



# EMPOWERING YOUR DREAMS

Integrated Annual Report 2023

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GRI 2-1

**Company Name:** COLBUN S.A.

Publicly Traded Corporation, engaged in the generation, transmission, distribution, and sale of electric power, among other related activities.

**Address:** Av. Apoquindo 4775 Piso 11, Las Condes, Santiago de Chile

**Countries of Operation:** Chile and Peru (via Fenix Power Peru S.A.)

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# Letter from THE CHAIRMAN<sup>☀</sup>

A message to our shareholders  
and stakeholders

In 2023, Colbun experienced a decisive period for Colbun, during which we advanced significantly on our Strategic Agenda, a fundamental component in our journey toward building a sustainable and profitable enterprise. This advancement is particularly pertinent in light of the pressing challenges presented by the global energy transition, manifesting in operational, regulatory, social, and environmental domains. We firmly believe that economic growth and the demand for electricity are interlinked, and that enhancing energy supply in a sustainable, safe, and competitive manner aligns with our mission and enables us to create superior opportunities for people, our country, and the planet.

## 2023 Results

Colbun's operating income remained steady at US\$2 billion, similar to the previous year, while costs saw a 6% increase, mainly driven by heightened energy procurement expenses in Chile and Peru. Consequently, EBITDA declined by 6% to US\$714 million. Net income for the year reached US\$404 million, up from US\$311 million in 2022, largely due to a favorable price adjustment associated with the sale of Colbun Transmisión S.A. (detailed on page 17). This occurred against the backdrop of a 1.5% reduction in Chile's electricity demand, attributed to the reduced economy dynamism, although average marginal costs dipped by 2.3% owing to improved hydrological conditions.

In terms of Environmental, Social, and Governance (ESG) performance,

the Company achieved significant improvements. Our environmental footprint faced a 20% reduction in greenhouse gas emissions and a 37% decrease in operational water use intensity—both compared to the 2018 baseline. Furthermore, our overall sustainability management efforts have placed us within the top 10% of electric companies globally on the Dow Jones Sustainability Index, among 250 evaluated companies.

## Strategy and progress of projects

At Colbun, we are committed to a bold Strategic Agenda, refreshed at the close of 2022 to align with the ongoing global energy transition and the social and environmental challenges we face worldwide. Our roadmap serves as a testament to our role in providing society and our customers with secure, competitive, and sustainable energy solutions, in harmony with our mission to transform energy in balance with the planet, thereby empowering your projects and aspirations.

Progress on the Horizonte Wind Farm project (816 MW, Taltal district) remains on track, achieving 76% completion as of December 2023. Horizonte stands as a landmark project not just for our Company, but for Chile as a whole. It is currently the largest wind farm under construction in the nation and the second largest in Latin America, marking a significant step in Chile's competitive stance both regionally and internationally.

**This roadmap is our role confirmation** in providing society and our customers with a secure, competitive, and sustainable energy supply and solutions.

We have also continued to enhance our project portfolio. As of January 2024, we secured environmental approval for the Celda Solar photovoltaic and battery project (420 MW and a BESS of 1,200 MWh per day in Camarones) and initiated the environmental assessment for the Cuatro Vientos wind project (360 MW, Llanquihue commune).

To date, Colbun has 816 MW of renewable projects under construction; over 1,700 MW in wind and solar projects with environmental approval; approximately 1,200 MWh-day of approved battery storage; and 720 MW of wind farm projects at various environmental evaluation stages. We are also advancing other renewable generation and storage initiatives that are in the early development stages, including feasibility analyses, environmental studies, and community engagement processes (detailed on page 62). This diverse portfolio positions us to achieve our ambitious target of reaching at least 4,000 MW of wind, solar, and storage capacity by 2030.

## Commercial Vision and Asset Optimization

Our commercial strategy is both prudent and balanced. Following our 2017 decision to prioritize unregulated customers—large energy consumers who negotiate their supply contracts directly—by the end of 2023, 80% of Colbun's sales in Chile catered to this segment, serving 328 companies increasingly seeking renewable energy sources (see page 88).

In a complementary manner, we have broadened our value proposition through the varied energy solutions provision, including self-consumption photovoltaic plants, energy efficiency management systems, and storage solutions, all designed to support our customers' sustainability objectives.

Today, we are a renewable energy leading supplier to major mining operations and have a diversified presence across industries from agriculture to salmon farming. This success stems from a careful balance between commercial commitments and our generation capacity, a strategy that has been pivotal to our achievements in recent years (details on page 89).

Moreover, as part of our Strategic Agenda, we are rigorously optimizing operations to meet the supply security challenges of an electrical system increasingly reliant on variable and intermittent energy sources, compounded by more frequent extreme weather events. This approach is underscored by various innovations we are implementing to enhance the efficiency of our power plants (see page 89), alongside the crucial role our reservoirs played in mitigating the impact of last winter's floods on the Maule and Biobío rivers.

## Green Hydrogen and Transition Challenges

2023 also marked a significant milestone for us in advancing our Green Hydrogen strategy. We established a partnership with the Japanese multinational Sumitomo to develop green ammonia projects and made significant strides in potential projects in Antofagasta and Magallanes. In early January 2024, we inaugurated our first green hydrogen production facility at our Fenix power plant in Peru. This initiative will soon be complemented by a similar facility at Nehuenco, aimed at reducing emissions at both sites. Furthermore, we are pioneering additional innovative solutions for our clients, such as a hydrogen-powered bus, developed in collaboration with Anglo American and the Development Corporation (Corfo) (details on page 69).

Green Hydrogen is a cornerstone of the global move toward a lower-emission economy, essential for addressing climate change. However, these projects' scale requires us to address the substantial technological, social, territorial, and environmental challenges realistically and cautiously. This sector, and the broader energy transition, will demand sustained efforts over the coming years.

Addressing these challenges necessitates a robust public-private dialogue that actively, constructively, and effectively fosters a stable regulatory environment and a favorable investment climate. This is essential for progressing with high environmental and social standards in the investment and infrastructure projects demanded by the energy transition. An example of this in practice is the recent implementation of a new regulation for private escorts for oversized load transportation, a result of proactive public-private dialogue, which is crucial for accelerating wind energy project development.

As we navigate the energy transition, enhancing collaboration across public sectors, private industries, communities, and civil society is vital. There are no silver bullets on this path, and a systematic, multisectoral and consistent effort over time is required to move forward.

While private companies must execute projects with high technical, environmental, and social standards, involving communities early—a practice we systematically uphold at Colbun—the public sector must provide stable and clear regulatory frameworks that encourage private initiatives under competitive conditions. An excellent dynamic example is the rapid market response, including Colbun's response, to the anticipated needs for energy storage. The market's quick adaptation has made some of the governmental tenders under the draft law on energy transition, discussed since 2023 in Congress, almost unnecessary. However, the swift enactment of the Power Regulation, currently under review by the Comptroller's Office, is crucial for the fruition of these projects.

This underscores the need for appropriate public policies that support the robust and sustainable development of industries and a thoughtful approach to regulatory initiatives. Such efforts will enable a responsible energy transition that ensures the security of electricity supply.

To support this transition, our entire business strategy is aligned with the efforts required to foster a lower-carbon economy. This includes not only selecting which types of projects to promote but also how to execute them. To this end, we have defined three enabling conditions that are integral to our strategy. First, To have an organizational development that attracts, develops, and retains talent capable of meeting these challenges. For instance, in 2023 we increased female participation in our workforce to 23% (page 112). Secondly, achieve a long-term sustainable business development with clear

environmental, social, internal development, and corporate governance goals, where we have made significant progress last year in reducing our emissions and water footprint (page 151). Lastly, promoting a culture of innovation across the organization to enhance agility, flexibility, digital transformation, and value contribution, illustrated by our unique inclusion as the only energy company in the Clean Technologies Institute—a major public-private initiative in Chile to advance innovations in clean technologies, supported by Corfo, more than a dozen Chilean universities, trade associations, research foundations, and both public and private sector entities (page 84).

**"We transform energy, in balance with the planet, to fuel your projects and dreams".**

## Updating the Purpose

Last year, we redefined our purpose to make visible the mobilizing element behind our strategy that explains why and for what purpose we exist as a company. This process engaged over 80% of our staff (more than 800 individuals) and was both inspiring and affirming. This effort helped us articulate the commitment, pride, and sense of purpose that energize our work at Colbun: "We transform energy, in balance with the planet, to fuel your projects and dreams".

I would like to express my gratitude to our shareholders, employees, suppliers, customers, and community members for their dedication and trust. The collaboration and learning we experience through daily interactions are fundamental to Colbun's success. I trust that this Integrated Report 2023—prepared in accordance with General Standard 461 of the Financial Market Commission, the United Nations Global Compact, and the Global Reporting Initiative (GRI) standards—accurately reflects our collective efforts.

Thank you very much,

**Hernán Rodríguez W.**  
Chairman, Colbun S.A.

# ENERGIZING TOMORROW

*together*

1.1 About Colbun

1.2 Annual highlights

1.3 2023 performance

# About COLBUN

Who are we  
and what we do

We are a distinguished Chilean entity with 37 years of experience, **excelling in the generation and commercialization of reliable, competitive, and sustainable energy**. We are also leaders in providing comprehensive energy solutions.

[GRI 6.2.i]

Our dynamic portfolio includes over 400 industrial and corporate clients, supported by nearly 1,200 dedicated employees. We boast an impressive installed capacity exceeding 4,000 MW across 27 generation facilities in Chile and Peru. Furthermore, 110 clients across both nations benefit from our bespoke value-added services.

In the Chilean market, Colbun is a prominent player, **holding the position as the second largest operator within the National Electric System (SEN)**, commanding approximately 15.5% of the market share based on energy generation. Our presence is robust in Peru as well, where **we rank as the fifth largest generator**, capturing a 5.8% market share (also measured in terms of energy produced).



**Our customer engagement strategy focuses on securing long-term contracts with major corporations, ensuring a stable and reliable energy supply.**

Moreover, our offerings extend beyond traditional energy provision to include cutting-edge solutions in infrastructure for electromobility, distributed energy projects, energy efficiency enhancements, and energy storage systems, among other innovative services.

**+4,000 MW**  
installed capacity

**27**  
Power plants in Chile and Peru

**+1,200**  
employees

**15.5%**  | **5.8%**   
market share

## Corporate purpose and values

[NCG 461 2.1]

**In 2023, we reaffirmed our commitment to advancing the energy transition towards renewable sources, aligning our Company's purpose with our strategic agenda and our vision for 2030.**

Our Company's roots are deeply embedded in hydroelectric energy, harnessing the power of water. Today, our focus has expanded to include the development of solar and wind resources, which play a crucial role in the decarbonization of the energy matrix. Simultaneously, we recognize the importance of maintaining the secure, continuous, and competitive energy supply that thermal power plants provide during this transition period. Our goal is to transform energy into progress, imbuing our operations with a profound sense of purpose and impact for both our customers and society at large.

### Purpose

*We transform energy,  
in balance with the planet  
to fuel your projects and dreams*



## Colbun Core Values

# We lead with responsibility

### Playing a pivotal role in society

- We are committed to a responsible energy transition where we play a pivotal role.
- This dedication is reflected in our ongoing projects that pave the way for a better future.
- Our business strategy is designed for longevity and sustainability, ensuring we stay relevant and responsive to societal changes.
- We strive to consistently act with integrity, mindful of our impact on the communities where we operate.

# We care about people

### We care about you!

- We foster respect for individuals, and teamwork to meet our Company's objectives.
- We aim to create an environment where everyone feels empowered to deliver their best.
- Our goal is to be a beacon for talent, offering an inspiring setting where people can realize their aspirations.
- The dignity and safety of our people are paramount, underscoring every decision and action.

# We have an inclusive purpose

- We strive to deeply understand our customers and their needs, integrating ourselves into their challenges and objectives for mutual success.
- The needs and aspirations of our communities are central to our mission; we engage with these communities from the outset, committing to long-term relationships.
- We include diverse stakeholders in our mission, creating opportunities for growth and development.

# Leaving a positive footprint impact

- Our development goals are harmonized with the health of our planet.
- We are dedicated to mitigating climate change and adapting our operations to be more environmentally friendly.
- We prioritize biodiversity, advocate for responsible resource usage, and support initiatives aimed at promoting a circular economy.

# We act with consistency

### Our word is our bond

- At Colbun, we are dedicated to ensuring alignment between our beliefs, our words, and our actions.
- We approach every relationship with the belief that it should be sustained over the long term.
- We value trust, which we cultivate through transparency and honesty in all our interactions.
- We embrace humility in acknowledging our mistakes and are proactive in learning from them to make necessary improvements.

# Our work is fueled by passion

### We bring all our energy to the table

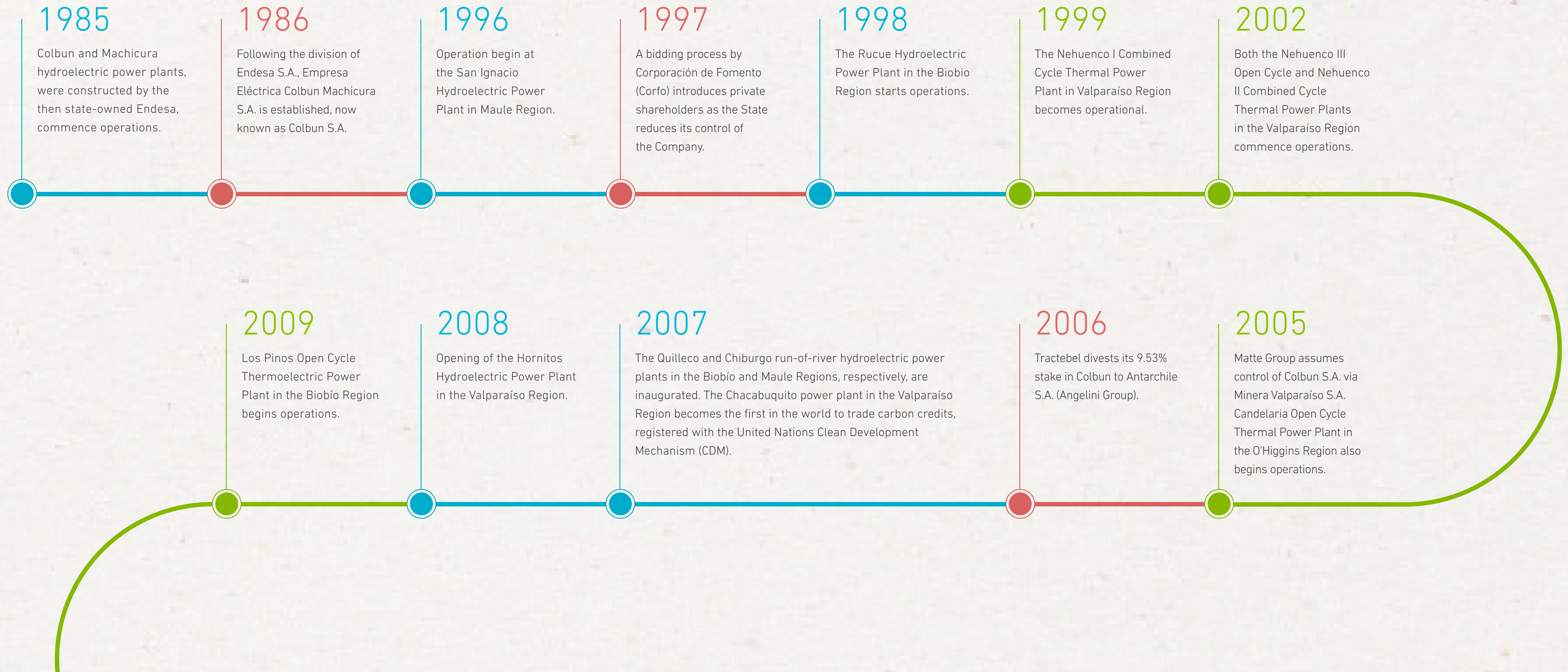
- We are committed to excellence, consistently going beyond the standard expectations.
- We foster an innovative mindset across our operations, advocating for continuous learning and adaptation.
- We take great pride in our work—celebrating not just what we accomplish but also how and why we do it.
- Our positive and proactive approach is infectious, creating work environments that are not only collaborative and creative but also enjoyable and inspiring.





## Our history

[NCG 461 2.2]



## Our history

[NCG 461 2.2]

2010

San Clemente Hydroelectric Power Plant in the Maule Region starts operations. The Company establishes its Sustainability Strategy.

2012

The Santa María, Colbun's sole coal-fired thermal power plant in the Biobío Region, begins operations.

2014

The Angostura Hydroelectric Power Plant, along Angostura Park tourism project in the Biobío Region, is inaugurated.

2015

Acquisition of a 51% stake in Fenix Power Peru S.A., which operates a natural gas combined cycle power plant in Chilca, Peru.

2017

Colbun is awarded the concession to develop Horizonte, Chile's largest wind farm in Taltal area, Antofagasta Region. The Company joins the Dow Jones Sustainability Index (DJSI) for Chile and Emerging Markets.

2022

The Diego de Almagro Sur photovoltaic park (230 MW) is inaugurated; the Diego de Almagro Sur BESS storage system (8 MW of capacity and 32 MWh of energy), the first of its kind in Colbun and the Atacama Region, is implemented.

2021

Construction commences on the Horizonte wind project. The Machicura solar plant (9 MW) starts operations; the Jardín Solar (530 MW) and Inti Pacha (up to 712 MW) photovoltaic projects in the Tarapacá and Antofagasta Regions receive environmental approval.

2020

Construction begins on Diego de Almagro Sur and Machicura photovoltaic parks in the Atacama and Maule Regions, respectively. Acquisition of the energy solutions company Efizity.

2019

BHP awards Colbun a renewable energy contract for 3,000 GWh per year, one of the largest at the time. The Machicura beach resort at the Machicura Reservoir is inaugurated.

2018

La Mina Hydroelectric Power Plant in the Maule Region and Ovejería Solar Power Plant in the Metropolitan Region begin operations.

# KEY highlights

## A journey through 2023

This year, Colbun has showcased the dedication and drive of our teams towards advancing business objectives and enhancing stakeholder relations.

2023

### January

Colbun forms a strategic **partnership with Sumitomo** to assess the viability of green ammonia projects, utilizing hydrogen produced from renewable sources in Antofagasta and Magallanes.



### April

**Opening in Yumbel of the photovoltaic power plant of Lácteos Matthei**, a customer of Colbun Soluciones, which supplies around 20% of its energy needs..



### May

**Colbun and ChileMass forge an alliance** to pursue energy and environmental innovations in the United States.

**Fenix power plant** in Peru, operated by Colbun, earns its second star in the **Carbon Footprint program** by the Ministry of the Environment, recognizing its emissions management efforts.



### June

**Colbun joins forces** with four other enterprises to initiate the **Pact for Water Security**, aiming to share best practices and ensure a positive water footprint for private sector activities..



**Our team strengthened its dedication** to advancing business objectives and enhancing stakeholder relationships.

### August

Colbun unveils its renewed purpose after an extensive eight-month process involving nearly 800 employees: **"We transform energy, in balance with the planet, to fuel your projects and dreams"**.

# KEY highlights

## A journey through 2023

### August

A fire broke out in the gas turbine filter area of Unit 1 at the Nehuenco Complex during maintenance. **The blaze was quickly contained within an hour, leaving the other two units of the facility unaffected.**



### September

**140 foundations completion at Horizonte Wind Farm**, marking a significant milestone for Chile's largest and one of Latin America's major wind power projects.

In partnership with **Polpaico Soluciones**, development commenced on Chile's largest photovoltaic self-generation park in Tiltil, managed by Colbun Soluciones.

**100% renewable energy supply agreement with Collahuasi** for up to 650 GWh for 12 years.



### November

**A new contract was signed with Aguas Pacifico** for the supply of 100% renewable energy to power its desalination plant.



### December

**An alliance was formed with Anglo American and Reborn Electric Motors**, supported by Corfo, to foster the development of Chile's first hydrogen-powered bus.



# KEY highlights

## A journey through 2023

We foster partnerships and collaborative efforts to address the crucial needs of communities and their territories, ensuring our projects support local development.

### February

Launch of **Rincón del Sur conservation initiative** at Lake Chapo, featuring a pioneering DNA-based wildlife monitoring technique to discover new species.



### May

Opening of the **Historical and Cultural Center in Santa Barbara** and the **Paseo Pretil Machicura** in Colbun, both initiatives developed collaboratively with local communities in the Biobío and Maule regions.



### August

Launch of the **"Measure your Footprint Suppliers"** initiative, enabling suppliers in the energy sector to assess and manage their carbon footprints and emissions.

A **public-private partnership is established to construct a water treatment facility in Quillota**, incorporating a novel circular economy approach to benefit almost 800 families in the Santa Rosa de Colmo rural area.



### March

The **Chilean Rugby Federation collaborates with Colbun** to offset carbon emissions from Los Condores' international travels to France 2023 using carbon credits.



### Octubre

Colbun offsets carbon emissions linked to the **XIX Pan American and Parapan American Games Santiago 2023**, reinforcing our commitment to environmental stewardship.



## Overview in figures

### Consolidated figures 2023

**US\$2,003.6 MM**

Revenues from ordinary activities

**US\$713.9 MM**

EBITDA

**37%**

EBITDA margin

### CHILE

**Installed capacity** **3,419 MW** | → 47% hydraulic  
→ 7% solar  
→ 46% thermal

**Energy generated** **12,753\* GWh** | Second largest generator of the SEN

Market shares **15.5%** | 10% of MW participation in the SEN  
In terms of power generated

Supply companies **3,335**

Customers buying energy **348** | → 20 regulated clients (distribution companies)  
→ 328 unregulated clients

Clients with value added services **96**

\*Own generated energy

### PERU

**572 MW**

**3,404 GWh** | Fifth largest generator of the SEIN

**5.8%** | 5% share in MW in the SEIN

**746**

**53** | → 6 regulated clients (distribution companies)  
→ 47 unregulated clients

**14**

## Recognitions and Certifications

Various entities acknowledged and commended the advancements and contributions made by our Company through its management over the year.

### January

#### Human Rights Diagnosis by UC

In the inaugural Human Rights and Business Assessment conducted by the Corporate Sustainability Program at Pontificia Universidad Católica, Colbun was ranked fourth among 29 companies assessed from the IPSA index.

### May

#### Tax Sustainability Rankings of IPSA Companies

Developed by scholars from Pontificia Universidad Católica de Valparaíso and Universidad Austral de Chile, our Company achieved third place in this ranking, which assesses adherence to tax sustainability standards.

#### Internet Advertising Competition

Colbun.cl was recognized as the best energy website 2023 by the Internet Advertising Competition (IAC).



### October

#### Ranking UAI and Brinca

The Adolfo Ibáñez University Business School, in collaboration with the consulting firm Brinca, awarded Colbun first place in their Sustainability Ranking of IPSA companies.

### December

#### Dow Jones Sustainability Index

Colbun sustained its ranking within the top 10% of globally evaluated electric utilities, securing its inclusion for the seventh consecutive year in the DJSI MILA Pacific Alliance and for the eighth year in the DJSI Chile.



#### Advances in Circular Economy

Under the Clean Production Agreement (APL) "Transition to the Circular Economy" coordinated by Acción Empresas and Corfo's Sustainability and Climate Change Agency (ASCC), the Company was recognized for its progress in implementing circular economy practices at two facilities: Nehuenco Complex and Colbun Complex.



#### Conecta 2023 from Global Compact

Colbun's initiative, "Promoting Healthy and Harassment-Free Environments," garnered recognition at the Connect 2023 Business Awards hosted by the Global Compact Chile, an entity of the United Nations.



### February

#### FTSE4Good Index

Colbun has been consistently recognized for the fourth consecutive year as a member of the FTSE4Good Index Series 2023. This index annually assesses companies that excel in incorporating ESG criteria—encompassing environmental, social, and governance practices—into their business management.



### August

#### GPTW Women

Colbun was recognized by the Great Place To Work Institute as one of the top eight Best Companies for Women (under 1,000 employees).



#### Payers Report Commodities Exchange

Colbun was awarded first place in the "Payers Report 2023" ranking by the Commodities Exchange (BPC) and the Chilean Association of Entrepreneurs (Asech), both in the Energy Companies category and in the overall ranking.

### November

#### Association of Consulting Engineers of Chile

Association of Consulting Engineers of Chile (AIC) recognized the Horizonte Wind Farm project as the most significant in the energy sector this year.

## Recognitions and Certifications



ISO 14001:2015

### ISO 14001:2015 Certification of the Environmental Management System

This international standard defines the criteria for an environmental management system, facilitating the implementation, maintenance, and continual enhancement of internal and external requirements applicable to the operational processes of electric power generation. Currently, Colbun holds the ISO 14001:2015 certification, managed in conjunction with TUV Rheinland Certification House.



ISO 45001:2018

### ISO 45001:2018 Occupational Health and Safety Management System Certification

This standard provides guidelines for managing occupational health and safety systems, facilitating the implementation, maintenance, and continual improvement of internal and external requirements relevant to the operational processes of electric power generation. Colbun currently holds the ISO 45001:2018 certification, administered through TUV Rheinland Certification House.

### Certification of the Crime Prevention Model

Colbun's Crime Prevention Model has been certified by ICR Clasificadora de Riesgo for both Colbun S.A. and Fundación Colbun.





# OUTCOMES 2023

## Financial performance

In 2023, our Company achieved an EBITDA of US\$ 713.9 million, marking a 6% decrease compared to the previous year. This decline was primarily due to increased costs for raw materials and fuel, although it was partly mitigated by higher revenues from standard operations.

### Revenues

In 2023, our total revenues reached US\$ 2,003.6 million, reflecting a 1% increase from the previous year.

This growth can be attributed to:

- Increased revenues from regulated customer sales in Chile, due to an increase in the proration of Colbun's active contracts following the expiration of competing firms' contracts.
- Augmented sales to unregulated customers in Peru, spurred by the activation of new contracts over the year.

However, these positive factors were somewhat offset by a reduction in spot market sales in both Chile and Peru, attributed to decreased generation throughout the year.

### Costs

Costs for raw materials and consumables totaled US\$ 1,130.1 million, marking a 6% rise from the prior year.

This increase was driven by:

- Elevated energy purchase costs in Chile and Peru, linked to reduced generation and new contracts with unregulated clients.
- Increased expenses categorized as "Others" in Chile, due to a rise in public service charges stemming from the collection of the tariff stabilization fund (FET).

Conversely, these impacts were partially mitigated by decreased gas and diesel consumption costs, reflecting lower generation from these fuel sources during the year.

## Net Income

The Company reported a net profit of US\$403.8 million in 2023, up from US\$310.5 million in 2022. This improvement primarily results from a price adjustment related to the sale of Colbun Transmisión S.A.

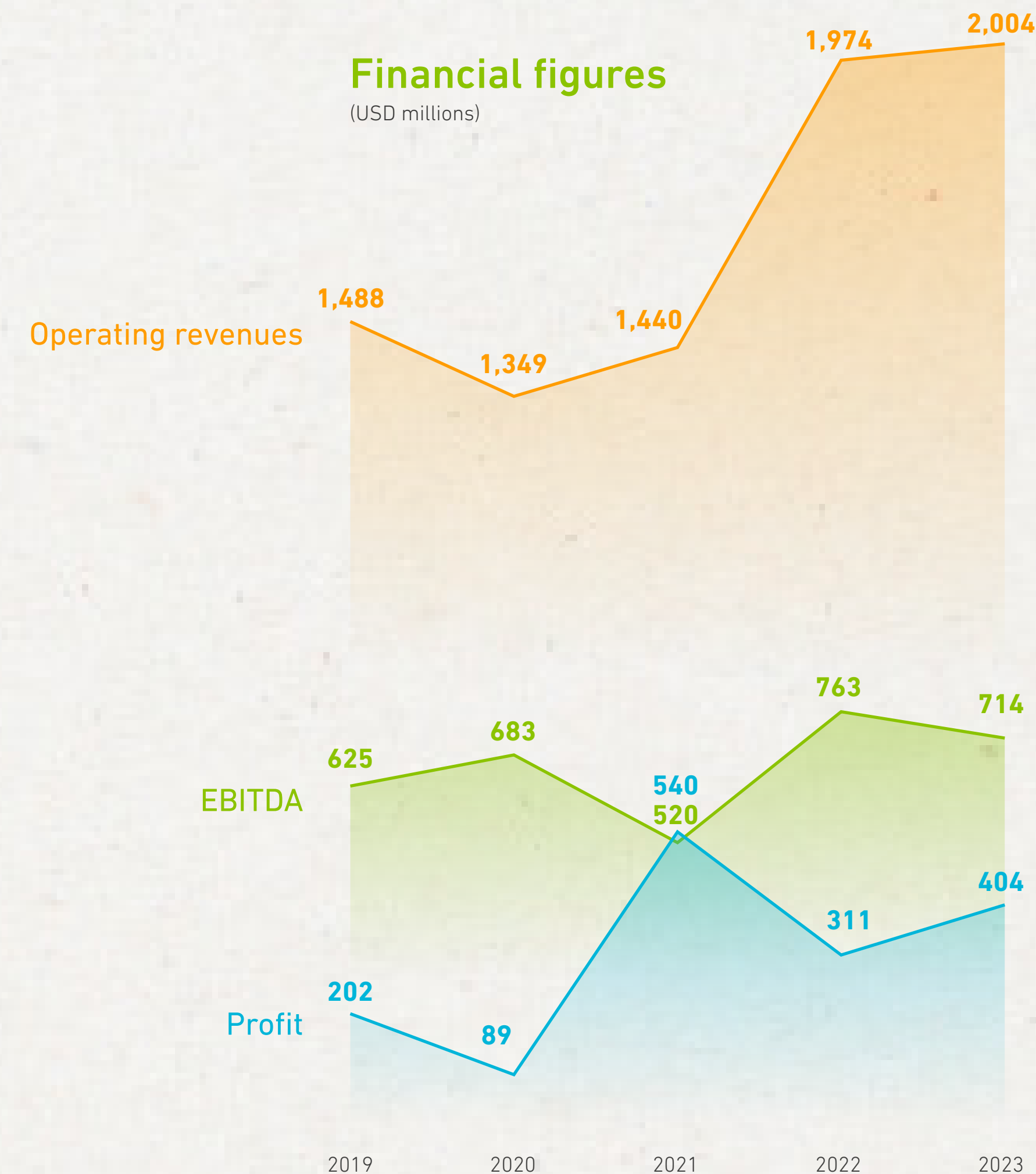
## Consolidated Financial Metrics

### Debt

Our total debt stood at US\$ 2,123.3 million by the year's end.

### Inversiones

Investment expenditures amounted to US\$ 1,031.1 million, showing an 11% decline compared to 2022. This decrease was mainly due to heightened CAPEX linked to the Horizonte wind project and dividend payments over the year. These factors were somewhat balanced by the operational cash flow generated in 2023 and the price adjustment from the sale of Colbun Transmisión S.A., resulting in a net debt of US\$ 1,092.2 million.



## Interest rate

At the close of 2023, the effective interest rate remained stable at 4.4%, mirroring the rate at the end of the previous year. This rate reflects the weighted average across three outstanding bond issues and a bank loan held by Colbun S.A., in addition to the international bond issued by Fenix Power.

## Leverage Metrics

The leverage ratios, Gross Debt/EBITDA and Net Debt/EBITDA, stood at 3.0x and 1.5x respectively as of the end of 2023. Similarly, the Liabilities/Equity ratio was recorded at 1.2x. All these indicators have maintained their levels from December 2022.

## Credit Ratings at Year-End 2023

### Country Risk Rating

→ Feller Rate: AA

→ Fitch Ratings: AA

### International Risk Rating

→ S&P: BBB

→ Moody's: Baa2

→ Fitch: BBB+

→ All ratings carry a stable outlook

## Colbun's results (in millions of US\$)

	Dec-22	Dec-23
<b>Revenues from Ordinary Activities</b>	<b>1,974.0</b>	<b>2,003.6</b>
Sales to Regulated Customers	454.2	529.4
Sales to Unregulated Customers	1,051.7	1,108.1
Sales of Energy and Power	427.0	295.0
Tolls	0.0	0.0
Other Revenues	41.1	71.1
<b>Raw Materials and Consumables Used</b>	<b>(1,069.4)</b>	<b>(1,130.1)</b>
Energy and Power Purchases	(143.7)	(223.1)
Gas Consumption	(520.1)	(499.0)
Oil Consumption	(70.4)	(21.5)
Coal Consumption	(126.4)	(143.3)
Other	(68.9)	(102.7)
<b>Gross margin</b>	<b>904.6</b>	<b>873.5</b>
Employee Benefits Expenses	(84.0)	(91.8)
Other Expenses, by Nature	(57.2)	(67.7)
Depreciation and Amortization Expense	(219.5)	(205.9)
<b>Operating income (*)</b>	<b>543.9</b>	<b>508.0</b>
<b>Income (Loss) Before Income Taxes</b>	<b>416.0</b>	<b>548.5</b>
Income Tax Expense	(105.5)	(144.7)
<b>Net Income (Loss)</b>	<b>310.5</b>	<b>403.8</b>
<b>Controlling Income (Loss)</b>	<b>295.9</b>	<b>393.5</b>
Profit (Loss) Attributable to Non-controlling Interests	14.5	10.3
<b>EBITDA</b>	<b>763.4</b>	<b>713.9</b>
Financial Income	29.1	67.9
Financial Expenses	(88.7)	(85.4)
Exchange Differences	(2.7)	(6.7)
Results of Companies Accounted for by the Equity Method	12.2	13.1
Other Income (Loss)	(77.7)	51.5
<b>Non-operating Income (Loss)</b>	<b>(127.8)</b>	<b>40.5</b>

The subtotal for "OPERATING INCOME" reported here does not include "Other Profits (Losses)" as presented in the Financial Statements. This discrepancy results from a change in taxonomy mandated by the CMF, which reclassified "Other Profits (Losses)" —previously considered non-operating items— as operating items in the Financial Statements for Colbun.

## Consolidated Economic Value of Colbun (in USD millions)

[GRI 201-1]

Direct Economic Value Generated and Distributed	Dec-22	Dec-23
Operating Income	2,295.1	2,560.0
Financial Income	41.9	95.9
Other Revenues	0.0	0.0
<b>Total Direct Economic Value Generated (EVG)</b>	<b>2,337.0</b>	<b>2,655.9</b>
Operating Expenses	1,533.8	1,827.9
Salaries and Employee Benefits	72.2	78.7
Payments to Capital Providers(1)/Financing Activities(2)	255.4	392.0
Payments to the Government(3)	232.4	21.4
Capital Expenditures (4)	269.2	409.3
Community Investments (5)	3.7	5.2
Environmental Investments	3.1	4.4
<b>Total Economic Value Distributed (EVD)</b>	<b>2,369.7</b>	<b>2,738.8</b>
Net Impact of Financing Activities	(217.0)	(39.5)
<b>Economic Value Retained (ERV)</b>	<b>(249.0)</b>	<b>(122.4)</b>

For detailed economic value breakdowns in Chile and Peru, please refer to the Appendix.

(1) Primarily includes dividends paid by Colbun to its shareholders.

(2) Represents the net amount between financial income and loan repayments (principal only, excluding interest).

(3) Tax expenses were US\$ 136.1 million in 2023 and US\$ 99.6 million in 2022.

(4) Covers investments in time deposits exceeding 90 days.

(5) Community investment figures reflect the value of water production Fenix provides to the community of Chilca, approximately 1,600 m<sup>3</sup>/day, valued at US\$ 0.53 million.

The figures presented in this table are based on the Company's cash flows for 2022 and 2023, hence they may not align with those reported in the Statements of Comprehensive Income.

While Colbun did not receive direct governmental financial support, in Chile, it benefited from tax exemptions for contributions to non-profit entities and the SENCE credit, with accepted donation expenses totaling US\$ 3.86 million in 2023 and US\$ 6.32 million in 2022.

## Investor Relations

**Colbun is committed to maintaining a robust Investor Relations Model and Policy, designed to ensure transparent, fair, relevant, and timely communication of the Company's activities to the market.**

The Investor Relations department is responsible for these initiatives, focusing on building enduring trust-based relationships with our investors and managing information requests in both Chile and Peru.

### Resources

To aid investors and ensure the Company's efforts are presented clearly and consistently, the Investor Relations team diligently updates and posts resources in the [investors section](#) of our website.

These resources include:

- Corporate presentations
- Quarterly earnings analysis reports
- Quarterly financial statements

Additionally, investors have the option to subscribe and receive alerts when new relevant information is posted.

### Communication

To ensure robust communication, the Investor Relations section of our website is consistently updated to include corporate presentations, quarterly earnings analysis reports, and financial statements.

Furthermore, investors are encouraged to directly contact our team and subscribe to receive notifications about updates to the website.

In 2023, we maintained a vigorous engagement schedule that included virtual and in-person meetings, quarterly video conferences to discuss results, visits to the Company's headquarters, and both informal and formal interactions with local and international investors.

Highlights of our engagement activities include:

- Participation in six local and international conferences and a non-deal roadshow with international investors.

- Active engagement in addressing queries related to ESG factors raised by financial institutions. The Investor Relations and the Sustainability and Climate Change teams held dedicated sessions to address these queries, aiming to enhance transparency and information delivery for 2024.
- In August, we hosted a visit to Angostura Power Plant in the Biobío region for our investors. This event included technical presentations and a guided tour of the facilities. At the Visitor Center, attendees gained insights into the local flora and fauna and observed firsthand the tourism and sustainability initiatives undertaken in collaboration with the municipalities of Santa Bárbara and Quilaco, which are integral to the success of this project.

### Investor Day 2023

In December, we hosted our sixth annual Investor Day, attended by over 100 participants from both local and international backgrounds. This year's event was conducted in a hybrid format, allowing for broader accessibility.

During the event, our senior management team detailed significant progress in the implementation of our new purpose and strategic agenda. They outlined our plans aimed at achieving our 2030 objectives and discussed our approach to the challenges within the electricity sector. A key focus was on how we ensure the security of a 24/7 energy supply to our customers, emphasizing our commitment to operational excellence and reliability.

**In the Annual Reputation and Risk Survey, 92.76% of the investors consulted gave positive feedback regarding the clarity and consistency of our Company's strategy. This marks an improvement of 2.4% compared to the previous year.**

# LEADING *with* INTEGRITY

- 2.1 Governance Framework
- 2.2 Ownership Structure
- 2.3 Board of Directors
- 2.4 Executive Management
- 2.5 Risk Management Strategies
- 2.6 Compliance



# Ethical LEADERSHIP

Material issue

Sound governance, underpinned by ethical leadership, forms the cornerstone for our Company to uphold quality, efficiency, and safety standards, alongside stringent ethical, legal, and sustainable practices. This framework encompasses ensuring the accessibility of information, establishing accountability mechanisms, and fostering transparent communication with stakeholders.

## ★ Goal

**Develop and plan the business in compliance with applicable regulations, employing effective risk management practices, and providing timely responses to stakeholders.**

## 🌿 Business context impacts

- Fraud
- Bribery
- Corruption
- Unfair competition

## ⚠️ Company risks

- Reputational damage stemming from corporate governance issues
- Risk of fraud, bribery, or corruption
- Risk of legal non-compliance and subsequent reputational harm

## 🏠 Business opportunities

- Access to sustainable financing

## 📄 Policies and guidelines

- Code of Ethics
- Corporate Governance Code
- Crime Prevention Manual
- Policy for Contracting Goods and Services Provided by Politically Exposed Persons (PEP)
- Internal Rules of Order, Hygiene, and Safety (RIOHS)
- Delegation of Authority Policies (DOA 1 and 2)

## 📝 Progress and actions

- Crime Prevention Model Certificatio
- Employees annual survey to verify their relationships with Politically Exposed Persons (PEP)
- Training sessions for employees and contractors on the Code of Ethics and the operation of the Whistleblower Channel
- Audits of RCA and Sector Permits for all Colbun facilities
- Corporate Committee Structure review
- Outsourcing of complaint reception
- Implementation of the New Law 21.595 on Economic and Environmental Crimes

# GOVERNANCE

## Framework

[NCG 461 3.1.i, 3.5]

At Colbun, we have a set of principles, standards, and mechanisms aimed at **creating sustainable value for both our shareholders and the stakeholders** we interact with. In addition to complying with external regulations, our organization operates based on our own policies and procedures.

While our Company does not strictly adhere to a specific international governance standard, we adhere to the Corporate Governance Code. This document formalizes the governance practices of Colbun and its subsidiaries, based on rigorous national and international standards, as well as the best practices of ethics, transparency, and compliance.



# ACCOUNTABILITY

## model, and policies

[NCG 461 3.1.i, 3.1.ii]

Governance is the responsibility of the Board of Directors, its Advisory Committees, Management, and employees. We maintain an independent Internal Audit Management, tasked with verifying the effectiveness and adherence to policies, procedures, controls, and codes established for risk management. This department reports to the Board of Directors and contributes to the assessment of the governance framework's performance.

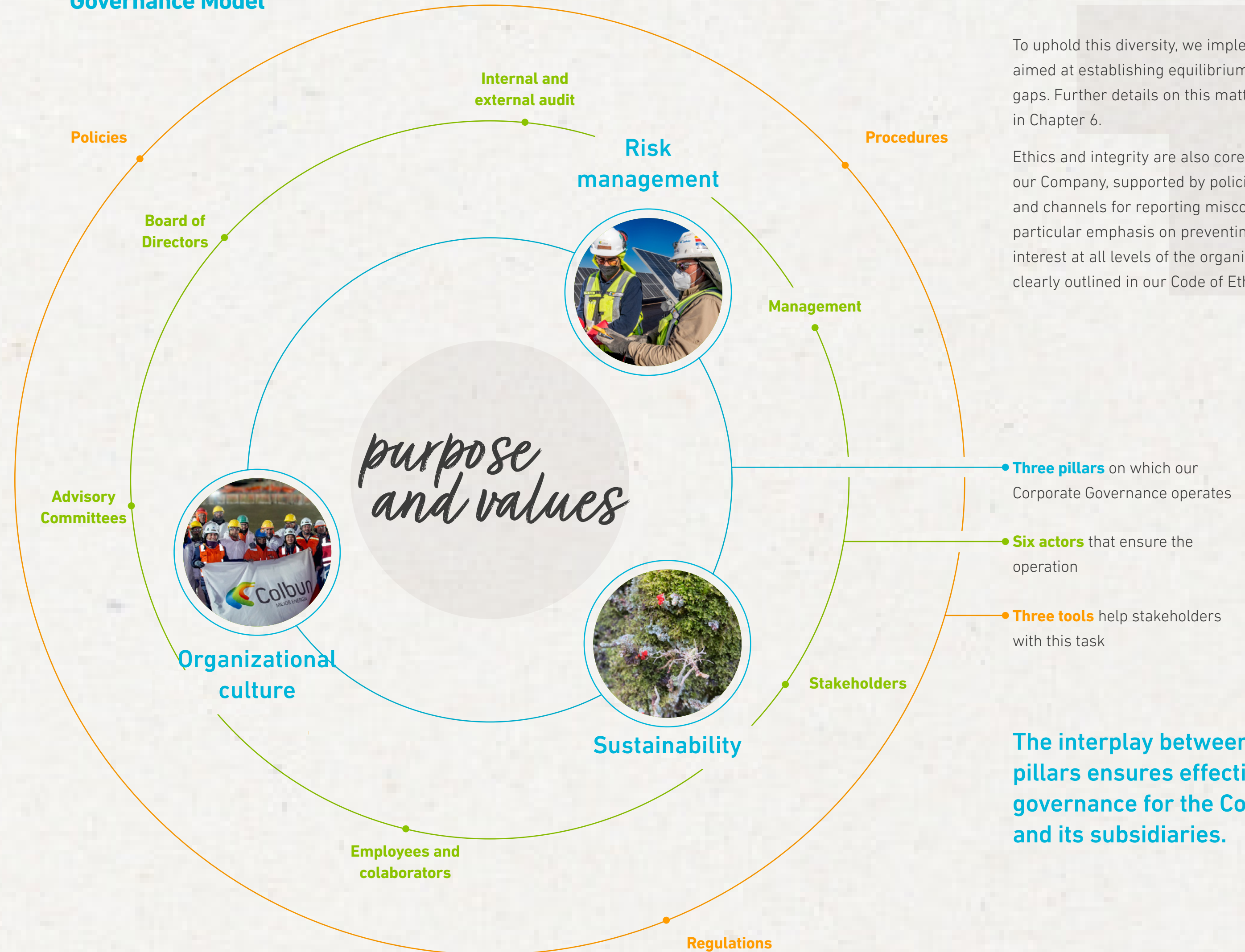
All corporate policies and procedures are accessible on the Colbunpedia portal, which is available to all employees. New policies or updates are proposed by Senior Management, led by the CEO, and then presented to the Board of Directors for approval.

This governance framework, bolstered by a revamped strategy in 2023, ensures the comprehensive promotion of innovation, delineating aspects of corporate governance, focus areas, and measurement criteria. Colbun's entire business strategy is geared towards expediting the transition to a carbon-neutral and more sustainable economy. This involves integrating new renewable technologies and cultivating more sustainable and efficient

processes, businesses, and solutions to meet both current and future customer demands. This approach is founded on the Company's expertise and capabilities.

To ensure a diverse range of skills, backgrounds, experiences, and perspectives within the organization, we have policies guiding the implementation of strategies to identify and mitigate potential organizational, social, or cultural barriers. Moreover, we cultivate an inclusive and respectful organizational culture that honors the uniqueness of each individual, upholds human rights, and champions diversity in terms of race, gender, age, disability, marital status, family responsibilities, affiliation, religion, political beliefs, nationality, sexual orientation, and social origin.

### Corporate Governance Model



To uphold this diversity, we implement measures aimed at establishing equilibrium and bridging gaps. Further details on this matter can be found in Chapter 6.

Ethics and integrity are also core principles within our Company, supported by policies, procedures, and channels for reporting misconduct. We place particular emphasis on preventing conflicts of interest at all levels of the organization, a facet clearly outlined in our Code of Ethics.

More [here](#)

**The interplay between the pillars ensures effective governance for the Company and its subsidiaries.**

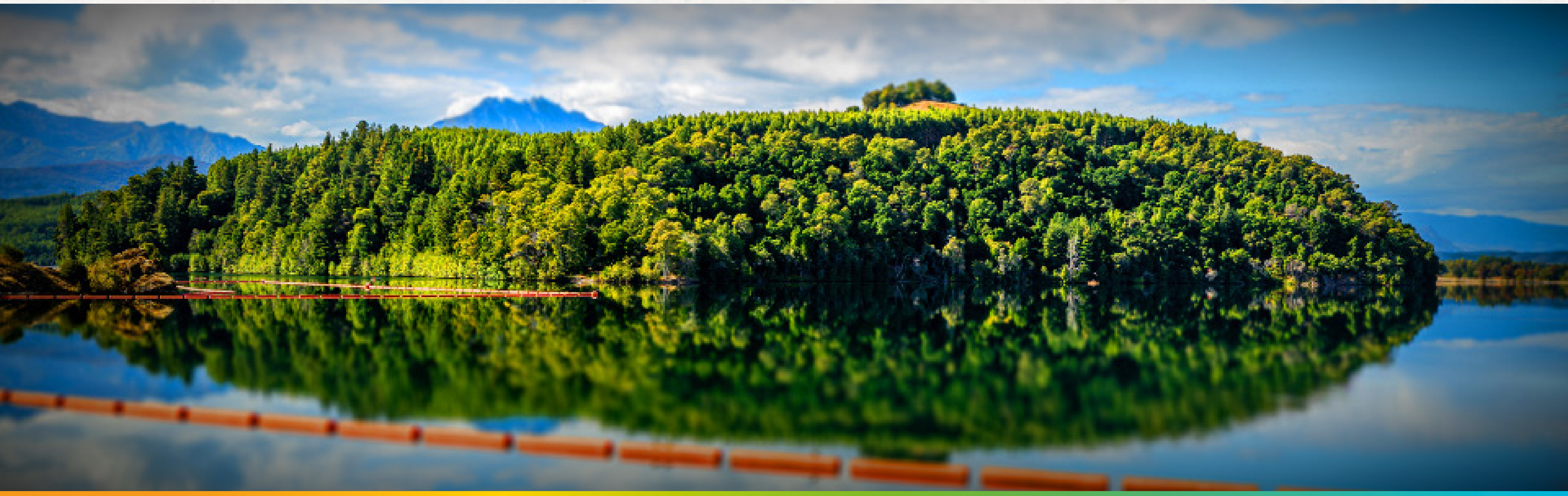
## Commitment to Human Rights

Colbun and Fenix reaffirm our commitment to the United Nations Guiding Principles on Business and Human Rights, serving as the cornerstone of our engagements with employees, contractors, communities, customers, and all other stakeholders. We advocate for a proactive and systematic approach to identifying impacts in this realm, with all findings reported to the Board of Directors.

## Sustainability in Colbun

In our Company, sustainability is a cross-cutting pillar for the activities we undertake, so all challenges and advancements in this regard are regularly reviewed by the Board of Directors.

Our purpose – **"We transform energy, in balance with the planet, to fuel your projects and dreams"**– embodies an inclusive approach to stakeholders, fostering opportunities for their advancement. This entails gaining a deep understanding of their needs, aligning with their challenges and objectives, actively engaging with them, and fostering enduring relationships.





# Ownership STRUCTURE

## Shareholders

[NCG 461 2.3.1, 2.3.2, 2.3.3, 2.3.4.i, 2.3.4.iii.c, 2.3.5]

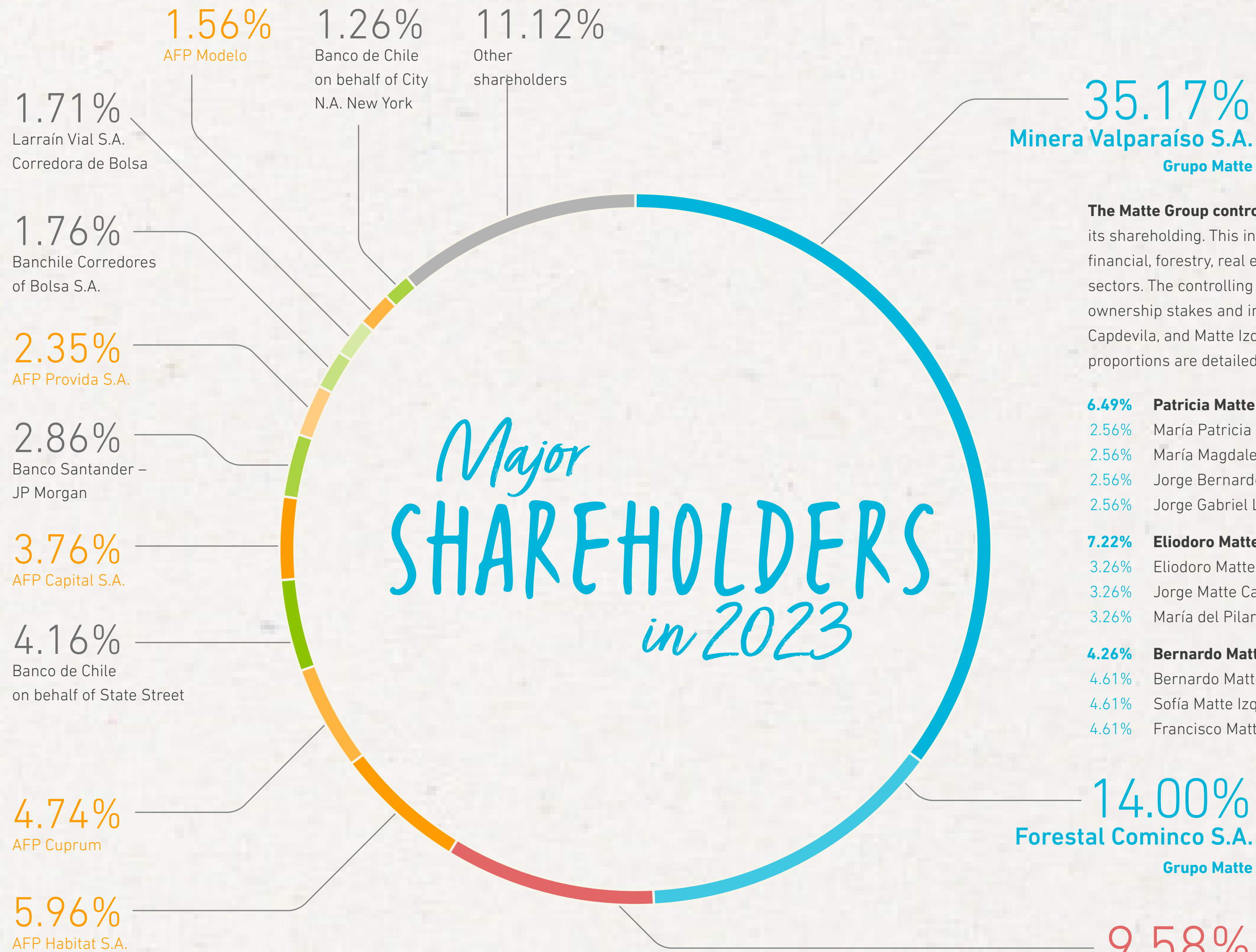
# 2,751

shareholders

As of December 31, 2023, the Company's capital stock comprised 17,536,167,720 single-series shares, subscribed and fully paid, with no par value.

The Company's control is **direct and is executed through a control and joint action agreement** formalized within the **Forestal O'Higgins** holding company, which encompasses Forestal Cominco S.A., Minera Valparaíso, and other entities. This agreement includes restrictions on the unrestricted transfer of shares.

There were no significant changes in ownership or control during the last fiscal year.



**18,38%**  
Pension Funds Administrator

**35.17%**  
**Minera Valparaíso S.A.**  
Grupo Matte

**The Matte Group controls the Company (50.01%)** through its shareholding. This investor operates across the electricity, financial, forestry, real estate, and telecommunications sectors. The controlling group members hold direct ownership stakes and include the Larraín Matte, Matte Capdevila, and Matte Izquierdo families, whose ownership proportions are detailed below:

- 6.49%** **Patricia Matte Larraín** (ID 4.333.299-6) and offspring
  - 2.56% María Patricia Larraín Matte (ID 9.000.338-0);
  - 2.56% María Magdalena Larraín Matte (ID 6.376.977-0);
  - 2.56% Jorge Bernardo Larraín Matte (ID 7.025.583-9), and
  - 2.56% Jorge Gabriel Larraín Matte (ID 10.031.620-K).
- 7.22%** **Eliodoro Matte Larraín** (ID 4.336.502-2), and offspring
  - 3.26% Eliodoro Matte Capdevila (ID 13.921.597-4);
  - 3.26% Jorge Matte Capdevila (ID 14.169.037-k), and
  - 3.26% María del Pilar Matte Capdevila (ID 15.959.356-8).
- 4.26%** **Bernardo Matte Larraín** (ID 6.598.728-7 and offspring
  - 4.61% Bernardo Matte Izquierdo (ID 15.637.711-2);
  - 4.61% Sofía Matte Izquierdo (ID 16.095.796-4), and
  - 4.61% Francisco Matte Izquierdo (ID 16.612.252-k).

**14.00%**  
**Forestal Cominco S.A.**  
Grupo Matte

Within the Angelini Group, it holds the position of the second-largest shareholder, enabling it to appoint a member to the Board of Directors with its 9.58% ownership stake.

# DIVIDEND Policy

[NCG 461 2.3.4.ii, 2.3.4.iii.a, 2.3.4.iii.b]

Article 79 of the Corporations Law stipulates that, unless otherwise approved by unanimous vote at the Ordinary Stockholders' Meeting, entities of this type must annually distribute at least 30% of the net income available for distribution to shareholders as a cash dividend, in proportion to their respective shareholdings, or in accordance with the provisions set forth in the bylaws if preferred shares are present. An exception is made when it is necessary to offset accumulated losses from previous years.

At the close of each fiscal year, the outstanding obligation to shareholders, net of any interim dividends approved during the year, is calculated and recorded in "Trade and other accounts payable, current" and "Accounts payable to related entities," as applicable, with a corresponding charge to Shareholders' Equity. Interim and final dividends are accounted for as a reduction in Shareholders' Equity upon approval by the relevant authority. Typically, interim dividends are approved by the Company's Board of Directors, whereas final dividends are approved by the Ordinary Shareholders' Meeting.

Colbun's shares are traded on the **Santiago Stock Exchange** and the **Electronic Stock Exchange**. In both exchanges the stock market presence is 100%.

## Colbun S.A. at the Santiago Stock Exchange.

Price (In CLP)		Stock market presence		Volume		Amounts traded	
Last year	Last (4Q 2023)	Last year (2023)	Last (4Q 2023)	Last year (2023)	Last (4Q 2023)	Last year (2023)	Last (4Q 2023)
<b>118</b>	<b>132</b>	<b>100%</b>	<b>100%</b>	<b>4,698,491,626</b>	<b>969,126,509</b>	<b>\$547,745,090,222</b>	<b>\$129,148,705,969</b>

## Dividends paid per share (\$)

	2018	2019	2020	2021	2022	2023
PROVISIONAL	3.26	4.07	3.42	11.49	4.10	8.4
DEFINITIVE	7.42	6.03	5.26	3.27	3.59	2.91
EVENTUAL	-	3.86	2.37	41.07	-	3.39
<b>TOTAL</b>	<b>10.68</b>	<b>13.97</b>	<b>11.05</b>	<b>55.83</b>	<b>7.7</b>	<b>14.7</b>

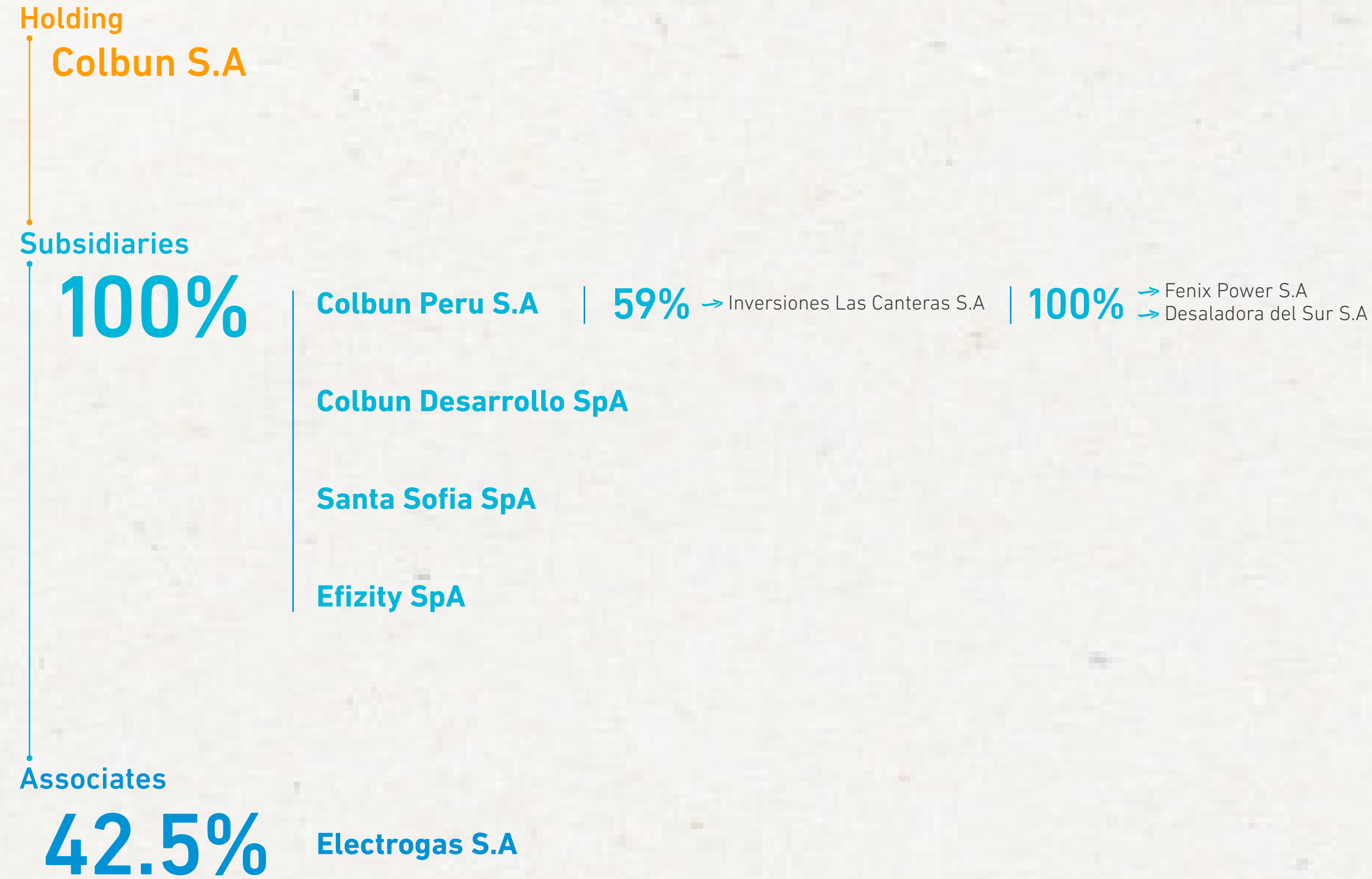
## Dividends paid

	2022	2023
	US\$73 million	US\$139 million
AMOUNT PAID FOR FINAL DIVIDENDS	Added to the interim dividend of US\$250 million distributed in 2021, corresponds to 59% of the distributable net income for the year 2021.	Added to the interim dividend of US\$84 million distributed in 2022, corresponds to 75% of the distributable net income for 2022.
AMOUNTS PAID FOR PROVISIONAL DIVIDENDS	US\$84 million Charged against 2022 earnings	US\$170 million Charged against 2023 earnings

Dividend Policy 50% of distributable net income for the year.

## Shareholding structure

[NCG 461 6.5.1.x]



### Subsidiaries Information

Ownership interest ratio in subsidiaries

Consolidated company	Country	Functional currency	ID	Direct	Indirect	Total 2022	Total 2023
Colbun Desarrollo SpA	Chile	Dollar	76.442.095-0	100	-	100	100
Santa Sofia SpA	Chile	Dollar	76.487.616-4	100	-	100	100
Colbun Peru S.A.	Chile	Dollar	0-E	100	-	100	100
Inversiones de las Canteras S.A.	Peru	Dollar	0-E	-	59	51	59
Fenix Power Peru S.A.	Peru	Dollar	0-E	-	59	51	59
Desaladora del Sur S.A.	Peru	Peruvian Sol	0-E	-	59	51	59
Efizity Ingeniería SpA	Chile	Chilean Peso	76.362.527-3	-	-	100	-
Efizity SpA	Chile	Chilean Peso	76.236.821-8	100	-	100	100
Efizity S.A.C	Peru	Peruvian Sol	0-E	-	-	100	-

# BOARD OF DIRECTORS

## About the Board

[NCG 461 3.7.iii, 3.7.iv] [GRI 2-10]

The nine members of the Board of Directors are appointed by the Shareholders' Meeting, serve for three years, are eligible for reelection indefinitely, and may or may not be shareholders. None of the directors hold executive positions in the Company. Two of the directors are independent.

### Process for electing the Board

#### Appointment and Selection

Any individual who manages their assets freely and is not subject to any of the conditions expressly indicated in Articles No. 35 and No. 36 of the Corporations Law may be nominated as a director of the Company.

#### Independent Directors

At least one independent director is appointed in accordance with Article 50 bis of the Corporations Law. To fulfill this requirement, proposals are accepted from shareholders holding 1% or more of the Company's shares, within the specified deadlines.

#### Requirements

- 1 Evaluation of the candidate's experience and professional background.
- 2 Declaration from the candidate confirming acceptance of their nomination and compliance with all legal requirements for the position, as well as disclosure of any contractual relationships.
- 3 Submission of a statement of contractual relationships.

#### Procedure

The Chief Executive Officer makes available to shareholders, through the Company's website, the information regarding the experience and professional background of the director candidates received up to two days before the Shareholders' Meeting. However, interested parties may still nominate candidates for directorship during the Shareholders' Meeting.

#### Voting

During the Shareholders' Meeting, shareholders cast their votes for each director candidate individually. The Company has implemented a remote participation mechanism, allowing shareholders to observe real-time proceedings and exercise their voting rights (via video approval by voice) simultaneously with shareholders present at the meeting.

## Members of the Board of Directors

[NCG 461 3.2.i] [GRI 2-9, 2-11]

2023



**1** **Hernán Rodríguez Wilson**  
**Chairman**  
7.051.490-7  
Reelection: 04/27/2023

Holds a degree in Civil Industrial Engineering from the Pontificia Universidad Católica de Chile and an MBA in Finance and International Business from the University of California, Los Angeles (UCLA). His career began at Empresas CMPC in 1987, where he worked in the Research Department on projects such as Celulosa del Pacífico and the acquisition of Química Estrella and the Tissue products plant. Later, he served as CFO. From 2004 to 2011, he held the positions of CEO at Forestal Mininco and CMPC. After 31 years at CMPC, he joined Colbun as a Director in August 2018, assuming the presidency in May 2019.

**2** **Bernardo Larraín Matte**  
**Vice Chairman**  
7.025.583-9  
Reelection: 04/27/2023

Graduated as a Business Administrator from the Pontificia Universidad Católica de Chile, obtained an MSC in Finance from the London School of Economics, and earned an MBA from Stanford University. He joined Colbun as CEO in 2005 and served as Chairman of the Board of Directors from April 2012 to May 2017. He also sits on the board of Minera Valparaiso S.A. From 2008 to 2016, he was a member of the board of directors of Icare. He served as Chairman of the Sociedad de Fomento Fabril (SOFOPA) from 2017 to 2021.

**3** **Vivianne Blanlot Soza**  
**Director**  
6.964.638-7  
Reelection: 27/04/2023

Graduated as a Business Administrator Commercial Engineer is a Business Administrator in Chile from the Pontificia Universidad Católica de Chile and holds a Master's degree in Applied Economics from the American University in the USA. She has been a Director of Colbun since 2012 and has been a member of the Council for Transparency since 2011. She serves as Director of Antofagasta Minerals and CMPC. Previously, she held positions such as Minister of National Defense, Executive Secretary of the National Energy Commission, and Executive Director of the National Environmental Commission. She has also served on the boards of Universidad de Santiago and Banco del Estado and was a director of EMOS.

**4** **María Emilia Correa Pérez**  
**Independent Director**  
21.667.056-6  
Reelection: 27/04/2023

Lawyer from the Universidad de Los Andes in Bogotá and holds a Master's degree in Sociology from the New School for Social Research. Recognized as a leader in sustainability and entrepreneurship in Latin America and internationally, she is a co-founder of Sistema B and an investor in Empresas B. She sits on the boards of Grupo Córpora, Crepes&Waffles, and Fundación Bancolombia. Among her accolades are the Women Leaders in the Environment Award and being named one of the 100 Women Leaders in Chile in 2013. She was chosen as one of the 30 most recognized intellectuals in Ibero-America by ESG GLOBAL in 2017 and became a 2019 Fellow of Harvard University's Advanced Leadership Initiative.



## Members of the Board of Directors

[NCG 461 3.2.i] [GRI 2-9]

2023



### 5 Marcela Angulo González Independent Director

7.804.559-0  
Reelection: 27/04/2023

Holds a Civil Engineering degree and a PhD in Environmental Sciences from the Universidad de Concepción, bringing over 20 years of experience in sustainability, innovation, and technology transfer. Previously, she served as the CTO Capacities at Corfo and Vice President of the board of directors of the public sanitation company, Econssa. She held corporate positions such as Manager of Sustainability at AngloAmerican and Manager of Environment and Energy at Fundación Chile. Currently, she serves as the director of the Santiago branch of the Universidad de Concepción, the president of the Board of Directors of the Centro de Formación Técnica Lota-Arauco, and a director of the sanitation company Suralis.

### 6 Juan Carlos Altmann Martin Director

11.807.905-1  
Reelection: 27/04/2023

He is a Civil Industrial Engineer from the Pontificia Universidad Católica de Chile, with an MBA from Michigan Ross and executive education studies at Harvard and Stanford. Previously, he held positions as a partner at McKinsey & Company, CEO of the South America and Caribbean division of LATAM Airlines Group, and CEO of Inmobiliaria Aconcagua. He has extensive experience serving on boards of directors in Chile, Argentina, Paraguay, and the United States. Currently, he serves as a director of Bicecorp, Bicevida, Banco Bice, and Americar in Chile.

### 7 Rodrigo Donoso Munita Director

15.363.942-6  
Reelection: 27/04/2023

He holds a degree in Business Administration from the Universidad de Los Andes and an MBA from the University of Berkeley, Haas. He has worked in various roles including vice president of M&A in the energy sector at Santander Investment, manager of Desarrollo de Puertos y Logística S.A., and executive director of Inversiones Portoseguro SpA. He has served as a director of Compañía Industrial El Volcán S.A., Puertos y Logística S.A., BICECORP S.A., Banco Bice S.A., and Bice Vida Compañía de Seguros S.A.

### 8 Francisco Matte Izquierdo Director

16.612.252-K  
Reelection: 27/04/2023

Lawyer from the Pontificia Universidad Católica de Chile and Strategy and Development Manager at Forestal O'Higgins. He holds an MBA from Chicago Booth.

### 9 Franco Bozzalla Trabucco Director\*

7.748.803-0  
Election: 10/31/2023

A Civil Industrial Engineer from the Pontificia Universidad Católica de Chile, specializing in Mechanics. His career began in 1990 at Arauco, where he held various positions including Vice President of the pulp and energy business and was responsible for Environmental Management. He served as Vice President of Celulosa Arauco y Constitución S.A. until September 2023 and was a director of Abastible S.A. for ten years.

\*Jaime Maluk Valencia served as a member of Colbun's Board of Directors until October 31, 2023, being replaced by Franco Bozzalla Trabucco. Although Franco Bozzalla Trabucco meets the requirements to be declared an independent director under Chilean and international standards, he will be officially considered as an independent director once his candidacy is ratified at the Ordinary Shareholders' Meeting in April 2024.



## Skills matrix

[NCG 461 3.2.iv]

	1 Hernán Rodríguez Wilson	2 Bernardo Larraín Matte	3 Vivianne Blanlot Soza	4 María Emilia Correa Pérez	5 Marcela Angulo González	6 Juan Carlos Altmann Martin	7 Rodrigo Donoso Munita	8 Francisco Matte Izquierdo	9 Franco Bozzalla Trabucco	* Jaime Maluk Valencia
Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Energy Sector Expertise	✓	✓	✓		✓		✓		✓	✓
Accounting, Economics, and Finance	✓					✓	✓	✓		✓
Corporate Governance and Compliance	✓	✓		✓		✓				
Risk Management	✓					✓	✓	✓	✓	
Innovation and Digital Transformation					✓	✓			✓	
Cybersecurity										
Environmental Awareness		✓	✓	✓	✓				✓	
Social Responsibility		✓	✓	✓	✓					

## Participation in Other Boards

Directors serving on the  
boards of other publicly traded  
companies have served four  
terms or fewer.

GTD, Pasur,  
Telsur, BICE

BICE, Pasur, CMPC,  
Forestal O'Higgins, Minera  
Valparaíso, Constructora  
and Comercial del  
Pacífico Sur

Antofagasta  
Minerals

Grupo Córpora y  
Fundación Bancolombia

Suralis, CFT  
Lota-Arauco

Bice, Bicevida,  
Bicecorp, Americar

Volcán

Ecoterra

Metrogas

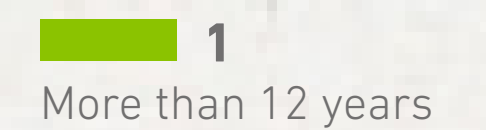
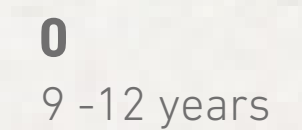
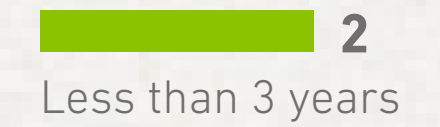
(\*) He served as a director  
until October 31, 2023.



## Seniority

[NCG 461 3.2.xiii.d]

Men Women



**4.1** Average years of  
seniority

## Role of the Board of Directors

[GRI 2-12, 2-13]

The Board of Directors plays a crucial role in formulating and overseeing the Company's strategy, in collaboration with management. Its mission involves meeting fiduciary expectations, establishing a unifying purpose for the organization, and upholding high management standards across all levels. Annually, it validates the Corporate Objectives for Management.

This body monitors risks and impacts related to various stakeholders in its monthly meetings and in the sessions of the Sustainability and Regulation Committee, which includes the President, Vice-President, and select directors. The committee ensures the integration of good social, environmental, and governance practices throughout the business and regulatory compliance. The Risk Committee, comprising the Chairman of the Board, the CEO, and senior executives, oversees human rights due diligence.

The management of impacts is also delegated to specific areas, such as Sustainability and Environment Management, Corporate Affairs Management, People Management, and Procurement Management, with support from Legal Management and Internal Audit Management. Corporate Risk Management plays a vital role in monitoring human rights risks and implementing controls.

## Functioning

[NCG 461 3.2.x]

Our Board of Directors convenes regularly, meeting once a month to address all pertinent matters concerning the Company's performance and advancement. Additionally, it convenes on an ad hoc basis when specific or contingency matters arise.

The average attendance at Board meetings in 2023 was 96%, with an average minimum time commitment of 20 hours per month, encompassing preparation for and participation in Board and Advisory Committee meetings.

## Time dedicated to the Board of Directors in 2023

**12**  
ordinary  
meetings

**6**  
extraordinary  
sessions

**20** average monthly hours

minimum time of dedication  
face-to-face and remote

**5** calendar days

advance notice to be given for  
the meetings and information to  
be sent out

## Average attendance

MEMBER OF THE BOARD OF DIRECTORS	2022	2023
Hernán Rodríguez Wilson	100%	100%
Bernardo Larraín Matte	100%	93.7%
Juan Carlos Altmann Martín	100%	100%
Marcela Angulo González	100%	100%
Vivianne Blanlot Soza	77.7%	100%
María Emilia Correa Pérez	94.4%	75%
Rodrigo Donoso Munita	100%	100%
Jaime Maluk Valencia (*)	100%	100%
Francisco Matte Izquierdo	94.4%	87%
Franco Bozzalla Trabucco (**)	n/a	100%
<b>Average group attendance</b>	<b>94%</b>	<b>96%</b>
<b>Chairman's average attendance</b>	<b>100%</b>	<b>100%</b>

(\*) Left the Board on October 31<sup>st</sup>, 2023

(\*\*) Joined the Board on October 31<sup>st</sup>, 2023



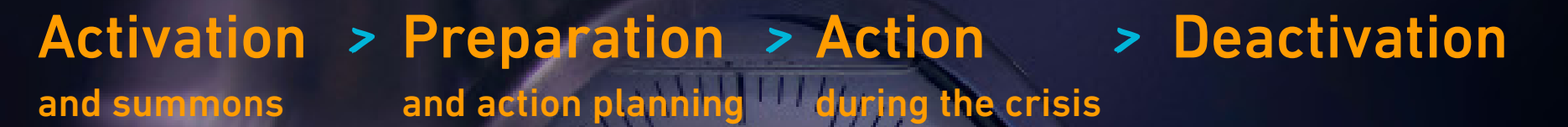
## Crisis Scenario

[NCG 461 3.2.xi]

**We have a Corporate Crisis Management Plan designed to address emergency situations, aiming to control incidents and mitigate potential consequences.**

According to the plan, two teams have been established: the Alert Assessment Team, consisting of six members from various management areas, and the Crisis Committee, led by the CEO and comprising both permanent and non-permanent members, all senior executives of the Company. During high-level events (level 4 alert), the Board of Directors assumes active leadership roles.

The plan is structured into four main stages:



## Information and Registration System

[NCG 461 3.2.xii.a, 3.2.xii.b, 3.2.xii.d]

The Board of Directors employs an Information System that enables remote, secure, and continuous access to information regarding Board and Committee meetings. Through this system, members can access the Monthly Board Report, meeting agendas, meeting minutes, and finalized texts of each minute, along with other pertinent documents. Minutes are made available in the system on the Thursday preceding each meeting, allowing directors to submit comments via email to the Secretary of the Board of Directors or directly on the minutes uploaded to the CONVENE system (online platform). This platform contains information dating back to March 2021, and each minute is accessible for review 45 days after the reported meeting.

## Facility Visits

[NCG 461 3.2.viii]

Colbun's Board of Directors conducts at least annual visits to the Company's facilities, either collectively or individually.

In May 2023, members convened twice in Antofagasta and visited the Horizonte Wind Project. In June, accompanied by Colbun's senior executives, the Board visited the facilities of the National Electric Coordinator in Santiago.

## Induction, Knowledge, and Evaluation

[NCG 461 3.2.v, 3.2.ix, 3.2.ix.a, 3.2.ix.b] [GRI 2-17, 2-18]

Per Colbun's Corporate Governance Code, the induction of new directors is overseen by the CEO, who provides information on current industry regulations, internal documentation, and the operating environment.

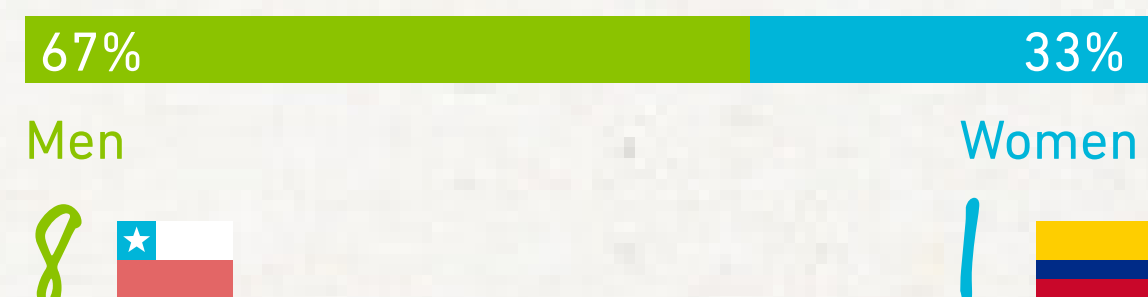
Regarding performance evaluation, the Board of Directors conducts an annual self-assessment survey covering various topics and areas of the collective body and its advisory committees. Conclusions and subsequent measures resulting from this process are deliberated by the Directors.

As of now, the Board has opted not to engage an external advisor for this procedure.

In 2023, training sessions were held for the Board of Directors covering topics such as Artificial Intelligence and the new Law 21.595 on Economic and Environmental Crimes.

## Board of Director's Composition

[NCG 461 3.2.xiii.a, 3.2.xiii.b, 3.2.xiii.c, 3.2.xiii.e]z



→ 1 between 30 and 50 years

→ There are no members of the Board with disabilities

→ 8 older than 50 years

Colbun has consistently had one of the highest proportions of female directors among IPSA companies, with three out of nine directors being female.

## Remuneration of the Board

[NCG 461 3.2.ii, 3.2.xiii.f, 3.3.iii] [GRI 2-19, 2-20]

The compensation for directors is determined at the Shareholders' Meeting and is equally distributed among all directors, except for the Chairman, who receives double the amount.

Members of the Directors' Committee receive an additional fixed monthly remuneration of 50 UF ( Unidades de Fomento - CLP readjustability index). At Colbun, there is no gender-based salary gap on the Board of Directors, as all remuneration is equal for both men and women.

The compensation is established through a comparative analysis of director remuneration in publicly traded corporations in Chile.

Fixed income is associated with compensation for meeting and committee attendance, while variable income is linked to activities incurring representation expenses, travel expenses, and other stipends.

MEMBER OF THE BOARD	2022 INCOMES (MUS\$)				2023 INCOMES (MUS\$)			
	FIXED INCOME	VARIABLE INCOME	DIRECTORS COMMITTEE	TOTAL	FIXED INCOME	VARIABLE INCOME	DIRECTORS COMMITTEE	TOTAL
Hernán Rodríguez Wilson	129	305	-	434	154	328	-	482
Vivianne Blanlot Soza	67	153	-	220	77	164	-	241
María Emilia Correa Pérez	67	153	22	242	77	164	25	266
Rodrigo Donoso Munita	67	153	22	242	77	164	25	266
Bernardo Larraín Matte	67	153	-	220	77	164	-	151
Andrés Lehuedé Bromley	34	77	-	111	-	82	-	82
Francisco Matte Izquierdo	6	12	-	18	77	13	-	90
Bernardo Matte Larraín	61	134	-	195	-	151	-	151
Marcela Angulo González	67	153	22	242	77	164	25	266
Juan Carlos Altmann Marín	67	158	-	225	77	164	-	241
Jaime Maluk Valencia	34	75	-	109	65	82	-	147
Franco Bozzalla Trabucco	-	-	-	-	12	-	-	12
<b>TOTAL</b>	<b>666</b>	<b>1,526</b>	<b>66</b>	<b>2,258</b>	<b>770</b>	<b>1,640</b>	<b>75</b>	<b>2,485</b>

## Policy for Hiring Consultants

[NCG 461 3.2.iii]

The engagement of consultants follows the guidelines outlined in the Corporate Governance Code, which specifies that both the Board of Directors and its Committees may enlist the services of consultants when deemed necessary and upon request by a majority of current members. Reports produced by consultants are circulated to all members.

# ADVISORY COMMITTEES

## to the Board

[NCG 461 3.3.i, 3.3.ii, 3.3.iv, 3.3.v] [GRI 2-9]

**Our Board of Directors has three committees that advise it on different matters. These are:**

### Directors' Committee

**Integrated by three directors, two of whom must be independent from the controller.** It meets monthly and extraordinarily when required. Ten meetings were held during 2023.

**Function:**

- The committee's role includes reviewing Financial Statements, related party transactions, executive compensation and remuneration plans, as well as evaluating the work of external auditors.
- All matters addressed by the committee are presented to the Board of Directors through summary minutes following each committee meeting.

**Members:**

- 2023: Rodrigo Donoso Munita, María Emilia Correa (independent director) and Marcela Angulo (independent director).
- 2022: Rodrigo Donoso Munita, María Emilia Correa (independent director) and Marcela Angulo (independent director).

**Expenses:**

During 2023, the Directors' Committee did not engage external advisors or incur expenses beyond the remuneration of its members, which amounted to 50 UF per month for each.

**Management:**

External auditors attend both the Directors' Committee and the Board of Directors twice a year to present audit results as of June 30 and December 31.

However, the committee does not hold meetings with units responsible for Risk Management, Internal Audit, Social Responsibility, or their equivalent functions. Nevertheless, these units engage regularly with other committees and the full Board of Directors.

For a detailed overview of the committee's management in 2023, please refer to the Annexes section, page X.

### Director's Committee

**This committee is integrated by the Chairman and the Vice Chairman,** convene every two weeks with the Chief Executive Officer in attendance. Occasionally, other directors and executive officers join depending on the agenda. Discussions at these meetings are summarized and presented to the full Board of Directors monthly.

**Function:**

- Oversee the implementation of the Company's strategic agenda, contingent matters, human resources policies and guidelines, and succession planning. Many issues have a sustainability component, such as water use in reservoirs, community relations, environmental standards, and reports on these are subsequently presented to the Board.

**Participation on the Board of Directors is not compensated.**

**Members:**

- 2023: Hernán Rodríguez Wilson y Bernardo Larraín Matte.
- 2022: Hernán Rodríguez Wilson y Bernardo Larraín Matte.

### Corporate Committee Structure Review

In 2023, a review was conducted to clarify the roles within the existing structure of the Corporate Committees, including the Management Committees. Secondly, the aim was to assess the functionality of these oversight bodies in alignment with the Company's updated strategy. The outcome of this review was the revision and implementation of an updated committee structure, effective as of March 2024.

### Ethics and Audit Committee

**The Committee is integrated by the Chairman of the Board of Directors and two independent directors.** The Internal Audit Manager serves as the secretary. Regular meetings are held every three months, with reports submitted to the Board of Directors accordingly. Additionally, the committee convenes as needed for extraordinary meetings.

**Función:**

- Its primary function is to oversee Internal Audit operations, manage the Company's whistleblower channel, and ensure compliance with Law No. 20,393 on Crime Prevention. The Chairman of the Ethics and Audit Committee presents key matters to the Board of Directors quarterly.

**Members:**

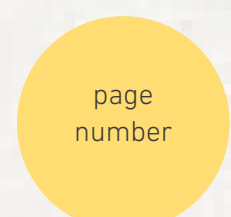
- 2023: Hernán Rodríguez Wilson, María Emilia Correa (independent director), and Marcela Angulo (independent director).
- 2022: Hernán Rodríguez Wilson, María Emilia Correa (independent director), and Marcela Angulo (independent director).

**Participation in the Ethics and Audit Committee is not compensated.**

**Management:**

In 2023, the Audit Committee convened five times, primarily focusing on reviewing the internal audit plan, overseeing the whistleblower channel, and ensuring compliance with the crime prevention model mandated by Law No. 20,393. The Chairman of the Ethics and Audit Committee presented the key issues addressed to the Board of Directors on a quarterly basis.

**Directors are briefed on complaints received and managed by the Audit Committee, overseen by the Chairman of the Board, who has access to the dedicated online system.**



# MANAGEMENT

## Management Introduction

[NCG 461 3.4.i]

Our Senior Management team is integrated by the Chief Executive Officer and their direct reports, along with the Internal Audit Manager, who reports directly to the Board of Directors through the Ethics and Audit Committee. All members of this team are part of the Company's Managers Committee.

### Management Committee

#### 1 José Ignacio Escobar Troncoso

Chief Executive Officer

ID 13.332.998

Industrial Civil Engineer,  
Pontificia Universidad Católica

Appointes: May 2022

#### 2 Juan Eduardo Vásquez Moya

Chief Energy Officer

ID 7.868.160-8

Electric Civil Engineer,  
Universidad de Chile

Appointed: October 2021(\*)

#### 3 Sebastián Moraga Zúñiga

Chief Development Officer

ID 12.026.836-8

Business Administrator,  
Universidad Adolfo Ibáñez

Appointed: January 2023 (\*\*)

#### 4 Miguel Alarcón Villegas

Chief Financial and  
Administration Officer

ID 14.030.223-6

Business Administrator,  
Universidad Adolfo Ibáñez

Appointed: January 2023

#### 5 Juan Elías Salinas Ulloa

Chief Commercial Officer

ID 10.104.329-0

Electric Civil Engineer,  
Universidad de Chile

Appointed: October 2022

#### 6 Pedro Vial Lyon

Corporate Affairs Manager

ID: 7.034.342-8

Lawyer,  
Pontificia Universidad Católica

Appointed: January 2022 (\*\*\*)

#### 7 Heinz Müller Court

Chief Olanification, Innovation  
and New Business Officer

ID: 16.212.408-0

Industrial Civil Engineer,  
Pontificia Universidad Católica

Appointed: octubre 2021 (\*\*\*\*)

#### 8 Heraldo Álvarez Arenas

Chief Internal Audit Officer

ID: 12.369.371-K

Certified Public Accountant,  
Universidad de Talca

Appointed: August 2015

#### 9 Paula Martínez Osorio

Chief Organization and People Officer

ID: 14.449.738-4

Psychologist,  
Universidad Diego Portales

Appointed: January 2014

#### 10 Eduardo Lauer Rodríguez

Chief Engineering and Project Officer

ID: 6.994.492-2

Mechanical Civil Engineer,  
Fachhochschule de München (Alemania)

Appointed: November 2010

#### 11 Rodrigo Pérez Stieповic

Chief Legal Officer

ID: 10.313.675-K

Lawyer,  
Pontificia Universidad Católica

Appointed: Decmber 2007

#### 12 Daniel Gordon Adam

Chief Sustainable and Environment  
Officer

ID 8.866.967-3

Industrial Civil Engineer,  
Pontificia Universidad Católica

Appointed: January 2023 (\*\*\*\*)

#### 13 Juan Miguel Cayo Mata

Fenix Power Chief Executive Officer

DNI:07817313

Economist,  
Universidad Católica de Perú

Appointed: December 2015

\* Joined as Business and Energy Management Manager in July 2008.

\*\* Appointed as Finance and Administration Manager in April 2014.

\*\*\* Departed from Management in March 2024.

\*\*\*\* Appointed as Innovation and Development Manager in October 2021.

\*\*\*\*\* Established the Environment and Sustainability Management and assumed the role of Manager in September 2018.



## Executive Compensation

[NCG 461 3.4.ii, 3.4.iii] [GRI 2-19, 2-20]

The fixed and variable components of senior executives' compensation undergo annual review and validation by the Directors' Committee before receiving ratification by the Board of Directors.



To maintain competitive compensation, we regularly benchmark our salaries against industry standards, ensuring that each employee is fairly compensated based on their skills and experience, both internally and externally. Our compensation structure adheres to an internationally recognized scale (HAY scale). While specialized compensation consultants provide market studies and benefit analyses, they do not participate in determining remuneration.

At Colbun, employee compensation, including that of the Chief Executive Officer and executives, consists of a fixed component and a variable component linked to a performance bonus. For 2023, as defined by the Board of Directors, this bonus incorporates various criteria, including financial performance indicators (20%), operational results (10%), progress on the Strategic Agenda (30%), which encompasses areas like renewable energy growth and new business ventures, customer and stakeholder perception indicators (20%), accident rates (10%), and socio-environmental management indicators, such as advancements in our Environmental Footprint goals.

Severance packages are applied uniformly to all Company employees with indefinite-term contracts. The criteria dictate a monthly salary equivalent for each year of service, with no cap on years or remuneration.

Colbun does not offer retirement plans as part of our benefits package. However, various collective bargaining agreements include enhanced severance payments for employees who resign from the Company and reach legal retirement age. In 2023, five employees availed themselves of this benefit.

### Total Compensation of Key Executives in Chile and Peru

					
		2022	2023	2022	2023
<b>COMPENSATION (US\$)</b>	FIXED	2,602,676	3,175,056	1,148,942	1,414,188
	VARIABLE	3,161,018	2,610,770	394,705	491,723
<b>SEVERANCE (US\$)</b>	FIXED	585,020	133,609	0	0
	VARIABLE	0	0	0	0
<b>TOTAL</b>		<b>6,348,714</b>	<b>5,919,435</b>	<b>1,543,647</b>	<b>1,905,911</b>

There are no restrictions on stock ownership as a multiple of annual base salary within our Company. However, executives are subject to regulations prohibiting share trading during certain periods to prevent insider trading.

**Additionally, an Information Management Manual ensures compliance with Financial Market Commission (CMF for its Spanish acronym) regulations governing the acquisition or sale of Company shares by executives.**

## Management Advisory Committees

[NCG 461 3.2.vi, 3.2.vii]

The Company has management advisory committees to address complex, multidimensional matters that fall under management responsibility and may impact various dimensions of the business. These committees integrate perspectives from both management and the board of directors, fostering deliberation, analysis, and discussion.

### Regulation and Sustainability Committee

In the sustainability realm, this committee oversees the comprehensive integration of sound social, environmental, and corporate governance practices across different business areas. Meeting quarterly, it comprises the board chairman, vice-chairman, and a board-nominated director, two of whom are independent of the controller. Attendees include the CEO, organization and people manager, corporate affairs manager, sustainability and environment manager, with the sustainability deputy manager serving as secretary.

Regarding regulation, the committee supervises the identification of necessary modernizations or adjustments to regulatory and institutional frameworks within the sector. It also monitors legislative changes, regulations, and decrees impacting sector development. Meeting every two months, it includes the chairman, vice-chairman, and a board-nominated director, with two independent members. Attendees feature the CEO, engineering and projects manager, legal manager, finance and administration manager, and the regulatory manager as secretary.

**Starting in 2024, this committee will operate as two independent entities.**

### Risk Committee

Meeting bi-monthly, this committee identifies, quantifies, monitors, and communicates the Company's risks. Comprised of the CEO, senior executives, and the board chairman, it is supported by the Risk Management Manager as secretary.

Other directors may also participate as necessary. The CEO reports these matters to the board for discussion and analysis, occasionally involving additional executive team members.

### Projects and Growth Options Committee

This committee oversees the Company's portfolio of growth options, monitoring their development and execution. Meeting monthly, it provides recommendations and observations presented by the CEO at board meetings.

## Executive Committees

### Manager's Committee

This committee convenes weekly, enabling top executives to share progress updates on plans, actions, and strategies within their respective areas.

### Information Security Committee

The Information Security Committee is tasked with overseeing the Company's information security processes, ensuring the availability of adequate resources and access for continuous monitoring. It convenes quarterly.

### Tax Committee

Meeting at least quarterly, this committee supervises and monitors the Company's tax matters and associated risks.

# RISK *management*

## Corporate Risk Management Model

[NCG 461 3.6.i, 3.6.v, 3.6.vi]

At Colbun, we employ a robust risk management model designed to identify potential challenges to the Company's objectives, as outlined in our Corporate Risk Management Manual.

The design and methodological implementation of this model fall under the purview of Corporate Risk and Processes Management, while Internal Audit Management ensures its effectiveness and adherence to defined policies and processes.

Our risk management approach encompasses both strategic risks that threaten sustainability and those that may impact our operations and future projects, including physical and transition risks.

### Key aspects of our risk management include:

#### Comprehensive and Proactive Approach

We adopt a proactive stance towards risk management, encompassing identification, evaluation, mitigation, and ongoing monitoring of risks across various facets of our operations, from plant planning and operation to energy marketing and financial management.

#### Principles and Best Practices

Our model is anchored in internationally recognized standards such as ISO 31000:2018 and guidelines from regulatory bodies in the Chilean energy industry. We have established a governance framework and organizational structures tailored to the risk landscape, with clear roles, responsibilities, and a pervasive culture of risk awareness and management at all organizational levels.

#### Business Continuity and Asset Protection

In addition to safeguarding operational activities, we prioritize maximizing business opportunities and ensuring compliance with regulatory and legal obligations.

### Our model implements three key actions for effective risk management:

- 1 **Each management discipline engages in contextualizing the risk matrix updating the inventory, giving priority to risks according to their severity.**
- 2 **Risk controls, with an emphasis on technical and economic feasibility, before entering into force.**
- 3 **Internal Audit Management collaborates with external experts to verify the implementation, effectiveness, and quality of controls, ensuring comprehensive quality assurance.**

At Colbun, risk management is ingrained as **an integral and proactive discipline, involving the entire organization in safeguarding our interests and promoting sustainable growth.**

## Risk Governance

[NCG 461 3.6.i, 3.6.iv]

Colbun ensures that the management of risks is a dynamic and controlled process, supporting decision-making across the Company's various levels.

The primary governing body in this regard is the Risk Committee, consisting of the Chief Executive Officer, the Chief Financial and Administrative Officer, and three appointed directors who attend bi-monthly meetings based on the agenda. All significant matters and decisions made by this committee are brought to the Board of Directors for awareness and, where necessary, approval.

**The framework for risk management is delineated in three key documents:**

### Risk Management Policy

This document provides actionable guidelines for the Risk Committee and Company executives. It undergoes review by the Board of Directors and is approved by the Chief Executive Officer before being published and disseminated through Colbunpedia.

### Corporate Risk Matrix

This matrix establishes the criteria for evaluating the outcomes of risk analysis, incorporating parameters to assess the level of consequence or severity for each risk. After review by the Board of Directors and approval by the CEO, it becomes part of the MAC009 Corporate Risk Management Manual, which is published and shared via Colbunpedia.

### Risk Appetite Framework

This framework defines acceptable levels of risk and outlines action guidelines for each, based on the relationship between probability and severity/consequence. While it serves as a reference for the entire organization by decision of the Board of Directors and the Risk Committee, it can be adapted to specific risk disciplines, such as Climate Change or Human Rights. Nonetheless, it establishes the fundamental structure that all specific risk models must adhere to.



### First Line of Defense

Management possesses the necessary information to effectively manage risks based on their prioritization of relevance, employing various specialized assessment and management methods across assets, environment, occupational health and safety, and community relations. Additionally, adaptable tools are incorporated to address less structured risks, ensuring a comprehensive approach.



### Second Line of Defense

This level supports the first line by implementing policies, matrices, methodologies, and a streamlined risk management process to ensure compliance with the established model parameters. It offers guidance and assistance in identifying and assessing risks and contributes to process transparency and accountability within the organization.



### Third Line of Defense

Responsible for conducting an independent and objective evaluation of controls established in the second stage to ascertain their adequacy. Led by Internal Audit Management, this line may require coordination with Process, Risk, Insurance, and SGI Management to ensure thorough assessment and validation.



## Risks and Opportunities

[NCG 461 3.6.ii.a, 3.6.iii] [GRI 201-2]

We employ the Operational Risk Assessment Manual (MAC010) to identify and evaluate risks to our assets, ensuring the health of our assets and providing criteria for evaluation and prioritization of risks.

Additionally, the Environmental Management Manual (MAC006) addresses environmental risks from pre-project phases to operation, incorporating specific criteria for assessment, treatment, and incident management.

Our Occupational Health and Safety Management is structured in the Preventive Safety Tools Manual (MAC005), which outlines classifications, action plans, and incident management procedures.

Community engagement, integral to environmental management, is outlined in the Community and Society Manual (MAC001), which establishes an effective model for community engagement, incorporating incident management methodologies and controls.

These systems and risks are integrated into the Zyght Corporate Platform for streamlined information management.

Furthermore, in response to environmental and sustainability imperatives, risk management systems have been developed for areas such as climate change and human rights due diligence.

Our risk catalog considers the primary challenges and threats facing our Company, drawing on our experience, industry benchmarks, and trend analysis from relevant literature and publications.

### Risk Categories

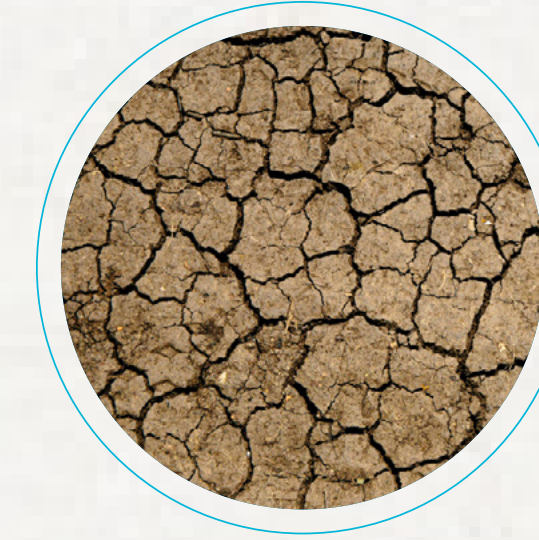
- **Human Rights**
- **Strategic**
- **Growth**
- **Clients**
- **Financial**
- **Operational**
- **Exchange Rate**
- **Culture and Governance**
- **Compliance**

**The following are the risks associated with climate change, information security, antitrust, health and safety, environmental and social risks. A complete detail of the risks can be reviewed in the Annexes section.**

## Climate Risks

[NCG 461 3.6.ii.a, 3.6.ii.e]

Climate change poses strategic risks to Colbun, necessitating a comprehensive assessment of our current situation. We utilized the Climate-related Financial Disclosure Model by the Task Force on Climate-related Financial Disclosures (TCFD) to conduct this analysis. Our approach encompasses two primary categories of risks:



### Physical Risks

- **Acute risks**  
Arising from intense climatic events.
- **Chronic risks**  
Resulting from long-term changes in climatic conditions



### Transition risks

- These risks impact economic agents in a decarbonized economy and include.
- **Political and Legal**
  - **Technological**
  - **Market**
  - **Reputational**

At Colbun, we have implemented time horizons aligned with recommendations from the Taskforce on Nature-related Financial Disclosures (TNFD), spanning short, medium, and long-term periods. These horizons are referenced to 2023, 2025, and 2030, respectively.

**This strategic approach enables us to pinpoint risks and opportunities associated with climate change across various business areas and operations.**

## Physical risks

RISK	TYPE	ANALYSIS
Increase average temperatures	Chronic	Thermal discomfort for people and impact on infrastructure and the supply chain due to the increase in average temperature.
Increase sea level	Chronic	Affecting infrastructure or constructions located near the coast of Peru that could compromise the safety of people, infrastructure and service.
Increase in duration of sea waves	Acute	Heat waves can affect people, energy transmission and power plant efficiency.
Decrease in water availability	Chronic	Hydrological droughts can cause a decrease in water availability, impacting hydroelectric power generation and affecting the water resource for cooling thermal power plants.
Solar radiation	Chronic	Changes in solar radiation patterns impacting energy generation and cost, as well as affecting human health.
Change in wind resource availability	Acute	A possible decrease in air speed would affect wind energy generation, as well as its distribution and cost of energy. On the other hand, an increase in average air speed would allow an increase in wind energy generation.

## Transition risks and opportunities

RISK	TYPE	ANALYSIS
Approval of carbon taxes	Legal	The increasing amount of climate change regulations presents a risk that Colbun may not be able to meet current and future regulations regarding emissions reductions and increased carbon tax costs. The possibility of using offsets to meet obligations is contemplated, but the rules have yet to be established. In addition, our plan to grow our business based on renewable energy will mean that this tax will have less weight going forward.
Decommissioning of coal-fired power plants	Legal	Our Company could face challenges in complying with future regulations derived from Chile's Long-Term Climate Strategy. This strategy seeks to achieve greenhouse gas (GHG) emissions neutrality by 2050, with specific targets for the period 2020-2030. As part of the private sector, we have commitments to eliminate the use of coal at our facilities by 2040, and the goal of being carbon neutral by 2050, in line with agreements signed with the Ministry of Energy. Failure to meet these commitments could result in reputational pressure on the Company, driving the need to improve its environmental performance. The future of the thermoelectric plant is evaluated to the extent that the system has the conditions that allow it to do so without compromising the security of the national electricity system.
CO <sub>2</sub> emission standards for thermal power plants	Legal	Increased costs to comply with new CO <sub>2</sub> and local gas emission limit regulations.
Increasing electrification	Market	Electricity generation needs due to the increase in electric vehicles.
Reputational pressure on companies to improve their environmental performance.	Reputational	Reputational impact from not applying sustainability targets that are aligned with population demand, norm or laws of the country.
Growing demand for renewable energy	Market	There is a growing demand for certified renewable energy to meet greenhouse gas emission reduction targets within companies. Colbun's customers are prioritizing electricity from renewable sources. New technologies or advances on technologies already used by Colbun (green hydrogen, storage, distributed generation, solar and wind technologies) will need to be considered.
Revision of insurance costs to reflect climate risks	Market / Legal	Extreme weather events may reduce the availability of our facilities, generating insured losses and possible increases in premiums in the future.
International litigation related to energy with energy companies	Legal	Higher costs for the organization and negative view of the Company by investors and the general public.

The complete results of this analysis are available in the Annexes section.

## Cybersecurity risks

[NCG 461 3.6.ii.b]

At Colbun, we prioritize managing risks associated with Information and Communication Technologies (ICT), including cybersecurity, ensuring service continuity, and addressing insufficient levels of digitalization.

### Risks

#### Cybersecurity

Cyber-attacks or inadequate internal handling may lead to compromising corporate data, as well as that of collaborators and suppliers, impacting their integrity and potentially affecting system processes and availability.

#### Operational Disruptions

Information Technology and Operational systems are susceptible to service interruptions and data loss, posing risks to operational continuity.

#### Digitization Challenges

Inefficient processes and higher operational costs may result from inadequate digitization, including insufficient workflow coverage, systems integration, and adoption of new technologies.

Our Company is regulated in terms of information security and industrial cybersecurity by the National Electric Coordinator (CEN) and must comply with the NERC-CIP standard in its version adapted for Chile. In 2023, the CEN requested evidence of compliance progress from the Company on two occasions (July and December).

Colbun has an Information **Security and Cybersecurity Policy**, which is published on Colbun's website: [link](#).

Specific procedures are documented on the internal access portal (Intranet), available to all employees.

In 2023 we carried out an evaluation based on ISO 27001 (ISO 27002) controls, in which we obtained 86% compliance. The existing gap is being worked on to reach a better level in 2024.

The Redteam continuous service executes various gap and vulnerability analyses. Meanwhile, pentesting and ethical hacking exercises are mandatory requirements for the implementation of any new technological systems project.

On the administrative side, the IT infrastructure, systems and processes were audited by the consulting firm EY, whose report stated that no significant IT deficiencies were identified.

As part of the innovation in cybersecurity, at the end of 2023 we signed up in "early adoption" mode for the Microsoft Security Copilot platform, an artificial intelligence tool for detection, containment and eradication of cybersecurity incidents.

During 2023, there were no cybersecurity incidents that compromised Colbun's operations and information.

## Training on cybersecurity

Throughout 2023, we implemented a comprehensive digital security training and awareness program for our staff in Chile and Peru, encompassing various initiatives:

### Informative capsules

Monthly capsules were disseminated, providing digital security recommendations for both professional and personal use.

### e-learning courses

New employees were required to complete mandatory e-learning courses, while all employees had free access to courses covering basic and regulatory knowledge in digital security.

### Cybersecurity talk

In the second half of the year, both face-to-face and online sessions were conducted to address the topics outlined in the cybersecurity awareness plan.

### Phishing test

Regular tests were conducted to evaluate employee understanding and identify areas for improvement.

Furthermore, we emphasized the importance of reporting suspicious activities through our internal communication channels. Employees were encouraged to utilize the cybersecurity portal on our corporate intranet, which provides guidance on reporting phishing attempts and malicious emails.

## Cybersecurity Governance

Cybersecurity management is the responsibility of the Cybersecurity and Information Security Officer, while oversight is provided by the Risk Committee, with the presence of two directors. For more details, see Annexes to Chapter 2.

## Risks associated with economic performance

[NCG 461 3.6.ii.a]

This type of risk corresponds to those associated with Colbun's financial management and may have a direct impact on its operations and/or equity. They are:

### CAPITAL STRUCTURE AND ACCESS TO FINANCING

The debt-to-equity ratio and the balance between long-term and short-term debt may not adequately support financial flexibility and access to diverse funding sources, affecting the cost of debt.

### COMMODITIES

Unfavorable trends or price fluctuations in commodity markets, coupled with shortages of raw materials and natural resources.

### EXCHANGE RATES

Currency fluctuations of cash flows corresponding to investment revenues, costs and disbursements that are denominated in currencies other than the functional currency (U.S. dollar).

Accounting mismatch between assets and liabilities in the Statement of Financial Position denominated in currencies other than the functional currency.

### INTEREST RATE

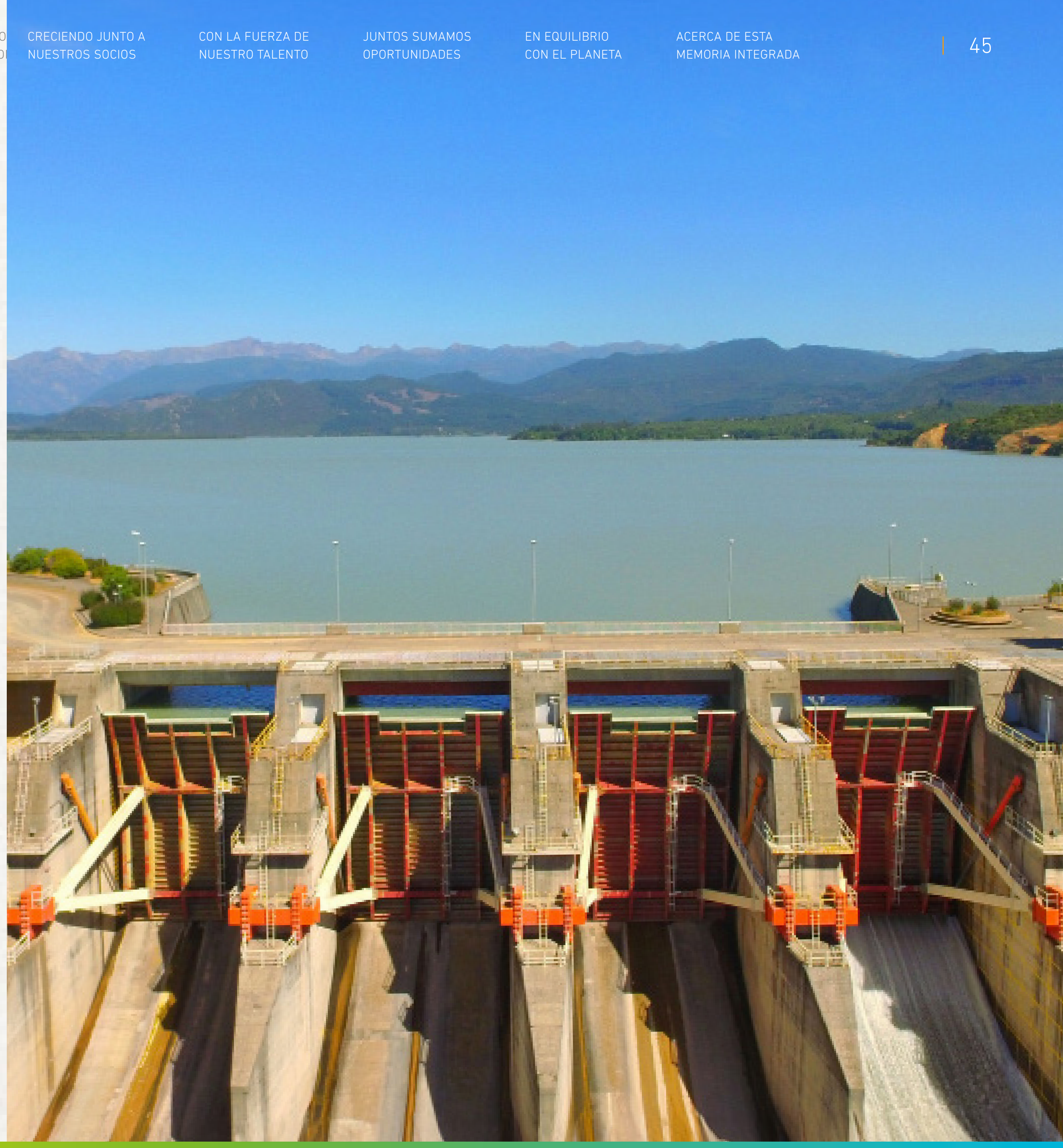
Changes in interest rates can impact the value of future cash flows tied to variable interest rates.

### LIQUIDITY

Insufficient funds to meet investment commitments, debt repayments, or operational expenses among others.

### CREDIT

The possibility of counterparties failing to fulfill contractual obligations poses a risk of economic or financial losses.



## Ethical and compliance risks

In Colbun we pay special attention to those risks that imply an inadequate integration of ethical principles within the Company's processes and activities, so we seek the development of an organizational culture of probity and compliance.

### Crime Prevention Model

[NCG 461 3.6.xiii, 8.1.5] [GRI 203-3]

In Chile, we operate under a robust Crime Prevention Model, mandated by Law No. 20,393 on the Criminal Liability of Legal Entities. This model aims to mitigate risks associated with various crimes, including bribery, money laundering, terrorism financing, corruption, and environmental violations.

Under this framework, we have established **internal and external regulations** overseen by a designated Crime Prevention Officer, in our case, the Internal Audit Manager appointed by the Board of Directors. Our model is certified by the independent firm ICR, ensuring compliance with legal standards until May 2024. Additionally, our commercial agreements with contractors and suppliers include clauses to enforce legal compliance in this regard.

