica Pehuenche S.A. held on April 26, 2021, the new Board of Directors of the Company was elected for a period of three years as of the date of the meeting. The Board of Directors was comprised of the following persons:

- Raúl Arteaga Errazuriz
- Simone Conticelli
- Luis Ignacio Quiñones Sotomayor
- Fernando Vallejos Reyes
- Luis Vergara Adamides

At the ordinary meeting of the Board of Directors of Empresa Eléctrica Pehuenche S.A. held on April 26, 2021, subsequent to the Shareholders' Meeting mentioned above, Mr. Raúl Arteaga Errazuriz was elected Chairman of the Board and Ms. Natalia Fernández Sepúlveda was elected Secretary of the Board of Directors.

- In an Ordinary Board meeting held on June 25, 2021, the Board of Directors of the Company appointed Mr. Simone Conticelli as Chairman of the Board of Directors and of the Company, replacing Mr. Raul Arteaga Errazuriz.

Likewise, the Board of Directors accepted the resignations on June 24, of Mr. Fernando Vallejos Reyes and Mr. Raul Arteaga Errazuriz from the Board of Directors. For this reason, on June 25, 2021, the Board of Directors of Empresa Eléctrica Pehuenche S.A. appointed Mr. Claudio Arias Reyes and Mr. Osvaldo Farias Luke, who as of such date assumed as Directors of Empresa Eléctrica Pehuenche S.A., in their replacement.

As a result, the Company's Board of Directors has the following members:

- Simone Conticelli (Presidente)
- Luis Ignacio Quiñones Sotomayor
- Osvaldo Farias Luke
- Luis Vergara Adamides
- Claudio Arias Reyes

The Board of Directors expressed its gratitude to Mr. Raúl Arteaga Errázuriz for his performance as Chairman of Empresa Eléctrica Pehuenche S.A. Likewise, the Board of Directors thanked Mr. Fernando Vallejos Reyes for serving in the Company's Board of Directors.

- The Board of Directors of Empresa Eléctrica Pehuenche S.A. (hereinafter, "Pehuenche" or the "Company"), in ordinary session held on June 25, 2021, has analyzed the proposal described below.

The Company's directors analyzed the corporate reorganization proposal consisting of a merger by absorption of Pehuenche into Enel Generación Chile S.A., as provided for in article 155 and following articles of the Corporations Regulation, as a result of which Enel Generación Chile S.A., as absorbing entity, would absorb its subsidiary Pehuenche, which would be dissolved without the need for its liquidation, with Enel Generación Chile S.A. replacing Pehuenche in all rights and obligations of the latter, subject to the terms and conditions established.

The Board of Directors has resolved, by the unanimous vote of its members present, to initiate all the work, analysis and steps leading to the execution of the aforementioned corporate reorganization project, in the terms described, subjecting the operation to the rules established in Title XVI of the Corporations Law, which governs operations between related parties.

Finally, Santander Asesorías Financieras Limitada has been appointed as independent appraiser of the transaction and Mr. Pablo D'Agliano as independent appraiser.

- The Board of Directors of Empresa Eléctrica Pehuenche S.A. (hereinafter, "Pehuenche" or the "Company"), in an extraordinary meeting held on August 6, 2021, received and accepted the experts' reports issued in connection with the merger transaction under which Empresa Eléctrica Pehuenche S.A. would be absorbed by Enel Generación ("Merger Transaction"), as informed by means of an essential event dated June 25, 2021. In view of the foregoing, the following reports are made available to the shareholders:

(i) Report issued by the independent appraiser appointed by the Board of Directors of Pehuenche S.A., Santander Asesorías Financieras Limitada, regarding the conditions of the Merger Transaction, its effects and its potential impact on the Company.

(ii) Report issued by Mr. Pablo D'Agliano in his capacity as Independent Expert appointed by Pehuenche S.A., on the value of the merging companies, and the exchange ratio of the shares of the aforementioned companies.

