QUARTERLY EARNINGS REPORT

As of June 30, 2025

2nd QUARTER 2025

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2Q25 Earnings Report

Conference Call
2Q25 Results

Date: August 1st, 2025
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1. HIGHLIGHTS

Main figures at a consolidated level

- **Consolidated operating income** for the second quarter of 2025 (2Q25) totaled **US$402.6 million**, representing a 5% decrease compared to the second quarter of 2024 (2Q24), mainly due to lower energy and capacity sales in the Chilean spot market as a result of the lower generation recorded during the quarter. This effect was partially offset by higher sales to unregulated clients in both Chile and Peru, primarily due to a higher consumption from this segment. Additionally, there was an increase in sales to regulated clients, mainly driven by the incorporation of ILAP contracts in Chile and the enter into force of a contract with Electro Oriente in Peru. **In cumulative terms**, consolidated operating income reached **US$815.0 million** as of Jun-25, increasing 1% compared to Jun-24. Higher under contract sales were offset by lower energy and capacity sales in the spot market, due to the same reasons mentioned previously.

- Consolidated **EBITDA** for 2Q25 reached **US$140.6 million**, decreasing 8% compared to EBITDA of US$152.5 million in 2Q24. This decrease was mainly due to net purchases in the Chilean spot market, compared to net sales in the same market during 2Q24, primarily associated with the lower generation recorded during the quarter. This effect was partially offset by lower coal and gas consumption, resulting from lower generation with these fuels. Additionally, higher Personnel expenses and Other expenses, by nature were recorded.
In cumulative terms, EBITDA totaled US$319.1 million as of Jun-25, increasing 6% compared to Jun-24, mainly due to (1) higher sales to unregulated and regulated clients, as previously mentioned, and (2) lower coal and gas consumption costs associated with the lower thermal generation in both countries. This effect was partially offset by lower energy and capacity sales in the spot market during the period.

- **Non-operating income** for 2Q25 posted a loss of **US$22.6 million**, compared to a loss of US$12.2 million in 2Q24. This increase is mainly explained by higher Other Profit (Loss) and lower financial income, the latter due to reduced cash surplus levels and a lower investment rate compared to 2Q24. **In cumulative terms**, non-operating income as of Jun-25 recorded a loss of US$38.7 million, compared to a loss of US$28.8 million in the same period of the previous year, largely reflecting the same drivers than in the quarterly comparison.

- In 2Q25, an income **tax expense** of **US$11.9 million** was recorded, decreasing compared to US$27.2 million in 2Q24. This decrease was primarily attributable to (1) lower pre-tax income recorded during the quarter, and (2) the appreciation of the Peruvian Sol exchange rate during 2Q25 and its impact on deferred tax balances. **In cumulative terms**, as of Jun-25, the Company recorded an income tax expense of US$35.2 million, compared to US$48.3 million as of Jun-24, also driven mainly by the appreciation of the Peruvian Sol and its impact on deferred taxes.

- The Company reported a **profit** of **US$48.2 million**, compared to US$61.5 million in 2Q24, mainly reflecting lower operating and non-operating results during the quarter, partially offset by lower tax expenses. **In cumulative terms**, net income reached **US$130.6 million** as of Jun-25, up from US$120.3 million as of Jun-24, primarily due to (1) higher EBITDA recorded during the first half of the year and (2) lower tax expenses as noted above. These effects were partially offset by higher non-operating losses.

Highlights of the quarter

COMMERCIAL STRATEGY:

- During 2025, power purchase agreements (PPAs) were signed in Chile with 39 clients for an annual volume of 357 GWh. Among the main contracts signed are renewable energy agreements with Parque Arauco S.A. for 150 GWh per year starting in January 2026, and with SMU group for 60 GWh per year starting in March 2025, both for a period of 4 years. In Peru, supply contracts were awarded to 11 clients for a total of 30.6 MW per year. The most significant was a 5-year renewal with Operadores Concentrados Peruanos (15 MW).

PROJECTS PROGRESS:

- During 2Q25, the Company's main advances in renewable energy and storage projects were:

In Chile:

- Horizonte W.F Expansion: In May, the project received environmental approval. It contemplates the installation of up to 24 new wind turbines, each with a maximum nominal capacity of 7.5 MW, adding up to 180 MW to the park's generation capacity.
- Horizonte W.F: The National Electricity Coordinator announced the commercial operation date of Horizonte Norte, consisting of 70 wind turbines, effective as of June 2. The remainder of the park, Horizonte Sur, is expected to enter commercial operation in July 2025. It is worth noting that Horizonte has been in operation since the beginning of the commissioning phase in May 2024.
- BESS Celda Solar: As of 2Q25, the project had reached 30% progress, mainly related to the construction of battery foundations, civil works at the Chaca and Roncacho substations, and the corresponding transmission line.
- BESS Diego de Almagro Sur: During 2Q25, progress was made in securing the necessary authorizations and permits required to begin construction
- SS Don Eduardo (Ex-Llullaillaco): In 2Q25, work continued on the detailed engineering contracts and procurement of main equipment.

POWER PURCHASE AGREEMENTS:

- Atlas Renewable Energy: The agreement, which will last for 15 years, involves Atlas building the battery energy storage system (BESS), while Colbún will purchase the energy generated by the project. Located in the Antofagasta Region, the project will have an installed capacity of 230 MW and 920 MWh of storage, enabling an energy injection of up to 335 GWh per year.

OPERATION OF OUR POWER PLANTS:

- During 2Q25, some of our main power plants carried out major maintenance activities to ensure their proper operation and efficiency:

- Colbún Hydroelectric Plant: from April 2 to April 30, 2025; and then, from May 5 to May 23, 2025.
- Fenix Power Thermal Plant: from April 4 to April 28, 2025.
- Angostura Hydroelectric Plant: from April 21 to May 23, 2025.

- According to the information reported to the National Electric Coordinator, as of March 23, Santa María Thermal Power Plant has been out of service due to a loss of lubrication in the steam turbine, which caused the turbine shaft to seize. This occurred after both circuits of the Santa María–Charrúa transmission line were disconnected due to wildfires. Repair work is ongoing, and the plant is expected to resume operations during 3Q25. It is worth noting that the Company has insurance coverage for this type of events.

DIVIDENDS:

- On May 9, the Company distributed a final dividend of US$26.5 million. Combined with the US$99.7 million paid on December 13, 2024, total dividends for the year amounted to US$126.2 million. This represents 50% of the distributable net income for the year 2024, in accordance with the Company's dividend policy.

PEC:

- On April 2, the second and final sale of DDP ("Documentos de pago" as its Spanish acronym) related to the price stabilization mechanism, under the PEC III Law, was completed for a total amount of US$41 million. It is worth noting that this transaction will not have any material effect on the Company's results.

Subsequent Events of the Quarter

OPERATION OF OUR POWER PLANTS:

- On July 9, 2025, an incident occurred in Unit No.1 of Rucúe Hydroelectric Plant (178.4 MW), due to a gas leak that caused a fire during metallization work on the turbine's wear plates and upper cover, as part of major maintenance activities. The incident caused first and second degree burns to a contractor from Adritz company who was performing the related work. The Company has insurance coverage for this type of event.

MERGERS AND ADQUISITIONS:

- On July 14, the National Institute for the Defense of Competition and Protection of Intellectual Property of Peru (INDECOPI) approved the transaction through which Colbún S.A. will acquire 41.379% of the ownership of Fenix Power Perú S.A. With this acquisition, Colbún will reach 100% ownership of the company. The transaction is expected to be completed during August of this year.

- The acquisition will be financed through a combination of available cash held by Colbún Perú S.A. and a bank loan subscribed with JP Morgan on July 14, 2025. The facility amounts to US$50 million, structured as a bullet loan with a single maturity in 18 months.

2. PHYSICAL SALES AND GENERATION BALANCE

2.1. Physical sales and generation balance in Chile

Table 1 shows a comparison between physical energy and capacity sales, and generation in 2Q24 and 2Q25, and cumulative as of Jun-24 and Jun-25.

Table 1: Physical sales and generation in Chile

Accumulated Figures		Sales	Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	Q/Q
5,716	**6,342**	**Total Physical Sales (GWh)**	**2,916**	**3,191**	**(10%)**	**(9%)**
796	512	Regulated Clients	404	268	55%	51%
4,920	4,617	Unregulated Clients	2,513	2,248	7%	12%
0	1,213	Sales to the Spot Market	0	674	-	-
1,272	**1,051**	**Capacity Sales (MW)**	**1,272**	**1,051**	**21%**	**21%**

Accumulated Figures		Generation	Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	Q/Q
5,384	**6,479**	**Total Generation (GWh)**	**2,756**	**3,255**	**(17%)**	**(15%)**
2,462	**3,263**	**Hydraulic**	**1,374**	**1,639**	**(25%)**	**(16%)**
1,951	**2,838**	**Thermal**	**865**	**1,440**	**(31%)**	**(40%)**
1,764	1,938	Gas	821	1,107	(9%)	(26%)
50	12	Diesel	43	10	-	-
138	888	Coal	0	323	(84%)	-
970	**378**	**VRE**	**518**	**176**	**-**	**-**
677	62	Wind *	384	41	-	-
293	316	Solar	134	135	(7%)	(0%)
395	**0**	**Spot Market Purchases (GWh)**	**190**	**0**	**-**	**-**
(395)	**1,213**	**Sales - Purchases to the Spot Market (GWh)**	**(190)**	**674**	**-**	**-**

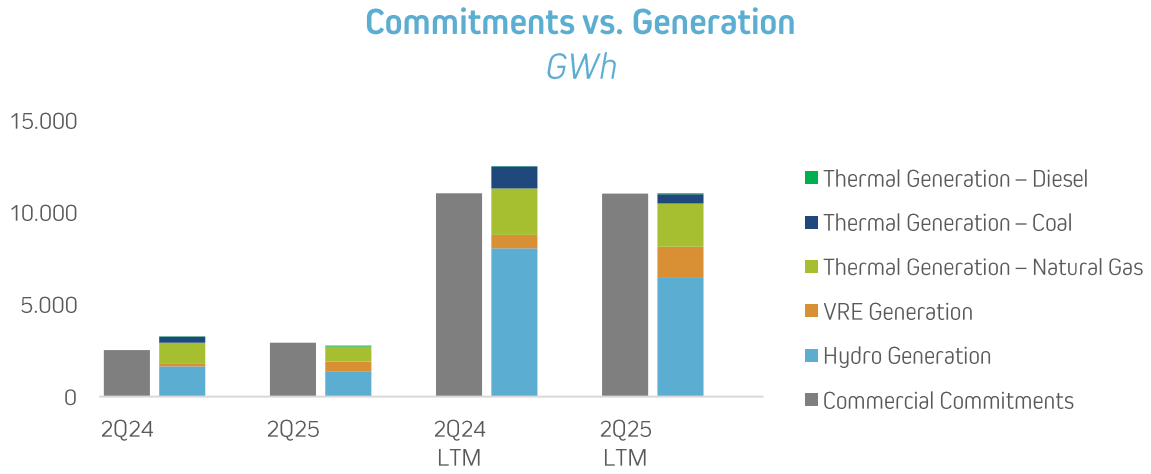
(*): Includes energy purchased from Punta Palmeras wind farm.
VRE: Variable renewable energies.

Physical sales during 2Q25 reached **2,916 GWh**, representing a 9% decrease compared to 2Q24. This difference is mainly explained by lower spot market sales, due to the lower generation recorded during the quarter. This effect was partially offset by (1) higher sales to unregulated clients, primarily driven by a higher consumption from mining clients and (2) higher sales to regulated clients, mainly due to the incorporation of contracts from ILAP.

On the other hand, **Colbun's generation** during the quarter reached **2,756 GWh**, a 15% decrease compared to 2Q24. This was mainly explained by (1) lower coal-based thermal generation (-323 GWh), as Santa María power plant was unavailable during the quarter following the incident that occurred in March 2025; (2) lower gas-based thermal generation (-285 GWh), due to limited Argentinian gas supply; and (3) lower hydro generation (-265 GWh), resulting from less favorable hydrological conditions. These effects were partially offset by higher wind generation (+343 GWh), mainly due to the commissioning of Horizonte and the acquisition of the San Juan and Totoral wind farms.

In cumulative terms, physical sales as of Jun-25 reached **5,716 GWh**, representing a 10% decrease compared to Jun-24. This variation is primarily explained by the same reasons that explain the variations in quarterly terms. On the other hand, cumulative generation as of Jun-25 reached **5,384 GWh**, a 17% decrease compared to Jun-24. This decrease was primarily due to (1) lower hydro generation, driven by less favorable hydrological conditions, (2) lower coal-based thermal generation, due to reduced availability at Santa María power plant; and (3) lower gas-based generation, resulting from the previously mentioned gas supply constraints. These effects were partially offset by higher wind generation from the Horizonte, San Juan, and Totoral wind farms.

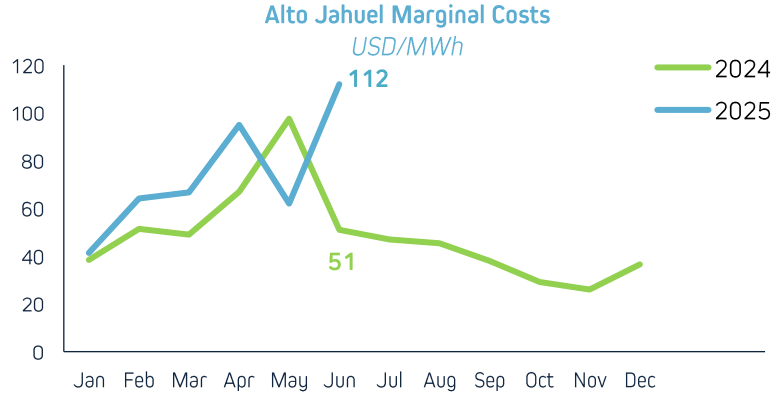
The **spot market balance** during the quarter recorded net purchases of 190 GWh, which represent only 7% of the physical sales of the quarter. These purchases are compared to net sales of 674 GWh recorded in 2Q24.
This variation is explained by the lower generation and higher consumption of both regulated and unregulated clients, as mentioned above. In cumulative terms, net purchases reached 395 GWh as of Jun-25, compared to net sales of 1,213 GWh as of Jun-24, primarily due to the same reasons that explain the variations in quarterly terms.



