

Seeding Energies
Sustainability Report
Enel Generación Chile
2017

enel

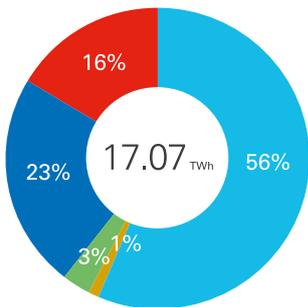
OPERATION



ENVIRONMENTAL

Energy Mix

- Hydroelectric
- Renewable
- Oil and gas
- Combined cycle
- Coal



CO₂- Free Production
57%

Specific CO₂ emissions
234.1 g/kWheq

APPENDIX

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OUR COMMITMENT 2017

Engaging local communities pg. 48

Engaging the people we work with pg. 62

Innovation and operational efficiency pg. 70

Digitization pg. 74

Customer focus pg. 75

Occupational health and safety pg. 78

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Growth across low-carbon technologies and services pg. 89

Environmental sustainability pg. 92



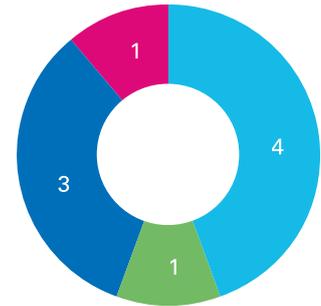
GOVERNANCE

The Board of Director of Enel Generación



BoD background

■ Energy
 ■ Legal
 ■ Strategies and Finance
 ■ Engineering

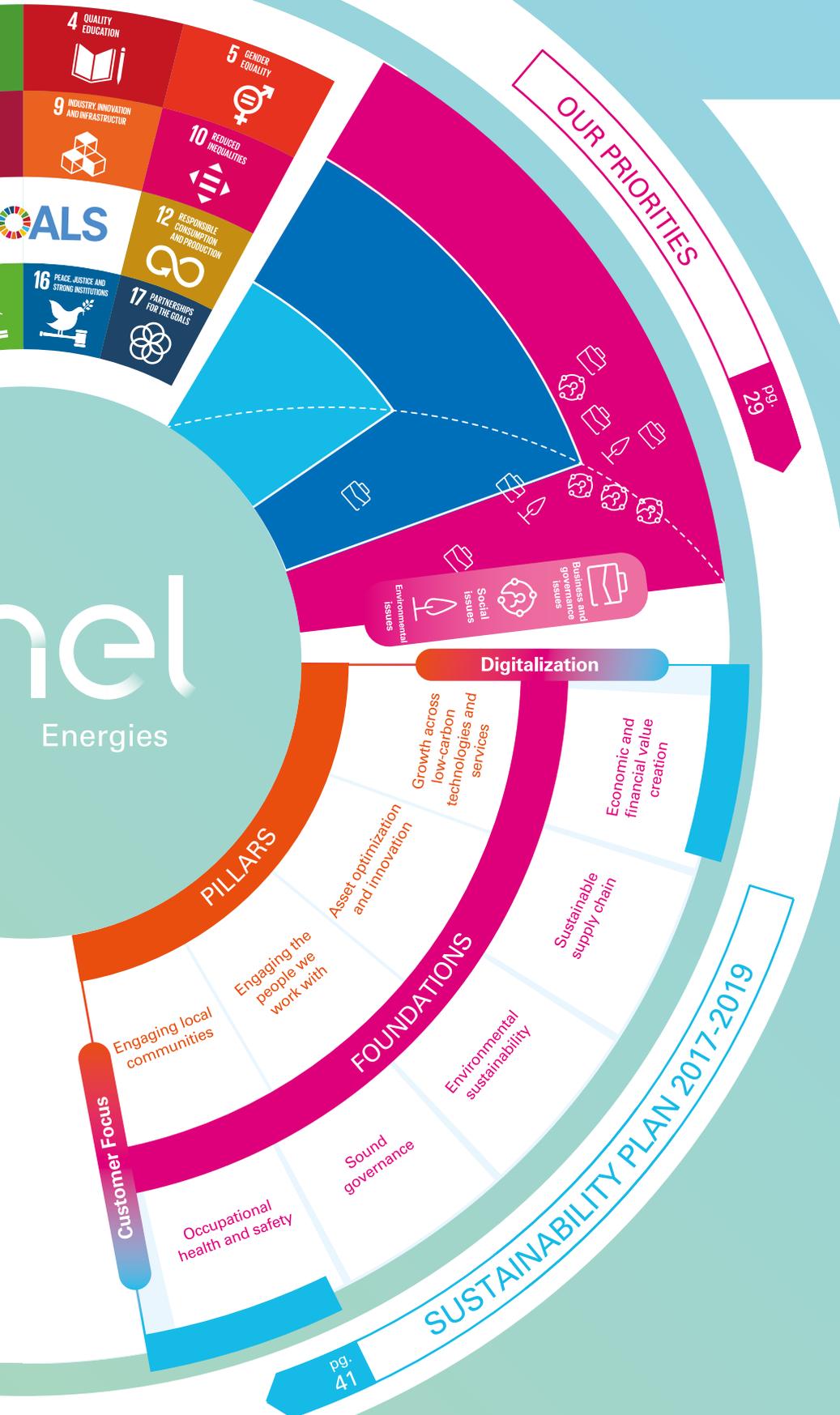


SOCIAL

People of Enel Generación

Total	Men	Women
848	87%	13%

Geographic Area





Letter to Stakeholders

102-14

We are pleased to present our 2017 sustainability report, which gives an account of our management and performance in environmental, social, economic, and governance matters.

Throughout 2017 we were inspired by our Open Power vision. It has set the stage for an important process aimed at changing the culture of how we manage our business. Open Power is all about unleashing the energy required to face some of the company's greatest challenges involving new technology, novel ways to use and deliver power, and fresh approaches for integrating collaborators and communities.

As part of our determination to play a relevant role in Chile's development, we work to ensure efficient power generation while also contributing to society's growth. In line with our commitment

to the United Nations Sustainable Development Goals, Enel Generación built a broad portfolio of projects aimed at fostering the development of communities located near our operations by supporting quality education, access to available power, and sustainable economic development. Several projects are based on the concept of Creating Shared Value, which involves producing benefits for society and the company alike.

Regarding the abovementioned, we reached some significant milestones that we would like to share with you in this report.

In terms of communities, in 2017 we focused on rebuilding our relationships in areas that were marked by conflicts between the company and communities for decades.

In February 2017, Enel Generación Chile signed a historic agreement with the Pehuenche families living in the Alto Bío Bío region who were affected by the construction of the Ralco Hydroelectric Dam. This marked the end of a decade-long conflict. Both parties agreed to collaborate on community projects for the benefit of community development.

In September the company reached an agreement with over 200 families living in Coronel—a district located in the Bocamina power plant's area of influence. The agreement focused on healing the wounds of relocation dating back to 2010. Plans to reclassify the various affected neighbourhoods were put into place, in addition to activities aimed at creating new local capacities framed by the circular economy concept.



Chairman
Giuseppe Conti



Chief Executive
Valter Moro

Regarding environmental sustainability, construction of the northern dome over the coal storage facility at the Bocamina II plant is one of the greatest milestones of the year. This dome is a one-of-kind structure in Latin America. Its architectural design notably mitigates the visual impact of the stockpile and lends itself to more efficient fuel management. More than 200 million dollars were invested in its construction.

The year was also marked by progress in how the company manages its employees, who constitute the most important factor in the company's success. We rely on several initiatives—performance evaluations, continuing education, and the work climate survey—to encourage professional development and training of high-performance teams, which, in turn, give way to a prosperous working

environment for the success of our collaborators and the company alike.

Similarly, and in line with Enel Group's diversity policy, the company implemented initiatives to boost the inclusion of women in the company. As a result, in 2017 30% of external job applicants were women.

Regarding corporate governance, we consolidated our targets under our Zero Tolerance for Corruption Plan and implementation of the Criminal Risk Prevention Model. We are constantly monitoring our compliance with these instruments in order to mitigate the various types of risks that may emerge.

We are concerned with the application of our Human Rights policy, and based on the due diligence process carried out in 2016 the company conducted a review

on the outcome of remediation actions implemented. The review concluded in a significant reduction in the gaps that existed the previous year.

We invite you to continue reading this report where you will find information relevant to our management, challenges, and progress in the abovementioned areas. This progress will serve as the grounds for building a sustainable company that contributes to the development of Chile and its inhabitants.

Yours sincerely,



01

Getting to Know Enel



I. Profile

Enel Generación Chile

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The main activities carried out by Enel Generación Chile and its subsidiaries are related to generating and selling electric power, along with providing specialized consulting and engineering services.

Enel Generación Chile is the leading electric power generator in Chile, and is one of the largest companies nationwide operating 111 units located throughout all of Chile for a total of 6,351 MW of power generation, which accounts for 28% of the domestic market's installed capacity. The installed capacity of Enel Generación Chile, its subsidiaries and related companies is broken down as follows: 55% hydroelectric, 44% thermoelectric, and 1% wind power.

Enel Generación's primary subsidiaries are:

- > Empresa Eléctrica Pehuenche S.A.
- > Central Eléctrica Tarapacá S.A.
- > Gas Atacama S.A.

Scope of the Report

102-50 102-51 102-52

This is the company's annual sustainability report, and the second issued under Enel's new brand image. The information contained herein corresponds to all of Enel Generación Chile's operations, and reports on the company's economic, environmental and social administration for the January 1st-December 31st, 2017 period.

102-48 102-54 102-56

This report was prepared in accordance with the Global Reporting Initiative's (GRI) New Standards, specifically the essential compliance option, and includes indicators from the Electric Utilities Sectoral Supplement (EUSS). The auditing firm EY has verified this sustainability report in order to guarantee that the information herein meets requirements set forth under the new GRI standards. The verification process entails identifying documentary proof and verifying the process involved in gathering information and data contained herein. The sustainability report includes suggestions submitted by the auditing firm in charge of verification. The external verification report is attached hereto as an Addendum.



2017 MAJOR FIGURES



1,634,937

OPERATING INCOME
(MILLIONS OF PESOS)



581,142

EBITDA (MILLIONS OF PESOS)



848

NUMBER OF WORKERS



111

NUMBER OF GENERATION UNITS



6,351

INSTALLED CAPACITY (MW)



17,073

ELECTRIC POWER GENERATION (GWH)



23,356

ENERGY SALES (GWh)

● **1. TARAPACÁ (TG Y TV)**
 N° of units: 2
 Type 1: Carbón
 Type 2: TG – Diesel
 Installed Capacity: 182 MW



● **2. ATACAMA (TG)**
 N° of units: 6
 Type: Gas y Diesel
 Installed Capacity: 781 MW



● **3. TALTAL (TG)**
 N° of units: 2
 Type: Gas y Diesel
 Installed Capacity: 245 MW



● **4. DIEGO DE ALMAGRO (TG)**
 N° of units: 1
 Type: Diesel
 Installed Capacity: 24 MW



● **5. HUASCO (TG)**
 N° of units: 3
 Type: Diesel
 Installed Capacity: 64 MW



○ **6. LOS MOLLES**
 N° of units: 2
 Type: Hidro
 Installed Capacity: 18 MW



● **7. CANELA Y CANELA II**
 N° of units: 51
 Type: Eólico
 Installed Capacity: 78 MW



● **8. SAN ISIDRO Y SAN ISIDRO 2 (CC)**
 N° of units: 4
 Type: Gas y Diesel
 Installed Capacity: 778 MW



● **9. QUINTERO (TG)**
 N° of units: 2
 Type: Gas
 Installed Capacity: 257 MW



○ **10. RAPEL**
 N° of units: 5
 Type: Hidro
 Installed Capacity: 377 MW



○ **11. SAUZALITO**
 N° of units: 1
 Type: Hidro
 Installed Capacity: 12 MW



○ **12. SAUZAL**
 N° of units: 3
 Type: Hidro
 Installed Capacity: 77 MW



● **13. BOCAMINA (TV)**
 N° of units: 2
 Type: Carbón
 Installed Capacity: 478 MW



ARICAY
 PARINACOTA

TARAPACÁ

ANTOFAGASTA

ATACAMA

1

2

3

4

5

6

7

8

9

10

11

14

12

15

13

16

COQUIMBO

VALPARAÍSO

METROPOLITANA

LIBERTADOR
 GENERAL BERNARDO
 O'HIGGINS

DEL MAULE

BÍO-BÍO

LA ARAUCANÍA

LOS RÍOS

LOS LAGOS

14. MAULE POWER PLANTS



● **CURILLINQUE**
 N° of units: 1
 Type: Hidro
 Installed Capacity: 89 MW



● **LOMA ALTA**
 N° of units: 1
 Type: Hidro
 Installed Capacity: 40 MW



● **PEHUENCHE**
 N° of units: 2
 Type: Hidro
 Installed Capacity: 570 MW



● **OJOS DE AGUA**
 N° of units: 1
 Type: Hidro
 Installed Capacity: 9 MW



● **CIPRESES**
 N° of units: 3
 Type: Hidro
 Installed Capacity: 106 MW



● **ISLA**
 N° of units: 2
 Type: Hidro
 Installed Capacity: 70 MW

15. LAJA POWER PLANTS



● **ANTUCO**
 N° of units: 2
 Type: Hidro
 Installed Capacity: 320 MW



● **ABANICO**
 N° of units: 6
 Type: Hidro
 Installed Capacity: 136 MW



● **EL TORO**
 N° of units: 4
 Type: Hidro
 Installed Capacity: 450 MW

16. BIOBÍO CENTRALS



● **RALCO**
 N° of units: 2
 Type: Hidro
 Installed Capacity: 690 MW



● **PALMUCHO**
 N° of units: 1
 Type: Hidro
 Installed Capacity: 34 MW



● **PANGUE**
 N° of units: 2
 Type: Hidro
 Installed Capacity: 467 MW



Hydroelectric power plants



Wind farms

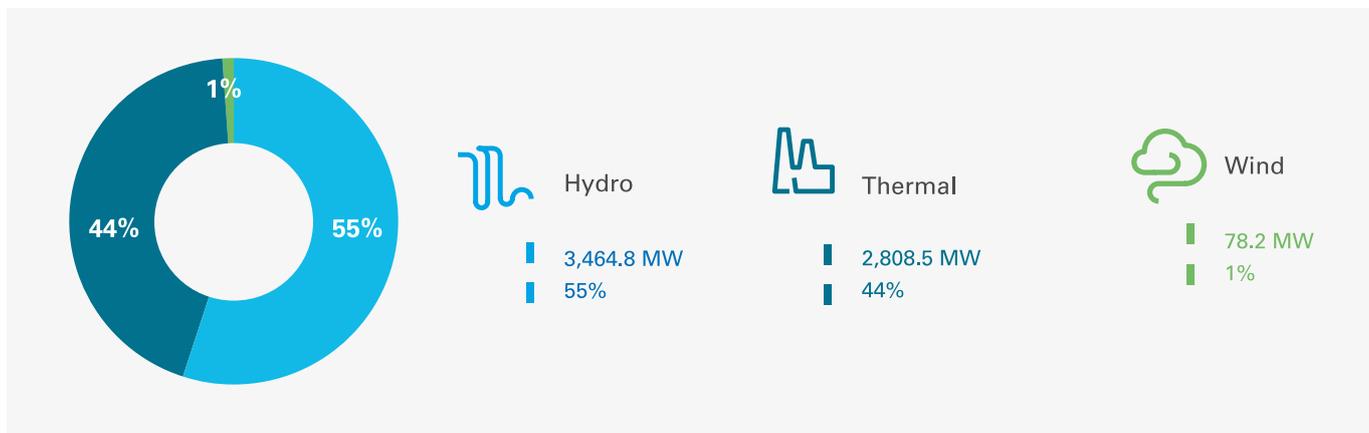


Thermoelectric power plants

- (CC): Combined Cycle
- (TV): Steam Turbine
- (TG): Gas Turbine
- N° of units: 105
- Installed Capacity MW: 6,351

Installed Capacity

Total: 6,351 MW
100%



Net Power Production

Total: 17.07 TWh
100%



Enel Generación Chile was the primary recipient of the 2017 Electric Power Tender

The tender consisted of a total of 2,200 GWh of power to be supplied to residential customers over a 20-year period beginning in 2024.

Enel Generación was awarded 54% of the tendered amount, accounting for a total of 1,180 GWh, at an average price of US\$34.7 per MWh. The company's success was attributed to an inter-company agreement with Enel Green Power Chile that made it possible for the company to submit a competitive bid based on a mix of renewable energy sources.

Enel Generación is Open Power

102-16

Openness to the outside world, to technology and, internally, among colleagues. This is the strategic concept of Open Power. However, to fully convey to customers, its interlocutors, the essence of a new and innovative Enel Group, it is important to share this attitude of openness within the company. To create a common culture among all the different companies that make up the Group, Enel

Américas have identified a 'galaxy' composed of a Vision, created for the first time in Enel. The Vision represents the grand long-term objective, a 2025 Mission expressed in five points, values that represent the DNA of Enel, and ten behaviors that should inspire all of the people who work for the company. Let's discover the Open Power galaxy together.





VALUES

Proactivity

Trust

VISION

Open Power to overcome some of the greatest challenges facing the world

MISSION

Open energy access to more people

Open new uses of energy

Open the world of energy to new technologies

Open new ways for people to manage energy

Ownership Structure

[102-45] [102-5]

Enel Generación Chile S.A (Enel Generación) is part of Enel Chile S.A. (hereinafter Enel Chile), a company owned by Enel Spa, which has a 60.62% controlling share in the company.

On December 31, 2017, Enel Chile (the majority shareholder of Enel Generación) owned 59.98% of Enel Generación directly and indirectly—pursuant to Law No. 18.045. Members of the majority shareholder do not have a joint action agreement.

Enel Generación is a publicly traded company with a total of 8,201,754,580 issued shares as of December 31st, 2017, owned by 15,101 shareholders who all have voting rights. It has three subsidiaries located in Chile, as follows: Empresa Eléctrica Pehuenche S.A., Central Eléctrica Tarapacá S.A., and Gas Atacama S.A.

Corporate Governance

Governance Structure

[102-22] [102-23] [102-24] [102-26] [102-27] [102-18] [102-19] [102-28] [102-29] [102-30] [102-31] [102-33]

The Board of Directors is the highest Corporate Governance authority¹. It plays a strategic role within the company by defining and approving the corporate mission, values, policies, and strategy.

Nine members sit on this governance body. They are elected at the Regular Shareholders' Meeting² for a three-year

term each and may be re-elected. The Board is known for being multicultural in its makeup since six of the nine board members are foreigners. The current Board of Directors was elected into office on April 6th, 2016, and the current Chairman of the Board is an independent member who has never held an executive position within the company.

The Board of Directors is responsible for managing the company and ensuring it grows in value in the short, mid, and long term, pursuant to its strategic plan and in keeping performance-based decisions. Board Members delegate the corporate strategic management of the company to its senior management team, led by the general manager, who alongside other senior executives works to ensure that the corporate guidelines referring to social, environmental and economic matters are duly put into practice.

Senior management reports to the Board of Directors on a monthly basis on various

matters such as performance indicators and other critical issues occurring in the various areas of work. This reporting enables the Board to identify, evaluate, and make decisions regarding potential impacts and risks in each area.

Each board member is issued documentation describing the company's internal policies, along with economic and financial information with a view to ensuring that they have the necessary tools and know-how to run the company. Moreover, board members attend regular training sessions on matters relevant to their role, so that they make the best possible decisions pertaining to risk management and other complicated matters.

Annually, an outside firm conducts a review and analysis of the Board of Director's actions in order to determine possible opportunities for improvement.

¹ See the annual financial report for more information: <http://www.enelgeneracion.cl/es/conocenos/gobierno/Paginas/memoriasanuales.aspx>
² Election held accordingly to Law No. 18,046




Procedures

In order to reinforce good corporate practices, Enel Generación has instituted the following procedures:



Induction Procedure for New Board Members:

A protocol for the communication of the mission, vision, and strategic objectives of Enel Generación Chile, through meetings with the Chairman of the Board of Directors and with the company's various management departments. As part of the induction, the Human Rights Policy, the Sustainability Reports, the Code of Ethics, the Zero Tolerance for Corruption Plan, and the Diversity Policy are communicated to new directors.

Permanent Training Procedure:

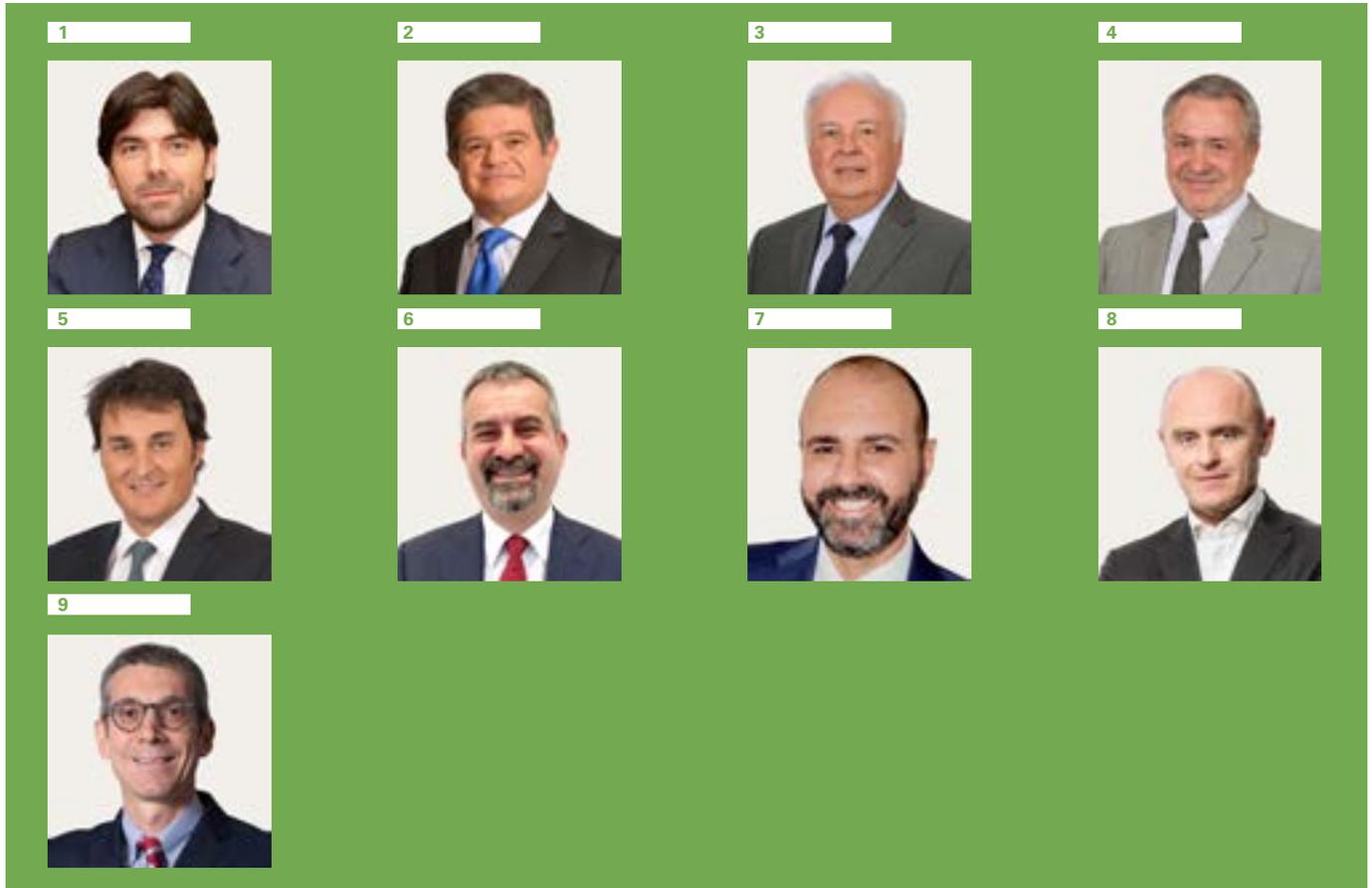
Consists of continual training activities for the members of the Board of Directors about regulatory or organizational changes, or any event relevant to the company, supplying the Board with tools to fulfill their objectives and strengthen relevant competencies for their performance.

Procedure for Informing Shareholders:

A protocol for informing shareholders, in advance, about candidates for company directors and about their experience and professional profiles, such as their relationship with the company and the industry

Board of Directors

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1. CHAIRMAN OF THE BOARD

Giuseppe Conti

Giuseppe Conti
Law Degree from the
Universidad degli Studi di Messina
Passport: YA3320684
Member since 27.04.2016
Italian

2. DIRECTOR

Francesco Giorgianni

Attorney
Universidad de Roma La Sapienza
Rut: 24,852,388-3
Member since 27.04.2016
Italian

3. DIRECTOR

Enrique Cibié Bluth

Commercial Engineer,
Public Accountant and Auditor
Pontificia Universidad Católica de Chile
Master's in Business and Administration
Stanford University
Rut: 6,027,149-6
Member since 26.04.2012
Chilean

4. DIRECTOR

Jorge Atton Palma

Jorge Atton Palma
Electronics Engineer
Universidad Austral de Chile
Graduate Degree in Administration and Projects
Universidad Chile
Rut: 7,038,511-2
Member since 27.04.2015
Chilean

5. DIRECTOR

Julio Pellegrini Vial

Attorney
Universidad Católica de Chile
Master's Degree in Law (LL.M.)
University of Chicago, United States
Rut: 12,241,361-6
Member since 27.04.2016
Chilean

6. DIRECTOR

Fabrizio Barderi

Electronics Engineer
Universitá Di Pisa
Master's in Economics and Management of
Energy & Environment
Scuola Superiore Enrico Mattei
Passport: YA7104825
Member since 28.08.2017
Italian

7. DIRECTOR

Mauro Di Carlo

Electrical Engineer
Universidad de los Estudio de Cassino
(Università degli Studi di Cassino – Facoltà di
Ingegneria)
Passport: YA4657363
Member since 27.04.2016
Italian

8. DIRECTOR

Umberto Magrini

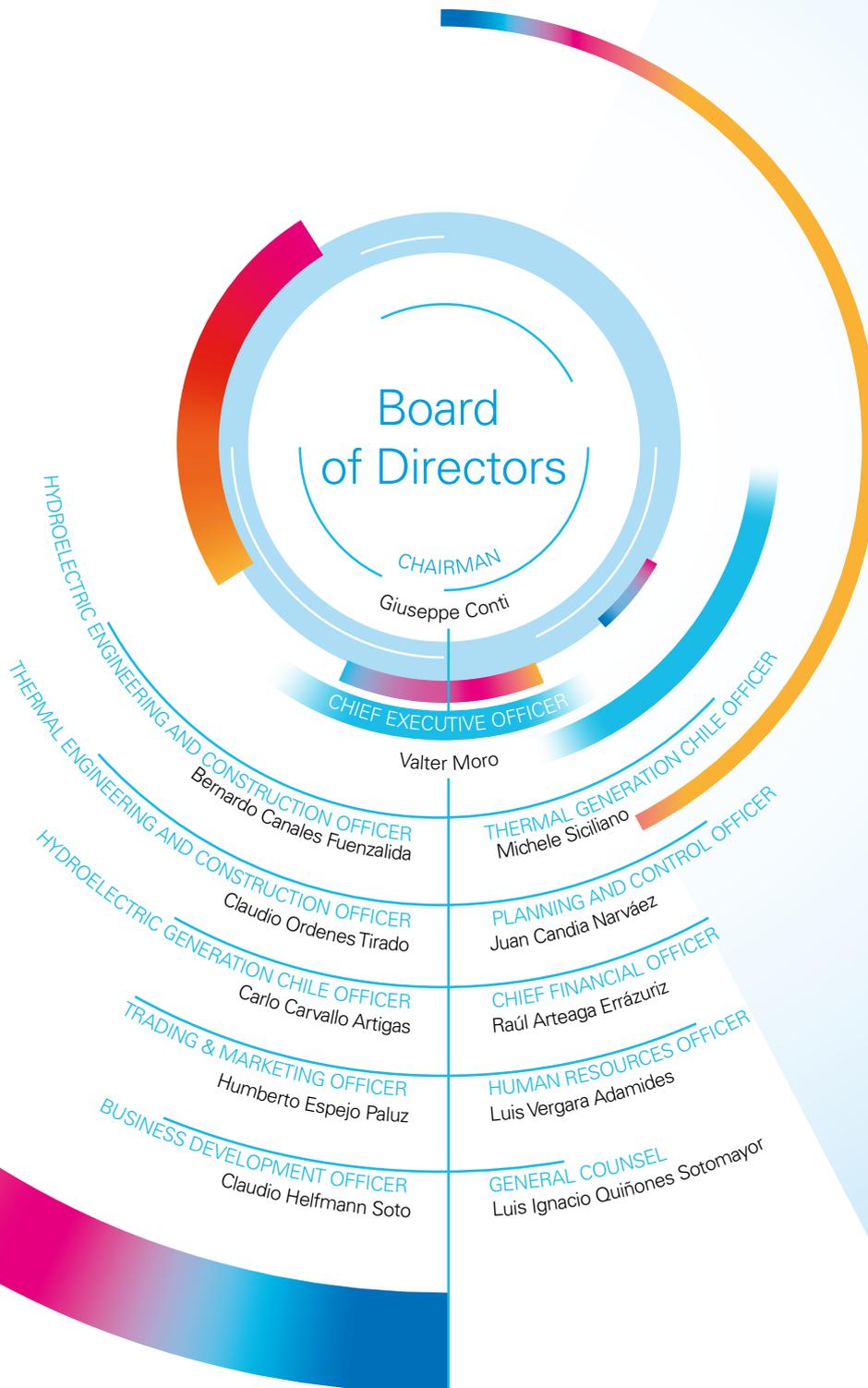
Mechanical Engineer
Università di Genova
Executive MBA in European Utilities Management
Jacobs University of Bremen
Passport: YA5001646
Member since 27.04.2016
Italian