A copy of the aforementioned documents will be available to the shareholders as of today at the Company's website: <https://www.enel.cl/es/inversionistas/inversionistasenel-generacion/filiales/pehuenche-sa/propuesta-fusion-enel-generacion.html> and at the corporate offices located at Santa Rosa 76, Santiago, Chile, corresponding to the Investor Relations Department.

- On August 11, 2021, the following was informed as an essential event of Empresa Eléctrica Pehuenche S.A. ("Pehuenche" or the "Company"):

1. That, as informed to this Commission through essential events dated June 25 and August 6, 2021, the Company's Board of Directors agreed to analyze the reorganization proposal consisting in the merger by absorption of Pehuenche into Enel Generación Chile S.A. ("Enel Generación" and "Merger Transaction", respectively), as well as to initiate all the work, analysis and steps leading to its completion, including those corresponding under the provisions of Titles IX and XVI of the Corporations Law. In this context, the Board of Directors of Pehuenche, on June 25, 2021, appointed Santander Asesorías Financiera Limitada as independent appraiser of the Merger Transaction and Mr. Pablo D'Agliano as independent expert.

2. That, as informed by means of an essential event dated August 6, the reports of the independent expert and appraiser were already received by the Board of Directors and made available to the shareholders at the offices of Pehuenche, located at Santa Rosa No. 76, in the district and city of Santiago, and on the website of Pehuenche. <https://www.enel.cl/es/inversionistas/inversionistas-enel-generacion/filiales/pehuenchesa/propuesta-fusion-enel-generacion.html>

3. Likewise, it is reported that, as of yesterday, August 10, 2021, individual pronouncements were received from the following Pehuenche directors: Simone Conticelli, Luis Vergara Adamides, Luis Ignacio Quiñones, Claudio Arias Reyes, and Osvaldo Fariás Luke, regarding the convenience of the Merger Transaction for the corporate interest; those pronouncements were issued in accordance with the provisions of Article 147 of Law No. 18,046.



4. That, in an extraordinary meeting of the Company's Board of Directors held today, the Board of Directors agreed to make available to the shareholders the following additional documents, all of which will be available at the offices and on the Company's website previously mentioned:

- i. The aforementioned individual pronouncements of Pehuenche's directors.
- ii. The document entitled "Terms and Conditions of the Merger Transaction", prepared in accordance with Article 155 (a) of the Corporations Regulation.
- iii. The audited financial statements of the Company and Enel Generación as of June 30, 2021.
- iv. The report of the independent appraiser Banchile Asesoría Financiera S.A. and of the independent expert Mr. Rafael Malla Osorio, both appointed by Enel Generación regarding the Merger Transaction.

5. Also, at the extraordinary meeting of the Board of Directors of the Company held today, the Board of Directors of Pehuenche unanimously agreed to call an extraordinary shareholders' meeting to be held virtually on August 27, 2021, starting at 11:00 a.m. at the offices located at Avenida del Parque No. 4694, in the district of Huechuraba, in order to submit for consideration and approval of the shareholders the following matters:

i. Transaction between related parties. Approve the Merger Transaction in accordance with the terms of Title XVI of the Corporations Law, since it is a related party transaction ("RPT"), for which purpose -as stated- the following information has been made available to the shareholders, both at the Company's offices and on the Company's website: (a) a report issued by Santander Asesorías Financieras Limitada as independent appraiser; (b) a report issued by Banchile Asesoría Financiera S.A. as independent appraiser appointed by Enel Generación; and (c) the individual pronouncements of Pehuenche's directors referred to in number 3 above.

ii. Merger. Approve, pursuant to the terms of Title IX of the Corporations Law and paragraph 3 of Title IX of the Corporations Regulation:

(a) The merger by absorption of Pehuenche into Enel Generación, under which the latter will absorb the former, which, consequently, will be dissolved without the need for liquidation ("Merger Transaction"). In the event that the Merger Transaction is approved, its materialization will be subject to the following conditions precedent: 1. The shareholders of Pehuenche should have approved the RPT and the Merger Transaction, with the quorums established for each case by the Corporations Law and the bylaws of Pehuenche, and the minutes of the corresponding extraordinary shareholders' meeting should have been executed in a public deed, and 2. The shareholders of Enel Generación should have approved the RPT and the Merger Transaction, with the quorums established for each case by the Corporations Law and the bylaws of Enel Generación, and the minutes of the corresponding extraordinary shareholders' meeting should have been executed in a public deed.