In Peru, our subsidiary Fenix adheres to the Crime Prevention Model governed by Law No. 30,424 and its subsequent regulations. Throughout 2023, Fenix initiated the update of this model in response to the new offenses introduced by Law No. 31,740, which regulates the administrative liability of legal entities in criminal proceedings.

### Implementation of the New Law on Economic and Environmental Crimes

In late 2023, Chile enacted Law No. 21,595, outlining requirements for updating our Company's Crime Prevention Models. In response, we devised a comprehensive work plan, which was subsequently presented and approved by our Board of Directors. Implementation of this plan commenced in the latter half of 2023 and is currently underway.

### Free competition

[NCG 461 3.6.ii.c, 8.1.4] [GRI 206-1]

At Colbun, we uphold a Free Competition Policy endorsed by our Board of Directors, mandating strict adherence to principles of fair competition and prohibiting practices contrary to this ethos.

The risks identified in this area include aspects such as: price agreements, discounts and margins with competitors; marginal cost management through the delivery of untimely or incomplete information to the CEN; undue exclusivity clauses in agreements with unregulated customers; imposition of prices to suppliers, exchange of confidential business information with suppliers; exchange of information between executives and/or directors.

The prevention of these risks is carried out through constant training of the members of the organization and investigation of any complaints that may be made about this type of actions.

Throughout 2023, Colbun received no notifications of legal actions or proceedings related to Law No. 20,393 on Criminal Liability of Legal Companies, regulations associated with anti-corruption policies

and procedures. Nor was it notified of any sanction or proceeding related to unfair competition, monopolistic practices or against free competition. In addition, there is no current process in which Colbun S.A. has these categories. The absence of legal actions concerning unfair competition or monopolistic practices does not preclude the receipt of information requests from regulatory bodies such as the National Economic Prosecutor's Office (FNE), the Court of Free Competition (TDLC), and the National Electricity Coordinator (CEN). These requests may be made as part of ongoing investigation processes within their respective jurisdictions.

We remain committed to transparency and compliance, regularly conducting antitrust training sessions for employees, executives, and directors. Furthermore, our Free Competition Policy undergoes periodic reviews to ensure alignment with evolving regulatory standards and industry best practices.

During 2023 we were not part of any legal action, either pending or finalized, regarding unfair competition or monopolistic practices.

## Code of ethics and whistleblower channel

[NCG 461 3.2.xii.c, 3.6.vii, 3.6.ix, 5.5] [GRI 2-26, 205-3]

Our **Code of Ethics** outlines the purpose, values, principles, and practices that should govern the conduct and decision-making of employees, contractors, and suppliers across all Company operations, including subsidiaries and Board of Directors members in their roles. In Peru, Fenix's Code of Ethics mirrors that of Colbun, with oversight and approval of updates falling under Colbun's Board of Directors.

To facilitate the reporting of any potential breaches or violations, we maintain a **Whistleblower Channel** accessible to employees, shareholders, customers, suppliers, and others. This platform offers a secure and confidential avenue for reporting incidents related to breaches of our Code of Ethics and Conduct, Crime Prevention Model, policies and procedures, or any legal violations or human rights infringements contrary to Colbun's purpose and values.

Available 24/7, the Whistleblower Channel allows individuals to submit complaints anonymously and confidentially. It covers various issues impacting employee performance, including sexual harassment, workplace harassment, mistreatment, and discrimination.

All received complaints undergo a structured process, including stages such as Reception, Admissibility, Investigation, Proposal of Actions, and Reporting to the Ethics and Audit Committee or Board of Directors. Complaints can be categorized as internal if reported within the organization via the channel or other mechanisms, and external if filed with regulatory bodies or external organizations such as the Labor Department.

In 2023, our Chile operations received and investigated 29 complaints, with 18 relating to labor practices. Of these, 28 were successfully resolved, while one remains under investigation. Meanwhile, in Peru, a single complaint regarding a violation of internal regulations was received and promptly closed during the same period.

INDICATOR	COMPLAINTS 2023	
	CHILE	PERU
Corruption and bribery	1*	0
Discrimination	0	0
Harassment	13**	0
Privacy of customers data	0	0
Conflict of interest	4	0
Money laundering or insider trading	0	0
Other	11	1
<b>TOTAL</b>	<b>29</b>	<b>1</b>

Notes:

\* This complaint was not associated with Colbun's behavior, nor that of its suppliers, but was directed to an outside organization.

\*\* Of these 13 complaints, 1 was of sexual harassment and 12 of labor harassment (including in this category complaints of mistreatment).

## Outsourcing of the complaints platform

The outsourcing of the complaints platform stemmed from a direct mandate by the Board of Directors, aimed at enhancing transparency in complaint management. To achieve this, the hosting of the platform was outsourced to an independent third party, ensuring an impartial process. Moreover, redundancy in complaint reception was bolstered, allowing complaints to be received by both the Ethics Committee members and the Chairman of the Board of Directors. This initiative has been successfully implemented and is now fully operational.



## Conflicts of interest

[NCG 461 3.1.iii] [GRI 2-15]

At Colbun, maintaining consistency and transparency is paramount, particularly in navigating potential conflicts of interest.

Our Code of Ethics outlines conflicts of interest as situations where an employee utilizes their position or connections within the Company for personal gain or the benefit of others.

It's incumbent upon each employee to either avoid such conflicts or manage them effectively, notifying their direct supervisor and the Internal Audit Manager of any potential conflicts. Directors, in particular, are obligated to inform the Board of Directors and abstain from participating in related decision-making processes, as mandated by law.

In 2023, the Sworn Statement of Interests and Related Persons was once again administered to all Colbun employees and the Board of Directors, yielding an 89% response rate from the Board and 95% from employees, including those at Colbun Soluciones (Efizity). The results of this declaration were presented to the Ethics and Audit Committee, with the committee chair subsequently providing a summary to the Board of Directors.

## Consumer health and safety risks

[NCG 461 3.6.ii.d]

In the context of Colbun's operations as a power generation company within a competitive market, the scenario where consumers might encounter health and safety risks directly is largely mitigated. Regulated consumers are supplied downstream by distribution companies, reducing direct exposure to such risks. Unregulated customers typically consist of businesses or organizations that inherently face safety or occupational health hazards as part of their operations, rather than through interactions with Colbun's facilities. Interactions with individuals residing in areas affected by our operations or construction projects are viewed and assessed as community or social risks, ensuring thorough analysis and appropriate management approaches.

## Social and environmental risks

[NCG 461 3.6.ii.e]

Leveraging our Human Rights Policy, we initiated a due diligence process to evaluate risks and mitigate potential impacts on workers, contractors, suppliers, and neighboring communities.

This effort resulted in the creation of the initial Human Rights and Assigned Responsibilities Matrix for effective management, which is elaborated upon in Chapter 4 of this report.

## Emerging risks

At Colbun, we maintain a vigilant stance, continuously monitoring industry and societal trends to pinpoint emerging risks that may materialize in the near or medium term, contingent upon specific circumstances.

Our analysis highlights geopolitical, technological, and reputational risks, including armed conflicts leading to disruptions in logistics chains, solar storms, technological advancements such as artificial intelligence, and the proliferation of disinformation campaigns. Further elaboration on this analysis is available in the Annexes section.

## Dissemination and training on risks

[NCG 461 3.6.viii]

We leverage the Colbunpedia platform as a repository for documents pertaining to risk management and other pertinent topics. The creation or revision of documents is company-wide and reported at the organizational level to ensure their accessibility and relevance. We underscore the significance of longstanding documents such as the Environmental Management Manual and the Preventive Safety Tools Manual, alongside the Corporate Risk Management Manual and the Operational Risk Assessment Manual.

Risk Management, led by designated specialists, facilitates the continual identification and updating of risk inventories, including the strategic inventory, which is shared with the Risk Committee. Decisions stemming from these assessments are meticulously recorded in minutes entered into the "Convene" system.

Regarding policies, particularly the code of ethics, we assess the impact and solicit participation from the Change Management Sub-Management, collaborating closely with Risk Management to ensure the effective implementation of new processes or modifications in activities.



# COMPLIANCE

## Compliance with Customers

[NCG 461 8.1.1]

Our Company's interactions with customers are not governed by Law No. 19,496. Nonetheless, we implement contractual measures to safeguard customer rights, including confidentiality clauses within our agreements.

**In 2023, we did not incur any sanctions from regulatory agencies regarding this aspect.**

## Compliance with Employees

[NCG 461 8.1.2]

The Internal Rules of Order, Hygiene, and Safety serve as a framework outlining procedures for preventing and identifying non-compliance with regulations concerning workers' rights. Individuals have the option to lodge complaints with the Ethics Committee through a continuously accessible channel.

In July 2023, we released the Company's Human Rights Policy, reaffirming our unwavering dedication to upholding the human rights of all employees. This policy underscores our commitment to principles such as freedom of association, occupational health and safety, labor rights, opposition to forced and child labor, fostering an inclusive environment free from discrimination, and promoting respectful treatment.

Throughout 2023, our Company did not face any labor oversight actions.

## Compliance with the Environment

[NCG 461 8.1.3]

At Colbun, our environmental compliance model is structured around five key areas of focus:

**a) Fulfillment of Environmental Commitments, Obligations, and Permits**

**b) Response to Environmental Audits**

**c) Reporting**

**d) Environmental Management Planning**

**e) Supplier and Contractor Management**

Led by the Sustainability and Environment Management, environmental management involves collaboration across various departments within the Company, engaging personnel from both operational plants and ongoing projects. Environmental responsibilities are delegated to Environmental Managers within the Energy Management (GEN) for operating plants or wind farms, and the Engineering and Project Management (GIP) for projects under development. Additionally, we work closely with the Innovation and Public Affairs Departments to address environmental concerns.

A strategic environmental risk matrix, derived from Environmental Aspects and Impacts Matrices prepared by all facilities, is utilized to assess potential significant environmental impacts and strategic risks. This matrix not only evaluates threats to regulatory compliance but also considers risks to the reputation of the Company.

In Peru, environmental compliance at the Fenix Thermoelectric Power Plant follows a similar approach to our facilities in Chile. Detailed guidance is provided in the "Environmental Management Manual," an internal document outlining the Company's environmental management model and offering guidance on the aforementioned areas of focus.

## Audits to RCA and Sectorial Permits for all Facilities

The audit was initiated in response to a specific request from the Audit Committee. Its primary objective was to conduct a comprehensive review of Colbun's compliance with Environmental Qualification Resolutions (RCAs) and Sectorial Permits across all facilities within the given year. This request was diligently fulfilled, with a thorough examination of 100% of the RCAs and Sectorial Permits. The audit aimed to identify any potential risk scenarios that could impact the Company due to non-compliance with these permits and resolutions.

## Environmental Fines and Penalties Consolidated (Chile and Peru) 2023

	CHILE	PERU
Number of enforced sanctions from the Public Registry of Sanctions of the Superintendency of the Environment	0	1
Total number of fines	0	1
Total monetary value of fines (USD)	0	23,307
Number of compliance programs approved	0	0
Number of satisfactorily executed compliance programs	0	0
Number of environmental remediation plans submitted	0	0
Number of remediation plans for environmental damage satisfactorily executed	0	0
Cases submitted for litigation resolution	0	0

In November 2021, the Environmental Superintendency imposed a fine of 345 Annual Tax Units (file D-61-2021) on Colbun S.A. for minor violations at the Santa María power plant. However, this fine was appealed and subsequently annulled by the 3rd Environmental Court of Valdivia (Rol R-55-2022). The Environmental Court's decision to annul the fine was further challenged before the Supreme Court, and this appeal is currently pending.

In Peru, during 2023, a fine was paid for environmental non-compliance at the Fenix power plant. This fine was related to administrative faults in monitoring water quality and reporting solid waste in 2019. It's worth noting that these violations did not have negative impacts on the environment.



# *Pioneering a* SAFER FUTURE

3.1 The electrical industry 2023

3.2 Operational performance

# The ELECTRICAL industry 2023

## Evolution of the electricity system in Chile and Peru

[NCG 461 6.2.viii]



In recent decades, Chile's electricity system has experienced notable transformations, spurred by various factors including the diversification of the energy mix and the integration of renewable sources like solar and wind energy. This shift reflects a strategic imperative to ensure a dependable and sustainable electricity supply.

Aligned with its obligations under the **Paris Climate Agreement**, **Chile** has committed to a comprehensive decarbonization agenda and an accelerated transition to renewable energy sources. This entails not only increasing the share of renewables in the energy mix but also embracing innovative storage technologies, enhancing energy efficiency measures, and deploying smart transmission infrastructure.



Peru has experienced consistent growth in its installed power generation capacity, leveraging its abundant natural resources such as solar radiation along the coast and ample hydroelectric potential. The country aims to harness these resources to diversify its energy generation mix and diminish reliance on fossil fuels.

To achieve this goal, Peru has initiated numerous investment projects in both generation and transmission and distribution infrastructure. These efforts have led to expanded coverage across the country, enhancing accessibility to electricity for more communities. The Peruvian government has played a pivotal role in promoting these initiatives through various policy measures aimed at incentivizing investment and fostering sustainable energy development.

## Power generation in Chile and Peru



Electricity generation in Chile is notable for its diverse mix of sources, which includes hydroelectric, thermoelectric, solar, and wind technologies. These resources are distributed across an interconnected system that serves the majority of the country's energy needs.

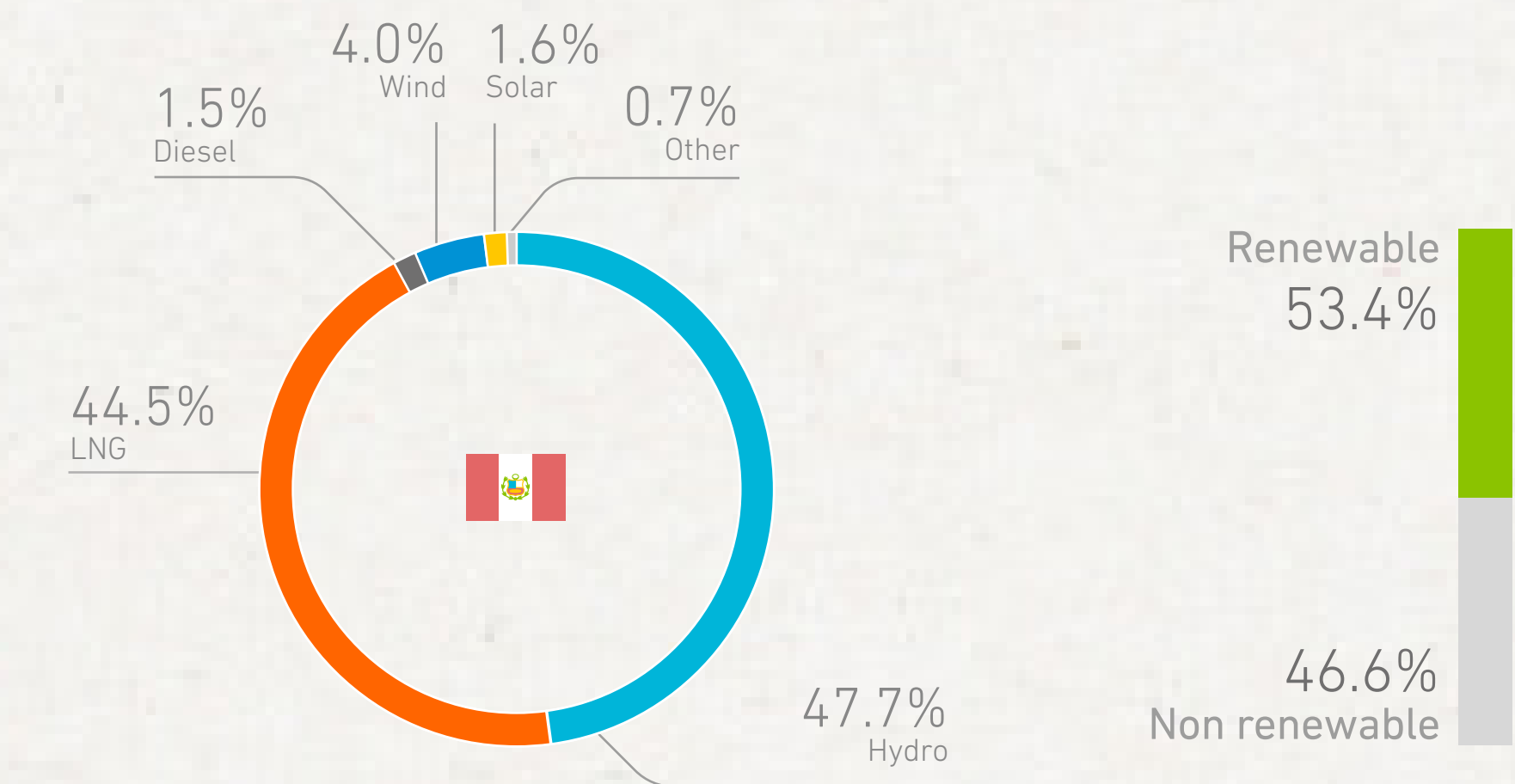
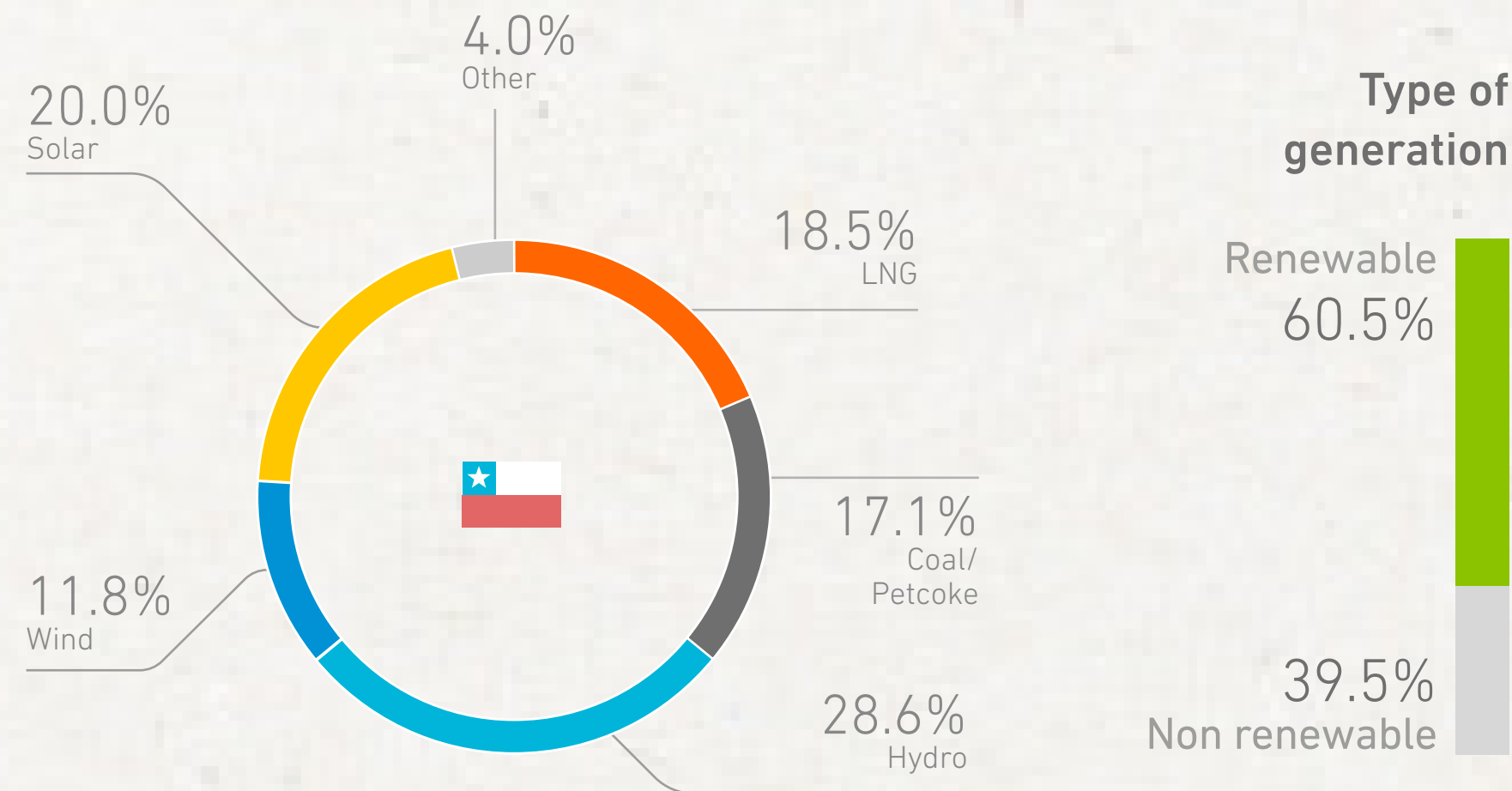


In contrast, electricity generation in Peru relies predominantly on hydroelectric and thermoelectric resources. However, there is a growing presence of renewable energy sources such as solar and wind. These renewables contribute to an interconnected system that effectively meets the national demand for electricity.

**In 2023, solar energy represented slightly over 20% of the total electricity production in Chile, signaling a significant milestone in the nation's dedication to sustainability and the transition towards renewable energy sources.**

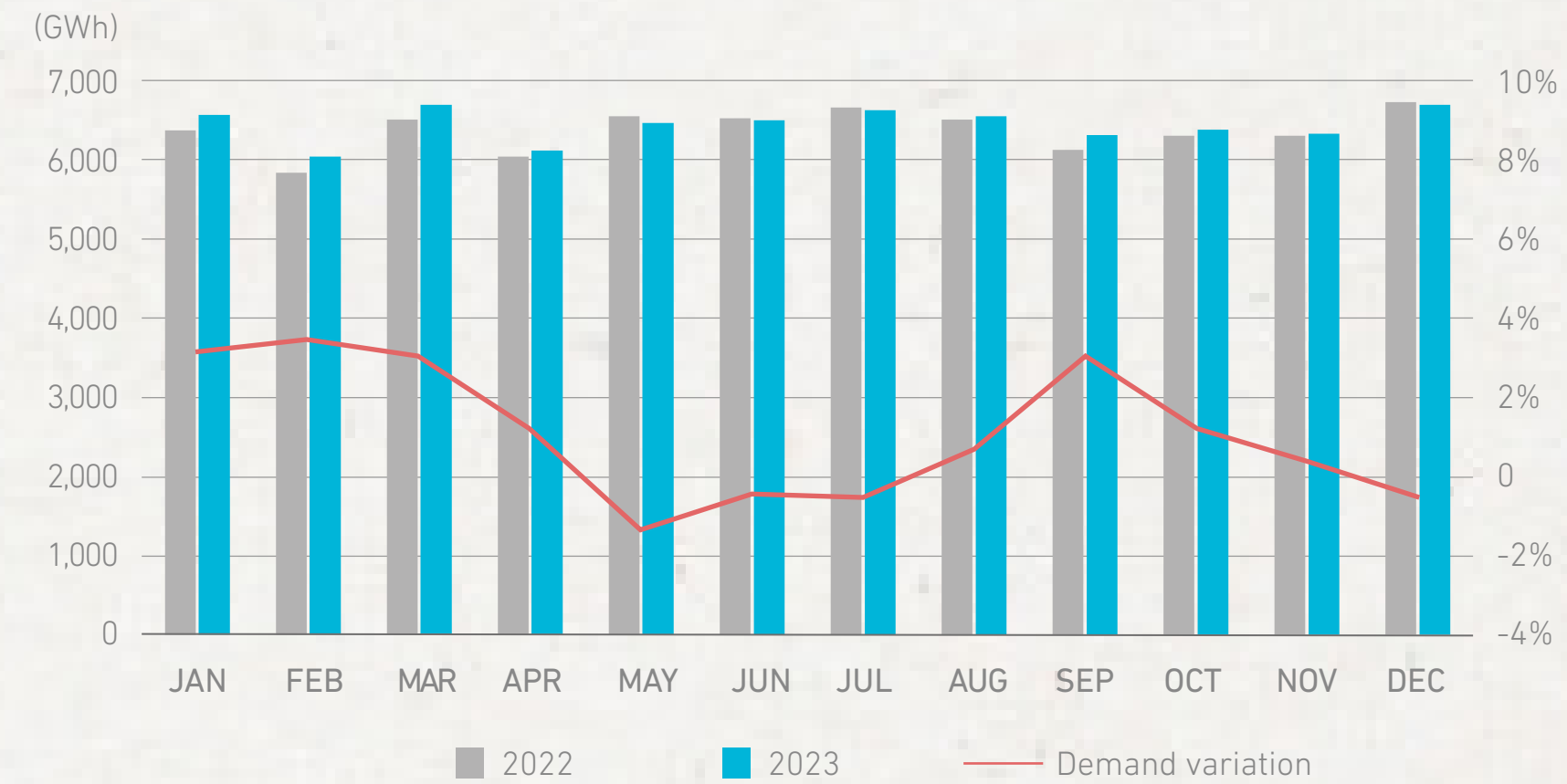
## Power generation by source in Chile and Peru

[SASB IF-EU-000.D] [GRI EU2]

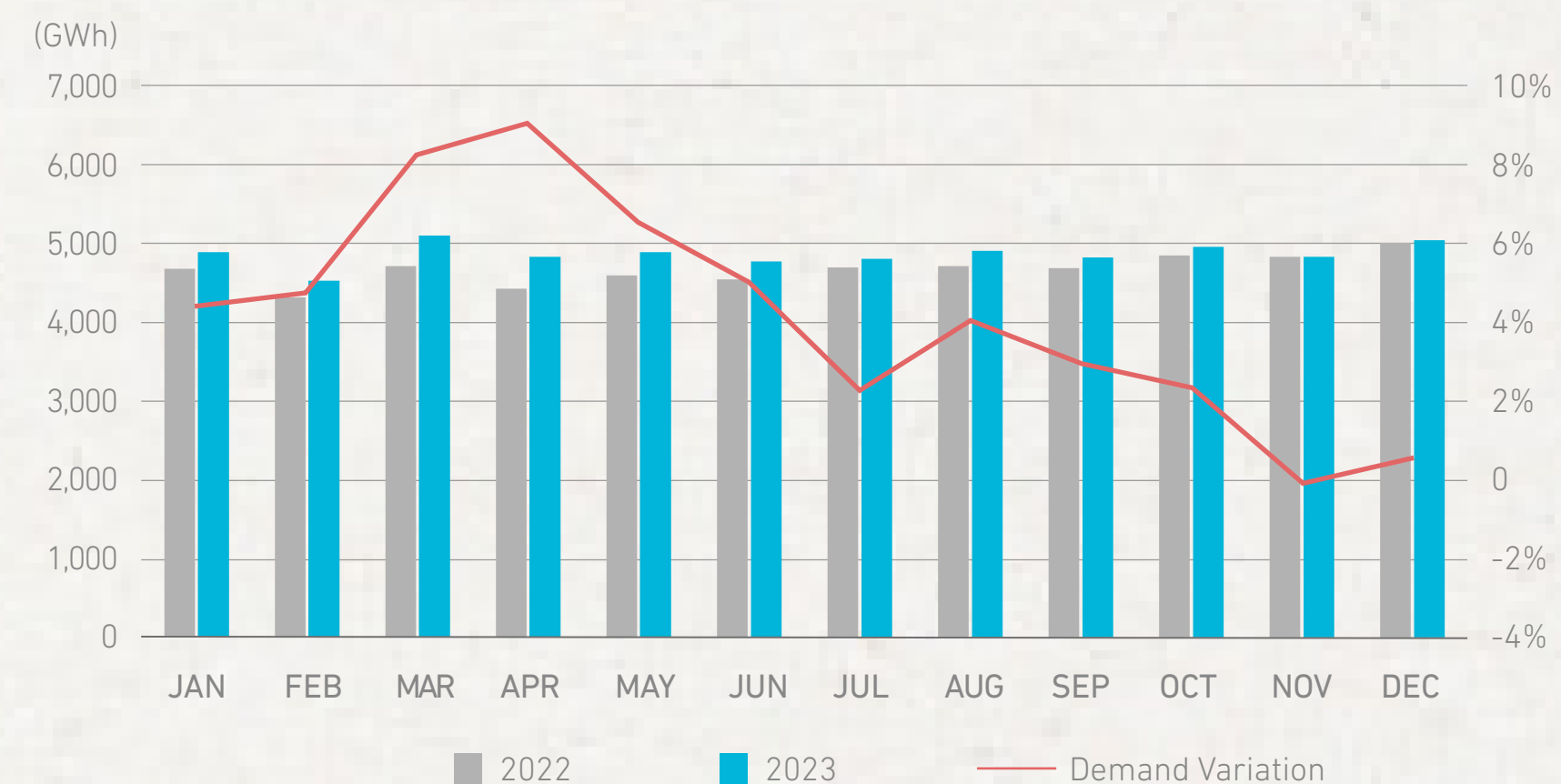


## Demand of the electricity system Chile and Peru

The demand for electricity in both Chile and Peru is propelled by economic expansion and population growth, with consumption reflecting an increasing requirement for energy across residential, commercial, and industrial sectors,



In 2023, there was a 1.5% decrease in electricity demand compared to the previous year, primarily attributed to the decline in the country's economic growth.

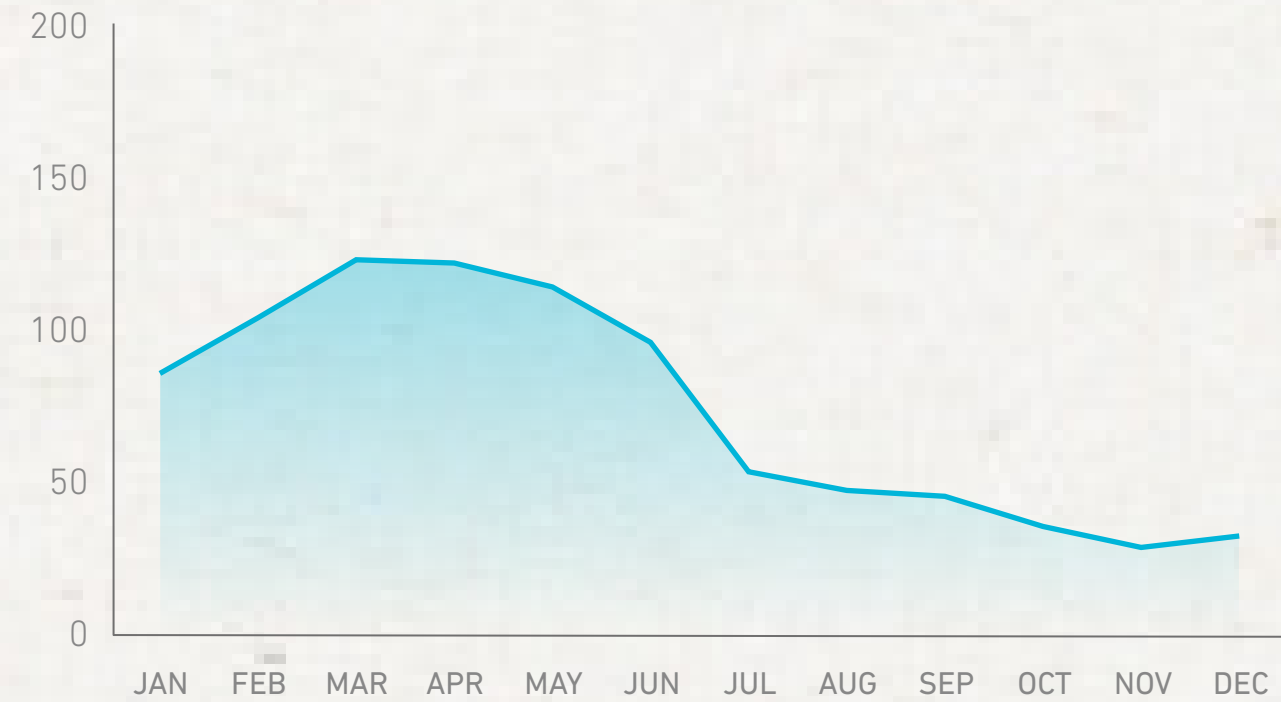


Conversely, electricity demand in 2023 saw a 1% increase, driven by heightened demand from the mining industry and the regulated segment.

## Marginal costs in Chile and Peru

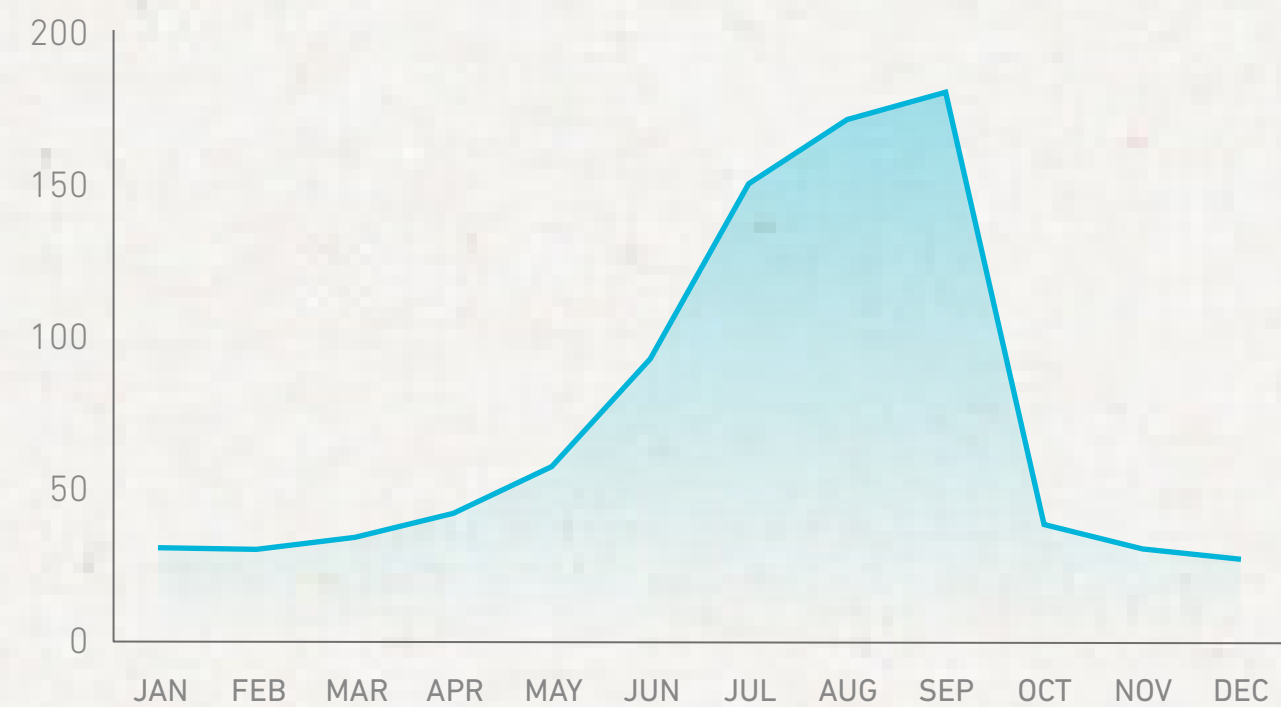
Marginal costs in the electricity system represent the expense of generating an additional MWh of electricity, fluctuating based on demand and the accessibility of generation sources. These costs play a crucial role in establishing prices within the electricity market.

**Marginal cost Chile**  
(US\$ / MWh)



In 2023, **average marginal costs decreased by 25% compared to the previous year**, mainly due to better hydrological conditions starting in June, and the drop in the price of fossil fuel costs compared to the previous year.

**Marginal cost Peru**  
(US\$ / MWh)



**Average marginal costs in 2023 increased by 96%**, mainly due to the drought observed during the same year, and the unavailability of both thermal and hydroelectric plants, especially during the third quarter.



## Entities with competencies in the energy sector

### Chile

<p><b>Ministry of Energy</b></p> <ul style="list-style-type: none"> <li>→ Public and Sector Policies</li> <li>→ Government Advisory</li> <li>→ Long-Term Planning</li> </ul>	<p><b>National Energy Commission (CNE)</b></p> <ul style="list-style-type: none"> <li>→ Rates</li> <li>→ Regulatory functions</li> <li>→ Expansion plans</li> <li>→ Government Advisory through the Ministry of Energy</li> </ul>	<p><b>Superintendency of Electricity and Fuels (SEC)</b></p> <ul style="list-style-type: none"> <li>→ Oversee Legal compliance</li> </ul>	<p><b>National Electrical Coordinator</b></p> <ul style="list-style-type: none"> <li>→ Coordination of system operations</li> <li>→ Economic dispatch</li> <li>→ Competition monitoring</li> </ul>	<p><b>Experts Panels</b></p> <ul style="list-style-type: none"> <li>→ Conflict resolution</li> </ul>	<p><b>Ministry of Environment</b></p> <ul style="list-style-type: none"> <li>→ Design and implementation of public and sectorial policies</li> <li>→ Government Advisory</li> <li>→ SEA: Environmental approval</li> <li>→ SMA: Oversee and monitor legal compliance</li> </ul>	<p><b>General Directorate of Water (DGA)</b></p> <ul style="list-style-type: none"> <li>→ Water rights/Project approval</li> <li>→ Control</li> <li>→ Water resource monitoring</li> <li>→ Operation of water user organization surveillance</li> </ul>
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### Peru

<p><b>Ministr of Energy and Mining</b></p> <ul style="list-style-type: none"> <li>→ Sector policies</li> <li>→ Housing titles</li> <li>→ Regulation</li> </ul>	<p><b>Energy and Mining Supervisory Agency (OSINERGMIN)</b></p> <ul style="list-style-type: none"> <li>→ Tariffs</li> <li>→ Regulatory function</li> <li>→ Dispute resolution</li> <li>→ Complaint handling</li> </ul>	<p><b>Environmental Assessment and Control Agency (OEFA)</b></p> <ul style="list-style-type: none"> <li>→ Legislation compliance</li> <li>→ Supervision</li> </ul>	<p><b>Economic Operatiom Committee of the National Interconected System</b></p> <ul style="list-style-type: none"> <li>→ Transmission Plan and SEIN procedures</li> <li>→ Coordination of the operation of the SEIN</li> </ul>	<p><b>National Institute for the Defense of Competition and Intellectual Property (INDECOPI)</b></p> <ul style="list-style-type: none"> <li>→ Free and fair competition</li> <li>→ Ex-ante merger control</li> </ul>	<p><b>National Water Authorities (ANA)</b></p> <ul style="list-style-type: none"> <li>→ Responsible for managing the country's water resources, including issuing licenses for water use</li> <li>→ Development of basin management plans and monitoring and enforcement of water regulations</li> </ul>
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## Regulatory changes in Chile and Peru in 2023

[NCG 461 6.1.iii]

### Chile

#### Initial Agenda for the Second Phase of Energy Transition

On **April 17, 2023**, the Ministry of Energy unveiled the "Initial Agenda for the Second Phase of Energy Transition," outlining a series of initiatives and specific actions designed to achieve the objectives outlined in the National Energy Policy. These initiatives are categorized into four main areas: promotion of energy storage, risk mitigation for suppliers, enhancement of operational flexibility, and overarching measures.

#### Green Hydrogen Action Plan 2023 - 2030

On **July 12, 2023**, the Ministry of Energy unveiled the "**Green Hydrogen Action Plan**," a collaborative effort aimed at charting the course for the hydrogen industry in Chile from 2023 to 2030, integrating economic growth with environmental stewardship.

The plan, comprising 111 measures across eight lines of action, underwent a public consultation process from **December 22, 2023**, to February 13, 2024.

#### Decarbonization Plan

On **September 13, 2023**, the Ministries of Energy and Environment introduced the Decarbonization Plan 2030, engaging with key stakeholders across three core areas: modernization of electricity infrastructure, conversion of thermoelectric plants, and ensuring a just transition. Colbún actively participated in these discussions, with the final session held on **January 25, 2024**.

By July 2024, the ministries, alongside technical advisors, aim to finalize the "Road Map" and propose a plan for review.

#### Short-term Market Design

In **late 2022**, the National Electricity Coordinator presented the "Hoja de Ruta para una Transición Energética Acelerada," outlining steps toward a 100% renewable electricity system and market. It emphasized the need to transition to a bid-based pricing mechanism, leading to a bidding process awarded to consulting firm ECCO International.

In **December 2023**, ECCO International submitted a preliminary report proposing modifications to Chile's market design, with the final report expected in March 2024.

#### Energy Transition Bill

On **July 11, 2023**, the Senate introduced the Energy Transition Bill, signaling Chile's commitment to achieving carbon neutrality by 2050 and stimulating local economies. The bill addresses three key areas:

- Modernizing the electricity sector to climate change
- Enhancing transmission infrastructure
- Encouraging competition and investment in energy storage

This initiative will continue to progress through 2024.

#### Preventive Electricity Rationing Decree

On **September 30, 2023**, the preventive rationing decree, which had been in effect since August 2021, expired due to the anticipated drought and the potential risk of electricity shortages. This marked the conclusion of measures implemented to mitigate the risk of power shortages.

The enforcement of this decree underscored the critical need to adapt to a constrained energy supply and to ensure the uninterrupted provision of electricity services.

#### Bill Regulating Seawater Desalination

On **October 4, 2023**, advancements were made regarding the Seawater Desalination Bill, aiming to enhance the initial draft from 2018 and the substitute amendment proposed in March 2022 under the government of Sebastián Piñera.

#### Power Transfer Regulation

The Ministry of Energy has chosen to concentrate the revisions to the power regulation (Supreme Decree No. 62) on acknowledging power generated from storage systems, aligning with the Storage Law of 2022.

As of **November 29, 2023**, the regulation is undergoing legal scrutiny by the Comptroller's Office.

#### Short Desalination Law

On **December 27, 2023**, Law No. 21,639 was enacted, amending DFL No. 850/1997 of the Ministry of Public Works. This amendment facilitates the development of water infrastructure and desalination projects through public concession systems, aiming to allocate water for subsistence and irrigation purposes.

# Peru

- ### Draft Bill on Wind Energy Canon

In **February 2023**, the Energy and Mines Commission received Ruling 18 proposing a wind energy canon equivalent to 50% of concessionary companies' Income Tax, based on Bills 2454/2021 and 2939/2022, pending debate in Congress.
- ### Amendment to Ensure Efficient Electricity Generation Development

On **June 9, 2023**, the Energy and Mines Commission approved Ruling to modify Law N°28.832. The amendments include regulating complementary service providers from 2026, energy block contracting, bids at various terms, a 10% variation limit in busbar prices set by OSINERGEMIN, and promoting renewable energies.
- ### Electromobility Legislation

On **June 14, 2023**, the Energy and Mines Commission approved Ruling 28 to promote electric and hybrid vehicles' use. The Ministry of Energy and Mines is tasked with developing policies for electromobility with economic incentives. The bill awaits discussion in the plenary and review by the Economy Commission.
- ### Massification of Natural Gas Bill

Ruling 15 was approved in Congress on **June 23, 2023**, to boost natural gas massification through distribution project promotion, a compensation mechanism for decentralized access, and creating a fuel inventories agency.

The President's notes on energy security, FISE financing, and administration led to a new review by the Energy and Mines Commission on **December 4, 2023**.
- ### Green Energy Use Legislation

Bill 6354/2023 was filed on **November 8, 2023**, to increase electricity generation and drive innovation in non-conventional renewable energies, awaiting review by relevant committees.
- ### Amendment to Electric Social Compensation Fund (FOSE) Procedure Rule

The FOSE regulations were modified on **December 23, 2023**, excluding certain entities and residential users with multiple supplies, with exceptions. OSINERGMIN is now responsible for tariff and transfer approvals, effective from January 2024.
- ### Regulation for Electric Mobility Charging Infrastructure Installation and Operation

Supreme Decree N° 036-2023-EM, effective **December 31, 2023**, regulates electric vehicle charging infrastructure installation and operation. It outlines safety, maintenance, and construction requirements for current and future infrastructure holders, with OSINERGMIN and municipalities monitoring compliance.
- ### Green Hydrogen Legislation

Ruling 34, approved on **January 18, 2024**, aims to boost the green hydrogen sector throughout its cycle, from research to export.





## Colbun and Fenix's progress and challenges regarding the electricity system in 2023

[NCG 461 6.2.viii]



### Meteorological Events 2023

In the first half of 2023, hydrological conditions remained at minimal levels, necessitating a significant reliance on thermal power generation to ensure system stability and security.

However, high-intensity rains in June and August led to a substantial increase in hydroelectric production in the latter part of the year. Reservoirs in the Maule and Biobío basins reached maximum capacities.

Active coordination with authorities and communities, including preventive measures and timely information provision, helped manage these episodes. These rains also marked the conclusion of the Rationing Decree and related preventive measures.

### Transmission Uncoupling

Throughout the year, conditions leading to system decoupling persisted. Congestion was evident in the northern section due to excessive injection of photovoltaic generation. Similar challenges were observed in the Lo Aguirre-Polpaico section in the central zone and the Ciruelos-Cautín section in the southern zone due to transmission limitations caused by high temperatures during daylight hours.

### Volatility in Fuel Prices

Fuel prices for thermal power plants experienced volatility and increases throughout the year, reflecting the international context. Despite this, the supply of Argentine natural gas was ensured, and spot purchases of liquefied natural gas (LNG) were made, facilitating efficient and cost-optimized dispatch of thermal units. Strict control over inventory and coal contracts maintained competitive prices, positioning the Santa María coal-fired power plant as one of the most efficient in terms of variable costs.



### Improvement in Dispatch Ranking

Fenix Power advanced in the dispatch ranking by increasing energy injection to prevent displacement in daily dispatch. This achievement was attributed to reduced incremental costs, primarily stemming from the optimization of certain power parameters observed after major maintenance conducted in 2023.

### Modification in Marginal Cost of Generation Methodology

Fenix Power proposed the development of a new PR-COES, along with modifications in the methodology to calculate the Marginal Cost of Generation (CMG). This initiative aims to provide more accurate market signals in the spot market and reduce side payments simultaneously.

### Savings in Fuels Management

Participation in the secondary gas market yielded significant savings in fuel management by facilitating the transfer of transportation surpluses and reducing associated fixed costs, particularly during periods of higher water flow and plant maintenance.

### Significant Contributions of the Magdalena Dispatch Center

The Magdalena Dispatch Center made noteworthy interventions, particularly in primary and secondary frequency regulation, reactive energy management, gas nominations, dispatch operation of the Fenix thermal power plant, coordination of energy exchanges with Ecuador, and marginal cost analysis, among other aspects.

# Energy management and COMERCIALIZATION

[NCG 461 6.1.i, 6.1.ii, 6.2.i]

## Types of customers and contracts

Power generating companies in both Chile and Peru have various marketing options:

- Selling energy to customers through contracts, including agreements with distributors (regulated customers), industrial and mining companies (unregulated customers), or even with other generating companies.
- Commercializing their energy production in the spot market to other generating companies facing deficits.
- Implementing a mixed strategy that combines both options.

**Regulated Customers**  
(Distributors)

<500 kW

<200 kW

**Optional choice**  
(regulated -unregulated)

Customers can select capacities ranging from 500 kW to 5,000 kW, provided they commit to remain under this scheme for a minimum period of four years.

Customers can select capacities ranging from 200 kW to 2,500 kW according to their preference.

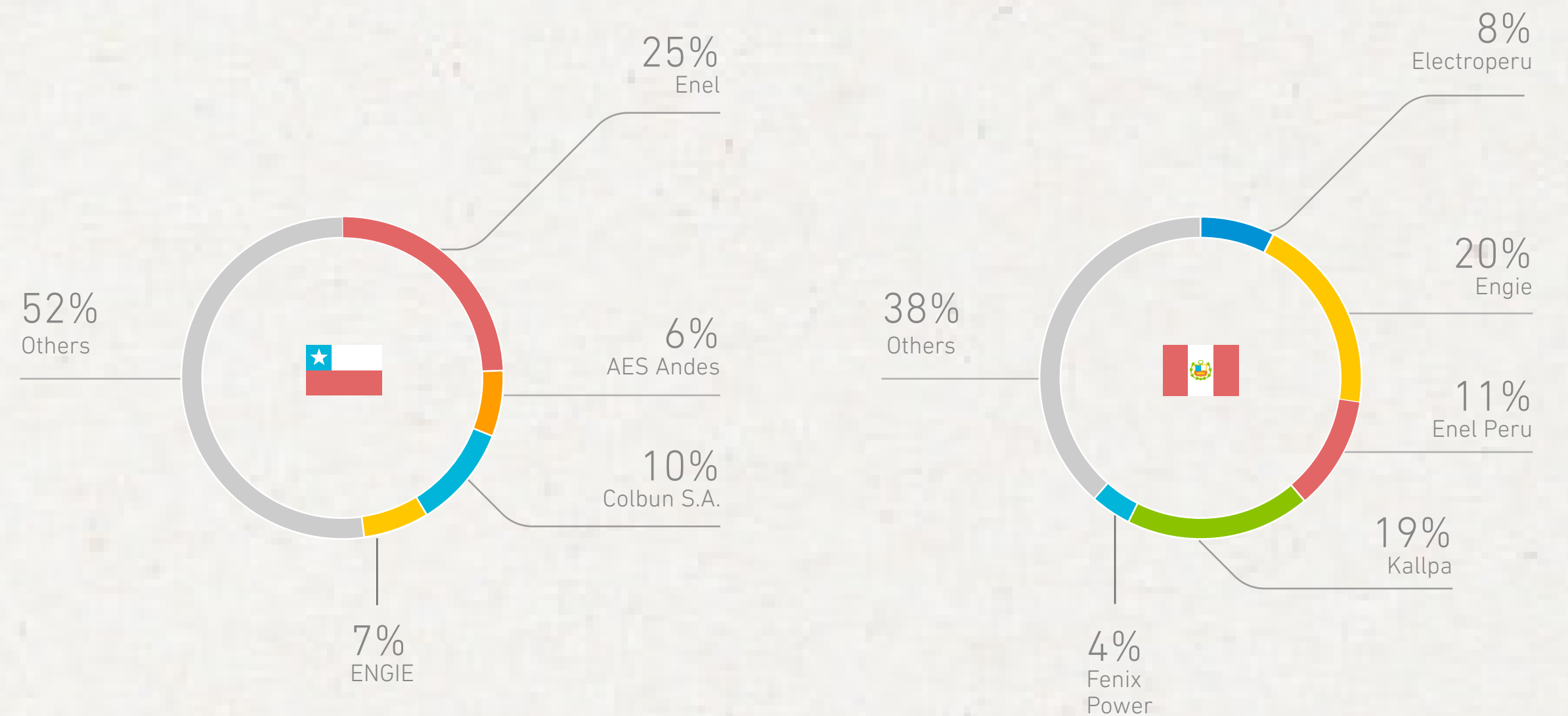
**Unregulated Customers**

>5,000 kW

>2,500 kW

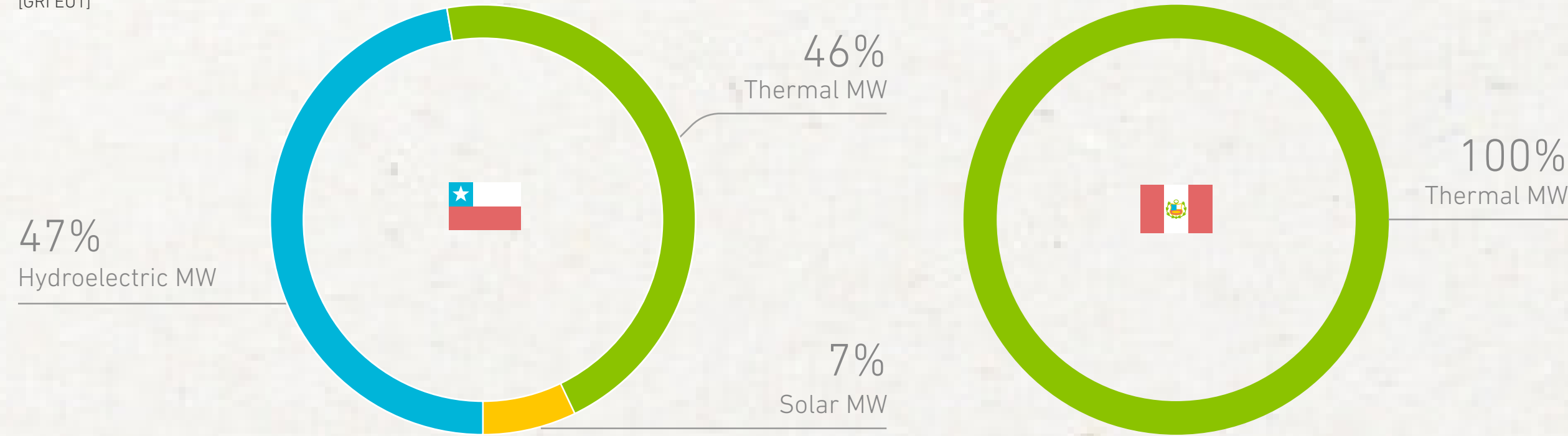
## Market share by company

(% of installed capacity)



### Installed capacity by type of technology

[GRI EU1]



**In 2023, our focus was on maximizing the value of energy injected into the spot market by offering a range of services to capture greater value.**

This strategic approach resulted in improved management practices, particularly through generation in daytime blocks and the strategic utilization of natural gas and reservoirs. These efforts enabled us to capitalize on higher marginal costs, particularly during the first half of the year.

### Colbun and Fenix Power Generation

[GRI EU2]



In 2023, Colbun's own power generation decreased by 3% compared to the previous year, reaching 12,753 GWh. This decline can be attributed to several factors:

- Firstly, there was higher hydro generation compared to 2022, contributing an additional 1,709 GWh, mainly due to improved hydrological conditions throughout the year.
- Conversely, thermal generation saw a decrease from the previous year, amounting to -2,165 GWh. This decline was primarily driven by reduced gas (-1,213 GWh), coal (-799 GWh), and diesel (-152 GWh) generation.



In Peru, Fenix's power generation in 2023 totaled 3,404 GWh, marking a significant 21% decrease compared to 2022. This decline was primarily influenced by two main factors:

- Major maintenance activities lasted longer than those conducted in the previous year, impacting overall generation capacity.
- decrease in economic dispatch during the last quarter of the year, further contributing to the reduction in generation output.

### Power Sales



In 2023, Colbun's **physical sales experienced a 3% decrease, totaling 12,974 GWh**. This decline can be attributed to several factors:

- Reduced sales to the spot market due to lower generation throughout the year. Partially offset by increased sales to regulated customers, driven by higher proration in contracts.
- Decreased sales to unregulated customers, primarily stemming from reduced consumption by mining customers.



In Peru, **sales in 2023 experienced a 7% decrease, amounting to a volume of 3,994 GWh**. This decline was primarily driven by lower sales to the Spot Market. However, this effect was partially mitigated by increased sales to unregulated customers.

Power sales by type of customer (GWh)	2021	2022	2023
Distributors	3,105	2,410	2,580
Industrials	6,685	9,470	9,344
Spot Market*	1,154	1,455	1,050
<b>Total</b>	<b>10,943</b>	<b>13,335</b>	<b>12,974</b>

(\* Incorporates sales to generators.)

Power sales by type of customer (GWh)	2021	2022	2023
Distributors	1,548	1,957	1,971
Industrials	319	466	1,399
Spot Market*	1,783	1,856	624
<b>Total</b>	<b>3,649</b>	<b>4,279</b>	<b>3,994</b>

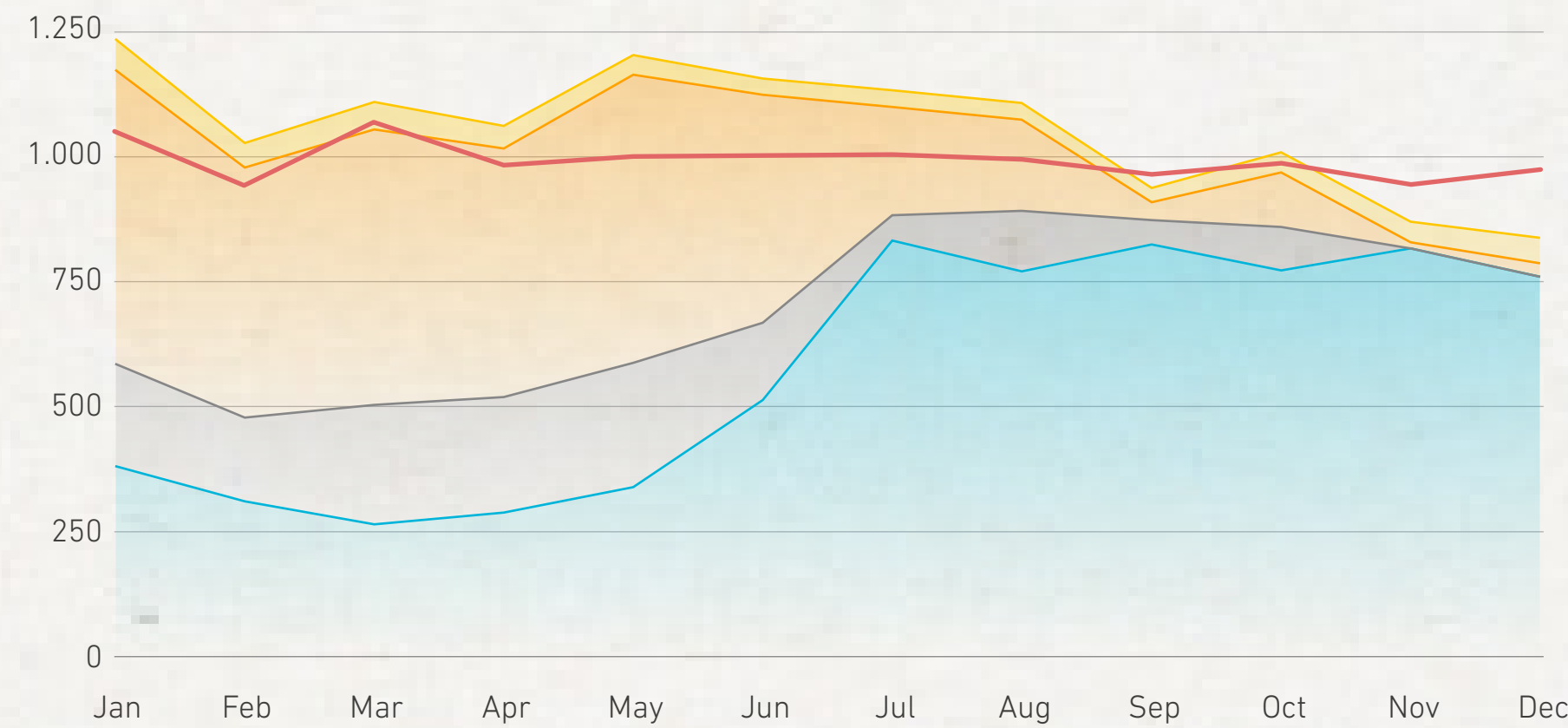
## Company Contracts

### Generation versus commitments 2023 (GWh)



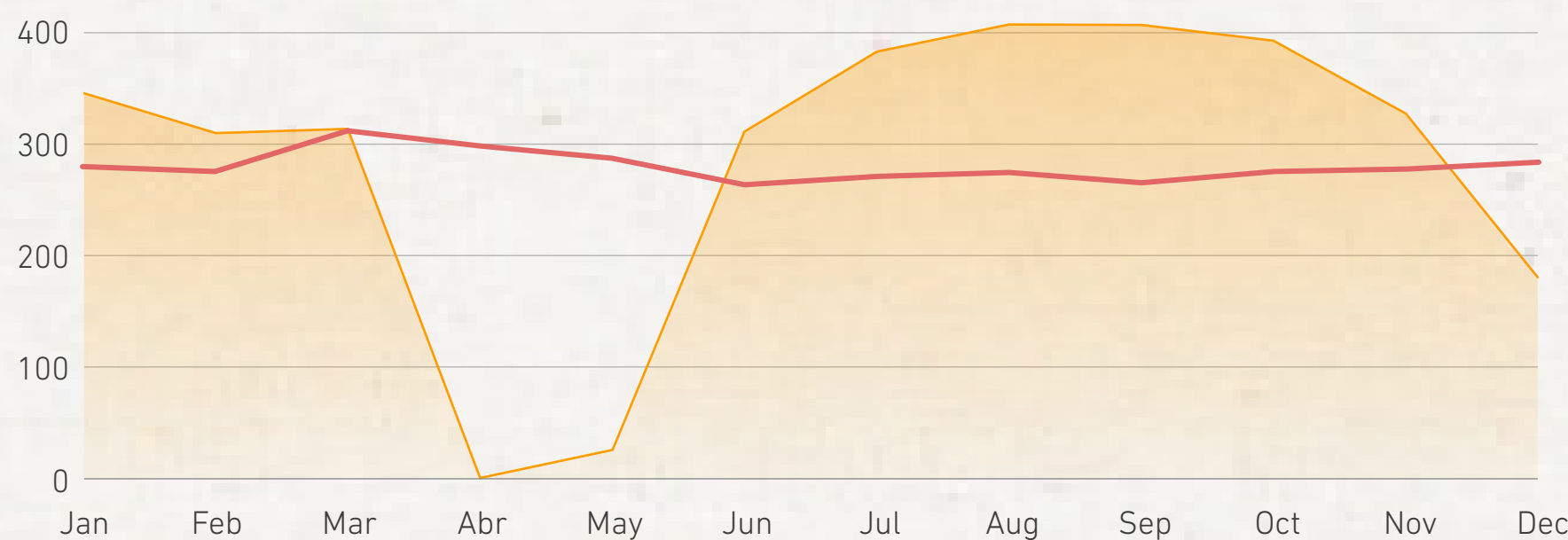
In 2023, Colbun fulfilled its contractual obligations by maintaining a surplus position in the spot market.

Commitments  
Solar generation  
Natural gas thermal generation  
Coal thermal generation  
Hydroelectric generation



In 2023, Fenix covered all of its contractual commitments with its own efficient generation.

Commitments  
Natural gas thermal generation



## NCRE Balance in Chile

The Company's long-term vision is centered on the development of around 4,000 MW of renewable energy within the next decade. This ambitious goal entails doubling its current size and consolidating growth opportunities to effectively address the increasing demands of its customers.

Colbun currently boasts 265.3 MW of installed capacity across renewable hydroelectric and solar power plants, aligning with the Non-Conventional Renewable Energy Law (NCRE). To fulfill the injection obligations mandated by this law, we supplement our energy supply by procuring energy from third-party sources.

Surpluses Colbun NCRE balance the previous year

254,719

### Colbun's Power Plants Injections

Chiburgo power plant injection

65,531

San Clemente power plant injection

14,179

La Mina power plant injection

17,556

Ovejería power plant injection

17,583

Diego de Almagro Sur injections

474,869

Machicura FV injections

17,168

NCRE Obligations

-1,535,485

Third party NCRE contributions

907,717

Deficit carried forward next year

-233,836

# OPERATIONS

[NCG 461 6.4.i] [GRI EU1]

At Colbun, our primary focus is to optimize the operation of our power plants, ensuring a reliable and cost-effective electricity supply to meet the demands of our customers and the electricity grid around the clock.

Presently, our company oversees the operation of 27 generation plants, with 26 situated in Chile and one in Peru.

20  
renewable energy  
generation plants.

1,800 MW  
Target of projects from  
prefeasibility to early  
construction stages  
by 2023.

17  
Hydroelectric  
Power Plants

07  
Thermal  
Power  
Plants

03  
Solar  
Power  
Plants

- Los Quilos / 39.9 MW
- Chacabuquito / 25.7 MW
- Blanco / 53.0 MW
- Juncal / 29.2 MW
- Juncalito / 1.5 MW
- Hornitos / 61.0 MW

2 **Cuenca de Aconcagua**  
210.3 MW / Run-of-river  
Valparaiso region Los Andes  
and San Esteban.

- Nehueco I / 335.4 MW
- Nehuenco II / 411.2 MW
- Nehuenco III / 108.0 MW

- 1 **Fenix Power**  
572.0 MW / Gas  
Chilca, Lima, Peru.
- 2 **Complejo Nehuenco**  
854.6 MW / Diesel / Gas  
Valparaíso region, Quillota.

4 **Carena**  
10 MW / Run-of-river  
Metropolitan region, Curacavi.

3 **Candelaria**  
249.7 MW / Diesel / Gas  
O'Higgins region, Mostazal  
and Codegua.

- San Clemente / 5.9 MW
- Chiburgo / 19.4 MW
- La Mina / 37.2 MW
- Colbún / 467.3 MW
- Machicura / 95.0 MW
- San Ignacio / 37.0 MW

6 **Cuenca del Maule**  
661.8 MW / Reservoir / Run-of-river  
Colbun, Yierbas Buenas and San Clemente.

4 **Los Pinos**  
107.7 MW / Diesel  
Biobio region, Cabrero.

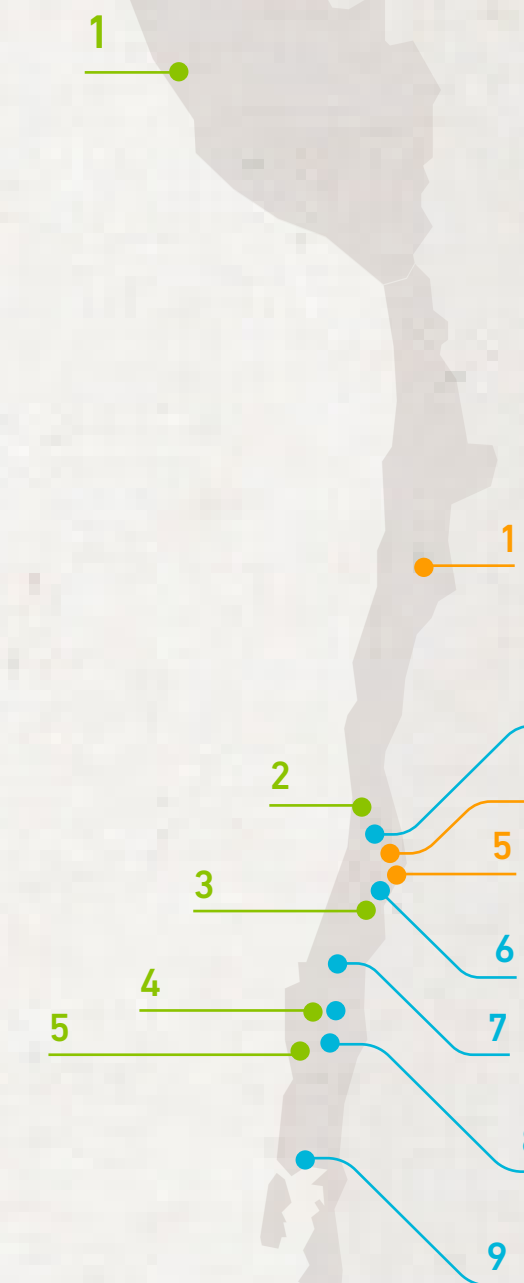
- Rucúe / 178.4 MW
- Quilleco / 70.8 MW

7 **Cuenca de Laja**  
249.2 MW / Run-of-river  
Biobio region, Antuco and Quilleco.

5 **Santa María**  
350.0 MW / Coal  
Biobio region, Coronel.

8 **Angostura**  
323.8 MW / Reservoir  
Biobio region, Santa Bárbara  
and Quilaco.

9 **Canutillar**  
172.0 MW / Reservoir  
Los Lagos region, Cochamo.



1 **Diego de Almagro Sur**  
211.6 MW / Photovoltaic  
32 MWh / Batteries (BESS)  
Atacama region,  
Diego de Almagro.

3 **Ovejeria**  
9.0 MW / Photovoltaic  
Metropolitana region, Til Til

5 **Machicura**  
9.2 MW / Photovoltaic  
Maule region, Colbun

[SASB: IF-EU-000.C]

Colbun currently has 3 kilometers of transmission lines associated with the connection of the Diego de Almagro photovoltaic power plant.

## Renewable energy growth

04

**Storage projects**  
under development  
and feasibility

03

**Solar Projects**  
under development  
and feasibility

01

**Wind project**  
under construction

02

**Wind projects**  
under development  
and feasibility

**1 Jardin Solar**  
537 MW / Photovoltaic  
200 MW / BESS  
Tarapaca region, Pozo Almonte.

**2 Inti Pacha**  
750 MW / Photovoltaic  
400 MW / BESS  
Antofagasta region, Ma Elena.

**Horizonte**  
816 MW / Wind farm  
Antofagasta region,  
Taltal.

**Cuatro Vientos**  
360 MW / Wind farm  
Los Lagos region.

**3 Diego de Almagro Sur**  
200 MW / BESS  
Atacama region,  
Diego de Almagro.

**Celda Solar**  
420 MW / Photovoltaic  
240 MW / BESS  
Atacama region,  
Diego de Almagro.

**Los Junquillos**  
473 MW / Wind farm  
Biobio region, Mulchen.

In 2023, we showcased our successful operation of a Battery Energy Storage System (BESS) pilot project at the Diego de Almagro Sur solar power plant in the Atacama Region. This **storage system is pivotal for the energy transition, enhancing system security, minimizing renewable energy wastage**, and offering insights for future large-scale projects, thereby optimizing operational efficiency.



01

**Sectionalizing substation project**

**Llullaillaco**  
500 kW  
Antofagasta region, Taltal.

01

**Pumping power plant project**  
in feasibility stage

**Paposo**  
600 MW  
Antofagasta region



01

**Photovoltaic project**  
under development

**1 Algarrobal**  
250 MW / 150 MW  
Moquegua region

02

**Wind farm project**  
under development

**2 Bayovar**  
250 MW / 400 MW  
Piura region

**3 Naylamp**  
238 MW  
Lambayeque region



*Unlocking new*

# OPPORTUNITIES



- 4.1 2030 Strategic Agenda
- 4.2 Value Creation
- 4.3 Our Stakeholders
- 4.4 Human Rights and Due Diligence
- 4.5 Transforming with Innovation

# 2030 Strategic AGENDA

## Corporate Purpose Update

[NCG 461 2.1]

In 2023, we underwent a comprehensive review of our Purpose, engaging over 800 employees of the Company. Additionally, we collected insights from various stakeholders regarding Colbun's vision.

Alongside this initiative, our values experienced a thorough update, and are well described in Chapter 1.

*We transform energy,  
in balance with the planet,  
to boost your projects and dreams*





## 2030 Strategic Agenda

[NCG 461 4.2]

In late 2022 and early 2023, coinciding with the renewal of our purpose, we finalized the update of our 2030 Strategic Agenda to reflect the rapid evolution occurring within both our industry and our own Company.

To achieve this, we identified seven pillars grouped into three key areas that serve as focal points for our development efforts.

### Purpose

**We transform energy, in balance with the planet,  
to boost your projects and dreams**

We add value to

Shareholders

Environment

Clients

Employees

Communities

Suppliers

Areas

### Main Business

### Exploring New Frontiers

### Emerging Business

Pillars

Asset optimization in energy transition

24/7 renewable generation

Clients

B2B energy solutions and enabling transmission

Growth and international diversification

Water

Green Hydrogen

Focal points

Efficiency and flexibility

Growth

Client focus  
Large, medium, and small clients

Loyalty and complement to the value proposition

Chile, Peru, and other geographies  
Proactive approach

Desalination, pipeline, and industrial treatment

Domestic and export markets

Getting it done:  
Key capabilities

Commercial excellence and a distinctive delivery model

Organizational development

Regulatory management excellence

Capacity building for new markets and businesses

Optimal financing structures for maximizing value creation and minimizing risks

**Long-term sustainable business development (ESG focus)**

**Innovation**

## Main Business

### Optimizing Existing Assets

The scenario caused by the effects of climate change on water resource availability and the massive entry of renewable energies poses our Company the challenge of optimizing the operation of its assets in order to deliver a safe and efficient supply to its clients and the country, safeguard the safety of its workers and nearby communities, and increase the productivity of its current facilities.

Over the years, our Company has implemented various measures to optimize assets and improve resource utilization to minimize our environmental impact. This strategy was further refined in 2023.

→ **Response to Meteorological Contingencies:**

In response to hydrological events, such as heavy rainfall in Chile's central-southern zone in 2023, Colbun undertook measures to enhance reservoir discharges. These actions aimed to protect communities and safeguard our assets. We intensified communication with stakeholders during these events and improved coordination under the Reservoir Law.

→ **Maintenance management:**

Recognizing the critical importance of generation unit availability and reliability, we have intensified our scheduled, preventive, and predictive maintenance policies. Leveraging Big Data and advanced analytics, we have enhanced maintenance planning. Furthermore, digitalization and automation of power plant operations have been implemented, along with a comprehensive review of service contracts.

→ **Thermal power plant management:**

Thermal power plants play a crucial role in providing a 24/7 power supply. Therefore, ensuring the efficient availability of fuels, particularly natural gas, has been paramount. This has been achieved through LNG procurement, purchases of Argentine gas, and participation in the spot market. Additionally, in 2023, an Environmental Impact Statement (DIA chilean acronym) was conducted to enhance the operational flexibility of the Nehuenco Complex. This initiative aims to better adapt to renewable energy variability, optimize water usage, and reduce emissions.

### Renewable Generation

Colbun's Strategic Agenda prioritizes expansion in renewable energies to enhance the Company's value. This involves implementing projects that efficiently meet the electricity demands of our clients and the markets we serve, thereby contributing to a low-carbon energy matrix.

#### Vision to 2030

Our vision encompasses the construction of approximately 4,000 MW in renewable energy and storage capacity by the end of this decade. This ambitious goal entails doubling our current size, positioning us to meet the evolving needs of our clients and the nation.

#### Scope

Expanding our focus beyond Chile, we aim to capitalize on regulatory conditions and market opportunities in Peru, leveraging our existing presence through the Fenix power plant.

### Renewable Strategies

Colbun's strategy for renewable energy development rests on three pillars:

1 **A top-tier technical team** with extensive experience in renewable project development

2 **A meticulous and systematic analysis of market options,** considering key variables crucial for project success

3 **Backed by comprehensive information,** ensuring the development of highly competitive and sustainable projects

## Main Projects Under Development

### Under Construction

#### 1 HORIZONTE / Wind

**816 MW** installed capacity  
**140** wind turbines, with  
**5,83 MW** capacity each  
**2.450 GWh** estimated annual generation

**Antofagasta region, Taltal commune**

This project stands as Chile's largest wind project and one of Latin America's largest. As of December 2023, completion reached 75.6%. It is slated to commence energy injection in the first half of 2024. (Link to Environmental Impact Assessment) [Link EIA](#).

#### 2 DIEGO DE ALMAGRO / Batteries

**32 MWh** (8 MW x 4 hours)  
**US\$ 11 mm** investment

**Atacama region, Diego de Almagro commune**

Awaiting authorization for commercial operation as of the end of 2023. A letter of relevance has been submitted to the Environmental Evaluation Service (SEA) to determine the required environmental approval for expanding the project to 1,000 GWh. [Link EIA DAS 1](#). [Link EIA DAS 2](#).

### Environmentally Approved

#### 3 INTI PACHA / Photovoltaic

**750 MW** installed capacity  
projected in 3 stages  
**2.000 GWh** estimated annual generation

**Antofagasta region, María Elena commune**

Its environmental approval was obtained in December 2020. Subsequently, by the end of December, a letter of relevance was submitted to the SEA to determine the environmental authorization for the installation of a 400 MW 5-hour storage system. [Link EIA](#).

#### 4 JARDIN SOLAR / Photovoltaic

**537 MW** installed capacity  
projected in 2 stages  
**1.500 GWh** estimated annual generation

**Tarapaca region, Pozo Almonte commune**

Its environmental approval was secured in September 2021. Subsequently, by the end of December, a letter of relevance was submitted to the SEA to ascertain the environmental authorization for the installation of a 1,000 GWh energy storage system. [Link EIA](#).

#### 5 CELDA SOLAR / Photovoltaic + Batteries

**420 MW** installed capacity  
**1.200 MWh** (240 MW x 5 hours)

**Arica y Parinacota region, Camarones commune**

The project originated from the award of three concessions for onerous use tendered by the Ministry of National Assets. The environmental impact assessment (EIA) was submitted for processing in the third quarter of 2022. Subsequently, the project obtained environmental approval in January 2024. [Link EIA](#).

### Under Environmental Assessment

#### 6 LOS JUNQUILLOS / Wind

**473 MW** installed capacity  
**63** wind turbines with, **7,5 MW** capacity each  
**2.000 GWh** estimated annual generation

**Biobio region, Mulchen commune**

In December 2022, the project resubmitted its Environmental Impact Assessment (EIA) to the Environmental Assessment System (SEA). Additionally, by the end of 2023, Addendum 1 of the EIA was submitted as part of the environmental assessment process. [Link EIA](#).

#### 7 CUATRO VIENTOS / Wind

**360 MW** installed capacity  
**49** wind turbines with  
**7,5 MW** capacity each  
**800 GWh** estimated annual generation

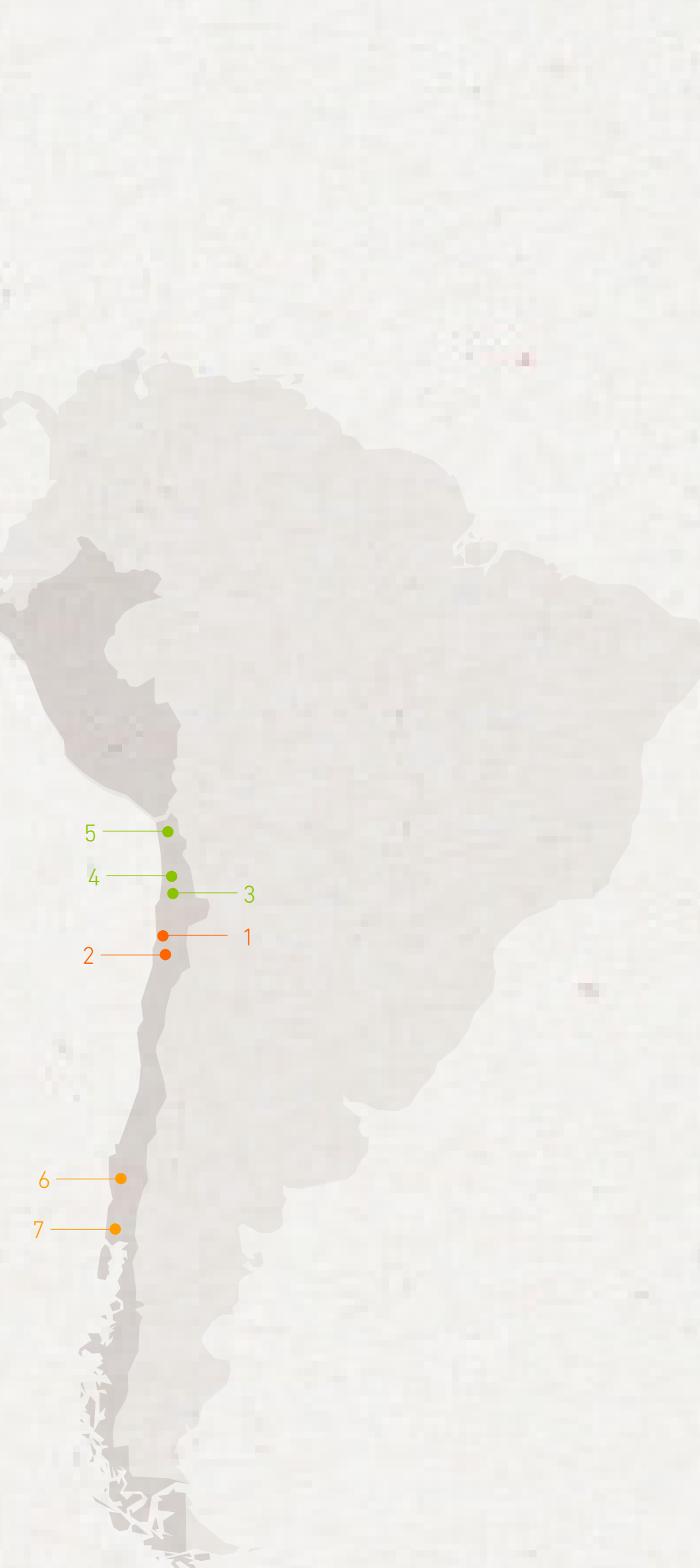
**Los Lagos region, Llanquihue commune**

In January 2024 the project resubmitted its EIA to the Environmental Assessment System (SEA). [Link EIA](#).

### Other Projects

The Company has various development options for wind, solar, and storage projects, strategically distributed across the country. These projects are situated in areas characterized by high-quality energy resources, minimal socio-environmental conflict, and favorable investment costs.

For a comprehensive overview of all Colbun's renewable and storage projects, please refer to Chapter 3. For more detailed information on our projects with Environmental Impact Assessments (EIA), click on the following [link](#).



## International Growth and Diversification

As part of Colbun's Strategic Agenda, expanding the Company's horizons through international growth is a key focus. We continuously and systematically evaluate alternatives that enhance the Company's value.

This strategic endeavor revolves around three main axes:

### Scale

The electricity industry necessitates scale to achieve efficiencies in project development, construction, operation, and asset commercialization.

### Diversification

International expansion aims to diversify systemic risks, including political, regulatory, socio-environmental, demand stagnation, and hydrological conditions in each country.

### Selection Criteria

When assessing opportunities in potential countries, we consider criteria such as regulatory frameworks, political stability, investor protection mechanisms, market experience and knowledge, and presented opportunities.



## Water and Green Hydrogen

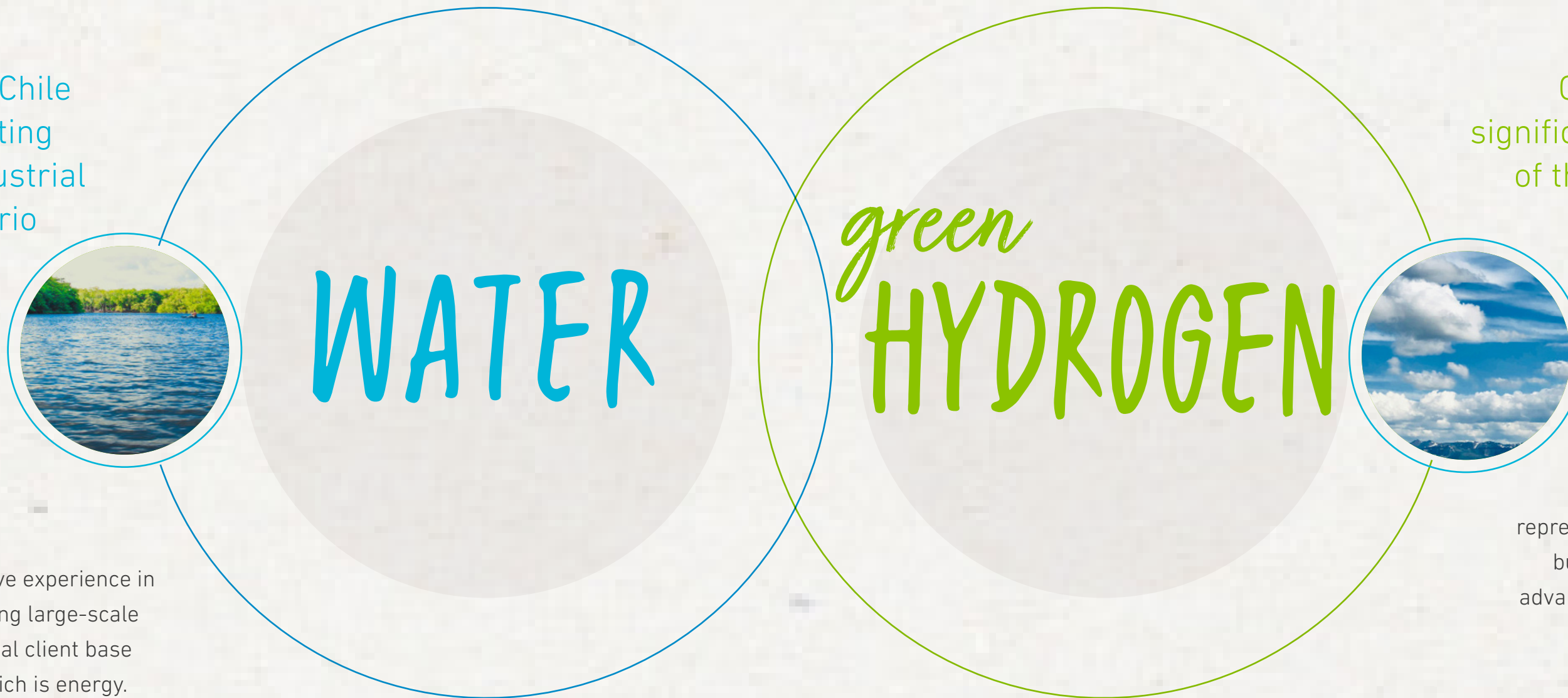
Colbun's Strategic Agenda includes the evaluation of businesses adjacent to the energy sector, where potential opportunities lie in providing sustainable and environmentally responsible solutions to client and societal challenges. These businesses typically involve infrastructure with a significant energy component.

What's observed both in Chile and globally is an escalating demand for water in industrial processes, amid a scenario where inland water sources are becoming increasingly limited due to the impacts of climate change and heightened agricultural and human utilization.

**Our focus:** Drawing from our extensive experience in developing, constructing, and operating large-scale infrastructure projects, with a potential client base very similar to our core business, which is energy.

At the beginning of 2023, a new Water Division was created, focused on identifying and developing growth opportunities in the desalination and water treatment sector.

In pursuit of this objective, the Company has projects at various stages of development, we are actively advocating for improvements to the regulatory framework, which remains largely undeveloped in this domain.



**In both instances, collaboration with our clients and/or partners through strategic alliances is paramount.**

Colbun is actively pursuing a significant role in the development of the Green Hydrogen industry, recognized today as the premier alternative for decarbonizing industries where electrification of energy consumption is not feasible.

**Our focus:** Hydrogen production represents a natural extension of Colbun's core business and aligns synergistically with the advancement of renewable projects. Given that energy serves as the primary input in H2V production.

Colbun boasts extensive experience not only in the technical aspects but also in environmental and social management.

Our strategy encompasses the development of projects for both domestic consumption and export markets.

**Projects at Own Facilities:**

As part of our commitment to fostering learning environments and testing capabilities and technologies, Colbun has spearheaded an industrial-scale pilot project for green hydrogen production at the Fenix Power Plant in Peru. This hydrogen is utilized in the cooling process and commenced operations in 2024. A similar initiative is underway at the Nehuenco Complex, with operations expected to commence in 2024 as well.

**Ammonia Export Projects:**

In early 2023, Colbun entered into a strategic alliance with the Japanese multinational Sumitomo to assess the feasibility of industrial projects in the Antofagasta and Magallanes regions. These projects aim to produce green ammonia using hydrogen derived from renewable energy sources.

**Pilot Development Programs:**

Colbun is actively engaged in various pilot projects aimed at integrating green hydrogen into diverse industrial processes. Noteworthy is our collaboration with Nuevo Pudahuel, Air Liquide, and Copec, with the goal of making Santiago airport the first in Latin America to incorporate hydrogen in its operations.

Additionally, we are working on a hydrogen bus project in alliance with Anglo American and Reborn Electric, supported by CORFO.

Furthermore, we are evaluating the use of H2V in operational processes within the salmon industry.

For details on the other two pillars of our Strategic Agenda —B2B Clients and B2B Energy Solutions and Enabling Transmission— please refer to Chapter 5 of this Integrated Report.

# VALUE Creation

## Sustainability within Colbun's Management Framework

[NCG 461 3.1.ii]

Colbun's Strategic Agenda is designed to enhance the Company's value sustainably, aligning with the environmental, social, and governance challenges both locally and globally. Each axis of our development strategy, along with associated capabilities and short, medium, and long-term goals, contributes to addressing these challenges.

Therefore, sustainability is an inherent aspect of our Strategic Agenda.

### Sustainability Policy

Our Sustainability Policy outlines guidelines for the sustainable development of our business, aiming to generate long-term value for the Company and our stakeholders.

[See Sustainability Policy](#)

In line with it, a roadmap and goals to be met were defined, and is reviewed by the Sustainability Committee and the Board of Directors sessions.

### Governance

The Sustainability and Regulation Committee serves as the primary coordinating and oversight body for our approach, policy, and strategy in sustainability.

Starting in 2024, these committees have been bifurcated into two separate bodies: the Sustainability Committee and the Regulatory Committee.

Additionally, the Sustainability and Environment Management, led by the Sustainability Deputy Management, actively promotes sustainability across our activities and operations. This team identifies key sustainability gaps, tracks progress throughout the year, and reports on established goals.

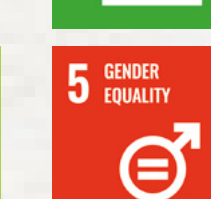


## ESG Roadmap

[NCG 461 4.2] [SASB IF-EU-100a.3]

Goal	Indicator	Base line	2023 Progress	2023 Goal	2030 Goal
<b>Generate a positive impact on communities, workers, clients and contractors.</b>	<b>NPS clients</b>	66 points (2020)	76 points	75 points	75 points
	“NPS” Emoloyees	88% (2019)	89%	90%	90%
	“NPS” Communities	67% (2022)	72%	65%	65%
	<b>NPS Suppliers</b>	83 points (2019)	80 points	85 points	85 points
<b>Reduce environmental footprint</b>	<b>Carbon footprint: CO<sub>2</sub> emission factor</b>	0,323 ton/MWh (2018)	0,257 ton/MWh	0,330 ton/MWh	0,120 ton/MWh*
	<b>Water footprint: operational water extraction intensity</b>	0,3 m <sup>3</sup> /MWh (2018)	0,191 m <sup>3</sup> /MWh	0,31 m <sup>3</sup> /MWh	0,09 m <sup>3</sup> /MWh**
	<b>Waste footprint: fly ashes recovery</b>	61% (average 2017-2020)	81%	85%	98%
	<b>Waste footprint: recovered (non-ash) waste</b>	9% (2022)	29%	23%	50%
	<b>Number of significant environmental incidents</b>	0	0	0	0
<b>Ensure processes that promote diversity and inclusion</b>	<b>Women in total workforce</b>	18% (2018)	23%	23%	30%
	<b>Women in masculinized arreas</b>	10% (2018)	11,8%	12,7%	18%
	<b>Women in leadership positions</b>	14% (2020)	17,8%	15%	20%

### SDG



\*Carbon Footprint: Our objective is to reduce the emission factor by 30% by 2025 and by 40% by 2030, (relative to the base year 2018). Furthermore, we aim to achieve carbon neutrality by 2050.

\*\*Water Footprint: We are committed to reducing withdrawal intensity by 40% by 2025 and by 45% by 2030, (compared to the base year 2018).

## Inputs

<b>FINANCIAL</b>	<p><b>MM\$ 3,097</b> Net Worth</p> <p><b>MM\$ 2,123</b> Gross financial debt</p> <p><b>MM\$ 6,661</b> Assets</p> <p><b>MM\$ 1,031</b> Cash</p>
<b>INDUSTRY</b>	<p>27 generation power plants</p> <p>1 wind farm project under construction</p> <p>4 environmentally approved projects</p> <p>5 projects under early stages of assessment</p> <p>1 battery system</p>
<b>HUMAN</b>	<p>1,177 employees in Chile and Peru</p> <p>23,02% women in Chile and Peru</p> <p>18,5% women in leadership positions</p> <p>74,4% workers with performance evaluation</p> <p>Colbun Leader Profile</p>
<b>INTELLECTUAL</b>	<p>375 energy solutions clients</p> <p><b>USD\$ 12.9 million</b> invested in R+D+i</p> <p>+30 <b>alliances</b> with centers and other organizations in the innovation ecosystem</p> <p><b>MUS\$ 1,197</b> invested in training in Chile and Peru</p>
<b>SOCIAL</b>	<p>4,081 suppliers</p> <p>401 clients in Chile and Peru</p> <p>Participation in 12 trade associations</p> <p>19 Communes with community relations</p> <p><b>MM\$ 5</b> community investments</p>
<b>NATURAL</b>	<p>31,471 <b>MM m<sup>3</sup></b> Turbined fresh water for hydro generation</p> <p>3.07 <b>MM m<sup>3</sup></b> Fresh water extracted for thermal generation</p> <p>521,5 <b>million m<sup>3</sup></b> Seawater for thermal generation</p> <p>1,398 <b>million tons</b> Natural gas</p> <p>596 <b>thousand tons</b> Coal</p> <p>23 <b>thousand de m<sup>3</sup></b> Diesel</p>

## Value Creation Model



## Value Created

<b>FINANCIAL</b>	<p><b>MM\$ 714</b> EBITDA</p> <p><b>MM\$ 2,826</b> Economic value distributed</p> <p><b>MM\$ 310</b> in dividends paid</p> <p><b>MM\$ 21</b> in Tax paid</p>
<b>INDUSTRY</b>	<p>16,157 <b>GWh</b> Energy generated</p> <p>86% Average availability</p> <p>6 NCRE projects in operation</p>
<b>HUMAN</b>	<p>83% Work environment satisfaction</p> <p>7% Turnover rate in Chile and 8% in Peru</p> <p>167 New hires in Chile and Peru</p> <p>40% Internal mobility in Chile and 23% in Peru</p> <p>29.5% Employees with more than 12 years of seniority in Chile and Peru</p>
<b>INTELLECTUAL</b>	<p>92 Energy solutions adjudicated in Chile</p> <p>92% of staff trained, with an average of 44 hours per year in Chile and Peru</p>
<b>SOCIAL</b>	<p>85% Supplier satisfaction in Chile</p> <p>91% Supplier satisfaction in Peru</p> <p>97% Client satisfaction in Chile and Peru</p> <p>26 Community dialogues in Chile and Peru</p> <p>305,553 Total community beneficiaries in Chile and Peru</p>
<b>NATURAL</b>	<p>7,383 <b>GWh</b> Renewable energy generated</p> <p>0.258 <b>ton/MWh</b> CO<sub>2</sub> emissions</p> <p>20% Reduction of CO<sub>2</sub> emissions compared to 2022</p> <p>58% Reduction in non-operational water use</p> <p>36% Reduction in operational water use</p> <p>81% Fly ash recovery</p>



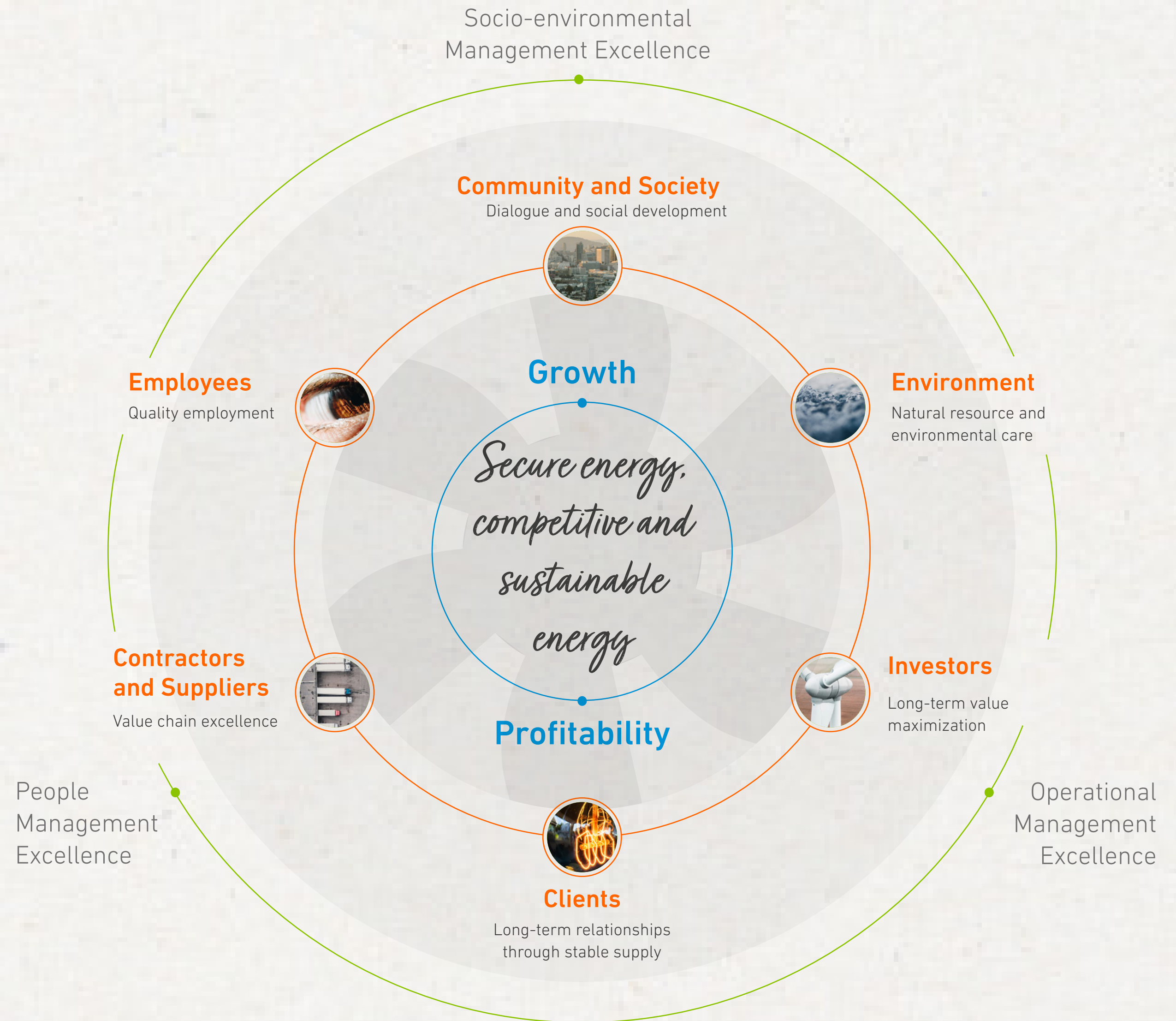
# Our STAKEHOLDERS

[NCG 461 3.7.i, 6.1.v, 6.3] [GRI 2-29]

We aim to create mutual and enduring value for all our stakeholders. In line with this approach, Colbun's strategy centers on identifying stakeholders, actively listening to their needs, comprehending their expectations, and engaging with them effectively.

## Management Model

We aim to create shared and sustainable value for all our stakeholders. Central to this approach is the identification of our stakeholders, actively listening to and understanding their expectations, and engaging with them effectively.



## Stakeholder

# Investors

Why is it relevant?

Investors and shareholders **play an essential role in maximizing Colbun's long-term value** by providing financing for projects and other key aspects of our development and growth

<p><b>Subgroups</b></p> <ul style="list-style-type: none"> <li>→ Shareholders and individual investors</li> <li>→ Institutional investors such as banks, AFPs, insurance companies, investment funds, and brokerage firms</li> </ul>	<p><b>Communication Channels</b></p> <ul style="list-style-type: none"> <li>→ For direct communication, stakeholders can reach us through the contact information provided on the Investors portal of our website</li> <li>→ Social networks</li> </ul>
<p><b>Connection</b></p> <ul style="list-style-type: none"> <li>→ Investor Day</li> <li>→ Periodic virtual and/or face-to-face meetings</li> <li>→ Quarterly results videoconferences</li> <li>→ Visits to our power plants</li> <li>→ Participation in breakfasts</li> <li>→ Participation in local and international investor conferences</li> <li>→ SSIindex survey</li> </ul>	<p><b>Responsible Unit</b></p> <ul style="list-style-type: none"> <li>→ Financial Operations Management-Investor relations</li> </ul>

# Clients

Why is it relevant?

**Ensuring client satisfaction is paramount for the long-term sustainability of our business.** At Colbun, we are dedicated to providing safe, competitive, and sustainable energy solutions while meeting our clients' expectations for energy efficiency.

<p><b>Subgroups</b></p> <ul style="list-style-type: none"> <li>→ Unregulated energy and/or energy solutions clients</li> <li>→ Regulated clients</li> </ul>	<p><b>Communication Channels</b></p> <ul style="list-style-type: none"> <li>→ Virtual branch</li> <li>→ Query line</li> <li>→ Complaint line</li> <li>→ Client Newsletter</li> </ul>	<ul style="list-style-type: none"> <li>→ Social media platforms</li> <li>→ Direct contact with account executive</li> </ul>
<p><b>Connection</b></p> <ul style="list-style-type: none"> <li>→ Client Day</li> <li>→ Renewable Energy Certificates Meeting</li> <li>→ Thematic talks</li> <li>→ Satisfaction survey</li> <li>→ Visits to power plants</li> </ul>	<p><b>Responsible Unit</b></p> <ul style="list-style-type: none"> <li>→ Commercial Management</li> </ul>	

# Employees

Why is it relevant?

**Our human and intellectual capital forms the cornerstone of our business success.** At Colbun, we prioritize fostering a positive work environment and promoting the holistic development of our employees, they are the key to our efficiency and continued growth of the Company.

<p><b>Subgroups</b></p> <ul style="list-style-type: none"> <li>→ Colbun's employees</li> <li>→ Union Officials</li> </ul>	<p><b>Communication Channels</b></p> <ul style="list-style-type: none"> <li>→ Intranet</li> <li>→ Hotline contact: comunicacionesinternas@colbun.cl</li> <li>→ Corporate newsletter</li> <li>→ Social networks</li> </ul>
<p><b>Connection</b></p> <ul style="list-style-type: none"> <li>→ Sustainability Weeks</li> <li>→ Climate survey</li> <li>→ Regular meetings with labor unions</li> <li>→ Visits to power plants by Directors and the CEO</li> <li>→ Extended meetings with employees</li> </ul>	<p><b>Responsible Unit</b></p> <ul style="list-style-type: none"> <li>→ Organization and People Management</li> </ul>

# Contractors and Suppliers

Why is it relevant?

Effective collaboration with business partners **ensures the quality and excellence of our supply chain and direct operations**, with a constant focus on continuous improvement and innovation.

<p><b>Subgroups</b></p> <ul style="list-style-type: none"> <li>→ Permanent contractors (cleaning, food, transportation, security, among others), among others)</li> <li>→ Service providers (maintenance, waste treatment, etc.)</li> <li>→ Fuel, tolls and energy suppliers</li> </ul>	<p><b>Communication Channels</b></p> <ul style="list-style-type: none"> <li>→ Supplier Portal on website</li> <li>→ Corporate newsletter</li> <li>→ Social networks</li> </ul>
<p><b>Connection</b></p> <ul style="list-style-type: none"> <li>→ SSIndex survey</li> <li>→ Annual Meeting with Suppliers</li> <li>→ Sustainability weeks</li> </ul>	<p><b>Responsible Unit</b></p> <ul style="list-style-type: none"> <li>→ Sourcing Management</li> </ul>

# Community and Society

Why is it relevant?

Maintaining close and ongoing relationships with neighboring communities **allows us to understand their needs, expectations, and potential impacts of our operations**. Prioritizing dialogue, partnerships, and local development enables us to conduct our work effectively.

<p><b>Subgroups</b></p> <ul style="list-style-type: none"> <li>→ Communities neighboring operations and projects</li> <li>→ Mayors, governors, SEREMIs and other local authorities</li> <li>→ Civil society (NGOs, universities)</li> <li>→ Media</li> <li>→ Trade associations</li> </ul>	<p><b>Communication Channels</b></p> <ul style="list-style-type: none"> <li>→ Community relations team in the field</li> <li>→ Public Accountability Reports</li> <li>→ Communitary WhatsApp</li> <li>→ Community radio programs</li> <li>→ Websites</li> <li>→ Social networks</li> </ul>
<p><b>Connection</b></p> <ul style="list-style-type: none"> <li>→ Community dialogues</li> <li>→ Early citizen participation</li> <li>→ Community roundtables</li> <li>→ Participatory monitoring</li> <li>→ Community thermometer</li> <li>→ Survey of local opinion leaders</li> </ul>	<p><b>Responsible Unit</b></p> <ul style="list-style-type: none"> <li>→ Corporate Affairs</li> <li>→ Communication Management</li> </ul>

# Environment

Why is it relevant?

Our operations have a direct and continual impact on the environment. Thus, fostering a responsible relationship with diverse ecosystems is crucial for conserving the natural resources nature provides us.

<p><b>Subgroups</b></p> <ul style="list-style-type: none"> <li>→ Fauna</li> <li>→ Flora</li> <li>→ Ecosystems where operations are located</li> </ul>	<p><b>Responsible Unit</b></p> <ul style="list-style-type: none"> <li>→ Sustainability and Environment Management</li> </ul>
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In Chile the [Contact Line](#) and the [Whistleblower Line](#) are consistently accessible to all stakeholders and individuals seeking to submit inquiries, complaints, and/or report any issues involving the Company, employees, and/or contractors.

Similarly, this provision is replicated with the Ethics Line in Peru.



# HUMAN RIGHTS <sup>♥</sup>

*and due diligence*

[NCG 461 3.1.ii]

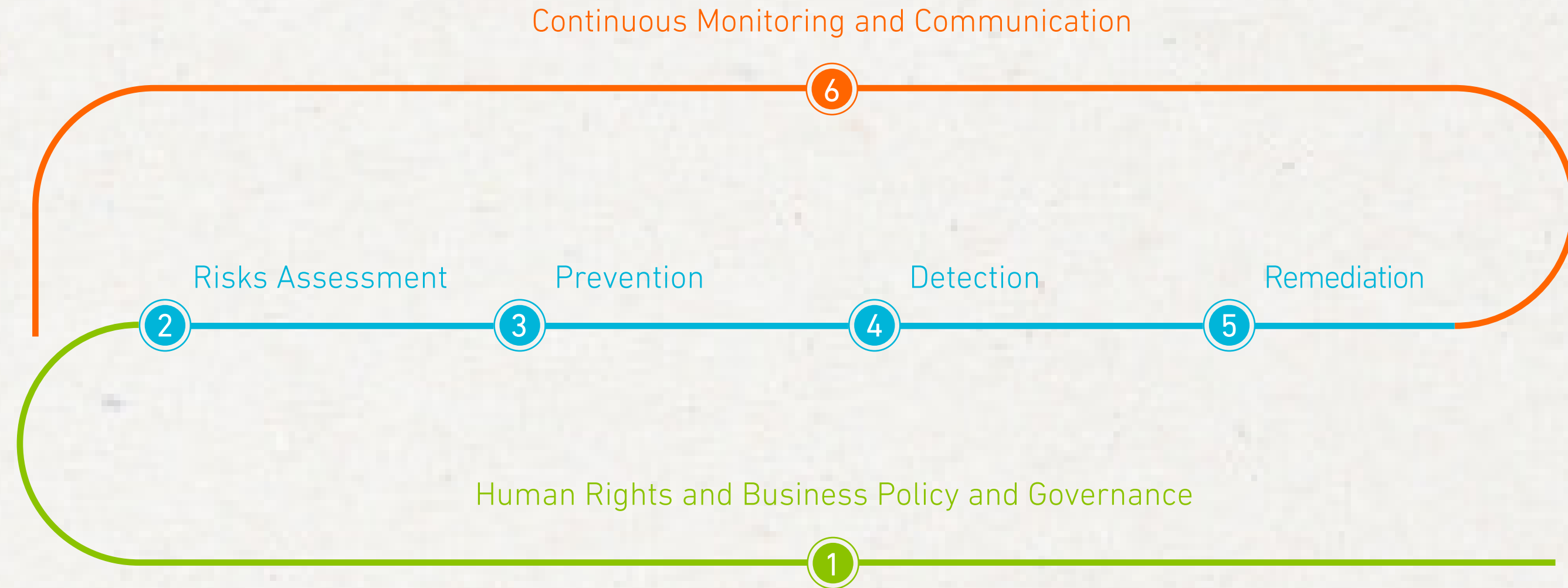
We reaffirm our commitment to the United Nations Guiding Principles on Business and Human Rights, **ensuring their respect in all our interactions with each of our stakeholders.**

At Colbun, we reiterate our commitment to the United Nations "Guiding Principles on Business and Human Rights" and advocate for a proactive and systematic approach to risk prevention, prioritizing and identifying potential impacts that the Company may generate.

In our collaboration with external organizations and fellow companies, we remained active participants in the Global Compact Human Rights and Business Group throughout 2023. The group's focus included the implementation of the Human Rights Risk Matrix, developed in 2020 and 2021, as well as key insights gleaned from the due diligence process.

In 2023, we continued our Due Diligence process initiated in 2022, with support from the Corporate Sustainability Program team at the Pontifical Catholic University of Chile Law School. This process involved corporate-level analysis and detailed assessments at the Aconcagua Complex. Additionally, the Due Diligence process was expanded to include the Colbun Complex and the Horizonte Project, incorporating documentary reviews and stakeholder interviews. These efforts facilitated the update of risks in the Human Rights Risk Matrix and provided valuable recommendations for the integration and advancement of a continuous human rights management system.

## Due Diligence Framework in Human Rights and Business



## Governance and Human Rights Policy

[NCG 461 3.1.ii, 3.6.iv] [GRI 2-23, 2-24]

In our [Human Rights Policy](#) we outline the principles and values that govern our operations regarding human rights, with violations sanctioned in accordance with the provisions outlined in the Code of Ethics, the Sustainability Policy, the Diversity, Equity, and Inclusion Policy, the People Management Policy, the Supplier Code of Conduct, and others.

This policy explicitly declares Colbun's commitment to upholding human rights and is applicable to all employees of the Company and its subsidiaries in Chile and Peru, as well as to the relationships we establish with our contractors, suppliers, communities, and stakeholders.

In response to recommendations received during the 2022 due diligence process, Colbun has updated this policy, which was subsequently approved by the Board of Directors.

### Colbun's Board of Directors:

- Oversees the operation of its human rights risk management and ongoing due diligence system, with a focus on issues identified as priorities by internal and external evaluations. The Risk and Sustainability Committees are responsible for this ongoing supervision.
- The external support team provided direct updates on the Human Rights due diligence process conducted in 2022, highlighting main risks, impacts identified, and general recommendations for management and follow-up.
- Responsibility for managing organizational impacts has been delegated to relevant departments, including Sustainability and Environment Management, Corporate Affairs Management, People Management, and Procurement Management, with support from Legal Management and Audit Management. Corporate Risk Management plays a vital role in monitoring Human Rights risks and executing controls based on work plans.

Any of these departments can access the board of directors, either through specific committees or directly, to address urgent and priority issues related to human rights risks. However, Corporate Risk Management and Sustainability Deputy Management provide a comprehensive update on the human rights risk management system every six months, including progress, challenges, and relevant changes in the Company's human rights matrix.

### Human Rights Governance

**Superior Body:** Board of Directors

**Supervision:** Corporate Risk Management, Corporate Sustainability and Legal Management.

**Implementation:** All Colbun management, especially People Management, Procurement Management and Corporate Affairs Management.

**Review:** Internal Audit Management

### Risk Assessment

[GRI 3.6.ii.a, 3.6.iii]

Since 2016, we have been conducting internal due diligence processes aimed at identifying the primary human rights risks within our operations and supply chain.

Following the comprehensive diagnosis conducted in 2022 at the company-wide level and the detailed assessment within the operations of the Aconcagua Complex, in 2023, the Corporate Sustainability Program team from the Law School of the Catholic University of Chile continued evaluating current and potential risks within the Colbun Complex and the Horizonte Project.

