Integrated Report 2024

transelec

transelec

Corporate Information

(GRI 2-1 CMF 6.5.1 i)

Company Name:	Transelec S.A
Legal Address:	Orinoco N°90, Piso 14, Las Condes, Santiago, Chile
Tax ID Number:	76.555.400-4
Entity Type:	Sociedad Anónima Abierta
Social Media Channels:	Twitter / LinkedIn
Website:	https://www.transelec.cl/

This Integrated Report contains information from January 1 to December 31, 2024 using the following standards and regulations:

GRI

COMISIÓN PARA EL MERCADO FINANCIERO

SASB

Contact Information:
(GRI 2-3)

Martha Peredo
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Head of Investor Relations

National regulatory entities for Transelec:
(CMF 6.1 iv)

- Financial Market Commission
- National Electricity Coordinator
- National Energy Commission
- Superintendency of Electricity and Fuels
- Internal Revenue

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Letter from the Chairman

(GRI 2-22)

It is an honor to address you at the close of 2024, a year that has reaffirmed Transelec's position as an essential player in the Chilean energy system and in the shift towards a more sustainable and resilient future. We have guided the company on a path that combines our technical expertise with a long-term strategic vision that is aligned with Chile's structural challenges and the opportunities of the global context.

Our infrastructure is the heart of Chile's electricity system. At Transelec, we understand that we are not only a means for transmitting energy, but a facilitator of development for communities, industries, and sectors that depend on a reliable electricity supply.

Service quality and operational excellence have positioned Transelec as Chile's leading transmission company. However, changes in the electricity market such as decarbonization, the integration of renewable energies, and growing competition challenge us to evolve and strengthen our leadership.

This year, our efforts have focused on establishing long-term relationships and strengthening our ability to meet our customers' needs. We are working to structure a more agile and dynamic approach to guarantee exceptional service, strengthening our position as a strategic partner of the country's most important productive sectors.

A key milestone this year was the inauguration of the Jadresic substation in the Antofagasta Region, a critical infrastructure project that will allow new renewable generation projects to be integrated into the national electricity system. This demonstrates our capacity to develop complex projects that contribute to the energy transition.

The substation was named after Alejandro Jadresic Marinovic, an important Transelec director and key professional in Chile's electricity sector. During his 10 years on the Board, Alejandro was a fundamental part of the most important decisions that shaped the company we are today. He carried out this work with commitment, dedication and, above all, affection for all of our employees.

In addition, we must note that one of our main focus areas this year was the diversification of our businesses. We were awarded the first battery energy storage system (BESS) in 2024, which reflects our ability to anticipate the needs of an evolving sector and to generate value in new markets. We also won the bid for the first synchronous condensers to be included in the country's transmission system. This will be a key technology for grid stability in a context of increasing penetration of renewable energies. These initiatives not only reinforce our position as a leader in electricity infrastructure, but also put us at the forefront of the adoption of solutions that ensure the resilience of the electricity system in the long term.

We also support the companies of Grupo Transelec. One recent highlight was the awarding of the second project involving transportation of sea water to large mining companies in 2024, which positions the group as a leader in projects involving this type of infrastructure. It also marks a successful turn towards new businesses, which has been our purpose in recent years.

This growth has been supported by robust and strategic financial planning. In 2024, we reaffirmed our solidity by securing access to the financing that drives Transelec's development. Highlights included the successful issuance of UF 5 million in bonds in the local market, enhancing our financial flexibility and strengthening our operational capacity to face future challenges.

Sustainability is at the heart of every decision we make. This year, we facilitated the connection of 1,671 MW of renewable energy, making a significant contribution to Chile's decarbonization goals. This achievement reflects our commitment to serving as a bridge between renewable generation and the communities and industries that need this clean energy.

We have also strengthened our approach to communities, developing more than 80 initiatives that address local needs, from education programs to social development projects. These actions are a testament to our purpose of generating value beyond infrastructure, building trust-based relationships, and working with the territories where we operate.

The year 2025 will be key for ensuring that critical projects are executed effectively, consolidating our customer-focused strategy, growth, and sustainability, and sharing our experience with officials as they maintain a strong regulatory framework through constructive dialogue. We will pay special attention to ongoing initiatives that strengthen our relationships with communities and contribute to the implementation of technological solutions that ensure the long-term resilience of the electricity system.

I believe that Transelec has the vision, capacity, and team to lead Chile's energy transformation. Our achievements would not have been possible without the commitment and dedication of Transelec's employees, whose work reflects our values and purpose as a company each day. I would also like to thank our shareholders, customers, and communities for trusting us and for being part of this journey.

Let us continue to work together to build a more sustainable future in which our work will have a lasting impact on our country, leaving a legacy that will continue to make us proud of Transelec.

Alfredo Ergas Segal
Chairman of the Board
Transelec S.A.

Letter from the General Manager

(GRI 2-22)

Dear shareholders, employees, customers, and communities:

I am very pleased to be able to address you at the close of 2024, a year marked by change, the consolidation of our growth strategy, and the strengthening of our leadership in electricity transmission.

Transelec is part of an established group of companies with a solid position in the transmission system. In addition, through the Transelec Group, we have continued to diversify our business lines, developing new solutions to support the growth of Chile's energy and water infrastructure.

In a context of political and economic uncertainty and important challenges for both local and international infrastructure investment, Transelec has demonstrated its capacity for adaptation and leadership with a strategic approach that allows us to successfully navigate the challenges of the energy transition and digitalization of the sector.

In line with this consolidation, after almost 15 years, we have updated the brand with a new and modern image that reflects the different business paths we are following, and that will accompany us as we work through future challenges. We are showcasing that new image in this Integrated Report.

This year, Transelec achieved key milestones in our diversification strategy. We won the first synchronous condenser project, an innovative technology that improves the stability and efficiency of the electricity system, which was tendered by the State. We also took an important step in energy storage, developing our first battery energy storage system (BESS) for a non-regulated customer, which allows us to optimize the management of renewable energy and strengthen the security of the electricity system in the context of decarbonization.

In addition, Transelec Group has continued to diversify, moving towards seawater transport infrastructure businesses with the award of the second water supply contract through a consortium, this time for Centinela mining. These efforts have allowed us to enhance our presence in the water sector as a strategic ally of the large-scale mining industry.

These achievements are the result of our strategy, which seeks to strike a balance between regulated projects and business with non-regulated counterparts, always maintaining our core in the world of infrastructure, with stable and long-term revenues.

Transelec is a key player in Chile's energy transition. During 2024, we enabled the connection of over 1,600 MW of renewable energy to the National Electric System, allowing clean energy efficiently reaches consumption centers. In addition, we continue to implement operational improvements designed to minimize our environmental impact and ensure that the supply is safe and reliable. We have also developed more than 80 community engagement initiatives focused on education, local development, and impact mitigation. Our close collaboration with communities allows us to build long-term relationships of trust that are fundamental to the success of our projects and the sustainability of our operations, as well as ensuring that our neighbors will reap the benefits.

We also made significant progress in financing in 2024, reaffirming our planning capacity and access to the capital markets. In September, we carried out a successful bond issue in the local market, anticipating our investment and financing needs, and securing resources for the development of our projects. In addition, at the Transelec Group level, we secured financing in the amount of US$ 1.5 billion for the Centinela mining water project consortium, which was awarded based on its importance and innovative structure. Both milestones reflect the experience of our team and partners, and the confidence of investors and financial institutions in our company.

This year, we executed investment projects in transmission assets for more than US$ 290 million directly as Transelec S.A., ensuring the expansion and modernization of our infrastructure.

Infrastructure development in Chile continues to face major challenges, especially regarding permitting. However, we work closely with authorities and communities to overcome these challenges on an ongoing basis and ensure that our investments continue to contribute to the country's sustainable development.

By 2025, our priorities will be focused on the efficient execution of ongoing projects, growth through participation in tenders and potential acquisitions, and further initiatives that reinforce our commitment to the community.

None of this would be possible without the hard work, commitment, and professionalism of our employees. Their dedication allows us to continue to innovate, adapt to a constantly evolving environment and to remain a leading company in the electrical sector.

I firmly believe that the path we have charted will allow us to continue moving forward successfully. Our strategic vision based on diversification, sustainability, and operational excellence positions us as a key partner for the country's energy development and a leader in the construction of more resilient and sustainable infrastructure.

I am deeply grateful to our shareholders, customers, communities, and employees for their trust in and commitment to Transelec. Together, we will continue to connect the energies of the future and build a more sustainable tomorrow for everyone.

Sincerely,

Arturo Le Blanc
CEO
Transelec S.A.

01.

ABOUT TRANSELEC

We connect the energies of the future, illuminating paths towards efficiency and sustainability.

1.1 Transelec Group

(CMF 2.3.1, 2.3.2)

With over 80 years of experience, Transelec Group has evolved from our position as leaders of electricity transmission in Chile to become a comprehensive pioneer in infrastructure solutions. Our capacity to adapt and anticipate the needs of a dynamic environment has been key to diversifying our operations and positioning our company as a strategic stakeholder in essential sectors that drive the development of Chile and the region.

Today, we are not only leaders in electricity transmission, but we have also expanded our impact through strategic projects such as providing water for mining, developing advanced energy storage systems, and creating new technologies that allow us to deliver our complementary services, which requires the electricity grid to adjust to the high levels of penetration of renewable energies. These initiatives will enable us to optimize the integration of renewable sources into the electrical system, strengthen the resilience of the energy supply, and support the large-scale mining industry to move from using fresh water in its processes to seawater. Noteworthy initiatives in this field included the awarding, together with our partner Marubeni, of the desalinization plant and water transport system for Codelco's Northern District in 2023, the water transport system for Antofagasta Mineral's Centinela operation in 2024, and the energy storage system for the Copec Solar Farm in 2024, in consortium with Almar Water, and awarding of two synchronous condenser projects for the northern part of the electrical system, where solar parks are abundant.

We are part of the Kimal-Lo Aguirre Line Connection consortium, responsible for developing the first direct current project that will connect the north with the center of the country.

Furthermore, since 2016, we have expanded our geographic presence, currently managing over 1,000 kilometers of transmission lines in Peru, combining acquired and developed assets in the regulated segment and projects for mining customers.

This diversification reflects our commitment to sustainable development. We have combined our experience in critical infrastructure with a business model that addresses climate challenges while generating value for communities and the environment. Through innovative solutions, Transelec continues to contribute to key sectors such as energy, water, and storage, positioning ourselves as drivers of change.

This process has shaped Transelec Group. Guided by our purpose, **Connecting the energies of the future**, we continue to move towards comprehensive development, combining technology, efficiency, and responsibility as an essential actor in the building of a more resilient and sustainable Chile and region.

Electricity Transmission Systems

Since its inception, Transelec has provided reliable electricity, connecting various regions of Chile and ensuring that energy flows where it is most needed. Over time, this mission has evolved to adapt to the current challenges of the energy sector. Today, we are expanding our commitment by implementing solutions that integrate advanced renewable energy transportation and storage technologies and constructing new infrastructure to bring them to the areas with the highest levels of consumption, thus contributing to the country's sustainable development.

Regulated System

We remain leaders in electricity transmission, with a robust network supporting industrial, urban, and rural development. The grid consists of lines and transmission equipment awarded through the Annual Transmission Expansion Plan promoted by energy sector authorities. Expansion projects for both national and zone-specific transmission systems include new facilities awarded through competitive processes or the expansion of existing ones. Starting this year, we are participating in tenders to provide complementary services using synchronous condensers.

Dedicated Segment

Our main focus is to provide transmission services that contribute to Chile's economic and social development. Our transmission lines and equipment are used to provide electricity to unregulated customers and to connect the production of power plants to the grid. Transport through these systems is governed by long-term private contracts between the parties. Transelec has positioned itself as a strategic ally for our customers, delivering transmission solutions tailored to the needs of each of them, participating actively in project tenders, and efficiently providing quality service. transmisión a medida de las necesidades de cada uno de ellos, participando activamente en licitaciones de proyectos, siendo eficientes y entregando un servicio de calidad.

Water Supply

In recognition of increasing water scarcity, at Transelec Group, together with our partners, we have focused on the supply and efficient transport of this resource. We bring seawater to large-scale mining operations in a sustainable manner, avoiding the use of fresh water. By utilizing advanced technologies, we provide solutions that address the water needs of critical mining areas while simultaneously reducing environmental impacts and promoting a balance between development and preservation.

Electricity Storage

The incorporation of battery energy storage systems (BESS) marked the beginning of a new chapter in our history. These systems allow us to maximize energy potential by storing it and delivering it where it is most needed. This helps to stabilize the grid and optimize the use of renewable energy sources. We are positioning ourselves as a bridge between renewable energy generation and efficient consumption, strengthening our role as an ally in energy transition.

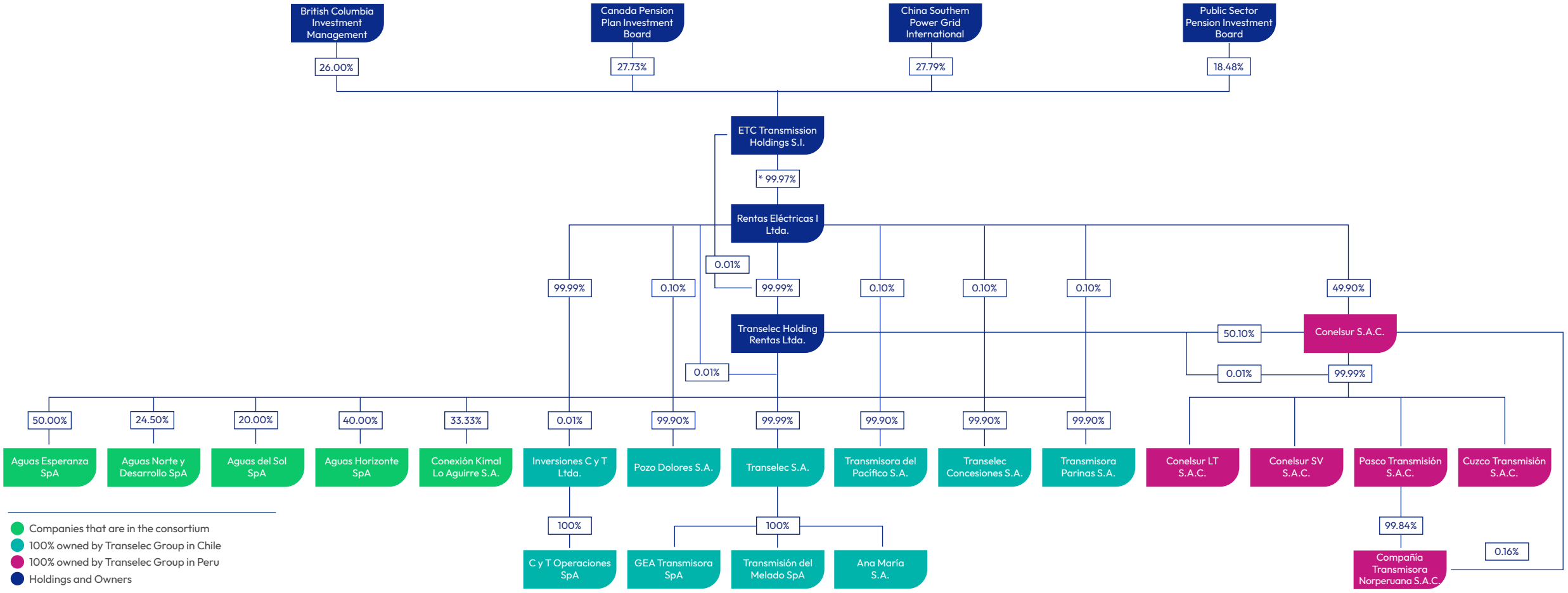
Transelec Group offers comprehensive solutions to Chile's main infrastructure challenges, including electricity transmission, water supply, and energy storage.

1.1.1 Structure Of Transelec Group

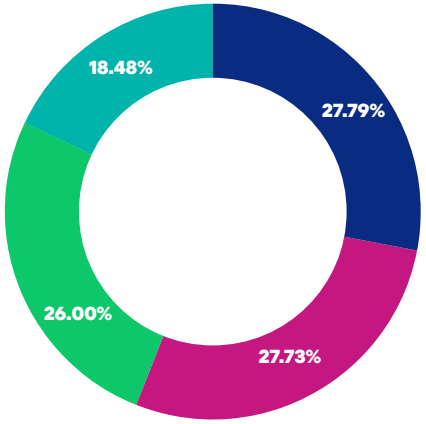
(CMF 6.4 i, 6.5.1 v, vi, x)

The final shareholders of Transelec are the British Columbia Investment Management Corp. (BCI), the Canadian Pension Plan Investment Board (CPP), China Southern Power Grid International (CSG) and the Public Sector Pension Investment Board (PSP), which collectively contribute their financial strength and operational expertise.

The Transelec Group is structured based on regulatory criteria related to financing, ownership, and other factors, through various companies, including some holding entities and others operational, located in Spain, Chile, and Peru.



* The remaining 0,03% of Rentas I Ltda.is distributed on a prorrata basis among the final shareholders.
**Transelec S.A. holds 99.99999999% of the shares, and Transelec Holding Rentas Ltda. holds 0.00000001%.



中国南方电网 CHINA SOUTHERN POWER GRID
China Southern Power Grid International (CSGI)

CPP INVESTMENT BOARD
Canada Pension Plan Investment Board (CPP)

BCI
British Columbia Investment Management (BCI)

PSP
Public Sector Pension Investment Board (PSP)

Shareholder	Description	Ownership Share
China Southern Power Grid International (CSGI)	China's second largest electric grid company is also the world´s second largest public service corporation. It builds and exclusively operates the electricity grid in five provinces in southern China and owns over 200,000 kilometers of transmission lines across that country.	27.79%
Canada Pension Plan Investment Board (CPP)	CPP is a global leader in investment management. It invests in public shares, private capital, private debt, real estate, infrastructure, and non-marketable debt instruments at the global level.	27.73%
British Columbia Investment Management (BCI)	BCI is one of Canada's largest institutional investors, managing funds on behalf of public sector customers in British Columbia. It invests in a wide range of assets including real estate, infrastructure and renewable resources.	26.00%
Public Sector Pension Investment Board (PSP)	PSP is one of Canada's largest pension investment managers. Its portfolio focuses on sectors such as transportation, energy, regulated public services, social infrastructure, and energy resources sectors.	18.48%

The group has not a controller per Law 18.045, and did not undergo significant changes in ownership in 2024.

1.1.2 Transelec Group at a Glance

We participate in infrastructure businesses related to energy transmission, seawater transportation, and electricity storage.

11,483 km
of transmission lines in **Chile**

440 Km
of water transport piping (300 km of which are under construction)

977 km
of transmission lines throughout **Perú**

105 MWAC
medium-term BESS capacity

Our commitment is to **"connect the energies of the future."**

1.1.3 History

(CMF 2.2)

The History of Transelec S.A.

Transelec Group Milestones

1943
The Chilean Economic Development Agency (Corporación de Fomento de la Producción, CORFO) created the National Electricity Company (Empresa Nacional de Electricidad, ENDESA).

1993
ENDESA's Transmission Division became a subsidiary of Compañía Nacional de Transmisión Eléctrica S.A., which later became Transelec S.A.

1996
Transelec built its first 220 kV line between Charrúa and Ancoa to connect the Pangue plant (460 MW), which would later be expanded to connect the Ralco plant.

2000
The Canadian company Hydro-Québec purchased 100% of Transelec shares.

2003
Transelec joined the Great North Interconnected System (Sistema Interconectado del Norte Grande, SING), purchasing 924 kilometers of 200 kV lines.

2006
The Canadian consortium comprised of Brookfield Asset Management (BAM), Canada Pension Plan Investment Board (CPP), British Columbia Investment Management Corporation (bcIMC), and Public Sector Pension Investments (PSP) purchased 100% of Transelec's shareholding ownership.

2008
Progress was made on the construction of a 500-kV ring around Santiago through the energization of the Alto Jahuel-Polpaico double circuit line. This progress allowed us to end the saturation of the grid towards the north of the country.

2010
Transelec consolidated its mining sector services through the acquisition of the Punta Colorada substation, which it purchased from Barrick Gold. The Las Palmas substation, the main node for wind energy contributions to the Central Interconnected System, was placed into service.

2012
CyT Operaciones SPA was created, focusing exclusively on the operating transmission assets for the mining firm Caserones.

2014
The National Transmission Operations Center (Centro Nacional de Operación de Transmisión, CNOT) was inaugurated, centralizing Transelec´s facilities to the highest standards.

2015
The Lo Aguirre 1,000 MVA substation became operational, offering new support for electricity provision to the Metropolitan Region and future connections to continuous current lines.

2015
Transelec Concesiones S.A. was created specifically for the adjudication of rights for the Nueva Charrúa substation project, which was part of a Ministry of Energy bidding process held in 2014.

2016
Transelec Group entered the Peruvian transmission market through the creation of Conelsur LT and acquiring the Edegel and Chinango assets.

2017
Following a couple of mergers within the Group, Transelec Concesiones added the "Pichirropulli-Nueva Puerto Montt 2x220 kV Line" and "2x500 kV 1500 MW New Line between the Los Changos and Nueva Crucero Encuentro Substations" to its portfolio.

2018
The new 2x220 kV Lo Aguirre-Cerro Navia line was energized, featuring the country's only urban underground line segment. China Southern Power Grid International (CSGI) acquired Brookfield Asset Management shares, making it a 27.78% indirect shareholder of Transelec.

2018
Transmisora del Pacifico S.A. was created to house a series of emblematic projects that strengthened the island of Chiloé's connection to the national electricity system.

2020
The company supported the connection of the Atacama Solar photovoltaic park, and the Malleco Wind Park, to the National Electric System.

2020
Transmisora Parinas S.A. was founded to participate in the Ministry of Energy tender process that sets the National Transmission System Expansion Plan. The awarded projects covered by the tender were "Parinas Likanantai Line, and the "S/E Sectioner Parinas."

2021
Transmission solutions were placed into service for renewable projects such as Atacama Solar, Río Escondido and the Puelche Sur Wind Park.

2021
The first direct current transmission line (Kimal - Lo Aguirre) was awarded to the Conexión consortium, in which the Transelec Group participates alongside ISA and CSGI.

2022
We have updated our strategy, defining Customers, Sustainability, and Growth as our three key pillars.

2023
The transmission solution for Mina Quebrada Blanca 2 was placed into service, allowing us to reenter the mining sector and diversify our business.

We expanded our approach on placing the customer and sustainability at the center of our work through the development of specific strategies focused on those areas.

2023
Construction began on the first plant to provide desalinized water to Codelco's Northern Calama District, a project developed by Transelec Group and Marubeni through the affiliate Aguas Horizonte. The project includes maritime work and an underground duct extending over 160 kilometers toward the Andes Mountains.

2024
Transelec was awarded with two important projects that reflect that reflect its commitment to sustainability: our first installed capacity project for batteries with Copec and our first two regulated synchronous condenser projects.
We also acquired the company Ana María S.A., which owns transmission assets.

2024
Transelec Group partnered with Almar to win the seawater transportation project establishing the company Aguas Esperanza SpA, which will provide water to the Cintela mine, owned by Antofagasta Minerals and Marubeni.

1.2 Transelec S.A.

(CMF 6.1 i, 6.1 ii, 6.2 i, GRI 2-1, 2-6)

With over 80 years of experience, we are the main company in Transelec Group and Chile's leading electricity transmission company. We operate an extensive grid that spans from Arica to Chiloé, connecting the energy that supplies approximately 98% of the country's population through over 10,000 kilometers of high-tension lines and 79 substations. As the main company in Transelec Group, we also offer our experience and services to the other members of our group.

Our main role is to transport electricity from generation sources to consumption centers, including large-scale industrial users, mining companies, and, ultimately, millions of households and communities. Our substations convert energy into lower tension to facilitate its final distribution and ensure continuous, efficient supply. Our work is vital to Chile's development and contributes to enhancing the quality of life for its population by ensuring reliable and sustainable transmission. As the oldest company with proven expertise, Transelec has the responsibility to cooperate with the regulator in defining the transmission system and its improvements to ensure reliable transmission.

We have connected more than 60% of the electricity generated by such sources over the past five years. Our commitment to sustainability is reflected in the design of environmentally respectful projects developed in close collaboration with neighboring communities, promoting their growth and well-being. With a transformation capacity of more than 21,000 MVA, we continue to innovate to address future challenges and guarantee a robust and resilient electrical system.

Transelec has three subsidiaries, where it develops projects in traditional transmission, new technologies to enhance transmission efficiency, and energy storage.

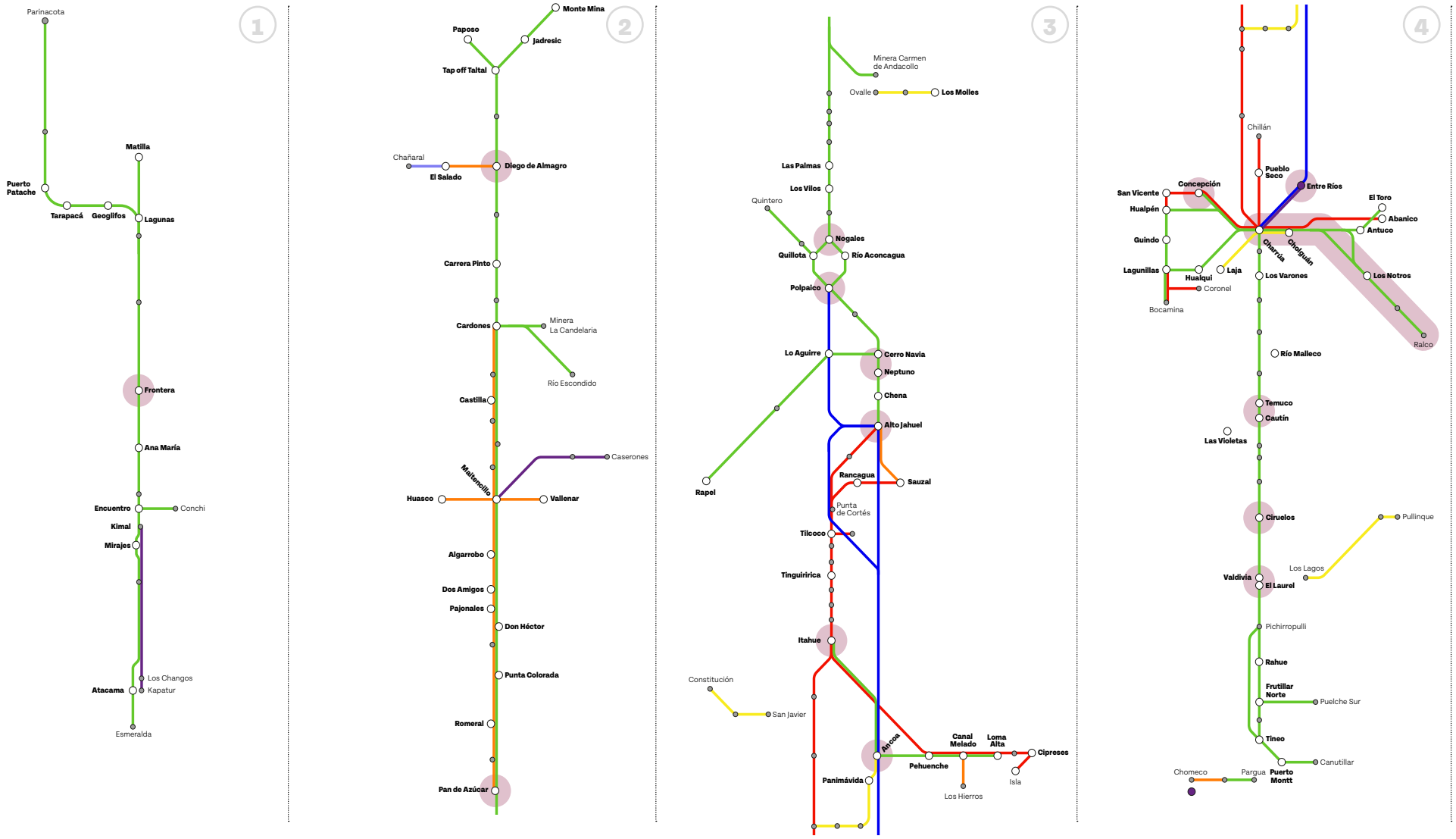
As a transmission company, our main competitors in the industry are other firms with a presence in the National Electricity System.

