

Sociedad de  
Transmisión  
Austral S.A.

# Annual Report 2021



Sociedad de *Transmisión Austral S.A.*







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# Letter from the Chair

Iván Díaz-Molina









2021 was a year of reinvention for Grupo Saesa, and like many companies in the country and the world, we had to continue adapting to the new paradigm caused by the pandemic, successfully overcoming the challenges that Covid-19 and the regulatory changes brought with it, thanks to the unconditional commitment, flexibility, and spirit of collaboration that characterizes us.

For this reason, I would like to once again highlight and deeply thank the effort and dedication of each of our employees who continued to adapt to the new challenges, performing their work with their signature professionalism, whether in telework or in the field, always safeguarding their integrity and health, and always putting our customers at the center of their work.

Thanks to this effort, 2021 will be marked in the history of Grupo Saesa by an important milestone that we especially value: We have achieved the best quality of service since we started operating.

In order to respond to the social needs derived from the pandemic, we continue to provide support to the most vulnerable families through Grupo Saesa's own payment alternatives. Likewise, and in accordance with the provisions of the Law on Utilities, we suspended supply disconnection for non-payment and extended the payment facilities. This effort is part of our commitment to the more than 950,000 families who are now our customers, whom I would also like to thank for adapting to this

somewhat uncertain environment.

For this reason, we continue to strengthen our relationship with the households in our concession area. We are taking advantage of technology to carry out our community outreach plans, which has allowed us to reach more people with our education, women's entrepreneurship, and environmental conservation programs. In addition, we made progress with the connection of community centers to the power grid.

We especially value the training we provide at the Entrepreneurship Academy, which seeks to transform and generate changes in small businesses of women entrepreneurs who attend our Women with Energy program.

We are deeply grateful for the recognition received over 2021. One of the most gratifying accolades is the evaluation made by the workers themselves, which placed us in first place in the national ranking "Great Place to Work" as the best company to work for in Chile with more than one thousand employees. This confirms that the work we are doing hand in hand with our employees is going in the right direction: Grupo Saesa cares for, welcomes and trains its employees, seeking a balance between personal life and high standards of efficiency, productivity, and commitment to its customers.

Likewise, for the third consecutive year, Grupo Saesa received the FGE (Fundación Generación Empresarial) Award for Commitment to Integrity 2021 for our ongoing work to promote a culture of integrity and good corporate practices. We were also recognized by First Job as one of the five best companies for an Internship in Chile and we also obtained the recognition of "Most Innovative Companies" Utilities category, in the Ranking Most Innovative Companies 2021.





Along with the above, the robust investment plan we initiated in 2018, when we committed USD 1.5 billion over five years and which allowed the promotion of 3,400 improvement projects in our grids, is already showing relevant results.

In 2021, the time without electricity supply decreased considerably compared to 2017: Frontel improved from 58.9 to 26.4 hours or outage; Saesa from 21.0 to 13.4 hours, and Edelaysen from 34.4 to 13.9 hours. These are very positive figures considering the challenges posed by the geographic dispersion of the population, the rugged landscape, and the climatic difficulties typical of the south of our country.

In addition, in 2021 we invested \$190.036 billion in technological solutions to sustain the quality of the energy we deliver over time. We developed alternatives to maintain the continuity of supply during unscheduled outages, launched a pilot program for underground networks in rural areas with high tree density, installed 510 new digital remote switching devices and 4 backup systems for entire communities, together with the expansion of the capacity of 2 power plants that perform the same task.

This reflects the commitment and long-term vision of our shareholders to support the efficient and sustainable development of energy in our country.

In terms of financial results, EBITDA amounted to Ch\$144.46 billion, up 9.9% from 2020. This is explained by the Transmission business.

In 2021, we implemented an internal restructuring that, in a first stage, separated our distribution and transmission businesses and created the subsidiary Saesa Innova. During 2022, we will move ahead with the separation of the power generation business.



We are aware of the challenges of today's world and are confident that we have made sustainable progress in meeting economic, environmental, and social demands. Because we are energy that connects and transforms lives, we will continue to contribute to the decarbonization of the energy matrix through renewable energy solutions, investing to improve the quality of service daily, and working to bring energy to the most remote areas in the south of Chile.

Iván Díaz-Molina  
CHAIR











## Vision and Mission

# Statement

### Vision

Improve the quality of life of people and contribute to the sustainable development of the country by supplying reliable, secure energy.

Our work builds on a deep commitment to our customers, the safety, wellbeing, and development of our employees, and

to modernization of Chile's electricity industry.

Our vision has a long-term perspective aimed to create value for our shareholders.

### Mission

Over the next two years, Grupo Saesa must undertake a major turnaround in its business, reaching a new standard of quality of service and significantly strengthening the relationship with its customers. The Company is to successfully implement the new Technical Standard on Distribution and Smart Metering projects and consolidate its leadership in occupational safety in the industry. Grupo Saesa must be a leading player in the development of the regulatory framework and new technologies in Chile, fostering close collaboration with regulators and communities.

By 2022 Grupo Saesa must have redefined its relationship with its customers by fostering new digital systems that successfully improve customer experience and support the development of a customer-focused culture.

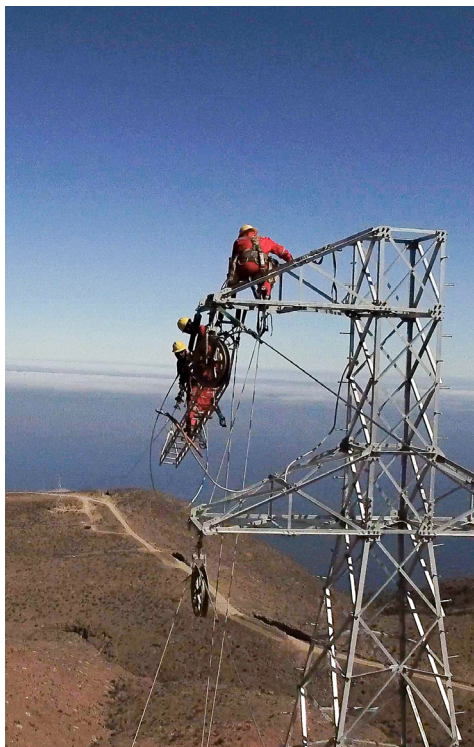
To build the future, Grupo Saesa must advance the agenda of innovation in all its business areas and explore the opportunities offered by new technologies of electrical goods and services used by customers daily.

### Growth and Vision 2022

By 2022, Grupo Saesa will undertake a major turnaround in its business, as part of which the Company must successfully complete the implementation of its investments and redefine its relationship with its customer base. It should consolidate a team of people with a culture of excellence and be perceived as the best option to work in the industry. The Company must also consolidate its leadership in occupational safety in the industry and create sustainable economic value for its shareholders.



## About Our Company



### CORPORATE VALUES

To achieve its objectives, the Company must aim at and uphold the highest work standards and implement the following core values in its daily activities.

- Integrity: We do the right things.
- Transparency: We act truthfully and honestly.
- Safety: Non-negotiable.
- Excellence: We do things impeccably.
- Customer focus: The center of our operations.
- Efficiency: Key in our industry.
- Sustainability: We are responsible regarding the future.

## Identification of the Company

Company Name

Sociedad de Transmisión Austral S.A.

DBA

STA

Tax ID #

77.122.643-4

Legal Address

Isidora Goyenechea 3621 Piso 3, Las Condes, Santiago

Business Address

Bulnes 441, Osorno

Telephone #

+56 22 414 7500

Fax #

+56 22 414 7009

Email

infoinversionistas@saesa.cl

Website

[www.gruposaesa.cl](http://www.gruposaesa.cl)

Company Type

Sociedad Anónima Cerrada

For Investor Relations

+56 64 238 5400



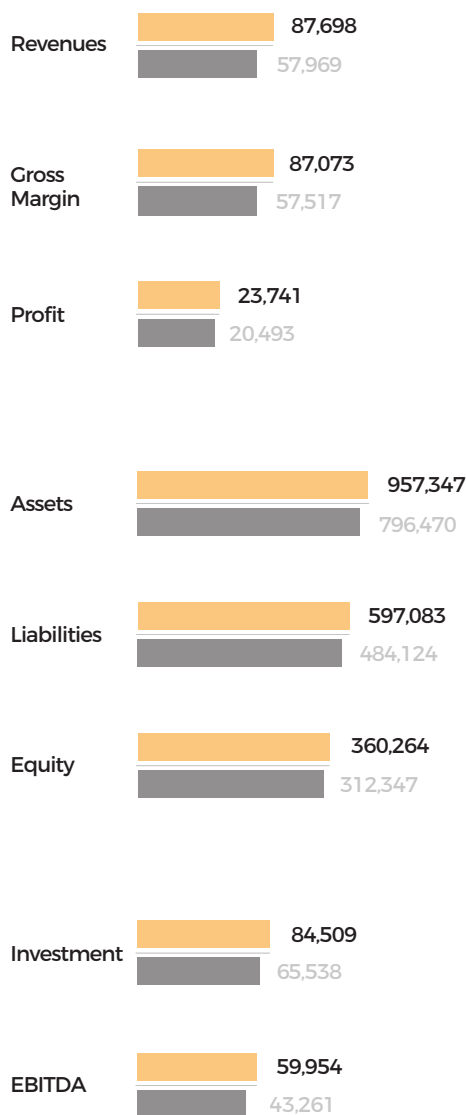


## Financial Highlights

### FINANCIALS

CONSOLIDATED (MM\$)

2021 2020

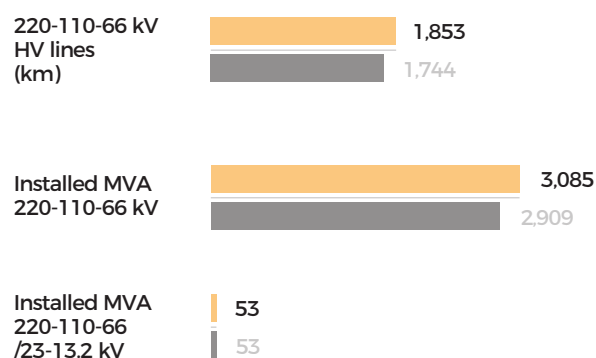


### OPERATING FIGURES

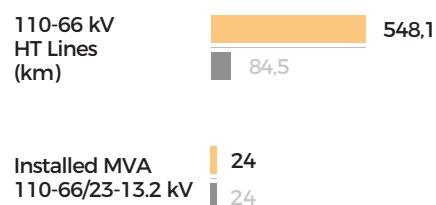
2021 2020



### OWN FACILITIES



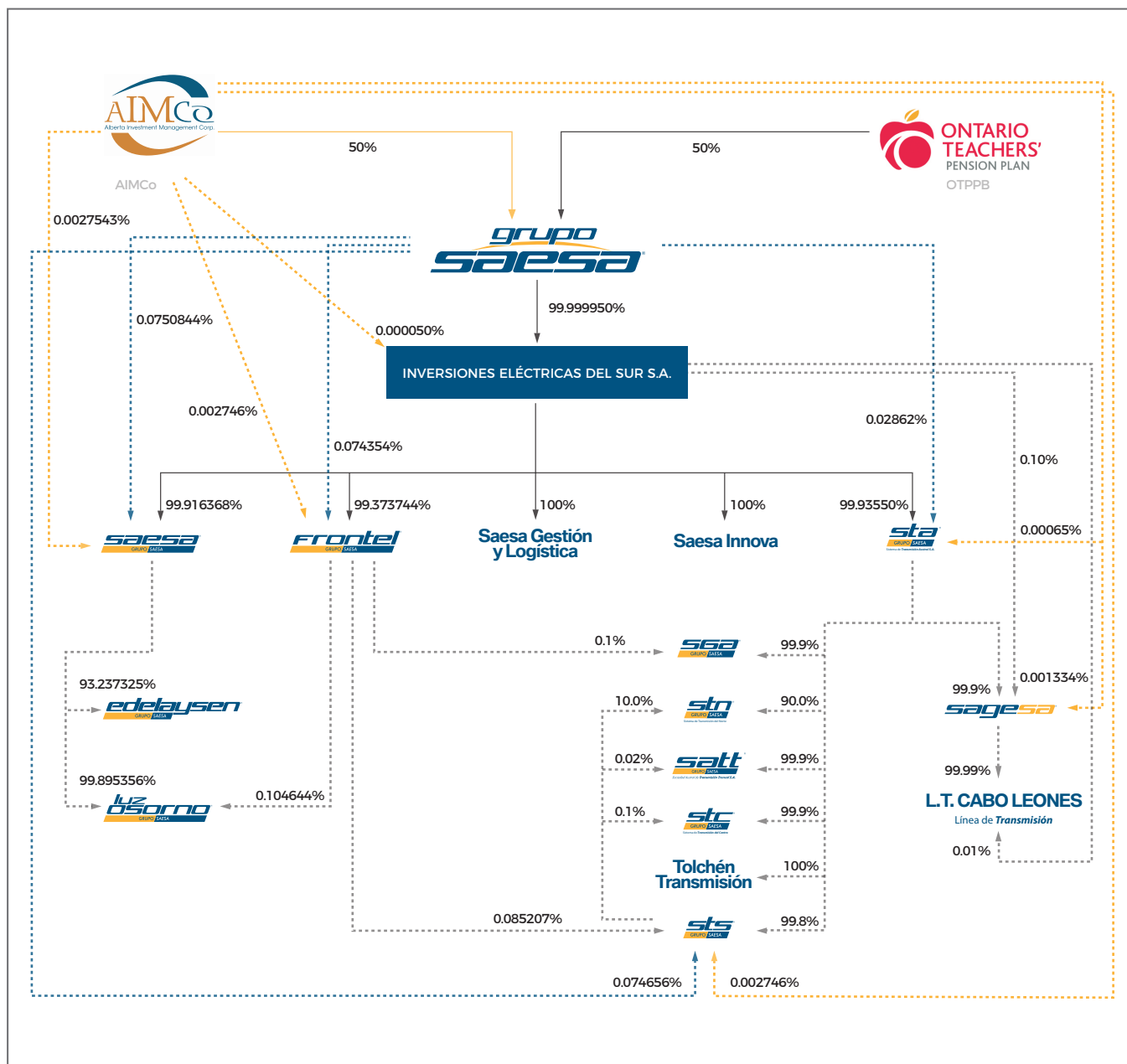
### THIRD-PARTY FACILITIES OPERATED BY STA





## Ownership Structure

As of December 31, 2021 the Company's ownership structure is as follows:



As set out in Title XV in Law 18,045, Securities Market Law, Sociedad de Transmisión Austral S.A. is controlled by Inversiones Eléctricas del Sur S.A., which owns a 99.93550% equity interest in the company.

The shareholders of Condor Holding SpA and AndesCan SpA are foreign companies related to investment funds, the individuals behind them cannot be identified.