Generation mix in Chile: In 2Q25, SEN generation reached 21,359 GWh, representing a 1% decrease compared to 2Q24. This was mainly explained by lower hydro generation (-399 GWh) and lower coal-based thermal generation (-350 GWh). These effects were partially offset by higher solar generation (+222 GWh) and wind generation (+203 GWh). As of Jun-25, the hydrological year (Apr-25 to Mar-26) showed deviations in precipitation levels compared to an average year in the SEN's main basins, as follows: Aconcagua: -29.9%; Maule: -38.2%; Laja: -27.4%; Biobío: -18.4%; and Chapo: -0.1%. Average marginal costs increased by approximately 22%, reaching 82.3 USD/MWh at the main nodes in 2Q25, compared to 67.6 USD/MWh in 2Q24. This variation was mainly due to lower system hydrology, transmission system failures that limited the transfer of renewable energy, and restrictions in Argentinian gas supply. It is worth noting that system demand, both on a quarterly and cumulative basis, shows a 1% decrease compared to the previous year.

Table 2: SEN Generation

Accumulated Figures		SEN Generation	Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	Q/Q
42,902	**43,213**	**Total Generation (GWh)**	**21,359**	**21,535**	**(1%)**	**(1%)**
10,515	11,757	Hydraulic	5,266	5,665	(11%)	(7%)
7,610	7,839	Gas	4,110	4,459	(3%)	(8%)
312	112	Diesel	208	64	-	-
7,340	7,698	Coal	4,156	4,168	(5%)	(0%)
5,735	5,105	Wind	2,829	2,626	12%	8%
10,053	9,146	Solar	4,045	3,823	10%	6%
1,337	1,556	Others	746	731	(14%)	2%



2.2. Physical sales and generation balance in Peru

Table 3 shows a comparison between physical energy and capacity sales, and generation in 2Q24 and 2Q25, and cumulative as of Jun-24 and Jun-25.

Table 3: **Physical sales and generation in Peru**

Accumulated Figures		Sales	Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	Q/Q
1,712	**1,667**	**Total Physical Sales (GWh)**	**876**	**850**	**3%**	**3%**
761	574	Regulated Clients	377	276	33%	36%
835	633	Unregulated Clients	415	353	32%	18%
116	459	Sales to the Spot Market	85	220	(75%)	(61%)
566	**570**	**Capacity Sales (MW)**	**566**	**568**	**(1%)**	**(0%)**

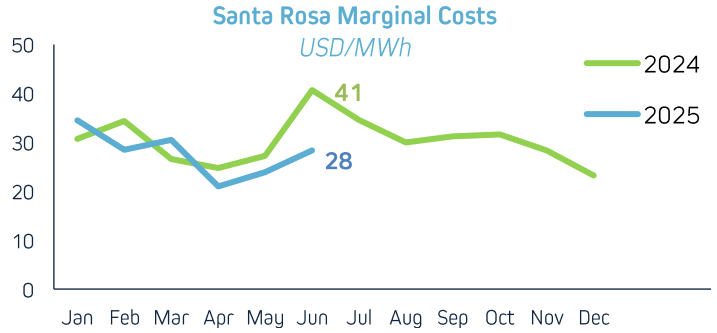
Accumulated Figures		Generation	Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	Q/Q
1,498	**1,636**	**Total Generation (GWh)**	**669**	**865**	**(8%)**	**(23%)**
1,498	1,636	Gas	669	865	(8%)	(23%)
257	**73**	**Spot Market Purchases (GWh)**	**226**	**7**	-	-
(141)	**386**	**Sales - Purchases to the Spot Market (GWh)**	**(142)**	**213**	-	-

- **Physical sales** during 2Q25 reached **876 GWh**, increasing 3% compared to 2Q24. This was mainly due to (1) higher sales to regulated clients driven by the entry into force of a contract with Electro Oriente for approximately 450 GWh/year and (2) higher sales to unregulated clients due to the entry into force of a contract with Distriluz for approximately 200 GWh/year and increased consumption by Minera Volcan. These effects were partially offset by lower spot market sales, resulting from the lower generation recorded during the quarter and higher under contract sales. **In cumulative terms**, physical sales as of Jun-25 reached **1,712 GWh**, increasing 3% compared to Jun-24, mainly driven by higher sales to both regulated and unregulated clients, primarily for the same reasons that explain the variations in quarterly terms.

- On the other hand, Fenix's generation reached **669 GWh** in 2Q25, decreasing 23% compared to 2Q24. This was mainly due to the lower availability resulting from the maintenance carried out at the plant between April 4 and April 28, 2025, whereas in 2024, maintenance took place between February 13 and February 29. **In cumulative terms**, generation as of Jun-25 reached **1,498 GWh**, an 8% decrease compared to Jun-24, primarily due to the longer maintenance period in 2025 compared to that performed in 2024.

- **The spot market balance** in 2Q25 recorded net purchases of **142 GWh**, compared to net sales of 213 GWh in 2Q24. This was mainly due to lower generation during the quarter and higher under contracted sales. **In cumulative terms**, net purchases as of Jun-25 reached **141 GWh**, compared to net sales of 386 GWh as of Jun-24, primarily due to the same reasons that explain the variations in quarterly terms.

- **Generation mix in Peru:** The Mantaro River basin, which supplies the main hydroelectric complex in Peru—CH Mantaro and CH Restitución (900 MW)—experienced a hydrological condition with an exceedance probability of 0% during the hydrological period from September to June 2025, compared to 10% during the period from September 2023 to June 2024. In cumulative terms, hydroelectric generation in the National Interconnected Electric System (SEIN) increased by 6% compared to Jun-24, mainly due to improved hydrological conditions. Thermal generation decreased by 8% compared to Jun-24, also explained by the more favorable hydrology. Electricity demand at the end of 2Q25 reached 3% compared to 2Q24, driven by increased demand from regulated clients and the mining industry.



3. INCOME STATEMENT ANALYSIS

Table 4 presents a summary of the Consolidated Income Statement (Chile and Peru) in 2Q24 and 2Q25 and cumulative as of Jun-24 and Jun-25.

Table 4: Income Statement (US$ million)

Accumulated Figures			Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	Q/Q
815.0	**807.5**	**OPERATING INCOME**	**402.6**	**425.5**	**1%**	**(5%)**
160.4	108.7	Regulated Customers Sales	79.8	58.8	48%	36%
579.7	500.4	Unregulated Customers Sales	298.1	257.0	16%	16%
44.7	166.9	Energy and Capacity Sales	9.3	93.8	(73%)	(90%)
0.0	0.0	Transmission Tolls	0.0	0.0	-	-
30.2	31.5	Other Operating Income	15.3	15.9	(4%)	(4%)
(406.6)	**(429.9)**	**RAW MATERIALS AND CONSUMABLES USED**	**(215.3)**	**(233.5)**	**(5%)**	**(8%)**
(97.0)	(69.7)	Transmission Tolls	(48.5)	(35.5)	39%	37%
(55.1)	(31.4)	Energy and Capacity Purchases	(33.0)	(20.6)	76%	60%
(180.6)	(218.4)	Gas Consumption	(97.3)	(124.4)	(17%)	(22%)
(10.9)	(3.7)	Diesel Consumption	(9.1)	(2.8)	-	-
(11.7)	(61.1)	Coal Consumption	(0.5)	(27.6)	(81%)	(98%)
(51.4)	(45.5)	Other Operating Expenses	(26.9)	(22.5)	13%	20%
408.4	**377.6**	**GROSS PROFIT**	**187.2**	**192.1**	**8%**	**(3%)**
(52.3)	(44.3)	Personnel Expenses	(27.2)	(23.1)	18%	18%
(37.0)	(33.4)	Other Expenses, by Nature	(19.4)	(16.5)	11%	17%
(114.6)	(102.6)	Depreciation and Amortization Expenses	(57.9)	(51.6)	12%	12%
204.5	**197.3**	**OPERATING INCOME (LOSS) (*)**	**82.7**	**100.8**	**4%**	**(18%)**
319.1	**299.9**	**EBITDA**	**140.6**	**152.5**	**6%**	**(8%)**
18.8	29.4	Financial Income	9.9	14.1	(36%)	(30%)
(37.5)	(35.9)	Financial Expenses	(19.1)	(17.6)	4%	9%
3.1	0.2	Exchange rate Differences	0.2	(0.4)	-	-
6.6	6.3	Profit (Loss) of Companies Accounted for Using the Equity Method	3.3	3.3	4%	(1%)
(29.8)	(28.7)	Other Profit (Loss)	(16.9)	(11.6)	4%	45%
(38.7)	**(28.8)**	**NON-OPERATING INCOME**	**(22.6)**	**(12.2)**	**35%**	**85%**
165.8	**168.6**	**PRE-TAX PROFIT (LOSS)**	**60.2**	**88.6**	**(2%)**	**(32%)**
(35.2)	**(48.3)**	Income Tax Expense	**(11.9)**	**(27.2)**	**(27%)**	**(56%)**
130.6	**120.3**	**AFTER TAX PROFIT (LOSS)**	**48.2**	**61.5**	**9%**	**(22%)**
123.2	**120.4**	**PROFIT (LOSS) OF CONTROLLER**	**44.4**	**61.8**	**2%**	**(28%)**
7.5	**(0.1)**	**PROFIT (LOSS) ATTRIBUTABLE TO MINORITY INTEREST**	**3.9**	**(0.3)**	**-**	**-**

(*): The subtotal shown in "OPERATING INCOME" presented herein, differs from the "Profit (loss) from operating activities" line presented in the Financial Statements. This is explained by a change in taxonomy dictated by the CMF (Financial Market Commission), by means of which the concept of "Other Profit (loss)", which in the case of Colbun are only non-operating items, was incorporated as an operating item in the Financial Statements.

Table 5: Closing Exchange Rates

Exchange Rates	Jun-25	Dec-24	Jun-24
Chile (CLP / US$)	933.42	996.46	944.34
Chile UF (CLP/UF)	39,267.07	38,416.69	37,571.86
Peru (PEN / US$)	3.54	3.77	3.84

3.1. Chile's Operating Income Analysis

Table 6 presents a summary of Operating Income and EBITDA in 2Q24 and 2Q25, and cumulative as of Jun-24 and Jun-25. Subsequently, the major accounts and/or variations will be analyzed.

Table 6: EBITDA Chile (US$ million)

Accumulated Figures			Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	Q/Q
701.4	**703.6**	**OPERATING INCOME**	**345.3**	**372.5**	**(0%)**	**(7%)**
102.9	62.7	Regulated Customers Sales	50.9	36.6	64%	39%
534.0	466.6	Unregulated Customers Sales	275.4	238.4	14%	16%
41.9	149.7	Energy and Capacity Sales	7.1	85.1	(72%)	(92%)
22.5	24.6	Other Operating Income	11.9	12.3	(9%)	(4%)
(345.3)	**(373.2)**	**RAW MATERIALS AND CONSUMABLES USED**	**(183.3)**	**(205.3)**	**(7%)**	**(11%)**
(94.8)	(67.2)	Transmission Tolls	(47.4)	(34.3)	41%	38%
(47.1)	(29.5)	Energy and Capacity Purchases	(27.2)	(20.0)	60%	36%
(135.5)	(171.5)	Gas Consumption	(75.8)	(100.5)	(21%)	(25%)
(10.8)	(3.7)	Diesel Consumption	(9.0)	(2.8)	-	-
(11.7)	(61.1)	Coal Consumption	(0.5)	(27.6)	(81%)	(98%)
(45.3)	(40.1)	Other Operating Expenses	(23.5)	(20.0)	13%	18%
356.1	**330.4**	**GROSS PROFIT**	**161.9**	**167.2**	**8%**	**(3%)**
(46.7)	(39.7)	Personnel Expenses	(24.4)	(20.9)	17%	17%
(32.9)	(29.4)	Other Expenses, by Nature	(17.4)	(14.6)	12%	19%
(96.8)	(84.7)	Depreciation and Amortization Expenses	(49.0)	(42.6)	14%	15%
179.7	**176.6**	**OPERATING INCOME (LOSS) (*)**	**71.1**	**89.1**	**2%**	**(20%)**
276.5	**261.3**	**EBITDA**	**120.1**	**131.7**	**6%**	**(9%)**

(*): The subtotal shown in "OPERATING INCOME" presented herein, differs from the "Profit (loss) from operating activities" line presented in the Financial Statements. This is explained by a change in taxonomy dictated by the CMF (Financial Market Commission), by means of which the concept of "Other Profit (loss)," which in the case of Colbun are only non-operating items, was incorporated as an operating item in the Financial Statements.

Operating income for 2Q25 amounted to **US$345.3 million**, decreasing a 7% compared to the US$372.2 million recorded in 2Q24. This was mainly due to lower energy and capacity sales to the spot market, resulting from the lower generation recorded during the quarter. This effect was partially offset by (1) higher sales to unregulated clients, driven by higher physical sales to this segment and a higher average sale price due to the contracts indexation and (2) higher sales to regulated clients, mainly associated with the incorporation of ILAP contracts. **In cumulative terms** operating income as of Jun-25 reached **US$701.4** million, in line with the US$703.6 million recorded as of Jun-24. Higher sales to under contract sales were offset by lower energy and capacity sales to the spot market. These variations were explained by the same reasons that explain the quarterly differences.

Raw materials and consumables used costs in 2Q25 totaled **US$183.3 million**, decreasing 11% compared to 2Q24, mainly due to lower coal and gas consumption associated with lower generation from these fuels compared to 2Q24.
This effect was partially offset by (1) higher toll costs, resulting from tariff adjustments implemented during the period; and (2) increased energy and capacity purchases made during the quarter. **In cumulative terms**, raw materials and consumables used as of Jun-25 reached **US$345.3 million**, decreasing 7% compared to Jun-24, primarily explained by the same reasons that explain the quarterly variations.

