



Letter from the Chairman

On behalf of the Board of Transelec S.A., I am especially pleased to present the Company's first integrated report. This publication, which covers 2022, addresses our vision for the organization from an economic, sustainability, environmental, and best governance practices perspective for the first time.

This year brought important changes to the Company. First, we have new leaders, starting with our Chief Executive Officer, Arturo Le Blanc. He took on the important challenge of making Transelec the key to decarbonizing Chile's power grid. Several areas of the Company have been restructured based on new corporate challenges. I would like to thank Andrés Kuhlmann for 15 years of successful leadership and for his commitment to the Company. We wish him a great deal of success as he takes on new challenges.

The global and national contexts were difficult both economically and socially during this period, but Transelec was able to focus on being an industry leader, ensuring energy transmission for all the inhabitants of the national territory. The average service interruption time for 2022 was 14% lower than last year (measured using the SAIDI indicator, which dropped to 0.057 hours). Service interruptions have progressively decreased over the past few years -despite the pandemic- to 299 MWh in 2022. These achievements are reflected in our annual satisfaction survey, which captures critical clients' perspectives with regard to electricity service, allowing us to manage the specific services provided. We are proud to announce that we were able to maintain the connection clients' satisfaction rate of 95% this year, the same obtained in 2021.

At Transelec, we focus on the future. 2022's Bloomberg Climatescope report ranked Chile the most attractive country in the world for investing in clean energies. Chile has set a goal of becoming carbon neutral and climate resilient by 2050, and as a transmission company, we play an important role in making it possible to transport new energies. We launched the campaign "Transelec and Its Role in Decarbonizing the Grid" this year, which highlights the role of transmission and Transelec in meeting this national challenge. We connected 324

MW of renewable energies to the system in 2022, which brings the total amount that we have contributed to decarbonization to 4,230 MW. Currently, 31% of our revenues come from renewable sources, almost double of what they represented in 2018.

We also strive to lead the industry in new uses of technology and innovation. This year we launched our open innovation vehicle "Transelec Ventures," fostering the development of disruptive solutions to key challenges for Transelec and the industry. We focused on solutions related to three goals this year: reducing the use of water in insulator cleaning, "Data Intelligence" to improve decision-making, and decreasing the noise level and/or preventing it from propagating beyond our facilities.

Chile's most recent Transmission Expansion Plan included the installation of a control system with a Battery Energy Storage System (BESS) for the first time. This would allow transmission companies to use this technology. Energy storage is increasingly seen as an alternative to traditional transmission investments and as a tool for maximizing the efficiency of existing grid systems. Our Company is eager to work with this new technology.

From the financial perspective, maintaining a strong credit rating and balance sheet enables Transelec to continue its investments regardless of economic conditions and with a focus on long term stability.

Finally, I would like to thank everyone at Transelec for the great work that they have done this year. We were able to look at the challenges ahead, develop a new strategy for the future, and make the necessary adjustments to the organization. We met the goals that we set for 2022, offering the country quality transmission service.

Scott Lawrence
Chairman of the Board