## Ownership and Control

As of December 31, 2021, the main shareholders of the company are as follows:

SHAREHOLDER	SERIES A SHARES	SERIES B SHARES	TOTAL SHARES	TOTAL INTEREST
INVERSIONES ELÉCTRICAS DEL SUR S.A.	371,662,703	38,327,579,556	38,327,951,402,259	99.935497%
UNSUBSCRIBED SHARES	-	12,990,630,008	12,990,630,008	0.033871%
INVERSIONES GRUPO SAESA LTDA.	375,450	10,977,866,271	10,978,241,721	0.028624%
CONDOR HOLDING SPA	248,037,779	-	248,037,779	0.000647%
SOCIEDAD INMOBILIARIA RAHUE LTDA.	4,122	123,662,933	123,667,055	0.000322%
INMOBILIARIA SANTA ALICIA LTDA.	1,962	58,849,343	58,851,305	0.000153%
FINKELSTEIN VELIZ, CLARA LEA	1,418	42,542,841	42,544,259	0.000111%
INVERSIONES CORRENTOSO LTDA.	1,307	39,211,746	39,213,053	0.000102%
BRAVO MICHELL, CLODOMIRO	884	26,521,860	26,522,744	0.000069%
CONCA HNOS. LTDA.	791	23,730,085	23,730,876	0.000062%
RADIODIFUSORAS AUSTRALES SOC. LTDA.	686	20,589,339	20,590,025	0.000054%
V. DE GARRIDO, ELENA TRECHA	577	17,321,694	17,322,271	0.000045%
LAVANDERO PASCAL, MARÍA DE LOS ÁNGELES	534	16,020,980	16,021,514	0.000042%
OTHER SHAREHOLDERS	5,105	153,262,096	153,267,201	0.000400%
<b>TOTAL</b>	<b>620,093,318</b>	<b>38,352,069,948,752</b>	<b>38,352,690,042,070</b>	<b>100 %</b>

The Company's shares are divided into Series "A" shares, with all the rights accorded by law to ordinary shares, and Series "B" shares, with all the rights accorded by law to ordinary shares but also with a preferential right whereby the Board of Directors shall be required to call for an Ordinary or Extraordinary Shareholders' Meeting whenever 5% of the Series B shares requests so, as well as a restriction, which is that Series B shares are not entitled to participate in Board of Directors elections. Series A and B shares were issued with 100-year maturities on July 31, 2008.

### JOINT AGREEMENTS

Sociedad de Transmisión Austral S.A. has a shareholders' agreement entered on June 22, 2012, which governs the shareholders of the company as a result of the merger by absorption of the extinct Sociedad Austral de Electricidad S.A., and which contemplates limitations to the free disposition of the shares.











## Corporate Governance

Shareholders meet on occasion of Ordinary and Extraordinary Shareholders' Meetings. Regular Shareholders' Meetings are held once a year, within the first four months, to discuss and decide on matters within its field of competence. Extraordinary Shareholders' Meetings may be held at any time, when required by company needs, to decide on any matter which according to the law or the company's bylaws are within the field of competence of the Shareholders' Meetings.

The Company is managed by the Board of Directors, which is vested with the broadest powers conferred by Law 18,046 on Corporations and its regulations to act in the name and on behalf of the company. The Company's Board of Directors meets regularly once a month to deal with the

various issues within their competence, on which occasion Board members are also briefed by the Chief Executive Officer of the Company's business. Likewise, the Board of Directors meets extraordinarily in those cases where it is convenient and/or necessary. In any case, Directors have the right to be informed at any time of all matters corporate. The remuneration of the Board of Directors is set annually by the Ordinary Shareholders' Meeting.

The Company has a Manual for the Acquisition or Transfer of Securities and Handling and Disclosure of Information of Interest to the Market, the latest version of which was adopted by the Company's Board of Directors on January 28, 2010, and is available on the Company's website.

### CRIME PREVENTION MODEL AND COMPLIANCE PROGRAM

Grupo Saesa abides by values and commitments that aim to promote a corporate culture in full compliance with applicable laws and regulations and strives to ensure that





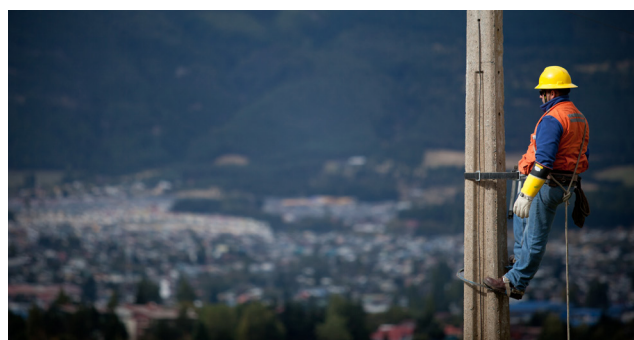
all its companies and employees shall conduct themselves ethically, transparently, honestly, and with integrity.

This mentality has translated into a series of instruments, company policies and training courses, including the adoption and implementation of a Crime Prevention Model and a Compliance Program:

#### CRIME PREVENTION MODEL

In 2011, Grupo Saesa adopted and implemented a Crime Prevention Model in all its companies, in accordance with the guidelines of Law 20,393 on the Criminal Liability of Legal Entities. Initially, this Model aimed to prevent the crimes of money laundering, financing of terrorism, and bribery of local and/or foreign public officials.

Subsequently, Law No. 20,931 known as “Short Agenda against Crime” was enacted in 2016. This new law added receiving to the crimes prescribed in Law 20,393, which led to the need of updating the Model for the first time.



On November 20, 2018, Law 21,121 was published in the Official Gazette, increasing the penalties for crimes associated with corruption and significantly modifying the statute of criminal liability of legal entities contained in Law 20,393 by incorporating four new crimes: disloyal administration, corruption between private individuals, incompatible negotiation, and misappropriation.

Also, by way of Law 21,132 of January 31, 2019, which modernizes and strengthens the exercise of the public duties of the National Fisheries Service, four new offenses



were added, including water pollution.

These modifications resulted in an arduous task of updating the Crime Prevention Model and its associated policies, a task that was carried out during 2019 and part of 2020. The process included, among other aspects, which has included the drawing up of risk matrices related to the new crimes introduced to the catalogue, their current controls and the action plans necessary to mitigate the legal risks that Grupo Saesa may be exposed to. In addition, the criminal liability clauses that are usually included in the contracts of employees, contractors, and suppliers, as well as the chapter on the subject that is incorporated in the Internal Regulations of the companies of Grupo Saesa were also amended.

It should be noted that, given the scope of the legal modifications, the company requested the support and advice of expert consultants in this area in order to carry out the task of updating the Prevention Model.

Finally, and as a result of the latest amendments to Law 20,393 related to new requirements established by the authority to address the COVID-19 pandemic, which resulted, among other consequences, in the incorporation of two new offenses to the catalog of crimes that could lead to criminal liability of legal entities, it was necessary to update again the Prevention Model of the Company, introducing this time an express mention of the crimes of: a) Non-observance of sanitary measures decreed by the authority and; b) Fraudulently obtaining unemployment insurance benefits. This update was published on March 5, 2021.

There is also the adoption of a series of preventive measures to ensure that the Company effectively adapts to the new social, legal, and health scenario that the country is experiencing, always maintaining its high standard of integrity.

The Model is led by the Crime Prevention Officer, who was specifically appointed by the Board of Directors of the companies that make up Grupo Saesa.

The Head is an autonomous position from management; it has its own financial and material resources that are sufficient for carrying out its duties; and reports, at least twice yearly, to the Board on the current state of the Model.

Since the implementation of the Model, the company has trained its own staff as well as its contractors' through in-person and e-learning sessions, the latter being strongly reinforced in 2020 and 2021 given the pandemic situation. These trainings cover both the general concepts and the scope of Law 20,393.

In order to ensure that the Crime Prevention Model fully complies with the requirements imposed by law and thus guarantee its full effectiveness, the Company has submitted it to a review process since 2014, being renewed annually since that date. However, in 2020 the Company obtained, for the first time, the Model certification for a period of 2 years for all its companies. Thus, with a view to the next certification in 2022, during the first half of 2021, the certification agency Feller Rate monitored the status of the Prevention Model and found it to be compliant in all the points under review.

Furthermore, as of 2017, Compliance function has monitored adherence to the Crime Prevention Model, in addition to issuing internal rules and procedures, as set out in the Compliance Program, which have strengthened it.

As a result, today Grupo Saesa has a robust and effective Crime Prevention Model in full compliance with each legal requirement, thus ensuring the adoption of the right measures to prevent unlawful behavior within the company and to maintain integrity as one of the pillars of our activities.

## COMPLIANCE

In 2017, Grupo Saesa introduced its Compliance Program, which consists of organizational management policies, procedures, actions, and initiatives aimed at adopting good practices for full compliance with the current legislation while adhering to the principles of ethics and integrity fostered by the Company, thus reducing the risk of actions that may result in acts that could be considered a criminal offense.

For Grupo Saesa, the term "compliance" is not limited to abiding by a set of rules and standards. It implies creating a culture of ethics and integrity that guides the behavior and decisions of all members of our organization, giving them a distinctive way of working towards the company's strategic guidelines and objectives vis-à-vis its stakeholders.



Along these lines, Grupo Saesa has made changes to its organization chart and processes, to focus all its actions on a common ethical framework defined in accordance with certain basic principles, particularly those laid down in the Integrity Standards, a document that has also undergone a very detailed updating process in order to adapt to new social and legal requirements.

Accordingly, the Compliance department created and implemented in 2017 under the parameters and guidelines of Senior Management today leads a management system that seeks to be the engine of change for the implementation of good practices in all areas where the efficient treatment of risks so advises.

The basic pillars of the Compliance Program are, on the one hand, internal leadership to promote values and good corporate governance, transparency, and integrity, and, on the other, an approach based on risk analysis and management that leads to the identification of vulnerabilities and the actions needed to prevent and/or correct them.

In addition, the company's guidelines and principles also include the respect of rules for proper market operation, forbidding any actions that may actually or potentially hinder, restrict, or hamper free competition. Grupo Saesa categorically rejects all instances of unfair competition and any act, fact or convention that contravenes applicable laws or the internal regulation as set forth in the Manual of Compliance with Free Competition Defense Regulations published in 2017.

The Compliance Program has been designed with a comprehensive approach that includes the identification, management, monitoring of mitigation factors, and reporting of risks as well as semi-annual training and dissemination plans that seek to foster, promote, and reinforce compliance with the priorities established in the Compliance Policy. The program's components attest to the company's commitment to laying the foundations of a system of efficient management and continuous improvement that involves the entire organization in strengthening a culture of compliance, transparency, integrity, and respect for the ethical standards embraced by the group.

It is important to highlight that during 2021, 43 training activities were carried out, attended by 8,067 participants, including our own employees and contractors, which translates into more than 8 thousand hours of effective

training. The high rates of participation and approval of the courses given attest to the real commitment of the employees to the culture of integrity that inspires the Company.

In July we held the "Integrity and Transparency Week," which sought to raise employee awareness of the importance of good practices in the area of integrity and compliance and to incorporate the experience of corporate values as one of those good practices. Among the activities carried out were the launching of awareness-raising videos, online ethical dilemma games, educational capsules, infographics with relevant information and the presentation of awards to employees who stand out every day for living the values of integrity and transparency.

In line with the above, in 2021 Grupo Saesa once again accepted the challenge of "measuring its integrity" by applying, for the fifth consecutive year, the Barometer of Business Values and Ethics (BVEE), managed by Fundación Generación Empresarial. The objective of the survey applied was to measure the perception that the employees of Grupo Saesa have about the state of the culture of ethics and corporate compliance, differentiating the answers according to hierarchical levels.

The excellent results obtained in the Barometer, the fruit of the daily and joint work in the management of corporate ethics, added to the delivery of the requested evidence, made Grupo Saesa worthy of the highest distinction awarded, for the third consecutive year, i.e., the "Generación Empresarial al Compromiso con la Integridad 2021" award (Business Generation Recognition for Commitment to Integrity 2021). This time Grupo Saesa was the only company to be singled out in the "Track Record" category among the 63 companies and non-corporate entities that underwent the evaluation. It should be noted that Grupo Saesa is currently the only company in Chile to have received this recognition for three consecutive years, which has been described by the event's organizers as "quite an achievement". This award recognizes the systematic work that year after year Grupo Saesa has been doing to promote and disseminate integrity and good corporate practices within the organization.



## Corporate Social Responsibility and Sustainable Development

### BOARD DIVERSITY

AGE RANGE (YEARS)	MEN	WOMEN	TOTAL
Under 30	-	-	-
Between 30 and 40	1	1	2
Between 41 and 50	1	1	2
Between 51 and 60	2	-	2
Between 61 and 70	1	-	1
Over 70	1	-	1
SENIORITY (YEARS)	MEN	WOMEN	TOTAL
Under 3	1	1	2
Between 3 and 6	-	-	-
Between 6 and 9	1	-	1
Between 9 and 12	3	-	3
Over 12	1	1	2
CITIZENSHIP	MEN	WOMEN	TOTAL
CHILEAN	3	-	3
FOREIGN NATIONAL	3	2	5

### DIVERSITY OF THE CEO'S OFFICE AND OTHER DEPARTMENTS

AGE RANGE (YEARS)	MEN	WOMEN	TOTAL
Under 30	-	-	-
Between 30 and 40	-	-	-
Between 41 and 50	5	1	6
Between 51 and 60	1	-	1
Between 61 and 70	-	-	-
Over 70	-	-	-
SENIORITY (YEARS)	MEN	WOMEN	TOTAL
Under 3	2	-	2
Between 3 and 6	1	-	1
Between 6 and 9	3	-	3
Between 9 and 12	-	-	-
Over 12	-	1	1
CITIZENSHIP	MEN	WOMEN	TOTAL
CHILEAN	6	1	7
FOREIGN NATIONAL	-	-	-



## DIVERSITY OF COMPANY EMPLOYEES

AGE RANGE (YEARS)	MEN	WOMEN	TOTAL
Under 30	33	3	36
Between 30 and 40	133	18	151
Between 41 and 50	104	10	114
Between 51 and 60	47	4	51
Between 61 and 70	7	1	8
Over 70	-	-	-
SENIORITY (YEARS)	MEN	WOMEN	TOTAL
Under 3	219	16	235
Between 3 and 6	42	7	49
Between 6 and 9	12	2	14
Between 9 and 12	6	2	8
Over 12	45	9	54
CITIZENSHIP	MEN	WOMEN	TOTAL
CHILEAN	316	34	350
FOREIGN NATIONAL	8	2	10

## DIVERSITY SUMMARY

DIVERSITY	BOARD OF DIRECTORS		DEPARTMENTS		COMPANY		TOTAL		SHARE	
AGE RANGE (YEARS)	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Under 30	-	-	-	-	33	3	33	3	8.8%	0.8%
Between 30 and 40	1	1	-	-	133	18	134	19	35.7%	5.1%
Between 41 and 50	1	1	5	1	104	10	110	12	29.3%	3.2%
Between 51 and 60	2	-	1	-	47	4	50	4	13.3%	1.1%
Between 61 and 70	1	-	-	-	7	1	8	1	2.1%	0.3%
Over 70	1	-	-	-	-	-	1	-	0.3%	0.0%
SENIORITY (YEARS)	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Under 3	1	1	2	-	219	16	222	17	59.2%	4.5%
Between 3 and 6	-	-	1	-	42	7	43	7	11.5%	1.9%
Between 6 and 9	1	-	3	-	12	2	16	2	4.3%	0.5%
Between 9 and 12	3	-	-	-	6	2	9	2	2.4%	0.5%
Over 12	1	1	-	1	45	9	46	11	12.3%	2.9%
CITIZENSHIP	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
CHILEAN	3	-	6	1	316	34	325	35	86.7%	9.3%
FOREIGN NATIONAL	3	2	-	-	8	2	11	4	2.9%	1.1%

\*Including Board of Directors

## GENDER PAY GAP

Average total remuneration (fixed assets + bonuses)

JOB LEVEL	FEMALE	MALE	DIFFERENCE
ADMINISTRATIVE	33%	100%	67%
UNIT HEAD	85%	100%	15%
DEPARTMENT HEAD	80%	100%	10%
LINEMEN	N.A.	100%	100%
PROFESSIONAL	91%	100%	9%
SUPERVISOR	N.A.	100%	100%
TECHNICIAN	88%	100%	12%



## Board of Directors

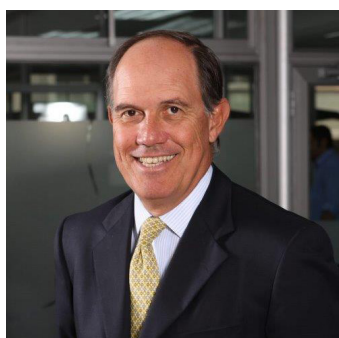
In 2021, the Board of Directors of Inversiones Eléctricas del Sur S.A. and its subsidiaries consists of eight members, excluding alternate directors. Directors serve for a term of two years and may be reelected.