Throughout this process, information was gathered directly from stakeholders through semi-structured interviews, surveys, focus group meetings, field visits, and informal conversations with individuals associated with the Company, such as employees, contractors, suppliers, and members of facilities neighboring communities.

For the Colbun Complex, 28 interviews were conducted, and 50 surveys were completed. For the Horizonte Project, 37 interviews were conducted, and 78 surveys were completed.

### Human Rights Risk Identification and Management

Colbun has established a human rights risk matrix and assigned responsibilities for its identification and management. Currently, this model is undergoing updates to transition towards a continuous Human Rights management system.

The objective is to incorporate recommendations provided by the external advisory team after each process and develop a continuous governance framework for human rights risks. This integrated approach will enable unified monitoring of compliance with controls aimed at mitigating these risks.

### Colbun's Management

- Especially those of People, Public Affairs and Procurement.
- Execution of controls aimed at mitigating risks associated with each area.
- Identifying new issues that may have human rights implications within their respective competencies.

### Legal Management

- Analysis of new issues identified by Colbun's different management departments with a human rights approach.
- Severity analysis, seeking to determine the scale, scope and irremediable nature of the risk.
- Collaboration with the specific area in the determination of adequate controls.

### Risk Management and Sustainability Sub-Management

- The integration, follow-up, and updating of the human rights matrix is a comprehensive process at Colbun. This matrix encompasses specific risks, conducts severity and probability analyses, outlines control measures, identifies responsible parties, sets execution deadlines, and records incidents, among other pertinent information necessary to mitigate risks effectively.

### Risk Committee

- Continual analysis of the overall status of Colbun's human rights risk management system is conducted, along with monitoring changes, progress, and any new challenges that may arise.
- Suggestions for adjustments to the risks and controls integrated into the human rights matrix are also provided.

### Board of Directors

- Oversight of Colbun's human rights risk identification and management system.
- Definition of the main guidelines for those issues that, given their probability and impact, are considered strategic business risks.

### Audit Management

- Periodic reporting of statistics and verified complaints related to the issues outlined in the human rights matrix is crucial for accurately documenting incidents.
- An annual evaluation of the operation of the human rights risk identification and management system is conducted.

### Relevant issues identified in the due diligence process

In response to the 2022 process, recommendations aimed at updating the Human Rights Policy, conducting ongoing due diligence, strengthening the whistleblower hotline, and refining the Company's guidelines for remediating its impacts were implemented in 2023.

### Main risks identified were:

- Sexual harassment
- Inappropriate conduct of a sexual nature
- Discrimination based on sexual diversity
- Mistreatment
- Treatment by unions
- Forced or child labor
- Road and highway safety
- Accidents in communities
- Violence by third parties
- Shortage of water due to hydroelectric pipelines
- Water consumption

For the Colbun Complex, no new relevant risks were identified. However, risks related to the safety of workers and contractors on routes and in isolated shifts, as well as safety for the communities around the canals and water discharges, were assessed.

Regarding the Horizonte Project, final results were not available at the date of publication of this report.

It is important to note that other risks, such as salary equity, migrants and human trafficking, and indigenous communities, among others, were considered and evaluated in the exercises. However, they were determined not to be relevant at this time.

## Prevention, Detection, Monitoring and Mitigation

### Prevention

During 2023, we continued with awareness-raising and training on human rights and due diligence, including a total of around 75\* participating employees and contractors:

- Presentations and discussions on the framework applied to Colbun and its strategic management for this topic, such as Legal, Audit, Risk, People, Procurement and Public Affairs.
- Talk on human rights to workers and contractors of the Colbun Complex.
- Presentation to management on the guiding principles and the implications of a human rights due diligence process.
- Return of results of the due diligence process to workers, operators and contractors of the Aconcagua Complex.
- Presentation to the Board of Directors and main executives of the Company, and to the General Manager, on human rights, due diligence, and relevant topics for the Company.

\*Does not include Horizonte employees and contractors, who received the talk in January 2024.

### Watchmen and Security Guards

[GRI 410-1]

Chilean Private Watchmen and Security Guards undergo refresher courses provided by the Supervisory Authority OS-10 of Carabineros, covering topics related to private security. Within the curriculum, aspects of human rights are integrated, specifically within Constitutional Law discussions concerning the rights of individuals in relation to personal security and individual liberty.

These courses are valid for two years for security guards and three years for security guards. In 2023, a total of 27 guards underwent this training.

In Peru, eight security guards received training on the Occupational Health and Safety Policy. This policy explicitly mandates the obligation to work while respecting human rights and fundamental freedoms, adhering to the best practices outlined in the International Code of Conduct (ICOCA) and rejecting all forms of discrimination.

### Detection and Reparation

To proactively identify potential human rights issues across our operations and supply chain, Colbun employs both internal and external risk identification mechanisms.

Internally, each management department has the ongoing responsibility of identifying internal risks and impacts, particularly in areas directly linked to individuals associated with the Company, such as Corporate Affairs, Procurement, and People.

Externally, since 2016, Colbun has conducted human rights risk assessments through surveys, discussions, and field visits. The most comprehensive exercise took place between 2022 and 2023, as described earlier.

Colbun also operates a Whistleblower Hotline accessible to stakeholders for reporting potential human rights violations. All complaints undergo an internal investigation process led by the legal, people, and audit departments, ensuring confidentiality.

The hotline is annually reviewed by the Audit Management and recently underwent external evaluation by advisors specializing in gender, inclusion, and human rights issues. This initiative, along with efforts from the Sustainability, Corporate Affairs, and Procurement departments, aims to promote awareness and utilization of the channel.

Additionally, stakeholder survey results conducted by the Company are presented annually to the Sustainability and Regulatory Committee. These surveys gauge perceptions on various environmental, social, and corporate governance matters related to Colbun's management practices.



## Sensing instruments in Colbun

Instrument	Who applies it	Stakeholders	Operation
Internal	External	Employees, Communities, Contractors and Suppliers	All operations in Chile and Peru
<b>Complaint Line</b>	Internal	Employees, Communities, Contractors, Clients and Investors	All operations in Chile and Peru
<b>Contact Line</b>	Internal	Communities, Contractors, Clients	All operations in Chile
<b>ESG Surveys, including Human Rights variables</b>	External	Communities, Contractors, Investors	All operations in Chile and Peru
<b>Community dialogues</b>	Internal	Communities	All operations in Chile and Peru
<b>Talks with employees</b>	Internal	Employees	All operations in Chile
<b>Monitoring of contracts with contractors (compliance with labor contributions payment).</b>	Internal	Contractors	All contractors under the Subcontracting Law in Chile
<b>Clever platform for contractor companies accreditation and monitoring</b>	Internal	Contractors	All contractors under the Subcontracting Law in Chile
<b>Field visits to identify safety risks</b>	Internal	Employees, Contractors, Communities	All operations in Chile and Peru
<b>ESG requirements in bidding processes (“Cédula 8”)</b>	Internal	Contractors	All operations in Chile and Peru

### Monitoring and Communication

Colbun diligently monitors the risks identified via the human rights risk matrix and engages directly with each management and stakeholder group to address them.

The progress and efficacy of due diligence activities are transparently communicated through Colbun's Integrated Reports, community dialogues, contractor meetings, and comprehensive worker gatherings.

Instrument	Stakeholders	Operations
<b>Integrated Annual Report</b>	Employees, Communities, Contractors, Clients and Investors	All operations in Chile and Peru
<b>Community dialogues</b>	Communities	All operations in Chile and Peru
<b>Meetings with contractors</b>	Contractors	All operations in Chile and Peru
<b>Extended meetings with employees</b>	Employees	All operations in Chile and Peru

### Mitigation and Remediation

Thanks to the ongoing and comprehensive monitoring of human rights risks, Colbun proactively implements measures to prevent potential impacts across various management areas.

**These actions are highlighted throughout this report with the symbol:**



Some of the mitigation measures implemented or reinforced in 2023 include:

- Risk of workplace and sexual harassment: Implementation of "Healthy and Harassment-Free Environments" workshops (refer to page 114).
- Risk of accidents to communities: Enhanced safety management at our facilities (refer to page 128).

- Risks associated with contractors: Inclusion of a human rights form in the Special Regulations for Contractors and Subcontractors (REECS), along with training in responsible business conduct and operation of the whistleblower hotline (refer to page 107).
- Water scarcity risk: Resource management and efficiency initiatives, community dialogues on water, and provision of drinking water solutions for communities (refer to pages 139 and 159).



# We transform with INNOVATION

## Innovation and Development

[NCG 461 3.1.v] [GRI EU8]

Innovation stands as a cornerstone capability essential for achieving our strategic and ESG objectives. As we endeavor to reshape energy, we recognize the need to transform our business practices to align with the sustainable development of our planet and communities.

Innovation Management spearheads this effort, aiming to cultivate a culture of innovation within our organization.

**We aim to cultivate an innovative culture grounded in practices and values centered on experimentation, flexibility, human development, and participation.**

In 2023, we revised our Innovation Strategy, prioritizing the acceleration of the energy transition towards a low-carbon economy. This involves

integrating new technologies and refining processes, businesses, and solutions to meet the evolving needs of current and future clients.

As part of this updated strategy, we introduced new elements pertaining to governance, focus areas, and innovation metrics.

## Innovation Focuses

Two types of innovation are delineated based on the level of uncertainty, novelty, and value of the initiatives: decentralized and centralized.

**Decentralized** innovation aims to optimize or enhance existing products and is spearheaded by individual business units.

**Centralized** innovation, on the other hand, endeavors to pioneer and cultivate new forms of business. This is overseen by the Innovation Management team.

## Governance

The Innovation Committee possesses authoritative abilities to prioritize projects, allocate budgets, delegate tasks, and delineate responsibilities.

The Innovation Management, housed within the Planning and New Businesses department, oversees innovation management throughout the Company.

Moreover, we have 35 Innovation Leaders representing various departments, tasked with spearheading and fostering initiatives within their respective teams, focusing on decentralized innovation.

## Enabling Aspects of Innovation

We have policies established to facilitate and stimulate innovation, encompassing the allocation of time, resources, and budget, risk management, intellectual property management, internal and external communication, as well as incentives and recognition.

## Innovation Goals

We set annual impact targets associated with EBITDA, reduction of environmental footprint, and employee participation in innovation activities (innovation culture).

## Training and Innovation Culture

To inform and reinforce our new strategy, an Innovation Leaders meeting was held in 2023 with the participation of the General Manager, emphasizing the importance of innovation at Colbun. Additionally, we conducted 24 dissemination sessions with over 600 participants, along with a communication campaign through videos, news, and digital screens.

Other activities and initiatives to foster an innovation culture within our team throughout the year included:

- **Discovery Workshops were conducted for the Legal Management team**, focusing on legal issues, while Generation and Occupational Health Management underwent sessions addressing people safety concerns. The Commercial Management team participated in trainer's table sessions aimed at understanding problems and processes. These activities were conducted in collaboration with consulting and innovation firms, including Evolution Labs.
- **Corporate innovation course specifically designed for Innovation Leaders**, comprising four sessions with an average attendance of 25 individuals.
- **Attended the ChileMass Innovation Day** in Boston, United States
- As **sponsors** of the energy category in the **Avonni 2023 awards**, we served as jury members, evaluating the proposals received.
- Participation in the **corporate training** program **"Desarróllate"**, delivering a talk on Innovation and Strategy 2023.
- **A company-wide talk on the fundamentals of artificial intelligence**, focusing on generative artificial intelligence, was organized, with over 250 attendees. Dr. John Atkinson, director of the master's degree program in artificial intelligence at Universidad Adolfo Ibáñez, led this session.

## Partnerships for Innovation

For several years, Colbun has nurtured strategic partnerships with key players in the local and global innovation landscape, including the Innovation Club, ChileMass, and Socialab. Additionally, we collaborate with startups, companies, and organizations providing innovative services that cater to our needs or benefit the communities where we operate.

To stay abreast of emerging technologies, we engage in scouting and technology monitoring activities with specialized innovation firms such as Hub Tech, Discovery&Watch, and Open Beauchef, among others.

Our network extends to research and development centers and universities, such as Fraunhofer, Universidad de Concepción, Universidad Católica, and CEA Liten. We recently joined the Instituto

de Tecnologías Limpias (ITL) and maintain connections with entities like SOFOFA Hub and the Circular Economy Center of the northern region.

Furthermore, we collaborate with international partners through associations like the Business and Innovation Department of the Embassies of Israel, Sweden, and the Netherlands, as well as the Chilean-French Chamber and the Innovation Association of the Netherlands.

In the realm of clean energy, we are active members of the Green Hydrogen Association in Chile and actively engage with CORFO and its ecosystem. This includes participation in high-tech project applications and leveraging the R&D law through InnovaCORFO.

### Partnerships in the innovation ecosystem

#### Suppliers



#### Technology Centers



#### Methodologies, Workshops and R+D Law



#### Embassies



#### Academy and Research Centers



#### Circular Economy



#### Government and Public Entities



#### Specialized Consultants



#### Scouting



## Innovation Cases

At Colbun, innovation is closely aligned with the Company's sustainability objectives.

Even prior to updating our strategy in this area, the Innovation Management has been committed to achieving goals related to **reducing environmental footprint and developing projects for the communities where we operate.**

While these initiatives may not always yield direct economic returns, they contribute significantly to the Sustainable Development Goals outlined in the United Nations' Agenda 2030.

### Occupational Health and Safety Training with Virtual Reality - Los Quilos Power Plant

#### Energy Management

In collaboration with YOY, a leading provider of interactive experiences for technical training using advanced virtual reality (VR) technology, augmented reality (AR), and web-based simulators, Colbun developed digital courses required for Occupational Health and Safety, Operations, and People Management.

The training took place at the Los Quilos power plant and saw the participation of approximately 50 individuals over two successful days.

### Remote Actuator for Switching of Medium Voltage Switchgear (Chicken switch)

#### Energy Management

This project addresses the critical need to enhance worker safety by minimizing the risk of injury from electrical discharges during the execution of energizing and de-energizing maneuvers in medium voltage switchgear.

By integrating a remote actuator for the switch, operators can now execute these maneuvers from a distance of up to ten meters away from the cubicle, ensuring their safety and preventing potential serious or fatal injuries.

### Automation of the DAS panel cleaning tractor

#### Energy Management

Currently, we utilize two tractors equipped with panel cleaning rollers, which are in operation every working day of the year and require two months to clean the entire solar park.

To optimize efficiency, we aim to automate the cleaning process, thereby reducing cleaning times and minimizing generation losses attributed to dirt accumulation.

### DAS Hydro Panels

#### Energy Management

In collaboration with Water Resources Management and Sustainability and Environment Management, we have initiated the implementation of hydro panels within the Diego de Almagro Sur project. The objective is to neutralize the water footprint for human consumption.

This involves installing ten hydro panels designed to generate water from atmospheric humidity. Each panel is estimated to produce 4.1 liters per day.

### Development of a Photovoltaic Self-Generation Park - Polpaico Case

#### Commercial Management (Soluciones by Efizity)

The initiative aims to integrate renewable energy sources on a significant scale, facilitating self-sufficiency in clean energy for the cement company Polpaico. This pioneering project marks Colbun's debut in this field.

### CO<sub>2</sub> capture Study, mitigation, and revalorization in power plants

#### Sustainability and Environment Management

In collaboration with the Directorate of Scientific and Technological Research at the Pontificia Universidad Católica de Chile, we conducted a comprehensive study to evaluate available technologies for CO<sub>2</sub> capture and revalorization in the power generation sector. This study considered both technical feasibility and economic viability aspects.

### Renewable Energy Viewer

#### Renewable Energy Management

The Renewable Energy Viewer aims to centralize and manage technical-territorial information with a focus on project management.

### Artificial Intelligence use and adoption

#### Finance Management

Colbun has been admitted to the Microsoft Copilot Early Adopters program, securing approximately 300 licenses. These licenses aim to promote, validate, and initiate a process of socialization and adoption of the Copilot end user in the daily work performed using MS Office tools such as Word, Excel, PowerPoint, Planner, and PowerBI.

The Information Technology (IT) Management is actively supporting this process with specific training sessions on each tool and its potential. Copilot serves as a valuable support for the daily tasks of each process.

### Paposo Pumping Power Plant Project

#### Engineering and Project Management

The Paposo Pumping Plant is a storage facility utilizing hydro pumping technology. It will utilize desalinated water to supply the lower reservoir and mitigate volume losses due to evaporation.

This pioneering project presents significant technical challenges as it will be the first of its kind in Chile operating at an altitude of approximately 1,500 meters.

The plant is designed with a capacity of 600 MW, comprising two generating units of 300 MW each.

### Construction of Drinking Water Treatment Plant for the Santa Rosa de Colmo Community

#### Corporate Affairs Management

Utilizing recycled membranes from the Nehuenco reverse osmosis plant (POI), the construction of a drinking water treatment plant was initiated following a successful two-year pilot (2021 and 2022) for reusing discarded membranes from the POI. After scaling up, this treatment plant aims to benefit approximately 800 families currently relying on water from an APR with high iron content.

The solution not only provides safe drinking water to the community but also eliminates the need for water trucks.

# In 2023 the ALLOCATION

of **USD 12.9 million\*** was earmarked for initiatives, projects and the general promotion of research, development and innovation.

### Open Social Innovation Challenge: Seeking Sustainable Solutions for Rural Schools

#### Corporate Affairs Management

In collaboration with the Colbun Foundation, an Open Social Innovation Challenge was organized to explore sustainable solutions for two rural schools in the V Region.

The challenge focused on improving water supply, electrical energy, and thermal comfort. A total of 23 proposals were received from around the world.

The winning solutions were selected by a jury comprising representatives from the Innovation and Projects Management, Colbun Soluciones, and the Environment, Public Affairs, Communications, and Innovation departments. Ecological, Enerdis, and Jesus del Val were awarded in each category.

These innovative solutions will be implemented during 2024.

### Green Hydrogen Project at Central Fenix (Peru)

The Green Hydrogen Project at Central Fenix in Peru marks a significant milestone as the first of its kind in the country's power plant sector. The project involved installing a 1.05m<sup>3</sup>/h capacity electrolyzer (hydrogen generator) and constructing a photovoltaic plant with 190 solar panels, totaling 110kW capacity. Under normal conditions, the photovoltaic plant will generate 196 MWh of energy per year, with 35% allocated for use in the hydrogen plant and the remaining 65% to supply energy to the administrative building of Fenix.

This innovative initiative is projected to produce an average of 8,000 m<sup>3</sup> of green hydrogen annually, equivalent to the volume of 4 Olympic swimming pools. The hydrogen generated will be utilized to cool the generators of the thermal power plant in Chilca, with a remarkable zero water footprint, as only seawater will be consumed in the process.

Moreover, the project is anticipated to reduce approximately 70 tons of CO<sub>2</sub>e emissions per year, contributing significantly to environmental sustainability. Additionally, it enhances operational safety and reliability by reducing dependence on external supply sources, leading to estimated annual savings of US\$ 50 thousand.

The total investment for implementing the hydrogen plant along with the solar plant amounted to US\$ 200 thousand, showcasing the cost-effectiveness and viability of green hydrogen solutions in the energy sector.



## Clean Technologies Institute: the largest investment in R+D in Chile's history

After a comprehensive process of definition spanning much of 2023, the Clean Technologies Institute (ITL) was formally introduced on January 15, 2024, with the signing of its bylaws.

The ITL represents a collaborative effort spearheaded by CORFO, under an agreement between the state entity and SQM Salar, aimed at fostering the emergence of a new clean energy and green mining sector in Chile. Notably, this initiative marks the largest investment in applied Research and Development R+D ever witnessed in the country's history. Colbun stands as the sole energy company participating in this consortium.

This visionary endeavor has succeeded in rallying a diverse array of high-profile stakeholders from academia, applied research, both domestic and international, as well as mining and energy corporations. Together, they converge on an innovative project that leverages the unique attributes of the Antofagasta region to establish a sustainable industry that promises to revolutionize the region's economic landscape and enhance the overall quality of life across northern Chile and the nation.

In the realm of energy, the ITL is poised to drive advancements in renewable energy generation.

\*The amount includes the Photovoltaic Self-Generation Park project at our client Cementos Polpaico and also the expenses associated with the Paposo Pumping Plant project. The total R+D expenditure without considering these projects is USD 3.4 million.

# GROWING *Alongside* YOU

- 5.1 Ensuring Reliable Services
- 5.2 Guaranteeing Energy Continuity and Security
- 5.3 Ethical Supply Chain



## Value Chain

In the evolution of our value chain, we regard suppliers and clients as pivotal elements of our 2030 Strategic Agenda, each with distinct objectives outlined. Our interactions with both are integral to the Company, prompting us to consistently pursue avenues for enhancement that facilitate sustainable business practices. This section delineates our approach to this management.

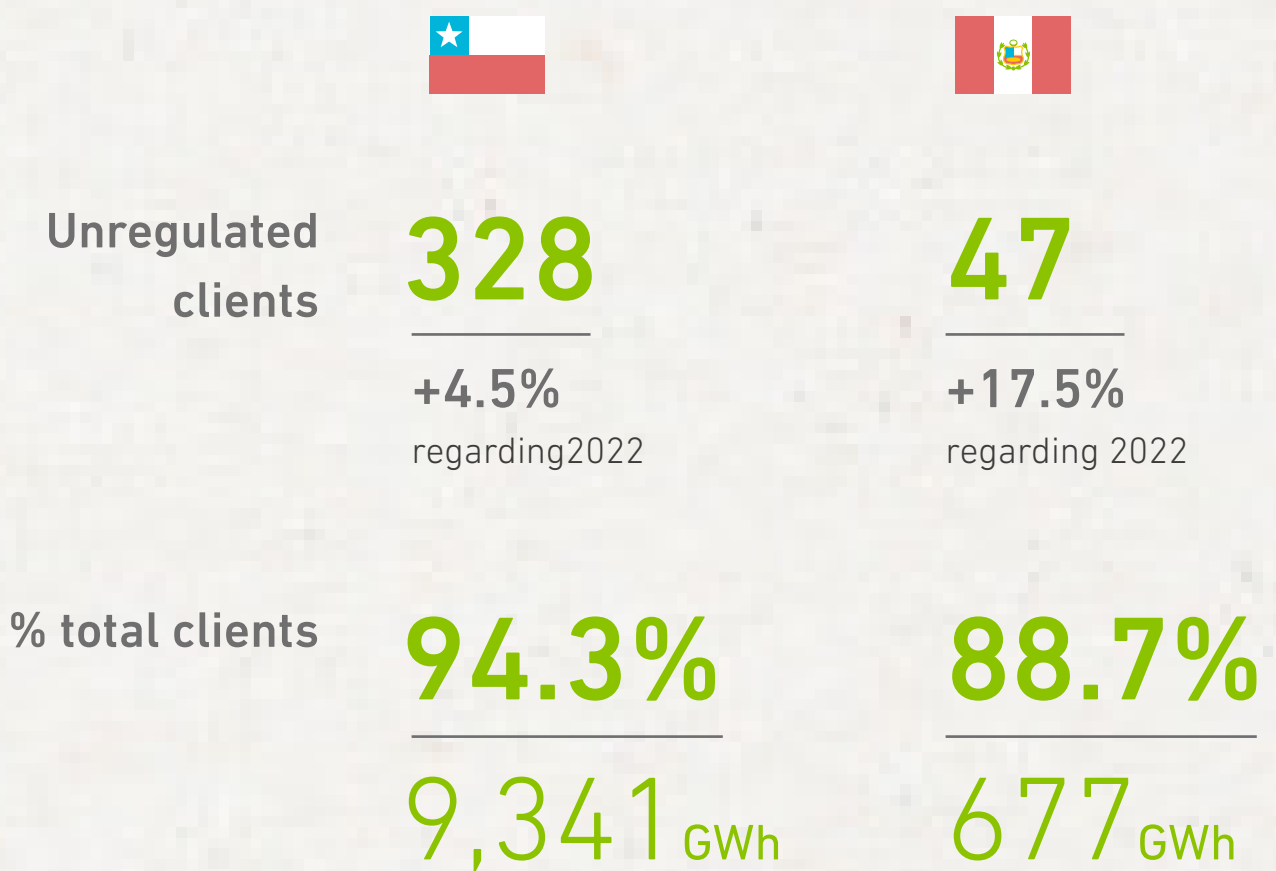
Ensuring  
**RELIABLE  
SERVICES**

### Clients Development in Chile and Peru

[GRI EU\_000.A] [SASB IF-EU-000.A, IF-EU-000.B, IF-EUa.1]

Our aim is to establish ourselves as strategic partners for our clients, providing them with continuous and sustainable energy at highly competitive prices. Additionally, we focus on delivering reliable and innovative solutions to address their energy efficiency needs. By doing so, we assist them in enhancing their competitiveness within their respective markets and support them in achieving their sustainability objectives.

In both Chile and Peru, the majority of our clients fall into the category of unregulated clients, meaning they have a connected power capacity exceeding 500 kW. As a result, they have the ability to directly negotiate their tariffs with our Company. In contrast, regulated clients belong to a market segment where tariffs are established through tenders overseen by the sector authority.



Among the contracts we serviced in 2023 for Colbun's unregulated clients, several companies with significant energy consumption stand out. These include Codelco, BHP, CMPC Group, Compañía Minera Zaldivar, CBB Group, Walmart Group, Polpaico Soluciones, CCU Group, and Minera Meridian. Additionally, we maintain active contracts with 20 distribution companies that, in turn, supply energy to regulated clients. In Peru, we serve six such clients.



### Type of Clients

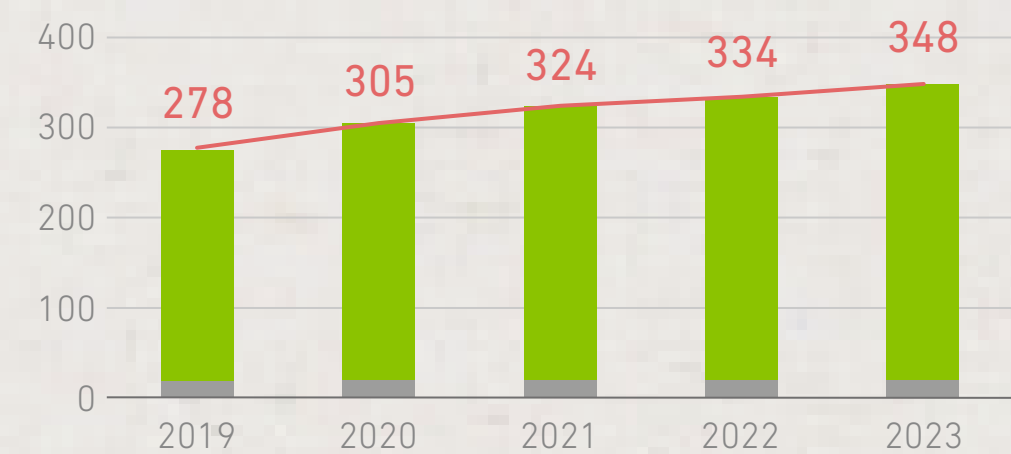


Regulated	20 (5.7%)	6 (11.3%)
Unregulated	328 (94.3%)	47 (88.7%)
<b>Total</b>	<b>348</b>	<b>53</b>

### Regulated and Unregulated Client Evolution

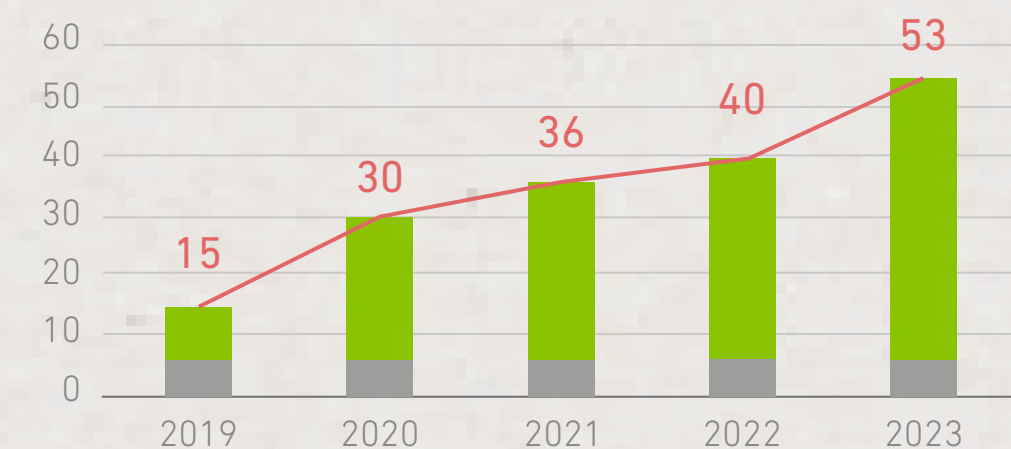
■ Regulated ■ Unregulated — Total

#### Colbun



**Note:** These figures do not account for 24 clients initiated after December 31, 2023.

#### Fenix



**Note:** These figures do not account for 9 contracts with distributors/generators for free market support.

**We are expanding our markets through commercial excellence and a differentiated delivery model.**

### 2023 Commercial Management Milestones



- Closing of supply contracts with 76 new clients. Noteworthy among these are the renewable energy contracts signed with Collahuasi, Aguas Pacifico, and SQM.
- Renewal of contracts with 35 free clients, including Ripley (for 8 years), Grupo Bavaria (for 6 years), and Grupo Ballerina (for 6 years).
- Achieved a 94% rehire rate for clients who renewed contracts during 2023.



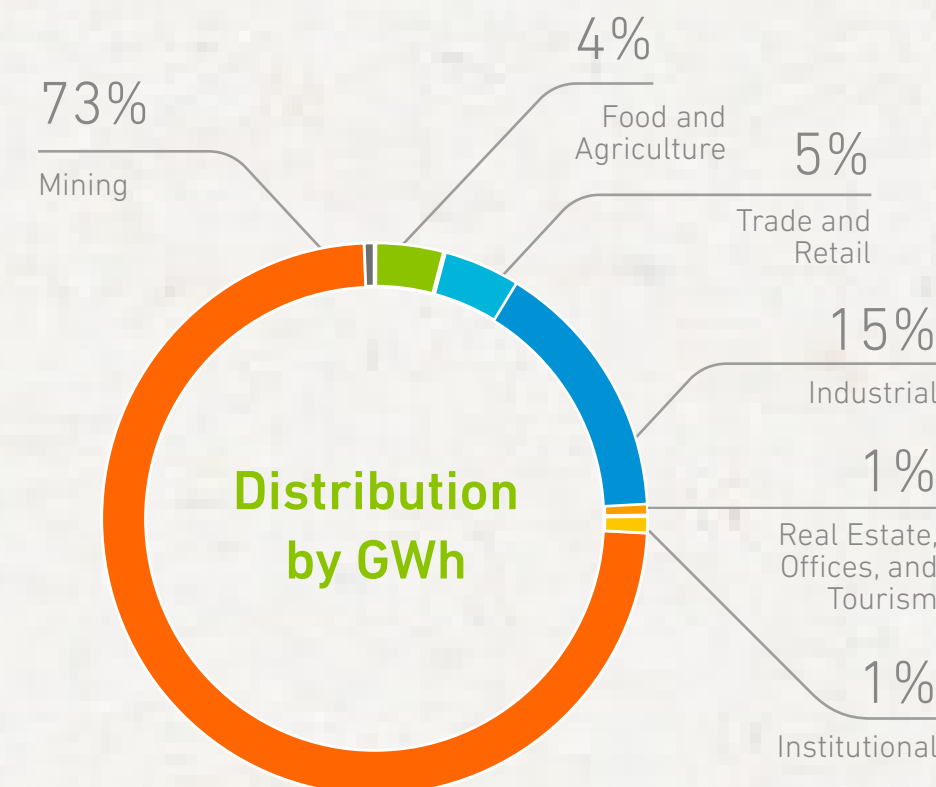
- Contracts conclusion with 20 clients totaling a capacity of 363 MW, equivalent to an annual energy consumption of 1,817 GWh. Notably, a contract was signed with a significant free client for a capacity of over 100 MW. Additionally, a significant regulated contract was secured for a capacity of 100 MW.
- Renewal of contracts with 3 free clients. Furthermore, the commercial management efforts resulted in the allocation of all available energy and power for the years 2024 and 2025.
- Successful implementation of the SAP-ISU module, enhancing and streamlining internal processes within the billing cycle.

### Unregulated Clients by Sector (GWh)

[NCG 461 6.2.iv]



In Chile, our client portfolio spans various industrial sectors and geographic regions, stretching from the Arica and Parinacota Region to the Lakes Region. Notably, we serve the mining industry, with Colbun being a key supplier in this sector.



In Chile, three clients individually contributed to 10% of total sales revenues.

### Number of Clients

[SASB IF-EU-000.A] [GRI EU3]

	Chile		Peru	
	ENABLING TRANSMISSION	DISTRIBUTION	ENABLING TRANSMISSION	DISTRIBUTION
Industrial	17	229	6	28
Commercial	0	82	2	10
Wholesale	20	0	10	0
<b>Total</b>	<b>37</b>	<b>311</b>	<b>18</b>	<b>38</b>

In Fenix, Luz del Sur and Enel Distribución were the primary clients in 2023, with contracts to serve the regulated market in their concession area. In Peru, our main free clients operate in the mining industry.

### Client Profile



Beyond industrial and commercial clients, we also serve enabling transmission clients in both countries. These are clients with high electricity consumption unable to connect to distribution networks (up to 23 kV) and instead rely on transmission networks. This segment includes distribution companies serving residential clients as well.

## A Differentiating Delivery Model

Our Company's value proposition is based on a comprehensive approach to energy excellence. This involves the following aspects:

### Value Proposition



### 1 Continuous and Competitive Power

[NCG 461 8.1.1] [GRI 2-27]

We **lead the power industry** by providing secure, competitive, sustainable, and consistently available power round the clock for Chile's electricity system. Our strategic blend of renewable assets—including hydro, solar, and soon wind resources—coupled with the efficiency of our thermal assets, ensures uninterrupted availability for both our clients and the entire system. For further details, please refer to page [p.x](#)

In 2023, our service supply remained uninterrupted and free of incidents, thereby exempting us from penalties for non-compliance throughout the year.

### 2 Partners in Energy Solutions

Colbun Soluciones by Efizity offers sustainable and **innovative systems that assist our clients** in addressing challenges such as energy savings, compliance with Chile's Energy Efficiency Law, and the attainment of sustainability goals.

We assist large and medium-sized enterprises in implementing and managing Energy Management Systems

(EMS), as well as in managing electricity, water, and gas billing. Additionally, we provide services for distributed solar power plants, electric vehicle charging infrastructure, energy consumption monitoring and control, and energy efficiency consulting for buildings. For a comprehensive overview of the value-added services offered by our Company, please visit the "[challenges](#)" and "[solutions](#)" section on our website.

In 2023, we secured **92 energy solution contracts**, including:

## Some of Colbun's Energy Solutions



### Photovoltaic (PV) Self-generation Solutions

**Polpaico Soluciones**

Located in the commune of Tiltill, the photovoltaic power plant of this cement company will have 15,000 solar panels, an installed capacity of 9.9 MWp and will be able to self-generate 21.5 GWh annually. The project will enable the Polpaico Soluciones plant in Cerro Blanco to operate with 100% renewable energy, complementing the supply of this type of energy already provided by Colbun. The project has an approximate investment of USD 10 million.

**Matthei Power Plant**

The solution for this dairy company located in Yumbel, Biobío Region, was put into operation in March 2023. It consists of 500 photovoltaic panels covering approximately 3,400 m<sup>2</sup>, with an installed power of 270 kWp, and will be able to self-generate 435.2 MWh per year.

**CMPC Power Plant**

The power plant for the Chillán facility of this forestry company consists of 300 photovoltaic panels with an installed capacity of 180 kWp and will be able to self-generate 290 MWh per year.

### Power Management Systems (EMS) and Operation and Maintenance (O&M)

We assist our clients in implementing standards and obtaining certification under ISO 50001. In 2023, 25 clients achieved certification, totaling over 700 sites nationwide, representing a 90% growth compared to the previous year. Additionally, we are currently engaged with more than 12,000 sites, positioning us as leaders in designing and implementing ISO 50001 Energy Management Systems.

Our Operation and Maintenance (O&M) service for Energy Management Systems is both innovative and competitive, currently supporting 40% of our certified clients. Our specialized services span across various industries, including mining, retail, telecommunications, fishing, wine, agribusiness, forestry, electricity and water services, as well as the non-metallic manufacturing industry.

### LEED O+M Certification

Since the inception of LEED O+M certification in Chile in 2020, Colbun Soluciones has provided guidance to eight buildings, including the groundbreaking "Birmann 24" of Grupo Patio, reaffirming our leadership in this advisory domain. Particularly noteworthy are the LEED O+M Platinum level certifications—acknowledged as the pinnacle of efficiency and sustainability—for the buildings Torre B del Parque Titanium and Apoquindo 5400, both managed by US Urban for Macquarie.



In Peru, in 2023, we implemented 17 energy solutions, which included the deployment of a load rejection scheme for Cencosud in its nine flagship stores. This mechanism aids in maintaining the stability and security of the electricity system. Furthermore, we successfully concluded the implementation of the electric lane at the facilities of our client, Grupo Patio.

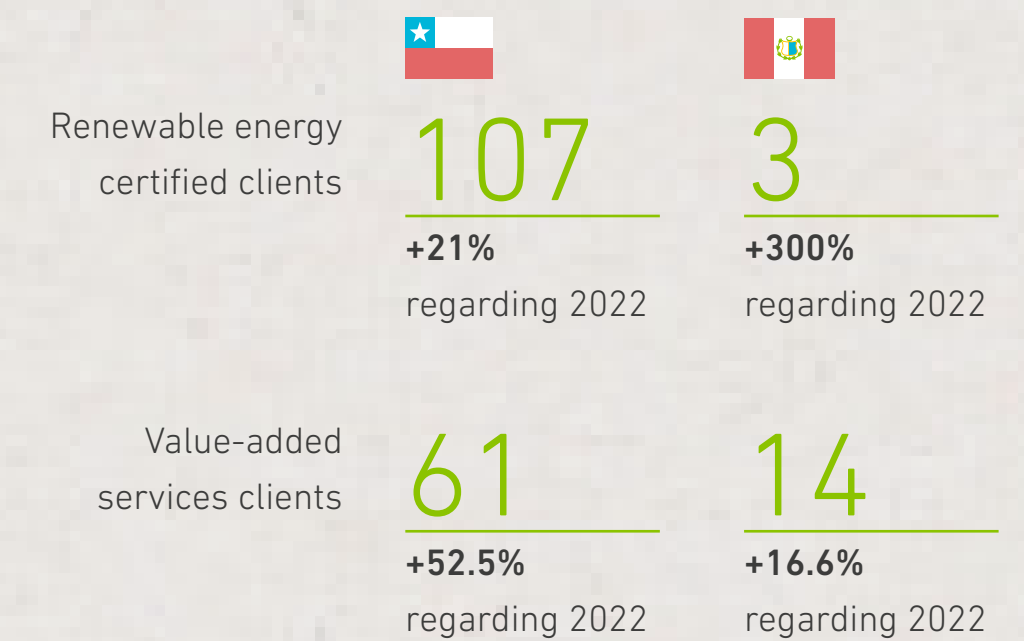
### Renewable Energy Certificate

Renewable Energy Certification is a rigorous process ensuring that our clients' electricity consumption originates from renewable sources like hydro, solar, and wind energy. This certification, verified by the independent auditing firm EY, issues a certificate and seal, enabling companies to communicate their commitment to clean energy to stakeholders. Additionally, we provide other certificate such as I-REC and Green-e.

In 2023, the Company entered into 18 renewable certification contracts with new clients, including Collahuasi and Aguas Pacifico, among others.

Moreover, in May 2023, we issued the sixth Renewable Energy Balance Certificates to 88 of our clients for their 2022 consumption, totaling 4,668 GWh of energy per year.

### New Solutions Client Growth



3

### Optimal Commercial Policy

Our commercial strategy is built on optimal contracting levels aligned with our production capacity and efficient generation sources. We implement hedging mechanisms to mitigate hydrological risks and fuel market price fluctuations, effectively managing impacts on the spot market.

We innovate pricing structures tailored to industry dynamics and our generation portfolio, ensuring market share retention and successful client contract renewals.

Navigating price volatility and regulatory shifts is a persistent challenge in the electricity sector. To address this, we employ innovative risk coverage clauses that strike a balance between both parties' interests.

4

### Client Journey Excellence

Annually, we conduct the **Voice of the Client program** to gather feedback across various interaction dimensions, including the Net Promoter Score (NPS), a measure of client satisfaction and loyalty. This feedback informs our continuous improvement initiatives, involving all Company stakeholders. In Chile, we achieved our NPS target of 75 points, while in Peru, we exceeded expectations with a score of 82 points.

CHILE	2020	2021	2022	2023	GOAL 2023
NPS	66	70	75	75	<b>75</b>
% Satisfaction	92%	95%	93%	97.4%	
% Coverage unregulated clients	100%	100%	100%	100%	
% Coverage including distributors	100%	94%	94%	94%	

PERU	2020	2021	2022	2023	GOAL 2023
NPS	59	73	80	82	<b>75</b>
% Satisfaction	96%	100%	100%	97.4%	
% Coverage unregulated clients	100%	100%	100%	100%	
% Coverage including distributors	100%	100%	100%	88%	

SATISFACCIÓN CONSOLIDADA	2020	2021	2022	2023	GOAL 2023
NPS	65,3	70,3	75,5	75,7	<b>75</b>
% Satisfaction	92%	96%	93,7%	97,4%	
% Coverage unregulated clients	100%	94%	95%	95%	
% Coverage including distributors	100%	-	-	-	

The factors that contributed to the increase in Colbun's client satisfaction were as follows:

#### Image

variables

93%

meets the question "Good Reputation"

91%

agrees with "Good Strategic Partner"

#### Service

variables

97%

grades in "Satisfaction with the Company"

93%

satisfied with Commercial Agent

91%

clients satisfied or fully satisfied with Colbun's Power Supply

93%

of satisfaction with Invoicing Process

## Client Service Pillars

### Technical Advice and Expertise

Multidisciplinary team of professionals specialized in the electricity market and energy solutions.

### Legal and Regulatory Support

Expert legal and regulatory advisory team, available to support in the management of requirements and claims with electricity distributors

### Tailored Support

Our dedicated team of commercial executives is committed to providing personalized support, addressing each client's unique needs and ensuring prompt resolution of their requirements.

### Direct and Simple Client Service Channels

Digital platforms such as Virtual Branch, Web page, CRM, as well as Advanced Reporting, which allows clients to monitor consumption, view and pay invoices, among other requirements.

### Information and Transparency

Permanent delivery of relevant and transparent information on the operation and regulations of the electricity market, trends and regulations of the electricity market, trends and new developments.

## Client-Centered Program

In addition, we engaged the entire organization in achieving these objectives through the internal cultural initiative, the "Client at the Center" program. Its key activities included:

- Launching a website providing insights into our client base.
- Conducting awareness workshops on enhancing client experience at Colbun's facilities.
- Sharing agreements and discounts offered by clients with Colbun employees.

Our aim is to foster a strong rapport with our clients, and throughout the year, we undertook various activities to deepen this connection.



- Renewable Certificates Milestone: Celebrating Clean Energy Commitment
- Welcome to New Clients: Expanding Our Energy Family
- First Colbun Paddle Tennis Championship: Building Community Through Sport
- Invitations to Pan American Games Santiago 2023: Supporting Sporting Excellence
- ISO 5001 Compliance Certificates: Recognizing Energy Efficiency Achievements
- Year-End Event for Clients: Celebrating Success Together



- Guided Visits to the Fenix Thermal Power Plant: Exploring Energy Production Excellence
- Visits to Clients in Lima: Delivering Value-Added Services Up Close
- Client Training on Billing and Self-Management Platform: Empowering Clients for Efficiency
- Fourth Fenix Client Day: Navigating Energy Markets, Solutions, and Regulations
- Third Participation in Perumin: Showcasing Solar-Powered Innovation

## Digital Transformation Serving Our Clients

In our quest for technological advancements to enhance our client value proposition,

We initiated two significant digital projects in 2023:

- **Automation of Tariff Schemes in SAP-ISU:** Enhancing Billing Efficiency
- **Implementation of a Debt Management Process with Automatic Notifications:** This enhancement ensures timely communication with clients regarding payment due dates, reducing the incidence of late payments.

Additionally, we made strides in:

- **Developing a digital transformation project for our collection and recovery model,** enabling us to assess the financial profiles of prospects and clients. This effort aims to mitigate credit risk and minimize the likelihood of payment defaults. It also significantly reduces the time required for the quotation process.

## Enhanced Digital Client Service Platform

### Virtual Branch

Our innovative digital client service platform offers a suite of tools designed to measure, monitor, and manage energy consumption in a user-friendly and transparent manner, while also facilitating automatic bill payments.

In 2023, we further enhanced our automatic bill payment options by integrating payment buttons from Banco Santander and Banco Chile. Additionally, we introduced new features to improve accessibility and usability for a broader range of clients. These enhancements include advanced search capabilities, downloadable information access, platform operation tutorials, and an FAQ section.

According to the Client Feedback Process 2023 study conducted by Braintrust, **satisfaction with our Virtual Branch reached an impressive 95%, with its usage increasing to 60% compared to 44% in 2022.**

### Client Data Protection

[GRI 418-1]

At Colbun, we prioritize the protection of client data and strictly adhere to policies that prevent the use of client data for purposes beyond our primary business objectives.

**We mandate that our survey providers adhere to stringent standards and procedures to safeguard the data entrusted to them** for research purposes.

In 2023, there were no reported complaints regarding breaches of client privacy or data loss. Moreover, our rigorous procedures in Chile and Peru identified no breaches or leaks, underscoring our commitment to maintaining the integrity and security of client information.



Material Topic

Continuity and security  
of **POWER SUPPLY**

[GRI 3-3]

### Description

Ensuring a stable and uninterrupted energy supply is paramount for the functioning of modern society and the economy. Essential services rely on this service, and most activities today are highly dependent on electricity, a fundamental input for technological operations.

### Impacts on the Environment

- Energy security contributes to society's daily life and development.
- Addressing climate instability and the risks of storms, floods, and forest fires, the resilience of energy generation, transmission, and distribution infrastructure significantly impacts the continuity and security of supply.
- Providing energy at competitive prices benefits end clients.

### Risks for the Company

- Variability in renewable generation due to environmental events poses a challenge.
- Technical failures and human errors leading to interruptions in generation and integration into the transmission grid are significant risks.
- Internal or external events that compromise the security of business information, such as leaks or theft.

### Business Opportunities

- Opportunities for growth exist in expanding business lines, entering new countries, and increasing installed capacity.
- Optimization of the short-term market and its regulatory framework (spot markets and complementary services, presents further avenues for growth).

### Policies and Guidelines

- Asset Management and Energy Performance Policy
- Risk Control and Management Policy
- ISO 50.001 for Energy Management Systems
- ISO 55.001 for Asset Management System
- Planes de mantenimiento
- Diagnósticos de eficiencia energética

### Objective

Our objective is to ensure high levels of availability and reliability in energy supply for our clients.

### Progress and Actions

We achieved an increased availability rate of 86% in Chile and maintained a consistent 95% availability rate in Peru.



## Asset Management Strategy

[GRI EU30]

Asset management is crucial to ensuring the safety, continuity, and quality of the electricity supply we provide to our clients.

**Our commitment to value creation and operational excellence is underpinned by strategic planning and effective management of risks that may impact the Company's infrastructure.**

In our evaluations, we take into account the entire life cycle of assets and consider economic, social, and environmental factors, along with parameters such as cost, benefit, risk, and performance. This comprehensive approach includes scenario planning and alternative analysis, involving assessments of sites, technologies, as well as social, environmental, regulatory, and economic implications.

Specifically, our studies cover:

- Short- and long-term maintenance practices.
- Load peaking management, including planned interruptible supply arrangements to ensure electricity supply.
- Investment or divestment decisions in generation, transmission, distribution, and demand-side management.

External factors that could impact the affordability of energy for our clients include geographic location, weather conditions, policies, and utility programs.

### Identified Challenge

### Management Approach

#### Maintenance

We establish strategies that include corrective, condition-based, and predictive maintenance for our assets, among other approaches. In our decision-making process, we consider various factors such as cost-benefit analysis, risk assessment, community engagement, and system security.

#### Flexibility

Amidst the energy transition, thermal power plants, particularly those powered by natural gas, play a crucial role in providing backup, security, and stability to the system, especially with the increasing integration of energy from variable sources.

#### Investments

Our Asset Management and Energy Performance Policy outlines the guiding principles for investment decisions. Additionally, we have defined approval processes for different investment initiatives.

#### Risk Management and Control

The Risk Control and Management Policy sets forth the overarching principles for the entire Company to ensure effective risk management and control, safeguarding the sustainability of our business.

Acknowledging the significance of energy management for our clients, we actively pursue continuous improvement in our operations and proactively adhere to existing legislation.



## Colbun Power Plants Availability

[GRI EU30]

### Total Colbun in Chile

## Chile

INDICATOR	2020	2021	2022	2023
% Total availability	94.8%	95.3%	84.7%	86.04%
% Total Unavailability	5.2%	4.7%	15.3%	14.0%
% Total load factor	42.1%	38.1%	44.5%	43.1%
Number of power plants	24	24	26	27

### Thermal Power Plants (GNL and Coal)

% Total availability	95.4%	95.6%	77.6%	77.6%
% Total Unavailability	4.6%	4.4%	22.4%	22.4%
% Total load factor	45.3%	48.6%	53.7%	38.3%
Number of power plants	7	7	7	7

### Thermal Power Plants

INDICATOR	GNL		COAL	
	2022	2023	2022	2023
% Total availability	73.2%	75.4%	88.8%	79.4%
% Total Unavailability	26.8%	24.6%	11.2%	20.6%
% Total load factor	-	38.1%	-	47.9%
Number of power plants	5	5	1	1

### Hydroelectric Power Plants

INDICATOR	2020	2021	2022	2023
% Total availability	94.1%	94.9%	91.7%	92.4%
% Total Unavailability	5.9%	5.1%	8.3%	7.6%
% Total load factor	39.1%	27.8%	36.2%	47.9%
Number of power plants	17	17	17	17

### Solar Power Plants

INDICATOR	2020	2021	2022	2023
% Total availability	98.8%	97.7%	97.6%	99.7%
% Total Unavailability	1.2%	2.3%	2.4%	0.3%
% Total load factor	26.9%	25.4%	28.7%	25.4%
Number of power plants	1	1	3	3

### Total Peru (GNL)

## Peru

INDICATOR	2020	2021	2022	2023
% Total availability	83.3%	94.5%	95.3%	79.6%
% Total Unavailability	16.7%	5.5%	4.7%	20.4%
% Total load factor	57.1%	68.6%	87%	67.8%
Number of power plants	1	1	1	1

**Note:** The average availability factor of our thermal power plants in 2023 was 82.64%.

**Note:** The average availability factor of our solar plants in 2023 was 99.87%. The availability (hours) of the solar plants considers only the hours with available resource (solar hours).

**Note:** Availability considers scheduled hours (due to scheduled maintenance) and forced hours due to unscheduled events or failures.

## Energy Efficiency in our Power Plants

[GRI EU11]

In 2023, Colbun initiated the development of an energy efficiency plan for the Nehuenco and Santa María power plants. Managed by Colbun Soluciones by Efizity, the project aims to reduce the energy intensity of both units. It is being executed in compliance with the Energy Efficiency Law, with the objective of implementing an Energy Management System (EMS) in both operations and subsequently obtaining certification under the ISO 50001 standard.

Additionally, we commissioned an external audit to evaluate the maturity of our Asset Management System, following the ISO 55001:2018 standard. This standard focuses on establishing a proactive asset lifecycle management system.

## Energy Efficiency of Thermal Power Plants, by Type of Technology, Chile

	2020	2021	2022	2023					
TOTAL EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	AVERAGE AGE OF POWER PLANTS
Total thermal power plants	6,373,789	50.30%	-	49.50%	8,419,277	43.56%	5,910,692	43.96%	18
Combined cycle plants	3,981,287	-	-	-	4,153,226	54.21%	3,027,670	54.27%	20
Open cycle plants	-	-	-	-	1,012,449	28.99%	692,719	29.07%	17
Combined cycle + open cycle plants	-	-	-	-	6,066,715	49.3%	4,357,432	49.6%	19

In April 2023, the condenser of the Nehuenco II unit (natural gas combined cycle) underwent cleaning, resulting in a 0.21% increase in efficiency. For Candelaria I and II (open cycle) units, excessive start-ups and operating hours prompted a hot gas path inspection (HGPI) for both turbines. Conversely, Los Pinos (open cycle, diesel) experienced

fewer operating hours and starts, leading to reduced fuel consumption. Santa María maintained similar efficiency levels to previous years, attributed to efficient coal management.

## Energy Efficiency of Thermal Power Plants, by Fuel Type, Chile

	2020	2021	2022	2023						
TOTAL EFFICIENCY	TIPO	GENERATION (MWh)	ENERGY EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	AVERAGE AGE OF POWER PLANTS
	Combined cycle power plants	-	54.30%	-	54.20%	4,153,226	54.21%	3,027,670	54.27%	-
GNL	Open cycle power plants	-	28.70%	-	28.70%	-	28.26%	-	-	-
	Combined cycle plants + open cycle	-	-	-	-	-	-	-	-	-
Diesel	Open cycle	-	37.90%	-	35.90%	-	34.85%	-	-	-
Coal	Coal power plant		36.60%	-	36.70%	2,352,562	36.60%	1,553,260	36.60%	

## Energy Efficiency of Thermal Power Plants, by Technology and Fuel Type, Peru

	2020	2021	2022	2023						
TYPE OF POWER PLANT	POWER SOURCE	GENERATION (MWh)	ENERGY EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	GENERATION (MWh)	ENERGY EFFICIENCY	AVERAGE AGE OF POWER PLANTS
Combines Cycle	GNL	2,861,110	56.6%	3,426,710	57.4%	4,321,186	57.4%	3,383,938	56.7%	10

The lower efficiency is due to the fact that new correction curves were considered for the calculation, which also took into account the chiller and were required by System Economic Operation Committee (COES). GE was in charge of preparing the new curves.

Material Topic

# Responsible SUPPLY CHAIN

[GRI 3-3]

## Description

A responsible supply chain is indispensable for tackling the myriad economic, social, environmental, and governance challenges encountered by businesses of all kinds. This holistic approach ensures that workers across all stages of the chain enjoy safe and equitable working conditions, while also mitigating environmental impact by minimizing resource consumption, cutting greenhouse gas emissions, and curbing waste generation. Achieving these goals demands dedicated leadership and robust governance within companies to ensure regulatory adherence and uphold best practices.

### Impacts on the environment:

- Compliance requirements set for suppliers encourage the adoption of good practices, fostering environmental responsibility throughout the supply chain.
- Timely payment of suppliers fosters stability for companies and opens up development opportunities, contributing to a sustainable business ecosystem.
- Ensuring proper working conditions and safety measures for contractor workers enhances their quality of life, reduces turnover rates, and boosts productivity.

### Company risks:

- Non-compliance with legal and contractual agreements poses a significant risk, potentially leading to legal consequences and reputational damage.
- Discontinuity of operations due to noncompliance or failure of contractors could disrupt business activities and impact project timelines.
- Wars, pandemics, or other global events may increase the cost of acquiring parts and materials, potentially affecting project budgets and timelines.

### Business opportunities:

- Promotion of a sustainable supply chain.

### Policies and guidelines:

- Strategic Agenda 2030.
- Supplier Management Model.
- Code of Conduct.
- Code of Ethics.
- Supply Management Policy.
- Special Regulations for Contractors and Subcontractors (REECS).
- Asset Management and Energy Performance Policy.
- Equipment Renewal Processes.
- Procedure for the treatment of obsolete materials.
- Annual inventory control procedure.
- Hazardous substances management.
- Standard warehouse storage conditions.
- Diversity, equity and inclusion policy.
- Code of Conduct for Suppliers and Contractors.

## Contractor Employees

[GRI 2-8]

A total of 3,224 individuals contribute to our operations and construction projects as contractor employees. Among them, 3,003 are based in Chile, while 221 are stationed in Peru. These personnel fulfill various vital roles, encompassing food services, transportation, cleaning, as well as electrical and mechanical maintenance.

### Goals:

- Encourage the growth of our suppliers with good practices and contribution to sustainable development and reduce the risks of our operation.

### Progress and actions:

- Chile
- Exploration of replacing the Warranty Bond with a Warranty Policy.
  - Introduction of a digital calculator for measuring carbon footprint.

- Integration of the asset management and energy performance policy.
- Conducting an annual meeting with suppliers.
- Ensuring equitable compensation for contractors.
- Phased integration of ESG criteria for our suppliers.

### Peru

- Approval of suppliers in Fenix.
- Upgrades to warehouse infrastructure (including air conditioning).
- Implementation of a new security monitoring system.

## Supplier Management Model

At Colbun, we are committed to integrating good social, environmental, and governance practices throughout our entire value chain, involving contractors and suppliers as integral partners. Our approach fosters dialogue, trust, and transparency to uphold responsible supply and sustainable management, benefiting all stakeholders. Central to our efforts is our Management Model, which entails adhering to key policies and procedures, including the Code of Ethics, the Code of Conduct, the Human Rights and Business Policy, the Occupational Health and Safety Policy, the Environment and Quality Policy, and the Special Regulations for Contractors and Subcontractors (REECS).

Furthermore, we have established a comprehensive Code of Conduct for Suppliers and Contractors\*, addressing four main dimensions: people and working conditions, occupational health and safety, environment and communities, and business integrity and regulatory compliance.

Our Supplier and Contractor Strategy is designed to ensure timely and sustainable supply, with processes that are traceable and auditable. These initiatives promote transparency and establish a reliable framework for ethical and equitable agreements, fostering an environment of respect and shared value creation.

**We foster dialogue, trust, and transparency to uphold responsible sourcing and sustainable management, benefiting all stakeholders.**

## Contractors and Suppliers Management Model



### This model is built upon three core principles:

- Management excellence: Achieving results with a strong sense of quality, responsibility, and accountability.
- Collaborative work: Seeking alliances that enable mutual benefit for all involved parties.
- Innovation management: Implementing creative solutions to address both risks and opportunities effectively.

Further details on the [Management Model](#)

## These principles are manifested through four main lines of work:

### 1 Traceability

Ensure traceable and auditable, transparent processes that generate a reliable framework and provide optimal conditions for competitiveness, thus allowing us to achieve honest, ethical, and fair agreements, with a focus on long-term relationships and shared value.

### 2 Good Treatment

Encourage a close, honest, and respectful relationship with all our contractors and suppliers, fostering collaboration within a framework of mutual growth.

### 3 Ethical Behaviour

Ensure that all actions associated with the sourcing process comply with the Company's Code of Ethics, promoting integrity and accountability throughout the supply chain.

### 4 Timely Payment

Respect our commitments by paying all our contractors and suppliers fairly and promptly, fostering trust and reliability in our relationships.

\*During 2024, the Company updated its Code of Ethics and Conduct, unifying the former Code of Ethics and the Supplier Code of Conduct into a single document.

## Our Suppliers and Providers

[NCG 461 6.2.iii] [GRI 204-1]

INDICATOR	CHILE	PERU
Total number of suppliers	3,335	746
Number of countries purchased from	31	14
Number of SMEs	2,188	241
Number of fuel, energy, and toll suppliers	677	103
Number of permanent contractors	67	25
N° of permanent contractor workers	525	290
Number of goods contracts	17	3
Number of service contracts	838	73
Number of suppliers that represent 10% of total purchases	2	0
Number of local suppliers (municipalities where Colbun is present)	286	19

### Supplier Evolution Chile

INDICATOR	2020	2021	2022	2023
National	2,342	2,326	2,388	2,481
International (*)	205	210	191	199
Supplier companies SMEs	n/i	n/i	n/i	1,755
Purchases from national suppliers (ThUSD)	193,345	588,342	191,751	216,090
Purchases from international suppliers (ThUSD)	104,790	570,149	780,922	100,348
Purchases from SME suppliers (ThUSD)	n/i	n/i	n/i	107,087
Percentage of budget spent on national suppliers	n/i	n/i	n/i	68%

(\*) Note: Excluding suppliers of fuel, energy and transmission tolls.

### Supplier Evolution Peru

INDICATOR	2020	2021	2022	2023
National	440	495	517	565
International (*)	60	57	67	81
Supplier companies SMEs	418	431	207	241
Purchases from national suppliers (ThUSD)	19	13	17	24
Purchases from international suppliers (ThUSD)	24	2	3	4
Purchases from SME suppliers (ThUSD)	-	-	-	4
Percentage of budget spent on national suppliers	n/i	n/i	n/i	86%

(\*) Note: Excluding suppliers of fuel, energy and transmission tolls.



**Chile**

of suppliers in Chile are SME's

66%

Local suppliers (belonging to communes where Colbun has footprint)

286

paid to local suppliers by 2023

USD 15,058,251



**Peru**

of suppliers in Peru are SME's

32%

local suppliers (belonging to Chilca district)

19

USD 354,641

## Payment to suppliers

[NCG 461 7.1]

Fair and timely payment is one of the principles we apply in our Company, as we understand the importance of this aspect for its stability, development and the establishment of reliable and long-term relationships.

**At Colbun, our supplier payment policy stipulates a maximum term of 15 days from receipt of the invoice; however, the average payment period is 13 days.**

In its latest update of the General Purchasing Conditions, our subsidiary Fenix retained the payment term at 30 days from the invoice receipt date, which is subject to documents confirming the execution of the contracted service or the delivery of the required goods. If a supplier requires assistance from Fenix to expedite a payment, this can be requested and mutually agreed upon.

**Our companies, Colbun and Fenix, did not incur any late payment interest to suppliers throughout 2023, and there were no exceptional payment term agreements established with domestic or foreign suppliers during this period.**



### No. of invoices paid Chile

### Total amount of invoices paid Chile (CLP MILLION)

### No. of suppliers to which payments correspond Chile



### No. of invoices paid Peru

### Total amount of invoices paid Peru (USD MILLION)

### No. of suppliers to which payments correspond Peru

#### NATIONAL SUPPLIERS

#### FOREIGN SUPPLIERS

YEAR	NATIONAL SUPPLIERS			FOREIGN SUPPLIERS		
	UP TO 30 DAYS	31 - 60 DAYS	MORE THAN 60 DAYS	UP TO 30 DAYS	31 - 60 DAYS	MORE THAN 60 DAYS
2022	32,450	1,551	85	811	15	11
2023	41,022	1,475	62	1,278	23	6
2022	749,616	27,301	483	404,835	154	47
2023	860,773	5,500	212	590,676	6,497	183
2022	3,075	52	35	150	8	6
2023	3,141	132	14	221	12	6

#### NATIONAL SUPPLIERS

#### FOREIGN SUPPLIERS

YEAR	NATIONAL SUPPLIERS			FOREIGN SUPPLIERS		
	UP TO 30 DAYS	31 - 60 DAYS	MORE THAN 60 DAYS	UP TO 30 DAYS	31 - 60 DAYS	MORE THAN 60 DAYS
2022	7,510	0	0	212	0	1
2023	8,650	0	1	230	0	0
2022	227	0	0	10	0	5
2023	415	0	5	6	0	0
2022	607	0	0	46	0	1
2023	709	0	1	73	0	0

## Critical Suppliers

We define critical suppliers as those whose performance is indispensable for the operational continuity of our plants, including suppliers of critical components and those that cannot be easily replaced.

**In Chile, out of a total of 3,335 suppliers, 112 were identified as critical**, accounting for 47.7% of purchases, including fuel, tolls, and energy expenses.

**In Peru, out of a total of 746 suppliers, 42 were identified as critical**, representing 36% of purchases, including fuel, tolls, and energy expenses.

## Significant Supplier

We consider a supplier to be significant if it is a critical supplier and/or is ESG risky (environmental, social and/or governance risks).

INDICATOR	CHILE	PERU
Total tier 1 suppliers:	3,335	746
Total critical tier 1 suppliers:	112	42
Total significant tier 1 suppliers:	163	488
Percentage of total spend on critical tier 1 suppliers:	49.8%	36%
Percentage of total spend on significant tier 1 suppliers:	89%	47%

## Supplier Evaluation

[NCG 461 7.2]

In accordance with our strategic directives, we adhere to a **Supplier Evaluation Policy** that is applied both prior to the procurement of goods or services and during their provision. This policy encompasses assessments of financial, technical, economic, environmental, labor, and social aspects, ensuring the selection and subsequent oversight of suppliers in compliance with contractual obligations for all stakeholders. These evaluations involve various departments, predominantly Procurement, Safety, Occupational Health and Environment, Contracts, and Contract Administrators. The evaluated criteria include:

- Financial and labor background checks through Dicom.
- Politically Exposed Persons (PEP) screenings.
- Monthly reporting of accidents and accident rates.
- Compliance with labor and social security obligations (including salaries and taxes).
- Criteria related to labor obligations, occupational health and safety, and environmental standards, among others.

In Peru, **all new companies undergo governance reviews based** on the Peruvian government's list of sanctioned companies for bank debts or corruption. Additionally, suppliers with contracts exceeding USD 25,000 must sign a human rights affidavit.

Colbun's commitment to working with suppliers adhering to high sustainability standards is evident in several measures. For instance, we avoid collaborating with companies registered in tax havens. Moreover, suppliers with labor law payment delays of over two periods, without demonstrating a concrete improvement plan,

are excluded from the procurement process. In 2023, we integrated ESG (Environmental, Social, and Governance) aspects into the technical evaluation of Colbun and Fenix tenders, with a weighting of up to 15%. This evaluation includes: Environmental management plan assessment, carbon footprint and greenhouse gas mitigation strategy review, water footprint measurement and policies promoting water conservation, organic and inorganic waste management plan examination, social commitment and human rights policies evaluation, including gender equity, diversity, and inclusion, policies fostering respect for local culture, environment, and labor, and regarding governance scrutiny, focusing on ethics and corruption issues.

Throughout 2023, we continuously reviewed and updated purchasing and supplier management practices in response to newly identified risks or opportunities. For example, we strengthened the "Cédula 8" or ESG form used in the selection process, incorporating new topics, and conducted internal dissemination and training sessions on its use.

**Environmental, social, and governance (ESG) considerations carry a weight of up to 15% in our procurement processes for goods and services.**



## New Suppliers Evaluated Using ESG Criteria:

[NCG 461 7.2] [GRI 308-1, 414-1]

Chile	2022		2023		
	INDICATOR	TOTAL SUPPLIERS	CRITICAL SUPPLIERS	TOTAL SUPPLIERS	CRITICAL SUPPLIERS
Number of suppliers that have undergone a screening process (and have been selected)	1,006	92	870	4	39
Number of suppliers that have passed environmental screening filters	153	0	15	0	2
Percentage of new suppliers who have passed environmental screening filters	15%	0%	2%	0%	0%
Number of suppliers that have passed social screening filters	927	2	15	0	2
Percentage of suppliers that have passed social screening filters	92%	2%	2%	0%	0%
Number of suppliers that have passed governance screening filters	n/i	n/i	259	8	30
Percentage of new suppliers that have passed governance screening filters	n/i	n/i	5.8%	3%	12%

Peru	2022		2023		
	INDICATOR	TOTAL SUPPLIERS	CRITICAL SUPPLIERS	TOTAL SUPPLIERS	CRITICAL SUPPLIERS
Number of suppliers that have undergone a screening process (and have been selected)	160	15	180	5	
Number of suppliers that have passed environmental screening filters	25	6	27	2	
Percentage of new suppliers who have passed environmental screening filters	16%	40%	15%	40%	
Number of suppliers that have passed social screening filters	18	5	21	2	
Percentage of suppliers that have passed social screening filters	n/i	n/i	12%	40%	
Number of suppliers that have passed governance screening filters	18	5	21	2	
Percentage of new suppliers that have passed governance screening filters	n/i	n/i	12%	40%	

## Evaluation of Suppliers Already Working with Colbun:

[NCG 461 7.2] [GRI 308-1, 414-1]

Chile	2022		2023		
	INDICATOR	TOTAL SUPPLIERS	CRITICAL SUPPLIERS	TOTAL SUPPLIERS	CRITICAL SUPPLIERS
Total Company's suppliers	3,200	98	3335	112	351
Number of suppliers evaluated in relation to environmental impacts.	299	17	516	51	73
Number of suppliers evaluated in relation to social impacts	301	19	507	50	157

Peru	2022		2023		
	INDICATOR	TOTAL SUPPLIERS	CRITICAL SUPPLIERS	TOTAL SUPPLIERS	CRITICAL SUPPLIERS
Total Company's suppliers	677	96	746	42	
Number of suppliers evaluated in relation to environmental impacts.	142	45	125	30	
Number of suppliers evaluated in relation to social impacts	105	30	87	21	



## Risk Analysis and Management at Suppliers

[GRI 308-1, 407-1, 408-1, 409-1, 414-2]

We employ proactive criteria to consistently analyze the potential impacts stemming from our suppliers' activities, focusing on both environmental and social dimensions. Our approach includes various tools for monitoring and managing supplier practices:

- **Contractor Risk Assessment Matrix:** At each site, we utilize matrices to identify and evaluate environmental aspects, as well as hazards and risks. These matrices facilitate direct communication aimed at implementing effective risk mitigation measures.
- **Contract Administration and Supplier Evaluation:** With each payment statement, a service evaluation is conducted in our system (SAP). This evaluation provides valuable insights into the contractor's performance, allowing Contract Administrators to communicate feedback to suppliers and identify opportunities for improvement.
- **Audits:** On-site audits serve as an essential tool for supplier development, enabling the identification of improvement opportunities across various areas such as regulatory compliance, relationship enhancement, and risk mitigation.
- **Reputation and Risk Survey:** An annual survey includes specific inquiries regarding labor conditions, covering aspects like occupational safety, child labor, and freedom of association. In 2023, no significant risks were identified through this survey.
- **Monitoring Platform (Clever):** Our company utilizes Clever, a platform enabling contract managers to assess suppliers, validate contractor personnel, and access indicators related to social aspects. Criteria evaluated include work quality, personnel suitability, and adherence to safety, environmental, and occupational health standards. In 2023, efforts began to enhance the information gathered via Clever, aiming to capture additional details on subcontractor workers and diversity data.

→ **Certifications:** We request certifications from suppliers demonstrating compliance with labor and social security obligations, issued by the respective Labor Inspectorate.

Therefore, in Chile, we have identified significant potential risks stemming from soil and air contamination, primarily attributed to transportation and fuel spills, improper management of oils and lubricants during plant maintenance, and inadequate disposal of hazardous waste and chemical spills. These risks extend across

## Environmental Risks

The main environmental risks identified, which could potentially impact the environment, include:

- Soil and air contamination resulting from spills during fuel transportation.
- Soil contamination due to improper handling of oils and lubricants during plant maintenance.
- Soil contamination from inadequate disposal of hazardous waste.
- Environmental contamination from spills of hazardous substances, such as chemicals.

Various nodes of the supply chain in regions where Colbun operates in Chile, as well as in international supply chain points located in Argentina, the United States, Israel, and Singapore.

## Social Risks

Several potential safety issues have been identified, including working with energized equipment, operating heavy machinery, working in confined spaces, working at heights, and the intensive use of local labor. Regarding human rights, due diligence processes conducted at the corporate level, Aconcagua complex, and the Colbun power plant covered a total of 199 companies. No obstacles to the free association of workers were identified within this universe.

### Spare Parts and Materials Supply Risk:

There is a potential risk associated with the complexity of the supply chain and the involvement of multiple actors, making it challenging to monitor compliance with labor laws, particularly in less regulated regions. However, no actual risks were identified in 2023.

### Human Rights in Chile and Peru:

Regarding human rights, the SSIindex survey covered 223 companies in Chile and 43 in Peru. It revealed no obstacles to workers' free association or issues of child or forced labor.

We strictly require our contractors to adhere to labor laws and prohibit the employment of minors at any stage of the activity. This is reinforced through various policies, supplier selection due diligence, and ongoing monitoring via audits and surveys.

There is also no risk associated with young workers being exposed to forced labor, as our procedures ensure a safe and healthy workplace for all contractors, in line with labor legislation and UN Global Compact principles. Practices such as ethical work shifts, risk identification, implementation of controls, compliance with safety standards, and continuous communication are regularly reviewed.

At Fenix, suppliers awarded bids exceeding USD 25,000 must sign an affidavit affirming the absence of child labor.

Additionally, the Whistleblower Channel serves as another avenue for identifying potential risks, with no concerns raised by suppliers and contractors in 2023.

## Analysis of negative environmental and social impacts of suppliers Chile

INDICATOR	2022		2023		SIGNIFICANT SUPPLIERS
	TOTAL SUPPLIERS	CRITICAL SUPPLIERS	TOTAL SUPPLIERS	CRITICAL SUPPLIERS	
No. of suppliers identified with significant potential negative environmental impacts.	74	10	65	27	65
No. of suppliers identified with significant negative environmental impacts.	0	0	0	0	0
No. of suppliers identified with significant potential significant negative social impacts.	220	12	267	37	100
No. of suppliers identified with significant negative social impacts	0	0	1	0	0

## Risks to Other Contingencies

### Safety Chile

Due to an incident occurred in August 2023, affecting the Nehuenco I filter house, the commercial relationship with the supplier responsible for the work was terminated. This fire not only disrupted the plant's operations but also posed a serious threat to the health and safety of the workers on-site. While there were no injuries, the incident was classified as potentially severe or fatal.

At Horizonte, midway through last year, the Company convened meetings with the managers of all contractor companies to bolster safety measures for the ongoing project. Given the scale and scope of this initiative, comprising 140 wind turbines, the potential risk of accidents is significantly heightened.

### Safety Peru

In Peru, significant environmental risks have been identified, particularly concerning fuel transportation spills, mishandling of oils and lubricants during plant maintenance, improper waste disposal, and chemical spills. These risks are primarily linked to transportation activities between Lima and the Panamérica Sur plant, operations at the maintenance warehouse, the temporary storage facility at the thermal power plant, the drinking water treatment laboratory, and the nearby landfills.

Additionally, potential risks have been identified in relation to working with energized equipment, utilizing heavy machinery, conducting work in confined spaces and at heights, and the extensive utilization of local labor.

## Analysis of negative environmental and social impacts of suppliers Fenix

INDICATOR	2022		2023	
	TOTAL SUPPLIERS	CRITICAL SUPPLIERS	TOTAL SUPPLIERS	CRITICAL SUPPLIERS
No. of suppliers identified with significant potential negative environmental impacts.	21	10	22	13
No. of suppliers identified with significant negative environmental impacts.	0	0	0	0
No. of suppliers identified with significant potential significant negative social impacts.	0	9	0	0
No. of suppliers identified with significant negative social impacts	0	0	1	0

## Contracts at Colbun that incorporate Human Rights Clauses.

### Colbun

INDICATOR	2022	2023
Contracts with Human Right clauses	298	578
Percentage of total	100%	100%

### Fenix

INDICATOR	2022	2023
Contracts with Human Right clauses	80	76
Percentage of total	100%	100%

## Suppliers in the 2030 Strategic Agenda

At Colbun, we view our suppliers as integral partners in achieving the goals outlined in our 2030 Strategic Agenda. As such, we are undertaking various initiatives to enhance our relationships.

### 2023-2030 Roadmap

As part of our Strategic Agenda, the Long-Term Sustainable Development (ESG) Capability now includes KPIs and targets related to our suppliers, which have been approved by the Board of Directors. These include:

- Supplier NPS
- Percentage of supplier evaluations during the selection stage with ESG criteria
- Percentage of supplier evaluations during the contract period with ESG criteria
- Percentage of permanent contractor employees trained in Ethics and Human Rights

Each of these KPIs has annual targets until 2030 and requires quarterly reporting. These reports are presented in a consolidated manner for Chile and Peru during meetings of the Sustainability Committee, which includes directors and the general manager. Additionally, they are discussed in follow-up workshops of the Corporate Strategy.

GOAL	INDICATOR	PROGRESS 2023	GOAL 2023	GOAL 2030
Incorporate ESG variables in projects development and the supply chain:	Suppliers evaluated according to ESG criteria in the selection process	28%	15%	90%
	Contracted suppliers evaluated according to ESG criteria	44%	10%	90%
	Contractor workers trained in ethics and business conduct	43%	40%	90%

## Progress in Chile

### Carbon Footprint Measurement

We provided our suppliers with a **digital calculator** to measure CO<sub>2</sub> footprint, aiming to support them, particularly SMEs, in adopting sustainable practices by understanding and reducing their carbon footprint.

### Option to Replace Guarantee Vouchers with Guarantee Policies

This initiative aims to alleviate financial burdens, especially for SMEs.

### Annual Meeting with Suppliers

Our annual meeting with suppliers serves as a platform to **strengthen relationships and foster collaboration**. In the latest 8<sup>th</sup> edition, 81 suppliers participated and relevant topics such as ethics, probity, transparency, supply chain and sustainability, climate action, carbon footprint calculation, supplier payment management, joint improvement actions, among others, were addressed.

### Fair Salaries

We ensure that employees of permanent contractors receive **a minimum net and taxable income of \$550,000**. This commitment underscores our dedication to fair compensation practices.

### Maintaining Supplier 15 days Payment Policies

In 2023, we took **first place in the Energy Companies category of the “Best Paying Companies (MET)”** categorized according to economic sector and financial management. This was thanks to our efforts to make quick and timely payments. This measure is designed to establish and maintain a fluid and efficient commercial trust by guaranteeing that all suppliers will receive payment within 15 days of receipt of the invoice.

### Inclusion of the Human Rights form in the Special Regulations for Contractors and Subcontractors (REECS)



At the end of 2023, **Colbun included the Human Rights Form in the REECS**. This form seeks to: (i) Inform all contractor workers of the importance of respecting human rights for Colbun and its contractors. (ii) Highlight the different human rights that should be respected in their own company. (iii) Inform about the existence of Colbun's complaint line, in the event of identifying any **non-compliance**.

### Training for Contractor Workers in Ethics and Business Conduct



In line with the action plan associated with the human rights due diligence processes developed in 2022 and 2023, **Colbun trained 42% of the workers of permanent contractors in the Code of Ethics and whistleblower hotline**. The Internal Audit team delivered talks to ensure that all workers were aware of how the channel works.

### Internal Team Training

During 2023, 20 people from the Procurement team attended the course **“Sustainability management in the supply chain”**, given by Accion Empresas, focusing on integrating sustainability principles into procurement practices and asset security.

### New Evaluation Platform

We also launched a new platform for evaluating our suppliers, which included a massive kick-off for all employees, accompanied by audiovisual material and documents for its correct use.

## Progress in Peru

### Fenix Suppliers Homologation

HODELPE, a Peruvian company certified in the Quality, Environmental and Occupational Health and Safety Management System, has enabled us to make significant progress in the approval of suppliers. This allows us to work with international standards and manage the evaluation baseline and its annual measurement. We consider quality, industrial safety, the environment, and social responsibility. Suppliers who do not meet our standards must start a development program with a three-month follow-up.

### Improvements to Warehouse Infrastructure (air conditioning)

The objective is to **optimize the useful life of stored components or spare parts**. This will prevent them from being damaged by climatic conditions (high summer temperatures and sea humidity) and contribute to operational continuity.

### Implementing a New CCTV System

This initiative will reinforce asset security and improve security at the power plant's perimeter.

### Meeting with Suppliers:

In this activity, which took place in October 2023, 55 companies participated were trained in ethics, sustainability, and social responsibility.

## SSINDEX SUPPLIERS Certificate for Chile and Peru

Since 2017, Colbun has participated in the Stakeholders Sustainability Index (SSINDEX), developed by Yale University, to assess business sustainability risks and perceptions among stakeholders. In 2023, Colbun achieved the SSINDEX Suppliers Certification for its operations in Chile and Peru. In Chile, Colbun surpassed the SSINDEX companies' average in the suppliers category by 5%, while Fenix exceeded it by 11%.

This comprehensive analysis (360°), which also considers assessments from communities and investors, contributes to reducing gaps and enhancing an integrated strategy with goals and indicators across various areas, complementing annual risk audits and sustainability assessments.

Notably in the latest measurement, 85% of suppliers in Chile endorsed Colbun's efforts in social, environmental, and governance aspects, while in Peru, this figure reached 91%.

## Energy Efficiency (ISO 50.001)

As part of Colbun's Energy Management System established in compliance with Law No. 21305/2021 on Energy Efficiency, energy consumption and losses are meticulously evaluated. This assessment extends to technical specifications of equipment like generators, motors, and transformers, with energy efficiency serving as a pivotal criterion in product selection.

*Empowering*

# OUR PEOPLE



Colbun  
MEJOR ENERGÍA

- 6.1 Our Team's Dynamics
- 6.2 Commitment to Diversity, Equity, and Fairness
- 6.3 Workplace Quality and Safety



# Our TEAM'S DYNAMICS

[NCG 461 5.1.1, 5.1.2, 5.1.3, 5.1.4, 5.2, 5.3] [GRI 2-7, 405-1]

Colbun's main commitment to its employees is **to provide quality employment and a safe work environment that promotes their personal and professional development.**

Visit Colbun's website for the management principles in this area.

As of December 2023, our workforce in Chile reached 1,048 employees, a 6.7% increase compared to 2022. Meanwhile, Fenix's staffing in Peru increased by 6.6%.

## Colbun Workforce Numbers - Chile and Peru

	CHILE	PERU
<b>97.9%</b>	1,026 employees have indefinite contracts, while 2.1% (22) are on fixed-term contracts	<b>91.5%</b> 118 employees have indefinite contracts, and 8.5% (11) are on fixed-term contracts.
<b>22.9%</b>	Of the workforce are women, 69.5% of them falling within the age range of 30 to 50 years old.	<b>24%</b> Of the workforce are women; 54.8% of them falling within the age range of 30 to 50 years old.
<b>51%</b>	Of the total workforce, is based in the Metropolitan Region, of which 35.1% are women.	<b>47%</b> Of the workers are located in the district of Chilca, with the remaining 52.7% in Lima.
<b>99.8%</b>	Of all employees work full-time hours.	<b>100%</b> All employees work full-time.
<b>32.9%</b>	Of the workforce has an average seniority of over 12 years, while 28.9% have less than 3 years of experience.	<b>34.9%</b> Of the workforce has an average seniority of less than 3 years, while 33.3% have between 9 and 12 years of experience.
<b>64.6%</b>	Of the employees are in the age range of 30 to 50 years old.	<b>72.1%</b> Of the employees are in the age range of 30 to 50 years old.
<b>3.8%</b>	Of the total workforce is foreign.	<b>0.8%</b> Of the total workforce is foreign.

## Staff by Gender, by Position Category - Chile and Peru

JOB CATEGORY	CHILE			PERU		
	♀	♂	TOTAL	♀	♂	TOTAL
Senior Management	1	11	12	1	0	1
Management (and Assistant Management)	13	64	77	6	2	8
Supervisory Positions	29	111	140	21	2	23
Operative Staff	0	22	22	0	0	0
Sales Force	3	2	5	0	0	0
Administrative Staff	38	12	50	1	4	5
Auxiliary Staff	9	8	17	1	0	1
Other Professionals	135	259	394	40	22	62
Other Technicians	12	319	331	28	1	29
<b>TOTAL</b>	<b>240</b>	<b>808</b>	<b>1,048</b>	<b>98</b>	<b>31</b>	<b>129</b>

## Staffing by Gender, by Position Category -Colbun Soluciones by Efizity

POSITION CATEGORY	CHILE 2023		
	♀	♂	TOTAL
Senior Management	-	-	-
Management (and Assistant Management)	-	6	6
Supervisory Positions	5	10	15
Operative Staff	-	-	-
Sales Force	-	-	-
Administrative Staff	-	-	-
Auxiliary Staff	-	-	-
Other Professionals	21	31	52
Other Technicians	0	0	0
<b>TOTAL</b>	<b>27</b>	<b>47</b>	<b>74</b>



## Number of Employees by Region

[GRI 2-7]

CHILE		PERU	
REGION	2023	REGION	2023
<b>Antofagasta</b>	43	<b>Lima</b>	68
<b>Atacama</b>	3	<b>Planta Chilca</b>	61
<b>Metropolitan Region</b>	535		
<b>Valparaiso</b>	150		
<b>O'Higgins</b>	23		
<b>Maule</b>	74		
<b>Biobio</b>	197		
<b>Los Lagos</b>	23		

See detailed workforce profile in the Annex section

## Recruitment and Turnover

[GRI 401-1]

During 2023 in Chile, the total turnover rate was 7%, while the voluntary turnover rate was 4%. In Peru, the total turnover rate was 8%, while the voluntary turnover rate was 2%.

On the other hand, in Chile, new hires accounted for 24% of the workforce, of which 34% were women. In Peru, new hires represented 14% of the workforce, with 39% of these hires being women.

See details of income and turnover of our employees in the Annex section.



Material Topic

# DIVERSITY, EQUITY and FAIRNESS

[GRI 3-3]

Diversity and equity, as well as fair treatment of people, are critically important factors in developing respectful work environments and enhancing the long-term success of organizations. They benefit from a greater variety of perspectives, experiences, and skills. Moreover, it's a way to create job opportunities for demographic groups that have not traditionally been part of certain industries.

**Goal**

**To foster a safe and respectful work environment that promotes equal opportunities and enables the authenticity of all employees.**

**Impacts on our Environment**

- Overcoming barriers to the entry of diverse individuals contributes to overcoming inequality of opportunities and promoting equity and social justice.
- Active concern to prevent discrimination involves promoting cultural changes and learning to eliminate biases.
- Lack of fairness in treatment
- Organizational Culture

**Company Risks**

- Reduced attraction and talent loss
- Legal issues and discrimination lawsuits
- Team homogenization

**Business Opportunities**

- Flexibility and Adaptability to Change
- Plurality of perspectives and innovation to enrich the business
- New Purpose and Values

**Policies and Guidelines**

- Colbun's Diversity, Equity and Inclusion Policy
- Human Rights Policy
- Human Resources Management Policy
- Colbun's Code of Ethics
- Colbun's 2030 Strategy
- Internal Regulations for Order, Hygiene, and Safety (IROHS))
- Gender Equity Plan
- Human Rights Due Diligence Processes

**Progress and Actions in 2023**

- Publication of Colbun's Diversity, Equity, and Inclusion Policy
- Constitution of Colbun's Diversity, Equity, and Inclusion Committee
- We achieved a 23% female workforce. That is a corporate goal and part of the Gender Equity Plan established in 2018.
- We achieved almost 17.8% of women in leadership positions
- Conducting workshops on 'Promotion of Healthy and Harassment-Free Environments,' focusing on both employees and company leaders.

## Diversity and Inclusion

[NCG 461 3.1.vi, 3.1.vii, 5.4.1]

At Colbun, we encourage diversity of abilities, conditions, experiences, and perspectives, as well as equity and inclusion, which are pillars of our organizational culture. **We implement strategies to identify and eliminate barriers, ensuring an environment of respect and care for all our employees and contractors.** We promote equal opportunities, value individual authenticity without tolerating discrimination based on ethnicity, social status, disability, gender, sexual orientation, or political preference.

In 2023, our Board of Directors approved a [Diversity, Equity and Inclusion Policy](#) to guide our plans and actions in this area. It promotes respect for people's dignity and good treatment, **values diversity as a driver of change that enhances talent, innovation and productivity**, fosters merit-based equity, promotes inclusion regardless of conditions, characteristics or particular orientations, encourages an organizational culture that values diversity, and establishes a commitment to universal accessibility in processes, infrastructure and technologies.

**At Colbun we encourage diversity of abilities, conditions, experiences and visions, as well as equity and inclusion, pillars of our organizational culture.**

### Diversity Committee

During the year, the Diversity and Inclusion Committee was formed, consisting of 18 Colbun employees who received training on inclusion and non-discrimination issues from an external consultancy.

### Gender Equity

NCG 461 5.4.1; GRI 405-2

Our Gender Equity Plan addresses the **commitment to increase female participation in our workforce** to 25% by 2025 and 30% by 2030, starting with a baseline of 18% in 2018.

To achieve this, we have defined that for all vacant positions, we create shortlists with gender equity and aim to ensure that around 40% of new hires are women. Additionally, we focus on retaining female talent and increasing the presence of women in traditionally male-dominated areas.

### 2023 Goals

We achieved the committed goal, reaching a 23% female presence in our workforce (considering Chile and Peru).

We achieved a female participation rate of 11.8% in male-dominated areas, which is lower than our target of 14.2%

**We have the goal of reaching a 30% female workforce by 2030.**

### Internal Mentorship Programs

To enhance the development of women with experience in the company and potential to take on greater responsibilities, we have an internal mentorship program. In 2023, we paired 30 women, combining female leaders with professionals, to promote their careers and goals.

### Women at Different Levels

At the end of 2023, in Chile, women occupied 8.3% of senior management positions, 16.9% of management positions and 20.3% of leadership positions (an increase of 6% over the previous year). At the administrative level, meanwhile, it remained at 76%. In Peru, 24% of the workforce is female and concentrated in the professional role.

### Training in Male-Dominated Environments

We implemented a training program aimed at women in management positions where female representation is less than 40%. Through this initiative, we provide various tools to strengthen their skills and promote their professional growth in the workplace, achieving the goal of training 60 women during 2023.



## Gender Wage Gap

[NCG 461 5.4.2] [GRI 405-2] [DJSI 3.1.4]

The Gender Equity Plan involves conducting internal and external studies on a regular basis to ensure equity in remuneration between genders. This means that **there will be no salary differences that are not justified by the type of position, years of seniority or experience.**

The Diversity, Equity and Inclusion Policy describes the concept of equity as follows: "We encourage decisions that impact people to be based on merit, trajectory and contribution, above any other condition such as gender, race, age, social origin, among others. This applies to compensation, internal development and participation, as well as any other process related to people management".

Additionally, we are committed to conducting regular studies to ensure gender pay equity.

POSITION CATEGORY	CHILE				PERU			
	2022		2023		2022		2023	
	AVERAGE	MEDIUM	AVERAGE	MEDIUM	AVERAGE	MEDIUM	AVERAGE	MEDIUM
<b>Senior Management (*)</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Management (and assistant Management)</b>	77.0%	76.5%	82.7%	78.7%	101.0%	98.0%	98.7%	98.7%
<b>Supervisory Positions</b>	102.0%	111.0%	99.5%	105.4%	N/A	N/A	104.1%	104.1%
<b>Operative Staff</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Sales Force</b>	99.0%	103.7%	129.0%	136.7%	N/A	N/A	N/A	N/A
<b>Administrative Staff</b>	126.0%	121.9%	129.7%	131.1%	86.0%	98%	237.2%	237.2%
<b>Auxiliary Staff</b>	101.0%	104.1%	107.3%	104.4%	N/A	N/A	N/A	N/A
<b>Other Professionals</b>	78.0%	81.6%	77.5%	81.1%	123%	15%	83.8%	83.8%
<b>Other Technicians</b>	82.0%	98.2%	85.9%	91.2%	N/A	N/A	80.5%	80.5%

(\*) In Peru, only considers the Chief Executive Officer

## People with Disabilities

[NCG 461 5.1.5]

**At Colbun, 1.05% of our workforce consists of people with disabilities,** who perform technical and professional functions. At Fenix, no individuals with disabilities have been identified.

For those who enter, we have a follow-up and support plan of up to 12 months for the individual and his or her work team.

POSITION CATEGORY	CHILE			PERU		
	♀	♂	TOTAL	♀	♂	TOTAL
<b>Senior Management</b>	0	0	0	0	0	0
<b>Management (and Assistant Management)</b>	0	0	0	0	0	0
<b>Supervisory Positions</b>	0	0	0	0	0	0
<b>Operative Staff</b>	0	1	1	0	0	0
<b>Sales Force</b>	0	0	0	0	0	0
<b>Administrative Staff</b>	0	1	1	0	0	0
<b>Auxiliary Staff</b>	0	0	0	0	0	0
<b>Other Professionals</b>	2	2	4	0	0	0
<b>Other Technicians</b>	0	5	5	0	0	0
<b>TOTAL</b>	<b>2</b>	<b>9</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Fair Treatment and Respect towards People

[NCG 461 5.5] [GRI 406-1] [DJSI 1.5.4, 1.5.5, 3.1.1, 3.2.1, 3.2.2, 3.2.3, 3.2.4]

At Colbun, we promote an environment of respect and dignified treatment free from workplace harassment and/or sexual harassment. These principles are specified in the Code of Ethics, the Human Rights Policy, and the Diversity and Inclusion Policy.

We conduct annual Human Rights Due Diligence assessments to identify and address risks affecting our employees. In the specific case of workplace and sexual harassment, we have established an action plan that includes initiatives and objectives to prevent and mitigate these risks.

In 2023, we launched an action plan on this matter, which included a message from the General Manager to the entire Company and training for all employees on healthy and harassment-free environments.

Additionally, during 2023, we strengthened the reporting channels and their processes. Specifically, in cases of discrimination, workplace harassment, and/or sexual harassment, reports were received while maintaining the confidentiality of the process and individuals involved. Evaluation and investigation were conducted by the Ethics Committee and the Organization and People Management of Colbun. In 2023, a total of 13 harassment reports were received in the Company, of which 46% resulted in sanctions.

As for corrective actions, the Ethics Committee applies the corresponding measures according to the case.

### Workplace and Sexual Harassment

REPORTS MADE	CHILE				PERU			
	2022		2023		2022		2023	
	INTERNAL	EXTERNAL	INTERNAL	EXTERNAL	INTERNAL	EXTERNAL	INTERNAL	EXTERNAL
Reports of Workplace Harassment (*)	3	0	12	0	0	0	0	0
Reports of Sexual Harassment	0	0	1	0	0	0	0	0
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

(\*) Reports of mistreatment are included in the category of workplace harassment

### 2023 Highlighted Initiatives

→ "Workshops Program: 'Healthy and Harassment-Free Environments'"

The objective is to raise awareness about sexual and workplace harassment, offering legal context, current perspectives, and tools to identify and understand behavior patterns that constitute harassment.

We organized 6 workshops for leaders and more than 10 workshops for employees at the Headquarters and Power Plants, **training over 600 workers on discrimination and workplace harassment under the 'Healthy and Harassment-Free Environments' program.**

→ Human Rights Training

We trained 67% of our employees and 90% of the supervisory staff on discrimination and harassment issues.

### Child Labor and Forced Labor

In specific human rights matters, it is the Company's explicit policy to reject child labor and forced labor.

The recruitment and selection processes include rigorous criteria that, along with validating technical competencies, also ensure compliance with legal requirements, one of which is the legal age for work.

### Working Hours

Our company complies with current legislation by respecting the rest periods of workers and adhering to the agreed-upon working hours. In cases where it is necessary or due to force majeure to work on days that are typically days off for workers, they are compensated with a premium higher than that stipulated by labor laws.

Material Topic

# Workplace QUALITY and SAFETY

[GRI 3-3]

Safety and working conditions are essential for ensuring the well-being of employees and maintaining the integrity of the work environment and operational efficiency. This encompasses all regulatory aspects of labor relations, including freedom of association, as well as factors that influence employee satisfaction with the organization, such as training, development opportunities, work-life balance, and overall quality of life, among others.

**Goal**

**Developing our organization and its people, ensuring good working conditions and safety, as well as fostering and attracting talent.**

**Environmental Impacts**

- Poor working conditions can result in various accidents and/or occupational diseases, directly impacting workers, their families, and the work environment.
- Salary, benefits and work-life balance conditions can positively or negatively impact - depending on their perception and satisfaction- on employees' motivation and productivity, talent attraction and retention, as well as the company's reputation.
- Acquiring new skills is crucial in an industry that is continually evolving and demanding innovation. Continuous training plays a vital role in retaining talent by providing development opportunities and enhancing people's employability.
- The existence of unions and freedom of association provide structured mechanisms for resolving conflicts, which has an impact on the labor stability of associates and the continuity of operations.

**Company Risks**

- Serious accidents and/or inadequate conditions that may cause health problems for employees.
- Difficulty in attracting and retaining key professionals can result in a shortage of qualified personnel to address the industry's challenges.
- Team demotivation can lead to low productivity.
- Unresolved disputes may lead to operational stoppages due to strikes.
- Malicious acts by third parties that affect the security of individuals or the company's assets.

**Business Opportunities**

- Lowering injury and illness expenses.
- Enhancing productivity and ensuring regulatory adherence.
- Nurturing talent growth and fostering dedicated teams.
- Cultivating collaborative labor relations in alignment with the strategic plan.

**Policies and Guidelines**

- Colbun's 2030 Strategic Agenda.
- Safety, Occupational Health, and Environment Policy.
- Integrated Management System.
- People Management Policy.

**Progress and Actions 2023**

- 2023 Training Program for Developing New Competencies.
- Colbun New Leader Program.
- Successful Conclusion of Three Collective Bargaining Agreements.
- Overall Accident Rate of 0.29 and Zero Fatalities.

## Internal Culture and Organizational Climate

At Colbun we promote a culture based on behaviors that enhance our Strategic Agenda. This is characterized by:

- Adaptability and agility to change in a flexible manner.
- Continuous collaboration.
- Internal cohesion.
- An environment of trust and respect.

### Organizational Climate

We conduct annual evaluations of the organizational climate to identify strengths and areas for improvement in job satisfaction. With guidance from Great Place to Work (GPTW), we assess five key dimensions in the Trust in Our Company and Leadership Index. These evaluations inform the action and improvement plans we implement.

### Dimensions in the Confidence Index

- **Credibility**  
How the employee perceives the leaders and the organization.
- **Fairness**  
Absence of discrimination, clear rules, and timely decision-making.
- **Respect**  
How the employee thinks he/she is viewed by his/her superiors.
- **Pride**  
Company image in society.
- **Fellowship**  
Feeling of family and team.

### 2023 Results

[Colbún 10.TR]

TRUST INDEX	CHILE	PERU
Vision of the Area	84	89
Corporate Vision	81	87
<b>Overall Satisfaction Average</b>	<b>83</b>	<b>88</b>

In Chile, we observed a 2-point decrease in our evaluations, although still maintaining high scores in line with industry standards. While pride remains a cornerstone, we face ongoing challenges in leadership, equity, and fairness. The survey received responses from 94% of the 991 participants. Meanwhile, Peru maintained its overall results.

**At Colbun, the pride dimension of our employees reaches 89%**

## Training

[NCG 461 5.8.i, 5.8.ii, 5.8.iii, 5.8.iv] [GRI 404-1, 404-2] [DJSI 3.3.1, 3.3.2] [Colbun 8.TR]

Throughout 2023, we implemented numerous training programs aimed at enhancing our professional and leadership competencies.

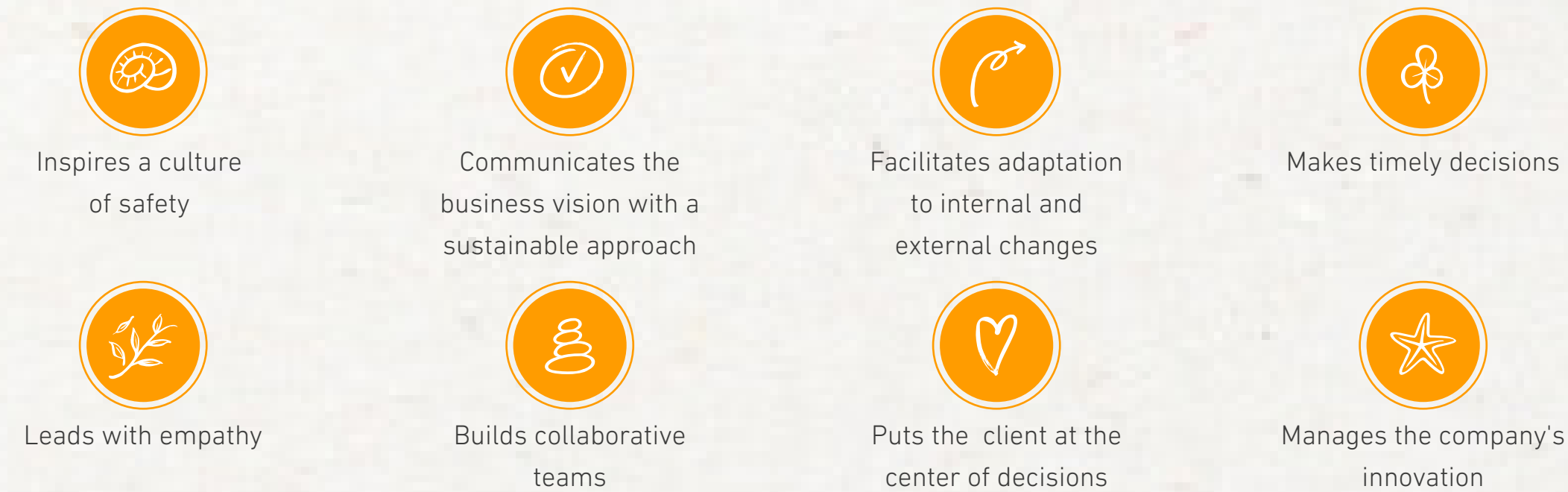
### Training and Development Focus Areas

CHILE	PERU
<p><b>Enhancement of activities aligned with the business strategy, including:</b></p> <ul style="list-style-type: none"> <li>→ Leadership.</li> <li>→ Green Hydrogen.</li> <li>→ Power Market.</li> <li>→ Development of skills aligned with the company's internal culture.</li> </ul>	<p><b>Competency development programs in operations and maintenance:</b></p> <ul style="list-style-type: none"> <li>→ Technical competencies focused on commercial management.</li> <li>→ Leadership skills for managers and supervisors.</li> <li>→ Updating in new computer tools.</li> </ul>

Among 2023's highlighted programs and initiatives in training were:

- **Desarrollate Program:**  
This program has been running for 11 years, and in 2023, it was expanded to include technical, management, and business-specific skills, with open enrollment. We offered 13 hybrid format talks and 4 asynchronous courses, covering areas such as management, business, and technology. We had internal speakers covering current topics like green hydrogen and sustainability, resulting in a 34.7% increase in participation from our employees.
- **Leadership Program:**  
In updating the "Colbun Leader" profile, we defined eight attributes based on the challenges of our strategy and the areas for improvement identified previously in the respective evaluations.
- **Campus Colbun:**  
We relaunched the virtual training platform, Campus Colbun, aiming to enhance the training of our employees in various areas. By November, the number of individuals who took the available courses reached 1,013.
- **Project Finance Course:**  
We developed a program for employees involved in the creation of new projects, aimed at providing essential financial tools for evaluating and formulating innovative business strategies. Topics such as Project Evaluation, Corporate & Project Finance, and tax aspects were covered with the purpose of equipping participants with fundamental knowledge in planning and financial analysis of investment projects.

## In Colbun, Who Exercises Leadership...



The training activities in this line consisted of workshops to highlight best behavioral practices for each attribute, with the participation of managers.

## Leadership Training

ACTIVITY	TARGET
<b>Role of the Leader</b>	To enhance the exercise of leadership in positions with personnel in charge, communicating the profile of the Colbun leader and what is expected of them.
<b>Healthy and harassment-free work environments</b>	To enhance the exercise of leadership in positions with personnel in charge, in relation to healthy and harassment-free environments.
<b>Labor Relations</b>	To enhance the exercise of leadership in positions with personnel in charge, providing tools on labor relations issues
<b>Role of the Leader (new leadership positions)</b>	To enhance the new leaders of the Company, making them aware of the profile of a Colbun leader and what is expected of them in this role
<b>Webinar "Leading in a changing world".</b>	Understand current industry challenges. Discover new approaches in adapting to change and the ability to lead diverse teams.
<b>In-person Workshop</b>	Face-to-face workshop where leaders meet and share their experiences. The 2023 topics: Purpose and the Leader's Role; Leading from Strengths; Empowering the Role; Labor Relations; High Impact Communication.
<b>Webinar "Leading Innovation"</b>	To introduce new trends in innovation and the leadership's role in fostering safe environments that encourage creative processes within teams.

TRAINING INDICATORS	CHILE		PERU	
<b>Average annual total training hours</b>	59.1		29.6	
	♀	♂	♀	♂
<b>Percentage of employees trained</b>	100%	96%	58%	54%
<b>Average annual hours of training per gender</b>	78.3	53.5	45.7	24.5
	2022	2023	2022	2023
<b>Total amount for training (in thousands of US dollars)</b>	1,033	1,151	80	45
<b>Percentage of total annual income (%)</b>	0.06%	0.07%	0.32%	014%

In 2023, **we increased investment in training at Colbún by 11.4%**, with a significant **increase of 35.4% in investment in training aimed at women** and a 53.8% increase in their average annual training hours. This approach supports the retention and professional development of women, contributing to the reduction of the wage gap and preparing them to lead, in line with our commitment to a satisfying and equitable work environment.

TRAINING BY GENDER	CHILE		PERU	
	♀	♂	♀	♂
<b>No. of people in staffing</b>	240	808	31	98
<b>N° of people trained</b>	240	774	18	53
<b>Percentage of people trained</b>	100%	95.7%	58.0%	54.0%
<b>Total de horas de formación</b>	18,782	43,204	1,418	2,400
<b>Average hours of training</b>	78.3	53.5	45.7	25.5
<b>Average investment in training per employee (US)</b>	US\$1,454	US\$1,037	US\$752	US\$599

## At Colbun, all of the Company's female employees were trained during 2023.

Furthermore, 95.7% of men received training during the same year. All of the above represents higher coverage compared to the year 2022

## Development and Mobility

[GRI 401-1] [Colbún 8.TR] [DJSI 3.4.1, 3.4.5]

At Colbun, we aspire for our teams to operate in environments where everyone can perform their full potential. Consequently, we aim to be an appealing and inspiring company for talent, providing each employee with opportunities to fulfill their capabilities.

### Internal Mobility

## Chile

→ In 2023, there were 247 personnel selection processes, of which 149 were new hires and 98 were internal mobility, which represents 14.3%

## Peru

→ In 2023, there were 21 personnel selection processes, of which 18 were new hires and 3 were internal mobility, which represents 14.3%.

## New Hires

Our selection process is aimed at attracting the best talent without discrimination, incorporating inclusive practices. In Chile, new hires increased by 55.2%. Of these, 46 were women, constituting 30.8% of the total. Meanwhile, in Peru, the rate of new hires was 28.6% of the workforce in 2023.

NUMBER OF NEW HIRES 2023	CHILE			PERU		
	♀	♂	Total	♀	♂	Total
Under 30 years old	16	27	43	6	5	11
Between 30 and 50 years	26	64	90	1	4	5
Over 50 years old	4	12	16	0	2	2
<b>Total</b>	<b>46</b>	<b>103</b>	<b>149</b>	<b>7</b>	<b>11</b>	<b>18</b>

NUMBER OF INTERNAL HIRES AND AND PERCENTAGE COVERED INTERNALLY - CHILE	2020	2021	2022	2023
Total number of vacant positionss	86	136	203	98
Percentage of vacant positions filled by internal candidates. (internal hires)	61.6%	41.2%	41.9%	40.2%

NUMBER OF INTERNAL HIRES AND PERCENTAGE COVERED INTERNALLY - PERU	2020	2021	2022	2023
Total number of vacant positions	10	20	14	21
Percentage of vacant positions filled by internal candidates. (internal hires))	60%	14%	42%	14%

## Rotation

NUMBER OF ROTATIONS IN 2023.	CHILE			PERU		
	♀	♂	Total	♀	♂	Total
Under 30 years old	4	3	7	1	3	4
Between 30 and 50 years	14	28	42	1	4	5
Over 50 years	3	20	23	0	1	1
<b>Total</b>	<b>21</b>	<b>51</b>	<b>72</b>	<b>2</b>	<b>8</b>	<b>10</b>

In 2023, rotations decreased by 39% compared to the previous year.

In 2023, we implemented two projects aimed at enhancing the process of identifying, training, and retaining talent at Colbun.

### → SSFF module (SAP)

In 2023, we launched the SuccessFactors (SAP) module for talent and succession, aimed at enhancing the identification and retention of key talent through digitization. This initiative also establishes succession charts within the company.

### → SCADA Project

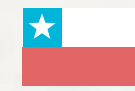
To implement the SCADA (Supervisory Control and Data Acquisition) system, which modernizes and streamlines the real-time operation of the Generation and Control Center (GCC), we conducted an internal mobility process. This process resulted in the creation of a new team comprising a manager and 12 operators.

## Performance Evaluation

[GRI 404-3]

At Colbun, we evaluate the performance of 99.5% of our employees with permanent contracts and at least three months of seniority. **Our goal is to foster continuous improvement and align behaviors with the Company's values**, ensuring a process that contributes to the professional development of our employees and the achievement of Colbun's goals.

At Fenix, 100% of our team was evaluated in 2023 for their performance, including executives, managers, and support staff.



PERCENTAGE OF EMPLOYEES WHO HAVE RECEIVED A PERFORMANCE EVALUATION	2023			2023		
	♀	♂	TOTAL	♀	♂	TOTAL
Senior Management	100%	100%	100%	N/A	100%	100%
Management (and Assistant management)	100%	100%	100%	100%	100%	100%
Supervisory positions	100%	100%	100%	100%	100%	100%
Operative staff	N/A	100%	100%	N/A	N/A	N/A
Sales force	100%	100%	100%	N/A	N/A	N/A
Administrative staff	97.2%	100%	97.8%	75%	N/A	60%
Auxiliary staff	88.9%	100%	93.8%	N/A	100%	100%
Other professionals	100%	99.6%	99.7%	68%	90.0%	82.3%
Other technicians	100%	99.4%	99.4%	100%	96.4%	96.6%
<b>OVERALL TOTAL</b>	<b>99.1%</b>	<b>99.6%</b>	<b>99.5%</b>	<b>74.19%</b>	<b>93.88%</b>	<b>89.15%</b>



[GRI 2-19, 2-20, 202-1]

All our employees receive compensation composed of a fixed salary and a variable bonus, associated with a "performance bonus" established according to annual criteria set by the Board of Directors. **These criteria are linked to the fulfillment of our Strategic Agenda and the sustainability and ESG factors that are part of the enabling capabilities of said strategy.** The policies and structures of fixed and variable compensation are reviewed and approved annually by the Board Committee. We do not apply compensation plans with stock options.

In Peru, managers, area managers, and supervisors with personnel under their supervision are assigned specific objectives according to their responsibilities, which impact their annual bonus. Employees without direct reports have incentives associated with the organization's overall goals

### Competitive Wages

To ensure competitive wages, we conduct industry comparisons to reward our employees based on their skills and experience, while maintaining both internal and external equity. We utilize the internationally validated HAY compensation scale and seek guidance from specialized consulting firms for market research, benefits, and compensation training, although these inputs do not directly influence salary determination.

The Company does not disclose the annual total compensation of the highest-paid person, the median annual total compensation of all employees excluding the highest-paid person, and the annual total compensation ratio.