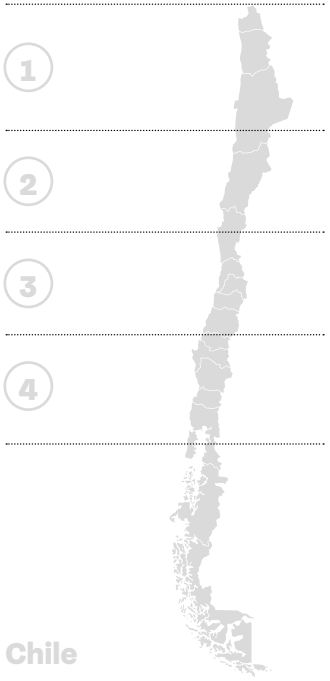
Furthermore, the General Law on Electric Services allows generation and distribution firms to participate in transmission, with certain limitations. This makes all companies in this sector potential competitors. According to the National Electric Coordinator, around 200 companies could compete in this area.

Construction firms competing for new projects and investment funds specializing in infrastructure may also be considered competitors given how open Chile is to foreign investment, as are customers who may opt to develop transmission projects independently.

Throughout the company's long history, we have played a key role in Chile's electricity supply, providing reliable service to every corner of the country. We are currently changing our operations to address the country's energy-related and strategic challenges. By incorporating innovative technologies, we are developing smart solutions to integrate the transportation and storage of renewable energies, further strengthening our key role in the decarbonization of the National Electric System.

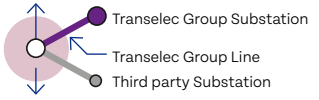
Map of Transelec facilities





Key

Transelec Substation



Area of influence of trust-based relationships

Transelec lines

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

1.2.1 Transelec at a Glance

10,082 Km
of transmission lines

21,257 MVA
of transformation capacity

79*
substations

1,671 MW
of new connected renewable energies

366,180
million Chilean pesos EBITDA

US$4,665
millions total investment value of transmission assets

82%
EBITDA margin

BBB y Baa1
international risk classification

588
collaborators

4
contractors accidents with lost time

39,928
hours of training

5,278,574**
man-hours without accidents

80
initiatives with communities during 2024

over **150**
micro companies from 20 communities benefited from the Growing Together with Energy program.

MM $1,209
investment in social programs

1,023 ton
recycled waste

* We have modified our definition of substation. A Transelec substation will be considered to be any substation that is so recognized by the authority through infotechnics, and that also complies with a) being part of Regulated Works awarded by Transelec, b) having been acquired, either by purchase or from the owner company, c) being part of dedicated projects built by Transelec, d) having an easement/lease contract for the land where the site is located.

** Includes contractors.

1.2.2 Regulatory Framework

(CMF 6.1 iii, 6.1 iv, 6.2 viii)

The majority of Transelec's income is subject to regulation (78% in 2024). Chile's electricity sector has a solid institutional structure designed to ensure safe, efficient, and sustainable energy supply. This framework is organized around key entities that complement each other in the regulation, supervision, and operation of the electrical system.

Institutional framework of the electric sector		
Policy	Ministry of Energy	Responsible for formulating public energy policies to promote the sustainable development of the sector and ensure that Chile meets its strategic objectives.
Regulatory / Oversight Body	Superintendency of Electricity and Fuel	Oversight entity that ensures the safety, quality and continuity of electricity services, supervising compliance with technical and legal regulations.
Coordinating Entity	National Electricity Coordinator	An independent technical agency responsible for coordinating the electric system's operation, maximizing the safety and efficiency of the electricity supply at the national level.
Regulatory Entity	National Energy Commission (Comisión Nacional de Energía, CNE)	Technical entity that advises the government on energy policies and regulates electricity rates, balancing the interests of consumers and companies.
Dispute Resolution	Panel of Experts	Independent technical entity that resolves disputes among stakeholders in the electricity sector, including companies, the National Electricity Coordinator, and regulatory entities like the CNE.

In a context marked by the energy transition and the growing use of renewable energies, regulating the system is essential to ensuring equitable conditions for all stakeholders in the market and promoting the system's sustainability. It also establishes technical and operational standards that maintain the stability and quality of the electricity supply, which are critical in a country with as challenging a geography as Chile. For Transelec, operating in a regulated environment provides clarity and predictability, facilitating long-term planning and fulfilling our commitment to connect people and companies through safe and sustainable electricity.

Chile's electricity transmission regulatory framework is mainly based on Decree with Force of Law No. 4 of 2006, which reorganizes and systematizes Decree with Force of Law No. 1 of 1982 on mining and the General Law on Electric Services (Ley General de Servicios Eléctricos, LGSE). Along with complementary regulations, this law establishes the rules of operation of the electricity sector, covering technical matters, safety, quality, coordination, information and finances. These rules must be followed by all electricity generation, transmission and distribution facilities in Chile.

A key change to the LGSE was made in 2004 through the passage of Law No. 1940 (Ley Corta I), which ensures that transmission companies will receive income from their regulated facilities. Furthermore, the more recent reform, Law No. 20.936/ 2016 (Transmission Law) introduced significant changes such as the creation of a Single National Electric System Coordinator independent from market stakeholders and a new transmission system classification. This reform distinguishes between the National Transmission System, the Zone Transmission Systems, and Dedicated Systems, and incorporates two new segments: the Development Poles Transmission Systems and the International Interconnection Systems.

In 2023, the Critical Infrastructure Law was passed, recognizing electricity transmission as an essential service. In addition, the Ministry of Energy conducted a public consultation on the Power Transfers Regulations, which for the first time regulated the power recognition of stand-alone storage systems. In June 2024, the Power Transfers Regulations were changed to include storage systems (Systemas de Almacenamiento or SAE) in the power transfer market. In addition, the methodologies, procedures and criteria for determining the power transfers resulting from operations coordination were defined. This regulation recognizes the power of stand-alone SAEs, that is, those not related to a generator, allowing other agents, such as Transelec, to participate in this power service.

The Energy Transition Law, passed in 2024, introduced important changes for transmission, such as the incorporation of projects mandated by officials and the return of tenders for expansion projects to the owners. This law establishes new regulations for the efficient development of transmission projects and positions transmission as an enabling sector for the Energy Transition.

The regulatory framework of the electricity system is constantly evolving to address challenges related to the energy transition, climate change and the modernization of electricity infrastructure. In this context, Transelec works closely with officials and stakeholders, contributing its technical experience to help develop regulations that promote sustainability, technological innovation and safe supply.

As a leader in electricity transmission, Transelec reaffirms its commitment to actively participate in the construction of a robust electricity system capable of navigating Chile's future energy challenges.

In addition, given the importance of the electricity industry to the country's growth, we are also regulated by:

Environmental officials
- Ministry of the Environment
- Superintendency of the Environment
- Environmental Assessment Service
- General Water Directorate
- Regional Environmental Secretariat
- Biodiversity and Protected Areas Service

Finance officials
- National Financial Crimes Prosecutor
- Commission for the Financial Market
- Internal Revenue Service

Key external factors influencing the development of Transelec's business during this period include regulatory changes such as the entry into force of the Financial Crimes Law, the 40-Hour Law and the Personal Data Protection Law, which present new challenges and legal and operational opportunities for our organization. We closely monitor regulatory changes using established procedures, allowing us to anticipate them and effectively adapt to new legal, business, social, environmental and political requirements.

1.2.3 Partnerships

(CMF 6.1 vi, GRI 2-28)

Partnerships are fundamental in the business environment, as they strengthen strategic connections and promote the exchange of knowledge in multiple areas. To that end, we work with the following organizations:

- Chilean Transmission Association
- Business Management Foundation
- World Energy Council Chile
- Chilean-Canadian Chamber of Commerce
- CIGRÉ
- Society for Industrial Development (SOFOFA)
- ACADES (Chilean Association for Desalination and Reuse AG)
- Regional Energy Integration Commission (CIER)

1.2.4 Corporate Governance

(CMF 3.1 i, 3.1 ii, 3.6 x, GRI 2-19, 2-12)

At Transelec, we believe that creating sustainable value, contributing to Chile's electricity development, and meeting the highest standards require solid corporate governance and clear rules.

The Board supervises the organization's due diligence and other processes geared towards identifying and addressing economic, environmental and social impacts. This includes submitting risk management reports to the Board on a quarterly basis and managing compliance through the Auditing Committee. These issues are important to the Board and are reviewed periodically. The overall approach to these processes is validated by the Board to ensure alignment with the organization's strategic objectives.

The administration reviews the succession plans for the general manager and vice presidents annually -with the knowledge of the Board-, establishing and laying the foundation for a succession plan for each role.

Shareholders

(CMF 2.3.3, 2.3.4 iii a, 2.3.4 iii c)

Our company's capital is composed of 1 million ordinary, nominative shares with no nominal value. Transelec Holdings Rentas Limitada owns 999,900 of these shares, and Rentas Eléctricas I Limitada owns the remaining 100.

Main Shareholders

Name	Tax ID Number	Number of Shares	Ownership Percentage
Transelec Holdings Rentas Limitada	76.560.200-9	999,900	99.99%
Rentas Eléctricas I Limitada	76.559.580-0	100	0.01%

Board of Directors

(CMF 3.2 iii, v, vi, vii, viii, ix a, b, c, x, xi, xii a, b, c, d, 3.7 iii, iv, GRI 2-9, 2-10, 2-14, 2-17, 2-18)

The Board leads the Company's business plan and strategy for the short, medium and long term. Its main responsibility is to approve the strategic guidelines for the next five years, as well as to oversee and assess the proper identification of the organization's risks and the compliance and monitoring of its control measures, developed with input from various areas of the organization.

Board members are selected based on a matrix of skills and capacities required for the position. To ensure effective onboarding, an orientation process is held for new members, providing them with an in-depth review of internal regulations such as the Code of Ethics and Conduct, the Crime Prevention Model, the Integrated Report, Corporate Risk Map, Statutes and the Internal Regulations on Order, Hygiene and Safety.

Transelec's Board meets monthly in accordance with the law and corporate statutes. In 2024, thirteen regular meetings and two special meetings were held, requiring a minimum of 3.5 hours of members' time per month. Additional hours are also worked for meeting preparation and committee participation. Meeting invitations and any necessary documents are sent at least one week in advance, allowing members to prepare and guarantee the effectiveness of each meeting.

The Board holds an annual self-assessment process to identify strengths and opportunities for improvement. The results of this assessment allow the Board to develop specific action plans with monitoring indicators to close identified gaps and promote more efficient performance aligned with the company's strategic objectives. Although the Board does not have a formal policy on diversity, it is composed of individuals with diverse experiences, which enriches their perspectives and decision-making.

At Transelec, annual Board performance assessments include aspects such as composition, diversity of competencies and abilities, interaction between members and participation in strategic decisions. This process allows Board members to identify areas for improvement related to organizational, social or cultural barriers that may prevent the diversity of capacities, visions, and conditions within the Board.

The Corporate Governance Committee identifies key training areas each year, and organizes specialized training activities on priority topics. In 2024, training focused on the Financial Crimes Law and Law No. 21.643, which is known as Karin's Law.

We use the Diligent platform to optimize communication and information storage. It allows Directors to electronically sign documents and ensures the safe storage of documents, including Board meeting minutes. All minutes dating back to the Company's founding have been available on the platform since January 2022, thus guaranteeing efficient and centralized access to information. The Board also has a procedure in place to allow members to participate and exercise their right to vote remotely.

In 2024, Transelec's Board, executives, and General Manager conducted site visits to enhance their knowledge of the company's operations and promote community engagement. These included the Itahue substation (06/03), Luis Maldonado Boggiano School (in Itahue) as part of the Community Relations and Social Investment Program (06/04), and the Ancoa substation (06/04). They also participated in the inauguration of the Jadresic substation (08/21) and visited the Lo Aguirre substation (10/29). Additionally, Directors visited projects owned by Aguas Horizonte and Aguas Esperanza (both Group companies) between November 26 and 27 to learn about more developments within the Group. These activities reflect the Board's commitment to direct supervision of strategic projects and community engagement.

In contingency or crisis situations, the Company considers the possibility of adjusting its internal organization and operations. In such cases, the entire management team is convened, and the Board of Directors is informed. Depending on the severity, a special Board session is activated, with priority communication to the Board Chairman, ensuring a coordinated and efficient response.

Although there is no formal policy for hiring consulting services, a budget has been allocated and is managed based on the needs and requirements identified by the Board. Deloitte was the auditing firm responsible for the financial statements audit during 2024, and the amount involved in this work was USD 95,388.

Throughout 2024, the Board met with this firm on a quarterly basis, during which the following topics were addressed:

- Scope of the 2024 audit
- Status of the annual audit plan
- Independent auditor's review report as of June 30, 2024
- Intermediate summary of significant transactions and focus areas
- Other matters and statements from Deloitte
  - Statement under Law 20,382
  - Independence statement

As part of the company's strategic priorities, Transelec has adopted a comprehensive approach to addressing environmental, social, and climate change-related matters. All issues related to social, environmental, and climate change aspects in project development or operations are presented to the Board as needed throughout the year.

During these sessions, the Board provides its perspective and guidance on these matters. These topics are taken into account in strategic, budgetary, and business decisions, as defined by incorporating sustainability as one of Transelec's three strategic pillars.

Transelec's corporate governance includes the sustainability approach to business through the company's Sustainability Policy, which is published on its official website Click here for more information

This policy establishes six fundamental principles that guide the organization's operations and strategic decisions:

- **Our People:** We value and protect the lives of our internal and external employees as well as the members of the communities where we operate.
- **Environment:** We prioritize the environment through a preventative attitude in all of the organization's activities.
- **Community Programs:** We build trust-based and mutually beneficial connections to communities and local leaders.
- **Integrity:** We ensure compliance with applicable regulations and are committed to the highest ethical standards.
- **Collaboration:** We promote collaboration and partnerships for the sustainable development and operation of the electrical transmission system.
- **Quality:** We reaffirm the vocation for service to meet our customers' needs.

These principles allow sustainability to be present in all areas of the business, ensuring that strategic decisions consider social, environmental, and economic impacts. They also reinforce the company's commitment to responsible development and long-term value creation for its various stakeholders.

The highest governing body is responsible for reviewing and approving the information presented in this Report, including material topics. This process includes a review and comments from the Directors before formal approval. Subsequently, the information is approved by the Board of Directors and, ultimately, by the Shareholders' Meeting.

Minimum frecuency with which the Board meets with certain counterparts:

Area	Frequency of Meetings	Topics Addresed
Risk Management	Quarterly	Analysis of key risks using heat maps, highlighting that quarter's critical risks, variations, controls and mitigations implemented, and changes to be made in the future. The meeting also features a summary of all the company's risk factors.
Internal auditing	Quarterly	Review of the annual auditing plan, compliance monitoring, and quarterly reports.
Sustainability	Upon request	Social, environmental, and climate change-related issues in project development or operations.
Financial Statements auditing firm	Quarterly	Evaluation of financial indicators and review of financial statements to validate their consistency and adequate representation of the company's results.

To promote the continuous improvement of the Board's performance, a review and update of the procedures applicable to the various Board Committees was carried out. This process included defining and adjusting their functions, objectives, metrics, and meeting frequency. Additionally, guidelines were established regarding the duration of sessions, the preparation of minutes, and the deadlines for the prior submission of necessary information, in order to ensure efficient and orderly management.

Board Composition

(CMF 3.2 i, 3.2 iv, GRI 2-9, 2-11)

Alfredo Ergas
Chairman
Not independent
Profession: Commercial Engineer
Expertise: Sustainability/ESG, Risk Management, Financial Industry, and IT & Cybersecurity
Nationality: Chilean
Tax ID Number: 9.574.296-3
Appointment date as Chairman: 15.05.2024
Start Date: 20.11.2013

Andrea Butelmann
Director
Independent*
Profession: Economist
Experitise: Financial Industry
Nationality: Chilean
Tax ID Number: 6.383.159-K
Start Date: 20.11.2013
Start Date: 11.03.2020

Blas Tomic
Director
Independent*
Profession: Civil Industrial Engineer
Experitise: Financial Industry
Nationality: Chilean
Tax ID Number: 5.390.891-8
Start Date: 20.11.2013
Start Date: 24.08.2011

Jordan Anderson
Director
Not independent
Profession: Trade
Experitise: Financial Industry
Nationality: Foreign national
Tax ID Number: Foreign national
Start Date: 30.09.2020

Juan Benabarre
Director
Independent*
Profession: Mechanical Engineer
Experitise: Sustainability/ESG, Risk Management, Financial Industry, and IT & Cybersecurity
Nationality: Chilean
Tax ID Number: 5.899.848-6
Start Date: 22.08.2018

Mario Valcarce
Director
Independent*
Profession: Business Engineer
Experitise: Financial Industry
Nationality: Chilean
Tax ID Number: 5.850.972-8
Start Date: 24.08.2010

Richard Cacchione
Director
Not independent
Profession: Fellow Certified Professional Accountant (FCPA)
Experitise: Sustainability/ESG, Risk Management, Financial Industry, and IT & Cybersecurity
Nationality: Foreign national
Tax ID Number: Foreign national
Start Date: 21.03.2019

Tao He
Director
Not independent
Profession: Business and Finance
Experitise: Financial Industry
Nationality: Foreign national
Tax ID Number: Foreign national
Start Date: 24.02.2021

Ximena Clark
Director
Independent*
Profession: Economist/Commercial Engineer
Experitise: Sustainability/ESG, Financial Industry and IT & Cybersecurity
Nationality: Chilean
Tax ID Number: 11.493.586-7
Start Date: 23.03.2022

The Board of Directors was renewed at the Ordinary Shareholders' Meeting of Transelec S.A. held on April 30, 2024.
*The Independent concept is not governed by art. 50 bis of law 18.046.

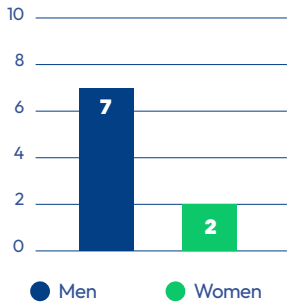
Transelec does not have independent directors in accordance with the Corporations Law.

For more information on Alternate Directors, see page 113.

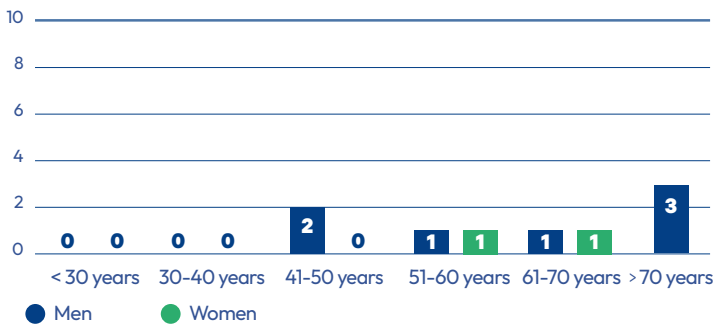
Board Diversity

(CMF 3.2 xiii a, b, c, d, e; GRI 2-9, 405-1)

Gender



Age Group

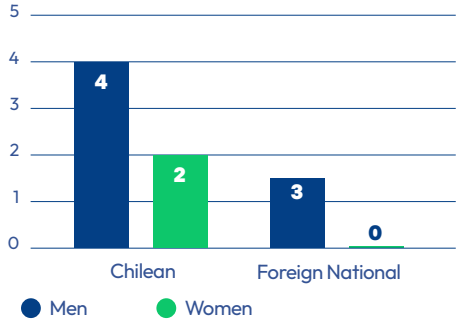


Disability

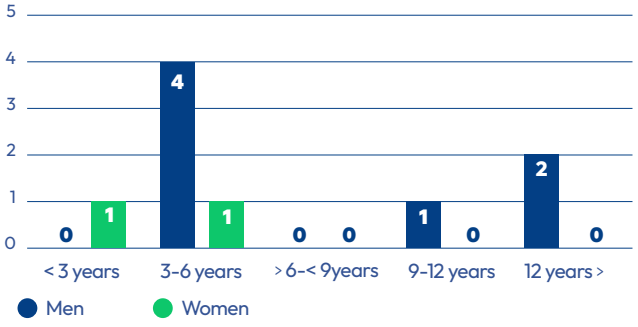
0%

Men and Women

Nationality



Years of Service



Board Compensation

(CMF 3.2 ii, 3.2 xiii f, GRI 2-19, 2-20)

We do not have a formal policy that establishes the mechanism for determining Directors' compensation. This compensation is established annually during the regular shareholders' meeting per the agreements reached by that body.

Board Compensation	2023		2024	
	Set Income (US$)	Variable Income (US$)	Set Income (US$)	Variable Income (US$)
Mario Valcarce Durán	$ 90,000	0	$ 90,000	0
Blas Tomic Errázuriz	$ 90,000	0	$ 90,000	0
Ximena Clark Núñez	$ 90,000	0	$ 90,000	0
Juan Benabarre Benaiges **	$ 90,000	0	$ 90,000	0
Andrea Butelmann Peisajoff	$ 90,000	0	$ 90,000	0

*Board members Alfredo Ergas, Jordan Anderson, Tao He, and Richard Cacchione refused their compensation for 2024.
**Director Juan Benabarre is also a director of Aguas Horizonte and Aguas Esperanza, the two water transportation companies of the Transelec Group.

There is no salary gap in Board member compensation because all members receive the same compensation.

Committee of Experts

(CMF 3.2. vii, 3.3 i, ii, iii, iv, v, vi, vii, 3.7 i, GRI 2-9, 2-13, 2-24)

Finance Committee	
Objective	To review decisions on: • Dividends, • Financing, • Taxation, • Cash flow, • Budgeting, • Insurance, • etc.
Session Periodicity	At least quarterly.
Chairman	Alfredo Ergas
Members	Directors, administration and representatives of final shareholders
Number of Sessions 2024	4 regular sessions and 2 extraordinary sessions
Main Actions	Proposal for distribution of dividends, search for optimal funding, supervision and approval of payment of taxes, Company plans from a financial perspective in the Business Plan, etc.
Periodicity of Reports to the Board	Quarterly or more

Corporate Governance Committee	
Objective	• To review the general guidelines on Corporate Governance. • To propose, nominate and evaluate Board members and review their compensation. • To approve codes, policies, manuals and any changes made to them. • To review the performance, membership and mandates of the Board Committees.
Session Periodicity	Quarterly
Chairman	Alfredo Ergas
Members	Directors and Administration
Number of Sessions 2024	4
Main Actions	Annual evaluation of the Board, Corporate Governance guidelines
Periodicity of Reports to the Board	Quarterly

Auditing Committee	
Objective	• Evaluation of matters related to the selection of external auditors. • Review of financial statements. • Review of the internal auditing plan and matters related to compliance. • Review of transactions with related parties. • Review of the Crime Prevention Model.
Session Periodicity	Quarterly
Chairman	Mario Valcarce
Members	Directors and Administration
Number of Sessions 2024	4
Main Actions	Reviews of financial statements, Annual Compliance Plan, external auditors, internal auditing and compliance, and quarterly gaps report.
Periodicity of Reports to the Board	Quarterly

The company's governance structure includes a Committee of Experts focused on key topics. Most members of this entity are Directors and members of the administration, with the exception of the Ethics Committee. These committees meet periodically and hold special meetings when key issues for stakeholders emerge. Directors dedicate significant time and effort to the committees, as the topics are addressed in detail, ensuring they are well-informed when making decisions. The composition of the committees is determined by the shareholders, who review it annually.

Auditing Committee members receive additional compensation of US$10,000 per year.
There is no formal policy on hiring advising services. However, each Committee has the authority to request external advising services when necessary to secure adequate technical support for the performance of its duties. In 2024, the company provided advising services to the Ohros Group for the project "Implementing an Asset Management System." The amount involved with this project was 86,000 Euros.