(b) The exchange ratio for the shares of Enel Generación and Pehuenche as a result of the Merger Transaction, which would correspond to 4.19 shares of Enel Generación for each share of Pehuenche, or such other ratio as may be agreed by the Extraordinary Shareholders' Meeting.

(c) A capital increase in Enel Generación in the amount of CLP74,311,393,110, through the issuance of 188,721,115 new, ordinary, same series, no par value shares, or those that the Extraordinary Shareholders' Meeting finally decides, which will be fully subscribed and paid in with charge to the absorption of the equity of Pehuenche as absorbed company, and will be fully delivered to the shareholders of Pehuenche (excluding Enel Generación), in the corresponding proportion in accordance with the exchange ratio agreed to materialize the Merger Transaction.

(d) That the Merger Transaction will take effect on the first business day of the month following the month in which a public deed of compliance with the conditions precedent to which the Merger Transaction is subject is executed by the attorneys-in-fact appointed by each of the Boards of Directors of Pehuenche and of Enel Generación.

iii. Background information that is the basis for the Merger Transaction. Approve the following background information: (i) "Terms and Conditions of the Merger Transaction", a document prepared in accordance with section a) of Article 155 of the Corporations Regulation; (ii) audited financial statements of Pehuenche and Enel Generación as of June 30, 2021; and (iii) expert reports issued by Mr. Pablo D'Agliano as independent expert appointed by Pehuenche, and by Mr. Rafael Malla Osorio, as independent expert appointed by Enel Generación, in connection with the Merger Transaction.

iv. To adopt other resolutions that may be necessary to materialize the Merger Transaction. To adopt such other resolutions as may be necessary to carry out the Merger Transaction under the terms and conditions ultimately approved by the Extraordinary Shareholders' Meeting, and authorizing the Board of Directors of Pehuenche to grant all the powers of attorney deemed necessary, especially those required to legalize, materialize and carry out the resolutions of the Merger Transaction.

v. Revised bylaws. Approve the revised wording of the bylaws of Enel Generación that reflects, in addition to the amendments to the capital stock, the other amendments that may be agreed by the Extraordinary Shareholders' Meeting of said company, in accordance with the provisions of the document called "Terms and Conditions of the Merger Transaction" referred to in item iii. above.

vi. Information on Other Related Party Transactions. Be informed of the resolutions adopted regarding the Related Party Transactions referred to in Title XVI of Law No. 18,046 on Corporations other than the Merger Transaction during the period since the last shareholders' meeting of Pehuenche until the date of the meeting called, indicating the directors who have approved them.

Finally, if the Merger Transaction is approved by the extraordinary shareholders' meeting, the dissenting shareholders of Pehuenche will have the right to withdraw in accordance with the law.

- On August 27, 2021, the following was reported as an essential event:

That, Enel Generación Chile S.A. ("Enel Generación"), the majority shareholder of the Company with 92.65% of the Company's shares, issued on August 27, 2021, an essential event under which the Financial Market Commission and the market in general were informed that, as a result of a precautionary injunction issued by the 19th Civil Court of Santiago, which was assigned court number C-6.827-2021, under which Enel Generación was prohibited from performing acts or entering into agreements with respect to the shares it owns in Empresa Eléctrica Pehuenche S.A. that would entail the merger of said company with Enel Generación, the latter did not attend the extraordinary shareholders' meeting called for August 27, 2021, at 11:00 a.m., since the purpose of said meeting was to decide on the aforementioned merger proposal;

That, consequently, due to lack of quorum, the Extraordinary Shareholders' Meeting called for August 27, 2021 was not held, which had been convened by resolution of the Board of Directors at a meeting held on August 11, 2021 and informed to this entity by means of an essential event of the same date, and which was intended, among other matters, to decide on the related party transaction consisting in the merger by absorption of Empresa Eléctrica Pehuenche S.A. into Enel Generación Chile S.A.

