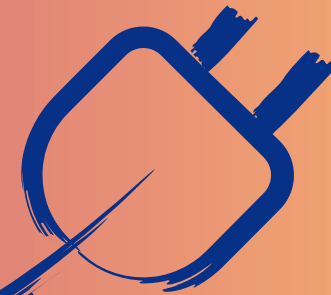


1

Transelec: Connecting the Energies of the *future*



Transelec S.A. at a glance

Environmental management



205,122
tCO₂eq(*)



67.5
GJ of energy consumed



366
people trained
through the Energy
and Hydro-efficiency
Program



78%
of hazardous
industrial waste
recycled



5.8
hectares reforested



46%
of the renewable
energies generated
are transmitted by
Transelec

Corporate management



23
communities with
social investment
programs



49
projects in the
innovation portfolio



1,586
MUS\$
invested in social
investment programs



1
complaint related
to impact on
communities



0
conflicts or incidents
with the community



3,700
people have benefited
from our social
investment programs

Governance management



30%
of the Executive
Committee is female(**)



US\$
1,216
invested in training
per worker



100%
of employees
received anti-
corruption training



80%
employee satisfaction
with the hybrid work
model



0
complaints received
through the
Complaints Channel
related to the Crime
Prevention Model



0
strikes in 30 years (***)

(*) Scope 1, 2 y 3 excluding losses

(**) From January 1, 2023

(***) For some years, Transelec is considered a strategic company so there can be no strikes.

About us

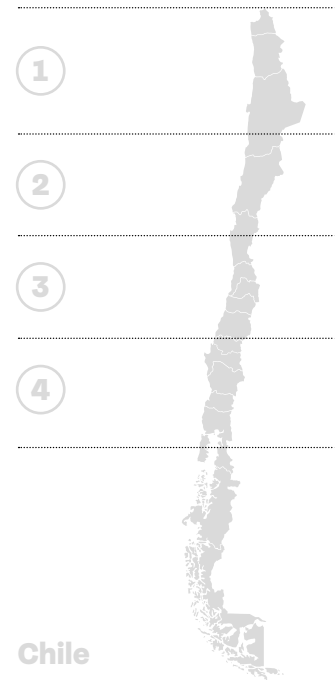
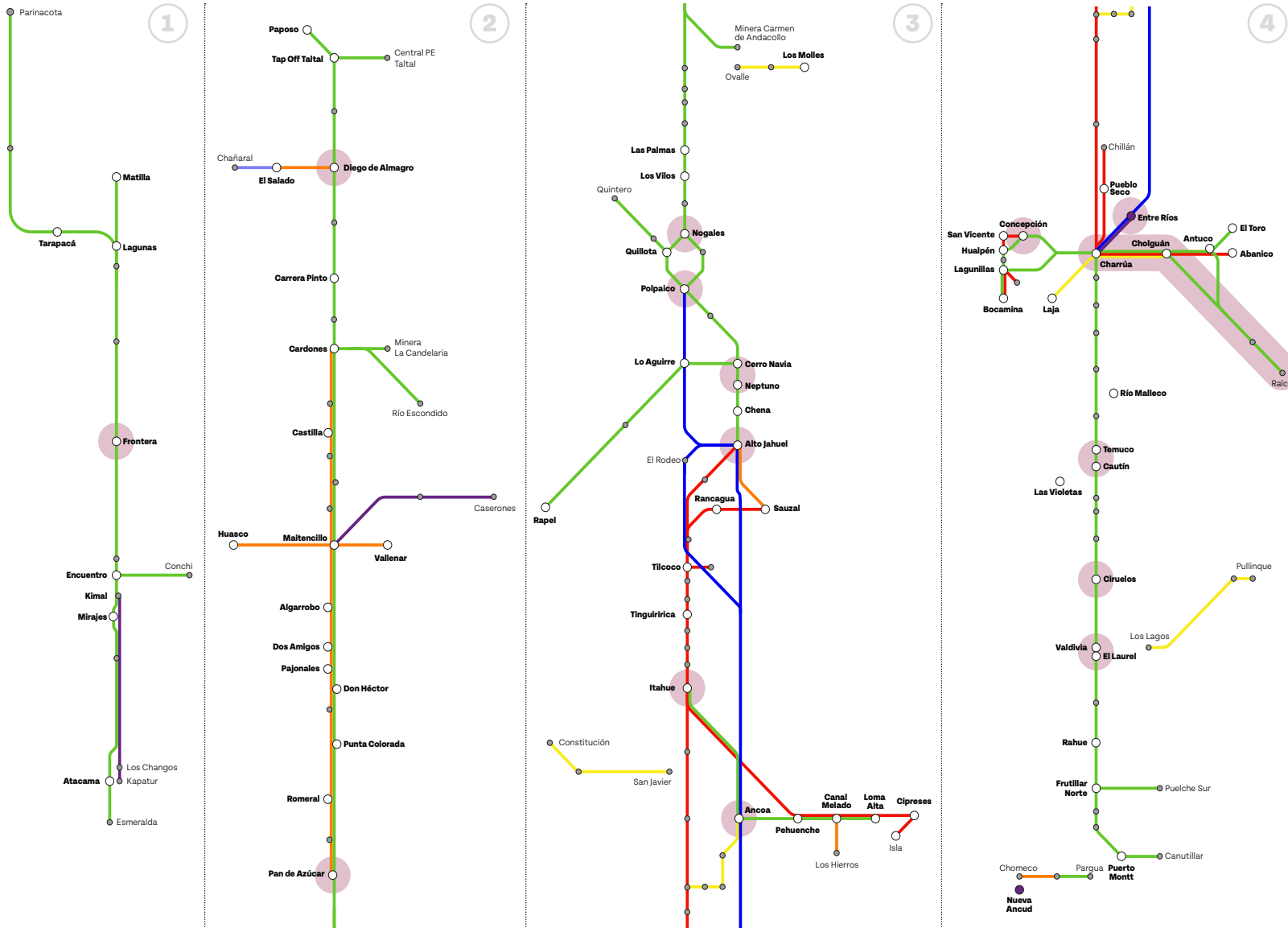
(CMF 6.1 i, ii and SASB IF-EU-000.C)