Investments Committee	
Objective	• To review and assess the main investment opportunities open to the Company as well as business opportunities.
Session Periodicity	Monthly
Chairman	Adam Pearson
Members	Directors and Administration
Number of Sessions 2024	9
Main Actions	Recommendation of approval of new business and investment opportunities. Monitoring of projects' Capex.
Periodicity of Reports to the Board	Monthly

Human Resources Committee	
Objective	• To review executive compensation and KPIs as well as strategy in regard to collective bargaining and organizational health.
Session Periodicity	Quarterly
Chairman	Blas Tomic
Members	Directors and Administration
Number of Sessions 2024	4 sessions (June, August, November and December)
Main Actions	Review of compensation, executive compensation, and collective bargaining strategies.
Periodicity of Reports to the Board	Quarterly

Operations Committee	
Objective	• To supervise and review labor and occupational health and safety matters pertaining to company employees. • To review matters related to the operation of company assets.
Session Periodicity	Quarterly
Chairman	Tao He
Members	Directors and Administration
Number of Sessions 2024	4 sessions (March, May, May, August and November).
Main Actions	Review of operational strategy and matters related to accidents, health and safety.
Periodicity of Reports to the Board	Quarterly

Executive Team

(CMF 3.4 i, 3.2 vi, 6.5.1 vii)

1. Arturo Le Blanc Cerda
General Manager
Attorney
Tax ID Number: 10.601.441-8
Nationality: Chilean / Croatian
Start Date in this Role: May 1, 2022
Date Hired: April 1, 2012

Committees: All of them

2. Francisco Castro Chrichton
Chief Financial Officer (CFO)
Civil Industrial Engineer
Tax ID Number: 9.963.957-1
Nationality: Chilean
Start Date in this Role: October 1, 2009
Date Hired: October 1, 2009

Committees: Auditing/ Investments/ Finance

3. Eduardo Tagle Gana
Vice President of Legal and Territorial Affairs
Attorney
Tax ID Number: 16.210.817-4
Nationality: Chilean
Start Date in this Role: January 1, 2024
Date Hired: April 1, 2014

Committees: Auditing / Investments / Corporate Governance / Operations / Finance

4. Olivia Heuts Goen
Vice President of Business Development
Economist
Tax ID Number: 14.727.025-9
Nationality: Belgian
Start Date in this Role: June 1, 2022
Date Hired: June 1, 2022

Committees: Investments

5. Bernardo Canales Fuenzalida
Vice President of Engineering and Project Development
Mechanical Engineering Sciences major
Tax ID Number: 11.565.097-1
Nationality: Chilean
Start Date in this Role: November 1, 2020
Date Hired: November 1, 2020

Committees: Investments

6. Paola Basaure Barros
Vice President of Corporate Affairs and Sustainability
Civil Hydraulic Engineer
Tax ID Number: 13.673.891-7
Nationality: Chilean
Start Date in this Role: January 1, 2023
Date Hired: January 1, 2023

Committees: Investments

7. Claudio Aravena Vallejo
Vice President of People and Organization
Commercial Engineer
Tax ID Number: 9.580.875-1
Nationality: Chilean
Start Date in this Role: April 15, 2019*
Date Hired: August 1, 2007

Committees: Investments / HR

8. Jorge Vargas Romero
Vice President of Operations
Civil Engineer
Tax ID Number: 12.691.972-7
Nationality: Chilean
Start Date in this Role: July 1, 2022
Date Hired: April 1, 2003

Committees: Operations

9. Claudia Carrasco Arancibia
Vice President of Regulation and Revenues
Civil Electrical Engineer
Tax ID Number: 10.508.896-5
Nationality: Chilean
Start Date in this Role: January 1, 2024
Date Hired: December 1, 2011

Committees: Finance

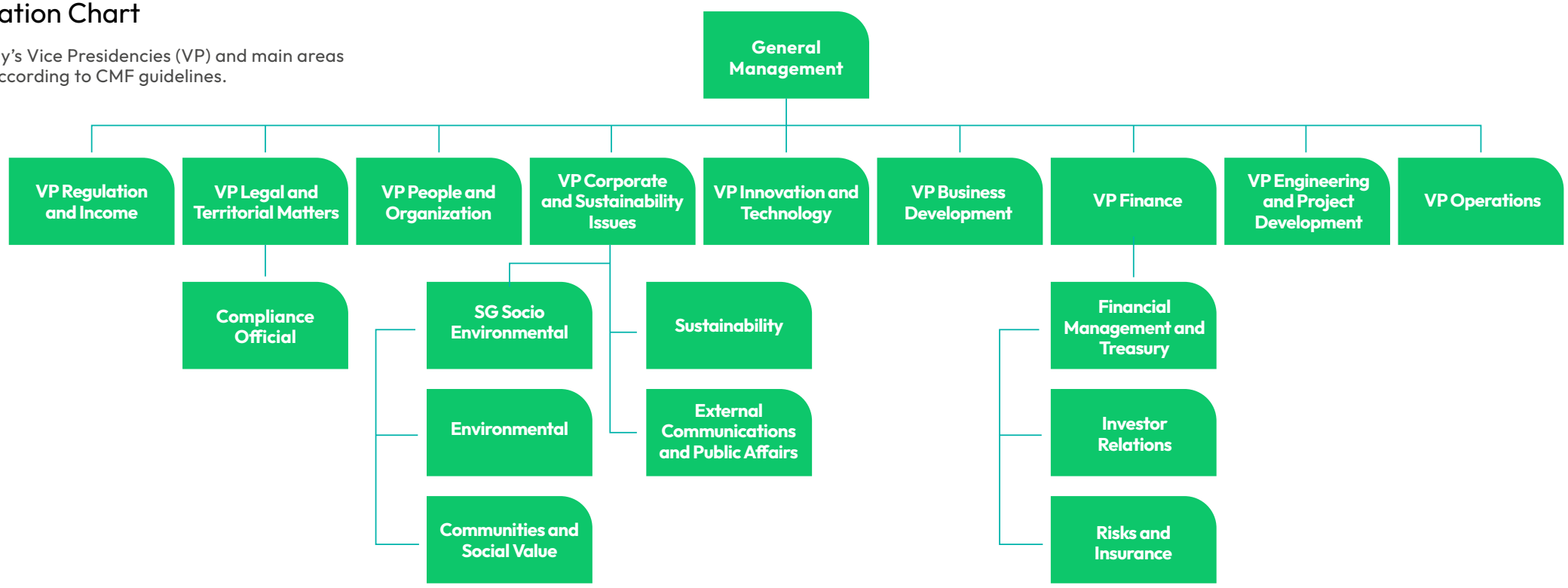
10. Alejandro Rehbein Oroz
Vice President of Innovation and Technology
Civil Industrial and Systems Engineer
Tax ID Number: 12.307.972-8
Nationality: Chilean
Start Date in this Role: January 1, 2024
Date Hired: October 1, 2007

Committees: Investments

*His role has changed name, but duties are very similar to those he has performed since joining the company.

Organization Chart

The company's Vice Presidencies (VP) and main areas are shown according to CMF guidelines.



Executive Team Compensation

(CMF 3.4 ii, iii, iv, 3.6 xi)

In 2024, Executive Committee members received total compensation of $4.329 billion Chilean pesos, while in 2023 it was $3.993 billion Chilean pesos.

Employees participate in an incentive program focused on meeting goals, which is aligned with the company's strategy. These plans vary depending on the level of responsibility in the organizational hierarchy. Senior executives' compensation is tied to KPIs that determine the variable part of their pay, based on performance and results achieved. Like Board members, key executives do not own a percentage of the company.

1.2.5 Ethics and Compliance Management

Integrity Model

(CMF 3.1 iii, 3.6 vii, 3.6 xiii, GRI 2-15, 2-16, 2-26)

We operate our company and develop our activities in accordance with strict regulatory and compliance standards that are fundamental to ensuring the continuous transmission of energy to our customers. As part of a regulated industry, we collaborate with the appropriate officials and agencies, recognizing our strategic role in Chile and the importance of impeccably conduct.

To promote a culture of ethics and ensure regulatory compliance, during 2024, we have aligned our activities with Law No. 21.595 on Financial and Environmental Crimes ("Economic Crimes Law"). This regulation introduces modifications to Law No. 20.393 on the Criminal Liability of Legal Entities, establishing new crime categories, expanding the list of offenses that can lead to corporate criminal liability, and incorporating a new sanction system, among other changes. In response to this developments, we have updated our Crime Prevention Model based on those developments, incorporating them into our risk matrix and enhancing internal controls to mitigate possible risks. Additionally, we formalized practices and procedures to strengthen our work in compliance. An independent third party assessed the Crime Prevention Model, allowing us to identify and close certain gaps. We have taken another step towards continuous monitoring that ensures ongoing improvement of our compliance standards.

The company's Crime Prevention Model is based on a series of key documents that guide our ethical culture. Some of them are:

- Free Competition Manual (2022)
- Free Competition Policy (2022)
- Protocol for Investigating Compliance (updated in 2024)
- Code of Ethics for Employees
- Crime Prevention Policy
- Criminal Risk Matrix (updated in 2024)
- Sexual Harassment, Labor Harassment and Violence in the Workplace Investigation Procedure (2024)
- Sexual Harassment, Labor Harassment and Violence in the Workplace Prevention Protocol (2024)
- Policy on Engagement and Communication with Public Officials
- Internal Regulations on Order, Hygiene and Safety
- Recruitment and Selection Policy (updated in 2024)
- Donations, Social Investment, Sponsorships and Auspices Standard (updated 2024)

These documents describe the values and principles that govern labor and professional relationships within our company, as well as interactions with customers and suppliers. In addition, we have implemented mechanisms to resolve ethical disputes, submit complaints, conduct relevant training activities, and investigate and assess suppliers and counterparts prior to signing contracts or initiating business relationships to maintain high ethical standards.

To maintain an effective Crime Prevention Model, we carry out continuous training and awareness initiatives to ensure that all employees and third parties we interact with align with internal regulations and policies. One of these initiatives is the mandatory online training on the Crime Prevention Model, which all employees must complete upon joining the company and then renew annually. In 2024, this training was updated and will be officially launched in the first half of 2025. Additionally, during 2024, the Compliance Management team, in collaboration with the Legal department, conducted training sessions and talks for employees across Transelec's zonal management areas, focusing on the criminal risks the company faces and how to prevent them.

From the perspective of contractors and third parties providing services on behalf of the company, in 2024, a formal letter was sent to all of them outlining the new requirements of Transelec's Crime Prevention Model due to regulatory changes introduced by the Economic Crimes Law. This initiative aimed to help contractors better understand the legal changes, allowing them to prepare and adapt their internal control systems to comply with the regulations and Transelec's compliance standards, fostering a long-term, sustainable business relationship.

Reporting Channel

Transelec operates an online reporting channel for employees, contractors, customers and external entities to report actions that may violate our ethical or regulatory guidelines. Such reports may be submitted anonymously if the reporting party wishes. The platform is managed by an independent external agency, ensuring confidentiality and transparency. It also allows the reporting party to monitor the status of their report, and the company can contact them to effectively manage the cases. Internally, the channel is disseminated through regular email communications, mentions of the channel at training activities, and in work contracts. External parties can access the channel through the corporate website, and it is mentioned in the contracts with business partners.

	2024
Total complaints received via the reporting channel	20
Number of complaints investigated and resolved	19
Number of consequences (terminations, reprimands, etc.) originating from reports investigated	9
Number of reports linked to the Code of Ethics	16
Number of complaints linked to the Crime Prevention Model	1
Labor claims received through the reporting channel	4

All complaints that reach the channel and meet the conditions to be investigated are investigated by the Compliance team, which submits all reports and results to the Ethics Committee. This body is responsible for deciding on measures and/or sanctions in relation to such investigations. On a quarterly basis, the Compliance Manager, among other reports, delivers the KPIs of complaints and investigations carried out in the period to the Audit Committee, keeping them abreast of the processes.

Governance for Ethical Management and Compliance

(CMF 5.5)

At Transelec, our ethics management system is based on a Compliance Program designed to provide all employees with a clear framework to guide their conduct. To foster commitment from leadership, the program is reviewed and supervised by the Board's Auditing Committee. The responsibilities of that entity are:

- To supervise the application and certification of the Crime Prevention Model (CPM).
- To evaluate and monitor compliance with the annual auditing plan linked to the CPM.
- To guide the organization's efforts to prevent illegal or unethical conduct.
- To manage Board training activities and member selection.

We focus on being proactive with an emphasis on preventing and identifying irregularities.

- The Compliance Area is responsible for:
  - Developing and reviewing manuals, policies and procedures.
  - Executing training activities and drafting internal reports.
  - Managing the reporting channel and leading internal investigations, reporting the results to the Ethics Committee
- The Office of the Vice President of Legal and Territorial Matters provides legal support to all areas of the company.
- The Compliance Office manages prevention. Detection is the responsibility of the Internal Auditing Committee.
- The Compliance Office issues a quarterly report to the Auditing Committee on critical concerns received through company reporting mechanisms. The Committee Chair reports to the Board on such matters.

At Transelec, all new employees must complete a mandatory online training on the Crime Prevent ion Model (Law 20.393) and Prevention of Labor Harassment, Sexual Harassment and/or Violence in the Workplace (Karin's law), among other topics. Since 2024, based on the entry into force of the new Financial and Environmental Crimes Law, Transelec has focused its training efforts on employees and strategic areas with higher risks related to the commission of crimes for which our company may be held responsible. To that end, in-person training activities were held in each zone and at the main office for the teams that most impact and are most closely tied to it, focusing on the most critical risks to our operation. During the first half of 2025, the company plans to hold an online training activity for all employees designed to reinforce this information and ensure regulatory compliance across all areas.

In 2024, following the enactment of Law 21.643, also known as the 'Karin's Law,' Transelec strengthened its system on harassment-related matters by implementing a Procedure for the Prevention of Sexual Harassment, Workplace Harassment, and Workplace Violence, as well as an Investigation Procedure for Sexual Harassment, Workplace Harassment, and Workplace Violence. Both procedures were communicated to all employees. In addition to incorporating these procedures into the Internal Regulations on Order, Hygiene, Health, and Safety, training sessions were conducted, including a mandatory e-learning course for all employees, which is now part of the onboarding process for new hires, along with other hybrid-format training sessions. In total, 495 employees completed the e-learning course in 2024.

During 2024, two workplace harassment complaints were received through Transelec's Ethics Line. These cases were internally investigated and subsequently referred to the Labor Directorate, as established by the Investigation Procedure in accordance with Law 21.643.

Culture of Integrity

(CMF 3.2 xii c, 3.6 ix, 8.1, 8.4, 8.5, GRI 2-27, 205-1, 205-2, 205-3, 206-1, 406-1)

Training programs are offered to all staff in order to create a culture of integrity and reinforce the organization's ethical principles and applicable rules.

As mentioned above, we have an anonymous reporting channel managed by an independent external agency to ensure transparency and objectivity. This platform allows us to ensure that stakeholders such as employees, contractors, customers and suppliers can submit reports related to non-compliance with our ethical principles. The channel also allows the reporting parties to monitor the status of their complaint. The channel is promoted internally through emails and periodic training activities and is located on our website for external stakeholders.

Preventing Corruption

Integrity and transparency are fundamental pillars of Transelec's operations. To prevent corruption, money laundering and financing of terrorism, we have implemented a robust Crime Prevention Model aligned with Law 20.393 on Criminal Responsibility of Legal Entities in Chile, including its current modifications.

- **A Culture of Ethics and Prevention**
  Our Code of Ethics establishes the principles and values that guide our employees' behavior, promoting integrity, transparency and respect as essential tools for preventing improper conduct. We complement this with specific training activities addressing the risks associated to the Crime Prevention Model.

- **Due Diligence and Oversight Processes**
  The Compliance Area conducts exhaustive due diligence processes in key operations such as supply, donations and hiring, verifying sanctions lists, legal information and any adverse press on third parties.

The company takes several additional steps as well:

- The Finance Area applies rigorous controls to ensure the separation of roles and proper approval and authorization of payments.

- The Procurement Area aligns its work with Rule 30, which regulates tender and purchasing processes as well as interactions with suppliers and contractors.

- **Monitoring, Auditing and Continuous Improvement**
  We have a comprehensive internal control system, which includes both planned and surprise audits conducted by the Internal Auditing Area. These audits allow us to verify regulatory compliance, identify gaps and undertake actions designed to improve our work.

  We use continuous monitoring and effective reporting mechanisms to evaluate and identify risks associated with our operations, implementing timely mitigation measures to minimize exposure to possible crimes.

Transelec uses an exhaustive and systematic procedure to assess corruption risks. This includes interviews with all areas, critical process reviews, and reviews of relevant documentation and policies. We analyze the likelihood and impact of risks, identifying effective controls and proposing additional ones where necessary.

Our anti-corruption policy and procedure is communicated to employees through the work contract, RIOHS, the Code of Ethics, the Crime Prevention Policy, internal dissemination, and mandatory training activities. Board members are informed through the Code of Ethics, Crime Prevention Policy, Auditing Committee, specific training activities and Compliance Official reports. Suppliers are informed through service contracts, purchase orders, and letters outlining new Crime Prevention Model requirements.

No. of people informed of corruption prevention policies and procedures by job category	Women	Men	Total
Board of Directors	2	7	9
Senior Management	1	0	1
Management	4	18	22
Team Leaders	8	34	42
Operators	0	0	0
Administrative Staff	8	5	13
Support Staff	0	0	0
Other Professionals	32	109	141
Other Technicians	0	25	25
Total	**55**	**198**	**253**

Those who received notifications in 2024 are taken into account.

No. of suppliers notified of corruption prevention policies and procedures **27**

Number of people by job category who have been trained to combat corruption	Women	Men	Total
Board of Directors	2	7	9
Senior Management	1	0	1
Management	1	3	4
Team Leaders	1	4	5
Administrative Staff	1	0	1
Other Professionals	4	14	18
Other Technicians	0	2	2
Total	**10**	**30**	**40**

All new employees are provided with documentation. Formally in 2024, 253 employees completed online training on the crime prevention model, which includes anti-corruption issues.

Fair Competition

At Transelec, we have a Fair Competition Manual that identifies the unfair practices that the company seeks to prevent. This document provides clear guidelines on relationships with customers and suppliers, participation in tenders, concentration operations, interactions with officials, oversight and inspections, and contact information for questions and reports.

Regarding the results of legal actions, in 2024 we won the suit filed with the Fair Competition Defense Court regarding alleged unfair practices on June 3, 2022, in the first instance, with court costs awarded. This reflects the company's strong commitment to regulatory compliance and fair competition.

In 2024, we were not fined under Law 19.496 on Consumer Rights Protection or under Law 20.393 on Criminal Liability of Legal Entities.

Discrimination

No cases related to discrimination were filed in 2024.

The company had no confirmed cases of corruption in 2024.

1.2.6 Stakeholders

(CMF 3.1 iv, 3.7 i, ii, 6.1 v, 6.3, GRI 2-29)

At Transelec, we recognize the importance of sustainability in its various dimensions as a fundamental pillar for the company's long-term success. In this regard, we take a broad approach to sustainability, encompassing aspects such as environmental protection, community engagement, ethics and compliance, and the diversification of our revenue streams to avoid the concentration that occurred in the past. Within this framework, the relationships we build and maintain with our stakeholders play a crucial role. These key players drive our development, challenging us while also inspiring us to innovate and meet the highest standards in every aspect of our operations.

Our approach to engagement is based on ongoing, transparent dialogue, which we believe is the basis for building trust and creating shared value. To this end, we have various engagement strategies, platforms and channels, such as the Communications Management System (CMS), our participation in the Corporate Reputation Survey, conducted every two years, to learn how our main stakeholders perceive us, the internal newsletter, Transelec TV, social media, the company website, external newsletter, national and regional media, and public affairs plans.

Our engagement model is based on identifying the stakeholders that impact or are impacted by our operation.

Stakeholder
Shareholders and Board
Financial environment (banks, investors, risk rating agencies, etc.)
Employees
Authorities
Communities
Customers
Suppliers and contractors

02.
STRATEGY

Growth through business diversification.

Strategy

(CMF 2.1, 3.1 ii, 4.2, GRI 2-23, 2-24)

At Grupo Transelec, we lead the transmission of electrical energy and the transportation of seawater for mining in Chile, with a presence also in the transmission business in Peru. We also develop and operate infrastructure to supply seawater to large mining and provide energy storage solutions in Chile along with promoting new technologies to support the safety and efficiency of the transmission system. Our focus is on delivering efficient, quality solutions and developing projects that enable the integration of renewable energies into the system. Through constant innovation and a firm commitment to sustainable development, we support the energy transition, seeking to create long-term value for the public, our customers, and our stakeholders and strengthening trust-based relationships with communities.

Through our experience in electric transmission, we connect renewable energies across Chile, offering comprehensive solutions under a single business model. This reflects our purpose of connecting the energies of the future, improving quality of life, and responding to the needs of a changing world by providing sustainable, long-term solutions.

The energy sector is currently undergoing a deep and accelerated transformation driven by the need to decarbonize economies, integrate renewable energies, and address the impacts of climate change.

Moving forward with the energy transition is particularly important, as Chile has positioned itself as a key regional actor in clean energy implementation and investment, including solar and wind energy. By november 2024, 98% of the 2,411 MW under construction came from renewable sources, primarily solar (64%) and wind (26%), according to data from the Ministry of Energy. This progress has led to new challenges, such as the need to have a robust and resilient electricity transmission infrastructure capable of efficiently integrating renewable energies while ensuring system stability and reliability during periods of high demand and generation fluctuations. Furthermore, strategic sectors such as mining and industry

require innovative solutions that not only ensure energy supply but also address critical challenges such as water management and the efficient use of resources.

In this context, at Transelec Group, we understand that it is not enough to adapt. We must lead the change. As such, based on our experience and drawing on our strengths and abilities, we have undertaken a diversification process that pushes us to evolve and expand our role in Chile's energy sector. This process, driven by the increasing challenges of both the country and the global markets, has positioned us as a key actor in the transition towards a more sustainable future. Our new strategic vision has led us to incorporate innovative skills, diversify our operations, and renew our focus on placing the customer, growth, and sustainability at the center of our decisions.

Transelec Group's transformation is not only a tactical response, but a strategic evolution guided by the fundamental principles that define who we are and where we aim to go. Our purpose, mission, and vision give us a strategic framework to successfully face the challenges of the present and anticipate future needs.

Purpose

"Connecting the energies of the future" through excellent service, continuous innovation, and a solid commitment to society, the environment, and the wellbeing of our communities and employees.

Mission

To lead the electric energy transmission business in Chile, meeting the country's needs and those of our customers by developing efficient, high-quality solutions. We ensure the safe operation of the system while maintaining high occupational health standards. We create sustainable value for our shareholders, promoting trust-based relationships with communities and acting with integrity and responsibility towards the environment.

Vision

To be recognized as leaders in knowledge, technology, and operational excellence with highly productive professionals. To be responsible for society and the environment, contributing to the country and our customers through efficient transmission solutions and adding value through new business activities.

Our Values

Excellence	Respect	Commitment	Integrity
We are driven to be leaders in energy transmission, continually improving and delivering quality in all processes.	For people, the community, and the environment guiding both personal and professional interactions.	This is reflected in our constant dedication to achieving company objectives, ensuring that each action is aligned with our vision and mission.	Ethics and honesty form the foundation of all of our actions and decisions.

Our corporate purpose, "Connecting the energies of the future," motivates us to center our customers and provide excellent services, always with a firm commitment to social and environmental responsibility, aiming to create value and a positive impact on society. Our decisions are guided by the three pillars of our strategy: Growth, Customers, and Sustainability.

Strategic Pillars

Growth

Leader in transmission, development of new business that adds value to the investment

Customers

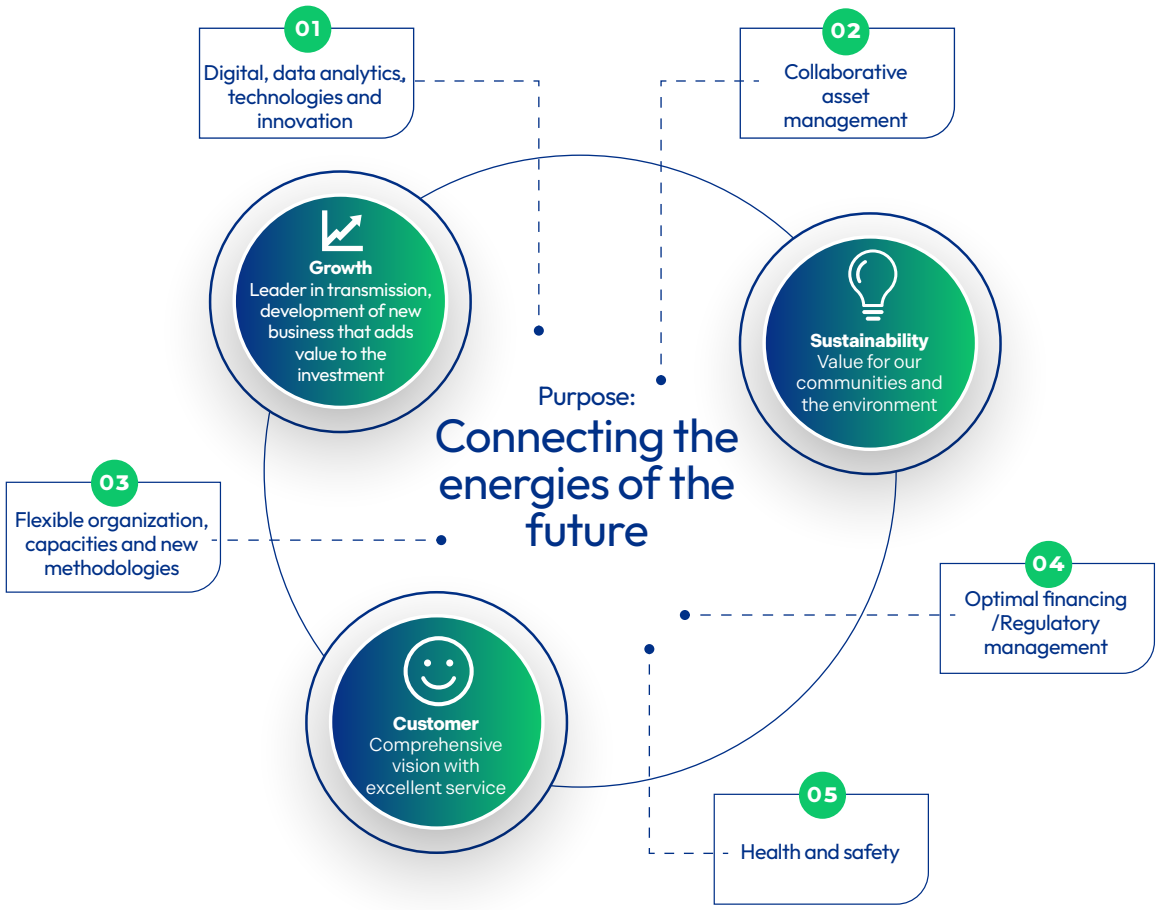
Comprehensive vision with excellent service

Sustainability

Value for our communities and the environment

We connect the **energies of the future**

Our Corporate Strategy



This year, the company adopted a new approach to monitoring the execution of its strategy. A team led by the Vice President of Business Development and composed of professionals from various disciplines/areas is responsible for overseeing the company's main outcomes.