9. DIRECTOR

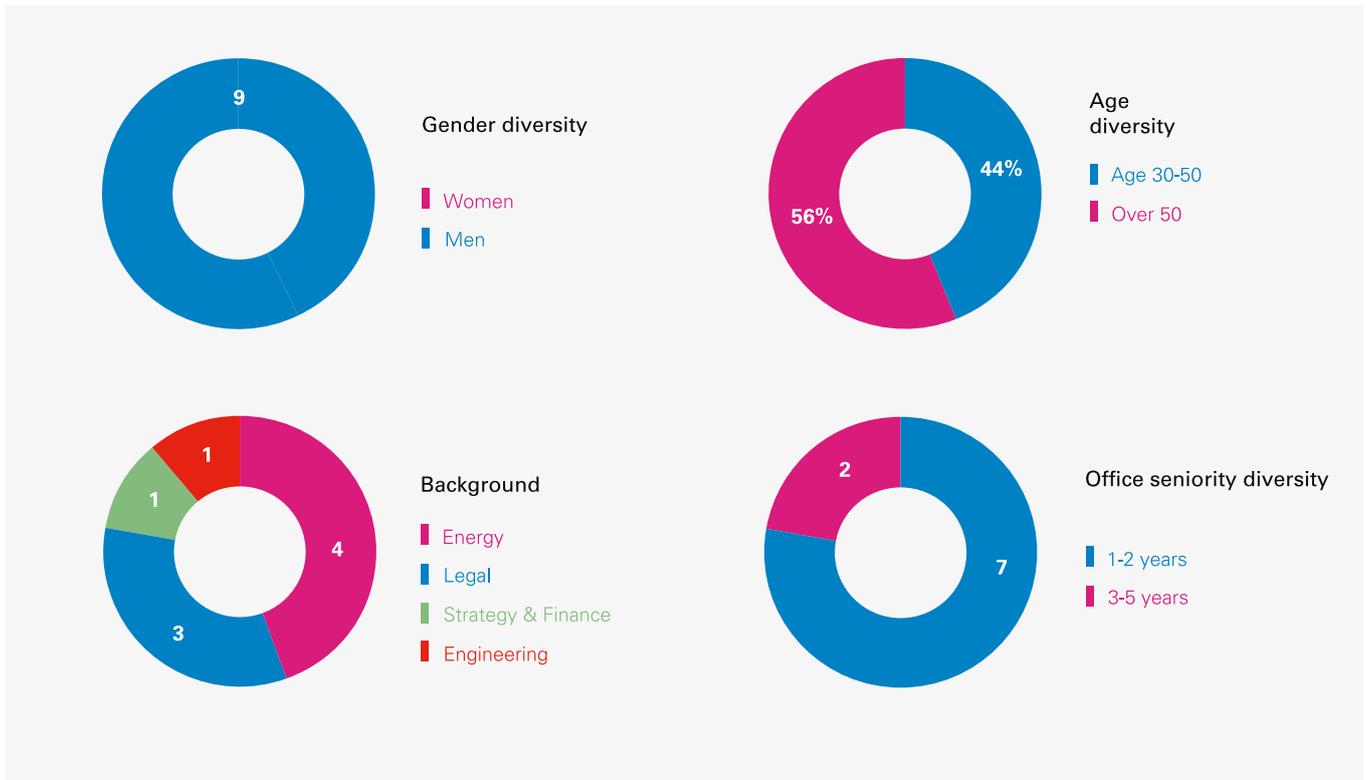
Luca Noviello

Mechanical Engineer
Università degli Studi di Roma La Sapienza
Master's in Economics and Energy Source
Management
LUISS Scuola di Management
AIEE Associazione Italiana Economisti dell'Energia
Passport: YA6877260
Member since 27.04.2016
Italian

Organizational Structure



Diversity on the Board of Directors



Internal Audit

102-16

Enel Generación Chile's success in business management is due in part to the correct implementation and effective operation of an Internal Control and Risk Control System aligned with the business model. The Internal Audit Management department is responsible for ensuring the efficiency and effectiveness of the internal control and risk management system in an objective and independent manner.

This department adds value through reviewing and monitoring activities that assist in the continuous improvement of processes and relative controls, always keeping in mind the constant evolution of risks in a business context. Due to its sensitive nature, the Internal Audit Management department is situated outside the line of business that reports directly to the Board of Directors.

The auditing processes performed by this department allow them to periodically evaluate —taking a risk-based perspective— the functioning of the diverse operations of the company, identifying areas that need improvement and facilitating—in conjunction with the process owner— action plans that allow them to strengthen the Internal Control System.

The department regularly reports the results of each audit and the supervision of the implementation of action plans to the Board of Directors that directly oversees the proper execution of the improvement plans.

Each audit includes control activities associated with the Criminal Risk Prevention Model (MPRP), a framework that contains the requirements of the Crime Prevention Model of Law 20393, and which encourages the adoption of international best practices to prevent and detect potential risks of illegal activity, fraud, and any action that may be in conflict with the ethical principles of the Enel Group.

Ethical Standards and Behavior



102-16 102-17 102-25

Enel Generación Chile is fully committed to complying with its ethical standards and behavior, and the legislation in force in each of the businesses where it operates, both in its internal relations and in its external relations with other stakeholders. Transparency and acting ethically in our activities are an integral part of the values that build trust and

responsibility with all of our stakeholders.

The Board of Directors is the body in charge of compliance with ethical standards and the prevention of criminal risks in the company, a task that is delegated to the Internal Audit Management department, with its monitoring and management.

In order to avoid conflicts of interest, the company strictly adheres to the Public Limited Companies Law, which establishes independence and no conflicts of interest within its criteria. In turn, the Board has adopted the voluntary practice of General Standard N ° 385 of Chile's Superintendent

of Securities and Insurance (SVS, its acronym in Spanish) and the current Commission for the Financial Market, (CMF, in its Spanish acronym). The General Standard N ° 385 recommends the advice of an external expert for detecting and implementing eventual improvements, or for strengthening areas in its operation. Thus, an independent expert evaluates these matters annually and then issues a report, which is presented to the Board of Directors. In March of each year, the Board informs the market, by means of the SVS and the current CMF, of the voluntary good corporate governance practices suggested by the external expert that it has adopted and implemented in the preceding year.

Compliance System

103-2 103-3 205-1

Enel Generación Chile has a Model for the Prevention of Criminal Risks, based on the Code of Ethics and the policy of Zero Tolerance for Corruption. The company is opposed to any form of corruption, direct

or indirect, in all of its processes on the value chain, in its places of operation, and with any of its stakeholders. The Criminal Risk Prevention Model covers all of the requirements set forth under Law 20.393's Crime Prevention Model.

The Criminal Risk Prevention Model is the basis of the Compliance System of the Enel Group, which is composed of a series of specific programs, such as the Enel Global Compliance Program

(approved in 2016), which responds to local legislation and to the highest international standards, such as ISO 37001, the Foreign Corrupt Practices Act FCPA- (USA), and the Bribery Act (United Kingdom). In the same way, the Group has incorporated the definitions of the Global Compact and the Sustainable Development Goals, both developed by the United Nations, into its policies and models

Main Documents of the Criminal Risk Prevention Model:

Among the instruments that regulate ethical behavior is the Criminal Risk Prevention Model, which contains the following items:

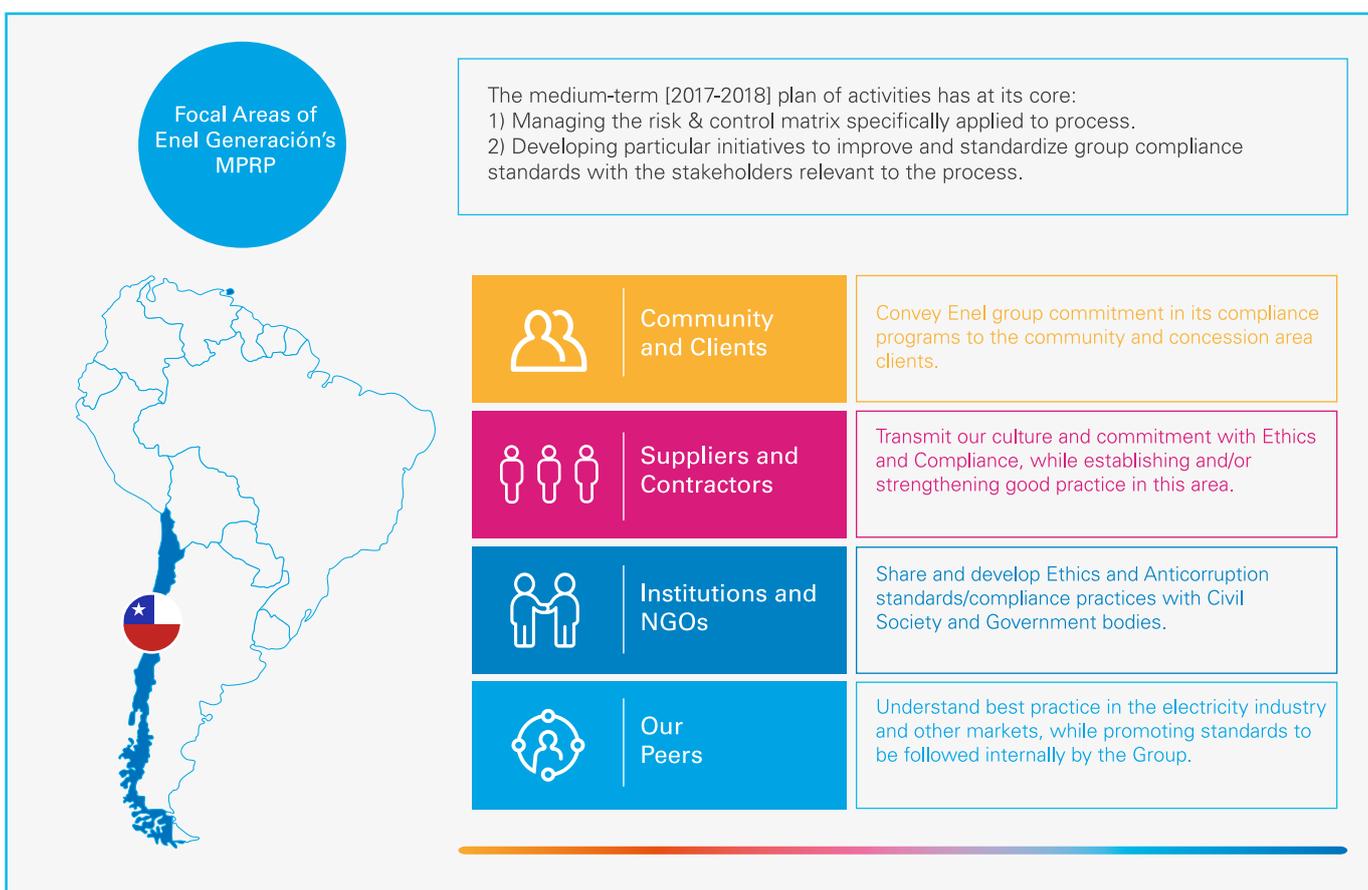
- > Code of Ethics
- > Enel Global Compliance Program
- > Zero Tolerance for Corruption Plan
- > Protocol governing actions with Public Officials and Authorities
- > Protocol governing accepting and giving of gifts, presents and favours.
- > Internal Hygiene and Safety Regulations
- > Conflicts of Interest Management Policy

The purpose of the Compliance System is to facilitate Enel's development of long-term, trusting relationships with its stakeholders, enabling Enel's employees to carry out activities in a responsible manner and to communicate them transparently. Focusing on creating shared value allows us to collaborate with the local industry in the definition of a common compliance standard, in line with international best practices. This system is viewed as the central axis of the company's operations and

is, therefore, a guide for conduct for all employees of the organization.

The Board of Directors approves the programs of the compliance system, relying on the Crime Prevention Officer for their implementation. The Crime Prevention Officer has the necessary organizational autonomy, empowerment, and resources for the proper exercise of his or her duties. Periodically, the Board evaluates and monitors the implementation and improvement of

programs at the process level. The activities of management, supervision, and improvement of compliance programs are continuous and permanent, through specific work programs developed for a period of one year and more. This plan has been formulated in a "Compliance Road Map" document, which is a guide and the basis for the execution of compliance activities, both internally and externally.



For their part, suppliers and contractors agree to adhere to the provisions of these programs, through the General Contracting Conditions. The General Contracting Conditions are a set of clauses that reinforce the importance of and facilitate the control of the correct implementation of the Compliance

System, specific to Law 20393 for Enel Generación Chile and each of its subsidiaries, each of which has its own specific compliance system. The company is constantly improving the continuous monitoring of the status of its suppliers through annual counterpart reviews, which are currently being

extended into a permanent monitoring system.

When someone observes a potential or real action contrary to the principles of the Criminal Risk Prevention Model, any stakeholder can make a complaint through the Whistleblower Channel, managed

by the Internal Audit Department. The Whistleblower Channel has specific management procedures to ensure confidentiality and to guarantee that there is no retaliation against whistleblowers.

Regarding the hiring of consultants and other professional services, Enel Group has specific procedures that provide for analysis of the contracted party and the realization of Due Diligence when necessary. All supplier contracts provide for revisions to the contracted party involved in the early risk management approach, relying on different external tools (e.g., Thomson Reuters - WorldCheck) for an adequate risk assessment.

These actions are supported by internal policies that determine the frameworks for carrying out activities with a high risk of corruption. In this sense, the Board of Directors of Enel Generación Chile must approve, prior to its execution,

all commercial transactions involving Persons Exposed Politically and Related to the Latter (PEPCO, its Spanish acronym). Once a year, all suppliers are reviewed in relation to international lists of PEP persons, with the results of these analyses delivered to the Board.

When starting to work with the company, each employee, supplier, executive, or contractor receives a copy of the Code of Ethics, the Corruption Prevention Plan, and other preventive documents. They also receive specific training according to their function in or with the company. Similarly, the company makes the policies, dissemination campaigns, and informative videos on the prevention of corruption, among other tools, available to collaborators via its portals (e.g., intranet, information screens).

There are also various training methods (face-to-face and e-learning) utilized, including senior management functions

and/or sensitive areas and functions, based on the results of the Criminal Risk Prevention Model analysis.

In December 2017, an Internal Seminar on Good Compliance Practices was held with the participation of other companies in the industry, and public and private sector actors, with the aim of spreading and raising awareness about the importance of the compliance program.

Through the company website, customers, the community, and the general public can learn about the company's compliance programs. There are also options to report possible inappropriate or behaviors that are contrary to any of the group's compliance programs. This channel is managed using a platform external to the Organization, which incorporates Industry standards in the field of confidentiality, and is accessible by internet, by telephone, or in written communication.

Code of Ethics

Enel Generación Chile has a Code of Ethics that sets out commitments and ethical responsibilities in management and business activities. This document aims to establish the principles of action for all members of Enel Generación Chile. It describes the type of conduct that is compatible with the values of the company and is expected from all employees and contracted parties of the organization. Compliance of the Code of Ethics is verified through, the knowledge and awareness of employees, heads of departments, and executive levels.

Enel Generación Chile's Code of Ethics is made up of 16 principles that determine the criteria for conduct that members of Enel Generación Chile and its companies must follow, including directors, administrators, employees, and contractors, at all levels.

The Code of Ethics establishes: (i) The general principles that should govern the relations of the members of Enel and its collaborators with their public of interest, aligned explicitly with the values of the company; (ii) the criteria of conduct that provide the rules and norms by which the Enel Generación Chile collaborators have to abide to respect the general principles and to prevent the risk of unethical conduct; and, (iii) the mechanisms of implementation, which describe the control system for compliance with the code of ethics and for its continuous improvement.

Compliance Activities

The compliance activities developed by the Enel Group have focused on the identification, detection, and mitigation of risks primarily associated with corruption. In this category, the most significant risks are related to potential conflicts of interest in the procurement cycle (bidding processes, awarding, and contract management), and in the operative management of contracts between contractors and customers. In 2017, the following evaluations have been used to develop these processes:

> 1. Evaluation of the Fraud Risk Assessment Matrix-FRA

The business units of the Enel Group were subjected to risk assessments related to corruption with the new tool, the Fraud Risk Assessment (FRA), which consists of mapping and evaluation of all types of fraud events that could occur in the Organization, and which is carried out in line with the Audit Risk Assessment.

> 2. Evaluation of the Risk Assessment Matrix

Risks were evaluated, applying the international standard methodology C.O.S.O. (Committee of Sponsoring Organizations of the Treadway Commission), for 100% of the processes in Enel Generación Chile and Subsidiaries.

> 3. Evaluation of the Matrix of Risks of the Model of Prevention of Criminal Risks

Specific risks outlined in Law 20393 were verified for Enel Generación Chile and its subsidiaries, each having its own specific compliance system.

> 4. Ethical Channel

The ethical channel was made available to all stakeholders. It makes anonymous reporting possible, with guarantees of confidentiality and non-retaliation for whistleblowers. Its administration is external, and all information obtained by means of this channel has restricted access.

Ethical Channel

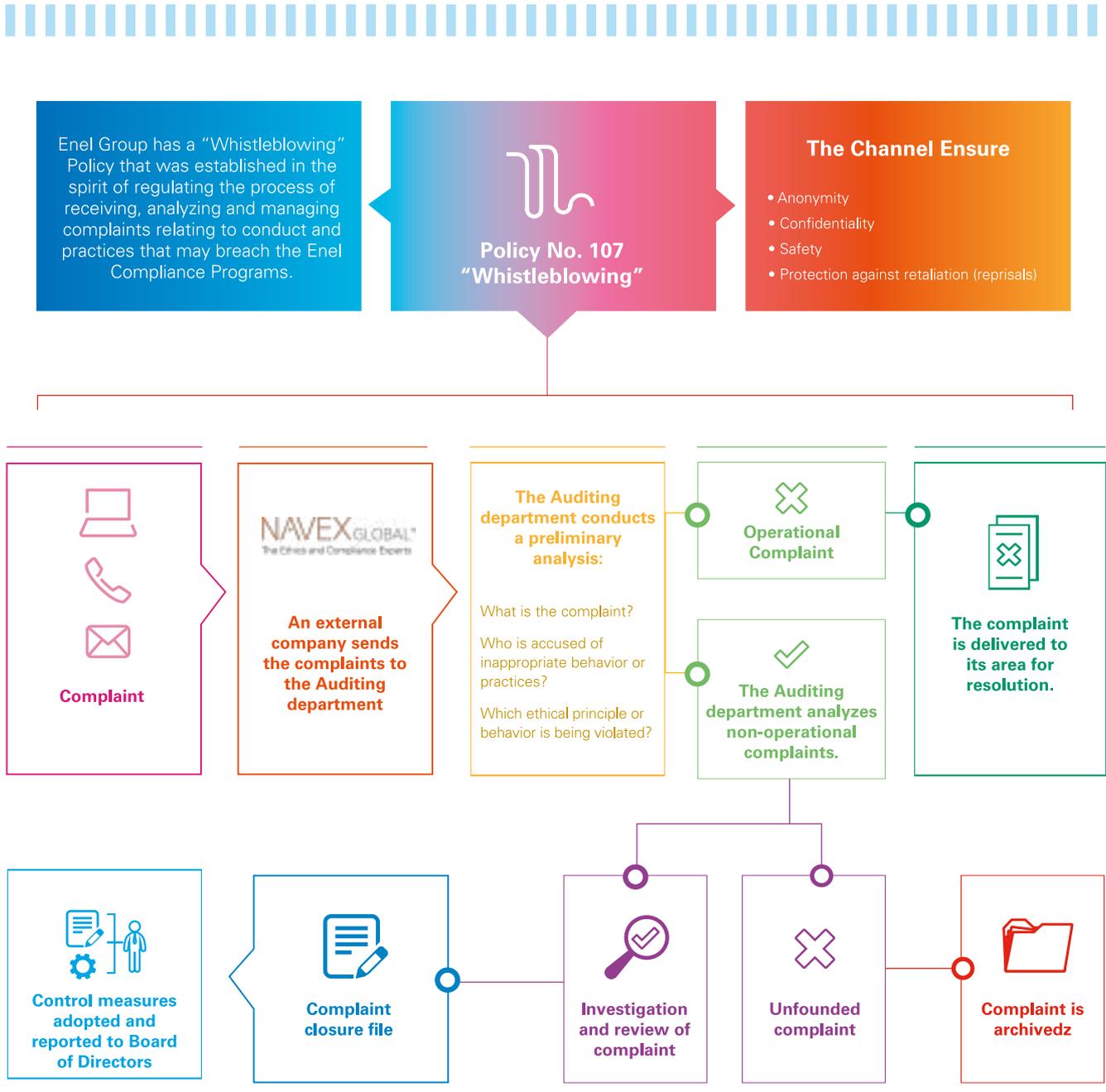
Enel Generación Chile, in order to achieve the highest level of satisfaction from its stakeholders, has established an ethical channel that allows all stakeholders to report irregular or inappropriate behaviors related to accounting, control, internal auditing, and behaviors relating to Law No. 20393, such as money laundering, terrorism financing, as well as offenses of bribery, and receiving stolen goods.

The channel permits the receipt of complaints, anonymously or personally, and is available through the corporate portal, internet, telephone, and via written communication. The channel is governed by the group's global policy No. 107, called "Whistleblowing," which emphasizes the guarantee of anonymity without reprisals, protection against bad faith complaints, and protection of the complainant (Policy of No-reprisal). This policy defines specific criteria about response times and about notifying the complainant about results.

Complaints may be filed online at: <https://secure.ethicspoint.eu/domain/media/es/gui/102504/index.html>

In 2017, a total of seven complaints were filed through Enel Generación Chile's Ethics Channel. Five of these proved to be insignificant violations (all duly addressed) of the company's Code of Ethics in matters related to contract management and work climate.

ETHICAL CHANNEL



The company has voluntarily taken part in several activities to assess the effectiveness of its compliance programs, such as:

- > Chilean Law 20.393 Certification Program
- > Adopting voluntary corporate governance practices suggested under General Standard No. 385 issued by the Office of the Superintendent of Securities and Insurance (SVS),

currently the Financial Market Committee (FMC)

- > Collaborative efforts with ChileTransparente in Chile to define better practices governing corporate/government relations

Zero Tolerance of Corruption Plan

Instituted in 2012, the Zero Tolerance of Corruption Plan establishes a framework for addressing unethical conduct (as defined under the Code of Ethics) and other conduct categorically unacceptable by the company, including matters related to bribery; charitable organizations and sponsorships; preferential treatment and gifts; and lodging and expenses. The mechanism abides by criteria recommended by Transparency International regarding compliance with the tenth principle under the Global Compact on all forms of corruption. There is also a Conflict of Interest Policy to address these cases.

Public Officials Relation and Gifts Protocol

The company has specific protocols outlining criteria and standards applicable to relations with public officials and authorities and gift giving and receiving, as well as conflicts of interest, exclusivity and concurrent trade. These documents are part of the Enel Global Compliance Program.

Enel Global Compliance Program

The Enel Global Compliance Program, or EGCP, is a fine complement to any local compliance program adopted by Enel subsidiaries, in keeping with corporate criminal liability laws in effect. The EGCP adopted by the Group's companies in Chile, known as the Global Regulatory Compliance Program for Corporate Criminal Liability, is part of the Criminal Risk Prevention Model prescribed under Law 20,393.

Inspired by the best international practices in this matter, the program is designed to be a tool to reinforce the company's commitment to the strictest ethical, legal and professional standards with a view to improving and preserving the Enel Group reputation.

The types of conducts considered to be significant under the EGCP—as well as definitions of standard behaviours and areas subject to monitoring so as to prevent crimes from being committed—are conducts usually deemed illicit in most countries, such as the crimes of bribery, crimes against public entities, accounting fraud, money laundering, health and safety crimes, environmental crimes, and others.

Risk Control & Management Policy

102-15

Risk control and management is part of the corporate governance structures of the company. Risk must be considered as another element of the operational plans in order for this to be effective. Factors that may negatively

affect business objectives must be identified and analyzed, and their possible consequences quantified. The probability of risk occurrence must also be quantitatively estimated to determine necessary actions to avoid any negative impact on business objectives.

The company has a Risk Control Policy that considers good corporate governance practices recommended by national and international regulations (ISO 31000, COSO and General Standard N ° 385, SVS). The Risk Control and Management Policy are the decisions that the company takes to establish what the acceptable limits are for the

risk levels, within which the normal development of the business must be considered.

To this end, it is necessary to identify and analyze what factors can affect achievement of the business' objectives, in order to determine the actions that are necessary so that these objectives can be obtained with more certainty.

When raising awareness of business risks, those that could be a threat to the company's sustainable growth are analyzed, including the relationship with communities, the derivatives of climate change, reputational risk, etc.



Commitment to Human Rights



103-2 103-3 412-1

The company's Human Rights Policy outlines Enel Generación Chile's responsibility and commitment to respect all human rights in its commercial ties. The company encourages its contractors, suppliers and business partners to adhere to these same principles, and pay particular attention to conflict and high-risk situations such as labour practices and community relations.

In the event an internal or external person should wish to report a violation of these fundamental rights, he or she may do so through the Internal Auditing Management division, by simply following the same procedural standards governing the Complaints Channel.

The policy includes references to several international treaties—International Declaration of Human Rights, Fundamental Convention of the International Labour Organization (ILO), the UN Convention on the Rights of the Child, and the ILO-Convention 169 on the Rights of Indigenous and Tribal Peoples, etc.—and sundry internal documents, i.e., Code of Ethics, Zero Tolerance of Corruption Plan; Criminal risk Prevention Model, and the International Framework Agreement with Global Unions.