With over 70 years in the industry, we are Chile's leading transmission company. We transport energy from generation sources through 10,135 km of transmission lines with a transformation capacity of 19,908 MVA and 69 substations throughout the country. We provide energy to cities and major industrial and mining entities. We are Chile's leading energy transmission company, and we contribute to improving the quality of life and development of our country, providing electricity to 98% of the population from Arica to Chiloé. We participate in the local development of communities and to the development and operation of projects that prevent impacts on the environment and our neighbors.

10,135 km
of transmission lines

69
substations

19,908
transformation capacity (MVA)



Chile

Legend



Trusting relationships

Lines

- Less than 66 kV
- 154 kV
- 66 kV
- 220 kV
- 110 kV
- 500 kV

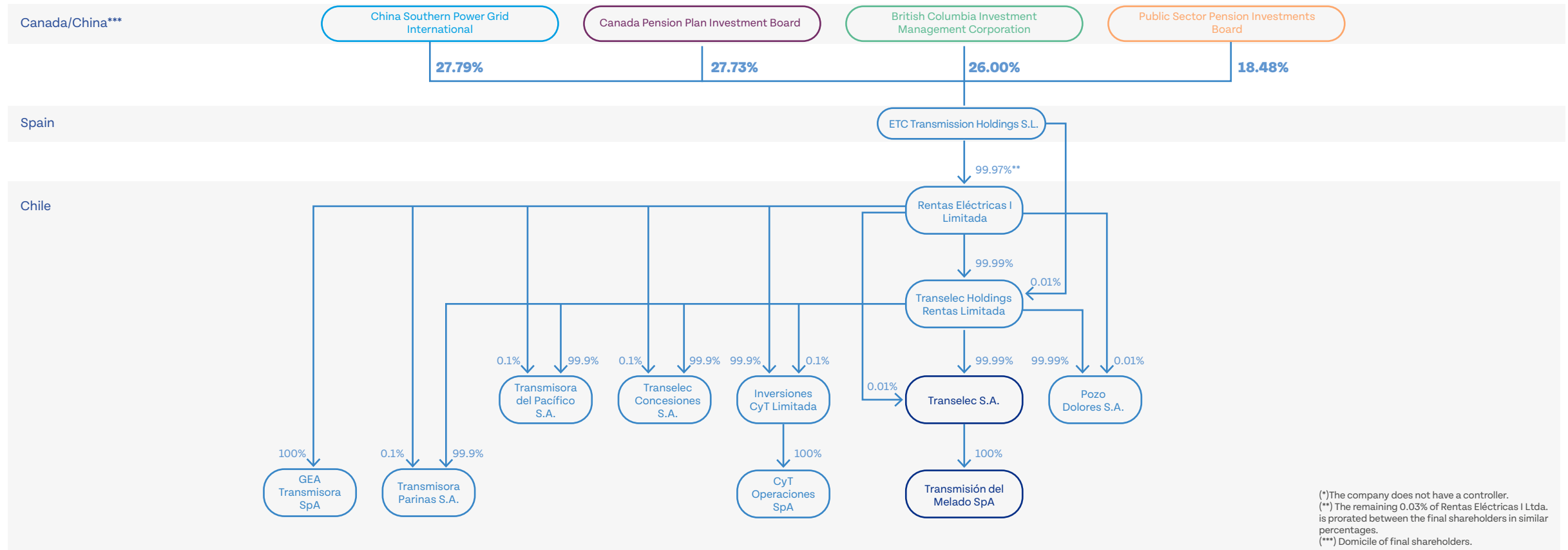
Ownership and Organizational Structure

(CMF 2.3.2 and 2.3.4 iii c)

Transec's capital is divided into 1 million regular, nominative shares with no nominal value. Transec Holding Rentas Limitada owns 999,900 shares, and Rentas Eléctricas I Limitada owns 100.

The final shareholders of Transec S.A. are China Southern Power Grid International (CSGI), Canada Pension Plan Investment Board (CPP), British Columbia Investment Management (BCI), and Public Sector Pension Investment Board (PSP).

Organizational Structure*



History

(CMF 2.2)

1943:

CORFO created the National Electricity Company (Empresa Nacional de Electricidad, ENDESA).

1993:

ENDESA's Transmission Division became a subsidiary of Compañía Nacional de Transmisión Eléctrica S.A., which later became Transec S.A.

1996:

Transec built its first 220 kV line between Charrúa and Ancoa to connect the Pangué plant (460 MW), which would later be expanded to connect the Ralco plant.

2000:

The Canadian company Hydro-Québec purchased 100% of Transec shares.

2003:

Transec joined the Great North Interconnected System (Sistema Interconectado del Norte Grande, SING), purchasing 924 kilometers of 220 kV lines.

2006:

The Canadian consortium comprised of Brookfield Asset Management (BAM), Canada Pension Plan Investment Board (CPP), British Columbia Investment Management Corporation (bcIMC), and Public Sector Pension Investments (PSP) purchased 100% of Transec's shareholding ownership.

2008:

Progress was made on the construction of a 500 kV ring around Santiago through the energization of the Alto Jahuel-Polpaico double circuit line. This progress allowed us to end up with the saturation of the grid towards the north of the country.

2010:

Transec consolidated its mining sector services through the acquisition of the Punta Colorada substation, which it purchased from Barrick Gold. The Las Palmas substation, the main node for wind energy contributions to the Central Interconnected System, was placed into service.

2014:

The National Transmission Operations Center (Centro Nacional de Operación de Transmisión, CNOT) was inaugurated, allowing Transec facilities to be centralized with the highest standards.

2015:

The Lo Aguirre 1,000 MVA substation became operational, offering new support in the electricity supply to the Metropolitan Region and connections to possible continuous current lines for the future.

2018:

China Southern Power Grid International (CSGI) acquired BAM shares, making it a 27.78% shareholder of Transec. Transec energized the new 2x220 kV Lo Aguirre-Cerro Navia line, the only one with an urban underground line section.