In 2021, the members of the Board were:



### CHAIR

Iván Díaz-Molina  
Civil Engineer  
ID # 14.655.033-9  
Last Appointment:  
04.30.2021



### VICE-CHAIR

Jorge Lesser García-Huidobro  
Civil Engineer  
ID # 6.443.633-3  
Last Appointment:  
04.30.2021



### REGULAR DIRECTOR

Juan Ignacio Parot  
Industrial Engineer  
ID # 7.011.905-6  
Last Appointment:  
04.30.2021



### REGULAR DIRECTOR

Waldo Fortín  
Lawyer  
ID # 4.556.889-K  
Last Appointment:  
04.30.2021



### REGULAR DIRECTOR

Jonathan Reay  
Investment Manager  
Foreign National  
Last Appointment:  
04.30.2021



### REGULAR DIRECTOR

Stacey Purcell  
Business Administrator  
Foreign National  
Last Appointment:  
04.30.2021



### REGULAR DIRECTOR

Christopher Powell  
Engineer B. Sc.  
Foreign National  
Last Appointment:  
04.30.2021



### REGULAR DIRECTOR

Ashley Munroe  
Civil Engineer  
Foreign National  
Last Appointment:  
04.30.2021







## Management

### Chief Executive Officer

Francisco Alliende Arriagada / Business Administrator  
ID # 6.379.874-6 / Appointed on 02.01.2012

### Chief Administrative and Financial Officer

Victor Vidal Villa / Civil Industrial Engineer  
ID # 9.987.057-5 / Appointed on 04.11.2012

### Legal Counsel

Sebastián Sáez Rees / Lawyer  
ID # 8.955.392-K / Appointed on 10.01.2007

### Regulation Officer

Rodrigo Miranda Díaz / Civil Electrical Engineer  
ID # 10.784.472-4 / Appointed on 09.10.2012

### HR Officer

María Dolores Labbé Daniel / Business Administrator  
ID # 13.117.638-4 / Appointed on 12.10.2013

### Business Development Officer

Charles Naylor Del Río / Civil Industrial Engineer  
ID # 7.667.414-0 / Appointed on 05.15.2014

### Strategic Planning, Management, and Risks Officer

Marcela Ellwanger Hollstein / Business Administrator  
ID # 12.752.648-6 / Appointed on 12.10.2013

### Transmission Officer

Marcelo Matus Castro / Electrical Engineer  
ID # 11.364.868-6 / Appointed on 12.17.2018

### Risk Prevention Manager

Patricio Velásquez Soto / Risk Prevention Engineer  
ID # 12.540.271-2 / Appointed on 10.30.2013

### Internal Audit Director

Jorge Castillo Quiroz / Accountant-Auditor  
ID # 7.759.917-7 / Appointed on 10.01.2013

### Regulation Manager

Jorge Muñoz Sepúlveda / Civil Electrical Engineer  
ID # 11.694.983-0 / Appointed on 09.01.2009

### Corporate Affairs and Sustainability Manager

Alondra Leal Maldonado / Business Administrator  
ID # 12.421.730-k / Appointed on 04.01.2016

### Digital Transformation Manager

Cristian Alfredo Mezzano Frías / Engineer  
ID # 13.257.722-6 / Appointed on 01.06.2020

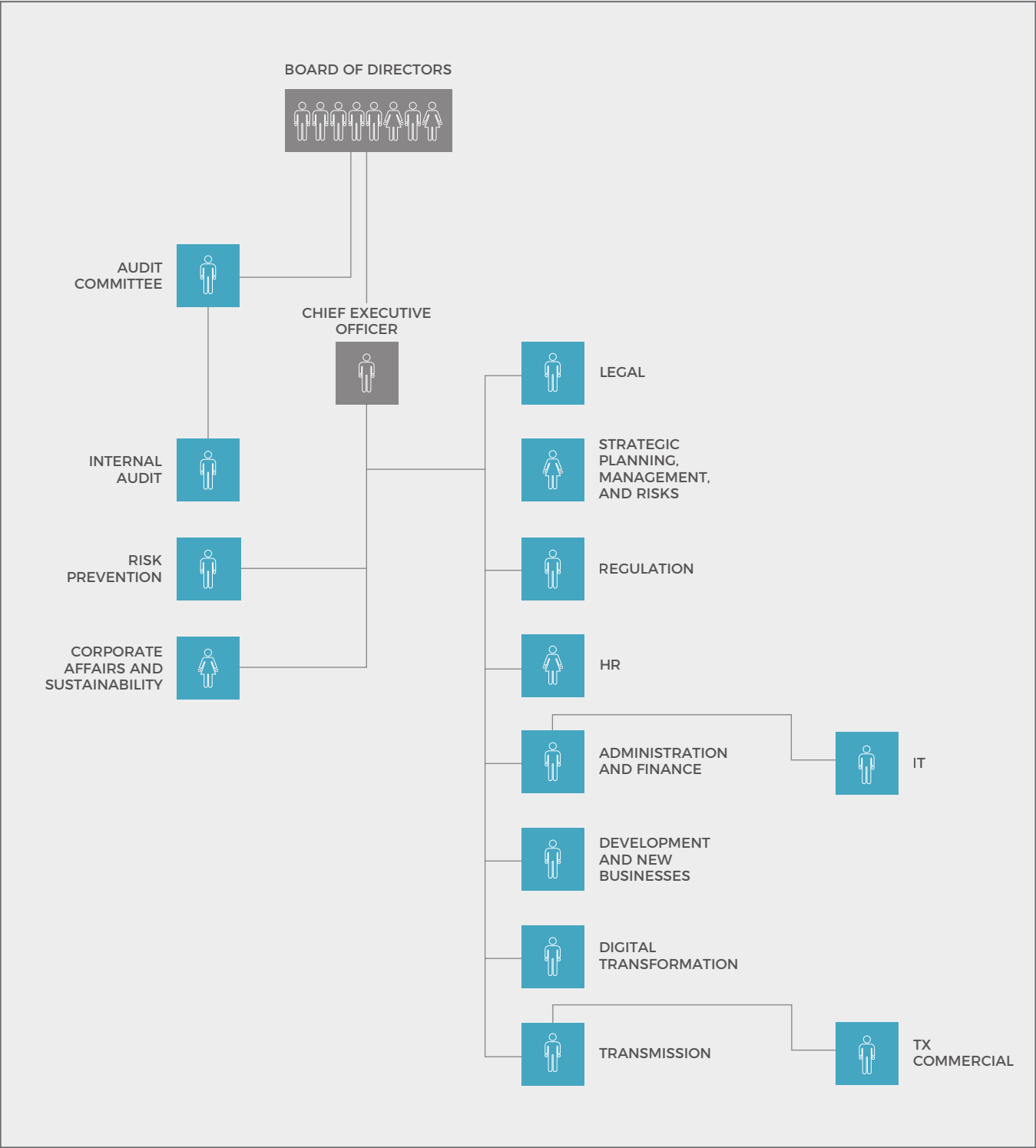
### Information Technology Manager

Sergio Sánchez Ríos / Computer Engineer  
ID # 13.757.993-6 / Appointed on 03.23.2020



# Organizational Structure

The Board of Directors, the Chief Executive Officer and the Executive Committee perform the same positions and functions for the parent company, Inversiones Eléctricas del Sur S.A., and its subsidiaries, with the sole exception of Línea de Transmisión Cabo Leones S.A., whose Board of Directors is composed of 3 members, and the recently incorporated companies Saesa Innova SpA and Saesa Gestión y Logística SpA, which are joint stock companies whose bylaws do not contemplate the existence of a Board of Directors.





# Organizational Effectiveness

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## Sustainability

Continuing with our commitment to analyze each of Grupo Saesa's activities to ensure that they are carried out in a sustainable manner, we remain in line with the challenge of issuing a report that accounts for each and every one of the initiatives that the company carries out with a view to a better future for the communities, its workers, and the environment.

Thus, in compliance with world-class standards and parameters, in 2021 Grupo Saesa issued its second sustainability

report, prepared under the GRI (Global Reporting Initiative) methodology.

Designed with a friendly and approachable structure, this document includes figures on the company's impact on the communities in which it operates, again promoting sustainability as a cross-cutting matter throughout the organization. It includes information on social, environmental, and economic activities, objectives, and results.

Grupo Saesa's sustainability strategy

is based on three fundamental pillars: Responsible operation, delivering energy with the highest industry standards; harmony with the environment, by virtue of which the activity is developed taking care of the relationship and in synchrony with the community; and energy amplification, which seeks to provide sustainable alternatives and solutions such as energy replacement and access to electricity for isolated areas through the use of new technologies.



## Community Programs

This year brought with it a great leap in terms of community outreach programs, joining the existing ones, this year saw the implementation of Women with Energy, Connect your Energy and Neighborhoods with Energy.

The purpose of these programs is to connect with the concerns and desires of the people who make up the community of which we are a part, in order to contribute in the best possible way, and to provide innovative, close, and real solutions that go beyond the main role of the company, which is to supply its customers with continuous and safe energy.

Women with Energy (Mujeres con Energía). This first version of the program recognized and offered training to 63 women entrepreneurs, from Ñuble to Aysén, who managed to move forward with their business ideas despite the difficulties brought about by the pandemic.

The selected women participated in an Entrepreneurship training course run by the professional institute AIEP, where they strengthened their competencies and capabilities. In addition, they were able to enhance their growth and access to new business, since a Website was

also implemented so that they could get their enterprises known.

The winners, who were chosen based on their performance in the course, were awarded a \$1,000,000 prize.

The Connect your Energy (Conecta tu Energía) program provides supports to people who need to stay in health center waiting rooms by installing free cell phone chargers. In 2021, three of these charging stations were put into service at the Puerto Montt Hospital and Purranque CESFAM health clinic in the Los Lagos region, and at the Corral Hospital in Los Ríos.

Neighborhoods with Energy (Barrios con Energía) is an initiative that seeks to provide lighting in public spaces that have never had power or to modernize systems already installed, so that the community can expand their possibilities of use, improve safety, and generate spaces for post-pandemic reunion. Work began in 2021 to renovate the Fermín Vivaceta Square in Osorno and Las Lumas Park in Coyhaique.

Over 2021, more than 7,000 people benefited from Grupo Saesa's various initiatives:

- Prizes were awarded to 3 schools that won the energy efficiency competition within the framework of the To School with Energy (A la Escuela con Energía) program, and photovoltaic systems to the were donated schools, thus providing energy to more than 150 children and teachers.

- 30 community centers were connected to the electricity grid, thus breathing fresh air into community meeting spaces for more than 3,000 people.

- Training activities were offered to more than 100 students from 3 schools through the Technical High Schools with Electricity Specialization (Liceos Eléctricos) program.

- 10 tons of exhausted batteries were recovered for collection and transfer to a safe place for their final disposal.

The company was permanently connected with the community through the We are Neighbors (Somos Vecinos) Radio program, reaching a large number of households with relevant and useful information in the 306 programs broadcast on more than 100 different stations, totaling more than 6,100 minutes on the air.









## Environment

For years, the Company has promoted the value of Sustainability within its organizational culture, incorporating a number of initiatives aiming at building relationships and generating positive impacts on the community through collaborative work. Accordingly, within the context of shared value, since 2014 the company has promoted activities associated with the correct and safe handling of alkaline batteries in close collaboration with the Regional Ministerial Secretaries of the Environment (Seremi MA, per their acronym in Spanish) in the regions where it is a concession holder. These wastes are highly toxic to the environment and its ecosystems; therefore, through the

program that today we know as "Ponte las Pilas," Grupo Saesa invites the entire community to be play an active role of this initiative, creating a culture of household collection and disposal of batteries at designated points.

Since early 2020, and as a result of the Covid-19 pandemic, the activities associated with the collection of batteries in municipal schools were affected due to the interruption of in-school classes and the sanitary requirements that have forced many municipalities to set restrictions. Notwithstanding, Frontel, Saesa and Edelayesen still wanted to move forward with this initiative, achieving with their campaigns the

collection of 2,500 (23.9%), 7,210 (68.8%) and 767 (7.3%) kg respectively, and thus exceeding ten tons at company level. This represents an increase of 1,000% with respect to the last campaign carried out in 2020.

Within other aspects of the company's responsible environmental management, during 2021, 44.3 tons were managed between electrical equipment associated with transformers, regulators, computers, and meters in disuse, distributed as follows: 35,000 kg (79%) of transformers and regulators; 1,225 kg (2.8%) of decommissioned computers and 8,100 kg (18.2%) of disused meters; and of these; 37.8% correspond to Frontel,



**Our goal is to offer our customers and the community energy solutions that not only improve their quality of life, but are friendly to our environment.**



53.3% to Saesa and 8.9% to Edelayesen.

With most of the company's workforce working from home in 2021, Grupo Saesa made a point to encourage management of recyclable waste at home.

In this context, and considering that this pilot plan is limited to the city of Osorno, between January and December a total of 8.4 tons of recyclable waste was reincorporated into the value chain, roughly a 227% increase from 2020. During this period, 8,350 kg of waste were collected for recycling, distributed as follows: 164 kg of paper (2%), 2,478 kg of cardboard (30%), 697 kg of plastic (8%), 179 kg of aluminum (2%), 2,315 kg of organic waste (28%) and 2,517 kg of glass (30%).

Another type of waste that underwent

a recovery process during 2021 is the one called Non-Hazardous Industrial Wastes that are generated as a result of discards during the construction stages of projects, maintenance and/or improvement plans, or replacement of infrastructure, among others.

From this process, 64 tons of wood (3%), 123 tons of aluminum cable (6%), 115 tons of galvanized steel (5%) and 1,861 tons of concrete (86%) could be recovered for recycling or transformation.