EBITDA for 2Q25 reached **US$120.1 million**, decreasing 9% compared to the US$131.7 million recorded in 2Q24, mainly due to a lower gross margin during the period, along with higher Personnel expenses and "Other expenses, by nature". **In cumulative terms**, EBITDA as of Jun-25 totaled **US$276.5 million**, increasing 6% compared to Jun-24, primarily driven by lower raw materials and fuel costs as previously mentioned, partially offset by higher personnel expenses and Other expenses, by nature.

3.2. Peru's Operating Income Analysis

Table 7 shows a summary of Operating Income and EBITDA in Peru for the quarters in 2Q24 and 2Q25, and cumulative as of Jun-24 and Jun-25. Subsequently, the major accounts and/or variations will be analyzed.

Table 7: EBITDA Peru (US$ million)

Accumulated Figures			Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	Q/Q
113.7	**103.9**	**OPERATING INCOME**	**57.3**	**53.1**	**9%**	**8%**
57.4	46.0	Regulated Customers Sales	29.0	22.2	25%	30%
45.7	33.8	Unregulated Customers Sales	22.7	18.6	35%	22%
2.8	17.3	Energy and Capacity Sales	2.2	8.7	(84%)	(74%)
7.8	6.9	Other Operating Income	3.4	3.6	12%	(3%)
(61.4)	**(56.7)**	**RAW MATERIALS AND CONSUMABLES USED**	**(32.0)**	**(28.2)**	**8%**	**13%**
(2.2)	(2.5)	Transmission Tolls	(1.2)	(1.2)	(12%)	0%
(8.0)	(1.9)	Energy and Capacity Purchases	(5.8)	(0.6)	-	-
(45.1)	(46.9)	Gas Consumption	(21.5)	(23.9)	(4%)	(10%)
(0.0)	(0.0)	Diesel Consumption	(0.0)	-	83%	-
(6.1)	(5.4)	Other Operating Expenses	(3.4)	(2.6)	12%	34%
52.3	**47.2**	**GROSS PROFIT**	**25.3**	**24.9**	**11%**	**2%**
(5.6)	(4.6)	Personnel Expenses	(2.8)	(2.2)	21%	28%
(4.3)	(4.3)	Other Expenses, by Nature	(2.0)	(2.0)	(0%)	0%
(17.8)	(17.9)	Depreciation and Amortization Expenses	(8.9)	(9.0)	(0%)	(2%)
24.6	**20.4**	**OPERATING INCOME (LOSS) (*)**	**11.7**	**11.7**	**21%**	**(0%)**
42.4	**38.3**	**EBITDA**	**20.6**	**20.7**	**11%**	**(1%)**

(*): The subtotal shown in "OPERATING INCOME" presented herein, differs from the "Profit (loss) from operating activities" line presented in the Financial Statements. This is explained by a change in taxonomy dictated by the CMF (Financial Market Commission), by means of which the concept of "Other Profit (loss)," which in the case of Colbun are only non-operating items, was incorporated as an operating item in the Financial Statements.

● **Operating income** in 2Q25 amounted to **US$57.3 million**, increasing an 8% compared to the operating income recorded in 2Q24, mainly due to: (1) higher sales to regulated clients, primarily associated with the entry into force of a contract with Electro Oriente; and (2) higher sales to unregulated clients, driven by the entry into force of a contract with Distriluz under the unregulated client regime and increased consumption by Minera Volcan. These effects were partially offset by lower energy and capacity sales in the spot market, resulting from the lower generation during the period and the higher under contract sales mentioned above. **In cumulative terms**, revenue from ordinary activities as of Jun-25 amounted to **US$113.7 million**, increasing 9% compared to the US$103.9 million recorded as of Jun-24, mainly due to the same reasons that explain the variations in quarterly terms.

● **Raw materials and consumables used costs** in 2Q25 totaled **US$32.0 million**, representing a 13% increase compared to 2Q24, mainly explained by higher energy and capacity purchases in the spot market. This effect was partially offset by lower gas consumption, primarily due to reduced availability resulting from the plant maintenance carried out in April.
In cumulative terms, raw materials and consumables used as of Jun-25 totaled US$61.4 million, increasing 8% compared to Jun-24, mainly due to the same reasons that explain the variations in quarterly terms.

● **EBITDA** amounted to **US$20.6 million** in 2Q25, in line with the amount recorded in 2Q24. **In cumulative terms**, EBITDA reached **US$42.4 million** as of June 2025, increasing 11% compared to the same period in 2024, mainly due to higher revenues from ordinary activities. This effect was partially offset by the increase in raw material and consumables costs, as previously mentioned.

3.3. Consolidated Non-Operating Results Analysis (Chile and Peru)

Table 8 shows a summary of the Consolidated Non-Operating Result (Chile and Peru) in 2Q24 and 2Q25, and cumulative as of Jun-24 and Jun-25. Subsequently, the main accounts and/or variations will be analyzed.

Table 8: Consolidated Non-Operating Result (US$ million)

Accumulated Figures			Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	Q/Q
18.8	29.4	Financial Income	9.9	14.1	(36%)	(30%)
(37.5)	(35.9)	Financial Expenses	(19.1)	(17.6)	4%	9%
3.1	0.2	Exchange rate Differences	0.2	(0.4)	-	-
6.6	6.3	Profit (Loss) of Companies Accounted for Using the Equity Method	3.3	3.3	4%	(1%)
(29.8)	(28.7)	Other Profit (Loss)	(16.9)	(11.6)	4%	45%
(38.7)	**(28.8)**	**NON-OPERATING INCOME**	**(22.6)**	**(12.2)**	**35%**	**85%**
165.8	**168.6**	**PRE-TAX PROFIT (LOSS)**	**60.2**	**88.6**	**(2%)**	**(32%)**
(35.2)	(48.3)	Income Tax Expense	(11.9)	(27.2)	(27%)	(56%)
130.6	**120.3**	**AFTER TAX PROFIT (LOSS)**	**48.2**	**61.5**	**9%**	**(22%)**
123.2	**120.4**	**PROFIT (LOSS) OF CONTROLLER**	**44.4**	**61.8**	**2%**	**(28%)**
7.5	**(0.1)**	**PROFIT (LOSS) ATTRIBUTABLE TO MINORITY INTEREST**	**3.9**	**(0.3)**	**-**	**-**

- **Non-operating income** for 2Q25 posted a loss of **US$22.6 million**, compared to a loss of US$12.2 million in 2Q24. This increase is mainly explained by higher Other Profit (Loss) and lower financial income, the latter due to reduced cash surplus levels and a lower investment rate compared to 2Q24. **In cumulative terms**, non-operating income as of Jun-25 recorded a loss of US$38.7 million, compared to a loss of US$28.8 million in the same period of the previous year, largely reflecting the same drivers than in the quarterly comparison.

- In 2Q25, an income **tax expense** of **US$11.9 million** was recorded, decreasing compared to US$27.2 million in 2Q24. This decrease was primarily attributable to (1) lower pre-tax income recorded during the quarter, and (2) the appreciation of the Peruvian Sol exchange rate during 2Q25 and its impact on deferred tax balances. **In cumulative terms**, as of Jun-25, the Company recorded an income tax expense of US$35.2 million, compared to US$48.3 million as of Jun-24, also driven mainly by the appreciation of the Peruvian Sol and its impact on deferred taxes.

- The Company reported a **profit** of **US$48.2 million**, compared to US$61.5 million in 2Q24, mainly reflecting lower operating and non-operating results during the quarter, partially offset by lower tax expenses. **In cumulative terms**, net income reached **US$130.6 million** as of Jun-2-5, up from US$120.3 million as of Jun-24, primarily due to (1) higher EBITDA recorded during the first half of the year and (2) lower tax expenses as noted above. These effects were partially offset by higher non-operating losses.

4. CONSOLIDATED BALANCE SHEET ANALYSIS

Table 9 shows an analysis of the Balance Sheet's relevant accounts as of Jun-25 and Dec-24. Subsequently, the main variations will be analyzed.

Table 9: **Consolidated Balance Sheet Main Accounts for Chile and Peru (US$ million)**

	Jun-25	Dec-24	Var	Var %
Current assets	1,307.3	1,200.1	107.2	9%
Non-current assets	5,680.2	5,708.1	(27.9)	(0%)
TOTAL ASSETS	**6,987.5**	**6,908.2**	**79.3**	**1%**
Current liabilities	325.8	370.2	(44.4)	(12%)
Non-current liabilities	3,300.8	3,307.6	(6.8)	(0%)
Total net equity	3,360.9	3,230.4	130.5	4%
TOTAL LIABILITIES AND NET EQUITY	**6,987.5**	**6,908.2**	**79.3**	**1%**

- **Current Assets**: Reached **US$1,307.3 million** as of Jun-25, increasing 9% compared to the current assets recorded at the end of Dec-24, mainly due to the operational cash flow generated during the period. Part of this cash was used for advance payments to supply vendors related to BESS Celda Solar and BESS Diego de Almagro storage projects, which are classified under "Other Current Assets."

- **Non-current Assets:** Recorded **US$5,680.2 million** as of Jun-25, in line with the non-current assets registered as of Dec-24.

- **Current Liabilities:** Totaled **US$325.8 million** as of Jun-25, decreasing 12% compared to the current liabilities recorded at the end of Dec-24, primarily due to (1) lower accounts payable, mainly associated with dividend payments made in May of this year, and (2) a lower provision for employee benefits.

- **Non-current Liabilities:** Reached **US$3,300.8 million** as of Jun-25, in line with the non-current liabilities recorded as of Dec-24.

- **Total Net Equity:** The Company reached a Net Equity of **US$3,360.9 million**, increasing 4% compared to the Net Equity recorded as of Dec-24, primarily due to accumulated profits recorded during the period.

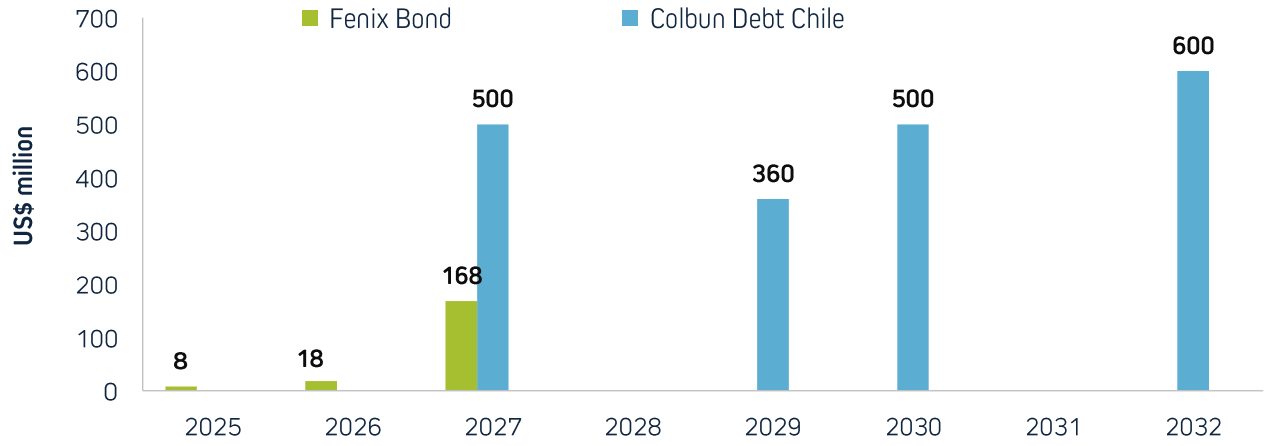
Table 10: Main Debt Items (US$ million)

	Jun-25	Dec-24
Gross Financial Debt*	2,291.8	2,298.1
Financial Investments**	787.6	775.1
Net Debt	1,504.2	1,523.0
EBITDA LTM	661.6	642.4
Net Debt/EBITDA LTM	2.3	2.4

(*) The amount includes debt associated to Fenix without recourse to Colbun: (1) an international bond with an outstanding capital of US$194.0 million, (2) a financial leasing for US$10.2 million associated with a transmission contract with Consorcio Transmantaro, (3) a US$82.8 million financial leasing associated with a gas distribution contract with Calidda, and (4) credit lines for US$20.0 million.
(**) The account "Financial Investments" presented includes: (1) the amount associated to time deposits that, for having an investment term of more than 90 days, are recorded as "Other Current Financial Assets" in the Financial Statements.

Table 11: Long Term Financial Debt

Average Life	4,4 years
Average Rate	4.5%
Currency	100% USD



5. CONSOLIDATED FINANCIAL RATIOS

A comparative table of consolidated financial indicators as of Jun-25 and Dec-24 is presented below. Balance Sheet financial indicators are calculated at the specified date and Income Statement ratios include the accumulated result over the last twelve months as of the indicated date.

Table 12: Financial Ratios

Ratio	Jun-25	Dec-24	Var %
Current Liquidity: Current Assets in operation / Current Liabilities in operation	4.01	3.24	24%
Acid Test: (Current Assets - Inventory - Advanced Payments) / Current Liabilities in operation	3.74	2.98	26%
Debt Ratio: (Current Liabilities in Operation + Non-current Liabilities) / Total Net Equity	1.08	1.14	-5%
Short-term Debt (%): Current Liabilities in operation / (Current Liabilities in operation + Non-current Liabilities)	8.98%	10.06%	-11%
Long-term Debt (%): Non-current Liabilities in operation / (Current Liabilities in Operation + Non-current Liabilities)	91.02%	89.94%	1%
Financial Expenses Coverage: (Profit (Loss) Before Taxes + Financial Expenses) / Financial Expenses	5.76	5.90	-2%
Equity Profitability (%): Profit (Loss) After Taxes. Continuing Activities / Average Net Equity	7.96%	7.96%	0%
Profitability of Assets (%): Profit (Loss) Controller / Total Average Assets	3.65%	3.65%	0%
Performance of Operating Assets (%) Operating Income / Property, Plant and Equipment, Net (Average)	5.85%	8.03%	-27%

Income Statement ratios correspond to last 12 months values.