This new structure will allow us to align the efforts of all teams with our strategic objectives and will promote a comprehensive, collaborative vision in decision-making. By working together, the team focuses on optimizing all opportunities for improvement and on fostering innovation across all areas of the company.

Our comprehensive approach to sustainability, customer, and growth-oriented mindset strengthen our market position, enabling us to continue to contribute to the country and expand towards new business frontiers that complement our main activity.

2.1 Growth

As a leader in electrical transmission in Chile, Transelec Group is committed to expanding and diversifying its operations in response to the challenges of the energy sector. This strategic approach includes the development of new businesses that complement our main activity, exploring new opportunities in industries aligned with or synergistic to energy transmission. This allows us to expand our operations into key areas such as energy storage and water infrastructure, ensuring long-term operational sustainability while integrating new sectors.

These sectors do not only respond to increasing demand for innovative solutions but also allow the company to diversify its offerings and strengthen its position as a strategic partner in the energy transition.

Each expansion project is developed sustainably, aligning with customers' needs and ensuring a positive economic and environmental impact. This comprehensive approach strengthens our leadership in regulated transmission and positions us as a key actor in the development of important infrastructure for Chile.

Context for Growth: Chile's Transmission System

(CMF 6.2 ii, v, GRI 2-24)

Chile's energy transmission system operates through the National Electric System (SEN), which spans from Arica to Chiloé and is complemented by the Aysén and Magallanes electricity systems. The interconnection of all transmission components (transmission lines and substations) allows for a shared electric market that is capable of maintaining demand, quality, and safety even during failures and emergencies while adhering to legal standards.

Transelec is a key actor in this system and owns an important share of high-voltage lines: 49.01% of 220 kV lines and 25.56% of 500 kV lines. This positions the company as a fundamental pillar of the country's electrical transmission.

High-voltage transmission lines transport electric energy from plants to cities, industries, and mining areas. Once there, the substations convert the energy to lower voltage for safe and efficient distribution to final users.

At Transelec, we take responsibility for guaranteeing continuous, dependable electricity supply throughout the country from generation sites to consumption centers, making our facilities and assets available to the Chilean electricity system. This not only improves Chileans' quality of life but also contributes to the country's sustainable and economic growth.

The following four systems are the channels through which we offer our service:

National System	Interconnected substations and high-voltage lines from Arica to Chiloé facilitate market development by connecting the various transmission segments, including zonal systems. These facilities are vitally important to ensuring that electricity needs are met.
Zonal Systems	These systems are located near the areas where demand is found and supply large-scale final customers in the free and regulated regimes. It is also important to note that many zonal systems are distributors.
Dedicated Systems	Transmission infrastructure mainly focused on supplying electric energy to unregulated customers or on injecting power plants' production into the electricity system. Their use is regulated through private contracts.
Development Pole Transmission Systems	Electrical lines and substations are designed to transport the energy generated from a single development pole to the transmission system. This approach maximizes the use of available space and guarantees efficient use of electricity facilities in the national territory.

Transelec is the main brand used to sell these services.

Transmission System Payments

(SASB IF-EU 240a.1)

We generate revenue by providing transmission services, and it is calculated based on the available installed capacity of the infrastructure for this purpose. This is composed of activities that fall into two categories: those with dedicated income (established in bilateral agreements) and those with regulated income (determined through a supervised rate-setting process). Rates are set every four years based on the amounts that can be transferred to final customers. In addition, the legislation stipulates that companies that grow the regulated transmission systems whether through new projects or expansions of existing ones will have the right to generate income for 20 years through competitive bidding processes.

The rates set by the authority include the Annual Transmission Value by Segment (Valor Anual de la Tranmisión por Tramo, VATT). This includes the Investment Value Annuity (Anualidad del Valor de la Inversión, AVI); Cost of Operation, Maintenance and Administration (COMA); and an adjustment for income tax effects (Ajuste por Efectos del Impuesto a la Renta, AEIR) for each segment of the system. Furthermore, income from transmission facility use is calculated on the basis of the proportion of the VATT assigned to those users.

Free and regulated final users are responsible for National, Zonal, and Dedicated Transmission System payments. A single charge that covers facilities not used by existing generation is established for the Development Pole Transmission Systems. Any VATT not covered by this charge is assumed by the plants injecting energy into the corresponding pole.

For the National Transmission System, Law No. 20.936/2016 established a regulatory framework to modernize the Chile's electricity transmission system, including a new compensation regime that redefines the calculation and assignment of transmission costs. This regime is being gradually implemented in the National Transmission System during the 2019-2034 transition period, enabling a gradual transition from the terms and conditions of the old model to the new one. The regime was introduced in its entirety in the Zonal Transmission Systems beginning on January 1, 2018, which reflects faster progress in these specific systems. This process is designed to optimize system operation, improve efficiency and ensure equitable compensation for all stakeholders. Payments for the use of Dedicated Transmission System facilities designed to inject energy from plants or the supply to free customers are established through private agreements among the parties. These payments tend to be calculated based on mutually agreed upon AVI and COMA.

Tariff Studies

On March 2, 2022, the National Energy Commission issued the Final Technical Report on the 2020-2023 rate process studies, which was corrected on January 19, 2023. The Ministry of Energy sent Decree No. 7T-2022 to the Comptroller's Office, setting tariffs for both systems for 2020-2023. This decree was published on February 16, 2023, and retroactively went into effect on January 1, 2020.

The National Energy Commission began the assessment process for 2024-2027 on December 31, 2021. This is a key procedure for determining the tariffs applicable to electric transmission systems for that period. It includes technical and economic assessment of transmission system facilities as well as the determination of related costs to ensure that the tariffs adequately reflect real costs and promote efficiency in the operation of the electrical system. In 2024, a Review Committee was formed to evaluate studies conducted through tenders issued by the National Energy Commission for the assessment of the Transmission Systems used by regulated users. At the same time, invitations to bid on those studies were issued, and the consulting firm SIGLA was awarded the Zonal Transmission System assessment in December. The second call to bid on the National Transmission System facilities assessment study was published on November 27 and is in process. This process is delayed, and as a result, the tariffs currently in force are those established by Decree No. 7T-2022.

Growth in 2024: Projects and New Business

(CMF 4.1, T2-3)

Transelec Group is implementing an ambitious diversification strategy that addresses energy and infrastructure challenges. With a solid track record and firm commitment to innovation and sustainability, we are expanding our horizons to new sectors, providing comprehensive solutions that promote the development of the country and the region and connecting resources and energies to address future challenges. We also ensure that these new projects are aligned with the Group's business model, with stable and long-term income.

This diversification demonstrates adaptability and the ability to generate value beyond our main business, positioning us as an important actor in different industries.

We focus on business diversification and seek to position ourselves as a key strategic ally for critical sectors like mining and energy, creating a positive impact that contributes to the country's development. This approach reaffirms our mission to be a transformative agent in the transition to a future of sustainable energy.

We are part of the national challenge of transitioning to the generation and use of renewable energies to reduce our generation matrix's carbon footprint. We are also aware of the impacts of climate change and proposed limiting the mining sector's surface water footprint with infrastructure that allows for the use of seawater.

Discussion on Streamlining the Energy Transition Law

In the context of the discussion "The Role of Transmission in the Energy Transition Bill" organized by Transelec, public and private sector stakeholders agreed that there is a need to streamline the Energy Transition bill.

The meeting highlighted power transmission as a key component for achieving Chile's carbon neutrality goals for 2050.

During the discussion, participants addressed topics such as energy storage and planning for power transmission. The event featured prominent figures such as Yovana Ahumada, the President of the Congressional Mining and Energy Commission; Fernanda Riveros, the Chief of the Ministry of Education's Legal Division; Javier Tapia, Executive Director of the Chilean Transmitters' Association; and Enzo Sauma, a professor at the Pontificia Universidad Católica.

Link video

Transelec exposes challenges in energy investment

In the seminar organized by Sofofa under the slogan "Growing at 4%: Untying the knot of the political system", the need to reform the Political System to facilitate agreements and remove barriers to key investments was addressed. The discussion emphasized how regulatory rigidity slows growth and affects investment, especially in the energy sector.

Arturo Le Blanc, CEO of Transelec, outlined the difficulties that electrical projects face due to the lack of regulatory flexibility, pointing out that regulatory restrictions prevent adjustments in transmission line layouts, even with community support.

The event was attended by Rosario Navarro, president of Sofofa, and Francisco Saffie, coordinator of Economic Regulation of the Ministry of Finance, who agreed on the importance of modernizing regulations and streamlining processes to attract investment and generate certainty in the development of strategic projects for the country's growth.

Noteworthy Transelec Group Project

We made progress on the execution of our diversification strategy in 2024 in partnership with Almar Water Solutions, doing business as Aguas Esperanza SpA. We were awarded a second major contract in the water sector that is focused on providing seawater for mining operations in northern Chile.

Centinela Project: Water Transportation and Storage

In partnership with Almar Water Solutions, part of Jameel Environmental Services, we acquired the existing water supply system for the operation of Minera Centinela (Antofagasta Minerals and Marubeni) in the Antofagasta Region. This first system, which is 144 km long, currently provides 1,194 l/s (110,678 m3/day) of non-desalinated seawater from the port of Michilla for use at the mining site, thus eliminating the need for continental water sources and desalinization processes.

In addition, we have been selected to develop and construct a second parallel impulsion system under a BOOT (Build, Own, Operate, and Transfer) contract model. It also spans 144 km and will transport 650 l/s (56,333 m3/day). This new infrastructure will be essential to Centinela's expansion, which includes the addition of a new copper concentrator plant called "Nueva Centinela." It will effectively double the current flow of seawater, meeting the increasing demand for copper and gold production.

During this period, we expect to hire 1,500 people, many of them from the area. The new system should begin operations in 2026. This project will increase the supply of non-surface water in northern Chile and will position us as a key actor in the development of large-scale mining linear water infrastructure development.

The Aguas Norte y Desarrollo (Nordes) consortium, which is comprised of Almar Water Services, Latam, and Transelec, will be responsible for the operation and maintenance of both the existing and new systems.

The contract positions us as the first entity in Chile to provide water infrastructure for the large-scale mining industry, marking an important milestone by including the development of the water project for Codelco part of our story. This achievement shows that Transelec Group is not only a leading electrical transmission company but is also a solid and reliable alternative in linear water infrastructure development.

Approximate investment: ~US$ 1.5 billion.

Awarding of tender: first semester 2024

Execution time: 20 months.

Contract duration: 18 years.

Other notable projects of Transelec S.A are mentioned in section Key 2024 Transelec S.A. Projects, page 45

Our growth strategy focuses on diversifying into new sectors such as water infrastructure and energy storage and includes the consolidation of our investments at the heart of our business: electrical transmission. In this area, we focus on improving existing infrastructure or on the development of new projects by participating in regulated tenders focused on expanding the network, and also in processes for acquiring existing assets.

New Contracts and Connections at Transelec S.A.

In 2024, we strengthened our commitment to the development of Chile´s energy infrastructure, signing eight new contracts. These agreements reflect our capacity to respond to the needs of the electricity sector through transmission projects, system expansion, and dedicated solutions for strategic customers. Furthermore, we implemented 15 new connections to the National Electric System, enhancing our network and connecting new generation facilities, substations, and critical consumption points. These numbers reflect our role as a key partner in the energy sector and our contribution to the safety and reliability of Chile´s electricity supply.

The contracts were signed with, ENGIE, for tolls on dedicated line 1x220 kV Jama - Calama Nueva, GPG, for tolls on dedicated line 1x220 kV Jama - Calama Nueva, tolls on Jama Solar Plant with San Pedro III SpA, Sale & Purchase and Investment with AR Escondido SpA, Operation, Maintenance and Management of Transmission Facilities with AR Escondido SpA, tolls on Solar Photovoltaic Park Río Escondido and Solar Valle Escondido with AR Escondido, and tolls with Sociedad Química y Minera De Chile S.A.

	2023	2024
N°. of new contracts signed	3	8
N°. of new connections implementeds	14	15

Key 2024 Transelec S.A. Projects

(T2-3, T8-1)

During 2024, we managed a portfolio of projects that represent a total investment of US$ 1.272 billion, including tenders, developments, and commissionings. Investments in dedicated systems represent US$ 122 million of that amount.

Línea de negocio	Awarding of tender				Project development				Commissioning			
	2023		2024		2023		2024		2023		2024	
	N°	Investment (US$ million)	N°	Investment (US$ million)*	N°	Investment (US$ million)	N°	Investment (US$ million)	N°	Investment (US$ million)	N°	Investment (US$ million)
National System	4	43	5	63	15	288	17	346	5	93	2	5
Zonal System	9	103	0	0	14	111	22	253	6	50	4	34
Dedicated System	1	18	3	46	3	19	2	33	-	-	4	43
Complementary Services**	-	-	2	284	-	-	0	0	-	-	0	0
Storage	-	-	1	101	-	-	0	0	-	-	0	0
Adjacent	-	-	1	64	-	-	0	0	-	-	0	0
Total	-	-	12	558	-	-	41	632	-	-	10	82

* Refers to the total of the reference investment values of the different proyects developed over the course of the year.

** Complementary systems are resources additional to the electric system that are designed to ensure stability, safety, and quality of operations in real time. They correct imbalances between supply and demand through frequency control, voltage, and emergency recovery services.

During 2024, the acquisition of the Ana María substation was completed and the Jadresic substation was commissioned. Both of these projects are located in Antofagasta and allow us to ensure the availability and quality of the supply, optimize land use, and reduce electrical system operating costs, facilitating open access to new generation projects and improving the system's resilience to emergencies.

Acquisition of the Ana María Substation

In 2024, we acquired the company Ana María S.A. from Total Energies. This entity owns the Ana María substation. The purchase increased our ability to inject renewable energies into the National Electric System while expanding our customer portfolio with a new renewable energy generator. We will now be able to develop one of the two synchronous condensers recently awarded on the available land at the Ana María substation that is now owned by GEA.

The operation includes the acquisition of an existing substation and control over an expansion project for the Ana María substation that consists of extending the main bars of the 220-kV substation yard with a breaker and a half configuration to allow for three new diagonals. Two of these will be allocated to the Frontera-María Elena line sectioning, and one will be reserved for future projects. This will enhance electrical transmission capacity, facilitate the connection of renewable energies, and ensure a construction sequence that minimizes supply interruptions. The expansion is expected to be completed and operational during 2025.

Approximate investment: ~US $30 million (including the total investment in the expansion project).

Awarding of tender: second semester 2024.

Execution time for the expansion project: 30 months.

Duration of the expansion project: perpetual.

New Jadresic (Formerly Parinas) Substation

Inaugurated in August 2024, the new Jadresic substation in the Antofagasta Region increases the system's transmission capacity and facilitates the integration of renewable energies into the National Electric System. This infrastructure not only prevents energy loss but also allows for the connection of significant renewable projects like the Taltal wind park and Lalackama photovoltaic power station as well as the Lomas de Taltal (Engie) and Horizonte (Colbún) wind parks, the largest in Chile and Latin America.

In addition to the substation, we are making progress on the construction of the new Jadresic (formerly Parinas) - Monte Mina 2 x 500 kV line. It includes civil projects for the construction of the 220 kV Monte Mina substation and transmission line, which are located 180 km from Antofagasta. This project strengthens the transmission system and supports the country's energy transition.

Approximate investment: ~US$100 million.

Awarding of tender: february 2020

Execution time: 36 months

Contract duration: perpetual.

Acquisition of the 220 kV Jama–Calama Line

On December 24, 2024, we finalized the acquisition of the 220-kV dedicated transmission line from WEG. This 32-kilometer line connects the San Pedro I and III solar plants (owned by GPG and WEG) as well as the Calama wind park (ENGIE) -with a total of 300 MW- to the National Electric System. To ensure a smooth operational transition, we extended the Operations and Maintenance (O&M) contract to January 31, 2025, when we officially take control of the assets.

In addition to taking over line operations and maintenance, the next steps include repair work required to ensure its reliable performance and compliance with current regulations. Those tasks were identified and included in the budget during the due diligence phase. Work is expected to be complete in early 2027.

Investment: ~US$9 millon.

Awarding of tender: december 2024.

Repair work execution time: 24 months.

Contract duration: 30 years.

Additionally, as part of Chile's energy transition, we have taken an important step by being awarded the construction of the country's first two synchronous condensers this year (More information on page 52).

BESS Project/Solar Farm Storage

Through its subsidiary GEA, Transelec is developing a large-scale battery energy storage system (BESS) to complement the "Solar Farm" wind park owned by COPEC in the Tarapacá Region. This project will store energy equivalent to the annual electricity consumption of over 60,000 homes, which can be injected into the National Electric System (SEN).

The system will have 105 MW of nominal injection power and 420 MWh of storage capacity, which will contribute to mitigating the high rate of renewable energy dumping. The project is expected to be commissioned during the first quarter of 2026, making the Solar Farm a renewable plant with storage capacity.

Transelec will be responsible for the construction, management, and operation of the storage system, ensuring its optimal performance and contribution to the national energy supply.

This initial storage contract marks a milestone in Transelec´s diversification strategy, complementing transmission services with water infrastructure.

Investment: ~US$ 100 million.

Awarding of tender: first semester of 2024.

Execution time: 20 months .

Contract duration: 20 years.

Other Infrastructure Improvement Projects:

1. Expansion of the Charrúa Substation: Installation of new panels in the 220-kV substation yard and 154-kV substation yard of the Charrúa substation to allow for the dual connection of the current 220/154 kV 390-MVA capacity transformer to existing sections of bar in the 154-kV substation yard, and two of the three bar sections of the 220-kV substation yard of the substation.

2. Nueva San Rafael 110 kV Sectioner Substation: Construction of a new substation located in what is now the Tap San Rafael area. It will section the 2x110 kV Aconcagua-Esperanza line.

3. Expansion of the Nueva Valdivia Substation: New panel installations in the 200-kV substation yard and 154-kV substation yard of the Charrúa substation to allow for the dual connection of the current 220/154 kV 390-MVA capacity transformer. This will be done by connecting the transformer to both bar sections in the 154-kV substation yard, and two of the three bar sections of the 220-kV substation yard of the substation.

4. Expansion of the Maitencillo Substation (BPS+BT): This project consists of the expansion of the rail and shared facilities of the first rail section of the substation's 110-kV yard. Its configuration corresponds to the main divided rail and transfer rail. This will allow for a new position to be installed and for the addition of a new line panel in that section of rail. In addition, the 1x110 kV Maitencillo-Las Compañías service line is scheduled to be changed. It is currently connected to the second rail section of the substation such that the circuit connects to the new line panel installed in the first rail section, leaving the current panel available to allow for the connection of the "New 1x110 kV Maintencillo-Vallenar Line" project.

5. 2x220 kV Alto Jahuel-Chena Switch Replacement in the Alto Jahuel Substation: Replacement of the J8 and J9 switches in the 200-kV substation yard of the Alto Jahuel substation, which correspond to the 2x220 kV Alto Jahuel-Chena line, with switches with a break capacity of at least 63 kA. The project also includes replacing all of the related equipment that exceeds the nominal characteristics.

It also covers the following:

- **Lomas de Taltal Wind Park connection to the Parinas Substation**
- **Río Escondido Transmission Project**
- **San Rafael 2x110 kV Bypass**
- **Coupling Panel Switch Replacement at the Temuco 66 kV Substation**
- **Expansion of the Ovalle Substation**
- **Increase in the Capacity of the La Cebada - Punta Sierra 2x220 kV Line**
- **Jadresic - Montemina 2x500 kV Line**

Inauguration of Jadresic substation

2.2 Customers

At the heart of Transelec, there is a strong commitment to quality service and operational excellence. These two characteristics have positioned it as Chile's top transmission company and as a leader in the industry. However, the changes that the electricity market has undergone with the arrival of aggressive competition, regulatory changes, the emergence of new technologies, and other factors pose important challenges.

In this context, Transelec launched an effort to improve the customer experience, thus contributing to the company's growth. This led to the creation of the Customer-centric initiative, which is designed to provide excellent service that anticipates and promptly meets the needs of customers and elevates satisfaction levels, allowing us to grow beyond the transmission industry.

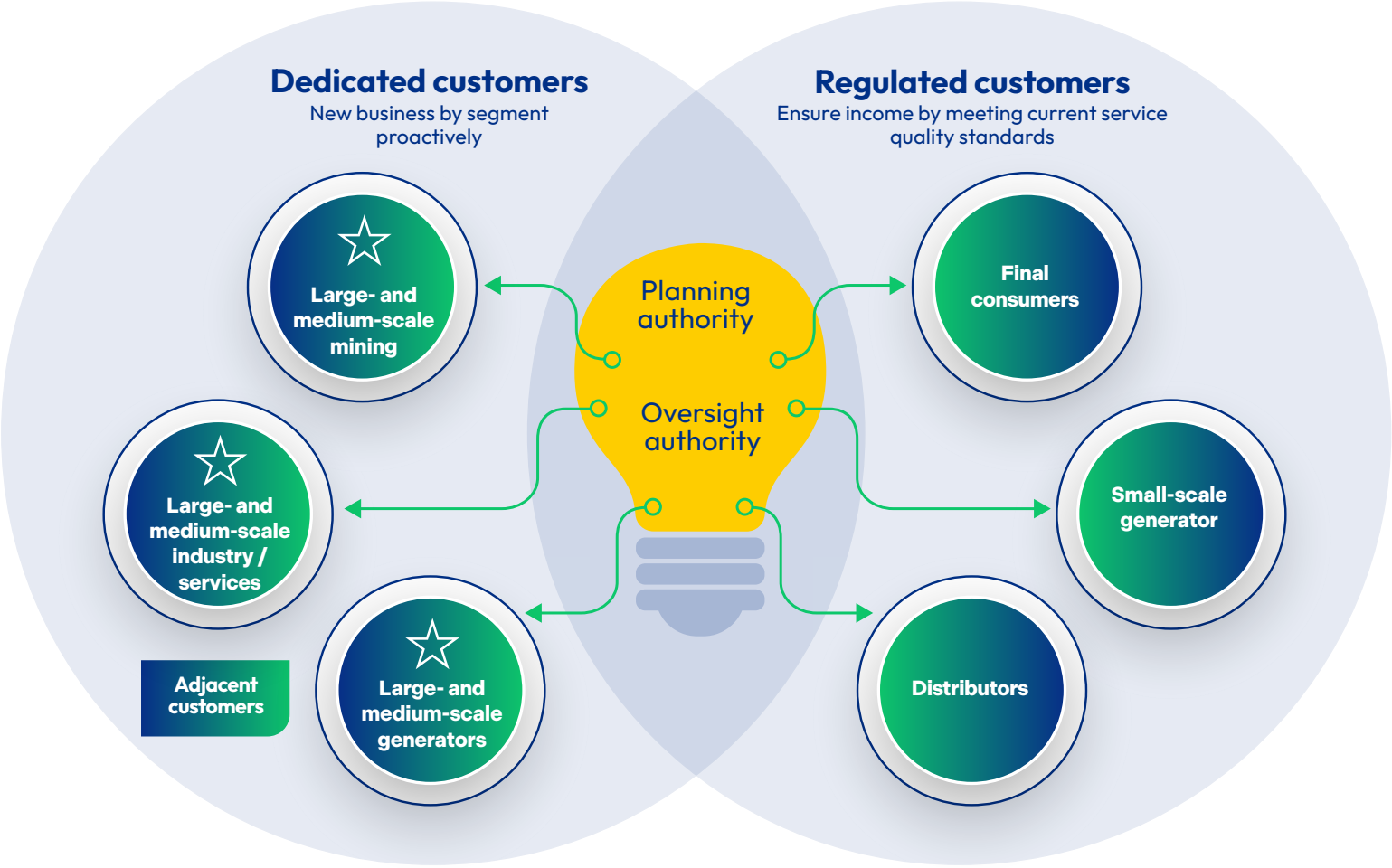
Who are our customers?

In 2024, Transelec Group expanded its customer portfolio, adding energy supply, distribution companies, and major industrial consumers, particularly in the mining sector. We have diversified our services, including solutions in water infrastructure and energy storage, positioning ourselves as a strategic partner in the development of Chile´s infrastructure.

Transelec S.A. has two types of customers: regulated customers and unregulated customers. The former are subject to price regulation and have less than 300 kW in connected power. Unregulated customers are those that are not subject to price regulation, therefore the tariff is agreed upon by the parties, with a connected load of over 5,000 kW, along with customers with a connected load of between 300 kW and 5,000 kW. The latter have the option to choose to be free or regulated customers.

Transelec S.A. Customers

(GRI 2-6 b iii, SASB IF-EU-000.A, SASB IF-EU-240a.1)



Transelec S.A impacts a total of 7,919,191 final customers through its services. They are identified through the number of meters.

Customers	2023	2024
No. regulated customers	224	491
No. unregulated customers	66	51
No. final customers	7,639,179	7,919,191

Focus on the Customer

The context of our business changed, and decarbonization and the expansion of the grid to connect renewable energies posed important challenges. We face growing competition that forces us to seek out new ways of doing things in order to continue to grow and maintain our leadership in the transmission sector.

Given that scenario, we determined that one key step involves working on the concept of customer as an organization. Who are our customers? What are they like? What do they need? We believe that creating long-term relationships that allow us to connect to the customer in a comprehensive manner makes the difference in a market as limited as ours.

"Changing how we make decisions and viewing the customer as the main lever of sustainable development." (Customer Initiative Purpose)

Transelec has developed a process of continuous improvement in its ability to understand situations, perceptions, and expectations, organizing itself in a way that places the customer at the center of all decisions related to the delivery of products, services, and experiences. This approach aims to drive customer satisfaction, loyalty, and advocacy.

We recognize that, to grow in segments beyond regulated transmission, it is essential to gain a thorough understanding of our customers' expectations and the contexts in which they operate. This understanding will enable us to make decisions focused on delivering tailored solutions that address their needs, not only ensuring their satisfaction but also fostering their loyalty and advocacy.

4 key pillars

Achieving these objectives requires a collaborative and culturally aligned effort from all our teams, as the success of this approach depends on an organization-wide commitment.

Transelec acknowledges the perception of being commercially reactive as an opportunity for improvement. In response, the company is redefining its industry strategy by adopting a proactive approach centered on four key principles for enhancing the customer experience: Commitment, Agility, Adaptability, and Service Excellence.

Enhancing the Experience

(GRI 3-3, T4-1)

In a context marked by the diversification of our operations, we continue to expand our strategic approach "Customer-centricity," which involves placing our customers at the center of all decisions with a strong commitment to developing concrete actions to improve the experiences of those who rely on our services.