On a different environmental note, and as a consequence of the civil works executed to strengthen electric systems within the company's concession zones and the subsequent tree-trimming to enable a utility strip and pruning activities along power lines, every year the company is obligated to submit Trimming

Management and Reforestation Plans for the execution of civil works to the forestry agency Corporación Nacional Forestal (CONAF) in compliance with Law 20,283 and Decree Law 701.

From this management, the right to cut and intervene in the forest is legally established; however, the legal obligation to compensate through reforestation in the area that was intervened through works is also established. Within the framework of these obligations arising from Chile's forestry legislation, during 2021 Grupo Saesa reforested a little over 24 hectares of native forest within its concession area, distributed as follows: Saesa 7.23 hectares (30.1%), STS 24 hectares (68.5%), and Sagesa 0.34 hectares (1.4%).



## Our Team, our Greatest Asset

At Grupo Saesa, people are our greatest asset. To date, we have 5,893 employees, of which 1,665 work for group companies and 4,228 contractor staff. All of them, with their energy and commitment, allowed the company to continue advancing in 2021 in the different challenges proposed.

Flexibility, Agility, Innovation and Collaboration are undoubtedly behaviors that have been internalized and that today play a fundamental role. In the second year of the pandemic, efforts were sustained in a scenario that was not at all easy for the company or its customers.

### WE TAKE CARE OF OUR TEAM, TODAY AND ALWAYS

We strive to provide the best safety conditions for its workers. This unwavering commitment makes more sense than ever today, as measures had to be taken to ensure not only the physical safety of our team, but also to protect the mental health of everyone, given the lockdowns, the feeling of permanent insecurity, and the loss of loved ones or acquaintances that many people have been affected by.

For the second consecutive year, the Crisis Committee





had to evaluate the situation and existing needs to make decisions that would allow our company to move forward in the most appropriate conditions. This committee ensures the continuity of the operation, the safeguarding, and the provision of sanitary conditions for the workers who have continued to work in the field since the first day of the operation.

Conversations, surveys, and studies allowed the creation of support and containment programs for face-to-face and remote work in pandemics.

In 2021, we continued with the containment program called Recharge your Energy and Start Fresh (Recarga tu Energía-Préndete), whose work plan consisted of supporting workers through multiple initiatives targeting the entire company and the critical areas identified according to the operating requirements and places where tasks are performed. For employees who have had to remain in the offices or in the field, facing the customer, special practices and support were developed to meet their needs.

For example, for 90% of those who work in customer service, special workshops were held with tools and mechanisms



to manage their emotions in different scenarios and roles. Given the complex times we are living in, it is important that the company contributes to maintaining a quality of life by supporting work/personal life balance.

Grupo Saesa relies on the permanent professional support of a psychologist, who has provided assistance to workers, contractors, and their families. From June 2020 to date, 104 people, including children, have benefited from therapy through a total of 335 sessions.

Workshops, recreational activities, and additional leisure

incentives were offered to high-intensity project teams, such as those who implemented the new business system during the pandemic.

All this was done through surveys and interviews that allowed us to identify the actual needs, alerts and recommendations and act on them. The hallmark of caring for workers and their families has been made evident through statements regarding the empathy and attentive listening that leaders need to have with their teams.

In this sense, close communication, and the search for spaces for dialogue were permanently encouraged. The definition of a more flexible working day, the reduction in the length and number of meetings and respect for the working day was a statement that was widely disseminated through videos and a decalogue of good practices, which are now part of this new way of working that promotes respect for personal and family time on a daily basis.

Along the same lines, a decalogue of parental co-responsibility was circulated, with practices to be incorporated for a better use of time and quality of life, which was created in response to the need to dedicate more and better time to families, which can undoubtedly be a challenge in terms of organization and tolerance.

One of the measures most appreciated by the personnel has been the decision to keep the summer schedule for good, with the weekly workday ending at 2:30 p.m. on Fridays. Along with this, and also as a way to take care of everybody's health, an additional day off has been allocated for a preventive health checkup and the implementation of a free vaccination plan against influenza for more than 2,000 associates, contractors, and employees in the company's premises, safeguarding safety with self-care protocols.

## We are Mentors

- The Corporate Training Plan continued over 2021 with the online courses (86%), the application of technology and the measurement of data with increasingly personalized models for employees. The face-to-face modality (14%) continues for certain Technical, Tree-trimming, Cortez Model and Lineman Training Program courses.

- A total of 103,218 hours were devoted to the professional development of workers, 2,148 contractor staff were trained with a total of 32,114 hours of training, and 1,482 employees received 71,104 hours of training. Specifically at subsidiary STS, a total of 6,484 hours were devoted to the professional development of workers.

- 47 employees received 37,000 hours of training through the Grow (Crece) Program. In the particular case of the subsidiary STS, a total of 3,495 hours of training were carried out.

- At Grupo Saesa level, 41 youths graduated in 2021 from the 13th 14th and 15th Linemen Training Programs (Works and Maintenance), completing a total of 9,200 hours of training, which brings the total to 248 graduates from this program.

- We continue with the Culture and Safety, and Critical Focus Inductions to raise awareness with various methodologies associated with safety, focus on the customer and knowledge about the Company, thus speeding up the adaptive processes and incorporation of a safe behavior aligned with the Company's safety culture. 459 employees were successfully trained.

- In August of this year, the specialists' network was launched with the objective of empowering talent at the specialist level to ensure that the Company will have the technical and managerial capabilities necessary for the current and future development of the business. Twenty-six employees from various departments, including distribution protection, control and protection, transmission engineering, SCADA, and STN participated in this initiative.

- Elite Crews: The objective of this program is to increase the level of competence of the operations crews in technical and soft issues, thus encouraging promotion within the crews through mentoring. In 2021 a pilot program was launched with 5 mentors and 14 linemen in the Biobío Zone.

- The Performance Evaluation and Reward System (PRS) continued this time online, promoting a culture of learning and feedback. This year a new evaluation status is incorporated, initially on a voluntary basis. In addition, feedback was provided online.

- Progress continued to be made in the management of diversity and inclusion, in compliance with Law 21.015. According to the labor inclusion study conducted by SENADIS (National Disability Agency) in October 2020, the company (at group level) is positioned in the Full Labor Inclusion category, obtaining 81% of the evaluated parameters thanks to the strategy developed for hiring people with disabilities.

On the other hand, and thanks to links with strategic partners, the awareness and knowledge plan was successfully implemented. This plan included talks and meetings,



through which 55% of the company received information on inclusive language, unconscious bias, disability, and gender equality.

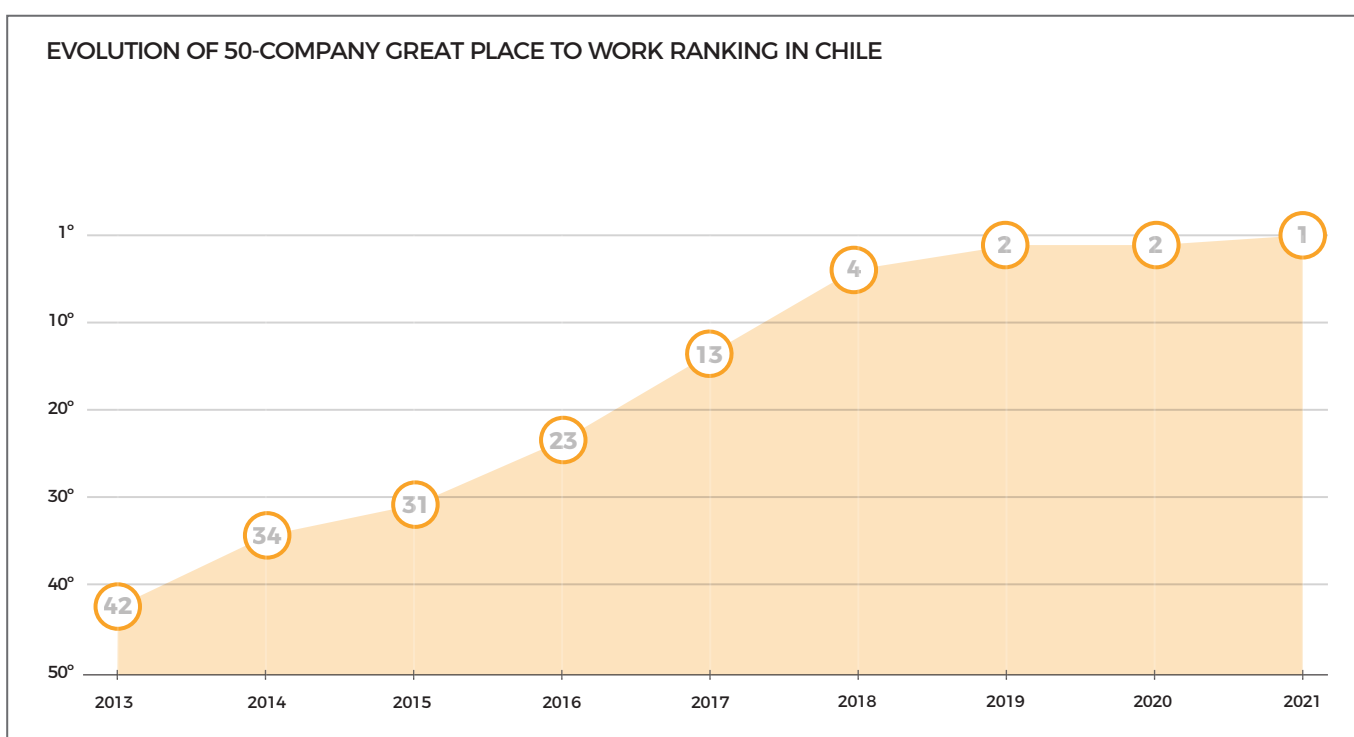
In terms of communication, visibility was given to some

commemorative milestones, such as International Women's Day, International Migrants Day, International Day of Persons with Disabilities, among others.



## A Great Place to Work

• Grupo Saesa was recognized as the **best company to work for in Chile**, according to the Great Place to Work ranking. The company has built a unique and differentiating culture #SOMOSPUROORGULLO (#WEARESOPROUD), making stellar progress in the ranking from 2013 to date.



In 2021 we also earned the following awards:

- 5th Place among best companies for an internship in Chile according to FirstJob, Internship and First Jobs Platform
- 5th Place in the Best Workplaces for Women in Chile, , GPTW
- Most Innovative Companies, Utilities category, Most Innovative Companies 2021 Ranking.

• **The work environment** is one of the greatest concerns for Grupo Saesa. In 2021, the work environment survey showed that 92% of employees are satisfied to work in the company, which is the best result we have obtained.

• The most valued dimensions are Organizational Commitment and Working Conditions. On the other hand, when applied to contractors, the work environment survey showed an 84% satisfaction.







## N°1 Great Place to Work

Grupo Saesa values and considers its employees as a key element in continuing to build a common project, and is therefore a leading company in caring for the life and health of its team.

A proof of it is that in 2021 our company was chosen as the best place to work in Chile.

## We Take Care of our Team

Almost two years into the pandemic, Grupo Saesa has worked hard to strengthen its flexibility, excellence, and commitment to safety behaviors. Accordingly, 2021 was a year of learning, where we addressed each of its technical and business processes, without losing sight that safety is “non-negotiable” in every task undertaken.

The difficulties faced in the current context have allowed us to innovate in our processes and build different ways of working to successfully carry out our activities, particularly those associated with technical and business operations, and the incorporation of procedures and protocols that safeguard the health of our employees. With health and safety at the center of our decisions, we have continued to serve our customers with the greatest dedication while offering timely, concrete, and high value solutions for our employees.

Consequently, initiatives, protocols, and actions have been promoted in the area of occupational health and safety, which have materialized in the following ways:

- **First virtual awareness-raising activity:** The safety day was broadcast live via streaming to raise awareness among workers in different areas of the Company and Contractors regarding the consequences of their actions, whether in their work or family environment, emphasizing that Safety is “non-negotiable.” The focus of this one-day activity was Safety in Vehicles. As many as 1,500 devices connected simultaneously and the broadcast has reached 8,000 visualizations during the year.
- **Preventive Management Program:** The Method of Assurance for the Control of Operational Risks (MACRO) made it possible to dedicate specific efforts to the prevention of serious and fatal accidents, but also to control spread of the COVID-19 pandemic, adding up to more than 280,000 preventive actions per year throughout the company, and distributing responsibilities transversally by business unit, area, and contractor company.
- **Safe and Flexible Return to Office Plan:** For a gradual and safe return to work within the framework of the health alert caused by COVID-19, a summary guide of the measures, recommendations, and preventive management actions aimed at avoiding the spread of COVID-19 in the workplace was made available, establishing specific procedures and measures to provide protection and peace of mind to all the Company’s employees.

During the last few years, significant progress has been made on the road to excellence in the care of people, strongly incorporating contractor companies and leading safety at the industry level, where a number of plans and actions have been implemented, with the priority being to ensure the strategic risk for the safety of employees, guaranteeing a high level of performance and a place free of serious and fatal accidents in the Company’s operation.



## Large Projects in 2021

### NEW TRANSFORMER AT PUERTO MONTT 220/23 kV 60 MVA SUBSTATION (Subsidiary STS)

The project, whose commissioning sequence began on December 18, 2020, ended with commissioning and operation on March 17, 2021 with the last transformer section, consisted of the installation of a new 220/23 kV transformer with a maximum capacity of 60 MVA at the Puerto Montt substation. The project included the construction of the connection sections to the existing busbar in sectioned bus plus high voltage transfer configuration and to a new busbar in medium voltage sectioned bus configuration. Additionally, the national transmission sections J5 and J6 corresponding to the Puerto Montt - Melipulli 2x220 kV line were brought up to standard, which allowed connection to the transfer busbar while taking advantage of the synergies associated with the construction of the aforementioned zonal project. The project also included all the civil and other works required for execution and commissioning of the substation.

### LA MISIÓN PROJECT (Subsidiary STS)

The project, which was commissioned in two stages, consisted of the construction of a new 66 kV substation called Remehue in the northern zone of Osorno, which sectioned the Osorno - La Unión 2x66 kV line, in a main bus plus transfer configuration using digital technology, which allowed a reduction in execution times as well as in supplies. The commissioning of this first stage took place on February 21, 2021. The second stage consisted of the construction of a new substation called La Misión, located northwest of the city of Osorno, which

has a breaker-and-a-half configuration, also with digital technology, including the installation of a new 66/23 kV transformer with a maximum capacity of 30 MVA.

The project also included all the civil works and activities required for execution and commissioning of the project. The construction of a new 2x66 kV line called Remehue-La Misión, approximately 7.5 km long, was also considered in this stage. The commissioning of this last stage and entry into operation of La Misión Project was June 13, 2021.

### LLOLELHUE - LA UNIÓN 2X66 kV LINE (Subsidiary STS)

The project consisted of the construction of a new Llolelhue - La Unión 2x66 kV transmission line of approximately 24 km in length and with a maximum capacity of 2x70 MVA with aluminum conductor type AAAC FLINT and built on metal towers. The project also included all the civil works and activities required for execution and commissioning of the project. The project was commissioned on July 6, 2021 and its entry into operation was recognized as of July 27, 2021.