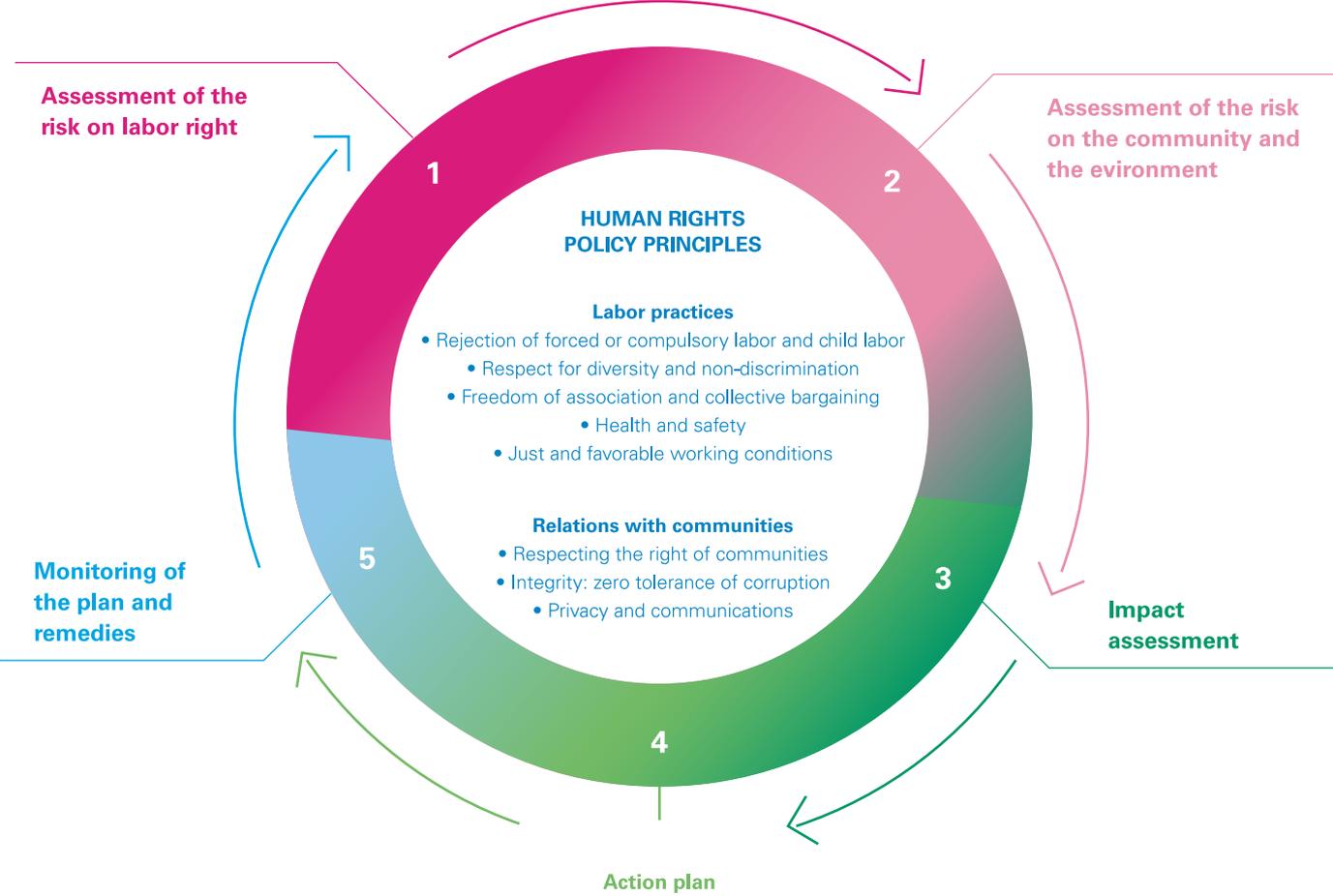
In 2016 Enel Generación Chile devised a due diligence progress involving the following areas:

- > Sustainability and Community Relations
- > HSEQ (Health, Safety, Environment, Quality)
- > Procurement
- > Auditing
- > Contractor Management
- > Human Resources

In the areas of influence of the following facilities and basins:

- > Maule River Basin
- > Laja River Basin
- > Biobío River Basin
- > Bocamina Thermoelectric Power Plant





In 2017, in accordance with the remediation plan, we traced the gaps identified and actions implemented. As a result of this analysis, more than 50% reduction in the number of incidents relating to the 8 principles of the human rights policy was observed. Particularly of note was a reduction from 61 to 21 incidents relating to Principle 6, which pertains to respect for local communities' human rights. This reduction was chiefly due to the remediation performance in response to the negative impacts caused by the relocation of the communities surrounding the Bocamina Plant.

More than **50%**

reduction in the number of incidents since 2016.

21

incidents relating to Principle 6, a reduction of 40 from the previous year.

30

total incidents

As a result of the due diligence, today Enel Generación Chile has a Remediation Plan to address past and present complaints, as well as risks faced by the company today in terms of non-compliance with the principles enshrined under its Human Rights Policy.

Energy Industry Context

102-15

The energy industry is extremely dynamic and currently in transition, and traditional energy generation and distribution technologies are no longer sufficient.

The industry is influenced by profound changes such as demographics, increasing urbanization, and the decarbonization of the productive matrix to face the challenges of reducing greenhouse gases, in addition to the rapid incursion of economically viable renewable alternatives. There is also a growing increase in the demand for electricity as a source of energy, along with emerging new uses and electrical solutions, such as in transport and energy efficient domestic and industrial uses. The technological revolution, regulatory

changes, and more empowered communities and consumers force the industry to constantly innovate its processes all along the value chain in order to meet the expectations and demands of different stakeholders.

As a result, there is a growing integration of renewable energies in the energy mix, requiring flexible management of energy and smart and integrated energy solutions. However, stakeholders generally oppose large-scale energy projects, and an uncertain and changing regulatory framework increases the risks for longterm investments. Likewise, the changing dynamics of the electricity network requires innovative and technological solutions.

To be competitive, energy companies will have to develop innovative business models that can generate new sources of income which adapt to the changing social, political, economic, and technical challenges posed by these situations.

Bearing in mind the changing winds of the market, Enel wishes to write the future of energy world: a world in which older power plants take on new life; a world in which connections travel quicker; a world in which smart households and cities are a reality; a world in which meters foster dialogue between households and people; and a world in which electric vehicles are increasingly more prevalent.



In this context Enel Generación Chile, in line with the Enel Group, has identified a few key emerging risks:

> **Cyberattacks (“cyber risk”):** The era of digitalization and technological innovation means growing exposure to cyberattacks for companies, which are increasingly numerous and sophisticated. The organizational complexity of the Group and the numerous environments it is made up of (data, people and the industrial world) expose assets to the risk of attacks. The Enel Group has adopted a risk management model based on

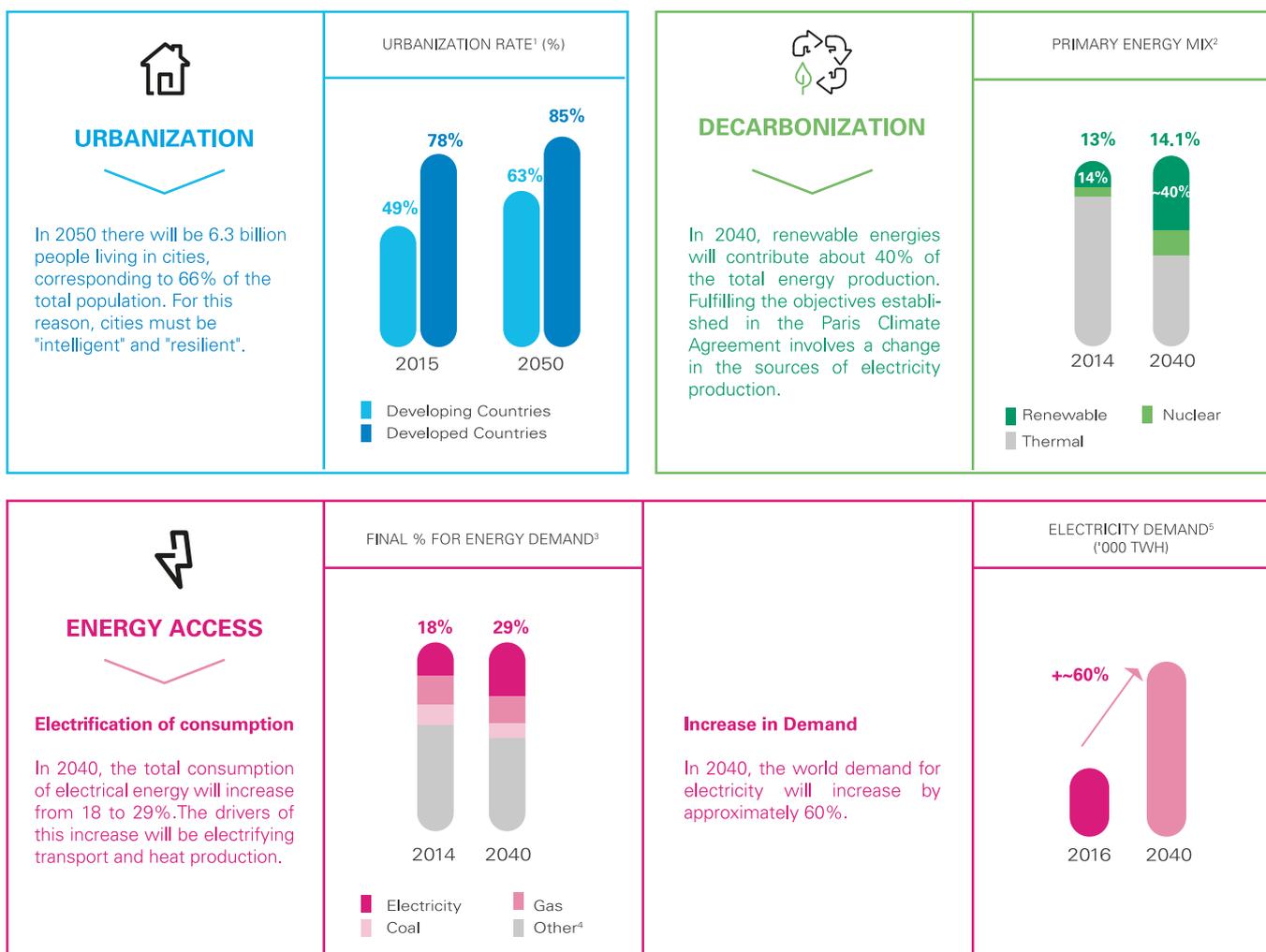
a “systemic” vision that integrates the traditional IT industry, operational technology already tied to the industrial sector, and the Internet, to tools related to the networking of smart “objects.”

> **Paradigm change in the world of energy and transformation of the business model of public services:**

New macroeconomic and energy trends, technologies, and actors can potentially increase or decrease the intermediary role of the traditional business model of public services. This happens in particular via a combination of factors related to digitization,

decentralization, and changes in consumer needs. Enel’s “Open Power” vision provides a frame of reference to respond to the challenges of the transition to the services of the future. The pillars of this strategy are the development of new businesses, industrial growth, and agility in management (operational efficiency, simplification of the organizational structure, short-term remunerations, active portfolio management), while centrality of our customers and digital transformation are the main actors.

TENDENCIES THAT CHARACTERIZE THE ENERGY SECTOR



1. United Nations, World Population Prospects, Versions 2014 and 2015.

2. IEA-IRENA Perspective for the Energy Transition 2017.

3. IEA: WEO 2016 and IEA IRENA 2017-NPS (New Policies Scenario).

4. Other includes Petroleum, Heat, Biomass & Residuals and Hydrogen.

5. BNEF NEO 2017, June 2017.



02

Defining Priorities



I. Our Stakeholders

102-40 102-42 102-44

The success of Enel Generación Chile's business strategy depends both on its operational excellence and on the company's ability to relate effectively with its various stakeholders. This is why the company has a tool for prioritizing its stakeholders, based on three variables: Influence, Dependence, and Tension.

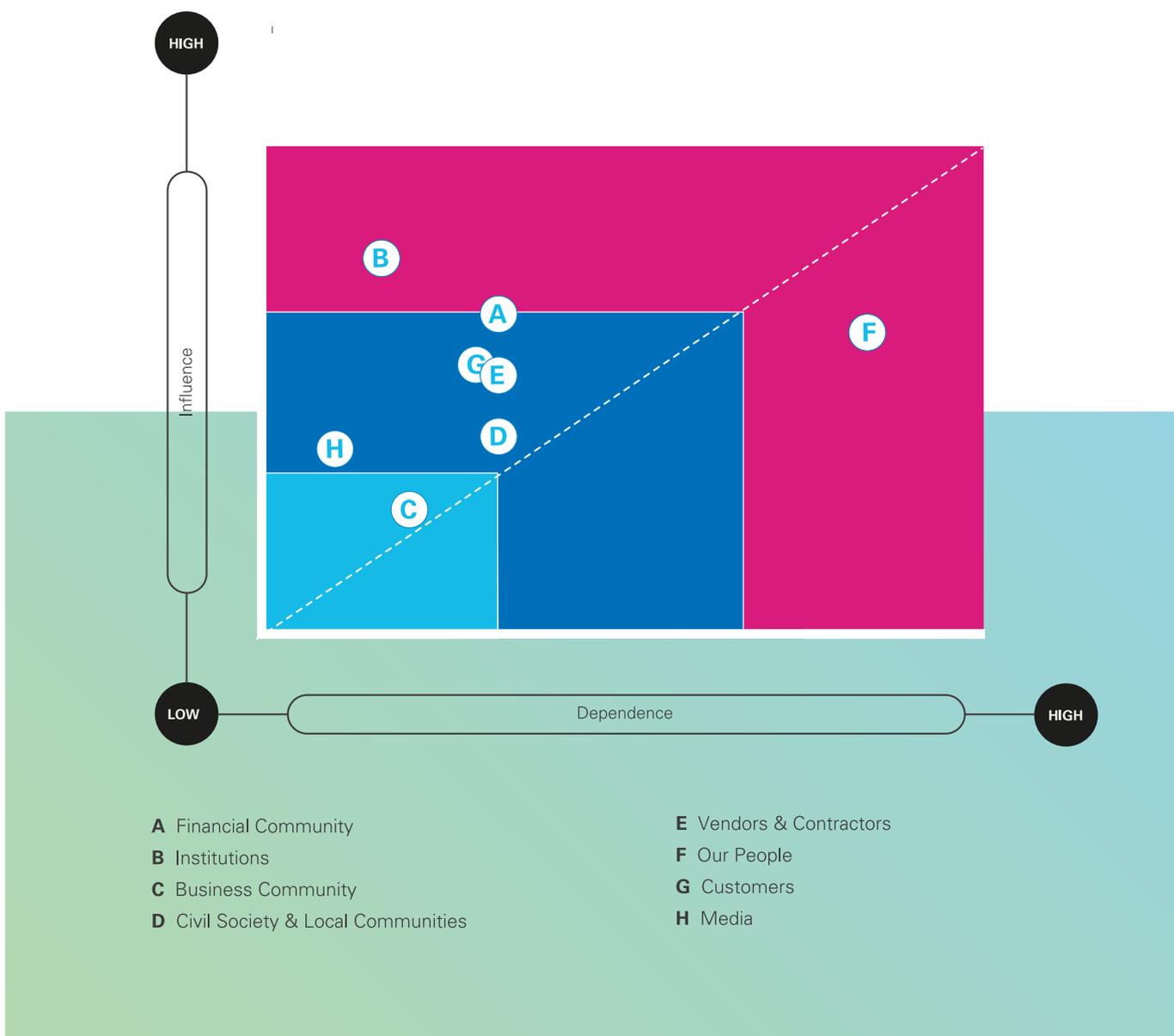
Influence	The degree to which a stakeholder impacts the strategic or operational decision-making of the organization
Dependence	The degree to which a stakeholder directly or indirectly depends on the activities, products, or services of the organization and its performance.
Tension	The degree of immediate attention from the organization in the face of controversies.

The six Enel Generación Chile stakeholder categories were evaluated according to these three variables, on a scale that considers five levels of importance, which establishes the degree of relevance of the company towards its different stakeholders and vice versa. The Stakeholder Matrix is a result of this analysis.



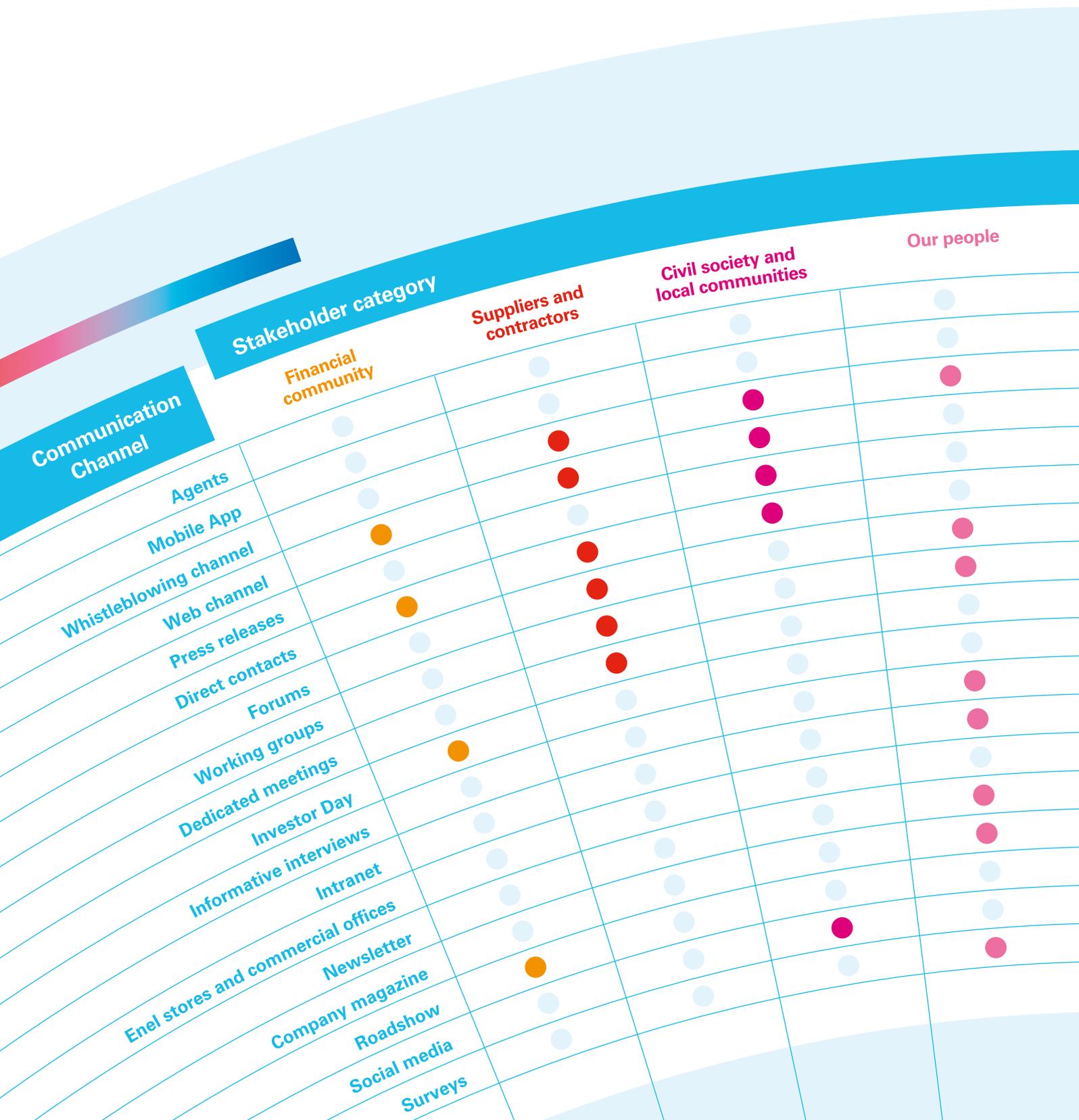
Enel Generación Stakeholder Matrix

EDEL GENERACIÓN
STAKEHOLDER MATRIX



Channels of Communication with Stakeholders

102-43





Association Memberships

102-12 102-13

Enel Generación Chile is convinced that the social, environmental and economic changes underway call for sector-wide coordination. The company believes in the power of collectively addressing the global issues concerning the energy sector, and that a collective approach is essential to seeking common solutions agreed to by all. Accordingly, Enel Generación Chile is involved in several associations, organizations and entities.

In 2014, the company joined the United States Global Compact, thereby expressing its commitment to making Human Rights, Labor Standards, the Environment and Anticorruption a part of its strategy.



Organization	Description
Asociación de Empresas de la Quinta Región (ASIVA) (Association of Companies in the Fifth Region)	ASIVA is a multi-sectoral trade association whose members include large-, medium- and small-sized industrial, product and service companies from the Valparaíso Region.
Asociación de Industriales del Centro Región del Maule (ASICENT) (Association of Industrial Companies from the Maule Central Region)	Trade association grouping industrial, product and service companies from the Maule Region.
Asociación Gremial de Generadoras (Generator Companies Trade Association)	Trade association aiming to further develop the country's power generation sector on the basis of sustainability, reliability (safety, sufficiency and quality), and competitiveness. By contributing to informed discussions on electric power generation and the market, through objective dialogue and support for sustainable sectoral policy design sufficient enough to aid the country in meeting its development goals while also contributing to the wellbeing of Chileans.
Cámara de la Producción y del Comercio de Concepción (Concepción Chamber of Production and Commerce)	Trade association representing a significant portion of industrial and service companies located primarily in the province of Concepción. This trade association focuses on promoting regional industrial development with a specific emphasis on fostering business sector activities that contribute to making the private sector more robust as a determining factor in the wellbeing of the Bio Bio Region.
Comité Chileno del Consejo Internacional de Grandes Redes Eléctricas (CIGRÉ)	CIGRE-CHILE is an association whose purpose is to create more awareness in Chile of the Global CIGRE and turn it into a technical reference point and knowledge centre where specialists and companies from the Chilean electric power sector may gain access to network and support groups linked to a top-tier global forum.
Chilean Committee of the World Energy Council (WEC)	WEC-CHILE is an association whose membership includes leading conglomerates, companies and entities involved in the Chilean and international energy sector. Its main goal is to promote the development of the domestic energy sector through experiences at all levels of the Chilean energy community.
Corporación del Desarrollo de las Comunidades de Puchuncaví y Quintero (Development Organization of the Puchuncaví and Quintero Communities)	This organization is devoted to the development of the Wuntero and Puchuncaví Communities located in Chile's Fifth Region. It carries out concrete Corporate Social Responsibility actions aimed at boosting the quality of life of community members. It also encourages industrial players to become members by fostering opportunities for dialogue and connections between the business sector and the community all with a view to obtaining, channelling and optimizing resources that will enable us to build entrepreneurial skills and carry out projects, resulting in more sustainable development alternatives for both communities.
Pacto Global Red Chile (Andrés Bello University) (Chilean Global Compact Network)	PACTO GLOBAL RED CHILE is part of an international organization spearheaded by the UN that aspires to contribute to the emergence of "shared values and principles, which will give a human face to the global market." The goal is for company associations, UN organizations, workers, non-governmental organizations (NGOs) and other parties to join efforts to build a more inclusive and equitable global market.
ICOLD-Chilean National Commission on Large Dams	ICOLD-CHILE is an essentially technical, non-profit, non-governmental organization devoted to fostering professional development for the planning, projects, construction, maintenance and operation of large dams, by gathering information, studying and publicizing topics related to the sector. This organization also acts as the Chilean National Committee affiliated with the International Commission on Large Dams (ICOLD), and as such abides by the parent organization's By-Laws and Regulations, and, upon request, advises public and private entities on technical matters related to the Association's purview.
Instituto de Ingenieros de Chile (Chilean Institute of Engineers)	IING has always been present along Chile's long and often difficult journey into the modern world of technological development. From railway engineering to information technology, from construction to organizational matters, even the technician in charge of streamlining human and natural resources, the Institute has been a trailblazer for the profession and has contributed significantly to Chile's development.
International Hydropower Association	IHA is a trade association representing the global hydropower sector, whose mission is to advance sustainable hydropower by building and sharing knowledge on its roles in renewable energy systems, freshwater management and climate changes solutions.
Junta de Adelanto del Maule (JAM) (Maule Progress Board)	JAM is an organization that aims to become the apex of a harmonious development strategy that contributes to the multi-sectoral progress of the Maule Region. This brand of progress aims to combine various actions and projects focused on resolving the most latent issues impacting the region such as education, production, environmental matters, urban road infrastructure, and a slew of other issues related to the socio-economic development of the community.
Sociedad de Fomento Fabril (SOFOFA) (Society for Industrial Development)	SOFOFA is a Trade Federation whose members include companies and trade associations from the Chilean industrial sector. Its purpose is to foster sustainable development of the industrial sector and the country's economic growth by advancing and proposing public policies that stimulate investment, entrepreneurship, on-going training of the workforce, job creation, and the right amount of private sector involvement.

II. Materiality Analysis

102-46

Enel Generación Chile puts stakeholders at the center of its business strategy. Through the elaboration of materiality matrices, the company incorporates the most relevant issues for stakeholders into their business goals, in order to define strategies based on shared objectives and priorities.

Materiality is defined according to the guidelines of the Global Reporting Initiative (GRI) Sustainability Reporting Guide, specifically in the New GRI Standards. It also reflects the Progress Communication (COP) of the United Nations Global Compact, the IIRC (International Integrated Reporting Council) model, and the SDG Compass, a guide that facilitates adapting sustainability strategies to the Sustainable Development Goals of the United Nations.

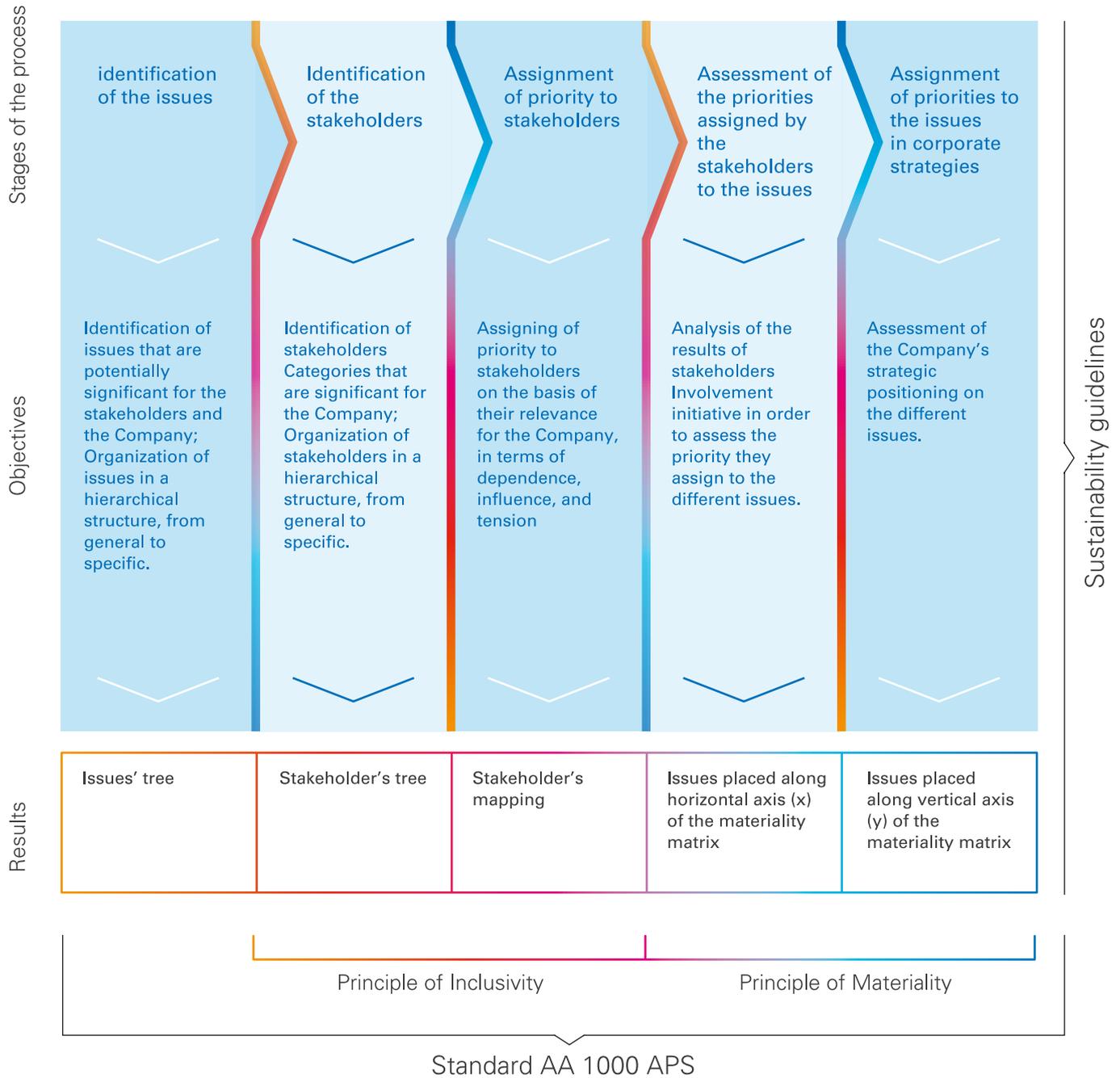
When preparing the materiality analysis, primary and secondary sources were reviewed, in order to gather the opinion of the stakeholders, the issues relevant to the industry during the reporting year, and the Enel Group's priorities for action.

The company has an information platform specially developed by the Enel Group, which allows it to store and analyze data globally, by country and by company.

The first part of the materiality definition process is carried out during the first semester of the year and is reviewed in the second semester, with the goal of updating it according to the contingencies that occurred during the year. In 2017, activities included meetings with the company's main executives, analysis of secondary documentation, press coverage, and the company's sustainability context.