To that end, during 2024, we have implemented new service channels and training programs for the organization, aiming to deliver better service and, consequently, a better customer experience, reflecting our commitment to continuous improvement.

Placing the customer at the center of our work also means listeniwng to them and constantly measuring their perception. Traditionally, we conducted an annual standard measurement of the customer satisfaction index, which assesses the extent to which we meet their expectations regarding the processes and services delivered. However, in our pursuit of identifying new opportunities for improvement, we decided to change the evaluation tool to analyze our service more critically and rigorously.

The new tool includes, for the first time, the Net Promoter Score (NPS) measurement, a key tool for understanding our customers' perception of the quality of service we provide. This wideley recognized and demanding indicator measures customers' willingness to recommend us, reflecting their experience and connection with Transelec. In this initial assessment, we achieved an NPS of 25 points, a result within the acceptable mid-range. This motivate us to continue strengthening our customer relationships and raising our standards of excellence in every interaction.

Regarding the key results obtained, it stands out that Transelec demonstrates strong technical expertise among its professionals, delivers high-quality service with safety and reliability, and maintains a strong customer-oriented approach and commitment to meeting client needs and objectives.

We are developing action plans aimed at strengthening our processes to uphold quality and service while enhancing speed and agility.

Quality Service

At Transelec, we understand that maintaining and improving our facilities and networks is essential to offering our customers quality services. Properly managed infrastructure not only ensures service continuity and safety but also strengthens the system's resilience in case of high impact weather events and emergencies. This directly impacts the stability, reliability, and efficiency of our electrical supply.

As such, we must ensure that the assets are kept in optimal condition by implementing long-term strategies that ensure security, continuity, and quality service. In this context, it is necessary to predict and identify the consequences of phenomena associated with climate change, which can cause unanticipated infrastructure failures. The key is prevention using robust and efficient reinvestment plans that adapt to environmental changes and ensure that infrastructure is protected, as well as timely repairs that minimize the duration of supply interruptions.

Synchronous Condensers

We have taken an important step in Chile's energy transition by being awarded the construction of the country's first two synchronous condensers. This equipment is key to improving the stability of voltage in the network and ensuring that the National Electric System operates safely when coal power plants are closed.

The condensers will be installed in the Ana María and Monte Mina substations in the Antofagasta Region and will play a key role in regulating energy fluctuations, especially as renewable energy sources replace thermoelectric plants, ensuring that major energy outages do not occur.

This project will be developed through GEA Transmisora SpA, a subsidiary of Transelec S.A.

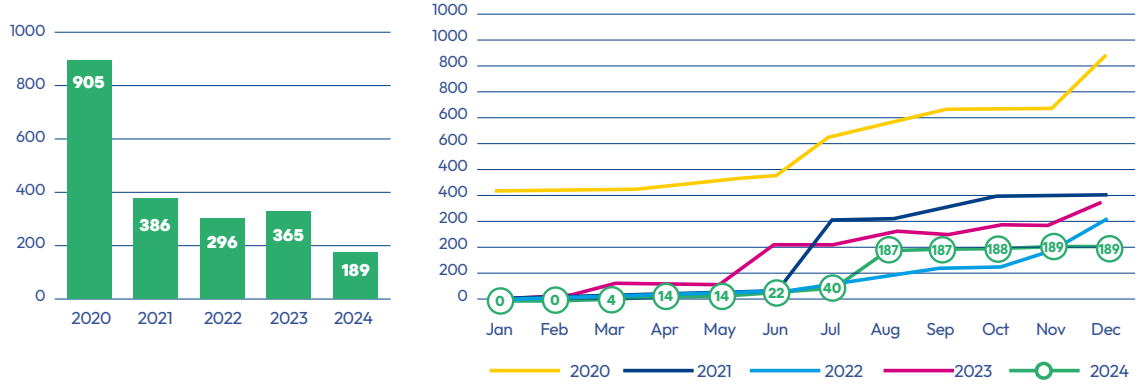
Investment: ~US$ 300 million.
Awarding of tender: First semester of 2024.
Execution time: 45 months.
Contract duration: Perpetual.

Energy Not Distributed

(SASB IF-EU 240a.4)

We conduct ongoing measurements of a series of indicators to determine the quality and safety of the provision of the service. Energy not distributed measures supply failures for which Transelec is responsible. During 2024, it totaled 189 MW, 198 MW (48% lower than 2023 and 79% lower than 2020), a historic record for the company, which reflects an outstanding level of operational efficiency and reliability.

END: Energy Not Distributed (MWh)

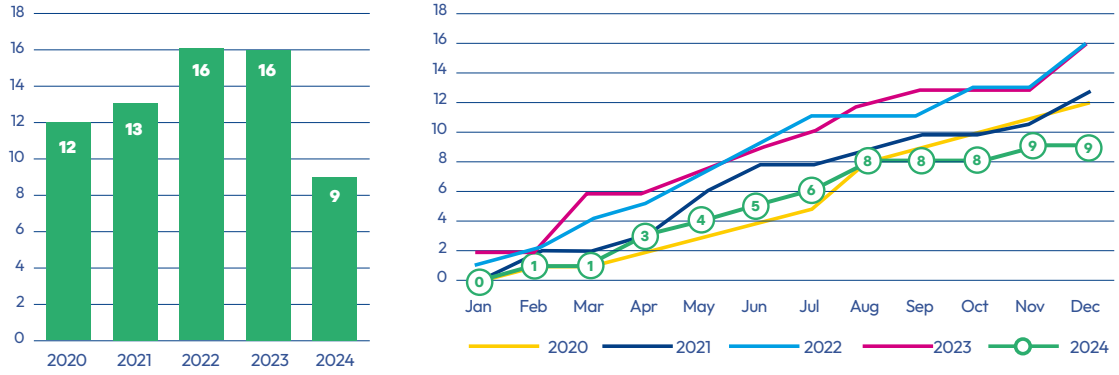


Furthermore, Transelec has organized its critical failures into two groups: intervention errors and conductor or physical element failures.

Intervention Errors

This refers to errors or incidents that occur during maintenance or repair interventions in substations and transmission lines. This indicator measures both individual events and the annual trend.
A decrease in this value signals improvements in intervention management.

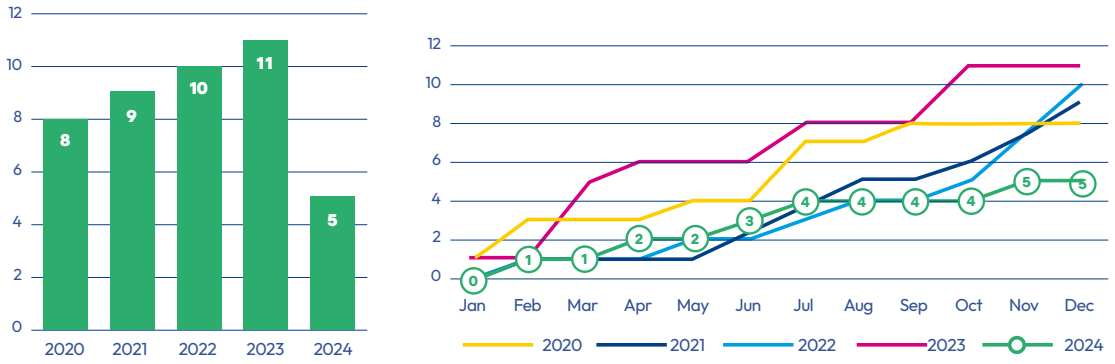
Intervetion Error Substations and lines



Cutting of Conductors or Physical Elements:

This indicator monitors physical outages (such as conductor outages) in lines and substations due to maintenance or unanticipated failures. It shows both bars for specific dates within a year and a line with the historical trend.

Cutting of conductor and physical elements of lines and substations



Transelec Operations and customers	2020	2021	2022	2023	2024
System Average Interruption Duration Index (SAIDI) (hours) (T6-1, IF-EU-550a.2)	0.8	0.06	0.05	0.03	0.02
Number of high impact events (more than 30 MWh. Equivalent to 15% of the outages causing 80% of the total impact) (T6-2)	4	3	3	2	1
Percentage of compliance with maintenance (T6-6)	-	118%	95.50%	98.18%	99.69%

Transelec currently does not measure the following indicators: System Average Interruption Frequency Index (SAIFI) (IF-EU-550a.2) and Customer Average Interruption Duration Index (CAIDI), which includes the days on which they occur (IF-EU-550a.2).

Transelec Asset Management System

(T5-1)

The activities for the year 2024 continued with the maturing process of the Transelec Asset Management System (AMS), which optimizes and seeks to ensure quality service outcomes throughout the life cycle of the company's transmission assets. This system meets the requirements of the Electric Facilities Integrity Management System (Sistema de Gestión de Integridad de Instalaciones Eléctricas, SGIIE) set by the Superintendency of Electricity and Fuels and is meant to provide an adequate framework for asset-related decisions, incorporating considerations of risk, performance, and infrastructure efficiency. A series of projects and initiatives designed to reduce intervention errors and prevent conductor outages was completed in 2024. This came in addition to the implementation of technology platforms that allow us to determine the condition of the assets.

Physical and financial progress

(T6-7)

100% of the budget spent

137 Project Commissioning (PES) 2024*

*PES planned for 2024: 130

92.4%

progress on 2024 milestones to be achieved.

The major milestones in the development of the Transelec Asset Management System in 2024 are described below:

Maturity of the Asset Management System

In March of this year, we met one of the requirements set out by authorities in technical sheet RPTD No. 17 in accordance with the international standard ISO 55.001 on Asset Management Systems (AMS) ahead of the deadline. An external audit showed that Transelec has a level of maturity of 3.23 in its AMS, exceeding the level required by officials. A process was undertaken in 2024 with the consulting firm OHROS to continue to improve the level of maturity. Our goal is to reach the level of best international practices and to leverage the sustainable development of the company's strategy.

Launch and Scaling Up of the Asset Monitoring Center

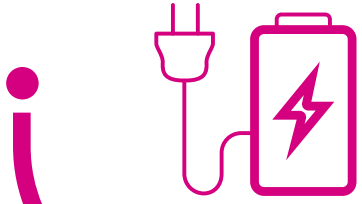
During 2024, we expanded our Asset Monitoring Center (AMC), a key tool for improving the observability of the grid and the conditions and risks that may impact our assets' operation. Transformer health monitoring, visual inspections with drones using Artificial Intelligence (AI), monitoring of pollution caused by our lines, and monitoring of the condition of vegetation in our transmission line easement strips are some examples of technological initiatives that allow us to engage in data-based decision-making.

Other key milestones from 2024 include:

- **Risk Models:** Risk models for operations and asset management were strengthened to improve decision-making criteria and develop an optimal asset renovation plan. We incorporated variables such as the impact on safety, service quality, systemic impact on the transmission system, socio-environmental aspects, and costs, among others. We also made progress on the implementation of a system that allows us to monetize the risk mitigated through the asset renovation plan, demonstrating the positive financial impact of these investments to our shareholders.
- **New Business:** We integrated the Asset Life Cycle model in 2024, consolidating the awarding of new business within the company and leveraging the conditions required for the competitiveness of the proposals through our Operations Division. The main projects awarded are:
  - BESS Wisin (Copec)
  - Aguas Esperanza (Minera Centinela, AMSA)
  - Synchronous condensers
  - Optical fiber with Entel
- **Critical Failure Reduction:** Under the leadership of the Asset Management Division's technical areas, we achieved a nearly 50% reduction in critical failures. This has contributed directly to improved service quality by reducing Energy Not Distributed as a final result.
- **Climate Change Impact:** During 2024, we completed the analysis undertaken to identify the projects necessary to ensure higher levels of safety and resilience in our transmission infrastructure regarding the impacts of climate change on transmission system operations. These mitigation measures are in the development and execution stages.

Projects for the operation

In 2024, Transelec S.A. developed a series of projects to improve the stability of voltage in the network, ensure the stability of the supply, and strengthen the capacity of the system. These include:



Increased Reliability and Renovation of the 220 kV Atacama-Esmeralda Line: This year brought the successful replacement of conductor cables and complementary elements on the 220 kV Atacama-Esmeralda transmission line, which supplies 70% of Antofagasta´s energy. The main challenge was completing the work without interrupting the electric supply given that the city has no backup and that the work had to be completed in an area inhabited by 1,600 people. A total of 6 kilometers of transmission line was updated while maintaining continuity of service. The work involved 140 people and required more than 10,000 transfers, which in turn necessitated close collaboration with the community. Transelec highlighted this joint effort at a project completion ceremony, reaffirming its leadership and innovation in the sector with a sustainable, people-centered solution.

Replacement Work on the 66 kV Charrúa-Laja Line: One of the largest thefts of conductor cables was reported on the 66 kV Charrúa-Laja line. The incident occurred in the early morning of Sunday, April 7, 2024 in the Álamo Blanco area in the municipality of Cabrero, and in Las Palmas, in the municipality of Laja. It left over 18 thousand people without electricity and caused the collapse of seven structures and damage to the hardware on three others. Given that this line is the only one that provides energy to the area, the incident caused a blackout. We began rebuilding the damaged structures and replacing the stolen cables immediately, and the line was energized four hours ahead of schedule. Transelec deployed over 70 people who worked for nearly 40 hours straight from the early morning and throughout the following day.

Transelec Launches Campaign to Thwart Cable Theft

Don't let them steal your energy! Transelec chose this slogan for its campaign to raise awareness about cable theft and encourage people to report the crime. The initiative was launched through various media outlets. It also includes line monitoring using sensors and participation in national working groups that coordinate with officials, police agents, and other electric companies to prevent these thefts.

The replacement of the 66 kV Charrúa-Cholguán line was carried out in coordination with the customer Arauco to guarantee safe supply through this major electricity consumer and regulated customers connected to the same line. This effort increases the reliability of the system and was developed in partnership with the Assets Division and Operational Projects Division.

At Transelec, we also promote digitization and automation projects to enhance our predictive maintenance and process optimization strategy, which includes the following:

- **Real Time Operation:** reinforces operation in real time, incorporating the CMGE monitoring center into the CNOT control center. This allows for synergies to be developed and for the strengthening of monitoring and oversight of our assets in real time in order to improve our response capacity and ability to anticipate events that may impact the transmission service.
- **Dynamic Line Rating (DLR) Network Technology Improvement:** allows for the dynamic operation of transmission lines. We worked with the Coordinator to develop efficient network use protocols to determine how this technology will be used. This represents a milestone in the way the electrical system is operated.

Maintenance Contract Administration: We have established a centralized administration system for Vegetation, SCADA, SOT, and Telecommunications contracts. This has allowed the company to optimize processes and standardize criteria at the zonal division and executive levels. The Assets Division has managed SOT contractor performance since 2023, which has led to substantial improvements. The average performance of these contractors was 96% in 2024, up from 91% in 2023.

Digital Transformation and Innovation

(CMF 3.1 v, T7-1, T7-2)

Digital transformation and innovation are elements that enable us to implement our strategy. In 2024, we enhanced our innovation efforts through initiatives that reinforce our leadership in the electrical transmission sector along with our capacity to adapt to a constantly evolving technological environment.

The Technology and Innovation Division became a Vice Presidency in 2024, reaffirming the importance of seeking out new ways of creating value for the Group. The responsibilities of this new entity include cybersecurity management, support, infrastructure and cloud management, data architecture and analysis, company-wide digital project management, and the innovation and ventures area. We seek to create spaces and tools that allow us to address the technological and operational challenges of the sector while promoting sustainable solutions that positively impact people, the environment, and the company.

Within the Vice Presidency, the Innovation and Ventures Area leads a portfolio comprised of four strategic focuses: Generative AI, Data and Analytics, Land, and RPA (Automations) Technologies, promoting research, development, and the implementation of new solutions. In addition, the company's Artificial Intelligence (AI) strategy was launched in 2024. It is based on four fundamental pillars: increased productivity, knowledge bases, market intelligence, and data-based decision-making. This marks a milestone in the incorporation of advanced technologies for transforming organizational processes and capacities.

The following table shows the number of innovation initiatives and projects developed in 2023 and 2024:

	2023	2024
No. Innovation Projects	14	29
New Transelec Ventures Challenges	6	4
No. Transelec Ventures Applications	120	65
No. Transelec Ventures Participating Countries	19	13
Initiatives Outside of the Portfolio	13	12
Initiatives at the Backlog Stage	4	2
Initiatives at the Idea Stage	6	4
Initiatives at the Planning Stage	4	2
Initiatives at the Prototyping Stage	1	9
Initiatives at the Implementation Stage	7	9
Initiatives at the Scaling Stage	1	3
Initiatives at the Closing Stage	4	0

Through this progress, we reaffirm our commitment to digital transformation and innovation, further positioning the organization as a leader in the application of technology for the sector's sustainable and efficient development.

Open Innovation

At Transelec, we work collaboratively, identifying needs and challenges and developing high value ideas. Innovation processes are approached using structured methodologies that include:

- **Internal Portfolio:** initiatives developed using internal capacities or in partnership with technological providers, where ideas come from within the organization.
- **Open Innovation:** Challenges to the global innovation ecosystem are launched through Transelec Ventures to recruit external solutions, promoting the development of ideas from external stakeholders.
- **Technological Surveillance:** Creation of newsletters to identify and monitor relevant trends and technologies.

The solutions are developed collaboratively and iteratively, beginning with concept tests and pilots financed by the Innovation Area. Successful tests are scaled up to general operations with funding from the appropriate areas, eventually becoming new operational standards.

In the area of open innovation, since its inception in 2022, Transelec Ventures has strengthened its position in the ecosystem. We use this innovative vehicle to test and accelerate groundbreaking solutions for the industry, complementing our internal portfolio. Startups submit applications in response to thematic challenges. Participants are required to have made significant progress so that we can test them. The winning startups from each competition move from the assessment stage to the pilot stage. Depending on the outcomes, this may lead to the design of a plan to scale up the project and create a business partnership with Transelec or other companies.

Transelec Ventures was recognized for its efforts to promote innovation in the C3 Ranking developed by the consulting firm Brinca, the Universidad Adolfo Ibáñez Business School, and Fundación Chile. The ranking highlighted the nanotechnology project for the useful life of conductors developed through Transelec Ventures, which extends the lifespan of high-voltage conductors, reduces replacement costs, and improves the safety and efficiency of the electrical system. Transelec Ventures also placed third in the 2024 Venture Client Ranking developed by MIC Consulting and the ESE Business School at Universidad de los Andes.

Artificial Intelligence

Transelec's AI strategy is designed to enhance its competitiveness in the energy sector based on the company's business priorities. The strategy includes four key objectives, and is meant to:

- **Increase productivity:** Implementing AI solutions to reduce the execution times of specific activities by 40%, optimizing resources and streamlining critical processes.
- **Make data-based decisions:** Increasing the percentage of decisions related to assets that are based on data analysis by 50%, thereby improving the precision and effectiveness of operations management.
- **Manage knowledge:** Creating four sources of knowledge that democratize and facilitate access to the company's know-how, promoting an organizational culture based on information and continuous learning.
- **Increase competitiveness:** Introducing advanced AI tools for analyzing new bids, evaluating the market, and predicting competitors' behavior, strengthening the capacity to design innovative solutions and lead in a dynamic environment.

These strategic pillars combined with cases of concrete uses and measurable outcomes reflect Transelec's commitment to digital transformation and its vision of leading with innovation in the electrical sector.

Other notable innovation initiatives from 2024 include:

- **People chatbot:** The AI strategy includes the launch of our first chatbot. This tool is designed to automatically answer questions related to benefits, work conditions, and human resources, improving employees' experience with the company.
- **Extension of the useful life of conductors:** Together with a startup that uses Chilean science, we are developing a graphene oxide covering to protect cables against corrosion and extend their useful life, paying special attention to conditions in northern Chile.
- **AI inventory inspection:** This ongoing project uses videos analyzed by AI to automatically identify items in inventories, optimizing logistics management.
- **AI project monitoring:** Through Transelec Ventures, this project analyzes construction projects using cameras and AI algorithms, generating statistics on the number of workers, vehicle movement, progress, and other key variables for improved project oversight.
- **Trespassing monitoring:** Extension of the vegetation management initiative, which uses satellite images analyzed by automated algorithms to monitor trespassing, enhancing transmission line security.
- **Community engagement app:** Transelec is piloting a digital platform in the Los Lagos Region that will provide information to the community and promote local participation. This is the first community app developed by the company. It also allows for the coordination of activities and decision-making.

Transelec innovation promotes the development of new technological solutions and generates concrete results that enhance our operational and financial sustainability. Since 2022, Innovation Portfolio initiatives have generated significant savings of US$ 10.83 million. This indicator reflects the direct impact of our focus on innovative projects that optimize processes, improve efficiency, and create long-term value for the company.

These results reaffirm our commitment to innovation as a strategic pillar for addressing energy sector challenges and positioning ourselves as leaders in the transition to a more sustainable and efficient future.

Innovation in Action: Promoting Creativity and Collaboration

At Transelec, innovation is a key driver of our commitment to technological transformation and sustainability. In 2024, we developed initiatives that reflect our focus on promoting creativity, collaboration, and the application of advanced technologies.

Innovation Week: A Space to Promote Ideas

For the first time, Antofagasta, Coquimbo, Itahue, and Concepción hosted this major internal event in which the company focuses on identifying opportunities for innovation and disseminating key information. During the 2024 version of this week-long event, Mindset Digital offered workshops focused on promoting an agile approach to work; practical Prompts (AI) workshops with tools like Copilot; and two keynote lectures on technical and ethical aspects of AI. Participants also visited strategic partners like Google, Microsoft, and Imagine, and a creative AI mascot design competition was held, reinforcing Transelec's commitment to technological and cultural innovation.

Transelec's Participation in Emprende tu Mente Day

For the second consecutive year, we participated in ETM Day, the International Meeting on Innovation, Enterprise, and Investment. Over 45,000 people attended this three-day event. We presented challenge No. 12 through Transelec Ventures, aimed at start-ups specializing in robotics and image recognition for the manipulation and remote monitoring of electric substations, which are critical infrastructure for electricity transmission. This challenge is meant to develop technological solutions that improve operational safety, efficiency, precision, and reliability, allowing for remote management of physical controls and measurement systems under challenging conditions. Our enthusiasm for collaborating and sharing with the business ecosystem reaffirms our commitment to open innovation and the promotion of advanced technologies that optimize response times, reduce risks, and scale up different types of substations.

Cybersecurity

(GRI 418-1, SASB IF-EU-550a.1, T7-3)

Cybersecurity remains a top priority for Transelec, especially in an environment where digital threats are becoming increasingly sophisticated and frequent. Protecting our systems, networks, and data not only ensures the continuity of our operations but also responds to the growing expectations of our stakeholders, who value our ability to safeguard critical information and preserve the integrity of our infrastructure.

In 2024, we reinforced our organizational culture by integrating digitization and cybersecurity as key pillars. This approach aligns our employees with best practices in digital security, promoting shared responsibility in the safe use of technological tools. Through innovative initiatives, we continue to implement solutions that improve our operational efficiency and strengthen safety for our people and the environment.

We have continued to move forward with our efforts to bolster our cybersecurity system by level. This comprehensive approach combines technological controls, robust processes, and ongoing training of our employees. This methodology allows us to mitigate risks and protect the company's critical information from potential threats.

We also have a Cybersecurity Committee in place that periodically monitors the risks identified, supervises mitigation plans, and ensures compliance with our standards. This body is led by our Chief Information Security Officer (CISO), who is also responsible for Transelec's cybersecurity strategy.

As a company that operates critical infrastructure for the country, we strictly adhere to ISO27001 and NIST CSF international standards as well as the National Electricity System's Cybersecurity Standard as defined by the National Electric Coordinator. These frameworks are essential for the implementation and supervision of controls that guarantee the system´s resiliency against cyber threats.

Transelec uses a cybersecurity model that is based on layers, allowing us to implement technological, physical, and administrative controls. Some of the technological measures implemented are SOC, Pentest, PAM, and EDR. At the physical level, we use biometrics to control access to sensitive areas, as well as security guards and CCTV. The company's cybersecurity policies and procedures constitute the administrative controls level.

In 2024, we consolidated the use of the Breach and Attack Simulation (BAS) tool to simulate realistic attack scenarios, evaluate the effectiveness of our controls, and our suppliers' preparedness. This has been key for identifying and closing security breaches, strengthening our capacity to respond to possible cyber-attacks.

In line with our organizational culture strategy, we have developed a series of initiatives to train our employees on cyber security. This year, we expanded awareness campaigns on topics such as phishing, protecting mobile devices, and best digital practices. These actions are effectively communicated through internal channels such as Intranet, Transelec TV, and corporate email.

We will continue to adapt to technological changes, looking to the future, strengthening our capacity to navigate a constantly evolving set of challenges, and ensuring the continuity of our operations and fulfillment of our responsibilities to the country and our stakeholders.

Over the past five years, we have received no complaints regarding violations of customer privacy or customer data loss.

The Board receives monthly updates on key cybersecurity aspects, including the set of metrics used to evaluate performance in this area. The body also supervises the cybersecurity plan, ensuring that it is implemented correctly and aligns with the company's strategic objectives. This year, we conducted a cybersecurity crisis drill involving all the company's executives. The exercise was carried out and monitored by experts in cybersecurity and crisis management.

0

incidents related to cybersecurity during **2024**

2.3 Sustainability

(CMF 3.1 ii)

Sustainability is a fundamental pillar of our strategy and is firmly integrated into all of our operations. Sustainability is a comprehensive approach that goes beyond environmental protection and community well-being; it also encompasses revenue diversification, governance, and ethics. Revenue diversification ensures economic resilience by reducing dependence on a single income source, thereby promoting long-term financial stability. Effective governance involves implementing transparent and responsible policies and practices that encourage participation and equity. Additionally, ethics in business and decision-making ensure that actions are fair and respectful to all stakeholders, fostering integrity and trust.
Together, these elements create a solid framework for sustainable development, benefiting both present and future generations.

Our sustainability strategy reflects a commitment to environmental responsibility, actively working to positively impact on the communities located near our operations and contribute to the social and economic development of the regions where we have a presence.

This commitment is reflected in initiatives that minimize our environmental impact, promote energy efficiency, and prioritize people's wellbeing. From connecting renewable energies to the nation's energy grid to adopting innovative solutions like large-scale energy storage, we contribute to the country's sustainable development, strengthening our relationship with communities through early citizen participation processes and innovative social investment projects that promote local development and generate a relationship of trust and mutual collaboration in communities from the Antofagasta Region to the Los Lagos Region.