### EXPANSION OF NEGRETE SUBSTATION (STS - FORMER FRONTEL TX)

The project, carried out for customer WPD, was energized as of March 17, 2021 in its main stage, ending on March 20 with the handover to operation. The project was part of the contract with WPD which consisted of the construction of the following works: Installation of a new 66/23 kV transformer with a maximum capacity of 50 MVA. Construction of a 23 kV busbar with capacity for two line sections, construction of 1 transformation section, construction of two line sections for generation with insulated cable bushings. Construction of a new control room, SCADA systems and common facilities at Negrete Substation, as well as the control and communications system.



### **LLAIMA SUBSTATION (STS - FORMER FRONTEL TX)**

The project had a commissioning date of July 27, 2021 and its entry into operation was recognized as of August 12, 2021. The project, which was part of Art. 102 and considered as an urgent work, consisted of the construction of the new substation called "Llaima" which is located approximately 15 km south of the city of Lautaro, in the town of Pillanlelbún in the Province of Cautín. The project required the sectioning of the Lautaro-Pillanlelbún 1x66 kV line owned by CGE and also included the installation of new 66/23 kV transformer, with a maximum capacity of 16 MVA, with a 66 kV air-insulated yard and a 23 kV yard using Switchgear cells for the connection of a transformer section and for the connection of three 23 kV feeders.

### **NEW RÍO TOLTÉN 220 kV SECTIONING SUBSTATION (Subsidiary SATT)**

Commissioning of this project began on January 31 with the sectioning of circuit 1, ended on March 14 with the commissioning of the sectioning of circuit 2, recognizing its entry into operation as of March 31, 2021. The project consisted of the construction of a sectioning substation in order to normalize the existing tap-off connection in the Ciruelos-Cautín 2x220 kV line. The substation is located approximately 31 km south of the existing Cautín 220 kV substation, following the route of the Cautín-Ciruelos 2x220 line. The configuration of the new substation corresponded to a breaker-and-a-half configuration and AIS (Air Insulated Switchgear) technology with a busbar capacity of at least 1,000 MVA with 75°C at the conductor and 35°C ambient temperature. Works in the new Substation also included construction of two diagonal lines necessary for the sectioning of the Ciruelos - Cautín 2x220 kV line and the extension of the busbars for an additional diagonal line to bring the Toltén River tap off up to standard. In the 220 kV yard, additional space was considered with a platform built to house two future diagonal lines with busbars, which will allow the connection

of generation projects in the area or 220 kV expansions. Likewise, room was left for two other diagonal lines with level ground for future projects.

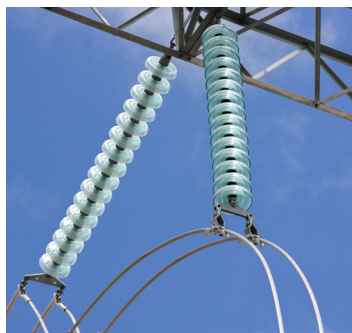
Additionally, the substation includes the ancillary services that have capacity for at least the totality of the projected and future facilities. The project also included all the civil works and tasks required for its execution and commissioning, including upgrading protection systems, ground grid, etc.

### **EXPANSION OF KIMAL SUBSTATION (Subsidiary SATT)**

The project, whose commissioning consisted of four stages, began with the energization of the first stage on October 10, 2021, ending with the energization of the last stage on November 23, 2021. The entry into operation was recognized as of November 24, 2021. The project consisted of the expansion of the Kimal substation, (owned by SATT) to connect the Crucero -Chuquicamata and Crucero - Salar lines, in addition to the Crucero - Laberinto 2x220 kV line, through the construction of new lines and their respective sections. Additionally, the project included all the Control, Protections and Telecommunications adaptations in the corresponding substations, together with all the works and tasks necessary for the execution and commissioning of the expansion work.



## Historical Overview



### 2021

In July, STA acquires from Acciona Energía Global S.L. the company "Tolchén Transmisión SpA," owner of the Tolpán Mulchén 2x220 kV dedicated transmission system in the Biobío and La Araucanía regions, which conveys the electricity produced by the San Gabriel 184 MW Wind Farm, Tolpán Sur 73 MW Wind Farm, and Los Olmos 100 MW Wind Farm, currently under operation and which will subsequently allow the injection of the electricity produced by El Alba 42 MW Wind Farm.

In October, the National Electricity Coordinator awards STA, through its subsidiaries, the following new projects: "New Gamboa - Chonchi 2x220 kV line," energized at 110 kV, laying of the first circuit in the Los Lagos region, "New Epuleufu Sectioning Substation" in La Araucanía region, "New Angol - Epuleufu 1x66 kV line" in the Biobío and La Araucanía regions, and the "Expansion of Angol 66 kV Substation (BS)" in La Araucanía.

In November, SATT's "Expansion of Kimal Substation" project in the Antofagasta region (formerly known as "Expansion of Nueva Crucero Encuentro Substation") is commissioned.

During December, the merger by

absorption of Frontel Transmisión S.A. and Sistema de Transmisión del Sur S.A. (STS) by Saesa Transmisión S.A., a company known as "STS 2.0", which was later acquired by STA, took place. With this step, all of Grupo Saesa's transmission businesses will be housed under the umbrella of STA and then give way to the split off of its generation and trade businesses into Sagesa and SGA, respectively, which will occur during 2022.

In relation to the investment plan, there was an increase of 29% with respect to the previous year, reaching MM\$84,509.

### 2020

In June, STA absorbed Los Lagos IV to accommodate the subsidiaries Sagesa and L.T. Cabo Leones. Later, STA acquired STC, which was previously a subsidiary of STS. In addition, the split-off of Saesa and Frontel takes place, and the transmission companies Saesa Transmisión S.A. and Frontel Transmisión S.A. are established, to which the former transfer their transmission assets (including Saesa's shares in STS), in compliance with the Single Line of Business Law.

Regarding actual investments, the expansion of the María Elena 220 kV Substation in the Antofagasta region, the second circuit of the Cabo Leones Maitencillo 220 kV transmission grid in the Atacama region, and the expansion of the San Andrés 220 kV Substation, also in the Atacama, are put into service.

Investments were made for an amount of MM\$ 65,539.

### 2019

Sociedad de Transmisión Austral S.A. (STA) was created on December 31, 2019 to comply with the Single Line of Business in Distribution Law and as part of an internal reorganization at Grupo Saesa level that seeks to separate its activities by business line. STA seeks to concentrate all of the Group's transmission businesses. STA acquired the companies belonging to Saesa such as STN, SATT and SGA.











## Sector Regulation and Operation of the Power Grid

Chile's electricity sector consists of generation, transmission, and distribution of electric power. These activities are carried out by private companies while the Government plays a regulatory, oversight, and subsidiary role. This structure implies that companies have decision-making capacity regarding investments, marketing of their services and operation of their facilities, which makes them responsible for the quality of service provided in each segment, as required by the sector regulatory framework.

Through grids with an installed capacity equal to or higher than 200 MW, the various players of the electricity sector operate in concert and under the coordination of the National Electricity Coordinator (the Coordinator or CEN), which is responsible for:

- Preserving the security of supply of the power grid.
- Ensuring the most cost-efficient operation of all the electricity system installations.
- Guaranteeing open access to all transmission systems, in compliance with the Law.

Chile's two main power grids, which jointly account for nearly 99% of the country's power generation, were interconnected in November 2017: Sistema Interconectado del Norte Grande ("SING grid") that supplies energy to the area between Arica and Antofagasta in the north of the country, and Sistema Interconectado Central ("SIC grid"), which covers from Tal-Tal to Chiloé. Together, they became the new Sistema Eléctrico Nacional (SEN grid).

### TRANSMISSION

Since enactment of Law 20,936 in 2016, transmission grids are classified into: National, Zonal and Dedicated Transmission, all of them open access grids and the first two subject to tariff regulation.

In dedicated transmission, charges for transport are regulated by private contracts executed by the relevant parties, while use of the grids to supply regulated customers is subject to regulated tariffs calculated by the regulator.

The information used to set toll rates is publicly disclosed in all cases. Transmission companies charge tolls to generation companies and end users, which according to the Law will be gradually transferred to users in their entirety.

Transmission tolls allow the owners of transmission facilities to recover and finance their investments in transmission assets and collect the costs associated to operation of such assets.

TRANSMISSION GRID	TOLLS
NATIONAL	Charged to end users based on anticipated withdrawal. There is a transitional period in which the charge is made in part to the generation companies. Tolls are determined by the National Energy Commission (CNE) every 4 years based on efficient investment, operation, maintenance and administration costs of the existing facilities or the costs of bidding processes for new facilities or expansion work.
ZONAL	Tolls are determined by the National Energy Commission (CNE) every 4 years based on efficient investment, operation, maintenance and administration costs of the existing facilities or the costs of bidding processes for new facilities or expansions. 100% charged to end users based on anticipated withdrawal.
DEDICATED	Tolls freely negotiated by the owner of the transmission facilities and its users. Tariff regulated according to use of the facilities to supply regulated customers.



## REGULATORY FRAMEWORK

### GENERAL

The national electricity industry has been regulated since 1982, mainly by Decree with Force of Law No. 1/82, which contains the General Law on Electric Services (LGSE, per its Spanish acronym), and the organic regulation of said Law, contained in Executive Order No. 327/97.

In addition to the amendments to the Law, i.e., Ley Corta I and Ley Corta II (Short Law I and Short Law II), which had a positive impact on the sector by encouraging the level of investment and regulating the process of obtaining contracts for the purchase of energy by distribution companies to meet consumption, other amendments have been added in various areas.

The most important standards issued are described below:

#### Tokman Law

In September 2007, Law No. 20,220 was published, which perfects the current legal framework in order to safeguard the security of supply to regulated customers and the sufficiency of the electricity systems in the event of the early termination of a supply contract or the bankruptcy of a generation, transmission, or distribution company.

#### Law on Concessions

During October 2013, Law 20,701 was published, which modifies a series of administrative processes in order to expedite the obtaining of concessions.

#### Law on Bidding of NCRE

In addition, Law 20,698 amending Law 20,257 was promulgated in October 2013. This law advances the expansion of the energy matrix by means of NCRE sources and sets forth the obligation to generate between 15% and 20% of the power through NCRE by 2025.

#### Law for the Interconnection of Power Grids

During February 2014, Law 20,726 was published, which amends the LGSE, in order to promote the interconnection of independent power grids.

### Transmission Law

On July 20, 2016, the new Transmission Law (Law 20,936) was approved, which establishes a New Electricity Transmission System and creates an Independent Coordinating Body of Sistema Eléctrico Nacional (SEN Grid).

The main changes proposed by this Law are as follows:

a) Functional definition of transmission: The “transmission or transport of electricity system” is the set of power lines and substations that are part of a grid, and which are not intended to provide the public distribution service.

b) Remuneration: Through single charges that will ensure the recovery of the investment and the efficient administration, operation, and maintenance costs recognized in the tariff decrees. The current volatility in the face of variations in electricity consumption is eliminated. The recognized value for the 2018-2019 period of existing transmission facilities was set through Executive Order 6T/2018. As of January 2018, it ensures the revenues of the decree and eliminates the dependence on demand.

c) Total open access to transmission system facilities of the power grid, which may be used by third parties under technical and economic conditions that do not discriminate among all users, through the payment of the corresponding transmission system remuneration.

d) Change in the discount rates used to remunerate the costs of the facilities from a real annual fixed rate of 10% before taxes to a rate that considers the systematic risk of the companies’ own activities in relation to the market, the risk-free rate and the market risk premium, with a floor of 7% real after taxes.

e) Strip Studies. The State may establish that certain new works projects may use this mechanism, which consists of providing the winning bidder with a preliminary strip with the approval of the Council of Ministers for Sustainability, and the winning bidder must develop the specific layout within the preliminary strip and obtain the corresponding RCA for the project. Subsequently, easements are imposed by decree, for reasons of public utility. Regarding the negotiation and payment of easements, the same current mechanisms are maintained.



## Activities of the Company

On December 31, 2019, the split-off of Sociedad Austral de Electricidad S.A. (Saesa) came into effect, creating a new company named Sociedad de Transmisión Austral S.A. (STA) to comply with the Single Line of Business in Distribution Law and as part of an internal reorganization at Grupo Saesa level that seeks to separate its activities by business line. The capital of the company at that time was M\$18,478,798, divided into 9,005,380,049,737 nominal shares with no par value, and at the end of 2020 the capital of the company was M\$59,827,336.

The main business of this company is construction, operation and maintenance of power transmission facilities, development and marketing of own or third-party systems for transmission and transformation of electric power.

In July 2021, STA acquired all the shares of "Tolchén Transmisión SpA," owner of the Tolpán Mulchén 2x220 kV dedicated transmission system in the Biobío and La Araucanía regions, which conveys the electricity produced by the San Gabriel 184 MW Wind Farm, Tolpán Sur 73 MW Wind Farm, and Los Olmos 100 MW Wind Farm, currently under operation and which will subsequently allow the injection of the electricity produced by El Alba 42 MW Wind Farm. The total amount of the transaction was USD 35,926,830.

In October 2021, the National Electricity Coordinator awarded STA the following new projects: "New Gamboa - Chonchi 2x220 kV line," energized at 110 kV, laying of the first circuit in the Los Lagos region, "New Epuleufu Sectioning Substation" in La Araucanía region, "New Angol - Epuleufu 1x66 kV line" in the Biobío and La Araucanía regions, and the "Expansion of Angol 66 kV Substation (BS)" in La Araucanía.

In November 2021, SATT's "Expansion of Kimal Substation" project in the Antofagasta region (formerly known as "Expansion of Nueva Crucero Encuentro Substation") is commissioned.

Finally, in December, the merger by absorption of Frontel Transmisión S.A. and Sistema de Transmisión del Sur S.A. (STS) by Saesa Transmisión S.A., a company known as

"STS 2.0", which was later acquired by STA, took place. With this step, all the transmission businesses will be housed under the umbrella of STA and then give way to the split off of its generation and trade businesses into SAGESA and SGA, respectively, which is expected to occur during 2022.

Additionally, it was agreed to increase capital stock in the amount of 106,292,018,960, through the issuance of 20,343,540,014,041 new Series B nominal shares, with no par value. These shares were to be paid in cash or by the contribution in ownership of shares. Consequently, on December 28, 2021, Inversiones Eléctricas del Sur (parent company of the holding company) subscribed for 29,330,549,384,033 new Series B nominal shares at a price of \$ 106,224,144,820, which was paid in the same act by the Company, through the contribution in ownership, assignment and transfer to Sociedad de Transmisión Austral S.A. of all the shares it held in Sistema de Transmisión del Sur S.A.

At the end of 2021 the capital of the company was M\$166,132,452, divided into 38,339,699,412,062 subscribed and paid up shares.

STA represents 28.25% of Inversiones Eléctricas del Sur S.A.'s assets (direct owner).

### RELATED PARTY TRANSACTIONS

Buying and selling electricity and tolls are the main business transactions with related parties. The electricity prices at which these transactions are carried out are set by the regulator or the market, while toll rates are controlled by the regulatory framework of the sector.

STA also engages in the sale and purchase of materials at average wholesale price and short-term intercompany loans that pay market interests calculated for the duration of the transaction.