### Severance Payments and Retirement Benefits

	CHILE	PERU
<b>Severance payments</b>	Severance payments for contract terminations are uniform for all employees with indefinite contracts, based on one month of gross compensation per year of service, with no limit on years or amount.	In indefinite-term contracts, the compensation is 1.5 salaries per year worked, with a cap of 12 salaries. In situations of mutual agreement to terminate the contract, up to 4 additional salaries may be provided.
<b>Retirement plans</b>	Although we do not offer retirement plans as part of our benefits, our collective bargaining agreements include an enhanced severance package for those employees who choose to retire at retirement age. In 2023, 5 employees accessed this benefit.  Enhanced severance pay is provided for those employees who resign at retirement age, equivalent to between 1.20 and 1.30 gross salaries for each year of service (depending on the collective bargaining agreement), with no cap on the number of years or remuneration.	Fenix does not consider retirement plans as part of its benefits.

### Minimum Wage

As of December 2023, all of the company's full-time, permanent employees received gross compensation exceeding \$863,813.

### Comparison between Colbun's starting wage and the country's minimum wage in 2023

[GRI 202-1]

REGION	CHILE <sup>1</sup>		REGION	PERU <sup>2</sup>	
	♀	♂		♀	♂
<b>Antofagasta</b>	2.84	4.44	<b>Lima (Magdalena Offices)</b>	2.44	2.44
<b>Metropolitan Region</b>	2.1	2.06	<b>Planta Chilca</b>	4.52	2.44
<b>Valparaiso</b>	2.73	2.19			
<b>Maule</b>	4.99	1.88			
<b>Biobio</b>	2.75	2.42			
<b>Colbun in Chile</b>	<b>2.1</b>	<b>1.88</b>	<b>Colbun in Peru</b>	<b>2.44</b>	<b>2.44</b>

<sup>1</sup> Colbun's starting salary includes gratuity, collation and mobilization. The minimum salary in Chile as of December 31, 2023 was \$460,000 (Chilean pesos). Colbun's starting salary in Chile is \$864,800 (Chilean pesos).

<sup>2</sup> The minimum salary in Peru as of December 31, 2023 was 1,025 /.S (soles). Colbun's starting salary in Peru is 2,500 /.S (Peruvian soles).



## Benefits for Employees

[NGC 461 5.7] [GRI 401-2, 401-3] [DJSI 3.4.4, 3.4.6]

We care about people and their well-being, implementing initiatives to balance work and family life, promoting the integral development of our employees. These include:

- Celebrate Labor Day with their children.
- Offering personal days equivalent to two full days or four half days per year for personal use.
- Organizing Christmas celebrations at all our facilities and headquarters.
- Improve transportation services at the plants to reduce travel times.
- Implementing half-day working schedules on Fridays at both the head office and our plants.
- To grant days off on dates close to national holidays.
- Introducing a flexible scheduling program at the Santiago offices, allowing for arrivals between 7:30 AM and 9:00 AM.

## New Working Model

We implemented a Hybrid Work Model, adjusting it according to roles and functions. In 2023, we established two telework days (Monday and Friday) and three face-to-face days. Additionally, we introduced the "Telework Exchange" benefit, providing an additional 20 days of telework based on the needs of our employees. This benefit aligns with our work-life balance policy, and 82% of our workers utilized it in 2023.

## Education Benefits

Annually, we recognize academic excellence among the children of our employees for their outstanding performance in school and university. Additionally, we offer schooling support for children, legal dependents and training programs for our employees. These programs include language courses and technical skills development through our internal platform Colbunpedia.

## Health Benefits

Annually, we provide comprehensive support, covering 100% of the payment for early and guaranteed medical leave, as well as complementary dental and catastrophic health insurance for our workers and their legal dependents. Additionally, we offer other health and wellness benefits, such as partnerships with gyms. For more details, please refer to page XX.

## Family Benefits

Aligned with the importance we place on the families of each of our employees, we offer support from the birth of their children to the passing of their spouses. Among the benefits are birth bonuses and life or accident insurance.

## Competitive Funds

Each year at Colbun, we allocate resources for our employees to propose projects aimed at enhancing their quality of life, encompassing sports, recreational activities, and workshops. All our employees are invited to participate in this opportunity.

## Parental Leave

PARENTAL LEAVE	CHILE				PERU			
	2022		2023		2022		2023	
	♂	♀	♂	♀	♂	♀	♂	♀
<b>Number of individuals entitled to parental leave</b>	26	10	21	10	3	1	1	1
<b>Number of individuals who utilized parental leave</b>	0	10	0	10	3	1	1	1
<b>Percentage of individuals who utilized their parental leave</b>	0%	100%	0%	100%	100%	100%	100%	100%
<b>Number of individuals who returned to work after parental leave</b>	0	10	0	6	0	0	1	1
<b>Number of individuals who returned to work and remained employed 12 months later</b>	0	9	0	10	0	0	1	1
<b>Return to work rate</b>	0%	90%	0%	100%	0%	0%	100%	100%

## Internal Communication Channels

We maintain several communication channels operating on a continual basis to keep staff informed about organizational updates, relevant topics for their daily work, team relationships, and benefits.

### → Intranet

Our primary internal communication platform features the most important news, birthdays, photo galleries, and internal contests. It also serves as an access point for various management tools, including systems for travel management, personnel, and contracts administration.

### → e-Mail

We use internal e-mails to inform about organizational changes, important news, contests, births, deaths, among other relevant matters.

### → Digital Screens

We have 34 television screens, located at the Headquarters (9) and our power plants (25). These screens serve to dynamically showcase internal and external activities of the Company, strengthening and streamlining our communication.

### → Regular meetings

Our goal is to inform employees and foster alignment within the Company. To achieve this, we organize quarterly management meetings with participation from all employees, sustainability weeks, and visits by managers to the power plants.

## Labor Relations

[GRI 2-30] DJSI 3.1.5

We respect freedom of association, trade union rights, and the right to collective bargaining. Although there are no formal agreements on minimum timelines for legal changes in collective contracts, we consistently adhere to three key principles in the face of any significant operational change:

### Key Principles in Operational Changes

1 Employees are the first to be informed

2 We communicate these changes well in advance, adjusting the timing depending on the specific circumstances.

3 We accompany each affected employee to minimize negative impacts and maximize benefits.

As of December 2023, 562 of our workers were covered by collective bargaining agreements, representing 53.63% of our personnel, a decrease from the previous year's 58.76%.

During the year, unions 1, 3, and 4 engaged in collective bargaining, involving 158 affiliated workers, accounting for 28.1% of the workers covered by a collective bargaining agreement. These processes resulted in agreements satisfactory to both parties for

the next three years from September 1, 2023, for Unions No. 1 and 4, and from November 1, 2023, for Union No. 3.

The first union was established in Peru in 2022. In 2023, it included 25.6% of the labor force in that country.

INDICATOR	CHILE				PERU			
	2020	2021	2022	2023	2020	2021	2022	2023
Number of employees covered by collective bargaining agreements	429	415	577	562	0	0	26	26
Percentage of employees covered by collective bargaining agreements.	43.60%	41.17%	58.76%	53.63%	0%	0%	21.49%	20.16%
Percentage of unionized employees.	43.6%	41.2%	58.8%	53.6%	0%	0%	21.5%	25.6%*

\*Under the collective bargaining agreement signed in 2022 for two years, 26 employees (20.16%) remained in 2023. However, 7 additional employees (25.58%) joined the union in 2023, who are currently not officially part of the collective bargaining agreement.

In Chile, the law prevents us from granting benefits to employees who are not part of a collective bargaining agreement, unless there is consent between the company and the union.

With respect to working hours, we ensure that we follow current legislation, respecting both our employees' rest periods and the agreed working hours. If, due to necessity or force majeure, work is required on days normally set aside for rest, we compensate these employees with a surcharge that exceeds that stipulated by labor law.

### Training for Unions

In 2023 we conducted training sessions for unions, covering topics such as the Compensation and Remuneration Model, Industry Challenges, and Health and Safety.

# SAFETY

## and health

### OHS Management Model

[NCG 461 5.6] [GRI 403-1, 403-2, 403-4, 403-8, 403-9, 403-10]  
[SASB IF-EU-320a.1]

We have a **Safety, Occupational Health, and Environmental Policy** that guides our management in these areas. This policy applies to all employees, contractors, directors, and subsidiaries, assigning us the collective responsibility to implement its principles. Our Management System is supported by a work plan that encompasses leadership, training, and the development and updating of documentary guidelines. Covered by this system are our power generation plants, the headquarters offices, and our projects

### OHS Policy Principles

- The health and safety of people is paramount. Therefore, no production goal or operational emergency justifies exposure to uncontrolled risks.
- The health and safety of individuals is everyone's responsibility. Each person should be an active promoter of their personal care and also of caring for others.
- Providing healthy and safe working conditions for employees and contractors, with the aim of preventing accidents and deterioration of health in the workplace, safeguarding both psychological and physical well-being.
- Establishing effective mechanisms for preparedness and response to potential accidents or emergency situations, incorporating nearby communities into the process when relevant.

At Fenix, we implement a **Occupational Health and Safety Management System** aligned with Peruvian Law No. 29,783 and its amendments, including specific regulations for electrical work (RM 111-2013 MEM/DM). This system promotes active participation of our employees in identifying and managing risks through training programs, contingency plans, and procedures ensuring safe operations. Our commitment is to achieve zero lost-time accidents and to prevent the onset or exacerbation of occupational illnesses.

### Culture of Safety

We consider safety as an essential value in our business strategy, under the motto **'We care about people, we care about you'**. This vision is crucial for fostering a culture of occupational safety and health in all our workplaces. Our commitment to safety is reinforced by the active leadership of our executives in the field, demonstrating the importance of this value to the company.

To sustain this safety culture, we have a Safety, Occupational Health, and Environmental Policy, along with an Integrated Management System. This approach enables us to meet legal obligations and the specific requirements of our operation.

Furthermore, we have developed a roadmap based on leadership, aligned with our Executive Strategic Plan, which originated from the recommendations of the SSO culture diagnosis conducted by ACHS/Dekra in 2023. This initiated the Safety Align Program, which allowed us to update safety tools and strengthen the influencing role of each of our leaders.

### Coverage of the Management System

## Chile

→ In Chile, our Safety, Occupational Health, and Environmental Management System (SGI) covers 100% of our employees (1,087 individuals) and contractors (3,003 individuals\*), and is certified under ISO 45001:2018 and OHSAS 18001 standards by an external entity.

## Peru

→ In Peru, 100% of our employees (129 people) and contractors (221 people\*) at Central Fenix and the Magdalena offices are protected by an occupational health and safety management system, reviewed by an internal auditor.

HEALTH AND SAFETY SYSTEM COVERAGE	CHILE				PERU			
	2022		2023		2022		2023	
	Number	%	Number	%	Number	%	Number	%
Covered by the health and safety system	971	100%	1.087	100%	119	100%	129	100%
Covered by the health and safety system, subject to internal audit.	953	98%	1087	100%	119	100%	129	100%
Covered by the health and safety system, subject to audit or certification by a third party	971	100%	1.087	100%	119	100%	129	100%

Note: The occupational safety indicators consider the average annual workforce in Chile. For 2023, employees of Colbun and Colbun Soluciones by Efizity are included.

All employees in Chile and Peru are covered by the occupational health and safety management system.

### Occupational Health and Safety (OHS) Strategic Plan

The Company has an Occupational Health and Safety Strategic Plan, which includes the following axes:

- 1 Safety governance
- 2 Corporate Safety Vision
- 3 Visible leadership
- 4 Incident reporting
- 5 Rules that save lives

### Procedures

## Chile

- At Colbun, we implement a Hazard Identification and Risk Assessment Matrix across all operational activities to mitigate impacts on occupational health and safety. Our Zero Fatality Standards and Safe Work Analysis enable us to control and minimize risks.
- We conduct an annual risk assessment involving employees under the supervision of supervisors and with support from the Occupational Health and Safety Supervisor. Utilizing the risk control hierarchy, we establish and adjust action plans. In 2023, we conducted 645 safety inspections using the Zyght platform.

## Peru

- At Fenix, we guarantee the quality of established procedures for hazard identification, risk assessment, and risk control through direct supervision and collaborative development of the HIRAC(\*) matrix. This is complemented by regular training sessions.
- Additionally, we have dedicated procedures for accident and incident management, encompassing reporting, investigation, and follow-up processes. This ensures the implementation of effective action plans for significant risks, all within a preparedness framework that includes contingency plans and emergency drills. Our system also involves biannual audits, endorsed by the Ministry of Labor and Employment Promotion.

(\*) Hazard Identification, Risk Assessment and Control.

## Complaints

In our company, all employees can report risks or situations of occupational hazards through several channels:

- Safe work analysis, carried out daily before each task.
- Inspections.
- Observations, directly to your boss or supervisors, or through the Joint Health and Safety Committee.

We have a procedure, the PRO 169 Observation and Inspection Report, which details how to report unsafe conditions or behaviors.

# Highlights of 2023

**We have implemented the Responsible Refusal Policy, enabling our employees to halt any work that does not comply with the necessary control measures to prevent accidents. This policy also encourages employees to suggest control measures to safely resume suspended tasks. Endorsed by our CEO, we guarantee its compliance and provide a reporting channel to inform potential reprisals, ensuring a safe and participatory work environment.**

## Chile

### Internal Regulation

- At Colbun, Article 70 of the Regulations on Order, Hygiene, and Safety establishes that any employee assigned a task for which they are not trained or that may pose an unassessed and uncontrolled risk of accident must inform their direct supervisor. Additionally, the employee has the right to refuse to perform such a hazardous task until the mentioned requirements are met and necessary control measures are implemented.

### Employee involvement in the implementation and evaluation of the OHS management system.

#### Joint Committee

- At Colbún, facilities with more than 25 employees have Joint Committees, with equal representation from employees and the company, focused on investigating workplace accidents, promoting preventive measures, and assessing accidents or illnesses due to worker negligence, in accordance with DS 54.
- We facilitate the participation and consultation of workers through Joint and SGI Management Committees, utilizing various communication channels for OHS matters. The meetings of these committees are monthly, ensuring continuous dialogue on safety and health.

## Peru

### Internal Regulation

- At Fenix, each employee has the right to refuse to work under conditions they deem hazardous, in accordance with Article 9 of the RISST, supported by our Responsible Refusal Policy. This policy ensures protection against retaliation, allowing reports through our ethics hotline.

### Employee involvement in the implementation and evaluation of the OHS management system.

#### Joint Committee

- At Fenix, our Joint Committee on Occupational Health and Safety, composed of three regular members and three alternates from our team, ensures the safety and health of the Company's employees. Its main functions include supervising our safety and health management system, promoting safe practices, ensuring compliance with regulations and internal rules, and addressing occupational safety and health.
- We participate in the creation of hazard identification and risk assessment matrices, and share safety information through email and informational screens. Committee meetings are held monthly.

## Access to Medical Services

[GRI 403-3]

At Colbun, we offer a **program of free preventive health check-ups for all our employees**, with frequency varying according to age. Our Welfare department provides various health agreements and benefits, available for employees and, in some cases, their families. We ensure comfortable facilities and conduct assessments of psychosocial factors to detect risks of mental illnesses, such as stress. Additionally, we have established agreements with gyms and other institutions, providing alternatives for managing stress.

## Fatalities and Injuries due to Work Accidents, With Lost Time, of Own Employees

INDICATOR	CHILE				PERU			
	2022		2023		2022		2023	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Fatalities resulting from an injury due to a work accident	0	0	0	0	0	0	0	0
Injuries from workplace accidents with serious consequences (excluding fatalities).	0	0	0	0	0	0	0	0
Recordable occupational injuries	3	1,3	3	1.17	0	0	0	0
Number of occupational diseases	2	0.2	2	0.78	0	0	0	0
Number of hours worked	2,306,700		2,574,193		276,780		266,485	

## Fatalities and Lost-time Work-related Injuries of Contractors

INDICATOR	CHILE				PERU			
	2022		2023		2022		2023	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Fatalities resulting from an injury due to a work accident	0	0	0	0	0	0	0	0
Injuries from workplace accidents with serious consequences (excluding fatalities) fatalities))	0	0	2	0.35	0	0	0	0
Recordable occupational injuries	5	1.53	10	1.77	0	0	0	0
Number of occupational diseases	0	0	0	0	0	0	0	0
Number of hours worked	3,247,001		5,635,906		154,213		339,627	

The accident rate during the year 2023 in Colbun **decreased by 9.7% compared to the previous year.**

The occupational disease rate during the year 2023 **decreased by 14% compared to the previous year.**

At a consolidated level, **the lost time injury frequency rate was 1.46**, including both employees and contractors. The 2023 target was 0.8.

## OHS Campaigns

### Vive Más Program

To promote health among our team, we implemented the 'Quality of Life Program - Vive Más,' [Live longer] supported by a multidisciplinary team of nutritionists, fitness trainers, and nurses. The goal is to improve the lifestyle of our employees by fostering healthier habits. In the year, 69 people participated.

### Yo Reporto Campaign

[I reporte] An initiative aimed at encouraging employees and contractors to report behaviors and conditions that may lead to an accident, particularly those that could result in a serious or fatal injury.

### Occupational Health and Healthy Living

We monitor our employees' exposure in their workplaces, identifying risk agents and quantifying their magnitude to propose control measures. We maintain mandatory health insurance (Law No. 16,744), administered by the Chilean Safety Association (ACHS), which provides coverage to all employees for work-related accidents and occupational diseases, as well as preventive, medical, and economic benefits, at the company's total expense.

Employees affected by work-related accidents or occupational diseases can access this system. ACHS conducts qualitative and quantitative assessments of occupational risks to identify factors that affect our employees' health and establish control measures to minimize their exposure.

### Occupational Health Protocols

We implement health protocols to minimize occupational risks and monitor the health status of our workers. Noise is the main risk identified at our plants. To mitigate these risks, we have implemented several programs, including the following:

- Occupational Noise Exposure Program (PREXOR),
- Plan for the Eradication of Silicosis by the year 2030 (PLANESI),
- Management of Work-Related Musculoskeletal Disorders of the Upper Limbs (WRMSD-UL),
- Manual Handling of Loads (MHL),
- Psychosocial disorders (TPS), asbestos, and non-ionizing radiation.

All these protocols are part of the hygiene plan, which includes qualitative assessments and previous studies at all power plants.

### Occupational Health Surveillance

To ensure the physical fitness of our employees, we conduct occupational exams systematically and provide follow-up for those with any health issues. This promotes medical consultation and appropriate treatment through their respective insurance providers. The information obtained is shared with the Health Committee, consisting of three members from the Organization and People Management and three from the Occupational Health and Safety Management.

Our primary focus is to prevent occupational diseases. In 2023, 141 people participated in the Preventive Exams Campaign. Additionally, we carry out Wellness activities such as vaccination drives and visual health programs, among other general care initiatives.

### Psychosocial Risks

During October 2023, the implementation of the Psychosocial Risks Protocol began, along with the administration of the CEAL-SM/SUSESO questionnaire at Colbún's Head Office. This questionnaire was answered by 372 employees, with a participation rate of 76%. The level of risk obtained was considered 'Low'.

## Security at our Facilities

GRI 413-2, EU 21

At a more general level, with the support of the company Prosegur, the security system of the facilities is managed. Additionally, there is a security structure for asset coverage in the northern, central, and southern zones, aimed at maintaining perimeter security and access control to our facilities

### Emergency Plans

At Colbún, each facility develops an emergency plan following the guidelines of PA.17 to respond to emergencies. These plans identify potential risks such as fires, personal accidents, earthquakes, and chemical spills, adapted to the specific reality and location of each facility. Likewise, in Peru, the identified potential risks include personal accidents, earthquakes, leaks/spills, fires, and acts of terrorism.

Emergency response prioritizes the safety of individuals and then the protection of the facilities, resorting to external support if local response capacity is exceeded.

### Objectives of the Emergency Plan

- Control the emergency with the means available and defined in Colbun.
- Minimize possible losses, both human and material.
- Control or mitigate possible socio-environmental effects.
- Avoid or minimize consequences in communication with the surrounding environment.
- Optimize the resources available to resolve the emergency.
- To avoid its repetition, as a form of continuous improvement.

Aligned with the emergency plans, we conduct **annual emergency drills** to test the effectiveness of these plans and identify opportunities for improvement. Although it is not a legal requirement, we collaborate with local emergency services to reinforce our procedures.

Additionally, we conduct **annual reviews and updates** of each of these plans, communicating any changes to our staff. The head of each facility has the authority to determine when an emergency is under control and it is safe to resume operations, following established procedures.

### Communication of Emergency Plans

In Chile, the communication of these plans extends both internally to our employees and contractors, and externally to the community, especially if there are risks that may affect them, through channels provided by the Public Affairs Management.

While in Peru, internally there is a flow of communication of events; likewise, satellite phones are available for external communication.

### Emergency Plan Training

#### Chile

- 782 people were trained, representing 83% of the total staff.

#### Peru

- The training covered a total of 71 people, representing 55% of the total workforce.

### Topics Covered

The topics included first aid drills, procedures for handling oil spills in confined spaces, management of spills of flammable liquids with potential injuries, as well as accident and fire drills, among other relevant topics.



## Security Management in Communities

The company shares emergency plans with communities to involve them in their well-being and safety.

## Colbun Complex

### Protocol for Reservoir Law

In 2016, we participated in an agreement with the General Directorate of Water, the Meteorological Directorate, the National Service for Disaster Prevention and Response (SENAPRED), and other companies in the sector to adopt preventive measures aimed at preventing or mitigating risks from potential floods of the Maule River.

### Discharges

When the Colbun Reservoir needs to release water, we coordinate with SENAPRED and inform local and regional authorities, as well as the community, in advance.

### Colbun Central return channel

Between late 2023 and the summer of 2024, we conducted a safety campaign to prevent accidents in the Colbun Central return channel, which passes through the communes of Colbun and Yervas Buenas. This campaign was carried out in collaboration with the Fire Department and has been repeated for several years.

### Current studies of the Machicura Reservoir beach

In response to the increasing recreational use of the reservoir through the Machicura beach and its associated sports activities, as well as the organization of triathlon and canoeing competitions, we conducted a current study. This study evaluated current levels in different generation scenarios. The detailed analysis of this study allowed us to zone and update the corresponding safety measures in 2023.

## Angostura Power Plant

### Flood protocol

We presented the operation of the power plant and the gate opening protocol in response to inquiries from two relevant projects, the Industrial Bridge and the Railway Bridge, which are being constructed downstream of the power plant. Their representatives were included in our database to inform them about gate openings.

### Presentations to surrounding communities

As part of three community dialogues held in our direct influence areas (Comite Alto La Paz, Lo Nieve, and San Ramon), we conducted presentations focused on explaining the operation of the power plant during winter, with an emphasis on gate opening situations. Additionally, we responded to information requests from SENAPRED and participated in the Emergency Operations Committees of Santa Barbara.

### Additional security measures

During the summer, we once again established limitations on flow variations during daylight hours to prevent risks for tourists entering the river in unauthorized areas. Additionally, we continued with the communication campaign to promote responsible river access and progressed with the installation and pilot testing of the first three traffic lights of the flow variation information system, which was presented to the municipalities. Finally, we organized a fishing championship to specifically raise awareness among these users about river behavior.

## Aconcagua Complex

### Safety signage

Since 2015, we have permanently installed signs and sirens to indicate sudden increases in flow due to discharges in various areas of the basin.

### International road campaign

Although this is a public road and is not part of our facilities ( though it is used by Colbun personnel), we have carried out a road safety campaign in collaboration with neighbors to prevent traffic accidents.

*Building*

# OPPORTUNITIES TOGETHER

7.1 Fostering Community Ties



Material Topic

# FOSTERING Community Ties

[GRI 3-3]

Developing relationships with local communities is a critical aspect of management for companies operating in areas where residents are deeply connected to their environment, traditions, and lifestyle. **Building transparent, respectful, collaborative, and mutually beneficial connections promotes value creation and social progress within these communities.** Achieving this requires ongoing dialogue, active engagement, and attentive listening, as well as the formation of alliances and implementation of programs that offer improved opportunities for residents.

**Goal**

**To work in collaboration with the communities in which we operate, striving to foster social development and economic advancement by building strong, trusting relationships.**



### Local Environment Impacts

- Electric power industry facilities disrupt the normal life in the geographic areas where they are located and bring about changes to the environment and the communities that live there. As a result, traditional lifestyles associated with the use or non-use of certain spaces change and there arise risks of environmental damage that affect the inhabitants.
- The implementation of energy operations can yield positive effects on communities, including local economic growth, the development of new infrastructure and public services, job creation, training opportunities, and the establishment of productive relationships with local businesses, among other benefits.



### Company Risks

- Opposition and protests against operations and/or projects.
- Failure to achieve diagnoses and initiatives adequate to the needs of the communities.



### Business Opportunities

- Development of well-integrated projects at the local level.
- Productive chaining.
- Encouragement of new businesses.
- Improved relationships with communities and deeper understanding of their needs.



### Policies and Guidelines

- Community and Society Manual.
- Stakeholder Mapping Guide.
- Sustainability Policy.
- Community Relations Policy.
- Donation Policy.
- Community Relations and Investment Strategy.
- Relationship Strategy with Authorities and Leaders.



### Progress and Actions 2023

- 26 open community dialogues and 14 workshops in Chile and the fifth public account at the Fenix plant.
- Eight instances of early citizen participation in Colbun's projects.
- Collaboration with 97 social organizations and support for 547 local entrepreneurs.
- Implementation of tourism seasons at two reservoirs and one lake.
- Participative monitoring with the community at Central Fenix.

## Principles and Management Model

### Goal

In both the development of new projects and the operation of **existing plants, our objective is to cultivate a close, positive, and collaborative relationship with the communities where we operate.**

**In project planning, we identify the organizations and groups that both influence and are impacted by the company's activities.**

We conduct an early Citizen Participation Process (CPP) with each stakeholder group to introduce the project and solicit their feedback. Based on the diagnosis, changes or improvements can be made and initiatives are identified to create local value. Among the initiatives developed, the following stand out:

- Working Tables.
- Renewable energy training programs to promote local employment.
- Program to support local entrepreneurs.

**For existing power plants we leverage our infrastructure and capacity for value creation to address and mitigate**

Negative impacts and contribute to the creation of opportunities for local development. Among the initiatives developed, the following stand out:

- Entrepreneurship promotion centers.
- Infrastructure for tourism development.
- Public-private working groups.
- Nature conservation projects.

### Community Relations Policy

The policy establishes the general guidelines for working with the communities neighboring Colbun's facilities and projects. It defines **three basic principles** for this relationship:

- 1 Building relationships within the community through transparent and collaborative dialogue.**
- 2 Generating opportunities within the localities where we operate.**
- 3 To contribute to the enhancement of people's quality of life.**

### Responsibles

Corporate Affairs Management and Engineering and Project Management work together to ensure an adequate standard of community relations in the development of projects.

In the case of operational power plants, Corporate Affairs Management partners with Generation Management to ensure that these facilities are seamlessly integrated into the community, contributing positively to local development and well-being.

In turn, all Colbun employees are called upon to apply and comply with the guidelines of the Community Relations Policy in decisions and activities that have an impact on the community.

# Community Interaction Strategy and Model

To carry out our policy, we have developed a relationship model that responds to our purpose and materializes the relationship we have with the communities surrounding our operations.

## Building Trust

Build and maintain associative and cooperative relationships with the community.

### Participation Empowerment

- Mapping of relevant stakeholders.
- Survey of community priorities.
- Meetings with authorities and neighbors.
- Working groups and dialogue.
- Visits to power plants, Energy House and Visitor Center.
- Participation in community activities.
- Alliances with trade associations.
- Work with local media.
- Más Energía Newspaper.

### Leadership Empowerment

- Training of neighborhood leaders.
- Support in the management of public funds.

## Creating Opportunities

Maximizing the positive impact of Colbun's business within the community by actively promoting the development of the local economy.

### Local Employment Empowerment

- Employability and occupation survey.
- Training for local work force.
- Definition of minimum percentage of local labor hiring.

### Local Supplier's Empowerment

- Survey of goods and services.
- Training of local suppliers in Colbun standard.
- Hiring of local suppliers.
- Prompt payment policies.
- Financial support.

## Generating Future

To cooperatively promote the development of the community through sustainable projects with social impact.

### Education Empowerment

- Education in energy and the environment.
- Technical training in trades and leadership skills.
- Infrastructure and equipment in education.

### Entrepreneurs Empowerment

- Productive chaining.
- Entrepreneurship training.
- Entrepreneurship enablement.
- Entrepreneurship funds.

### Well-being Empowerment

- Sports programs.
- Infrastructure and Sports equipment.
- Public spaces and green areas.
- Tourism promotion.
- Water and energy solutions.

To guide this process, the Company has a Communities Manual [here](#)

# Main Impacts, Positive and Negative, on Communities

[GRI 413-2]

## Negative

POWER PLANTS	IMPACT
ALL	<p><b>Alteration of the landscape</b> The installation of the power plants generates changes in the natural environment and landscape.</p>
THERMAL POWER PLANTS AND HYDROELECTRIC POWER PLANTS	<p><b>Potential increase in the perception of security risk</b> Increased risk perception of the facilities in the event of possible natural emergencies such as earthquakes, fires, increased water flow due to extreme rainfall, among others.</p>
THERMAL POWER PLANTS	<p><b>Potential effluents and hazardous and non-hazardous wastes</b> Generation of coal and ash residues could be discharged into rainwater channels, estuaries and groundwater.</p>
THERMAL POWER PLANTS	<p><b>Atmospheric emissions</b> Emissions of CO2, NOx, SO2 gases. Higher emissions could be visible, both from coal and steam combustion, during operation or during shutdown and start-up.</p>
THERMAL POWER PLANTS, HYDROELECTRIC POWER PLANTS, AND WIND FARMS	<p><b>Potential impact on terrestrial and aquatic ecosystems</b> In the case of thermal power plants, there's a risk of impacting the marine ecosystem if the limits for seawater return temperature are exceeded  For hydroelectric power plants, there's a risk of impacting the flow and regime of rivers.  For wind farms, there's a risk of affecting bird migration routes.</p>
HYDROELECTRIC POWER PLANTS	<p><b>Possible impact on communities' access to water</b> due to water channeling.</p>
THERMAL POWER PLANTS AND WIND FARMS	<p><b>Noise</b> The thermal power plant emits louder noises than usual during shutdown and start-up, although for short periods of time.</p>

## Positive

POWER PLANTS	IMPACT
ALL	<p><b>Employment and demand for services and products from local suppliers</b> Stimulation of the local economy through the hiring of local labor and the purchase of goods and services from local suppliers.</p>
ALL	<p><b>Training</b> Development of training programs to increase employability, particularly in the field of renewable energies.</p>
ALL	<p><b>Social investment</b> Social investment programs in various areas such as education, health, economic development, among others.</p>
ALL	<p><b>Reduced rates for municipalities with operational power plants</b> Law of Tariff Equity No. 20,928 establishes a discount on electricity bills for municipalities intensive in electricity generation.</p>
ALL	<p><b>ESG best practices for local suppliers and SMEs</b> Colbun provides training and development opportunities for local suppliers, enabling them to implement ESG and safety best practices.</p>
ALL	<p><b>Hydro tourism</b> Providing communities with resorts and recreational spaces.</p>
HYDROELECTRIC POWER PLANTS	<p><b>River flood control</b> During periods of intense rainfall, reservoirs can play a key role in containing and buffering such floods.</p>
ALL	<p><b>Water storage and irrigation infrastructure</b></p>

## Relationship and Participatory Design

[GRI EU19]



In 2014, our Company began conducting public accounts at the Santa Maria Power Plant to inform the community about its management practices. After extending this practice to almost all the power plants, in 2020 we began a process of converting some of these public accounts into community dialogues, aimed at strengthening horizontal and constructive conversations in which issues of interest to the community are addressed.

**We come together to discuss water, flow variations, noise, vibrations, emissions, decarbonization, emergencies, and social management, among other topics.** For example, at the Angostura Power Plant, topics such as the opening of reservoir gates, river Biobio floods, and criteria for allocating contestable social funds were discussed, while at the Colbun Power Plant, the main topic was the role of reservoirs during river floods. In total, 26 community dialogues were held during the year.

Furthermore, **thanks to working tables**—some of which are composed of up to 15 social organizations each—**community development actions have emerged, promoting the integration of operations with the communities.**



In the case of our operation in Peru, in 2023 the Fenix Power Plant held its fifth public account with neighbors of Chilca, where the unit operates, and continued to develop participatory monitoring associated with noise, water, air, emissions, flora and fauna, and other issues.

**26**  
community dialogues open

**547**  
participants

**14**  
working groups

## Projects with Active Listening

**All the projects we develop are based on an active listening and relationship** with the communities and local governments where they will be located.

Between six months and two years before applying for the environmental permits, we make sure to talk to the community and learn about their vision and priorities regarding the project. Along the same lines, during the entire process we maintain different communication channels active, either through direct contact by telephone or e-mail, or through meetings, surveys, public accounts, among other means.

Once in the operation stage, the Community Relations teams maintain permanent contact with neighbors and authorities.

Below is a breakdown of the different instances of community participation in Colbun's projects.



For details of the groups and authorities involved, resources and channels used, see annexes **X.X**.

As part of the dialogue instances carried out annually (the 14 working groups and the 26 community dialogues), as well as within the framework of the Social Development Funds (6 multi-organization funds), Colbun seeks to provide environmental, social, and administrative tools and knowledge. This is done through internal and external speakers, aiming to improve the community's preparedness in raising community concerns and interacting with companies and public agencies, while also strengthening their capacity to access government funds. Conversations or talks have been held on various topics such as emission standards, noise regulations, water rights, and public funds for social projects.

Furthermore, Colbun has been running extensive programs to support entrepreneurs for over 10 years, through which various tools are provided to formalize their businesses, manage their ventures better, and raise funds for growth (in 2023, more than 500 entrepreneurs were supported across all areas).



## Instances of Community Participation in Colbun's Projects

[GRI EU19]

### Cuatro Vientos Wind Farm Project, Llanquihue

#### Corporate Affairs Management and Engineering and Projects Management

As part of the Environmental Impact Assessment (EIA), since August 2022, early engagement has been conducted with local and regional authorities, as well as with territorial organizations on a continuous basis. There were two instances of early citizen participation (PACA) in September 2022 and October 2023, and two territorial dialogues in January and August 2023.

In January 2024 the EIA was submitted, and in February 2024 an extract of the EIA was delivered to the territorial organizations. [Link EIA.](#)

### Expansion of Horizonte Wind Farm Project, Taltal

#### Corporate Affairs Management and Engineering and Projects Management

As part of the Environmental Impact Assessment (EIA), a continuous community engagement process was developed through the Taltal office, involving local and regional authorities, as well as indigenous communities.

Informational brochures about the expansion project were distributed, and both physical and digital invitations were sent via email.

This included an early citizen participation process (PACA) with an open house format and the early participation process (PCT). [Link EIA.](#)

### Junquillos Wind Farm Project, Mulchen

#### Corporate Affairs Management and Engineering and Projects Management

The Environmental Impact Assessment (December 2022) included early engagement since 2021, engagement with local and regional authorities, early citizen participation exercises in 2022 and 2023, and one specifically for indigenous communities.

Additionally, there is a resolution from the Indigenous Peoples Consultation Process (PCPI) with five participating organizations.

Currently, the process is undergoing environmental review. [Link EIA.](#)

### Photovoltaic and Battery Project Celda Solar, Camarones

#### Corporate Affairs Management

Territorial dialogues held during the beginning of the environmental permitting process. [Link EIA.](#)

### Project: Loica-Portezuelo Transmission Line, in Litueche, La Estrella, and Marchigüe

#### Corporate Affairs Management and Transmission Projects Management

During the processing of the Environmental Impact Statement (EIS), early citizen participation was carried out in La Estrella and Marchigüe.

Within the framework of the Consolidated Reports of Clarifications, Rectifications and Amplifications Requests (ICSARA), meetings were held with beekeepers and neighborhood leaders. [Link EIA.](#)

### Paposo Pumped Storage Power Plant Project, Taltal

#### Corporate Affairs Management and Engineering and Projects Management

To develop this project, and before preparing the EIA, the Company initiated a community engagement process through the Taltal office, which involved numerous meetings with local and regional authorities, local groups, and territorial organizations. The process included an initial early citizen participation (PACA) held in the last quarter of 2023, which allowed for an open presentation of the project to the communities of Paposo and Taltal and gathered their feedback. Based on this, some aspects of the project were redesigned and presented in a second PACA to the community before submitting the EIA.

### Codegua Substation Project, Codegua

#### Corporate Affairs Management and Transmission Projects Management

Following the Environmental Qualification Resolution (RCA), an informative meeting was held prior to the start of the work, as well as one to coordinate the implementation of Circular Economy Value Chains (CAV). [Link EIA.](#)

## Claims Management

[GRI 2-25]

Regardless of the progress of the projects, **we are committed to continuously addressing and responding to various concerns raised by neighbors** and the community at large. To achieve this, in addition to the Complaints Line associated with reports of violations of the Code of Ethics (detailed in Chapter 2 of this document), we have a Contact Line, also publicly accessible on our website. Through this platform, any individual or stakeholder group can report situations and issues affecting them, where Colbun may be able to offer assistance.



In 2023, a total of 604 messages were received in Chile through the web Contact Line, consisting of 509 inquiries, 75 suggestions, 9 compliments, and 11 complaints of various nature (such as lighting, electric chargers, operation of resorts, floods, among others).



In the case of Peru, 8 complaints were received, related to fishing net entanglement and debts owed by a supplier to local businesses. All complaints received in Chile and Peru were individually addressed and resolved during the same year.



## Creating Opportunities

At Colbun we aim to promote the purchase of goods and services from local suppliers (in the communities where the company has facilities), to the limit that they satisfy the technical and commercial conditions required for a reliable commercial operation.

In 2023, we collaborated with 286 local suppliers in Chile, with purchases totaling USD 15,058,251. Regarding Fenix, we worked with 19 suppliers from the Chilca district, where the plant is located, with expenses amounting to USD 354,641.

In Chile, 91% of these local economic resources were received by SMEs (209 companies)



### Number and Expenditure on Local Suppliers, Chile

REGION	MUNICIPALITY	2022		2023	
		TOTAL SUPPLIERS	TOTAL EXPENDITURE (USD)	TOTAL SUPPLIERS	TOTAL EXPENDITURE (USD)
III - ATACAMA	Diego de Almagro	13	341,482	13	96,714
<b>TOTAL III - ATACAMA</b>		<b>13</b>	<b>341,482</b>	<b>13</b>	<b>96,714</b>
II - ANTOFAGASTA	TalTal	19	72,664	19	155,009
<b>TOTAL II - ANTOFAGASTA</b>		<b>19</b>	<b>72,664</b>	<b>19</b>	<b>155,009</b>
V - VALPARAISO	Los Andes	40	2,644,857	53	3,750,747
	Quillota	24	5,333,978	28	6,108,082
	San Esteban	5	16,459	11	52,418
<b>TOTAL V - VALPARAISO</b>		<b>69</b>	<b>7,995,294</b>	<b>92</b>	<b>9,911,247</b>
RM - METROPOLITANA	Curacaví	20	441,743	23	426,950
	Til Til	1	319,980		
<b>TOTAL RM - METROPOLITAN</b>		<b>21</b>	<b>761,723</b>	<b>23</b>	<b>426,950</b>
VI - O'HIGGINS	Codegua	4	10,205	5	64,348
	Mostazal	7	192,562	10	226,590
<b>TOTAL VI - O'HIGGINS</b>		<b>11</b>	<b>202,766</b>	<b>15</b>	<b>290,937</b>
VII - MAULE	Colbun	19	1,646,050	21	2,377,347
	San Clemente	1	3,533	3	17,639
	Yerbas Buenas	3	80,140	2	97,911
<b>TOTAL VII - MAULE</b>		<b>23</b>	<b>1,729,723</b>	<b>26</b>	<b>2,492,897</b>
VIII - BIOBIO	Antuco	2	2,726	4	10,250
	Cabrero	14	271,970	15	353,063
	Coronel	44	580,942	38	953,625
	Quilaco	6	174,767	6	33,483
	Quilleco	1	2,418	1	3,768
	Santa Bárbara	22	289,963	28	251,067
<b>TOTAL VIII - BIOBIO</b>		<b>89</b>	<b>1,322,785</b>	<b>92</b>	<b>1,605,256</b>
X - LOS LAGOS	Cochamo	8	92,833	6	119,241
<b>TOTAL X - LOS LAGOS</b>		<b>8</b>	<b>92,833</b>	<b>6</b>	<b>119,241</b>
<b>TOTAL</b>		<b>253</b>	<b>12,519,270</b>	<b>286</b>	<b>15,058,251</b>

### Number and Expenditure on Local Suppliers, Peru

REGION	DISTRICT	2022		2023	
		TOTAL SUPPLIERS	TOTAL EXPEN DITURE (USD)	TOTAL SUPPLIERS	TOTAL EXPEN DITURE(USD)
LIMA	Chilca	9	66.000	19	354.641



In Peru, 29% of these local economic resources were received by SMEs (13 companies).

## Local Labor

[GRI 203-2]

Regarding the direct hiring of local labor at our power plants and projects, in Chile, 29% of our own employees at power plants and projects reside primarily in the municipalities influenced by Colbun. In the case of Peru, there are no company employees residing in the district of Chilca.

### Local Labor, Chile

REGION	PROVINCE	MUNICIPALITY OF RESIDENCE	TOTAL EMPLOYEES LIVING IN "COLBUN MUNICIPALITIES"
II - ANTOFAGASTA	Antofagasta	Tal-Tal	4
III - ATACAMA	Chañaral	Diego de Almagro	1
RM - METROPOLITAN	Melipilla	Curacavi	21
	Chacabuco	Til-Til	0
V - VALPARAISO	Los Andes	Los Andes	46
		San Esteban	13
	Quillota	Quillota	16
VI - O'HIGGINS	Cachapoal	Mostazal	0
		Codegua	1
VII - MAULE	Linares	Colbun	10
		Yerbas Buenas	1
	Talca	San Clemente	1
VIII - BIOBIO	Biobio	Antuco	0
		Cabrero	6
		Quilaco	2
		Quilleco	6
		Santa Barbara	4
X - LOS LAGOS	Concepcion	Coronel	21
		Llanquihue	Cochamo
<b>TOTAL LOCAL EMPLOYEES (RESIDING IN "COLBUN COMUNES")</b>			<b>156</b>
<b>TOTAL EMPLOYEES OUTSIDE HEADQUARTERS</b>			<b>542</b>
<b>LOCAL EMPLOYEES LOCATED IN POWER PLANTS, PROJECTS, SUBSTATIONS, OFFICES (EXCLUDING HEADQUARTERS)</b>			<b>28.8%</b>



## Development and Social Investment

[GRI 203-1]

In 2023, we fostered more than 49 social investment projects, highlighting contributions across various areas.



- **Entrepreneurship:** We've supported 547 entrepreneurs through various training programs, mentoring, incubation support, seed capital, or assistance in applying for public funds.
- **Social organizations:** We collaborate with 97 territorial and functional organizations through competitive funds or training processes, with direct allocations in our areas of influence.
- **Tourism:** Hydro-tourism infrastructure and facilities constitute one of our most significant projects. The Angostura Park, the Chapo Lake House, and the Machicura Reservoir beach collectively welcome over 276,000 visitors annually, stimulating tourism services consumption exceeding \$1.9 billion, benefiting hundreds of local entrepreneurs.
- **Infrastructure Design for Public Funding:** We fostered this capacity with 15 designs for municipalities this year alone.
- **Water and Energy Infrastructure Solutions:** As part of the 2023-2030 Strategic Agenda, we've identified the implementation of initiatives associated with water access, efficiency, or quality as one of our key value creation axes in the areas where the company operates. These initiatives benefit Rural Drinking Water Committees, schools, irrigators, and other relevant community stakeholders. Additionally, we're focusing on energy solutions for rural drinking water systems, public lighting projects, and enhancements in thermal comfort. In 2023, we initiated the construction of six new projects aligned with this strategy, outlined below:

### Community Water and Energy Projects by Colbun S.A. and the Colbún Foundation

	REGION	DESCRIPTION	BENEFICIARIES
Improvement of Water Quality at APR Santa Rosa de Colmo	Valparaiso	Improving the Quality of APR Water by Reusing Filters from the Nehuenco Reverse Osmosis Plant.	441
Electrification of Industrial Furnaces at Liceo Ignacio Carrera Pinto School	Maule	Electrification of ovens for the gastronomy course, which will reduce polluting emissions.	93
Transforming Schools - La Guardia School, Colbun Alto	Maule	Improvement in the water distribution system within the educational campus, with a positive impact on student health.	30
Improvement of the Colbun Alto campground	Maule	Providing Access to Water and Electricity to Support Local Tourism Development.	496
Transforming Schools - Pocihuen Alto School	Los Lagos	Access to renewable energies and air conditioning system, allowing for greater thermal comfort for students.	40
Transforming Schools - Rio Blanco School	Valparaiso	Access to renewable energies and air conditioning system, allowing for greater thermal comfort for students.	15



In the case of Peru, February 2023 marks the ten-year anniversary since the Fenix Power Plant officially commenced **supplying free daily drinking water to the District Municipality of Chilca** for distribution, benefiting the local population. This initiative, a part of the social commitment outlined in the generator's Environmental Impact Study, involved the construction of a reverse osmosis plant. The water produced is utilized partly for the plant's operations and, primarily, for providing drinking water to approximately 8,000 individuals. **Several of these projects contribute to Sustainable Development Goal No. 6, Clean Water and Sanitation, particularly target 6.1, which aims to achieve universal and equitable access to safe and affordable drinking water for all by 2030.**

### Other Investments in Social Infrastructure:

- In addition to the aforementioned initiatives, the Company developed other community infrastructure projects in 2023.
- Improvement of seven multi-purpose courts in Quillota, in partnership with the Municipality of Quillota.
  - Lighting of three sectors of the Camino Internacional in the municipality of Los Andes, improving the safety of 2,500 neighbors.
  - Improvement, through an asphalt road surface of 1.5 km, of the road that joins the southern sector of Santa Elena and route L-11.
  - Installation of Braille signs on the Paseo Pretil at the Machicura reservoir.
  - Territorial development funds for neighborhood units of the commune of Coronel, oriented to the improvement of community infrastructure and community projects of neighborhood territorial scope.
  - Improvement of the headquarters of the Rio Blanco Neighborhood Council, through a collaboration agreement with the AIEP Institute.

## Community Social Investment in Chile

[GRI 203-1] [Colbun 3.S0]

In 2023, 28 community projects were carried out, corresponding to a total of USD 4,286,061 in social investment, across all Colbun's operating areas.

## Social Investment in Projects Under Construction, Chile

In 2023, a significant advancement was made with the implementation of an impact measurement pilot project in collaboration with the consulting firm Triple Impact. This initiative involved visiting all of Colbun's territories to catalog various social projects, classify them, and define their objectives and impact indicators.

The project sought to define: i) Identify a portfolio of projects for evaluation. ii) Determine the social dimensions to be measured. iii) Define result and impact indicators. iv) Propose a monitoring and evaluation framework. In 2023, 20 projects were analyzed using the "Theory of Change" approach, and four pilot programs were initiated (to measure impact or results. These pilots included initiatives such as funds for fishermen, social development funds, the Las Basas bus project, and territorial roundtables).

PILLAR	2023 PROGRAMS	2022		2023	
		COMMUNITY INVESTMENT (USD)	N° OF DIRECT BENEFICIARIES	COMMUNITY INVESTMENT (USD)	N° OF DIRECT BENEFICIARIES
GENERATING CONFIDENCE	Energy for Participation	374,798	134,218	29,500	7,285
	Energy for Education	370,951	23,824	40,914	198
	Energy for Entrepreneurs	436,697	3,147	500,467	547
	Energy for Quality of Life - Social Organizations Funds	990,660	42,922	190,764	2,910
GENERATING FUTURE	Energy for Quality of Life - Public Spaces	322,372	6,220	787,937	1,485
	Energy for Quality of Life- Tourism	579,879	330,644	746,897	276,000
	Energy for Quality of Life - Water and Energy	12,286	1,250	55,456	750
	Energy for Quality of Life - Others	0	0	535,220	2,940
OTHERS	Emergency Donation Areas of Influence (Viña Fires, Biobio, and Maule-Biobio Floods)	0	0	525,631	0
	Philanthropic Donations (Teleton, SIP) and Corporate Sponsorships (Puerto Ideas)	623,790	380	580,070	0
	Administration Expenses for Community Management			293,206	0
<b>TOTAL</b>		<b>3,711,433</b>	<b>542,605</b>	<b>4,286,061</b>	<b>292,115</b>

## Social Investment in Projects Under Construction, Chile

Additionally, the Horizonte wind project in the commune of Taltal included two social projects as part of the voluntary commitments made during the environmental approval process.

### → Horizonte Educa Program

Training in renewable energies designed for fourth-year high school students at the José Miguel Quiroz Polytechnic High School who are pursuing studies in Industrial Mechanics with a specialization in Electromechanics. The program encompasses various components, including student traineeships within the Horizonte project, technical tours, and internships, as well as motivational talks covering topics related to renewable energies, the labor market, and professional development, among others. Furthermore, the program offers maintenance scholarships to support students in continuing their higher technical studies.

### → Historical Horizon Program

It includes theoretical and practical talks to students in 7th and 4th grade from schools and high schools in Taltal. Its aim is to raise awareness about the region's archaeological heritage and inspire students to explore careers in archaeology. Additionally, the program involves creating an exhibition showcasing the historical and cultural heritage of the Taltal area at the city's Cultural Center.

## Social Investment in Operations, Peru

[GRI 203-1] [Colbun 3.S0]

At Central Fenix we carried out 13 social programs that promoted community development in different areas, which meant a social investment of USD 910,995.

PILLAR	2023 PROGRAMS	2022		2023	
		COMMUNITY INVESTMENT (USD)	N° OF DIRECT BENEFICIARIES	COMMUNITY INVESTMENT (USD)	N° OF DIRECT BENEFICIARIES
GENERATING CONFIDENCE	Energy for Participation (Public accounts, Sencico Training)	2,918	36	7,004	160
	Energy for Education (Juntos por la Educación, vocational fair)	32,506	3,272	14,817	4,384
	Energy for Entrepreneurs - Tourism (Reactiva Turismo, Enciende Emprendedor)	50,022	57	43,382	546
GENERATING FUTURE	Energy for Health (Policlinico, Anemia Cero, Yo tengo Energia)	283,730	1,884	292,560	1,505
	Energy for Quality of Life- Public Space and green areas (Adopta un Árbol, Transformando Espacios)	6,544	100	21,425	2,952
	Energy for Quality of Life - Drinking Water, Environment and Leveraging of Funds (Agua para Chilca, fondo de fortalecimiento)	518,438	8,089	531,806	16,950
<b>TOTAL</b>		<b>894,158</b>	<b>13,438</b>	<b>910,995</b>	<b>26,497</b>

## Corporate Volunteering

[NCG 461 4.2]

In 2023, a group of volunteers from Fenix dedicated their professional expertise in various fields including legal, accounting, systems engineering, mechanical maintenance, environmental engineering, and communications to interact with students from CENSA School during the 2023 Vocational Fair. A total of 23 professionals contributed their time, collectively spending eight hours on this initiative, which equates to a value of USD 1,441.



## Socio-Environmental Challenges

[Colbun 4.S0]

**2023 was characterized by two emergency situations, during which the Company took proactive measures to mitigate the impact of these events on the community.**

During the summer of 2023, a series of fires posed a threat to various areas of the city of Coronel, including the facilities of the Santa Maria power plant, causing fear among the population. In response, a team of Colbun employees, who are members of the Fire Brigade, played a crucial role. They led teams hired by the company to extinguish several fire outbreaks, actively participating in controlling the emergency situation.

The second episode occurred during the winter of 2023, triggered by heavy rainfall in the Maule and Biobio regions, often accompanied by high isotherms. This situation resulted in a significant surge in river flows in both regions over short periods, a phenomenon rarely witnessed in Chile.

Upon receiving the initial meteorological projections, the Company promptly coordinated with relevant authorities to implement necessary preventive measures to mitigate the risk of floods. This proactive approach, conducted in collaboration with entities such as SENAPRED, DGA, Direccion Meteorologica de Chile, and CEN under the framework of the Reservoir Law for the Colbun reservoir, ensured preparedness for potential flood scenarios. Similarly, efforts were undertaken alongside the DGA for the Angostura reservoir.

Throughout these efforts, effective communication channels were established to disseminate information promptly and consistently to stakeholders and the community. This ensured that all concerned parties remained informed and updated on the evolving situation.

## Canutillar Power Plant

**Challenge:** The lakeside residents of Lake Chapo have expressed concern about the fluctuations in the lake level that feeds the Canutillar Power Plant. In 2023, the focus of concern was particularly on the highest lake level recorded.

**Management:** At Colbun, we have been working with the lake residents for six years to address issues related to water levels. In 2018, in collaboration with the Lake Chapo Neighborhood Association, we submitted a request to the National Electric Coordinator (CEN) to consider raising the minimum lake level.

In 2023, a protocol was established to provide better information to neighbors regarding the evolution of the lake's level when it rises above a certain threshold. This protocol draws from the Company's experience in other basins where it operates reservoirs.

Additionally, other initiatives have been developed to enhance Lake Chapo as a tourist destination:

- A Tourism and Productive Development Board was created, made up of local stakeholders and joined by Colbun.
- Together with the Tierra Austral Foundation, we promoted a 600-hectare conservation project.
- We built an information center at the lake that serves as a focal point for tourism.

Despite the new operating conditions of the power plant, two lawsuits have been filed in the Valdivia court in recent years, related to the effects of the operation of the Canutillar Power Plant on Lake Chapo.

## Santa Maria Power Plant

**Challenge:** Within the framework of the decarbonization and energy transition process, one of the main concerns of the community is the future of the Santa María Power Plant.

**Management:** In 2019, we committed to not building any more coal-fired power plants and to close our only coal-based operation by the year 2040. As Colbun, we have emphasized the importance of enabling conditions to accelerate the energy transition, reaffirming our commitment to the process and to renewable energies. As these conditions are met, it will be possible to continue advancing in a decarbonization process without compromising the safety and continuity of the electricity supply. In this regard, we have also informed the community that the Company has an internal working group with its employees to evaluate options for the future of the power plant. Additionally, we participate in the Council for Environmental and Social Recovery of Coronel and in the Decarbonization Table promoted by the Ministry of Energy, both aimed at promoting and accelerating the energy transition.

## Angostura Power Plant

**Challenge:** Flow variations in the Biobio River caused by generation requirements from the National Electric Coordinator (CEN) that may pose a risk to tourists accessing the river or fishermen, especially during the summer season.

**Management:** For the past three years, a successful request was made to the CEN to limit increases in generation so that they do not coincide with peak public attendance hours at the river. Additionally, a flow variation alert system was implemented.

Furthermore, a dissemination plan was carried out, including radio campaigns, posters, social media promotion, presentations to ten neighborhood associations, and inclusion as a topic in six community dialogues held in Santa Barbara and Quilaco.

Finally, after coordination with the Provincial Delegation and the municipality of Santa Barbara, nine new locations were identified to install signs warning about flow variations.

# *Creating* HARMONY *with* NATURE

- 8.1 Positive Environmental Footprint
- 8.2 Addressing Climate Change
- 8.3 Water Resource Management
- 8.4 Biodiversity
- 8.5 Pollution and Waste Reduction



# POSITIVE Environmental Footprint

[SASB IF-EU-110a.3]

At Colbun, we understand that our economic success hinges on creating value sustainably. We strive for our operations to contribute to a responsible energy transition, ensuring a reliable and competitive electricity supply while addressing climate change through mitigation and adaptation measures. Our Strategic Agenda integrates socially and environmentally responsible practices.

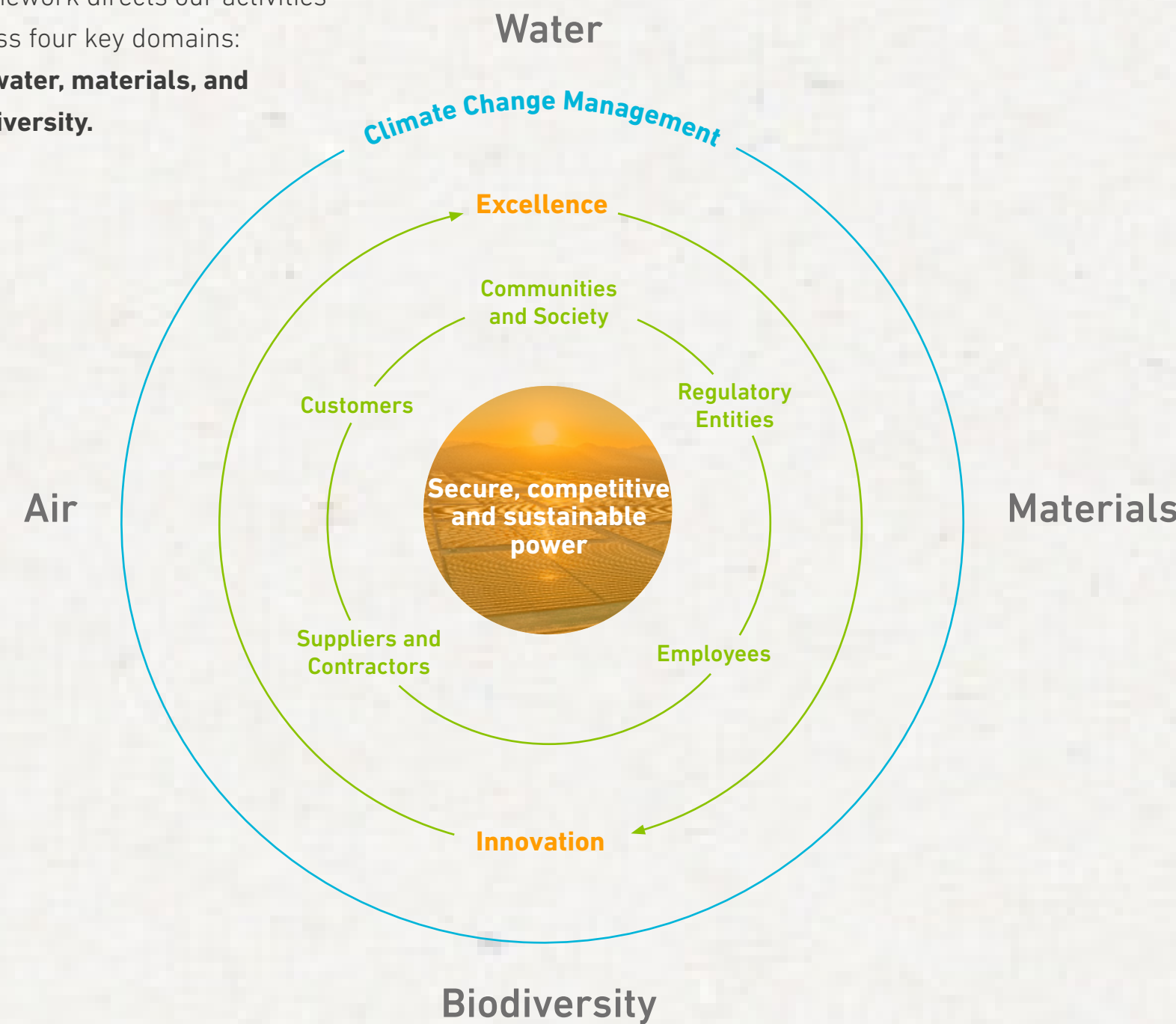
Our environmental commitment to operations and projects focuses on several key areas:

- **Carbon footprint measurement, management, and reduction efforts** dating back to 2001.
- **Responsible water management practices.**
- **Waste management optimization**, emphasizing revaluation and promoting circular economy principles.
- **Vigorous monitoring and reduction of atmospheric emissions.**
- **Protection and promotion** of biodiversity.

We engage closely with authorities and communities, valuing their input to inform our decisions and actions. We endorse initiatives that raise environmental awareness and promote stewardship of our surroundings. This includes environmental education programs for both our employees and communities, as well as initiatives aimed at enhancing energy efficiency and reducing carbon footprints for our customers and suppliers. These efforts will be further detailed throughout this chapter.

## Environmental Management Framework

Our Environmental Management Framework directs our activities across four key domains: **air, water, materials, and biodiversity.**



## Policies

We uphold a Safety, Occupational Health, Environment, and Quality Policy that applies to all our facilities and business lines, spanning both Chile and Peru.

## Responsibility

The Sustainability and Environmental Management department oversees environmental management, collaborating with environmental managers at each plant and project, supported by the corporate team. All Colbun employees and contractors are accountable for adhering to this policy, which must be implemented from the project's inception or evaluation of new acquisitions to the service delivery process for end customers.

## Air

Minimize the effects of our fossil fuel-fired power plants, both on local air quality and by reducing our carbon footprint.

## Water

Measure our water footprint and develop a series of operational and non-operational water consumption reduction initiatives.

## Materials

Incorporate a circular approach to the raw materials required for our activities and the waste we produce.

## Biodiversity

Promote biodiversity through the protection or conservation of ecosystems with environmental value found in our territories.

## Certification

Our Environmental Management System is ISO 14001:2015 certified, demonstrating our commitment to establishing clear environmental objectives and targets, implementing consistent policies and procedures, assigning specific responsibilities, providing training programs, and maintaining comprehensive documentation, alongside an effective tracking and monitoring system.

All our facilities in Chile and Peru undergo internal audits at least every three years.



## Environmental Footprint

[SASB IF-EU-110a.3]

The Company oversees its Environmental Footprint, setting goals, indicators, and action plans across three areas\*.



### Carbon Footprint

- To achieve carbon neutrality by 2050.
- To decrease the net CO<sub>2</sub> emission factor by 30% by 2025 and by 40% by 2030 in Chile, based on the 2018 baseline of 0.323 ton CO<sub>2</sub>e/MWh.
- To attain a Scope 2 (indirect CO<sub>2</sub> emissions) equal to zero starting in 2022 (market-based).



### Water Footprint

- Reduce freshwater withdrawal intensity per unit of energy generated by 40% by 2025 and 45% by 2030 (2018 baseline: 0.300 m<sup>3</sup>/MWh).
- Decrease freshwater consumption in non-operational activities by 40% by 2025 (baseline: 246,000 m<sup>3</sup> in 2018).



### Waste Footprint

- Attain 98% ash valorization from Central Santa María by 2025 (average baseline for 2017-2020: 61%).
- Increase waste valorization, excluding ash, to 35% by 2025 and 50% by 2030 (baseline for 2022: 9%).

\*These goals are standardized for both Chile and Peru.

Ash constitutes between 94% and 99% of Colbun's total annual waste, varying depending on the year.

### Environmental Compliance Model

To ensure environmental compliance, we employ a comprehensive approach combining internal and external controls and monitoring aligned with environmental commitments and regulations. Internally, we utilize M-Risk, a pivotal tool in our management system detailing our environmental obligations. Operations and projects are tasked with managing these commitments, with oversight and support from Internal Audit Management and the Sustainability and Environment Management. Externally, oversight is conducted by regulatory bodies such as the Superintendency of the Environment and other public environmental entities through their respective programs and authorities.

Material Topic

# CLIMATE Change

[GRI 3-3]

The rise in the Earth's average temperature, attributed to the accumulation of Greenhouse Gases (GHG) in the atmosphere, is leading to alterations in weather patterns, extreme temperatures, shifts in sea levels, and more frequent and intense weather events. These changes result in escalating impacts on individuals, the environment, and the economy, prompting a global movement and public-private commitments to address this issue. Among these commitments are the Paris Agreement and Sustainable Development Goal 13, which advocates to take urgent action to combat climate change and its impacts, enhance resilience, and bolster adaptive capacity.

**Goal**

**To achieve carbon neutrality by 2050 and thereby support national commitments to reduce greenhouse gas (GHG) emissions and mitigate the impacts of climate change.**



**Local Environmental Impacts**

- Greenhouse gas (GHG) emissions resulting from fossil fuel energy generation.
- Increasing renewable energy generation to address climate change challenges (positive impact).
- Improving energy efficiency as a contributing factor to addressing climate change (positive impact).



**Company Risks**

- Physical risks to assets due to an increase in the severity and frequency of extreme events.
- Potential changes in radiation and wind patterns.
- Failure to achieve a sufficient growth rate to meet demand.



**Business Opportunities**

- Establishing a position as a leader in energy transformation and attracting customers.
- Growth opportunities in renewable energies and international diversification.
- Energy storage as a critical component for ensuring continuity in a new energy matrix 24/7.



**Policies and Guidelines**

- Safety, Occupational Health, and Environment Policy.
- Sustainability Policy.
- Environmental Management Model.
- Climate Change Strategy.
- Renewable Energy Growth Plan.
- Adaptation Plan.
- Environmental Footprint Program.



**Progress and Actions 2023**

- 31% reduction of the carbon footprint in Chile between 2022 and 2023 (including scope 1, 2, and 3 emissions).
- 23% reduction of the CO<sub>2</sub> emission factor at a consolidated level (Chile + Peru) between 2022 and 2023.
- Construction progress of the Horizonte Wind Farm project, reaching 76% completion by December 2023.
- Development of a portfolio of renewable energy and energy storage projects.
- Measurement of the environmental footprint of the Horizonte wind project during its construction stage.
- Replacement of 25% of the fleet with electric vehicles and implementation of electric chargers.

**At Colbun, we have been monitoring our carbon footprint for over two decades, a trend that will continue to decline as we integrate new solar and wind sources into our hydroelectric portfolio.**

## Strategy and Governance

[SASB IF-EU-110a.3]

**We have a Climate Change Strategy, approved and overseen by the Board of Directors.** This strategy is regularly updated and monitored by the Sustainability and Environment Management, specifically through the Climate Change Unit. The progress of the initiatives and indicators outlined in the strategy is reported to the Sustainability and Regulation Committee, which includes three members of the Board of Directors. Additionally, it is included in the Monthly Report presented to the entire Board of Directors.

### Climate Change Strategy

- Renewable Energy Plan Development
- Energy efficiency programs development in the Company's operations
- Cost-efficient market instruments utilization to offset GHG emissions
- Active pursuit of offsetting initiatives through nature-based solutions.

### Incentives for Climate Change Management

One of the factors determining the performance bonus for all Company employees (including the CEO and top executives) is compliance with the Environmental Footprint. This includes goals for the carbon emission factor, freshwater extraction factor, and waste valorization in its calculation. Additionally, the performance bonus is influenced by the progress of our Strategic Agenda, which encompasses the growth of renewable energies, optimization of existing assets, and development of new low-emission businesses.

For more details, please refer to the corresponding page [XX](#)

### Paris Agreement Commitments

**At Colbun, we are dedicated to contributing to the goals outlined by Chile and Peru** as part of their Nationally Determined Contributions (NDCs) under the Paris Agreement. To achieve this, we have established short and medium-term mitigation targets and aim to achieve carbon neutrality by 2050 at the latest.

Furthermore, we reaffirm the commitments made in the Chile Decarbonization Agreement signed in June 2019.

To meet these objectives, we have developed an ambitious plan, which includes doubling our installed capacity by 2030, adding more than 4,000 MW of renewable energy - such as solar and wind - and implementing storage solutions. Additionally, we plan to phase out coal from our operations by 2040 at the latest. We are **closely monitoring initiatives such as Net Zero and Science Based Targets (SBTi), and we are incorporating recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).**

### At Colbun, we actively participate in:

The Board of Directors of the Center of Business Leaders against Climate Change (CLG Chile) and partnerships with SOFOFA, Generators, Acción Empresas, and the Global Compact Network. These partnerships focus on leading SDG 13 "Climate Action" and aim to promote collaboration between the public and private sectors, build capacity among partners, and align climate commitments with the Paris Agreement and scientific standards.

In 2023, we joined the CLG board and played an active role in the Steering Committee's activities. We also participated in a meeting of representatives from partner companies internationally, held in Dubai, in the context of COP28 on climate change. Additionally, we took part in the Second Cycle Committee of the "Acción por el Clima" program of Acción Empresas, which encourages companies to develop and implement concrete climate actions.

All these entities share our values and standards, and our participation is contingent upon maintaining the program's objectives. We monitor our involvement through active participation in meetings, training sessions, working groups, and proposed projects.

Throughout 2023, our Company did not engage in lobbying activities related to these matters.

## Climate Risks Management

Climate change risks **are part of the matrix managed by the Risk Committee, while opportunities are primarily reviewed by the Projects and Growth Options Committee**, focusing on monitoring the Company's renewable energy investment portfolio.

The Corporate Risk department supervises risks associated with changes in weather patterns, including both chronic and acute phenomena, as well as transitional risks such as potential regulatory changes related to decarbonization. Collaborating with the Climate Change department, these risks are assessed, encompassing the impact of reduced water availability on hydroelectric generation and associated costs, addressing both chronic risks and acute events like drought. This climate risk analysis spans the Company's own operations as well as upstream and downstream activities.

This comprehensive approach ensures a thorough understanding and management of climate-related risks and opportunities across all relevant areas of the Company, from direct operations to interactions with suppliers, customers, and society at large. Assessment horizons encompass short-term (1 year), medium-term (5 years), and long-term (20 years) perspectives.

Each month, the Board of Directors' report highlights key milestones related to the climate agenda, corporate emission factors, the National Electric System, and emission reductions from projects registered in international standards.

## Climate Scenarios Analysis

For qualitative aclimate change risks analysis, two scenarios from the Intergovernmental Panel on Climate Change (IPCC) are considered: a high-emissions scenario (Representative Concentration Pathways, RCP 8.5), projecting a global temperature increase of over 3°C by the century's end, and a low-emissions scenario (RCP 2.6), reflecting strong GHG mitigation policies aiming to keep the temperature rise around 1.5°C.

Furthermore, quantitative analysis utilizes a hydrothermal planning model (PLP) to project and evaluate energy generation within the electrical system across short, medium, and long terms. This model integrates climate variables and transitional risks, such as the impact of increased green taxes on business operations.

TYPO OF SCENARIO	2°C OR BELOW 2°C	ABOVE 2°C
<b>Transition Scenario</b>	N/A	N/A
<b>Physical Scenario</b>	RCP 2.6	RCP 8.5

## Climate Change Financial Risks and Opportunities

[NCG 461 3.6.ii.a]

→ TCFD alignment

Aligned with the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD), we have undertaken studies to identify the primary risks and opportunities associated with climate change. This initiative is geared towards enhancing our competitive positioning in response to evolving environmental challenges.

## Business Risks

CATEGORY	DESCRIPTION	MANAGEMENT ACTIONS
<b>Regulatory Risks</b>	Increase in CO <sub>2</sub> emissions tax: Currently, in Chile, the tax on CO <sub>2</sub> emissions stands at US\$5 per tonCO <sub>2</sub> . However, there is an anticipated gradual increase to US\$40 per tonCO <sub>2</sub> (as per the government's plan).	We are in the process of developing a project portfolio comprising over 4,000 MW of renewable energy capacity by 2030. This strategic initiative underscores our commitment to transitioning towards cleaner and more sustainable energy sources.
<b>Physical Risks</b>	Drought Impact: The reduction in hydroelectric generation	We have established specific goals and implemented actions aimed at reducing our water consumption. Additionally, we maintain continuous communication with regulatory bodies and other stakeholders in the watersheds where we operate. Furthermore, we are actively expanding our renewable energy technologies, focusing on options that are less reliant on water resources.

## Business Risks

CATEGORY	CHOLE CONTEXT	COLBUN	ESTIMATED TIME FRAME
<b>Renewable Energies Development</b>	The country presents a plethora of business prospects within the renewable energy sector, owing to its rich array of natural resources. Predominantly, these opportunities encompass large-scale photovoltaic projects, solar installations for both urban and rural areas, wind farms, geothermal energy initiatives, energy storage solutions, energy efficiency programs, and electromobility ventures, among others.	We currently stand at an advantageous position with our renewable energy capacity, which could potentially translate into a competitive edge in the future, particularly with the anticipated growth in renewable energy from variable sources by 2030. Our projection includes the addition of 4,000 MW of solar, wind, and storage capacity.	<b>Medium-term (10 years)</b>
<b>Domestic Carbon Market</b>	In line with climate change regulations in Chile, there is a drive towards establishing a national carbon market, which entails modifications to the carbon tax framework and the introduction of the Climate Change Framework Law.  → Under Chilean law, facilities with thermal capacity exceeding 50 MW are subject to a carbon tax of USD 5 per ton of CO <sub>2</sub> emissions.  → The amendments to the tax legislation allow for the utilization of carbon offsets to fulfill compliance obligations.  → The implementation of the Climate Change Framework Law introduces a trading system enabling regulated entities to earn credits by reducing emissions. This presents an opportunity for companies like Colbun with renewable energy generation projects.	We currently have six power plants registered under the Clean Development Mechanism (CDM) and the Verified Carbon Standard (VCS), collectively achieving an annual emissions reduction of over 700,000 tons of CO <sub>2</sub> e.(según los PDDs registrados): Hydroelectric power plants of Chacabuquito, Hornitos, Quilleco, San Clemente and La Mina, and Ovejería photovoltaic power plant.  Our Company could potentially act as a seller of carbon offsets, with the annual emission reduction translating into additional revenues ranging between US\$3.5 million and US\$7.0 million (based on a minimum carbon price of US\$5 per ton of CO <sub>2</sub> as per the tax regulation).	<b>Short medium-term (1-5 years)</b>
<b>Physical Changes</b>	Given the water scarcity in Chile, there is a pressing need to explore alternative infrastructure solutions to access new water sources.	As part of our Strategic Agenda, one of our key objectives is to develop new business ventures associated with water infrastructure, such as canalization and desalination projects.	<b>Short medium-term (1-5 years)</b>
<b>Other Climate-related Opportunities</b>	Aligned with the National Green Hydrogen Strategy, Chile is committed to reducing greenhouse gas emissions, leveraging its abundant clean energy resources to drive decarbonization, diversify its energy mix, and foster new industries for local development.  The country holds the potential to produce the clean, renewable fuels needed to mitigate climate change, presenting a unique opportunity to establish a competitive green hydrogen industry.	We view Green Hydrogen as a strategic avenue to enhance the value of our renewable energy project portfolio in Chile. For further information, please refer to page XX.	<b>Medium-term (5- 10 years)</b>

### Internal Carbon Pricing

At Colbun, we employ an internal carbon pricing mechanism aimed at assessing the impact of carbon emissions on the evaluation of our activities and projects. This mechanism specifically targets the direct emissions stemming from our power generation activities. **The price utilized aligns with the stipulated rate in Chilean law for taxing emissions, which currently stands at \$5 US per ton of CO<sub>2</sub> e.**

The mechanism operates through a shadow pricing approach applied to direct CO<sub>2</sub> emissions from our electricity generation activities. Additionally, we conduct sensitivity analyses to explore scenarios where the carbon price is increased, allowing us to quantify and understand the implications of potential regulatory changes.

We adopt an internal carbon price for several reasons:

- Better Management of GHG Regulations.
- Meeting Stakeholder Expectations.
- Incentivizing Energy Efficiency.
- Promoting Low-Carbon Investmentsenergy portfolio.
- Identifying Low-Carbon Opportunities.

## Adaption Plans

In accordance with the Aqueduct Water Risk tool, which assesses water-related risks, **96% of our operations are situated in regions facing water scarcity**, a prominent consequence of climate change in Chile.

Therefore, **at Colbun, we are dedicated to enhancing water usage efficiency**, emphasizing the following initiatives:

### 1 Goals

We have set ambitious goals to improve water usage efficiency, aiming for a 40% reduction by 2025 and a 45% reduction by 2030 compared to 2018 levels.

### 2 Reverse Osmosis Plant

Since 2018, the Nehuenco Complex has operated a Reverse Osmosis Plant (ROP), which enables the recirculation of cooling water, reducing fresh water usage by up to 50% during periods of water scarcity. Additionally, a numerical model of the aquifer beneath the plant has been implemented to optimize water utilization. The water discharged by the ROP is reused by other industries. In 2023, the ROP produced 154,369 m<sup>3</sup> of water.

### 3 Water Reuse

Systems have been implemented to reuse treated wastewater for irrigation at the Colbun, Candelaria, and Fenix power plants.

### 4 Desalinated Water in Peru

The Fenix power plant in Chilca, Peru, utilizes ocean water for its processes, avoiding the consumption of freshwater from underground and continental sources. A significant portion of the captured water undergoes desalination and purification processes, producing up to 2,500 m<sup>3</sup> of potable water daily. Approximately 98% of the potable water is supplied to the Chilca District Municipality for distribution to the local population.

### 5 Low Water Consumption in Landsca

The green areas of our Los Quilos, Nehuenco, Los Pinos, and Colbun power plants have been replaced with xerophytic landscaping.

### 6 Rain and Atmospheric Water Collection

At the La Mina power plant, a rainwater harvesting system was installed on the powerhouse's roof, while an innovative atmospheric water collection system was developed at Canutillar. The collected water is utilized for sanitary services and drinking water consumption, respectively.

### 7 Blue Certificate

In 2022, the Sustainability and Climate Change Agency awarded us the "Blue Certificate Clean Production Agreement" certification for measuring the water footprint of the Los Pinos power plant. This recognition allowed us to identify the facility's largest water consumption, enabling focused management measures for the future.

### 8 Sediment Retention System al Aconcagua

To address the increased sediment affecting the Hornitos reservoir, a lamellar sediment retention system was installed to restore the reservoir's regulation capacity and mitigate erosion on the turbines.

### Exploring Opportunities

Our Company is actively seeking opportunities for expansion in the water management sector, focusing on desalination, wastewater reuse, and seawater conveyance projects. These initiatives aim to significantly decrease our reliance on inland water sources.

**We have ensured that all our operations are included in the risk assessment and adaptation plan, covering 100% of our activities.**

## Our Carbon Footprint

[GRI 305-1, 305-2, 305-3] [SASB IF-EU-110a.1]

Since 2001, we have diligently measured and verified our carbon footprint annually, encompassing Scopes 1, 2, and 3 across our operations in Chile and Peru.

Following the WRI GHG Protocol Corporate Standards guidelines, we employ an operational approach and enlist the services of an independent third party to verify the results. The gases considered in our quantification include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), and sulfur hexafluoride (SF<sub>6</sub>).

Globally, **direct emissions (Scope 1) from our operations in Chile and Peru amount to 4,166,057 tons CO<sub>2</sub>e**. Notably, in Chile, 99.9% of these emissions fall under the purview of the green tax (Law No. 20,780/2014, updated through Law No. 21,210/2020).

Furthermore, our power plants' CO<sub>2</sub> emissions are meticulously reported to the Superintendence of the Environment annually, adhering to the requirements of the Emission Standard for Thermoelectric Power Plants D.S13/2010. Additionally, this data is voluntarily disclosed to the Dow Jones Sustainability Index and CDP (formerly Carbon Disclosure Project) on an annual basis.

**Indirect emissions from electricity consumption (Scope 2)** are calculated utilizing the location and market methods. However, considering **our energy consumption was 100% certified with IRECs, our Scope 2 emissions totaled 0 tons CO<sub>2</sub>e**.

The calculation of **Scope 3 indirect emissions relies on activity information provided by our suppliers**. For further details on Scope 3 emissions, please refer to the Appendix. [XX](#).

## GHG Emissions (in tons CO<sub>2</sub>e)

INDICATOR	CHILE				PERU			
	2020	2021	2022	2023	2020	2021	2022	2023
Scope 1	3,509,147	3,988,338	4,292,681	2,945,133	1,011,242	1,230,933	1,554,808	1,220,923
Scope 2	7,932	8,680	6,888	7,357	1,505	810	115	866
Scope 3	22,445	35,063	28,217	43,907	1,108	1,443	1,267	745
<b>Total</b>	<b>3,539,524</b>	<b>4,032,376</b>	<b>4,327,787</b>	<b>2,996,397</b>	<b>1,013,855</b>	<b>1,233,186</b>	<b>1,556,189</b>	<b>1,222,535</b>

Note 1: This table encompasses the GHG emissions of Scopes 1, 2, and 3 from all of Colbun's power plants in Chile and Peru, as well as the Head Office.

Note 2: For Scope 2, emissions from energy consumed from the National Electric System (SEN) are considered, utilizing the emission factor published by the Ministry of Energy on the Open Energy website. The methodology employed is based on location. The same approach applies to Scope 2 emissions in Peru, where energy is sourced from the National Interconnected Electrical System (SEIN).

Note 3: The emission factors utilized to calculate emissions from fuel consumption for generation are established on IPCC emission factors and the lower calorific value of fuels. For transport emissions, factors from the GHG Protocol - "Transport\_Tool\_v2.6" are employed. IPCC factors are used for reservoir and SF<sub>6</sub> emissions, while factors published by the UK Department for Environment, Food, and Rural Affairs (DEFRA) are utilized to calculate emissions from flights and maritime transport. Global warming potentials correspond to those recommended by the IPCC AR4 100-year AR4.

Between 2022 and 2023, GHG emissions in Chile decreased by 1,331,390 tons of CO<sub>2</sub>e, marking a notable 31% reduction.

### GHG Emissions (in tons CO<sub>2</sub>e)

[SASB IF-EU-110a1]

In Chile, there are currently no regulations limiting GHG emissions. However, nearly all emissions, accounting for 99.88%, are subject to reporting regulations.

In Peru, there are no existing regulations pertaining to the limitation or reporting of GHG emissions.



## Emission Calculation Methodology

In 2023, we revised our emission calculation methodology, incorporating the Global Warming Potential (GWP) data from the IPCC's Fifth Assessment Report (AR5), replacing the previous data from the Fourth Report (AR4). Additionally, we updated the emission factors for personnel transportation (excluding plant worker buses) and waste management, transitioning from the GHG Protocol to the Department for Environmental, Food and Rural Affairs (DEFRA) 2023 standards.

Within waste management, our calculations now encompass emissions from ash treatment and the recovery of all waste starting in 2023.

### Activities Related to Fuel and Energy (not covered under scopes 1 or 2)

[SASB IF-EU-110a.2]

Emissions (t CO <sub>2</sub> e)	2022	2023
<b>Chile</b>	16,740	30,605

#### Emission Calculation Methodology

##### Maritime:

Emissions are determined based on data regarding distance traveled, cargo, and vessel specifications, sourced from certificates provided by the originating port.

##### Terrestrial:

For diesel transportation to plants, we gather information on distance and trip frequency from our service providers.

##### Ash and coal transport (internal):

Details on fuel consumption and vehicle type are obtained from service providers, along with data on generator fuel consumption.

For all activities falling under this category, emission factors from DEFRA 2023 are applied consistently.

### Transportation and Distribution Upstream

Emissions (t CO <sub>2</sub> e)	2022	2023
<b>Chile</b>	1	4

#### Emission Calculation Methodology

Considers the transportation of office supplies. Information is requested from the supplier regarding the quantity (mass) of products transported and distance traveled on each trip, both for headquarters and corporate offices. Emissions are calculated based on DEFRA 2023 input transport emission factors.

### Waste Generated in Operations

Emissions (t CO <sub>2</sub> e)	2022	2023
<b>Chile</b>	361	7,711
<b>Peru</b>	114	128

#### Emission Calculation Methodology

The power plants report the amount of waste generated by type and treatment on a monthly basis. The DEFRA 2023 emission factors are used to calculate emissions.

### Other Downstream

Emissions (t CO <sub>2</sub> e)	2022	2023
<b>Chile</b>	81	-

### Business Travel

Emissions (t CO <sub>2</sub> e)	2022	2023
<b>Chile</b>	458	1,134
<b>Peru</b>	34.5	88

#### Emission Calculation Methodology

The travel agency is asked to provide information on flights taken during the year by employees. The DEFRA 2023 flight emission factors are used to calculate emissions.

### Employee Commuting

Emissions (t CO <sub>2</sub> e)	2022	2023
<b>Chile</b>	10,576	4,452
<b>Peru</b>	1,118	529

#### Emission Calculation Methodology

**Transportation at power plants:** involves gathering details regarding the type of vehicle, its efficiency, and the distance covered from our service providers.

**Headquarters employee transportation:** we conduct origin-destination surveys. Emissions in both activities are calculated using emission factors from DEFRA 2023 and the GHG Protocol.

### TOTAL

Emissions (t CO <sub>2</sub> e)	2022	2023
<b>Chile</b>	<b>28,217</b>	<b>43,907</b>
<b>Peru</b>	<b>1,267</b>	<b>745</b>



## GHG Emissions Strategy Scope 1

[SASB IF-EU-110a.3]

### Scope 1 Emission Reduction Targets (Chile + Peru)

Reduce net emission factor by 30% by 2025 and 40% by 2030 compared to 2018.

### Scope 2 Emission Reduction Targets (Chile + Peru)

Zero emissions absolute goal in each country, which are achieved through market instruments (renewable energy certificates) and the implementation of renewable generation technologies and energy efficiency in their power plants.

### Scope 1 Emission Reduction Strategy



Chile

**Double our installed capacity by 2030 through solar, wind, and storage projects**, aiming to reduce our net emission factor by 40% by the end of the decade. To achieve this, we are taking incremental steps, striving to decrease our net emission factor by 30% by 2025 compared to 2018 levels. These efforts not only contribute to the country's energy transition but also reduce the dependence of both the national electricity system and our Company on thermal generation.

**Optimizing our energy transition assets, we are ensuring the efficient utilization of our resources.** Initiatives include the development and certification of our asset and energy management systems, initiated in 2022 and 2023, respectively. Additionally, we are conducting energy efficiency studies to identify cost-effective measures for emission reduction implementation.

**Replacement of 25% of our fleet with electric vehicles in 2023, accompanied by electric chargers implementation.**



Peru

**Our commitment to reducing emissions aligns with the Climate Change Framework Law (Law No. 30754) and its regulations (Supreme Decree No. 013-2019-MINAM)**, which establish principles and provisions for comprehensive, participatory, and transparent management in climate change adaptation and mitigation. We voluntarily participate in Peru's Carbon Footprint program by the Ministry of the Environment, managing our greenhouse gas emissions.



## Best Practice in Chile

[GRI 305-5]

### Carpooling Programe

We launched the "Todos Arriba" program at our headquarters, leveraging the Allride application to encourage carpooling among employees. Our objective is to foster a sustainable culture while reducing emissions associated with commuting to and from the offices.

### Contingency Emissions Neutralization

A significant portion of our contingencies undergo carbon footprint measurement, and we neutralize these emissions using our carbon credits. This practice extends to third-party events, as demonstrated during the Santiago 2023 Pan American Games.

### Evaluation of Goals and Commitmentss

On our journey towards carbon neutrality, we continuously monitor and assess initiatives such as the Science Based Target (SBT), which currently does not incorporate offsetting instruments to achieve our objectives. This approach holds particular importance for sectors facing challenges in cost-effectively reducing emissions in the short and medium term.

### Green Taxes

Law No. 21,210 introduced modernizations to the Tax Legislation, including the incorporation of Green Taxes on emissions like PM, NOx, SO<sub>2</sub>, and CO<sub>2</sub>. As affected by this law, Colbun can offset these emissions through reduction projects.

## Best Practices in Peru

[GRI 305-5]

### Green Hydrogen Plant

In 2023, construction was completed on a green hydrogen plant at the Fénix power plant, replacing the plant's use of gray hydrogen. Operational since 2024, this facility marks a significant step towards sustainable energy production.

### Second Star in the Peru Footprint Program

In the second quarter of 2023, Central Fénix achieved its second star in the Peruvian Ministry of the Environment's Carbon Footprint Program. This recognition acknowledges the accurate quantification of its 2021 carbon footprint, highlighting the Company's commitment to environmental stewardship.

## GHG Emission Intensity

[GRI 305-4]

In 2023, Colbun in Chile achieved a notable 29.3% reduction in its emission factor compared to the previous year. This success was attributed to increased rainfall in the central and southern regions, enabling higher operation of hydroelectric plants and reducing reliance on thermal energy generation. Additionally, the commissioning of solar projects like Machicura Solar, Diego de Almagro Sur, and Ovejería contributed to bolstering the Company's renewable energy portfolio. Looking ahead, the Horizonte wind project completion in 2024 promises further advancements in renewable energy generation.

INDICATOR	CHILE				PERU			
	2020	2021	2022	2023	2020	2021	2022	2023
Diesel (ton CO <sub>2</sub> e)	57,743	234,000	168,836	49,349	5,902	1,096	66	12,553
Coal (ton CO <sub>2</sub> e)	1,901,532	2,175,243	2,029,556	1,300,073	-	-	-	-
Natural Gas (ton CO <sub>2</sub> e)	1,547,129	1,576,128	2,091,352	1,591,520	1,005,329	1,229,826	1,554,691	1,206,993
Gross Generation (GWh)	11,991	10,705	13,150	12,755	2,861	3,427	4,321	3,383
<b>Emission Factor (ton CO<sub>2</sub>e/MWh)</b>	<b>0.292</b>	<b>0.372</b>	<b>0.326</b>	<b>0.231</b>	<b>0.353</b>	<b>0.359</b>	<b>0.360</b>	<b>0.360</b>

**The GHG emissions factor was reduced by 23% at the consolidated level (Chile + Peru) between 2022 and 2023, this achievement was primarily driven by favorable hydrological conditions in 2023.**

## Energy Consumption

### Consumption Breakdown by Type of Energy

[GRI 302-1]

INDICATOR	CHILE		PERU	
	2022	2023	2022	2023
Total fuel consumption (TJ)	59,384	42,315	27,682	21,743
Total fuel consumption (GWh)	16,496	11,754	7,689	6,040
Total electricity consumption (TJ)	83	112	1,9	14,3
Total electricity consumption (GWh)	23.1	31	0.5	4.0
<b>% renewable energy</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Notes: Fuel consumption includes coal, diesel, and natural gas used for generation, as well as diesel for auxiliary services and company vehicles. Energy consumption in terajoules (TJ) was calculated by multiplying the volume and/or mass of each fuel consumption by its lower calorific value (indicated by the supplier).

Electricity consumption is considered 100% renewable energy for both Chile and Peru, as all consumption is certified with International Renewable Energy Certificates (IRECs). The emission factor for the Electricity System (SEN) in Chile was obtained from data calculated by the Ministry of Energy and published on Energía Abierta (www.energiaabierta.cl). The emission factor for the National Interconnected Electrical System (SEIN) in Peru was obtained from data calculated by the Ministry of the Environment.

### Electricity Sold by Colbun (GWh and TJ)

[GRI 302-1]

CATEGORIES	CHILE		PERU	
	2022	2023	2022	2023
Electricity sold (GWh)	10,944	12,956	4,279	3,994
Electricity sold (TJ)	39,398	46,642	15,404	14,378

### Energy Consumption, Related to Fuel Consumption, Upstream (TJ)

[GRI 302-2]

UPSTREAM ACTIVITIES	CHILE		PERU	
	2022	2023	2022	2023
Fuel and energy activities, not included previously	-	440.9	-	-
Transportation and distribution upstream	-	0.1	-	-
Waste generated in operations	-	111.1	1.5	1.8
Business travel	-	14.9	0.5	1.2
Employee commuting to work	-	64.1	15.0	7.6
<b>TOTAL CONSUMPTION OF UPSTREAM ACTIVITIES</b>	<b>1,350</b>	<b>631</b>	<b>17.0</b>	<b>10.6</b>

Note: Energy consumption in terajoules (TJ) for Scope 3 activities was calculated assuming the use of diesel fuel for all activities. The fuel volume was obtained by dividing the emissions of each activity by the diesel emission factor (2.66 tonCO<sub>2</sub>e/m<sup>3</sup>) and multiplying the result by the calorific value of diesel (0.038308704 TJ/m<sup>3</sup>).

For air travel, jet fuel was considered, with an emission factor of 2.543 kgCO<sub>2</sub>e/liter and a calorific value of 0.03340268 TJ/m<sup>3</sup>. Emission factors are sourced from DEFRA 2023. The annual average reported by the supplier was used for diesel calorific value, while the calorific value of jet fuel was sourced from the National Energy Balance (BNE) published by the Ministry of Energy.

### Energy Intensity Ratio (TJ/GWh and TJ/TJ)

[GRI 302-3]

INDICATOR	CHILE		PERU	
	2022	2023	2022	2023
Intensity ratio for specific consumption (TJ/GWh)	5.43	3.27	6.47	5.45
Intensity ratio for specific consumption (TJ/TJ)	1.51	0.91	1.80	1.51

Note: Values do not consider upstream consumption.

Material Topic

# WATER

## Resources

[GRI 3-3]

Water is essential both for power generation and for the livelihoods of communities in the watersheds where companies operate. Chile has been experiencing a mega-drought for the past decade, with very low rainfall and streamflow. However, there have also been extreme weather events, with storms causing flooding and damage to communities. **Harnessing this resource provides renewable and clean energy and contributes to the stability of the electricity supply.**



### Goal

**Manage water responsibly and reduce freshwater intensity per energy generated by 40% by 2025 and 45% by 2030, and reduce freshwater use in non-operational activities by 40% by 2025.**



### Local Environmental Impacts

- Excessive water consumption and improper water management can have adverse effects on the environment and communities surrounding our operations.
- Adequate water storage capacity plays a crucial role in agreements with local irrigators.
- The risk of water contamination poses a significant threat to both the environment and nearby communities.
- The excessive release of water from dams can result in flooding.



### Company Risks

- Hydrological variability and water shortages caused by drought affecting power generation.
- Higher water supply costs for our thermal power plants.



### Business Opportunities

- Hydropower to complement the increased penetration of solar and wind energy.
- Venturing into the water desalination business.



### Policies and Guideline

- Safety, Occupational Health and Environmental Policy.
- Risk Management and Control Policy,
- Asset Management and Energy Performance Policy,
- Sustainability Policy,
- Environmental Footprint Program.



### Progress and Actions 2023

- 36% reduction in operational water withdrawal compared to the 2018 baseline.
- Noteworthy 58% reduction in the non-operational water footprint from the 2018 baseline.
- Actively engaged with oversight boards and local authorities involved in water resource management.

**At Colbun, we focus on deepening efficient water management, with concrete goals and investment in new technologies and infrastructure.** We recognize the importance of fostering strong relationships with regulatory bodies and other stakeholders, including local communities in the areas where we operate.

Our Water Resources Management team spearheads these initiatives throughout the Company, ensuring alignment with existing legal and regulatory frameworks governing water usage and management. This includes adherence to regulations concerning water rights, monitoring of extraction levels, maintenance of minimum ecological flows, and adherence to maximum permitted water usage limits, among other critical aspects.

## Use of Water in Power Generation

[GRI 303-1]

Our power plants use water from different sources, depending on their location and type of technology.

### Run-of-river Hydroelectric Power Plants

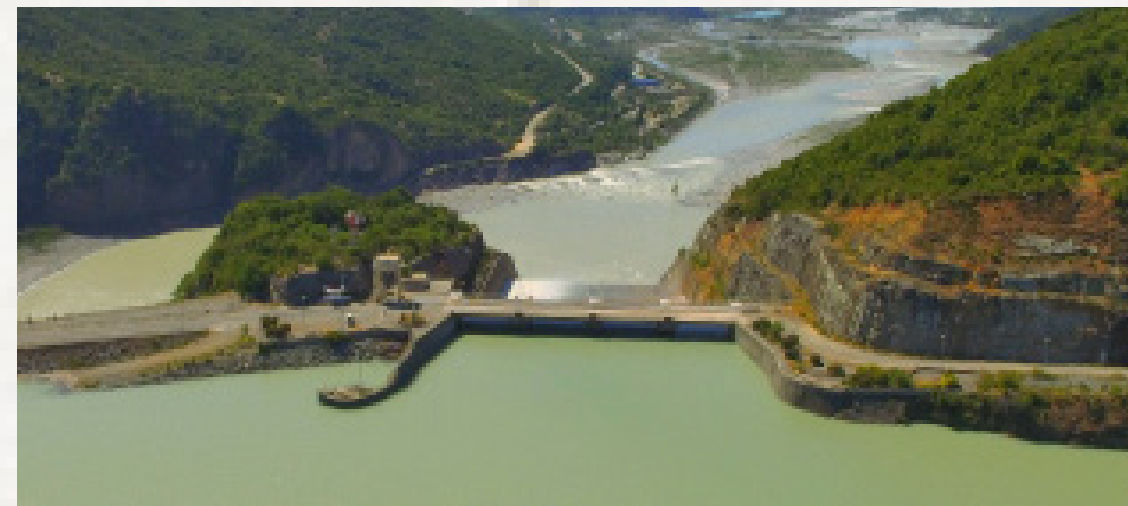


**In these scenarios, the surface water of a river is diverted to produce energy, with the commitment to restore the same volume and conditions of water flow downstream.**

Since the late 1990s, Environmental Qualification Resolutions (RCA) have been established to ensure minimum ecological flows in intervened rivers. These volumes are reserved to maintain ecosystem continuity and cannot be utilized for energy generation.

Several power plants, such as Angostura, Rucúe, Quilleco, Hornitos, La Mina, and Canutillar, adhere to these regulations. However, the decrease in runoff flows in the central-southern zone of the country over the last decade underscores the importance of ongoing communication with oversight boards of rivers and basins where these power plants are located. This communication is particularly crucial for river basins like Aconcagua and Maule.

### Reservoir Hydroelectric Power Plants

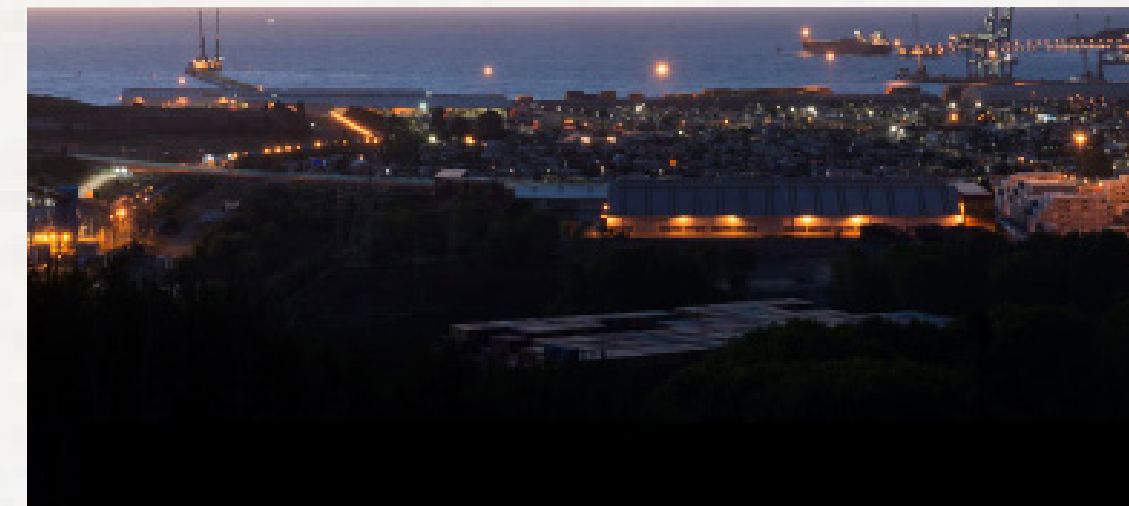


**In these power plants, the surface water utilized for electricity generation comes from reservoirs, and these resources are replenished within the same basin.**

This applies to power plants like Colbun, Machicura, and Angostura. Conversely, the Canutillar power plant relies on the waters of Lake Chapo, serving as a reservoir to manage water rights opportunistically.

Across all our hydroelectric facilities, we conduct comprehensive studies on water quality and fish fauna within associated basins. These studies aim to assess existing biodiversity conditions and their evolution over time.

### Thermal Power Plants



Our thermal power plants rely on water for their cooling processes. At the Santa María and Fenix facilities, seawater serves as the primary resource, with water returning to the sea post-cooling.

**For our natural gas-fired plants like Nehuenco and Candelaria, subway water and authorized well sources are utilized. Several measures have been implemented to enhance the efficient use of water in these processes.**

### Solar Power Plants and Wind Farms



**The operational water used for washing panels at our solar farms in Ovejería, Diego de Almagro Sur, and Machicura is minimal and occasional. We prioritize finding cleaning solutions that minimize water usage, continuously exploring alternatives to further reduce our water footprint.**

## Water Resource Risks

[SASB IF-EU-140a.3]

The primary risk associated with water usage is low hydrology, which reduces the availability of water for extraction, consumption, and power generation. To address these risks, we have implemented various initiatives, including the utilization of the Reverse Osmosis Plant at Nehuenco, expansion of the renewable energy matrix, and effective management of storage in reservoirs and batteries in the medium term.

To mitigate these challenges, we are developing projects such as exploring the option of desalinated water supply, currently in progress, and initiating a Waste Water Recovery Plant, currently in the pre-feasibility stage.

### Water risk monitoring and follow-up

We closely monitor water-related risks by continuously monitoring the network of public stations operated by the Dirección General de Aguas (DGA), as well as our own stations. This monitoring allows us to analyze climatic variables, particularly hydrometric variables, to anticipate potential challenges.

Additionally, we monitor groundwater levels at our facilities, with the Nehuenco plant utilizing a numerical model of the aquifer to optimize water resource usage and ensure supply security.

Since 2020, we have been adhering to DGA regulations by implementing the Monitoring of Effective Extractions for surface and groundwater. This initiative enables comprehensive tracking of water extractions and facilitates the detection of potential impacts within a given area.

## Total Turbined Water Collected and Returbined for Hydroelectric Generation in Chile (million m<sup>3</sup>)

COMPLEXES		All Areas				Water-stressed areas			
		2020	2021	2022	2023	2020	2021	2022	2023
Colbun Complex	Captured and turbined	4,629	3,098	3,956	6,518	4,629	3,098	3,956	6,518
	Re-turbined	6,023	3,612	4,882	7,272	6,023	3,612	4,882	7,272
	<b>Total</b>	<b>10,652</b>	<b>6,710</b>	<b>8,838</b>	<b>13,791</b>	<b>10,652</b>	<b>6,710</b>	<b>8,838</b>	<b>13,791</b>
Canutillar Power Plant	Captured and turbined	2,002	1,018	1,476	1,485	-	-	-	-
Carena Power Plant	Captured and turbined	131	169	156	162	131	169	156	162
Rucúe-Quilleco Power Plants	Captured and turbined	1,635	1,316	1,628	2,145	-	-	-	2,145
	Re-turbined	1,511	1,114	1,440	1,961	-	-	-	1,961
	<b>Total</b>	<b>3,146</b>	<b>2,430</b>	<b>3,068</b>	<b>4,105</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,105</b>
Aconcagua Complex	Captured and turbined	908	915	786	925	908	915	786	925
	Returbined	32	49	24	56	32	49	24	56
	<b>Total</b>	<b>939</b>	<b>963</b>	<b>810</b>	<b>981</b>	<b>939</b>	<b>963</b>	<b>810</b>	<b>981</b>
Angostura Power Plant	Captured and Turbined	7,859	5,581	9,930	10,946	-	-	-	10,946
<b>Total Captured and Turbined</b>		<b>17,164</b>	<b>12,097</b>	<b>17,933</b>	<b>22,182</b>	<b>5,669</b>	<b>4,181</b>	<b>4,898</b>	<b>20,696</b>
<b>Total Returbined</b>		<b>7,566</b>	<b>4,775</b>	<b>6,346</b>	<b>9,289</b>	<b>6,055</b>	<b>3,661</b>	<b>4,907</b>	<b>9,289</b>
<b>Total Captured and Returbined</b>		<b>24,730</b>	<b>16,872</b>	<b>24,279</b>	<b>31,471</b>	<b>11,723</b>	<b>7,842</b>	<b>9,805</b>	<b>29,985</b>

## Hydroelectric Generation Contribution

The year 2023 presented unique conditions for hydroelectric generation. Initially, the system experienced dry conditions during the first half of the year, leading to a reliance on thermal sources for energy generation.

However, two significant rainfall events in June and August brought about a drastic change in the system's condition. These high-intensity rains caused the main reservoirs in the Maule and Biobío basins to reach maximum capacity, even resulting in prolonged discharge periods in the second half of the year. Consequently, the Rationing Decree and associated preventive measures were lifted.

The improved hydrological conditions persisted throughout the second half of the year, allowing for higher-than-budgeted generation levels and maintaining elevated reservoir levels in the Maule and Biobío basins until December.

**In 2023, hydroelectric generation accounted for 53% of Colbun's total generation**

## Water as a Shared Resource

[GRI 303-1]

### Identifyin Impacts

Engaging with communities is our main tool to identify community impacts on water use, especially in groups such as surveillance boards and associations of canal owners in the basins where our operations are located.

Corporate Affairs Management of the Company, mediates the communication with technical support from the plants and the areas that facilitate the respective efforts (Engineering, Environment and Water Resources, among others).

Additionally, water-related impacts are environmentally assessed for all phases of development of our projects, within the framework of the Environmental Impact Assessment System (SEIA), both in Chile and Peru. As required by environmental regulations, companies are required to present mitigation, remediation or environmental compensation plans.

Finally, according to current regulations of the Dirección General de Aguas (DGA), since 2020 the Monitoring of Effective Extractions of surface and groundwater has been implemented, which allows the authority, citizens and water users to monitor extractions of the resource and detect potential impacts on a given area or affectations to priority uses of the resource.

## Main Impacts Management

### Aconcagua Complex

The Aconcagua river basin, which has faced more than 14 years of mega-drought, holds periodic meetings with the communities to discuss issues related to the exercise of water rights, water distribution, and the increase in sediment dragging, also due to the effects of extreme drought, among others.

Representatives of Colbun, Neighborhood Boards and representatives of the Board of Surveillance of the First Section of the Aconcagua River participate in these events.

### Colbun complex

At the Maule River basin, where the Colbun Complex power plants are located, our Company participates in the monthly meetings of the Maule River Oversight Board. In 2023, we signed a collaboration agreement that allows the inhabitants to store part of their irrigation water in the Colbun reservoir for later use in the summer months, when the river's flow naturally decreases.

naturally decreases its flow.

Under this agreement, during the low water season, the Water Resources, Operations and Market areas hold technical coordination and follow-up meetings on water variables with the Supervisory Board to manage the resource week by week. Likewise, any contingency is promptly addressed among those involved.

### Biobio: Angostura, Rucue y Quilleco

In the Biobío region, where the Angostura power plant is situated, our Company takes an active role in the basin's Supervisory Board. This platform facilitates discussions on issues faced by various stakeholders and endeavors to find synergies in resource utilization. We engage in collaborative efforts alongside other power generators, irrigators, and both sanitary and industrial entities.

As for the power plants located in the Laja river basin, namely Rucúe and Quilleco, the formation of the Surveillance Board is still underway. We actively participate in this process, contributing to its development. Additionally, we are part of a collaborative working group comprising irrigators, power generators, and governmental authorities such as the Directorate General of Water (DGA) and the Directorate of Hydraulic Works (DOH). This coalition aims to address challenges comprehensively, with a specific focus on restoring the water levels of the Laja Lake.

### Relación con organismos y autoridades

In our interactions with governmental agencies, we collaborate closely with the National Electricity Coordinator (CEN), keeping them informed of any restrictions or needs stemming from agreements with irrigators or other operational matters affecting water resource management.

Our engagement with the General Water Directorate centers on efficiently addressing and managing regulatory obligations. Meanwhile, our relationship with the National Disaster Prevention and Response Service (SENAPRED) and the Directorate General of Water (DGA), particularly in 2023, was primarily geared towards overseeing the operation of the Colbun reservoir as a control reservoir in accordance with Reservoir Law.

## Water Extraction

[GRI 303-3]

Since 2020, we have been committed to reducing water withdrawal, focusing on both generation processes—such as cooling systems in thermoelectric power plants—and administrative activities, particularly drinking water consumption and irrigation at our facilities.

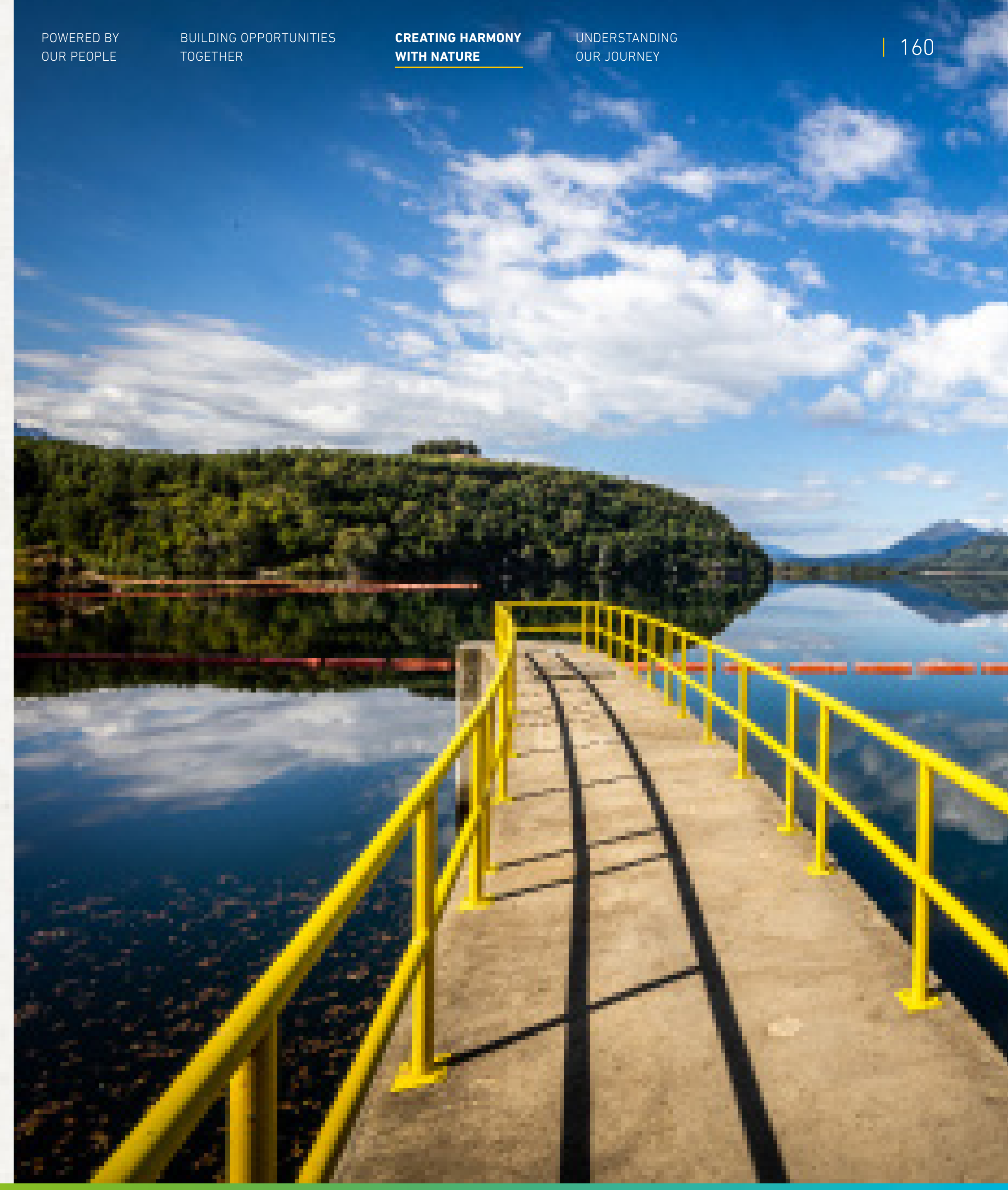
In 2022, Colbun made history by becoming the first power generator in Chile to receive the prestigious Blue Certificate for its sustainable water management practices. This certification recognizes companies that have implemented measures for integrated water management across their production and service processes, aiming to contribute to the nation's water security.