In 2024, we again certified our carbon footprint, striving to optimize the delivery of quality data and improve our standards.

We were pleased to receive the Quantification Seal from the HuellaChile Program, which is managed by the Ministry of the Environment, for quantifying and reporting our greenhouse gas emissions. This recognition encourages us to advance in carbon management within the company.

Through this approach, we reaffirm our purpose of connecting the energies of the future, aligning our goals for growth with environmental preservation, ensuring that each project we undertake is not only a technical solution, but also a significant contribution to social and environmental wellbeing.

Decarbonizing the Grid

(T9-1, T9-2, GRI 203-2)

As Chile's leading electrical transmission company, we facilitate the decarbonization of the national electrical grid by integrating clean and renewable energies into our transmission lines, contributing to the replacement of fossil fuels and the reduction of greenhouse gases. As such, we position ourselves as a key actor in the energy transition and the fulfillment of the commitments made by the country through the 2015 Paris Accords.

Through our campaign "We are the key to the energy transition in Chile," we reinforce our mission with a strategy focused on sustainability, integrating collaborative work with our engineering areas, operations, communities, the environment, and sustainability. This approach allows us to manage projects in an expert and comprehensive manner, minimizing impacts and creating value for all of our stakeholders.

As strategic allies in this transition, we actively contribute to efforts to meet the terms of the Climate Change Framework Law, which seeks to achieve carbon neutrality by 2050.

New Renewable Energies Connected to the National Electric System (SEN) for the First Time by Transelec and percentage in relation to the total system, each year, respectively.

2020	2021	2022	2023	2024
310	1,009	324	268	1,671
26.2%	25.6%	12.4%	13.7%	61.1%

Keys to Decarbonizing the Grid	
Renewable Energy Generation	The growth of renewable energies is key to moving towards decarbonization. Solar and wind energy increased from 0.5% to 37% of Chile's generation grid between 2011 and 2023. However, energy waste remains a challenge, with 5,300 GWh projected to be lost in 2024. That is enough energy to power 1.89 million homes.
Increased Transmission Capacity	The country's growth promotes technological development and the construction of renewable energy plants. This progress goes hand in hand with the increase in transmission capacity, which is essential for transporting the energy generated, as this usually takes place at either end of the country and far from consumption centers.
Energy Storage	Storage systems conserve energy for distribution at different times to its generation, which is a key solution for preventing renewable energy dumping.

Climate Change

Chile is one of the countries with the most exposure to climate change impacts, which directly affects electricity transmission systems. In this context, we proactively work to prepare and strengthen our infrastructure so that we can handle risks related to this global problem, ensuring the continuity and resilience of our operations.

We have undertaken an exhaustive study to analyze the impact of climate change on our assets and the areas where they are located. This study identifies potential risks and the most vulnerable areas to strengthen mitigation and the resiliency of our infrastructure. It also addresses the environmental impacts of our operations, with a special focus on neighboring communities. This comprehensive approach reinforces our commitment to sustainability and responsible management in a context of growing climate challenges.

Climate Change Working Group

Led by the Operations and Risk Management teams, the Climate Change Working Group's main objective is to identify and assess the impact of the risks related to climate change on our operations and assets. This allows us to implement effective strategies to anticipate and mitigate related impacts, ensuring operational continuity and strengthening the resilience of our infrastructure.

We integrate the social variable into project assessment processes through a risk analysis conducted by specialists from the Communities and Social Value Area. This analysis is incorporated into socio-environmental assessments from the outset, as are studies drafted by other company teams that are part of the process. Once the risks are identified, we design a socio-environmental strategy that is assessed and reviewed iteratively with key areas to ensure a comprehensive approach. This process is formally presented in detail in Socio-environmental Process 1, which is available to the entire company.

In regard to our strategic decisions on social issues, we have developed a risk index that includes socio-environmental variables and those linked to Transelec's critical and strategic infrastructure. This allows us to assess the socio-environmental space in a structured way, generating key data for informed decision-making such as the decision to include communities in our social programs and engagement initiatives. This approach ensures that our actions are aligned with the challenges and opportunities present in each territory.

Environmental Impact and Compliance Management

(CMF 8.3)

At Transelec, we uphold high standards for managing our impacts and environmental compliance, ensuring that environmental regulations and socio-environmental commitments undertaken are strictly enforced throughout our assets' lifecycle. This minimizes socio-environmental, economic, and reputation-related risks, strengthening protections for the company vis-à-vis potential regulatory non-compliance.

To achieve this, we have solid processes and procedures that include the design of socio-environmental strategies for projects, the implementation and execution of socio-environmental instruments, contingency and emergency planning in this area, adequate waste management and disposal, and the procurement of the necessary permits. This comprehensive approach reinforces our commitment to sustainability and responsible management and risk prevention.

Different levels of protection allow us to implement the "culture of compliance" day in and day out. Specifically, we have the following:

1. Corporate Risk Matrix that includes general and criminal environmental risks

2. Socio-environmental Management System that establishes processes and procedures, specifically: (i) definition of the projects' social-environmental strategy; (ii) implementation and execution of socio-environmental instruments; (iii) plan for socio-environmental emergencies; (iv) waste management and disposal; and (v) obtaining permits.

3. Manuals and contract clauses.

4. Organizational structure.

5. Tools.

Progress on the Strengthening of Permit and Regulatory Compliance Management

(CMF 3.1 ii, CMF 8.3)

The permit governance process underwent a significant structural shift within the organization in 2024. Since 2021, Zonal Environmental Division Chiefs had been responsible for managing office, wastewater, and other common zonal permits. The Office of the Vice President of Corporate Affairs and Sustainability was responsible for monitoring progress and ensuring that this work was done. However, the company identified the need to redefine responsibilities among key areas over time to optimize efficiency and enhance regulatory compliance management in regard to permits.

Given the nature and technical characteristics of the various permits required, a procedure and new governance structure were developed for permitting management. This includes a RACI Matrix that establishes the responsible parties in the Offices of the Vice Presidents of Corporate Affairs, Engineering and Operations. This has allowed the entity to optimize time and resources and strengthened inter-area collaboration, allowing Transelec to address regulatory compliance challenges in a timely manner and with more effective certainty.

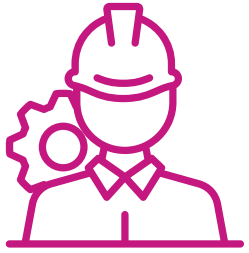
Transelec Organizes Discussion on Prioritizing Strategic Projects

In the context of progress made on two government initiatives in Congress designed to increase the efficiency of permitting for investment projects, the participants in the discussion "Projects of National Interest: Towards a New Environmental Institutional Structure (2.0) for Accelerating Chile's Development," which was organized by Transelec, agreed that there is a need to prioritize strategic infrastructure projects for the country such as electrical transmission lines.

The event brought together experts from a wide range of public and private organizations to analyze the progress made on the reform of the General Environmental Framework Law known as "Environmental Assessment 2.0." The reform was meant to strengthen the environmental institutional structure and streamline the issuance of permits for investment projects in collaboration with the sectorial permits project.

The discussion featured the participation of Ricardo Díaz, Director of CONAF's Environmental Assessment Department; Robert Currie, former Director of the Ministry of the Environment's Legislation and Regulation Department; Marcela Klein, consultant and former Director of the Ministry of Finance's Sustainable Project Management Office; and Paulina Riquelme, an attorney who specializes in environmental issues.

Link video



Value for Our Communities

(GRI 413-1)

At Transelec, our community engagement strategy, "Communities and Social Value," reflects our commitment to strengthening trust-based and collaboration-based connections with the 23 communities near our operations, from the Antofagasta Region to the Los Lagos Region. This approach is key to the sustainability of our activities and is based on a close, transparent, and respectful relationship. We respond to a dynamic social environment and to shared challenges with empathy and responsibility.

In 2024, we implemented over 80 initiatives in a participatory manner with communities through periodic working groups and community development programs. Of these, 55 are social investment projects aligned with local realities that have been developed by the communities themselves based on their needs and priorities. These initiatives include the optimization of community spaces, promotion of culture, support for local development, and the strengthening of social connections within communities.

In addition, the Ideas with Energy program resulted in infrastructure improvements in schools attended by children and young people from 23 neighboring communities. This year, 23 schools participated in the program to optimize spaces and provide better material conditions for student learning. A total of 26 initiatives were implemented, including repairs to restrooms and entrances, outfitting classrooms for students on the autism spectrum, school gardens, and shade for school spaces, among others.

This team effort allows us to address shared concerns, engage in an inclusive social environment, and contribute social value in every location where we have a presence, thus strengthening our role as a responsible actor committed to sustainable development.

Program: Growing Together with Energy

In partnership with the Simón de Cirene Foundation, Transelec successfully implemented this program for the fourth time and benefited over 150 local small business owners. Participants received training, personalized advising services, and funding to strengthen their businesses.

This year, over 150 micro companies from 20 communities accessed personalized technical advising in the first semester, and 50 of them were awarded a seed capital subsidy for their sustainable practices for materials and equipment that will allow them to continue to develop their projects.

This version's program uniquely supported the participation of entrepreneurs from communities impacted by the forest fires in Villa Alemana, Quilpué, and Viña del Mar early in the year. The participants received key support in order to reactivate their businesses.

Over the course of four years, Growing Together with Energy has trained over 500 people and advised over 150 micro businesses throughout Chile, providing key tools such as social media instruction, marketing, and growth plans to strengthen their businesses.

Link video

MM$1,209

in social investment benefiting:

- **5,413 direct** beneficiaries from 23 communities associated with our facilities
- **1,200 beneficiaries** of Cross-cutting Programs such as Growing Together with Energy, among others
- **23 schools** with improved social infrastructure

"Grandes Cientificos" Program

This educational initiative inspires and develops scientific talent in high school seniors from communities located near Transelec facilities, promoting interest in the sciences, technology, and innovation, particularly in regions with limited access to these opportunities. In 2024, the program was implemented in 18 schools located between the Antofagasta and Los Lagos regions, reaching over 450 students. Practical workshops and collaborative projects were developed, allowing participants to enhance their scientific skills, promoting inclusion, reducing educational gaps, and reaffirming Transelec's commitment to talent development and the training of future leaders in science and technology. Over 900 students participated in this program in 2023 and 2024.

Ideas with Energy

This program improves infrastructure in schools located close to company facilities. In 2024, a total of 23 schools participated in an effort to optimize spaces or obtain materials for their proper functioning. As such, 26 initiatives were introduced that range from repairs in restrooms and entrances to outfitting classrooms for students on the autism spectrum, school gardens, and shade for green spaces.

Transelec-MIM Pilot Project

This project, which was launched in 2024, brought science and technology to rural schools through an innovative traveling Museo Interactivo Mirador (MIM) truck. This initiative brought interactive educational experiences to students in rural areas, allowing them to learn in a practical and playful way. The pilot project visited Frutillar, Puerto Varas, and Puerto Montt in the Los Lagos Region this year.

The results of the initiative were outstanding, with high participation and much enthusiasm reported among beneficiary community members, which highlighted the positive impact of the project. Thanks to this success, it will be expanded in 2025, allowing more schools to access this valuable educational tool and reaffirming Transelec's commitment to the democratization of scientific knowledge.

Year-End Community Event

The year-end event was held in December 2024. Its main objectives were to enhance engagement capacities with key communities, highlight the importance of community relations for our business, and present the work that the company does in these areas.

The activity featured the participation of the General Manager, Executive Committee, and Board Members, who engaged with Communities and Social Value Area employees and leaders from Alto Jahuel, Nogales, and Cerro Navia. During the meeting, participants assessed the impressions of these community leaders with respect to the positive impact of Transelec's work in the territories located near our facilities. They noted that these initiatives contribute to sustainability processes and generate social value in the daily work of our operations.

Connecting to Create Value

(GRI 2-25, GRI 413-2)

At Transelec, we strive every day to create value in the communities where we have a presence. From the design and construction of our facilities to their operation, we prioritize the reduction of possible negative impacts.

Our commitment goes beyond regulatory requirements. During project development, we sometimes conduct Early Citizen Participation processes. These can take place up to six months prior to submission to the Environmental Impact Assessment System (EIAS). This early participation allows us to listen to community members and incorporate their concerns into the initiatives. Then, during EIAS processing, Citizen Participation Processes are conducted along with Indigenous consultations, when applicable, in accordance with current regulations and the highest standards of respect and inclusion.

During the construction stage, we apply mitigation measures to minimize the impacts of traffic, suspended dust, and noise. These actions are complemented by emissions control and monitoring, particularly noise levels, ensuring a safer environment that is more respectful of the community. To maintain open and effective communication, we use a Communication Management System that allows residents to submit queries, share concerns, and send requests.

We also go beyond the regulatory framework through the creation of Voluntary Environmental Commitments (VECs). These agreements are developed with communities to address broader social challenges and are formalized through the Environmental Qualification Resolutions, thus ensuring compliance.

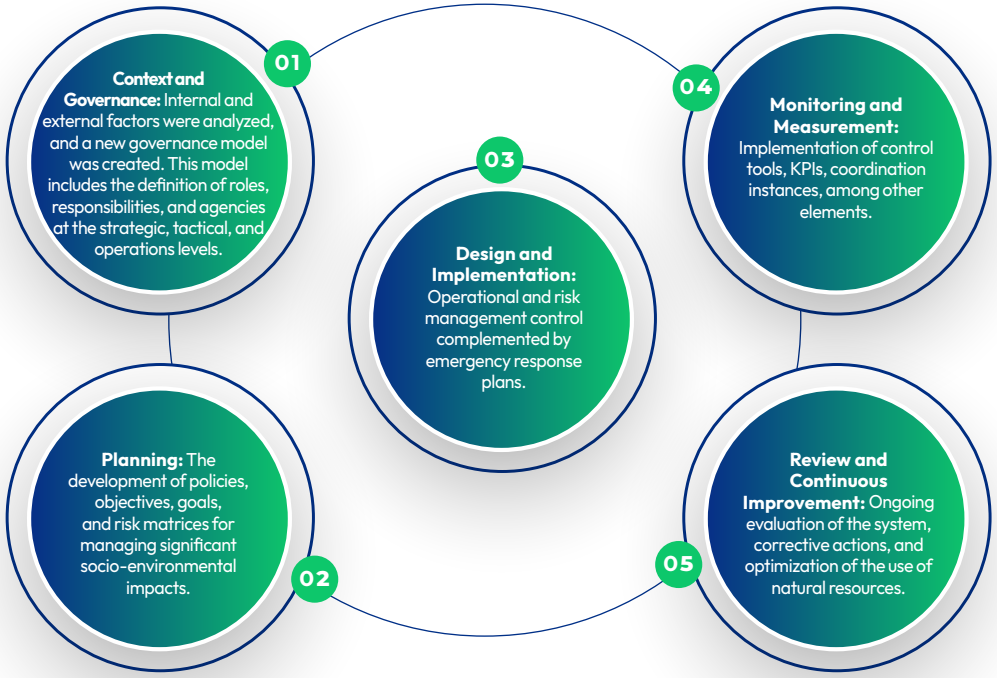
Our project and operations development is based on three axes: regulatory compliance, community engagement, and environmental management. We work with all areas of the company to secure the legal and regulatory permits that allow us to operate responsibly and sustainably.

Environment

Environmental Management

We recognize the importance of energy transmission for society and its environmental impacts. As such, we promote a culture of prevention and responsible environmental performance. We have clear guidelines in place for environmental management that guide our design, operations, and community engagement processes.

Transelec has developed a socio-environmental management model based on processes and focused on continuous improvement. This model includes five fundamental pillars:



The purpose of this comprehensive approach is to ensure regulatory compliance, environmental risk mitigation, and sustainable operations.

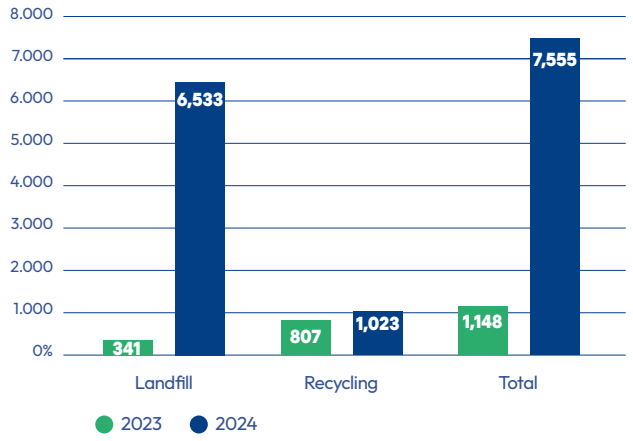
Waste Management

(GRI 306-1, 306-2, 306-3, 306-4, 306-5)

We recycle waste similar to household waste generated in our corporate offices in Santiago and regional offices in Antofagasta, Coquimbo, Cerro Navia, Concepción, and Temuco. All projects require permits for the storage and disposition of hazardous and non-hazardous industrial waste, regardless of whether they require an Environmental Qualification Resolution. Hazardous waste regulatory compliance helps minimize risks of negative impacts.

No incidents related to waste were reported during project construction in 2024. We work with waste management companies that comply with all necessary health resolutions and authorizations.

Disposal of generated waste (tons)



The difference is due to the expansion of waste data coverage, incorporating more facilities than in 2023. This initiative was implemented in 2024 and involved a more comprehensive data collection.

Energy Consumption within the Organization

(GRI 302-1)

The company's energy consumption includes the electricity used by the various zonal divisions and energy meant for auxiliary services. Fuel use covers consumption related to both zonal division operations and project development as well as the fuel used by mobile sources.

Year	Total Energy Consumption (GJ)* 10^3
2020	56
2021	44*
2022	68
2023	86
2024	203**

* In 2021, the calculation of energy consumption did not include some electricity consumption related to Auxiliary Services.
**The increase in energy consumption is due to the rise in fuel usage from both fixed and mobile sources.

Total Energy Consumption Within the Organization

	2023		2024	
	Consumption (kWh)	Sales (kWh)	Consumption (kWh)	Sales (kWh)
Electricity	15,573,785	0	14,670,866	0
Fuels / Diesel	4,135,276	0	41,879,898.2*	0
Fuels / LPG	22,180	0	-	0
Fuels/Gasoline	17,173	-	5,081**	0
Heating	0	-	-	0
Refrigeration	0	-	-	0
Steam	0	0	-	0
Total	**19,748,414**	**0**	**56,555,845.3**	**0**

*The conversion from liters to kWh was made using the value of (10.511) kWh/L obtained from DEFRA.
**The conversion from liters to kWh was made using the value of (7.259) kWh/L obtained from DEFRA.

Materials*	Type	2023	2024
Gasoline (m3)**	Non-renewable	0.181	-
Diesel (m3)	Non-renewable	753.988	3,984.4
LPG (m3)**	Non-renewable	1.99	0.7
Electricity (kWh)	Non-renewable	16,288,267	14,670,866
Dielectric oil (tons)**	Non-renewable	14.6	-

* The supplies reported are key to our operations: fuels, energy, SF6, and dielectric oil. None of them comes from an upstream recycling process. The containers and packaging correspond solely to our imports, as our service does not generate downstream packaging.
****For the 2024 measurement, we do not have information on Gasoline, or Dielectric Oil.**

Water Management

(GRI 303-1, 303-2, 303-4, IF-EU-140a.1, IF-EU-140a.2, IF-EU-140a.3)

We are working to strengthen water management, focusing on water footprint guidelines and aiming for more efficient indicator management in the future. For each project, the regulations that the owner must comply with during construction are stipulated, and this compliance is extended to the contractor through the General Technical Specifications.

Effluent discharge must be conducted in accordance with infiltration, course placement or, if applicable, irrigation or wetting regulations. Our discharges are generally directed towards wastewater sewage systems in the operation while those on roadways meet the standards set in the respective regulations.

In 2024, we did not have non-compliance incidents related to permits, standards, and regulations with respect to water quality or quantity. The risks associated with water management, such as extraction, consumption and discharges, are linked to the availability of the resource for industrial uses. Given the geographic span of our operations, we are aware of the risk posed by water scarcity, particularly in water stress areas, which could impact our operation if specific types of consumption are prioritized.

Greenhouse Gas Emissions

(GRI 305-1, 305-2, 305-3, 305-5, IF-EU-110a.3)

At Transelec, we are committed to continuously improving environmental management. We are strengthening the quality and precision of the activity data used based on the GHG Protocol principles. This will allow us to base our designs on reliable information, which will contribute to more effective environmental management. In addition, we consider indirect emissions related to electricity losses (Scope 2) in the transmission and distribution of the country's electricity matrix. While these are not under our direct control, they do reflect our comprehensive approach to sustainability and transparency in the management of environmental impacts.

We are developing a plan of action for carbon management that includes the adoption of international standards for setting science-based targets (SBTi) and the implementation of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This plan will be part of a climate strategy to be designed in 2025 with the collaboration of all areas of the company. To that end, we established a climate change working group that will facilitate this process.

Biodiversity

(GRI 304-1, 304-2, 304-3, 304-4)

At Transelec, the development and operation of our assets and facilities has allowed us to identify possible impacts on biodiversity that should be considered in the evaluation of each project. These impacts include:

- Negative effects on native fauna, especially low mobility species and those classified as under conservation.
- Habitat loss for species classified as under conservation.
- Impact on birds and other fauna due to electrocution or collisions because of transmission lines and substations.
- Loss of vegetation, including native forests and scrubland.
- Fragmentation of the habitats of both fauna and flora.

The habitats of species listed on the UICN list were not impacted during project development in 2024.

In 2022, we began shutting off the lights at night to reduce the light pollution that has such a significant impact on birds and areas of astronomical interest in the Norte Grande Zone. In addition to mitigating potential impacts, this initiative anticipated the entry into force of the Light Regulation (S.D. No. 1/2022) of the Ministry of the Environment.

As part of our strategy, a working group was created in 2024 to manage our facilities' light emissions, and its outcomes will impact future projects. In addition, working group members are assessing technologies for mitigating this environmental impact in all of our zonal divisions.

03.

FINANCIAL MANAGEMENT

Adding value through financial optimization, with solid and long-term performance.

3.1 Financing and Liquidity

In 2024, we achieved important progress that highlights our planning capacity, our broad access to capital markets, and our ability to manage large-scale financing, all aligned with the company's strategy.

In September, we successfully issued a debt bond in the local market as part of a pre-emptive strategy to finance our projects development and prepare for the refinancing of the January 2025 debt maturity (see text box).

This process, resulting from a detailed market analysis and the evaluation of optimal alternatives, allowed us to ensure competitive and efficient conditions for the company, demonstrating our management and financial planning capacity.

In February, we renewed our US$ 250 million committed credit line, giving the company flexibility to obtain funds quickly and on established terms.

We work closely with teams from the different companies in the Group, ensuring the necessary resources for the success of new projects. This joint effort highlights Transelec's dedication to developing innovative solutions while maintaining high standards of efficiency and competitiveness.

Planning and solidity: Bonds in the local market

In September 2024, Transelec made an outstanding placement of corporate bonds in the local market through Banchile Corredores de Bolsa and Banco Santander Chile, totaling 5 million UF. This issuance aimed to finance new projects and refinance liabilities, reflecting solid financial planning and aligning with our growth strategy.

We placed two series: Series Y for UF 1,500,000 at 4 years with a rate of 2.99% and a demand of 3.0 times, and Series AB for UF 3,500,000 at 21 years with a rate of 3.2% and a demand of 1.9 times. These results underscore our ability to leverage the company's growth through efficient financing under favorable terms.

The success of this placement reflects the market's confidence in Transelec. With historically low rates and robust demand that included investors, insurance companies, and investment funds, we achieved spreads not seen in corporate issues since 2019. This highlights our predictable profitability and stable cash flow generation, essential elements to sustain our ambitious investment plan.

This accomplishment reaffirms the importance of strategic allies such as advisory banks and strengthens our position as a leader in Chile´s power transmission industry. It also enhances our capacity to operate, maintain, and make adjustments to our transmission lines, ensuring an excellent service for our customers.

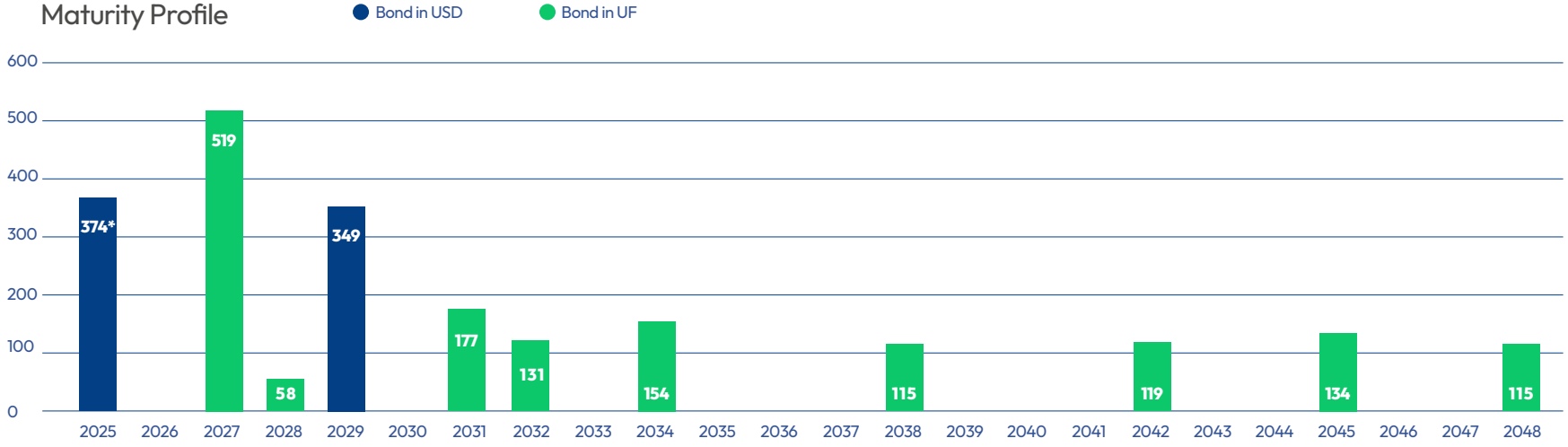
3.1.1 Debt in Transelec S.A.

Our cash-generating capacity supports prudent debt management, ensuring reliable compliance with our long-term obligations. The company currently has long-term public debt issued in both local and U.S. markets, structured with fixed interest rates and maturities distributed over time, which contributes to maintaining a low level of risk associated with refinancing.