## MAIN CUSTOMERS

### Regulated Businesses

#### • National System

SATT is a national transmission company dedicated to bringing energy from non-conventional renewable power plants (NCRE) to the consumption centers distributed in the north of the country. Its main customers are associated with the María Elena and San Andrés power plants.

#### • Zonal System:

In STS, a company mostly devoted to zonal transmission, 45% of its revenues are concentrated in Saesa, 9% in Enel Generación and 12% in CGE.

### Unregulated Businesses

#### • Dedicated System

The companies STN, L.T. Cabo Leones S.A., STC, Tolchén Transmisión SpA and STS, concentrate their revenues with private counterparties, where the most important are: Minera Escondida Limitada, Parque Eólico Cabo Leones I, II y III, Hidroeléctrica Ñuble SpA, Hidrobonito S.A., and wind farms Parque Eólico El Alba, Parque Eólico San Gabriel, Parque Eólico Los Olmos, and Parque Eólico Tolpán Sur.

#### • Other Revenues

Revenues mainly related to the operation and maintenance of third-party transmission lines in the mining industry through the subsidiary STN, which include Compañía Minera Doña Inés de Collahuasi, Compañía Minera Zaldivar SpA and Corporación Nacional del Cobre de Chile (Codelco).

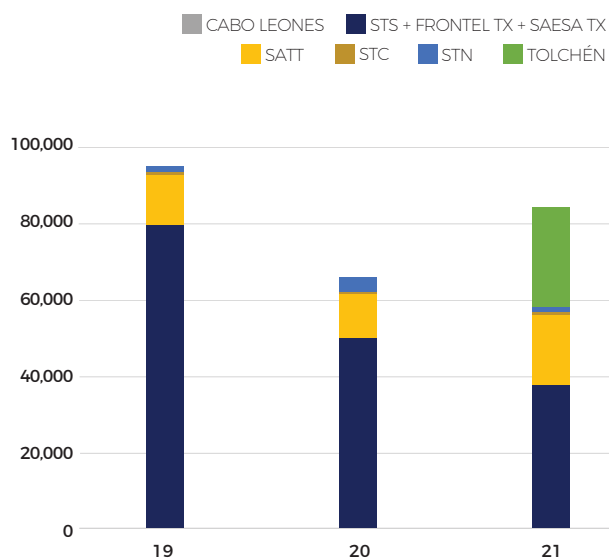
## INVESTMENT

STA operates based on a 5-year investment plan that includes On the one hand, base investments related to the projects required to meet the demand and normal growth of the business, on the other, high-return projects. The annual strategic investment plan amounts to MM\$ 76,000, approximately, financed with debt and own resources, based on the company's financial policy.

STA's total investment for 2021 was MM\$84,509.

## INVESTMENT

(in MM\$)







## COMPANY'S ASSETS

The main properties and facilities of Sociedad de Transmisión Austral S.A. as of December 31, 2021 are as follows:

COMPANY	MAIN FACILITIES	LOCATION	CHARACTERISTICS
STN	Kapatur O'Higgins 220 kV dedicated transmission line (two circuits)	Antofagasta Region	136 km
	Kapatur Substation	Antofagasta Region	Sectioning
STS	Melipulli Substation	Puerto Montt	240 MVA
	Osorno Substation	Osorno	90 MVA
	Puerto Montt Substation	Puerto Montt	60 MVA
	Negrete Substation	Negrete	66 MVA
	Pilauco Substation	Osorno	120 MVA
	Picarte Substation	Valdivia	60 MVA
	Valdivia Substation	Valdivia	120 MVA
	Cholguán Substation	Cholguán	50 MVA
	La Unión Substation	La Unión	42 MVA
	Degan Substation	Cruce Dalcahue, Chiloé	40 MVA
	Barro Blanco Substation	Osorno	50 MVA
	Los Lagos Substation	Los Lagos	16 MVA
	Paranal Substation	Paposo	30 MVA
	Armazones Substation	Paranal-Armazones	10 MVA
	Other Substations	Various municipalities in the Ñuble and Chiloé provinces	2,064 MVA
	Total Transmission Lines	Atacama, Biobío, La Araucanía, Los Ríos, and Los Lagos regions	1,270 km
STC	San Fabián Ancoa 220 kV dedicated transmission line	Ñuble Region	121 km
CABO LEONES	Cabo Leones 220 kV dedicated line (two circuits)	Atacama Region	219 km
SATT	María Elena Substation	Antofagasta Region	80 MVA
	Kimal Substation	Antofagasta Region	Sectioning
	San Andrés Substation	Atacama Region	Sectioning
	Río Toltén Substation	La Araucanía Region	Sectioning





The risk management strategy aims to protect the Company, its employees and its environment against situations that may impact them negatively.



Risk Factors



# Risk Factors

The risk management strategy aims to protect the Company, its employees, and its environment against situations that may impact them negatively. This management is orchestrated by the Company's Senior Management and materializes both at a general level and at the individual level of each participating sector, considering the special characteristics of each one. To achieve the objectives, the financial risk management strategy seeks to hedge all significant exposures, provided there is an availability of suitable instruments and the cost is reasonable.

The main risks the Company and its subsidiaries are exposed to are addressed below (supplemented by Note 4. To Financial Statements "Risk Management Policy" and section V in the Company's Risk Analysis):

## REGULATORY RISK

The electricity market is a regulated sector. Rate cases regulate the energy distribution, transmission, and transmission tariffs, as well as generation of medium-voltage grids like those served by subsidiaries Edelaysen and Sagesa.

Rate cases seek to determine the investment value and the cost of efficient operation, maintenance and administration that are necessary to provide the rated service, complying with the required quality of service standards.

In the distribution and generation segment in medium-voltage grids, the result is a unit tariff, so revenues are dependent on demand. In the transmission segment, the result is an annual transmission value per segment; therefore, revenues do not depend on demand.

The risk in this area is mostly associated to changes that the regulator may initiate regarding regulatory matters and on occasion of each rate case, which affect the Company's revenues.

Accordingly, the main components of this risk are as follows:

### A) Change in Regulations

The electricity sector is governed by regulations in effect since 1982 and applicable to key industry aspects including tariffs, capacity of the companies to supply their customers and quality of service, among others.

To date, various amendments have been introduced to electric power regulations (See Note No. 3, item 3.3 Regulatory Framework of Financial Statements).

In general, changes to the aforementioned regulatory framework may result in a risk for the Company and the power industry as they may affect operating aspects, the company's margins and profits, and other key aspects.

The Company is regularly monitoring potential regulatory changes to implement the necessary mitigation actions on a timely basis.





In this sense, the main regulatory changes anticipated include:

- Review, discussion and public consultation of potential changes to the General Law of Electric Services advanced by the Ministry of Energy. The Regulator has already expressed its intention to introduce improvements in the recent Transmission Law and in medium-voltage grids. Additionally, during 2020, a bill was sent to Congress that establishes the right to portability of power supply, known as commercialization.
- Drafting and public consultation on regulations of various laws to be defined by the Ministry of Energy.
- Drafting or review, discussion and public consultation of various regulatory bodies (medium-voltage grids, NetBilling, Small Means of Distributed Generation (PMGD), Technical Standard on Safety and Quality of Service (NTSyCS), supplementary services (SSCC), among others) based on the annual plan to be determined by CNE on a timely basis.

## B) Setting of Transmission Tariffs

Law 20,936 laid down new mechanisms to establish transmission expansion plans and their valuation before they are transferred to end customer tariffs. With respect to valuation, transmission facilities are divided into 3 categories:

- For new works built as a result of the bidding processes mandated as a result of the Expansion Plans defined by the Regulator, their annual value is fixed for 20 years from their commissioning based on the values offered by the bidding companies.
- For the expansion works, the investment value for the next 20 years is defined based on the result of the construction bidding process, and the operation,

maintenance, and administration costs are the result of a tariff study.

- For existing works or after 20 years of tendered works, their annual value is determined every 4 years as part of a regulated valuation process. The first process under this new law shall establish the annual transmission value per segment for 2020-2023. We are awaiting the publication of the CNE's Final Technical Report, which is the basis for the tariff decrees prepared by the Ministry of Energy with retroactive application to January 2020.

The risks related to the regulation of the transmission business are monitored on a permanent basis so that any changes the regulator may introduce during each new rate case are properly identified to safeguard the Company's assets and the profitability of the business. To that end, the Company may turn to any of the entities identified in the current regulation, that is, the CNE, the Honorable Panel of Experts or the Office of the Comptroller General of the Republic, as the case may be.

## FINANCIAL RISK

Management of the financial risks of the Company and its subsidiaries is aimed to ensure that operating cash flows and financial liabilities are balanced.

The Company and its subsidiaries' cash flows, mostly generated by their interest in the electricity business, have a highly stable, long-term profile.

Note 4. To Financial Statements "Risk Management Policy" specifies the financial risks inherent to financing, financial assets, return on investment time frames, and the cost and variability of funds, i.e., credit risk, liquidity risk, and market risk.







# Financial Management

## DISTRIBUTABLE NET INCOME

The company does not apply any adjustments to the item "Profit (loss), attributable to the parent company's owners" in the Statement of Comprehensive Income. Consequently, the values of such item will be taken as a base, minus accumulated loss, if any, and distributed dividends charged to the accounting period will be deducted from such result. First IFRS adoption adjustments are not part of this calculation insofar as they remain unrealized.

This policy for calculation of the distributable net income is applicable since 2010, following adoption by the Board on October 7, 2010, and compliant with the instructions issued by the Securities and Insurance Supervisor (currently, the Financial Market Commission) in Circular Letter No. 1,945 of September 29, 2009.

Accordingly, the distributable net income for 2021 amounts to M\$ 23,740,592.

## DIVIDENDS

The dividends paid by the Company over the past two years are as follows:

DIVIDENDS			
DIVIDEND	PAID ON	\$ PER SHARE CONSTANT CURRENCY	CHARGED TO
Final N°1	05-30-2020	0.0000684841	2019
Final N°2	05-28-2021	0.0000002595	2020

## DISTRIBUTION OF PROFITS

The Board of Directors has agreed upon proposing to the Ordinary Shareholders' Meeting to adopt payment of final dividend No. 3 of USD 0.00000071278200 charged to the income of the period ending on December 31, 2021. This dividend accounts for 100% of the net income of the period and represents a total payment of USD 27,337,122 and an additional dividend of USD 3,622,114.

In the coming years, dividends equivalent to 30% of net income are expected to be distributed.

## EQUITY CAPITAL

As of December 31, 2021, the equity capital of the Company amounted to M\$166,064,578, divided into 38,339,699,412,062 subscribed and paid up shares.

In the event that the Ordinary Shareholders' Meeting approves the proposed profit distribution, the composition of the corporate funds, specifically the retained earnings account as of December 31, 2021, would be reduced by USD 22,758,099.



REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

BOARD OF DIRECTORS

In compliance with provisions under Law 18,046 on Corporations, remuneration of Directors is set annually at the Ordinary Shareholders’ Meeting of the Company. Directors Waldo Fortín Cabezas, Jonathan Reay, Juan Ignacio Parot Becker, Stacey Purcell, Christopher Powell, and Ashley Munroe have waived their right to compensation as Directors of Eléctricas and its subsidiaries. Consequently, only the directors specified below received the aforementioned remuneration:

BOARD MEMBERS REMUNERATION (M\$)		
	2021	2020
Iván Díaz-Molina	1,790	1,718
Jorge Lesser García-Huidobro	1,790	1,718
TOTAL	3,580	3,436

\* Remunerations paid by STS are considered. The subsidiaries STN, SATT, STC, Tolchén Transmisión SpA and L.T. Cabo Leones S.A. did not pay any remuneration.

Directors have no ownership interest in the parent company.



## SENIOR OFFICERS

MM\$	2021	2020
FIXED COMPENSATION	597	604
VARIABLE INCENTIVES	210	249
TOTAL	807	853

\* Remunerations paid by STS, STN, and STC are considered.

In 2021, STC made seniority severance payments for MM\$67 million.

The company has a performance incentive plan whereby senior officers are offered a share of the Company's profits upon fulfillment of individual objectives. Incentives are structured according to minimum and maximum gross compensations and senior officers receive an advance payment equivalent to 25% of one gross compensation in the third quarter of every year and the balance on the first quarter of the following year.

Senior Officers have no ownership interest in the company or its parent company.

## PERSONNEL

As of December 31, 2021, the Company has the following personnel:

	2021
SENIOR OFFICERS AND OFFICERS	7
PROFESSIONALS AND TECHNICIANS	187
ADMINISTRATIVE STAFF AND ELECTRICIANS	173
TOTAL	367

\*Considers the staffing of subsidiaries STS, STN, and STC.

## FINANCIAL INFORMATION

## INVESTMENT AND FINANCING POLICIES

The Company and its subsidiaries will pursue their development strategy by strengthening the current businesses, consolidating their position as distribution, generation and transmission companies, within or outside its concession area, and continuously seeking new opportunities in the utility industry, sale of products and services associated to electric power distribution and transmission, as well as complementary businesses tapping into the companies' extensive customer base in the south of Chile.

Investments are carried out based on strict financial, technical and strategic decision-making criteria. The basic guideline every new investment is to meet is clarity in the legal framework of the intended activity.

Financing sources are managed according to the long-term financial plan of the Parent, Subsidiaries, and Related Parties. Financial resources are obtained from proprietary sources, traditional indebtedness, private and public offering of securities and capital contributions, always based on stable structures and ongoing efforts to streamline use of the most advisable products in the market.

## DIVIDEND POLICY

The dividend distribution policy for the coming years will be at least 30%, plus an additional percentage to be determined according to Company's restrictions based on financial obligations and operational policies.

## PROPERTIES AND INSURANCE

In order to safeguard the activities of the industry in which it participates, the Company and its subsidiaries hold insurance policies according to the conventional practice of the electricity industry. The main insurance policies taken are civil liability for operations, which provides coverage against third-party damage, and all risk including business interruption of company business like facilities, power plants, substations, contents and inventory. Customarily, insurance policies have a 12-month term.







# RELEVANT FACTS

## Renewal of the Board of Directors

On occasion of the Extraordinary Shareholders' Meeting held on April 30, 2021, the Board of Directors was renewed and the shareholders elected Iván Díaz- Molina, Jorge Lesser García-Huidobro, Juan Ignacio Parot Walker, Waldo Fortín Cabezas, Stacey Purcell, Ashley Munroe, Christopher Powell, and Jonathan Reay as Board members.

## Dividend Distribution

On occasion of the Extraordinary Shareholders' Meeting held on April 30, 2021, the Board of Directors adopted payment of a final dividend of \$ 0.0000002595 per share for STA, charged to the income of the period ending on December 31, 2020.

Payment of the aforementioned dividend was made starting May 28, 2020, to the to all shareholders duly registered in the Shareholder Register of the Company as of the fifth business day preceding payment day. The aforementioned dividend was paid in cash and the number of shares entitled to such payment amounts to 38,352,690,042,070 for STA. Consequently, the actual payment amounted to MUSD4,673 for STA.

## Election of Chair and Vice Chair

At a Board meeting held on May 12, 2021, the Company's Board of Directors appointed Mr. Iván Díaz-Molina as Chair of the Board and Chairman of the

Company and Mr. Jorge Lesser García-Huidobro as Vice Chair.