- Average Net Equity: Equity of the current quarter plus equity one year ago divided by two.
- Total Average Total Asset: Current total assets plus total assets one year ago divided by two.
- Average Operational Asset: Current total property, plants and equipment plus total property, plants and equipment one year ago divided by two.

- **Current Liquidity** and **Acid Test Ratio** reached **4.01x** and **3.74x** as of Jun-25, increasing 24% and 26% respectively compared to the values as of Dec-24, mainly due to (1) higher current assets, largely associated with advance payments to suppliers for battery storage projects, and (2) lower current liabilities, primarily reflecting a decrease in accounts payable related to the dividend payment made in May.

- **The Indebtedness Ratio** reached **1.08x** as of Jun-25, decreasing 5% compared to the value of 1.14x as of Dec-24, mainly explained by the higher Net Equity resulting from profits recorded during the period, in addition to the lower current liabilities mentioned above.

- The percentage of **Short-Term Debt** as of Jun-25 was **8.98%,** decreasing 11% compared to the value of 10.06% as of Dec-24, mainly due to the decrease in current liabilities noted above.

- The percentage of **Long-Term Debt** as of Jun-25 was **91.02%,** increasing 1% compared to the value of 89.94% as of Dec-24, mainly due to the reduction in current liabilities, while non-current liabilities remained in line with Dec-24 levels.

- The **Financial Expenses Coverage** as of Jun-25 reached **5.76x**, decreasing 2% compared to the value of 5.90x as of Dec-24. This variation is mainly explained by the lower pre-tax income recorded during the period.

- The **Equity Profitability** as of Jun-25 was **7.96%,** in line with the value of 7.96% recorded as of Dec-24.

- **Profitability of Assets** as of Jun-25 was **3.65%,** in line with the value of 3.65% recorded as of Dec-24.

- The **Performance of Operating Assets** as of Jun-25 was **5.85%**, decreasing 27% compared to the value of 8.03% as of Dec-24, mainly due to the lower operating result recorded during the period.

6. CONSOLIDATED CASH FLOW ANALYSIS

The Company's Cash Flow changes are shown in the following table.

Table 13: **Cash Flow Summary for Chile and Peru (US$ million)**

Accumulated Figures		Flujo Efectivo	Quarterly Figures		Var %	Var %
Jun-25	Jun-24		2Q25	2Q24	Ac/Ac	T/T
775.1	**1,031.1**	**Cash Equivalents, Beg. of Period***	**768.4**	**906.2**	**(25%)**	**(15%)**
253.6	79.5	Net cash flows provided by (used in) operating activities	164.8	4.8	-	-
(90.7)	(92.9)	Net cash flows provided by (used in) financing activities	(47.2)	(45.3)	(2%)	4%
(158.0)	(89.9)	Net cash flows provided by (used in) investing activities**	(101.0)	(43.3)	76%	-
5.0	**(103.2)**	**Net Cash Flows for the Period**	**16.6**	**(83.7)**	-	-
7.5	**(21.7)**	**Effects of exchange rate changes on cash and cash equivalents**	**2.6**	**17.9**	**-**	**(85%)**
787.6	**906.2**	**Cash Equivalents, End of Period**	**787.6**	**947.1**	**(13%)**	**(17%)**

(*) The account "Cash and Cash Equivalents" presented includes the amount associated to time deposits that, for having an investment term of more than 90 days, are recorded as "Other Current Financial Assets" in the Financial Statements.
(**) Cash Flow from Investing" differs from the Financial Statements as it does not incorporate the amount associated with time deposits with maturity over 90 days and the investment in a fixed income portfolio.

During 2Q25, the Company reported a **positive net cash flow of US$16.6 million**, compared to the negative net cash flow of US$83.7 million in 2Q24.

- **Operating Activities:** During 2Q25, a positive net cash flow of **US$164.8 million** was generated, compared to US$4.8 million in 2Q24. This variation is mainly explained by (1) lower tax payments compared to 2Q24, (2) billing timing differences, and (3) the sale of accounts receivable associated with the PEC mechanism. **In cumulative terms**, a positive net cash flow of **US$253.6 million** was recorded as of Jun-25, compared to US$79.5 million as of Jun-24, mainly explained by the same reasons that account for the variations on quarterly terms.

- **Financing Activities:** Generated a negative net cash flow of **US$47.2 million** during 2Q25, compared to the negative net cash flow of US$45.3 million in 2Q24, mainly due to higher disbursements for the payment of loans and interests, primarily related to the US$200 million bank loan contracted in 4Q24. **In cumulative terms**, a negative net cash flow of **US$90.7 million** was recorded, compared to US$92.9 million as of Jun-24, mainly due to lower dividend payments compared to the previous year.

- **Investment Activities:** Generated a negative net cash flow of **US$101.0 million** during 2Q25, compared to a negative net cash flow of US$43.3 million in 2Q24, primarily due to higher CAPEX disbursements, mostly related to the Celda Solar and Diego de Almagro Sur battery storage projects. **In cumulative terms**, a negative net cash flow of **US$158.0 million** was recorded, compared to US$89.9 million as of Jun-24, mainly explained by the same reasons that account for the variations on quarterly terms.

7. ENVIRONMENT AND RISK ANALYSIS

Colbun S.A. is a power generation company with a production capacity of 5,037 MW. The Company operates in the National Electric System (SEN as its Spanish acronym) in Chile, where it represents approximately 13% of the market. It also operates in the National Interconnected Electric System (SEIN as its Spanish acronym) in Peru, where it holds approximately a 6% market share. Both figures are measured in terms of energy produced in the last twelve months.

Installed Capacity (MW) as of June 30, 2025			
Type	**Chile**	**Peru**	**Total**
Solar	230	0	230
Wind*	1,055	0	1,055
Hydro	1,604	0	1,604
Renewable	**2,889**	**0**	**2,889**
Coal	374	0	374
Gas	1,094	572	1,666
Diesel	108	0	108
Thermal	**1,576**	**572**	**2,148**
Total	**4,465**	**572**	**5,037**

Type	Chile	Peru	Total
BESS	8	0	8

(*) Includes the Horizonte wind project, which is in the final stages of starting commercial operations for its second phase.

7.1 Growth plan and long-term actions

The Company seeks growth opportunities in Chile, Peru, and other countries to maintain a relevant position in the power generation industry and to diversify its sources of income in terms of geography, hydrological conditions, generation technologies, fuel access, connection feasibility, and regulatory frameworks.

Colbun seeks to increase its installed capacity while maintaining a significant share of hydroelectric power, complemented by both efficient thermal generation and other renewable sources, in order to ensure a secure, competitive, and sustainable generation mix.

In Chile, Colbun has several potential projects currently at different stages of development, including wind, solar, battery, storage, and transmission projects.

Generation and Transmission Projects Under Development in Chile

Project Name	Installed Capacity (max)	Technology	Location	Status
Horizonte	816 MW	Wind	Antofagasta Region	COD Horizonte Norte
BESS Celda Solar	912 MWh	Storage System	Arica y Parinacota Region	Under Construction
BESS Diego de Almagro	912 MWh	Storage System	Atacama Region	Approved investment (FID)
Celda Solar	422 MW	Photovoltaic	Arica y Parinacota Region	Approved EIA
Inti Pacha	925 MW + 2,000 MWh	Photovoltaic + Storage System	Antofagasta Region	Approved EIA

Jardín Solar	802 MW + 1,000 MWh	Photovoltaic + Storage System	Tarapacá Region	Approved EIA
Cuatro Vientos	360 MW	Wind	Los Lagos Region	EIA under review
Encanto	250 MW + 1,040 MWh	Photovoltaic + Storage System	O´Higgins Region	Withdrawn
Junquillos	473 MW	Wind	Biobío Region	EIA under review
Horizonte Modification	180 MW	Wind	Antofagasta Region	Approved DIA
New S/S Don Eduardo (Ex Llullaillaco)	2x500 kV	Transmission	Antofagasta Region	Approved DIA
Paposo Pumped Storage	800 MW	Storage	Antofagasta Region	Suspended

- **Horizonte Wind Farm project (816 MW):** Horizonte is a wind farm located 130 km northeast of Taltal and 170 km southwest of Antofagasta, considering travel along Route 5. It has a planned capacity of 816 MW, consisting of 140 turbines of 5.83 MW each, with an average annual generation of approximately 2,450 GWh. The connection to the SEN will be made at the S/E Parinas, located 19 km away.

This project started in December 2017 with the award of a tender conducted by the Ministry of National Assets, for the development, construction, and operation of a wind farm by a 30-year Onerous Use Concession Agreement, in a state property of about 8 thousand hectares.

On September 13, 2021, the SEA issued the Environmental Qualification Resolution (Resolución de Calificación Ambiental or RCA) of the project. On September 21, during a meeting held in Taltal, the approval by the Board of Directors for the start of construction was announced. On November 8 of the same year, the beginning of the Construction Phase of the Project was declared before the Superintendence of the Environment.

As of 2Q25, the project had reached 99% progress. In June, the COD was obtained for the northern section of the wind farm, corresponding to 70 wind turbines, while all the required documentation for the southern section has been submitted to the National Electricity Coordinator (CEN) for review and approval, which is expected to be granted in July of this year.

- **Horizonte Wind Farm Modification (180 MW):** The expansion would include the installation of up to 24 new wind turbines, with a maximum nominal capacity of 7.5 MW each, which would add up to an additional 180 MW to its generation capacity. This expansion would increase the installed capacity of the original park that is currently under construction by up to 20%, reaching 996 MW.

In 1Q24, the Horizonte wind farm expansion project was entered into the Environmental Impact Assessment System (EIAS), and it was approved in 2Q25.

- **BESS Celda Solar Project (912 MWh):** The project considers the installation of a 228 MW battery block with a 4-hour capacity at the Celda Solar photovoltaic project facilities. The energy generated will be injected into the Interconnected System through a 3.5 km long power transmission line, connecting to the new Roncacho substation, which is the same transmission system planned for the park.

The Environmental Impact Study for a photovoltaic project and a BESS, was entered into processing in 3Q22 and approved on January 31, 2024.

The Company signed a battery supply agreement with manufacturer Tesla.

As of 2Q25, the project had reached 30% progress, mainly related to the construction of the battery foundations, civil works at the Chaca and Roncacho substations, and the corresponding transmission line.

- **BESS Diego de Almagro Project (912 MWh):** The Project would consider the installation of a battery park with a capacity of 912 MWh in the installation of the Diego de Almagro photovoltaic park. The evacuation of energy would be through the existing infrastructure of the photovoltaic park.

During 1Q25, the final investment decision was made, and the Company signed a battery supply agreement with manufacturer Canadian Solar.

In 2Q25, progress was made on the necessary permitting processes to begin construction of the project.

- **Celda Solar Photovoltaic Project (422 MW):** The project would involve the installation of a solar energy generation plant with a maximum installed capacity of 422 MW. This solar park is located approximately 76 km south of Arica, in the commune of Camarones in the Arica and Parinacota Region, would use a total area of approximately 960 hectares.

The energy generated would be injected into the Interconnected System through a 3.5 km electrical transmission line, connecting to the new Roncacho substation.

This project originates from the awarding in 3Q19 of 3 CUOs (Onerous Use Concessions) tendered by the Ministry of National Assets and has authorization from the National Electrical Coordinator for the connection of the project to the Roncacho substation since 1Q23.

The Environmental Impact Study for the photovoltaic project and BESS was submitted for processing in 3Q22 and was approved on January 31, 2024.

As of 2Q25, the investment opportunity is in a business case evaluation.

- **Photovoltaic Solar Project and BESS Inti Pacha I, II and III (925 MW + 2,000 MWh):** This solar project is located approximately 75 km east of Tocopilla, in the María Elena commune, Antofagasta Region. It would use a total area of 1,000 hectares.

The project would consider the installation of a solar energy generation park in three phases, and a total annual generation of approximately 2,000 GWh considering the three phases, which would be injected into the Interconnected System through an electric transmission line of approximately 3 km in length, connecting to the Crucero substation.

This project originates from the awarding of 3 CUOs ("Concesiones de Uso Oneroso" for its acronym in Spanish) tendered by the Ministry of National Assets.

The project obtained its Environmental Qualification Resolution (RCA as its Spanish acronym) in 4Q20 and includes the 3 CUOs.

As of 2Q25, the investment opportunity is in a business case evaluation.

- **Photovoltaic Solar Project and BESS Jardín Solar (802 MW + 1,000 MWh):** The Project would consider the installation of a solar energy generation park that has an installed capacity of close to 802 MW to be built in 2 stages and an average annual generation of approximately 1,500 GWh. This solar park is located approximately 8 km southeast of the town of Pozo Almonte, in the commune of Pozo Almonte in the Tarapacá Region, and would use a total area of approximately 1,000 hectares.

The energy generated would be injected into the Interconnected System through an electric transmission line, which starts at the S/S associated with the park, and has an approximate extension of 3 km, connecting to the new Pozo Almonte substation located 2.5 km northeast of the intersection of the highway to La Tirana with the Pan-American Highway.

The project obtained its RCA in 3Q21.

As of 2Q25, the investment opportunity is in a business case evaluation.

- **Paposo Pumped Storage Project (800 MW):** Paposo Pumped Storage project would consist in the construction and operation of a power generation plant through a pumping plant with a maximum installed capacity of 800 MW, which would operate with desalinated water obtained from a reverse osmosis desalination plant that would be located approximately 5.2 km north of Paposo cove.

The Pumping Station would be composed of two reservoirs connected to each other by an adduction and impulsion pipe, where the water would be pumped from the lower reservoir located in the coastal area to the upper reservoir located in the coastal cliff. In this way, water would accumulate during the day, to later generate energy in the afternoon, night and early morning,

changing the direction of the water flow from the upper reservoir to the lower reservoir through the same pipe, taking advantage of a difference in level of about 1,500 meters between the reservoirs.

