



People

Human capital development¹

Sustainability is our aspiration as a company and our collaborators are essential for achieving it.

We are transversally committed to encouraging a good working environment to enable the integral development of those belonging to our working teams.

538

own
collaboratorss

18%

women

1%

persons with
disabilities

3,083

contractors

Context

Society is constantly changing: technological disruption and collaborative work constitute an essential part of new generations, which must face changes that will continue to affect the power transmission business. These changes will lead to new types of work. Different capacities will be required and workplaces will have to adapt. New generations, specifically Millennials, are trying to make contributions to companies and find meaningful work. Job flexibility and the use of new technology are essential for these people when it comes to choosing a place to work at. New generations seek happiness before economic benefits and want more teamwork instead of vertical, hierarchical relations. These generations see new technologies as a motivating challenge and not as a problem.

We at Transelec are moving into the future and have consequently created a Digital Transformation area that is preparing us to take a leading role in what is to come. This process will essentially require flexible, tolerant and open leaders. We are creating working communities to share knowledge and experience and to transmit new strengths to new generations, such as doing things right the first time, interpersonal relations based on respect and work focused on excellence and the commitment each of us feels as part of a company that transmits energy to over 80% of Chile.

Management

1. Talent development

Operation of the power transmission system and new projects that have been developed is a source of pride for the Company and an opportunity to train our collaborators. We consequently implemented changes to improve the attraction and selection of new talent in 2018, as well as development for people working at Transelec.

- **Talent attraction and selection:** we redefined corporate and soft skills in order to search for and select the best candidates, incorporating new competencies such as innovation, alliance development, networking and flexibility, among others. Our goal is to attract young talent. We accept 40 future professionals who complete their practicums at the Company each year. We have developed over 100 strategic problem theses for the industry over the last 10 years. 40% of these thesis writers have worked at or currently work at Transelec.

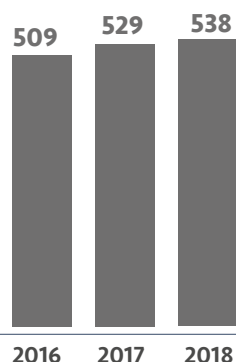
- **Internal mobility:** the new recruitment portal has streamlined mobility, providing easy access for our collaborators to position openings at the Company. Fourteen collaborators were promoted to management positions thanks to internal mobility promotion in 2018.

- **Training:** considering technical expertise and professional qualification required in our market, we have been working hard to train our professionals. We hosted different training programs in 2018 related to technical skills, administration, languages, safety and sustainability, among others. Total training time came to 35,000 hours in 2018, equivalent to an average 5.5 hours per collaborator and annual investment amounting to US\$ 1,590/collaborator.

Our 2019 objectives include improving access to knowledge by incorporating new learning technologies. We have consequently started to develop an online training platform, which will enable us to create and store internal knowledge and make courses available to the entire organization.

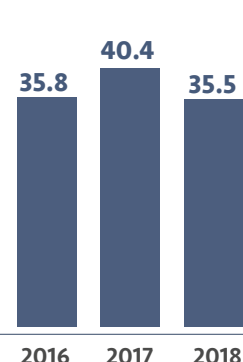
COLLABORATORS

Number in December



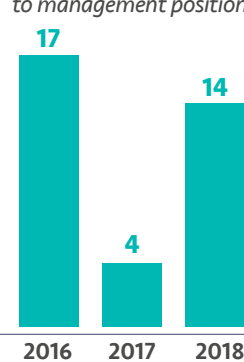
TRAINING

Total hours in thousands



PROMOTION TO MANAGEMENT POSITIONS

Number of collaborators promoted to management positions



We implemented an internal recruitment portal in 2018

CENTER FOR LEADERSHIP TRAINING

The training of leaders is essential for any organization's success. We want these leaders to promote the creation of flexible and outstanding working teams. Our Center for Leadership Training has continued to develop competencies. Change management and the creation of agile, high performing teams were the central issues, mainly addressing working teams working on strategic initiatives for the Company. In addition, the program provided training for young managers: 22 new managers graduated in 2018 and we will maintain this focus in 2019 together with the development of outstanding talent in order to model possible successors at the Company.

2. Diversity and inclusion

Having a diverse team of professionals contributes value to the organization and also helps us work toward a more open and diverse culture. Diversity and inclusion were therefore an important focus for our daily activities in 2018.

Chile is currently in the midst of a process of change: more and more women are joining the workforce and life expectancy is increasing, together the universe of senior citizens who have chosen to remain professionally active. In addition, immigration has increased considerably, which has become more evident as foreigners join the workforce. This context requires a business strategy that will attract a wide range of talent, contribute to innovation and make way for new perspectives and creative solutions.

In keeping with this business strategy, we formulated our Diversity and Inclusion Principles in 2017. This strategy commits to include groups that have occasionally been excluded from the workforce, such as: persons with disabilities, senior citizens, women and persons with cultural diversity (i.e. immigrants and first nations, among others). We designed a management model to incorporate this strategy that includes transversal commitments at all levels of the company.

We implemented our “Adding Energies” Diversity and Inclusion Program in 2018. Its design was based on the results of a diversity and inclusion perception survey and diagnostic involving collaborators in 2017. Program implementation permeates different aspects, such as the hiring process, culture, accessibility and safety, among others.

- **Hiring:** we have decided that we will not make any positive discrimination when it comes to recruiting personnel, but simply choose the best candidate. Therefore, we will choose people from the aforementioned four vulnerable groups under equal conditions.