## Acquisition of Tolchén Transmisión SpA

On July 9, 2021, Sociedad de Transmisión Austral acquired all the shares into which the capital of Tolchén Transmisión SpA is divided. The total amount of the transaction was USD 35,926,830, which is distributed among the payment of the shares issued by Tolchén Transmisión SpA for certain debts that it had with Acciona Energía Chile S.A.

## Registration of Saesa Transmisión in the Securities Registry

On November 19, the representatives of the subsidiaries of Sociedad de Transmisión Austral S.A., that is, Saesa Transmisión S.A., Sistema de Transmisión del Sur S.A. and Frontel Transmisión S.A. executed a single public deed of declaration, by virtue of which the compliance of each and every one of the suspensive conditions to which the effectiveness of the merger among them was subject was documented. Among the conditions precedent to the effectiveness of the merger was the registration of Saesa Transmisión S.A. in the Securities Registry kept by the Financial Market Commission, certificate number 446, issued on November 17, 2021.





### Registration of Saesa Transmisión in the Securities Registry

On December 1, 2021, the merger of the subsidiaries of Sociedad de Transmisión Austral S.A., i.e., Sistema de Transmisión del Sur S.A. and Frontel Transmisión S.A. into Saesa Transmisión S.A. took effect, with Saesa Transmisión S.A. acquiring all the assets and liabilities of Sistema de Transmisión del Sur S.A. and Frontel Transmisión S.A., and succeeding them in all their rights and obligations, including the bonds issued by Sistema de Transmisión del Sur S.A. prior to that date. Likewise, on said date, all the shareholders and assets of Sistema de Transmisión del Sur S.A. and Frontel Transmisión S.A. were incorporated to Saesa Transmisión S.A., which, as a consequence of the above, were dissolved by operation of law, without the need to be liquidated.

On the same date, and together with the merger, the modification of Saesa Transmisión S.A.'s bylaws, approved at the respective extraordinary meeting took effect, consisting of the change of name from Saesa Transmisión S.A. to "Sistema de Transmisión del Sur S.A.", DBA "STS" for advertising or publicity purposes.

### Capital increase at STA, through the contribution of the property of STS by Inversiones Eléctricas del Sur.

At the Extraordinary Shareholders' Meeting of the subsidiary Sociedad de Transmisión Austral S.A., held on December 20, 2021, it was agreed, among other matters, to increase the capital stock by \$106,292,018,960, through the issuance of 20,343,540,014,041 new registered non-par value Series B shares. Said shares were to be paid in cash or through the contribution in ownership of shares of Sistema de Transmisión del Sur S.A.

On December 28, 2021, the parent company of Sociedad Inversiones Eléctricas del Sur participated in the capital increase of Sociedad de Transmisión Austral S.A., subscribing 29,330,549,384,033 new Series B nominal shares, at a price of \$106,224,144,820 or \$0.005225 per share, which was paid in the same act by the Company, through the contribution in domain, assignment and transfer to Sociedad de Transmisión Austral S.A. of all the shares owned by the Company issued by Sistema de Transmisión del Sur S.A., which correspond to: (i) 416,201,830 Series A shares issued by Sistema de Transmisión del Sur S.A. owned by the Company; and (ii) 10,078,001,466,896 Series B shares issued by Sistema de Transmisión del Sur S.A. owned by the Company.





## STA and its subsidiaries

STA and its subsidiaries participate in regulated businesses through the zonal and national transmission grids. Additionally, they participate in unregulated businesses through the dedicated transmission grid and by providing O&M services to third-party transmission grids, especially mining companies.



**L.T. CABO LEONES**

Línea de *Transmisión*

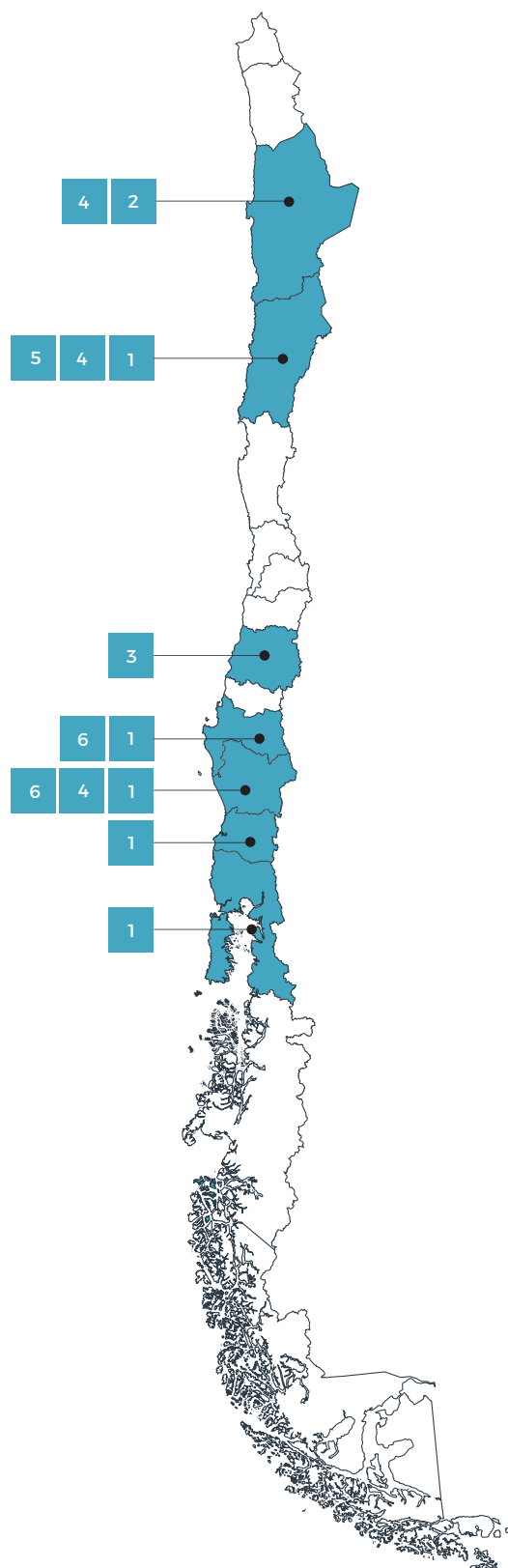
**Tolchén Transmisión**



## Areas of Operation and Presence of the Company

STA and its subsidiaries have operations all along the country. Although historically the operation of the transmission business has been concentrated in the southern part of the country, the growth strategy in this business has expanded to the north and center of the country.

- 1 STS**  
Area of Operations: Atacama, Biobío, La Araucanía, Los Lagos, and Los Ríos regions (including Paranal and Armazones).  
Lines: 220-110-66-23 kV / 1,269.7 km
- 2 STN**  
Area of Operations: Antofagasta Region (Kapatur).  
Activity: Transmission projects.
- 3 STC**  
Area of Operations: Ñuble Region.  
Activity: Transmission projects.
- 4 SATT S.A.**  
Area of Operations: Antofagasta, Atacama, and La Araucanía regions (substations María Elena, Kimal, San Andrés, Río Toltén).  
Activity: Transmission projects.
- 5 L.T. CABO LEONES**  
Area of Operations: Atacama Region (Maitencillo, Cabo Leones N1 & N2).  
Activity: Transmission projects.
- 6 TOLCHÉN**  
Area of Operations: Biobío and La Araucanía regions.  
Activity: Transmission of electric power.



A photograph of high-voltage electrical equipment at a power substation. In the foreground, there are three large, grey, cylindrical insulators with multiple disc-like segments. They are mounted on a metal structure. A thick, dark cable is connected to the top of the central insulator. In the background, there is a complex network of metal support structures and more insulators. A red and yellow warning sign is visible on a structure in the background. The sky is clear and blue.

Subsidiaries







## Sistema de Transmisión del Sur S.A.

Company Type: Closely Held Corporation

Subscribed and Paid-up Capital: M\$74,797,788.

Inv. Eléctricas del Sur S.A. Interest: 99.8% (Indirect)

STS' main activity is providing energy transmission and transformation services to generation companies that hold supply agreements with distribution companies in the regions of Biobío, Araucanía, Los Ríos, and Los Lagos, including Saesa, Frontel, and electric co-operatives. The largest generation companies served by STS are Puyehue and Capullo. In addition, STS engages in the provision of various services inherent to power transmission, like advisory services on design, construction, maintenance and operation of grids.

These services are compensated through the tolls paid by users of the various transmission facilities, the price, terms, and indexation formulas of which are laid down in Executive Order No. 14 of the Ministry of Energy, whereby zonal transmission tariffs are set and which was published in the Official Gazette's issue of April 9, 2013. Sistema de Transmisión del Sur S.A. ("former STS") was merged by incorporation into Sociedad Austral de Generación y Energía Chile S.A. (current STS and legal successor) by acquisition on May 31, 2012. As part of the transaction Sociedad Austral de Generación y Energía Chile S.A. was assigned all the assets and liabilities of the old STS and the new company was renamed Sistema de Transmisión del Sur S.A., STS.

On March 4, 2015, Sistema de Transmisión del Sur S.A. and Eléctrica Puntilla S.A. incorporated Sistema de Transmisión del Centro S.A., "STC", a company devoted to construction, operation and maintenance of power transmission facilities, development and marketing of own or third-party systems for transmission and transformation of electric power.

In June 2020, STS sells to STA 50,000 of its shares in STC, leaving STA with 99.9% ownership of STC.

In December 2020, as a result of the split-off of Saesa as part of the corporate restructuring process, the assets of STS were transferred to Saesa Transmisión S.A. and became a subsidiary of the latter.

On December 1, 2021, the merger of Sistema de Transmisión del Sur S.A. and Frontel Transmisión S.A. into Saesa Transmisión S.A. took effect, and Saesa Transmisión S.A. acquired all the assets and liabilities of Sistema de Transmisión del Sur S.A. and Frontel Transmisión S.A., and succeeded them in all their rights and obligations. Likewise, on said date, all the shareholders and assets of Sistema de Transmisión del Sur S.A. and Frontel Transmisión S.A. were incorporated to Saesa Transmisión S.A., which, as a consequence of the above, were dissolved by operation of law, without the need to be liquidated. It should be noted that the new company created as a result of this merger finally adopted the name STS (Sistema de Transmisión del Sur S.A.).

Subsequently, on December 28, 2021, Inversiones Eléctricas del Sur (the largest shareholder of the company up to that time) participated in the capital increase of Sociedad de Transmisión Austral S.A., subscribing 29,330,549,384,033 new Series B nominal shares, at a price of \$106,224,144,820 or \$0.005225 per share, which was paid in the same act by the Company, through the contribution in domain, assignment and transfer to Sociedad de Transmisión Austral S.A. of all the shares issued by Sistema de Transmisión del Sur S.A.. Accordingly, Sociedad de Transmisión Austral S.A. (STA) becomes STS' main shareholder.

In 2021, STS's investments in projects and facility upgrades totaled MM\$37,544.

STS represents 59.70% of the assets of Sociedad de Transmisión Austral (STA), the direct owner.

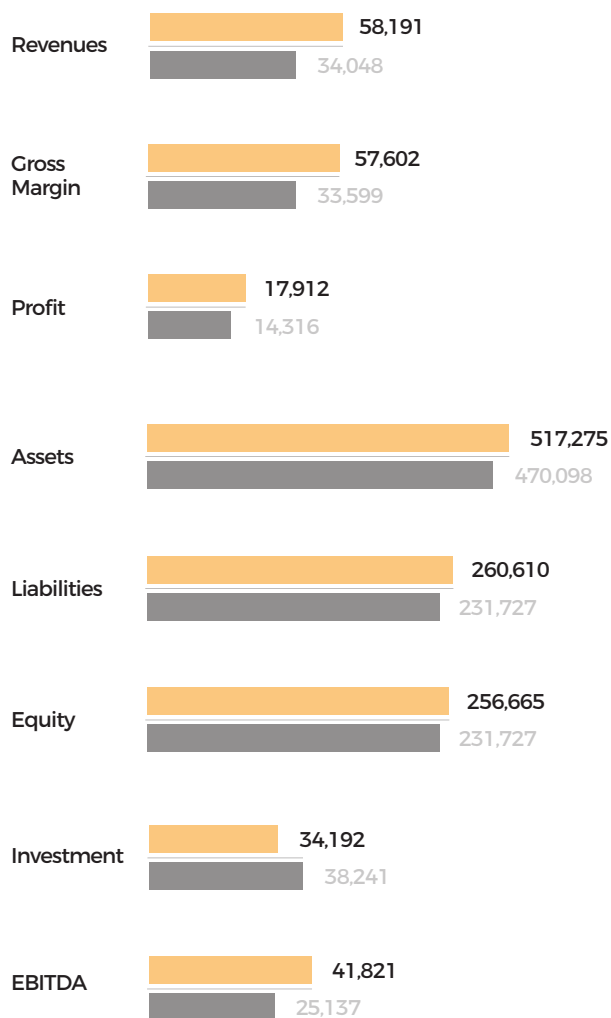




## CONSOLIDATED FINANCIALS

(MM\$)

2021 2020

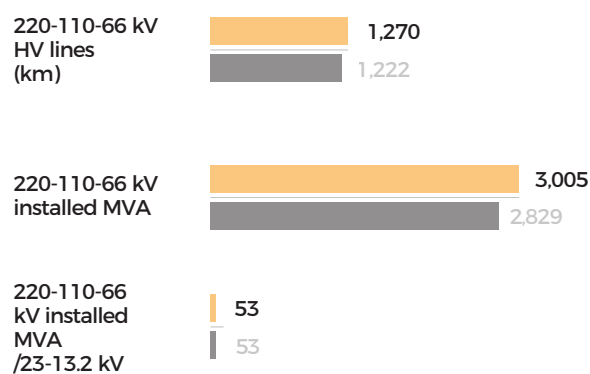


## OPERATING FIGURES

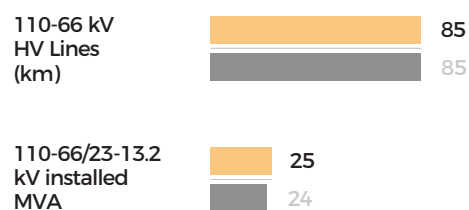
2021 2020



### OWN FACILITIES



### THIRD-PARTY FACILITIES OPERATED BY STA



\* 2020 considers pro forma investments.



## SISTEMA DE TRANSMISIÓN DEL CENTRO S.A.

Company Type: Closely Held Corporation

Subscribed and Paid-up Capital: M\$23,238,005

Inv. Eléctricas del Sur S.A. Interest: 99.9% (Indirect)

On March 4, 2015, Sistema de Transmisión del Sur S.A. and Eléctrica Puntilla S.A. incorporated Sistema de Transmisión del Centro S.A. (STC), a company devoted to construction, operation and maintenance of power transmission facilities, development and marketing of own or third-party systems for transmission and transformation of electric power.

Sistema de Transmisión del Sur S.A.'s interest in the Company is 50.1%. In October 2019, Eléctrica La Puntilla sold its 49.9% share to Inversiones Los Lagos IV Ltda.

As a result of the merger of Inversiones Los Lagos IV Ltda. into Sociedad de Transmisión Austral S.A. ("STA"), all the shares held by the former in STC were assigned to STA, leaving it with 49,900 shares.