The power generated would be transmitted to a lifting substation located next to the power plant, raising its electrical voltage to be transmitted through the electrical transmission line to its injection point to the National Electric System (SEN as its Spanish acronyms) in the Parinas Substation (existing).

The project remained suspended during 2Q25, while options for a potential submission to the Environmental Impact Assessment System (SEIA) continue to be evaluated. In this context, campaigns were carried out to maintain the vailidity of the project's environmental as well to ensure the continuity of community engagement in the area.

● **Cuatro Vientos Wind Farm Project (360 MW):** It is in Llanquihue, in the Los Lagos Region. It would contemplate the installation of 48 wind turbines of up to 7.5 MW of nominal capacity each, totaling a maximum installed capacity of 360 MW, with an annual energy generation of approximately 800 GWh per year and a capacity factor of 25%.

The Project's transmission system would consider the construction of the Cuatro Vientos 33/220 kV Lift Substation and a 15 km double-circuit Electric Transmission Line that will be connected to the existing Tineo Substation, located in the commune of Llanquihue.

The Environmental Impact Assessment (EIA) for this project was submitted for processing in 1Q24.

During 2Q25, work continued on the preparation of Addendum 1 of the Environmental Impact Assessment (EIA), and the Geotechnical Campaign was carried out to support the development of detailed engineering.

● **El Encanto Photovoltaic Solar and BESS Project (250 MW + 1,040 MWh):** The project would involve the installation of a solar energy generation park with an installed capacity close to 250 MW and an average annual generation of approximately 553 GWh. This solar park is in the municipality of Marchigüe, in the O'Higgins Region, and would span a total area of approximately 478 hectares, with the BESS would use around 10 hectares.

The energy generated would be injected into the Interconnected System through an electrical transmission line, which starts at the substation associated with the park and has an approximate extension of 16.4 km, connecting to the existing Portezuelo substation.

During 4Q24, the project's Environmental Impact Assessment (EIA) was submitted for environmental review.

Following a technical, socio-environmental, and economic assessment, Colbún decided to withdraw this project.

● **Junquillos Wind Farm Project (473 MW):** The Junquillos project is a wind farm located 15 km northwest of the city of Mulchén, in the commune of Mulchén in the Biobío Region. It would include the installation of a maximum of 63 wind turbines (up to 7.5 MW each), which would result in an installed capacity of up to 473 MW.

The power generated would be injected into the Interconnected System through a 12 km power transmission line to S/S Mulchén.

During 4Q22, the project's EIA was submitted to environmental processing and subsequently, during 4Q23, Addendum 1 was entered.

During 2Q25, progress continued on the development of engineering and bidding documents for the project's works, the wind turbine procurement process, and the negotiation of land and processing of the electricity concession for the transmission line. The indigenous consultation process also progressed, along with the preparation of Addendum 3.

● **New Don Eduardo Sectioning Substation Project (500 kV):** The "New Don Eduardo Sectioning Substation 500kV" project is a work that was part of the bidding process organized by the National Electric Coordinator, initiated through Exempt Decree No. 257 from the Ministry of Energy, dated December 13, 2022. This bidding process concluded with the awarding of the project to Colbun S.A. on November 8, 2023.

The project consists of the construction of a new sectioning substation, by sectioning the 2x500 kV Parinas – Cumbre line, with its respective line and yard sections at 500 kV. Additionally, the project considers the construction of links for the sectioning of the line at the Don Eduardo substation. The S/S will be in the Province of Taltal, Antofagasta Region, 170 km south of Antofagasta.

On June 24, the Environmental Assessment Service (SEA) of the Antofagasta Region issued a favorable Environmental Qualification Resolution (RCA) for the project.

During 2Q25, progress continued with the detailed engineering contracts and the procurement of main equipment.

● **Other renewable energy projects from variable sources:** At the end of 2Q25, Colbun continues making progress in the pipeline of options for wind, solar and storage projects, which are in preliminary development stages. These projects are highly competitive, locations have been chosen with the best energy resources, they have high socio-environmental feasibility, have lower investment costs and are distributed throughout the country.

Generation projects under development in Peru

Projects Name	Installed Capacity	Technology	Location	Status
Bayóvar	660 MW	Wind	Piura Department	EIA Approved
Algarrobal	400 MW	Photovoltaic	Moquegua Department	EIA under review
Tres Quebradas	238 MW	Wind	Arequipa Department	EIA under review
Naylamp	238 MW	Wind	Lambayeque Department	EIA under development
Pampas	540 MW	Wind	Ica Department	Pre-EIA Permits

● **Bayóvar Wind Project (660 MW):** Bayóvar Project would involve a wind generation farm with a capacity of approximately 660 MW to be built in 2 phases. This wind farm is located 46 km southwest of Sechura city, in San Martín de Sechura community in Piura department and occupies a total area of approximately 8,800 hectares of private property.

The power generated would be injected into the Interconnected System through a transmission line which would start at the substation associated with the park and would have an approximate extension of 44 km, connecting at 500 kV to La Niña substation, located 11 km north of the PE-04 road junction to Bayóvar with Panamericana highway.

The project's Pre-operability Study of phase 1 was approved in 4Q23 by the SEIN's Economic Operation Committee (COES, as its Spanish acronym).

The project's Environmental Impact Study was approved by SENACE in 1Q25.

As of 2Q25, the investment opportunity remains under evaluation from a business perspective.

● **Algarrobal Photovoltaic Project (400 MW):** Algarrobal Project would consider a solar generation park that would have an installed capacity of approximately 400 MW and would be built in 2 phases. This solar park is located 60 km southwest of Moquegua city, in El Algarrobal and Moquegua districts, in Moquegua department, and uses approximately 760 hectares total area owned by the Peruvian State.

The power generated would be injected into the Interconnected System through a transmission line, which would begin at the substation associated with the project, and would have an approximate extension of 40 km, connecting at 220 kV to Montalvo substation, located 5 km to the northwest of Moquegua with the Panamericana highway intersection.

The project's Pre-Operability Study of phase 1 was approved in 1Q24 by the SEIN Economic Operation Committee (COES, as its Spanish acronym).

The project's Environmental Impact Study (EIA) was submitted for processing in 3Q24.

In 2Q25, the response to the outstanding observations was submitted to the EIA file for review by the Ministry of Energy and Mines.

● **Tres Quebradas Wind Project (238 MW):** Tres Quebradas Project would involve a wind generation farm with a capacity of approximately 238 MW. This wind farm is located 23 km south of Acarí town, in Bella Unión district within Arequipa department, and would use approximately 3,600 hectares of property owned total area by the Peruvian State.

The energy generated would be injected into the Interconnected System through a transmission line, which would start at the substation associated with the park and has an approximate extension of 78 km, connecting at 220 kV to Poroma substation, located 13 km southwest of Poroma city.

The Environmental Impact Study for the project was submitted for processing in 1Q24 and is currently still under review.

- **Naylamp Wind Project (238 MW):** Naylamp Project would involve a wind generation park with an installed capacity of approximately 238 MW. This wind park is located 10 km southeast of Mórrope city, in San Pedro de Mórrope city in Lambayeque department, and would use a total area of approximately 3,950 hectares of private property.

The power generated would be injected into the Interconnected System through a transmission line, which would start at the substation associated with the park and would have an approximate extension of 2 km, connecting at 220 kV to the future Lambayeque Oeste substation, located 2 km southwest of the LA-661 road junction with Panamericana highway.

In 4Q23, the Terms of Reference, the Citizen Participation Plan for the Environmental Impact Study (EIA) of the project were approved by the Ministry of Energy and Mines, and the project's Pre-Operability Study was approved by the Economic Operation Committee of the SEIN (COES).

- **Pampas Wind Project (540 MW):** Pampas Project would consider the installation of a wind farm with an installed capacity of approximately 540 MW. This wind farm is located 80 km southwest of the city of Ica, in the district of Santiago in the department of Ica and uses a total area of approximately 10,000 hectares of state-owned land.

The energy generated would be injected into the Interconnected System through a transmission line, which starts at the substation associated with the park, and has an approximate extension of 38 km, connecting at 220 kV to the future Colectora substation, which was awarded in June 2024 by Proinversion.

In 1Q25, the Ministry of Energy and Mines approved the Terms of Reference and the Citizen Participation Plan for the project's Environmental Impact Study.

In 2Q25, progress was made in the implementation of the Citizen Participation Plan, which began in July with the first participatory workshop.

7.2 Risk Management

A. Risk Management Model

The Risk Management Model is designed to safeguard the principles of stability and sustainability of the Company by identifying and managing sources of uncertainty that could impact it. This model addresses both the strategic risks that threaten sustainability and those that could affect the organization's operations and future projects. In addition to protecting operational activities, it aims to maximize business opportunities and ensure compliance with regulatory and legal obligations.

The Company's activities are exposed to various risks, which have been classified into:

1. Electrical business risks
2. Project construction risks
3. Financial risks
4. Regulatory risks
5. Environmental risks
6. Social risks
7. Governance risks

This model is based on ISO 31000:2018 and has an appropriate governance framework and organizational structures for risk management, with clearly defined roles and responsibilities, fostering a culture of organizational awareness.

The Company also has a Risk Committee that meets every two months with the purpose of identifying, quantifying, monitoring, and communicating organizational risks. This committee is composed of the Chief Executive Officer, key executives, and the

Chairman of the Board, with the Risk Manager acting as secretary. Additionally, other directors may participate as needed, and the Chief Executive Officer reports the main Risk Committee topics to the Board for discussion and analysis.

B. Risk Factors

B.1. Electrical Business Risks

Through its commercial policy, the Company seeks to be a competitive, safe, and sustainable energy provider, committing volumes through contracts that maximize the long-term profitability of its asset base and reduce the volatility of its results. Nevertheless, these results present structural variability due to risks associated with exogenous conditions such as hydrology, the availability of solar and wind resources, fuel prices (oil, natural gas, and coal), as well as unscheduled maintenance events and asset failures.

To mitigate these risks, the Company aims to balance its generation sources over the long term while ensuring efficient costs. In addition, in the event of generation deficits or surpluses, the spot market is used, allowing energy to be bought or sold at marginal cost. Hydrological conditions are also monitored, and fuel inventories are managed to ensure operational continuity, minimize financial impacts, and guarantee contractual compliance.

The main risks include:
1. Hydrological risk
2. Fuel price risk
3. Fuel supply risk
4. Equipment failure and maintenance risk
5. Commercial risk
6. Project construction risk
7. Regulatory risk

B.1.1. Hydrological risk

Chile

The drought that has affected the country since the past decade has significantly reduced rainfall and river flows, particularly in the central and northern regions. Although some regions have experienced partial relief over the past two years, the phenomenon persists. Additionally, the country has faced extreme weather events, such as storms and floods, which have caused damage to various communities.

The 2025–2026 hydrological year began in April 2025, and by June 2025, three months have already passed. This year has shown precipitation deficits compared to an average year across the main basins of the National Electric System (SEN). Likewise, the inflow energy reflects an Exceedance Probability of 92%. Comparative precipitation tables are presented below.

Precipitation Hydrological Year Apr25–Mar26 up to June 2025		
Basin/Zone	**Surplus/Deficit vs. Average Year**	**Surplus/Deficit vs. Year 2024**
Aconcagua	-57 mm (-29%)	-157 mm (-54%)
Maule	-378 mm (-37%)	-592 mm (-49%)
Laja	-213 mm (-26%)	-509 mm (-47%)
Bio Bío	-223 mm (-17%)	-503 mm (-34%)
Chapo	-1 mm (-1%)	-67 mm (-5%)

Peru

As of June 2025, the SEIN (National Interconnected Electric System) recorded a hydrological condition with an Exceedance Probability of 0%, whereas 10% was the level recorded in 2024.

During 2Q25, electricity demand increased by 2.6% compared to the same period in 2024, mainly due to higher mining sector and regulated client's demand. On the other hand, compared to the previous quarter, a decrease of 2.0% in electricity demand was recorded in 2Q25.

The average marginal cost at Santa Rosa during 2Q25 reached US$24.4/MWh. In contrast with 1Q25 (US$30.5/MWh), the decrease was mainly due to higher hydrology.

B.1.2. Fuel price risk

Chile
In Chile, during periods of low water inflows to hydroelectric plants, Colbun must primarily rely on its thermal plants or purchase energy on the spot market at marginal cost. This situation creates a risk associated with fluctuations in international fuel prices. To mitigate the impact of significant and unforeseen changes in fuel prices, the Company implements hedging programs using various derivative instruments, such as options that allow fuel prices to be fixed at a pre-agreed value. Conversely, under favorable hydrological conditions, the Company may find itself in a surplus position in the spot market, where prices are partially influenced by fuel costs. In such a scenario, the Company would take a seller position, thus reducing its exposure to fluctuations in fuel prices.

Peru
In Peru, natural gas costs are less linked to international prices due to the substantial domestic supply of this resource, helping to limit exposure to this risk. As in Chile, the portion of costs subject to variations in international prices is mitigated through the use of indexation formulas in energy sales contracts. As a result, exposure to risks arising from fuel price fluctuations is partially mitigated.

B.1.3. Fuel supply risks

Gas Supply

Chile
Since 2018, the Company has maintained a contract with Enap Refinerías S.A. ("ERSA") that provides capacity for the operation of two combined-cycle units during most of the first half of each year, a period characterized by lower availability of water resources. Additionally, the contract allows access to additional volumes of natural gas through purchases on the spot market.

Given the lead time required to nominate LNG and the market conditions observed at the end of 2024, the decision was made not to nominate LNG for 2025. As a result, gas supply for the year has been managed through interruptible supply contracts with Argentine Natural Gas, complemented by gas transportation agreements with the Electrogas and Gas Andes Chile pipelines.

This contractual arrangement implies that gas flow may be suspended in the event of high domestic demand and/or limitations in transportation infrastructure. Since February, there have been some restrictions on natural gas deliveries due to maintenance work on the pipeline system operated by Transportadora de Gas del Norte (TGN) in Argentina. These interventions affected the natural gas export capacity to Chile. The situation worsened at the end of June, when a polar cold front severely impacted central Argentina, particularly Buenos Aires, leading to a sharp increase in domestic gas demand. This rise in consumption coincided with operational failures at some production fields, which further reduced the availability of gas for exports.