The recognition was earned for our meticulous measurement of the water footprint at the Los Pinos thermoelectric plant, adhering to the ISO 14046 standard. This accomplishment is part of our ongoing commitment following our participation in the Blue Certificate Clean Production Agreement, a program promoted by CORFO's Sustainability and Climate Change Agency and Fundación Chile.

In 2023, we achieved a remarkable 36% reduction in operational water withdrawal at the consolidated level compared to the 2018 baseline, achieving a withdrawal rate of 0.191 m<sup>3</sup> water per MWh generated.

Regarding the non-operational footprint, we exceeded our original target by achieving a 40% reduction in 2022, reducing consumption to 138.5 thousand m<sup>3</sup>, equivalent to a 44% reduction from 2018. In 2023, this reduction further increased to 58% from the 2018 baseline (103.7 thousand m<sup>3</sup>). The strategies driving this reduction include landscaping projects, treated water reuse, and rainwater harvesting, elaborated further on page XX.

Leveraging the Aqueduct tool, which identifies water-related risks, we updated our assessment in 2023 to include the Los Pinos, Rucúe, and Quilleco, Angostura, and Santa María power plants (all located in the Biobío region), as well as the Fénix power plant in Peru, marking a significant step in our efforts to mitigate water stress in critical areas.





## Water Stressed Areas

Based on the Aqueduct tool that identifies water-related risks, in 2023, the water stress zones were updated to include for the first time the Los Pinos, Rucue and Quilleco, Angostura and Santa María power plants (all located in Biobio region) and the Fénix power plant in Peru. With this, 96% of the plants in Chile and 100% in Peru are considered to be located in water stress zones. The only plant excluded is the Canutillar plant (located in Los Lagos Region).

### Exposure to Water-stressed Areas Chile

In areas with water scarcity:

2022 2023

Number of production plants exposed in the last fiscal year in areas with water scarcity.

24 26

Total number of production plants in the last fiscal year.

27 27

% of production plants water shortage in the last fiscal year.

89% 96%

### Exposure to Water-stressed Areas in Peru

2022 2023

0 1

1 1

0% 100%

## Water Extraction, Including Water-stressed Areas (m<sup>3</sup>)

[GRI 303-3] [SASB IF-EU-140a.1]

The following tables show extraction, discharge and consumption by type of water, associated with water stress areas.

INDICATOR	Chile				Peru			
	2020	2021	2022	2023	2020	2021	2022	2023
Total FRESHWATER Extraction	3,996,603	4,125,746	4,596,598	3,222,679	281	300	376	530
Total FRESHWATER Extraction, in water stressed areas	3,829,319	3,877,305	4,359,955	3,220,067	0	0	0	530
Percentage of FRESHWATER extracted in water stress areas out of total FRESHWATER extracted. (%)	95.8%	94.0%	94.9%	99.9%	0%	0%	0%	100%
Total extraction of SEAWATER	346,197,079	327,847,030	335,963,642	263,705,813	236,159,747	293,365,315	295,475,679	258,287,214
Total extraction of SEAWATER, in water stressed areas	0	0	0	263,705,813	0	0	0	258,287,214
Percentage of SEAWATER extracted in water stress areas out of total SEAWATER extracted (%)	0%	0%	0%	100%	0%	0%	0%	100%
Total water extraction	350,193,682	331,972,776	340,560,240	266,928,492	236,160,028	293,365,615	295,476,056	258,287,744
Water extraction in water stressed areas	3,829,319	3,877,305	4,359,955	266,925,880	0	0	0	258,287,744
Water extracted in water-stressed areas, out of total water extracted (%)	1.1%	1.2%	1.3%	100.0%	0%	0%	0%	100%

## Water Discharge

[GRI 303-2]

Discharge management always considers the profile of the receiving water body, as the required quality of the discharge depends on it. In larger bodies of water, there is a greater capacity for dilution of the discharged flow, allowing for higher discharge limits. Conversely, these limits will be more restricted in smaller receiving bodies where dilution is less effective.

In 2023, there were no incidents of non-compliance related to water quantity or quality permits, standards, and regulations. For further details on regulations concerning water discharges, please refer to the Annexes. [X.X.](#)

## Water Discharge (m<sup>3</sup>)

[GRI 303-4]

Country	Indicator	All Areas			
		2020	2021	2022	2023
Chile	Total discharge of FRESH WATER	423,284	860,178	984,291	268,721
	Total discharge of FRESH WATER, in water-stressed areas	388,090	782,097	920,350	268,721
	<b>% Total discharge of FRESH WATER in water-stressed areas</b>	<b>91.7%</b>	<b>90.9%</b>	<b>93.5%</b>	<b>100.0%</b>
	Total discharge of SEA WATER	345,670,699	327,316,425	335,413,327	263,374,748
	Total discharge of SEA WATER in water stress areas	0	0	0	263,374,748
	<b>% Total discharge of SEA WATER in water stress areas</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>
	Total discharge of other waters (POI rejection)*	332,596	232,438	227,366	154,369
	Total discharge of other water (rejection) in water stress areas	332,596	232,438	227,366	154,369
	<b>% Total discharge of other waters (POI rejection), in water stress areas</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
	Total water discharge	346,093,983	328,176,603	336,397,618	263,797,838
Total discharge of water in water stress areas	388,090	782,097	920,350	263,797,838	
<b>%Total discharge of water in water stress areas</b>	<b>0.1%</b>	<b>0.2%</b>	<b>0.3%</b>	<b>100%</b>	
Peru	Total discharge of FRESH WATER	0	0	0	0
	Total discharge of FRESH WATER, in water-stressed areas	0	0	0	0
	<b>% Total discharge of FRESH WATER in water-stressed areas</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
	Total discharge of SEA WATER	235,755,114	292,997,301	295,072,316	257,801,255
	Total discharge of SEA WATER in water stress areas	0	0	0	257,801,255
	<b>% Total discharge of SEA WATER in water stress areas</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>
	Total water discharge	235,755,114	292,997,301	295,072,316	257,801,255
	Total discharge of water in water stress areas	0	0	0	257,801,255
	<b>%Total discharge of water in water stress areas</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>

## Water Consumption (m<sup>3</sup>)

[GRI 303-5]

Country	Indicator	All Areas			
		2020	2021	2022	2023
Chile	Total FRESH WATER Consumption	3,573,319	3,265,568	3,612,307	2,799,589
	Total FRESH WATER consumption, in water stressed areas	3,441,229	3,095,208	3,439,605	2,796,977
	<b>% Total FRESH WATER consumption, in water stressed areas</b>	<b>96.3%</b>	<b>94.8%</b>	<b>95.2%</b>	<b>99.9%</b>
	Total SEA WATER consumption	526,380	530,605	550,315	331,065
	Total SEA WATER consumption, in areas of water stress	0	0	0	331,065
	<b>% Total SEA WATER consumption, in areas of water stress</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>40.5%</b>
	Total water consumption	4,099,699	3,796,173	4,162,622	3,617,142
	Total water consumption in areas of water stress	3,441,229	3,095,208	3,439,605	3,128,042
	<b>% Total water consumption in areas of water stress</b>	<b>83.9%</b>	<b>81.5%</b>	<b>82.6%</b>	<b>86.5%</b>
	Peru	Total FRESH WATER Consumption	281	300	376
Total FRESH WATER consumption, in water stressed areas		0	0	0	530
<b>% Total FRESH WATER consumption, in water stressed areas</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>
Total SEA WATER consumption		404,633	368,014	403,364	485,959
Total SEA WATER consumption, in areas of water stress		0	0	0	485,959
<b>% Total SEA WATER consumption, in areas of water stress</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>
Total water consumption		404,914	368,314	403,740	486,488
Total water consumption in areas of water stress		0	0	0	486,488
<b>% Total water consumption in areas of water stress</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>

\*Note: Waste water from the Nehuenco Reverse Osmosis Plant is transferred to a mining company for use in its own operations.

Material Topic

# BIODIVERSITY

[GRI 3-3]

**Caring for biodiversity is a fundamental aspect for energy companies, as they operate in fragile natural environments that are vulnerable to industrial activity.**

Biodiversity forms part of the natural capital of these territories and, therefore, necessitates careful risk management, regulatory compliance, and collaboration with other stakeholders, including experts and representatives of the local communities.



**Goal**

**Our goal is to comprehensively manage biodiversity throughout the life cycle of our plants and projects, ensuring their responsible and sustainable operation.**



**Local environmental Impacts**

- Habitat Loss
- Contribution to Environmental Conservation



**Company Risks**

- Events that Trigger Loss or Alteration of Biodiversity
- Barriers to Awarding New Projects



**Business Opportunities**

- Environmental Conservation Sites with CO<sub>2</sub> Capture



**Policies and Guidelines**

- Safety, Occupational Health, and Environmental Policy
- Environmental Management Manual
- Sustainability Policy
- Biodiversity Strategy



**Progress and Actions 2023**

- Detection of the presence of Nematogenys inermis, an endemic fish species in Chile, and Percilia gillissi, an endangered species, through voluntary monitoring in a tributary of the Maule River.
- Exploration of land in the Maule, Biobío, and Aysén regions to develop new conservation initiatives aimed at protecting biodiversity.
- Initiation of the Voluntary Monitoring Plan for vertebrate fauna species in collaboration with specialists.

## Biodiversity Management Strategy

Our dedication to safeguarding biodiversity is enshrined in the core principles of our Sustainability Policy, recognizing its crucial role in ensuring the environmental sustainability of our business operations.

Consistent with this commitment, we established the Biodiversity Strategy in 2022, endorsed by the Sustainability Committee, to systematically tackle the complexities of biodiversity management across all facets of Colbun's activities and operations.

### Biodiversity Strategy

- 1 Assess the biodiversity impact of our projects using comprehensive methodologies and implement the mitigation hierarchy in areas of environmental significance to achieve zero net loss.
- 2 Increase awareness of endemic and conservation-status species and their habitats within our current and future operational areas, in alignment with the principles of the Global Compact and the International Union for Conservation of Nature (IUCN), through collaboration with external partners.
- 3 Support biodiversity conservation efforts by safeguarding or restoring environmentally valuable territories.
- 4 Encourage sustainable sourcing practices by procuring materials from forests certified by the Forest Stewardship Council (FSC) and/or Programme for the Endorsement of Forest Certification (PEFC).
- 5 Foster biodiversity education and awareness among all Company employees.

Along these lines, during 2023 we carried out various projects to collaborate with the protection of biodiversity.

#### Regenera Biobío: A Community Nursery Initiative

The Biobío region bore the brunt of the forest fires during the 2022-2023 season. To facilitate ecosystem regeneration and impart native nursery skills to local communities, we initiated the Regenera Biobío project. This endeavor engaged families from the towns of Santa Bárbara and Coronel, adjacent to the Angostura and Santa María power plants.

Participants received training in native seed collection, native nursery establishment, planting and replanting techniques, and ongoing maintenance.

The native plants cultivated through this initiative will be utilized in an ecological restoration project aimed at rejuvenating the region's affected ecosystems.

Additionally, the project aims to empower the community by equipping them with skills that could potentially serve as an alternative livelihood, as they may become suppliers of native forest species in the area.

#### Biodiversity & Generation

The Biodiversity & Generation project is currently in progress. Its objective is to assess the biodiversity existing within a photovoltaic park (base case) and to evaluate any changes following the implementation of passive and active ecological restoration practices.

The project outcomes will furnish valuable insights into the potential impacts on present species as well as on energy generation. This data will inform the enhancement of future photovoltaic projects, emphasizing biodiversity as a crucial aspect to be optimized during the operational phase.

Other projects related to habitat protection and conservation and species monitoring can be found in the following sections of this chapter.



## Main Risks and Impacts Related to Biodiversity

[GRI 303-2]

Biodiversity risks are thoroughly evaluated as part of the environmental impact assessments conducted for our future projects. Expert analysis is employed to review the proposed works and associated activities, taking into account the specific site characteristics. Field data collection is integral to assessing existing biodiversity and its ecological significance, while surveying facilities and their surrounding areas helps gauge the potential impact on protected biodiversity-rich zones. Each location undergoes a tailored approach, with specialists conducting on-site assessments of relevant components.

All our power generation projects undergo rigorous environmental assessments to evaluate their effects on the environment and biodiversity, ensuring compliance with regulatory standards. Measures for minimizing, mitigating, repairing, and compensating for any adverse effects are integrated into the project design phase.

Once approved, these measures are diligently implemented, with environmental monitoring plans established to track the condition of surrounding ecosystems. Regular reports on environmental monitoring findings are submitted to the appropriate authorities.

In 2023, there were no fines or sanctions imposed by regulatory authorities for activities adversely impacting biodiversity.

The main impacts identified in our operations are outlined below. For a more detailed breakdown, please refer to the annexes. [X.X](#)

### Impact

#### Aquatic biota habitat modification

### Description

Flow reduction of water bodies to an ecological flow, which may affect elements of the aquatic biota.

#### Terrestrial biota habitat modification

Project intervention in areas with native and introduced vegetation and wildlife conservation.

#### Adverse effects on air quality

Polluting gas emissions, such as CO<sub>2</sub>, NO<sub>x</sub>, SO<sub>2</sub>, water vapor, O<sub>3</sub>, MP10.

#### Alteration of terrestrial flora and fauna

Plant species removal during project preparation activities for construction of a project .

#### Alteration of water quality

Result of sedimentation processes and suspended solids during construction works.

#### Modification of runoff regime and river mechanics

Change in the lotic regime in the reservoir area, also related to changes in the hydrological regime of the river during the construction stage.

### Power Plants

La Mina, Angostura, Quilleco and Rucúe hydroelectric plants. Fenix thermoelectric power plant.

Electric Substation and High Voltage Line, Hornitos. Fenix Thermoelectric Plant.

Nehuenco, Santa María, Los pinos, Candelaria, thermoelectric power plants

Nehuenco and Santa María thermoelectric power plants.

Los Pinos thermoelectric power plant.

Angostura, Quilleco and Rucue thermoelectric power plant.

## Biodiversity Exposure and Assessment in Chile and Peru

	Number	Area (hectares)
Total number and total area of own operational sites	28	25,125
Biodiversity impact assessments on own operational sites	28	25,125
Number of sites with significant biodiversity impacts or near a critical biodiversity area	1	8,042
Number of sites with a biodiversity management plan	1	8,042

It is noteworthy that the only facility located in the vicinity of a critical biodiversity area is Canutillar power plant (8,042 hectares), as it is adjacent to Alerce Andino National Park and Llanquihue National Reserve, whose management plans are carried out by the National Forestry Corporation (CONAF). It is in this same area where Colbun currently has a Royal Conservation Right (430 hectares). **During 2023, no new significant impacts were identified for Colbun's projects and power plants in Chile and Peru.**

**Note:** The table considers all power plants and projects under construction in Chile and Peru.

## Protected and Conservation Areas

[GRI 304-1, 304-3]

Currently, only the Canutillar power plant in the Los Lagos region is adjacent to protected areas: the 392.5 km<sup>2</sup> Alerce Andino National Park and the 339.7 km<sup>2</sup> Llanquihue National Reserve.

**Since 2021, the Royal Right of Conservation agreement with Tierra Austral Foundation establishes the Rincón del Sur conservation area, spanning over 630 hectares. This area serves as a biological corridor connecting the two protected areas mentioned above.**

Rincón del Sur boasts minimal anthropic intervention and excellent conservation status, along with its rich native flora and fauna.

Studies conducted at the site include biodiversity monitoring using environmental DNA methodology, enabling the analysis of genetic material from water and soil samples to accurately identify the area's fauna without ecosystem interference.

In 2023, land exploration was carried out in the Maule, Biobío, and Aysén regions to develop new conservation initiatives. Ongoing field studies are focusing on baseline biodiversity surveys and other attributes to support its establishment.

Celda Solar Photovoltaic Park, approved by the Environmental Evaluation Commission of Arica and Parinacota Region in January 2024, incorporates a bird nesting protection area in its design due to the presence of black tern nests.

Other protection, restoration, and enrichment initiatives are elaborated below.

## Protected/Restored Habitats

[GRI 304-3]

Habitat	Location	Size (ha)	Action	Steps taken	Results	Approval by External Parties
<b>Villas Rivas Property</b>	Contulmo, Biobío	0.2	Restored	Enhancement with four species in conservation status.	Enhancement with 4 species in conservation status Flora in Conservation Status Enrichment Plan Report.	
<b>Eugenia Cabins</b>	Santa Bárbara, Biobío	38.5	Forest enhancement	Plantations of over 6,000 specimens of native species, including some in various states of conservation.	Consecutive censuses were carried out until 2019, five years after planting, in which the establishment of the species was reported. Thanks to a survey of flora (tree, shrub and herbaceous), fauna, a study of the age of the forest, its carbon content and its carbon sequestration projections, it was confirmed that the area has positive characteristics to host an important biodiversity in terms of species richness.	Actions correspond to an environmental commitment and therefore do not require the approval of external professionals; they could only be part of inspections by the environmental authority.
<b>Riverside Forestation</b>	Santa Bárbara, Biobío	3.6	Riverside forestation	Planting of native species to comply with the environmental commitment established in the RCA, with the objective of promoting the colonization of avifauna.	It is not possible to attribute the presence of certain species of birds and animals to the plantation, as these could be present due to the existence of sectors with better characteristics and which represent a greater food supply, shelter, etc., and which could be a source of food and shelter.	Actions implemented are not subject to the approval of external professionals, they are only part of the inspections that could be carried out by the environmental authority.
<b>Native forest with melliferous potential, Predo Corderito</b>	Yumbel, Biobío	125	Reforestation	In 2023, 28,000 Quillay and Roble plants were replanted because in March 2022 a fire affected the property.	An inventory will be carried out during 2024 to evaluate replanting performance. In addition, the measures associated with honey production are still under development, so it is not yet possible to measure success.	
<b>Conversion of exotic plantations to native forests</b>	Central Los Pinos	20	Restored	A forestry inventory report was requested from experts, who determined that the percentages of regrowth were good, over 70%, and indicated the need to replant for the 2024 season.		
<b>Nehuenco Native Park</b>	Complejo Nehuenco, Quillota	3.6	Restored	There is a permanent contract for the maintenance of the reforested areas, which includes watering, replanting, weed control, tree and shrub pruning, and fence repair. In 2023, a census report was carried out to determine the actions to be taken in 2024.		
<b>Native forest with melliferous potential</b>	Complejo Aconcagua, Los Andes	15.5	Restored	Reforestation of native forest for melliferous production.	Properties are maintained in good condition, with fences to prevent the entry of livestock and at the same time allow the production of honey by local beekeepers.	
<b>Native forest with melliferous potential</b>	Central Canutillar	200	Restored	Native forest to promote honey production and local development.	Although no reforestation studies have been carried out, there are reports with results that show an increase in honey production, together with a physical-chemical analysis..	
<b>El Médano y La Mina Reforestation</b>	Central La Mina	13	Restored	Reforestation on the La Mina hydroelectric power plant property, corresponding to sclerophyllous forest species, hualo oak and mountain cypress.	The properties are permanently under surveillance to check their condition, fences and percentage of crop production.	



### Species Monitoring

[GRI 304-4]

One of the directives outlined in the Biodiversity Strategy is to enhance understanding of endemic species or those in conservation categories, along with their habitats within our operational areas.

In collaboration with experts, **in 2023, we launched the Voluntary Monitoring Plan for vertebrate fauna species.** This initiative aims to advance our understanding of the species residing in our influential zones, their ecological status, habitat characteristics, and their evolution over time.

This year, the monitoring scope expanded to include the Maule and Aconcagua river basins, supplementing the ongoing efforts in the Chamiza and Chapo rivers.

This monitoring initiative complements existing environmental monitoring plans mandated by Environmental Qualification Resolutions (RCA) for applicable facilities.



### Ichthyological Milestone in the Maule River

Thanks to our voluntary monitoring efforts, in 2023, we made a significant discovery by **detecting the presence of Nematogenys inermis, a fish species endemic to Chile.**

This discovery occurred in an arm of the Maule River, downstream of the Colbun reservoir and the discharge of the San Ignacio hydroelectric plant.

Notably, this species was previously thought to be extinct in nearly all Chilean rivers since 1975, with occasional sightings only in some estuaries in the central region of the country.

Additionally, we recorded the presence of the *Percilia gillissi* species, classified as endangered, also downstream of the Colbun reservoir.

Both species were observed during their reproductive period, indicating the presence of active populations comprising juvenile and adult individuals.

For more details on the habitat species found in our operations, please refer to the Annexes section.

Material Topic

# WASTE

## Contamination

[GRI 3-3]

Industrial operations have the potential to generate air, water, and soil pollution, posing risks to both human health and the environment. Therefore, it is imperative to manage these operations effectively, prioritizing risk management and regulatory compliance.

**In addition, waste management involves the reduction, reuse and recycling of materials, which contributes to the conservation of resources and a lower use of raw materials.**



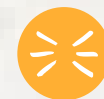
### Goal

**Reduce waste generation, mainly ash, and promote the circular economy.**



### Local Environmental Impacts

- Soil contamination.
- Local gas and particulate matter emissions.
- Waste valorization and circularity.



### Company Risks

- Events that trigger loss or alteration of biodiversity.
- Increase in the cost of raw materials.
- Barriers to the awarding of new projects.



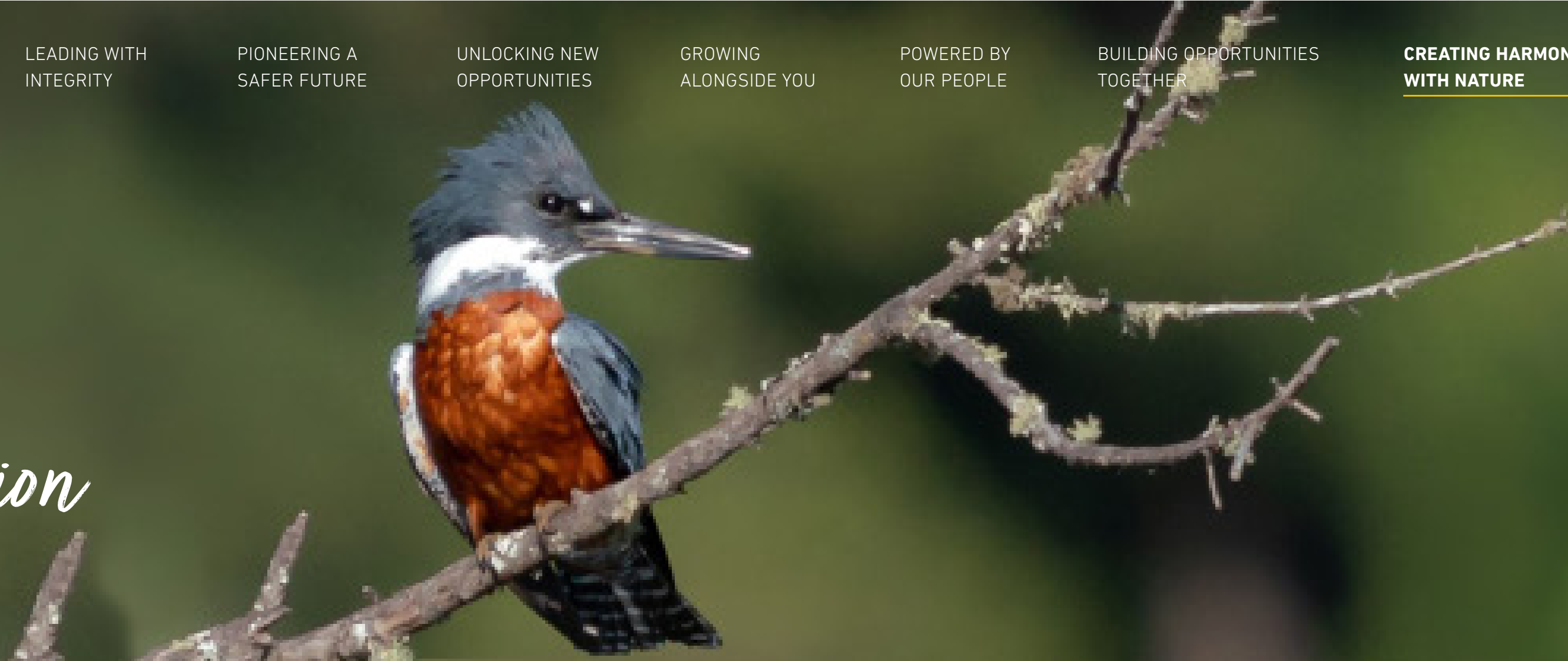
### Business Opportunities

- SEEnvironmental conservation sites with CO<sub>2</sub> capture.



### Policies and Guidelines

- Safety, Occupational Health and Environmental Policy.
- Environmental Management Manual
- Sustainability Policy.
- Environmental Footprint Program.





## Local Atmospheric Emissions

[GRI 305-7] [SASB IF-EU-120 a.1]



Our thermal power plants generate emissions of particulate matter (PM), nitrogen oxides (NOx), and sulfur dioxide (SO<sub>2</sub>), which are subject to environmental qualification standards and regulations.

We also manage these emissions in accordance with air quality standards and local plans that define acceptable levels for human and environmental quality.

NOx, PM and SO<sub>2</sub> emissions from our Santa María and Nehuenco Base Plants are mainly obtained through Continuous Emission Monitoring Systems (CEMS), in accordance with the requirements of Supreme Decree 13/2011 of the Ministry of the Environment, which must comply with the provisions of Part 75, Volume 40 of the Code of Federal Regulations (CFR).

CEMS are certified annually by a technical auditing body to have quality assured data. Emissions from our backup power plants, Candelaria and Los Pinos, are measured using the alternative Low Mass Emission (LME) method approved by the Superintendency of the Environment's Exempt Resolution 438/2013.

As required by DS 13/2011 MMA, it is necessary to perform specific sampling of mercury in the flue gases of power plants that use solid fuels. In the case of Colbun, it carries out spot measurements at the Santa María power plant (CH-29).

According to the monitoring carried out in 2023 at the Santa María power plant, the average concentration of Hg measured in the stack reached a result of 0.00175 mg/Nm<sup>3</sup>. This value is well below the limit

established by the emission standard for thermoelectric plants D.S. N°13/11 MMA, which sets a limit of 0.1 mg/Nm<sup>3</sup> of 0.1 mg/Nm<sup>3</sup>.

Lead (Pb) is not regularly monitored (it is not regulated at the national level), The lead content of the coal used in the Santa María power plant is below the European Union reference values. As a result, what can be emitted into the atmosphere (the vast majority of which goes out with the ash) does not pose a risk to the environment or human health. risks to human health.



In Peru, the information reported was downloaded from the CEMS atmospheric emissions software. CEMS atmospheric emissions software. For NOX calculation, the EPTA 7E method is used.

**Our plants had local emissions well below the limits set by the emission standard for thermoelectric plants.**

## Direct Emissions of Other Gases and Particulates (tons)

Direct Emissions (tons)	Chile					Peru				
	2020	2021	2022	2023	% in densely populated areas (2023)	2020	2021	2022	2023	% in densely populated areas (2023)
<b>NOx</b>	3,733	4,447	4,655	2,962	66%	812	973	1,230	345	0%
<b>SOx</b>	1,384	1,816	1,814	1,083	99%	0	0	0	0	0%
<b>Mercury (Hg)</b>	0.006	0.287	0.009	0.011	100%	0	0	0	0	0%
<b>Dust (MP)</b>	79	107	119	85	85%	0	0	0	0	0%
<b>Coverage (% of MWh)</b>	100%	100%	100%	100%	-	100%	100%	100%	100%	-

**Notes:**

Figures for Colbun Chile were obtained through the respective continuous emissions monitoring methodologies (CEMS or LME), while for Fenix a calculation methodology with EPA USA AP-42 emission factor was used, since there is no emission standard that sets a continuous measurement standard.

It is worth noting that since the Fenix power plant operates with natural gas, PM and SO<sub>2</sub> emissions are not relevant.

Colbun does not generate emissions of persistent organic pollutants (POPs), volatile organic compounds (VOCs) or hazardous air pollutants (HAPs) in Chile and Peru.

## Waste Management and Recovery

[GRI 306-1, 306-2]

Colbun's waste primarily consists of ash, which constitutes approximately 94% of the total waste generated at the Santa María thermoelectric power plant.

Throughout 2023, approximately 80.9% of this ash was effectively recovered, with the majority being utilized in cement plants. A small portion underwent an innovative process within the plant, enabling the recirculation of slag during combustion. Any remaining ash was dispatched to a designated storage facility, authorized for this purpose by Environmental Qualification Resolution No. 162/10 of COREMA Región del Biobío. Other waste materials, excluding ash, were directed to either recycling facilities or designated final disposal sites, each authorized by the relevant health authorities.

### Non-hazardous Waste

Non-hazardous waste, other than ashes, corresponds to waste assimilated to domestic waste and includes organic waste, bags, plastics, paper, cardboard, as well as construction and cleaning waste.

### Hazardous Waste

Hazardous waste generated by our facilities corresponds to solids contaminated with fuels, used industrial oils, fluorescent tubes, paint containers, solvent containers, electronics, batteries.



Waste generation other than ash increased in comparison to 2023.

However, there was a considerable increase in recovery by the power plants in operation, particularly Candelaria, which increased its waste recovery from 38% in 2022 to 89% in 2023; Santa María, which increased this percentage from 10% to 36%; Angostura and Rucue Quilleco, which increased from 0% in 2022 to 64% and 79% respectively in 2023; and the rest of the facilities, which increased their recovery with respect to 2022.

**As a result, the value increased from 12% in 2022 to 39% in 2023.**

Nevertheless, Colbun's global waste volume increased between 2022 and 2023, due to the increase in waste generated by contingencies at the Nehuenco facility and the generation of more than 800 tons from the current project under construction, Horizonte. At the end of 2023, Colbun identified a solution to recover this waste, most of which is wood spools on which the project's cables are transported.

In 2023 there was an increase of approximately four times the value generated the previous year due to a contingency at the Nehuenco power plant.

However, the value of these increased considerably without considering the contingency (from 41% in 2022 to 70% in 2023).

The increase, including the total recovery of the waste caused by the fire, reached 94%.



**Despite generating 13.44% more than the previous year, due to longer maintenance time, 21% of the total waste of this type was recovered, 16% more than in 2022.**

Although 42.87% more hazardous waste was generated than in the previous year, due to longer maintenance time, 70% of the waste generated was valorized.

This meant exceeding by more than 48% the waste valorized in 2022, which reached 22% of the total generated.





### Ash Generation and Recovery (tons), Chile and Peru

[SASB IF-EU-150a.1, IF-EU-150a.2]

INDICATOR	2020	2021	2022	2023
Total Ash Generated	84,760	87,114	89,302	63,409
Total Ash Recovered	48,511	52,961	69,932	51,268
Total ash for disposal	36,249	34,153	19,370	12,141
Ashes Recovered	<b>57.2%</b>	<b>60.8%</b>	<b>78.3%</b>	<b>80.9%</b>

**Note:** Ash is non-hazardous waste. Santa María power plant has only one storage site authorized for this purpose by Environmental Qualification Resolution No. 162/10 of COREMA Biobio region.

### Non-ash Generation and Recovery (tons), Chile and Peru

[GRI 306-3, 306-4, 306-5]

COUNTRY	INDICADOR	2020	2021	2022	2023
Chile	Total non-ash waste generated	990	1,484	1,386	3,589
	Total non-ash waste recovered	5	281	170	1,417
	Total non-ash waste destined for disposal	985	1,202	1,216	2,172
	% non-ash waste recovered	<b>0.5%</b>	<b>18.9%</b>	<b>12.3%</b>	<b>39.5%*</b>
Peru	Total non-ash waste generated	492	707	256	351
	Total non-ash waste recovered	12	265	21	110
	Total non-ash waste destined for disposal	480	442	235	241
	% non-ash waste recovered	<b>2.4%</b>	<b>37.5%</b>	<b>8.2%</b>	<b>31.4%</b>

**\*Note:** Of all non-ash waste recovered in Chile, if waste generated by unforeseen situations is deducted, the percentage of recovered waste decreases by 28.6% in Chile.

### Non-ash Waste Generated by Type (tons)

[GRI 306-3]

COUNTRY	Category	Total waste generated	Recovered waste	Total waste for disposal
Chile	Hazardous waste	1,074	1,007.3	66.7
	Non-hazardous waste	2,514.7	409.9	2,104.9
	<b>Total</b>	<b>3,588.7</b>	<b>1,417.6</b>	<b>2,171.6</b>
Peru	Hazardous waste	73.73	52.33	21.4
	Non-hazardous waste	277.73	58.02	219.71
	<b>Total</b>	<b>351.46</b>	<b>110.35</b>	<b>244.11</b>

**Note:** In 2023, the generation of this type of waste increased, but 39% of it was recovered in Chile and 31% in Peru.

## Waste Management

[GRI 306-2]

### Chile

Waste generated is managed by authorized waste managers and is declared through the Single Window, where hazardous waste has its corresponding certificates from SIDREP, while non-hazardous waste has SINADER certificates.

Additionally, in 2023, work began on the traceability of the waste once it was removed from the facilities, asking the authorized managers about the processes carried out with the waste and the corresponding resolutions supporting the aforementioned.

As well as complying with the related legal requirements, the status of which is kept through the internal M-Risk platform, Colbun has several procedures in accordance with the provisions of its Management System. One of them is PO.06, on environmental management indicators, whereby each facility must keep a periodic record of waste generation.

In 2023, Trazapp was the official means to be used by the facilities were to use to record incoming and outgoing register the entry and exit of waste generated.

### Peru

110.2 tons of waste were responsibly managed through recovery companies duly authorized by the Ministry of the Environment (MINAM).

To this end, the validity and authorization of the documents of the Solid Waste Operating Company (EO-RS) are verified. Then, at our facilities, the waste is weighed.

Subsequently, the company in charge of transporting the waste generates a Carrier's Guide that specifies the type of waste being transported. Upon arrival at the destination, the waste is reweighed and a new weighing the waste and a Weight Ticket is issued.

Finally, the companies receiving the waste, either for final disposal or for recovery, issue a certificate detailing the date and the exact amount of waste they have received.

## Circularity Initiatives

[GRI 306-2]

### 1 Santa María Ash

In order to increase the circularity of the ashes generated at the Santa María power plant, they were sent to two different cement plants, recovering approximately 49,980 tons. In addition, at the same facility, the slag was recirculated within the same process, thus reducing the amount of ash sent to final disposal. With the aforementioned measures, a total recovery of 80.85% of the total generated was achieved.

### 2 Hazardous Waste Recovery

As a result of new agreements with hazardous waste managers, 70.3% of recurrent hazardous waste and 100% of contingency hazardous waste were recovered.

### 3 Santa María and Aconcagua Power Plants

By composting tree and garden pruning waste outside the facility, the disposal of approximately 47 tons of waste was avoided.

### 4 Santa María and Nehuenco Complexes

A composting project was carried out at this facility using waste from the casino.

### 5 Fenix Power Plant

A project was implemented to compost biodegradable garden waste, which recovered 1.8 tons, and biodegradable waste from kitchens and restaurants, saving 0.42 tons from going to a sanitary landfill.

Approximately 33 tons of construction waste were also recovered.

## Circular Economy Training

As part of our adherence to the Circular Economy Transition Plan (TEC), we adopted, among others, the commitment to "Install internal transversal capacities and knowledge on circular economy" (Goal 4). For this purpose, key actors were identified according to the criteria "Influence" and "Interest" in the subject and were trained through the course "Managing the Circular Transition" (8 hrs) and the Advanced Course towards the Circular Economy (4 hrs) given by Acción Empresas.

## Clean Production Agreement (CPA)

The circularity measures undertaken in 2022 were implemented during 2023 at the **Colbun and Nehuenco complexes, increasing water, energy and waste circularity at these complexes.**

Among these measures is the implementation of landscaping with low water consumption, the installation of electric vehicles to reduce fuel consumption and emissions, and maintenance to increase the efficiency of the complexes' operations.

It also incorporates the installation of recycling points to increase segregation at source and the implementation of compost bins to reduce waste sent for disposal.

Other instances of training were carried out in the framework of the Sustainability Weeks of different facilities, where the status of compliance with the waste footprint goal and initiatives implemented and compliance with APL TEC, among others, were disseminated.

Another instance of dissemination was in the framework of Recycling Day, where talks were given, workshops on repairing clothes, slippers and household appliances, and some participants were rewarded with a plastic workshop.

# UNDERSTANDING *our* JOURNEY

- 9.1 Report Scope
- 9.2 Reporting Standards
- 9.3 Dual Materiality Approach
- 9.4 Report Verification
- 9.5 Performance Indicator Tables

# REPORT SCOPE

[GRI 2-2, 2-3, 2-4]

This integrated report is the thirteenth annual report developed by Colbun to inform our stakeholders about both financial and environmental, social, and governance (ESG) issues.

This exercise of reportability and transparency covers the operations between January 1st and December 31st, 2023, of the parent company and its subsidiaries in Chile and Peru. It includes all our operations and all activities related to the Company's business cycle, from project development and construction to energy sales, encompassing generation and commercialization, as well as the provision of value-added services by Colbún Soluciones by Efizity.

It is important to note that this document includes all consolidated activities in our financial reports. Along these lines, Electrogas indicators are not presented, given that this entity is considered an affiliated company of Colbun S.A.

During 2021, Colbun sold its transmission subsidiary, therefore data associated with that business is no longer presented in this report. There were no significant changes in the Company's supply chain during the year.

Regarding restatements and updates of data reported in previous years, the following information is corrected in 2023:

- **GRI 306-4 y 306-5:** Waste recovered and disposed of in Peru in 2020 and 2021 (data were exchanged).
- **GRI 305-2:** Scope 2 emissions for 2022 were updated to 0 emissions under the "market-based method" due to the purchase of renewable energy certificate.
- **GRI 305-7:** Units of Hg (mercury) were corrected from mg/Nm<sup>3</sup> to tons/year.

# Reporting STANDARDS

This document addresses the indicators required by the Financial Market Commission (CMF) in its General Standard No. 461, which also determines reporting on accounting parameters and disclosure topics defined by the Sustainability Accounting Standards Board (SASB) for the "electric utilities and power generators" sector, as well as the information requirements of the Task Force on Climate-Related Financial Disclosures (TCFD).

Likewise, it responds to the Global Reporting Initiative (GRI) standards regarding general, sector-specific, and material content. With the aim of promoting the comparability of information globally in the sector, we incorporate the recommendations of the World Economic Forum (WEF). We also integrate the public indicators requested by the Dow Jones Sustainability Index (DJSI) for our industry.

Colbun S.A. has prepared this report in accordance with the GRI Standards for the period from January 1st to December 31st, 2023.

This document constitutes a Communication on Progress (CoP) of the United Nations Global Compact Principles, as part of our Company's commitment to align its strategy and results with the goals set in the Sustainable Development Goals (SDGs) by 2030.

Member of  
**Dow Jones  
Sustainability Indices**

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We keep our commitment to report our environmental, social, corporate governance and economic performance on an annual basis, and we confirm that there were no relevant changes in methodology with respect to what was reported in the 2022 Integrated Report.

# DOUBLE MATERIALITY

## Methodology

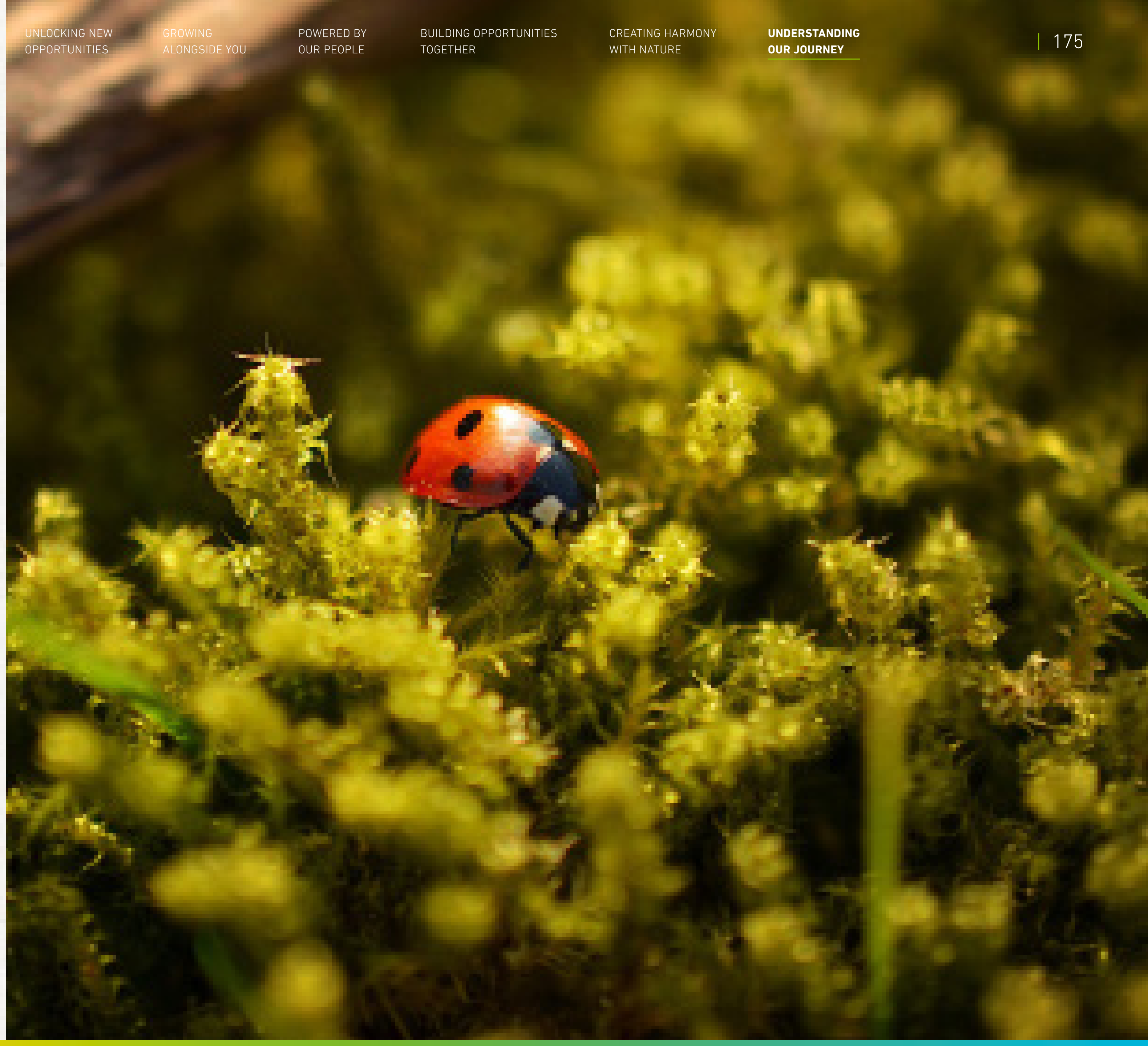
[GRI 3-1]

### At Colbun we update our materiality annually.

For the preparation of this report, a dual materiality approach was applied; that is, the one that unites the perspective of impacts that an organization generates in its environment with the risks and opportunities that the same issues open to the value of the company.

For the definition of impacts, the following steps were followed:

- 1 Identification**  
Know and define impacts, risks and opportunities.
- 2 Evaluation**  
Evaluate and prioritize impacts, risks, and opportunities based on their scope and depth.
- 3 Validation**  
Ensure that the Board of Directors validates the issues to be reported.



## Identification

We systematized a series of sources that allowed us to understand the impacts of the industry and those specific to the company, as well as the associated risks and opportunities.

### Standards and Rankings:

- European Sustainability Reporting Standards
- Global Reporting Initiative (GRI)
- Sustainability Accountings Standards Board (SASB) for the "electric utilities and power generators" sector.
- World Economic Forum (WEF)
- Morgan Stanley Capital International (MSCI) ESG Rating
- Dow Jones Sustainability Index (DJSI) for the industry
- Task Force on Climate-Related Financial Disclosures (TCFD)

### Internal Documents:

- Colbun 2030 Strategy
- Risk Matrix
- Human Rights Due Diligence
- Customer Satisfaction Survey
- Public Accounts, Community Dialogues, Meetings with Suppliers and Investors

### Press and Social Media:

- +10 national, regional, and digital media
- Appearances on Facebook, Instagram, and LinkedIn
- Colbun's social media posts
- Colbun press report

### Industry Trends:

- World Energy Outlook 2023, International Energy Agency (IEA)
- The Global Risks Report 2023, 18th Edition, World Economic Forum (WEF)
- Fostering Effective Energy Transition, 2023 Edition, World Economic Forum (WEF)
- The S&P Global Sustainability Yearbook 2023, Standard & Poor's Global
- World Energy Transitions Outlook 2023, 1.5°C Pathway, International Renewable Energy Agency (Irena)

### Industry Benchmark:

- Enel
- Endesa
- Iberdrola
- Celsia
- Engie
- AES Andes
- Acciona

### Consultation Results (Chile and Peru):

- SSIndex Suppliers and Providers
- SSIndex Investors
- SSIndex Communities
- Great Place to Work Results
- Customer Satisfaction Survey
- S&P Global ESG Evaluation

### Interviews with experts and stakeholders:

Between November 6th and December 1st, 2023, 13 interviews were conducted with representatives of stakeholders and experts to gather their views on the challenges facing the industry and Colbun, in order to ensure the incorporation of all relevant impacts.

- Ernesto Huber, Executive Director of the National Electric Coordinator of Chile
- Cesar Butron, President of COES, Peru
- Camilo Charme, General Manager of Generadoras Chile
- Cecilia Dastres, Head of Participation and Dialogue Division, Ministry of Energy of Chile
- Matias Zegers, Member of the UC Corporate Governance Center
- Maria Gloria Timmerman, Corporate Manager of Relationship and Sustainability at Nuam Exchange
- Marcela Bravo, CEO of Accion Empresas
- Juan Jose Donoso, Executive Director, The Nature Conservancy Chile
- Gonzalo Vial, Founder of Huella Local
- Karim Assat, President of the Professional Union, Chile
- Diksha Muñoz, President of the Workers Union, Santa Maria, Chile
- Vladimir Malpartida, President of the Fenix Workers Union, Peru
- Pablo Gazzolo, Communications Manager at Colbun



**Risk and opportunity identification:**

For the identification of risks and opportunities, the Colbun 2023 Risk Matrix was used, which describes and weighs the various issues related to the business and the organization. Additionally, this approach was complemented with some aspects gathered from the interviews conducted.

**Analysis of impacts, risks and opportunities:**

The information obtained through these analyses led to a summarized view of both the negative and positive (-/+) impacts Colbun faces in its business management and relationship with the environment, as well as the risks and opportunities that these different factors generate for the business.

[GRI 3-2]

MATERIAL TOPIC	IMPACTS	RISKS	OPPORTUNITIES
<b>Ethical Leadership</b>	Fraud, bribery, corruption (-) Unfair competition (-)	Risks of fraud, bribery, receiving stolen goods, or corruption. Risk of legal non-compliance and reputational damage	Access to sustainable capital.
<b>Continuity and Security of Supply</b>	Energy security 24/7 (+) Network resilience (+) Competitive prices (+)	Variability in renewable generation due to environmental events Technical failures and human errors leading to interruptions in generation and integration into the transmission network Internal or external events causing leakage and/or theft of business information	Expansion in lines of business, countries, and installed capacity. Optimization of the short-term market and its regulatory framework (spot market, ancillary services, and others).
<b>Climate Change</b>	Energy transition (+) GHG emissions (-) Energy efficiency (+)	Physical asset risks due to increased severity and frequency of extreme events Potential changes in radiation and wind patterns Failure to achieve adequate growth rate to respond to demand Demand and price variations Increase in CO2 emissions tax Regulatory pressure and Net Zero challenges	Becoming a benchmark and attracting customers. International growth and diversification. Storage as a key component 24/7. Development of Green Hydrogen. New businesses linked to customers' energy efficiency. Emissions reduction.
<b>Water Resources</b>	Water consumption and canalization (-) Water storage for agreements with irrigators (+) Water pollution (-) Excessive release of water from dams to flows, generating floods (-)	Hydrological variability and water scarcity due to drought, affecting energy generation Higher water supply costs for our thermal power plants	Hydropower as a complement to increased solar and wind penetration. New business in water desalination.
<b>Biodiversity</b>	Habitat loss (-) Contribution to environmental conservation (+)	Events that trigger biodiversity loss or alteration. Increased cost of raw materials Barriers to the awarding of new projects	Environmental conservation sites with CO <sub>2</sub> capture.
<b>Pollution and Waste</b>	Soil contamination (-) Emissions of gases and particulate matter (-) Waste valorization and circularity (+)	Respiratory health risks Barriers to the awarding of new projects Loss of community trust Increase in waste disposal costs	Reduction of material consumption. Innovation, promotion of best practices among suppliers
<b>Workplace Quality and Safety</b>	Conditions of own workers (+) Career development (+) Freedom of association (+) Accident rates, incidents, and/or occupational diseases (-)	Lack of professionals prepared for industry challenges Difficulty in attracting and retaining key professionals and skilled workforce Operation shutdown due to strikes Serious accident or death of a Colbun worker or contractor Malicious acts by third parties affecting the safety of people or Colbun's assets	Talent attraction and development. Collaborative labor practices aligned with the strategic plan. Reduced costs from injuries and illnesses. Improved productivity. Regulatory compliance. Decreased insurance costs.
<b>Diversity, Equity, and Fairness</b>	Organizational barriers to diversity (-) Conflicts due to discrimination (-) Lack of impartiality in treatment (-) Organizational culture (+)	Reduced attraction and loss of talent Legal problems and discrimination litigation	Flexibility and adaptability to change. Diversity of perspectives to strengthen the business, fostering innovation.
<b>Responsible Supply Chain</b>	Requirements and payment to suppliers (+) Contractors' labor conditions (+)	Legal non-compliance and breach of contractual agreements. Disruption of operations due to contractor non-compliance or failures. Wars, pandemics, or other global events that increase the cost of acquiring parts and materials.	Promotion of a sustainable supply chain.
<b>Community Integration</b>	Impact on quality of life (-) Investment for development (+)	Opposition and protests against operations and/or projects. Failure to achieve appropriate diagnoses and initiatives tailored to the needs of communities. Lack of power in communities adjacent to projects.	Productive chain linkage. Promotion of new businesses. Improved relationships with communities and understanding of their needs.

## 2 Evaluation

For the weighting of impacts, the GRI criteria were applied, consisting of:

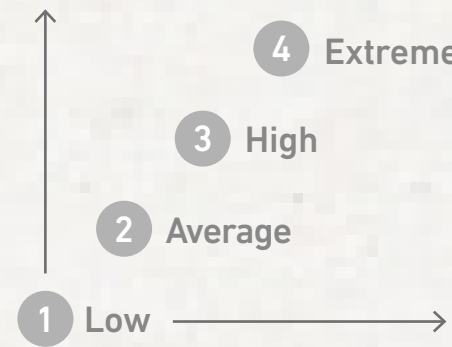
**Perceived importance:** relevance to stakeholders

**Scope:** extent of impact, for example, the number of individuals affected or the magnitude of environmental damage.

**Irremediability:** degree of difficulty in counteracting or correcting the resulting damage (in the case of negative impacts).

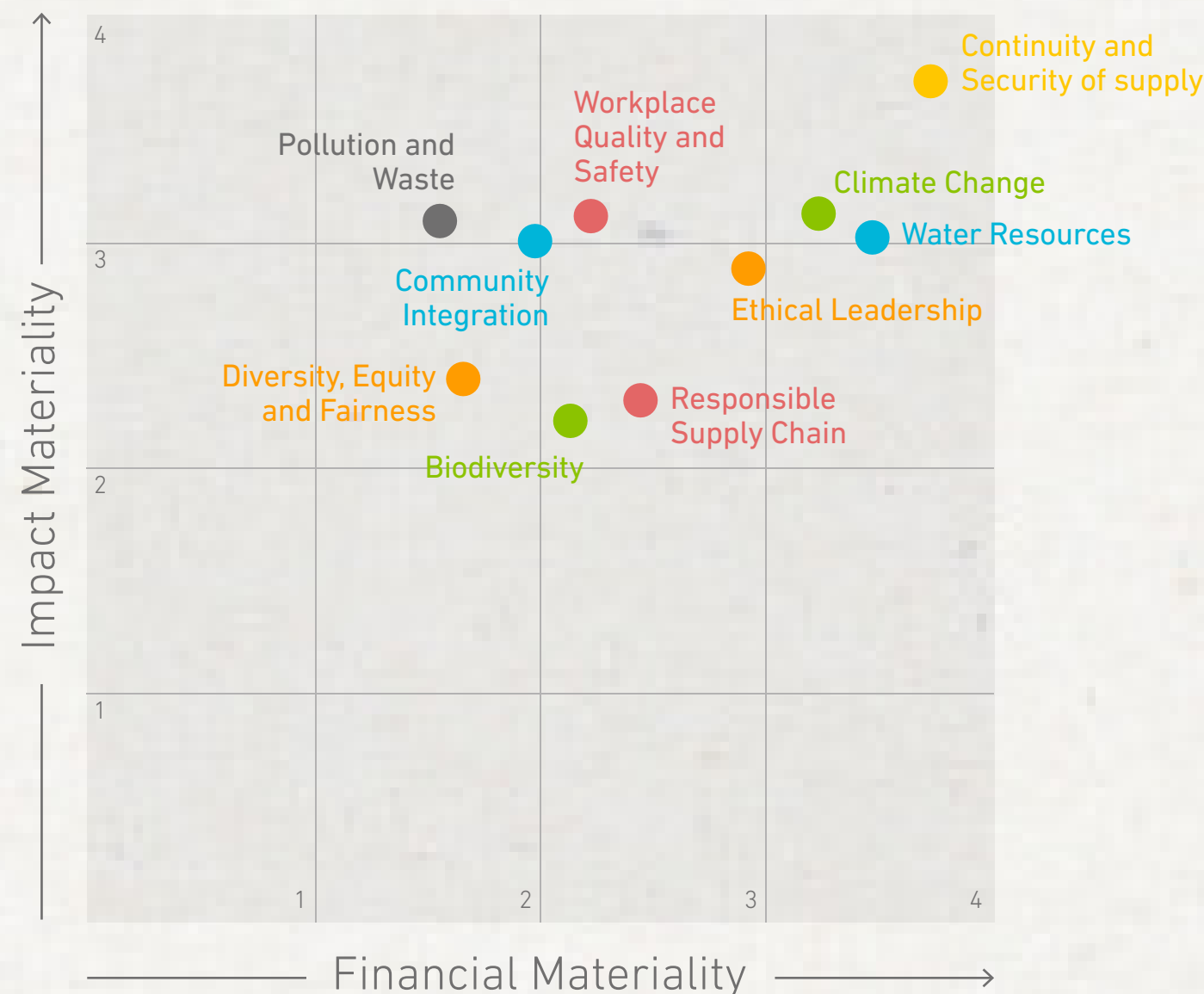
The consultations conducted with stakeholders under SSIndex between November 13 and December 18, 2023, were considered as a source of information for this evaluation stage regarding the topics discussed, approaching satisfaction levels with the different levels of impact.

The information obtained from these primary and secondary sources was systematized, organized, and weighted **on a scale of 1 to 4, according to the following definitions:**



To define financial materiality, Colbun's risk matrix was used, with assessments considering the magnitude of the effect and/or opportunity for the business, as well as its probability of occurrence. The weights used were those assigned by the company to residual risk.

**The resulting dual materiality matrix for 2023 is as follows:**



## 3 Validation

The Sustainability Committee of Colbun reviewed this materiality exercise on March 5, 2024. Both the materiality and the issues to be reported in this document were validated at the Board meeting on March 28, 2024. Additionally, the dual materiality approach was verified by KPMG (external auditors).

This Integrated Report was published on April 12, 2024.

242 Supply Companies

32 Investors

24 Suppliers

491 Neighbors from Communities

112 Local Stakeholders in Chile and Peru

# VERIFICATION

**This document was reviewed by the consulting firm KPMG, selected through a transparent bidding process, and with whom Colbún has no ties beyond a supplier-client relationship.**

External verification aims to ensure the reliability of the data presented according to GRI standards and General Regulation No. 461 of the CMF, specifically those of SASB for the "Electric Utilities & Power Generators" industry. Based on these standards, the existence of evidence and the quality of specific indicators were evaluated, with detailed results provided in KPMG's verification letter.

The definition of external verification for this Integrated Report involved the Communications, Sustainability, and Investor Relations teams, along with some senior executives of Colbun.

Regarding Colbun's Carbon Footprint, it was verified by the consulting firm KPMG. Additionally, it's worth noting that the financial information related to the Annual Report requirements of the Financial Market Commission is audited by EY.

The verification letters for the Integrated Report, Carbon Footprint, and financial statements audit are located at the end of this document.

## Verification Letter Integrated Report



### Informe Aseguramiento Independiente

Hemos sido contratados por la Administración de Colbún S.A. (en adelante la Compañía), para informar y entregar una conclusión de seguridad limitada independiente con respecto a si la evaluación de los contenidos ASG de la Memoria Integrada 2023 de Colbún S.A. está en cumplimiento con el Estándar para la elaboración de Informes de Sostenibilidad de GRI, de la Norma de Carácter General N°461 y de SASB en todos sus aspectos significativos bajo ISAE 3000 (en adelante "el Informe") para el año terminado el 31 de diciembre de 2023.

Contenidos ESG de la Memoria Integrada 2023 cubiertos por este encargo de aseguramiento limitado son:

Estándar NCG N° 461					
3.1.v	3.4.ii	3.6.ii.a	3.6.ii.b	3.6.ii.c	3.6.ii.d
3.6.ii.e	3.6.ix	5.1.1	5.1.2	5.1.3	5.1.4
5.1.5	5.2	5.3	5.4.2	5.5	5.6
5.7	5.8.i	5.8.ii	5.8.iii	5.8.iv	5.8
6.2.iii	6.2.iv	7.1.i	7.1.ii	7.1.iii	7.1.iv
7.1.v	7.2				

Estándar SASB				
IF-EU-110a.3	IF-EU-120a.1	IF-EU-140a.1	IF-EU-150a.2	IF-EU-420a.3
IF-EU-550a.1	IF-EU-000.A	IF-EU-000.B	IF-EU-000.C	IF-EU-000.D

Estándar GRI					
2-19	2-20	2-27	2-30	3-1	3-2
201-1	202-1	204-1	205-2	205-3	206-1
207-1	302-1	302-3	303-4	304-1	304-4
305-1	305-2	305-3	305-4	306-3	306-4
306-5	401-1	404-3	406-1	418-1	

Estándar GRI Sectorial					
EU1	EU2	EU5	EU10	EU11	EU00

Indicadores Propios	
EST	Mujeres en cargos de liderazgo
EST	Proveedores capacitados en ética y conducta empresarial
DJSI	Contribuciones y otros gastos (Influencias políticas)



DJSI	Contribuciones más grandes
DJSI	Selección de proveedores
DJSI	Evaluación y desarrollo de proveedores
3.SO	Inversión social comunitaria
8.TR	Movilidad interna
10.TR	Clima laboral

### Responsabilidades de la Compañía

La Compañía confirma que la parte responsable por la Memoria Integrada 2023 y la información de dicho Reporte es la Gerencia de Sostenibilidad y Medio Ambiente.

Nuestro trabajo se ha realizado sobre la base de que la Compañía reconoce y entiende que la Gerencia de Sostenibilidad y Medio Ambiente son responsables de:

- La presentación de los indicadores ESG de la Memoria Integrada 2023 incluidos en el trabajo, esté en cumplimiento con el Estándar para la elaboración de Informes de Sostenibilidad de GRI, la Norma de Carácter General N°461 y SASB.
- La preparación y presentación razonable de la afirmación que señala que los contenidos de la Memoria Integrada 2023 incluidos en el trabajo están en cumplimiento con el Estándar para la elaboración de Informes de Sostenibilidad de GRI, la Norma de Carácter General N°461 y SASB.
- El diseño, la implementación y el mantenimiento del control interno que la Gerencia General y la Gerencia de Sostenibilidad y Medio Ambiente determinan que es necesario para permitir el cumplimiento con estándar GRI, de la Norma de Carácter General N°461 y SASB y que esté exenta de incumplimientos, ya sea causado por fraude o error.
- La prevención y detección de fraude, y de identificar y asegurar que la Compañía cumple con las leyes y regulaciones aplicables a sus actividades.
- El proceso para asegurar que la Gerencia de Sostenibilidad y Medio Ambiente, el personal involucrado en la preparación y presentación de la información del Trabajo de Aseguramiento cuentan con el entrenamiento adecuado, los sistemas están adecuadamente actualizados y que cualquier cambio en la información pertinente sobre el Trabajo de Aseguramiento incluye todas las unidades de negocios significativas.
- Esta responsabilidad también incluye informarnos sobre cualquier cambio en las operaciones de la Compañía desde el 1 de enero de 2023 y a la fecha de la emisión de nuestra conclusión.

### Responsabilidad del Profesional de Aseguramiento

Nuestra responsabilidad es emitir un informe de aseguramiento de seguridad limitada independiente sobre si los Contenidos ESG de la Memoria Integrada 2023 incluidos en el Trabajo de Aseguramiento están en cumplimiento con el Estándar para la elaboración de Informes de Sostenibilidad de GRI, la Norma de Carácter General N°461 y SASB y de SASB en todos sus aspectos significativos bajo ISAE 3000.



Colbún S.A.  
Informe Verificación Memoria Integrada 2023  
Bajo Norma ISAE 3000  
Santiago, 14 de abril de 2024  
Página 3

Hemos cumplido con la independencia y otros requisitos éticos del Código de Ética para Contadores Profesionales emitido por el Consejo de Normas Internacionales de Ética para Contadores, que se fundamenta en principios fundamentales de integridad, objetividad, competencia profesional y debido cuidado, confidencialidad y conducta profesional e implementamos un sistema de gestión de calidad que sea aplicable al trabajo individual de acuerdo con los requerimientos de la Norma Internacional de Gestión de la Calidad 1 Gestión de la calidad en las firmas de auditoría que realizan auditorías o revisiones de estados financieros, así como otros encargos que proporcionan un grado de seguridad o servicios relacionados ("ISQM 1")<sup>1</sup> y planificamos y realizamos nuestro trabajo para obtener una conclusión de seguridad limitada independiente. Con base en lo anterior, confirmamos que hemos ejecutado este encargo para Colbún S.A. de manera independiente y libre de conflictos de interés.

El alcance de un encargo de aseguramiento de seguridad limitada independiente es sustancialmente inferior al de un encargo de aseguramiento razonable, y por lo tanto la seguridad proporcionada es también menor.

Los procedimientos que realizamos se basan en nuestro juicio profesional e incluyeron consultas, observación de procesos, análisis de documentación, procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Entrevistamos a personal clave de la Gerencia de Sostenibilidad y Medio Ambiente de Colbún S.A., con objeto de evaluar el proceso de elaboración, definición de su contenido y los sistemas de información utilizados del Trabajo de Aseguramiento.
- Verificamos de los datos incluidos en el Trabajo de Aseguramiento a partir de la documentación de respaldo proporcionada por la administración. Sin embargo, nuestros procedimientos no incluyeron el testeo de los datos en los que se basan las estimaciones o desarrollar por separado nuestras propias estimaciones contra las cuales evaluar las de Colbún S.A.
- Analizamos de los procesos de recopilación y de control interno de los datos cuantitativos reflejados en el Trabajo de Aseguramiento.
- Verificamos de la fiabilidad de la información utilizando procedimientos analíticos y pruebas de revisión en bases a muestreos y revisión de cálculos mediante re-cálculos.
- Revisamos la redacción y revisamos la maqueta de la Memoria Integrada 2023 que contiene el Trabajo de Aseguramiento.

Los procedimientos realizados en un trabajo de seguridad limitada varían en naturaleza y oportunidad y son menos extensos que para un trabajo de seguridad razonable. En consecuencia, el nivel de seguridad obtenido en un trabajo de seguridad limitada es sustancialmente más bajo que la seguridad que se habría obtenido si se hubiera realizado un trabajo de seguridad razonable.

**Propósito de nuestro reporte**

De acuerdo con los términos de nuestro trabajo, este informe de aseguramiento ha sido preparado para Colbún S.A. con el propósito de asistir a la Gerencia de Sostenibilidad y Medio Ambiente en determinar si los Indicadores ESG de la Memoria Integrada 2023 incluidos en el Trabajo de Aseguramiento y, objeto de seguridad limitada, están preparados y presentados de acuerdo con el estándar para la elaboración de Informes de Sostenibilidad de GRI, la Norma de Carácter General N°461 y SASB en todos sus aspectos significativos bajo ISAE 3000.

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Colbún S.A.  
Informe Verificación Memoria Integrada 2023  
Bajo Norma ISAE 3000  
Santiago, 14 de abril de 2024  
Página 4

**Restricciones de uso del reporte**

Colbún S.A. confirma que los usuarios de su Memoria Integrada 2023 y nuestros informes de aseguramiento respecto de los indicadores ASG de la Memoria Integrada 2023 son la administración de la Compañía, el Directorio, colaboradores y proveedores de la Compañía, las comunidades locales de los lugares donde la Compañía desarrolla sus actividades, los inversionistas y reguladores de Colbún S.A., y las organizaciones gremiales a las que se encuentre afiliada la Compañía como apoyo a sus procesos de toma de decisiones.

Cualquier tercero diferente a los "Usuarios" mencionados en el párrafo anterior, que obtenga acceso a nuestro informe o una copia del mismo y determine basarse en él, o en cualquier parte del mismo lo hará bajo su propio riesgo. En la mayor medida de lo posible, según lo permitido por ley, no aceptamos ni asumimos responsabilidad ante terceros diferentes a los "Usuarios", por nuestro trabajo, por este informe de aseguramiento limitado, o por las conclusiones a las que hemos llegado.

Este informe se entrega a Colbún S.A. sobre la base de que no debe ser copiado o referido, en su totalidad o en parte, sin nuestro consentimiento previo escrito. Asimismo, este informe sólo puede ser divulgado, en su totalidad y no en parte, para los fines internos propios de Colbún S.A. y a terceros con el objeto de dar a conocer que los contenidos reportados han sido verificados por un tercero independiente.

**Nuestras conclusiones**

Nuestra conclusión ha sido establecida, basada en y sujeta a los asuntos descritos en este reporte. Consideramos que la evidencia que hemos obtenido es suficiente y apropiada para fundamentar la conclusión que expresamos a continuación.

Con base en los procedimientos realizados y en la evidencia obtenida, descritos anteriormente, nada ha llamado nuestra atención que nos indique que los contenidos ESG de la Memoria Integrada 2023 de Colbún S.A., incluidos en el Trabajo de Aseguramiento, para el año terminado el 31 de diciembre de 2023, no están preparados y presentados de manera adecuada, en todos sus aspectos significativos, de acuerdo con el estándar para la elaboración de Informes de Sostenibilidad de GRI, la Norma de Carácter General N°461 y SASB en todos sus aspectos significativos bajo ISAE 3000, lo que incluye la fiabilidad de los datos, la adecuación de la información presentada y la ausencia de desviaciones y omisiones significativas.

Atentamente,

KPMG Ltda.

Karin Eggers G.  
Head ESG Services, KPMG Chile  
Co-Lead ESG, South American Cluster

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## Carbon Footprint Verification Letter



### Informe Aseguramiento Independiente

Hemos sido contratados por la Administración de Colbún S.A. (en adelante, la "Compañía"), para informar y entregar una conclusión de seguridad limitada independiente con respecto a si la evaluación del Cálculo de la Huella de Carbono corporativa está en cumplimiento con los siguientes estándares: Corporate Accounting and Reporting Standard – Revised Edition del GHG Protocol, los documentos del IPCC Guidelines for National Greenhouse Gas Inventories (2006) y la Norma ISO 14064 Gases Efecto Invernadero en todos sus aspectos significativos bajo ISAE 3410 (en adelante "el Informe") para el año terminado el 31 de diciembre de 2023 (el "Trabajo de Aseguramiento").

Los indicadores Cálculo de Huella de Carbono cubiertos por este Trabajo de Aseguramiento limitado son:

Alcances asegurados	Unidad	Valor
Alcance 1	tCO <sub>2e</sub>	4.166.057
Alcance 2 (en base a mercado)	tCO <sub>2e</sub>	0
Alcance 2 (en base a localización)	tCO <sub>2e</sub>	8.222
Alcance 3	tCO <sub>2e</sub>	44.652

### Responsabilidades de Colbún S.A.

Colbún S.A. confirma que la parte responsable por el Cálculo de Huella de Carbono corporativa y el medidor o evaluador de la información de dicho informe es la Unidad de Cambio Climático, de la Gerencia de Medio Ambiente.

Nuestro trabajo se ha realizado sobre la base de que Colbún S.A. reconoce y entiende que la Unidad de Cambio Climático, de la Gerencia de Sostenibilidad y Medio Ambiente, es responsable de:

- (a) La presentación de la información del Cálculo de la Huella de Carbono corporativa de Colbún S.A. en cumplimiento con los lineamientos establecidos en el Corporate Accounting and Reporting Standard – Revised Edition del GHG Protocol, los documentos del IPCC Guidelines for National Greenhouse Gas Inventories (2006) y la Norma ISO 14064 Gases Efecto Invernadero.
- (b) El diseño, la implementación y el mantenimiento del control interno que la Unidad de Cambio Climático, de la Gerencia de Sostenibilidad y Medio Ambiente, determinan que es necesario para permitir el cumplimiento de los lineamientos establecidos en el Corporate Accounting and Reporting Standard – Revised Edition del GHG Protocol, los documentos del IPCC Guidelines for National Greenhouse Gas Inventories (2006) y la Norma ISO 14064 Gases Efecto Invernadero, que esté exenta de incumplimientos, ya sea causados por fraude o error.



Colbún S.A.  
Verificación del Cálculo de la Huella de Carbono  
Santiago, 5 de marzo de 2024  
Página 2

- (c) La preparación y presentación razonable de la afirmación que señala que el Cálculo de Huella de Carbono corporativa de Colbún S.A. se encuentra en cumplimiento con los lineamientos establecidos en el Corporate Accounting and Reporting Standard – Revised Edition del GHG Protocol, los documentos del IPCC Guidelines for National Greenhouse Gas Inventories (2006) y la Norma ISO 14064 Gases Efecto Invernadero.
- (d) El proceso para asegurar que la Unidad de Cambio Climático, de la Gerencia de Sostenibilidad y Medio Ambiente, el personal involucrado en la preparación y presentación de la información del Trabajo de Aseguramiento cuentan con el entrenamiento adecuado, los sistemas están adecuadamente actualizados y que cualquier cambio en la información pertinente sobre el Trabajo de Aseguramiento incluye todas las unidades de negocios significativas. Esta responsabilidad también incluye informarnos sobre cualquier cambio en las operaciones de la Compañía desde el 1 de enero de 2023 y a la fecha de la emisión de nuestra conclusión.

### Responsabilidad del Profesional de Aseguramiento

Nuestra responsabilidad es emitir un informe de aseguramiento de seguridad limitada independiente sobre si el Cálculo de la Huella de Carbono corporativa, está en cumplimiento con los lineamientos establecidos en el Corporate Accounting and Reporting Standard – Revised Edition del GHG Protocol, los documentos del IPCC Guidelines for National Greenhouse Gas Inventories (2006) y la Norma ISO 14064 Gases Efecto Invernadero, en todos sus aspectos significativos, bajo ISAE 3410.

Hemos cumplido con la independencia y otros requisitos éticos del Código de Ética para Contadores Profesionales emitido por el Consejo de Normas Internacionales de Ética para Contadores, que se fundamenta en principios fundamentales de integridad, objetividad, competencia profesional y debido cuidado, confidencialidad y conducta profesional e implementamos procedimientos de control de calidad que sean aplicables al trabajo individual de acuerdo con los requerimientos de la Norma Internacional para el Control de la Calidad 1: "Control de Calidad para las Firmas que Realizan Auditorías y Revisiones de Información Financiera Histórica, y Otros Trabajos de Aseguramiento y Servicios Relacionados ("ISQC 1") y planificamos y realizamos nuestro trabajo para obtener una conclusión de seguridad limitada independiente. Con base en lo anterior, confirmamos que hemos ejecutado este encargo para Colbún S.A. de manera independiente y libre de conflictos de interés.

El alcance de un encargo de aseguramiento de seguridad limitada independiente es sustancialmente inferior al de un encargo de aseguramiento razonable, y por lo tanto la seguridad proporcionada es también menor.

Los procedimientos que realizamos se basan en nuestro juicio profesional e incluyeron consultas, observación de procesos, análisis de documentación, procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Entrevistamos a personal clave de COLBÚN S.A., con objeto de evaluar el proceso de elaboración, definición de su contenido y los sistemas de información utilizados.
- Verificamos los datos incluidos en el Trabajo de Aseguramiento a partir de la documentación de respaldo proporcionada por la administración.



**Colbún S.A.**  
Verificación del Cálculo de la Huella de Carbono  
Santiago, 5 de marzo de 2024  
Página 3

- Analizamos los procesos de recopilación y de control interno de los datos cuantitativos reflejados en el Trabajo de Aseguramiento.
- Verificamos la fiabilidad de la información utilizando procedimientos analíticos y pruebas de revisión en bases a muestreos y revisión de cálculos mediante re-cálculos.

Los procedimientos realizados en un trabajo de seguridad limitada varían en naturaleza y oportunidad y son menos extensos que para un trabajo de seguridad razonable. En consecuencia, el nivel de seguridad obtenido en un trabajo de seguridad limitada es sustancialmente más bajo que la seguridad que se habría obtenido si se hubiera realizado un trabajo de seguridad razonable.

**Propósito de nuestro reporte**

De acuerdo con los términos de nuestro trabajo, este informe de aseguramiento ha sido preparado para Colbún S.A. con el propósito de asistir a la **Unidad de Cambio Climático, de la Gerencia de Sostenibilidad y Medio Ambiente**, en determinar si el Cálculo de la Huella de Carbono corporativa, objeto de seguridad limitada, están preparados y presentados de acuerdo con los lineamientos establecidos en el Corporate Accounting and Reporting Standard – Revised Edition del GHG Protocol, los documentos del IPCC Guidelines for National Greenhouse Gas Inventories (2006) y la Norma ISO 14064 Gases Efecto Invernadero, en todos sus aspectos significativos, bajo ISAE 3410.

**Restricciones de uso del reporte**

Colbún S.A. confirma que los usuarios del Cálculo de la Huella de Carbono Corporativa son la administración de Colbún S.A., el Directorio, colaboradores y proveedores de Colbún S.A., las comunidades locales de los lugares donde Colbún S.A. desarrolla sus actividades, los inversionistas y reguladores de Colbún S.A., y las organizaciones gremiales a las que se encuentre afiliada Colbún S.A. como apoyo a sus procesos de toma de decisiones.

Cualquier tercero diferente a los Usuarios mencionados en el párrafo anterior, que obtenga acceso a nuestro informe o una copia del mismo y determine basarse en él, o en cualquier parte del mismo lo hará bajo su propio riesgo. En la mayor medida de lo posible, según lo permitido por ley, no aceptamos ni asumimos responsabilidad ante terceros diferentes a los Usuarios, por nuestro trabajo, por este informe de aseguramiento limitado, o por las conclusiones a las que hemos llegado.

Nuestro informe se entrega a Colbún S.A. sobre la base de que no debe ser copiado, referido o divulgado, en su totalidad (salvo por los fines internos propios de Colbún S.A.) o en parte, sin nuestro consentimiento previo escrito.

**Nuestras conclusiones**

Nuestra conclusión ha sido establecida, basada en y sujeta a los asuntos descritos en este informe.

Consideramos que la evidencia que hemos obtenido es suficiente y apropiada para fundamentar la conclusión que expresamos a continuación.

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**Colbún S.A.**  
Verificación del Cálculo de la Huella de Carbono  
Santiago, 5 de marzo de 2024  
Página 4

Con base en los procedimientos realizados y en la evidencia obtenida, descritos anteriormente, nada ha llamado nuestra atención que nos indique que el Cálculo de la Huella de Carbono, para el año terminado el 31 de diciembre de 2023 no están preparados y presentados de manera adecuada, en todos sus aspectos significativos, de acuerdo con los lineamientos establecidos en el Corporate Accounting and Reporting Standard – Revised Edition del GHG Protocol, los documentos del IPCC Guidelines for National Greenhouse Gas Inventories (2006) y la Norma ISO 14064 Gases Efecto Invernadero, en todos sus aspectos significativos, bajo ISAE 3410, lo que incluye la fiabilidad de los datos, la adecuación de la información presentada y la ausencia de desviaciones y omisiones significativas.

Atentamente,

KPMG Ltda.

Karin Eggers G.  
Head ESG Services, KPMG Chile  
Co-Lead ESG, South American Cluster

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Statement of  
Responsibility

### Declaración de Responsabilidad

En cumplimiento de lo dispuesto en la Norma de Carácter General N°283 de la Comisión para el Mercado Financiero, los firmantes declaramos bajo juramento que toda la información incorporada en la presente Memoria Anual Integrada es expresión fiel de la verdad, por lo que asumimos la responsabilidad legal correspondiente.

**Hernán Rodríguez Wilson**  
Presidente  
7.051.490-7

**Bernardo Larrain Matte**  
Vicepresidente  
7.025.583-9

**Vivianne Blanlot Soza**  
Directora  
6.964.638-7

**José Ignacio Escobar Troncoso**  
Gerente General  
13.332.998-6

**Franco Bozzalla Trabucco**  
Director  
7.748.803-0

**Juan Carlos Altmann Martín**  
Director  
11.807.905-1

**María Emilia Correa Pérez**  
Directora Independiente  
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# PERFORMANCE INDICATORS

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[\*] At Colbun, the compensation policy is reviewed by the Board Committee, whose members are mandated by the shareholders for this purpose.

[\*\*] 3.3.6.d Consumer Risk Management: Not applicable; Colbun serves industrial and commercial clients; no risks to the health and safety of our customers are identified.

## Sustainability Accounting Standards Board (SASB)

### Infrastructure-Power Companies And Power Generators

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	IF-EU-000.B	Total electricity delivered to residential customers, commercial customers, industrial customers, all other retail customers and wholesale customers	Annex chap 5
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	IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	52
	IF-EU-000.E	Total wholesale electricity purchased	n/a (9)

#### Reasons for Not Applicable

- (1) IF-EU-110a.4 N/A. Neither in Chile nor in Peru do we have clients to whom a regulation associated with the increase of electricity production from renewable resources applies.
- (2) IF-EU-240a.2 N/A. As a generating company, we do not have residential customers.
- (3) IF-EU-240a.3 N/A. As a generating company, we do not have residential customers.
- (4) IF-EU-420a.1 N/A. U.S. regulation.
- (5) IF-EU-420a.2 N/A. Colbun does not have transmission networks that supply customers (neither in Chile nor in Peru).
- (6) IF-EU-540a.1 N/A. Colbun does not have nuclear power units.
- (7) IF-EU-540a.2 N/A. Colbun does not have nuclear power units.
- (8) IF-EU-550a.2 N/A. Colbun does not have transmission networks that supply customers (neither in Chile nor in Peru).

## Global Reporting Initiative (GRI)

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\* Confidential information

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<b>GRI EU20</b>	Displacement impact management approach	n/a *
<b>GRI EU21</b>	Explain the mechanisms for the community to give notice or make inquiries about spills or risk events/Contingency planning measures, disaster programs/emergency management plan and training.	128
<b>GRI EU22</b>	Number of people physically or economically displaced and compensation/ type of project	n/a *
<b>GRI EU30</b>	Average plant availability factor	Annex chap 3

(\*) EU 20 and 22 In 2023 there were no displacements due to company projects.

## World Economic Forum (WEF) Metrics

CATEGORY	SUBCATEGORY	CONTENT	PAGE
<b>People: Dignity and Equity</b>	<b>Diversity and Inclusion</b>	Percentage of employees by employee category, age group, gender, and other diversity indicators (e.g., ethnic origin)	Annexes
	<b>Risk to freedom of association and collective bargaining</b>	Percentage of active workforce covered by collective bargaining agreements.	122
	<b>Gender pay gap</b>	Average gender pay gap in basic salary and total remuneration of relevant full-time employees.	113
	<b>Review of human rights, severity of impacts, and modern slavery</b>	Total number and percentage of operations that have undergone reviews or human rights impact assessments	106
		Number and percentage of operations and suppliers considered to have significant risk for incidents of child labor, forced or compulsory labor.	105
	<b>Salary Level</b>	Gender-based standard starting salary ratios compared to the local minimum wage.	120
	<b>Risk of incidents of child, forced or compulsory labor</b>	Explanation of operations and suppliers considered to be at significant risk of incidents involving child labor, forced or compulsory labor	105
		Incidents and total amount of monetary losses	47, Annexes
<b>Discrimination and harassment</b>	Number of discrimination and harassment incidents, status of incidents and actions taken, and total amount of monetary losses resulting from legal proceedings associated with violations of the law and workplace discrimination.		
<b>People: Health and Welfare</b>	<b>Health and Safety</b>	The number and rate of deaths resulting from work-related injuries; serious work-related injuries (excluding deaths); recordable occupational injuries, major types of occupational injuries; and the number of hours worked.	126, Annexes
		An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services and the extent of access provided to employees and workers.	126
	<b>Welfare</b>	The number and rate of deaths resulting from work-related illnesses; recordable injuries from work-related illnesses, major types of work-related injuries; and the major types of work-related illnesses for all employees and workers.	126, Annexes

CATEGORY	SUBCATEGORY	CONTENT	PAGE
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		Investment in workforce training.	117
<b>Planet: Air pollution</b>	<b>Air pollution</b>	Nitrogen oxides (NOx), sulfur oxides (SOx), particulate matter, and other significant air emissions.	170
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	<b>Greenhouse gas emission targets aligned with the Paris Agreement</b>	Define and report progress on greenhouse gas emissions targets based on scientific evidence and specific timelines that align with the goals of the Paris Agreement	71
<b>Planet: Freshwater availability</b>	<b>Water consumption and extraction in water-stressed areas</b>	Water extraction, water consumption, and the percentage of each in water-stressed regions.	162, 163
<b>Planet: Loss of nature</b>	<b>Land use and ecological sensitivity</b>	Number and area of sites owned, leased, or managed within or adjacent to protected areas and/or key biodiversity areas.	167
<b>Prosperity: Social and Community Vitality</b>	<b>Total social investment</b>	Total social investment, which summarizes a company's resources used for the "S" in ESG efforts.	141
<b>Prosperity: Employment and Wealth Generation</b>		Total number and rate of new employee hires during the reporting period, by age group and gender	118, Annexes
	<b>Number and employment rate</b>	Total number and rate of employee turnover during the reporting period, by age group, gender, region, and other indicators of diversity	118, Annexes
	<b>Investments in infrastructure and supported services</b>	Degree of development of important investments in infrastructure and supported services	Annexes
		Current or expected impacts on local communities and economies, including positive and negative impacts when relevant	134
	If investments and services are commercial commitments, in-kind, or pro-bono.	Annexes	
	<b>Economic contribution</b>	Direct economic value generated and distributed	18
	<b>Significant indirect economic impacts</b>	Examples of significant indirect economic impacts identified by the organization, including both positive and negative impacts.	137



CATEGORY	SUBCATEGORY	CONTENT	PAGE
<b>Prosperity: Innovation for the improvement of products and services</b>	<b>Total R&amp;D expenditures</b>	Total expenditures related to research and development	86
	<b>Anti-corruption</b>	Total number and nature of confirmed corruption incidents during the current year but related to previous years; and total number and nature of confirmed corruption incidents during the current year, related to this year.	Annexes
<b>Governance: Ethical Behavior</b>	<b>Protected ethical advice and reporting mechanisms</b>	Mechanisms for reporting concerns about unethical or illegal behavior and organizational integrity	47
	<b>Monetary losses due to unethical behavior</b>	Total amount of monetary losses resulting from legal proceedings associated with: fraud, insider trading, antitrust, anti-competitive behavior, market manipulation, malpractices, or violations of other industry-related laws or regulations	49
	<b>Purpose</b>	The stated purpose of the company, as an expression of the means by which a business proposes solutions to economic, environmental, and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	64
	<b>Purpose-driven management</b>	How the stated purpose of the company is integrated into the strategies, policies, and objectives of the company	65
<b>Governance: Purpose</b>			
<b>Governance:</b>	<b>Governance Body Composition</b>	Composition of the top governing body and its committees by: competencies related to economic, environmental, and social issues; executive or non-executive status; independence; tenure on the governing body; number of other significant positions and commitments of each individual; gender; membership in underrepresented social groups; representation of stakeholder groups.	29, 31
	<b>Integration of risk and opportunity into the business process</b>	Disclosures regarding the company's risk factors and opportunities should clearly identify the key material risks and opportunities facing the company, the company's appetite for these risks, how these risks and opportunities have evolved over time, and the response to those changes.	39
<b>Governance: Risk and Opportunity Oversight</b>			
<b>Governance: Stakeholder Engagement</b>	<b>Material issues affecting Stakeholders</b>	List of topics that are important to key stakeholders and the company, how the topics were identified, and how stakeholder groups were involved.	178

## Colbun Indicators

INDICATOR	CONTENT	PAGE
<b>Colbun 3.S0</b>	Social investment by type of initiative	140
<b>Colbun 4.S0</b>	Major socio-environmental conflicts experienced this year and how they were addressed	142
<b>Colbun 6.EC</b>	Status of the company's security prospects and goals related to growth.	Annexes
<b>Colbun 7.EC</b>	Colbun's vision regarding the energy agenda and new regulations	57
<b>Colbun 8.TR</b>	Work quotas filled through internal contests	118, Annexes
<b>Colbun 10.TR</b>	Climate survey results	116, Annexes

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[GRI 2-3]

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### **Materiality, use of standards, and content development**

Kellun

### **External Auditors for Financial Statements**

EY Professional Audit and Advisory Services SpA

### **External Auditors for Carbon Footprint and ESG Indicators**

KPMG Audit and Consulting Ltd.

### **Graphic Design**

Visualogica

# ANNEXES



## Annex Chapter 1

# Economic Value Generated and Distributed

[GRI 201-1]

INDICATORS (USD MILLIONS)		
	2023	2023
<b>Operating income</b>	2,7098.2	456.9
<b>Financial income</b>	93.3	2.0
<b>Other income</b>	0.0	0.0
<b>Total direct economic value generated (EVG)</b>	<b>2,191.5</b>	<b>458.9</b>
<b>Operating expenses</b>	1,450.3	369.7
<b>Salaries and employee benefits</b>	66.9	8.4
<b>Capital providers payments / Financing activities</b>	370.8	21.7
<b>State payments</b>	14.7	6.1
<b>Fixed asset investment</b>	390.9	19.9
<b>Community investments</b>	4.3	0.9
<b>Environmental investments</b>	4.0	0.4
<b>Total economic value distributed (EVD)</b>	<b>2,301.8</b>	<b>426.9</b>
<b>Net effect of financing activities</b>	-3.2	-36.2
<b>Economic Value Retained (ERV)</b>	<b>-113.5</b>	<b>-4.2</b>

# Subsidiaries and Associates

[NCG 461 6.5]

COMPANY NAME	COLBUN DESARROLLO
<b>Address</b>	Av. Apoquindo 4775, 11 <sup>th</sup> floor, Las Condes, Metropolitan Region, Chile
<b>Naturaleza jurídica</b>	Stock Corporation
<b>National/International</b>	National
<b>Corporate purpose</b>	Generation, transportation, transformation, distribution, supply, purchase, sale and any other activity of commercialization of power and electric energy; administration, operation and maintenance of hydraulic works and power generation plants; development of domestic and foreign power generation, transmission and distribution projects; treatment and conduction of sewage and wastewater, sale of seawater, treated water, drinking water and desalinated water; and construction of water treatment and desalination plants.
<b>Business relationship</b>	Subsidiary
<b>Acts and contracts entered into</b>	Not applicable
<b>Equity (ThUS\$)</b>	158
<b>Subscribed and paid-in capital (ThUS\$)</b>	160
<b>Income (ThUS\$)</b>	-
<b>Total assets as a percentage of total individual assets</b>	100%
<b>Percentage of direct and indirect participation</b>	100%
<b>Annual change in the percentage of ownership</b>	0%
<b>Chairman of the Board of Directors</b>	José Ignacio Escobar T.
<b>Board Directors</b>	José Ignacio Escobar T. Juan Eduardo Vásquez M. Eduardo Lauer R. Sebastián Moraga Z. Heinz Müller C
<b>Chief Executive Officer</b>	Not applicable

COMPANY NAME	SANTA SOFIA
<b>Address</b>	Av. Apoquindo 4775, 11th floor, Las Condes, Metropolitan Region, Chile
<b>Legal nature</b>	Stock Corporation
<b>National/International</b>	National
<b>Corporate purpose</b>	Generation, supply, transmission, purchase and sale of electric power; construction, assembly and operation of electric power generation equipment and plants with non-conventional renewable sources; and purchase, sale, import, export, processing, marketing and distribution of all kinds of services, goods or supplies related to the energy business.
<b>Business relationship</b>	Subsidiary
<b>Acts and contracts entered into</b>	Not applicable
<b>Equity (ThUS\$)</b>	13,093
<b>Subscribed and paid-in capital (ThUS\$)</b>	15,404
<b>Income (ThUS\$)</b>	147
<b>Total assets as a percentage of total individual assets</b>	116%
<b>Percentage of direct and indirect participation</b>	100%
<b>Annual change in the percentage of ownership</b>	0%
<b>Chairman of the Board of Directors</b>	This company does not have a Board of Directors or a Chief Executive Officer. Its administration is delegated exclusively to Colbun S.A.
<b>Board Directors</b>	The legal representatives have been appointed as attorneys-in-fact: Juan Eduardo Vásquez M. Rodrigo Pérez S.
<b>Chief Executive Officer</b>	Eduardo Lauer R. Sebastián Moraga Z.

COMPANY NAME	COLBUN PERU
<b>Address</b>	Av. Santa María No. 130, Miraflores, Lima, Peru
<b>Legal nature</b>	Public Limited Company
<b>National/International</b>	International
<b>Corporate purpose</b>	Investment in all kinds of movable assets, including the acquisition of shares or rights in all kinds of companies, communities, foundations or associations, in all kinds of marketable securities and credit or investment instruments and the administration and exploitation of these investments and their fruits or products; and the generation, transportation, transformation, distribution, supply, purchase, sale and any other activity of commercialization of electric power and energy, without any limitation whatsoever.
<b>Business relationship</b>	Subsidiary
<b>Acts and contracts entered into</b>	CSA con ICAM
<b>Equity (ThUS\$)</b>	190,873
<b>Subscribed and paid-in capital (ThUS\$)</b>	219,635
<b>Income (ThUS\$)</b>	13,580
<b>Total assets as a percentage of total individual assets</b>	115%
<b>Percentage of direct and indirect participation</b>	100%
<b>Annual change in the percentage of ownership</b>	0%
<b>Chairman of the Board of Directors</b>	Thomas Keller L.  Hernán Rodríguez W. (T) Juan Eduardo Vásquez M. (A)
<b>Board Directors</b>	Thomas Keller L. (T) Sebastián Moraga Z. (A) José Ignacio Escobar T. (T) Eduardo Lauer R. (A)
<b>Chief Executive Officer</b>	Roxana Aliaga A.

COMPANY NAME	COLBUN PERU
<b>Address</b>	Av. Antonio Miró Quesada 425 of 1203, Magdalena del Mar, Lima, Peru
<b>Legal nature</b>	Public Limited Company
<b>National/International</b>	International
<b>Corporate purpose</b>	Electric power generation, secondary transmission and commercialization activities in accordance with the law of the matter; to develop any civil, industrial and commercial activity or operation and any other similar activity or operation that may be directly or indirectly related to or conducive to the fulfillment of the Company's purpose, as well as the exploitation of those natural resources produced as a result of such generation of electric power, as may be necessary or appropriate and authorized for corporations.
<b>Business relationship</b>	Subsidiary
<b>Acts and contracts entered into</b>	CSA con ICAN - Préstamo con ICAN
<b>Equity (ThUS\$)</b>	298,839
<b>Subscribed and paid-in capital (ThUS\$)</b>	253,552
<b>Income (ThUS\$)</b>	23,667
<b>Total assets as a percentage of total individual assets</b>	37%
<b>Percentage of direct and indirect participation</b>	58.6%
<b>Annual change in the percentage of ownership</b>	7.6%
<b>Chairman of the Board of Directors</b>	Juan Miguel Cayo
<b>Board Directors</b>	Juan Salinas Ulloa Juan Eduardo Vásquez M. (A) Thomas Keller L. (T) Rodrigo Pérez S. (A) José Ignacio Escobar T. (T) Eduardo Lauer R. (A) Sebastián Moraga Z. (A) Juan Camargo (A) Mujeeb Ur Rehman Qazi (A) David Jana B. (T) Suhail Hamad Mohammed Al Yabhouni Dhaheri
<b>Chief Executive Officer</b>	Juan Miguel Cayo

COMPANY NAME	DESALADORA DEL SUR S.A.
<b>Address</b>	Av. Antonio Miró Quesada 425 of 1203, Magdalena del Mar, Lima, Peru
<b>Legal nature</b>	Public Limited Company
<b>National/International</b>	International
<b>Corporate purpose</b>	The corporate purpose of the Company is to engage in the desalination of seawater, purification, conduction, commercialization and provision of drinking water supply services to the Lima Potable Water and Sewerage Service (SEDAPAL) or to third parties; as well as any other activity related to the foregoing that is permitted by Peruvian law, without any reservation or limitation whatsoever. It is understood as included in the corporate purpose the acts related to the same that contribute to the achievement of its purposes. In order to comply with said purpose, it may carry out all those acts and contracts that are lawful, without any restriction whatsoever.
<b>Business relationship</b>	Subsidiary
<b>Acts and contracts entered into</b>	Not applicable
<b>Equity (ThUS\$)</b>	230
<b>Subscribed and paid-in capital (ThUS\$)</b>	250
<b>Income (ThUS\$)</b>	3
<b>Total assets as a percentage of total individual assets</b>	109%
<b>Percentage of direct and indirect participation</b>	58.6%
<b>Annual change in the percentage of ownership</b>	7.6%
<b>Chairman of the Board of Directors</b>	-
<b>Board Directors</b>	Roxana Aliaga Aste Dante Olcese Chirinos Alejandro Galarza Lopez
<b>Chief Executive Officer</b>	Juan Miguel Cayo

COMPANY NAME	INVERSIONES DE LAS CANTERAS
<b>Address</b>	Av. Santa Maria No. 130, Miraflores, Lima, Peru
<b>Legal nature</b>	Public Limited Company
<b>National/International</b>	International
<b>Corporate purpose</b>	Investment in all kinds of movable assets, including the acquisition of shares or rights in all kinds of companies, communities, foundations or associations, in all kinds of securities and credit or investment instruments together with the administration and exploitation of these investments and their fruits or products; and the generation, transportation, transformation, distribution, supply, purchase, sale and any other activity of commercialization of electric power and energy, without any limitation whatsoever.
<b>Business relationship</b>	Subsidiary
<b>Acts and contracts entered into</b>	CSA con ICAN y FENP - Préstamo con Fenix
<b>Equity (ThUS\$)</b>	299,570
<b>Subscribed and paid-in capital (ThUS\$)</b>	425,698
<b>Income (ThUS\$)</b>	23,456
<b>Total assets as a percentage of total individual assets</b>	142%
<b>Percentage of direct and indirect participation</b>	58.6%
<b>Annual change in the percentage of ownership</b>	7.6%
<b>Chairman of the Board of Directors</b>	Thomas Keller L.
<b>Board Directors</b>	Hernán Rodríguez W. (T) Juan Eduardo Vásquez M. (A) Thomas Keller L. (T) Sebastián Moraga Z. (A) José Ignacio Escobar T. (T) Eduardo Lauer R. (A) Rodrigo Pérez S. (T)
<b>Chief Executive Officer</b>	Roxana Aliaga A.

COMPANY NAME	EFIZITY SPA
<b>Address</b>	Av. Andres Bello 2687, 1201 office, Las Condes, Metropolitana region, Chile
<b>Legal nature</b>	Stock Corporation
<b>National/International</b>	National
<b>Corporate purpose</b>	Development, implementation, distribution and commercialization of all types of software and technological platforms; provision of services, advisory and consulting services in the area of energy efficiency and computing, software development, information technologies, advertising, marketing and the collection and processing of all types of information and data; provision of advertising services through all types of technological media, whether digital or analog; to make all kinds of investments in movable and immovable property for long-term rental purposes, tangible and intangible, including the formation of and participation in other legal entities and companies of any type and purpose, the administration of such investments and the collection of their fruits or income; and any other activity permitted by Chilean law that the partners may agree in the future. The Company, among other acts, may always and at all times contract, subscribe and enter into all those obligations, contracts or agreements that are directly or indirectly convenient or necessary for the full, adequate and timely fulfillment of its corporate purpose.
<b>Business relationship</b>	Subsidiary
<b>Acts and contracts entered into</b>	-
<b>Equity (ThUS\$)</b>	265
<b>Subscribed and paid-in capital (ThUS\$)</b>	1,143
<b>Income (ThUS\$)</b>	974
<b>Total assets as a percentage of total individual assets</b>	36%
<b>Percentage of direct and indirect participation</b>	100%
<b>Annual change in the percentage of ownership</b>	0%
<b>Chairman of the Board of Directors</b>	Juan Salinas U.
<b>Board Directors</b>	Juan Salinas U. (T) Miguel Roca O. (S) Carolina Elchiver C. (T) Consuelo Castillo B. (S) Sergio Concha V. (T) René Zenteno S. (S)
<b>Chief Executive Officer</b>	Roxana Aliaga A.

<b>COMPANY NAME</b>	ELECTROGAS
<b>Address</b>	Av. Alonso de Córdova 5900, oficina 401, Las Condes, Región Metropolitana, Chile
<b>Legal nature</b>	Public Limited Company
<b>National/International</b>	National
<b>Corporate purpose</b>	Purchase, sell, invest and hold Electrogas S.A. shares.
<b>Business relationship</b>	Affiliate
<b>Acts and contracts entered into</b>	Firm contract for 1,626 MMm3/day in the Chena-Quillota direction until December 31, 2027.
<b>Equity (ThUS\$)</b>	29,290
<b>Subscribed and paid-in capital (ThUS\$)</b>	21,266
<b>Income (ThUS\$)</b>	30,922
<b>Total assets as a percentage of total individual assets</b>	52.14%
<b>Percentage of direct and indirect participation</b>	42.5%
<b>Annual change in the percentage of ownership</b>	0%
<b>Chairman of the Board of Directors</b>	Gonçalo Morais S.
<b>Board Directors</b>	Gonçalo Morais S. (T) Joao Pedro Pires (S) Joao Faria C. (T) Marta Almeida A.(S) Juan Eduardo Vásquez M. (T) Luis Le Fort P. (T) Rodrigo Pérez S (S) Juan Pablo Fiedler P. (S) José Miguel Higuera F. (T) Lucy Carvacho C (S)
<b>Chief Executive Officer</b>	Allan Fischer H.



## Tax Management

### Fiscal Approach

[GRI 207-1]

**In Chile, our tax strategy adheres to the laws and regulations governing taxation**, including the Tax Code, the Income Tax Law, and the Sales and Services Tax Law, among others. While this strategy isn't public, we implement internal procedures focused on tax compliance and controls to ensure prompt and thorough adherence. **Similarly, in Peru, our approach is rooted in regulatory compliance**, ensuring full adherence to all tax obligations stemming from our activities.

These policies are directly aligned with our commitment to integrity and value creation, as outlined in our sustainability policy, which seeks to generate long-term value for the Company and its stakeholders.

**Colbun S.A. and its subsidiaries prioritize tax compliance by developing policies tailored to meet the relevant regulations in each jurisdiction of operation.** We ensure the presence of well-documented processes, crafted and reviewed by seasoned professionals, to effectively achieve our compliance objectives.

### Fiscal Governance and Risk

[GRI 207-2]

Governance in this realm **is overseen by the Board of Directors, which reviews and approves the fiscal strategy.** Additionally, Tax Committees convene at least quarterly to assess tax compliance as of each meeting date and address various pertinent tax matters that arise during the period. These committees make collective decisions on how to proceed. Participating in these committees are the Administration and Finance Manager, the Internal Audit Manager, the Legal Manager, and external advisors as needed.

Our Company's risk matrix includes defined tax risks and mitigation strategies, categorized by level—low, medium, or high risk. These risks are presented and monitored during Tax Committee meetings.

**To execute tax management effectively, our Company maintains a specialized team in fiscal matters**, led by an assistant manager. These professionals undergo regular training to ensure optimal performance. Consequently, in the absence of any team member, there are qualified personnel available to fill in and uphold tax compliance responsibilities.

**Moreover, we engage external tax auditors to verify adherence to current tax regulations in Chile**, (encompassing income tax, VAT, and other applicable taxes). Additionally, our financial statements containing tax-related information undergo annual audits conducted by external auditors.

## Stakeholder Participation in Tax Matters

[GRI 207-3]

In Chile, tax documentation is regularly submitted to the tax authority (SII), complying with all necessary openness and detail as per current regulations. This includes monthly and annual tax returns, as well as any required affidavits. In the event of any inquiry or information request from the tax authority, the requested information is promptly provided to the relevant official.

In Peru, the tax authority is the Superintendencia Nacional de Aduanas y Administración Tributaria (SUNAT).

**Our Company publishes reports that clearly explain the tax situation,** providing detailed information such as the effective tax rate and reconciliation. These reports are included in financial statements submitted to the CMF and our annual integrated report.

**Additionally, we have a whistleblower channel for stakeholders to report concerns regarding company conduct.** Any consultations or complaints related to tax matters are thoroughly analyzed and investigated by our Internal Audit Management team. This department is responsible for responding to the individual making the inquiry or complaint and coordinating any necessary actions or measures.

## Emissions Tax

In Chile, Colbun adheres to regulations regarding emissions taxation, fulfilling its obligations by calculating and remitting the required taxes as per legal mandates. Moreover, these regulations extend incentives to incentivize industries towards adopting eco-friendly practices through nationwide sustainable projects. These initiatives are geared towards improving air quality and preserving public health.

Decree No. 4/2023, issued by the Ministry of the Environment and published in September 2023, introduced the first Green Tax Emissions Compensation System (SCE) in the national market. Colbun has already submitted its projects to the Ministry's platform and requested approval for its initiative at the Ovejería photovoltaic plant. Upon completion of the process, the Company will be able to issue emissions reduction certificates to offset green taxes.

## Reports by Country

[GRI 207-4]

**Our Company provides comprehensive information on its foreign subsidiaries**, including their addresses in the respective jurisdictions, in the Integrated Report and corresponding Financial Statements. These documents are filed with the Financial Market Commission (CMF) and made available on the Company's website ([www.colbun.cl](http://www.colbun.cl)). Among other details, these reports disclose the Effective Tax Rate and Reconciliation from the Tax Rate. **Regarding intra-group transactions, details are presented by country in the respective jurisdictions; however, this information is not publicly disclosed.**

### Consolidated 1: +

### Consolidated 2:

INDICATORS IN USD	TAX JURISDICTION 1	TAX JURISDICTION 2
<b>Resident entities</b>	Colbun S.A; Colbun Desarrollo, Santa Sofía SpA, Efizity SpA; Colbun Peru; Inv. las Canteras; Fenix; Desalination plant	Colbun Peru; Inv. las Canteras; Fenix; Desalination plant
<b>Main activities</b>	Generation of electric power in hydroelectric power plants, thermoelectric power plants, in other N.C.P. plants, transmission and distribution of electric power, construction of civil engineering works and other specialized construction activities, gas manufacturing; distribution of gaseous fuels by pipeline, except regasification of LNG, non-specialized wholesale.	Investment in all kinds of movable assets, including the acquisition of shares or rights in all kinds of companies, communities, foundations or associations, in all kinds of marketable securities and investment credit instruments together with the administration and exploitation of these investments and their fruits or products; and the generation, transportation, transformation, distribution, supply, purchase, sale and any other activity of commercialization of electric power and energy, without any limitation whatsoever.
<b>Number of employees</b>	1,091	126
<b>Revenues from sales to third parties</b>	2,003,618,974.21	312,234,808.44
<b>Income from intra-group transactions with other tax</b>	448,573.00	0
<b>Profit or loss before tax</b>	548,572,723.32	32,833,850.03
<b>Tangible assets other than cash and cash equivalents</b>	5,101,689,556.49	503,783,183.40
<b>Corporate income tax paid in cash</b>	67,933,515.06	Not public information
<b>Corporate income tax accrued on profits or losses</b>	159,153,654.45	Not public information
<b>Reasons for difference between corporate income tax accumulated on profit or loss and tax calculated if the statutory tax rate is applied to pre-tax profit or loss</b>	Mainly exchange rate effects in Peruvian companies	Not public information

## Annex Chapter 2

# Activity of the Board's Steering Committee

[NCG 461 3.3.iv]

In 2023, the Steering Committee met multiple times to evaluate Management's proposals to the Board of Directors and related party transactions governed by Article 147 of Law No. 18,046. It was agreed to recommend to the Board of Directors the approval of these transactions, as they either aligned with prevailing market conditions for such transactions or constituted regular operations within the Company's business.

The Committee made decisions on the following operations in particular:

### Extension Cash Support Agreement (CSA) with Fenix Power Peru

**This is the extension, by up to 2 additional installments, of the "Cash Support Agreement" signed in 2019**, which implies that the Company has the obligation to contribute, under certain circumstances, within a period of 3 years, an amount of up to US\$ 101 million to Fenix. The Committee reviewed this transaction as it constitutes a transaction involving related parties: Fenix Power Peru S.A and its parent company, Colbun S.A.

### Transportation Contract with E-mov SPA

This is a Corporate Transportation Contract with **E-Mov SpA (Electric Vehicles) for people and cargo transportation**. It enables the Company to incorporate sustainable alternatives to its transportation service and support the development of electromobility. The transportation services will be provided using 100% electric vehicles with zero emissions, which also hold a certificate for greenhouse gas reduction. The Committee reviewed this contract because it involves an operation between related parties. The Chief Executive Officer, Mr. José Ignacio Escobar T., has a minority share in the ownership of E-Mov SpA.

### 2023 Colbun Foundation Budget Approval

The Committee reviewed the approval of the 2023 budget of the Colbun Foundation. This budget had been previously approved by the Board of Directors as part of the Company's annual budget approval process. It falls within the budget of the Public Affairs Management and has also been approved by the Colbun Foundation itself. The Committee reviewed this transaction because it involves the transfer of funds from Colbun S.A. to the Colbun Foundation for the fulfillment of its objectives. This constitutes a related party transaction since executives of Colbun S.A. are also directors of the Colbun Foundation. Furthermore, it aligns with the Company's policy and objectives regarding donations.

### Hiring of EY as Auditor of Consorcio Centinela's Financial Model

This concerns the hiring of EY as the auditor of **Consorcio Centinela's financial model. EY was selected because an EEFF audit services contract with Colbun S.A. for the annual period 2023 is already in force**. The Committee reviewed this contracting, considering other quotations received, the market price offered, the approval of the rest of the members of the consortium, and the positive experience with EY in previous consultancies.

The Committee agreed to propose to the Board of Directors the approval of this contracting, as it aligns with market conditions for operations of this nature.

### Mobile Telephony Service Provision Contract with Entel

This is a contract for the provision of mobile telephony services, following a bidding process involving three companies in the area. The Committee reviewed this transaction as it constitutes a related party transaction. Directors Bernardo Larraín M. and Francisco Matte I. are part of the controlling group of Entel.

### Consulting Offer for LEED OM Certification from Efizity SpA to BICE Renta Urbana S.A.

This is a consultancy service provided by the subsidiary Efizity SpA to BICE Renta Urbana S.A. (BICE) to obtain LEED OM certification for office rental assets, **consisting of a diagnosis and gap analysis, energy consumption benchmark, water consumption assessment and energy audit**. The Committee reviewed this operation as it constitutes an operation between related companies, namely between Efizity SpA (a subsidiary of Colbun S.A.) and BICE Renta Urbana S.A. (a subsidiary of Bicecorp S.A.), a company related to the directors Hernán Rodríguez W., Bernardo Larraín M., Francisco Matte I., Juan Carlos Altmann and Rodrigo Donoso M.

### Office Lease Agreement with BICE Vida Compañía de Seguros S.A.

This is a lease agreement for office 301 of the building at Av. Apoquindo 4775 with BICE Vida Compañía de Seguros S.A. **This office will be used as an auditorium, conference room, meetings, lectures and contracting**. The committee reviewed this operation due to the fact that BICE Vida Compañía de Seguros S.A. is a subsidiary of Bicecorp S.A., a company related to the directors Hernán Rodríguez W., Bernardo Larraín M., Francisco Matte I., Juan Carlos Altmann and Rodrigo Donoso M.

### Operation and Maintenance Contract with Electrogas

**Operation and maintenance contract for a pipeline that can be filled with diesel and thus guarantee the fuel required by the Nehuenco Complex** for the plant's operations in case there is no natural gas supply. The Committee reviewed this operation because it is an operation between related parties, since it is carried out between the parent company and an affiliated company, and because the Business and Energy Management Manager of Colbun S.A., Mr. Juan Eduardo Vásquez M., is also a director of Electrogas S.A.

### Office lease agreement with BICE Vida Compañía de Seguros S.A.

Office lease agreement (floors 6 and 8 of the building at 4775 Apoquindo Ave.) with BICE Vida Compañía de Seguros S.A. **Floor 8 will be used to integrate the subsidiary Colbun Soluciones by Efizity in the same building where the Head Office operates**, and floor 6 for improvement and growth of the Company. The Committee reviewed this operation due to the fact that BICE Vida Compañía de Seguros S.A. is a subsidiary of Bicecorp S.A., a company related to the directors Hernán Rodríguez W., Bernardo Larraín M., Francisco Matte I., Juan Carlos Altmann and Rodrigo Donoso M.

### Power and Electric Energy Supply Contract with Minera Lo Valdés Ltda.

Power and electric energy supply contract with Minera Lo Valdés Ltda. The Committee reviewed this operation for constituting an operation between related parties due to the fact that Minera Lo Valdés Ltda. is a subsidiary of Compañía Industrial El Volcán S.A., a company that is part of the same business group and in which Mr. Rodrigo Donoso M. is, in turn, a director.

### Telecommunications Link and Datacenter Services Contracts Amendment with Entel and GTD.

An amendment to the telecommunications link and datacenter contracts signed in 2020 with Empresa Nacional de Telecomunicaciones S.A. and GTD Teleductos S.A., **to extend the services provided to the facilities of the PE Horizonte project and the second Operations and Dispatch Center**, located in the Santa Maria Tower in Santiago. The Committee reviewed these operations as they constitute operations between related companies, namely Colbun S.A. and Entel, on the one hand, due to the fact that the Directors Bernardo Larraín M. and Francisco Matte I., are members of the controlling group of Entel; and between Colbun and GTD, on the other hand, due to the fact that the Director Hernán Rodríguez W., is also a director of GTD.

### Construction and Operation Agreement for a Self-consumption Photovoltaic Power Plant between Efizity SpA and Complejo Industrial Molynor S.A.