Stages in the Materiality Analysis



102-47

Material Topics

Internal Topics	Scope	GRI Material Aspects
Creating Economic and Financial Value	ENEL Generación Chile	Economic Performance
	ENEL Generación Chile	Fighting Corruption
	ENEL Generación Chile	Public Policy
Fair Corporate Conduct	ENEL Generación Chile	Ethics and Integrity
	ENEL Generación Chile	Local Communities
Relations with Local Communities	ENEL Generación Chile	Customer Health and Safety
	ENEL Generación Chile	Research & Development
Operational Efficiency	ENEL Generación Chile	System Efficiency
	ENEL Generación Chile	Materials
	ENEL Generación Chile	Energy
	ENEL Generación Chile and Contractors	Emissions
Environmental Management & Compliance	ENEL Generación Chile and Contractors	Effluents & Waste
Decarbonizing the Power Grid		
Customer Focus	ENEL Generación Chile	Product and Service Labelling
	ENEL Generación Chile	Supply of Information
Occupational Health & Safety	ENEL Generación Chile and Contractors	Occupational Health and Safety
	ENEL Generación Chile	Employment
	ENEL Generación Chile	Training & Education
Managing, Developing and Motivating Employees	ENEL Generación Chile	Diversity & Equal Opportunities
Sustainable Value Chain	ENEL Generación Chile and Contractors	Evaluating Suppliers' Labour Practices
Digitization and New Solutions	ENEL Generación Chile	
Good Governance	ENEL Generación Chile	Governance

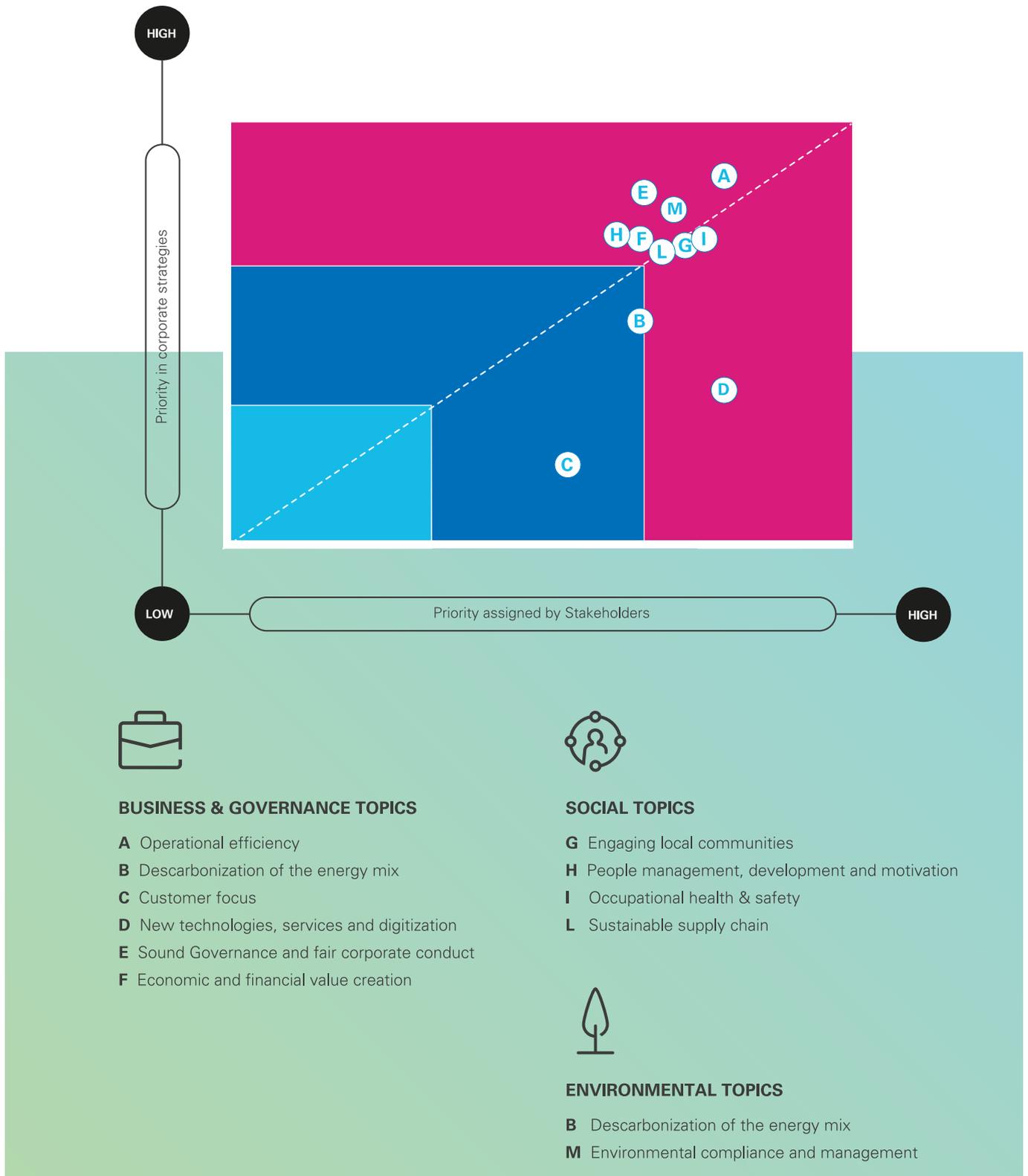
102-4

103-1



Materiality Matrix

Issues that are a priority to shareholders are located along the x-axis, while material aspects regarding compliance with the company's strategic objectives are plotted along the y-axis.





03

Sustainability Plan





I. Sustainable Business Model

Sustainability is a pivotal component of Enel Generación's business model. This is reflected in the company's annual sustainability plan, which combines environmental, social and governance aspects with objectives outlined in the industrial plan, consistent with international guidelines on sustainability and human rights.

By involving stakeholders early on under an inclusive approach, Enel has placed them at the core of its project-related decisions, in every stage along

the way, from design, to development, execution, and operation, thereby ensuring symmetry in terms of dialogue and access to information. By including its customers, communities and other stakeholders in the design of its business, the company aspires to turn potential impacts into opportunities, leading to the creation of shared value. Enel Generación's sustainability model anticipates the involvement of stakeholders in defining project sustainability plans, as well as the company's strategic plan.

By way of its sustainability strategy, Enel Generación Chile contributes to sustainable development and creating shared value, and, in doing so, it fulfils the commitments the company adopted related to the Sustainable Development Goals and the ten principles of the UN Global Compact.



By making sustainability a part of its business model, Enel Generación has also incorporated it throughout the company's entire value chain.



Creating Shared Value

The creation of shared value consists of creating innovative business processes and activities by incorporating social and environmental variables in order to achieve social growth in an integral manner.

Therefore, Enel Generación Chile focuses on projects that benefit both the company and the communities

located within its area of influence, fostering mutual development and greater community involvement in the decision-making of the company.

Enel Generación Chile also promotes innovative products, anticipating changes that are a result of society's new demands.

Integrating SDGs

As a Group, Enel has committed to contributing to four of the 17 sustainable development goals outlined by the UN in 2015 for completion in 2030. Enel

Generación Chile accepted the challenge, thereby making it part of its sustainability plan. As a result, the company and its subsidiaries have integrated the

Sustainable Development Goals (SDG) directly into their strategic targets.

SUSTAINABLE DEVELOPMENT GOALS



QUALITY EDUCATION

ENEL GROUP'S GOAL

Support educational activities for 400,000 individuals by 2020 through projects similar to those already begun, such as scholarship programs in Latin America.

ENEL GENERACIÓN' GOAL

Enel Generación Chile seeks to support Enel Chile's targets by increasing beneficiaries by 500,000 from 2016 to 2020.

**PERFORMANCE
2017**

4,611 Beneficiaries



AFFORDABLE AND CLEAN ENERGY

ENEL GROUP'S GOAL

Commit to promoting affordable, sustainable & modern energy through the ENabling ELelectricity initiative that will benefit three million people primarily in Africa, Asia and Latin America.

ENEL GENERACIÓN' GOAL

Enel Generación Chile contributes to Enel Chile's targets by with its own target of increasing beneficiaries by 70,000 from 2016 to 2020.

**PERFORMANCE
2017**

4,234 Beneficiaries



DECENT WORK & ECONOMIC GROWTH

ENEL GROUP'S GOAL

Promote inclusive and sustainable employment and sustained economic growth for 500,000 individuals.

ENEL GENERACIÓN' GOAL

Enel Generación Chile expects to support Enel Chile's targets by increasing beneficiaries by 150,000 from 2016 to 2020.

**PERFORMANCE
2017**

33,490 Beneficiaries



CLIMATE ACTION

ENEL GROUP'S GOAL

Adopt initiatives to fight climate change with a view to being carbon neutral by 2050.

ENEL GENERACIÓN' GOAL

Enel Generación Chile, as part of the Enel Group, contributes to the target of decreasing carbon from ~ 395 gCO₂/kWh_{eq} to <350 gCO₂/kWh_{eq} by 2020 and be carbon neutral by 2050.

2017-2019 Sustainability Plan

The Enel Group has defined its sustainability strategy for the period 2017-2019 in response to the current state of the world, which is marked by rapid technological changes. The importance of these technological changes requires that companies become active actors in society, making specific commitments, and Enel Group's Sustainability Plan is the tool that provides guidelines and tangible objectives to realize these commitments.

Thus, based on general guidelines, each Group company develops a specific plan, defined according to the materiality matrix for its country. This ensures that the plan

responds to the interests and priorities of the Group as a whole, as well as those of stakeholders at the local level.

Enel Generación Chile 2017 – 2019 Sustainability Plan is structured around five areas: occupational health and safety, sound governance, environmental sustainability, a sustainable supply chain, and the generation of economic and financial value.

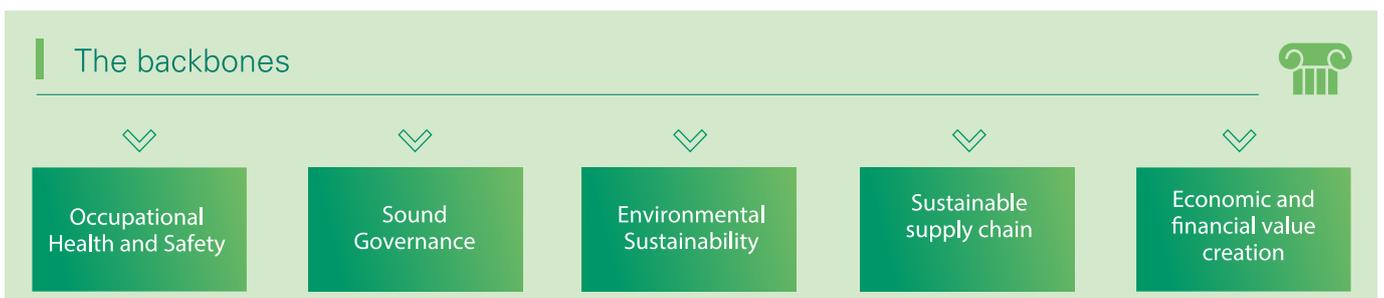
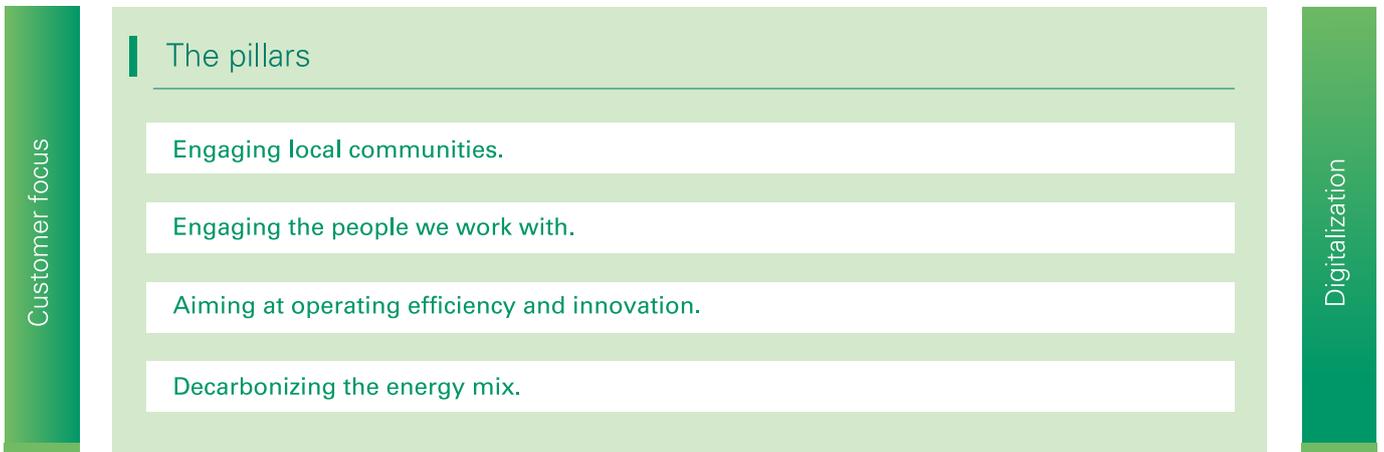
The following are incorporated into the strategic pillars defined for 2017:

- > Engaging local communities
- > Engaging the people we work with

- > Aim at operational efficiency and innovation
- > Decarbonization of the energy mix

Across all areas, digitalization is considered an essential element for the realization of the plan and central to the company's business strategy, with a special focus on the customer.

Through a set of management indicators, Sustainability and Community Relations Management monitors the progress and fulfillment of the plan. Then the management and performance in each one of the pillars for the year 2017 is presented.



Economic Value Generated and Distributed

201-1

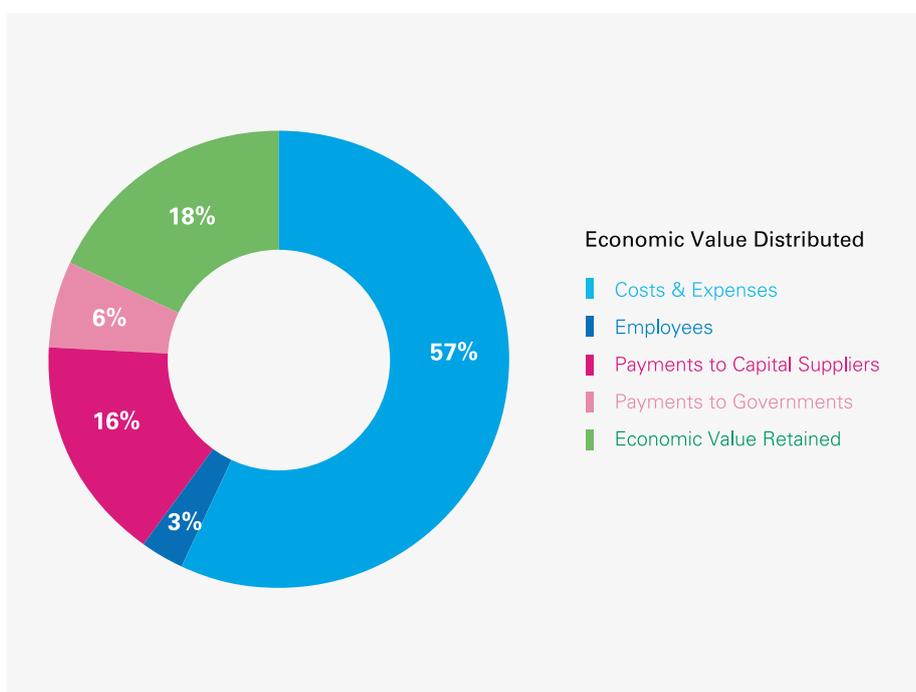
In fiscal year 2017, Enel Generación Chile generated value in the amount of 1,750,603 million pesos, 91% of which corresponded to the company's annual sales revenue, in addition to interest income and, to a lesser extent, other income during the period.

Regarding value distribution among the various stakeholders and operations, most was allocated to cost and expense during the period, primarily for energy and fuel payments, which accounted for 63% of total disbursements. Moreover, 16% was paid out to capital suppliers

(in the form of shareholder dividends and interest expenses) while 6% went toward income tax payments.

Items	2017		2016	
	M\$	%	M\$	%
Revenue	1,750,602,725	100%	1,874,819,700	100%
Economic Value Generated	1,750,602,725	100%	1,874,819,700	100%
Costs and expenses	990,549,139	57%	1,021,518,161	54%
Employees	54,222,470	3%	60,350,072	3%
Payments to capital suppliers	279,201,713	16%	321,335,661	17%
Payments to governments	112,099,519	6%	83,216,935	4%
Economic Value Distributed	1,436,072,841	82%	1,486,420,829	79%
Economic Value Retained	314,529,884	18%	388,398,871	21%

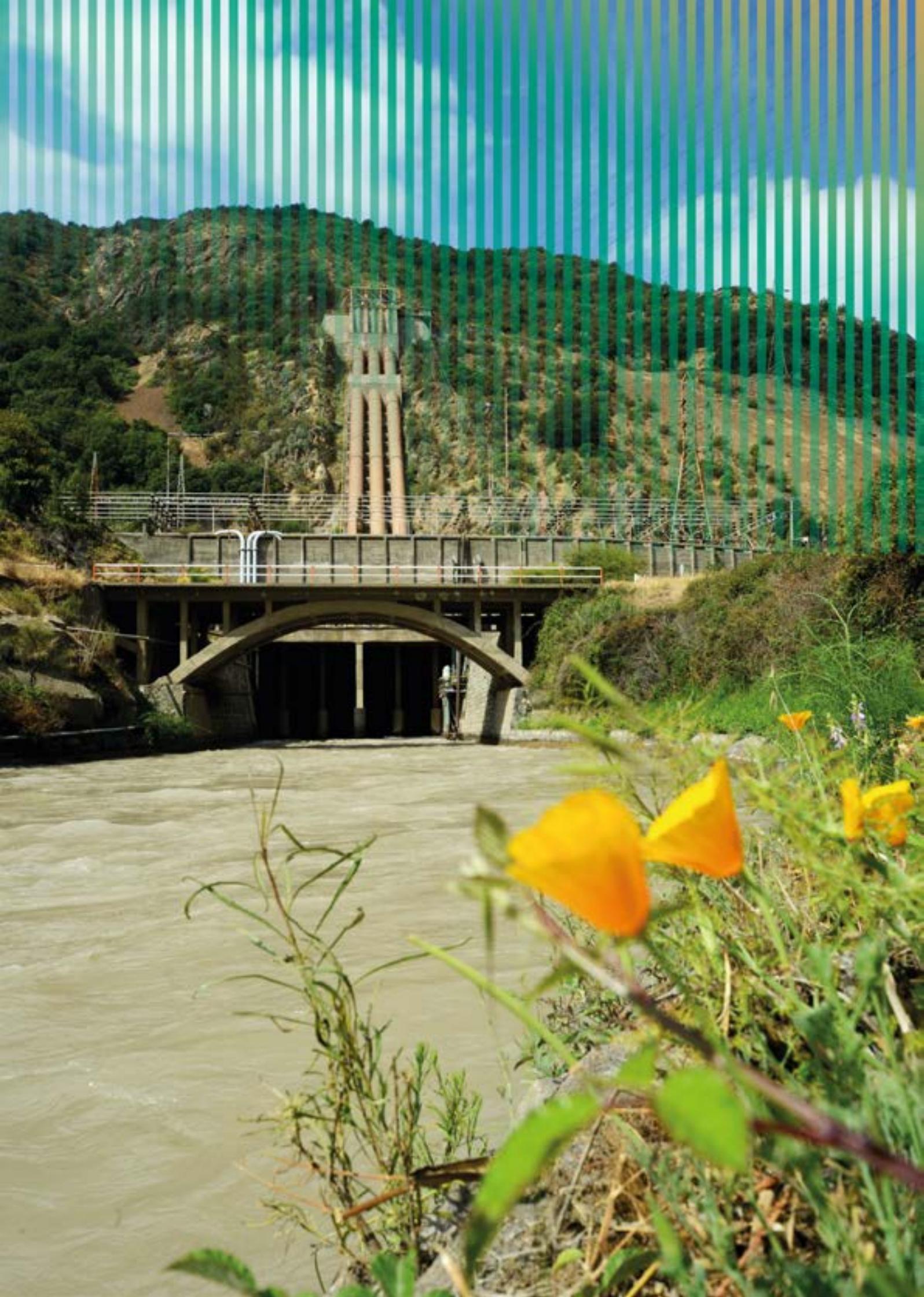
ECONOMIC VALUE DISTRIBUTED





04

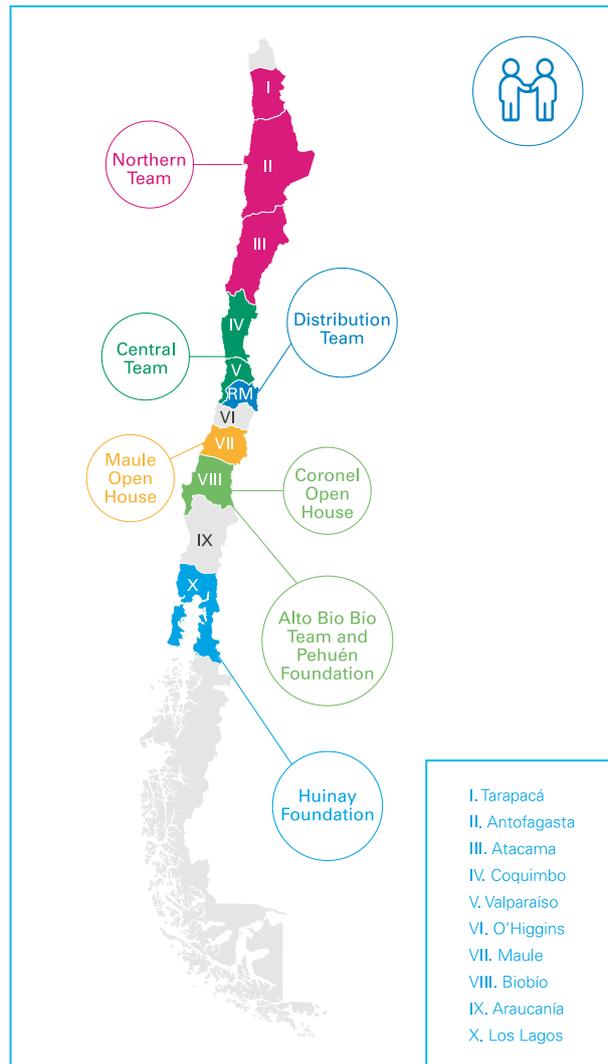
Our Performance



4.1. Engaging Local Communities

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Enel Generación Chile's widespread presence throughout the country provides it with a complete understanding of its stakeholders' concerns and opportunities for dialogue, to reach jointly agreed solutions that generate value for both sides.



Methodology

103 2

Enel Generación Chile's community relations plan entails on-going monitoring of its stakeholders. On an annual basis the company draws up an updated social baseline and a materiality matrix for all of its operations' areas of influence. This way the company is able to identify strategic priorities for itself and its stakeholders.

Enel applies the Socio-environmental Impact Assessment (SEIA) tool to all of its new projects and amended projects as a means to measure potential impacts and risks, and evaluate respective risk mitigation actions and residual risk. The project risk matrix is used to report findings to investment committees that in turn issue an evaluation.

The sustainability plan is drafted based on context analysis, key priorities, risks, impacts and main actors involved in each project; this is correlated with

the company's objectives for defining actions. Specific tools are used to conduct this evaluation process on the entire value chain, in other words, on the development, construction, and operational stages of a project.

Initiatives carried out in Quintero and Quillota, with the San Pedro community, illustrate how Enel Generación Chile interacts with its stakeholders.

Quintero Thermal Power Plant: Agreeing on an industrial initiative with the communities



The Quintero Thermal Power Plant is located in the Valparaíso Region, Quintero District, specifically in the town of Loncura. The 257-MW, open-cycle plant has been operating exclusively with natural gas since 2012. Enel Generación Chile evaluated the possibility of increasing the plant's efficiency by adding a combined cycle unit, which would allow it to produce more energy without affecting its current emissions. In order to move beyond the feasibility phase, all of Enel Generación Chile's projects are subject to a social consensus for investment, as well as financial, technical and environmental viability evaluations.

The social viability of the Quintero Combined Cycle initiative is the result of a participatory and inclusive process involving nearby communities. It focused on raising awareness of the project, surveying stakeholders' needs and priorities, and designing the Quintero Combined Cycle plant sustainability plan. This process consisted of holding 11 workshops where 119 participants took part on behalf of 48 organizations. The plan focuses on three lines of action:

- > Environmental monitoring and education: training community members to gather, interpret, and disseminate environmental information.

- > Quintero Innovability: taking a chance on innovation and sustainability by fostering urban development and public spaces.
- > Buy local in Quintero: improves the chances of local producers/merchants and sets standards for their sales activities.

Although the ultimate decision to invest in the Quintero Combined Cycle project depends on market conditions for the specific technology, the social consensus process ensures the present and future sustainability of the plant.

Quillota Sustainable Development Agreement



In 2017, the company signed a sustainable project development agreement. Community relations in Quillota (emphasizing the town of San Pedro) were based on joint activities carried out with the community, involving more than 6,000 individuals. The outcome of this process was a signed agreement with the San Pedro Neighbours Association.

This agreement reflects the underlying principles of the sustainability plan. The plan was the result of a participatory and inclusive process carried out in conjunction with the San Pedro community, emphasizing on understanding the power plant, its key issues, and on identifying the community's priority issues.

The main projects and initiatives outlined under this plan are as follows:

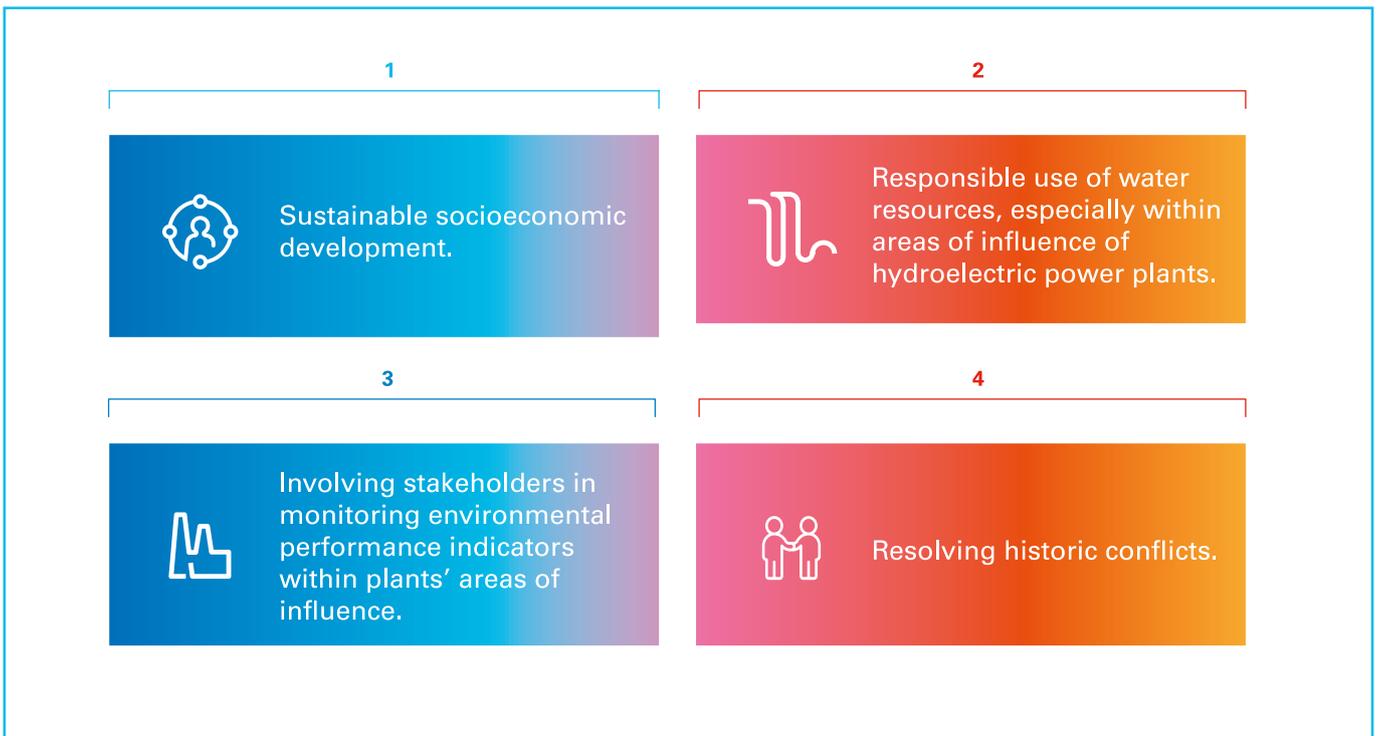
- > Community participation in measuring emissions and understanding how industrial wastes are managed.
- > Setting up a recycling centre in San Pedro to manage community waste.
- > Led lighting in public settings throughout the Community.
- > Setting up photovoltaic systems in public areas.

4.1.1 Enel Generación Chile's Community Relations Plan

Enel Generación Chile's on-the-ground managerial efforts focus on adding value to local communities by taking their priorities and perspectives into consideration. To this end, Enel Generación Chile has assigned teams to work exclusively on community relations in the field, applying the principles of participation and inclusion. The basis for

these activities is transparent dialogue with community members, which includes providing timely and appropriate information aimed at reaching consensus on the various matters under discussion.