Peru
In Peru, Fenix holds long-term Natural Gas supply contracts through 2029 with the ECL88 consortium (comprising Pluspetrol, Pluspetrol Camisea, Hunt, SK, Sonatrach, Tecpetrol, and Repsol), in addition to gas transportation agreements signed with TGP.

Coal Supply

Chile
In Chile, coal purchases for the Santa María thermal power plant are carried out through tender processes, the most recent of which took place in August 2023. These tenders invite major international suppliers, with supply awarded to well-established companies with both physical and financial backing. These actions are carried out within the framework of an advance purchasing policy and strategic inventory management, aimed at mitigating the risk of fuel supply shortages.

Peru
In Peru, there are no coal power plants.

B.1.4. Equipment failure and maintenance risks

The availability and reliability of the generating units are fundamental to the business. For this reason, Colbun has a policy of carrying out scheduled, preventive, and predictive maintenance on its equipment, in accordance with the technical recommendations of its manufacturers and suppliers and maintains a policy to cover such accidental events through all-risk insurance for its physical assets, including coverage for physical damage, machinery breakdown, and business interruption losses.

B.1.5. Commercial risks

In line with our vision of being a strategic partner for our clients, during the recent period we have continued to consolidate our position in the market by signing new electricity supply contracts, thereby strengthening our commercial portfolio. These agreements, primarily aimed at free clients, have been structured with a focus on providing continuous energy supply, mostly from renewable sources, under competitive conditions that add long-term value.

Additionally, we have steadily increased the injection of renewable energy into the national electric system, contributing to the achievement of both our own and our clients' sustainability goals. This strategy not only reinforces the reliability of supply but also enables us to support our clients in their decarbonization efforts and in strengthening their positioning within an increasingly demanding regulatory and competitive environment.

Chile

During 2025, energy sale contracts were signed in Chile with 39 clients for a total of 357 GWh per year. Among the main contracts signed, the supply of renewable energy to Parque Arauco S.A. for 150 GWh per year, starting in January 2026, and Grupo SMU for 60 GWh per year, starting in March 2025, stands out. Both contracts are for a 4 year period.

The Company's results over the coming months will be mainly determined by its ability to achieve a balanced level between cost-efficient own generation and contracted volumes. Such efficient generation will depend on the reliable operation of our power plants, hydrological conditions, and the terms and volumes under which natural gas purchases are contracted.

Peru

During 2025, energy supply contracts were awarded in Peru with 11 clients, totaling 30.6 MW per year. The most significant award was the renewal of a five-year contract with our mining client, Operadores Concentrados Peruanos (15 MW).

B.1.6. Project Construction Risks

Companies in the sector face a very challenging electricity market, with significant participation and empowerment from various stakeholders, mainly neighboring communities and NGOs, who are legitimately demanding greater involvement and protagonism. Frequent modifications to the environmental regulatory framework, including new requirements and increased uncertainty, have made project development more complex, considering that environmental permitting processes and timelines have become more

uncertain. This has led to an increase in project development costs, resulting in a slowdown in the construction of projects of significant size.

The development of new projects may be affected by factors such as:

1. Delays in obtaining permits
2. Changes to the regulatory framework
3. Legal proceedings
4. Increases in equipment or labor costs
5. Opposition from local and international stakeholders
6. Unforeseen geographical conditions
7. Natural disasters
8. Accidents or other unforeseen events
9. Logistic difficulties
10. Global economic uncertainty due to tariff policies

Colbun has a policy of excellently integrating social and environmental dimensions into the development of its projects. The Company has developed a social engagement model that enables it to work alongside neighboring communities and society at large, initiating a transparent citizen participation process and building trust from the early stages of project development and throughout the entire project lifecycle.

Accordingly, the Company's exposure to the aforementioned risks is managed through:

1. A commercial policy that considers the potential impacts of project delays.
2. "All Risks Construction" insurance policies that cover both physical damage and loss of profit due to delays in commissioning resulting from an incident, both with standard deductibles for this type of insurance.
3. Contingency allocations in construction time and cost estimates.
4. An early engagement policy with local communities and stakeholders.
5. Regular monitoring through different instances such as the Projects and Development Committees, with their recommendations and observations presented by the Chief Executive Officer during Board sessions.
6. Financial instruments such as hedging.
7. Internal policies and procedures for risk monitoring.

B.1.7. Regulatory risks

Regulatory stability is fundamental for the energy sector, where investment projects involve considerable timelines for obtaining permits, development, execution, and return on investment. Colbun believes that regulatory changes must be made with full consideration of the complexities of the electric system and by maintaining adequate incentives for investment. It is important to have a regulatory framework that provides clear and transparent rules, thereby strengthening the confidence of sector participants.

Chile

Enacted Laws

This section presents the laws that were published and enacted during the first quarter of 2025:
No new laws were enacted during the second quarter of 2025.

Main Developments in Bills Under Review

Title	Details	Current Status
	The main proposals are: • Establishment of a common regulatory framework for the processing and regulation of sectorial authorizations.	On July 1, 2025, the third reading of the bill was approved in the Chamber of Deputies, and it was sent for enactment into law.

Sectorial Permits Bill	• Creation of the "System for Sectorial Regulation and Evaluation" an entity aimed at advancing towards a more coherent, integrated, and modern authorization regime. • Creation of the "Office for Sectorial Regulation and Evaluation" an institution responsible for progressively improving sectorial regulations and ensuring the proper functioning of the System. • Establishment of minimum procedural standards and a Unified Information System for Sectorial Permits. • Amendment of 37 legal frameworks to allow sectorial agencies to apply the mechanisms and instruments defined in the Sectorial Authorizations Framework Law, aligning legislation with its objectives. Specific modifications to regulated sectorial procedures are also incorporated, aiming to simplify and standardize them, as in the cases of the Water Code, the Health Code, and the General Law on Sanitary Services, among others.	The Constitutional Court must review the constitutionality of certain articles.
Bill on Electricity Subsidy and Strengthening of the Superintendency of Electricity and Fuels (SEC)	The main measures of the bill are: • Expand the coverage of the electricity subsidy through three financing mechanisms: (1) a temporary surcharge on the CO_2 emissions tax, (2) increased collection of Net VAT, and (3) an additional fiscal contribution. • Reduce electricity rates: creation of a 500 GWh preferential price energy pool for Micro, Small and Medium Enterprises, and Renewable Resource Systems (SRR), and the authorization of consumer associations to initiate price review procedures for regulated contracts (Art. 134 of the General Law on Electric Services – LGSE). • Strengthen SEC (Superintendency of Electricity and Fuels) powers: allowing those inspected to propose action plans and increasing the amount of unauthorized automatic compensations.	This bill is currently in its second constitutional stage in the Senate, under review by the Mining and Energy Committee. The proposed amendments have been voted on, and the bill has been forwarded to the Finance Committee.
Bill to Strengthen Environmental Governance and Institutions	Its main proposals are: • Voluntary early participation: investors will be able to improve the design of their projects at early stages, prior to entering the system. • Technical-based decision-making: grants greater authority to the Environmental Assessment Service (SEA) and eliminates political instances such as the Committee of Ministers and the Environmental Evaluation Commissions (COEVA). Establishes a single appeal channel: to avoid excessive delays and back-and-forth between courts and the administration.	In January 2025, the detailed discussion of the amendments presented to the Bill in the Senate Environment Committee was concluded. On January 14, 2025, the Bill was forwarded to the Finance Committee to address matters within its competence, but there has been no progress in the committee.
Bill Regulating the Construction of Wind Turbines	The bill establishes new requirements for the construction of wind turbines, addressing environmental, technical, territorial, and social aspects. Its main proposals include: • It establishes compensation of 169 UF per turbine to local communities, preferably allocated tor urban improvement project. It also sets an additional compensation of 200 UF per turbine for the use of safety zones. • It prohibits projects on type 1 and 2 soils. On soil type 3 and 4 soils, a municipal certificate, a favorable report from the DOH, and authorization from the SAG are required. • It requires maintaining a safety zone of at least 5 times the height of the tallest tower, with a minimum distance of 500 meters. • It limits the useful life of wind turbines to 15 years, with maintenance requirements and liability for damages. • It regulates the flickering shadow effect as an environmental impact, limiting it to 30 minutes daily or 30 hours monthly. An Environmental Impact Assessment (EIA) is mandatory for all wind energy projects.	This bill is currently in its first constitutional procedure in the Chamber of Deputies, specifically in the Environment Committee.
Seawater Use for Desalination Bill	Proposes a new regulatory framework for granting or designating seawater desalination concessions, categorizing it as a special maritime concession. Its key points are: • Creation of a concession and designation for the desalination and use of coastal seawater. • Right to establish or impose legal easements for the conveyance of seawater and desalinated water. • Development of a National Desalination Strategy to guide the sustainable development of desalination projects. • Amendments to other legal bodies to better implement the new regulatory framework.	The bill was sent to the Senate floor, and a session date is pending to finalize its first constitutional process.

Other Relevant Regulatory Announcements

This section presents announcements of regulations relevant to Colbun, both for its core business and for growth-related matters.

Title	Details	Current Status
Chapter on Operation Scheduling from the Technical Standard for Operation Scheduling	The chapter of the Technical Standard aims to establish the procedures and required information for the Coordinator to carry out the Operation Scheduling of the facilities interconnected to the National Electric System. The standard includes the following: • Scheduling Stages: Describes the requirements for long-term, medium-term, short-term, and intraday stages. • Forecasts of water flows, solar, and wind resources. • Requirements for generation facilities, self-producers, dispatchable resources, storage systems, transmission facilities, and demand. • Scheduling of Ancillary Services. • Reports to be prepared by the Coordinator: monthly and on an annual basis. • Transitional provisions with deadlines for the implementation of the standard.	Published – On April 2, 2025, it was published in the Official Gazette.
Operation Coordination Regulation (DS125)	The modifications to the Operation Coordination Regulation focus on four axes: • Operation Coordination: Includes automated dispatch, modifications to generation allocation (pro-rata), as well as traceability and continuous improvement in CEN processes. • New Technologies: The regulation incorporates the operation of generation-consumption systems. Programming and operation rules are proposed for storage systems. • Short-term Market: To safeguard the processes of guarantees calculation and execution, modifications to the payment chain are included. • Connection and Disconnection of Power Plants: The process for declaring plants under construction and the early retirement of plants is updated.	Under Development – The public consultation period ended on May 19. The Ministry of Energy is currently reviewing the comments submitted by market participants.
Transmission Regulations (DS37 and DS10)	The pending regulatory work for the modification of these regulations focuses on three main areas: • Coherence: Incorporation of matters regulated in the CNE Exempt Resolutions 98, 99, 100, and 156 from 2025. • Pending matters of Law 21.721: On one hand, there is the proposal for transmission works in the Zonal Transmission System by PMGD. On the other hand, there is the proposal and financing of Transmission Works by generators. • Opportunities for improvement: Transmission Planning, Open Access, Qualification, and Valuation.	Under Development – The fourth working group meeting was held on April 24, 2025.
Regulatory Resolutions Law 21,721	In the context of the implementation of Law 21,721 on Transmission, the National Energy Commission has a period of 90 working days to issue exempt resolutions of a regulatory nature that establish the deadlines, requirements, and procedures of the law. The following resolutions are expected to be issued: • Mechanism for Reviewing the Awarded Investment Value (Art. 99 LGSE) • Mechanism for Reviewing the Awarded Investment Value (Second Transitional Article) • Tender for Expansion Works by their Owners • Mechanism for Determining Necessary and Urgent Works (Art. 91 bis) • Zonal Transmission proposals by Small Means of Distributed Generation (PMGDs as it Spanish acronym) These and the other provisions contained in Law 21,721 will be included in the modification of the transmission regulations (DS37 and DS10).	Under Development – The current publication status of the regulatory resolutions is as follows: •Investment Value Review Mechanism •Expansion Works Tendering •Mechanism for Determining Necessary and Urgent Works •Zonal Transmission Proposed by Small and Medium Distributed Generators (PMGD)
Modification of the SEIA Regulation	The second phase of the reform to Supreme Decree No. 40, of October 30, 2012, from the Ministry of the Environment, which "Approves the regulation of the Environmental Impact Assessment System" ("RSEIA" as its Spanish acronym), aims to update the list of project or activity typologies, based on which entry into the Environmental Impact Assessment System ("SEIA" as its Spanish acronym) is determined, and the regulation of sectorial environmental permits ("PAS" as its Spanish acronym), concerning their classification, evaluation, and granting.	Under Development – The public consultation concluded on April 11, 2025.
Amendment to the Technical Standard on	Robustness standards for the National Electric System (SEN) are introduced, based on the results of the SEN Robustness Requirements Study, which the Coordinator must conduct annually. Additionally, new concepts are introduced for converter-based installations, along with voltage robustness and frequency robustness.	Under Development – It was released for public consultation on July 2, 2025.

Safety and Service Quality	Furthermore, two new technical annexes are included: • Methodology for determining robustness requirements • Minimum requirements for converter-based installations	
Coastal Edge Zoning – Antofagasta	On May 22, the Public Consultation process began for the Exempt Resolution that initiates the development of the Coastal Edge Zoning Plan for Antofagasta. This is an indicative territorial planning instrument that establishes preferred uses of the regional coastline to guide government decision-making. In practical terms: • It defines preferred zones for productive, tourism, conservation, and other activities. • It is binding for the granting of maritime concessions. • It operates in coordination with other territorial planning instruments. • It seeks to balance the multiple activities along the coastal edge, considering its dynamic nature. This zoning plan will cover the area from Tocopilla to Taltal, including a land strip averaging approximately 16 km in width, plus 12 nautical miles of maritime territory.	Under public consultation until July 2, 2025.