Debt	Currency	Interest Rate	Rate Type	Maturity	Current Amount (in millions)
Bond D	UF	4.25%	Fixed	15 DEC 27	13.5
Bond H	UF	4.80%	Fixed	01 AUG 31	3.00
Bond K	UF	4.60%	Fixed	01 SEPT 31	1.60
Bond M	UF	4.05%	Fixed	15 JUNE 32	3.40
Bond N	UF	3.95%	Fixed	15 DEC 38	3.00
Bond Q	UF	3.95%	Fixed	15 OCT 42	3.10
Bond V	UF	3.30%	Fixed	01 MAR 48	3.00
Bond X	UF	3.20%	Fixed	01 MAR 34	4.00
Bond Y	UF	3.80%	Fixed	01 AUG 28	1.50
Bond AB	UF	3.95%	Fixed	01 AUG 45	3.50
Bond US$ @2025*	USD	4.25%	Fixed	14 JAN 25	375.00
Bond US$ @2029	USD	3.875%	Fixed	12 JAN 29	350.00

* This bond was fully paid in January 2025.

Maturity Profile



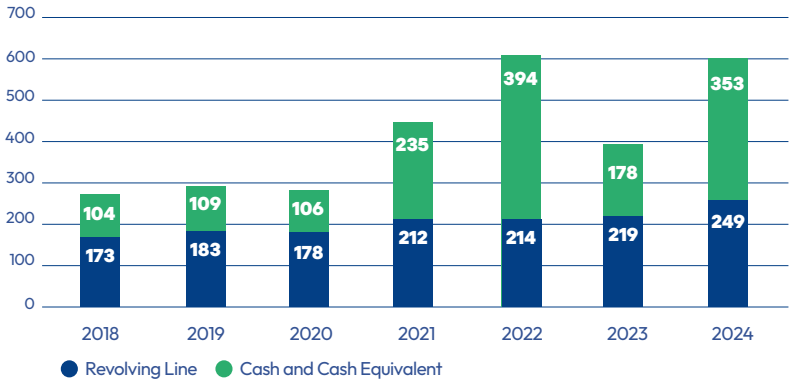
*This bond was fully paid in January 2025.

3.1.2 Revolving Line of Credit

In Transelec S.A., we have a US$ 250 million unsecured committed revolving credit line, which was renegotiated and extended in February 2024 for an additional three-year period. This line guarantees the immediate availability of resources to meet working capital requirements, finance projects, acquire new transmission lines, and refinance debt. Currently, the entire line remains undrawn.

Transelec´s solid liquidity allows it to meet its daily operating needs. This liquidity is supported by stable cash generation, limited working capital needs, flexible dividend distributions, good access to capital markets, and the availability of the revolving credit line. While the company maintains some cash balances, most of the funds generated are invested in different financial instruments (known as cash equivalents) in accordance with the treasury policy.

Liquidity (Billions of Chilean pesos)
(T2-4)



3.1.3 Relationship with Investors and Risk Rating Agencies

We deeply value maintaining a close, transparent, and sustained relationship with our investors and rating agencies. For this reason, we are committed to fostering fluid and ongoing communication with all our stakeholders. We regularly publish important information on our website, including financial statements, reasoned analyses, and quarterly earnings presentations. We also maintain up-to-date information on our debt, credit ratings, corporate governance, regulations, and other matters of interest.

3.1.4 Risk Rating

We currently hold credit ratings from both local and international agencies, most of which were ratified in 2024. These ratings reflect our solid results, stable cash flows, robust regulatory framework that establishes our rates, and the financial strength that characterizes our company.

International Rating

Moody's Investors Service	Standard & Poor's	Fitch Ratings
Baa1	BBB	BBB
Ratified in December 2024	Ratified in December 2024	Ratified in November 2024

Local Rating

Feller Rate Clasificadora de Riesgo	Humphreys Clasificadora de Riesgo	Fitch Ratings
AA	AA	AA
Ratified in December 2024	Ratified in November 2024	Ratified in November 2024

3.1.5 Financial Excellence Awards in 2024

During 2024, we were recognized for our financial management capacity through the awarding of important funding for strategic projects undertaken by our sister companies. These achievements reflect our adaptability in meeting the demanding needs of our customers and partners, including new seawater transport projects, which have required highly complex structured financing. Transelec's team, in collaboration with its partners and advisors, successfully completed these initiatives, reinforcing our leadership and commitment to excellence in the financial sector.

Recognition for the financing of Aguas Horizonte.

The Aguas Horizonte desalination project, led by the consortium formed by the Transelec Group and Marubeni, received four important international awards for its innovative impact, sustainability commitment, and its contribution to the efficient management of water resources in northern Chile.

The project also received the **"Water Deal of the Year, Desalination"** award from **IJ Global in New York,** in recognition of its financing structure. It was one of the few finance projects to achieve a term of more than 20 years, back by a strong group of banks. As Transelec´s first seawater transport project, it marks the company´s entry into the infrastructure sector, and aligns with the company's long-term vision, fostering trust from financial institutions in Transelec, Marubeni and the project itself.

At the **Project Finance International (PFI)** ceremony in London, the Aguas Horizonte financing received the "**Americas Infrastructure Deal of the Year"** award. This award highlighted the 2023 financial close of the project, which seeks to reduce the use of inland water in Codelco's Northern District mining operations by more than 50%, contributing to the mining company's environmental goals for 2030.

Finally, the **"Loan fo the Year"** award from Latin Finance and the **"Latin America Water"** award from Proximo, highlighted the financial structuring of the project. This funding made possible a sustainable solution for Chile's increasing water scarcity, positioning Aguas Horizonte as a leader in sustainable infrastructure.

With an initial capacity of 840 liters per second and potential expansion to 1,956 liters per second, the desalination plant not only meets the demands of the mining industry but also reflects an innovative model of collaboration and environmental commitment, reaffirming Aguas Horizonte and its partners as leaders in sustainable solutions for the industry.

Recognition of the financing of Aguas Esperanza

Transelec Group and Almar Water Solutions received the prestigious **"Infrastructure Deal of the Year"** award through the company Aguas Esperanza. The recognition, part of the Latin America Awards 2024 from Global Banking & Markets, highlights transactions that stand out for their innovation, structure, and contribution to economic development in the region.

The recognition was awarded for the approximately US$ 1.5 billion financing of a water transportation project in northern Chile, which raised capital from global institutions such as BBVA, Santander, KfW, Natixis, and Crédit Agricole, among others. The financial structure included a US$ 1.35 billion debt package and a US$ 216 million bridge financing managed by Scotiabank, positioning the project as a benchmark for sustainable and efficient infrastructure.

This award highlights Transelec's leadership in initiatives that open new markets and promote innovative, responsible development in Latin America. For more details on the project itself, see page 43.

3.2 Transelec S.A. Investment Plan

(CMF 4.1, 4.3, GRI 203-1)

At Transelec, we have invested US$290 million in the development of a variety of projects during 2024.

Over the next five years (2025-2029), we plan to invest a total of approximately US$ 1.6 billion in new projects, focusing on driving sustainable growth, diversifying our business lines, and strengthening our market position while maintaining our customers as a priority.

We will allocate approximately 29% of this projected investment to growth in the dedicated customer market. Another 26% will focus on complementary services, adjacent businesses, and storage, strengthening our capacity to diversify and expand income sources. Lastly, 45% will be allocated to investments in the regulated business (National and Zonal), reaffirming our commitment to the expansion and sustainability of the regulated electricity infrastructure.

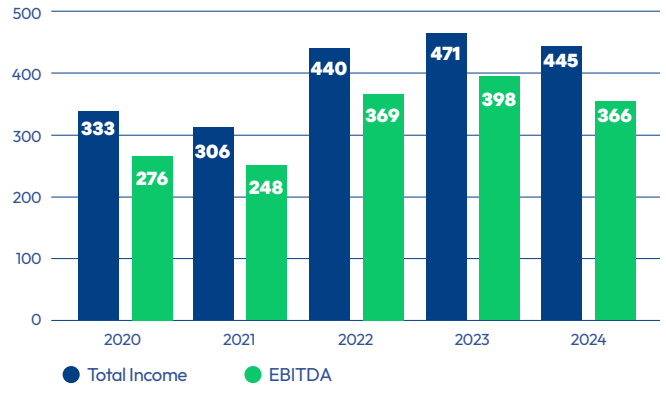
3.3 Financial Management Results

(CMF 6.2 iv, T2-1)

At the Transelec S.A. level, we have maintained stable revenues, exceeding $400 billion over the past three years, demonstrating the strength of our cash flows and the long-term nature of our business, ensuring sustainable economic value creation. In 2024, our regulated revenues increased by 4% compared to the previous year, while contractual revenues saw a decline, primarily due to an accounting effect in 2023. The EBITDA margin remains above 80%, reflecting the company's financial strength and resilience.

Evolution of Revenues and EBITDA (Billions of Chilean pesos)

(T2-1, T2-2)



	2023	2024
Summary	Thousands of Chilean pesos	Thousands of Chilean pesos
Regulated Income	335,533,503	349,477,346
Contractual Income	135,733,729	95,998,003

Transelec's value footprint

(GRI 201-1)

In 2024, our Company generated MCL$ 445,475 in revenue, which was distributed to its stakeholders as follows:

Summary	2023 Millions of Chilean pesos	2024 Millions of Chilean pesos
Revenue	471,267	445,475
Economic value retained	57,366	43,712
Economic value distributed	413,901	401,763
Government (taxes)	17,693	4,638
Employee (wages and benefits)	47,873	51,361
Service providers (payments)	34,238	42,269
Shareholders	54,720	-
Financers	42,337	76,071
Reinvestment	213,798	224,820
Community and Environment (environmental, social projects and donations)	3,242	2,605

Value Footprint Composition	2023	2024
Economic Value Distributed	88%	90%
Economic Value Retained	12%	10%

Transelec has stable and long-term revenues with controlled costs. The majority of our revenues are regulated and are determined by four-year rate periods. Revenues are currently recorded based on the 2019-2023 rate period, as the determination process for the 2024-2027 period has not yet been finalized by the regulator, as outlined in Tariff Studies section of Chapter 2. This determination is based on electricity regulation considering the profitability and valuation of the assets. In general, each rate period establishes rates that do not present major variations with respect to the previous period, providing stability to the system.

In 2024, 78% of the Company's revenues came from regulated business (National and Zonal) and 22% came from business with dedicated customers through private contracts.

Transelec S.A. main strategic customers in 2024 were:

Total Income by Customer		
Customer	Millions of Chilean pesos	% 2024 Income
Enel Group	129,794	29%
CGE Group	52,522	12%
Colbun Group	38,902	9%
AES GENER Group	35,498	8%
Engie Group	32,228	7%
Teck Group	24,925	6%
SAESA Group	14,393	3%
Other	117,213	26%

Transelec Group also has other customers such as Minera Caserones, Antofagasta Minerals, CODELCO, between others.

3.3.1 Efficiency at Transelec: Our Commitment to Optimization

During 2023, we began an in-depth analysis to identify which aspects we needed to adjust in order to be more cost-efficient. This effort not only marked the beginning of a new stage, but was solidified during 2024 and will continue in 2025 with concrete actions focused on efficiency and cost control. Our objective has been to ensure that every investment is aligned with activities that generate strategic value for the company.

At the same time, we have focused on the digital transformation of processes through tools such as robots, which have significantly reduced the execution times of different company tasks.

We remain committed to finding innovative ways to optimize our resources and generate value, ensuring that our actions are aligned with our vision of sustainability and efficiency.

3.4 Tax Strategy

(GRI 207-1, 207-2, 207-3)

Our tax approach is designed to ensure responsible, transparent management that is fully aligned with Transelec's strategic pillars: customer, sustainability, and growth. It promotes practices that build trust among our stakeholders and generate a positive impact on the environment.

Modern and Transparent Tax Management

Our Tax Strategy prioritizes sustainability and transparency. With initiatives such as the implementation of a tax contribution report, we seek to strengthen our relationship with authorities and stakeholders, demonstrating our commitment to corporate responsibility and operational excellence.

At Transelec, we understand that sound tax management ensures regulatory compliance and supports our ability to grow in a sustainable manner, contributing to the development of the country and the well-being of our communities.

3.4.1 Tax Governance

At Transelec, we ensure compliance with our tax strategy through our administration. The Finance Committee handles shareholder-related tax planning and strategy issues, where representatives are appointed to coordinate such efforts.

The Office of the Vice President of Finance, specifically the Tax Area, leads strategic project planning, risk management, transfer pricing, tax compliance, and dispute resolution. Progress is reviewed quarterly and reported to the Committee.

During 2023, with the support of KPMG and the Gap Report, we identified strategies for aligning our tax management with the sustainability criteria established in the GRI standard, particularly indicator 207. Among these actions, we created a subcommittee within the Finance Committee with the objective of setting and supervising our tax strategy. That entity reports directly to the Vice President of Finance and the Deputy Tax Manager.

3.4.2 Tax Risk Management

Like our shareholders, we maintain a stance that is adverse to tax risk, avoiding practices that could be qualified as elusive, aggressive or that may involve risks of interpretation. We focus on complying with our tax obligations in a fair and timely manner, relying on a robust oversight system that mitigates the risks of non-compliance, ensuring integrity and transparency in our management.

We have a tax risk matrix that identifies and details situations that could generate tax contingencies. This matrix is updated continuously, reported quarterly and includes a description of each risk, its potential consequences, a contingency assessment, mitigation measures, and the residual risk after these actions are implemented. In addition, the most important tax risks are integrated into the corporate risk matrix, ensuring a coordinated and strategic approach.

3.4.3 Tax Management

At Transelec, we have a detailed mapping of processes and procedures related to tax management that clearly establishes the responsibilities, interdependencies, and internal review bodies for the determination and calculation of taxes.

In the area of tax verification, we complement these processes with the support of external advisors in strategic and planning aspects. These professionals provide technical support in complex situations that require specific interpretations, helping to prevent risky behavior or practices that generate uncertainty.

In 2024, we implemented an anonymous tip line to report unethical behavior, including tax offenses, complemented by a whistleblower (reporting issues to the tax service) aligned with the Financial Crimes Law and tax reform. These tools strengthen integrity and transparency in tax management.

In 2024, we focused on consolidating our achievements and advancing in new strategic areas defined in the 2023-2024 Work Plan:

1. **Tax Policy:** We finalized and formalized our tax strategy. It is currently in the process of implementation, and we are aligning it with the requirements of the tax reform.
2. **Compliance and Sworn Statement:** We strengthened our processes for regulatory compliance and improved the accuracy of our tax returns.
3. **Continuous Oversight:** The Tax Committee serves as a key governance body, ensuring effective oversight and smooth interaction with the Board of Directors.
4. **Continuous improvement:** We work with external advisors in complex areas such as transfer pricing and conduct internal audits to maintain high standards of compliance.

3.5 Dividend Policy

(CMF 2.3.4 ii, 2.3.4 iii a)

Our Dividend Policy establishes that the Board of Directors may distribute up to 100% of the reported net income given the company's financial situation, the commitments made by Transelec with its bondholders in the domestic and international markets, and the effects of the adoption of IFRS. It may also declare interim dividends to be distributed depending on conditions at the time, which may not exceed 75% of the company's projected distributable income for the current year according to the latest available projection.

Dividends paid during each year (Provisional, potential, and definitive)		Profit Distributed (Charged to each fiscal year)		
Year	Historic value (Millions of CLP) (*)	Year	Millions of CLP (*)	% Revenue for that year
2020	43,852	2020	95,743	100%
2021	28,723	2021	58,013	100%
2022	17,404	2022	58,384	54%
2023	233,967	2023	54,720	30%
2024(**)	54,720	2024 (**)	0	0%

(*) Values as of December of each year

(**): Corresponds only to the interim dividends paid during the year 2024 because as of December 31, 2024 the final dividends for the year 2024 are not yet known. They will be determined at the Ordinary Shareholders' Meeting to be held during the year 2025.

04.

BASES FOR THE DEVELOPMENT OF OUR STRATEGY

Managing risks and having people as the driving force in the pursuit of our strategy.

4.1 Risk Management

At Transelec, we understand that risk management is fundamental to guaranteeing the continuity and sustainability of our operations. As a leading power transmission company in Chile, we are exposed to a variety of challenges ranging from operational and cyber risks to weather events, financial crimes, and regulatory changes. Therefore, we have a comprehensive and proactive approach to identifying, assessing, and mitigating risks that is aligned with international best practices. This approach allows us to protect our assets, strengthen the trust of our stakeholders, and ensure the continuous and safe delivery of energy throughout the country.

Risk Management is a transversal function that cuts across the entire company and involves all employees.

4.1.1 Risk Management System Governance

(CMF 3.6 i, 3.6 iv, 3.6 v, 3.6 vi)

At Transelec, risk management governance is based on a clear structure of roles and responsibilities that defines the roles of those who lead and actively participate in the process. This approach ensures coordinated and efficient management, where each level of the organization contributes to identifying, evaluating, and mitigating risks in a timely manner. Through strong governance, we promote accountability and informed decision-making and strengthen our ability to meet challenges in a dynamic environment, reaffirming our commitment to sustainability and operational excellence.

Board of Directors

The Board of Directors plays a fundamental role in Risk Management by identifying key risks that serve as the basis of the Corporate Risk Matrix. This matrix is also elaborated with contributions from different areas of the organization and allows us to evaluate factors like probability, impact, mitigation measures, and assigned responsible parties.

The Board of Directors reviews the "Heat Map" report quarterly. This report offers an analysis of the main risks identified in the last three months, spanning the operational, people, legal, financial, and environmental areas, among others, together with an overall view of the risks of the Corporate Matrix. This process provides strategic guidelines to strengthen the organization's risk management.

The Board of Directors is committed to Transelec's risk management, discussing its causes and consequences on an ongoing basis, providing its vision regarding relevant controls and situations, and ensuring its alignment with the company's strategy.

Risk Management

This area manages corporate risks, from their identification to the implementation of effective mitigation measures. It monitors preventive actions, working closely with all areas of the company. Each risk factor is managed proactively by a designated Champion (or responsible party), responsible to implement the necessary actions to prevent or minimize its impact.

This person also periodically reports to the Board of Directors, Vice Presidents, and executives, fostering a dynamic and participatory process. The criticality of each risk is evaluated in a multidisciplinary manner, assessing how important each risk is and considering its probability and impact.

These efforts also extend to investment projects from their initial stages, offering a comprehensive view of their possible scenarios and associated risks. This information is integrated into the economic and financial modeling, helping to identify and quantify potential delays or cost overruns, thus minimizing possible surprises.

This year we undertook a specific analysis of environmental risks and those that could potentially lead to financial crimes given the enactment of the Financial Crimes Law in Chile (Law No. 21,595). The environmental and compliance areas worked to identify new risks and mitigations associated with their scope of action, which was incorporated into the Corporate Risk Matrix.

Its coordination with Internal Auditing is especially critical to efforts to strengthen controls and risk management.

Internal Auditing

Based on the Corporate Risk Matrix, this area prepares plans for auditing internal processes at any time. Their work is key to identifying opportunities for improvement, verifying compliance with control measures and ensuring the effectiveness of risk management. The Internal Auditing area is independent and reports directly to the company's Board of Directors.

Collaboration between risk management and internal auditing guarantees comprehensive and ongoing risk management, strengthening organizational resilience in the face of adverse events.

4.1.2 Risk Management Model

(CMF 3.6 i, iii, T1-1)

At Transelec, our risk management model is designed to comprehensively address the challenges we face in our operations, combining a structured approach with international principles and standards. We adopt recognized frameworks such as COSO ERM and ISO 31.000, along with other relevant models, adapting them flexibly to our structure and specific needs. This allows us to identify, analyze, evaluate, and mitigate the risks associated with our activities and our environment in a more effective and customized manner. Using advanced tools, standardized processes, and proactive management, we reaffirm our commitment to operational continuity, the protection of our stakeholders, and the sustainability of our activities in a dynamic and constantly evolving environment.

The Risk Management Model addresses both the corporate level and the investment project level, ensuring comprehensive support at each stage. This approach makes it possible to identify, analyze, and manage risks proactively, strengthening decision-making and sustainability.

1. Corporate Risk:

- Periodic updating of the corporate matrix.
- Conducting annual company-wide workshops and introducing adjustments according to adverse events.
- Definition of preventive and/or mitigation actions with assigned responsible parties.
- Ongoing risk analysis reporting throughout the year.

2. Project Risk:

- Identification and description of risks through the Stages and Decisions process.
- Early risk quantification to incorporate into economic projection models.

Project Risk: Process of Stages and Decisions

Implemented within the company for more than a decade, its main objective is to mitigate risks and give decision-makers all of the information required to move to the next stage of the project. This process covers the following phases:

- **Stage 1:** Investment prefeasibility
- **Stage 2:** Investment study
- **Stage 3:** Environment monitoring
- **Stage 4:** Construction and taking control of the project

During 2023, we analyzed and optimized the activities and tasks associated with Stage 4 to anticipate the commitments required for the entry into operation of the projects and comply with internal and third-party obligations, ensuring that commissioning is carried out quickly and efficiently.

During 2024, we continued to improve and update the Stages & Decisions process, both in Stages 1, 2 and 3 and as complements to Stage 4. Change Management was conducted to introduce new activities to the areas involved, enhancing their participation in the process.

In addition, the Risk Registry initiative was coordinated with this process to jointly move forward as investment projects advance.

4.1.3 Insurance Management

At Transelec, insurance management is a fundamental part of our risk model. It is designed to mitigate the impact of large-scale events and ensure operational continuity. Despite our low loss rate, we prioritize protecting the most exposed assets and activities through optimized policies that efficiently reduce costs.

Collaborating with expert advisors and our technical areas, we identify risks and strengthen key areas with specific coverage. We have extended protection to the cyber area given the remote operation of critical facilities and optimized the Civil Liability policies for the greater benefit of the company.

The Risk Management area administers these policies at the corporate and project levels, ensuring secure management of potential claims with adequate support.

4.1.4 Main Risks

(CMF 3.6 ii a, b, c, d, e, GRI 201-2, C2-2)

Business Inherent Risks

Electrical discharges from transmission lines	
Risk description	High temperatures can cause electrical discharges on transmission lines, igniting nearby combustible materials due to conductor expansion. This could result in fires affecting the lines, their support structures, or nearby properties.
Potential impact of risk on activities, strategy, and financial planning	These events are critical, as they can affect properties, third parties or people, in addition to interrupting the transmission service, generating additional costs, fines, compensation, and reputational damage.
Resilience actions or how risk is managed	To prevent fires, we cut and prune vegetation in safety strips under the lines, intensifying this work during the summer. We have improved AI patrolling and, in some cases, built firewalls. We complement these actions by educating landowners and members of nearby communities about the associated risks, as well as informing local authorities and CONAF. We also ensure accessibility to the land for maintenance crews.

Forest Fires Caused by Third Parties	
Risk description	The burning of grasslands combined with high temperatures and wind can spread fires towards transmission lines, damaging them and their structures. In addition, nearby trees falling on the lines can cause forest fires to spread further.
Potential impact of risk on activities, strategy and financial planning	This risk is critical due to its destructive impact, similar to electrical discharge from a power line, which can cause temporary or permanent damage to the facilities.
Resilience actions or how risk is managed	We manage this risk, such as electrical discharges, by working collaboratively with forestry companies to promote joint prevention and mitigation.

Opposition to Facility Operation	
Risk description	Interaction with diverse communities may generate opposition to the operation of existing facilities or the development of new projects.
Potential impact of risk on activities, strategy and financial planning	Community opposition can affect the operation of the facilities through legal actions, blockades or threats to the physical integrity of the infrastructure, which puts service at risk and exposes the company to sanctions and reputational damage.
Resilience actions or how risk is managed	We maintain a close relationship with neighboring communities, which reduces the likelihood of opposition to our operations. In addition, we organize talks and information sessions to keep neighbors aware of the potential risks of living or working near our facilities. We also have policies and processes in place to comply with our environmental and community commitments, preventing conflicts and ensuring regulatory compliance.

Data Security and Privacy (Cybersecurity)	
Risk description	Cyber security is a critical issue for Transelec, as many of our facilities are remote-controlled and do not have on-site personnel. Likewise, the global operation of our assets is carried out through computer systems such as SCADA, which can be vulnerable to failures and/or attacks. Finally, we have information stored on our employees' computers, which may include sensitive data related to pricing, projects or other key aspects.
Potential impact of risk on activities, strategy and financial planning	Third-party intrusion into our information systems is highly critical, as it compromises the overall operation of the electric power system in terms of transmission. Considering that some of our facilities are remote-controlled and do not have on-site personnel, a cyber-attack could significantly alter their operation. In addition, other attacks on our systems could result in increased costs, the disclosure of sensitive information related to prices, projects, banking data or even information about our employees.
Resilience actions or how risk is managed	Given the importance of our information systems, we engaged cyber insurance several years ago. These policies cover the necessary arrangements for attacked systems, expert investigations, public relations management, and possible rescues. In addition, at Transelec we carry out periodic tests and training for all our employees with the aim of maximizing knowledge about phishing and other types of electronic fraud.

Compliance Risks

The Implications of Tax Non-Compliance	
Risk description	Failure to meet tax obligations, including reporting and payment of taxes or unfavorable interpretations by tax authorities could result in penalties, financial adjustments or negative impacts on the company's reputation.
Potential impact of risk on activities, strategy and financial planning	Inadequate management of tax processes can result in fines, penalties, and reputational damage, as well as significant tax contingencies due to erroneous interpretations of the regulations. Likewise, an insufficient assessment of the tax aspects of projects or financing could compromise their viability, affecting costs and profit margins. These risks highlight the need for sound and efficient tax management.
Resilience actions or how risk is managed	We manage a quarterly updated tax risk matrix which identifies and classifies each risk by probability and impact, allowing us to prioritize and mitigate effectively. The tax committee reviews regulations, updates and changes in tax criteria, promoting team alignment. In addition, we maintain clear communication with the tax authorities, resolving requirements quickly and minimizing observations.

Environmental Crimes	
Risk description	Damage to, pollution of or destruction of environmental components, fractionation of projects with environmental impact, obstruction of inspections, corruption and/or bribery, financing of terrorism, contributions to political campaigns, delivery of false information. Propagation of elements that threaten animals, people or the environment, water usurpation.
Potential impact of risk on activities, strategy and financial planning	The company's activities could be disrupted in the course of a trial or inspection, impacting (among other things) the company's business and financial planning.
Resilience actions or how risk is managed	Training for our own employees and contractors, designation of responsibilities, compliance with regulations and environmental authorizations, establishment of procedures, and observance of protocols.