On June 1, 2020, Sistema de Transmisión del Sur S.A. entered into a share purchase and sale agreement whereby it sold, assigned, and transferred to STA 50,000 shares issued by Sistema de Transmisión del Centro S.A. ("STC") of which it was the holder, corresponding to 50% of the capital issued by said company, and kept 100 shares in its possession, that is 0.1% of the equity.

STC's investments in 2021 totaled MM\$336.

STC represents 6.90% of the assets of Sociedad de Transmisión Austral (STA).

## CLASSIFIED STATEMENT OF FINANCIAL POSITION (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
<b>ASSETS</b>		
Current Assets	310,869	5,271,659
Non-Current Assets	71,893,888	58,810,246
<b>TOTAL ASSETS</b>	<b>72,204,757</b>	<b>64,081,905</b>
<b>NET EQUITY AND LIABILITIES</b>		
Current Liabilities	802,155	1,856,585
Non-Current Liabilities	41,765,670	37,288,950
<b>TOTAL LIABILITIES</b>	<b>42,567,825</b>	<b>39,145,535</b>
<b>TOTAL NET EQUITY</b>	<b>29,636,932</b>	<b>24,936,370</b>
<b>TOTAL NET EQUITY AND LIABILITIES</b>	<b>72,204,757</b>	<b>64,081,905</b>





### STATEMENTS OF COMPREHENSIVE INCOME BY NATURE (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Gross Margin	3,568,060	3,178,317
PROFIT (LOSS) BEFORE INCOME TAX	(36,445)	709,091
Income Tax	5,792	(182,694)
PROFIT (LOSS)	(30,653)	526,397

### STATEMENTS OF CASH FLOW UNDER THE DIRECT METHOD (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Net cash flows from (used in) operating activities	8,261,246	2,769,496
Net cash flows from (used in) investing activities	(366,079)	(846,324)
Net cash flows from (used in) financing activities	(7,859,728)	(1,855,862)
Net increase (decrease) in cash and cash equivalents from foreign exchange rate variation	(288)	(1,063)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	35,151	66,247
Cash and cash equivalents at beginning of period	68,357	2,110
CASH AND CASH EQUIVALENTS AT END OF PERIOD	103,508	68,357

### STATEMENT OF CHANGES IN NET EQUITY (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Restated Initial Balance	24,936,371	25,747,598
Changes in Equity	4,700,561	(811,227)
FINAL BALANCE OF CURRENT PERIOD	29,636,932	24,936,371



## SISTEMA DE TRANSMISIÓN DEL NORTE S.A.

Company Type: Closely Held Corporation

Subscribed and Paid-up Capital: M\$16,630,018

Inv. Eléctricas del Sur S.A. Interest: 100% (Indirect)

On September 11, 2014, Saesa and Alusa Ingeniería Limitada (currently Alumini Ingeniería Limitada) incorporated Sistema de Transmisión del Norte S.A. (STN), a company devoted to construction, operation and maintenance of power transmission facilities, and transmission and transformation of electric power.

In January 2017, Alumini Ingeniería Ltda. sold its share to Sistema de Transmisión del Sur S.A.

Consequently, Saesa's share in the company amounts to 90%, while Sistema de Transmisión del Sur S.A. owns 10%.

In December 2019, the Saesa Group underwent a process of a corporate restructuring whereby Sociedad Austral de Electricidad S.A. (SAESA) was split up and a new company – Sociedad de Transmisión Austral S.A. (STA) was created and was assigned a 90% share in STN, previously held by Sociedad Austral de Electricidad S.A.

At the end of 2021, STN made investments of MM\$1,451 and posted an Ebitda of MM\$6,410.

STN represents 6.14% of the assets of Sociedad de Transmisión Austral (STA).

## CLASSIFIED STATEMENT OF FINANCIAL POSITION (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
<b>ASSETS</b>		
Current Assets	8,041,240	8,635,015
Non-Current Assets	58,405,974	49,211,203
<b>TOTAL ASSETS</b>	<b>66,447,214</b>	<b>57,846,218</b>
<b>NET EQUITY AND LIABILITIES</b>		
Current Liabilities	3,021,018	3,005,132
Non-Current Liabilities	34,147,750	31,174,374
<b>TOTAL LIABILITIES</b>	<b>37,168,768</b>	<b>34,179,506</b>
<b>TOTAL NET EQUITY</b>	<b>29,278,446</b>	<b>23,666,712</b>
<b>TOTAL NET EQUITY AND LIABILITIES</b>	<b>66,447,214</b>	<b>57,846,218</b>





### STATEMENTS OF COMPREHENSIVE INCOME BY NATURE (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Gross Margin	14,845,974	8,685,036
INCOME BEFORE INCOME TAXES	2,446,235	3,709,157
Income Tax	(553,919)	(959,318)
NET PROFIT	1,892,316	2,749,839

### STATEMENTS OF CASH FLOW UNDER THE DIRECT METHOD (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Net cash flows from (used in) operating activities	7,874,737	4,252,402
Net cash flows from (used in) investing activities	(2,830,531)	(4,208,252)
Net cash flows from (used in) financing activities	(4,786,195)	280,746
Net increase (decrease) in cash and cash equivalents from foreign exchange rate variation	5,683	(131)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	263,964	324,765
Cash and cash equivalents at beginning of period	331,189	6,424
CASH AND CASH EQUIVALENTS AT END OF PERIOD	594,883	331,189

### STATEMENT OF CHANGES IN NET EQUITY (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Restated Initial Balance	23,666,712	23,011,710
Changes in Equity	5,611,734	655,002
FINAL BALANCE OF CURRENT PERIOD	29,278,446	23,666,712



## SOCIEDAD AUSTRAL DE TRANSMISIÓN TRONCAL S.A.

Company Type: Closely Held Corporation

Subscribed and Paid-up Capital: M\$16,654,377

Inv. Eléctricas del Sur S.A. Interest: 100% (Indirect)

On October 15, 2015, Sociedad Austral de Electricidad S.A.-Saesa (99.9% interest) and subsidiary Sistema de Transmisión del Sur S.A.-STS (0.1% interest) incorporated Sociedad Austral de Transmisión Troncal S.A. (SATT), a company devoted to construction, operation and maintenance of power transmission facilities, development and marketing of own or third-party systems for transmission and transformation of electric power.

In December 2019, Grupo Saesa underwent a process of a corporate restructuring whereby Sociedad Austral de Electricidad S.A. (SAESA) was split off and a new company – Sociedad de Transmisión Austral S.A. (STA) was created and was assigned a 99.9% share in SATT, previously held by Sociedad Austral de Electricidad S.A.

SATT represents 5.73% of the assets of Sociedad de Transmisión Austral (STA).

In 2021, SATT's investments totaled MM\$18,570.

## CLASSIFIED STATEMENT OF FINANCIAL POSITION (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
<b>ASSETS</b>		
Current Assets	9,397,381	8,704,951
Non-Current Assets	111,870,610	76,405,290
<b>TOTAL ASSETS</b>	<b>121,267,991</b>	<b>85,110,241</b>
<b>NET EQUITY AND LIABILITIES</b>		
Current Liabilities	8,206,610	9,566,027
Non-Current Liabilities	88,461,809	55,183,234
<b>TOTAL LIABILITIES</b>	<b>96,668,419</b>	<b>64,749,261</b>
<b>TOTAL NET EQUITY</b>	<b>24,599,572</b>	<b>20,360,980</b>
<b>TOTAL NET EQUITY AND LIABILITIES</b>	<b>121,267,991</b>	<b>85,110,241</b>





### STATEMENTS OF COMPREHENSIVE INCOME BY NATURE (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Gross Margin	5,581,921	4,877,983
INCOME BEFORE INCOME TAXES	3,447,362	4,451,809
Income Tax	(975,753)	(1,149,806)
NET PROFIT	2,471,609	3,302,003

### STATEMENTS OF CASH FLOW UNDER THE DIRECT METHOD (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Net cash flows from (used in) operating activities	6,150,319	3,802,969
Net cash flows from (used in) investing activities	(17,474,792)	(14,474,499)
Net cash flows from (used in) financing activities	11,461,752	11,172,150
Net increase (decrease) in cash and cash equivalents from foreign exchange rate variation	3,237	(28,491)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	140,516	472,129
Cash and cash equivalents at beginning of period	475,692	3,563
CASH AND CASH EQUIVALENTS AT END OF PERIOD	616,208	475,692

### STATEMENT OF CHANGES IN NET EQUITY (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Restated Initial Balance	20,360,980	2,122,094
Changes in Equity	4,238,592	18,238,886
FINAL BALANCE OF CURRENT PERIOD	24,599,572	20,360,980

## L.T. CABO LEONES

Línea de *Transmisión*

LÍNEA DE TRANSMISIÓN CABO LEONES S.A.

Company Type: Closely Held Corporation

Subscribed and Paid-up Capital: M\$10.042

Inv. Eléctricas del Sur S.A. Interest: 99.99% (Direct and Indirect)

On July 19, 2016, Sagesa S.A. and Inversiones Eléctricas del Sur acquired the company called Sociedad Línea de Transmisión Cabo Leones S.A., the owner of the 110-km, 2x220 kV Cabo Leones-Maitencillo Transmission Line Project, with shares of 99.99% and 0.01%, respectively.

The main business of this company is construction, operation and maintenance of power transmission facilities, development and marketing of own or third-party systems for transmission and transformation of electric power.

L.T. Cabo Leones S.A. represents 3.36% of SAGESA S.A.'s assets.

In 2021, L.T. Cabo Leones S.A.'s investments totaled MM\$158 and its EBITDA amounted to MM\$4,170.

### CLASSIFIED STATEMENT OF FINANCIAL POSITION (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
ASSETS		
Current Assets	1,040,447	7,432,848
Non-Current Assets	45,004,789	38,223,731
TOTAL ASSETS	46,045,236	45,656,579
NET EQUITY AND LIABILITIES		
Current Liabilities	1,148,205	11,064,798
Non-Current Liabilities	41,294,807	33,140,870
TOTAL LIABILITIES	42,443,012	44,205,668
TOTAL NET EQUITY	3,602,224	1,450,911
TOTAL NET EQUITY AND LIABILITIES	46,045,236	45,656,579





### STATEMENTS OF COMPREHENSIVE INCOME BY NATURE (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Gross Margin	4,260,121	4,427,852
INCOME BEFORE INCOME TAXES	2,208,133	2,747,264
Income Tax	(669,013)	(683,210)
NET PROFIT	1,539,120	2,064,054

### STATEMENTS OF CASH FLOW UNDER THE DIRECT METHOD (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Net cash flows from (used in) operating activities	10,321,384	1,265,356
Net cash flows from (used in) investing activities	-	(334,915)
Net cash flows from (used in) financing activities	(10,317,352)	(882,362)
Net increase (decrease) in cash and cash equivalents from foreign exchange rate variation	(408)	(1,569)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,624	46,510
Cash and cash equivalents at beginning of period	53,355	6,845
CASH AND CASH EQUIVALENTS AT END OF PERIOD	56,979	53,355

### STATEMENT OF CHANGES IN NET EQUITY (AS OF DECEMBER 31, 2021 AND 2020)

M\$	DEC-31-2021	DEC-31-2020
Restated Initial Balance	1,450,911	1,448,068
Changes in Equity	2,151,313	2,843
FINAL BALANCE OF CURRENT PERIOD	3,602,224	1,450,911

## Tolchén Transmisión

TOLCHÉN TRANSMISIÓN SpA

Company Type: Joint-Stock Company

Subscribed Capital: M\$196,685

Inv. Eléctricas del Sur S.A. Interest: 100% (Indirect)

In 2021, Sociedad de Transmisión Austral S.A. ("STA"), acquires all the shares of Tolchén Transmisión SpA, a company that belonged to the Spanish business group Acciona.

The company was incorporated by public deed dated August 05, 2014, under Tax ID # 76.389.448-7, and its corporate purpose is the transmission of electric power through a 2x220 kV transmission line in operation since 2020 that allows the connection of renewable energy generation sources.

Its purpose is to convey the power generated by the following wind farms:

San Gabriel: 183 MW wind farm owned by Acciona, in operation.

Tolpán: 84 MW wind farm owned by Acciona, in operation.

El Alba: A 42 MW wind farm owned by Acciona. Commissioning is expected in January 2023.

Los Olmos: A 100 MW wind farm owned by AES Gener, in operation.

### CLASSIFIED STATEMENT OF FINANCIAL POSITION (AS OF DECEMBER 31, 2021)

M\$	DEC-31-2021
<b>ASSETS</b>	
Current Assets	622,764
Non-Current Assets	29,213,909
<b>TOTAL ASSETS</b>	<b>29,836,673</b>
<b>NET EQUITY AND LIABILITIES</b>	
Current Liabilities	465,310
Non-Current Liabilities	27,794,512
<b>TOTAL LIABILITIES</b>	<b>28,259,822</b>
<b>TOTAL NET EQUITY</b>	<b>1,576,851</b>
<b>TOTAL NET EQUITY AND LIABILITIES</b>	<b>29,836,673</b>





#### STATEMENTS OF COMPREHENSIVE INCOME BY NATURE (AS OF DECEMBER 31, 2021)

M\$	DEC-31-2021
Gross Margin	1,215,247
PROFIT (LOSS) BEFORE INCOME TAXES	467,471
Income Tax	624,393
PROFIT (LOSS)	1,091,864

#### STATEMENTS OF CASH FLOW UNDER THE DIRECT METHOD (AS OF DECEMBER 31, 2021)

M\$	DEC-31-2021
Net cash flows from (used in) operating activities	780,126
Net cash flows from (used in) investing activities	-
Net cash flows from (used in) financing activities	(713,484)
Net increase (decrease) in cash and cash equivalents from foreign exchange rate variation	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	66,642
Cash and cash equivalents at beginning of period	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	66,642

#### STATEMENT OF CHANGES IN NET EQUITY (AS OF DECEMBER 31, 2021)

M\$	DEC-31-2021
Equity at beginning of period	-
Changes in Equity	1,576,851
FINAL BALANCE OF CURRENT PERIOD	1,576,851





# Statement of Liability



In compliance with provisions under General Standard No. 30 issued by the Financial Market Commission (former Securities and Insurance Supervisor) and its subsequent amendments, the undersigned, in their capacity of Directors and Chief Executive Officer of the Company, hereby acknowledge and take responsibility for the accuracy of the information contained in this Annual Report as of December 31, 2021.



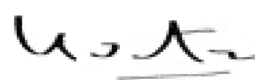
Iván Díaz-Molina / 14.655.033-9  
CHAIR



Jorge Lesser García-Huidobro / 6.443.633-3  
VICE CHAIR



Juan Ignacio Parot B. / 7.011.905-6  
REGULAR DIRECTOR



Waldo Fortín Cabezas / 4.556.889-K  
REGULAR DIRECTOR



Jonathan Reay / Foreign National  
REGULAR DIRECTOR



Stacey Purcell / Foreign National  
REGULAR DIRECTOR



Christopher Powell / Foreign National  
REGULAR DIRECTOR



Ashley Munroe / Foreign National  
REGULAR DIRECTOR



Francisco Alliende Arriagada / 6.379.874-6  
CHIEF EXECUTIVE OFFICER