- On August 31, 2021, the following was reported as an essential event:
 - That, as informed by means of an essential event dated August 27, 2021, the Extraordinary Shareholders' Meeting of the Company scheduled for that date could not be held, on first summons, because it did not have sufficient quorum, for the reasons detailed in such communication. The purpose of the aforementioned meeting was to submit for the attention of the shareholders of Pehuenche, among other matters, the related party transaction consisting in the merger by absorption of Pehuenche into Enel Generación Chile S.A. (the "Merger Transaction").
 - That, as a result of the foregoing, at the ordinary meeting of the Board of Directors of the Company held on August 31, 2021, the Board of Directors of Pehuenche agreed, by the unanimous decision of its members present, to call, in second summons, an extraordinary shareholders' meeting to be held, virtually, on September 28, 2021, starting at 3:00 p.m., from Avenida del Parque N°4694, in the district of Huechuraba, in order to submit for discussion and approval of the shareholders of the Company the following matters:

(1) Related party transaction. Approve, pursuant to the terms of Title XVI of Law No. 18,046, on Corporations (the "Corporations Law"), the related party transaction ("RPT"), consisting in the merger by absorption of Empresa Eléctrica Pehuenche S.A. into Enel Generación Chile S.A., for which purpose, and on the occasion of the first call, the following information was made available to the shareholders, both at the Company's offices and on the Company's website: (a) a report issued by Santander Asesorías Financieras Limitada as independent appraiser appointed by Pehuenche; (b) a report issued by Banchile Asesoría Financiera S.A. as independent appraiser appointed by Enel Generación; and (c) individual pronouncements of Pehuenche's directors.

(2) Merger. Approve, pursuant to the terms of Title IX of the Corporations Law and paragraph 3 of Title IX of the Corporations Regulation:

(i) The merger by absorption of Pehuenche into Enel Generación, under which the latter will absorb the former, which, consequently, will be dissolved without the need for liquidation. In the event that the Merger Transaction is approved, its materialization will be subject to the following conditions precedent:



a. The shareholders of Enel Generación should have approved the RPT, the Merger Transaction, with the quorums that, for each case, are established by the Corporations Law and the bylaws of Enel Generación, and the minutes of the corresponding extraordinary shareholders' meeting should have been executed in a public deed, and,

b. The shareholders of Pehuenche should have approved the RPT and the Merger Transaction, with the quorums established for each case by the Corporations Law and the bylaws of Pehuenche, and the minutes of the corresponding extraordinary shareholders' meeting should have been executed in a public deed.

(ii) The exchange ratio of the shares of the Company and Pehuenche as a result of the Merger Transaction, which corresponds to 4.19 shares of Enel Generación for each share of Pehuenche, or such other ratio as may be agreed by the Extraordinary Shareholders' Meeting.

(iii) A capital increase in Enel Generación in the amount of CLP74,311,393,110, through the issuance of 188,721,115 new, ordinary, same series, no par value shares, or those that the Extraordinary Shareholders' Meeting finally decides, which will be fully subscribed and paid in with charge to the absorption of the equity of Pehuenche as absorbed company, and will be fully delivered to the shareholders of Pehuenche (excluding Enel Generación), in the corresponding proportion in accordance with the exchange ratio agreed to materialize the Merger Transaction.

(iv) That the Merger Transaction becomes effective on the first business day of the month following the month in which a public deed of compliance with the conditions precedent to which the Merger Transaction is subject, is executed by the attorneys-in-fact appointed by each of the Boards of Directors of Pehuenche and Enel Generación.

(3) Background information that is the basis for the Merger Transaction. Approve the following background information, all of which has already been made available to the shareholders on the occasion of the first call, at the Company's offices and on its website: (i) "Terms and Conditions of the Merger Transaction", a document prepared by the Company pursuant to Article 155(a) of the Corporations Regulation; (ii) audited financial statements of the Company and Enel Generación as of June 30, 2021; (iii) expert reports issued by Mr. Pablo D'Agliano as independent expert appointed by Pehuenche, and by Mr. Rafael Malla Osorio as independent expert appointed by Enel Generación, in connection with the Merger Transaction.