2019:

The Company achieved its lowest accident and incident rate in the past 10 years.

2020:

Start-up of projects:
- Atacama Solar, connection to the Atacama Solar photovoltaic park with a nominal capacity of 250 MW.
- Río Malleco Substation Project, connection to the Malleco Wind Park, with a nominal power of 273 MW.

2021:

Transmission solutions for renewable projects like Atacama Solar, Río Escondido and the Puelche Sur Wind Park were placed in service.

2022:

Andrés Kuhlmann stepped down as Transec's CEO after 15 years. Arturo le Blanc Cerda takes over as the new CEO.

Among other projects, the company carried out the construction of a transmission project that will energize the new Quebrada Blanca 2 Mine.

Milestones 2022

March

- Environmental approval was secured for a transmission project in the O'Higgins Region. The initiative involves an investment of US\$ 19.5 million.

April

- The Company was featured in the BBC documentary Storyworks along with the community of Cerro Navia. The episode tells the story behind the construction of the National Electricity System's first high tension tunnel, local residents' participation in the project, and community development around it.
- Transelec's Norte Grande Unit secured Gold Certification from the safety association Mutual de Seguridad based on the work of its Joint Committee on Hygiene and Safety.

May

- Arturo Le Blanc became CEO of Transelec following Andrés Kuhlmann's decision to step down after 15 years at the helm of the organization.
- Transelec, CONAF, and Universidad de Concepción supported the biological corridor project focused on restoring Nonguén National Park.

June

- The Company renewed its commitment to the country's micro-entrepreneurs through the second edition of the "Growing Together with Energy" initiative. The program is offered in collaboration with the Simón de Ciro Foundation and provides comprehensive support to business owners in eight regions of Chile. This year, the scope of the program was expanded to include 120 participants.

September

- "Transelec Ventures", an open innovation model for solving industry challenges was presented. With the support of the Chilean incubator and accelerator Imagine, Transelec invited start-ups and technology companies around the world to submit proposals to develop disruptive solutions to key challenges for Transelec and the industry.

October

- The campaign "Transelec and Its Role in Decarbonizing the Grid" was launched in an effort to position the Company as the country's leading transmission company and as an entity that will play a key role in achieving Chile's decarbonization goals.

December

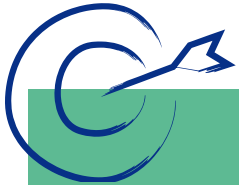
- Transelec local credit ratings improved as a result of Transelec's resiliency. Feller Rate increased our credit rating from AA- to AA. Even after Chile's social uprising and the pandemic, the Company maintains stable and solid cash flows.



Value Creation Model

(CMF 2.1)

At Transelec, we want to lead efforts to meet sustainable development challenges by connecting the energies of the future.



Mission:

To lead the electric energy transmission business in Chile, meeting the country's needs and those of our clients by developing efficient, high-quality solutions, operating the system correctly, and maintaining a high standard of occupational health and safety. We create sustainable value for our shareholders, developing trust-based relationships with our communities and acting in a comprehensive, sustainable manner when it comes to the environment.



Vision:

To be recognized as a leading company in terms of knowledge and technology that is both socially and environmentally responsible and helps Chile and its clients to efficiently meet their transmission needs.



Purpose:

"Connecting the energies of the future" through excellent service, offering continuous innovation and a solid commitment to positively impact society. Caring for the environment and the well-being of our communities and employees is a key part of our decision-making process.



Values:

- 1. EXCELLENCE** inspires Transelec to be Chile's leading energy transmission company every day.
- The **COMMITMENT** to the Company's achievements means that they are ours, too.
- 3. RESPECT** for people, the community, and the environment is the foundation of all our relationships at the personal and professional levels.
- 4. INTEGRITY** is the basis for all our actions and decisions.