Peru

Enacted Laws

Title	Details	Current Status
Law No. 32,249, which amends Law No. 28,832 – Law to Ensure the Efficient Development of Electricity Generation	The main modifications are: • Ancillary Services: Suppliers of ancillary services are included as market agents. Additionally, the operation and administration of this market will be regulated by the Ministry of Energy (MINEM). The entry into the complementary services market will be on January 1, 2026, and the payment responsibility lies with those who generate instability. • Regulated Market Auctions: The purchase of energy or power blocks and energy, either separately or jointly, is contemplated under the conditions set by the regulation. It also incorporates auction timelines (short, medium, and long-term), with a maximum duration of 15 years. • New Rules on Tariffs at the Grid, Auctions in Isolated Systems, and the Adjustment of Contracts and Regulations for Applying the Law.	Published – On January 19, 2025, it was published in the newspaper *El Peruano*. Following the amendment, MINEM took on the responsibility of drafting the following regulations: 1. Regulation on Electricity Procurement for the Supply of Regulated Users: On April 9, 2025, MINEM presented a draft regulation, open to comments from market participants. Currently, MINEM is reviewing the feedback, with no defined date for the final version. 2. Ancillary Services Market Regulation: In June 2025, MINEM awarded the development of this regulation to the consulting firm Grupo Mercados Energéticos, which is currently drafting the document. A preliminary publication of the regulation is expected in September. These regulations are necessary for the effective implementation of the law.

Main Developments in Bills Under Review

Title	Details	Current Status
Bill establishing conditions for Micro and Small Enterprises (MYPE) to access	It proposes gradual access to the unregulated electricity market for Micro and Small Enterprises (MYPE), under the following annual maximum demand ranges for each supply point: • Greater than 150 kW and up to 2,500 kW: during the period from January 1, 2026, to December 31, 2027. • Greater than 100 kW and up to 2,500 kW: during the period from January 1, 2028, to December 31, 2029. • Greater than 50 kW and up to 2,500 kW: starting from January 1, 2030.	On May 28, 2025, the bill was observed by the President of the Republic and, as a result, has been sent back to the Energy and Mines Committee of Congress for further review. It is currently under

the free electricity market	Furthermore, the proposal encourages the formation of associations among MYPEs located within the same area or electrical circuit, promoting joint negotiation of their electricity supply, provided their aggregated demand exceeds 2,500 kW.	consideration by that committee.
Bill that promotes nuclear energy generation and the installation of Small Modular Reactors (SMRs)	Key aspects of the Bill: • A regulatory framework is established to promote nuclear energy and the installation of SMR reactors. • MINEM, the Ministry of Environment (MINAM), and the Peruvian Institute of Nuclear Energy (IPEN) will lead efforts to evaluate the viability of SMR reactors, ensuring compliance with environmental and nuclear safety standards. • MINEM encourages private investment participation in a free competition regime for the development of SMR projects using nuclear energy for electricity generation. • The Ministry of Economy and Finance (MEF) is authorized to carry out the necessary arrangements to finance projects deemed viable, in coordination with the involved entities.	On April 29, 2025, the Bill was reviewed by the President of the Republic and returned to the Energy and Mines Committee. With the modifications incorporated according to the observations, a new report was prepared and included on the Plenary Agenda on June 13, 2025, where it remains awaiting debate.
Bill to amend the percentage of workers' participation in the profits of electric industries	Its main proposals are: • To gradually increase the workers' share of profits in this sector, currently 5%, to 10%. • Modification of the formula for distributing the amount allocated to workers.	Approved in the first vote on March 21, 2025. Currently, the process is temporarily suspended due to motions for reconsideration submitted by members of Congress prior to the second vote, which has not yet been scheduled.

Main New Developments in Supreme Decrees

Title	Details	Current Status
Peak Hours of the SEIN are defined for the purposes of evaluating the unavailability of generating units.	Previously, the peak hours period of the SEIN was from 5:00 p.m. to 11:00 p.m.; however, starting June 1, 2025, a new schedule will apply, running from 6:00 p.m. to 11:00 p.m., and will remain in effect until May 31, 2029.	Published – On May 31, 2025, it was published in the newspaper "El Peruano."
Draft Project Amending the Regulation of Law No. 27,446, Law of the National Environmental Impact Assessment System (SEIA)	The draft "Supreme Decree amending the Regulation of Law No. 27,446, Law of the National Environmental Impact Assessment System," was pre-published with the aim of harmonizing the regulatory framework and further developing certain aspects of the SEIA. The objective is to ensure regulatory consistency and avoid discrepancies among the various legal bodies governing the same subject matter. Additionally, the draft includes special measures to promote the advancement of projects.	The proposed amendment was published on May 23, 2025. As of now, MINEM is reviewing the comments received from stakeholders.

Other Relevant Regulatory Aspects

Title	Details	Current Status
Modification of the Technical Standard for the Coordination of Real-Time Operation of Interconnected Systems	This project proposes eliminating the exemption for Renewable Energy Resource (RER) plants from providing Primary Frequency Regulation ("RPF" as its Spanish acronym) service. Additionally, the following complementary provisions of the modification project should be noted: • The obligation mentioned will not apply to RER plants that have PPAs derived from an OSINERGMIN auction until their expiration. • An adjustment period is established: (1) one year for RER plants in operation, counted from the approval of the technical procedures by COES, and (2) six months from the commercial operation start date for projects under construction with a definitive concession.	The modification was published on November 25, 2024. As of today, the Ministry of Energy and Mines (MINEM) is reviewing the comments received from stakeholders.
Modification of the COES Technical Procedure N° 21 "Rotating Reserve for Primary Frequency Regulation"	It seeks to propose improvements that facilitate and promote compliance with RPF by the agents. • Changes in the methodology for calculating the charge for non-compliance with RPF. • Changes in the methodology for calculating the compliance factor (FaC), which is used to distribute incentives for RPF compliance. • Greater facilities for delegating the RPF service between agents. • Fewer location and capacity restrictions for RPF equipment projects.	El 11 de junio de 2025, el COES subsanó las observaciones del Osinergmin. Actualmente, se encuentra a la espera de la prepublicación del proyecto de modificación.
Modification of the COES Technical Procedure N° 22 "Reserve for Secondary Frequency Regulation"	Among the main proposed modifications, it is highlighted that the allocation of payments for RSF (System Support Services) should incorporate the "causality" criteria, meaning that the service should be paid by the party that causes its need. Additionally, it includes provisions allowing new technologies to provide RSF, among other modifications.	On June 11, 2025, COES addressed the observations raised by Osinergmin. It is currently awaiting the pre-publication of the draft amendment.
Pre-publication of the Procedure for Electricity Supply Auctions under Law No. 28,832	As part of the proposed new Regulation on Electricity Procurement for the Supply of Regulated Users, Osinergmin has been assigned the responsibility of updating the procedures related to electricity auctions. Key proposed changes include: • Definition of time blocks, aligned with the current tariff regulation for end users. • Priority is given to long-term auctions, with medium- and short-term auctions only approved if necessary. • The supply contract model incorporates the option to transfer surplus energy. • A proposal to modify the indicators used in the price adjustment formulas for energy auction contracts. • Definition of the coexistence between existing contracts and new ones.	On May 6, 2025, a preliminary proposal was published and made available for stakeholder comments. Osinergmin is currently evaluating the feedback received, with no defined date for the final version.
Update of the Forced Outage Rate and the Target Firm Reserve Margin for the Period from May 1, 2025, to April 30, 2029	Osinergmin has updated the Forced Outage Rate (TIF) and the Target Firm Reserve Margin (MRFO) for the period from May 1, 2025, to April 30, 2029. The newly approved values are: • **MRFO:** 20.10% (previously: 19.90%) • **TIF:** 6.90% (previously: 3.50%) As a result, the application of these values would modify the Basic Capacity Price (PBP) from USD 5.9/kW-month to USD 6.1/kW-month.	Published – On May 6, 2025, in the newspaper "El Peruano".

Terms of Reference (ToR) for Environmental Studies of Renewable Projects	MINEM has approved the Terms of Reference (ToR) for the preparation of environmental studies for photovoltaic and wind power plants. Specifically, the ToR approved through the respective Ministerial Resolution are: • ToR for the preparation of the Environmental Impact Statement (DIA) for photovoltaic power plants, with or without an associated transmission line of up to 20 km; and • ToR for the preparation of the Semi-detailed Environmental Impact Study (EIA-sd) for wind power plants with an installed capacity of 32 MW or more, with or without an associated transmission line.	Published – On June 27, 2025, in the newspaper "*El Peruano*".

B.2 Financial risks

Financial risks are those associated with the inability to perform transactions or non-compliance of obligations due to lack of funds, which can have negative financial consequences or other market financial variables that could affect Colbún's equity.

The main risks are:

1. Exchange Rate Risk
2. Interest Rate Risk
3. Credit Risk
4. Liquidity Risk

B.2.1 Exchange rate risk

The exchange rate risk is mainly caused by currency fluctuations that come from two sources:

- The first exposure source comes from cash flows corresponding to revenues, costs and disbursements of investments denominated in currencies other than the functional currency (U.S. dollar).
- The second source of risk corresponds to the accounting mismatch between assets and liabilities of the Statement of Financial Position denominated in currencies other than the functional currency.

Exposure to cash flows in currencies other than USD is limited because virtually all Company sales are denominated directly in or indexed to USD.

Similarly, the main costs are related to natural gas and coal purchases, which incorporate pricing formulas based on international prices denominated in USD.

Regarding investment projects disbursements, the Company incorporates indexers in its contracts with suppliers and occasionally resorts to the use of derivatives to fix the expenses in currencies other than USD.

Exposure to the Balance Sheet accounts mismatch is mitigated by applying a policy of maximum mismatch between assets and liabilities for those structural items denominated in currencies other than USD. For purposes of the above, Colbun maintains a significant cash surpluses proportion in dollars and occasionally resorts to derivatives use, using currency swaps and forwards.

B.2.2 Interest rate risk

It is related to changes in interest rates that affect future cash flows, value tied to a floating interest rate, and changes in the fair value of assets and liabilities linked to fixed interest rate that are accounted at fair value.

As of June 30, 2025, the Company's financial debt is denominated 82% at a fixed rate and 18% at a floating rate.

B.2.3 Credit risk

The Company is exposed to the risk arising from the possibility that a counterpart fails to meet its contractual obligations, producing an economic or financial loss.

For the credit risk of customers, quarterly calculations of provisions for uncollectibility are made based on the risk analysis of each customer, considering the customer's credit rating, payment behavior, industry, among other factors.

With respect to cash and derivatives statements, Colbun has entered into these transactions with financial institutions with high credit ratings. Additionally, the Company has established limits by counterparty, which are approved by the Board of Directors and periodically reviewed.

As of June 30, 2025, cash surpluses investments are invested in interest-bearing checking accounts, mutual funds (of banking subsidiaries) and time deposits in local and international banks. The latter correspond to short-term mutual funds, with less than 90 days duration, known as the “money market".

Information on contractual maturities of the main financial liabilities is disclosed in note 11 of the Financial Statements.

B.2.4 Liquidity Risks

This risk results from different funding requirements to meet investment commitments and business expenses, debt payments, among others. The funds needed to meet these cash flow outputs are obtained from Colbun’ s own resources generated by the Company’s ordinary activities and by contracting credit lines to ensure sufficient funds to cover projected needs for a given period.

As of June 30, 2025, Colbun has approximately US$788 million cash surpluses, invested in interest-bearing checking accounts, time deposits and mutual funds with 53 days average term (including deposits with less and more than 90 days terms of, the latter are recorded as "Other Current Financial Assets" in the Consolidated Financial Statements).

Also, the Company has available as additional liquidity sources as of today:

- Five bond facilities; one for an amount of UF 7 million with thirty-year validity (since its approval in August 2009), two for a joint amount of UF 7 million with validity for ten and thirty years (since this approval in February 2020), and two for a total amount of UF 7 million each with validity for ten and thirty years (since this approval in May 2024), and against which no placements have been made to date.
- A committed loan of US$100 million was secured with BBVA and BOFA
- Uncommitted bank lines for approximately US$150 million. Fenix has uncommitted totaling US$103 million credit lines.

In the next 12 months, the Company must disburse approximately US$101 million in interest and principal amortization. These obligations are expected to be funded with the Company’s own cash flow generation.

As of June 30, 2025, Colbun has national risk ratings AA by Fitch Ratings and Feller Rate, both with stable outlook. Internationally, the Company's rating is Baa2 by Moody's, BBB by S&P and BBB+ by Fitch Ratings, all with stable outlook.

As of June 30, 2025, Fenix has international risk ratings of BBB- by S&P and Fitch Ratings, both with stable outlook.

Considering the foregoing, it has been assessed that the Company’s liquidity risk is currently limited.

Information on contractual maturities of the main financial liabilities is disclosed in note 23 of the Financial Statements.

B.2.5 Risk exposure measurement

The Company periodically analyzes and measures its exposure to the different risk variables, in accordance with the previous paragraphs. Risk management is performed by a Risk Committee with the Corporate Risk Management support and in coordination with other Company divisions.

Regarding business risks, specifically those related to changes in commodity prices, Colbun has implemented mitigation measures consistent of indexers in energy sale contracts and of hedges with derivative instruments to cover any possible remaining exposure. It is for this reason that a sensitivity analysis is not presented.

To mitigate the risk of failures in equipment or in the project's construction, the Company has insurance coverage for damage to its physical property, business interruption damage and loss of profit for the delay in the commissioning of a project. This risk is considered limited.

Regarding financial risks, for measuring exposure purposes, Colbun prepares a sensitivity analysis and value at risk in order to monitor potential losses assumed by the Company in the event that the exposure exists. The exchange rate risk is limited, since the Company's main flow (revenues, costs and projects disbursements) are denominated directly in or indexed to USD.

Exposure to accounts mismatching is mitigated by applying a maximum mismatch policy between assets and liabilities for those structural balance items denominated in currencies other than USD. Given the above, As of June 30, 2025, the Company's exposure to foreign exchange differences impact on structural items translates into approximately US$6.4 million potential effect, on a quarterly basis, based on a sensitivity analysis at 95% confidence level.