(4) Adopt other resolutions that may be necessary to materialize the Merger Transaction. Adopt such other resolutions as may be necessary to carry out the Merger Transaction under the terms and conditions ultimately approved by the Shareholders' Meeting, authorizing the Board of Directors of the Company to grant all the powers of attorney deemed necessary, especially those required to legalize, materialize and carry out the resolutions of the Merger Transaction.

(5) Revised Bylaws. Approve the revised wording of the bylaws of Enel Generación that reflects, in addition to the amendments to the capital stock, the other amendments agreed by the Extraordinary Shareholders' Meeting of said company, in accordance with the provisions of the document called "Terms and Conditions of the Merger Transaction" referred to in number (3) above.

(6) Information on Other Related Party Transactions. Be informed of the resolutions adopted regarding the Related Party Transactions referred to in Title XVI of Law No. 18,046 on Corporations other than the Merger Transaction during the period since the last shareholders' meeting of Pehuenche until the date of the meeting called, indicating the directors who have approved them.

Finally, it is stated that, in the event of approval of the Merger Transaction by the Extraordinary Shareholders' Meeting, the dissenting shareholders of Pehuenche will have the right to withdraw in accordance with the law.

- The Company's Board of Directors, at its meeting held on September 28, 2021, approved the distribution of a first interim dividend corresponding to the year 2021, in the amount of CLP 62.02 per share. This dividend was paid as of October 22, 2021 to shareholders registered in the Shareholders' Register at midnight of the fifth business day prior to the aforementioned date.

The corresponding notice was published on October 6 in the El Mercurio de Santiago newspaper.

- On September 28, the following essential event was reported:

1. That Enel Generación Chile S.A. ("Enel Generación"), the majority shareholder of the Company with 92.65% of its shares, issued on September 28, 2021 an essential event whereby it informed the Commission and the market in general that, as a result of the precautionary injunction issued by the 19th Civil Court of Santiago, under which Enel Generación was forbidden to perform acts or enter into agreements with respect to the shares it owns in Pehuenche that would entail the merger of said company with Enel Generación, the latter would not attend the Extraordinary Shareholders' Meeting of the Company convened in second summons for August 28, 2021 at 3:00 p.m. (the "Meeting"), since the purpose of the Meeting was to decide on the aforementioned merger.

2. That, as of today and as duly informed, the Meeting was held, and it was deemed to be constituted with a participation of 33,760,746 shares, equivalent to 5.51% of the Company's issued voting shares, a quorum much lower than that required by law and the Company's bylaws to approve any of the matters submitted to its attention.

3. That, consequently, all the matters submitted to the Meeting were deemed not to have been approved, since there was no sufficient quorum for their approval.

4. Finally, and considering that one of the conditions for the merger of Pehuenche into Enel Generación to take effect was that it should be approved by both shareholders' meetings, and given that it will not be possible to have such authorization by the Company, at least without requiring the preparation of new audited financial statements, as well as other relevant documentation, this condition is considered failed, and the aforementioned merger did not take place.

- The Company's Board of Directors, at its meeting held on December 16, 2021, approved the distribution of a second interim dividend corresponding to the year 2021, in the amount of CLP 43.88 per share. This dividend was paid as of January 21, 2022 to the shareholders registered in the Shareholders' Register at midnight of the fifth business day prior to the aforementioned date.

The corresponding notice was published on January 4 in the El Mercurio de Santiago newspaper.



Glossary

ADS

American Depository Share.

AFP

Spanish acronym for *Administradora de Fondos de Pensiones*. Pension fund administration companies are corporations that manage a pension fund and provides its members the services established by law. The Superintendence 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 or 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.

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 Superintendence 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.