This is an energy solution contract for the construction and operation of a self-consumption photovoltaic power plant that will **allow Molynor S.A. to obtain savings on the price of energy from the grid**, and was the most competitive offer among 5 others received by Molynor. The Committee reviewed this transaction as it was considered a transaction between related companies, since although the controlling group of Colbun has a shareholding of Under 10% in the company Molibdenos y Metales S.A., Molynor's parent company. -Molynor's parent company, Molibdenos y Metales S.A., which has the possibility of potentially influencing its management, since it has the possibility of appointing a Director.

### Financial and Tax Analysis Services Contract with EY Audit SpA.

Financial and tax analysis services contract with EY Audit SpA in the framework of the BOOT contract bidding for the seawater impulsion project for Minera Centinela, of Antofagasta Minerals S.A., together with Transelec and Almar, companies with which the cost of these analyses will be shared. The Committee reviewed this operation as it is a matter indicated in numeral 7) of the eighth paragraph of Article 50 bis of Law No. 18,046 on Corporations.

### Donation to Sociedad de Instrucción Primaria (SIP) - Red de Colegios (Primary Education Society)

This donation was given to the Sociedad de Instrucción Primaria (SIP) - Red de Colegios. The SIP, which is a 164-year-old non-profit private corporation, has 17 schools in 12 districts of the Metropolitan Region. **Its purpose is to finance renovation and remodeling projects in three schools**, including painting, paving of courts, renovation of spaces for service personnel, renovation of flower boxes, installation of new carpentry in a gymnasium, improvement of a teachers' room, renovation of the floor of a teachers' room and maintenance of the service personnel's spaces. The grant amount is \$247,311,810. The Committee reviewed this transaction as it is a related party transaction because Mrs. Magdalena Larraín Matte, sister of director Mr. Bernardo Larraín M. and cousin of director Mr. Francisco Matte I., is a member of the Board of Directors of SIP, and in turn is part of the Company's Controlling Group.

In addition, during the year 2023, the Board of Directors' Committee carried out the following activities:

- Reviewed the Company's Financial Statements as of December 31, 2022.
- Met with representatives of the external audit firm EY Servicios Profesionales de Auditoría y Asesorías SpA, the Company's external auditors, to analyze the scope of services provided during 2022, the accounting criteria used, and the results of the audit as of December 31, 2022.
- Reported on the activities carried out by the Committee during the year 2022, issuing the Annual Management Report.
- Evaluated the Management's proposals for the appointment of external audit firms for the year 2023 and agreed to propose to the Board of Directors that it propose to the Shareholders' Meeting the appointment of EY Servicios Profesionales de Auditoría y Asesorías SpA as the first option, KPMG Auditores Consultores Ltda. as the second option, and PricewaterhouseCoopers Consultores, Auditores y Compañía Limitada as the third option.
- Reviewed the company's financial statements on a quarterly and semi-annual basis.
- Met semi-annually with the External Auditors EY Servicios Profesionales de Auditoría y Asesorías SpA.
- Reviewed the compensation system and compensation plans for managers, senior executives, and employees of the Company.
- Reviewed the Internal Control Charter of the External Auditors EY Servicios Profesionales de Auditoría y Asesorías SpA.

### Management's ownership interest

As of December 31, 2023, the Chief Legal Officer, Rodrigo Perez, is the only executive that owns Colbun shares, equivalent to Under 0.002% of the ownership. For further details, see the following [link](#) to the Financial Market Commission (CMF).

## Operations Assessed for Corruption Risks

[GRI 205-1]

The following corruption risks are part of the Crime Prevention Model and the Risk Matrix:

- Risk of bribery: Invitation or gift to public officials; donation to a public agency; patronage or sponsorship to a public agency; obtaining any municipal or sectorial permit; audits; hiring of former public officials or relatives of public officials; process of negotiation and agreements of energy/supplier sales with public agency or companies; purchase, easement, or leases of land linked to public officials or relatives; purchase of services from a public official or relative.
- Terrorist financing risk: When entering into a relationship with suppliers that are linked to terrorist financing; entering into a relationship with clients that are linked to terrorist financing;

making an acquisition or merger with a company that is linked to terrorist financing; making a donation to an organization that is linked to terrorist financing.

- Money laundering risk: By entering into a relationship with suppliers that are linked to money laundering; entering into a relationship with customers that are linked to money laundering; entering into an acquisition or merger with a company that is linked to money laundering.
- Risk of misappropriation: When establishing a relationship with suppliers that sell or market in any way species that come from theft, robbery, misappropriation, misappropriation, and/or animal theft; when making minor purchases that come from theft,

robbery, misappropriation, and/or animal theft; in "pirate" software installations.

- Bribery risk between private parties: Providing an economic benefit to clients to award contracts or bids; receiving an economic benefit from suppliers to award contracts or bids.
- Risk of data misappropriation: The possibility of third parties gaining unauthorized access to confidential or protected information, either through theft, interception, or illegal access to computer systems.

In 2023, 100% of our operations were assessed for the above corruption risks.

## Anti-corruption Communication and Training

[GRI 205-2, 205-3]

All members of the Board of Directors were informed of relevant anti-corruption matters during 2023. Similarly, 100% of employees received information on the Crime Prevention Model (which includes anti-corruption issues), both in Chile and Peru.

### Chile

POSITION	Total	Trained individuals	%
Senior management	12	12	100%
Management	77	73	95%
Supervisor	139	133	96%
Operator	22	20	91%
Sales force	6	3	50%
Administrative	50	44	88%
Assistant	17	12	71%
Other professionals	394	350	89%
Other technicians	331	313	95%
Total	1,048	960	92%

### Peru

POSITION	Total	Trained individuals	%
Senior management	1	1	100%
Management	8	7	88%
Supervisor	23	15	65%
Operator	n/a	n/a	n/a
Sales force	n/a	n/a	n/a
Administrative	5	2	40%
Assistant	1	0	0%
Other professionals	62	34	55%
Other technicians	29	13	45%
Total	129	72	56%

### Consolidated

POSITION	Total	Trained individuals	%
Senior management	13	13	100%
Management	85	80	94%
Supervisor	162	148	91%
Operator	22	20	91%
Sales force	6	3	50%
Administrative	55	46	84%
Assistant	18	12	67%
Other professionals	456	384	84%
Other technicians	360	326	91%
Total	1,177	1,032	88%

## General Risk Catalog

CATEGORY	DESCRIPTION	RISKS INVOLVED	
Strategic	Risks that threaten the Company's strategic management, requiring permanent monitoring and actions whose response horizons are in the long term.	Industry loss of competitiveness	Loss of the Company's competitive position due to ineffective identification, evaluation and monitoring of evolving market trends that could further impact growth and profitability.
		Innovation	Ineffective development, delivery and diffusion of innovative solutions, caused by an inadequate search for new technologies and/or erroneous or incomplete analysis of innovation projects, which could jeopardize the Company's strategic positioning.
		Negative impact on the Company's public image	Negative impact on the company's public image, damaging shareholder and other relevant stakeholders' trust relationship.
		Inability to identify emerging trends or manage relevant changes in a timely manner, which could negatively influence strategic decision-making processes.	Inability or deficiency in identifying, evaluating and monitoring macroeconomic dynamics, financial fluctuations, national and international political-social changes and their adjustments in monetary, governmental and commercial policies in the countries where we operate, generating unreliable scenarios for analysis and negatively influencing strategic decision-making processes.
		Unfavourable developments of the legal or regulatory framework	Undesired evolution of the legal or regulatory framework refers to the possibility of potentially unfavorable changes in laws and regulations affecting the industry, given the current context of energy transition and sustainability policies, which may include new environmental requirements, adjustments in electricity tariffs, etc.
		Failure to manage relevant legal and regulatory changes in a timely manner, potentially negatively impacting strategic decision making processes	Failure to act effectively when faced with legal and/or regulatory changes, due to erroneous or non-existent internal gap analysis regarding such changes.
		Climate Change - Physical Risk - Water availability decrease (patterns and generation)	During dry hydrological conditions, the main impact on the Company is the impossibility of operating hydroelectric power plants due to lack of water and therefore potentially having to purchase energy in the spot market, resulting in the economic impact that this entails.
		Climate Change - Physical Risk - Increase in the duration of heat waves (impact of fires on energy transmission)	Heat waves increase the existence of forest fires that interrupt transmission capacities and therefore the evacuation of energy from the power plants, impacting operational continuity.
		Climate Change - Transition Risk - Approval of carbon taxes	Considering that the Company's thermoelectric power plants generate a cost of supply related to the cost of raw materials and related taxes, a carbon tax reduces the result and impacts the EBITDA of the operation of these plants.
		Climate Change - Transition Risk - Decommissioning of coal-fired power plants	Given the international requirements on Net Zero commitments, the coal-fired generation of our Santa Maria power plant would be threatened by 2030.
Climate Change - Transition Risk - CO <sub>2</sub> Emission Standards for thermoelectric power plants	CO <sub>2</sub> emission standards for thermoelectric power plants will establish an accepted basis of operation for this type of technology, which will imply an operational and economic impact to adapt existing facilities to the new regulations.		
Loss of stakeholder engagement	Having an ineffective structure for involving relevant stakeholders (communities, customers, authorities, investors, contractors, etc.), due to inadequate management of their expectations and protection of their privacy, with an impact on their integration in the strategy and sustainability planning processes, affecting the Company's reputation and competitiveness.		

CATEGORY	DESCRIPTION	RISKS INVOLVED	
<b>Growth</b>	Risks that threaten the Company's growth commitments.	Failure to meet business growth objectives	Failure to meet growth objectives due to an inefficient search and evaluation process for the project portfolio, as a result of inefficient assumptions and criteria for selecting viable options for business growth.
		Failure to meet growth objectives in new business.	Failure to meet growth objectives in new businesses due to an inefficient search and evaluation process of the project portfolio, resulting from ineffective assumptions and criteria for selecting viable new business growth options.
		Failure to meet quality, budget and schedule objectives for projects.	Failure to meet quality, budgetary and scheduling objectives on projects due to ineffective project management, including supply chain issues, inefficiencies in control processes or design deficiencies for future O&M.
<b>Clients</b>	Risks that in interaction with clients may have an impact on the Company's relationship and results.	Unattractive Value-Added Services	Value Added Services where the features of the products and services provided by the Company are not geared to meet customer expectations and needs.
		Non-compliance in service quality	Ineffective management of operational parameters that lead to not being able to meet agreed service levels, generating customer dissatisfaction.
		Non-competitive value propositions	Developing value propositions with products and services that are perceived as non-competitive for the market.
		Credit and Counterparty	Contractor's inability to meet its contractual payment or delivery obligations and/or credit deterioration or default of a contractor.
<b>Financial</b>	Risks associated with the Company's financial management, which may have a direct impact on its operations and/or equity.	Capital structure and access to financing	Ratio of the company's debt to equity, or the mix between long-term and short-term debt, may not be adequate to support financial flexibility, allow unrestricted access to a wide range of funding sources and achieve cost of debt objectives.
		Commodities	Unfavorable commodity market trends and/or price volatility movements and/or lack of availability of raw materials and natural resources.
		Exchange rates	Currency fluctuations of cash flows corresponding to investment income, costs and disbursements that are denominated in currencies other than the functional currency (U.S. dollar).
		Interest rate	Accounting mismatch between assets and liabilities in the Statement of Financial Position denominated in currencies other than the functional currency.
		Liquidity	Not having the necessary funds to meet investment commitments and business expenses, debt maturities, among others.
		Credit	Possibility that a counterparty may fail to comply with its contractual obligations and produce an economic or financial loss.



CATEGORY	DESCRIPTION	RISKS INVOLVED	
Operational	Risks arising from operations related to the business and the support processes necessary to render the services or provide the committed products.	Physical Safety	Unauthorized access, illegal occupation by third parties, theft, personal appropriation of equipment, facilities or other physical assets.
		Ineffective Asset Protection	Ineffective safeguarding activity (e.g. insurance) on physical and financial assets.
		Business Continuity	Partial or total interruption of production operations due to technical failures, malfunction of assets and facilities, human error, sabotage, unavailability of raw materials, adverse weather events, employee strikes, public prosecutor investigations for accidents or incidents and/or community demonstrations with occupation of facilities.
		Process Inefficiency	Higher operational costs or delays, as well as lower revenues due to inadequate management of processes and activities, poor data quality, or incomplete or ineffective monitoring of operations.
		Procurement, logistics and supply chain	Ineffective procurement or contract management activities due to inadequate definition of requirements or supplier qualification process, frequent use of direct award, poor monitoring of compliance with contractual obligations and failure to apply sanctions.
		Incidents affecting the environment	Incidents occurred due to inappropriate operations or facilities, generating negative impact on the environment.
		Company's operations without considering biodiversity impacts	Company planning and development, as indicated in the Biodiversity Policy, must "consider in our environmental management the recognition of biodiversity, natural habitats and the management of greenhouse gas emissions to achieve environmental viability in our activities", for non-compliance with these guidelines constitute a relevant risk for the Company
		Incidents with an impact on the community within the area of influence of the Company's facilities.	Community impact incidents within the area of influence of the company's facilities, affecting their safety and health (fatalities, injuries or psychological impact), forced displacement (evacuations and/or displacements as a result of operational incidents), infrastructure (damages or losses) and/or independence (discontinuity of basic services or isolation due to damage to road infrastructure) of the community.
ICT	Risks arising from the use of information and communication technologies, including opportunities not taken.	Incidents affecting the occupational health and safety of the Company's employees and contractors.	Incidents due to inappropriate conditions, structures, equipment and operations with negative impact on the occupational health and safety of employees and contractors.
		Cibersecurity	Cyber-attacks or inadequate internal treatment resulting in damage to corporate data, with impact on the integrity or confidentiality of them (internal or external hacking).  Internal cyber-attacks or inadequate treatment resulting in loss of corporate capabilities with impact on the integrity of processes or availability of systems (ransomware on corporate systems or loss of control over assets with remote operation).
		Service Continuity	Exposure of IT/OT systems to service interruptions and data loss.
		Inadequate Digitalization	Inefficient process management and higher operational costs due to lack of digitization in terms of workflow coverage, systems integration and adoption of new technologies.

CATEGORY	DESCRIPTION	RISKS INVOLVED	
<b>Culture and Governance</b>	Risks originated from or impacting the Company's organizational management capabilities and the people that make up the Company, affecting such capabilities.	Corporate Governance	Ineffective corporate governance framework to support decision-making processes.
		Corporate Culture and Ethics	Inadequate integration of ethical principles within the Company's processes and activities. Inability to implement policies and processes that ensure respect for the principles of diversity and equal opportunity. Unsanctioned behavior of employees and managers, in contravention of the company's ethical values.
		Organizational Design	Organizational design not aligned with the challenges and strategies in force in the Company.
		People	Insufficient internal organizational capabilities, due to: <ul style="list-style-type: none"> <li>→ Inadequate succession planning process.</li> <li>→ Inadequate or non-existent training programs.</li> <li>→ Ineffective incentive schemes.</li> <li>→ Ineffective recruitment processes and retention policies.</li> </ul>
<b>Compliance</b>	Risks arising from the interaction with legal and regulatory requirements of the Company's processes, where there are levels of exposure to non-compliance.	Corruption	Conduct potentially qualifying as bribery of public employees or private-to-private corruption.
		Data Protection	Non-compliance with applicable data protection and privacy laws or regulations (in particular with the new law to be enacted in 2024 as described in the specific section below).
		External Disclosure	Dissemination of reports, accounting documents, communications or other documents with incorrect, inaccurate or incomplete information.
		Legal and/or Regulatory Non-compliance	Non-compliance with national or international laws and regulations applicable to the company, including international or national financial and tax, environmental, occupational health and safety, antitrust, data protection, economic crimes and sector-specific or specific laws and/or regulations.
		Intellectual Property	Infringements or frauds on the Company's intellectual or industrial property or on the intellectual or industrial property of third parties.
		Litigation Management	Adverse judgments or inconveniences for the companies resulting from ineffective litigation management in the face of legal proceedings to which the Company is brought.
		Fraud	Theft, misappropriation or misappropriation of the Company's financial assets. Ineffective safeguarding activity (e.g. insurance) on financial assets.

CATEGORY	DESCRIPTION	RISKS INVOLVED	
Human Rights	Risks arising from inadequate due diligence in the management of the fundamental rights of people, whether employees, contractors, clients, communities, etc.	Fatal or non-fatal accidents of people due to falls or immersion in canals.	Los canales pertenecientes a los complejos suponen un desafío de seguridad muy considerable para las comunidades aledañas, siendo el principal impacto potencial de muertes o dYEARS a la salud de las personas, pudiendo afectar de manera especial a dos grupos vulnerables: a niños, niñas y adolescentes y adultos mayores.
		Fatal or non-fatal accidents and material damage to communities related to water discharge processes and overflows	Water discharges from the power plants may be unknown to people in the community. In addition to affecting uninformed passersby, tourists or those people who have less connectivity to social networks and local organizations, this risk has the possibility of affecting the physical integrity of people or their property in the event of unexpectedly encountering an increase in flow.
		Accidents of internal personnel and suppliers on dangerous routes in transfers to or from remote plants	This risk corresponds to the accident itself, mainly in those journeys to the facilities where the natural conditions of the terrain make the journey risky.
		In the case of occupational accidents in remote operations, workers do not receive timely medical attention because of the distance to the nearest medical facility.	This risk corresponds to the accident itself, increased by the impossibility or the long time elapsed before medical attention.
		Incidents of sexual harassment on company premises.	The risk of sexual harassment refers to the occurrence of unwanted sexual conduct, including inappropriate comments, gestures or physical contact. These actions affect the dignity and psychological well-being of individuals, creating a hostile work environment that must be addressed within the framework of current legislation.

## Emerging Risks

RISKS	CATEGORY	DESCRIPTION	BUSINESS IMPACT	MITIGATION ACTIONS
<b>Armed conflict between states causing disruptions in logistics chains</b>	Geopolitic	Armed conflicts in strategic areas, such as those in Ukraine, Israel and tensions between Taiwan, China and the United States, can threaten the supply and logistics of critical minerals, materials and equipment. These regions are crucial for obtaining essential resources in the production of renewable energy technologies, such as solar panels and wind turbines. Such conflicts could result in supply chain disruptions for these components, leading to cost increases and delays in the implementation of renewable energy projects.	Disruptions in the supply chains could imply delays in the development of the Company's strategic agenda projects, jeopardizing their time horizon or even their achievement.	The Company's growth initiatives are developed considering pessimistic scenarios regarding the global context; critical supplies and equipment are secured through previously negotiated contracts over time horizons of years, allowing us to be able to manage disruptions resulting from uncertain armed conflicts.
<b>Solar storms</b>	Technology	Solar storms, also known as geostorms or geomagnetic storms, occur due to solar energy ejections impacting the Earth's magnetic field. They can have significant impacts on power grids, communications, and remote control systems of power plants. Consequences include damage to control devices, leading to prolonged interruptions in power generation as affected components need replacement. While unlikely, the occurrence of such events would pose a serious and enduring global threat to power generation and transmission capabilities.	The effects of solar storms can range from operational continuity losses (prolonged generation interruptions) to high costs for repairing damaged equipment and components.	Developing protocols to respond to solar storm threats is an ongoing effort, requiring the acquisition of monitoring and detection capabilities to implement operational shutdowns during these events to minimize equipment effects. Developing the capacity for critical spare parts vulnerable to such events is also essential, as is enhancing transmission network controls in grounding and protection, particularly in the distribution sector.
<b>Technological changes and artificial intelligence</b>	Technology	In the realm of power generation, the growing utilization of artificial intelligence (AI) and digital solutions offers benefits alongside potential risks. Self-improving generative AI models, while optimizing and automating aspects of the physical world, may create a dependency that could erode fundamental human skills. This scenario presents significant challenges regarding governance and accountability, emphasizing the need for a balanced approach to maximize technology benefits without compromising critical aspects of human capability and ethical decision-making.	While AIs offer substantial opportunities, potential failures in their integration could lead to scenarios resulting in generation system outages and automated decisions with unforeseen impacts, given the extensive learning periods these systems undergo. Moreover, ethical considerations in decisions beyond the human context expose the Company to legal and reputational risks.	At Colbun, we have established policies and procedures for AI incorporation into operations, aiming to strike the right balance between automation levels and efficiency while ensuring system resilience. We maintain control structures based on systematic and highly competent integrated SCADA system operators to ensure that ethical and legal decisions are made by specifically appointed and competent individuals, with associated accountability measures in place.
<b>Disinformation and misinformation</b>	Technology	Given the Company's prominence in the electricity generation sector and the polarization surrounding large corporations in the country, various sectors may acquire capabilities to generate persistent false information disseminated widely through networks and media. This could significantly sway public opinion towards distrust in the facts and statements made by the authority, utilizing false, manipulated, and/or fabricated content for this purpose.	Disinformation campaigns or "fake news" could tarnish the Company's reputation, potentially leading to legal actions (due to investigations into malicious allegations), civil lawsuits (regarding events or statements that did not occur), or attacks on individuals or facilities by interest groups (in response to manipulated or fabricated incidents).	Our Company possesses the capacity to monitor publications and information related to Colbun, employing filters and alerts to activate emergency communication protocols and mitigate the impact of such incidents. Additionally, if misinformation or disinformation escalates to scenarios outlined above, we maintain specialized and competent capabilities in legal litigation and protocols (including continuity and emergency plans), along with infrastructure to safeguard the Company's personnel and assets.

## Cybersecurity Risks

### Cybersecurity Governance

At the corporate level, Colbun has an Information Security Officer reporting to the Finance and Administration Manager. Currently, Sebastián Celis holds this position, boasting 22 years of work experience. Over the last 13 years, Celis has specialized in information security and cybersecurity, with the past 9 years spent in leadership roles

The development and management of cybersecurity is reviewed periodically by the Risk Committee. It involves the Chairman of the Board, Hernán Rodríguez, together with director Juan Carlos Altmann (with experience as a partner at McKinsey & Company and CEO of the South America and Caribbean division of LATAM Airlines Group, among other positions).

### Main Cybersecurity Initiatives

The projects developed by IT Management during 2023 were mainly aimed at contributing to the Company's digital transformation strategy.

#### → Collection management:

Improvement of the collection management model that is currently performed manually and without integration with digital platforms. Its ultimate goal is to optimize cash flow, collection flows, commercial relationships and recovery costs.

In turn, it contributes to customer satisfaction and compliance with the commercial strategy associated with commercial excellence and differentiating delivery model with our customers.

#### → Client Scoring:

Integration with Equifax to assess risk according to Colbun's new Risk Policy.

This project is aligned with the 2030 Strategic Agenda and the commercial excellence model, being an enabling project to achieve sales and customer service objectives.

It allows improving opportunity management times during the sales process and the reduction of uncollectibility costs through data traceability and analysis of variables.

#### → Mobile Maintenance App:

This project makes available a mobile application that allows field operators to have visibility of assigned activities and confirm work performed easily and effectively through the same application. In this way, it seeks to improve the efficiency of field maintenance processes.

#### → SAP Improvement:

In light of the Company's project growth and projections, it became imperative to upgrade the SAP system to meet new challenges and align with evolving business needs. Consequently, our platform was upgraded to the latest available version.

This upgrade guarantees continued support from the manufacturer and unlocks new functionalities essential for supporting future business requirements.

#### → SAP ISU in Fenix:

The integration of Fenix into Colbun's SAP platform aims to support Fenix in enhancing its commercial processes and delivering a differentiated service model to its clients.

**Benefits:** increased efficiency in Fenix's commercial operations related to customer calculation, billing, and collection. Furthermore, it will foster integration and synergy between both companies.

Regarding the use of **artificial intelligence (AI)**, the following projects were developed.

#### → Standarization for AI Use:

Colbun has developed a standard for the responsible use of AI tools, providing guidelines for handling company information and generated content.

This standard is grounded in principles such as self-regulation, privacy, digital security, innovation culture, transparency, traceability, respect, tangibility, non-discrimination, and lawful use.

#### → Internal Development with Generative AI:

To explore and validate the functionality of generative AI, Colbun initiated the development of a Bot-like Chat with Generative AI. This prototype, named "Colbot," was tested within a limited segment of the organization, yielding promising results.

It enables quick access to official corporate information in a controlled manner, facilitating instant responses to corporate inquiries.

#### → Leveraging Generative AI for Enhanced Productivity:

Colbun participated in an early access program with Microsoft to utilize Microsoft Copilot 365 Generative AI.

This initiative, involving a group of 300 individuals, introduces a personal assistant service that enhances decision-making, facilitates information access and retrieval, all within a secure environment that preserves data confidentiality without the need for external data exposure.

## Cybersecurity Incidents and Contingency Plans

The Company has a crisis management plan for cybersecurity incidents. Since the end of 2023, this plan is in the process of being adjusted and updated, so its annual test will be carried out during the first half of 2024.

During 2023 there were no cybersecurity incidents that compromised Colbun's operations and information.

	2022	2023
<b>Total number of information security breaches</b>	0	0
<b>Total number of customers and/or employees affected by breaches</b>	0	0
<b>Comment</b>	No cybersecurity breaches were recorded in 2022. Therefore, there were no customers or employees affected.	In 2023 there were no breaches of confidential information that compromised critical processes and operations of the Company, or affected customers or employees.

In 2023 there was one attention incident associated with the identity of a user, which was identified and reported in a timely manner by the monitoring services. This made it possible to contain, resolve and mitigate the situation without triggering a major compromise.

## Physical and Cyber Security Incidents

SASB IF-EU-550a.1

	2022	2023
<b>Number of incidents of non-compliance with physical or cyber security standards or regulations.</b>	0	0
<b>Comment</b>	During 2022, there were no physical or cyber security incidents that could affect our infrastructure and operational continuity. There were also no proceedings initiated or sanctions issued by the SEC or any other authority for "non-compliance with physical or cyber security standards or regulations" applicable to electrical infrastructures.	During the year 2023, there have been no physical or cyber security incidents that have compromised our operations and their information.  During this period there were no regulatory or legal sanctions associated with "non-compliance with physical or cyber security standards or regulations" applicable to electrical infrastructures.

## Compliance

[GRI 2-27, 307-1, 419-1]

### Socio-Economic Fines and Penalties in Chile

NON-COMPLIANCE PENALTIES IN SOCIAL MATTERS	DESCRIPTION	MONETARY/ NON-MONETARY	AMOUNT USD	STATUS (OPEN/ CLOSED)	SUBSIDIARY
<b>Tax Administration Service</b>	Rectifications F-29 and F50	Monetary	14,642	Closed	Colbun S.A.
	Adjustments in severance payments and contributions	Monetary	442	Closed	Colbun S.A.
	Other	Monetary	70	Closed	Colbun S.A.
	Late information and act. Legal representatives	Monetary	47	Closed	Colbun Desarrollo
	Rectifications F-50	Monetary	367	Closed	Efizity SpA
<b>Municipality</b>	Vehicle registration certificate	Monetary	251	Closed	Efizity SpA

### Socio-Economic Fines and Penalties in Peru

NON-COMPLIANCE PENALTIES IN SOCIAL MATTERS	DESCRIPTION	MONETARY/ NON-MONETARY	AMOUNT USD	STATUS (OPEN/ CLOSED)	SUBSIDIARY
<b>National Superintendency of Customs and Tax Administration (SUNAT)</b>	Statement after the deadline	Monetary	14,642	Closed	Colbun Peru
	Amendments	Monetary	442	Closed	Colbun Peru

### Consolidated Socio-Economic Fines and Penalties (Chile y Peru)

	CHILE	PERU	CONSOLIDATED
<b>Total monetary value of penalties (USD)</b>	15,818	194,397	210,215
<b>Number of monetary penalties</b>	21	4	25
<b>Number of non-monetary penalties</b>	0	0	0
<b>Cases submitted for dispute resolution</b>	0	0	0

**Note:** The socio-economic fines incurred by various entities are as follows:

Colbun S.A.: Rectification of Form 29.

Colbun Desarrollo SPA: Late incorporation of legal representative.

Efizity SPA: Rectification of Form 50 for April, and late payment of vehicle registration certificate.

Colbun Peru: Rectification of income for the years 2018 and 2020.

Beyond the rectifications, there were no significant fines in Chile and Peru in the socio-economic area.

## Complaints

[GRI 2-26]



The type of complaints received in the Chilean Complaints Channel and the actions taken are as follows:

STAKEHOLDER	TOPIC	STATUS	RESOLUTION	DISCIPLINARY PROCEEDINGS
Anonymous	Legal non compliance	Closed	Not accredited	n/a
Anonymous	Conflict of interest	Closed	Partially accredited	Yes
Anonymous	Violation of internal regulation	Closed	Accredited	Yes
Employees	Labor practices	Closed	Not accredited	n/a
Anonymous	Labor practices	Closed	Not accredited	n/a
Anonymous	Conflict of interest	Closed	Accredited	Yes
Anonymous	Conflict of interest	Closed	Not accredited	n/a
Employees	Labor practices	Closed	Not accredited	n/a
Contractors and suppliers	Labor practices	Closed	Not accredited	n/a
Employees	Labor practices	Closed	Accredited	Yes
Employees	Labor practices	Closed	Not accredited	n/a
Community and society	Other	Closed	Accredited	Yes
Anonymous	Conflict of interest	Closed	Not accredited	n/a
Anonymous	Labor practices	Closed	Not accredited	n/a
Anonymous	Other	Closed	Not accredited	n/a
Employees	Labor practices	Closed	Partially accredited	Yes
Anonymous	Labor practices	Closed	Partially accredited	Yes
Anonymous	Third party conflict	Closed	Partially accredited	Yes
Contractors and suppliers	Labor practices	Closed	Not accredited	n/a
Employees	Labor practices	Closed	Partially accredited	Yes
Employees	Third party conflict	Closed	Partially accredited	Yes
Anonymous	Labor practices	Closed	Not accredited	n/a
Anonymous	Labor practices	Closed	Accredited	Yes
Employees	Labor practices	Closed	Partially accredited	Yes
Anonymous	Labor practices	Closed	Not accredited	n/a
Anonymous	Labor practices	Closed	Not accredited	n/a
Community and society	Legal non compliance	Closed	Accredited	Yes
Employees	Labor practices	In process	In process	
Anonymous	Labor practices	Closed	Not accredited	n/a

Among the disciplinary actions implemented in 2023 in Chile were verbal reprimands, written reprimands, supplier monitoring and area interventions to evaluate the work climate.



The type of complaints received by the Ethics Hotline in Peru and the actions taken are as follows:

STAKEHOLDER	TOPIC	STATUS	RESOLUTION	DISCIPLINARY PROCEEDINGS
Community and society	Payment default	Closed	Accredited	Yes

In the case of Peru, the complaint received was for non-payment to small businesses in the CHILCA community by a Fenix supplier, which resulted in a sanction (not contracting their services for 6 months).



## Succession Plan Procedure

[NCG 461 3.6.x]

Our Company has a well-defined succession planning procedure in place for general management, senior executives, and positions deemed as "critical positions." These critical positions are determined based on specific criteria, and the results of this determination are published on the Company's corporate platform, with access limited to relevant personnel.

For critical positions, succession candidates are categorized into three groups:

- Immediate successors: Individuals who possess the necessary competencies and capabilities to assume the position immediately upon vacancy.
- Short-term successors: Candidates who require the development of certain competencies and capabilities within a timeframe of Under one year.
- Long-term successors: Individuals who need one to three years to develop the competencies and capabilities required for the position.

In cases where an immediate successor is not available, contingency plans are put in place. These plans involve the development of successors still in the developmental phase, with support from other executives to ensure coverage of the required competencies. Additionally, the Company considers organizational restructuring options, including the fragmentation of positions, to cover the competencies of the original position.

As per corporate policy, internal mobility is encouraged, making position development the primary succession option. To mitigate the risk of losing immediate or developing successors to other companies, the Company implements a dedicated follow-up and retention process. This process goes beyond standard retention procedures, ensuring that the opportunity to fill vacant positions is maximized to minimize the impact on the Company's business continuity.

## Property and facilities

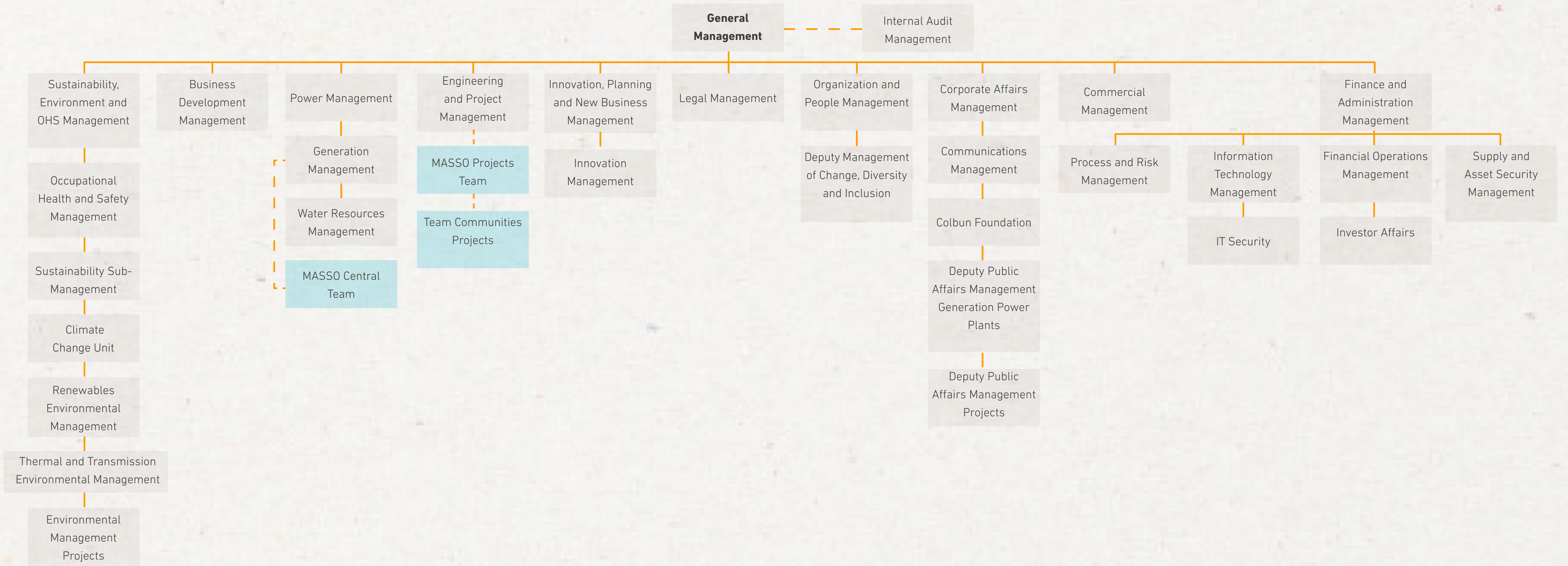
[NCG 461 6.4]

PROPERTY	LOCATION	BUSINESS CATEGORY	TYPE OF PROPERTY	LAND OWNERSHIP	LAND ASSOCIATED WITH POWER PLANT	SURFACE AREAS OF LAND ASSOCIATED WITH POWER PLANT (HA)	VOLUME OF RESOURCES USED	STATUS OF RESOURCES		
<b>Solar Projects</b>										
Diego de Almagro Sur Solar Power Plant	Diego de Almagro, Atacama	Photovoltaic	Proprietor	Onerous Use Concession	2	330.1	n/a	No natural resources are extracted in these generation processes.		
Ovejería Solar Power Plant	Til Til, Metropolitan Region	Photovoltaic	Proprietor	Rental	1	18.2	n/a			
Machicura Solar Power Plant	Colbun, Maule Region	Photovoltaic	Proprietor	Own	1	38.9	n/a			
Jardín Solar	Pozo Almonte, Tarapacá Region	Photovoltaic	Proprietor	Rental	3	1,006.20	n/a			
Inti Pacha	Maria Elena, Antofagasta Region	Photovoltaic	Proprietor	Onerous Use Concession	7	1,137.5	n/a			
Diego de Almagro South Batteries	Diego de Almagro, Atacama Region	Photovoltaic	Proprietor	Onerous Use Concession	1	162.9	n/a			
Solar photovoltaic project Celda Solar	Camarones, Arica y Parinacota Region	Photovoltaic	Proprietor	Onerous Use Concession	3	959.3	n/a			
<b>Hydroelectric Projects</b>										
Los Quilos (Aconcagua Complex)	San Esteban, Valparaiso Region	Run of river hydroelectric	Proprietor	Own	38	1.831,10	The Aconcagua complex captured 925 million m <sup>3</sup> during 2023.	Rights of water use associated with the water turbined by Colbun's hydroelectric power plants are non-consumptive, i.e., the total volume of water captured is returned to the natural source. The only exception corresponds to the rights associated with the Canutillar plant, which are consumptive in nature because the water is returned to the sea instead of to a river or lake. For this reason, Colbun is not an extractive company. It should also be noted that several of our power plants are built in hydraulic series, i.e., the water is reused or returbined before being returned to the natural source, so that the volume of water effectively turbined is greater than the volume of water withdrawn. The reported data refer only to water associated with hydroelectric generation. Other consumptions, such as water from cooling systems in the case of thermal power plants or water used for administrative purposes, human consumption, sanitary services, irrigation, associated with power plants or projects of any technology, are not considered in this section. To see these consumptions, see page XX.		
Chacabuquito (Aconcagua Complex)	Los Andes, Valparaiso Region	Run of river hydroelectric	Proprietor	Own						
Blanco (Aconcagua Complex)	Los Andes, Valparaiso Region	Run of river hydroelectric	Proprietor	Own						
Juncal (Aconcagua Complex)	Los Andes, Valparaiso Region	Run of river hydroelectric	Proprietor	Own						
Juncalito (Aconcagua Complex)	Los Andes, Valparaiso Region	Run of river hydroelectric	Proprietor	Own						
Hornitos (Aconcagua Complex)	Los Andes, Valparaiso Region	Run of river hydroelectric	Proprietor	Own						
Central Colbun (Colbun Complex)	Colbun, Maule Region	Reservoir hydroelectric	Proprietor	Own	454	7.828,10	During 2023, Colbun complex captured 6,518 million m <sup>3</sup> .			
Central Machicura (Colbun Complex)	Colbun, Maule Region	Reservoir hydroelectric	Proprietor	Own						
Chiburgo (Colbun Complex)	Colbun, Maule Region	Run of river hydroelectric	Proprietor	Own						
La Mina (Colbun Complex)	San Clemente, Maule Region	Run of river hydroelectric	Proprietor	Own						
San Clemente (Colbun Complex)	San Clemente, Maule Region	Run of river hydroelectric	Proprietor	Own						
San Ignacio (Colbun Complex)	Yerbas Buenas, Maule Region	Run of river hydroelectric	Proprietor	Own						
Carena Power Plant	Curacaví, Metropolitan Region	Run of river hydroelectric	Proprietor	Own					13	148,1
Rucúe Power Plant	Antuco, Biobio Region	Run of river hydroelectric	Proprietor	Own						
Quilleco Power Plant	Quilleco, Biobio Region	Run of river hydroelectric	Proprietor	Own						
Angostura	Santa Barbara y Quilaco, Biobio Region	Reservoir hydroelectric	Proprietor	Own				167	1531,50	Angostura complex captured 15,051 million m <sup>3</sup> during 2023.
Canutillar	Cochamo, Los Lagos Region	Reservoir hydroelectric	Proprietor	Own	123	4.603,90	Canutillar Power Plant captured 1,485 million m <sup>3</sup> during 2023.			

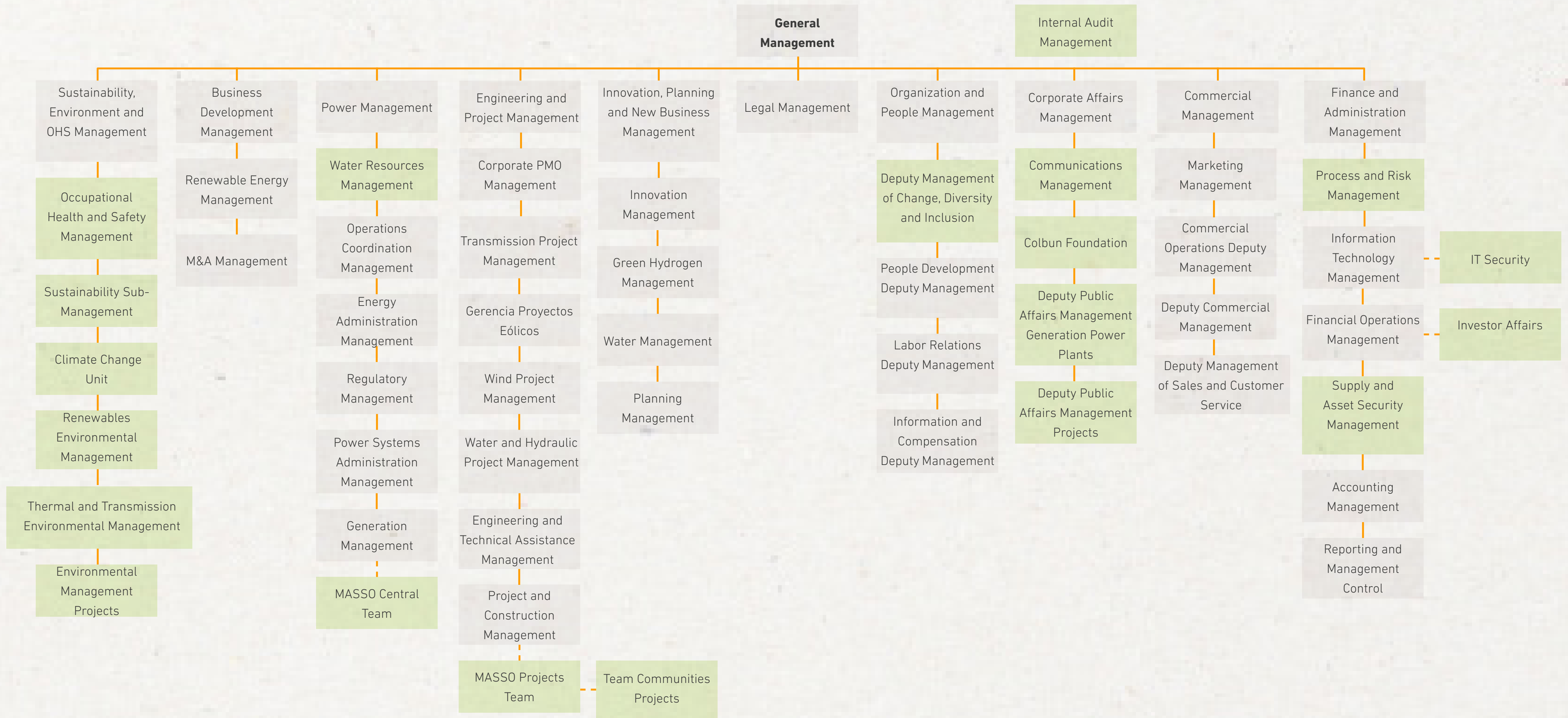
PROPERTY	LOCATION	BUSINESS CATEGORY	TYPE OF PROPERTY	LAND OWNERSHIP	LAND ASSOCIATED WITH POWER PLANT	SURFACE AREAS OF LAND ASSOCIATED WITH POWER PLANT (HA)	VOLUME OF RESOURCES USED	STATUS OF RESOURCES
<b>Wind Power Projects</b>								
Los Junquillos	Mulchen, Biobio Region	Wind	Proprietor	Rental	-	-	n/a	No natural resources are extracted in these generation processes.
Cuatro Vientos	Llanquihue, Los Lagos Region	Wind	Proprietor	Rental	-	-	n/a	
Horizonte	Taltal, Antofagasta Region	Wind	Proprietor	Onerous Use Concession	3	8,041.52	n/a	
<b>Thermoelectric Power Plants</b>								
Fenix	Departamento de Lima, Peru	Gas-fired power plant	Proprietor	Own	-	10	n/a	No natural resources are extracted in these generation processes.
Nehuenco Complex	Quillota, Valparaiso Region	Gas and diesel thermoelectric power plants	Proprietor	Own	7	75.8	n/a	
Candelaria	Mostazal, O'Higgins Region Codegua, O'Higgins	Gas and diesel thermoelectric power plants	Proprietor	Own	7	19.4	n/a	
Los Pinos	Cabrero, Biobio Region	Diesel-fired thermal power plant	Proprietor	Own	6	47.6	n/a	
Santa Maria	Coronel, Biobio Region	Coal-fired power plant	Proprietor	Own	7	123.1	n/a	
Corporate Building	Las Condes, Región Metropolitana	Administration	Lessee	-	-	-	n/a	

# Colbun Organization Chart

## Organizational Structure by Areas



## Organizational Structure by Areas



### Annex Chapter 3

## Installed Capacity by Type of Energy

[GRI EU1]



TYPE OF ENERGY	UNIT	2020	2021	2022	2023
Hydroelectric	MW	1,627	1,627	1,627	1,627
Thermal	MW	1,601	1,586	1,586	1,586
Solar	MW	9	9	230	230
Wind	MW	-	-	-	-
Other	MW	-	-	-	-
<b>Total</b>	<b>MW</b>	<b>3,238</b>	<b>3,222</b>	<b>3,443</b>	<b>3,443</b>



TYPE OF POWER	UNIT	2020	2021	2022	2023
Thermal	MW	567	573	573	572

## Total Installed Capacity by Regulatory Regime

[GRI EU1]



REGULATORY REGIME	UNIT	2020	2021	2022	2023
SEN	MW	25,906	28,711	30,791	33,753
% Colbun contribution to SEN	MW	12.50%	11.30%	11.20%	10.20%



REGULATORY REGIME	UNIT	2020	2021	2022	2023
SEIN	MW	13,279	13,343	13,420	13,693
% Fenix contribution to SEIN	MW	4.27%	4.29%	4.27%	4.18%

## Net Power Generated and by Primary Energy Source

[GRI EU3]



NET GENERATED POWER	UNIT	2020	2021	2022	2023
Hydroelectric, large (units>10MW)	GWh	5,551	3,849	5,108	6,872
Thermal	GWh	2,195	2,520	2,352	1,553
Natural gas	GWh	4,108	3,966	4,966	3,753
Other renewable energies	GWh	67	76	518	511
Diesel	GWh	72	294	216	64
<b>Total</b>	<b>GWh</b>	<b>11,992</b>	<b>10,706</b>	<b>13,161</b>	<b>12,753</b>



NET GENERATED POWER	UNIT	2020	2021	2022	2023
Thermal Combined cycle	GWh	2,887	3,426	4,334	3,404



% OF TOTAL	UNIT	2020	2021	2022	2023
Hydroelectric, large (units>10MW)	%	46.29%	35.95%	38.81%	53.88%
Thermal	%	18.30%	23.54%	17.87%	12.18%
Natural gas	%	34.26%	37.04%	37.73%	29.43%
Other renewable energies	%	0.56%	0.71%	3.94%	4.01%
Diesel	%	0.60%	2.75%	1.64%	0.50%



% OF TOTAL	UNIT	2020	2021	2022	2023
Thermal Combined cycle	%	100%	100%	100%	100%

## Participation in the Total Generation of the National Electricity Systems

[GRI EU-2] [SASB IF-EU-000.D]



COLBUN'S CONTRIBUTION TO TOTAL GENERATION TO SEN	UNIT	2020	2021	2022	2023
Hydroelectric	%	7.20%	4.80%	6.20%	8.21%
Thermal	%	2.80%	3.10%	2.80%	1.86%
Natural gas	%	5.30%	4.90%	6.00%	4.49%
Wind	%	0.00%	0.00%	0.00%	0.00%
Solar	%	0.03%	0.03%	0.56%	0.61%
Diesel	%	0.10%	0.40%	0.30%	0.08%



FENIX'S CONTRIBUTION TO TOTAL GENERATION TO SEIN	UNIT	2020	2021	2022	2023
Thermal	%	5.9%	6.3%	7.7%	5.8%

### Purchase of Renewable Energies from Third-parties

For Chile, Colbun purchases renewable energies from the Punta Palmeras wind power plant (101 GWh in 2023) and from the Imelsa solar power plant (10 GWh in 2023).

### Wholesale Energy Purchases

In Chile, 433 GWh of energy was purchased wholesale, while in Peru the figure was 885 GWh for this concept during 2023.

## Planned and Projected Capacity

[GRI EU10] [DJSI 2.8.1, 2.8.3]



CLASIFICACION	TYPE OF ENERGY	UNIT	2023	2024	2025	2026	2027	2028	2029	2030
Power source	Hydro reservoir	MW	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
	Hydro run-of-river > 10 MW	MW	562	562	562	562	562	562	562	562
	Hydro run-of-river < 10 MW	MW	7	7	7	7	7	7	7	7
	Coal thermal	MW	374	374	374	374	374	374	374	374
	LNG thermal	MW	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104
	Diesel thermal	MW	108	108	108	108	108	108	108	108
	Wind power	MW	0	378	816					
	Solar power	MW	230	230	230			3,600		
Storage	MW	0	0	8						
Total planned capacity	MW	3,443	3,443	3,829			6,813			
Maximum projected generation capacity	GWh	21,046	21,046	22,171	23,485	24,041	25,704	26,435	28,591	
Total projected demand	GWh	77,320	77,320	79,216	81,900	84,200	86,600	89,000	91,500	
Projected maximum generation vs. projected demand	%	27%	27%	28%	29%	29%	30%	30%	31%	



CLASIFICACION	TYPE OF ENERGY	UNIT	2023	2024	2025	2026	2027	2028	2029	2030
Power source	Hydro reservoir	MW	0	0	0	0	0	0	0	0
	Hydro run-of-river > 10 MW	MW	0	0	0	0	0	0	0	0
	Hydro run-of-river < 10 MW	MW	0	0	0	0	0	0	0	0
	Coal thermal	MW	0	0	0	0	0	0	0	0
	LNG thermal	MW	572	572	572	572	572	572	572	572
	Diesel thermal	MW	0	0	0	0	0	0	0	0
	Wind power	MW	0	0	0			400		
	Solar power	MW	0	0	0					
Total planned capacity	MW	572	572	572			972			
Storage		MW	0	0	0	0	0	0	0	0
		GWh	3,404	3,404	3,404	3,800	3,600	4,400	4,400	5,400
		GWh	50,434	60,872	62,713	65,174	68,240	71,542	74,962	78,157
		%	6.8%	5.6%	5.4%	0.0%	0.0%	0.0%	0.0%	7.8%

## Planned and Projected Capacity

[DJSI 2.8.2]



POWER SOURCE	CAPACITY (MW)				CAPACITY PORTION (%)				TARGET CAPACITY 2030 (MW)	TARGET CAPACITY 2030 (%)
	2020	2021	2022	2023	2020	2021	2022	2023		
Coal	374	374	374	374	11.6%	11.6%	10.9%	10.9%	374	5.5%
Natural gas	1,012	996	996	996	31.2%	30.9%	28.9%	28.9%	1,104	16.2%
Diesel	216	216	216	216	6.7%	6.7%	6.3%	6.3%	108	1.6%
Total non-renewable installed capacity	1,601	1,586	1,586	1,586	49.5%	49.2%	46.1%	46.1%	1,586	23.9%



POWER SOURCE	CAPACITY (MW)				CAPACITY PORTION (%)				TARGET CAPACITY 2030 (MW)	TARGET CAPACITY 2030 (%)
	2020	2021	2022	2023	2020	2021	2022	2023		
Coal	0	0	0	0	0%	0%	0%	0%	0	0%
Natural gas	567	573	573	572	100%	100%	100%	100%	572	48.8%
Diesel	0	0	0	0	0%	0%	0%	0%	0	0%
Total non-renewable installed capacity	567	573	573	572	100%	100%	100%	100%	572	58.8%

## Consolidated

POWER SOURCE	CAPACITY (MW)				CAPACITY PORTION (%)				TARGET CAPACITY 2030 (MW)	TARGET CAPACITY 2030 (%)
	2020	2021	2022	2023	2020	2021	2022	2023		
Coal	374	374	374	374	9.8%	9.9%	9.3%	9.3%	374	4.8%
Natural gas	1,579	1,569	1,569	1,568	41.5%	41.4%	39.1%	39.1%	1,676	21.5%
Diesel	216	216	216	216	5.7%	5.7%	5.4%	5.4%	108	1.4%
Total non-renewable installed capacity	2,168	2,159	2,159	2,158	57.0%	56.9%	53.8%	53.7%	2,158	27.7%

## Installed Capacity Based on Renewable Energy Generation Sources

[DJSI 2.8.2]



POWER SOURCE	CAPACITY (MW)				CAPACITY PORTION (%)				TARGET CAPACITY 2030 (MW)	TARGET CAPACITY 2030 (%)
	2020	2021	2022	2023	2020	2021	2022	2023		
Hydroelectric	1,627	1,627	1,627	1,627	50.3%	50.5%	47.3%	47.3%	1,627	23.9%
Wind	0	0	0	0	0%	0%	0%	0%	3,600	52.8%
Solar	9	9	230	230	0.3%	0.3%	6.7%	6.7%		
Total non-renewable installed capacity	9	9	230	230	0.3%	0.3%	6.7%	6.7%	5,027	76.7%



POWER SOURCE	CAPACITY (MW)				CAPACITY PORTION (%)				TARGET CAPACITY 2030 (MW)	TARGET CAPACITY 2030 (%)
	2020	2021	2022	2023	2020	2021	2022	2023		
Hydroelectric	0	0	0	0	0%	0%	0%	0%	0	0%
Wind	0	0	0	0	0%	0%	0%	0%	400	41.2%
Solar	0	0	0	0	0%	0%	0%	0%		
Total renewable installed capacity	0	0	0	0	0%	0%	0%	0%	400	41.2%

## Consolidated

POWER SOURCE	CAPACITY (MW)				CAPACITY PORTION (%)				TARGET CAPACITY 2030 (MW)	TARGET CAPACITY 2030 (%)
	2020	2021	2022	2023	2020	2021	2022	2023		
Hydroelectric	1,627	1,627	1,627	1,627	42.8%	42.9%	40.5%	40.5%	1,627	20.9%
Wind	0	0	0	0	0	0	0	0	4,000	51.4%
Solar	9	9	230	230	0.2%	0.2%	5.7%	5.7%		
Total renewable installed capacity	9	9	230	230	0.2%	0.2%	5.7%	5.7%	5,627	72.3%



## Electricity Generation from Non-Renewable Sources

[DJSI 2.8.1]



GENERATION SOURCE	GROSS GENERATION OF OWN ASSETS (GWH)				PORTION GENERATION OF OWN ASSETS (%)				REVENUE GENERATED (USD)			
	2020	2021	2022	2023	2020	2021	2022	2023	2020	2021	2022	2023
Coal	2,195	2,520	2,352	1,553	18.30%	23.54%	17.87%	12.18%	105,402,544	214,494,877	261,345,399	197,764,577
Natural gas	4,108	3,966	4,966	3,753	34.26%	37.04%	37.73%	29.43%	215,406,536	404,772,639	668,819,955	537,357,175
Diesel	72	294	216	64	0.60%	2.75%	1.64%	0.50%	24,531,851	67,380,137	78,777,298	32,769,591
Total non-renewables	6,375	6,780	7,534	5,370	53.2%	63.3%	57.2%	42.1%	345,340,931	686,647,653	1,008,942,652	767,891,344



GENERATION SOURCE	GROSS GENERATION OF OWN ASSETS (GWH)				PORTION GENERATION OF OWN ASSETS (%)				REVENUE GENERATED (USD)			
	2020	2021	2022	2023	2020	2021	2022	2023	2020	2021	2022	2023
Coal	0	0	0	0	0	0	0	0	0	0	0	0
Natural gas	2,887	3,426	4,334	3,404	100%	100%	100%	100%	59,587,741	97,269,710	199,139,137	287,016,429
Diesel	0	0	0	0	0	0	0	0	0	0	0	0
Total non-renewables	2,887	3,426	4,334	3,404	100%	100%	100%	100%	59,587,741	97,269,710	199,139,137	287,016,429

## Consolidated

GENERATION SOURCE	GROSS GENERATION OF OWN ASSETS (GWH)				PORTION GENERATION OF OWN ASSETS (%)				REVENUE GENERATED (USD)			
	2020	2021	2022	2023	2020	2021	2022	2023	2020	2021	2022	2023
Coal	2,195	2,520	2,352	1,553	14.75%	17.66%	14.14%	9.40%	105,402,544	214,494,877	261,345,399	197,764,577
Natural gas	6,995	7,392	9,300	7,158	47.01%	52.78%	50.75%	45.50%	215,406,536	404,772,639	668,819,955	813,491,307
Diesel	72	294	216	64	0.48%	2.06%	1.30%	0.39%	24,531,851	67,380,137	78,777,298	32,769,591
Total non-renewables	9,262	10,206	11,868	8,775	62.2%	72.5%	66.2%	55.3%	404,928,602	783,944,373	1,208,081,789	1,054,907,773

## Electricity Generation from Renewable Energies

[DJSI 2.8.1]



GENERATION SOURCE	GROSS GENERATION OF OWN ASSETS (GWH)				PORTION GENERATION OF OWN ASSETS (%)				REVENUE GENERATED (USD)			
	2020	2021	2022	2023	2020	2021	2022	2023	2020	2021	2022	2023
Wind	0	0	0	0	0	0	0	0	0	0	0	0
Hydroelectric	5,551	3,849	5,108	6,872	46.29%	35.95%	38.81%	53.88%	300,070,801	432,522,208	755,275,296	591,552,432
Solar	67	76	518	511	0.56%	0.71%	3.94%	4.01%	1,341,648	1,567,890	17,274,996	14,833,841
Total Renewables	5,618	3,925	5,626	7,383	46.8%	36.7%	42.7%	57.9%	301,412,449	434,090,099	772,550,292	606,386,272



GENERATION SOURCE	GROSS GENERATION OF OWN ASSETS (GWH)				PORTION GENERATION OF OWN ASSETS (%)				REVENUE GENERATED (USD)			
	2020	2021	2022	2023	2020	2021	2022	2023	2020	2021	2022	2023
Total Renewables	0	0	0	0	0%	0%	0%	0%	0	0	0	0

## Consolidated

GENERATION SOURCE	GROSS GENERATION OF OWN ASSETS (GWH)				PORTION GENERATION OF OWN ASSETS (%)				REVENUE GENERATED (USD)			
	2020	2021	2022	2023	2020	2021	2022	2023	2020	2021	2022	2023
Wind	0	0	0	0	0%	0%	0%	0%	0	0	0	0
Hydroelectric	5,551	3,849	5,108	6,872	37.31%	26.97%	30.70%	41.62%	300,070,801	432,522,208	755,275,296	591,552,432
Solar	67	76	518	511	0.45%	0.53%	3.11%	3.09%	1,341,648	1,567,890	17,274,996	14,833,841
Total Renewables	5,618	3,925	5,626	7,383	37.8%	27.5%	33.8%	44.7%	301,412,449	434,090,099	772,550,292	606,386,272

## Annex Chapter 4

# Investment Plans and Projects

### Main Projects Chile

[Colbun 6]

PROJECT	STATUS	CAPACITY	ASSOCIATED TARGETS
Horizonte F4 Wind Project	In progress	816 MW	70% progress as of 2023
Jardín Solar F3 Photovoltaic Project	Development	808 MW	1,250 MW new in Phase 3 as of December 2023
Inti Pacha F3 Photovoltaic Project	Development	925 MW	1,250 MW new in Phase 3 as of December 2023
Celda Solar F3 Photovoltaic Project and BESS	Development	420 MW + 1,200MWh	1,250 MW new in Phase 3 as of December 2023
Wind Project Junquillos F3	Development	473 MW	1,250 MW new in Phase 3 as of December 2023
Diego de Almagro F3 BESS	Development	1,000 MWh	1,250 MW new in Phase 3 as of December 2023
Jardin Solar F3 BESS	Development	1,000 MWh	1,250 MW new in Phase 3 as of December 2023
Inti Pacha F3 BESS	Development	2 x 1,000 MWh	1,250 MW new in Phase 3 as of December 2023
New SE Llullaillaco Construction	In progress	500 KV	Adjudicación Proyecto de Transmisión Habilitante

### Main Projects Peru

[Colbun 6]

PROJECT	STATUS	CAPACITY	ASSOCIATED TARGETS
Bayovar Wind Project	Development	250/410 MW	1,250 MW new in Phase 3 as of December 2023
Naylamp Wind Project	Development	238 MW	1,250 MW new in Phase 3 as of December 2023
Algarrobal Photovoltaic Project	Development	250/150 MW	1,250 MW new in Phase 3 as of December 2023

### Investments Plans Chile

[NCG 461 4.1, 4.3]

PROJECT	LOCATION	DESCRIPTION	HORIZON	PROGRESS	INVESTED AMOUNT 2023 (MCLP)	TOTAL ESTIMATED INVESTMENT AMOUNT (MCLP)
Horizonte Constructon Fase (Fase 4) Wind Project	Antofagasta Region	Wind farm located 130 km northeast of Taltal and 170 km southwest of Antofagasta, considering the displacement along Route 5. It considers a capacity of 816 MW. The connection to the National Electric System (SEN) will be made at the future Parinas substation (S/E), located 19 km away.	Sort term	75.6%	340,000,000	810,000,000
SE Llullaillaco Construction Fase (Fase 4)	Antofagasta Region	New substation construction for the Interconnected System. Work tendered in public process DS 257 and assigned in November 2023.	Mid term	0%		
Wind Project Junquillos Fase Preparación Inversión (Fase 3)	Biobio Region	Wind farm located 15 km northwest of the city of Mulchén. The energy generated will be injected into the Interconnected System through a 12 km power transmission line to S/E Mulchen.	Mid term	36%	2,500,000**	970,000,000**
Photovoltaic Project y BESS Celda Solar Fase Preparación Inversión (Fase 3)	Arica y Parinacota Region	Solar Photovoltaic and BESS Solar Cell Project, which considers the installation of a solar energy generation park with an installed capacity of approximately 420 MW plus 1200 MWh in batteries (BESS).	Mid term	70%		

**Note:** Colbun considers as short term a period of 1 year, medium term from 1 to 5 years and over 5 years for long term.

\*All projects are self-financed.

\*\* All projects are self-financed.

## Associations and Memberships

[NCG 461 6.1.vi; GRI 2-28]

### Associations Colbun is Affiliated to in Chile

ASSOCIATION	YEAR OF PARTICIPATION	PURPOSE OF THE ASSOCIATION	ANNUAL MEMBERSHIP (US\$)
Asociación Chilena de Hidrogeno	2020	Educate, collaborate, and encourage to transform societal perceptions of hydrogen, positioning Chile as a global leader in "Green Hydrogen" production and utilization.	15,438.9
Asociación Gremial De Generadoras De Chile AGG	2011	Foster the growth of electric companies in Chile.	261,855.0
Asociación de Industriales de Antofagasta (AIA Antofagasta)	2022	Strengthen and optimize productive chains, promoting initiatives for economic, social, and sustainable development, while adding value through effective management practices.	6,505.2
Cámara Chilena Norteamericana (AMCHAM)	2018	Advocate for free trade, investment, and seamless integration between Chile and the United States, creating mutual value for partners and society.	4,079.8
Asociación De Industriales Del Centro (ASICENT)	2011	Support the development of members and contribute to the progress of the Maule Region.	1,574.3
Cámara Chilena de la Construcción (CChC) Valdivia	2022	Champion construction as a pivotal driver for national development, committed to sustainable industry practices.	1,288.6
Cámara de Comercio e Industrias Valdivia (CCIV)	n/i	Promote economic and business growth within the region.	1,147.6
Centro de Estudios Públicos (CEP)	2008	Research and promote the values, principles, and institutions fundamental to a free society in Chile.	17,934.8
Centro de Líderes Empresariales para el Cambio Climático (CLG), Universidad de Chile	2009	Advocate for policies and initiatives to combat climate change within Chile.	11,086.5
Corporación para el Desarrollo de la Los Ríos (CODEPROVAL)	2010	Facilitate multisectoral collaboration to foster growth in the Los Ríos Region.	11,288.0
Corporación Municipal de Desarrollo Coronel (CORCORONEL)	2015	Facilitate corporate social responsibility initiatives within the Coronel commune.	4,857.6
Cámara De La Producción y Comercio de Concepción (CPCC)	2010	Support the productive development of the Biobio Region.	4,257.2
Instituto de Auditoría Interna Chile	2020	Encourage the advancement of internal auditing through innovative practices and active engagement under the slogan "Innovating in Auditing".	450.6

ASSOCIATION	YEAR OF PARTICIPATION	PURPOSE OF THE ASSOCIATION	ANNUAL MEMBERSHIP (US\$)
Corporación De Desarrollo Del Valle De Aconcagua (PROACONCAGUA)	2009	Advocate for the sustainable development of the Aconcagua Valley in the Valparaiso Region.	13,309.7
Red Empresas Inclusivas (REIN)	2018	Facilitate the integration of people with disabilities into the labor market.	997.8
Sociedad de Fomento Fabril (SOFOPA)	2009	Promote and disseminate good business practices.	61,772.8
Centro de Medio Ambiente y Energía SOFOFA	2016	Design, develop, and implement pilot projects aimed at advancing cost-effective environmental and energy policies and achieving technical excellence.	16,478.5
Instituto de Auditores Internos España	2020	Uphold international standards for the professional practice of internal auditing, offering training, information, and networking opportunities to members on various aspects of internal audit work.	444.7
Acción Empresas	2011	Champion corporate social responsibility (CSR) and sustainable development efforts in Chile.	11,086.5
Instituto de Ingenieros de Chile	2010	Contribute to the promotion of science and engineering within Chile.	1,161.4
Corporación de Desarrollo Regional PRO O'Higgins	2022	Foster a community of companies dedicated to the sustainable development of the O'Higgins region.	8,869.2
World Energy Council Chile (WEC)	2018	Advocate for key issues within the energy sector in the country.	8,869.2
Asociación Chilena de desalinización A.G (ACADES)	2022	Promote the development of seawater desalination and the reuse of treated wastewater as new sources of fresh water for Chile.	7,684.7
Asociación Chilena de energías Renovables (ACERA)	2017	Advocate for a regulatory framework that enables Non-Conventional Renewable Energy (NCRE) to compete equitably with traditional sources.	20,337.0
Corporación Industrial para el Desarrollo Regional del Biobio (CIDERE)	2010	Support the development of the Biobio Region.	13,516.3
Consejo Internacional de grandes Redes Eléctricas (CIGRE)	2020	Facilitate the exchange of technical knowledge among countries in the field of high-voltage electricity production and transmission.	2,105.3
Redes de Innovación LTDA	2020	Facilitate collaboration between partner companies and the local and international innovation ecosystem to develop projects that add value to businesses, promote learning, and foster collaboration.	12,489.2

ASSOCIATION	YEAR OF PARTICIPATION	PURPOSE OF THE ASSOCIATION	ANNUAL MEMBERSHIP (US\$)
Corporación Nacional de Desarrollo de la Biobio	2020	Foster public-private collaboration by creating platforms for dialogue and debate on strategic directions.	2,514.7
Instituto Chileno de Administración Racional de Empresas (ICARE)	2008	Promote business excellence in Chile.	1,110.8
Global Compact Network	2015	Global Compact aims to advance sustainable growth and corporate responsibility by encouraging companies to integrate the ten universal principles into their daily operations worldwide.	7,924.9
Consejo Internacional de Grandes Redes Eléctricas (CIGRE)	2023	Facilitate the exchange of technical knowledge and expertise among countries involved in the production and transmission of high-voltage electricity.	143.5
<b>TOTAL</b>			<b>532,580.7</b>

### Associations Colbun is Affiliated to in Peru

ASSOCIATION	YEAR OF PARTICIPATION	PURPOSE OF THE ASSOCIATION	ANNUAL MEMBERSHIP (US\$)
Asociación de Buenos Empleadores (ABE) de la Cámara Americana de Comercio	2017	Member of the American Chamber of Commerce, dedicated to promoting corporate social responsibility in labor practices and advocating for excellence in people management.	868.4
Cámara de Comercio Americana (AmCham)	2011	Advocate for the free market system, fostering trade, investment, and collaboration between Peru and the United States.	763.2
Cámara de Comercio Chilca Pucusana	2019	Business association in Chilca and Pucusana dedicated to enhancing local economic development and improving the well-being of the community.	1,842.1
Asociación Peruana de Energías Renovables (SPR)	2022	Leading advocate for non-conventional renewable energies and associated technologies in Peru and the region.	3,289.5
Sociedad Nacional de Minería, Petróleo y Energía (SNMPE)	2013	Guild representing the mining, hydrocarbon, and electric energy sectors in Peru.	30,331.6
<b>TOTAL</b>			<b>37,094.7</b>

### Initiatives We Support in Chile

ASSOCIATION	MEMBERSHIP	PURPOSE OF THE ASSOCIATION
Water Disclosure Project (Water CDP)	2011	Advocates for worldwide monitoring and measurement of water resource usage.
Carbon Disclosure Project (CDP)	2009	Promotes the measurement of carbon emissions by both private companies and government entities globally.
Plan Energía +Mujer, del Ministerio de Energía	2018	Aims to enhance employment opportunities and reduce gender disparities within the energy sector.
Pacto de Seguridad Hídrica	2023	The Water Security Pact mobilizes the private sector to address water resource management, aligning with Sustainable Development Goals (SDG) and the United Nations Water Action Agenda.
Iniciativa Cinco Criterios Claves de Sostenibilidad, de Acción Empresas	2022	The Five Key Sustainability Criteria provide guidelines inspired by Vision 2050, aiming to steer business practices towards sustainability, covering Carbon Neutrality, Biodiversity, Human Rights, Diversity and Inclusion, and Reportability..
Global Compact Target Gender Equality (TGE)	2020	Initiative to accelerate the representation and leadership of women in business
Club 30%	2019	Initiative to accelerate the representation and leadership of women in business, targeting 30% female representation on IPSA and IGPA company boards.
Programa Bota por mi Vida	2011	Implements paper recycling initiatives in offices across the Metropolitan and Valparaiso Regions in Chile.

### Initiatives We Support in Peru

ASSOCIATION	MEMBERSHIP	PURPOSE OF THE ASSOCIATION
Fundación Teletón San Juan de Dios	2020	Mobilizes citizen solidarity to promote the inclusion of children and young people with physical disabilities through social programs and projects.
Banco de Alimentos Peru – Héroe Contra el Hambre	2021	Collaborates with the food bank in Peru to provide food to grassroots social organizations in the Chilca district.
Nexos+1	2019	Serves as a platform for corporate climate action in Latin America.

## Social Contributions

### Political Contributions

[GRI 415-1]

Colbun does not make contributions to political parties and/or representatives in Chile or Peru.

### Largest Contributions Made to Trade or Industry Organizations in 2023, at Consolidated Level Chile and Peru (US\$)

[DJSI 1.6.2]

ORGANIZATION	TYPE OF ORGANIZATION	ANNUAL CONTRIBUTION LAST FISCAL YEAR (US\$)
AGG	Chilean Association of Generators	261,855
SOFOPA	Federation of Chilean Industry	61,773
SNMPE	National Society of Mining, Oil and Energy	30,332

### Main Topics of Contributions in 2023, at Consolidated Level Chile and Peru (US\$)

[DJSI 1.6.2]

ORGANIZATION	ISSUES DISCUSSED	COMPANY DESCRIPTION AND POSITION	ANNUAL CONTRIBUTION
Energy sector associations		Partners, board, working groups	342,226.1
Local development associations	Projects and programs that promote local development and sustainable development in the regions where Colbun's operations are located.	Partners, directory, working groups and event sponsorship	60,208.5

### Annual Monetary Contributions, at Consolidated Level Consolidated Chile and Peru (US\$)

[DJSI 1.6.1]

ORGANIZATION	2020	2021	2022	2023
Lobbying, interest representation or similar groups	0	0	0	243,027
Local, regional or national political campaigns/organizations/candidates	0	0	0	0
Trade associations, trade associations, tax-exempt associations or groups (e.g. think tanks)	499,310	547,362	554,508	569,675
Other (e.g., expenditures related to ballot measures or referendums)	0	0	0	0
<b>Total contributions and other expenditures</b>	<b>499,310</b>	<b>547,362</b>	<b>554,508</b>	<b>812,702</b>
Total contributions and other expenditures	100%	100%	100%	100%

Note: No monetary contribution of this type was made in Fenix Peru.

### Human Rights Evaluation

[DJSI 3.2.3]

During the 2022 and 2023 periods, human rights due diligence was conducted at the corporate level, involving interviews with stakeholders from various areas. The focus was particularly on the Aconcagua Complex comprising six hydro plants, the Colbun Complex consisting of six hydro plants and the Machicura solar plant, as well as the Horizonte Project.

CATEGORY	A. % OF TOTAL ASSESSED IN THE LAST THREE YEARS	B. % OF THE TOTAL ASSESSED (COLUMN A) WHERE RISKS HAVE BEEN IDENTIFIED.	C. % OF RISK (COLUMN B) WITH MITIGATION ACTIONS TAKEN
Own operations (% of total facilities)	47%	100%	100%
Contractors and Tier 1 Suppliers (as % of total contractors or Tier 1 suppliers)	7%	100%	100%

Note: The Company does not have joint ventures. A universe of 26 operating plants in Chile, the Fenix plant in Peru, the Horizonte Project, the Head Office and the offices in Peru are considered. In the case of contractors and direct suppliers, the 242 companies in Chile and 43 in Peru that responded to the SSIindex self-assessment survey (perception and risks), which includes human rights issues, are considered.

## Annex Chapter 5

### Total Electricity Delivered to Clients

SASB IF-EU-000.B

Chile

Peru

ELECTRICITY SUPPLIED BY TYPE OF CLIENT (MWH)	Chile		Peru	
	2022	2023	2022	2023
Residential	0	0	0	0
Commercial	538,633	641,469	69,811	101,103
Industrial	8,936,408	8,643,691	241,129	366,081
Trader	0	0	0	0
Wholesales	2,414,080	2,319,386	2,032,840	2,902,825

### Customer Energy Efficiency Savings

SASB IF-EU-420a.3

Through Colbun Soluciones by Efizity, **we deliver energy efficiency solutions tailored to commercial and industrial clients.** For commercial establishments, we specialize in consumption monitoring and control projects, yielding savings ranging from 3% to 7% in branches where these initiatives are deployed. Meanwhile, for industrial clients, we implement Energy Management Systems (EMS) aligned with ISO 50.001 standards. These systems typically result in an average energy consumption reduction of 4.5% during the initial operational cycle.

### Energy Efficiency in our Power Plants

GRI EU11

TYPE	2020		2021		2022		2023		AVERAGE AGE OF POWER PLANTS
	GENERATION (MWH)	ENERGY EFFICIENCY	GENERATION (MWH)	ENERGY EFFICIENCY	GENERATION (MWH)	ENERGY EFFICIENCY	GENERATION (MWH)	ENERGY EFFICIENCY	
Combined Cycle	6,842,397	55.24%	6,990,805	55.74%	8,474,412	55.84%	6,411,608	55.57%	18
Open Cycle	125,016	29.69%	339,500	27.92%	804,137	28.26%	628,802	28.53%	18
Combined Cycle + Open Cycle	6,967,413	54.78%	7,330,305	54.45%	9,278,549	53.45%	7,040,410	53.16%	18
Open Cycle	72,524	36.95%	283,262	33.94%	208,312	34.83%	63,917	39.61%	17
Coal-fired Power Plant	2,194,962	36.60%	2,519,898	36.70%	2,352,562	36.60%	1,553,260	36.60%	12

The energy efficiency results in our operations are mainly explained by:

#### Efficiency in Natural Gas Combined Cycle Power Plants:

- Chile: in April, the Nahuenco II condenser was cleaned, which made the unit recover efficiency.
- Peru: the lower efficiency at Fenix is explained by corrections in the calculation methodology required by COES, where new correction curves were considered, which also take into account the chiller.

#### Efficiency in Natural Gas Open Cycle Power Plants:

- Chile: Candelaria units presented excess start-ups and also excess operating hours, which finally triggered inspection of hot gas pathways (HGPI) in both turbines.

#### Efficiency in Diesel Open Cycle Power Plants:

- Chile: in Los Pinos case, it had lower operating hours (694.9) with also lower number of start-ups (143), which implied lower fuel consumption for each start-up and cooling during shutdown, in both cases without generation, consequently increasing its overall efficiency.

#### Efficiency in the Coal-fired Power Plant:

- Chile: in Santa Maria case, a value similar to previous years has been achieved due to efficient coal management.

## Major Energy Efficiency Initiatives

**1. Energy Audits and Improvement Opportunities:** we have conducted energy efficiency assessments at our primary thermoelectric plants, Nehuenco and Santa Maria. The evaluation at Santa Maria concluded in 2023, identifying various measures, some of which are already underway. Additionally, to comply with Law 21,305, we are implementing an Energy Management System at Nehuenco and Santa Maria, covering 80% of energy consumption and certified under the ISO 50001 standard.

**2. Quantified Objectives for Energy Savings:** as part of our energy management system, our objectives for 2024 include:

→ Enhancing electrical efficiency in the cooling towers at Nehuenco 1 by 3%.

→ Improving the electrical performance of the cooling/circulation system at Santa Maria by 3%.

**3. Actions to Reduce Energy Usage:** in 2023, actions implemented based on the energy efficiency study comprised adjusting the boiler for heat distribution uniformity and conducting a study to analyze 20 coal blends for electricity generation, aimed at utilizing the most efficient blends in coal procurement and plant operation.

**4. Evaluation of Progress in Energy Consumption Reduction:** under the energy management system, progress will be reported annually. The first progress report is scheduled for May 2024 and will be issued through the National Energy Balance.

**5. Utilization of Clean or Green Energy:** we support 100% of our electricity consumption from the grid with IREC (International Renewable Energy Certificate) certificates, verifying our use of renewable energy sources.

**6. Investments in innovation or R&D to reduce energy consumption:** we are operating the first green hydrogen production plant in a power plant in Peru. With this achievement, Fenix has taken a small but significant step in reducing its carbon footprint and contributing to the development of this important energy vector for the decarbonization and energy transition of the country. Hydrogen production will be carried out using renewable energy, facilitated by the installation of a solar photovoltaic plant. This solar plant not only powers the hydrogen plant, but also supplies electricity to the central building, thus reducing carbon dioxide emissions by approximately 70 tons per year. With this hydrogen, the power plant can cool its generation units without relying on the purchase of gray hydrogen. This project is part of the Company's sustainability initiative aimed at reducing the environmental footprint of its power plant located in Chilca.

**7. Energy efficiency training provided to employees to raise awareness on reducing energy consumption:** in 2023, three courses on the ISO 50001:2018 standard were conducted to train selected internal groups on the energy management system and provide them with the necessary skills to conduct an internal audit of the energy management system.

## Power Plant Availability in Chile

EU30

POWER PLANT	MW	TYPE OF POWER	AVAILABILITY (HOURS)		AVAILABILITY (%)	
			2022	2023	2022	2023
Carena	10	Hydraulic	7,265,4	6,089,6	82.94%	69.52%
Los Quilos	39.9	Hydraulic	6,155,4	8,372,3	70.27%	95.57%
Chacabucuito	25.7	Hydraulic	8,347,0	8,206,2	95.29%	93.68%
Juncal	29.2	Hydraulic	8,436,5	8,170,4	96.31%	93.27%
Blanco	53.0	Hydraulic	8,314,5	8,052,2	94.91%	91.92%
Juncalito	1.5	Hydraulic	8,478,5	8,540,4	96.79%	97.49%
Hornitos	61.0	Hydraulic	7,953,6	7,945,0	90.79%	90.70%
Colbun	467.3	Hydraulic	7,844,8	8,182,8	89.55%	93.41%
Machicura	95.0	Hydraulic	8,207,1	8,456,8	93.69%	96.54%
San Ignacio	37.0	Hydraulic	7,631,1	6,416,1	87.11%	73.24%
Chiburgo	19.4	Hydraulic	8,431,6	8,241,9	96.25%	94.09%
La Mina	37.2	Hydraulic	8,089,2	6,388,0	92.34%	72.92%
San Clemente	5.9	Hydraulic	8,268,8	7,193,8	94.39%	82.12%
Angostura	323.8	Hydraulic	8,124,0	8,186,2	92.74%	93.45%
Rucúe	178.4	Hydraulic	8,140,8	8,183,2	92.93%	93.42%
Quilleco	70.8	Hydraulic	8,485,4	8,399,4	96.87%	95.88%
Canutillar	172	Hydraulic	8,279,1	8,126,0	94.51%	92.76%
Nehuenco I	368.4	Thermal	6,895,9	4,016,3	78.72%	45.85%
Nehuenco II	411.2	Thermal	6,485,7	7,854,9	74.04%	89.67%
Nehuenco III	108.0	Thermal	1,667,1	8,388,2	19.03%	95.76%
Candelaria I	127.5	Thermal	7,305,7	7,316,0	83.40%	83.52%
Candelaria II	128.6	Thermal	7,915,9	7,802,5	90.36%	89.07%
Los Pinos	107.7	Thermal	7,621,7	8,341,7	87.01%	95.22%
Santa Maria	350	Thermal	7,779,6	6,956,7	88.81%	79.41%
Ovejería	9.0	Solar	4,400,9	4,280,8	97.60%	100.00%
Machicura Solar	9.0	Solar	N/a	4,391,5	N/a	100.00%
Diego de Almagro Sur	211.6	Solar	N/a	4,243,5	N/a	99.62%
<b>TOTAL</b>			<b>7,396,8</b>	<b>7240,1</b>	<b>84.71%</b>	<b>86.04%</b>



## Power Plant Availability in Peru

EU30

POWER PLANT	MW	TYPE OF POWER	AVAILABILITY (HOURS)		AVAILABILITY (%)	
			2022	2023	2022	2023
Fenix	573	Thermal	8,344.7	6,975.6	95.25%	79.63%

## Average Availability of Natural Gas Thermal Power Plants, at Consolidated Level Chile and Peru

INDICATOR	THERMAL POWER PLANTS			
	2020	2021	2022	2023
% Total Availability				
Number of Power plants	7	7	7	7

## Power Plant Availability and Reliability

[GRI EU6, EU30; DJSI 2.8.3, 2.8.4]

### Approach

- Short and long-term maintenance practices.
- Management of load peaks, such as planned interruptible supply agreements to guarantee electricity supply. Investment or divestment in generation, transmission and distribution and demand management.

## Responsible Supply Chain

### Supplier Spending by Region

[GRI 204-1]

REGION	COMMUNE	NO SME		SME		2023	
		N°	SPENDING (USD)	N°	SPENDING (USD)	N°	SPENDING (USD)
III - ATACAMA	Diego de Almagro	3	52,356	10	44,358	13	96,714
<b>TOTAL III - ATACAMA</b>		<b>3</b>	<b>52,356</b>	<b>10</b>	<b>44,358</b>	<b>13</b>	<b>96,714</b>
II - ANTOFAGASTA	TalTal	5	13,200	14	101,808	19	115,009
<b>TOTAL II - ANTOFAGASTA</b>		<b>5</b>	<b>13,200</b>	<b>14</b>	<b>101,808</b>	<b>19</b>	<b>115,009</b>
V - VALPARAISO	Los Andes	12	806,183	41	2,944,565	53	3,750,747
	Quillota	7	377,272	21	5,730,810	28	6,108,082
	San Esteban	4	4639	7	47,779	11	52,418
<b>TOTAL V - VALPARAISO</b>		<b>23</b>	<b>1,188,093</b>	<b>69</b>	<b>8,723,154</b>	<b>92</b>	<b>9,911,247</b>
RM - METROPOLITANA	Curacaví	10	17,488	13	409,461	23	426,950
	Til Til	0	0	0	0	0	0
<b>TOTAL RM - METROPOLITANA</b>		<b>10</b>	<b>17,488</b>	<b>13</b>	<b>409,461</b>	<b>23</b>	<b>426,950</b>
VI - O'HIGGINS	Codegua	1	2,394	4	61,954	5	64,348
	Mostazal	2	2,368	8	224,222	10	226,590
<b>TOTAL VI - O'HIGGINS</b>		<b>3</b>	<b>4,762</b>	<b>12</b>	<b>286,176</b>	<b>15</b>	<b>290,937</b>
VII - MAULE	Colbun	4	20,816	17	2,356,531	21	2,377,347
	San Clemente	1	1594,96	2	16,044	3	17,639
	Yerbas Buenas	0	0	2	97,911	2	97,911
<b>TOTAL VII - MAULE</b>		<b>5</b>	<b>22,411</b>	<b>21</b>	<b>2,470,486</b>	<b>26</b>	<b>2,492,897</b>
VIII - BIOBIO	Antuco	1	3780,86	3	6,469	4	10,250
	Cabrero	7	18,570	8	334,492	15	353,063
	Coronel	8	34,213	30	919,412	38	953,625
	Quilaco	0	0	6	33,483	6	33,483
	Quilleco	0	0	1	3,768	1	3,768
	Santa Bárbara	10	29,813	18	221,255	28	251,067
<b>TOTAL VIII - BIOBIO</b>		<b>26</b>	<b>86,377</b>	<b>66</b>	<b>1,518,879</b>	<b>92</b>	<b>1,605,256</b>
X - LOS LAGOS	Cochamó	2	2,514	4	116,727	6	119,241
<b>TOTAL X - LOS LAGOS</b>		<b>2</b>	<b>2,514</b>	<b>4</b>	<b>116,727</b>	<b>6</b>	<b>119,241</b>
<b>TOTAL</b>		<b>77</b>	<b>1,387,202</b>	<b>209</b>	<b>13,671,049</b>	<b>286</b>	<b>15,058,251</b>
% OF PROCUREMENT FROM LOCAL SUPPLIERS		<b>26.9%</b>	<b>9.2%</b>	<b>73.1%</b>	<b>90.8%</b>	<b>100%</b>	<b>100%</b>
<b>CHILCA</b>		<b>6</b>	<b>255.823</b>	<b>13</b>	<b>98.818</b>	<b>19</b>	<b>354.641</b>
% OF PROCUREMENT FROM LOCAL SUPPLIERS		<b>31.6%</b>	<b>72.1%</b>	<b>68.4%</b>	<b>27.9%</b>	<b>100%</b>	<b>100%</b>

## Actions Taken by the Company in the Fiscal Year Aimed at Contributing to the Abolition of Child Labor and Forced Labor

GRI 408-1

ACTION	DESCRIPTION	GOALS AND TARGETS	PROGRESS FOLLOW-UP
Perform thorough due diligence when selecting suppliers and contractors	The Company's track record and reputation concerning compliance with labor rights and human rights are assessed to ensure adherence to applicable labor laws and regulations.	During the supplier selection process, 100% of suppliers undergo DICOM and PEP screenings, and all information requests made to suppliers during bidding processes are fulfilled.	Periodic evaluation of suppliers is conducted throughout the contract execution period.
Include clear and specific clauses in contracts outlining compliance with labor and human rights standards.  Ensure 100% respect for and protection of the fundamental rights of workers employed by contractors and suppliers.	Contracts contain provisions aligning with Colbun S.A.'s Human Rights and Corporate Policy, which condemns child labor and any form of employment that violates human dignity.	100% signed contracts must include provisions ensuring the respect for and protection of the fundamental rights of workers employed by contractors and suppliers.	Supplier evaluations, audits, and site visits are conducted to identify opportunities for improvement and offer feedback.
Implement monitoring and follow-up mechanisms to verify adherence to contractual clauses and labor and human rights standards.	Contractors are required to provide certifications of compliance with labor and social security obligations issued by the Labor Inspectorate, as well as a list of workers, RUT numbers, current employment contracts, etc.	We ensure 100% implementation of an accreditation and access control system at Colbun's facilities, (Clever).	Regular meetings are held with the audit area to review and monitor complaints received through Colbun's complaints channel.
Foster transparency and open communication channels with suppliers.	Establish confidential channels for whistleblowers and a conflict resolution mechanism to report rights violations without fear of retaliation.	We prioritize transparency, integrity, and responsibility in commercial relationships, fostering an environment of trust and mutual respect.	We engage in meetings with suppliers, deliver lectures and workshops, conduct field visits, and perform audits to ensure compliance.
Offer training and awareness programs for suppliers and contractors on labor and human rights, as well as company policies.	Conduct training and awareness programs for suppliers through workshops, discussions, audits, site visits, etc., to foster better understanding and commitment to compliance with these regulations.	We enforce that suppliers and contractors are dedicated to upholding and advancing human rights, thereby contributing to a responsible and ethical supply chain	Mantener reuniones con proveedores, realizar charlas y/o talleres, ejecución de visitas a terreno y auditorías, entre otros.
Define clear and proportionate consequences in cases of non-compliance with contractual clauses related to labor and human rights, including financial penalties, contract termination, legal action, among others.	Regular audits, site inspections, and continuous review of relevant documentation are conducted, along with supplier evaluations.	We guarantee adherence to the obligations of suppliers and contractors	Suppliers are evaluated, audits are conducted, and field visits are executed to identify improvement opportunities and provide feedback.
Utilize the SSINDEX indicator as a tool to identify risks related to human rights and labor rights issues based on feedback from contractors and suppliers.	Annually, a selected group of contractors is invited to participate in a survey evaluating Colbun's sustainability performance, as well as assessing their own companies.	Maintain reliable and sustainable evaluations, thereby upholding the SSINDEX SUPPLIERS certification.	Actions are taken to address improvement opportunities identified as a result of the survey.

## Number of Suppliers Assessed under Sustainability Criteria and Representative Percentage of Total Number Evaluated Suppliers

### Chile

INDICATOR	2022		2023	
	DOMESTIC	FOREIGN	DOMESTIC	FOREIGN
Suppliers analyzed under sustainability criteria (environmental and/or social and/or corporate governance)	289	10	494	14
% they represent of the analyzed total	97%	3%	97%	3%
Total amount of purchases from suppliers evaluated (ThUSD)			311,822	6,177

### Peru

INDICATOR	2022		2023	
	DOMESTIC	FOREIGN	DOMESTIC	FOREIGN
Suppliers analyzed under sustainability criteria (environmental and/or social and/or corporate governance)			664	82
% they represent of the analyzed total			89%	11%
Total amount of purchases from suppliers evaluated (ThUSD)			284,150	4,369

## Suppliers Evaluation and Monitoring at Consolidated Level, Chile and Peru

### +

MONITORING	2020	2021	2022	2023
Total number of suppliers assessed over counter or on-site evaluations, and target set for last fiscal year (in number or %)				530
% of significant suppliers (critical + ESG risky) evaluated				31%
Number of suppliers assessed as having significant negative impacts (actual or potential)				230
% of suppliers with significant negative impacts (actual or potential) with corrective actions or improvement plans agreed upon				0%
Number of suppliers with significant negative impacts (actual or potential) that were terminated.	0	0	0	1

ASSESSED SUPPLIERS MONITORING	2020	2021	2022	2023
Total tier 1 suppliers				530
Total significant suppliers tier 1				163
Percentage of total spending on significant suppliers of tier 1				89%
Total of significant suppliers NOT tier 1				n/i
Total significant suppliers (Tier 1 and NON-Tier 1)				n/i

MONITORING	2020	2021	2022	2023
Total number of suppliers supported in the implementation of the corrective action plan.				0
% of significant suppliers supported in the implementation of the corrective action plan				0%
Total number of suppliers in training programs				81
% of significant suppliers in training programs				47%

## Annex Chapter 6

# Our Teams

## Staffing Profile

### Staffing by Gender and Region in Chile

[GRI 2-7]

REGIONS	2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Antofagasta	23	8	31	33	10	43
Atacama	5	0	5	3	0	3
Metropolitana	292	171	463	347	188	535
Valparaiso	153	15	168	136	14	150
O'Higgins	24	1	25	21	2	23
Maule	69	5	74	67	7	74
Biobio	178	17	195	180	17	197
Los Lagos	19	2	21	21	2	23
Total	763	219	982	808	240	1,048

### Staffing by Gender and Region in Peru

[GRI 2-7]

REGIONS	2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Lima	36	22	58	40	28	68
Chilca	59	4	63	58	3	61
Total	95	26	121	98	31	129

## Staffing by Labor Category and Gender in Chile

[NCG 461 5.1.1]

LABOR CATEGORY	2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior Management	10	1	11	11	1	12
Management (and Assistant Management)	58	26	71	64	13	77
Supervisor	106	26	132	110	28	138
Operator	22	0	22	22	0	22
Sales Force	2	3	5	2	3	5
Administrative	12	37	49	12	38	50
Assistant	8	9	17	8	9	17
Other Professionals	215	120	370	259	136	395
Other Technicians	318	12	330	320	12	332
Total	787	221	1,008	808	240	1,048

## Staffing by Labor Category and Gender in Peru

[NCG 461 5.1.1]

LABOR CATEGORY	2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior Management	1	0	1	1	0	1
Management (and Assistant Management)	5	2	7	6	2	8
Supervisor	21	1	17	21	2	23
Operator	0	0	0	0	0	0
Sales Force	0	0	0	0	0	0
Administrative	1	7	9	1	4	5
Assistant	1	0	1	1	0	1
Other Professionals	40	16	52	40	22	62
Other Technicians	28	0	34	28	1	29
Total	97	26	121	98	31	129

## Staffing by Nationality, Gender and Employment Category in Chile

[NCG 461 5.1.2]

LABOR CATEGORY	CHILEAN			VENEZUELAN			ARGENTINE			COLOMBIAN			OTHER NATIONALITIES		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior Management	11	1	12	0	0	0	0	0	0	0	0	0	0	0	0
Management (and Assistant Management)	58	13	71	0	0	0	1	0	1	1	0	1	4	0	4
Supervisor	106	26	132	2	0	2	1	0	1	0	1	1	1	1	2
Operator	22	0	22	0	0	0	0	0	0	0	0	0	0	0	0
Sales Force	2	3	5	0	0	0	0	0	0	0	0	0	0	0	0
Administrative	12	37	49	0	1	1	0	0	0	0	0	0	0	0	0
Assistant	8	10	18	0	0	0	0	0	0	0	0	0	0	0	0
Other Professionals	250	120	370	4	7	11	2	1	3	1	2	3	2	6	8
Other Technicians	318	12	330	1	0	1	1	0	1	0	0	0	0	0	0
Total	787	221	1,008	7	8	15	5	1	6	2	3	5	7	7	14

## Staffing by Nationality, Gender and Employment Category in Peru

[NCG 461 5.1.2]

LABOR CATEGORY	PERUVIAN			CHILEAN		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior Management	1	0	1	0	0	0
Management (and Assistant Management)	5	2	7	1	0	1
Supervisor	21	2	23	0	0	0
Operator	0	0	0	0	0	0
Sales Force	0	0	0	0	0	0
Administrative	1	4	5	0	0	0
Assistant	1	0	1	0	0	0
Other Professionals	28	22	62	0	0	0
Other Technicians	28	1	29	0	0	0
Total	97	31	128	1	0	1

## Staffing by Nationality and Breakdown by Leadership Positions, at Consolidated Level Chile and Peru

[DJSI 3.1.3]

NACIONALITY	MEN	WOMEN	TOTAL	%	SENIOR MANAGEMENT (TOP MANAGEMENT, MANAGEMENT, DEPUTY MANAGEMENT AND SUPERVISORY POSITIONS)	TOTAL
Chile	787	221	1,008	85.64%	215	83.01%
Peru	97	31	128	10.88%	31	11.97%
Venezuela	7	8	15	1.27%	2	0.77%
Argentina	5	1	6	0.51%	2	0.77%
Colombia	3	3	6	0.51%	3	1.16%
Other	7	7	14	1.19%	6	2.32%
Total	906	271	1,177	100%	259	100%

## Staffing by Age Group, Gender and Labor Category in Chile

[NCG 461 5.1.3]

LABOR CATEGORY	MEN						WOMEN					
	UNDER 30 YEARS	30 - 40 YEARS	41 - 50 YEARS	51 - 60 YEARS	61 - 70 YEARS	OVER 70 YEARS	UNDER 30 YEARS	30 - 40 YEARS	41 - 50 YEARS	51 - 60 YEARS	61 - 70 YEARS	OVER 70 YEARS
Senior Management	0	1	5	3	2	0	0	0	0	0	0	0
Management (and Assistant Management)	0	13	23	15	13	0	0	2	6	0	0	0
Supervisor	1	16	51	33	9	0	0	11	14	0	0	0
Operator	1	3	5	12	1	0	0	0	0	0	0	0
Sales Force	0	1	1	0	0	0	0	3	0	0	0	0
Administrative	3	0	3	5	1	0	5	5	13	3	1	1
Assistant	0	1	0	6	1	0	0	2	0	5	0	0
Other Professionals	31	90	84	38	16	0	27	64	35	1	0	0
Other Technicians	19	108	105	74	13	1	0	6	6	0	0	0
Total	55	233	277	186	56	1	32	93	74	9	1	1

## Staffing by Age Group, Gender and Labor Category in Peru

[NCG 461 5.1.3]

LABOR CATEGORY	MEN					WOMEN				
	UNDER 30 YEARS	30 - 40 YEARS	41 - 50 YEARS	51 - 60 YEARS	61 - 70 YEARS	UNDER 30 YEARS	30 - 40 YEARS	41 - 50 YEARS	51 - 60 YEARS	61 - 70 YEARS
Senior Management	0	0	0	1	0	0	0	0	0	0
Management (and Assistant Management)	0	1	3	2	0	0	0	1	1	0
Supervisor	0	6	13	2	0	0	1	0	0	1
Administrative	0	1	0	0	0	1	1	1	1	0
Assistant	0	0	0	1	0	0	0	0	0	0
Other Professionals	11	15	13	1	0	9	7	6	0	0
Other Technicians	2	11	13	1	1	1	0	0	0	0
Total	13	34	42	8	1	11	9	8	2	1

Note: Fenix has no employees over 70 years of age.

## Staffing by Seniority, Gender and Job Category in Chile

[NCG 461 5.1.4]

LABOR CATEGORY	MEN					WOMEN				
	UNDER 3 YEARS	3 - 6 YEARS	6 - 9 YEARS	9 - 12 YEARS	OVER 12 YEARS	UNDER 3 YEARS	3 - 6 YEARS	6 - 9 YEARS	9 - 12 YEARS	OVER 12 YEARS
Senior Management	1	0	1	3	6	0	0	0	0	1
Management (and Assistant Management)	8	9	6	13	28	5	1	1	2	4
Supervisor	12	9	11	17	61	6	3	5	6	8
Operator	3	0	0	4	15	0	0	0	0	0
Sales Force	1	0	0	1	0	2	1	0	0	0
Administrative	5	1	1	0	5	10	3	1	2	22
Assistant	1	0	2	3	2	1	0	0	2	6
Other Professionals	122	35	31	28	43	68	27	11	19	11
Other Technicians	53	25	52	60	130	5	3	1	0	3
Total	206	79	104	129	290	97	38	19	31	55

## Staffing by Seniority, Gender and Job Category in Peru

[NCG 461 5.1.4]

LABOR CATEGORY	MEN					WOMEN				
	UNDER 3 YEARS	3 - 6 YEARS	6 - 9 YEARS	9 - 12 YEARS	OVER 12 YEARS	UNDER 3 YEARS	3 - 6 YEARS	6 - 9 YEARS	9 - 12 YEARS	OVER 12 YEARS
Senior Management	0	0	1	0	0	0	0	0	0	0
Management (and Assistant Management)	1	3	1	1	0	0	0	0	0	2
Supervisor	2	2	6	10	1	0	0	1	1	0
Administrative	1	0	0	0	0	1	0	0	3	0
Assistant	0	0	1	0	0	0	0	0	0	0
Other Professionals	17	7	2	13	1	13	5	1	2	1
Other Technicians	9	3	3	13	0	1	0	0	0	0
Total	30	15	14	37	2	15	5	2	6	3



## People with Disabilities in Chile

[NCG 461 5.1.5]

LABOR CATEGORY	WOMEN	MEN	TOTAL
Senior Management	0	0	0
Management (and Assistant Management)	0	0	0
Supervisor	0	0	0
Operator	0	1	1
Sales Force	0	0	0
Administrative	0	1	1
Assistant	0	0	0
Other Professionals	2	2	4
Other Technicians	0	5	5
Total	2	9	11

**Note:** No employees with disabilities have been identified at Fenix..

## Labor Formality in Chile

[NCG 461 5.2; GRI 2-7]

TYPE OF CONTRACT	2022			2023		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
For Work	1	1	2	0	0	0
Indefinite-Term	212	753	965	229	797	1,026
Fixed-Term	6	9	15	11	11	22
Total	219	763	982	240	808	1,048

## Labor Formality in Peru

[NCG 461 5.2; GRI 2-7]

TYPE OF CONTRACT	2022			2023		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
Indefinite-Term	84	20	104	94	24	118
Fixed-Term	11	6	17	4	7	11
Total	95	26	121	98	31	129

## Labor Adaptability in Chile

[NCG 461 5.3; GRI 2-7]

TYPE OF CONTRACT	2022			2023		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
Full-Day	217	763	980	238	808	1,046
Part-Time	1	0	1	2	0	2
With Adaptability Agreements	1	0	1	0	0	0
Total	219	763	982	240	808	1,048

## Labor Adaptability in Peru

[NCG 461 5.3; GRI 2-7]

TYPE OF CONTRACT	2022			2023		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
Full-Day	95	26	121	98	31	129
Part-Time	0	0	0	0	0	0
With Adaptability Agreements	0	0	0	0	0	0
Total	95	26	121	98	31	129

## Employment in Chile

[NCG 461 5.3; GRI 2-7]

TYPE OF CONTRACT	2022			2023		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
Full-Day	56	514	570	56	499	555
Part-Time	161	247	408	180	306	486
With Adaptability Agreements	2	2	4	4	3	7
Total	219	763	982	240	808	1,048

## Employment in Peru

[NCG 461 5.3; GRI 2-7]

TYPE OF CONTRACT	2022			2023		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
Full-Day	60	2	62	58	2	60
Part-Time	35	24	59	40	29	69
With Adaptability Agreements	0	0	0	0	0	0
Total	95	26	121	98	31	129

## Diversity, Equity and Human Rights

### Diversity in Staffing

[GRI 2-7]



CATEGORY	2020		2021		2022		2023	
	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%
Men	790	80.3%	803	79.7%	763	77.7%	808	77.1%
Women	194	19.7%	205	20.3%	219	22.3%	240	22.9%
Under 30 years old	74	7.5%	73	7.2%	76	7.7%	87	8.3%
30 - 50 years	659	67.0%	677	67.2%	616	62.7%	677	64.6%
Over 50 years	251	25.5%	258	25.6%	290	29.5%	284	27.1%
Nationals	962	97.8%	976	96.8%	948	96.5%	1,008	96.2%
Foreign	22	2.2%	32	3.2%	34	3.5%	40	3.8%
Disabled Persons (certified)	10	1.0%	9	0.9%	10	1.0%	11	1.05%
Native People	0	0.0%	0	0.0%	0	0.0%	0	0.0%



CATEGORY	2020		2021		2022		2023	
	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%
Men	80	78.4%	89	78.8%	95	78.5%	98	75.9%
Women	22	21.6%	24	21.2%	26	21.5%	31	24.0%
Under 30 years old	18	17.7%	20	17.7%	21	17.4%	24	18.6%
30 - 50 years	76	74.5%	86	76.1%	91	75.2%	93	72.1%
Over 50 years	8	7.8%	7	6.2%	9	7.4%	12	9.3%
Nationals	100	98.0%	112	99.1%	119	98.4%	128	99.2%
Foreign	2	1.9%	1	0.9%	2	1.7%	1	0.8%
Disabled Persons	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Native People	0	0.0%	0	0.0%	0	0.0%	0	0.0%

## Diversity Indicators: Women 2023 Presence in Chile

[DJSI 3.1.2]

POSITION	N°	PERCENTAGE (%)	GOAL 2023	GOAL 2025	GOAL 2030
Women in total workforce (Total headcount)	240	22.9%	23.0%	25.0%	30.0%
Women in leadership positions, including junior, middle and senior management (Managers, Deputy Managers, Heads and Supervisors)	42	18.5%	15.0%	20.0%	25.0%
Women in junior leadership positions	28	20.7%	-	-	-
Women in senior leadership positions	14	15.7%	-	-	-
Women in leadership positions in revenue-generating roles	14	2.9%	-	-	-
Women in STEM positions (science, technology, engineering or mathematics)	56	8.7%	-	-	-

## Diversity Indicators: Women 2023 Presence Consolidated Chile y Peru

[DJSI 3.1.2]

POSITION	N°	PERCENTAGE (%)	GOAL 2023	GOAL 2025	GOAL 2030
Women in total workforce (Total headcount)	240	22.9%	23.0%	25.0%	30.0%
Women in leadership positions, including junior, middle and senior management (Managers, Deputy Managers, Heads and Supervisors)	42	18.5%	15.0%	20.0%	25.0%
Women in junior leadership positions	28	20.7%	-	-	-
Women in senior leadership positions	14	15.7%	-	-	-
Women in leadership positions in revenue-generating roles	16	11.5%	-	-	-
Women in STEM positions (science, technology, engineering or mathematics)	67	8.5%	-	-	-

## Diversity Indicators: Women 2023 Presence in Peru

[DJSI 3.1.2]

POSITION	N°	PERCENTAGE (%)	GOAL 2023	GOAL 2025	GOAL 2030
Women in total workforce (Total headcount)	31	24%	23.0%	25.0%	30.0%
Women in leadership positions, including junior, middle and senior management (Managers, Deputy Managers, Heads and Supervisors)	4	13%	15.0%	20.0%	25.0%
Women in junior leadership positions	2	9%	-	-	-
Women in senior leadership positions	2	22%	-	-	-
Women in leadership positions in revenue-generating roles	2	33.3%	-	-	-
Women in STEM positions (science, technology, engineering or mathematics)	11	11.8%	-	-	-

## Wage Gap

### Wage Gap by Position Category in Chile

[NCG 461 5.4.2; GRI 405-2]

LABOR CATEGORY	AVERAGE WAGE	MEDIAN WAGE
Senior Management	No se reporta	No se reporta
Management (and Assistant Management)	82.70%	78.70%
Supervisor	99.50%	105.40%
Operator	No aplica	No aplica
Sales Force	129.00%	136.70%
Administrative	129.70%	131.10%
Assistant	107.30%	104.40%
Other Professionals	77.50%	81.10%
Other Technicians	85.90%	91.20%

Note: For mean and median calculations, the gross hourly wage is considered. "Not reported" in those cases where the universe of people involves only one worker. "Not applicable" in those cases where there are no workers of different sexes in the category.

### Wage Gap by Position Category in Peru

[NCG 461 5.4.2; GRI 405-2]

LABOR CATEGORY	AVERAGE WAGE	MEDIAN WAGE
Senior Management	No aplica	No aplica
Management (and Assistant Management)	98.74%	93.52%
Supervisor	104.12%	107.34%
Administrative	237.18%	260.52%
Assistant	No aplica	No aplica
Other Professionals	83.77%	68.80%
Other Technicians	80.45%	70.34%

Note: For mean and median calculations, the gross hourly wage is considered. "Not reported" in those cases where the universe of people involves only one worker. "Not applicable" in those cases where there are no workers of different sexes in the category.

### Wage Gap, With and Without Monetary Incentives in Chile

CATEGORY	LABOR CATEGORY	WAGE GAP (%)
Base Salary Comparison	Senior Managers	75.60%
	Supervisors	99.50%
Base Salary Comparison +other monetary incentives	Senior Mangers	72.90%
	Supervisorss	100.50%
Base Salary Comparison	Unmanaged workers	96.60%

### Wage Gap, With and Without Monetary Incentives in Peru

CATEGORY	LABOR CATEGORY	WAGE GAP (%)
Base Salary Comparison	Senior Managers	83.5%
	Supervisorss	97.7%
Base Salary Comparison +other monetary incentives	Senior Managers	83.6%
	Supervisorss	97.0%
Base Salary Comparison	Unmanaged workers	80.3%

### Consolidated Wage Gap, With and Without Monetary Incentives in Chile y Peru

CATEGORY	LABOR CATEGORY	WAGE GAP (%)
Base Salary Comparison	Senior Managers	75.8%
	Supervisorss	99.5%
Base Salary Comparison +other monetary incentives	Senior Managers	72.9%
	Supervisorss	100.5%
Base Salary Comparison	Unmanaged workers	95.4%

## Employment Quality and Safety

### Organizational Climate

#### Great Place to Work (GPTW) Survey Results in Chile

[Colbun 10.TR, DJSI 3.4.6]

CATEGORY	2020			2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Area Vision	87%	88%	87%	85%	87%	85%	85%	88%	86%	84%	86%	84%
Corporative Vision	84%	86%	84%	81%	84%	82%	82%	85%	83%	81%	82%	81%
Overall Satisfaction	85%	87%	86%	83%	85%	85%	84%	86%	85%	82%	84%	83%
NPS*	91%	93%	91%	89%	91%	90%	90%	91%	90%	90%	90%	89%
Tasa Respuesta	94%			93%			93%			94%		
Coverage (% FTE)	100%			100%			100%			100%		

Note: \*The NPS in Colbun Chile is the average of both visions in the question "I would recommend with conviction this organization to friends and family because it is a great place to work". It is on a Likert scale (from 1 to 5) and shows responses 4 and 5 of favorability.

#### GPTW 2023 Results, by Age Range in Chile

CATEGORY	UNDER 26 YEARS	26 - 34 YEARS	35 - 44 YEARS	45 A 54 YEARS	55 OR OVER
Area Vision	91%	87%	80%	84%	89%
Corporative Vision	91%	82%	75%	83%	87%
NPS	94%	90%	87%	88%	93%

#### GPTW 2023 Results, by Seniority in Chile

CATEGORY	UNDER 2 YEARS	2 - 5 YEARS	6 - 10 YEARS	11 - 15 YEARS	16 - 20 YEARS	OVER 20 YEARS
Area Vision	89%	87%	83%	81%	81%	85%
Corporative Vision	85%	83%	76%	81%	79%	84%
NPS	90%	92%	89%	88%	85%	91%

## Great Place to Work (GPTW) Survey Results in Peru

[Colbun 10.TR, DJSI 3.4.6]

CATEGORY	2020			2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Area Vision	87%	95%		89%	97%							
Corporative Vision			85%			91%			88%	87%	90%	88%
eNPS*			61%			48%			55%	59%	82%	65%
Response Rate			88%			89%			94%			
Coverage (% FTE)		100%			100%			100%			100%	

Note: \*In Fenix the eNPS corresponds to the question "I would recommend with conviction this organization to friends and family as a great place to work", and is calculated as "promoters - detractors", on a scale of 0 to 10 points.