The most important issues identified by interest groups in 2017 are as follows:



Sustainable socio-economic development



Pilot Plan for Boosting Tourism in Antuco

In December 2017, Enel Generación Chile reached an agreement with the town of Antuco to launch a pilot program aimed

at boosting summer tourism at Trubunleo Falls. The project consisted of making some operational changes at the Laja River basin facilities that would reduce the amount of water used by operations, all for the benefit of local tourism. The

company holds these water rights.

The agreement states that these measures will be in place every weekend starting on December 16, 2017 through March 18th, 2018.

Involving stakeholders in monitoring environmental performance indicators within plants' areas of influence

According to the company's vision, environmental sustainability is one of the most predominant variables when assessing the design, construction and

operational investment feasibility of its plants. This is specially true for its thermal and hydropower plants.

Enel Generación Chile carried out several projects in 2017, including the ones listed below:

Taltal Air Committee



The goal of the Air Committee is to foster good, on-going ties between the Taltal Power Plant and the Paposo fishing village, located 2 km south of the plant. This Air Committee initiative was born out of a meeting held between community members and the company. This was a good-faith effort carried out by the company to address villagers' concerns regarding the environmental performance of the Taltal thermal power

plant. Company representatives (from the environment, communications and sustainability departments) met with community leaders and local university representatives to provide the latter with timely and transparent information on data from the air quality monitoring station located at the town's primary school.

Community leaders have been trained on how to interpret environmental data

published by the station. The project intends to involve the community in measuring emissions so that community representatives themselves can report to the Taltal plant.

In 2017 the company submitted a technical proposal to train 15 individuals at the Universidad Católica del Norte (Catholic University of the North).

Responsible use of water resources, especially within the areas of influence of hydroelectric power plants

IMPROVING WATER MANAGEMENT THROUGH EFFICIENT WATER USE IN THE SAN CLEMENTE DISTRICT



LOCATION: San Clemente District, Maule Region

LINE OF BUSINESS: Hydropower generation

ASSET: Hydroelectric power stations, Maule

ASSET: 882MW installed and 150MW under construction

BENEFICIARIES:

Prodesal farmers
Indap farmers
Water Communities
Agricultural Technician students from the San Clemente Entre Ríos High School.

CREATING SHARED VALUE

Context

In recent years, the agricultural sector in the Maule region has been adversely affected by climate change. Changes in precipitation patterns and in the ability of snow to accumulate has decreased the water reserves available to supply crops during the growing season.

Alternative methodologies for optimizing irrigation have been studied to deal with this situation so that farmers can adapt in the face of resource shortages, taking into account the water demands of crops at the farm, sector, valley and basin levels.

Project

In 2015-2016, efficient irrigation training activities were developed, and an agroclimatic network based on information obtained from three meteorological stations was established. A demonstrative irrigation plot was also set up at the San Clemente Entre Ríos High School. These activities took place under the framework of the Irrigation Cooperation Agreement between the Municipality of San Clemente, Enel Generación and the University of Talca, and were carried out by CITRA (Centre for Investigations and Transfer in Irrigation and Agroclimatology).

The second phase of the project was carried out in 2017 and included the following, based on lessons learned during the first phase:

- Establishing a water-use balance and analyzing water resource distribution in order to develop strategic solutions.
- Implementing a water management technology transfer program for approximately 300 farmers, including courses and field days.
- Extending the meteorological station network with solar panels to provide agroclimatic information in order to make irrigation decisions.
- Promoting the Butterflies Irrigation Demonstration Plot, powered by solar energy, as a center for the dissemination of irrigation techniques, and fostering the development of future farm technicians at the San Clemente Entre Ríos High School.

Project Impact

The demonstrative irrigation modules for water management included a trial of particular crops for commercial purposes, the allotment of a demonstration farm area where irrigation control features were installed, and the implementation of planning strategies based on agroclimatic information obtained from automatic weather stations. Since the beginning of this initiative, the following results were achieved:

- A 26% reduction in the volume of water applied to sunflower seedbeds, and 31% to corn seedbeds.
- A 19% yield increase in sunflowers, and an 8.8% yield increase in corn.
- Furrow irrigation efficiency of 61% achieved for corn, and 63% for sunflowers.

In addition to the positive results achieved in efficient water use and crop yields, the San Clemente Entre Ríos High School highlighted that the incorporation of new technologies and irrigation techniques to the curriculum has increased their competitiveness, as reflected in the significant increase in enrollments at the school.

Shared and Sustainable Water Management



In 2017 the Ministry of Public Works and Enel Generación Chile signed an agreement, which was subsequently ratified by the Canal Operators Association in the Laja Waterfall area, Biobío Region. The purpose was to guarantee water resources for irrigation while accommodating power generation. The agreement aims to strike a balance

between the average water level of the reservoir and water extracted for irrigation. This is a considerable improvement in terms of flexible use of water resources.

The initiative was the result of joint efforts by and between the Laja Canal Operators Association, the Zañartu Canal

Operators Association, the Diguillín River Surveillance Board, the Office of Hydraulic Works, the General Directorate of Water Resources, Enel Generación Chile, the Ministries of Agriculture and Energy, and the National Irrigation Commission.



Resolving historic conflicts

Coronel – a new beginning





The Past

Enel Generación Chile's Bocamina II Power Plant is a 350-MW coal-fired thermoelectric plant built in early 2007 in Coronel, Biobío Region. It is part of the Bocamina Thermoelectric Power Compound, whose first 128 MW unit was built in the sixties and began operating in 1970.

Bocamina II was built next to the first unit, in a densely-inhabited area where close to 1,300 socially-vulnerable families lived.

The impact of the construction phase gave rise to a great deal of conflict between the plant and neighboring families. In 2010, Endesa Chile, currently Enel Generación Chile, began a relocation process that continues to this day. During the resettlement, families were assigned new homes that were located in areas far off from the location of their original homes, significantly changing their daily lives. The lack of assistance or support for the families during this process resulted in certain difficulties in adapting because of the socio-economic and community-related impacts. For example, the process did not include relocating the historic community school or the churches located in the original neighborhoods. These remained behind. Moreover, construction flaws were identified in more than 200 homes, which created discomfort for the families affected.

Enel in Coronel, today

Beginning in January 2017, Enel launched a process entailing a detailed assessment of the situation in order to repair its relations with the affected community and thereby remedy the damage done. Enel hired Environmental Resources Management (ERM), a consulting firm with ample experience in the matter, to conduct a study aimed at determining the project's shortcomings in comparison to international resettlement standards.

After reviewing the study's outcome, the company drew up an action plan to resolve the ongoing concerns and put an end to the conflict. Some of the actions included under the plan are as follows:

- > Setting up a technical committee made up of company, community and CITEC (Centro de Investigación en Tecnologías de la Construcción, Universidad Bio Bio) representatives to identify the repairs needed on defective homes.
- > Conducting a survey on the impact that the defective construction has had on the quality of life of the affected families since 2010, and quantifying respective compensation.
- > Rebuilding the historic school and churches in the new neighborhoods.
- > Setting up a neighborhood development program entitled "Mi barrio, nuestro barrio" (my neighborhood, our neighborhood) to reclassify new and pre-existing neighborhoods located in the plant's area of influence.

Also in late 2017, Enel was working on innovative ways to foster local economic development considering the circular economy concept. The company launched an eco-construction and eco-furniture training program for women in the Cerro Obligado community. It was implemented with support from the Sembra NGO, which has trained four women to date. These eco-carpenters now work in their own carpentry shop in Coronel where they take used pallets and other recycled materials from various local industries and turn them into furniture and other objects. Furniture and other products made at the workshop are delivered in electric vehicles.

Finally, the environmental investments made by the company should be noted. A major milestone was met when Enel Generación built a dome over the northernern-lying coal stockpile. At present, the company is working on building a dome to cover the southern stockpile, which will significantly reduce visual impacts. Both of these structures are one-of-a kind in Chile. Environmental investments at the Bocamina plant in 2017 totaled \$10,400 Million (CLP), which is a portion of the more than \$100,000 Million (CLP) invested by the company in environmental improvements. In mid-2017, the company launched a pilot project to transmit the Bocamina power plant's CO2 emissions data in real time to the Office of the Superintendent of Environmental Affairs (SMA). Bocamina I is the first-ever power plant in Chile to accomplish such an endeavour.

THE CIRCULAR ECONOMY EXPERIENCE IN CORONEL



LOCATION: Coronel District, Bío Bío Region

LINE OF BUSINESS: Geothermal power generation

ASSET: Bocamina Plant

CAPACITY: 2 units with a total capacity of 478 MW

BENEFICIARIES:
Cerro Obligado community
Eco-builders

Context

During 2017, Enel fostered innovative initiatives for local economic development based on the circular economy approach. Committed to the objective of reconstructing the relationship between the company and the Coronel community (a district within the area of influence of the Bocamina thermoelectric plant), Enel Generación proposed an innovative and sustainable vision of local development to the communities.

Aligned with its mission to open up new experiences and technologies, Enel Generación presented the eco-construction project to the community, bearing in mind the waste materials produced by various industries present in the area, which could be reused for eco-furniture and eco-construction. This immediate applicability motivated the community of Cerro Obligado to get involved, especially the women of the town.

Project

In partnership with the NGO Sembra, Enel Chile provided new skills to the women of the communities surrounding its installations, training them in eco-construction and eco-furniture making. In Coronel, the area where the Bocamina I and Bocamina II thermoelectric plants operate, four women from the Cerro Obligado community have participated in a training program at the Sembra branch located in Nogales, in the fifth region of Chile. For one month, the four women were guests of the Training Center, where they learned how to construct furniture and houses with recycled materials, additionally learning new techniques to use natural materials native to the area. The four women currently work in their own workshop in Coronel, where they reuse waste materials from various industries in the area. In accordance with Enel Generación Chile's commitments to the Cerro Obligado community, the women will construct the new community center in collaboration with the Sembra in 2018.

Project Impact

- 4 women trained in eco-construction and eco-furniture making, operating their own workshop, amounting to more than 4,000 hours of work.
- 17,090 kilograms of wooden pallets have been received, approximately equivalent to 855 pallets.
- Over 6 months of work, 601 pieces of eco-furniture have been produced from 742 pallets, corresponding to 15,090 kilograms and 100 kilograms of fallen tree wood.

"The circular economy is an economic concept that is interconnected with sustainability. Its objective is to maintain the value of products, materials and resources (water, energy, etc.) in the market for as long as possible, while reducing the production of waste materials to a minimum. It is about implementing a new economy, circular and non-linear, based on the idea of "closing the lifecycle" of products, services, waste, materials, water and energy." – Fundación Economía Circular [Circular Economy Foundation].

Some of the activities carried out in 2017 under the Coronel Plan are described below:

Rebuilding Human Capital

In September 2017, the company signed an agreement with several Coronel religious organizations that were not involved in the relocation process and whose churches were left behind following the resettlement of most of the residential neighbourhoods. Under the agreement Enel assented to relocating them in the new settlements.

Likewise, the company signed another agreement with the relocated community's iconic primary school, which ended up being far away from its student body following the relocation. The agreement entailed building a new school based on innovative and sustainable design.

Part of Enel Generación Chile's commitment to restoring the lives of the relocated communities entails reviving public spaces and community centres. To this end, in 2017 the company broke ground on a multi-purpose playing field and other facilities for the Huertos Familiares Housing Complex. Moreover, the company plans on rebuilding the Cerro Obligado community centre and an eco-friendly amusement park.

Coronel Clean-Up Plan

A clean-up endeavour is currently underway in an area covering several hectares bordering the plant. The plan

consists of doing away with small garbage dumps and removing waste left behind after the relocation process,

with a view to preventing environmental impact and unsafe settings.

Reviving Economic Capital

The Energy Fund for Entrepreneurship began its second annual application process in December 2017. The Fund aims to train enterprising individuals who receive co-funding for new or existing

projects. The initiative aims to support local economic initiatives such as micro and small-sized enterprises, while also stimulating community development. The Fund is aimed at small-scale

businesses located in the town and areas surrounding Coronel. This year the Fund focused on fishing, handicraft and food-related endeavours, among others.

Coronel Open House

The open house concept offered by Enel in Coronel consists of an opportunity to hold open and informative discussions with individuals seeking solutions or wishing to lodge complaints. It is based

on a grievance and complaint system that has been publicized community-wide.

A team of company professionals, exclusively devoted to territorial and

local community issues, is handling the process. Underlying the dialogue component of this process are the principles of transparency, equity and non-discrimination.

Biobío Power Plants: Pangué, Ralco and Palmucho

Enel Generación Chile's operations in Alto Biobío cover an area of influence inhabited by ten Pehuenche indigenous

communities, consisting of 800 families (and 3,100 individuals). The communities in mention are Pitril, Callaqui, El Avellano,

Aukin Wallmapu, Quepuca Ralco, Ralco Lepoy, El Barco, Guayalí, Pewen Mapu and Ayin Mapu.

Historic Agreement with Alto Biobío Families



In February 2017 the company signed a historic Collaboration Agreement with 25 families from the Aukin Wallmapu Pehuenche community with a view to working together on community-related

projects. This agreement constitutes a significant step forward in the company's relations with the communities in the area since it settles the dispute regarding families' claims over Panteón Quepuca

(a.k.a. Site 53), an ancestral burial ground flooded by the Ralco Hydropower Plant reservoir.

THE MANAGEMENT, PRODUCTION, PROCESSING AND SALE OF CHILEAN HAZELNUTS IN THE ALTO BIOBÍO REGION



LOCATION: Alto Biobío Region

LINE OF BUSINESS: Hydropower generation

ASSET: Pangué hydroelectric power station

BENEFICIARIES:
20 families from the El Avellano Community

ALLIES:
FIA
University of Concepción
Enel
Municipality of Alto Biobío

SOCIO-ECONOMIC DEVELOPMENT

Context

In December 2017, the community of El Avellano - one of the twelve in the Alto Biobío sector - inaugurated its intercultural agribusiness plant. At this plant, products derived from Chilean hazelnut – the community's main economic support – are produced, allowing the community to directly access final consumer markets.

This project successfully elevated a local and ancestral activity to commercial scale, creating an important opportunity for economic growth for the twenty families that are currently involved in its development.

The project

In its first stage, 15 people from the community were trained in food-handling and the production of hazelnut sub-products at the Centro de Desarrollo Tecnológico Agroindustrial (CDTA) [Center for Agroindustrial Technological Development], a branch of the University of Concepción (UDEC). At the beginning of 2017, the community members, assisted by the Pehuen Foundation and CONAF, undertook forestry management of the hazelnut forest, and closed the perimeter of the protected area. At the same time, through social dialogue, Enel's Sustainability and Community Relations team collaborated in the initiative proposed by the community to acquire the complete processing line for the production of toasted hazelnuts, toasted hazelnut flour, and hazelnut coffee. The following items were purchased: a boiler drum, a boiler grill, an electric hoist for the drums, a separator and selector for Chilean hazelnuts, a set of manual sieves, a toaster and a stone grinder. Training was also provided in their respective uses.

In 2017, the project applied to the Fondo de Innovación Agraria (FIA) [Agricultural Innovation Fund] for valuing forestry and agro-food heritage. The goal of the application is to finance the fitting-out of the processing room, and create business plan to sell the hazelnuts in accordance with health regulations, thus gaining access to all markets. The project was finally approved, with the association of entities such as FIA, CDTA, ENEL, Pehuen Foundation, the Municipality of Alto Biobío, and the community of El Avellano itself.

According to FIA's Executive Director, María José Etchegaray, "This initiative is one of those that we define as "virtuous". Why are they virtuous? Because they create a model for articulating organizations and institutions from very different worlds and with very different world views, such as private enterprise, academia, and indigenous communities. These are transformed into links of a chain that come together through knowledge transfer, that is, through the enrichment of all actors thanks to this partnership. It is an innovative model that can be easily replicated, not just at a national level, but internationally."

Results and impact

- Training 15 people in "Food-handling, producing and selling food products in the area"
- The sale price of processed hazelnut-derived products is expected to rise to between 5 to 8 times more than the price of the unprocessed product.
- Significant income increase potential for producers.

Processing Chilean Hazelnuts in the “El Avellano” Pehuenche Indigenous Community

“El Avellano” community was founded in 1997 when CONADI (National Indigenous Development Agency) purchased the land from a private citizen. Pehuenche families had been living in the area since ancestral times, which is why the deed transfer to the community marked such a historic day for Alto Biobío. Approximately 40 families live in the community today. True to their origins, they have struggled to keep their culture alive and care for the land.

In January 2015, the then General Manager of Endesa Chile (now Enel Generación Chile), and the Country Manager, visited the Alto Biobío where they met with leaders from six Alto Biobío Pehuenche communities. At said meeting, they agreed to begin a new relations process with the Pehuenche families under a “new approach,” being closer and more collaborative by involving the individuals who share the territory with the company. The Sustainability team, who launched the so-called “Dialogue Groups” with eight communities, undertook this process. The ensuing outcome months later were the “Dialogue Agreements” (one of which was reached with the El Avellano community).

Under the “Dialogue Agreement,” the company took on the commitment to co-design and co-manage the “Community Development Plan” which entailed environmental, cultural, social and production-related issues. Likewise, both parties agreed to begin a project involving the semi-industrial processing of Chilean hazelnuts gathered on the land. This is an emblematic initiative for the El Avellano community, not only because it provided them with a revenue stream for their families, but also because it entailed making use of a locally-available resource with ancestral and cultural ties to the families. The project was also supported by Fundación Pehuén, an institution founded voluntarily by Enel Generación Chile during construction of the Panguel plant to support the community in the form of materials and consumables for managing and fencing in hazelnut forests, and drawing up a forestry management plan for submission to CONAF. The Alto Biobío municipality also joined the effort by making the services of its professionals available to the community and installing electric power lines for the machinery.

Through discussion, analysis and support the community and the company were able to identify and agree on what was missing and what type of support was required to consolidate the initiative. As a result, the first stage involved training 15 individuals in “Handling, producing and selling food products available in the territory,” at the Universidad de Concepción’s Center for Agroindustrial Technological Development.

Following certification to validate that skills and competences were actually acquired, the project moved into the second stage of purchasing hazelnut processing machinery. The new machinery should be a substantial improvement over the manual process carried out for years and should be easy to operate. El Avellano community leaders were also involved in the purchasing process. Leaders and members from Enel’s Sustainability team visited a supplier in Temuco and then decided that this company would provide the necessary components: parboiling drum, parboiling grill, electric drum lifter, Chilean hazelnut sheller and sorter, manual sieve set, roaster and stone mill, plus training on how to use the equipment.

In the months that follow, the project should move into its third stage, i.e., construction and assembly of a Chilean hazelnut processing and sales center, with proper certification and sanitary permits in place.

4.1.2 Foundations

Fundación Pehuén: Rescuing Pehuenche Heritage through Development Projects

Pehuén Foundation was established in 1992 by the Pangué Hydroelectric Power Plant company, a subsidiary of Enel Generación, with the aim of promoting sustainability programs for the six Pehuenche communities that are part of this initiative, and delivering tools to improve the quality of life and the

economic and social conditions of the families of this ethnic community living in Alto Bío Bío.

In 2017, the activities focused on productive development and entrepreneurship, promoting projects aligned with the values of sustainable

development and honoring and promoting the cultural identity of each community. In the educational field, the foundation provides study and stay scholarships for Pehuenche youth, facilitating their access to higher education and, therefore, to the labor market. In 2017, 56 students received this scholarship benefit.

Fundación San Ignacio del Huinay

The San Ignacio del Huinay Foundation is a private non-profit organization, founded in 1988 by Enel Generación Chile and the Pontificia Universidad Católica de Valparaíso. Its mission is to understand the structures and dynamics of the ecosystems of Chilean Patagonia, and to put the knowledge generated from these studies at the disposal of and for the benefit of society. Also, the foundation aspires to be a national and international leader in scientific research of Patagonian ecosystems, a reference source for studies of climate change, and a promoter of education and conservation strategies and sustainable development in both the region and the country.

For these reasons, the Foundation has operated the Huinay Scientific Center since 2001, which is located in the "Comau" fjord, in the municipality of Hualaihué, in the Los Lagos region. Since it began operating, the Center has

carried out numerous scientific research projects, thanks to the high-level infrastructure available for both national and international researchers.

Thus, to date, 646 scientific visits have been hosted; more than 150 publications have been published in specialized scientific journals; more than 60 new marine species have been identified and, in support of Chile's Ministry of the Environment, it has collaborated in the classification of 5 of these species as protected in the national territory.

The Foundation worked on the following main projects during 2017:

- > Mass mortalities of cold-water corals in Chilean Patagonia: causes, consequences, recovery and resilience – Fondecyt Project.
- > Key abiotic factors influencing species composition in Chilean Patagonian fjords and their usefulness as proxies

for species distribution models, habitat mapping, and predicting patterns in benthic assemblages – Fondecyt Project.

- > PISCES: Patagonian Ice field Shrinkage impacts on Coastal and fjord Ecosystems – Conicyt Project.
- > PACOC: Plankton and cold-water COral ecology in Comau Fjord, Chile – Conicyt Project.
- > Multiple orca whale mass mortalities in Patagonia, Chile – Blue Marine Foundation Project.
- > Proposing a network of marine protected areas for Chilean Patagonia – PEW Project.
- > Discovering new species in the unknown depth of Chilean fjords to understand their ecosystems and support their sustainable use and conservation – Rolex Project.
- > Preliminary characterization of vegetation formations in San Ignacio de Huinay – INFOR Project.

FOUNDATIONS:
SAN IGNACIO DEL HUINAY



2017 Results



Recognition



Human Rights

In 2017, Enel Generación Chile was recognized for its Human Rights policy in the seventh version of the study "System of Integration of the Global Compact Principles" (SIPP, its Spanish acronym), which analyzed the performance of 44 companies based on management indicators and the GRI. The evaluation was carried out with the academic support of the School of Sociology of the Faculty of Humanities and Social Sciences of the Universidad Andrés Bello.



FTSE4 GOOD

In 2017, Enel Generación Chile was included in the leading FTSE4Good index, which classifies the best performing companies in areas such as the fight against climate change, governance, respect for Human Rights, and the fight against corruption. The ranking is based on a series of environmental, social, and governance criteria (ESG).

FTSE4Good is an index of sustainable companies listed on the London Stock Exchange. Its purpose is to provide information on the non-financial performance of the most important companies listed on the stock exchange for better investor decision-making.

Enel's commitment to meet the highest standards of sustainability has attracted greater attention from socially responsible investment funds.

4.2 Involving the People We Work With

The talent and commitment of its workers are the main assets of Enel Generación. The company has designed a plan for people management that allows it to enhance the professional development of its employees, ensuring that they have the necessary tools and incentives to achieve the company's objectives.

By doing so, Enel Generación Chile wants to strengthen its leadership in the energy industry, focusing on cultural change and the development of competencies, which allows work teams to focus on efficient processes and continuous improvement.



103-2

103-3

Year	Enel Generación Chile
2017	848
Women (%)	13%
Men (%)	87%
2016	883
2015	995

The People of Enel Generación Chile

102-8

401-1

405-1

At December 31, 2017, Enel Generación Chile had a total of 848 collaborators, 4% less than the 2016 figure (883).

Staff Breakdown by Level

	2017	2016
Staffing		
Managers and Senior Executives	24	25
Professional and Technical Staff	795	824
Collaborators and Others	29	34
Total	848	883



Diversity and Inclusion

103-2 103-3 405-2

Enel Generación Chile addresses the challenges of diversity and inclusion through its Global Diversity Policy. This policy was created by Enel group, and is applied to all of its businesses. The policy is founded on the principles of non-discrimination, equality in treatment, dignity in diversity and work-life balance.

The policy reinforces the company's commitment to the United Nations Women's Empowerment Principles - a guideline for incorporating gender equality in corporate sustainability strategies. Additionally, the company seeks to promote gender equality in selection processes, both internal and external.

Enel Generación Chile values differences and turns them into a competitive advantage, which in turn improves its processes, products and services, thereby stimulating creativity, learning, flexibility and respect.

This year the company signed an agreement with the Teletón Foundation to promote the inclusion of young disabled individuals into the workforce. Likewise, the company and the Foundation joined forces to develop an e-Learning course on labor inclusion awareness and adaptation.



In 2017, the company implemented the Parental Program, which seeks to place value on maternity and balancing family life with parents' professional aspirations. The program addresses women's health and wellbeing, offering lectures on what changes you should expect when having a child and creating bonds of trust between pregnant collaborators and the company.

This year the Company set up an On-Boarding Program that entails assigning a tutor to each worker joining the company. The purpose is to provide personal and professional support aimed at facilitating labor insertion.

People Management

Communication

Enel Generación Chile tries to maintain direct and seamless communication with all of its collaborators. As a result of the latter, the company has several communication channels and is constantly seeking out innovative alternatives to secure the quality and speed of information. At present, the internal media system consists of a Hotline, Corporate Intranet, ENEL Radio, and a benefits manual, all in place to keep close ties with the people working at the company.

In 2017 the company at large began using a cell phone application to ensure constant and close communication with its collaborators. The application sends collaborators alerts on issues regarding HR, updates on company programs such as the Quality of Life program, and also allows collaborators to check available benefits, make inquiries and take part in fora with other collaborators.

Quality of Life, and Life/Work Balance

401-2

Numerous initiatives continued underway in 2017 with a view to keeping our collaborators motivated, satisfied and committed. These initiatives are related to leadership, communications, meritocracy and development, reconciliation measures, and good labour practices.

HRO With You

With the purpose of keeping permanent contact with its employees, Enel Generación Chile has implemented a series of communication initiatives, under the concept of "HRO With You" (HRO is the acronym for Human Resources and Organization), through which, various topics of interest with a focus on people management are shared and explained on a daily basis. For this purpose, a weekly radio program, a Web page, good practice manuals, monthly bulletins for managers and workers, among other tools, have been developed.



INTERACTION

Meetings that demonstrate the permanent presence of human resources and that aims to achieve greater closeness and dialogue with people regarding their day-to-day work.

PRESENTATION OF AREAS

Where employees deepen the roles, functions, and challenges of different areas of the company. The importance of this program lies in promoting a culture of collaboration, especially between different areas of the business.

FEEDBACK

Conversations that improve closeness, transparency, outline expectations, and support professional development of employees. Encouraging a culture of continuous feedback leads to developing employees' talents, as well as forming high-performance teams.

ONE ON ONE

Personalized conversations with each worker that strengthen their motivation and future aspirations, reinforcing closeness and relationships with our internal customers.

RECOGNITION

Seeks to enhance a culture of recognition within the company and generate formal instances in which co-workers nominate their peers for recognition for their contributions and performance.

CHANGE AGENTS

Leading a permanent culture of change in the organization. The program involved employees who proposed cultural change initiatives in different areas of business development.

CELEBRATIONS

Celebrations of important and special events for workers, such as birthdays, work anniversaries and festivities for other symbolic days such as Women's Day, Secretary's Day, and Electrical Power Workers' Day.

CONCILIATION AND GOOD LABOR PRACTICES

We have implemented smart workspaces where people can reinforce team activities, foster knowledge exchange relationships, collaboration, and team integration.

ECONOMIC SUPPORT

Personal loans, insurance discounts, gymnasiums, scholarships for employees and their children, gifts for the births of children, marriage benefits, and seniority recognition are provided.

Reconciliation and Flex Time Measures

“Smartworking” is a program that allows collaborators to work from home or from wherever they choose as long as their workplace meets the health and safety measures set forth under current regulations.

 WHO	 WHEN	 WHERE	 HOW
<p>The activation is on a voluntary basis and regards only the staff of the pilot units.</p>	<p>1 day of the week</p>	<p>Work can be done at the employee’s residence/domicile or other location.</p>	<p>All the legislative and contractual provisions in force are applied to the smart worker.</p>

Sports and Cultural Outreach Program: consists of sports activities held at company’s facilities, in addition to classes and programs in various athletic disciplines, such as football, basketball, volleyball, and other sports, including tennis, soccer and ice-skating classes for children. Moreover, the company offers art workshops, exhibits, day trips, family outings, and other outreach activities for its workers and their families.

Some of the other programs consist of:

Summer and winter camps for collaborators’ children: provide recreational activities for children ages 6 to 15 years.

Summer training camps: for workers’ families in the summer months.

Universidad de Chile’s summer school: an initiative aimed at boosting the academic performance of collaborators’ high-school aged children. Academic Excellence Scholarships are awarded

to collaborators’ children with excellent academic performance (for children in primary school up to higher education).

We also have an Enel Benefits Manual that explains all the Quality of Life programs sponsored by the Human Resources (HRO) division. These are part of a companywide benefits policy.

Professional Development

103-2 103-3

The company manages professional development through merit-based promotions and other job opportunities locally or abroad in countries where it has operations.

Its corporate training program seeks to strike the right balance between educational and training activities focused on enhancing the technical skills and know how that collaborators require in order to improve their job performance, and courses in behavioural skills so collaborators may increase their development potential.