CMF's General Norm 30

It establishes the rules applicable to the registration of securities and issuers in the securities registry, its dissemination, placement, and obligations regarding the disclosure of information.

file:///Users/alejandraisbej/Downloads/ncg_30_1989.pdf

CMF's General Norm 385

Replaced Norm No 341 that focuses on improving the corporate governance information reported by companies and include the diffusion of information related to social responsibility and sustainable development practices.

https://www.svs.cl/normativa/ncg_385_2015.pdf

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, and quality electricity. <https://www.cne.cl/es>

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.

Distribution

It is the process of supplying electricity to final customers (residential, commercial, industrial or transmission) using overhead or underground cables.

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.

Efficient cogeneration systems

It refers to the technology of a power plant, that fueled by a primary source, generates electricity and heat at the same time, which can then be used by one or several consumers.

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.

Energy matrix

Energy matrix refers to the different sources of energy as a proportion of total energy used within a specific period of time.

Energy sector

The energy sector refers to all activities related to electricity, coal, gas, petroleum and derivatives, nuclear energy, geothermal and solar, and other energy sources, such as the study, exploration, exploitation, generation, transmission, transportation, storage, distribution, consumption, efficient use, import and export, and any other activity related to electricity, coal, gas, petroleum and derivatives, nuclear energy, geothermal and solar, and other energy sources.

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 that comes 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.

GHG mitigation

Action, measure, or process adopted to reduce greenhouse gas emissions or restrict the use of these gases as refrigerants, insulators or in industrial processes, among others or to increase GHG sinks to limit the adverse effects of climate change.

GNL Quintero

A company created to develop, build, finance, and own and operate an LNG regasification facility in Quintero Bay (Chile) where LNG is unloaded, stored, and gasified. Enel Generación Chile sold a 20% shareholding in this company to Enagas Chile SpA in September 2016.

Greenhouse Gas (GHG)

A gaseous component of the atmosphere, natural and anthropogenic that absorbs and emits 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.

Gross capacity

Maximum electricity generation capacity of a power plant under normal operating conditions and measured at the generation terminal. It is typically measured in Megawatts (MW) or Kilowatts (kW).

GWH

Gigawatt hours

Hydroelectric energy (pass-through)

Pass through hydroelectric energy is a renewable source of energy that channels part of the water flow of a river through a waterway and drops the water from a high distance to move the blades of at least one turbine to generate electricity and return to the river.

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.

Hydrogen

Hydrogen is colorless, odorless, tasteless, and flammable. It is not found on earth in its pure state so it must be "produced" from various substances, such as water, coal, natural gas, among others. One of its main characteristics is its high energy density per unit of mass. It may be produced through various processes (thermochemical, electrolytical, biological, among others), and may also be used in different processes. It may be used as fuel to produce energy, in transportation, or as an industrial raw material. When it is produced using renewable energy sources it is called green hydrogen.

IFRS

International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).

Installed capacity

Maximum amount of power of a generation unit based on the technical availability of the facility. It is measured in Megawatts (MW).

ISO 37001

Anti-bribery management system.

JOA

Ordinary Shareholders' Meeting.

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.

MW

Megawatt.

MWh

Megawatt hour equivalent to 1,000,000 Wh (see Wh).

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 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.

Net Capacity

Gross electricity generation capacity minus the capacity required to generate the electricity used to operate the power plant, in other words, the capacity that is available to the electricity system. It is typically measured in MegaWatts (MW) or KiloWatts (kW).

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.

Pehuenche

Empresa Eléctrica Pehuenche S.A. is our subsidiary. A Chilean limited liability corporation, an electricity company that owns three power plants located in the Maule River basin.

Primary energy matrix

Primary energy matrix refers to each primary energy source (or obtained from nature to consume or transform) as a proportion of total energy available in a specific geographical area.

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.

Renewable potential

A geographical area that has a renewable resource that can be used to generate electricity. It is typically measured as the power plant capacity a specific area can provide expressed in MegaWatts (MW).

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).

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/>

Sarbanes-Oxley

The Sarbanes-Oxley Act of 2002 (Pub. L. No 107-204, 116 Stat. 745) is federal law of the United States of America that establishes auditing and accounting regulation to protect investors of publicly traded companies. This law also applies to non-domestic companies and their subsidiaries that trade on the NYSE.