## GPTW 2023 Results, by Age Range in Peru

CATEGORY	UNDER 26 YEARS	26 A 34 YEARS	35 A 44 YEARS	45 A 54 YEARS
Area Vision	96%	86%	87%	89%
Corporative Vision	92%	86%	85%	85%
eNPS	72%	57%	64%	67%

## GPTW 2023 Results, by Seniority in Peru

CATEGORY	UNDER 2 YEARS	2 A 5 YEARS	6 A 10 YEARS	11 A 15 YEARS
Area Vision	92%	91%	84%	85%
Corporative Vision	90%	93%	80%	82%
NPS	70%	69%	45%	71%

## Great Place to Work (GPTW) Survey Results in Colbun Soluciones by Efizity

[Colbun 10.TR, DJSI 3.4.6]

CATEGORY	2023		
	MEN	WOMEN	TOTAL
Area Vision	84%	86%	84%
Corporative Vision	81%	82%	81%
Overall Satisfaction	82%	84%	83%
NPS	90%	90%	89%
Response Rate		94%	
Coverage (% FTE)		100%	

## Consolidated GPTW 2023 Results, by Seniority in Chile and Peru

[Colbun 10.TR, DJSI 3.4.6]

CATEGORY	2020			2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Area Vision												
Corporative Vision												
eNPS*												
Response Rate												
Coverage (% FTE)		100%			100%			100%			100%	

Note: \*In Colbun Chile the NPS corresponds to the average of both views in the question "I would recommend with conviction this organization to friends and family because it is a great place to work". It is on a Likert scale (from 1 to 5) and shows the answers 4 and 5 of favorability.

### 2023 Purpose Survey:

In the Climate Survey, the average satisfaction scores for the Area Vision (VA) and Corporate Vision (VC) can serve as indicators for this aspect. The "Pride" dimension assesses various aspects related to the meaningfulness of work and the sense of purpose, both at an individual and company-wide level. For instance, statements like "My job holds special meaning" and "I feel good about our Company's contributions to the community" are evaluated. Notably, the "Pride" dimension received the highest rating among the 5 dimensions measured in the survey. The results for 2023 were as follows: 88% globally (89% for men and 88% for women), with a response rate of 94%.

In 2023, Colbun undertook the implementation of the Purpose Strength Model survey, in collaboration with the University of Navarra and People In Mind, as part of the purpose updating process. The survey results, focusing on questions related to purpose implementation (knowledge, internalization, and contribution), are detailed in the preceding table. A significant portion, specifically 78.6% of the Chilean workforce, participated in the survey. Among them, 78.9% demonstrated a high level of purpose or internal motivation. For Fenix, the response rate stood at 69%, with 81% of workers exhibiting a high level of purpose or internal motivation.

## Training and Education

### Amount Allocated to Training and Professional Development in Chile

[NCG 461 5.8.i, DJSI 3.3.1]

INDICATOR	2023
Total amount allocated for employee training (ThUS\$)	1,151
Percentage of total annual income (%)	0.07%

INDICATOR	2023	
Total amount allocated for employee training (ThUS\$)	Men	802,456
	Women	348,850
Total amount allocated for employee training (ThUS\$)	Under 30 Years	122,475
	30 - 50 Years	815,662
	Over 50 Years	213,170

### Amount Allocated to Training and Professional Development in Peru

[NCG 461 5.8, DJSI 3.3.1]

INDICATOR	2020	2021	2022	2023
Total amount allocated for employee training (ThUS\$)	45.9	73	80	45.3
Percentage of total annual income (%)	0.28%	0.42%	0.32%	0.14%

INDICATOR	2020	2021	2022	2023	
Total amount allocated for employee training (ThUS\$)	Men	35,401	63,816	62,830	31,760
	Women	10,574	9,233	16,667	13,551
Total amount allocated for employee training (ThUS\$)	Under 30 Years	1,779	44,100	14,433	13,299
	30 - 50 Years	42,061	26,626	62,388	30,427
	Over 50 Years	2,136	2,323	2,676	1,585

### Amount and Average Hours Spent on Training and Professional Development, at Consolidated Level Chile and Peru

[DJSI 3.3.1]

INDICATOR	2023
Total amount allocated for employee training (ThUS\$)	1,197
Average number of hours allocated to training	54.24

### Trained Staff in Chile

[NCG 461 5.8.ii]

CATEGORY	2022		2023	
	NUMBER	%	NUMBER	%
Women	204	93%	240	100%
Men	648	85%	774	96%

### Trained Staff in Peru

[NCG 461 5.8.ii]

CATEGORY	2022		2023	
	NUMBER	%	NUMBER	%
Women	21	81%	18	58%
Men	69	73%	53	54%



## Average Annual Hours of Training by Gender in Chile

[Ncg 461 5.8.Iii; Gri 404-1, Djsi 3.3.1]

LABOR CATEGORY	2022			2023		
	WOMEN	MEN	TOTAL	MUEJRES	MEN	TOTAL
Senior Management	18.5	15.6	15.9	21.0	30.2	29.4
Management (and Assistant Management)	57.0	37.7	41.9	69.5	43.9	48.2
Supervisor	68.5	48.9	56.4	81.3	75.3	76.5
Operator	8.0	37.5	60.3	0.0	27.0	27.0
Sales Force	97.7	100.0	98.6	66.3	34.0	53.4
Administrative	19.2	59.9	35.4	47.6	87.3	57.1
Assistant	1.6	20.1	16.1	3.7	25.6	14.0
Other Professionals	59.8	39.6	48.4	93.2	57.3	69.6
Other Technicians	62.8	50.3	63.9	73.4	46.9	47.8
<b>Total</b>	<b>50.9</b>	<b>44.1</b>	<b>52.6</b>	<b>78.3</b>	<b>53.5</b>	<b>59.1</b>

## Average Annual Hours Of Training by Gender in Peru

[Ncg 461 5.8.Iii; Gri 404-1, Djsi 3.3.1]

LABOR CATEGORY	2022			2023		
	WOMEN	MEN	TOTAL	MUEJRES	MEN	TOTAL
Senior Management	0.0	64.0	38.6	0.0	0.0	0.0
Management (and Assistant Management)	36.5	4.0	4.0	0.0	5.5	4.1
Supervisor	12.0	29.5	28.4	4.0	28.3	20.7
Administrative	43.4	21.7	38.6	25.1	0.0	20.0
Assistant	0.0	20.0	20.0	0.0	10.0	10.0
Other Professionals	181.8	81.0	112.0	58.1	28.9	39.3
Other Technicians	0.0	8.9	8.9	32.0	21.7	22.0
<b>Total</b>	<b>126.9</b>	<b>40.4</b>	<b>59.0</b>	<b>45.7</b>	<b>24.5</b>	<b>29.6</b>

## Average Annual Hours of Training by Age Range in Chile

[Ncg 461 5.8.Iii; Gri 404-1, Djsi 3.3.1]

AGE RANGE	2023		
	WOMEN	MEN	TOTAL
Under 30 Years	101.4	60.9	75.8
30 - 50 Years	81.4	59.4	64.9
Over 50 Years	47.3	39.3	40.4

## Average Annual Hours of Training by Age Range in Peru

[Ncg 461 5.8.Iii; Gri 404-1, Djsi 3.3.1]

AGE RANGE	2023		
	WOMEN	MEN	TOTAL
Under 30 Years	70.47	37.98	52.87
30 - 50 Years	37.34	24.08	26.51
Over 50 Years	2.67	8.44	7.00

## Training Programs in Chile

[GRI 404-2]

PROGRAM	DESCRIPTION	RECIPIENTS 2022	% COMPARED TO 2022	RECIPIENTS 2023	% COMPARED TO 2023
Undergraduate Scholarships	In 2023, support was provided for financing technical or university studies, including fields such as Civil Electrical Engineering, Mechanical Execution, Computer Science, and Administration, among others.	33	3.4%	33	3.3%
Graduate studies	Additionally, funding was allocated for postgraduate studies, including Diplomas, Masters, and MBA programs.	61	6.2%	55	5.4%
Desarrollate Program (Ex Capacitate)	The Desarrollate Program, with 11 years of experience, aimed to offer training activities beyond specific area training plans, focusing on developing technical and management skills relevant to employees' interests.				
	This year, the program included an annual schedule consisting of 13 hybrid mode lectures and 4 asynchronous courses, covering three main dimensions:  "Develop yourself in Management Skills", "Develop yourself in Business Skills", "Develop yourself in Technological Skills".  The program's expansion in coverage was attributed to a wider variety of content offered throughout the year and the involvement of internal Company speakers addressing contingent topics aligned with the business strategy, such as Green Hydrogen, Introduction to the Electricity Market, New Renewable Projects, Sustainability, Water Resources, and Innovation (among other)	185	18.8%	352	34.7%
English	Corporate program to enhance English language skills.	63	6.4%	73	7.2%
Crime Prevention Program	Training on Law No. 20,393 for new Company members	99	10.1%	77	7.6%
Induction to the Company e-learning Program	Information and training on Law No. 20,393 for new members of the Company.	70	7.1%	57	5.6%
Electricity Market Course	Provide theoretical and practical knowledge regarding regulations, bidding, pricing and business operations.	35	3.6%	Not performed in 2023	
Electrical Risk Course	E-learning course specifically designed for Colbun that provides tools to workers in order to analyze, detect and prevent the risks of electrical accidents in their functions.	95	9.7%	119	11.7%
Leadership Program: Leader's role	Promote the exercise of leadership in positions with personnel in charge, making known the profile of the Colbun leader and what is expected of them in this role.	123	12.5%	Program was carried out in 2024	
Leadership Program: Healthy and Harassment-free work environments	Promote the exercise of leadership in positions with personnel in charge, in relation to healthy and harassment-free environments.	144	14.7%	Program was carried out in 2024	
Leadership Program: Labor Relations	Strengthen the exercise of leadership in positions with personnel in charge, providing tools on labor relations issues.	130	13.2%	Program was carried out in 2024	
Leadership Program: Role of the Leader (new Supervisors)	To empower the new leaders of the Company, making them aware of the profile of the Colbun leader and what is expected of them in this role.	-	-	17	1.7%

PROGRAM	DESCRIPTION	RECIPIENTS 2022	% COMPARED TO 2022	RECIPIENTS 2023	% COMPARED TO 2023
Leadership Program: Webinar "Leading in a changing world" (Spanish)	Understand current industry challenges and explore new approaches to adapting to change and leading diverse teams.	-	-	141	13.9%
Leadership Program: Face-to-Face Workshop	Conduct face-to-face workshops where leaders convene to share experiences. The 2023 workshop themes included Purpose and the Leader's Role, Leading from Strengths, Empowering the Role, Labor Relations, and High Impact Communication.	-	-	153	15.1%
Leadership Program: Webinar "Leading Innovation".	Present new trends in Innovation and discuss the role of leadership in creating safe environments conducive to team creativity.	-	-	82	8.1%
Feedback Workshop	Provide concrete tools for delivering feedback to Colbun's leaders, enabling them to understand the feedback process and effectively plan and execute feedback meetings. The workshop was conducted face-to-face for new leaders (new hires and promotions in 2023).	-	-	88	8.7%
Green Hydrogen Diploma	Deliver theoretical knowledge on green hydrogen.	31	3.2%	Not performed in 2023	
Internal Mentor Training	To further our gender goals, develop internal mentors empowered to support female workers in the future.	17	1.7%	Not performed in 2023	
Women training in masculinized environments	Offer training for women in management positions where female representation is below 40%, providing them with various tools to empower them in their workplace.	-	-	60	5.9%
Financial Project Course	Implement a program aimed at workers involved in roles related to generating new Company projects. The program's objective is to provide financial tools for evaluating and developing new business forms. Course topics cover Project Evaluation, Corporate & Project Finance, and tax topics associated with planning and financially evaluating investment projects.	-	-	37	3.6%
Asset Management Diploma Course	Strengthen competencies and knowledge for operational excellence to support the achievement of the Company's strategic business plans. The program covers Asset Management, Operational Excellence, Maintenance within Asset Management, and Work Management.	-	-	30	3.0%
Women Mentorships	Thirty Colbun women were paired up in 2023, comprising women in leadership positions trained as mentors paired with professional women, with the aim of supporting professional growth and development objectives within the framework of gender equity goals, particularly promoting female leadership. Twenty-seven women completed the program.	-	-	27	3.0%
Technical Academy	Offer a series of e-learning courses on technical knowledge associated with operation and maintenance, available at our Colbun Campus.	-	-	70	6.9%
<b>TOTAL</b>		<b>1,086</b>		<b>1,374</b>	

## Training Programs in Peru

[GRI 404-2]

PROGRAM	DESCRIPTION	RECIPIENTS 2022	% COMPARED TO 2022	RECIPIENTS 2023	% COMPARED TO 2023
Languages	Foreign language proficiency	5	4.1%	3	2%
Leadership / Soft Skills Program	Company leadership skills.	25	20.7%	18	14%
Electricity Market, Regulation and Management Program	Technical skills focused on commercial management.	11	9.1%	13	10%
Operational Excellence Program	Development of operations and maintenance skills.	23	19.0%	28	22%
Information Technology	Updating in new IT tools.	22	18.2%	10	8%
Professional Updating Program	Updating by area specialty.	42	34.7%	18	14%
Fenix Female Talent Program	Empowerment of leaders with projection to assume roles of Supervisors.	6	5.0%	0	0%
<b>TOTAL</b>		<b>90</b>	<b>74.4%</b>	<b>70</b>	<b>54%</b>

## Programs to Ensure Skilled Labor in Chile

[GRI EU14]

PROGRAM	DESCRIPTION	RECIPIENTS 2022		RECIPIENTS 2023	
		MEN	WOMEN	MEN	WOMEN
Safety, Occupational Health and Safety and Environment Curriculum	Provide training to ensure the safety and integrity of our workers, operations, and environment, as well as compliance with legal aspects. This includes both face-to-face and e-learning courses on Environmental, Safety, and Occupational Health issues for the Generation Management team. A key component of this program is the internally designed Electrical Hazards Course.	278	22	260	7
Undergraduate Scholarships	Offer financial support for technical or university studies for employees from facilities with incomes up to 80 UF and with at least 2 years of seniority. The goal is to enable employees who have not been able to start or complete their undergraduate studies to do so while balancing their studies with work responsibilities.o.	27	1	29	1
Operational Excellence	Implement a program focused on reinforcing and acquiring new knowledge required by plant workers, tailored to their specific areas of work. This program develops technical competencies aligned with the needs of the plants and includes participation in conferences, on-site training, e-learning courses, and other relevant activities.	92	4	65	1
Leadership	Launch a leadership development program targeting positions with personnel responsibilities, based on the Colbun Leader Profile. The program consists of specific workshops covering topics such as "Purpose and the role of a leader," "Empowerment of the role," "Labor Relations and Communication for leaders," and "Leadership in the Company."	68	3	52	3

## Programs to Ensure Skilled Labor in Peru

[GRI EU14]

PROGRAM	DESCRIPTION	RECIPIENTS 2022		RECIPIENTS 2023	
		MEN	WOMEN	MEN	WOMEN
Operational Excellence	Training focused on enhancing the operation and maintenance of Fenix's TC.	22	1	27	1
Languages	Training aimed at optimizing Fenix's commercial processes in the electricity market.	4	1	3	0
Management, regulation and electricity market	Aimed at optimizing Fenix's commercial process in the electricity market.	12	0	8	5
Information Technology	Updating on new technological tools.	19	2	9	1
Professional Updating Program	Professional development necessary for the position.	26	16	8	10
Leadership Female Talent	Leadership empowerment for individuals poised to take on Supervisor roles.	0	6	0	0
Fenix Female Talent Program	Training designed to provide leadership tools to employees with personnel responsibilities.	21	4	12	6

## Employee Development Program

[DJSI 3.3.2]

	PROGRAM 1	PROGRAM 2
Program name and description		
Description of program objective/business benefits		
Quantitative impact of business benefits (monetary or non-monetary)		
% of FTEs participating in the program		

## Main Topics Included on Training Courses in Chile

[CMF 5.8.iv]

GENERAL TOPIC	DESCRIPTION
Innovation	During the year, training was conducted to enhance the innovation skills of employees, as well as to the team of "Innovation Leaders" of the Company (27 people), with topics such as "Digital Innovation for Innovation Leaders", "Innovation Leaders Event", "Commercial Trainers Table", among others. A pilot training program with Augmented Reality was also carried out on Occupational Safety issues at the Aconcagua Complex.
Diversity	Various training activities were carried out to provide knowledge and/or skills in the area of Diversity, mainly focused on Gender and People with Disabilities. Some of the programs were Diversity, Equity and Inclusion, Tools for women in Masculinized Environments, Healthy Environments and Free of Harassment.
Coaching Programs	Coaching sessions were held for leaders and professionals to improve gaps identified in different measurement tools (such as Leadership Evaluation, Climate, etc.) and enhance performance.

## Main Topics Included on Training Courses in Peru

[CMF 5.8.iv]

GENERAL TOPIC	DESCRIPTION
Thermotechnical Fundamentals for Combined Cycle Power Plants	Provide thermotechnical concepts and tools in order to understand and energetically evaluate the operation of combined cycles through different parameters and performance indicators.
Thermography applied to electrical systems	Training in the use of thermographic cameras for the diagnosis of predictive maintenance of electrical systems.

## Human Capital ROI Analysis: Consolidated Performance in Chile and Peru

[DJSI 3.3.3]

	2020	2021	2022	2023
a) Total Revenues	1,348,868,000	1,439,744,000	1,974,000,000	2,003,600,000
b) Total Operating Expenses (USD)	913,000,000	1,132,280,000	1,430,100,000	1,495,500,000
c) Total Employee Related Expenses (salaries + benefits) (USD)	65,400,000	79,700,000	84,000,000	91,800,000
ROI Human Capital resulting (a - (b-c)) / c	7.664	4.857	7.475	6.535
Total employees	1.086	1.193	1.103	1.177

In 2023, there was a 35% increase in training expenditure for women, with the average training hours rising from 50.9 hours in 2022 to 78.3 hours in 2023. This reflects the Company's commitment to retaining female talent and fostering their professional development, thereby enhancing their opportunities for taking on new challenges and increasing job satisfaction. Moreover, increased training for women leads to greater professional readiness, which has a positive long-term impact on narrowing the salary gap and preparing more women for leadership roles within the Company.

These efforts are evident in the improved perception of women regarding training opportunities, as indicated by the GPTW 2023 survey. Specifically, the indicator related to "I am offered training or other forms of development to grow professionally" increased from 78 to 81 points for women, whereas for men, it decreased from 73 to 71 points.

Despite the increased focus on female training, overall training hours within the company have not decreased. In fact, there was a 3% increase in investment in training and a 9.4% increase in average training hours received by male employees.

## Performance Evaluation

### Performance Evaluation in Chile

[GRI 404-3]

LABOR CATEGORY	2022			2023		
	WOMAN	MAN	TOTAL	WOMAN	MAN	TOTAL
Senior Management	100.0%	90.0%	90.9%	100.0%	100.0%	100.0%
Management (and Assistant Management)	100.0%	96.7%	97.2%	100.0%	96.9%	97.4%
Supervisor	94.4%	99.1%	98.4%	100.0%	100.0%	98.6%
Operator	No aplica	90.9%	90.9%	No Aplica	100.0%	100.0%
Sales Force	100.0%	100.0%	100.0%	100.0%	50.0%	80.0%
Administrative	97.0%	100.0%	97.7%	97.2%	90.0%	95.7%
Assistant	100.0%	100.0%	100.0%	88.9%	87.5%	88.2%
Other Professionals	94.3%	93.3%	93.7%	98.4%	91.7%	94.2%
Other Technicians	92.9%	98.4%	98.2%	100.0%	98.4%	98.8%
Total	95.3%	96.5%	96.3%	98.3%	96.1%	96.6%

### Performance Evaluation in Peru

[GRI 404-3]

LABOR CATEGORY	2022			2023		
	WOMAN	MAN	TOTAL	WOMAN	MAN	TOTAL
Senior Management	-	100%	100%	0%	100%	100%
Management (and Assistant Management)	100%	100%	100%	100%	100%	100%
Supervisor	100%	100%	100%	100%	100%	100%
Operator	-	-	-	-	-	-
Sales Force	-	-	-	-	-	-
Administrative	71.0%	50.0%	67.0%	75%	-	60%
Assistant	-	-	-	-	-	-
Other Professionals	69.0%	89.0%	83.0%	68%	90.0%	82.3%
Other Technicians	-	76.0%	76.0%	100%	96.4%	96.6%
Total	73.1%	86.3%	83.5%	74.19%	93.88%	89.15%

### Scope, Frequency and Types of Performance Evaluation

The Performance Management Model at Colbun serves to ensure alignment across the Company in meeting objectives and expected behaviors. It facilitates continuous communication between supervisors and employees, aiding in goal achievement, professional development, and organizational success. This process emphasizes ongoing feedback to enhance performance and uphold Company values.

To maintain alignment, we assess both results and behaviors. Corporate and managerial objectives ("What") are defined annually to support Colbun's strategy, while individual behaviors ("How") are evaluated to encourage continuous improvement aligned with Company values.

The performance evaluation process involves all permanent employees with at least three months of tenure. Its aim is to improve expected behaviors in line with company values and ensure a constructive experience for all involved.

The process comprises

- Self-assessment
- Supervisor evaluation
- Calibration
- Year-end feedback sessions (first)
- Mid-year feedback sessions (second)

Year-end feedback sessions focus on setting goals for the upcoming year and supporting employees' professional development. For those undergoing leadership evaluations, this is an opportunity to comprehensively review results and provide support.

Additionally, two "Feedback for Leaders" workshops were conducted in 2023, equipping supervisors with practical tools for performance evaluation.

In Chile, employees with indefinite contracts as of December 31, 2023, and with over three months of tenure are eligible for evaluation. During 2023, 99.5% of workers meeting this criterion were evaluated. In 2023, only 5 workers were not evaluated even though they meet the requirements and this is because they were on medical leave throughout 2023 (2 people), left the Company on 31.12.2023 (2 people) and changed to an indefinite contract in December 2023 (1 person).a)

In addition to the performance evaluation (top-down), a Leadership Evaluation (bottom-up) is also carried out: The Evaluation aims to provide feedback to Colbun's leaders (3 or over reports), through a survey conducted once a year, aligned with the 8 attributes of the Colbun Leader.

This year we conducted a "pilot" incorporating Senior Managers with under 3 people in charge in order to provide feedback on their leadership to those "Senior Managers" who, due to number of reports, do not have it. Identifying strengths and weaknesses, as well as areas for improvement. The results of the Leadership assessment serve as input to define and elaborate the topics to be addressed in the next Leadership Program. Notably, 50% of leaders with critical results in 2022 improved their performance in 2023.

## Development and Mobility

### New Recruitments in Chile

[GRI 401-1]

AGE RANGE	NUMBER			RATE		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Under 30 years	25	16	41	45.5%	50.0%	47.1%
30 - 50 years	61	30	91	12.0%	18.0%	13.4%
Over 50 years	11	3	14	4.5%	7.3%	4.9%
Total	97	49	146	12.0%	20.4%	13.9%

### New Recruitments in Peru

[GRI 401-1]

AGE RANGE	2020			2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Under 30 years	0	4	4	14	6	20	5	2	7	5	6	11
30 - 50 years	1	0	1	71	15	86	2	4	6	4	1	5
Over 50 years	0	0	0	4	3	7	1	0	1	2	0	2
Total	1	4	5	89	24	113	8	6	14	11	7	18

### New Recruitment Rate in Peru

[GRI 401-1]

AGE RANGE	2020			2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Under 30 years	0%	40.00%	28.60%	35.70%	33.30%	35%	33.33%	33.33%	33.33%	38.46%	54.55%	45.83%
30 - 50 years	7.70%	0.00%	1.40%	14.10%	13.33%	14%	2.70%	23.53%	6.59%	5.26%	5.88%	5.38%
Over 50 years	0%	0.00%	0.00%	0.00%	25.00%	14.30%	16.67%	0.00%	11.11%	22.22%	0.00%	16.67%
Total	5.00%	5.30%	5.20%	18.00%	16.70%	17.70%	8.42%	23.08%	11.57%	11.22%	22.58%	13.95%



## Turnover in Chile

[GRI 401-1]

AGE RANGE	NUMBER			TASA		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Under 30 years	3	4	7	6.1%	14.8%	9.2%
30 - 50 years	28	14	42	5.6%	8.6%	6.3%
Over 50 years	20	3	23	8.3%	7.5%	8.2%
Total	51	21	72	6.4%	9.2%	7.0%

## Turnover in Peru

[GRI 401-1]

AGE RANGE	2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Under 30 years	1	0	1	1	2	3	3	1	4
30 - 50 years	2	1	3	1	2	3	4	1	5
Over 50 years	2	0	2	0	0	0	1	0	1
Total	5	1	6	2	4	6	8	2	10

## Turnover rate in Peru

[GRI 401-1]

AGE RANGE	2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Under 30 years	7.10%	-	5%	6.67%	33.33%	14.29%	23.08%	9.09%	16.67%
30 - 50 years	10.80%	18.20%	12.50%	1.35%	11.76%	3.30%	5.26%	5.88%	5.38%
Over 50 years	50%	-	28.60%	-	-	-	11.11%	0%	8.33%
Total	5.60%	4.20%	5.30%	2.11%	15.38%	4.96%	8.16%	6.45%	7.75%

## Turnover Colbun Soluciones by Efizity

[GRI 401-1]

AGE RANGE	NUMBER			TASA		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Under 30 years	3	0	3	33%	0%	20%
30 - 50 years	6	9	15	17%	39%	25%
Over 50 years	0	0	0	0%	0%	0%
Total	9	9	18	19%	33%	24%

## Turnover by Labor Category Chile

LABOR CATEGORY	MEN	WOMEN	TOTAL
Senior Management	0	0	0
Management (and Assistant Management)	4	0	4
Supervisor	2	0	2
Operator	11	0	11
Sales Force	0	0	0
Administrative	1	1	2
Assistant	0	2	2
Other Professionals	20	16	36
Other Technicians	13	2	15
Total	51	21	72

## Turnover by Labor Category Peru

TURNOVER	2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior Management	0%	0%	0%	0%	0%	0%	0%	0%	0%
Management	0%	0%	0%	0%	0%	0%	0%	0%	0%
Supervisor	0%	0%	0%	100%	0%	5.88%	4.76%	0%	4.35%
Administrative	33.3%	0%	10.00%	0%	0%	0%	100%	0%	20%
Assistant	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other Professionals	8.9%	6.70%	8.30%	12.50%	5.56%	7.69%	10%	9.09%	9.68%
Other Technicians	0%	0%	0%	0%	0%	0%	7.14%	0%	6.90%
Total	5.6%	4.20%	5.30%	7.69%	2%	4%	8.16%	6.45%	7.75%

### Turnover for Labor Category in Colbun Soluciones by Efizity

LABOR CATEGORY	MEN	WOMEN	TOTAL
Senior Management	0%	0%	0%
Management (and Assistant Management)	17%	0%	17%
Supervisor	10%	40%	20%
Operator	0%	0%	0%
Sales Force	0%	0%	0%
Administrative	0%	0%	0%
Assistant	0%	0%	0%
Other Professionals	23%	33%	27%
Other Technicians	0%	0%	0%
Total	19%	33%	24%

### Turnover by Nationality in Chile

NATIONALITY	MEN	WOMEN	TOTAL
Chilean	51	20	71
Colombian	0	1	1
Total	51	21	72

### Turnover by Nationality in Peru

NATIONALITY	2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Peruvian	5.60%	4.20%	5.30%	7.69%	2.11%	4.13%	7.22%	6.45%	7.03%
Chilean	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	100%
Total	5.60%	4.20%	5%	0.00%	0.00%	0.00%	8.16%	6.45%	7.75%

### Turnover by Nationality in Colbun Soluciones by Efizity

NACIONALIDAD	MEN	WOMEN	TOTAL
Chilean	9	5	14
Colombian	0	1	1
Peruvian	0	2	2
Venezuelan	0	1	1
Total	9	9	18

### Voluntary Rotation Chile

INDICATOR	MEN	WOMEN	TOTAL
Voluntary Turnover	26	15	41

### Voluntary Rotation Peru

INDICATOR	2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Voluntary Turnover	1.12%	0.00%	0.88%	2.11%	11.54%	4.13%	9.68%	0.00%	2.33%

### Voluntary Rotation in Colbun Soluciones by Efizity

INDICATOR	MEN	WOMEN	TOTAL
Voluntary Turnover	6	7	13

### Consolidated Voluntary Turnover Rate Chile-Peru

INDICATOR	2020	2021	2022	2023
EMPLOYEE TURNOVER RATE	3	6.87	11.7	7
Voluntary Turnover	2.08	3.57	4.7	3.7
% Data Coverage	95.5%	94%	94%	100%

### Internal Recruitment Peru

NEW INTERNAL RECRUITMENT	2020	2021	2022	2023
Total number of new employee recruitments	10	20	14	21
% of vacant positions filled by internal candidates (internal hires)	-	-	-	14.3%

### Internal Mobility Chile: Vacancies Filled Internally

LABOR CATEGORY	NUMBER OF VACANCIES FILLED IN-HOUSE			PERCENTAGE OF VACANCIES FILLED IN-HOUSE		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior Management	1	0	1	100.0%	0.0%	100.0%
Management (and Assistant Management)	10	2	12	62.5%	50.0%	60.0%
Supervisor	17	7	24	81.0%	77.8%	80.0%
Operator	0	0	0	-	-	-
Sales Force	0	0	0	-	-	-
Administrative	1	2	3	25.0%	22.2%	23.1%
Assistant	0	0	0	-	-	-
Other Professionals	26	26	52	28.6%	42.6%	34.2%
Other Technicians	6	0	6	25.0%	0.0%	22.2%
Total	61	37	98	38.6%	43.0%	40.2%

### Total New and Internal Recruitments, by Labor Category Chile

LABOR CATEGORY	MEN	WOMEN	TOTAL
Senior Management	1	0	1
Management (and Assistant Management)	15	5	20
Supervisor	21	9	30
Operator	0	0	0
Sales Force	1	0	1
Administrative	4	9	13
Assistant	1	0	1
Other Professionals	90	61	151
Other Technicians	24	3	27
Total	157	87	244

### Internal Mobility Peru: Vacancies Filled Internally

LABOR CATEGORY	NUMBER OF VACANCIES FILLED IN-HOUSE			PERCENTAGE OF VACANCIES FILLED IN-HOUSE		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior Management	0	0	0	-	-	-
Management (and Assistant Management)	0	0	0	-	-	-
Supervisor	1	0	1	100%	-	100%
Administrative	0	0	0	-	-	-
Assistant	0	0	0	-	-	-
Other Professionals	1	0	1	17%	-	17%
Other Technicians	1	0	1	50%	-	50%
Total	3	0	3	23%	-	23%

### Total New and Internal Recruitments, by Labor Category Peru

LABOR CATEGORY	2020			2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior Management	0	0	0	0	0	0	0	0	0	0	0	0
Management	0	0	0	0	0	0	0	0	0	1	0	1
Supervisors	0	0	0	1	1	2	1	0	1	2	0	2
Administrative	2	1	3	0	0	0	0	0	0	2	1	3
Assistant	0	0	0	0	0	0	0	0	0	0	0	0
Other Professionals	5	2	7	6	3	9	7	5	12	6	6	12
Other Technicians	0	0	0	9	0	9	0	1	1	2	1	3
<b>Total</b>	<b>7</b>	<b>3</b>	<b>10</b>	<b>16</b>	<b>4</b>	<b>20</b>	<b>8</b>	<b>6</b>	<b>14</b>	<b>13</b>	<b>8</b>	<b>21</b>

### Total New and Internal Recruitments, by nacionalidad Chile

NATIONALITY	MEN	WOMEN	TOTAL
Germany	1	0	1
Argentina	1	0	1
Chile	150	79	229
Colombia	0	2	2
Spain	1	0	1
Bolivia	0	1	1
Brazil	1	0	1
Peru	0	1	1
Venezuela	4	3	7
<b>Total</b>	<b>158</b>	<b>86</b>	<b>244</b>

## Total New and Internal Recruitments, by Nationality

NATIONALITY	2020			2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Peruvian	7	3	10	16	4	20	7	6	13	13	8	21
Chilean	0	0	0	0	0	0	1	9	1	0	0	0
Total	7	3	10	16	4	20	8	15	14	13	8	21

## Labor Absenteeism Chile

[Colbun 13.S0]

INDICATOR	2020			2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Calendar days of absenteeism	4,853	1,233	6,086	6,974	2,003	8,977	10,197	2,168	12,365	9,292	2,168	11,460
Absenteeism rate	1.72	1.81	1.74	2.41	2.73	2.47	3.80	3.04	3.64	3.37	2.71	3.22

## Labor Absenteeism Peru

[Colbun 13.S0]

INDICATOR	2020			2021			2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Calendar days of absenteeism	287	4	291	226	61	287	433	113	546	227	121	348
Absenteeism rate	11.96	0.61	9.51	8.46	8.47	8.47	15.19	14.49	15.04	7.72	13.01	8.99

## Remuneration

### Principal Senior Managers Remuneration Chile

[NCG 461 3.4.ii]

REMUNERATION (US\$)	2020	2021	2022	2023
Fixed	3,209,824	2,802,199	2,602,676	3,175,056
Variable	2,428,602	1,828,989	3,161,018	2,610,770

#### SENIOR MANAGEMENT COMPENSATION

Fixed	0	0	585.020	133.609
Variable	0	0	0	0
Total	5,638,426	4,631,188	6,348,714	5,919,435

### Principal Senior Managers Remuneration Peru

[NCG 461 3.4.ii]

REMUNERATION (US\$)	2020	2021	2022	2023
Fixed	915,194	886,336	1,148,942	1,414,188
Variable	267,461	339,887	394,705	491,723

#### SENIOR MANAGEMENT COMPENSATION

Fixed	0	0	0	0
Variable	0	0	0	0
Total	1,182,655	1,226,223	1,543,647	1,905,911

## Benefits

### Employee Benefits Chile

[NCG 461 5.8; GRI 401-2; DJSI 3.4.4]

CATEGORY	BENEFIT	BENEFIT DESCRIPTION	ELIGIBLE EMPLOYEES IN 2023	EMPLOYEES WHO USED THE BENEFIT
Working Conditions	Continued remuneration due to medical leave	Keeps remuneration in case of medical leave.	1,030	376
	Workers with differentiated working hours	Change of the Company's official entry and exit working hours.	1,048	30
Personal Well-Being	Personal Days	2 days of administrative leave for employees	1,000	879
	Petlovers	Assistance in reimbursement of medical expenses for pets	767	191
	Birthday Gift	Birthday gift for employees with indefinite term contracts	1,030	1,030
	Christmas Basquet	Christmas basket for all employees	1,048	1,048
	Psychological support (mental health)	Psychological support for bereaved family members	767	2
Economic	Vested Loan	Consumer loan for employees with a cap on Base Salary based on seniority.	919	429
	Housing Loan	Home purchase and remodeling loans	919	98
	Emergency Accommodation	Financial support for lodging expenses due to medical issues	767	6
	Housing Giftcard	Home improvement card, provided the employee buys a house.	767	23
	Tecno Loan	Up to \$1,200,000 loan for computer, Tablet, cellular phone purchases.	767	20

CATEGORY	BENEFIT	BENEFIT DESCRIPTION	ELIGIBLE EMPLOYEES IN 2023	EMPLOYEES WHO USED THE BENEFIT
Economic / Family	Birth bonuses	Birth bonus to employees having children	941	23
	Wedding bonus	Wedding bonus for workers who get married	941	13
	Mother/father death bonus	Bonus when a parent dies by presenting a death certificate	919	26
Economic / Family and Education	Education bonus for children and over 24 years of age	Bonus for children who are not dependents due to age, but study longer careers.	767	9
	Undergraduate bonus	Assistance to employees' fourth-grade children who attend high school and undergraduate programs.	919	18
Economic / Retirement	Improved compensation at retirement age	Retirement plan for pensionable-age workers in the form of a severance payment for years of service of between 1.2 and 1.3 gross salaries.	29	5
Education	Scholarships	School vouchers for elementary, middle school and high school education	1,030	641
	Language reimbursement	Reimbursement of 50% up to a maximum of \$150,000 per year for language studies	767	42
	Graduate degree	\$200,000 for completion of undergraduate studies for children	767	29
Family	Christmas toys for children	Christmas toys for employees' children up to 12 years of age	436	436
	Severe illness leave for children and/or spouse	Allowance with pay for serious illness for children up to 24 years of age and spouse	562	8
	Christmas party for children	Christmas party for children and parents	1,048	683
Health Promotion	Sports reimbursement	Contribution for employee's sports expenses	941	425
	Sports funds (health care)	Company support for extracurricular projects of employees	1,030	332

CATEGORY	BENEFIT	BENEFIT DESCRIPTION	ELIGIBLE EMPLOYEES IN 2023	EMPLOYEES WHO USED THE BENEFIT
Health and medicine	Medical loans	Loan for workers and their dependents for medical expenses	789	34
	Supplemental health insurance	Supplementary insurance for workers and their legal dependents	1,030	1,028
	Outpatient bonus	Insurance benefit for outpatient expenses	1,030	0?
	Dental health bonus	Insurance benefit for dental expenses	1,030	494
	Optical expense bonus	Insurance benefit for optical expenses	1,030	307
	Examination bonus	Insurance benefit for medical examinations	1,030	859
	Medicine bonus	Insurance benefit for prescription drugs	1,030	745
	Hospitalization bonus	Insurance benefit for hospitalization	1,030	91
	Life insurance	Insurance coverage for beneficiaries designated by the employee in case of death	1,030	3

Note: All benefits described above are provided to full-time employees.

## Employee Benefits Peru

[NCG 461 5.8; GRI 401-2; DJSI 3.4.4]

CATEGORY	BENEFIT	BENEFIT DESCRIPTION	ELIGIBLE EMPLOYEES IN 2023	EMPLOYEES WHO USED THE BENEFIT
Working Conditions	Risk Work Complementary Insurance	Insurance for workplace accidents and occupational diseases mandated by legal regulations.	129	0
	Vida Ley	Legal labor benefit aimed at providing temporary financial support to the family members of an employee in case of natural or accidental death or total permanent disability.	129	0
	Employee Transportation	Service facilitating the transportation of employees to the workplace.	56	56
Working Conditions / Family	Paternity Leave	All workers have the right to ten calendar days of paid leave upon the birth of their child.	98	1
	Maternity Leave	Maternity leave in Peru totals 98 days, divided into prenatal and postnatal periods of 49 days each.	28	0
	Bereavement Leave	By regulation all workers are entitled to five days of leave in the event of the death of a spouse, parent, child, or sibling.	129	1
Education	Master's Scholarships	Benefit covering a percentage of the total cost of a master's degree.	129	2
	English Language Training Reimbursement	Financial reimbursement for each language learning cycle.	129	2
Family	Toys for children under 12 years old	Gift provided to employees' children.	83	83
	Psychological Support	Psychological support for employees and their families	129	23
Health and medicine	EPS	Entidad Prestadora de Salud (EPS), Health insurance offered by a Health Provider Entity, complementing social security.	129	129
	Oncology Insurance	Oncology insurance provides comprehensive coverage for all care related to the detection, treatment, and post-treatment of cancer.	129	0

Note: All benefits described above are provided to full-time employees.

## Parental Leave General Indicators Chile

[GRI 401-3]

INDICATOR	2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Number of individuals entitled to parental leave	26	10	36	21	10	31
Number of individuals who used parental leave	0	10	10	0	10	10
Percentage of individuals who took parental leave	0%	100%	28%	0%	100%	32%
Number of individuals who returned to work after the end of parental leave	0	10	10	0	6	6
Number of individuals who returned to work and remained employed 12 months later.	0	9	9	0	10	7
Return to work rate	0%	90%	90%	0%	100%	60%

## Parental Leave General Indicators Peru

[GRI 401-3]

INDICATOR	2022			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Number of individuals entitled to parental leave	3	1	4	1	1	2
Number of individuals who took parental leave	3	1	4	1	1	2
Percentage of individuals who took parental leave	100%	100%	100%	100%	100%	100%
Number of individuals who returned to work after parental leave	3	0	3	1	1	2
Number of individuals who returned to work and remained employed twelve months later.	3	0	3	1	1	2
Return to work rate	100%	0%	100%	100%	100%	100%



## Parental Leave Use Chile

[NCG 461 5.7]

LABOR CATEGORY	INDIVIDUALS USING BENEFIT				AVERAGE DAYS OF USE	
	WOMEN	MEN	PARENTAL LEAVE (5 DAYS)		PARENTAL LEAVE (6 WEEKS)	
			WOMEN	MEN	WOMEN	MEN
Board of Directors	-	-	-	-	-	-
Senior Management	0%	9.1%	0%	0	0	0
Management	7.7%	10.9%	0%	0	0	0
Supervisors	10.7%	1.8%	0%	84	7	0
Operator	0%	5%	0%	0	6	0
Sales Force	0%	0%	0%	0	0	0
Administrative	0%	8.3%	0%	84	5	0
Assistant	0%	0%	0%	0	0	0
Other Professionals	4.4%	1.5%	0%	84	7	0
Other Technicians	8.3%	1.9%	0%	0	0	0
Total	4.6%	2.6%	0%	252	33	0

## Parental Leave Use Peru

[NCG 461 5.7]

LABOR CATEGORY	INDIVIDUALS USING BENEFIT			AVERAGE DAYS OF USE	
	WOMEN	MEN	PARENTAL LEAVE (10 DAYS)		PARENTAL LEAVE (5-10 DAYS)
			WOMEN	MEN	
Board of Directors	0	0	0	0	0
Senior Management	0	0	0	0	0
Management	0	0	0	0	0
Supervisors	0	0	0	0	0
Operator	0	0	0	0	0
Sales Force	0	0	0	0	0
Administrative	0	0	0	0	0
Assistant	0	0	0	0	0
Other Professionals	3.57%	0	0	67	0
Other Technicians	0	1.03%	0	0	10

## Workers Eligible to Retire in the Next 5 to 10 Years Chile

[GRI EU15]

REGION	SENIOR MANAGEMENT	MANAGEMENT	SUPERVISORS	OPERATOR	ADMINISTRATIVE	ASSISTANT	OTHER PROFESSIONAL	OTHER TECHNICIAN
Metropolitan	0.19%	1.24%	0.19%	0%	0.76%	0.57%	1.81%	0%
Valparaiso	0%	0%	0.38%	0.10%	0%	0.10%	0%	0.86%
O'Higgins	0%	0%	0.10%	0%	0%	0%	0.10%	0%
Maule	0%	0%	0.10%	0%	0%	0%		0.86%
Biobio	0%	0.19%	0.19%	0%	0.19%	0%	0.19%	0.19%

Note: Sales force does not present workers eligible for retirement in the next five to ten years.

## Workers Eligible to Retire in the Next 5 to 10 Years Peru

[GRI EU15]

REGION	SENIOR MANAGEMENT	MANAGEMENT	SUPERVISORS	ADMINISTRATIVE	ASSISTANT	OTHER PROFESSIONAL	OTHER TECHNICIAN
Lima	0%	0%	1%	0%	0%	0%	0%
Chilca	0%	0%	0%	0%	0%	0%	1%

Note: At Fenix there are no workers in the Sales Force and Operator category.

## Labor Relations

### Collective Bargaining Agreements Chile

[GRI 2-30, DJSI 3.1.5]

INDICATOR	2020	2021	2022	2023
Number of employees covered by collective bargaining agreements	429	415	577	562
Percentage of employees covered by collective bargaining agreements	43.60%	41.17%	58.76%	53.63%
Percentage of employees unionized	43.60%	41.17%	58.76%	53.63%

### Collective Bargaining Agreements Peru

[GRI 2-30, DJSI 3.1.5]

INDICATOR	2022	2023
Number of employees covered by collective bargaining agreements	26	26
Percentage of employees covered by collective bargaining agreements	21.49%	20.16%
Percentage of employees unionized	21.49%	25.58%

### Consolidated Collective Bargaining Agreements Chile-Peru

[GRI 2-30, DJSI 3.1.5]

INDICATOR	2022	2023
Number of employees covered by collective bargaining agreements	603	588
Percentage of employees covered by collective bargaining agreements	54.67%	49.96%
Percentage of employees unionized	54.67%	50.55%

## Collective Bargaining Agreements Chile

COLLECTIVE INSTRUMENTS	LOCALITY	N° EMPLOYEES SIGNED 2022	N° EMPLOYEES SIGNED 2023	% OF TOTAL FACILITY	% TOTAL COLBUN	TERM OF AGREEMENT
Union N° 4	Carena Power Plant	18	22	68.75%	2.10%	09/01/2023 - 08/31/2026
	Nehuenco Power Plant	1	0	0.00%		
Union Santa Maria	Santa Maria Power Plant Power Plant	64	63	62.38%	6.01%	01/01/2022 - 12/31/2024
Union N°1	Colbun	45	40	54.05%	6.49%	09/01/2023 - 08/31/2026
	Biobio Complex	11	10	12.99%		
	Headquarters	18	17	3.36%		
	Nehuenco Power Plant	0	1	1.30%		
	Canutillar Power Plant	1	0	0.00%		
Union N° 2	Aconcagua Complex	75	59	80.82%	14.50%	01/01/2024 - 12/31/2026
	Biobio Complex	33	42	54.55%		
	Canutillar Power Plant	11	14	60.87%		
	Candelaria Power Plant	5	4	22.22%		
	Los Pinos Power Plant	12	14	73.68%		
	Santa Maria Power Plant	2	3	2.97%		
	Carena Power Plant	0	1	3.13%		
	Colbun Power Plant	3	10	13.51%		
Nehuenco Power Plant	1	1	1.30%			
Union N°3	Headquarters	2	4	0.79%	6.49%	11/01/2023 - 10/31/2026
	Candelaria Power Plant	9	9	50.00%		
	Aconcagua Complex	0	1	1.37%		
	Nehuenco Power Plant	63	58	75.32%		

COLLECTIVE INSTRUMENTS	LOCALITY	N° EMPLOYEES SIGNED 2022	N° EMPLOYEES SIGNED 2023	% OF TOTAL FACILITY	% TOTAL COLBUN	TERM OF AGREEMENT
Union N° 7	Aconcagua Power Plant	8	8	10.96%	18.03%	05/01/2022 - 04/30/2025
	Horizonte Project	0	3	6.98%		
	Biobio Complex	19	17	22.08%		
	Canutillar Power Plant	6	6	26.09%		
	Candelaria Power Plant	3	3	16.67%		
	Los Pinos Power Plant	1	1	5.26%		
	Santa Maria Power Plant	23	20	19.80%		
	Colbun Power Plant	21	19	25.68%		
	Nehuenco Power Plant	9	9	11.69%		
	Carena Power Plant	6	4	12.50%		
Headquarters	107	99	19.57%			
<b>Total</b>		<b>577</b>	<b>562</b>		<b>53.63%</b>	
<b>2023 Collective Bargaining</b>			<b>310</b>	<b>55.16%</b>	<b>29.58%</b>	

## Occupational Diseases and Illnesses

[GRI 403-10]

INDICATOR	OWN EMPLOYEES		CONTRACTORS	
	2022	2023	2022	2023
Fatalities resulting from an occupational disease or illness	0	0	0	0
Cases of recordable occupational diseases and illnesses	2	2	0	0

Note 1: Both diseases presented are of a psychosocial nature.

Note 2: No occupational diseases and illnesses were recorded in Peru.

## Health and Safety Indicators Chile

[NCG 461 5.6]

INDICATOR	OWN EMPLOYEES		CONTRACTORS	
	2022	2023	2022	2023
Accident rate	0.31	0.28	0.28	0.07
Fatality rate	0	0	0	0
Occupational disease rate	0.21	0.18	0	0
Average days lost per accident	10	35	11	29
Average number of days lost per accident including fatalities	10	35	11	29
Days lost per accident including fatality	30	104	55	289

## Health and safety indicators Peru

[GRI 403-10]

INDICATOR	OWN EMPLOYEES		CONTRACTORS	
	2022	2023	2022	2023
Accident Rate	0	0	0	0
Fatality Rate	0	0	0	0
Occupational Disease Rate	0	0	0	0
Average days lost per accident	0	0	0	0
Average number of days lost per accident including fatalities	0	0	0	0
Days lost per accident including fatality	0	0	0	0

## Fatalities

[DJSI 3.5.3]

FATALITIES	2020	2021	2022	2023
Colbun Employees	0	1	0	0
Fenix Employees	0	0	0	0
<b>Total Fatalities Employees</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>
Colbun Contractors	0	0	0	0
Fenix Contractors	0	0	0	0
<b>Total Fatalities Contractors</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: Colbun's data in Chile includes Efizity's staffing.

## Lost Time Injury Frequency Rate (LTIFR) - Own workers

[DJSI 3.5.3]

FACILITY	2020	2021	2022	2023
Colbun	0	1.67	1.3	1.17
Fenix	2.7	0	0	0
Global	0.37	1.5	1.16	1.06
Information coverage (% of operations)	100%	100%	100%	100%

## Lost Time Injury Frequency Rate (LTIFR) – Contractors

[DJSI 3.5.3]

FACILITY	2020	2021	2022	2023
Colbun	2.67	3.69	1.53	1.77
Fenix	2.7	0	0	0
Global	2.42	3.46	1.47	1.67
Information coverage (% of operations)	100%	100%	100%	100%

## Near-miss Rate Chile

[SASB IF-EU-320a.1]

INDICATOR	OWN EMPLOYEES		CONTRACTORS	
	2022	2023	2022	2023
Near-miss rate	1.56	2.95	0	1.91

## Near-miss Rate Peru

[SASB IF-EU-320a.1]

INDICATOR	OWN EMPLOYEES		CONTRACTORS	
	2022	2023	2022	2023
Near-miss rate	0	7.42	0	5.85

## Emergency Plan Trainings Chile

[GRI EU21]

INDICATOR	SIMULATIONS CARRIED OUT OR COMMENTS ON THE TRAININGS	N° OF OWN WORKERS TRAINED	STAFFING	%
Aconcagua Complex	OHS drill carried out to test the technical capacity of the commune's firefighting personnel to rescue people in places of difficult access. Environmental drill to verify the efficient response to environmental emergencies. Emergency Plan 2023 training carried out	53	75	70
Nehuenco Complex	Simulation carried out. Dissemination of emergency plan 2023	73	73	100
Carena Power Plant	Simulation: Flooding in neighboring properties due to canal overflow.	31	31	100
Candelaria Power Plant	Simulation carried out in February 2023 (Use of AED), dissemination of emergency plan	11	18	61
Colbun Complex	Simulation of rescue of injured person in confined spaces (lower shields of San Ignacio generator).	72	72	100
Complejo Santa Maria Complex	Emergency Plan training in February 2023.	82	103	80
Los Pinos Power Plant	A simulation of trapping a worker inside a mill, with rescue from a height on November 7, 2023, was carried out in conjunction with EECC ISS.	13	18	73
Biobio (Rucúe Quilleco) Complex	Intrusion - Theft" drill was carried out on October 19, 2023..	67	70	96
Biobio (Angostura) Complex	Simulation carried out.			
Canutillar Power Plant	Simulation carried out.	20	21	96
Casa Matriz	Drill conducted SSO 11-01-2024 corresponding to the year 2023 / Emergency plan in the process of dissemination.	355	455	78
Ovejería	Evacuation drill.	1	1	100
DAS	Simulation conducted on October 04, spill of hazardous substances.	3	3	100
Machicura Solar	Simulation conducted on April 04, fire threat.	1	1	100
<b>Total</b>		<b>782</b>	<b>941</b>	<b>83%</b>

## Emergency Plan Trainings Peru

[GRI EU21]

POWER PLANT	SIMULATIONS CARRIED OUT OR COMMENTS ON THE TRAININGS	N° OF OWN WORKERS TRAINED	STAFFING	%
FENIX	7 drills and one evacuation plan training were conducted	25	65	38%

## Health and Safety Training for Contractors Chile

[GRI EU18]

TRAINING	DESCRIPTION	POWER PLANTS	PARTICIPANTS
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Complejo Aconcagua	223
SSO training on site and dissemination of lessons learnt	Colbun induction 264 Dissemination of accidents 27 workers	Central Candelaria	264
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Central Carena	112
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Complejo Colbun	38
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Complejo Nehuenco	443
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Complejo Biobio	28
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Complejo Santa Maria	1,285
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Central Canutillar	91
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	DAS	1

TRAINING	DESCRIPTION	POWER PLANTS	PARTICIPANTS
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Proyecto Gip TX / Codegua	278
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Proyectos Construcción	351
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Proyecto Portezuelo Gip TX	214
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Casa Matriz	42
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Horizonte	3,687
SSO training for on-site work	ERTK induction about Colbun and facilities, emergency plan, accident information regulations, mandatory PPE and use, existing occupational health and safety hazards.	Central Los Pinos	46

## Health and Safety Training for Contractors Peru

[GRI EU18]

TRAINING	DESCRIPTION	PLACES WHERE IT WAS HELD	PARTICIPANTS
Contractor Induction	Companies log in to the Fenix website, watch the induction video and take the test.	Fenix	2,077

Note: Peruvian law does not allow training to contractors (Law 29.245 Law that regulates outsourcing services).

## Work Incident Investigation

The Company has a dedicated procedure for investigating labor incidents, structured around the root cause analysis.

After identifying the factors that led to the accident, measures are devised (following the risk control hierarchy) to prevent similar occurrences in the future. These measures may be integrated into the risk matrix associated with the activity in which the incident occurred.

The implementation of new controls stemming from incident investigations involves updating risk matrices, work procedures, employee training, and other relevant aspects.

## OHS Requirements for Contractors

For each service contracted by the Company, different requirements are requested, which are framed in the subcontracting law and in the Special Regulations for Contractors and Subcontractors.

## Health and Safety

### Health and Safety Management System Coverage Chile

GRI 403-8

INDICATOR	OWN EMPLOYEES				CONTRACTORS			
	2022		2023		2022		2023	
	Number	% of total	Number	% of total	Number	% of total	Number	% of total
Covered by the health and safety system	971	100%	1,087	100%	1,804	100%	3,003	100%
Covered by the health and safety system, subject to internal audit.	971	100%	1,087	100%	1,804	100%	3,003	100%
Covered by health and safety system, subject to audit or certification by third party	971	100%	1,087	100%	1,804	100%	3,003	100%

### Health and Safety Management System Coverage Peru

GRI 403-8

INDICATOR	OWN EMPLOYEES		CONTRACTORS	
	Number	% of total	Number	% of total
Covered by the health and safety system	129	100%	221	100%
Covered by the health and safety system, subject to internal audit.	129	100%	221	100%
Covered by health and safety system, subject to audit or certification by third party	0	0%	0	0%

### Work-related Injuries Chile

GRI 403-9

INDICATOR	OWN EMPLOYEES				CONTRACTORS			
	2022		2023		2022		2023	
	Number	Rate	Number	Rate	NUMBER	Tasa	NUMBER	Tasa
Fatalities resulting from an industrial accident injury	0	0	0	0	0	0	0	0
Occupational injuries with major consequences (excluding fatalities)	0	0	0	0	0	0	2	0,35
Recordable occupational injuries	3	1,3	3	1,17	5	1,53	10	1,77

Note 1: Rates are calculated per 1,00,000 hours worked.

Note 2: No recordable occupational accidents were recorded in Peru.



## Annex Chapter 7

# Relationship and Participatory Design

## Community Participation in Project Development

### Cuatro Vientos Wind Project, Llanquihue

#### Corporate Affairs Management and Engineering and Projects Management

#### Participant Groups

- Carrillanca Indigenous Community
- Lefnahuel Indigenous Community
- Rinconada San Juan Indigenous Community
- Antumapu Indigenous Community
- Caimapu Indigenous Community
- Kupalmapu Indigenous Community
- Newen pal Indigenous Community
- Nancuante Puel Mapu Indigenous Community
- Loncotoro Indigenous Association
- El Quelín Development Committee
- Línea Balmaceda Neighborhood Board
- Puente Lopez Neighborhood Board
- Colegual Neighborhood Board
- Manos Unidas Neighborhood Board
- Colonia Los Indios Neighborhood Board
- Loncotoro Neighborhood Board
- Línea Solar Neighborhood Board
- Línea Cruzada Neighborhood Board
- Llanquihue Commune Union
- Fresia Commune Union

#### Authorities Involved

- Environmental Evaluation Service (SEA)
- General Water Directorate (DGA)
- Agricultural and Livestock Service (SAG)
- Regional Ministerial Secretariat of Public Works (Secretaría Regional Ministerial de Obras Públicas)
- National Forestry Corporation (CONAF)
- Directorate of Hydraulic Works (DOH)
- Regional Secretariat of the Environment (Secretaría Regional Ministerial del Medio Ambiente)
- Regional Secretariat of Economy (Secretaría Regional Ministerial de Economía)
- Regional Secretariat of Energy (Secretaría Regional Ministerial de Energía)
- National Geology and Mining Service (Servicio Nacional de Geología y Minería)
- Regional Ministerial Secretariat of Housing and Urbanism
- National Corporation for Indigenous Development
- Regional Government
- Municipality of Llanquihue
- Municipality of Fresia

#### Resources to Support Participation

Resources were utilized during early socialization meetings and initial citizen participation sessions (PACA). Through citizen consultation and voting, a decision was made to change the project name from Los Colonos to Cuatro Vientos.

Furthermore, following requests made during these sessions, the removal of two wind turbines in the Loncotoro sector was agreed upon.

In another participatory event focused on territorial dialogue, a comprehensive assessment and survey of the territory's potential and needs were conducted. The outcomes of this assessment were instrumental in planning subsequent early engagement activities.

During a subsequent phase of territorial dialogue, the community was presented with potential impacts expected within the project's area of influence. Collaboratively, measures proposed in the Environmental Impact Assessment (EIA) were refined through participatory mapping exercises, allowing for community input and co-design of mitigation strategies.

#### Communication and Liaison channels

- Informative meetings and continuous relationship
- Telephone contact, through the Territorial Manager.
- E-mail, through the Territorial Manager.

## Horizonte Wind Project Expansion, Taltal

### Corporate Affairs Management and Engineering and Projects Management

#### Participant Groups

- Cachinales Indigenous Community
- Finao Loreto Indigenous grouping
- Finao Loreto Indigenous Community

#### Reported groups not participating:

- Pabla Almendares Indigenous Community
- Salitre Indigenous grouping
- Elly Morales Indigenous Community
- Indígena Playita Indigenous grouping
- Almendares del Gaucho Indigenous Community
- El Gaucho Indigenous grouping
- Taltal Commune Union
- Taltal Municipal Council
- Taltal Directorate of Community Development
- Community Planning Secretariat
- Calama Truck Owner's Association (AGREDUCAM)
- Small Farmers El Hueso
- Community Relations Officer
- Hospital 21 Mayo Taltal

- Neighborhood Board Taltal

- Neighborhood Board N°1
- Neighborhood Board N°2
- Neighborhood Board N°3
- Neighborhood Board N°4
- Neighborhood Board N°5
- Neighborhood Board N°6
- Neighborhood Board N°7
- Neighborhood Board N°8
- Neighborhood Board N°9
- Neighborhood Board N°10
- Neighborhood Board N°14 Paposo - Aguas Cristalinas
- Neighborhood Board N°4 Paposo
- Local Development Council (CDL) Paposo

#### Authorities Involved

- Regional Secretariat of the Ministry of the Environment
- Regional Secretariat of Energy
- Regional Government
- Municipality of Taltal

#### Resources to Support Participation

Handout of flyers and invitations, as well as publication of information on municipal social networks.

City Council presentation broadcast to the community via Facebook.

Informative panels at the early citizen participation exercise (PACA).

#### Communication and Liaison channels

- Informative meetings and continuous relationship.
- Telephone contact, through the Territorial Manager.
- E-mail, through Territorial Manager Contacto telefónico, a través de Gestora Territorial.

## Paposo Pumping Power Plant Project, Taltal

### Corporate Affairs Management and Engineering and Projects Management

#### Participant Groups

- Cachinales Indigenous Community
- Finao Loreto Indigenous grouping
- Finao Loreto Indigenous Community
- Pabla Almendares Indigenous Community
- Salitre Indigenous grouping
- Elly Morales Indigenous Community
- Playita Indigenous grouping
- Almendares del Gaucho Indigenous Community
- El Gaucho Indigenous grouping
- Taltal Commune Union
- Taltal Municipality Council
- Taltal Directorate of Community Development
- Municipal Planning Secretariat
- Municipal Department of Environment
- Municipal Security Department
- Municipal Department of Productive Development
- Asociación Gremial de Dueños de Camiones de Calama (AGREDUCAM) (Calama Truck Owners Association)
- El Hueso Small Farmers
- Community Relations Officer
- Hospital 21 Mayo Taltal
- Professionals Small Localities Paposo
- SD N°1 Paposo
- SD N°3 Paposo
- SSR Paposo
- Taltal Port Captaincy
- Nelson Manríquez Group
- Taltal Elementary and High Schools
- Taltal Sustentable
- Gremio Taxis
- Gremio Minería Taltal
- Neighborhood Board Taltal:
- Neighborhood Board N°1
- Neighborhood Board N°2
- Neighborhood Board N°3
- Neighborhood Board N°4
- Neighborhood Board N°5
- Neighborhood Board N°6
- Neighborhood Board N°7
- Neighborhood Board N°8
- Neighborhood Board N°9
- Neighborhood Board N°10
- Neighborhood Board N°14 PAPOSO - Aguas Cristalinas
- Neighborhood Board N°4 PAPOSO
- Local Development Council (CDL) Paposo

#### Authorities Involved

- Environmental Evaluation Service (SEA)
- Regional Secretariat of the Environment (Secretaría Regional Ministerial del Medio Ambiente)
- Regional Energy Secretariat (Secretaría Regional Ministerial de Energía)
- Regional Government
- Municipality of Taltal

#### Resources to Support Participation

- Handed out brochures and invitations, and published information on municipal social networks.
- City Council presentation broadcast to the community via Facebook.
- Informative panels in the early citizen participation exercise (PACA).
- Modeling and renderings of the Paposo pumping initiative.
- Presentation of desalination works.

#### Communication and Liaison channels

- Informative meetings and continuous interaction
- Telephone contact, through the Territorial Manager.
- E-mail, through the Territorial Manager.
- Preparation of agreements and relationship protocols.

## El Encanto Photovoltaic Project, Marchigue

Corporate Affairs Management  
and Engineering and Projects  
Management

### Participant Groups

- Neighborhood Board Lo Marchant
- Neighborhood Board Piuchén
- Neighborhood Board Yerbas Buenas
- Neighborhood Board El Chequén

### Authorities Involved

- Environmental Evaluation Service (SEA)
- Regional Government
- Municipality of Marchigue

### Resources to Support Participation

In the early socialization meetings, preliminary information on the project was provided and the neighborhood leaders were informed of the Company's entry into the territory.

Collaboration was agreed for the LBMH survey.

During the early citizen participation (PACA) the results of the EIA were communicated and community consultations were collected.

### Communication and Liaison Channels

- Informative meetings
- Telephone contact, through Gestora Territorial

## Camarones Photovoltaic Project and Baterías Celda Solar

Corporate Affairs Management

### Participant Groups

- Neighborhood Board del Valle de Chaca
- Valle de Chaca Senior Citizens Club
- Valle de Chaca Indigenous grouping
- Valle de Chaca RWA (Rural Water Administrators)

### Resources to Support Participation

A meeting was held to survey the needs and potential of the territory in order to obtain inputs for the generation of a project that will benefit the community.

### Communication and Liaison Channels

- Informative meetings
- Telephone contact, through Gestora Territorial

## Loica-Portezuelo Transmission Line Project, in Litueche, La Estrella and Marchigue.

Corporate Affairs Management  
and Transmission Project  
Management

### Participant Groups

- Beekeepers and neighborhood leaders of the communes of Litueche, La Estrella and Marchigue
- Community of La Estrella

### Authorities Involved

- La Estrella Municipality

### Resources to Support Participation

Early citizen participation process (PACA) with a meeting in Litueche, Marchigue and two meetings in La Estrella, in which the project and results of the Environmental Impact Statement (EIS) were presented.

To prepare the agenda, a beekeeping cadastre, a beekeeping disaffection report and an update of the human environment baseline were carried out, for which face-to-face meetings were held with each of the stakeholders involved.

Finally, in the commune of La Estrella, an additional meeting was held at the request of the municipality to talk with neighbors who had doubts about the route and justify why it was defined in the sector proposed in the EIS.

### Communication and Liaison Channels

- Informative meetings
- Telephone contact, through the Territorial Manager.

## Junquillos Wind Project, Mulchen

Corporate Affairs Management and Engineering and Projects Management

### Participant Groups

- Neighborhood Board Mirador de Bio Bio
- Neighborhood Board Arcoiris (Munilque Correa)
- Santa Juana Advancement Committee
- La Higuera (San Luis de Licura) Advancement Committee
- La Cabaña Pehuén RWA
- Neighborhood Board El Araucano
- San Luis de Malvén Committee
- Neighborhood Board Sol de Septiembre
- Neighborhood Board Aurora de Enero
- Aurora Alto Advancement Committee
- Neighborhood Board Campo Bueno
- Neighborhood Board Aguas de Renaico
- Union of organic beekeepers
- Beekeepers Association Malvén Valley
- Malven Colhue Indigenous Association
- Nahue Indigenous Association
- Coyan Mapu Indigenous Community
- Pedro Segundo Huincaman Indigenous Community
- Lof Molulche Kiwon
- Aurora de Enero Sports Club
- Centro de Padres Escuela Aurora de Enero (Aurora de Enero School Parents' Center)
- Centro de Padres Escuela San Luis de Malven

### Resources to support participation

Brochures and invitations were handed out, and banners and information panels were positioned within the anticipated citizen participation processes.

In 2023, working groups were held where relevant topics for the community were addressed through presentations, dynamics and participatory mapping.

### Communication and Liaison channels

- Informative meetings
- Work Groups
- Telephone contact, through Territorial Manager

## Codegua Subestatio Project, Codegua

Corporate Affairs Management and Transmission Project Management

### Participant Groups

- Neighborhood Board O'Higgins
- Neighborhood Board Codegua Centro
- Agrupación de ganaderos San Sebastián

### Resources to Support Participation

At a meeting prior to the start of activities, the neighborhood councils in the area of influence were called to inform the community of the favorable RCA.

The Colbun team and the project, the schedule of activities and construction phases, and information on voluntary environmental commitments, among other aspects, were presented at the meeting.

### Communication and Liaison channels

- Informative meetings
- Telephone contact, through Gestora Territorial

## Social Development and Investment

### Community Infrastructure Investment Supported by Colbun in Chile

[GRI 203-1]

Area	Power Plant	Project	Description	Communities	Amount (US\$)	Time Period	Description of outcomes and impacts	SDG
Central - North	Diego de Almagro Sur	Pallet Recycling Project (2022-2023 and 2023-2024)	Reuse of discarded wood produced during the construction process of the Diego de Almagro Sur solar park, transforming it into informative and educational signs at tourist and high traffic points in the Diego de Almagro commune, as well as signs and recycling containers in the Diego de Almagro and Chillagua communities, and modules for local entrepreneurs.	Diego de Almagro	11,305	7 months	At the community level, a triple impact project is underway, driven by the implementation of a circular economy initiative, community development efforts, and support for local entrepreneurship. This initiative is realized through a public-private partnership.	
	Nehuenco	Improvement of multi-purpose courts for the municipality of Quillota*.	Improvement of seven multi-purpose courts in the communities of Aconcagua Sur, Portales, El Retoño, Lo Varela, San Alberto, Hermanos Bonifacio and Manuela Figueroa.	Quillota	182,379	8 months	A significant milestone has been achieved with the delivery of four out of seven multi-purpose courts. These courts serve as valuable assets for the communities, revitalizing sports, recreational, and social engagement spaces. The objective is to strengthen community bonds and foster social cohesion.	
	Nehuenco	Improvement of water quality APR Santa Rosa de Colmo*.	Provision of a water treatment system for the Santa Rosa de Colmo APR using recycled ultra-nanofiltration membranes, which will provide drinking water with the water quality established by current Chilean regulations (NCh409).	Quillota	60,671	9 months	The initiative enjoys broad support from various stakeholders, including the Rural Water Administrators (RWA), local community members, the municipality of Quillota, as well as regional and provincial government delegations. This collaborative effort is particularly crucial given the potential for improving water quality conditions, a longstanding concern for residents in the area.	
	Aconcagua	Los Andes-Las Vizcachas LED lighting project, stages 2 and 3*.	Provision of lighting to the sectors of El Sauce, Algarrobo and Las Vizcachas (commune of Los Andes), on the International Road.	Los Andes	29,905	2021-2024	<p>Previously, residents faced significant risks along the roadside due to poor visibility for drivers and pedestrians, resulting in tragic accidents.</p> <p>The initiative addresses this issue, enhancing safety measures and reducing risks for approximately 2,500 individuals who reside, work, or travel through the area. Ultimately, it aims to enhance the perception of safety and contribute to an overall improvement in the quality of life for the community.</p>	
	Complejo Aconcagua	Río Colorado APR Improvement Project (Stage 2)	The project included the standardization of electrical panels, feeder, junction, conduits and cameras, the installation of solar lighting, and improvements to the rooms that house the control house and the backup generator group.	Los Andes-San Esteban	\$15,976,449	xx	Provides an improved continuous water supply for personal and domestic use.	

Area	Power Plant	Project	Description	Communities	Amount (US\$)	Time Period	Description of outcomes and impacts	SDG
Maule	Colbun Complex	Pump room Camping Colbun Alto	<p>The campground's infrastructure has been enhanced with the installation of a water supply system.</p> <p>The municipality of Colbun installed a well and provided the campground with a 10,000-liter tank along with two pumps to facilitate water distribution for use in bathrooms and laundry facilities.</p>	Colbun Alto y Colbun	25,600	15 days	Provides access to water for the operation of the campsite.	
		Electrification of Colbun Alto Campsite	<p>Electrical infrastructure improvements were made to the campsite. Previously lacking regulated electrical access.</p> <p>The site now features seven lighting poles and sixteen plug points, ensuring adequate power distribution.</p>	Colbun Alto y Colbun	38,152	21 days	It contributes to improve the conditions of the campsite managed by the Junta de Vecinos, providing electricity in a safe way.	
	Colbun Complex	Improved access to the Colbun Machicura reservoir resort	<p>Improved access to the resort, formerly had a zinc sheet entrance.</p> <p>The materiality was changed, continuing with the architectural design of the resort.</p>	Colbun	15,409	15 days	Improves the conditions of the Balneario by improving its access.	
		Repair of Santa Elena road*	<p>The road connecting the southern area of Santa Elena with Route L-11, which in turn connects to the city of Linares, has undergone improvements.</p> <p>Plans include laying asphalt over a stretch of one and a half kilometers long and five meters wide to enhance road quality and accessibility.</p>	Santa Elena y Colbun	217,361	30 days	Improves the connectivity of the Santa Elena community.	
	Colbun Complex	Improvements to Paseo Pretil - Installation of Braille signs	<p>Braille signs have been installed along Paseo Pretil, ensuring inclusivity by providing information about the local fauna accessible to visually impaired individuals.</p>	Colbun	4,316	30 days	Provides inclusive access to Fauna information in the Machicura reservoir.	

\*Projects that are still In progress.

Power Plant	Project	Description	Communities	Amount (US\$)	Time Period	Description of outcomes and impacts	SDG
Biobio Complex	Collaborative development program for municipal investment projects.	It helps small municipalities to prepare and design infrastructure projects, so that they can successfully apply for available public funds.  These projects are developed hand in hand with the community associated with each project, with instances of participatory design and permanent information on progress.	Santa Barbara, Quilaco, Antuco, Quilleco y Alto Biobio	223,000	Annual (since 2017)	Improved community infrastructure and quality of life.	
Biobio Complex	Contribution to Rural Water Administrators (RWA) Committee	Providing advice on RWA management to three RWAs in the direct area of influence, including the design of a photovoltaic plant in conjunction with INACAP.	Comite Los Notros	7,111	Annual (since 2012)	Reduction of potable water production costs that are passed on to the end user.	
Biobio Complex	Angostura Park	Development of a set of tourist attractions under the umbrella of the Angostura Power Plant that highlight the local nature, culture and productive potential of the community.  They include an open trail with native forest and an observation deck, three certified campsites with direct access to the reservoir, two free access beaches with lifeguards and a swimming area, an educational Visitor Center that promotes tourism, history, local flora and fauna, and an arboretum (4.2 hectare reserve of native species).  It has been operating since 2014 and each summer the park receives 100,000 visitors.	Santa Barbara y Quilaco	211,018	Annual (since 2014)	Tourism, employment and economic development.	
Santa Maria	Territorial Social Development Fund	Contribution for the development of neighborhood units of the commune of Coronel, oriented to the improvement of community infrastructure and community projects of neighborhood territorial scope.  Consists of a joint work with the Corporación de Desarrollo Industrial Regional CIDERE Biobio.  Eight small-scale individual projects were executed and one associative project of community impact "Construction and Fitting out of the Dental Box" at the Coronel Hospital.	Coronel	48,285	12 months	Development of community projects with territorial impact oriented to improve the quality of life of Coronel's inhabitants.	



Area	Power Plant	Project	Description	Communities	Amount (US\$)	Time Period	Description of outcomes and impacts	SDG
South	Canutillar	Pocoihuen RWA	<p>Supports the development of projects relevant to the municipality, formulated through the Huella Local Foundation, which makes professionals available to the Municipal Planning Secretariat, to the Municipal Planning Secretariat to carry them out.</p> <p>In this case, the RWA project is being developed for the localities of Pocoihuén Alto, Pocoihuén Bajo and Corte Roca. In addition,</p> <p>Colbun provided the water rights for the project.</p>	Pocoihuen Alto, Pocoihuen Bajo and Corte Roca	37,778	12 months	Improving the quality of life of more than 200 families in these three localities, by providing them with drinking water in their homes.	  
	Canutillar	Renovation of Río Blanco headquarters	<p>Improvement of the headquarters of the Río Blanco Neighborhood Council, through a collaboration agreement with the AIEP Institute.</p> <p>The agreement consists of Colbun providing the materials, meals and transportation for the students and AIEP carrying out the work with teachers and construction students.</p>	Río Blanco	2,341	2 months	Improvement of community headquarters, where different social activities are developed.	 
	Canutillar	Water System Temporary Emergency Connection - Pocoihuén Alto	With this connection, water is assured for about 100 residents of Pocoihuén Alto who could be left without water during the summer, because their water mains could become dry.	Pocoihuén Alto	N/a	12 months	Providing a continuous water supply.	 

## Community Infrastructure Investment Supported by Colbun in Peru

[GRI 203-1]

Power Plant	Project	Description	Communities	Amount (US\$)	Time Period	Description of outcomes and impacts	SDG
Fenix	Space Transformation	Improvement of school spaces and promotion of new educational experiences in primary schools N° 20960 Las Salinas, N°20135 Chilca and Centro Educativo de Nuestra Señora de La Asunción.	Las Salinas - Chilca	10,960	7 months	3 educational institutions benefited 2,348 students benefited	

## Operations with Local Community Involvement in Chile

[GRI 413-1]

Area	Power Plant	Project	Description	Communities	Amount (US\$)	Impact	Beneficiaries	SDG
Central - North	Carena	Colbun Education Program	Course on robotics, renewable energies and 3D printing for students of the Liceo Bicentenario Presidente Balmaceda.	Curacaví	17,000,000	Providing tools and knowledge to students to complement their academic training.	90	
	Candelaria	Community Organizations Strengthening Program	Training in social innovation for social leaders of five community organizations in the Mostazal sector, and training for applying for funding.	Mostazal	11,000,000	Contribute to the formation of local capacities in community organizations.	430	
	Nehuenco Complex	Sazón Social: Community Kitchen Program	Workshops on entrepreneurship, strengthening and re-signification of competencies for female heads of household with food businesses, and implementation of a community kitchen with a sanitary resolution for use by this group.	Quillota	22,500,000	Contribute to improving the quality of life of women micro-entrepreneurs.	25	
	Nehuenco Complex	San Pedro-Colbun Social Table	Development of a dialogue group table and implementation of community funds with social organizations in the town of San Pedro-Quillota.	Quillota	24,750,000	Contribute to improving the quality of life of the local inhabitants, based on projects agreed upon by the communities themselves, identifying their main problems and needs.	4,093	
	Nehuenco Complex	Artisan Village	Implementation of a "Pueblito Artesanal" in the Army Cavalry Regiment, within the framework of the equestrian events of the Pan American Games Santiago 2023. The objective was to highlight the value of the resources and products that the territory has available for visitors, and to offer a tourist window to improve the stay and experience of visitors to this activity.	Quillota	22,500,000	To provide local artisans with a space to market and disseminate their products, and to promote tourism in the commune.	13	
	Los Quilos	Energy Tour	Hiring of two monitors to receive delegations and visitors at the power plant, and to explain how the electricity generation process works.	Los Andes-San Esteban	1,860,000	Open Colbun's facilities and the power generation process to external audiences.	272	
	Aconcagua Complex	Pre-investment of public infrastructure projects with high social impact and community participation.	Acknowledging that the smaller communes have difficulties in accessing public funds of regional scope due to the limited number of professionals available for the preparation of projects, municipal management is supported to increase public and private investment in the territory through the formulation and management of projects that promote the development and quality of life of its inhabitants.	Los Andes-San Esteban	\$30,190,860	Technical assistance to municipal management for the application to public funds.	70,526	

Area	Power Plant	Project	Description	Communities	Amount (US\$)	Impact	Beneficiaries	SDG
Maule	Colbun Complex	Channel Prevention Campaign	Field campaign with the Chilean Fire Department to warn the community of the risks of bathing in inappropriate places during the summer season.	Santa Elena, Yervas Buenas, Villa Santa Elena, Machicura, San Clemente	0	Generate a change in the safety attitudes of the community, encouraging bathing in authorized places.	1.500	
	Colbun Complex	Cuido Mi Planeta Program	10 clean points were installed, in collaboration with 10 neighborhood councils, to recycle glass bottles and PEP type plastics. Weekly follow-up of the removal is carried out and employment is created for local recyclers.	Colbun Commune	8,365	Encourage a culture of plastic recycling.	16.000	
	Colbun Complex	Entrepreneurial Energy Project	Through an agreement with the Regional Government and its Regional Development Corporation, the project consisted of the development of seven workshops, the development of a fund to improve the infrastructure of their businesses and the first Colbun formal trade fair.	Colbun Commune	28,613	The aim is to improve the tools of entrepreneurs and generate a space for their visualization and sale through formal trade fairs.	39	
	Colbun Complex	Donation to Firefighters	Donation of US\$3 million to each fire department for the development of projects. In Colbun this enabled the acquisition of a drone, in Yervas Buenas material for water rescue, and in San Clemente the acquisition of standard structural equipment.	Colbun, Yervas Buenas y San Clemente	17,045	Improve firefighters' equipment to improve their emergency response capabilities.	90	
	Colbun Complex	Visits and dialogues at the power plant	Field visits to the facilities from communities and institutions, to familiarize them with the facilities and operation of the Colbun power plant. A dialogue was held with nearby communities to resolve doubts related to energy generation, the contribution to irrigation and the operation of the Machicura photovoltaic plant.	Santa Elena, Borde Embalse, San Nicolás, Rincón de Pataguas Oriente	5,687	Contribute to the knowledge of Colbun's role in the generation of energy in the country. Strengthen spaces for dialogue with the communities in our area of influence.	200	
	Colbun Complex	Community work groups	Work groups were formed in two sectors of interest to the company due to their proximity to the facilities, with a participatory methodology and dialogue. Aspects of the Colbun complex are explained and participatory projects are developed for the organizations that make up the roundtable. Los proyectos son ejecutados por la Fundación Maule.  The projects are carried out by the Maule Foundation.	Santa Elena y Rincón de Pataguas Oriente	26,284	Establish formal communication spaces with the communities, contributing to their development by implementing community projects.	640	
	Colbun Complex	Donation to Nursing Home	Donation to support the construction of the men's pavilion at the nursing home.	Colbun	3,409	Improve the infrastructure conditions of the home.	40	

Area	Power Plant	Project	Description	Communities	Amount (US\$)	Impact	Beneficiaries	SDG
Maule	Colbun Complex	SENCE Labor Grants	Meeting with the 14 participants of the SENCE Guided Tourist Guides course.	Colbun	332	Contribute to improve the employability tools of 14 people from the commune of Colbun.	14	
	Colbun Complex	Climatic emergencies	During the months of June and August, the weather emergency due to storms was managed from different angles:  -Direct and constant contact with regional and local authorities. -Attention and management of claims related to emergencies. -Initiatives in coordination with five municipalities in the region to meet the urgent needs of the communities.	Colbun, Yerbass Buenas, San Clemente, Linares, Licantén	95,091	Support communities through local governments in weather emergencies.	2,300	 
Biobio Cordillera	Biobio Complex	Donation to Firefighters	Firefighter projects implementation donation.	Quilaco, Santa Bárbara, Antuco y Quilleco	8,889	Support firefighters to improve their emergency response capabilities.	200	
	Biobio Complex	Productive and habitability funds program for resettled families	Productive promotion to strengthen local economic development or reinforce family enterprises, both agricultural and non-agricultural.  On the other hand, support in habitability for the maintenance or improvement of their homes.	Comité Alto La Paz	71,777	Expand the capacities of autonomous economic development and achieve effective maintenance of housing, to avoid health problems, hygiene and major property loss.	120	 
Angostura		Contribution to School Los Notros	Contribution to partially finance the educational project through support for school transportation, the hiring of a second teacher and services to provide security.	Santa Bárbara	33,333	Improve study conditions for students.	60	
	Biobio Complex	Colbun Entrepreneurship Centers Program	Provides training, advice, mentoring, pre-incubation, incubation, direct competitive fund financing and support in applying for public funds for entrepreneurship.  It has a special focus on the development of rural and tourism enterprises.	Santa Bárbara, Quilaco, Antuco y Quilleco	208,000	Improve the quality of life of 200 users of the Entrepreneurship Centers, by developing their entrepreneurial skills and increasing sales of their business units.	200	
	Biobio Complex	Social Development Fund	Establishment of a fund for functional organizations, financing initiatives that benefit all members of the organization.	Santa Bárbara, Quilaco, Antuco y Quilleco	23,529	Increased community social participation.	480	
	Biobio Complex	Contribution to Bus Approach Service Lo Nieve - Las Basas	Providing connectivity to the community of Lo Nieve - Las Basas, allowing access to services, education and labor sources, in a safe manner.	Santa Bárbara	29,574	Improved connectivity in vulnerable rural areas.	108	

Area	Power Plant	Project	Description	Communities	Amount (US\$)	Impact	Beneficiaries	SDG
Biobio Coasta	Santa Maria	Charrua Home School Sports Workshops	Implementation of sports workshops in three disciplines for 100% of the students of the Charrua home school, which has an enrollment of 162 children.  The project involves hiring professional specialists in sports training for training and initiation in sports such as volleyball, basketball and skating.	Charrua, Cabrero	3,529	Improved mental and physical health in children of the Charrúa Home School, and improved school coexistence and participation in the establishment.	162	
	Santa Maria	Contribution to Coronel and Cabrero Firefighters	Contribution for the provision of equipment and/or training to fire departments and their staffs.	Coronel, Cabrero	11,765	Improved infrastructure conditions, equipment and training of the supported fire departments.	70	
	Santa Maria	Functional Social Development Fund	Competitive fund oriented to social organizations of the commune of Coronel, for the development of projects in the areas of physical wellbeing, education and training, environment, education - arts, and infrastructure.  It includes the awarding of prizes to 23 initiatives and a project formulation school for the winning social leaders, which includes technical advice from Colbun and Fundación Trascender.	Coronel	47,000	Improve the capacities of social leaders by providing advice and strengthening organizations through the implementation of projects with a significant social impact.	575	
	Santa Maria	Pesca Futuro Program "Support to artisanal fishing".	Integral support program for artisanal fishermen of the Coronel commune, through productive promotion and technical advice from the UCSC to apply for public funds.	Coronel	56,065	Improve the capacities of artisanal fishing leaders and opportunities for the development of organizations through the application and awarding of public funds.	200	
	Santa Maria	Training courses – Social Scholarships	Training courses in trades, through the modality of Social Scholarships for Training.  The program has a training plan in trades, mobilization subsidy and delivery of basic tools for the implementation of a trade.  There are three training courses for a total of 48 beneficiaries.	Coronel	2,353	Enhance the capabilities of community members seeking employment opportunities.	42	
	Santa Maria	Colbun Entrepreneurship Centers Program	Training, advice, mentoring, pre-incubation, incubation, direct competitive fund financing and support for applying for public entrepreneurship funds.	Coronel y Cabrero	123,530	Improve the quality of life of 300 users of the Entrepreneurship Centers by developing their entrepreneurial skills and increasing the sales of their business units.	300	

Area	Power Plant	Project	Description	Communities	Amount (US\$)	Impact	Beneficiaries	SDG
South	Canutillar	Chapo Lake Tourism and Productive Development Board	Public-private working group that aims to turn Chapo Lake into a tourist center that promotes sustainable and quality tourism.	Lago Chapo and Río Blanco Localities	167,215	Contribute to the well-being of the community by transforming Lago Chapo into a tourist destination, with natural and cultural attractions, and enterprises with local identity.	1,800	
	Canutillar	Development of municipal projects (APR Pocolihuén area).	Support relevant projects for the municipality, which are formulated through the Huella Local Foundation, providing professionals to the Municipal Planning Secretariat to carry them out.  In this case, the WRA project is being developed for the localities of Pocolihuén Alto, Pocolihuén Bajo and Corte Roca.	Pocolihuén Alto, Pocolihuén Bajo and Corte Roca Localities	37,777	Technical support to the municipal management for the application to public funds, so that the neighbors can have drinking water.	600	
	Canutillar	Support for the Cochamó Youth Philharmonic Orchestra.	The program seeks to promote and develop the musical skills and culture of young people in the commune, in addition to promoting the integral development of school students in an area of high vulnerability and lack of opportunities.	Cochamo Commune	8,888	To develop musical and social competences in the children and young people of the commune of Cochamó.	55 direct and 250 indirect beneficiaries	
	Canutillar	Río Blanco Folkloric Festival	Financing of artistic performances for the traditional fair in the town of Río Blanco, where about 25 entrepreneurs participate and more than 800 people attend.	Río Blanco Locality	3,666	Contribute to local development, promoting spaces to offer and sell products and services of local entrepreneurs.	800	
	Canutillar	Power Families Program	Work with families in the Cochamó Commune from vulnerable contexts to improve early childhood education (2 to 4 years old).  Parent-child program at home: monitors make two weekly visits (face-to-face or online), delivering support material and games, which are worked on together with the responsible adult and the monitor.  In addition, weekly tools are given to parents on how to use the materials.	Cochamo Commune	21,186	To develop psychomotor, cognitive and emotional skills in pre-school children, as well as to improve their nurturing environment.	90	
	Canutillar	Contribution to Firefighters	Supporting fire companies, so that they can acquire equipment to face emergencies and/or carry out their daily work.  In this case, kitchen furniture and computer and TV equipment were implemented, so that volunteers can better access the training they have to carry out.	Pocolihuén Alto Locality	2,222	Improve the equipment of the Pocolihuén fire department and improve their work.	76	

## Operations with Local Community Participation in Peru - Fenix Power Plant

[GRI 413-1]

Project	Description	Community	Invested Amount (US\$)	Impact	Beneficiaries	SDG
Las Salinas Polyclinic	Healthcare to the population, seeking to improve their quality of life by providing access to quality medical services contained in this health center. In addition to eight medical specialties, it provides X-ray, laboratory and pharmacy services.	Las Salinas - Chilca	283,153	80% of patients very satisfied with medical service received 1,444 medical care in 2023	1,175	
Enciende Emprendedor 2023 - Conecta Power	Entrepreneurs are supported through a five-week asynchronous and digital learning experience.	Las Salinas - Chilca	26,382	Delivering know-how to entrepreneurs, to improve and sophisticate both their businesses and their wellbeing.	332	
Adopt a Tree	For the sixth consecutive year, the program Adopta un árbol (Adopt a tree) was implemented, with the objective of fortifying and improving the ornamental features of Las Salinas, promoting the adoption of trees among the neighbors of the area, who are responsible for their care, while at the same time contributing to the improvement of the environment.	Las Salinas	10,466	130 trees planted Drip irrigation system installed at IEP N°20960 Las Salinas Biogarden installed at IEP N°20960 Las Salinas	604	
I Have Energy	Execution of workshops called "Yo tengo Energía" (I have Energy), within the framework of the social investment program, aimed at senior citizens, in which they work on handicrafts.	Las Salinas	6,550	Providing recreational spaces where older adults can learn new skills.	35	
Agua Para Chilca - "Seawater that transforms lives".	Operation of a seawater potabilization plant to deliver quality drinking water free of charge to the Municipality of Chilca for daily distribution. This required an investment of US\$ 4,000,000.	Las Salinas - Chilca	527,833	4,700 families receive water from Fenix, equivalent to an average of 1,600 m3/day. The plant's maximum capacity is 2,500 m3/day 12 hours of continuous water in Las Salinas	16,450	
Reactivate Tourism 2023 - 2024	The program focuses on three pillars: updating the Chilca tourism plan, a tourism promotion campaign, and training for entrepreneurs.	Las Salinas - Chilca	17,000	Entrepreneur training in sustainable tourism.	214	

Project	Description	Community	Invested Amount (US\$)	Impact	Beneficiaries	SDG
Strengthening Fund 2023	We improved 13 soup kitchens that serve vulnerable people. In addition, training was provided to those in charge of the canteens on topics such as healthy eating.	Chilca	3,973	Provide a safer and more comfortable environment for those who depend on these dining halls, and help ensure nutritious and balanced food options.	500	 
Together for Education	Support for students in vulnerable situations, providing them with the necessary school resources to have access to quality education.  Work was carried out in two areas: implementation of technological classrooms and delivery of school kits.	Chilca	10,050	Improve students' access to education.	4,019	
Zero Anemia	In order to reduce the percentage of anemia in children under three years of age, the "Zero Anemia" project was carried out in conjunction with the Chilca Micro Health Network - Health Strategy for Healthy Food and Nutrition and the valuable support of community agents.	Chilca	2,857	Reached 64.5% of children recovered from anemia. Follow-up Coverage of children under one year of age has increased children's attendance at their scheduled appointments.	295	
Vocational Fair	Participation in the vocational fair held at the CENSA School, where a team of Fenix volunteers shared their professional experience.	Chilca	4,767	96% of participants felt that the information shared was very useful. 98% would participate again in upcoming activities organized by Fenix	365	
SENCICO Training	Training aimed at people who have completed at least 3rd grade of secondary school, with the objective of obtaining basic technical skills and abilities to generate their own self-employment or employment in companies in general.	Chilca	2,428	Empowering and improving job opportunities for individuals.	100	



## Annex Chapter 8

# Environmental Management System (EMS), consolidated Chile and Peru

CERTIFICATION/AUDIT/VERIFICATION	DESCRIPTION	COVERAGE (%)
<b>Our Environmental and OHS System is verified under international certification standards: ISO 14.001:2015.</b>	<p>Colbun has certification that guarantees the management system; the generation facilities are certified to ISO 14001.2015 and ISO 45001.2018 standards by TUV Rheinland. Both are voluntary standards and certify the environmental management system and the occupational health and safety management system, respectively.</p> <p>The last renewal of both certifications was carried out in 2022 and includes the Colbun Complex (6 plants), Candelaria Power Plant, Nehuenco Complex (3 plants), Rucúe Power Plant, Quilleco Power Plant, Angostura Power Plant, Carena Power Plant, Los Pinos Power Plant, Canutillar Power Plant, Aconcagua Complex (6 plants), Santa Maria Complex, Ovejería Photovoltaic Park, as well as the Head Office. In 2023, the Diego de Almagro Sur Photovoltaic Park and the Machicura Photovoltaic Park were added.</p>	93%
<b>Third party certifications/audits/verifications performed by specialized companies.</b>	<p>All the plants in operation and the Head Office in Chile were certified by TUV Rheinland.</p>	0%
<b>Internal certifications/audits/verifications performed by a specialized area within the Company.</b>	<p>Every year, internal audits are carried out on the scope of the OHS and EH&amp;S System at the generation facilities, project facilities and head office. In addition to all those mentioned in the previous items, the Horizonte project is added.</p>	3%
<b>TOTAL</b>		<b>96%</b>

## Climate Change

### Materials Used by Weight and Volume

[GRI 301-1]

#### Fuel Consumption for Power Generation in Chile

CATEGORY	Unit	2020	2021	2022	2023	% variation compared to 2022
Diesel	Million m <sup>3</sup>	0.021	0.088	0.063	0.018	-71%
natural Gas	Million m <sup>3</sup>	781.0	799.2	1,049.9	798.6	-24%
Coal	Thousand tons	796.0	924.9	885.7	595.5	-33%

**Note:** Due to increased rainfall in June and July 2023 in the central-southern area of Chile, Chile's hydroelectric capacity, and in particular Colbun's, benefited by displacing thermal generation, which is evidenced by lower fuel consumption for generation.

#### Fuel Consumption for Power Generation in Peru

CATEGORY	Unidad de medida	2020	2021	2022	2023	% variation compared to 2022
Diesel	Million m <sup>3</sup>	0.00221	0.00042	0.000025	0.00451	18.007%
Gas Natural	Millón de m <sup>3</sup>	507.7	608.2	768.9	599	-22%

## Energy Consumption



### Energy Consumption by Type Of Fuel Chile, Including Generation Fuels (TJ)

[GRI 302-1]

Facilities	Categories	Energy consumption – power plants			
		2020	2021	2022	2023
<b>Power Plants</b>	<b>Non-renewable energy</b>				
	Coal	18,280	21,249	20,348	13,681
	Diesel	780	3,169	2,288	682
	LNG	27,347	27,973	36,747	27,950
	Gasoline	0	0	0	0
	<b>Total consumption</b>	<b>46,407</b>	<b>52,391</b>	<b>59,383</b>	<b>42,313</b>
<b>Headquarters</b>	Diesel (own vehicles)	0.4	1.6	1.4	2.8
	<b>Total consumption</b>	<b>0.4</b>	<b>1.6</b>	<b>1.4</b>	<b>2.8</b>

### Electricity Consumption Chile (TJ)

[GRI 302-2]

Facilities	Categories	Energy consumption – power plants			
		2020	2021	2022	2023
<b>Power Plants</b>	Electricity	69	78	82	109
	% renewable energy	44%	43%	100%	100%
<b>Headquarters</b>	Electricity	1.7	1.9	0.4	2.7
	% renewable energy	44%	43%	100%	100%

**Note:** No additional energy consumption is required for heating, cooling, or steam purposes. From 2020 to 2021, the percentage of renewable energy in the National Electric System (SEN) was taken into account. In 2022 and 2023, green energy certificates (IREC) were procured to ensure that 100% of the energy used was sourced from renewable sources.



### Energy Consumption by Type Of Fuel Peru, Including Generation Fuels (TJ)

[GRI 302-2]

Facilities	Categories	Energy consumption – power plants			
		2020	2021	2022	2023
<b>Power Plants</b>	<b>Non-renewable energy</b>				
	Coal	0	0	0	0
	Diesel	83	16	2	169
	LNG	18,278	21,895	27,679	21,573
	Gasoline	0,12	0,11	0,82	0,95
	<b>Total consumption</b>	<b>18,361</b>	<b>21,911</b>	<b>27,682</b>	<b>21,743</b>
<b>Headquarters</b>	Diesel (own vehicles)	0	0	0	0
	<b>Total consumption</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Note:** Fenix was not consuming biofuels or renewable fuels. By the end of 2023, the green hydrogen plant, produced with solar energy, began operating, replacing gray hydrogen in the refrigeration of the generators.

### Electricity Consumption Peru (TJ)

[GRI 302-2]

Facilities	Categories	Energy consumption – power plants			
		2020	2021	2022	2023
<b>Power Plants</b>	Electricity	22	12	2	14
	% renewable energy	65%	66%	100%	100%
<b>Headquarters</b>	Electricity	1.7	1.9	0.4	2.7
	% renewable energy	65%	66%	100%	100%

**Note:** There is no additional consumption for heating, cooling or steam. In 2020 and 2021, the % of renewable energy from SEIN was considered. In 2022 and 2023, green energy certificates (IREC) were purchased to reach 100% renewable energy.

## Energy Consumption by Fuel Type, Excluding Generation Fuels, Consolidated Performance Chile and Peru (Tj)

DJSI 2.3.1

### Consolidated Internal Energy Consumption (Power Plants)

Categories	Unit	2020	2021	2022	2023
<b>Renewable energy</b>					
<b>Total renewable fuels</b>	<b>Tera Joules</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non-renewable energy</b>					
Coal	Tera Joules	0	0	0	0
Diesel	Tera Joules	7.12	5.84	6.46	18.18
LNG	Tera Joules	0	0	0	0
Gasoline	Tera Joules	0.12	0.11	0.82	0.95
<b>Total non-renewable fuels</b>	<b>Tera Joules</b>	<b>7.24</b>	<b>5.96</b>	<b>7.28</b>	<b>19.13</b>
<b>Total fuels consumption (renewable and non-renewable)</b>	<b>Tera Joules</b>	<b>7.24</b>	<b>5.96</b>	<b>7.28</b>	<b>19.13</b>
	GWh	2.01	1.65	2.02	5.31

### Consolidated Internal Energy Consumption (Headquarters)

Categories	Unit	2020	2021	2022	2023
<b>Renewable energy</b>					
<b>Total renewable fuels</b>	<b>Tera Joules</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non-renewable energy</b>					
Diesel (own vehicles)	Tera Joules	0.35	1.56	1.38	2.76
<b>Total non-renewable fuels</b>	<b>Tera Joules</b>	<b>0.35</b>	<b>1.56</b>	<b>1.38</b>	<b>2.76</b>
<b>Total fuels consumption (renewable and non-renewable)</b>	<b>Tera Joules</b>	<b>0.35</b>	<b>1.56</b>	<b>1.38</b>	<b>2.76</b>
	GWh	0.10	0.43	0.38	0.77
<b>Total Fuel Consumption (Headquarters+ Power Plants)</b>	<b>Tera Joules</b>	<b>7.60</b>	<b>7.51</b>	<b>8.66</b>	<b>21.89</b>
	GWh	2.11	2.09	2.41	6.08
<b>% renewable energy</b>	<b>%</b>	<b>0</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

## Consolidated Electricity Consumption Chile and Peru

DJSI 2.3.1

### Internal Energy Consumption (Power Plants)

Categories	Unit	2020	2021	2022	2023
Electricity	Tera Joules	91.41	89.76	84.26	123.70
Heating	Tera Joules	0	0	0	0
Refrigeration	Tera Joules	0	0	0	0
Steam	Tera Joules	0	0	0	0
Total energy consumption (electricity)	Tera Joules	91.41	89.76	84.26	123.70
	GWh	25.39	24.93	23.41	34.36
<b>% renewable energy</b>	<b>%</b>	<b>49%</b>	<b>46%</b>	<b>100%</b>	<b>100%</b>

### Internal Energy Consumption (Headquarters)

Categories	Unit	2020	2021	2022	2023
Electricity	Tera Joules	1.75	1.88	0.43	3.04
Heating	Tera Joules	0	0	0	0
Refrigeration	Tera Joules	0	0	0	0
Steam	Tera Joules	0	0	0	0
Total energy consumption (electricity)	Tera Joules	1.75	1.88	0.43	3.04
	GWh	0.49	0.52	0.12	0.84
<b>% renewable energy</b>	<b>%</b>	<b>44%</b>	<b>43%</b>	<b>100%</b>	<b>100%</b>

### Total Internal Energy Consumption (Headquarters + Power Plants)

Categories	Unit	2020	2021	2022	2023
Electricity	Tera Joules	93.16	91.64	84.69	126.74
Heating	Tera Joules	0	0	0	0
Refrigeration	Tera Joules	0	0	0	0
Steam	Tera Joules	0	0	0	0
Total energy consumption (electricity)	Tera Joules	93.16	91.64	84.69	126.74
	GWh	25.88	25.46	23.52	35.21
<b>% renewable energy</b>	<b>%</b>	<b>49%</b>	<b>46%</b>	<b>100%</b>	<b>100%</b>

## Consolidated Total Domestic Energy Consumption (Electricity and Fuels, Excluding Raw Materials for Generation), Chile And Peru

### Total Internal Energy Consumption (electricity and fuele)

Categories	Unit	2020	2021	2022	2023
<b>Total energy consumption non-renewable energy consumption</b>	<b>Tera Joules</b>	<b>55.12</b>	<b>57.06</b>	<b>8.66</b>	<b>21.89</b>
<b>Total renewable energy consumption</b>	<b>Tera Joules</b>	<b>45.63</b>	<b>42.09</b>	<b>84.69</b>	<b>126.74</b>
<b>Total energy consumption (renewable and non-renewable)</b>	<b>Tera Joules</b>	<b>100.75</b>	<b>99.15</b>	<b>93.35</b>	<b>148.63</b>
<b>Total non-renewable non-renewable energy consumption</b>	<b>Tera Joules</b>	<b>55.12</b>	<b>57.06</b>	<b>8.66</b>	<b>21.89</b>
<b>Total renewable energy consumption</b>	<b>GWh</b>	<b>15.31</b>	<b>15.85</b>	<b>2.41</b>	<b>6.08</b>
<b>Total energy consumption (renewable and non-renewable)</b>	<b>GWh</b>	<b>12.68</b>	<b>11.69</b>	<b>23.52</b>	<b>35.21</b>
<b>Data coverage (% MWh sold)</b>	<b>GWh</b>	<b>27.99</b>	<b>27.54</b>	<b>25.93</b>	<b>41.29</b>
<b>Coverage de los datos (% MWh vendidos)</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Greenhouse Gas Emissions



### GHG Emissions Chile (ton CO<sub>2</sub>e)

[GRI 305-1, 305-2, 305-3] [SASB IF-EU-110a.3] [DJSI 2.2.1, 2.2.2, 2.2.3]

GHG Emissions		2020	2021	2022	2023
<b>Scope 1</b>	Company vehicles	521	518	488	647
	Thermal generation units	3,505,882	3,985,371	4,289,744	2,940,942
	SF6 leaks	0	0	0	0
	Methane emissions in reservoirs	2,744	2,449	2,450	2,743
	Auxiliary Services	n/i	n/i	n/i	801
	<b>Total</b>	<b>3,509,147</b>	<b>3,988,338</b>	<b>4,292,681</b>	<b>2,945,133</b>
	<b>Coverage (% of MWh)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Scope 2</b>	Own electricity consumption - Locational method	7,932	8,680	6,888	7,357
	Own electricity consumption - Market method	7,932	8,680	0	0
	<b>Coverage (% of MWh)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
	<b>Total</b>	<b>15,864</b>	<b>17,360</b>	<b>6,888</b>	<b>7,357</b>
<b>Scope 3</b>	Business travel	85	155	458	1,134
	Coal shipping	17,042	28,704	15,979	29,986
	Organic waste decomposition	448	558	361	7,711
	Coal and ash movement	370	630	542	470
	Employee transportation	4,411	4,702	10,576	4,452
	Fuel transportation	87	313	300	148
	Supply transportation	1	1	1	4
	<b>Total</b>	<b>22,445</b>	<b>35,063</b>	<b>28,217</b>	<b>43,907</b>
	<b>Coverage (% of MWh)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



### GHG Emissions Peru (ton CO<sub>2</sub>e)

[GRI 305-1, 305-2, 305-3] [SASB IF-EU-110a.3] [DJSI 2.2.1, 2.2.2, 2.2.3]

GHG Emissions		2020	2021	2022	2023
<b>Scope 1</b>	Company vehicles	11	11	117	70
	Thermal generation units	1,011,231	1,230,922	1,554,691	1,219,539
	SF6 Leaks	0	0	0	1,307
	Auxiliary Services	n/i	n/i	n/i	8
	Methane emissions in reservoirs	N/a	N/a	N/a	N/a
	<b>Total</b>	<b>1,011,242</b>	<b>1,230,933</b>	<b>1,554,808</b>	<b>1,220,923</b>
	<b>Coverage (% of MWh)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Scope 2</b>	Own electricity consumption - Method by location	1,505	810	115	866
	Own Electricity Consumption - Market Method	1,505	810	0	0
	<b>Coverage (% of MWh)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
	<b>Total</b>	<b>3,010</b>	<b>1,620</b>	<b>115</b>	<b>866</b>
<b>Scope 3</b>	Business travel	10	4	35	88
	Coal shipping	N/a	N/a	N/a	N/a
	Organic waste decomposition	27	320	114	127,9
	Leased assets	N/a	N/a	N/a	N/a
	Coal and ash movement	N/a	N/a	N/a	N/a
	Employee transportation	1,071	1,118	1,118	529
	Fuel transportation	No	No	No	No
	Supply transportation	material	material	material	material
	<b>Total</b>	<b>1,108</b>	<b>1,443</b>	<b>1,267</b>	<b>745</b>
	<b>Coverage (% of MWh)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Consolidated GHG Emissions Chile and Peru (ton CO<sub>2</sub>e)

[GRI 305-1, 305-2, 305-3] [SASB IF-EU-110a.3] [DJSI 2.2.1, 2.2.2, 2.2.3]

GHG Emissions		Unit	2020	2021	2022	2023
<b>Scope 1</b>	Company vehicles	ton CO <sub>2</sub> e	532	529	605	717
	Thermal generation units	ton CO <sub>2</sub> e	4,517,113	5,216,293	5,844,435	4,160,481
	SF <sub>6</sub> leaks	ton CO <sub>2</sub> e	0	0	0	1,307
	Methane emissions in reservoirs	ton CO <sub>2</sub> e	2,744	2,449	2,450	2,743
	Ancillary Services	ton CO <sub>2</sub> e	0	0	0	809
	<b>Total</b>	ton CO <sub>2</sub> e	<b>4,520,389</b>	<b>5,219,271</b>	<b>5,847,489</b>	<b>4,166,056</b>
	<b>Data Coverage</b>	<b>% of MWh</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Scope 2</b>	<b>Own electricity consumption - Locational method</b>	ton CO <sub>2</sub> e	9,437	9,490	7,003	8,223
	<b>Own electricity consumption - Market method</b>	ton CO <sub>2</sub> e	9,437	9,490	0	0
	<b>Data Coverage</b>	<b>% of MWh</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
	<b>Scope 3</b>	Business travel	ton CO <sub>2</sub> e	95	158	492
	Coal shipping	ton CO <sub>2</sub> e	17,042	28,704	15,979	29,986
	Organic waste decomposition	ton CO <sub>2</sub> e	475	558	361	7,711
	Coal and ash movement	ton CO <sub>2</sub> e	370	630	542	470
	Transportation of employees	ton CO <sub>2</sub> e	5,482	5,821	11,695	4,982
	Transportation of fuels	ton CO <sub>2</sub> e	87	313	300	148
	Transportation of inputs	ton CO <sub>2</sub> e	1	1	1	4
	<b>Total</b>	<b>ton CO<sub>2</sub>e</b>	<b>23,553</b>	<b>36,185</b>	<b>29,370</b>	<b>44,524</b>
	<b>Data coverage</b>	<b>% of total of upstream and downstream operations considered</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Consolidated SF<sub>6</sub> Emissions Chile and Peru

INDICATOR	2020	2021	2022	2023
<b>Direct SF<sub>6</sub> emissions (tons)</b>	0	0	0	0.0556*
<b>Coverage (% of MWh)</b>	100%	100%	100%	100%

Note: 2023 emissions were generated by Fenix.

## Indirect Scope 3 Emissions by Category, Consolidated in Chile and Peru (tons)

[GRI 305-3]

Category - Direct Emissions (Scope 3)	Emissions (ton CO <sub>2e</sub> )		Emission calculation methodology
	2022	2023	
Goods and Services Purchased	Not material	Not material	
Capital Goods	Not material	Not material	
Fuel and Energy Activities (Not Included in Scopes 1 or 2)	16,740	30,605	Maritime: Emissions are calculated based on information on distance traveled, cargo and characteristics of the transporting vessel, which information is found in the certificates issued by the port of origin. Land: For the transportation of diesel to Power Plants, information on distance and number of trips made is requested from the service providers. Ash and coal transportation (internal): information is requested from the service provider on fuel consumption and type of vehicle used, as well as fuel consumption of generators. For all activities in this category, the DEFRA 2023 emission factors are used.
Upstream Transportation and Distribution	1	4	Consider the transportation of office supplies. For this, information is requested from the supplier regarding the quantity (mass) of products transported and distance traveled on each trip, both for Power Plants and corporate Headquarters. Emissions are calculated based on DEFRA 2023 input transport emission factors.
Waste Generated In Operations	475	7,838	Power Plants report monthly the amount of waste generated by type and treatment. DEFRA 2023 emission factors are used to calculate emissions.
Business Travel	492	1,222	Information is requested from the travel agency regarding flights taken during the year by employees. DEFRA 2023 flight emission factors are used to calculate emissions.
Employee Commuting	11,694	4,982	Transportation in Power Plants: information on vehicle type, performance and distance traveled is requested from the service providers. Transportation OOC workers: origin-destination survey is carried out. Emission factors from DEFRA 2023 and the GHG Protocol are used to calculate emissions in both activities.
Upstream Leased Assets	Not material	Not material	
Downstream Transportation And Distribution	n/a	n/a	
Processing of Products Sold	n/a	n/a	
Utilization of Products Sold	n/i	n/i	
End-of-Life Treatment Of Sold Products	n/a	n/a	
Downstream Leased Assets	n/i	n/i	
Franchises	n/i	n/i	
Investments	n/a	n/a	
Other Upstream	n/i	n/i	
Other Downstream	81	n/i	

## CO<sub>2</sub> Emission Factors Consolidated in Chile and Peru

[GRI 305-4]

Emissions from fuel consumption CHILE	Unit	2020	2021	2022	2023
<b>Diesel</b>	ton CO <sub>2e</sub>	63,123	235,096	168,902	61,895
<b>Coal</b>	ton CO <sub>2e</sub>	1,901,532	2,175,243	2,029,556	1,300,073
<b>Natural gas</b>	ton CO <sub>2e</sub>	2,552,458	2,805,954	3,646,043	2,798,514
<b>Gross generation</b>	GWh	14,852	14,132	17,471	16,138
<b>Emission factor</b>	ton CO <sub>2e</sub> /MWh	0,304	0,369	0,335	0,258

## Other GHG Emission Reduction Initiatives

[GRI 305-5]

In addition to the initiatives mentioned on page 155, Colbun has implemented other projects to reduce its carbon footprint.

Initiatives	Description and milestones
<b>Energy Efficiency Study</b>	In 2023, Colbun conducted an energy efficiency study at the Santa Maria power plant in collaboration with the consulting firm Black and Veatch. The study aimed to identify cost-effective measures to reduce emissions at the plant.
<b>Energy Management System Implementation</b>	Throughout 2023, Colbun developed an Energy Management System in alignment with Law No. 21305/2021 on Energy Efficiency. The system is slated for certification in 2024.
<b>Waste Valorization</b>	During the same year, Colbun recovered 80% of ashes and 50% of waste assimilable to domestic and industrial waste, effectively preventing the emission of 1,448 tonCO <sub>2</sub> e.
<b>Neutralization of Contingency Events</b>	In 2023, Colbun offset carbon emissions through carbon credits obtained from its certified renewable energy projects, internal events, and collaborations with organizations like ETM Day, Puerto de Ideas Valparaiso, and Hyvolution 2023. Additionally, Colbun committed to offsetting emissions from the Rugby Team's travel to France 2023 and will do the same for the Pan American and Parapan American Games held in Chile.
<b>Homologation of the Ovejería Photovoltaic Power Plant in the Green Tax Compensation System.</b>	The Green Tax Compensation System was implemented in Chile in 2023, allowing companies to offset CO <sub>2</sub> emissions quantified under the Green Tax System using certified carbon credits. Colbun was the first company to register a solar energy project under this system, located in Ovejería, Tiltil, in the Metropolitan Region.
<b>Carbon Capture and Revaluation Study (CCU)</b>	Also in 2023, Colbun, in partnership with DICTUC, conducted a study to assess CO <sub>2</sub> capture and revalorization technologies available for the power generation industry, considering both technical and economic factors.
<b>CO<sub>2</sub> calculator for suppliers</b>	Colbun introduced the first energy industry calculator for suppliers in 2023, aimed at measuring their CO <sub>2</sub> footprint. This free, online tool is designed to assist suppliers in promoting sustainable practices throughout the supply chain.