Likewise, at Enel Generación Chile supervisors and collaborators work together on identifying what technical and behavioural skill gaps must be closed for better individual job productivity to increase opportunities. The company's needs detection system is called the "IDP" (Professional Development Itinerary) and more than 70% of all collaborators have at least one out of the three activities stated on their IDP.

Technical training is the main focus of the training program, given the need for collaborators to update technical knowhow and acquire new managerial tools. Sixty-one per cent of all training

hours were devoted to this item. Included therein were activities associated with knowledge management, i.e., implementing activities to enable collaborators with more expertise on specific subjects to transfer their knowledge to others who are in the process of developing said experience.

A total of 35,979 hours of training were delivered in 2017 (compared to 37,934 in 2016), 17% of which were provided on-line and 83% was face-to-face activities. Professional staff members took on-line training courses while face-to-face classes were given to both managers and professional staff.

Number of Training Hours by Gender in 2017

404-1

Gender	2017	2017 Average
Men	39,367	53.2
Women	2,066	19.1
Total	41,433	48.9

In 2017, collaborators aged 30 to 50 scored the highest level of participation in training activities accounting for 77%.

Moreover, a total of 375 hours of training were dedicated to operational safety and 1,760 to environmental issues.

Graduate Programs and Courses

404-2

The company implemented several programs aimed at acquiring new behavioural and managerial skills, including the following: in-house certificate programs on Electricity Markets and Project Evaluation and Management, both of which were given by the Universidad de Chile and designed according to the company's needs.

"Dejando Huellas" (Leaving a Mark)

Additionally, Enel Generación Chile organized a series of activities related to developing leadership skills, such as the Managers Program entitled "Dejando Huellas," which the company uses to promote and strengthen the role of supervisors in creating organizational climates that encourage collaborator satisfaction and growth. This is an initiative that combines training,

educational and support skills while also working on an individual plan for each supervisor through skills workshops, coaching, guided support at meetings, and creating a network of good people management practices.

In-house Promotions

Enel Generación Chile encourages the growth and development of its collaborators by offering them opportunities to rise within the company and at Group subsidiaries located around the world. This

provides the company with a means to promote the exchange of experiences and strengthen its collaborators' leadership. Encouraging internal mobility is one of the company's goals.

Enel Generación Chile's internal mobility process is transparent and based on merit, performance evaluations, and feedback.

Performance Appraisal

404-3

Enel Generación Chile uses performance evaluations as a collaborator development tool. The new performance appraisal and goal attainment model provides input for training activities that enable

collaborators to grow. The model consists of training courses, workshops, lectures and other activities. The "Reconocernos" (Getting to Know Ourselves) program stands out as an example of one way to

cultivate a culture of recognition within the company.

	2015			2016			2017		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total number of collaborators	805	132	937	747	111	858	740	108	848
No. of senior executives evaluated	16	0	16	19	0	19	21	0	21
No. of middle managers evaluated	63	8	71	80	6	86	82	5	87
No. of administrative staff evaluated	721	121	842	609	104	713	637	103	740
Total No. of employees evaluated	800	129	929	708	110	818	740	108	848
Percentage of employees who regularly receive performance evaluations	99.4%	97.7%	99.00%	94.8%	99.1%	95.49%	100%	100	100%

Furthermore, throughout the year Enel Generación conducts a work climate and safety survey to aid it in taking actions aimed at keeping collaborators motivated, satisfied and committed.

"Uno a Uno" (One on One) is one of the company programs designed to evaluate collaborator performance and provide them with feedback so they may develop to their fullest potential. It consists of individual, personalized conversations aimed at motivating collaborators and

tailored to individual working styles. The goal is to stimulate greater commitment and boost productivity levels. Moreover, individual values and specific needs are identified through this process to, in turn, fit various professional development models.

Labor Relations and Trade Unions

102-41

Enel Generación Chile rejects the use of any form of forced or compulsory labor — as defined in the ILO Convention 29 — and does not confiscate money or identity documents at the beginning of the employment relationship, in order to retain collaborators against their will. It also respects the rights of children and

rejects child labor by ensuring respect for ILO Convention 138.

The Company assumes a commitment to the Human Rights of both its suppliers and its collaborators. In this context, it facilitates the freedom of association and collective bargaining, which implies the recognition of the right to constitute or participate in organizations whose purpose is the defense and promotion of the interests of workers. Likewise, it values the right to representation of employees by trade unions, in accordance with legislation and other forms of representation. For

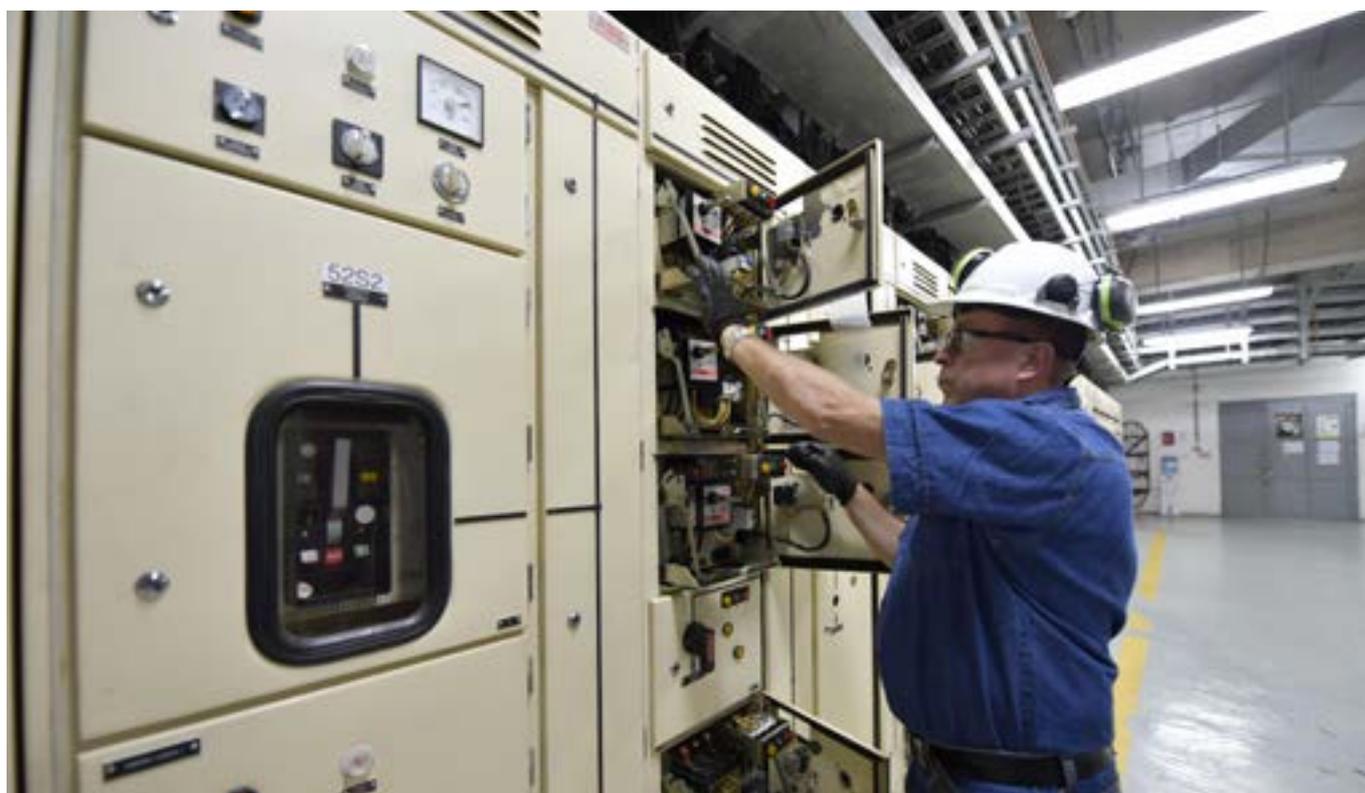
the company, collective bargaining is a voluntary instrument for determining the contractual conditions of its employees, as well as for the regulation of relations between the board and the unions.

Three of the six existing collective agreements held by Enel Generación Chile were renewed in 2017. The renewal processes were carried out within the legally set framework and timeframes. Two of the agreements have a 30-month term while the third agreement's term is thirty-six months.

Collaborators Covered under Collective Agreements

	2017	2016	2015
% of total staff	83%	81%	73%

Additionally, the company continued to meet with union leaders in an effort to strengthen dialogue with collaborator representatives and foster a good labour climate.



4.3 Innovation & Operational Efficiency



Innovation

Enel leverages its innovation policy to promote an organizational culture that makes room for developing process-, product- and service-related projects, with a view to maintaining and boosting its leadership in the electric power generation sector. The latter is attained by aligning the work of various departments with the global corporate objectives, thereby promoting a favourable organization climate which encourages innovation and creativity among Enel employees.

Innovation is applied throughout the business by way of the following thematic areas, aligned with corporate objectives:

- > Efficiency and flexibility at thermal power plants
- > Environment and sustainability
- > Energy storage, digital systems and market analysis
- > Security and robotics
- > Companywide activities

The Innovation Committee supervises the efficacy of the innovation area's work. The company's top executives sit on this committee.

Throughout the period the team took part in several fairs, international seminars, in-house lectures and meetings with experts in order to stimulate new knowledge. In 2017, Enel Generación Chile invested approximately 0.9 million Euro in innovation.

Culture of Innovation

Another "Innovation Week" was held in 2017. The 2017 slogan "Take a Chance and Surprise" motivated Enel Generación employees to take part in activities and workshops aimed at brainstorming, fostering creativity, and new projects.

Open Innovation

At present Enel Generación Chile participate actively with renowned national and international universities as part of its open innovation approach, including Berkeley in the United States; Queensland in Australia; and the University of Milan in Italy. In Chile the company has partnered with the Pontifical Catholic University of Chile (PUC), the University of Santiago Chile (USACH), the University of Concepción, and the Federico Santa María Technical University (UTFSM).

In 2017, embracing its community commitment, the company and UTFSM co-organized a series of lectures on Open Innovation at the UTFSM. Moreover, the company provided support for an innovation project program so that UTFSM university students could build a submarine lighting system sponsored by Enel Generación Chile. It is expected to yield results in 2018.

"Gxcellence" Program to Capture Ideas

The second annual "Gxcellence Idea Capturing" Program was held simultaneously in each of the company's

thermal generation areas. The Operational Performance Optimization unit encouraged employees to get involved.

Out of all the projects entered, there were five winners in the "continuous improvement" category, and four winners in the "innovation" category.

Winners were invited to have breakfast with the company's senior executives and senior managers from the thermal generation area. There were a surprising number of participants with fine quality proposals. The winning ideas went on to compete globally where once again they stood out.

Continuous Improvement		
Category	Improvement Proposals	Winner
Operational Performance in Combined Cycles	Thermographic cameras inside the TG- San Isidro compartments	Ivan Vega Orihuela
Operational Performance in Coal	Single Desk for Optimizing Operational Space - Bocamina	César Soto Segura
Safety in Coal	Personal Protection Equipment Dispensing Machine - Tarapacá	Richard Salinas Lillo
Environment in Coal	Sludge Water Treatment - Bocamina	Mauricio Tapia Araya
Environment in Combined Cycles	Changing Lighting at Atacama to Tarapacá Plants	Cristián Mendoza Fajardo
Innovation		
Category	Improvements Proposals	Winner
Operational Performance	Virtual Operator - Quintero	Mauricio Zamora Morales
Operational Performance	Mobile App for Incidents	Giovanni Manríquez Castro
Sustainability	Quintero Takes Measurements	Jorge Garrido Sepúlveda
Security and the Environment	Broadcasting Alarms over Loud Speaker System	Herman Godoy Valderrama

Technological Innovation for Generation

Throughout 2017 the company continued moving forward on its projects, including a pilot test conducted under an Enel-accredited pilot, involving autonomous flights for aerophotogrammetric modelling of the Atacama Gas Pipeline. The purpose of the test was to monitor certain variables that are difficult to access from the ground. At the same time the company PIX4D held a three-day training course on 3D modelling and the very high-resolution images produced by this technology.

Additionally, the company conducted a site remediation study to assess the feasibility of using images taken by multi-spectral cameras mounted on RDAs (or drones) to detect the presence of asbestos. A pilot test was conducted in the Coronel area, Biobío Region. The results turned out to be negative. Another test will be conducted in 2018 but using a different methodology.

> A Drone for every Power Plant

The top start-up launched in 2017 was called the "ALAS" project. The General Directorate of Civil Aeronautics (DGAS) trained and accredited 17 collaborators as drone pilots. Equipment and pilots were sent out to various power plants with the mission of drawing up a real-time risk map so that the company can use photogrammetry for the rapid detection of contaminants.

> Real-Time Risk Map (4D): Pilot at the Quintero Power Plant

The Quintero Power Plant developed a pilot project to draw up 4D risk maps used to detect interferences caused by collaborators working at the plant at the same time.

> Compressed Air Injection System – Antuco Hydropower Plant

In order to figure out how to generate power under the technical minimum set for its units, the Antuco Power Plant worked with the Universidad de

Concepción's Mechanical Engineering Department on a series of tests and the subsequent implementation of a controlled air injection system. It was installed at the impeller discharge point, specifically on the intermediate tube above the unit. The injection system is supposed to reduce or eliminate cavitation in the unit when it operates under the set technical minimum.

> Kaplan Online Optimization System – Sauzalito

In 2017 the company successfully installed and commissioned an online optimization system on the Kaplan turbine's runner and distributor system at the Sauzalito Hydropower Plant. The purpose of this global project, known as KOOS (Kaplan Online Optimization System), is to boost the operational efficiency of the generator unit through online monitoring of the runner and distributor system, in order to determine the best level of efficiency at a single point of operation.

Operational Efficiency

At Enel Generación Chile operational excellence is an essential part of sustainability and competitiveness, which is manifested throughout all of its

process, the technology applied to power generation, and the team of individuals making up the company. Continuous improvement programs are applied to

all operational processes, and meet international standards for energy efficiency management, operational optimization, and environmental protection.

Energy Efficiency Projects

> National Exploitation Centre (Centro de Explotación Nacional)

During 2017, one of the most relevant projects was the centralization of hydroelectric power plants, after unifying the control of 16 generation plants that represent an installed capacity of 3,465 MW in total.

The solution was integrated into a control system that collects the information from the Zonal Exploitation Centers (ZEC) and delivers it to the National Exploitation Center (NEC), located in Santiago. Thus, with an integrated vision, operators can apply criteria for generation optimization

> Optimal Load Distribution

Optimal load distribution makes the use of water resources more efficient in hydroelectric power plants, through the utilization of the best combination of performance of the units, seeking to minimize the turbine flow for the reservoir plants, and to maximize the power delivered in the run-of-the-river plants using the tributary flow. In 2017, the application of this methodology represented a generation increase of approximately 77,000 MWh.

> Optimizing Daily Dispatch at Hydropower Units

Thanks to this tool, Enel Generación Chile optimizes the daily dispatch of the generation units, which allows the company to maximize revenues based on the available resource, the efficiency of the units, and the price of energy. The optimization of the daily programming at the Los Molles and Sauzal-Sauzalito power plants enabled the contribution to the Central Interconnected System to be increased by 5,600 MWh during 2017.

Energy Management System Certifications

Back in 2015 Enel Generación Chile began working with an ISO 50001:2011 certified Energy Management System at its natural gas compound. This system provides the company with a means to maximize the energy yield and operational efficiency of each unit while reducing costs by efficiently using and consuming energy, without affecting the quality of its services. Quintero Thermal Power Plant obtained this certification back in 2012.

Seal of Energy Efficiency: San Isidro I and II Thermal Power Plants

Back in late 2014 the Ministry of Energy granted the seal of energy efficiency to the San Isidro and San Isidro II thermal power stations. This recognition is awarded to plants whose production processes are systematically efficient.

Operational Improvements at Plants

Bocamina Power Plant and Tarapacá Thermal Power Plant

Thanks to the Johnson filters, which practically eliminate the presence of hydrobiological organisms in the plant's cooling system, the Bocamina Power Compound greatly improved its environmental standards. Bocamina has two generator units with an output close to 75 MW. Bocamina's coal-fired generation dropped from 3.0 TWh in

2016 to 2.3 TWh in 2017.

The Tarapacá Thermoelectric power plant meets the thermoelectric power plant emissions requirements established by the Ministry of the Environment under supreme decree No. 13/11, which sets out to control emissions and protect human health and the environment.

The plant also installed a semi-dry desulfurization system to abate SO₂ emissions, and an overfire air system to reduce NO_x emissions. Moreover, Enel Generación also made improvements to its ash waste dump storage facilities by lining waste dump cells with impermeable geotextile blankets.



Bocamina Central constantly monitors all environmental variables defined in its environmental qualification resolutions and current emission standards, and reports to the Authority periodically. In this sense, the chemical analysis of the raw material used (coal) and solid residues (mainly ash) deposited in landfills do not indicate risk, and do not present levels above the norm or reference limits of heavy metals.

Between 2016 and 2017, CESI, an Italian company with extensive experience in environmental studies, using the WRF/CALMET/ CALPUFF methodology, made a model to determine the contributions of the Bocamina plant in terms of concentrations of SO₂, NO₂, and MP₁₀ in the air and in depositing heavy metals in the ground.

The model has been implemented considering, among other conditions, concentrations of heavy metals measured in funnels, recorded meteorological conditions, and different configurations of the plant.

In the absence of a local standard, the Environmental Expert Report of the Criminalistics Laboratory of the Chilean Investigative Police (PDI No. 121/2013) and international standards have been considered as references for the determination of the contribution level of the plant to heavy metals accumulation in the ground. In the case of atmospheric emissions, the values of the applicable air quality standards were considered as a reference (D.S. 113/2002, D.S. 114/2002, D.S. 59/1998, D.S. 20/2013).

The result of the modeling, despite having used several very pessimistic assumptions, indicated that the contribution to the air and the ground of the Bocamina Power Plant is very low with respect to the values of heavy metals detected by the PDI, and they are even very far below international norms and standards. Therefore, considering the mechanisms of assimilation of heavy metals, it is possible to conclude that Bocamina Central has a marginal influence on the people who reside and/or travel through the city of Coronel.

4.4 Digitization



Investing in digitization is decisive for the business' sustainability, especially in terms of boosting operational efficiency and improving customer services.

Enel Generación Chile trusts that digital technology will bring improvements to its traditional businesses along with new market opportunities. This technology adds value to the wealth of information available and keeps the company in step with new

trends. Moreover, in keeping the Enel Group's global directives, Enel Generación Chile's digitization management approach has focused on better cyber security given the growing use of applications and software throughout the value chain. Some of the key initiatives undertaken by the company include: setting up a Computer Emergency Response Team (CERT) in Chile, which will become accredited in 2018; and using cyber security solutions

to expand the coverage of protected Web apps.

Digitization is part of a larger strategy that involves several different tactics at the operational level. Enel Generación's digitization strategy focuses on operational efficiency, which is achieved through various projects involving remotely operated vehicles and operational telecontrol applications.

Digitization Boosts Operational Efficiency

Enel Generación has weaved digitization into several processes and tasks at its power plants in order to optimize its operational processes. A few examples are described below.

A Drone for Every Plant

The top start-up launched in 2017 was called the "ALAS" project. The General Directorate of Civil Aeronautics (DGAS) trained and accredited 17 collaborators as drone pilots. Equipment and pilots were sent out to various power plants with the mission of drawing up a real-time risk map so that the company can use photogrammetry for the rapid detection of contaminants.

National Exploitation Centre (Centro de Explotación Nacional)

One of the most relevant projects undertaken by the company in 2017 was the hydroelectric power plant centralization, following a measure taken to unify the control of 16 power plants with a combined total installed capacity of 3,465 MW. The solution consists of a control system that gathers data from Zonal Exploitation Centres (CEZ), and then submits said data to the National Exploitation Centre (CEN) located in Santiago. This integrated perspective allows operators to apply generation optimization criteria.

Optimizing Daily Dispatch at Hydropower Units

Enel Generación Chile has successfully optimized the daily dispatch of its generators, which, in turn, leads to maximizing its revenue on the basis of available resources, the efficiency of generator units, and the price of energy. By optimizing daily dispatch at the Los Molles and Sauzal-Sauzalito plants the company was able to report a 4,200 MWh and 1,400 MWh contributions to the Central Interconnected System, respectively, in 2017

Real-Time Risk Map (4D): Pilot at Quintero Power Plant

The Quintero Power Plant developed a pilot project to draw up 4D risk maps used to detect interferences caused by collaborators working at the plant at the same time.

4.5 Customer Focus

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Enel Generación Chile, including its subsidiaries Pehuenche, Compañía Eléctrica Tarapacá and GasAtacama generated 17,073 GWh of power in 2017. Fifty-five per cent (55%) of the company's power comes from hydro sources, 44%

from thermal sources, and 1% from solar sources.

The quality services we provide at Enel Generación Chile are the result of the trust we have built with each and every

customer. The company is committed to providing quality, safe, uninterrupted services, while also adding new energy sources to our mix so as to fortify our supply and improve service for our customers.

Enel Generación's Customers

Our customers are part of the National Interconnected System (SIN) that connects two large areas of electric

power distribution, these being: the Central Interconnected System (SIC) and the Greater Northern Interconnected

System (SING). The current regulatory framework defines three types of customers, as follows:

Regulated Customers

Consume up to 500 kW.

Unregulated Customers

Consume more than 2,000 kW.

Customers with the Right to Choose

consume 500 kW to 2,000 kW.

The company trades on the spot market.

Industrial Customers

Electric power distributors are Enel Generación Chile's main customer. These companies sell their services to residential, commercial and government customers nationwide.

Enel Generación supplies electric power to the mining, forestry, chemical and refinery sectors (primarily through the SIC), and to any other customer who can legally access power supply from a generator company.

Natural Gas

In line with the Open Power vision that seeks to open new forms and uses of energy for the consumer, the natural gas business contributes to the development of a clean and competitive energy platform, the reduction of carbon emissions, and the diversification of the energy supply in Chile

During 2017, through local distributors, the company supplied natural gas to about 12,000 customers between the cities of Temuco, Talca, Los Andes, Coquimbo, and La Serena, which means

a growth of about 11% in the number of customers with respect to 2016. Enel Generación has been recognized as the first company that delivers service to cities far from gas pipelines. In this manner, Enel Generación helped reduce CO₂ emissions from residential and commercial customers by 17% during this period. In the case of industrial customers that used FO6, the reduction of CO₂ emissions was up to 32%. In particular, in the city of Temuco, it is estimated that emission was reduced by 2,400 tons CO₂ for 2017. To this end,

the company has 4 district plants for the supply of natural gas to cities. The 4 district plants of Enel are supplied with LNG by trucks. The company delivers this service to its customers between Copiapó and Puerto Montt by tanker trucks, which load the LNG at the Quintero terminal.

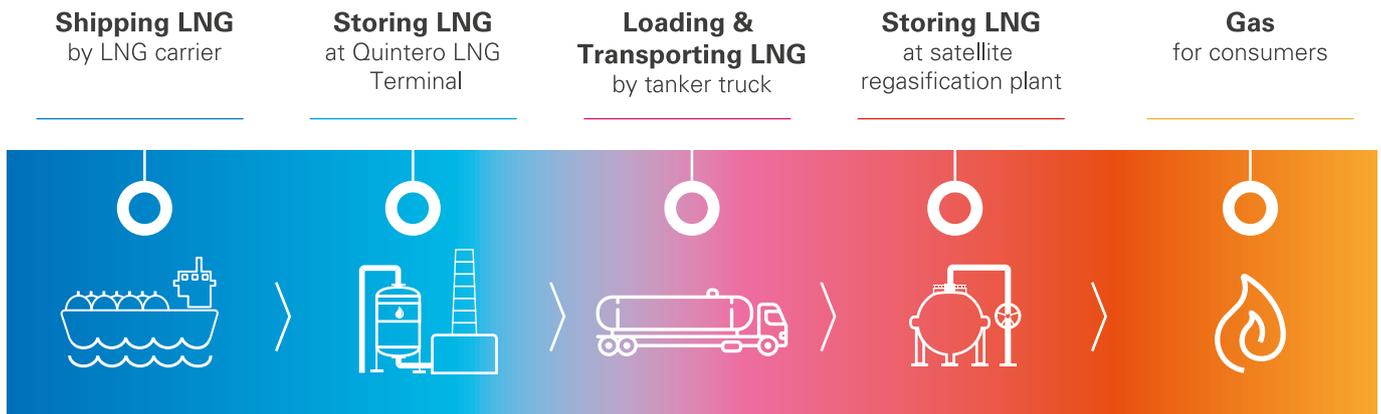
Enel Generación Chile is the main supplier of natural gas (through gas pipelines) for industrial customers in the Northern sector from LNG Mejillones, and was awarded the supply again for 2018.

Loading Liquefied Natural Gas

Natural gas is loaded as liquefied natural gas (LNG) onto tanker trucks at a temperature of -162°C at the Quintero LNG terminal. From there it is shipped to

Satellite Regasification Plans—located near customers or their facilities—where it is stored and regasified back into natural gas which is then supplied in the

amount and under conditions specified by customers.



Developing New Projects

Each new project strives to meet the strictest safety and reliability standards. In this regard, coordinating operations

and transport in every city where the company operates is vital. One of the company's most relevant milestones

in 2017 was the start up of the Temuco district satellite regasification plant.

Satellite Regasification Plant:

The company Intergas works with Enel Generación's Temuco District Satellite

Regasification plant to provide natural gas to residential, commercial and industrial

customers in the City of Temuco, located in the Araucanía Region (IX Region).

Satellite Regasification Plant Design

Satellite regasification plants consist of storage tanks, vaporizing and odorizing systems, and a regulation and measuring station.

transport of LNG in tanker trucks, must meet all legal regulations in effect. The Office of the Superintendent of Electricity and Fuels is the oversight entity.

Regulations, DS No. 67; and liquefied natural gas transport in trucks is governed by Liquefied Natural Gas Transport Safety Regulations, DS 102.

The design and construction of satellite regasification plants, as well as the

Satellite regasification plant operations are governed by Satellite Plant Safety

4.6 Occupational Health & Safety

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Occupational health and safety are strategic to Enel Generación's activities, and, as such, they are present throughout the entire value chain, from collaborators and contractors to suppliers. The company plays an active role in risk prevention as it applies to all activities performed by its collaborators. Accordingly, the company's Health and Safety Plans are implemented companywide in all areas and lines of work. These include several programs such as Safety Walks, ECoS (extra checking on site), ISI (Intrinsic Safety Index), among others. Training, reports, case studies, contractor hiring processes, etc., are some of the company's concrete training and control initiatives in place to ensure best practices are transferred.

Health and safety personnel are in charge of educating and coaching collaborators to adopt values that aid them in attaining a better quality of life. The latter is achieved by way of widespread awareness campaigns such as "Advice for Life" (Consejos que dan vida) consisting of posters and other graphic material and information sent by E-mail.

The most recent "Climate and Safety Survey" was conducted in late 2016. Its results were published in 2017, along with the implementation of plans aimed at improving the work environment but that also fostered a better safety culture at Enel Generación.

Strengthening the Safety Culture

The company lays out several programs annually to strengthen the in-house safety culture in order to inform and train collaborators on the importance of self-care and occupational safety management. In 2017 the Health and Safety Plan primarily focused on standardizing actions related to the medical surveillance of collaborators; bolstering risk management by identifying hazardous sites (risks inherent to the facilities) and drawing up a 3D risk map of the facilities; enhancing emergency control and response plans; improving processes related to the use of power block systems; standardizing control measures applicable to scaffolding (assembly and use)—considered critical activities; ensuring areas handed over to contractors are safe; etc.

Throughout the year the company drafted an action plan for accident control during major maintenance events. This activity

was supervised by the safety moving pool team (SMP), a group of individuals hired specifically during plant shutdowns to oversee safety measures and controls. The company also implemented a method to analyse critical interferences and work sites such as working in confined spaces. In addition, a random drug and alcohol-testing program was set into motion.

The company conducts several programs annually to strengthen the in-house safety culture in order to train its own and outside collaborators on the importance of self-care and occupational safety management. A few examples are described below.

Personalized Safety Program

This program consisted of ten workshops delivered through the business units for the company's own collaborators and contractors. They entailed working sessions where participants studied safety issues and agreed on action plans for improvements in several areas, with collaborator names and deadlines attached.

Structure of Health and Safety Teams

Health and Safety teams are made up of specialists such as health and safety coordinators broken down by plant-specific technology. For instance, there is a coordinator for combined cycle plants, one for coal-fired plants, and another one for hydropower plants.