New Corporate Strategy

(GRI 2-6, CMF 4.1)

This year we developed and launched the Company's new corporate strategy. This participatory process drew on information from each area of the organization to identify cross-cutting lines and goals based on various discussions and opportunities for collaboration. As a result, we identified the challenge of incorporating and strengthening Sustainability within the Company, giving our Customers a more central role and projecting our Growth. The Strategy is the result of an in-depth and detailed review of our performance over the past few years and our vision for the future. In 2023, we will continue to identify challenges and management tools for each area, which will allow us to achieve traceability of our short-, medium- and long-term results. As part of the communication plan for this new strategy, CEO Arturo LeBlanc launched this new document at a corporate event for all Transelec employees held in November 2022. He also presented the Company's purpose "Connecting the energies of the future," a goal that frames our strategy and our work as a company.

After the launch, the vice presidents met with their teams to outline the challenges that this strategy poses for their area and to make this new approach more palpable for all employees. During 2023, the strategic work will focus on six initiatives that will be led by a champion and coordinated by Olivia Heuts, Vice President of Business Development.

Initiatives:

- Competitiveness
- Socio-environmental project legitimacy
- Centering customers
- Transmission valuation study
- Everyone aligned
- Digital twin

The following GRI Value Creation Model shows, at the center, the new Corporate Strategy, our purpose, its three pillars and our values. In addition, we place the strategy within a larger system, ranging from energy generation to energy distribution. We take certain inputs to generate outputs, showing that we are responsible for contributing to the optimal functioning of the entire system.

We want to lead the challenge of achieving sustainable development by connecting the energies of the future.

Generation

Transmission

Distribution

Input

Financial Capital

Assets in operation
Net assets
Financial debt

Physical Capital

No. of substations
Km of transmission lines
Expansion projects
New projects

Intellectual Capital

No. of innovation projects
Transec Venture
Cybersecurity
Digitalization
Electricity sector history

Human Capital

No. of employees
No. of contractors
No. of suppliers

Social Capital

Relationship with officials
Free and regulated customers
Community relations

Natural Capital

Reforestation areas
Emissions
Water resources
NCREs

Development

Evaluation, conceptual and basic engineering, design of transmission and connection solutions and project management and construction, advising on implementation.

Operation

Maintenance and administration of new Company facilities and those of related entities.

Customer Management

Ensuring that residential and industrial users have a continuous, uninterrupted, safe and reliable electric energy supply.

Output

Financial Capital

EBITDA
Taxes paid
Economic value distributed

Physical Capital

% of energy transmitted between Arica and Chiloé
Share of National Electric System
Projects approved/ongoing

Intellectual Capital

No. of new innovation projects
New energy solutions
Cybersecurity incidents
Investment in digitalization
Investment in innovation

Human Capital

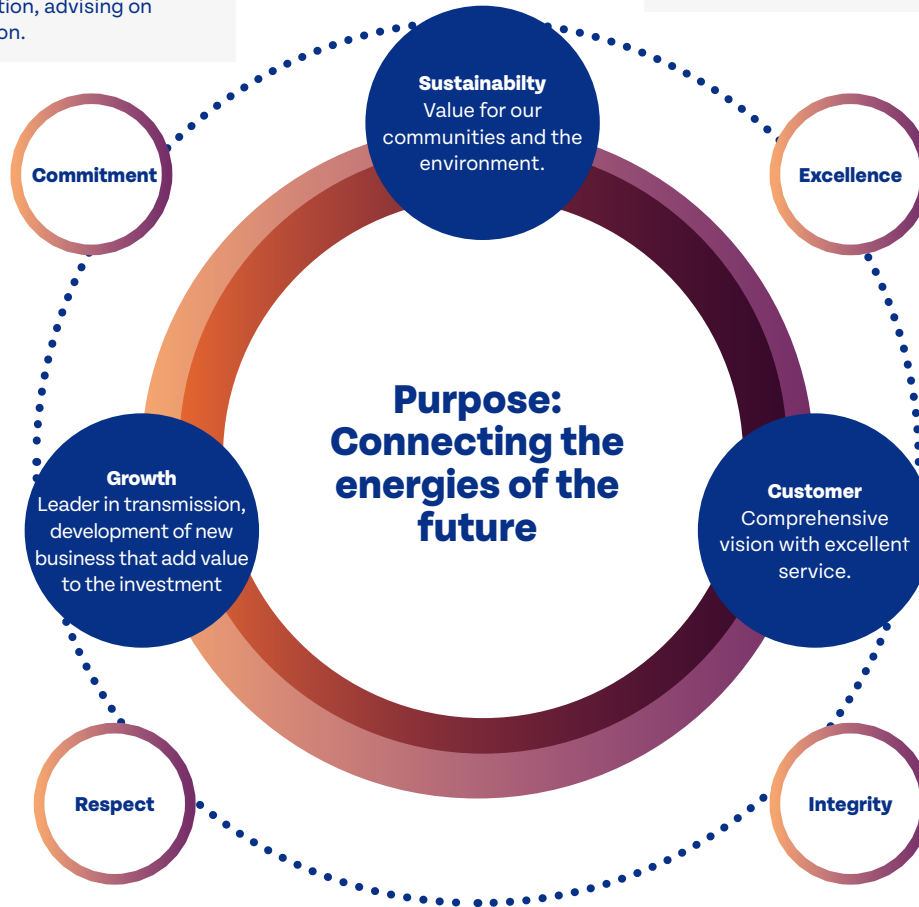
No. of women in executive roles
Hours of training
Promotions
Turnover
No. of fatalities
Years without a strike (*)
Investment in training