- **Accessibility and safety:** we have made structural changes in quality of life aspects. For example, we designed a new evacuation plan that incorporates persons with disabilities, senior citizens and pregnant women. We are creating new access points, rest rooms and evacuation structures, among others.

- **Culture:** we are making progress to encourage a more diverse culture. We hosted 8 workshops for raising awareness in 2018. 99 women belong to our team, accounting for 18% of the workforce. Although we now employ one more woman than in 2017, this percentage is down because the total number of collaborators has increased. 1% of our employees are persons with some type of disability¹⁰, 4% are foreigners and 21% are collaborators over the age of 50. In 2019 we will work to formulate management indicators in order to implement compliance metrics for the four focus areas considered in our program. In turn, the company will work on new programs and initiatives to complete what has been designed and thus make the cultural change to be driven by this project throughout the entire organization.

WOMEN



¹² Law 21,015 requires the hiring of 1% persons with disabilities for companies with over 200 workers..



CLAUDIA CARRASCO

My experience at Transelec has been very good from the perspective of a woman at Transelec. I have never experienced any different treatment or discrimination from my workmates or while interacting with other companies and authorities from the sector since I joined the Company in late 2011.

Women's participation in the workplace is an issue that merits development in order to effectively provide the equality we all deserve. I therefore wish to highlight that the company is concerned about responsibly addressing diversity issues because changes don't always happen by themselves. Diverse people with different skills are able to see tasks differently and having a working team that has differences that are complemented is valuable for that team and consequently for the company.

ENYER MACERO

As a Venezuelan, I feel grateful to God and to the Chilean people for welcoming me in and especially to Transelec for giving me the chance to become a part of this big family, to keep growing from a professional perspective and to contribute my knowledge toward driving the growth of this organization.

My colleagues have made me feel very comfortable while respecting and appreciating my technical expertise.

GERMAN CORTES

I personally believe that I've had a very good experience in terms of accessibility where I can go anywhere in the main office without having to ask for assistance, as well as the human team I've been working with every day and sharing with different areas. They have been so approachable and kind when it comes to providing guidance and teaching, and they've been willing to get to know people with some type of disability. I think that's the most important thing when it comes to growing as professionals and peers. Inclusion means that we first have to see each other as equals and that's what I have experienced so positively at Transelec.

I only wish to add that the inclusion program has been wonderful, but I think the next step is to do this in the field, which is to say in situations where physical accessibility aspects are harder to adapt.

ELIAS VALENCIA

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3. Engagement with our collaborators

The fact that our collaborators feel proud to belong to Transelec is the end result of years of work in which we have built an organization based on our corporate values: respect, integrity, commitment and excellence. As part of this process, we have made progress in terms of making each manager a leader and strengthening our working relationships.

Uniting Chile with Energy is our core purpose and it is essential that this mobilize those working at the company. *Additional information regarding impact on the country on page 16.*

Work climate

We have focused on keeping people at the core of our strategy. In addition to a good benefits structure, this has produced an outstanding work climate, which is assessed every other year.

Competitive benefits

We at Transelec have competitive salaries and benefits compared to the market. We have a bonus program aligned with meeting the objectives of our business strategy. Performance is assessed for 100% of our collaborators.

Quality of life

We have several initiatives at Transelec that have been designed to improve quality of life for those working at the company. The most popular are the shortened workday on Fridays and the current incorporation of bridge days in the event that a legal holiday falls on Tuesday or Thursday. Another highly appreciated benefit is the Pause Gymnastics Program started in 2011 in Santiago and in Chile's regions. We also wish to highlight Club Transelec, which hosts recreational, sports and cultural activities by matching employee contributions on a basis.



Our values:

Excellence

Respect

Commitment

Integrity

WE CONTINUE TO IMPROVE OUR ORGANIZATIONAL HEALTH

We understand that putting people at the core of our strategy and ensuring good organizational health means that we need empowered leaders and a good work climate.

Since organizational health depends on several factors, such as leadership, innovation and motivation, among others, we have been addressing its assessment systematically by applying a world class tool over the last 10 years. In 2018, and for the fifth time, we assessed OHI (Organization Health Index) using a health survey conducted by the consulting company McKinsey at different companies around the world. We are proud of our score of 80 points in that it positions us in the upper tenth for this evaluation at a global level for the second time in a row and this result reaffirms that we have placed the right emphasis on our Leadership Program: innovation, organizational culture and flexibility.



As part of our goal to include our employees' families at the company, we hosted "Open Day" in Santiago and in Chile's regions for the eighth year in a row. This is a session in which Transelec opens its office doors so that our collaborators' children can visit the place where their parents work and understand the contribution they make at the company. Along the same lines, we celebrated our traditional Christmas party that was attended by our workers and their families.

Labor relations

Empowering good labor relations and building trust with all collaborators and their union leaders is a long and painstaking task. We have consequently continued our open house policy with the company's two unions (SITRAT-SINATRAN) and we address different working issues at regular meetings. In 2018 the Company successfully reached a new Collective Agreement with SITRAT, the Transelec S.A. Workers Union (which represents 67% of our workers). The process was executed within the deadlines set in the Labor Code and an agreement was reached for the maximum legal period of three years, satisfying all parties involved.

	2016	2017	2018
Working climate			
OHI Score	81	**	80
Unionization			
Percentage	65%	69%	74%

** . A survey conducted every other year by the international consulting company McKinsey.