Safety Committees

403-1

Through mutually-agreed to initiatives, these committees watch over the safety of every collaborator in the business unit they represent. They also hold training and informational events on safety issues, and follow-up on inspections and on-the-job accident investigations. Every single company collaborator (100%) is represented by a safety committee, which are all certified by the Mutual de

Seguridad (a Chilean accident prevention and safety organization).

There are six standing members on each committee -three collaborator representatives and three company representatives- and three alternates per each side.

Enel Generación Chile has a safety committee at each of the following

business units: Bocamina Power Compound; Southern Hydropower Plants (Centrales Hidráulicas del sur); Maule Hydropower Plants; Sauzal Hydropower Plants; San Isidro Hydropower Plants; GasAtacama Hydropower Plants; Tarapacá Thermoelectric Power Plants; and a safety committee assigned to corporate headquarters located at Santa Rosa 76, Santiago.

Safety Campaigns

The company-wide health and safety week held in November 2017 focused on the company's six globally stated safety commitments. Lessons learned from the most relevant company events were shared with all, including contractor personnel who also benefited from health and safety awareness events.

Health and Safety Training

The company invested approximately 2,600 hours in health and safety training in 2017.

Safety Walks

This activity consists of on-site field reviews of safety conditions at operational facilities. Executives, ranging from first-line managers to area and unit supervisors, lead safety walks. In 2017 the company conducted 279 safety walks.

World Day for Occupational Health and Safety

Once again, in April 2017 Enel Generación celebrated World Day for Occupational

Health and Safety. Breakfast meetings were held at all the plants to raise awareness among personnel, and a motivational speaker gave a presentation at the San Isidro plant. This commemorative event also included.

Safety Program for Maintenance

These are training workshops aimed at operations and maintenance staff. They focus on behaviours that promote and support the safety culture.

Labour Risk Management Initiatives

Safety Moving Pool (SMP)

Enel Generación Chile has a multi-disciplinary team of experts who come together during major maintenance events (major plant shutdowns). These individuals have vast experience in safety and generation processes. Their role is to supervise major maintenance events and advise workers on how to comply with safety measures while maintaining equipment. They are hired to provide technical and safety consulting services

with a view to continuously improving processes.

In 2017 this activity was carried out at units I and II of the Taltal Thermoelectric Power Plant and at units I and II of the Bocamina Thermoelectric Power Plant.

Intrinsic Safety

Enel Generación Chile uses this initiative to determine the Intrinsic Safety Index of

its machinery, systems and equipment. It consists of a checklist to evaluate safety aspects related to items under review. The purpose is to identify potential risks and opportunities for improvement, which are subsequently addressed under an action plan.

In 2017 the company used this methodology to conduct two assessments per plant.

Managing Occupational Health

Enel Generación Chile employs several initiatives to identify the leading occupational illnesses affecting its collaborators. Some of these include occupational deafness, psychosocial illnesses (potential to develop occupational neurosis), and pneumoconiosis (collaborators under medical surveillance due to past exposure to asbestos).

The company runs numerous prevention programs for serious illnesses, health in general, quality of life at work, and actively reports on program scopes through the various company communication outlets. Some of the most noteworthy programs are listed below:

- > Anti-stress Campaign, with practical tips for doing away with the root causes of stress
- > Immunization Campaign, company wide vaccination to prevent seasonal flu
- > No Smoking Campaign, with advice on how to prevent tobacco smoking
- > Cervical, Uterine, and Prostate Cancer Prevention Campaign, including annual preventive exams for disease detection
- > Respiratory and Viral Disease Prevention Campaign, with practical recommendations to prevent contagion
- > Healthy Heart Campaign; Colon and Gastric Cancer Prevention Campaign
- > Breast Cancer Prevention Campaign
- > "Boost your Energy" Campaign, including suggestions for healthier eating habits and nutrition to for better quality of life
- > "Take Care of Your Skin Year-round" Campaign with skincare advice and information on UV radiation and other contaminants

Preventive Exams: medical check-ups by specialists for company collaborators

Periodic Preventive Exams: differentiated medical evaluations performed on collaborators who are exposed to specific on-the-job conditions.

Cardiovascular Risk Program: promoting and providing physical fitness tools and nutritional assessments to collaborators with cardiovascular risk factors or other related illnesses associated with sedentary lifestyles and poor nutrition.

Safety Campaigns: In commemoration of World Safety Day held in April and Safety Week, Enel Generación Chile launched a campaign to create awareness and reinforce on-the-job accident prevention. Beginning in 2016, the company has celebrated the Day of Emergency Monitors to commemorate and acknowledge every collaborator on emergency response teams.

Implementing New Standards: new signage tools, safety barriers, and personal protection equipment for working at heights. In the industrial hygiene area, the company drew up work plans to evaluate and maintain lighting, noise and air quality standards at its corporate offices and annexes. There were also evacuation drills.

Immunization Program
Immunizing Enel Generación Chile collaborators is a preventive measure available to all members of the company. The goal of the program is to prevent the widespread contagion of diseases and illness. The trivalent seasonal influenza vaccine is offered during the first quarter of the year in order to prevent an outbreak

of seasonal flu, which normally appears in early June.

Cardiovascular Risk Program

Enel Generación Chile implemented a healthcare plan involving various tools such as specific fitness activities and nutrition check-ups.

Preventive Exams Program

The company conducts periodic medical evaluations on its collaborators for early detection of disorders or pathologies that may be harmful to their health. This initiative is available to all company collaborators and is carried out in keeping with a set gender- and age-based protocol.

Managing Psychosocial Risks

Psychosocial risks are linked to working conditions that may jeopardize workers' wellbeing and physical, mental or social health. Enel Generación Chile has a Psychosocial and Labour Risk Committee made up of members from the executive level, collaborator representatives, and the HR division, backed by Mutual de Seguridad.

Main Health & Safety Figures

Content	2016	2017
IF= (number of accidents (not including "in itinere" accidents) / total hours worked) *1,000,000 (1)	0	0,46
Total, hours worked in a year (thousands of hours)	1,776,142	2,171,416
Number of fatal accidents of own collaborators	0	0
IG = (days lost per accident (not including "in itinere" accidents) / total hours worked) * 1,000	0	5,80
IR= (number of accidents (not including "in itinere" accidents) / total hours worked) * 200,000	0	0,09

Own Collaborators and Contractors

403-2

In 2017 there weren't any fatal or serious accidents involving the company's own collaborators, which speaks to the company's safety-related efforts during the year. However, there were seven minor accidents recorded for contractor collaborators, all of which involved men as the injured parties.

Contractor Collaborators	2017
Accident Frequency Rate	0.91
Injury Rate	0.18
Days Lost Rate	1.62

*In keeping with Chilean labour law, the tables only include lost time accidents and the figures do not apply to first aid.



Health and Safety-Related Training

103-2 103-3

Enel Generación Chile has a series of occupational health and safety policies such as Policy No. 50, which governs work interferences involving different areas of the company; and Policy No. 52 governing accident and incident reporting and investigations. Moreover, there is an occupational health and safety standards manual included in the tender terms of reference applicable to works and services contracting. Training in and out of the field is specified under the

manual, and follow-up training is provided on a month-to-month basis in order to assess the degree of progress attained by contractor companies in risk prevention programs.

Suppliers are subject to a health and safety audit when submitting a bid for tender. All companies receiving a rating lower than 75% are disqualified from the process, and are not eligible for participation. Nonetheless, they are

allowed to go through a second audit in order to qualify for participation in future tender processes. The company keeps a record of its hazards identification and risk assessment procedure in its Risk Assessment Matrix.

The company also carries out health and safety training with contractor companies that provide services to the company.

Number of Collaborators Trained in Health and Safety Issues

	Own Collaborators	Contractor
NFPA Standard 2112, 2113 & 70E regarding the use of fire-resistant clothing - OTEC	Collaborators	21
UV Radiation Exposure – HS Lead / Mutualidad	54	76
Self-Care – HS Lead	69	87
Defensive Driving & 4x4 Driving - OTEC	20	46
First Aid - Mutualidad	16	72
Cargo Handling (Hoisting)- OTEC	20	46
Extinguisher Use- Mutualidad	31	37

4.7 Sustainable Supply Chain



103-2

103-3

Enel Generación's sustainable supply chain is made up of suppliers and contractors that provide support for operations- and project-related activities carried out by the company. The company's Open Power vision is applied throughout the entire value chain, and aims for the company to face the challenges of today's world together.

Reciprocal loyalty, transparency, and collaboration are the fundamental values guiding supplier conduct during procurement and qualification processes. Suppliers must back their service guarantees by their commitment to personally accept the company's directives in matters related to human rights and working conditions, occupational health and safety, environmental accountability, and respect for ethics standards.

Contractors play many—and essential—roles in the company's ability to meet its planning targets. They are primarily involved with the Operations

Management division, Hydro and Non-Conventional Renewable Energy Production in Chile, Combined Cycle Thermal Power, and Conventional Thermal Power. Their activities range from hydraulic maintenance, civil and hydraulic works, aerogeneration maintenance, breakdown maintenance, oil operations, power plant maintenance, coal-fired plant operations and maintenance, general services, and fly ash transport and disposal.



Fostering Innovation and Respect for Diversity among Suppliers

Enel Generación Chile considers its suppliers to be members of its own team—members who have individual attributes that enhance the company’s solutions. All of the above is based on respect for diversity and a desire to foster innovation as foundational values.

The company encourages a daily commitment to openness and continuous improvements. This sentiment is also applied to its suppliers. Regarding

procurement specifically, the goal of these procedures is to ensure quality services with the utmost respect for the principles of economics, effectiveness, opportunity and corrective actions.

Every procedure related to awarding contracts is designed to guarantee the principles of free competition, equal treatment, non-discrimination, transparency, proportionality, and advertising. Moreover, at times

the principle of economics may be subordinate to criteria set forth under the notification. These are inspired by social needs, protecting health, the environment, and promoting sustainable development.

As part of its Sustainability Policy, the company encourages people to use less paper and more digital means for qualification procedures, records, managing tenders, and issuing supplier contracts.

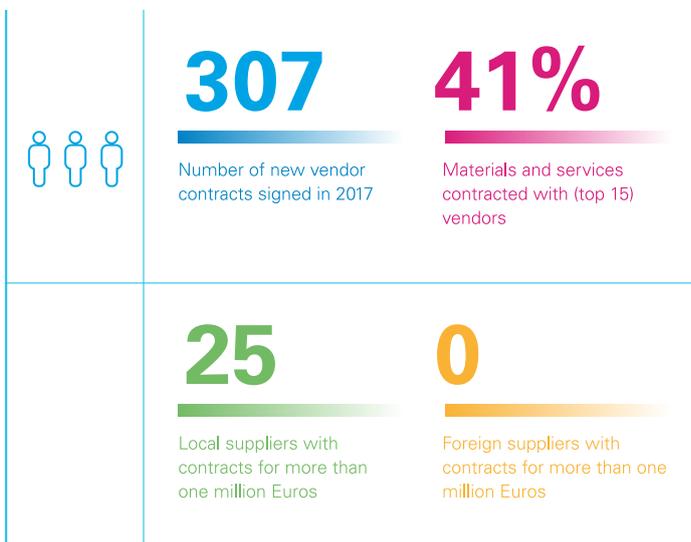
Global Procurement

Global Procurement is a fluid and flexible model based on a procurement process that is open to the specific characteristics of each supplier. A matrix-based organization allows for sharing specific experiences and abilities in order to meet business needs as quickly and as best as possible.

The organization breaks down procurement procedure management into four different Global Procurement Units mapped to Local Procurement Units. It also includes two Personnel Units that control procurement processes and supplier relations.

Encouraging Suppliers as Strategic Partners

204-1



Managing Critical Suppliers

102-9

Critical suppliers are defined as suppliers which cannot be substituted and on which the company's main activities depend—spare part suppliers, for instance—and that represent a high volume of expenses, with economic, environmental, and safety impacts. Also

included in the category are suppliers involved in the company's integrity evaluation policy.

Enel Generación Chile created a Supplier Qualification System (SQS) to manage and oversee its critical suppliers. The

purpose of SVS is to select works, goods and services providers capable of guaranteeing the appropriate level of quality and reliability required by energy sector contracts.

	MU	2017	2016	2017-2016	%
Number of collaborators from contractors and subcontractors	(n.)	3,587	3,847	-260	-7
Collaborator days per contractor and subcontractor employees	(.000 d)	1,075,964	1,038,095	37,869	4
Construction Activities	(.000 d)	742,433	735,423	7,010	1
Operations and Maintenance Activities	(.000 d)	333,531	302,672	30,859	10
Operations Activities	(.000 d)	139,887	189,824	-49,937	-26
Maintenance Activities	(.000 d)	193,644	112,848	80,796	72

308-1

In 2017, Enel's procurement department promoted a new strategy to help maximize value creation in its various forms (safety, savings, time, quality, performance, revenue, flexibility, risk reduction) and enhance stakeholders' end-to-end experience.

The company is working on implementing this global project, which is based on the following three pillars:

- > Expanding buyers' abilities by employing easy-to-use technologies in recognition of everyone's contribution in a multicultural working environment, based on trust and led by passion.
- > Strengthening integration and communication with customers by coming up with solutions that meet the business needs.
- > Involving suppliers from the moment the need arises while listening to what they propose and working together on novel approaches.

In 2017, qualification requirements were introduced for all GMs with different levels of in-depth analyses, depending on the attributed level of risk. In this context:

- > ISO 14001 was used in eight works and service proposals and three bids involving materials.
- > OHSAS 18001 was used in ten bids (seven for works and services, and three for materials)
- > ISO 14067 was used in two local processes and one Smart Grids process.

Contract Managers Program

This program consists of on-going training and education for Enel Generación contract managers and coordinators,

related to their role in subcontracting. The idea is that all collaborators be provided the right tools to improve their

managerial skills from a technical, legal and social perspective.

Work Climate Program for Contractors

The Work Climate Program for Contractors aims to stimulate a good working environment among Enel Generación service providers, bearing in mind that their job has a direct impact on customers. This initiative strives to have a positive impact on work climate indicators, which reflect the degree of contractor collaborator satisfaction with their employers.

A total of 14 dimensions are rated to identify the degree of collaborator satisfaction with their employers. Some of the most relevant dimensions are "Team

Work," "Development," "Recognition," "Supervisors' Vision," "Interpersonal Environment," "Communication," and "Risk Prevention."

The most significant milestones of the work climate program were as follows:

- > Measuring the work climate with surveys and focus groups. Giving the results to contract management areas and contractor companies.
- > Drafting an action plan based on survey results.
- > Following up on action plans to

manage the work climate.

- > Across the board activities funded and coordinated by the company for contractors.

In 2017, the company put into practice action plans drawn up by each contractor on the basis of climate survey results. In the case of Enel Generación, the company held light-hearted, entertaining interventions at seven power plants in order to reinforce the areas that scored the worst.

Results of the 2017 Work Climate Survey Answered by Enel Generación Chile Contractor Personnel

	Enel Generación
% of Satisfaction	68.25%
Number of collaborators surveyed	339
Number of contractor companies represented	15



Supplier Qualification and Selection Practices

103-2 103-3

The company's supplier qualification system is based on an objective and systematic survey of information related to various indicators such as punctuality, quality, corrective measures and safety, and contractor conduct during contract execution phases.

The supplier qualification system provides a precise evaluation of companies wishing to participate in procurement procedures. Companies must submit a series of documents (self-certification stating the company meets general requirements, financial statements, other certifications, etc.) and meet principles set forth under the Code of Ethics, Zero Tolerance for Corruption Plan, Human Rights Policy, and other corporate regulations.

414-1

In addition, suppliers are evaluated on the basis of social criteria in order to establish minimum operational requirements with a view to safeguarding suppliers' responsible management.

In 2017, 47% of suppliers successfully passed the screening process for social criteria such as health and safety, environment and human rights.

Vendor Rating

Vendor rating is a supplier evaluation system that systematically and objectively gathers information on supplier performance during the procurement and service execution phase. It assesses the quality of goods and services rendered, deadline and job compliance, and operational safety

- > Quality of the goods supplied or work performed
- > Performing on time
- > Making corrections during pre-contract and contract execution phases
- > Safety

Enel Generación Chile uses a supplier qualification rating that is based on information taken from a contractor's global evaluation, which references the type of services and/or goods the company supplies. The process entails periodic monitoring of suppliers once they have been awarded the contract, in order to evaluate their performance in terms of quality, punctuality, contract compliance, and occupational health and safety. Performance improvement plans

are drawn up for contractors that come up short.

Enel Generación Chile has defined standards to guarantee that all suppliers and contractors bidding on contracts meet corporate standards applicable to occupational health and safety, labour and environmental compliance, and other matters. Contractors or suppliers are evaluated on the basis of these criteria to determine whether they are capable of servicing the company's needs.

Occupational health and safety is a priority for the company. As a result, contractors and suppliers are rated on their compliance with various matters, such as: jobsite safety when providing services; environmental standards; work methods and organizational aspects; use of personal protection equipment (PPE); corporate regulations applicable to use of machinery and systems, and other criteria.

414-2

In order to prevent suppliers from having a negative impact on the supply chain, Enel Generación Chile has always placed at the core of its corporate culture and production processes the protection of the health, safety and psychophysical integrity all individuals adding value to its operations, regardless of whether they are the company's own collaborators or contractors. Accordingly, one of the primary measures the company has adopted to identify, manage and prevent negative impacts on the supply chain is raising awareness about and consolidating a culture of health and safety by encouraging individuals to act responsibly, pay greater attention and be more aware of risks, and work to continuously improving Health and Safety standards.

By way of corporate monitoring procedures, Enel maintains on-going, open dialogue with its employees. The latter results in shared improvement opportunities that are cooperative in nature and non-disciplinary in the case of critical issues or shortcomings (non-compliances).

Human Rights Policy

408-1 409-1

Enel Generación's human rights policy also applies to its suppliers and contractors. The company engages in several initiatives aimed at encouraging respectful and equal treatment among its contractors, both in terms of labour relations and in every area of professional development. Enel Generación Chile rejects any and all types of discrimination,

and has procedures in place to prevent, control and penalize conducts related to these issues. Ever since 2004 the company has been a voluntary member of the Global Compact's 10 principles, particularly those related to labour matters.

412-3

As part of its commitment to human rights, in 2017 Enel added human rights-related clauses to every single (100%) significant investment contract processed. Along these lines, the "General Terms and Conditions" section envisages voluntary participation in the Global Compact Principles.

Responsible Acquisitions Principles

The purpose of the General Contracting Conditions (GCC) is to regulate contractual relations between Enel Generación Chile and its suppliers in terms of material, equipment, works, and service acquisitions.

The 8th edition of this document entered into effect on July 1st, 2016. It contains social and environmental clauses applicable to all parties supplying goods and services to Enel Generación Chile. These clauses address the following matters:

- > Global Compact
- > Health & Safety
- > Conflicts of Interest
- > Ethical Conduct
- > Environmental Protection

4.8 Decarbonizing the Energy Matrix

Enel Generación Chile's 2017-2020 Sustainability Plan defines decarbonizing the energy matrix as one of its strategic pillars. In this regard, Enel Generación Chile contributes to the process underway to remove coal as an alternative source in the company's energy matrix.

This objective falls within the Open Power strategy, which seeks to reinforce the use of renewable energy in order to reduce the levels of contamination brought about by the intensive use of this type of fuel (coal). This is one example of how Enel Generación is working on collaborating to Enel Group's target of decarbonizing its energy matrix by 2050.



Chilean Energy Outlook

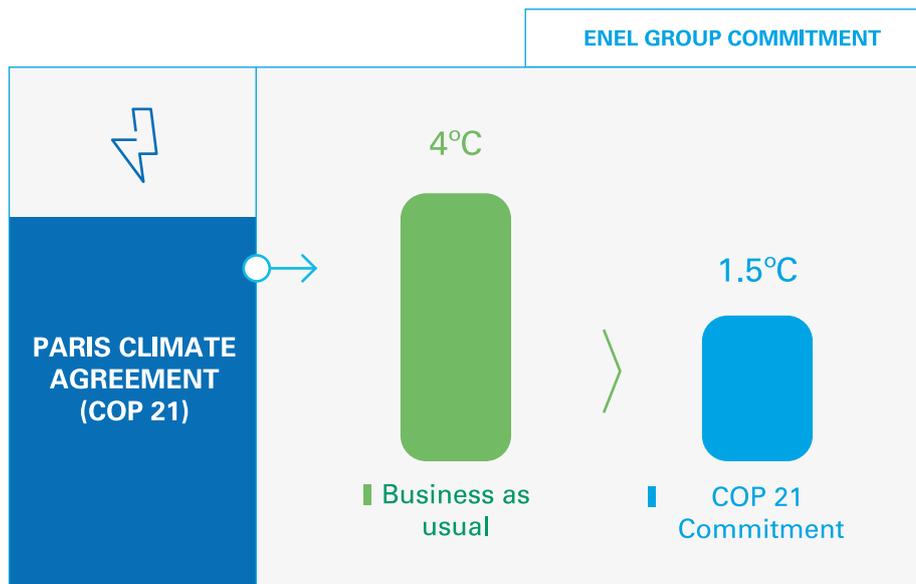
Chile, as a member country of the United Nations Framework Convention on Climate Change (UNFCCC), signed the “Paris Agreement,” or COP 21, a pact where 194 of the 197 member-states committed to limit the increase in the planet’s global temperature by less than 2° Celsius, with the ideal goal of not exceeding 1.5° C. To achieve this, the countries agreed to contribute implementing measures that will reduce the impact of their operations on the

environment and that reduce the effects of climate change worldwide, through a plan to control emissions, such as Carbon Dioxide (CO₂), that alter the climate.

Following this commitment, in the year 2018, Law 20.780 will come into force, which, among other things, will impose an annual tax on electric generators that have stationary sources in proportion to their pollutant emission. This will affect approximately 40% of electricity

generation in Chile and will include all Enel Generación Chile thermoelectric power plants, which are obligated to report their emissions from now on.

In this context, Enel Generación Chile joined these efforts to reduce emissions, and aims to have a completely renewable and carbon-free energy matrix by the year 2050, contributing to the economic and environmental sustainability of the business



2050 Energy Mix Decarbonisation Plan

Decarbonizing the energy grid is one of the group's four strategic pillars, which strives to make the company emissions-free by 2050.

Enel Group's Targets

- > Reduction of CO₂ emissions by 25% by 2020, compared to 2007 levels.
- > Important investments in the renewable energy sector during the 2017-2019 time period.
- > Research and development of new low-carbon technologies with the Open Power approach.

Main Power Grid Decarbonisation Initiative

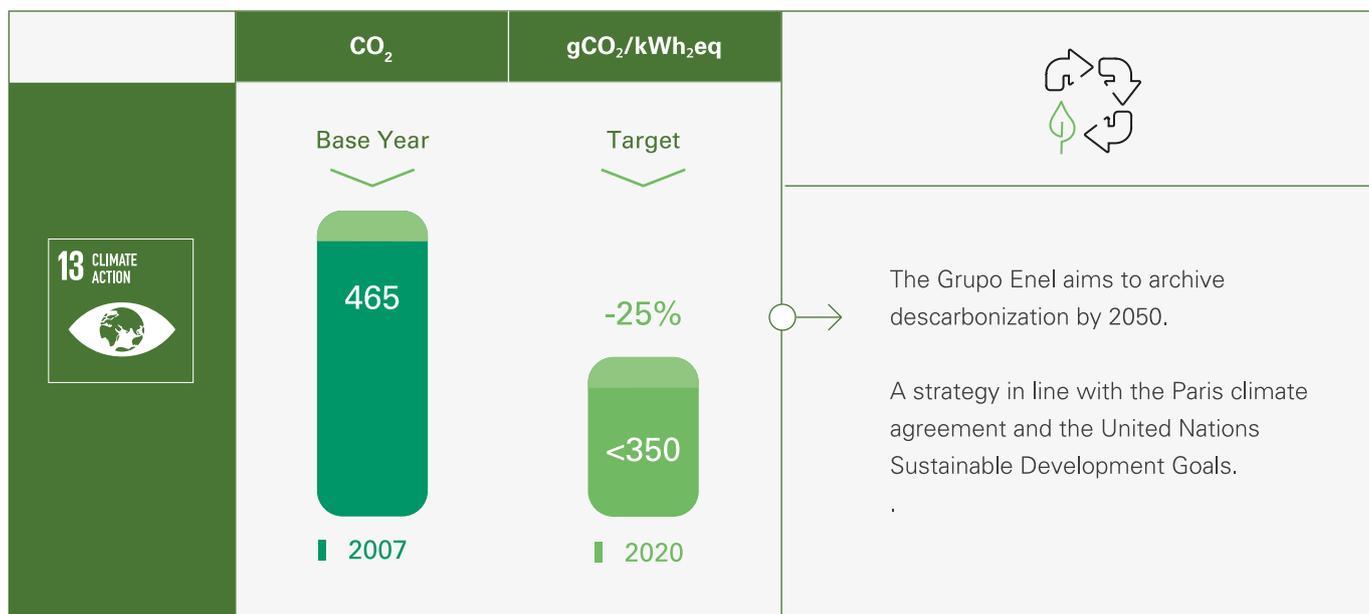
Enel Generación Chile worked on the following initiatives throughout 2017 in order to make progress on its energy grid decarbonisation plans:

- > Investing in environmental improvements at its plants: CLP\$ 11.354 million
- > 150 MW of renewable (hydro) capacity under construction as part of the Los Cóndores Project

> No new thermal plants will be built going forward, and thermal plants currently operational will be evaluated constantly.

In addition, Enel Group will need to address the gradual disuse of its thermoelectric power generation plants. It is working on defining reconversion plans for these plants to figure out how to use them in the future or to merely proceed with their dismantling. The company is currently studying options.

ENEL'S COMMITMENT 2050



4.9 Environmental Sustainability



103-2

103-3

Enel Generación's HSE&Q area currently manages the environmental aspects of its plants. This area addresses health, safety, environmental, and quality issues at a plant and business unit level.

Throughout the year the company put into place several action plans dating back to 2016. It also implemented an environmental practices standardization process to ensure that these practices meet Enel Group standards.

Environmental Management

103-2 103-3

The company's main objective regarding environmental matters is to ensure that its facilities are running impeccably. As a result, every activity carried out by the company must be authorized in advance by the competent environmental

authority, i.e., full compliance with the precautionary principle. Activities subject to approval by the Environmental Impact Evaluation System cannot be executed unless they have an environmental license to operate. All concerns and

questions must be raised before the competent environmental authority. In this context the following actions listed below were carried out in 2017:

2017 Environmental Management Milestones

San Isidro

- > During 2017, the San Isidro thermoelectric power plant, located in the Valparaíso region, followed through with work plans to gain flexibility in the water supply, as a result of the quality issues that have occurred in its own wells, which are used for cooling purposes. In March 2017, the Environmental Impact Statement (EIS) of the project "Optimization of Water Systems and Provision of RILES at the San Isidro Plant" was presented to the Environmental Impact Assessment System (SEIA, its Spanish acronym). The goal of the plan is optimizing the water resources of the San Isidro plant through a water recovery system, which recovers water used for the cooling towers of both units, in order to reuse the water in the cooling process. During 2017, a new dilution flow for discharging into the river and new alternative water supply wells for this plant were also obtained

Bocamina

- > On June 5, 2017, the final acceptance of the northern coal gathering area dome was granted, and the construction of the southern dome began. Additionally, the pilot project of transmitting real-time emissions data from the Bocamina I plant to the Superintendency of the Environment (SMA) began. The Bocamina I plant is the first plant in the country to initiate this connection with the Superintendency.
- > The work done to fulfill the Coronel Environmental and Social Recovery Program (CRAS Coronel) was completed. The company participated in this project together with the community, regional authorities, and other companies in the sector. The result of this joint work is a plan for environmental and social measures that must be permanently implemented in the municipality.

Laja Hydropower Plants

- > A new common warehouse with an area for storing hazardous substances was completed. This will comply with D.S. No. 43/2016 from the Ministry of Health.

Maule Plants

- > The Sanitary Authority approved a new hazardous waste management plan, which complies with the provisions of D.S. No. 148, "Sanitary Regulation of Hazardous Waste," (Resolution No. 0764 of the Health Authority). (Page 126 of the Report).

Ralco Hydroelectric Plant

- > In January, Enel Generación Chile and Universidad de Concepción implemented a reforestation plan of 700 hectares with native tree species.
- > In March, Enel Generación Chile officially delivered to the community of El Barco (Alto Bío Bío community), its ancestral cemetery, site 53. This was a commitment by Enel for the construction of the Ralco Hydroelectric Plant. Additionally, during this month, the mayor of the municipality of Bío Bío, Nivaldo Piñaleo, was given a thematic map with the identification of the patrimonial sites of the municipality to be exhibited in a local museum. The map includes 3,000 polyptychs in three languages (Spanish, English, and Chedungun). This activity corresponds to the dissemination of the "Project of Identification and Protection of Heritage Sites Project," which is one of the five compensatory measures established by the environmental authority in 2006.
- > In April, the construction of the Lonquimay bridge was completed, one of the construction works established in the Environmental Qualification Resolution of the Ralco hydroelectric plant, which provides access to the Barrio Nuevo community in Lonquimay (see Annual Report, page 126).
- > In relation to the restoration of dumps and arid deposits used during the construction of the Ralco plant, 18.9 hectares were planted with a total of 35,000 native plants.