## Water Resources

In 2023, several regions in Chile and Peru were considered water-stressed areas, including Biobio (where the Los Pinos, Rucue and Quilleco, Angostura and Santa Maria power plants are located) and the Lima region in Peru (where the Fénix power plant is located).

### Water Withdrawal Chile (m<sup>3</sup>)

[GRI 303-3] [SASB IF-EU-140a.1]

OPERATIONAL WATER WITHDRAWAL (THERMOELECTRIC PLANTS)		ALL AREAS				WATER STRESSED AREAS			
		2020	2021	2022	2023	2020	2021	2022	2023
Groundwater		3,159,907	3,651,054	3,794,754	2,965,723	3,114,069	3,501,290	3,637,994	2,965,723
Marine water		346,197,079	327,847,030	335,963,642	263,705,813	-	-	-	263,705,813
Third party water		613,771	309,680	663,354	111,331	602,900	293,437	651,553	111,331
Extraction of water water withdrawal	Groundwater	602,900	293,437	651,291	96,196	602,900	293,437	651,291	96,196
	Freshwater	10,871	16,243	12,063	15,134	-	-	262	15,134
<b>Total freshwater of water</b>		<b>3,773,678</b>	<b>3,960,734</b>	<b>4,458,108</b>	<b>3,077,053</b>	<b>3,716,969</b>	<b>3,794,727</b>	<b>4,289,547</b>	<b>3,077,053</b>
<b>Total water withdrawal</b>		<b>349,970,757</b>	<b>331,807,764</b>	<b>340,421,750</b>	<b>266,782,866</b>	<b>3,716,969</b>	<b>3,794,727</b>	<b>4,289,547</b>	<b>266,782,866</b>



NON-OPERATIONAL WATER WITHDRAWAL (HEADQUARTERS AND OTHER FACILITIES)		ALL AREAS				WATER STRESSED AREAS			
		2020	2021	2022	2023	2020	2021	2022	2023
Surface water		49,758	26,789	19,773	3,296	48,877	25,249	18,152	1,641
Groundwater		157,899	119,261	96,180	63,369	58,356	51,609	48,282	62,413
Third party water		15,267	18,962	22,537	37,087	5,118	5,721	3,975	37,087
Third-party water withdrawal	Water Produced	15,267	18,962	22,537	37,087	5,118	5,721	3,975	37,087
<b>Total non-operational fresh water withdrawal</b>		<b>222,924</b>	<b>165,012</b>	<b>138,490</b>	<b>103,753</b>	<b>112,351</b>	<b>82,578</b>	<b>70,408</b>	<b>101,141</b>

TOTAL WATER WITHDRAWAL		ALL AREAS				WATER STRESSED AREAS			
		2020	2021	2022	2023	2020	2021	2022	2023
Surface water		49,758	26,789	19,773	3,296	48,877	25,249	18,152	1,641
Groundwater		3,317,807	3,770,315	3,890,933	3,064,352	3,172,425	3,552,898	3,686,275	3,063,395
Marine water		346,197,079	327,847,030	335,963,642	263,705,813	0	0	0	263,705,813
Third-party water		629,038	328,642	685,891	155,031	608,018	299,158	655,528	155,031
Surface water		0	0	0	6,613	0	0	0	6,613
<b>Third-party water extraction by source</b>	Total fresh water withdrawals	602,900	293,437	651,291	96,196	602,900	293,437	651,291	96,196
	Total water withdrawal	26,138	35,205	34,600	52,221	5,118	5,721	4,237	52,221
<b>Total freshwater withdrawal</b>		<b>3,996,603</b>	<b>4,125,746</b>	<b>4,596,598</b>	<b>3,222,679</b>	<b>3,829,319</b>	<b>3,877,305</b>	<b>4,359,955</b>	<b>3,220,067</b>
<b>Total wataer withdrawal</b>		<b>350,193,682</b>	<b>331,972,776</b>	<b>340,560,240</b>	<b>266,928,492</b>	<b>3,829,319</b>	<b>3,877,305</b>	<b>4,359,955</b>	<b>266,925,880</b>

## Water Withdrawal Peru (m<sup>3</sup>)

[GRI 303-3] [SASB IF-EU-140a.1]

OPERATIONAL WATER WITHDRAWAL (THERMOELECTRIC PLANTS)	ALL AREAS				WATER STRESSED AREAS			
	2020	2021	2022	2023	2020	2021	2022	2023
Seawater	235,755,114	292,997,301	295,072,316	257,801,255	-	-	-	257,801,255
<b>Total operational water withdrawal</b>	<b>235,755,114</b>	<b>292,997,301</b>	<b>295,072,316</b>	<b>257,801,255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>257,801,255</b>

NON-OPERATIONAL WATER WITHDRAWAL (HEADQUARTERS AND OTHER FACILITIES)	ALL AREAS				WATER STRESSED AREAS			
	2020	2021	2022	2023	2020	2021	2022	2023
Sea water	404,633	368,014	403,364	485,959	-	-	-	485,959
Third-pary water	281	300	376	530	-	-	-	530
<b>Total non-operational fresh water withdrawal</b>	<b>281</b>	<b>300</b>	<b>376</b>	<b>530</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>530</b>
<b>Total non-operational water withdrawal</b>	<b>404,914</b>	<b>368,314</b>	<b>403,740</b>	<b>486,488</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>486,488</b>

TOTAL WATER WITHDRAWAL	ALL AREAS				WATER STRESSED AREAS			
	2020	2021	2022	2023	2020	2021	2022	2023
Sea water	236,159,747	293,365,315	295,475,679	258,287,214	-	-	-	258,287,214
Third-pary water	281	300	376	530	-	-	-	530
<b>Total fresh water extraction</b>	<b>281</b>	<b>300</b>	<b>376</b>	<b>530</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>530</b>
<b>Total water withdrawal in Peru</b>	<b>236,160,028</b>	<b>293,365,615</b>	<b>295,476,056</b>	<b>258,287,744</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>258,287,744</b>

## Water Discharge Chile (m<sup>3</sup>)

[GRI 303-4]

WATER DISCHARGE	ALL AREAS				WATER STRESSED AREAS			
	2020	2021	2022	2023	2020	2021	2022	2023
Surface water	423,284	860,178	984,291	268,721	388,090	782,097	920,350	268,721
Groundwater	0	0	0	0	0	0	0	0
Sea water	345,670,699	327,316,425	335,413,327	263,374,748	-	-	-	263,374,748
Third-party water	0	0	0	0	0	0	0	0
Third-party water diverted for use by other organizations	332,596	232,438	227,366	154,369	332,596	232,438	227,366	154,369
<b>Total water discharge</b>	<b>346,093,983</b>	<b>328,176,603</b>	<b>336,397,618</b>	<b>263,797,838</b>	<b>388,090</b>	<b>782,097</b>	<b>920,350</b>	<b>263,797,838</b>

## Water Discharge Peru (m<sup>3</sup>)

[GRI 303-4]

WATER DISCHARGE	ALL AREAS				WATER STRESSED AREAS			
	2020	2021	2022	2023	2020	2021	2022	2023
Seawater	235,755,114	292,997,301	295,072,316	257,801,255	-	-	-	257,801,255
<b>Total water discharge</b>	<b>235,755,114</b>	<b>292,997,301</b>	<b>295,072,316</b>	<b>257,801,255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>257,801,255</b>

## Water Regulation

In terms of regulations, there were no local regulatory changes in 2023 that posed risks for the Company. However, it's important to note that in December, Law No. 21,639 was published, amending Decree with Force of Law No. 850/1992 of the Ministry of Public Works. This amendment allows for the development of water infrastructure and desalination projects through public concession systems, aiming to utilize water for subsistence and irrigation purposes.

Additionally, the Bill regulating the use of seawater for desalination, introduced to the Commission of Water Resources, Desertification, and Drought of the Senate of Chile in 2018, is still under development.

The main amendments proposed in this project include:

- Creation of a concession for seawater extraction and coastal edge utilization for desalination, granted by the General Water Directorate (DGA).
- The concession doesn't grant ownership over this National Asset for Public Use (BNUP) but enables its use and enjoyment solely for activities specific to the concession.
- Provision for requesting easements for seawater conduction through private or public property.
- Establishment of a National Desalination Strategy.
- Prioritization of human consumption, sanitation, preservation of ecosystems, and sustainable productive use.

The processing of bills related to desalination could positively impact the development of multipurpose desalination plant projects, provided that investors are granted legal certainty.

Furthermore, since 2022, there has been a proposal to establish a new water institutional framework called Basin Councils. These Councils are proposed to be installed in certain pilot basins, and based on their operation, draft laws will be developed to support their role. This could potentially impact the current management of Water User Organizations, such as the Surveillance Boards, in which Colbun participates in Aconcagua, Maule, and Biobio.

### Water Discharge Regulations

[GRI 303-2]

In Chile require compliance with established standards that vary depending on the recipient body of water and disposal site characteristics.

Supreme Decree No. 90/00 by the Ministry General Secretariat of the Presidency (MINSEGPRES) sets the Emission Standard for Regulation of Pollutants Associated with Liquid Waste Discharges to Marine and Inland Surface Waters. This decree outlines parameters for monitoring and compliance levels based on the disposal location.

For discharges to groundwater via infiltration works, Supreme Decree No. 46/02 establishes the Emission Standard for Liquid Waste to Groundwater. This decree considers the vulnerability of the receiving aquifer when setting compliance requirements.

Chilean Standard 1333/78 outlines Water Quality Requirements for Various Uses, specifying parameters and allowable limits for purposes such as irrigation and recreation. Some water bodies have quality standards that require higher discharge standards if their capacity to purify contaminants is exceeded.

Projects subject to environmental assessment must adhere to discharge regulations outlined in Environmental Qualification Resolutions (RCA) and self-control resolutions. These resolutions are monitored and certified by the Superintendency of the Environment and are specific to each facility. Facilities without access to sewer systems employ sewage treatment systems, subject to continuous review and monitoring to ensure compliance with regulations.

Internal water quality standards at Colbun align with Chilean Standard 1333/78 on a voluntary basis. Additionally, hydrocarbon monitoring is conducted at all operational sites, both upstream and downstream of their area of influence.

Colbun voluntarily conducts monitoring to characterize discharges and assess the quality of receiving water bodies. Consideration is given to the profile of the receiving water mass, as this influences the required quality level of the discharge. Bodies with greater water mass offer dilution capacity for discharged flow, allowing for higher discharge limits. Conversely, limits differ when the receiving water body lacks dilution capacity.

## Water Consumption Chile (m<sup>3</sup>)

[GRI 303-5] [SAB IF-EU-140a.1] [DJSI 2.5.1]

WATER CONSUMPTION, BY SOURCE	ALL AREAS				WATER STRESSED AREAS			
	2020	2021	2022	2023	2020	2021	2022	2023
Surface Water Consumption	49,758	26,789	19,773	3,296	48,877	25,249	18,152	1,641
Groundwater Consumption	3,497,423	3,203,574	3,557,934	2,737,458	2,784,335	3,064,238	3,417,216	2,736,501
Municipal Water Consumption	26,138	35,205	34,600	58,834	5,118	5,721	4,237	58,834
Seawater Consumption	526,380	530,605	550,315	331,065	-	-	-	331,065
<b>Total</b>	<b>4,099,699</b>	<b>3,796,173</b>	<b>4,162,622</b>	<b>3,130,654</b>	<b>2,838,329</b>	<b>3,095,208</b>	<b>3,439,605</b>	<b>3,128,042</b>
<b>Data coverage</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

WATER CONSUMPTION	ALL AREAS				WATER STRESSED AREAS			
	2020	2021	2022	2023	2020	2021	2022	2023
Total Fresh Water Consumption	3,573,319	3,265,568	3,612,307	2,799,589	3,441,229	3,095,208	3,439,605	2,796,977
<b>Total Water Consumption</b>	<b>4,099,699</b>	<b>3,796,173</b>	<b>4,162,622</b>	<b>3,617,142</b>	<b>3,441,229</b>	<b>3,095,208</b>	<b>3,439,605</b>	<b>3,128,042</b>
% consumption in water-stressed areas					83.9%	81.5%	82.6%	86.5%

INDICATOR	2020	2021	2022	2023
Withdrawal: total municipal water	<b>26,138</b>	<b>35,205</b>	<b>34,600</b>	<b>52,221</b>
Withdrawal: total surface sources	49,758	26,789	19,773	9,909
Extraction: total groundwater sources	3,920,707	4,063,752	4,542,224	3,160,548
Water returned to source of withdrawal in a quality similar to or higher than that of the water withdrawn	423,284	860,178	984,291	268,721
Total fresh water consumption	3,497,423	3,203,574	3,557,934	2,891,827
MW Generated Colbun (MWh)	11,991,001	10,705,306	13,160,857	12,745,164
<b>Data Coverage (% of MWh)</b>	<b>0.2917</b>	<b>0.2993</b>	<b>0.2703</b>	<b>0.2269</b>

## Water Consumption Peru (m<sup>3</sup>)

[GRI 303-5] [SAB IF-EU-140a.1]

Water consumption, by source	ALL AREAS				WATER STRESSED AREAS			
	2020	2021	2022	2023	2020	2021	2022	2023
Surface Water Consumption	0	0	0	0	-	-	-	0
Groundwater Consumption	0	0	0	0	-	-	-	0
Municipal Water Consumption	281	300	376	530	-	-	-	530
Seawater Consumption	0	0	0	0	-	-	-	0

Water Consumption	ALL AREAS				WATER STRESSED AREAS			
	2020	2021	2022	2023	2020	2021	2022	2023
Total Fresh Water Consumption	281	300	376	530	-	-	-	530
<b>Total Water Consumption</b>	<b>404,914</b>	<b>368,314</b>	<b>403,740</b>	<b>486,488</b>	-	-	-	<b>486,488</b>
% Consumption In Water-Stressed Areas					0%	0%	0%	100%

INDICATOR	2020	2021	2022	2023
Withdrawal: total municipal water	<b>281</b>	<b>300</b>	<b>376</b>	<b>530</b>
Withdrawal: total surface sources	0	0	0	0
Extraction: total groundwater sources	0	0	0	0
Water returned to source of withdrawal in a quality similar to or higher than that of the water withdrawn	0	0	0	0
Total fresh water consumption	281	300	376	530
MW generated Colbun (MWh)	2,861,110	3,426,710	4,321,186	3,383,938
<b>Data coverage (% of MWh)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Summary of Freshwater Withdrawal, Discharge and Consumption of Fresh Water, Chile-Peru Consolidation (m<sup>3</sup>)

DJSI 2.5.1

INDICATOR	Unit	2020	2021	2022	2023
Withdrawal: total municipal water	m <sup>3</sup>	<b>26,419</b>	<b>35,505</b>	<b>34,976</b>	<b>52,751</b>
Withdrawal: total surface sources (lakes, rivers, etc.) (not including sea)	m <sup>3</sup>	49,758	26,789	19,773	9,909
Withdrawal: total groundwater sources	m <sup>3</sup>	3,920,707	4,063,752	4,542,224	3,160,548
Water returned to source of abstraction in a similar or higher quality than that in which it was abstracted (only applies to B and C)	m <sup>3</sup>	423,284	860,178	984,291	268,721
<b>Total fresh water consumption (A + B + C - D)</b>	<b>m<sup>3</sup></b>	<b>3,497,704</b>	<b>3,203,874</b>	<b>3,558,310</b>	<b>2,892,357</b>
MWh generated Colbun	MWh	14,852,111	14,132,016	17,482,044	16,129,102
<b>Data coverage (as % of MWh)</b>	<b>% of MWh</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Total Net Fresh Water Consumption in Colbun in Water-stressed Areas

DJSI 2.5.2

Water consumption in water-stressed areas (e.g., <1700 m <sup>3</sup> /(person*year))	Unidad	2020	2021	2022	2023
Total net fresh water consumption in water-stressed areas (total water withdrawals - total water discharges)	m <sup>3</sup>	<b>3,441,229</b>	<b>3,095,208</b>	<b>3,439,605</b>	<b>2,797,507</b>
Data coverage (as % of income)	% of revenues	100%	100%	100%	100%

## Cost and Number of Water-Related Incidents (Operational Outages/Plant Shutdowns, Etc.) with Substantial Impacts

DJSI 2.5.3 CONSOLIDADO CHILE-PERU

	2020	2021	2022	2023
Number of Incidents	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Current and opportunity costs (revenue foregone) for water-related incidents.	0	0	0	0

## Some Water Efficiency Initiatives

### Evaluation of Water Use to Identify Opportunities for Improving Water Efficiency

At the Nehuenco Complex, a numerical model of the aquifer beneath the plant has been developed, with 20 wells supplying its cooling water needs. This model is updated annually prior to the low water season. Its purpose is to assess water usage characteristics (extraction) and the water table's condition, anticipate aquifer conditions, and devise a pumping plan for the wells to optimize resource use and supply security. It also aids in advancing mitigation plans in case of shortages. Consequently, the justification for constructing a Reverse Osmosis Plant that demineralizes water, enabling multiple recirculations in the cooling process to reduce consumption, is well-founded.

At the Candelaria Plant, water consumption was evaluated, leading to operational adjustments (modifications to the Programmable Logic Controller / PLC). These adjustments resulted in a 13% reduction in water extraction compared to the original design. Alongside these operational enhancements, efficiencies were achieved in non-operational water usage, such as the replacement of conventional green areas (grass) with low-consumption green areas (xerophytic landscaping), and the reuse of treated water, among other measures.

### Actions to Improve the Quality of Discharged Water

Colbun has implemented initiatives focused on water recycling to reduce discharges, diverting treated water to alternative uses rather than solely focusing on improving discharge quality. Nonetheless, it's important to highlight that Colbun adheres to discharge quality standards outlined in current regulations. These standards are integral to the Company's monitoring programs and are regularly reported to the relevant authorities. Even older facilities, predating the legislation that defined these standards, participate in voluntary monitoring programs to assess discharge quality and its impact on receiving bodies, ensuring that operational activities remain environmentally sound.

### Water Recycling

Water recycling has been a key focus for Colbun over the past 5 years. For instance, reject water from the treatment of well water at the Nehuenco Reverse Osmosis Plant is redirected to an industrial sector, particularly in mining, where it is reused in various processes. It's important to note that while this water doesn't meet standards for agricultural or human consumption, it is suitable for industrial purposes.

At the Candelaria plant, wastewater treated on-site is utilized to irrigate surrounding green areas, as authorized during the facility's environmental assessment process. Similarly, the Colbun plant utilizes treated wastewater for irrigating low-water-demand green spaces, achieving water resource circularity by eliminating the need for fresh water for this purpose. Fresh water is reserved solely for administrative facilities, including human consumption and sanitation.

The La Mina power plant efficiently recycles rainwater collected from its powerhouse roof, channeling it for use in restroom facilities within the facility. Furthermore, efforts are underway at the Carena and Los Quilos Power Plants to implement graywater reuse systems, demonstrating ongoing commitment to sustainable water management practices.

### In-house Awareness-raising on Water Efficiency Management Programs

Periodic talks by experts are organized, covering diverse topics. For instance, World Water Day is commemorated annually, featuring guest speakers like Gianfranco Marcone, a Meteorologist with an MSc in Climate Change, who spoke at the event in 2023. Additionally, expert talks are held within facilities, inviting community members and workers to participate. In 2023, at the Aconcagua Complex, topics included "Greywater Recycling" presented by Fundación Un Alto en el Desierto, "Climate Change" and "Good Water Practices" delivered by academics from the Pontificia Universidad Católica de Valparaíso, "Water Code" discussed by lawyer Francisco Echeverría, and "Huertomania in times of climate change" presented by Annika Schuettler, Project Leader Energy & Sustainability at AHK Chile, Chilean-German Chamber of Commerce and Industry A.G.

Moreover, internal communication systems such as the Intranet and rotating screens installed in administrative buildings serve as platforms to disseminate information. They provide updates on new initiatives and share data related to efficient water use through engaging content such as "Did you know?" snippets.

## Biodiversity

### Colbun's Biodiversity Strategy Goals, Impacts, Objectives and Progress

[GRI 305-7] [IF-EU-120a.1] [DJSI 2.2.4-8]

CATEGORY		GOAL	PROGRESS
Guideline 1:	Net Loss Nil/Zero	100% of projects with zero net loss in environmentally valuable areas.	100% compliance. No projects have been developed in areas of environmental value by 2023.
Guideline 2: ESG Capacity Goal	Knowledge of endemic species	15 threatened species under a monitoring program out of a total of 32 (47%) in 18 operating Power Plants.	87% compliance in number of species and 100% compliance in Power Plants with follow-up program.
Guideline 3 and ESG Capacity Goal	New conservation areas	Establish a new conservation area by 2025.	100% compliance with progress in two regions.
Guideline 4:	Sustainable supply	100% of purchases associated with stationery and tissue will be FSC® or PEFC® certified.	100% compliance. As of May 2023, all stationery purchases are certified.
Guideline 5:	Dissemination of biodiversity	Colbun's employees will have opportunities for dissemination related to biodiversity and its protection at least once a year.	100% compliance. Birds Biodiversity Talk for the entire Company and dissemination of the Biodiversity Strategy in all the Company's operating facilities.



GOAL	RELATIONSHIP WITH IMPACTS	MEASURABLE GOALS	PROGRESS AND MEASURABLE ADVANCES
<p>GUIDELINE 1: 100% of projects with zero net loss in territories with environmental value.</p>	<p>Project development has potential impacts on biodiversity. The goal seeks to ensure zero net loss in biodiversity in projects located in areas of environmental value. It implies offsetting a negative impact.</p>	<p>Projects developed (after 2022) in areas of environmental value have zero net loss.</p>	<p>Given the ecological importance of areas with environmental value, which are characterized by minimal or no anthropic intervention, with the presence of species and habitats of low representativeness, Colbun favors developing its projects in other areas. For this reason, to date no projects have been developed in areas of environmental value, and therefore it has not been necessary to commit to zero net loss. Therefore, this goal is 100% met.</p>
<p>GUIDELINE 2: 15 threatened species under a monitoring program out of a total of 32 (47%), in a total of 18 Power Plants in operation.</p>	<p>Identify endangered species in the area of influence of our Power Plants in operation, to promote their conservation and evaluate their evolution over time. It involves assessing a potential negative impact.</p>	<p>Threatened fauna species and Power Plants that have a monitoring program.</p>	<p>In 2023, new voluntary monitoring programs were implemented with a focus on endangered fauna, adding 12 Power Plants in operation to those that already had this type of monitoring. The objective was to find 15 endangered species out of a total of 32 species that could potentially be present in the areas of influence of all the Company's facilities (baseline year 2022). As a result, 13 endangered species were found, 4 of which are new, i.e., they were not on the list of potential species. This result is very encouraging and shows the ecological status of the ecosystems in the area of influence of our operations. A relevant finding for the fish fauna was the detection of a population of Big Catfish (<i>Nematogenys inermis</i>) in the Maule River basin, a species that was supposed to be extinct since 1975, this population was active with individuals in different stages of development and in a reproductive state. Currently there are monitoring programs in the Fénix Thermoelectric Power Plant (Chilca, Peru), Aconcagua Hydroelectric Complex (Valparaiso region), Colbun Hydroelectric Complex (Maule region), Biobio Hydroelectric Complex (Biobio region), Canutillar Hydroelectric Power Plant and Rincón del Sur conservation area (both in the Los Lagos region).</p>
<p>GUIDELINE 3: Establish a new conservation area by 2025.</p>	<p>Preserve ecosystems on our own land, as a positive impact on biodiversity. Positive impact.</p>	<p>Studies and activities related to the implementation of new conservation areas.</p>	<p>Progress is being made on conservation initiatives in different Company lands in Chile. Among the most advanced initiatives during 2023 are conservation proposals in the Maule and Biobio regions. In the Biobio region, on land near the Angostura hydroelectric plant, legal studies and flora and fauna surveys have been carried out in an area with a preservation forest and a habitat rich in native species. In particular, in the Maule region, conservation surveys have been developed to combine the protection of flora and fauna, as well as eventual tourism development.</p>
<p>GUIDELINE 4: 100% of purchases associated with stationery and Tissue will have FSC® or PEFC® Certification.</p>	<p>Company commitment to sustainable forest management and no deforestation. The impact that is avoided is deforestation and the affectation of forests and associated ecosystems. Positive impact</p>	<p>100% of FSC-certified purchases of stationery and tissue.</p>	<p>As of May 2023, all of the Company's stationery and tissue supplies will be sourced from certified companies. The Company's Procurement area has established a purchasing catalog, which only includes certified supplies.</p>
<p>GUIDELINE 5: Dissemination related to biodiversity and its protection at least once a year.</p>	<p>Environmental education promotes awareness of our actions in ecosystems, fostering their care and protection. This is a positive impact.</p>	<p>100% of employees trained in biodiversity issues.</p>	<p>100% complied with. A talk on Bird Biodiversity was given to the entire company on National Environment Day, and the Biodiversity Strategy and the characteristics of local biodiversity were disseminated in all the Company's operating facilities, as well as in the Corporate development areas.</p>

## Impacts on Biodiversity

[GRI 304-2]

For the purposes of this section, significant impacts on biodiversity, as defined by current legislation in Chile and Peru, have been considered. These impacts are those that were identified and evaluated as significant within the Environmental Impact Assessment System. They necessitated the implementation of mitigation, remediation, or compensation measures, as well as compliance with environmental

monitoring plans. In contrast, impacts assessed as "not significant" in the respective environmental assessments have been categorized as lower-level impacts associated with biodiversity. These entail impacts on elements of biodiversity within the projects' areas of influence to a lesser extent.

SIGNIFICANT IMPACTS - CHILE	DESCRIPTION	POWER PLANT	HIGH BIODIVERSITY AREA? YES/NO	PROTECTED AREA? YES/NO
Increase in air pollutant concentrations due to emissions from the Nahuenco thermoelectric complex.	Increase in air pollutant concentrations due to emissions from the Nahuenco thermoelectric complex.	Nahuenco Thermoelectric	No	No
Increase in air pollutant concentrations due to emissions from the Candelaria thermoelectric power plant.	Increase in air pollutant concentrations due to emissions from the Candelaria thermoelectric power plant.	Candelaria Thermoelectric	No	No
Increased concentrations of atmospheric pollutants due to emissions from the Santa Maria thermoelectric power plant.	Increased concentrations of atmospheric pollutants due to emissions from the Santa Maria thermoelectric power plant.	Santa Maria Thermoelectric	No	No
Water quality and marine fauna affected by liquid effluents from the cooling system and RILES from the Santa Maria Thermoelectric Power Plant.	Water quality and marine fauna affected by liquid effluents from the cooling system and liquid waste from the Santa Maria Thermoelectric Power Plant.	Santa Maria Thermoelectric	Yes	No
Increased concentrations of atmospheric pollutants due to emissions from the Los Pinos thermoelectric power plant.	Increased concentrations of atmospheric pollutants due to emissions from the Los Pinos thermoelectric power plant.	Los Pinos Santa Maria Thermoelectric	No	No
Disruption of movement and loss of fish fauna due to diversion of the Biobio River and operation of the power plant, respectively.	Disruption of movement and loss of fish fauna due to diversion of the Biobio River and operation of the power plant, respectively.	Angostura Hidroelectric Power Plant	Yes	No
An amendment of the Biobio and Huequecura rivers' lotic runoff regime.	An amendment of the Biobio and Huequecura rivers' lotic runoff regime.	Angostura Hidroelectric Power Plant	Yes	No
Changes in aquatic habitat conditions	Changes in aquatic habitat conditions	Rucúe Hidroelectric Power Plant	Yes	No
Alteration of fish fauna	Alteration of ichthyic fauna	Quilleco Hidroelectric Power Plant	Yes	No

MINOR CATEGORY IMPACTS- CHILE	DESCRIPTION	POWER PLANT	HIGH BIODIVERSITY AREA? YES/NO	PROTECTED AREA? YES/NO
An amendment to the habitat of the aquatic biota of the Maule River in the project section.	Impact on a section of the river (between the water intake and the restitution), due to the reduction of the flow to an ecological flow.	La Mina Hydroelectric Power Plant	Yes	No
Loss of vegetation and species in conservation category.	Direct impact generated as a result of works to clear the flood basin.	Angostura Hydroelectric Power Plant	Yes	No
Increased noise on fauna and collisions of avifauna.	Impact from noise emissions and incorporation of power generation and transmission structures.	Horizonte Wind Project	No	No

Note: it is important to highlight that all identified impacts are in the category "Habitat transformation". No impacts have been identified in the category "Introduction of invasive species, pests and pathogens", nor in "Species reduction", nor in "Changes in ecological processes outside the natural range of variation".

It is worth noting that hydroelectric power plants built before the enactment of the Environmental Impact Assessment System Regulation (RSEIA, D.S. No. 95 MINSEGPRES year 1997) did not undergo SEIA evaluation. Therefore, they lack a formally and technically supported impact assessment. In specific cases, there are sectoral evaluations and authorizations, or voluntary assessments within the framework of Inter-American Development Bank requirements, for example. This is the case with the Blanco, Juncalito, Chacabuquito, Los Quilos run-of-river power plants, as well as the Colbun, Machicura, and Canutillar reservoir power plants, which draw water from Lake Chapo. Despite the relative age of these operations, given our knowledge of their operation and the ecosystems in which they are located, it is possible to note that some of the mentioned power plants have significant impacts on biodiversity in their area of influence. In the case of the Aconcagua basin run-of-river power plants, there is an impact on aquatic fauna due to the barrier effect and habitat modifications in the river stretches between the intakes

and water restitution points, resulting from reduced flow. For the Maule basin reservoir power plants, there is an impact on flora and fauna in the area where the reservoirs were created, an impact on aquatic biota due to the shift from lotic to lentic habitat, leading to species migration and relocation, an impact on biota in the river stretch experiencing reduced flow between the intakes and restitution, and an impact on the Colbun reservoir shoreline due to water level fluctuations. Finally, for the Canutillar plant, there is an impact from the barrier effect on aquatic biota in the Chamiza and Lenca rivers due to reduced flow, as well as an impact on lake shorelines due to water level fluctuations from plant operation. While these operational power plants may not always have the same quality of baseline information as our more recent projects, we still have voluntary monitoring programs (in some cases involving local individuals in these monitoring efforts) to assess changes over time in water quality and the ecological status of aquatic biota. The results of these monitoring efforts are shared with the community during community dialogue sessions.

SIGNIFICANT IMPACTS - CHILE	POSITIVE/ NEGATIVE	DESCRIBE THE IMPACT ACCORDING TO:		
		AFFECTED SPECIES	THE EXTENT OF THE AFFECTED AREAS	ITS REVERSIBILITY OR IRREVERSIBILITY
Impact on water quality and marine fauna due to liquid effluents from the cooling system and liquid industrial waste from the Santa Maria Thermoelectric Power Plant.	negative	Prionospio peruana (DD), Spiophanes bombyx (DD), Pectinaria chilensis (DD), Onuphidae (DD), Agrobuccinum scabru (DD), Cnidaria (DD)	El Manco estuary mouth, Coronel Bay, VIII Region, TE Santa Maria	reversible
Interruption of the displacement and loss of Ichthyic fauna due to diversion of the Biobio River and operation of the power plant, respectively.	negative	Diplomystes nahuelbutaensis (EN), Bullockia maldonadoi (LC), Percilia irwini (EN), Trichomycterus areolatus (DD), Percichthys trucha (LC), Basilichthys australis (VU), Galaxias maculatus (LC)	5.2 km of the Huequecura river and 14.89 km of the Biobio river, additional 120m between dam and restitution area, CH Angostura	reversible
An amendment to the Biobio and Huequecura river lotic runoff regime.	negative	Diplomystes nahuelbutaensis (EN), Bullockia maldonadoi (LC), Percilia irwini (EN), Trichomycterus areolatus (DD), Percichthys trucha (LC), Basilichthys australis (VU), Galaxias maculatus (LC)	Flooded area on the Huequecura and Biobio rivers, CH Angostura	irreversible
Changes in aquatic habitat conditions	negative	Diplomystes nahuelbutensis (EN), Percilia irwini (EN), Trichomycterus areolatus (DD), Cheirodon galusdae (DD), Basilichthys australis (VU)	18.5 km section of the Laja river upstream of its confluence with the Rucúe river and 14.5 km of the Rucúe river up to 1.7 km upstream of its confluence with the Laja river, CH Rucúe	reversible
Alteration of Ichthyic fauna	negative	Percilia irwini (EN), Diplomystes nahuelbutaensis (EN), Cheirodon galusdae (DD), Trichomycterus areolatus (DD), Percichthys trucha (LC), Basilichthys australis (VU)	Area of Influence of the Project, CH Quilleco	reversible

MINOR IMPACT - CHILE	POSITIVE /NEGATIVE	DESCRIBE THE IMPACT ACCORDING TO:		
		AFFECTED SPECIES	THE EXTENT OF THE AFFECTED AREAS	ITS REVERSIBILITY OR IRREVERSIBILITY
An amendment to the habitat of the aquatic biota of the Maule River in the project section.	negative	Diplomystes nahuelbutaensis (EN), Trichomycterus areolatus (DD)	2.7 km from the Maule River adduction works, CH La Mina	reversible
Loss of vegetation and species in conservation category.	negative	Austrocedrus chilensis (NT), Blechnum asperum (DD), Puya berteroniana (DD), Citronella mucronata (VU), Eucryphia glutinosa (EN), Maytenus chubutensis (DD), Kageneckia oblonga (LC), Laurelia philippiana (LC)	Area of the Angostura hydroelectric power plant reservoir.	irreversible
Increased noise on fauna and collisions of avifauna.	negative	Liolaemus torresi (EN), Leucophaeus modestus (LC), Lama guanicoe (LC)	Area of Influence of Wind Project Horizonte	reversible

MINOR IMPACT - CHILE	POSITIVE /NEGATIVE	DESCRIBE THE IMPACT ACCORDING TO:		
		AFFECTED SPECIES	THE EXTENT OF THE AFFECTED AREAS	ITS REVERSIBILITY OR IRREVERSIBILITY
Impact on marine species and mammals	negative	Environmental monitoring shows that the power plant's activities do not affect the biological environment.	Fenix Power Plant unloading area	Reversible
Impact on birds	negative	Environmental monitoring results in the power plant's activities not affecting the biological environment.	Fenix Power Plant environment	Reversible
Impact on reptiles	negative	Environmental surveillance results in the power plant's activities not affecting the biological environment.	Fenix Power Plant environment	Reversible

MINOR CATEGORY IMPACTS- PERU	DESCRIPTION	POWER PLANT	HIGH BIODIVERSITY AREA? YES/NO	PROTECTED AREA? YES/NO
Impact on marine mammals and species.	Habitat alteration	Fénix Thermoelectric Power Plant	No	No
Affect on birds.	Habitat alteration	Fénix Thermoelectric Power Plant	No	No
Impact on reptiles.	Habitat alteration	Fénix Thermoelectric Power Plant	No	No

## Standards, Methodologies and Assumptions Used With Respect to Protected and/or Restored Area Information

[GRI 304-3]

The restorations conducted primarily involve forest enrichment and reforestation, which are carried out as environmental commitments of various projects. Specifically, these efforts entail mitigation or compensation measures for vegetation cutting required at project sites. All restoration and reforestation activities are conducted within the framework of the Environmental Impact Assessment System (SEIA) and are guided by Forest Management Plans authorized by CONAF (Corporación Nacional Forestal). When applying for permits, field surveys are conducted to gather information on forest species and their coverage, which informs decisions on future establishment

density in compliance with forestry regulations. Monitoring and compliance reporting on these measures are regularly provided to the relevant authorities, ensuring ongoing supervision. The restoration methodology aims to offset the area of vegetation cut by replanting equal or greater areas with diverse species to ensure the compensation of individuals.

Colbun and its subsidiaries have publicly committed to avoiding deforestation, emphasizing the importance of minimizing native vegetation cutting from the initial stages of project design.

## Species in Habitats of Operations in Chile

[GRI 304-4]

SPECIES	LOCATION	EXTINCTION RISK LEVEL
Alsodes Verrucosus	Canutillar - Lago Chapo ( Los Lagos-Chile)	Endangered
Basilichthys Microlepidotus	Angostura, Quilleco ( Biobio-Chile)	Vulnerable (IUCN and RCE)
Beilschmiedia Miersii	Nehuenco ( Valparaiso-Chile)	Vulnerable
Bufo Rubropunctatus	Santa María ( Biobio-Chile)	Vulnerable
Buteo Ventralis	Rucúe, Santa María ( Biobio-Chile)	Vulnerable
Caudiverbera Caudiverbera	Rucúe, Santa María ( Biobio-Chile)	Vulnerable
Cheirodon Galusdae	Complejo Colbun ( Maule-Chile), Angostura, Quilleco ( Biobio-Chile)	Data deficient (IUCN), Vulnerable (RCE)
Chinchilla Chinchilla	Diego de Almagro ( Atacama-Chile)	Endangered
Citronella Mucronata	Angostura ( Biobio-Chile)	Vulnerable
Diplomystes Nahuelbutaensis	Río Rucúe y Laja, Huequecura y Biobio ( Biobio-Chile), Río Maule ( Maule-Chile)	Endangered (IUCN and RCE)
Eucryphia Glutinosa	Angostura ( Biobio-Chile)	Endangered
Fitzroya Cupressoides	Canutillar - Lago Chapo ( Los Lagos-Chile)	Endangered
Geotria Australis	Canutillar - Lago Chapo ( Los Lagos-Chile)	Data Deficient (IUCN), Vulnerable (RCE)

SPECIES	LOCATION	EXTINCTION RISK LEVEL
Laterallus Jamaicensis	Rucúe, Santa María ( Biobio-Chile)	Endangered
Leopardus Guigna	Rucúe, Santa María, Angostura ( Biobio-Chile), y Canutillar - Lago Chapo ( Los Lagos-Chile)	Vulnerable
Liolaemus Auditovelatus	Diego de Almagro Sur ( Atacama-Chile)	Vulnerable
Liolaemus Gravenhorstii	Quilleco ( Biobio-Chile)	Endangered
Liolaemus Manuelli	Diego de Almagro ( Atacama-Chile)	Endangered
Liolaemus Poconchilensis	Celda Solar ( Arica y Parinacota-Chile)	Endangered
Liolaemus Torresi	Horizonte, Inti Pacha ( Antofagasta-Chile)	Endangered
Lontra Felina	Santa María ( Biobio-Chile)	Endangered
Lontra Provocax	Rucúe ( Biobio-Chile) y Canutillar - Lago Chapo ( Los Lagos-Chile)	Endangered
Myotis Atacamensis	Horizonte e Inti Pacha ( Antofagasta-Chile) y Diego de Almagro ( Atacama-Chile)	Endangered
Nematogenys Inermis	Complejo Colbun ( Maule-Chile)	Critically endangered
Octodon Bridgesi	Rucúe ( Biobio-Chile)	Vulnerable
Percilia Gillissi	Complejo Colbun ( Maule-Chile)	Endangered
Percilia Irwini	Río Rucúe, Laja, Huequecura y Biobio ( Biobio-Chile)	Endangered (IUCN), Vulnerable (RCE)
Pilgerodendron Uviferum	Canutillar - Lago Chapo ( Los Lagos-Chile)	Vulnerable
Porlieria Chilensis	Aconcagua ( Valparaiso-Chile)	Vulnerable in RCE, not listed in IUCN
Pristidactylus Torquatus	Angostura ( Biobio-Chile)	Vulnerable
Rhinella Atacamensis	Diego de Almagro ( Atacama-Chile), Inti Pacha ( Antofagasta-Chile)	Vulnerable
Rhinoderma Darwinii	Rucúe, Santa María ( Biobio-Chile)	Endangered
Rhinoderma Rufum	Santa María ( Biobio-Chile)	Critically endangered
Spheniscus Humboldti	Chilca (Lima-Peru)	Vulnerable
Thalassarche Salvini	Chilca (Lima-Peru)	Vulnerable
Telmatobufo Venustus	Rucúe, Santa María ( Biobio-Chile)	Endangered
Trichomycterus Areolatus	Colbun-La Mina ( Maule-Chile), Canutillar - Lago Chapo ( Los Lagos-Chile), Angostura, Rucúe, Quilleco ( Biobio-Chile)	Data deficient (IUCN), Vulnerable (RCE)
Vultur Gryphus	Horizonte ( Antofagasta-Chile), Aconcagua ( Valparaiso-Chile), Rucúe ( Biobio-Chile)	Vulnerable

## Species in Habitats of Operations in Peru

[GRI 304-4]

SPECIES	LOCATION	EXTINCTION RISK LEVEL
Thalassarche Salvini (Nb)	Chilca	Vulnerable
Spheniscus Humboldti	Chilca	Vulnerable

## Summary of Species at Risk of Extinction, in Chile y Peru

EXTINCTION RISK LEVEL	CHILE 2023	PERU 2023
	TOTAL NIUMBER OF SPECIES	TOTAL NIUMBER OF SPECIES
Critically Endangered	2	0
Endangered	17	0
Vulnerable	16	2
Data Deficient	3	0
Near Threatened	18	0
Least Concern	234	0

## Biodiversity Risks

Indicate whether you have conducted an impact and dependency assessment. If yes, describe the main results and the impacts and dependencies identified.	Assessment of impacts and dependencies on biodiversity has been diagnosed to date in the framework of the environmental assessment of projects. According to Chilean and Peruvian legislation, projects whose works or activities are likely to cause environmental impacts must undergo an environmental assessment in the Environmental Impact Assessment System (SEIA). It is in this instance, when the potential impacts and dependencies of biodiversity are evaluated, according to the type of project, its activities and associated works, together with the particular characteristics of the place where it is intended to be developed. This information is gathered by the project owner, together with specialists in each component and evaluated by the competent authorities, who validate the impacts and associated measures for mitigation, repair or compensation.
Describe the biodiversity risk assessment process in its entirety.	Biodiversity risks are assessed in the framework of the environmental impact assessments of future projects, using expert criteria, reviewing the works and activities associated with the projects and the information on the site where they will be located. For this purpose, information gathered in the field is used to determine the existing biodiversity and its ecological value. In addition, all facilities and their areas of influence are surveyed to assess the risk of affecting protected areas rich in biodiversity.

Indicate whether a location-specific approach is used.	A site-specific approach is employed for each location, involving the collection of field data by specialists in various components. This tailored approach considers the diverse habitats, identified species, and intended activities at the site, all analyzed prior to project approval and execution. This pre-analysis enables modifications to project designs aimed at avoiding and minimizing impacts on biodiversity.
State the methodologies and frameworks used for the assessment.	The methodology used for project impact assessment considers the development of a baseline that considers three major elements: the physical environment (climate, air, geology, hydrology), biotic environment (terrestrial and aquatic flora and fauna) and human environment (considering community, heritage, among others), in order to determine the associated risks. On the other hand, we are working on defining methodologies for measuring biodiversity risks and dependencies, participating as experts in the Nature and Biodiversity Committee of the Five Sustainability Criteria Project developed by Acción Empresas, starting in 2023. During 2024, the evaluation matrices of the 5 key criteria will be updated and work is being done in the Strategic Committee for the Business Biodiversity Action Plan, an initiative that seeks to establish goals for the protection of biodiversity and is developed jointly with the Ministry of the Environment and the private sector. To date, no specific methodology has been applied; rather, risk assessments have been made within the framework of the Environmental Impact Assessment.
Report and describe how this biodiversity risk assessment is integrated into the Company's multidisciplinary risk management processes (overall risk management).	Finally, with all the relevant information gathered, different methodologies are used to evaluate the impacts associated with biodiversity, such as the Leopold Matrix, which details each of the activities of a project with the environmental aspects and establishes whether they are positive or negative, thus assessing their magnitude and importance.
Report whether dependency-related biodiversity risks are considered. If yes, indicate which ones and how.	A risk and dependency assessment has not been applied to date, but an assessment was applied in the context of the Five Key Criteria for Sustainability project developed by Acción Empresas, in which some of the most advanced companies in this area participate, as well as being part of the Strategic Committee for the Business Action Plan on Biodiversity.
Indicate whether biodiversity risks related to impacts are considered. If yes, indicate which and how.	An evaluation of risks and dependencies has not been applied to date, but an evaluation was applied in the context of the Five Key Criteria for Sustainability project, developed by Accion Empresas, in which some of the companies with the most progress in this area participate, as well as being part of the Strategic Committee for the Business Action Plan on Biodiversity.

The scope of the biodiversity risk assessment is limited to the areas of influence of projects and facilities in operation that have been assessed under the Environmental Impact Assessment System.

## Biodiversity Initiatives by Type

<p>Avoidance: Examples of avoidance measures that prevent the impacts or dependence from occurring in the first place, or eliminate the impact altogether.</p>	<p>The project design thoroughly assesses the project site's characteristics, planned activities, and structures to be implemented, considering potential impacts on biodiversity. Early-stage modifications are made to project designs to avoid or minimize such impacts. For instance, the recently environmentally approved Celda Solar Photovoltaic Park adjusted its design to steer clear of tern nesting areas and reptile habitats. Consequently, a conservation area spanning 359 hectares was preserved, safeguarding these species.</p> <p>In operational projects, efforts include disseminating information and training workers on endangered forest species present in operational areas. This aims to prevent any inadvertent impact on these species during maintenance activities on civil works.</p>
<p>Reduce: Examples of reduction measures that minimize impacts, but do not necessarily eliminate them.</p>	<p>Two examples of impact reduction measures in projects are: 1. Species rescue and relocation plan: this consists of relocating detected species and placing them in habitats that are suitable for their survival. 2. Environmental release: this is a measure in which construction sites are occupied during non-breeding seasons and, on the other hand, these construction areas are gradually vacated, minimizing the impact on active nests.</p>
<p>Regenerate: Examples of regeneration measures that improve existing processes, biophysical function, and productivity of an ecosystem or its components.</p>	<p>Examples of regeneration measures include: 1. Construction of bird nesting cavities in projects where appropriate. 2. Installation of nest houses in habitats suitable for birds occupying buildings during the breeding period. 3. Exclusion of livestock on land with native forest to encourage passive restoration (Biodiversity and Generation Project - PFV Machicura) (See details on page 165).</p>
<p>Restore: Examples of restoration measures that initiate or accelerate the recovery of an ecosystem with respect to its health, integrity, and sustainability, with a focus on permanent changes,</p>	<p>Examples of restoration include reforestation and forest enrichment carried out by the Company as part of its environmental commitments, following approval of the projects by the authorities (see details on page 167).</p>
<p>Transform: Examples of transformational measures that take actions that contribute to system-wide change, in particular to alter the drivers of nature's loss, e.g., through technological, economic, institutional and social levers, and changes in underlying drivers and behaviors.</p>	<p>Transformation measures:</p> <ol style="list-style-type: none"> <li>1. Sustainable Sourcing: the Company has a commitment to 100% sourcing of forest products with sustainable forest management certification (FSC - PEFC) for its stationery purchases.</li> <li>2. Conservation Area: the Company has a Royal Right of Conservation, in the Lakes, in an area with high ecological value, guaranteeing its use only for this purpose in perpetuity. This was the first initiative in which a private company participated in Chile.</li> <li>3. Tourist Park: Angostura Park is a tourist initiative in the Biobio region that combines two objectives: to provide renewable energy and at the same time be a regional tourist attraction. The park has public beaches, campgrounds, a visitor center, among other facilities, and also promotes biodiversity protection through an environmental education center, the Huequecura viewpoint, an arboretum, and a bird-watching center. All of these facilities promote native flora and fauna through signage and environmental education for all visitors.</li> </ol>

## Local Emissions

### Atmospheric Emissions, Consolidated Chile and Peru (tons)

[GRI 305-7] [IF-EU-120a.1]

INDICATOR	2020	2021	2022	2023
Direct NOx emissions	4,545	5,420	5,885	3,307
Direct SOx emissions	1,384	1,816	1,814	1,083
Direct mercury emissions Hg	0,006	0,287	0,009	0,011
Direct emissions of dust PM	79	107	119	85
Direct SF6 emissions	0	0	0	0
Coverage (% of MWh)	100%	100%	100%	100%

### Green Taxes

[GRI EU5]

In Chile, there is currently no system for allocating CO<sub>2</sub> emissions or set targets for emission reduction. Instead, the country employs a carbon tax. However, with the enactment of the climate change framework law, a new regulatory framework is being established to introduce specific rules aimed at limiting greenhouse gas emissions.

Under Article 13 of the bill, the Ministry of the Environment will be tasked with drafting norms that define the maximum allowable greenhouse gas emissions for establishments, emitting sources, or groups thereof. These norms will be based on reference emission standards categorized by technology, sector, and/or activity, with the goal of achieving the objectives outlined in the Long Term Climate Strategy and the Nationally Determined Contribution (NDC).

It's worth noting that these emission standards will be the sole instrument outlined in the bill to achieve the committed emission reductions. Therefore, at Colbun, we are closely monitoring future regulations that will establish specific emission limits and are prepared to adopt appropriate measures to comply with these regulations once they come into effect.

### Taxes Paid in Chile (Green Tax)

[GRI EU5]

ATMOSPHERIC EMISSIONS	2020	2021	2022	2023
CO <sub>2</sub>	3,979,192	4,284,805	4,682,488	2,824,247
NOX	3,732	4,447	4,655	2,962
MP	79	107	119	85
SO <sub>2</sub>	1,343	1,817	1,814	1,083
Total taxes paid (USD)	22,462,017	24,167,666	26,395,632	*

\*Note: As of the 2023 closing date, the amount of the green tax has not been issued by the SII.

In Peru there is no CO<sub>2</sub> allocation system or emission reduction targets in place. There are also no carbon emission taxes.



## Waste

### Waste Generated by Composition in Chile in 2023 (tons)

[GRI 306-3]

WASTE COMPOSITION	DESTINED FOR DISPOSAL	NOT FOR DISPOSAL/ RECOVERED	TOTAL
<b>HAZARDOUS WASTE</b>			
Oils And Greases	5.2	91.1	96.4
Aerosols	0.0	0.0	0.1
Contaminated Water	28.0	882.1	910.1
Contaminated Elements	20.0	11.7	31.7
Contaminated Containers	5.3	1.5	6.7
Contaminated Sludge	3.5	0.0	3.5
Photovoltaic Panels	0.7	1.9	2.6
Cells And Batteries	0.4	17.8	18.2
Paints	0.0	0.0	0.0
Waste Electrical And Electronic Equipment	2.2	0.6	2.8
Unidentified Waste	0.6	0.6	1.2
Remains Of Chemical Products	0.1	0.0	0.1
Toner And Cartridge	0.1	0.0	0.1
Fluorescent Tubes	0.6	0.1	0.7
<b>Total</b>	<b>66.7</b>	<b>1,007.3</b>	<b>3,588.7</b>
<b>NON-HAZARDOUS WASTE</b>			
Household Oil And Grease	0.00	0.1	0.1
Wastewater	766.69	3.5	770.2
Assimilable To Domestic	1,102.33	53.6	1,155.9
Sludge	136.25	23.9	160.1
Wood	0.04	36.2	36.2
Organic Matter	0.00	168.9	168.9
Metals	4.51	12.6	17.2
Paper And Cardboard	1.60	11.7	13.3
Plastic	0.00	8.2	8.2
Waste Electrical And Electronic Equipment	21.36	47.8	69.2
Unidentified Waste	72.08	38.1	110.2
Fabrics	0.00	0.2	0.2

WASTE COMPOSITION	DESTINED FOR DISPOSAL	NOT FOR DISPOSAL/ RECOVERED	TOTAL
<b>HAZARDOUS WASTE</b>			
Glass	0,00	5,2	5,2
<b>Total</b>	<b>2,104.9</b>	<b>409.9</b>	<b>2,514.7</b>
<b>Total Waste</b>	<b>2,171.6</b>	<b>1,417.1</b>	<b>3,588.7</b>

### Waste Generated by Composition in Peru in 2023 (tons)

[GRI 306-3]

WASTE COMPOSITION	DESTINED FOR DISPOSAL	NOT FOR DISPOSAL/ RECOVERED	TOTAL
<b>HAZARDOUS WASTE</b>			
Oil And Grease	0	52.33	52.3
Contaminated Elements	17.29	0.00	17.3
Contaminated Containers	0.067	0.00	0.1
Paints	0.007	0.00	0.007
WEEE	3.28	0.00	3.28
Unidentified Waste	0.06	0.00	0.06
Chemical Residues	0.68	0.00	0.68
Fluorescent Tubes	0.02	0.00	0.015
<b>Total</b>	<b>21.40</b>	<b>52.33</b>	<b>73.73</b>
<b>NON-HAZARDOUS WASTE</b>			
Wastewater	32.88	0.00	0.1
Assimilable To Domestic	39.48	0.00	770.2
Sludge	1.86	0.00	1,155.9
Wood	0	7.44	160.1
Metals	0	7.75	36.2
Paper And Cardboard	0	2.54	168.9
Plastics	0	0.91	17.2
WEEE	0	1.80	13.3
Unidentified Waste	0.25	35.36	8.2
Organic Waste	145.2	2.21	69.2
<b>Total</b>	<b>219.71</b>	<b>58.02</b>	<b>277.73</b>
<b>Total Waste</b>	<b>244.11</b>	<b>110.35</b>	<b>351.46</b>





## Consolidated Hazardous Waste Recovery and Disposal Chile and Peru

DJSI 2.4.1-2.4.2

HAZARDOUS WASTE	UNIT	2020	2021	2022	2023
Total waste recovered	ton	2	197	95	1,060
Total waste disposed of:	ton	480	202	155	88
*Waste deposited in landfills/landfill sites.	ton	480	202	155	88
*Waste incinerated with energy recovery	ton	0	0	0	0
Waste incinerated without energy recovery *Waste incinerated without energy recovery	ton	0	0	0	0
*Waste disposed of by other means, please specify	ton	0	0	0	0
*Waste with unknown disposal method	ton	0	0	0	0
Data coverage as % of MWh	% of facilities	100%	100%	100%	100%

## Consolidated Non-Hazardous Wastes Recovery and Disposal Chile and Peru

HAZARDOUS WASTE	UNIDAD	2020	2021	2022	2023
Total waste recovered	ton	16	349	96	468
Total waste disposed of:	ton	986	1,442	1,296	2,325
*Waste deposited in landfill/landfill sites	ton	986	1,442	1,296	2,325
*Waste incinerated with energy recovery	ton	0	0	0	0
Waste incinerated without energy recovery *Waste incinerated without energy recovery	ton	0	0	0	0
*Wastes disposed of by other means, please specify	ton	0	0	0	0
*Waste with unknown disposal method	ton	0	0	0	0
Data coverage as % of MWh	% of facilities	100%	100%	100%	100%

## Annex Chapter 9

# Materiality

## Material Topics with Impact on the Business

### Climate Change

With the urgent challenges of climate change, and the imperative to limit global temperature rise to 1.5°C, the energy industry faces both risks and opportunities. At Colbun, we are deeply committed to promoting the energy transition, which is central to our Strategic Agenda and corporate purpose.

This issue is material for Colbun because it directly impacts power generation, our core business activity. Our stakeholders in this regard include customers, suppliers, employees, communities, investors, and the environment.

The main risks we face relate to potential damage to our assets from more frequent and severe extreme weather events, shifts in radiation and wind patterns, failure to meet market demand growth for energy, demand and price fluctuations, increased CO<sub>2</sub> emissions taxes, regulatory pressures, and the challenges of achieving Net Zero targets. Conversely, opportunities arise from positioning ourselves as leaders in the energy transition, attracting customers, achieving growth and international diversification, developing 24/7 storage to support renewable energy, advancing Green Hydrogen initiatives, and exploring new energy efficiency and emission reduction businesses.

As a Company, we aim to achieve carbon neutrality by 2050 and contribute to Chile and Peru's national greenhouse gas emission reduction commitments.

Our strategy involves bolstering our renewable energy portfolio, implementing energy efficiency programs across our operations, utilizing cost-effective market instruments to offset GHG emissions, and actively pursuing offsetting initiatives through nature-based solutions. To this end, we have a plan to double our installed capacity by 2030, adding over 4,000 MW of renewables, including solar, wind, and storage, while phasing out coal from our operations by 2040 at the latest.

Employee performance bonuses are tied to Environmental Footprint goals, including carbon emissions, water extraction, and waste valorization. The achievement of these goals, along with progress on our Strategic Agenda focusing on renewable energy growth, asset optimization, and new business development (such as water and green hydrogen), influences senior managers' variable performance bonuses by approximately 18%.

We have set ambitious targets for 2030 regarding our carbon footprint and other climate change-related aspects, with annual targets to track progress. In 2023, we exceeded our annual consolidated carbon footprint reduction target by 31%, achieving a total of 0.257 ton/MWh, underscoring our commitment to advancing in this critical area.

[For further details see pages 146-156](#)

## 2 Continuity and Security of Power Supply

In today's society and economy, ensuring a constant and reliable energy supply is paramount. This supply is essential for basic service operations, as the majority of daily activities rely on uninterrupted access to electricity, a cornerstone of modern technology.

For our Company, this is a highly significant material issue for both stakeholders and the business itself, as it concerns the very provision of our service. Our goal is to deliver high levels of availability and reliability in energy supply to our customers.

The main risks associated with this matter stem from renewable energy generation variability due to environmental events, technical failures, and human errors leading to interruptions in generation and integration with the transmission network. Additionally, internal or external events may cause security breaches, leaks, or theft of business information. On the flip side, opportunities lie in expanding our business lines, presence in Chile and Peru, and installed capacity to meet market demands. Optimization of the short-term market and regulatory framework presents further opportunities.

Effective asset management is crucial for ensuring the security, continuity, and quality of electricity supply. We address this through strategic planning and risk management practices that evaluate potential impacts on our infrastructure. This includes regular assessment of asset lifecycles, considering economic, social, and environmental aspects, along with cost, benefit, risk, and performance parameters.

We prioritize appropriate short- and long-term maintenance practices and manage load peaks, including planned interruptible supply arrangements. Moreover, contextual conditions are reviewed for investment or divestment decisions in generation, transmission, and distribution, as well as demand management. These efforts enable us to meet our contractual energy obligations at competitive prices on a 24/7 basis.

Given its importance, all members of the organization have performance objectives related to Power Plant reliability and spot market management. For Senior Managers, these variables influence their annual bonus by approximately 15%. In 2023, we achieved a service availability increase in Chile to 86% and maintained 95% availability in Peru.

This material issue directly impacts our customers, suppliers, employees, investors, communities, and regulators.

[For further details see pages 95-97](#)

## 3 Continuity and Safety of the Power Supply

Water plays a pivotal role in both power generation and the livelihoods of communities residing in the watersheds where our operations are situated. In Chile, a mega-drought has persisted since the last decade, marked by significantly low rainfall and flows. However, there have also been extreme weather events, like storms causing flooding and community damage. Hence, this issue holds high importance for the environment, stakeholders, and the business, viewed through both risks and opportunities for value creation.

The primary business risks stem from hydrological variability and water scarcity due to drought, impacting power generation and increasing water supply costs for thermal power plant operations. On the flip side, hydropower serves as a valuable complement to the expanding penetration of solar and wind power. Additionally, Colbun has opted to embark on new water desalination projects.

From a business standpoint, responsible water usage not only provides a source of renewable and clean energy but also ensures electricity supply stability, given that 47% of Colbun's installed capacity originates from hydroelectric sources. Our Water Footprint goals aim to reduce fresh water consumption intensity per unit of energy generated by

40% by 2025 and by 45% by 2030. Moreover, we aim to decrease fresh water usage in non-operational activities by 40% by 2025. By 2023, we achieved a 36% reduction in water withdrawals for operations, resulting in a withdrawal intensity of 0.191 m<sup>3</sup>/MWh. Regarding non-operational activities, we surpassed our original 40% reduction target in 2022, with consumption reduced to 138.5 thousand cubic meters, marking a 44% decrease compared to 2018. In 2023, the reduction further reached 58% compared to the 2018 baseline.

Every Colbun employee includes Water Footprint management in their goals, as part of socio-environmental indicators and Environmental Footprint objectives, accounting for approximately 7% of the annual bonus.

This material topic primarily impacts communities, the environment, and customers and suppliers of our operations.

[For further details see pages 157-163](#)

## Material Topics Most Relevant to Our Stakeholders

### Contamination and Waste

Power generation, like other industrial activities, has significant environmental and social impacts due to the emission of pollutants affecting air, water, and soil, with detrimental effects on human health and the natural environment, including biodiversity. Hence, it's crucial to manage these operations appropriately, prioritizing risk management and compliance with existing regulations through continuous monitoring.

For Colbun, this is a material issue as we aim to develop our business in harmony with the planet, prioritizing biodiversity conservation and promoting the circular economy. Our goal is to minimize waste generation, particularly ash, and to foster the circular economy for all types of materials.

This directly impacts workers, communities near our operations, and involves suppliers in adopting sustainable practices, especially through material reduction, reuse, and recycling initiatives.

From a risk perspective, the main concerns are potential environmental contamination incidents, such as spills or discharges into water bodies or soil, which could occur in our operations or those of our contractors. Additionally, thermoelectric operations may result in impacts from coal and ash waste, including discharge into rainwater channels, estuaries, and groundwater, as well as increased emissions of CO<sub>2</sub>, NO<sub>x</sub>, and SO<sub>2</sub> gases during operation, shutdown, or startup. Inadequate management could lead to loss of community trust, operational disruptions, barriers to new project approvals, and increased waste disposal costs.

However, viewing this issue through an opportunities lens, effective waste management leads to material consumption reductions, innovation, and the promotion of sustainable practices internally, with suppliers, and within communities. For instance, most ash is recovered by cement companies through co-processing methods, and in 2023, an innovative process was implemented at the plant to recirculate slag in combustion. Furthermore, initiatives have been launched to manage organic waste from operations, such as tree and garden pruning waste and leftover food from food services, which are composted to avoid landfill disposal.

We address this topic as part of our Environmental Footprint, with specific goals and organizational incentives. Our objectives include preventing relevant incidents, achieving 98% recovery of ash from the Santa Maria power plant by 2025, and valorizing 50% of other waste by 2025. In 2023, there were no relevant incidents, and we reached 81% of ash valorization (4 percentage points below the annual target). Additionally, we achieved 29% valorization of other waste in 2023 (6 percentage points above the annual target).

[For further information on this topic, see pages 169-173.](#)

### Quality of Employment and Safety

Safety and well-being at work are paramount for ensuring the health, comfort, and efficiency of both employees and contractors. Beyond regulatory compliance, this encompasses factors such as human rights respect, training, professional growth, work-life balance, and overall quality of life in the workplace.

The primary stakeholders impacted by this topic include the Company's employees, contractors, and communities from a safety standpoint. Poor working conditions can lead to accidents and illnesses, impacting both workers and their surroundings.

Additionally, perceptions of wages, benefits, and work-life balance can influence employee motivation, productivity, and the Company's reputation. Continuous training is essential for talent retention and employability, while unions and freedom of association play crucial roles in conflict resolution and job stability.

From a risk perspective, significant concerns revolve around serious accidents and injuries, as well as challenges in attracting and retaining key professionals, leading to a shortage of qualified personnel for project development. Demotivated teams may experience decreased productivity, while unresolved labor disputes can result in operational disruptions due to strikes. Furthermore, malicious acts by third parties pose threats to both people and Company assets.

Conversely, viewing this topic as an opportunity can yield benefits such as reduced costs from injuries and illnesses, improved productivity,

and enhanced regulatory compliance. Moreover, fostering talent development and retaining committed teams strengthens labor relations in alignment with the Company's strategic goals.

Our corporate values explicitly prioritize the importance of people, emphasizing collaboration, respect for dignity and human rights, and the aspiration to be an attractive and inspiring employer. People management issues are integral to our organizational development and are central to our Strategic Agenda.

Key goals include achieving a 90% employee satisfaction rate by 2030, with 89% already attained in 2023. Additionally, the accident rate target is set at x%, with a 2023 achievement of 0.29 globally (across Chile and Peru). Similarly, the objective of zero fatalities was successfully met during the year.

[For further information on this topic, see pages 115-129](#)

## Annex Chapter 10

# Essential Facts

[NCG 461 9]

March 29, 2023

## Announces the Call to the General Shareholders' Meeting of Colbun S.A.

**1** Notice is hereby given to all shareholders of the Company to attend the Ordinary Shareholders' Meeting scheduled for Wednesday, April 26, 2023, at 12:00 p.m. The meeting will take place in hybrid format, with both in-person attendance at the Company's Headquarters, situated at Avenida Apoquindo N° 4775, 3rd Floor, Las Condes, Santiago, and online via a web access link, the details of which will be communicated to shareholders in due course.

The purpose of the meeting is to deliberate on the following agenda items:

- i. Examination of the Company's situation and report of the External Auditors and the Auditors;
- ii. Approval of the Annual Report and Financial Statements
- iii. As of December 31, 2022;
- iv. Distribution of profits and distribution of dividends;
- v. Approval of the Company's investment and financing policy; Approval of the Company's investment and financing policy
- vi. of the company;
- vii. Profit and dividend policies and procedures;
- viii. Appointment of External Auditors for the fiscal year 2023;
- ix. Appointment of Auditors and their remuneration;
- x. Election of the Board of Directors;
- xi. Fixing of Directors' remuneration;
- xii. Report of activities of the Directors' Committee;

xiii. Setting of the remuneration of the Directors' Committee and determination of its budget;

xiv. Information on resolutions of the Board of Directors related to acts and contracts governed by Title XVI of Law No. 18,046,

xv. Designation of the newspaper in which notices of shareholders' meetings must be published; and

xvi. Other matters of corporate interest within the competence of the Board.

**2** Notice is hereby given to all shareholders of the Company to attend the Extraordinary Shareholders' Meeting scheduled for Wednesday, April 26, 2023. The meeting will commence immediately after the conclusion of the Ordinary Shareholders' Meeting and will be conducted in hybrid format, allowing for both in-person attendance at the Company's headquarters, located at Avda. Apoquindo 4775, 3rd floor, Las Condes, Santiago, and online via a web access link. Details regarding the web access will be communicated to shareholders in due course.

1. To introduce amendments to the Company's bylaws in the following matters, under the terms freely agreed upon by the Shareholders' Meeting:
  - i. Extend the corporate purpose to include activities related to the production, transportation and commercialization of fuels, particularly hydrogen, ammonia and methanol, without prejudice to others, as well as activities related to the production of desalinated water and the commercialization of water and the provision of services related to such matters, without prejudice to other amendments to the corporate purpose that may be agreed by the board;

ii. Eliminate the provisions required by Title XII of Decree Law 3,500 for corporations under the regime contemplated therein, which correspond to the following:

A. Article Five Bis, which contains limits on shareholder concentration;

B. Article Sixteen Bis regarding the approval of related operations;

C. Article Twenty-seventh Bis, relating to the obligation to submit the investment and financing policy to the approval of the shareholders at ordinary meetings;

D. Article Twenty-Eighth, regarding matters to be discussed at extraordinary shareholders' meetings, the final part of letter d) regarding the disposal of 50% or more of the liabilities and the entire letter f) regarding the disposal of essential assets and the creation of security interests over them. and the creation of security interests over them; and

E. Article Thirty-Fourth Bis which regulates the right to special retirement of the Pension Fund Administrators.

ix. To update all references in the Company's bylaws to the Superintendency of Securities and Insurance, replacing them with the Financial Market Commission.

ix. Modify and, if applicable, eliminate the express provisions relating to the quorums for approval of certain matters by the shareholders' meetings, especially those contained in Article Twenty Eight.

ix. To amend the article relating to the formalities for summoning shareholders' meetings, in order to adapt it to the current legal provisions on the subject.

ix. Eliminate Article Thirty-Third which expressly contemplates the signing of an attendance sheet by those attending the shareholders' meetings.

ix. Eliminate the express requirement that the balance sheet expressly express the new value of the Company's capital, since this is not applicable in accordance with the application of IFRS.

ix. Modify and, if applicable, eliminate the express obligations to publish the audited financial statements in a newspaper of the Company's domicile and to make available to the shareholders the annual report, balance sheet, inventory, minutes, books and reports of the auditors prior to the shareholders' meeting, so that such matters are governed solely by the applicable legal and regulatory provisions and the instructions of the Financial Market Commission.

ix. Modify the dispute resolution procedure, establishing a mixed arbitrator instead of an arbitrator, whose appointment must be made in accordance with the arbitration rules of the Arbitration and Mediation Center of the Santiago Chamber of Commerce.



2. To capitalize the equity reserves not subject to distribution, such as share premiums, under the terms and for the amounts freely determined by the Meeting, increasing the amount of the capital stock for such purpose without issuing new shares, amending the pertinent articles of the Company's bylaws.

3. To approve a new consolidated text of the Company's Bylaws containing all the An amendment approved by the General Shareholders' Meeting, the only one that will govern in all respects. the meeting, the only one that shall henceforth govern the Company, modifying the correlative numbering the correlative numbering of the articles and the references necessary for the correct references that may be necessary for their correct understanding.

3 In addition, regarding the distribution of dividends, the Board of Directors agreed to propose the following to the Ordinary Shareholders' Meeting:

- i. To distribute a final and definitive dividend in the amount of US\$ 64,466,791, corresponding to US\$ 0.00368 per share, which added to the interim dividend of US\$83,517,529.90, corresponding to US\$ 0.00476 per share, approved at the Board of Directors' Meeting held on November 29, 2022 and paid on December 16, 2022, would amount to a total dividend of US\$147,984,320.90; which corresponds to 50% of the Distributable Net Income for the year 2022.
- ii. To distribute an additional dividend charged against the profits of fiscal year 2022 in the amount of US\$75,000,000.00 corresponding to US\$0.00428 per share.

Shareholders of record will be paid the proposed dividends in U.S. dollars or Chilean pesos as of May 12, 2023, at midnight on the fifth business day prior to the payment date, in accordance with the Company's customary dividend payment procedures.

The Company's Financial Statements as of December 31, 2022 are available on the Company's website ([www.colbun.cl](http://www.colbun.cl)).

The Annual Report will be available to shareholders and the general public on the same website as of April 14, 2023.

## April 27, 2023 Reports Resolutions of the Extraordinary Shareholders' and Board of Directors' Meetings of Colbun S.A.

1 At the Ordinary Shareholders' Meeting held today, the following resolutions were adopted:

1. Board of Directors Election: The Company's Board of Directors was entirely renewed, electing Ms. Vivianne Blanlot Soza, Ms. Maria Emilia Correa Pérez and Ms. Marcela Angulo González, and Mr. Hernán Rodríguez Wilson, Mr. Bernardo Larraín Matte, Mr. Jaime Maluk Valencia, Mr. Francisco Matte Izquierdo, Mr. Rodrigo Donoso Munita and Mr. Juan Carlos Altmann Martín.
2. It was agreed to appoint EY Servicios Profesionales de Auditoría y Asesorías SpA as external audit firm for the year 2023.
3. It was approved to distribute a final dividend in the amount of US\$ 64,466,791, corresponding to US\$0.00368 per share, which added to the interim dividend of US\$83,517,529.90, corresponding to US\$ 0.00476 per share, approved at the Board of Directors' meeting held on November 29, 2022 and paid on December 16, 2022, would amount to a total dividend of US\$147,984,320.90; which corresponds to 50% of the Distributable Net Income for the year 2022. Additionally, it was agreed to distribute an additional dividend charged to the profits of fiscal year 2022 in the amount of US\$75,000,000.00 corresponding to US\$0.00428 per share.

The proposed dividends will be paid in U.S. dollars or Chilean pesos as of May 12, 2023, to the shareholders registered in the respective registry at midnight of the fifth business day prior to the payment date, in accordance with the Company's usual procedures for the payment of dividends.

2 At the Extraordinary Shareholders' Meeting held today, the following resolutions were adopted:

1. An amendment to the Company's bylaws in the following areas:
  - i. Expand the corporate purpose to include activities related to the production, transportation and commercialization of fuels, particularly hydrogen, ammonia and methanol, without prejudice to others, as well as activities related to the production of desalinated water and the commercialization of water and the provision of services related to such matters, without prejudice to other amendments to the corporate purpose that may be agreed upon by the shareholders.
  - ii. To update all references in the Company's bylaws to the Superintendency of Securities and Insurance, replacing them with the Financial Market Commission.
  - iii. Modify and, if applicable, eliminate the express provisions relating to the quorums for approval of certain matters by the shareholders' meetings, especially those contained in Article Twenty Eight.
  - iv. To amend the article relating to the formalities for summoning shareholders' meetings, in order to adapt it to the current legal provisions on the subject.
  - v. Eliminate Article Thirty-Third which expressly contemplates the signing of an attendance sheet by those attending the shareholders' meetings.
  - vi. Eliminate the express requirement that the balance sheet expressly express the new value of the Company's capital, since this is not applicable in accordance with the application of IFRS.

vii. Modify and, if applicable, eliminate the express obligations to publish the audited financial statements in a newspaper of the Company's domicile and to make available to the shareholders the annual report, balance sheet, inventory, minutes, books and reports of the auditors prior to the shareholders' meeting, so that such matters are governed solely by the applicable legal and regulatory provisions and the instructions of the Financial Market Commission.

viii. Modify the dispute resolution procedure, establishing a mixed arbitrator instead of an arbitrator, whose appointment must be made in accordance with the arbitration rules of the Arbitration and Mediation Center of the Santiago Chamber of Commerce.

2. It was resolved to capitalize the equity reserves not subject to distribution, such as share premiums, in the terms and for the amounts freely determined by the Shareholders' Meeting, increasing the amount of capital stock for such purpose without issuing new shares, modifying the pertinent articles of the Company's bylaws.

3. It was agreed to approve a new consolidated text of the Company's bylaws containing all the amendments approved by the meeting, the only one that will henceforth govern the Company, modifying the correlative numbering of the articles and the references that may be necessary for their correct understanding.

3 Finally, at the Extraordinary Board of Directors meeting held today, the following resolutions were adopted:

1. Mr. Hernán Rodríguez Wilson was elected as Chairman of the Board of Directors; and Mr. Bernardo Larraín Matte as Vice Chairman.
2. And Ms. Maria Emilia Correa Pérez, Ms. Marcela Angulo González and Mr. Rodrigo Donoso Munita were appointed as members of the Directors' Committee, and Mr. Rodrigo Donoso Munita.

**August 16, 2023**

## Reports Agreement with Inter American Investment Corporation

On August 14, 2023, the Company reached an agreement with Inter-American Investment Corporation ("IIC") pursuant to which, subject to certain conditions, the Company will sell to IIC payment documents ("PDD") resulting from the application of the price stabilization mechanism pursuant to: (a) Law No. 21.462, which "Creates a Tariff Stabilization Fund and Establishes a New Transitional Electricity Price Stabilization Mechanism for Customers Subject to Price Regulation" (the "PEC II Law"); (b) Exempt Resolution No. 86 of 2023; and (c) Exempt Resolution No. 334 of 2023, both of the National Energy Commission.

The PEC II Law created a tariff stabilization fund and established a new transitory mechanism for the stabilization of electric energy prices for clients subject to tariff regulation for up to US\$ 1,800 million, which will be in force until the balances originated by the application of said law are extinguished, which cannot be on a date later than December 31, 2032.

By virtue of the aforementioned agreement, the Company may sell to IIC the PDD arising as a result of the difference between the invoicing that would have resulted from applying the energy and power tariffs defined in the supply contracts signed between the Company and the Distribution concessionary companies, and the effective invoicing of the tariffs resulting from applying the PEC II Law. It is estimated that the total amount of the PDDs to be issued on behalf of the Company could amount to approximately US\$ 164 million.

Pursuant to the provisions of the Commission's Circular No. 988, we inform you that the total amount of PDDs to be issued on behalf of the Company could amount to approximately US\$ 164 million.

Commission's Circular No. 988, we inform you that the facts reported in this communication will have no effect on the Company's results.

**October 31, 2023**

## Announces the Resignation of the Director of Colbun S.A.

1 At the Ordinary Meeting of the Board of Directors held today, October 31, 2023, Mr. Jaime Maluk Valencia tendered his resignation as a Director of Colbun S.A., effective as of that same date.

2 At that same meeting, the Board of Directors agreed to appoint Mr. Franco Bozzalla Trabuco as his replacement until the next Ordinary Shareholders' Meeting, on which occasion he will be replaced by Mr. Franco Bozzalla Trabuco.

At the same meeting, the Board of Directors agreed to appoint Mr. Franco Bozzalla Trabuco as his replacement until the next Ordinary Shareholders' Meeting, when the Board of Directors of the Company will be completely renewed.

**November 29, 2023**

## Announces Interim Dividend to Be Applied to Net Income for the Year 2023

Pursuant to the provisions of Article 9 and the second paragraph of Article 10 of the Securities Market Law, being duly authorized, I hereby communicate the following essential information regarding the Company:

At a meeting held on November 28, 2023, the Board of Directors of Colbun S.A. agreed to distribute an interim dividend out of the profits for the year ending December 31, 2023, corresponding to US\$ 0.00968 per share, payable in dollars or Chilean pesos, at the election of the shareholder, as of December 15, 2023, to the shareholders registered in the respective register at midnight on December 9, 2023, in accordance with the Company's customary procedures for the payment of dividends.

# FINANCIAL STATEMENTS

*Annexes*

## 1 Consolidated Financial Statements

For the years ended December 31, 2023 and 2022  
December 31, 2023 and 2022

→ Colbún S.A. y Subsidiarias  
Miles de dólares

[LINK](#)

## 2 Reasoned Analysis

For the years ended December 31,  
2023 and 2022

→ Colbún S.A. y Subsidiarias  
Thou USD

[LINK](#)

## 3 Summary Financial Statements Subsidiaries

- Colbún Perú S.P.A
- Inversiones Las Canteras S.A
- Fenix Power Perú S.A
- Desaladora del Sur S.A
- Colbún Desarrollo S.P.A
- Santa Sofía S.P.A
- Efizity S.P.A

## COLBÚN PERÚ S.A.

### Separate Statements of Financial Position

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ACTIVOS	Nota N°	31 de Diciembre, 2023 MUS\$	31 de Diciembre, 2022 MUS\$
<b>Activos corrientes</b>			
Efectivo y equivalentes al efectivo	5	14.223	1.745
Otros activos financieros corrientes	6	-	18.435
Deudores comerciales y otras cuentas por cobrar	8	75	69
Cuentas por cobrar a entidades relacionadas, corrientes	7.a	945	945
Activos por impuestos	-	406	322
<b>Activos corrientes totales</b>		<b>15.649</b>	<b>21.516</b>
<b>Activos no corrientes</b>			
Inversiones contabilizadas utilizando el método de la participación	9	175.548	140.819
<b>Total activos no corrientes</b>		<b>175.548</b>	<b>140.819</b>
<b>ACTIVOS</b>		<b>191.197</b>	<b>162.335</b>

PATRIMONIO NETO Y PASIVOS	Nota N°	31 de Diciembre, 2023 MUS\$	31 de Diciembre, 2022 MUS\$
<b>Pasivos corrientes</b>			
Cuentas por pagar comerciales y otras cuentas por pagar, corrientes	10	85	61
Otros pasivos no financieros, corrientes	-	239	161
Pasivos por impuestos, corrientes	12	-	259
<b>Pasivos corrientes totales</b>		<b>324</b>	<b>481</b>
<b>Total pasivos</b>		<b>324</b>	<b>481</b>
<b>Patrimonio</b>			
Capital emitido	11.a	219.635	219.635
Ganancias (pérdidas) acumuladas	11.c	(30.678)	(59.699)
Otras reservas	11.d	1.916	1.918
<b>Patrimonio Total</b>		<b>190.873</b>	<b>161.854</b>
<b>PATRIMONIO Y PASIVOS</b>		<b>191.197</b>	<b>162.335</b>

### Separate Statements of Comprehensive Income and Other Comprehensive Income

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ESTADOS DE RESULTADOS INTEGRALES POR NATURALEZA	Nota N°	Enero - Diciembre	
		2023 MUS\$	2022 MUS\$
Otras ganancias (pérdidas)	-	(194)	-
Otros gastos, por naturaleza	-	(41)	(16)
<b>Ganancia (pérdida) de actividades operacionales</b>		<b>(235)</b>	<b>(16)</b>
Ingresos financieros	-	1.111	831
Diferencias de Cambio	-	(64)	(7)
Costos financieros	-	(3)	(2)
Participación en las ganancias (pérdidas) de asociadas y negocios conjuntos que se contabilicen utilizando el método de participación	9	13.113	15.092
<b>Ganancia (Pérdida) antes de impuesto</b>		<b>13.922</b>	<b>15.898</b>
Gasto por impuesto a las ganancias	12	(362)	-
<b>Ganancia (Pérdida) de actividades continuadas</b>		<b>13.560</b>	<b>15.898</b>
<b>GANANCIA (PÉRDIDA)</b>		<b>13.560</b>	<b>15.898</b>

ESTADOS DE OTROS RESULTADOS INTEGRALES	Nota N°	Enero - Diciembre	
		2023 MUS\$	2022 MUS\$
<b>Ganancia (pérdida)</b>		<b>13.560</b>	<b>15.898</b>
<b>Componentes de otro resultado integral que se reclasificarán al resultado del periodo, antes de impuestos</b>			
Ganancias (pérdidas) por diferencias de cambio de conversión	-	4	5
Ganancias (pérdidas) por coberturas de flujos de efectivo	-	(6)	1
<b>Otros componentes de otro resultado integral, antes de impuestos</b>		<b>(2)</b>	<b>6</b>
Impuesto a las ganancias relacionado con coberturas de flujo de efectivo	-	2	-
<b>Impuesto a las ganancias relativo a componentes de otro resultado integral</b>		<b>2</b>	<b>-</b>
<b>Otro resultado integral total</b>		<b>-</b>	<b>6</b>
<b>Resultado integral total</b>		<b>13.560</b>	<b>15.904</b>

## COLBÚN PERÚ S.A.

### Separate Statements of Cash Flows - Direct Method

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ESTADOS DE FLUJOS DIRECTO	Nota	31 de Diciembre,	31 de Diciembre,
		2023	2022
	N°	MUS\$	MUS\$
<b>Flujos de efectivo procedentes de (utilizados en) actividades de operación</b>			
<b>Clases de pago</b>			
Pagos a proveedores por el suministro de bienes y servicios	-	(79)	(74)
Otros pagos por actividades de operación	-	(26)	(105)
<b>Flujos de efectivo netos procedentes de (utilizados en) la operación</b>	-	<b>(105)</b>	<b>(129)</b>
Intereses recibidos	-	662	303
Impuestos a las ganancias reembolsados (pagados)	-	(620)	(712)
Otras entradas (salidas) de efectivo	-	(197)	(3)
<b>Flujos de efectivo netos procedentes de (utilizados en) actividades de operación</b>		<b>(269)</b>	<b>(461)</b>
<b>Flujos de efectivo procedentes de (utilizados en) actividades de inversión</b>			
Para obtener el control de subsidiarias u otros negocios	-	(6,155)	-
Otras entradas (salidas) de efectivo	-	18,435	1,617
<b>Flujos de efectivo netos procedentes de (utilizados en) actividades de inversión</b>		<b>12,280</b>	<b>1,617</b>
<b>Flujos de efectivo procedentes de (utilizados en) actividades de financiación</b>			
Otras entradas (salidas) de efectivo	-	467	-
<b>Flujos de efectivo netos procedentes de (utilizados en) actividades de financiación</b>		<b>467</b>	<b>-</b>
<b>Incremento neto (disminución) en el efectivo y equivalentes al efectivo, antes del efecto de los cambios en la tasa de cambio</b>		<b>12,478</b>	<b>1,156</b>
<b>Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo</b>			
<b>Incremento (disminución) neto de efectivo y equivalentes al efectivo</b>		<b>12,478</b>	<b>1,156</b>
Efectivo y equivalentes al efectivo al principio del ejercicio		1,743	189
<b>Efectivo y equivalentes al efectivo al final del periodo</b>	5	<b>14,223</b>	<b>1,745</b>

### Separate Statements of Changes in Equity

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

Estados de Cambios en el Patrimonio Neto	Nota	Capital emitido MUS\$	Cambios en otras reservas				Ganancias (pérdidas) acumuladas MUS\$	Patrimonio total MUS\$
			Reserva por diferencias de cambio por conversión MUS\$	Reserva de coberturas de flujo de efectivo MUS\$	Otras reservas varias MUS\$	Total Otras reservas MUS\$		
Saldo inicial al 01.01.2023		219,635	(3)	6	1,920	1,918	(59,699)	161,854
<b>Cambios en Patrimonio</b>								
<b>Resultado Integral</b>								
Ganancia (pérdida)							13,560	13,560
Otro resultado integral			4	(6)		(2)		(2,000)
Otros cambios							15,461	15,461
<b>Total de cambios en patrimonio</b>			<b>4</b>	<b>(6)</b>		<b>(2)</b>	<b>29,021</b>	<b>29,019</b>
<b>Saldo final al 31.12.2023</b>	11	<b>219,635</b>	<b>(4)</b>	<b>-</b>	<b>1,920</b>	<b>1,916</b>	<b>(30,678)</b>	<b>190,873</b>

Estado de Cambios en el Patrimonio Neto	Nota	Capital emitido MUS\$	Cambios en otras reservas				Ganancias (pérdidas) acumuladas MUS\$	Patrimonio total MUS\$
			Reserva por diferencias de cambio por conversión MUS\$	Reserva de coberturas de flujo de efectivo MUS\$	Otras reservas varias MUS\$	Total Otras reservas MUS\$		
Saldo inicial al 01.01.2022		219,635	(13)	9	1,920	1,912	(59,699)	149,954
<b>Cambios en Patrimonio</b>								
<b>Resultado Integral</b>								
Ganancia (pérdida)							15,898	15,898
Otro resultado integral			5	1	-	6		6
<b>Total de cambios en patrimonio</b>			<b>5</b>	<b>1</b>	<b>-</b>	<b>6</b>	<b>15,898</b>	<b>15,904</b>
<b>Saldo final al 31.12.2022</b>	11	<b>219,635</b>	<b>(8)</b>	<b>6</b>	<b>1,920</b>	<b>1,919</b>	<b>(59,699)</b>	<b>161,854</b>

## Inversiones de Las Canteras S.A.

### Separate Statements of Financial Position

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ACTIVOS	Nota N°	31 de Diciembre,	31 de Diciembre,
		2023 MUS\$	2022 MUS\$
<b>Activos corrientes</b>			
Efectivo y equivalentes al efectivo	5	848	901
Otros activos no financieros, corrientes	-	-	-
Deudores comerciales y otras cuentas por cobrar	6	10	69
Activos por impuestos	9	40	43
<b>Activos corrientes totales</b>		<b>898</b>	<b>1.013</b>
<b>Activos no corrientes</b>			
Inversiones contabilizadas utilizando el método de la participación	8	298.839	275.173
Activos intangibles distintos de la plusvalía	7	1.106	1.382
<b>Total activos no corrientes</b>		<b>299.945</b>	<b>276.555</b>
<b>ACTIVOS</b>		<b>300.843</b>	<b>277.568</b>

PATRIMONIO NETO Y PASIVOS	Nota N°	31 de Diciembre,	31 de Diciembre,
		2023 MUS\$	2022 MUS\$
<b>Pasivos corrientes</b>			
Cuentas por pagar a entidades relacionadas	10.a	947	946
Otros pasivos no financieros, corrientes	-	-	-
<b>Pasivos corrientes totales</b>		<b>947</b>	<b>946</b>
<b>Pasivos no corrientes</b>			
Cuentas por pagar a entidades relacionadas, no corrientes	10.a	-	100
Pasivos por impuestos diferidos	13.b	326	407
<b>Total pasivos no corrientes</b>		<b>326</b>	<b>507</b>
<b>Total pasivos</b>		<b>1.273</b>	<b>1.453</b>
<b>Patrimonio</b>			
Capital emitido	11.a	425.698	425.698
Ganancias (pérdidas) acumuladas	11.c	(129.703)	(153.159)
Otras reservas	11.d	3.575	3.576
<b>Patrimonio Total</b>		<b>299.570</b>	<b>276.115</b>
<b>PATRIMONIO Y PASIVOS</b>		<b>300.843</b>	<b>277.568</b>

### Separate Statements of Comprehensive Income

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ESTADOS DE RESULTADOS INTEGRALES POR NATURALEZA	Nota N°	Enero - Diciembre	
		2023 MUS\$	2022 MUS\$
Gastos por depreciación y amortización	12	(276)	(276)
Otros gastos, por naturaleza	-	(7)	(13)
<b>Ganancia (pérdida) de actividades operacionales</b>		<b>(283)</b>	<b>(289)</b>
Ingresos financieros	-	449	450
Costos financieros	-	(454)	(455)
Participación en las ganancias (pérdidas) de asociadas y negocios conjuntos que se contabilizan utilizando el método de participación	8	23.667	29.004
Diferencias de cambio	-	(4)	2
<b>Ganancia (pérdida) antes de impuesto</b>		<b>23.375</b>	<b>29.512</b>
Gasto por impuesto a las ganancias	13	81	81
<b>Ganancia (pérdida) de actividades continuadas</b>		<b>23.456</b>	<b>29.593</b>
<b>GANANCIA (PÉRDIDA)</b>		<b>23.456</b>	<b>29.593</b>
<b>Ganancia atribuible a</b>			
Ganancia atribuible a los propietarios de la controladora	-	23.456	29.593
Ganancia atribuible a participaciones no controladoras	-	-	-
<b>GANANCIA</b>		<b>23.456</b>	<b>29.593</b>
<b>Ganancias por acción</b>			
Ganancias por acción básica en operaciones continuas US\$/acción		23.456	29.593
<b>Ganancias por acción básica</b>		<b>23.456</b>	<b>29.593</b>
Ganancias por acción diluida en operaciones continuas US\$/acción	-	23.456	29.593
<b>Ganancias por acción diluida</b>		<b>23.456</b>	<b>29.593</b>

## Inversiones de Las Canteras S.A.

### Separate Statements of Other Comprehensive Income

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ESTADOS DE OTROS RESULTADOS INTEGRALES	Nota N°	Enero - Diciembre	
		2023 MUS\$	2022 MUS\$
<b>Ganancia (pérdida)</b>		<b>23.456</b>	<b>29.593</b>
<b>Componentes de otro resultado integral que se reclasificarán al resultado del periodo, antes de impuestos</b>			
Ganancias (pérdidas) por diferencias de cambio de conversión	-	7	10
Ganancias (pérdidas) por coberturas de flujos de efectivo	-	(11)	(1)
<b>Otros componentes de otro resultado integral, antes de impuestos</b>		<b>(4)</b>	<b>9</b>
Impuesto a las ganancias relacionado con coberturas de flujo de efectivo	-	3	-
<b>Impuesto a las ganancias relativo a componentes de otro resultado integral</b>		<b>3</b>	<b>-</b>
<b>Otro resultado integral total</b>		<b>(1)</b>	<b>9</b>
<b>Resultado integral total</b>		<b>23.455</b>	<b>29.602</b>
<b>RESULTADO INTEGRAL TOTAL</b>		<b>23.455</b>	<b>29.602</b>

### Separate Statements of Cash Flows - Direct Method

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ESTADOS DE FLUJOS DIRECTO	Nota N°	31 de Diciembre, 2023 MUS\$	31 de Diciembre, 2022 MUS\$
<b>Flujos de efectivo procedentes de (utilizados en) actividades de operación</b>			
<b>Clases de pago</b>			
Pagos a proveedores por el suministro de bienes y servicios		(17)	(17)
<b>Flujos de efectivo netos procedentes de (utilizados en) la operación</b>		<b>(17)</b>	<b>(77)</b>
Intereses pagados	-	-	(1)
Impuestos a las ganancias reembolsados (pagados)	-	64	(1)
Otras entradas (salidas) de efectivo	-	-	(3)
<b>Flujos de efectivo netos procedentes de (utilizados en) actividades de operación</b>		<b>47</b>	<b>(82)</b>
<b>Flujos de efectivo procedentes de (utilizados en) actividades de inversión</b>			
Otras entradas (salidas) de efectivo			467
<b>Flujos de efectivo netos procedentes de (utilizados en) actividades de inversión</b>		<b>-</b>	<b>467</b>
<b>Flujos de efectivo procedentes de (utilizados en) actividades de financiación</b>			
Importes procedentes de préstamos		(100)	-
Importes procedentes de préstamos de largo plazo		(100)	-
<b>Flujos de efectivo netos procedentes de (utilizados en) actividades de financiación</b>		<b>(100)</b>	<b>-</b>
<b>Incremento neto (disminución) en el efectivo y equivalentes al efectivo, antes del efecto de los cambios en la tasa de cambio</b>		<b>(53)</b>	<b>385</b>
<b>Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo</b>			
<b>Incremento (disminución) neto de efectivo y equivalentes al efectivo</b>		<b>(53)</b>	<b>385</b>
Efectivo y equivalentes al efectivo al principio del ejercicio		901	516
<b>Efectivo y equivalentes al efectivo al final del periodo</b>		<b>848</b>	<b>901</b>

## Inversiones de Las Canteras S.A.

### Separate Statements of Changes in Equity

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

Estados de Cambios en el Patrimonio Neto	Nota	Cambios en otras reservas				Ganancias (perdidas) acumuladas	Patrimonio total	
		Capital emitido	Reserva por diferencias de cambio por conversión	Reserva de exuberancias de flujo de efectivo	Otras reservas varias			Total Otras reservas
Saldo Inicial al 01.01.2021		421,698	(13)	8	1,183	1,176	(111,119)	276,115
<b>Cambios en Patrimonio</b>								
<b>Resultado integral</b>								
Ganancia (pérdida)							21,416	23,416
Otro resultado integral			7	(8)	-	(1)		(1)
Total de cambios en patrimonio		-	7	(8)	-	(1)	23,416	23,415
<b>Saldo final al 31.12.2023</b>	<b>11</b>	<b>425,698</b>	<b>(6)</b>	<b>-</b>	<b>3,583</b>	<b>3,575</b>	<b>(129,703)</b>	<b>299,573</b>

Estado de Cambios en el Patrimonio Neto	Nota	Cambios en otras reservas				Ganancias (perdidas) acumuladas	Patrimonio total	
		Capital emitido	Reserva por diferencias de cambio por conversión	Reserva de exuberancias de flujo de efectivo	Otras reservas varias			Total Otras reservas
Saldo Inicial al 01.01.2022		421,698	(21)	9	1,183	1,167	(187,712)	246,513
<b>Cambios en Patrimonio</b>								
<b>Resultado integral</b>								
Ganancia (pérdida)							29,193	29,593
Otro resultado integral			10	(1)	-	9		9
Total de cambios en patrimonio		-	10	(1)	-	9	29,593	29,602
<b>Saldo final al 31.12.2022</b>	<b>11</b>	<b>425,698</b>	<b>(15)</b>	<b>8</b>	<b>3,583</b>	<b>3,576</b>	<b>(153,159)</b>	<b>276,115</b>



## Fenix Power Peru S.A.

### Separate Statements of Financial Position

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ACTIVOS	Nota	31 de Diciembre de 2023	31 de Diciembre de 2022
	N°	MUS\$	MUS\$
<b>Activos corrientes</b>			
Efectivo y equivalentes al efectivo	8	45,686	49,548
Otros activos no financieros, corrientes	9	3,489	2,158
Deudores comerciales y otras cuentas por cobrar	10	31,769	42,364
Cuentas por cobrar a partes relacionadas, corrientes	11.b1	-	9
Inventarios	12	9,498	8,748
Activos por impuestos, corrientes	14	1,138	-
<b>Activos corrientes totales</b>		<b>91,580</b>	<b>102,827</b>
<b>Activos no corrientes</b>			
Otros activos no financieros, no corrientes	9	25,851	26,356
Cuentas por cobrar a entidades relacionadas, no corrientes	11.b1	1	100
Inversiones contabilizadas utilizando el método de la participación	13	230	226
Activos intangibles distintos de la plusvalía	15	203	110
Propiedades, planta y equipos	16	413,912	424,054
Activos por derecho de uso	17	89,871	99,923
Activos por impuestos diferidos	18.b	62,584	65,882
<b>Activos no corrientes totales</b>		<b>592,652</b>	<b>616,651</b>
<b>TOTAL ACTIVOS</b>		<b>684,232</b>	<b>719,478</b>

### Statements of Financial Position (continued)

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

PATRIMONIO NETO Y PASIVOS	Nota	31 de Diciembre de 2023	31 de Diciembre de 2022
	N°	MUS\$	MUS\$
<b>Pasivos corrientes</b>			
Otros pasivos financieros, corrientes	19	12,408	16,332
Pasivos por arrendamientos corrientes	20	8,978	8,317
Cuentas por pagar comerciales y otras cuentas por pagar, corrientes	21	20,488	39,276
Cuentas por pagar a partes relacionadas	11.b2	110	01
Pasivos por impuestos	14.b	-	3,062
Provisiones por beneficios a los empleados, corrientes	22	2,806	3,000
Otros pasivos no financieros, corrientes	23	1,889	2,932
<b>Pasivos corrientes totales</b>		<b>66,669</b>	<b>113,001</b>
<b>Pasivos no corrientes</b>			
Otros pasivos financieros, no corrientes	19	200,377	223,059
Pasivos por arrendamientos no corrientes	20	97,904	106,024
Cuentas por pagar comerciales y otras cuentas por pagar, no corrientes	21	-	217
Otras provisiones no corrientes	22.a	481	404
<b>Pasivos no corrientes totales</b>		<b>298,712</b>	<b>331,304</b>
<b>Pasivos totales</b>		<b>365,381</b>	<b>444,305</b>
<b>Patrimonio</b>			
Capital emitido	24	213,551	213,141
Ganancias (pérdidas) acumuladas	24.c	40,267	19,180
Otras reservas	24.b	1,021	2,042
<b>Patrimonio total</b>		<b>298,839</b>	<b>275,173</b>
<b>TOTAL PASIVOS Y PATRIMONIO</b>		<b>664,232</b>	<b>719,478</b>

## Fenix Power Peru S.A.

### Statements of Comprehensive Income and Other Comprehensive Income

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ESTADOS DE RESULTADOS INTEGRALES POR NATURALEZA	Nota N°	Enero - Diciembre	
		2023 MUS\$	2022 MUS\$
Ingresos de actividades ordinarias	7 y 25	312,235	252,521
Materias primas y consumibles utilizados	26	(195,328)	(130,285)
Gastos por beneficio a los empleados	27	(9,856)	(8,837)
Gastos por depreciación y amortización	28	(35,650)	(35,728)
Otros gastos, por naturaleza	-	(8,917)	(8,265)
Otras ganancias (pérdidas)	31	(9,304)	(7,860)
<b>Ganancia (pérdida) de actividades operacionales</b>	-	<b>53,180</b>	<b>61,546</b>
Ingresos financieros	29	2,007	388
Costos financieros	29	(23,052)	(24,068)
Participación en las ganancias (pérdidas) de asociadas y negocios conjuntos que se contabilicen utilizando el método de participación	13	(3)	(4)
Diferencias de cambio	30	186	658
<b>Ganancia (pérdida) antes de impuesto</b>	-	<b>32,318</b>	<b>38,520</b>
Ingreso (gasto) por impuesto a las ganancias	18.a	(8,651)	(8,716)
<b>Ganancia (pérdida) de actividades continuadas</b>		<b>23,667</b>	<b>29,804</b>
<b>GANANCIA (PÉRDIDA)</b>		<b>23,667</b>	<b>29,804</b>

### Statements of Comprehensive Income and Other Comprehensive Income (continued)

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ESTADOS DE OTROS RESULTADOS INTEGRALES	Nota N°	Enero - Diciembre	
		2023 MUS\$	2022 MUS\$
<b>Ganancia (pérdida)</b>		<b>23.456</b>	<b>29.593</b>
<b>Componentes de otro resultado integral que se reclasificarán al resultado del período, antes de impuestos</b>			
Ganancias (pérdidas) por diferencias de cambio de conversión	-	7	10
Ganancias (pérdidas) por coberturas de flujos de efectivo	-	(11)	(1)
<b>Otros componentes de otro resultado integral, antes de impuestos</b>		<b>(4)</b>	<b>9</b>
Impuesto a las ganancias relacionado con coberturas de flujo de efectivo	-	3	-
<b>Impuesto a las ganancias relativo a componentes de otro resultado integral</b>		<b>3</b>	<b>-</b>
<b>Otro resultado integral total</b>		<b>(1)</b>	<b>9</b>
<b>Resultado integral total</b>		<b>23.455</b>	<b>29.602</b>
<b>RESULTADO INTEGRAL TOTAL</b>		<b>23.455</b>	<b>29.602</b>

## Fenix Power Peru S.A.

### Cash Flow Statements - Direct Method

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

ESTADOS DE FLUJOS DIRECTO	Nota N°	31 de Diciembre de 2023 M.US\$	31 de Diciembre de 2022 M.US\$
<b>Flujos de efectivo procedentes de actividades de operación</b>			
<b>Clases de cobros por actividades de la operación</b>			
Cobros procedentes de ventas de energía y prestación de servicios		456,313	303,507
<b>Clases de pago</b>			
Pagos de impuestos sobre el mínimo de la ley y salarios		(104,508)	(91,408)
Pagos y por cuenta de los empleados		(8,372)	(6,322)
Pagos procedentes de rentas y prestaciones sociales y otros obligaciones derivadas de la operación		(2,061)	(2,397)
Otros pagos con actividades de operación		(31,497)	(28,563)
<b>Flujos de efectivo netos de operación</b>		<b>73,475</b>	<b>96,317</b>
Intereses recibidos			195
Incremento (disminución) en las ganancias reconocidas (pagos recibidos)			(187)
Otros ingresos (salidas) de efectivo			(302)
<b>Flujos de efectivo netos procedentes de actividades de operación</b>		<b>73,475</b>	<b>96,149</b>
<b>Flujos de efectivo utilizados en actividades de inversión</b>			
Compras de propiedades, plantas y equipos		(19,766)	(17,608)
<b>Flujos de efectivo netos utilizados en actividades de inversión</b>		<b>(19,766)</b>	<b>(17,608)</b>
<b>Flujos de efectivo procedentes de (utilizados en) actividades de financiación</b>			
Pagos de préstamos		(28,700)	(27,700)
Pagos de pasivos contingentes		(8,262)	(7,371)
Intereses pagados		(21,210)	(22,274)
Otros ingresos (salidas) de efectivo		(425)	(467)
<b>Flujos de efectivo netos procedentes de (utilizados) en actividades de financiación</b>		<b>(57,927)</b>	<b>(57,353)</b>
<b>Incremento (disminución) en el efectivo y equivalentes al efectivo, antes del efecto de los cambios en la tasa de cambio</b>		<b>(4,218)</b>	<b>21,288</b>
<b>Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo</b>			
Efecto de la variación en las tasas de cambio sobre el efectivo y equivalentes		302	195
<b>Incremento (disminución) neto de efectivo y equivalentes al efectivo</b>		<b>(3,916)</b>	<b>21,904</b>
Efectivo y equivalentes al efectivo al principio del ejercicio		49,573	27,674
<b>Efectivo y equivalentes al efectivo al final del ejercicio</b>	8	<b>45,656</b>	<b>49,578</b>

### Statements of Changes in Equity

for the years ended December 31, 2023 and 2022

(Thousands of U.S. dollars)

Estados de Cambios en el Patrimonio	Nota	Cambios en reservas						Patrimonio neto M.US\$
		Capital emitido M.US\$	Reserva por diferencias de cambio de conversión M.US\$	Reserva de cobertura de ajuste efectivo M.US\$	Otros reservas M.US\$	Otros reservas M.US\$	Reservas acumuladas M.US\$	
<b>Saldo inicial el 01.01.2023</b>								
		253,951	(15)	5	2,042	2,042	19,587	276,172
<b>Cambios en Patrimonio</b>								
<b>Resultado Integral</b>								
Generación (pérdida)							23,667	23,667
Otro resultado integral			7	(21)		(1)		(15)
<b>Resultado Integral</b>			<b>7</b>	<b>(8)</b>			<b>(1)</b>	<b>23,666</b>
Asignación de Reserva Legal					2,387	2,387	(2,387)	
Total de cambios en patrimonio			<b>7</b>	<b>(8)</b>	<b>2,387</b>	<b>2,387</b>	<b>(2,387)</b>	<b>23,666</b>
<b>Saldo final el 31.12.2023</b>	24	<b>253,951</b>	<b>(8)</b>	<b>-</b>	<b>5,029</b>	<b>5,021</b>	<b>40,267</b>	<b>298,639</b>
<b>Estado de Cambios en el Patrimonio</b>								
Estado de Cambios en el Patrimonio	Nota	Cambios en otras reservas						Patrimonio neto M.US\$
		Capital emitido M.US\$	Reserva por diferencias de cambio de conversión M.US\$	Reserva de cobertura de ajuste efectivo M.US\$	Otros reservas M.US\$	Otros reservas M.US\$	Reservas acumuladas M.US\$	
<b>Saldo inicial el 01.01.2022</b>								
		253,951	(25)	5	2,042	2,783	(7,227)	249,300
<b>Cambios en Patrimonio</b>								
<b>Resultado Integral</b>								
Generación (pérdida)							29,604	29,604
Otro resultado integral			10	(1)		5		9
<b>Resultado Integral</b>			<b>10</b>	<b>(1)</b>		<b>5</b>	<b>29,604</b>	<b>29,613</b>
Total de cambios en patrimonio			<b>10</b>	<b>(1)</b>		<b>5</b>	<b>29,604</b>	<b>29,613</b>
<b>Saldo final el 31.12.2022</b>	24	<b>253,951</b>	<b>(15)</b>	<b>6</b>	<b>2,049</b>	<b>2,042</b>	<b>19,580</b>	<b>275,173</b>

## Desaladora del Sur S.A.

### Statements of Financial Position Classified

for the years ended December 31, 2023 and 2022

(In thousands of soles)

ACTIVOS	Nota	31 de diciembre de 2023	31 de Diciembre de 2022
	N°	S/000	S/000
<b>Activos corrientes</b>			
Efectivo y equivalentes al efectivo	5	840	886
Deudores comerciales y otras cuentas por cobrar	6	4	4
<b>Activos corrientes totales</b>		<b>844</b>	<b>890</b>
<b>Activos no corrientes</b>			
Activos por impuestos diferidos	8.b	11	7
<b>Activos no corrientes totales</b>		<b>11</b>	<b>7</b>
<b>TOTAL ACTIVOS</b>		<b>855</b>	<b>897</b>

PATRIMONIO NETO Y PASIVOS	Nota	31 de Diciembre de 2023	31 de Diciembre de 2022
		S/000	S/000
<b>Pasivos corrientes</b>			
Cuentas por pagar comerciales y otras cuentas por pagar, corrientes	-	2	-
Cuentas por pagar a partes relacionadas	7.b2	-	35
<b>Pasivos corrientes totales</b>		<b>2</b>	<b>35</b>
<b>Pasivos totales</b>		<b>2</b>	<b>35</b>
<b>Patrimonio</b>			
Capital emitido	9.a	900	900
Ganancias (pérdidas) acumuladas	9.b	(47)	(38)
<b>Patrimonio total</b>		<b>853</b>	<b>862</b>
<b>TOTAL PASIVOS Y PATRIMONIO</b>		<b>855</b>	<b>897</b>

### Statements of Comprehensive Income and Other Comprehensive Income, by Nature

for the years ended December 31, 2023 and 2022

(In thousands of soles)

ESTADOS DE RESULTADOS INTEGRALES POR NATURALEZA	Nota	Enero - Diciembre	
	N°	2023 S/000	2022 S/000
Otros gastos, por naturaleza	-	(7)	(14)
<b>Ganancia (Pérdida) de actividades operacionales</b>	-	<b>(7)</b>	<b>(14)</b>
Costos financieros	-	(6)	(6)
Diferencias de cambio	-	-	1
<b>Ganancia (Pérdida) antes de impuesto</b>	-	<b>(13)</b>	<b>(19)</b>
Ingreso (gasto) por impuesto a las ganancias	8.a	4	4
<b>Ganancia (Pérdida) de actividades continuadas</b>		<b>(9)</b>	<b>(15)</b>
<b>GANANCIA (PÉRDIDA)</b>		<b>(9)</b>	<b>(15)</b>
Otro resultado integral total	-	-	-
<b>RESULTADO INTEGRAL TOTAL</b>		<b>(9)</b>	<b>(15)</b>

## Desaladora del Sur S.A.

### Cash Flow Statements - Direct Method

for the years ended December 31, 2023 and 2022

(In thousands of soles)

ESTADOS DE FLUJOS DIRECTO	Nota N°	31 de diciembre de 2023 S,000	31 de diciembre de 2022 S,000
<b>Flujos de efectivo procedentes de actividades de operación</b>			
<b>Clases de cobros por actividades de la operación</b>			
Otras entradas (salidas) de efectivo		(46)	(11)
<b>Flujos de efectivo netos procedentes de actividades de operación</b>		<b>(46)</b>	<b>(11)</b>
<b>Incremento neto en el efectivo y equivalentes al efectivo, antes del efecto de los cambios en la tasa de cambio</b>		<b>(46)</b>	<b>(11)</b>
<b>Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo</b>			
<b>Incremento neto de efectivo y equivalentes al efectivo</b>		<b>(46)</b>	<b>(11)</b>
Efectivo y equivalentes al efectivo al principio del ejercicio		886	897
<b>Efectivo y equivalentes al efectivo al final del ejercicio</b>		<b>840</b>	<b>886</b>

### Statements of Changes in Equity

for the years ended December 31, 2023 and 2022

(In thousands of soles)

Estados de Cambios en el Patrimonio	Nota	Capital emitido S,000	Ganancias (pérdidas) acumuladas S000	Patrimonio total S,000
Saldo inicial al 01.01.2023		900	(38)	862
<b>Cambios en Patrimonio</b>				
<b>Resultado integral</b>				
Ganancia (pérdida)			(9)	(9)
Total de cambios en patrimonio		-	(9)	(9)
<b>Saldo final al 31.12.2023</b>		<b>900</b>	<b>(47)</b>	<b>853</b>

Estado de Cambios en el Patrimonio	Nota	Capital emitido S,000	Ganancias (pérdidas) acumuladas S000	Patrimonio total S,000
Saldo inicial al 01.01.2022		900	(23)	877
<b>Cambios en Patrimonio</b>				
<b>Resultado integral</b>				
Ganancia (pérdida)			(15)	(15)
Total de cambios en patrimonio		-	(15)	(15)
<b>Saldo final al 31.12.2022</b>		<b>900</b>	<b>(38)</b>	<b>862</b>

**Colbún Desarrollo S.P.A**

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