Social Capital

Customer satisfaction
Reputation survey
No. of community programs
Investment in communities

Natural Capital

Energy reduction
Emissions reduction
Investment in the environment
Biodiversity projects



(*) Transec is considered a strategic company so its workers cannot go on strike.

Our Stakeholders

(GRI 2-25; 2-29; CMF 3.1 iv; 6.1v, 3.7 i, iv)

Stakeholder relations is a key element of Transec's strategy. The ability to identify with, understand, and relate to them is an essential part of the Company's development.

The Internal Communications Management System (SGC) allows stakeholders to convey their complaints and concerns to the Company.

What communication channels are available to our stakeholders?

Stakeholder	Channel / Frequency of communication
<u>Regulator / legislator</u>	<ul style="list-style-type: none"> - In-person meetings, quarterly corporate newsletter, annual reports and website, corporate events (seminars, facility inaugurations, and visits to substations, among others) - Periodic reports on environmental compliance for Transec environmental qualification resolutions - Regular Law Lobby meetings
<u>Informed leaders</u>	<ul style="list-style-type: none"> - One on one meetings, monthly corporate newsletter, annual reports, website, social media, and publications in media outlets. - We have held the seminar series "Conversations that Connect" since 2016. The events feature representatives of various sectors of society from different parts of the country.
<u>Communities</u>	<ul style="list-style-type: none"> - Working groups with neighborhood leaders and local officials - Social investment programs and projects - Early and formal citizen participation activities for projects - Distribution of region-specific newsletters with key information - Presence on local radio stations - Community visits to substations - Social media
<u>Suppliers / Contractors</u>	<ul style="list-style-type: none"> - Communication 2 to 3 times per year
<u>Financial and Corporate World</u>	<ul style="list-style-type: none"> - Phone and in person meetings in Chile and abroad - Annual reports - Investor Day, quarterly reports, website, and publications in the media.
<u>Shareholders and Board</u>	<ul style="list-style-type: none"> - Board committees - Phone and in person meetings in Chile and abroad - Scheduled videoconferences - Annual reports - Meetings, monthly corporate newsletter, quarterly reports
<u>Customers</u>	<ul style="list-style-type: none"> - Meetings with each client - Breakfasts - Monthly corporate newsletter - Annual Report - Website - Presence at key electricity sector events - Publications in Chilean and regional media outlets
<u>Internal Entities</u>	<ul style="list-style-type: none"> - Internal communications
<u>Owners</u>	<ul style="list-style-type: none"> - Maintenance activities, educational campaigns such as Electric Risk Prevention, and information about the Company and owners' rights and duties. - In 2018, we implemented an Owner Relations Model that outlines the communication channels and incorporates mechanisms for measuring the quality of the relationship.