SEC

Securities and Exchange Commission of the United States of America.

<https://www.sec.gov/>

SEC

Spanish acronym for Superintendencia de Electricidad y Combustible. Chile's Superintendence of Electricity and Fuel is a government body that oversees the Chilean electricity industry.

Secondary energy matrix

Secondary energy matrix refers to each energy source as a proportion of final energy used or consumed. Primary and secondary energies are included in this matrix.

SEN

Spanish acronym for Sistema Eléctrico Nacional. Chile's National Electricity System was created in 2017 from the integration of the SIC and SING. Due to the country's geography, it is a 3,100-kilometer electricity grid that connects the country from Arica in the north to Chiloé island in the south.

SIC

Spanish acronym for Sistema Interconectado Central, the Central Interconnected System that was connected to the SING in November 2017 forming the SEN, currently Chile's only interconnected electricity system.

SING

Spanish acronym for Sistema Interconectado Norte Grande, the Northern Interconnected System that was connected to the SIC in November 2017 forming the SEN, currently Chile's only interconnected electricity system.

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.

Sustainability Yearbook

The Sustainability Yearbook highlights the companies that obtained the highest S&P Global ESG scores in the Corporate Sustainability Appraisal (CSA). Further information on this methodology may be found at <https://www.spglobal.com/esg/csa/yearbook/>

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.

Tons of CO2 equivalents (CO2eq)

One ton of CO2 equivalents is a greenhouse gas emission measurement unit used to compare all greenhouse gases (GHG) because not all GHG have the same impact on global warming. The intensity depends on the level of radiation and the average time the molecule of gas persists in the atmosphere. The Global Warming Potential (GWP) is different for each GHG and the average is the damage all GHG may cause together, which is calculated mathematically and expressed in terms of CO2, that is, GWP allows expressing GHG in units of CO2 equivalents.

Transmission

It refers to the transportation of electricity from the power plant through the transmission lines and towers installed throughout the country.

TWh

Terawatt hour

UF

Spanish acronym for Unidad de Fomento, the Chilean inflation-indexed, Chilean peso-denominated monetary unit.

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.

Units of electricity

Wh: symbolizes watt per hour, a unit of energy expressed in units of power per unit of time. It refers to the amount of energy that may be produced and sustained by a unit of capacity during a specific period of time. So, one watt-



hour is the amount of energy needed to maintain one watt (1 W) for one hour. W: One watt (W) is the International System of Units to measure capacity. The capacity of low-capacity electric equipment is expressed in watts, but if it is medium capacity equipment it is expressed in kilowatts (kW), equivalent to 1,000 watts. A Megawatt (MW) is equivalent to 1,000,000 watts, a Gigawatt (GW) is equivalent to 1,000,000,000 watts and a Terawatt is equivalent to 1,000,000,000,000 watts.

UTA

Unidad Tributaria Anual. One UTA is equal to 12 Unidades Tributarias Mensuales (UTM in its Spanish acronym), a Chilean peso denominated monetary unit that is indexed to monthly inflation and is used to calculate fines, among other uses. As of December 31, 2020, one UTM was equal to Ch\$ 51,029 and one UTA was equal to Ch\$ 612,348.

VAD

Valor Agregado de Distribución. The value added by electricity distribution that is calculated using an efficient business model and the typical distribution area concept.

WHO

World Health organization

Wind energy

It is the kinetic energy of wind that wind turbines can transform into mechanic energy and then electricity.





Statement of Responsibility

The Directors of Enel Generación Chile S.A. and its Chief Executive Officer, signatories to this declaration, are responsible under oath for the veracity of all the information provided in this Annual Report, in accordance with General Rule No 30 issued by the Financial Market Commission.



PRESIDENTE
Giuseppe Conti



DIRECTORA
María Antonietta Giannelli



DIRECTORA
María Teresa Vial Alamos



DIRECTOR
Julio Pellegrini Vial



GERENTE GENERAL
James Lee Stancampiano