The exposure associated with the variation in interest rates is measured as monthly interest sensitivity expense to 25 basis points change in the variable reference rate, which is the SOFR rate. Thus, an increase of 25 basis points in the SOFR rate would mean an increase in the monthly interest expense of US$75 thousand per accrual, while a decrease in the reference rate would result in a reduction of US$75 thousand in the monthly interest expense per accrual. The Company considers the interest rate risk to be limited. This effect is partially mitigated through cash investments linked to the SOFR rate.

Credit risk is limited because Colbun operates only with local and international banking counterparties with high credit ratings and has established policies of maximum exposure per counterparty that limit the specific concentration with these institutions. In the case of banks, local institutions have a local risk rating equal to or greater than BBB and foreign entities have an investment grade international rating.

At the end of the period, the financial institution that has the largest share of cash surpluses reached 25%. Regarding existing derivatives, the Company's international counterparts have a credit rating equivalent to BBB+ or higher and national counterparts have local credit ratings of BBB+ or higher. Regarding derivatives, the counterparty that concentrates the largest participation reaches 53% in notional terms.

Liquidity risk is considered low because of the relevant cash position of the Company, the amount of financial obligations over the next twelve months and the access to additional funding sources.

B.3. Environmental Risks

The company operates in an environment where environmental risks are increasingly relevant, both due to growing regulations and stakeholder expectations regarding sustainability and responsible management. This section identifies and evaluates the main environmental risks that may significantly impact the company's operations, reputation, and financial results. These risks include:

1. Environmental Performance Risks
2. Climate Change Risks
3. Biodiversity Risks

B.3.1 Environmental performance risks

Like other industrial activities, energy generation could have environmental and human impacts due to the emission of pollutants that affect air, water, and soil, with harmful consequences for human health as well as the natural environment, including other species. Therefore, it is essential to manage the construction and operation of projects appropriately, considering risk management and compliance with current regulations throughout the life of the projects. This is a material issue for Colbun because we aim to develop our business in balance with the planet, with care for biodiversity and the promotion of a circular economy.

The main risks associated with environmental performance are:

1. Non-compliance with environmental legislation and environmental commitments (Environmental and economic crimes)
2. Pollution of water, air, or soil

3. Alteration of cultural heritage
4. Events triggering loss or alteration of biodiversity
5. Events affecting the community
6. Sanction procedures, construction, or operation stoppage
7. Reputational damage
8. Lack of coherence
9. Barriers to the awarding of new projects
10. Projects' financing impediments

To control environmental performance risks, Colbun has an environmental management model, which is described in the Environmental Management Manual. This model is applicable to Colbun and its subsidiaries, as well as contractors.

Compliance and monitoring of legal commitments and obligations are carried out through a system, and a record of environmental incidents is maintained, which are managed for both company personnel and contractors at all Colbun and subsidiary facilities.

Additionally, Colbun has an Environmental Protection Standard applicable to itself and its subsidiaries, as well as a Special Safety, Health, and Environmental Regulations, which sets the requirements for contractors and subcontractors. Furthermore, a Crime Prevention Model exists for managing and preventing environmental and economic crimes, along with risk matrices for crimes affecting hydrobiological resources.

B.3.2 Climate change risks

The increase in the Earth's average temperature, due to the accumulation of Greenhouse Gases (GHG) in the atmosphere, is causing alterations in weather patterns, changes in sea levels, and increasingly intense and frequent climate events. All of these generate growing impacts for people, the environment, and the economy, which is why there is a global movement and public-private commitments to stop it. Among them are the Paris Agreement and Sustainable Development Goal N° 13, which calls for urgent action to combat this phenomenon and its effects, as well as to strengthen resilience and adaptation capacity. Colbun aims to be a carbon-neutral company by 2050 and thus contribute to national commitments regarding GHG emissions and the efforts needed to limit the rise in temperature.

Given the strategic nature of the risks associated with global warming, at Colbún, we have conducted a diagnosis of the Company's current situation based on the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD). This analysis was carried out qualitatively for Colbun's operations, considering the classification of risks under two climate scenarios: one with high emissions (RCP8.5 scenario), where temperatures rise above 2°C by the end of the century and, therefore, physical impacts are higher, and another with low emissions (RCP2.6 scenario), where the temperature increase is below 2°C, accelerating the decarbonization of the economy.

Climate Change Risk Classification

Risk Type	Clasification	Description
Physical	Severe	They are caused by intense climatic events.
Physical	Chronic	Resulting from long-term changes in climatic conditions.
Transition	Political and legal Technological Market Reputational	They arise from adaptation to the social, legal, and regulatory changes implemented to reduce greenhouse gas emissions.

Main operational risks of climate change

Threat	Risk	Type	Control and Monitoring
Decrease and changes in precipitation patterns	Reduction in hydroelectric and thermal generation	Physical/Chronic	• Evaluation of low precipitation scenarios in energy planning • Development of a thawing forecast platform • Evaluation and implementation of water efficiency measures in plants (e.g., Reverse Osmosis Plant in Nehuenco) • There are contracted water access alternatives for Nehuenco • Company growth towards renewable projects less dependent on water resources
Drought		Physical/Severe	
Increase in the number and intensity of extreme events, i.e. fires and heat waves	Damage to physical assets	Physical/Severe	• Insurance coverage for catastrophic events • Implementation of prevention plans and monitoring activities, including early alerts and action plans • Creation of the position of Fire Risk Management Coordinator
Increase in the CO2 emissions tax	Cost increase	Transition / Legal and market	• Evaluation of scenarios regarding the increase of the green tax in energy planning • Evaluation and implementation of energy efficiency measures in thermal plants • Evaluation of projects considering an internal carbon price

B.3.3 Biodiversity risks

Energy generation is an activity directly related to nature, both due to its dependence on natural resources, the impacts it generates, and the risks and opportunities associated with its activity. For this reason, the care for biodiversity is a fundamental aspect to consider in the management, design, and planning of activities related to the energy business; especially considering that our operations are situated in fragile and vulnerable natural environments, exposed to the impacts of industrial activity. Biodiversity is part of the natural capital of territories and, as such, requires careful risk management, regulatory compliance, and collaboration with other stakeholders. Therefore, our goal is to address biodiversity management comprehensively, considering it throughout the entire life cycle of our plants and projects.

The identified biodiversity-related risks are as follows:

1. Non-compliance with environmental legislation or commitments
2. Loss or reduction of species
3. Loss or degradation of habitats
4. Barriers to awarding new projects
5. Opposition from the community
6. Lack of coherence
7. Barriers to project financing

Colbun has a Health, Safety, and Environmental Policy, which addresses biodiversity care throughout the entire life cycle of projects and plants.

Additionally, we have a Biodiversity Strategy and a Biodiversity Standard, applicable to Colbun and its subsidiaries, covering all phases of projects and operating plants. This strategy defines guidelines for biodiversity protection, the regeneration of affected areas, native species studies, conservation, and the company's culture.

It is noteworthy that Colbun's Biodiversity Strategy was recently recognized among the top 30 strategies worldwide, and one of only four in Chile, meeting the standards of Business for Nature, an international coalition of companies, academia, NGOs, and financial entities promoting biodiversity protection in line with the Kunming-Montreal Global Biodiversity Framework.

Currently, Colbun is working on evaluating the risks, opportunities, impacts, and dependencies on nature through the TNFD, the Taskforce on Nature-related Financial Disclosures, marking significant progress in this area. This is especially important as only 5% of companies worldwide recognize nature as a material issue, and only 1% have worked on disclosing their impacts and dependencies.

B.4. Social Risks

The company acknowledges the importance of properly managing the social risks arising from its operations, both to ensure its sustainability and to strengthen its relationships with stakeholders.

In this section, the main social risks that may impact the organization's performance are identified:

1. Diversity, Equity, and Fair Treatment Risks
2. Community Risks

B.4.1 Diversity, Equity and Fair Treatment Risks

Diversity, equity, and fair treatment for individuals are crucial factors in developing respectful work environments and driving long-term success for organizations, as they benefit from a greater variety of perspectives, experiences, and skills. Additionally, it is a way of creating job opportunities for groups that have previously been excluded from certain industries. Colbún fosters a safe and respectful work environment that promotes equal opportunities and allows for the authenticity of all employees.

Some risks and impacts include:

1. Lower attraction and loss of talent
2. Legal issues and lawsuits for discrimination
3. Homogenization of teams
4. Overcoming barriers for the inclusion of diverse people contributes to reducing inequality of opportunities and promoting equity and social justice
5. Active concern to prevent discrimination requires fostering cultural changes and learning to eliminate biases
6. Lack of impartiality in treatment – Organizational Culture

To mitigate these risks and impacts, Colbun has published its Diversity, Equity, and Inclusion Policy, established the Diversity, Equity, and Inclusion Committee, and has implemented several initiatives, including:

- Achieving 24% female staff, a corporate goal, as part of the Gender Equity Plan launched in 2018.
- Nearly 18% of women in leadership positions.
- Conducting "Healthy Environments Free of Harassment" workshops, focusing on workers and company leaders.

B.4.2 Community Risks

Community risk management is a fundamental pillar for Colbun, as it reflects its commitment to connecting with the reality and dreams of the communities, to be a catalyst for prosperous, sustainable, and inclusive development in the territories where it operates. Colbun recognizes that the communities near its operations have a deep connection to their environment, traditions, and ways of life, making it essential to establish relationships based on transparency, mutual respect, collaboration, and reciprocity. These relationships not only mitigate community risks but also enhance the creation of shared value, strengthen the social fabric, and generate a positive long-term impact.

Colbun faces a variety of community risks related to its interaction with the communities near its projects and operations. These risks may vary depending on the type of energy generated (hydroelectric, wind, thermal, or solar), the socio-cultural and environmental context, and the communities' expectations. Some of the main risks include:

1. **Conflicts over natural resources use**: Electricity generation and other activities may be perceived as competition for water use, especially in areas where this resource is scarce for agriculture, livestock, and human consumption. Conflicts may also arise related to the purchase, use, or access to land, particularly if these lands hold cultural, productive, or symbolic value for the communities.
2. **Perceived or real environmental impacts**: Alterations to local ecosystems such as changes in biodiversity, habitat loss, or modifications to natural landscapes could affect traditional activities like fishing, agriculture, livestock, hunting, or

tourism. There are also risks related to the emission of gases, dust, noise, vibrations, or impacts on water and soil during the construction or operation of projects.

3. **Impact on livelihoods**: Potential loss of income due to the alteration of local economic activities such as fishing or agriculture, caused by the impact of the project on natural resources.
4. **Unmet expectations**: Discontent due to the perception that the commitments made by the company have not been fulfilled on time or in the right manner, or the generation of a feeling of inequity in the distribution of benefits generated by the project, such as employment, infrastructure, or social programs.
5. **Opposition and social conflicts**: Protests and mobilizations organized by local, national, or international groups, which can escalate into blockades, violent incidents, or media pressure, as well as rejection of new projects due to previous negative experiences.
6. **Loss of mutual trust**: Deterioration in the communities' perception of the company due to a lack of transparency, failure to conduct prior consultations, misinformation about the company's activities, or insufficient participation in decision-making processes affecting their territories.
7. **Changes in the social environment**: The arrival of external workers can alter local dynamics, increase pressure on public services, or create social tensions.

The guidelines that guide Colbun's community relations, integral to the sustainable management of the business, are described in the Community and Society Manual (MAC001), which establishes an effective model for community participation, incorporating methodologies and controls for managing community aspects and social incidents. The main prevention and mitigation measures that Colbun implements to address these risks include:

1. Identification of community risks: Mapping of stakeholders and social and environmental impact assessment.
2. Early dialogue and participation: Informed prior consultation, permanent dialogue spaces, and co-design of community projects.
3. Strengthening local capacities: Employment and local purchases, local economic development, promotion of education, and organizational strengthening.
4. Communication and transparency: Complaint and grievance mechanisms and accountability.

B.5. Governance Risks

At Colbun, we have a set of principles, standards, and mechanisms aimed at creating sustainable value for both our shareholders and the stakeholders with whom we engage. Thus, alongside complying with external regulations, our organization operates based on its own policies and procedures.

Within this governance framework, the following main risks have been identified:

1. **Regulatory non-compliance**: The possibility of legal or financial sanctions due to non-compliance with regulations.
2. **Conflicts of interest**: Situations that may affect objectivity in strategic decision-making.
3. **Internal audit dependency**: The risk of undue influence on internal control evaluations.
4. **Inadequate risk management**: Failures to identify or mitigate key risks to organizational sustainability.
5. **Deficiencies in internal controls**: Vulnerabilities in the prevention and detection of irregularities.
6. **Lack of transparency and accountability**: Negative impact on shareholder trust and other stakeholders.
7. **Reputation affected by ethical non-compliance**: Damage to the corporate image due to improper or illegal actions.

To mitigate these risks, governance is the responsibility of the Board of Directors, its Advisory Committees, Management, and employees. The Internal Audit Management is independent, and its mission is to verify the effectiveness and compliance of policies, procedures, controls, and codes implemented for risk management. This area reports directly to the Board of Directors and participates in evaluating the operation of the governance structure.

Our corporate governance is based on a comprehensive framework of principles, standards, and mechanisms designed to create sustainable value and effectively manage risks. This framework involves the participation of the Board of Directors, its Advisory Committees, Management, employees, and the Internal Audit Management, which operates independently. Internal Audit verifies compliance with policies, procedures, controls, and management codes, reporting directly to the Board and ensuring the effectiveness of the governance system.

DISCLAIMER

This document provides Information about Colbun S.A. In no case this document constitutes a comprehensive analysis of the financial, production and commercial situation of the Company.

This document may contain forward-looking statements concerning Colbun's future performance and should be considered as good faith estimates by Colbun S.A.

In compliance with the applicable laws, Colbun S.A. publishes on its website (www.colbun.cl) and sends the financial statements and its corresponding notes to the Comisión para el Mercado Financiero, those documents should be read as a complement to this report.