Progress on Reforestation Agreement with Universidad de Concepción

In January 2016 Enel Generación Chile and University of Concepción (UDEC) signed an agreement to reforest 700 hectares with native tree species, as part of compliance with one of the mitigation programs required by authorities in connection with the Ralco Hydropower Plant construction. UDEC will plant the trees over the 2016-2020 period with help from various members from the Biobío and Araucanía indigenous communities who have already receiving training on native tree specie seed gathering.

Environmental Priorities

In line with Enel Group directives to go beyond that which is required under environmental regulations, the company has added an integrated information

management system to its environmental guidelines that provides constant updates and on-going monitoring of power plant compliance with environmental regulations.

Moreover, the company has put into place efficient resource utilization procedures to control and reduce the environmental impact of its operations.

Potential Environmental Impacts

Enel Generación Chile employs a methodology to identify the environmental impacts arising during each project stage. This allows the

company to remain a step ahead and adopt prevention measures during the construction, operational, closure and abandonment stages of its facilities.

Additionally, plants constantly monitor and measure their environmental parameters, and take preventive or corrective measures as necessary.

Environmental Management System 102-11

Every since 2016 Enel Generación Chile has been working with an ISO14001, OHSAS 18001 and ISO 9001 compliant Integrated Management System at all of its generation facilities.

The HSEQ area (in charge of environmental, safety and quality issues) reports directly to Enel Generación's General Manager. It emphasizes environmental regulatory compliance, impact prevention, and continuous improvement of environmental practices.

Annually the company's power plants define their environmental management objectives and plans in order to attain the continuous environmental improvement goals set for their facilities.

Electric Vehicles

In 2017, Enel Generación Chile set in motion a project to replace two conventional combustion vehicles with two electric vehicles. The HR department helped develop an electric vehicle catalogue for the Executive Fleet, which

is not subject to vehicular restrictions. In 2016, the fleet consisted of a total of 122 vehicles but only one of them ran on clean fuel. Moving forward, however, in 2017 the fleet consisted of 129 vehicles, three of which were electric.

Enel Generación plans to include electric vehicles in the upcoming 2019 corporate vehicle-leasing tender.

Efficient Waste Management at Office Buildings

Enel Generación Chile is still working on its waste management project, which is scheduled for implementation in 2019. The plan aims to boost recycling operations, which up until now have

included paper, cardboard, glass, plastic and batteries. As present paper products are recycled through Fundación San José, and plastic, cans, glass, bottles and cans are delivered to Decopack,

while Degraf processes electronic waste (including batteries). These organizations present Enel Generation with waste management certificates.

	UoM	2017	2016	2015
Office buildings	(n.)	1	1	1
Residential Waste	(t)	230.91	271	214.32
Paper	(t)	34.79	35	16.7
Mixed Materials (plastic, metal, glass)	(t)	0.20	0.10	0.38
Batteries	(t)	0.00	0	5.24
Other Waste	(t)	195.92	236	192

Extra Checking on Site—ECoS

The company adopted the ECoS methodology in order to reinforce its commitment to sundry safety and environmental regulations, policies and management practices in place at its electric power generation facilities and for its power plant construction projects.

ECoS provides additional control measures aimed at constantly improving environmental practices at the company's electric power generation facilities; it is also applied to job safety management.

The Global HSE&Q team is in charge of ECoS implementation and conducts field inspections to assess seven operational aspects, as follows:

1. Organization
2. Handling
3. Preventive Processes
4. Socio-political Relations and Law Suits
5. Permits and Regulatory Compliance
6. Improvements or Corrective Initiatives
7. Emergency Events and Management

Following inspection, the team drafts a consolidated report with its findings. Said report outlines critical situations, areas calling for improvement, and defines an action plan with specific names and deadlines attached. This methodology also entails a follow-up process that is carried out through the Corporate Intranet, including an alert system to ensure actions are carried out.

Regulatory Compliance

103-2 103-3 307-1

Enel Generación Chile earmarks a significant part of its management activities for environmental regulatory compliance as it applies to its electric power plants, given that this is an essential aspects of its operational

sustainability. Described hereinafter are some of the investments made in 2017 with meeting this objective in mind.

In April 2017 Enel Generación Chile put an end to a punitive procedure opened

back in 2014 by the Office of the Superintendent of the Environment by paying off a 575 million peso fine.

Green Taxes

The Article 8 of Law 20780, a part of the Tax Reform, establishes an annual tax on CO₂, NO_x, SO₂, and PM emissions produced by establishments whose

fixed sources have a thermal power greater than or equal to 50 MWt. For the operation year our plants paid a total amount of CLP\$16,437,440,924 in green

taxes, 73% Enel Generación Chile and 27% Gas Atacama Chile, respectively.

Controlling Atmospheric Emissions

103-2 103-3

In 2017, Tarapacá Thermolectric Power Plant published its emissions report corresponding to its two generator units and unit 1b of the Atacama Thermal Plant.

In response to an SMA data request, in 2017 Enel Generación issued quarterly emissions reports that it uploaded to the competent authority's "Thermolectric

power plants" portal. In July of that same year, the environment agency published its own reports in which it verified that all of the company's Electric Power Generating Units (EGUs) were in compliance with regulatory emissions limits.

Enel Generación Chile's and its subsidiary GasAtacama S.A.'s plants work daily on meeting the latest versions of the protocols and guidelines set forth by the Office of the Superintendent of the Environment (SMA), under executive order D.S. N°13/11 Thermolectric Power Plant Emissions Standards.

Mercury Emissions

According to Chilean environmental regulations in effect, coal-fired thermal

plants must isokinetically sample mercury concentrations emitted in the

stacks, once a semester.

Continuous Emissions Monitoring System (CEMS)

In compliance with D.S. N° 13/11 "Thermolectric Power Plant Emissions Standards," Enel Generación Chile maintains the certification on its

continuous emissions monitoring systems (CEMS) in place at all of its thermolectric power plants. Pursuant to current legislation, the Atacama, Huasco,

Diego de Almagro and Tarapacá TG plants are authorized to calculate their own power generating unit emissions as an alternative monitoring scheme.

Managing Environmental Variables

Water Management

103-2 103-3 303-1

Correctly operated hydroelectric power plants use “turbined water” which consists of water flowing over turbines to generate electric power. The water is then returned to its point of extraction. There isn’t any water volume lost nor is the water physically or chemically altered.

Enel Generación Chile controls all the physical and chemical parameters of the water utilized and subsequently returned to the sea or rivers, in compliance with D.S. N° 90/00. The water temperature, however, is altered given that it is run through refrigeration systems, which is why control parameters are applied to ensure that the temperature of the water when returned to its surface sources does not exceed 30°C upon release.

In the case of thermoelectric power plants, water uptake is either from the sea or from wells, depending on marine concessions or the company’s water rights, respectively. The water is primarily used in refrigeration systems, and then it is returned (in almost its entirety) to its original source (except for a small percentage which is released into the atmosphere as contaminant-free steam).

Power Plants	(millions of m ³ , Hm ³)	2015	2016	2017
	Process	1.9	6.8	6.0
Thermoelectric	Refrigeration	480	763	697

The company strives to optimize its water resources by applying operational and technical efficiencies at its hydropower plants. It has also promoted innovative projects that are aimed at preventing losses, such as using complementary sources for generation, reaching water-use agreements with farmers holding water rights, etc.

At present there isn’t any concrete evidence regarding risk management at hydraulic plants. Despite the latter the company has explored innovative alternatives aimed at optimizing water resources in order to compensate climate change globally. In this regard, the company has strived to implement operational and technical efficiencies

at its hydropower plants. Accordingly, the company has fostered the use of complementary generation sources such as air injection. The air injection pilot project at the Antuco Hydropower plant involved an initial investment of \$29,862,000 pesos, followed by an additional \$105,000,000 allocated for 2018.



Water Basin Management

303-2

At the Rapel Hydroelectric plant located in the Rapel River lower basin, Enel Generación Chile kept the reservoir's level at 104 during the summer (December

to February), so that the body of water could be used for recreational and tourism activities. This was a voluntary decision made by Enel Generación Chile

as a good neighbour since there aren't any regulations or commitments binding the company to do so.

Cipreses and Isla Hydroelectric Power Plants, located in the Maule River Basin

Enel Generación Chile was invited to participate in several meetings held by the Maule River Surveillance Board (farmers holding irrigation rights). This fosters greater trust among the parties, in addition to paving the way

for the company to join the board. Its subsidiary Pehuenche S.A. made its own contribution by reaching an agreement with the Melado Canal Association, so that farmers holding irrigation rights would be able to optimize the volume of

water they allocate for irrigation, by using the Colbun reservoir (owned by third parties) and Melado reservoir (owned by Pehuenche SA).

Abanico, El Toro & Antuco Hydroelectric Power Plants, located in the Upper Laja River Basin

Enel Generación Chile was actively involved in the so-called "water boards" (Mesas del Agua), bodies made up of regional authorities, DOH (Spanish acronym for Hydraulic Works Department), farmers holding irrigation rights, and the company. The purpose of these discussions is for users to figure out new ways to work together and reach

an agreement on water extracted from the Laja Lagoon in order to ensure the long-term sustainability of the resource. In this context, the goal is to make the final amendments to the agreement governing the Laja River, entered into by Endesa Chile and the former Irrigation Agency (currently the DOH) back in 1958, and set up a Surveillance Board. In the

meantime, Enel Generación and the DOH signed an agreement to ease extraction rules. This agreement was in effect from 2016 to 2017, and later ratified through an agreement signed by all representatives of farmers holding irrigation rights, the DOH, Ministry of Agriculture, Ministry of the Environment, and the Biobío Region Intendent.

Water Released

306-1

Total Volume of Water Released (Millions of m ³ /yr.)	2015	2016	2017
Total	481.51	766.14	700

Fuel Consumption

103-2 103-3 301-1 302-1

Generation Consumables		2015	2016	2017
Coal	Mtoe (Million Tons of Oil Equivalent)	0.37	0.76	0.67
Lignite (brown coal)	Mtoe (Million Tons of Oil Equivalent)	0.00	0.00	0.00
Fuel oil	Mtoe (Million Tons of Oil Equivalent)	0.002	0.00	0.002
Gas oil	Mtoe (Million Tons of Oil Equivalent)	0.24	0.21	0.07
Natural Gas	Mtoe (Million Tons of Oil Equivalent)	0.72	0.77	0.81
Total Fuel Consumption	Mtoe (Million Tons of Oil Equivalent)	1.33	1.73	1.55

Energy Efficiency of Thermoelectric Power Plants

Energy Efficiency of Thermoelectric Plants	2015	2016	2017
Net Efficiency of Coal-Fired Plants	35%	36%	7%
Net Efficiency of Combined Cycle Plants	45%	48%	48%
Net Efficiency of Fuel-Gas Plants	32%	30%	28%
Mean Efficiency of Thermoelectric Plants	40%	42%	40%



Waste Management

103-2 103-3 306-2

The scope of Enel Generación's Integrated Management System (IMS) covers waste management, including the storage, removal and final disposal

of hazardous, non-hazardous, and inert waste. Authorized companies handle this.

Waste Generated (t)	Plant Type	2015	2016	2017	Treatment Method
Hazardous Waste	Thermoelectric power plants	235	1.020	1,103	Out of all the hazardous waste generated at the Bocamina Plant, a total of 20 tons were recycled at third-party facilities.
	Hydroelectric power plants	66	70	88	
	Wind power plants	4	3	24	
	Total	305	1.093	1,215	
Non-Hazardous Waste	Thermoelectric power plants	434	1.845	12,341	A total of 300 tons of scrap metal were accumulated at the Bocamina plant. The plant is currently waiting to close a deal to sell it. The Atacama and Taltal Plants, however, sold 64.5 and 40.5 tons, respectively.
	Hydroelectric power plants	607	195	407	
	Wind power plants	0	0	27	
	Total	1.041	2.040	12,775	
Inert Waste	Thermoelectric power plants	106.116	205.570	169,525	Regarding inert waste management, the Bocamina plant sold more than 15,000 tons of fly ash.
	Total	106.116	205.570	169,525	



Managing Biodiversity

Biodiversity Policy

304-1 304-2 304-3 304-4

The company has a global biodiversity policy that is adopted by all countries in the Enel Group. It was drafted to contribute to the UN Convention on Biological diversity and the Strategic Plan for Bio Diversity including the Aichi targets (established by the UNEP, United Nations Environment Program).

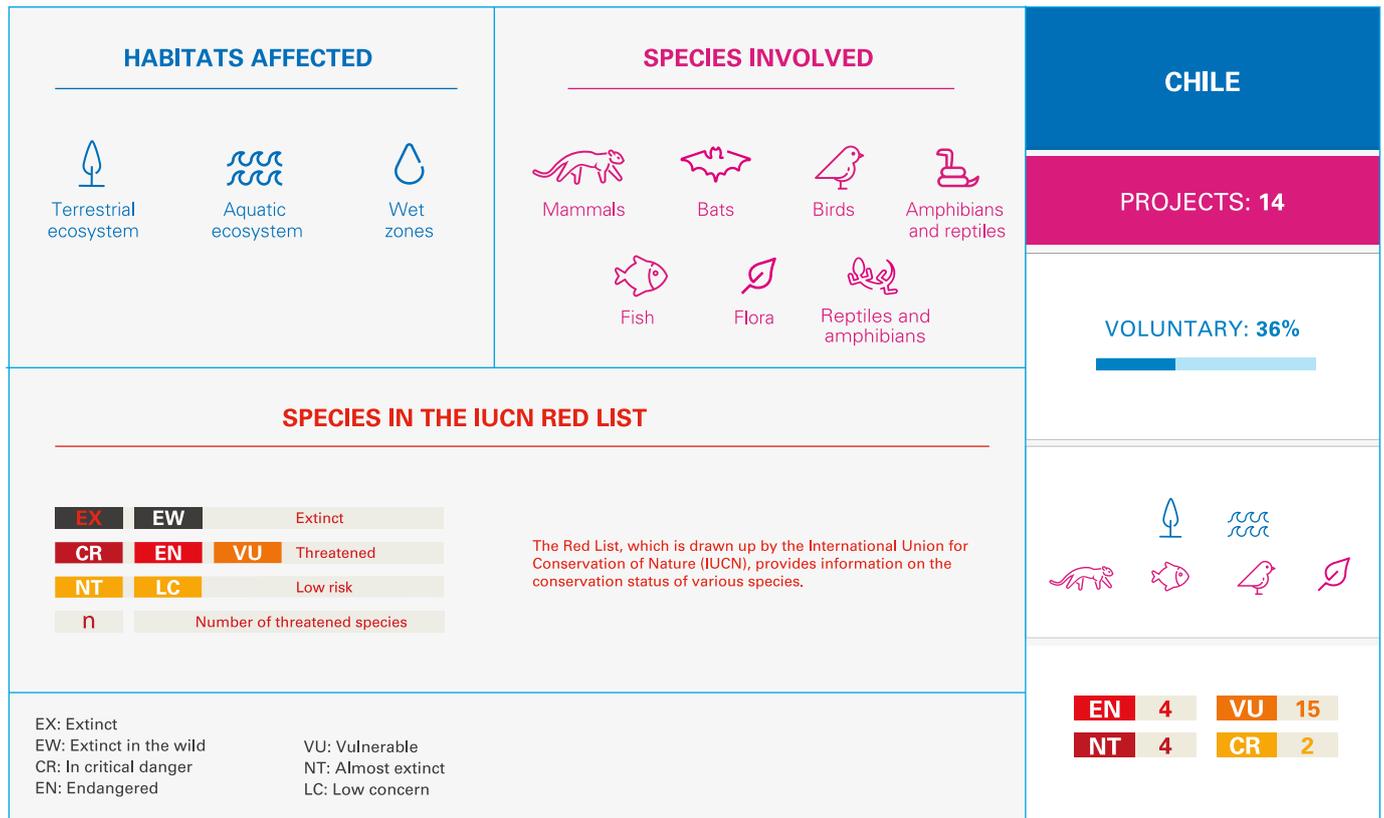
By way of this policy the company has worked with several stakeholders on conserving species and natural habitats located near its plants, as a means to compensate for the impact they may cause while also preventing a 'net loss' in biological diversity.

Operating Facilities located at or Adjacent to Protected Areas	Geographic Location	Type of Operation	Location of Facilities vis-à-vis Protected Area	Protected Area
Laja Hydropower Plants (Abanico, Antuco & El Toro)	Biobío Region, Antuco and Pinto Districts	Enel Generación has operational facilities located on land adjacent to Laguna del Laja National Park.	Adjacent	Laguna del Laja National Park (Surface Area: 11,600 ha)
Laja Hydropower Plants (Abanico, Antuco & El Toro)	Biobío Region, San Fabián, Coihueco, Antuco & Pinto Districts	Enel Generación has operational facilities and offices in this corridor.	Inside (the Ñuble National Reserve)	Nevados de Chillán-Laguna del Laja Biological Corridor, declared a World Biosphere Reserve by Unesco in 2011 (Surface Area: 565,000 ha). Encompasses the Ñuble National Reserve, Laguna del Laja National Park; Los Huemules de Niblinto National Reserve and Nature Sanctuary
El Toro Hydro Plant	Biobío Region, Antuco and Pinto Districts	The company has some unused irrigation works and buildings on the Alto Polcura (12.500 ha) land owned by Enel Generación. These are related to El Toro Hydro Plants.	Inside	Ñuble National Reserve (Surface Area 55,948 ha.; created in November 1978).
Pangue Hydro Plant	Biobío Region, Quilaco District	The national reserve borders the south bank of the Pangue Reservoir	Adjacent	Altos del Pemehue National Reserve (Surface Area: 18,855 ha).

Identifying Species with Conservation Issues

As part of its commitment to biodiversity, Enel Generación identifies the habitats of species appearing on the IUCN red list or the Chilean national records of conservation species that have been affected by Enel Generación's operations.

Protecting biodiversity



304-4

Given the wide range of jurisdictions occupied by the company and the extensive land area covered, the company maintains constant access control onto its land in order to protect the numerous species of Chilean flora and fauna living in areas surrounding company facilities, with careful attention paid to hunting and vegetation cutting.

Conserving Biodiversity

The company continues to meet its commitments to biodiversity conservation, pursuant to that which is set forth under its plants' Environmental Qualification Resolutions (RCAs).

The company publicly reports on protected sites and flora and fauna species categorized as under conservation that are located at or nearby its facilities. It also reports on its biodiversity monitoring activities online

at its Website. The latter consists of periodic evaluations that are designed according to the specific characteristics of each territory, reported quarterly or on a semester basis.

Environmental Law Suits

At December 31, 2017 Enel Generación Chile had a total of 20 on-going legal proceedings related to environmental cases. In 85% of the cases Enel Generación acts as the defendant. Moreover, it is worth pointing out that in 2017 the company was not imposed any environmental regulatory violations involving fines over USD10,000.

As part of its new vision of creating shared value Enel has made it a priority to resolve historic conflicts left in the wake of Endesa's operations in the jurisdictions. In this regard the company made progress in 2017 on the following fronts:

- > Regarding the Hidroaysén Hydropower Project the company renounced the project and is in the process of returning water rights granted by the State to develop a run-of-river power plant. At present there aren't any lawsuits or fines associated with Enel Generación's involvement in the project.
- > An investigation is currently underway at the Ralco Power Plant regarding compliance with the Environmental Qualification Resolution. No formal charges have been filed under this investigation.

- > At present there aren't any socio-environmental conflicts or lawsuits related to the Palmucho run-of-river plant located downstream from the Ralco power plant.
- > The Pangué power plant, located 100kms from Los Ángeles, was sued for alleged damages caused by water discharged into the Bío Bío River in July 2006. However, in June 2016 the courts ruled against all parts of the lawsuit. The plaintiff subsequently appealed the ruling and the case is currently being settled.





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Limited Assurance Statement of Enel Generación Sustainability Report 2017 (free translation from the original in Independent spanish)

To the President and Directors
Enel Generación

Scope

We have performed an independent limited assurance engagement on the information and data presented in Enel Generación 2017 Sustainability Report.

Preparation of the Sustainability Report is the responsibility of the Management of Enel Generación. The Management of Enel Generación is also responsible for the data and affirmations included in the Sustainability Report, definition of the scope and management and control of the information systems that have provided the reported information.

Standards and Assurance Procedures

Our review has been performed in accordance with the International Standard on Assurance Engagements ISAE 3000, established by the International Auditing and Assurance Board of the International Federation of Accountants and the version GRI Standards of the guidelines for the preparation of sustainability reports under the Global Reporting Initiative (GRI).

We conducted our assurance procedures in order to:

- Determine whether the information and data presented in the 2017 Sustainability Report are duly supported by evidence.
- Verify the traceability of the information disclosed by Enel Generación in its Sustainability Report 2017.
- Determine whether Enel Generación has prepared its 2017 Sustainability Report in accordance with the Content and Quality Principles of the GRI Standards.
- Confirm Enel Generación self-declared "Core" option of the GRI Standards to its report.

Work Performed

Our assurance procedures included enquiries to the Management of Enel Generación involved in the development of the Sustainability Report process, in addition to other analytical procedures and sampling methods as described below:

- Interviews with key Enel Generación personnel, in order to assess the 2017 Sustainability Report preparation process, the definition of its content and its underlying information systems.
- Review of supporting documents provided by Enel Generación.
- Review of formulas and calculations by recalculation.
- Review of the 2017 Sustainability Report in order to ensure its phrasing and format does not mislead the reader regarding the information presented.

Our Responsibility

Our responsibility is limited to the procedures mentioned above, corresponding to a limited assurance which is the basis for our conclusions.

Conclusions

Subject to our limitations of scope noted above and on the basis of our procedures for this limited assurance of Enel Generación Sustainability Report, we conclude that nothing has come to our attention that would cause us to believe that:

- The information and data disclosed in Enel Generación 2017 Sustainability Report are not presented fairly.
- Enel Generación 2017 Sustainability Report has not been prepared in accordance with the GRI Standards for the preparation of sustainability reports under the Global Reporting Initiative.
- Enel Generación self-declared "Core" option does not meet the GRI Standards requirements for this option.

Improvement Recommendations

Without affecting our conclusions as set out above, we have detected some improvement opportunities for Enel Generación Sustainability Report 2017, which are detailed in a recommendations report presented to Enel Generación Administration.

Truly Yours,

EY Consulting SpA

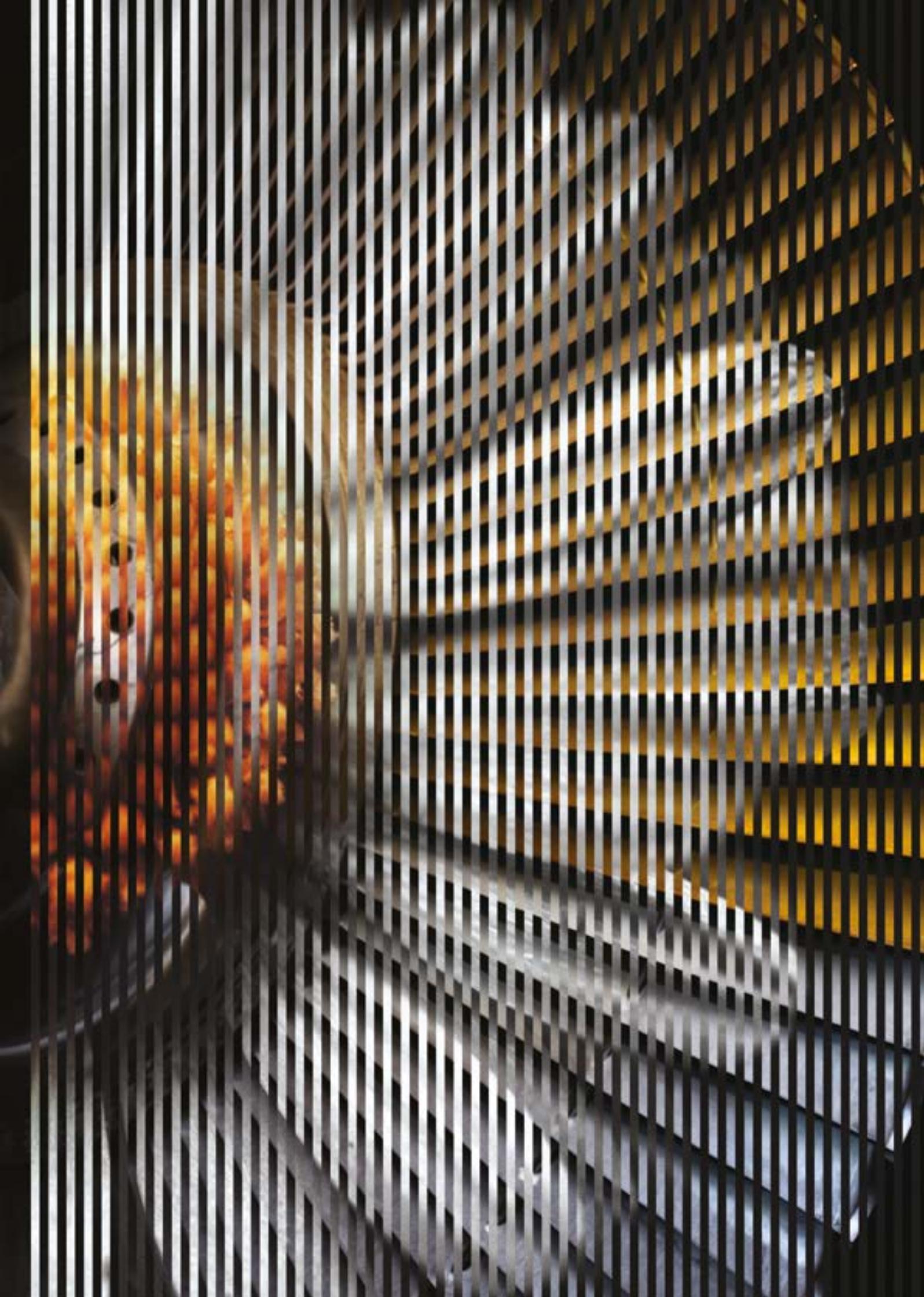

(Eduardo Valente Neto
PI Chile Leader)

April 06th, 2018

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Appendices



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	305-5	There aren't any updated carbon footprint calculations at Enel Generación.	-	Principle 8: undertake initiatives to promote greater environmental responsibility; and
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	305-7	There aren't any updated carbon footprint calculations at Enel Generación.	-	Principle 9: encourage the development and diffusion of environmentally friendly technologies.
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	414-1	Supplier Qualification and Selection Practices	87	Principle 4: the elimination of all forms of forced and compulsory labour.
	414-2	Vendor Rating	88	Principle 5: the effective abolition of child labour.
Public Policy		In keeping with the Group's policy (Zero Tolerance for Corruption Plan) Enel companies are not allowed to make political contributions, which, starting in 2016, is also expressly prohibited by Chilean Law 20.900.		Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.
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Datos ambientales adicionales

Detalle	Unidad	2015	2016	2017
Non-renewable fuels (nuclear fuels, coal, oil, natural gas, etc.) purchased and consumed	MWh	15,467,900	20,119,900	18,026,500
Renewable energy (biomass, solar, wind power, hydro, etc.) purchased or generated Enel Generación	MWh	11,980,000	9,185,000	9,781,000
Non-renewable energy (electricity and heating and cooling) produced by Enel Generation	MWh	6,314,000	8,379,000	7,292,000
Total Generated Energy Enel Generation (discounted own consumption and losses)	MWh	18,294,000	17,564,000	17,073,000
Total municipal water supplies (or from other water utilities)	MMm ³	-	-	-
Surface fresh water (lakes, rivers, etc.)	MMm ³	-	-	-
Fresh underground water	MMm ³	1.16	5.70	5.4
Desalinated sea water	MMm ³	0.80	0.90	0.6
Total water consumption	MMm ³	1.96	6.60	6.00
Wastewater (Used in plants)	MMm ³	0.00	0.00	0.00
Wastewater (Volume discharged)	MMm ³	1.50	2.50	2.70
Direct NOx emissions	Ton	8,972	7,823	6,130
Direct SOx emissions	Ton	4,706	4,156	2,734
Direct dust emissions	Ton	170	180	119
Environmental expenses and investments	MMCLP	4,414	36,675	11,354





Questions and suggestions can be sent to:

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