Economic Crimes	
Risk description	Conduct/activities such as falsification of information, corruption and/or bribery, smuggling, misappropriation, trafficking in persons and others.
Potential impact of risk on activities, strategy and financial planning	The company could benefit from these types of misconduct, diverting its activities from the strategy. Financial planning would be unreliable if unreliable information was involved.
Resilience actions or how risk is managed	Recording of activities and results, establishment of control and follow-up procedures, verification of information in platforms and databases.

Environmental Risks

Free Competition	
Risk description	The electric transmission industry is subject to strict regulation to prevent excessive prices, excessive profits, and vertical integration. Adjacent businesses such as energy storage and the acquisition of assets from other market participants, as well as the realization of projects with partners, could face scrutiny from anti-trust authorities such as the National Economic Prosecutor's Office.
Potential impact of risk on activities, strategy and financial planning	The businesses in which we can participate may be limited by existing regulations; our strategy is not affected because it has been defined around growth. Finally, our financial planning could be subject to changes in the long term due to the periodicity of the Rate Study, which determines the income we receive from our regulated assets.
Resilience actions or how risk is managed	At Transelec, we are subject to exhaustive reviews by the authorities, which verify compliance with free industrial competition due to its large size in relation to other companies in the industry. Bids for the construction and operation of new regulated transmission projects are highly competitive, with the participation of international companies.

Environmental Certifications and Permits	
Risk description	The development of our projects requires environmental and sectoral permits. There may be different criteria for granting permits between regions. There has been an increase in environmental requirements.
Potential impact of risk on activities, strategy and financial planning	Permits may cause delays in project development. Cost overruns can be observed when facing authorities' requirements. Delays in obtaining permits can cause mismatches in funding for project development.
Resilience actions or how risk is managed	Detailed plans are made for obtaining permits, advancing their management, and considering potential additional costs.

Noise Pollution Due to Substation Equipment	
Risk description	Our transmission lines emit constant noise due to the current flowing through them, which could affect those living near these lines. In our substations, some equipment generates noise that may impact neighboring communities. While some of this equipment is our property, others belong to third parties.
Potential impact of risk on activities, strategy and financial planning	The noise from lines and substations could cause neighboring communities to oppose projects, leading to modifications in the original routes and increasing company costs. Additionally, there is a risk of reputational damage, long-term deterioration of relationships with these communities, or sanctions from authorities.
Resilience actions or how risk is managed	Many of our transmission lines are located away from urban or populated areas. However, in densely inhabited areas, we can underground some lines using tunnels. We have incorporated technology that reduces noise in our facilities. We conduct periodic inspections.

Environmental Pollution in the Construction of New Facilities

Risk description	An environmental incident may occur during the construction of a facility, directly on site or spread to the project environment.
Potential impact of risk on activities, strategy and financial planning	If an environmental incident occurs during the development of a project, we could face anything from increased costs to the stoppage of the work, depending on the severity of the event. In addition, there is a risk of fines and reputational damage, especially among communities unfamiliar with us.
Resilience actions or how risk is managed	We apply strict protocols and policies to protect the environment during the development of our projects. We also train contractors and suppliers to comply with our standards, including penalty clauses in contracts to reinforce compliance.

At Transelec, we manage environmental permits in collaboration with authorities and neighboring communities, ensuring early management and compliance with the necessary requirements.

Physical Risks Related to Climate Change

Increased Temperatures, Droughts, and Intensity of Natural Phenomena

Risk description	Climate change presents the company with challenges that are difficult to quantify, as weather events may occur with unprecedented or unusual intensity and frequency. These include rising temperatures, persistent drought, and intensification of storms, winds or other phenomena.
Potential impact of risk on activities, strategy and financial planning	Weather events generate unpredictable costs and can delay project development, forcing the company to reformulate its mitigation measures with new design, resilience and technology solutions. This disrupts financial planning, as investment in research and development is required.
Resilience actions or how risk is managed	Through its Zonal Managements, the company monitors weather conditions in the areas where its assets operate. This allows it to optimize replacement, operation and maintenance investments, adjusting them to the condition of the assets in each area.

*We have not identified any risks related to the health and safety of consumers given the characteristics of our business.

Our risk matrix also includes the following significant risks, which we closely monitor and take control measures to mitigate:

- **Unfavorable regulatory changes:** These are related to the Facilities Valuation Study and the resulting remuneration for our regulated assets, as the calculation methodology could vary and harm the company's expected revenues over time.
- **Debt default:** The company is exposed to unexpected economic events, regulatory changes, negotiations with customers, and other interactions that could lead to non-compliance with debt contract obligations.
- **Accuracy of data inventories:** The data may have different origins, be stored on different platforms, and have an uneven level of detail. This can affect data-based decision-making.
- **Money laundering, handling stolen goods, and other criminal activities and financial crimes:** Risks related to stolen or pilfered items, dealings with individuals or corporations that may be financing terrorism, facilitating money laundering through scrap metal, surplus or otherwise.
- **Violence/Terrorism:** Social unrest, opposition to the presence of infrastructure companies such as Transelec, deliberate actions taken to disrupt operations.
- **Others:** Project cost overruns, failure to adopt technologies and Artificial Intelligence, new lines of business, counterparty risk, occupational health and safety, offenses against the public trust, exchange rates, etc.

4.1.5 Risk Culture

(CMF 3.6 viii)

We train new employees, those who change areas, and those involved in project development to understand the processes in which they will participate. These trainings include:

- **Stages and Decisions Process:** Understanding of key processes.
- **Informed Decision-making:** Protocols for investments that generate new revenues.
- **Risk Management:** Integration of the management system into all stages of the life cycle of investment projects.

In addition, we disseminate general information on corporate and project risks to promote awareness throughout the organization.

In 2024, we trained the Zonal Managers on the company´s insurance coverage to mitigate risks related to physical damage. We also addressed improvements and updates in processes associated with project risks.

4.2 People

4.2.1 Attracting and Retaining Talent

(CMF 5.2, 5.3, GRI 2-7, 401-1)

We recognize that our greatest asset is our people. Their commitment and efforts are essential to guaranteeing the quality service and operational continuity that our customers and the public demand. As such, we strive to maintain a stable and specialized staff. As of the end of 2024, we had 588 employees, with 98% holding permanent contracts and 100% working full-time, ensuring job stability and experience in the electricity industry.

In addition, we enhanced our efforts in this area by promoting gender equality, work-life balance, and compliance with the Inclusion Law. This approach, combined with our diversification and transformation strategy, allows us to attract and retain key talent, reaffirming our commitment to inclusive, sustainable management that is aligned with the needs of our customers, employees, and society.

	Gender	2024	2023	2022
New hires	Women	17	18	27
	Men	55	56	45
	Total	**72**	**74**	**72**
Departures	Women	19	17	27
	Men	55	54	52
	Total	**74**	**71**	**79**

[1]The full or ordinary working day is established in employment contracts as 42.5 hours per week worked between Monday and Friday.

4.2.2 Support and Change in Strategic Areas

Transelec underwent a comprehensive strategic transformation in 2024. Specifically, we introduced structural changes in several key areas, which have enhanced our capacity to adapt in line with our new corporate strategy focused on growth, customer, and sustainability. Some of these efforts have focused on changes to key structures such as zonal management, redefining roles and responsibilities according to the new business challenges. Likewise, resources were optimized in accordance with a more collaborative, flexible, and agile style while maintaining a focus on efficiency and continuous improvement.

In addition, we have strengthened critical areas such as procurement by implementing processes to strengthen teams with a combination of internal talent and industry experience, bringing the sourcing strategy closer to the initial conception of business opportunities. This work allows us to guarantee the highest safety and quality standards, establishing demanding clauses with our strategic partners and a long-term vision to ensure stable conditions over time.

At the senior management level, changes were guided by external analyses that allowed us to modernize our structures and align internal capabilities with organizational objectives. These transformations have been key to implementing the strategy we designed a couple of years ago, which seeks to diversify our businesses throughout the Transelec Group, while keeping energy at the core. This approach sets us apart and drives us to rethink how to structure our company to address future strategic and management challenges.

4.2.3 Diversity and Inclusion

(CMF 5.1.1, 5.1.2, 3.1 vi, GRI 405-1)

Team Diversity

Staffing by Gender

	142	446
	24%	76%

*Does not include workers per job or work site.

Staffing by Nationality

	Total Chileans	Total Foreign Nationals
	550	38
	94%	6%

*Does not include workers per job or work site.
** For more details, please refer to the Appendices.

Staffing by Job Category

	Total Staff	% Women
Senior Leadership	10	30%
Managers	53	26%
Area Heads	96	13%
Administrative Staff	28	75%
Other Professionals	336	27%
Other Technicians	65	2%

*Does not include workers per job or work site.

In our organization, we recognize that diversity drives innovation, enhances collaboration, and strengthens the work environment. We promote an inclusive environment that respects equal opportunities and ensures non-discrimination, fostering the comprehensive development of all our employees.

We have made an ethical commitment to diversity, equity, inclusion, and work-life balance. Through our Diversity and Inclusion policy, we actively work to mitigate unconscious bias in organizational decisions, with a special focus on women, people with disabilities, and the value of a multigenerational workforce.

In an industry where female representation ranges between 20% and 25%, we have achieved a rate of 24.1% to 24.5% and we have a goal of exceeding 25.5% in the short term. We also maintain a balance between experience and youth in our workforce and have made significant progress on the inclusion of people with disabilities.

During 2024, we aligned ourselves with recent legal changes, such as the Work-Life Balance Act, the Karin Act, and the 40-hour Law, integrating them into our practices to foster a fairer and more inclusive environment. We continue to pursue ambitious goals and concrete actions to become a leader in inclusion and diversity.

This process included:

1. **Senior Management Commitment:** Active leadership in promoting equality and inclusion.
2. **Diagnosis:** Detailed evaluation of our current practices.
3. **Action Plan:** Implementation of specific initiatives based on the diagnostic findings.

Diversity and Inclusion: Milestones and Partnerships in 2024

Our Diversity and Inclusion Policy was introduced in 2023, marking the beginning of the articulation of our DEI strategy. During 2024, we made significant progress with concrete actions, including:

- **Internal programs:** Multigenerational Mentoring, Professional Internships and the Women's Network
- **Participation in industry networks:** WEC-Women in Energy, Sofofa Inclusion Network (ReIn), and Expo Inclusion
- **Collaboration with the Ministry of Energy:** Work on the Energy + Women Plan

In addition, we directed our efforts towards identifying and reducing unconscious biases that influence organizational development, the inclusion of key groups such as women and people with disabilities, and promoting the benefits associated with being a multigenerational organization.

We also strengthened leadership skill development in hybrid formats, promoting work-life balance. We placed a special focus on integral health, with talks addressing physical health from a gender perspective. And we didn't stop there: we launched a campaign to delve deeper into diversity, inclusion, and non-discrimination issues, along with legal sessions on how to build environments free of violence and exclusion.

Finally, we focused on making the contribution of women to our industry visible and encouraging the development of their careers. These actions brought us closer to the organization that we want to be.

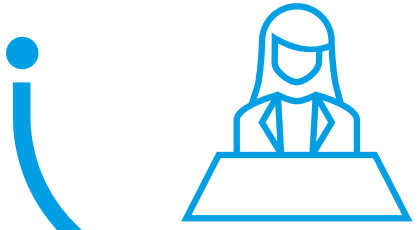
Our Diversity and Inclusion Policy is designed to foster opportunities for all, promote work-life balance, and ensure respectful and inclusive work environments.

Promoting Women's Leadership

In line with our commitment to promoting inclusion and diversity, we held the first session of "Between Us" in 2024, a space created to encourage women´s participation in strategic and leadership roles. Olivia Heuts Goen, VP of Business Development at Transelec, led the beginning of this cycle, where 23 female employees shared experiences and reflected on the challenges and opportunities of female leadership in our organization.

This initiative arises from the Transelec Women's Network, created in 2020, and works to systematically incorporate female talent at all levels and to strengthen cooperation among its members through activities of interest and professional development.

Women make up 30% of the Executive Committee and 22% of Transelec's Board of Directors.



Pay Equity

(CMF 5.4.1, 5.4.2, GRI 405-2)

At Transelec, we manage compensation with a transparent approach based on recognized standards. We use the Korn Ferry methodology to evaluate each position and determine the appropriate compensation level. This process includes a market survey specifically for electric utilities conducted in collaboration with Korn Ferry through the Electric Club. The exact point in the remuneration band for each level is set according to the experience and performance of each employee.

As part of our commitment to gender equity, we maintain our ongoing efforts to reduce the gender pay gap. This indicator, calculated based on the average base salary, reflects our intention to move towards greater equality. During 2024, we continued to work to reduce this gap, following building on the progress achieved in previous years and reaffirming our commitment to transparency and equity within the organization.

Salary Gap			
Job Category	**2024**	**2023**	**2022**
Senior Management	95.0%	100.8%	91.2%
Area Heads	97.6%	92.2%	88.3%
Administrative Staff	116.5%	113.5%	105.9%
Other Professionals	99.2%	95.3%	92.9%
Other Technicians	70.7%	71.2%	70.1%

Note: The closer to 100%, the smaller the gap.

Commitment to Inclusion and Accessibility

(CMF 5.1.5, GRI 405-1)

We actively promote the inclusion of people with disabilities in different areas of the company. To this end, we develop training programs that equip our employees, fostering an inclusive culture and collaborative work.

Partnership building is key to this effort. We partner with organizations like SOFAN, which promote inclusive employment and the development of employability skills. We also work with service provider foundations that integrate people with disabilities into their teams.

We carry out diagnostics and periodic reviews of our facilities, both in the Central Office and in the Zonal Offices, advancing towards universal accessibility.

In terms of legal compliance, 1.16% of our staff are individuals with accredited disabilities, exceeding the threshold set in Law No. 21.015. For additional information see Appendices

5 Men **2** Women in situation of disability which corresponds to 1.16% of the staff of people with certified disabilities.

For additional information see Appendices.

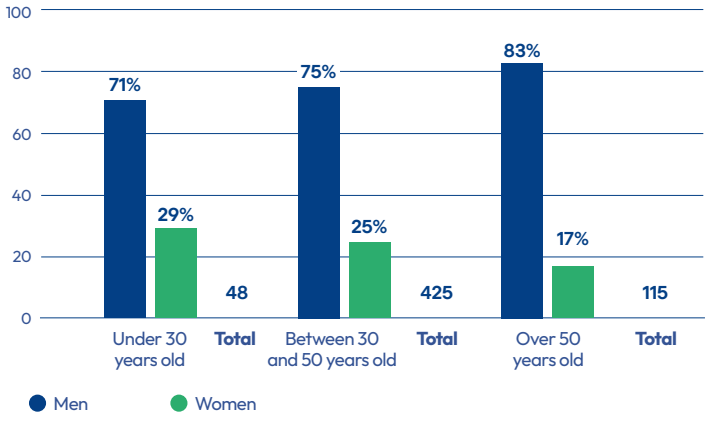
Multigenerational Organization

(CMF 5.1.3, GRI 405-1)

Our staff spans a wide range of ages, which encourages collaboration between generations and allows us to leverage the strengths each person brings. This approach has led to the implementation of initiatives that promote the exchange of experiences, joint learning, and the development of competencies, strengthening ties and collaborative work in the organization.

These actions are designed to build an environment that values generational differences, using them as an opportunity to enrich our organizational culture and strengthen relationships within the company.

Generational distribution within the organization 2024



For a more detailed breakdown of staffing by position, age, and gender, see the Appendices.

4.2.4 Talent Development

Training and Talent Management

(CMF 5.8 i, iv, GRI 404-2)

As a company, we work to ensure that our employees have high levels of knowledge and expertise. We focus on providing ongoing training that enhances their capabilities and allows them to acquire new competencies aligned with the needs of the business and their professional development.

The trainings cover both technical and soft skills, ensuring that our employees are prepared to face current and future challenges, thus enhancing the impact and value they bring to the company.

During 2024, we focused our training efforts on key topics covering both technical and soft skills. Program highlights include:

- **Leadership:** Workshops focused on adaptive capacity, supporting the strategic change process. In addition, team activities were carried out to work on organizational change and transformation.
- **Customer-centricity:** This training and communications project involved the entire company. We built a team of experienced coaches, modeled customer focus in our executives, and developed soft and technical skills in employees who have a direct impact on the customer experience.
- **Soft Skills:** We offer workshops in areas such as storytelling, presentation skills, and negotiation to support teams as the company faces processes involving change.
- **Training and Technology Center:** We opened the first on-site training center dedicated to the continuous development of employees with technical specialties. This space allows us to experiment with technologies and carry out tests and pilot projects, promoting hands-on learning and improving the quality of our services.

A total of 39,928 hours of training were delivered in 2024. This is equivalent to an average of 68 hours/person per year, an average per person investment of $1.29 million, and 0.16% of total income.

Corporate Competencies Model

(CMF 3.1 vii)

We have a Corporate Competencies model that identifies the behaviors that are key for achieving our strategic objectives. This framework allows us to adapt and improve talent-related processes such as:

- **Selection:** We update tools, assessments, and processes to focus on critical competencies.
- **Performance Management:** We evaluate the development of these competencies within the performance of the organization.
- **Training:** We design training activities focused on the development of key business competencies based on our corporate model.

At a systemic level, we use tools such as the OHI (Organizational Health Index) survey and the Ranking C3 Creative Culture survey to work on Transelec's culture. These tools help us to identify strengths and gaps in our practices, aligning us with the way of working that we seek to foster.

Performance Evaluation

(GRI 404-3)

We continuously strenghten processes that support the professional development of our employees, ensuring alignment with the organization's strategic objectives. Periodic performance appraisal are key tools for identifying areas for improvement, measuring capabilities and goals, and promoting a sustainable and continuous improvement approach to talent management.

Our Performance Management Model combines two main approaches:

- **Goal Management:** Based on indicators, this approach aligns the organization with common objectives and offers monetary incentives to reinforce the importance of meeting these strategic challenges.
- **Performance Management:** Evaluates both job responsibilities and corporate competencies, assigning equal weight to each in the rating, and fostering a comprehensive approach to each employee's performance.

100% of women evaluated

100% of men evaluated

For more information, see the appendix.

4.2.5 Wellbeing and Work Environment

(GRI 201-3, 401-2)

In our organization, we focus on promoting a way of working that responds to current and future business challenges based on key aspects such as talent attraction, diversity and inclusion, infrastructure, technology, leadership, and culture.

We have established a work model that promotes flexibility and work-life balance, ensuring that people's needs are effectively integrated with the company's objectives. This approach contributes to the development of a more dynamic work environment aligned with the demands of a constantly evolving market.

During 2024, we worked on the implementation of Law 21.561, which reduces the working day from 45 to 44 hours. That process will continue until we gradually reach 40 hours in 2028. We conducted a document review and analysis with the two unions in our company.

Incorporation of Artificial Intelligence: During 2024, we introduced a chat for queries related to People and the Organization, facilitating access to information and improving the employee experience.

Labor Benefits

(GRI 401-2, 403-6)

Our company offers a full range of health and medical care benefits not directly related to work. These benefits are established in accordance with laws, decrees, collective bargaining agreements, and other instruments established by the Company. They focus on the overall well-being of employees and their families, ensuring access to preventive medical services and care. They also contribute to work-life balance, promoting both physical health and mental well-being of organization members.

The main benefits include:

- Life insurance
- Medical assistance
- Retirement benefits

We complement these benefits with comprehensive wellness programs, which include:

- Flexible work schedules and telecommuting
- Part-time work options
- Day care centers or childcare subsidies
- Breastfeeding facilities or benefits
- Paid leave in excess of legal minimums, such as:
  - Paternity leave for the primary caregiver
  - Parental leave for the non-primary caregiver
  - Family leave for the care of children, spouses or dependents with health needs

These initiatives reflect our commitment to meeting the diverse needs of our employees, ensuring a work environment that promotes their well-being and comprehensive development. For more information on the Benefits Plan, see Appendix page 129.

Parental Leave

(CMF 5.7, GRI 401-3)

In our organization, we promote the comprehensive development of our employees, complying with legal regulations and prioritizing their well-being. We recognize the importance of shared parental responsibility as a key element in advancing gender equity and work-life balance.

Therefore, as established by Chilean law, we offer pre- and post-natal leave as well as time off for other types of guardianship and care. We also offer fathers five days of post-natal leave, reinforcing our commitment to the equitable distribution of family responsibilities.

In 2024

100% **of women used their postnatal leave***

100% **of men used their postnatal leave***

*Based on the total number of eligible people.

Employees who return after maternity leave	2024	2023	2022
Women who returned	9	12	2
% of employees who return	100%	100%	100%
Women who continued to work 12 months after their maternity leave	9	10	84
% of women who continued to work 12 months after their maternity leave	100%	83.3%	100%

Work Climate: Evaluation and Continuous Improvement

(T3-4)

We evaluate the work climate every two years to identify opportunities to strengthen the work environment. In 2024, we applied for the Organization Health Index (OHI) organizational health survey, developed by the consulting firm McKinsey (see text box). This global tool, used by more than 2,500 companies, allows for the analytical and comparative measurement of organizational health.

The results of the survey provided a detailed picture of the work climate, showing an overall satisfaction rate of 71%. Among the main conclusions, we identified the need to continue strengthening leadership to motivate and inspire our teams, with a special focus on the new generations joining the organization.

Throughout 2024, we monitored and supported the implementation of these plans, reaffirming our commitment to the continuous improvement of the work environment and the well-being of our employees.

	Women	Men	Total
Number of employees who answered the survey	122	388	510
% of employees who answered the survey	86%	87%	87%

4.2.6 Labor Relations

(GRI 2-30, 402-1, T3-1, T3-2, T3-5)

We hold regular meetings with the company's two unions each year to maintain open dialogue and build relationships based on trust and partnership.

In 2024, we conducted collective bargaining with the SITRAT union, which represents 420 employees. This process was carried out within the deadlines established by law and resulted in a climate of trust and collaboration.

The negotiation led to significant agreements that reflect a modern vision aligned with the current needs of the employees and the company:

1. **Flexible Bonus:** Workers can decide how to use this benefit, reflecting our improved adaptation to the preferences and realities of new generations.
2. **Performance Bonus Structure:** Its composition was modified, increasing the weight of the company's goals from 15% to 40%. This change reinforces the alignment of all teams with Transelec's strategic objectives and global results.

In addition, the wording of this agreement was incorporated into individual contracts, eliminating its inclusion in the collective agreement, thus simplifying and modernizing the documentation.

This process was marked by the openness and strategic vision of union leadership and resulted in benefits for both employees and the organization.

Union Affiliation		2024	2023
Number of unions		2	2
Number of collective bargaining processes		1	1
Number of union affiliates	Men	344	341
	Women	101	101
Percentage of employees who are union affiliates		75.68	74.92%
Number of employees covered by collective bargaining agreements (collective agreement)		518	534
Percentage of employees covered by collective bargaining agreements		88.1%	90.5%
Number of strikes		0	0
Number of years without a strike*		32	31

* In recent years, Transelec has been recognized as a strategic company, which means that its employees cannot strike.

Extension of Labor Benefits

The benefits of either of the company's two unions may be extended to employees who are not covered by the collective bargaining agreement per the agreement reached with the unions and as required by law.

Management of Organizational Changes

Although there are no minimum deadlines for communicating events such as closures, expansions, mergers, outsourcing, restructurings, sales or acquisitions, any organizational change is reported to the entire organization through Internal Communications.

4.2.7 Occupational Health and Safety

(CMF 5.6, GRI 403-1, 403-3, 403-7, 403-8)

The health and safety of our employees and contractors' employees are essential priorities for the organization and our final stakeholders. Our goal, aligned with stakeholder expectations, is to prevent fatal incidents and to provide a safe working environment that promotes the well-being of people and the sustainability of the business.

To achieve this goal, we apply rigorous operating discipline backed by committed leadership that drives high standards throughout our operations. However, we understand that standards alone are insufficient. Constant effort, an active presence, and shared commitment are necessary to maintain and continuously improve our safety performance.

We manage Occupational Safety and Health (OSH) thought a management system certified under the ISO 45001:2018 standard and through a Safety Culture model (Industrial of the ICSI Institute, France) developed by Mutual C.CH.C. This integrated system includes all company and contractor employees and encourages active participation through joint committees, risk prevention groups, and a reporting program, ensuring a collaborative approach to incident prevention.

Health and Safety System	Covered by labor health and safety system	Covered by labor health and safety system (audited internally)	Covered by labor health and safety system (audited externally)
Number of direct employees	640	640	640
% of direct employees based on total staff	16.8%	16.8%	16.8%
Number of indirect employees	3,160	3,160	3,160
% of indirect employees based on total staff	83.2%	83.2%	83.2%

Occupational Health and Safety (OHS) Management

At Transelec, we manage Occupational Health and Safety (OHS) in compliance with the legal requirements regulating occupational risk prevention in Chile. Our commitment is based on three key regulatory pillars:

1. Labor Code:

- **Article 184:** We implement necessary measures to effectively protect the life and health of our employees by managing systems to identify, evaluate, and control occupational risks.
- **Article 184 bis:** We implement specific preventive management systems in the event of subcontracting, ensuring safety in all our operations.

2. Law 16.744 on Work Accidents and Job-related Illnesses:

- **Article 3:** We ensure all necessary measures to prevent accidents and occupational diseases in our operations.
- **Article 66:** We consult with management bodies, such as IST or ACHS, to implement effective preventive systems.

3. Supreme Decree No. 40 (SD 40): Regulations on Preventing Job-related Risks:

- We inform and train our employees about occupational risks and preventive measures associated with their tasks.
- We systematically manage risks in a documented manner.

Internal and external audits conducted by organizations such as Mutual C.CH.C (PEC Excellence) and Bureau Veritas (ISO 45.001) validate compliance with our regulations and standards, allowing us to continuously evaluate our practices. We also collaborate with the Chilean Chamber of Construction to update and enhance our accident prevention methodologies.

We recognize that the success of our actions depends on alignment, leadership, and commitment at all levels. For this reason, we carry out safety culture diagnostics to identify areas for improvement and continue moving towards a safer and more efficient work environment.

Our focus is on preventing serious and fatal accidents, and we approach risks from a position of responsibility. We have been effective in protecting people from the most significant dangers, and we continue to work to strengthen our practices. Field engineering, root cause analysis, and learning from each experience have been key to the continuous improvement of our processes.

We encourage our employees and contractors to participate in developing and applying the Occupational Health and Safety system. This includes reviewing risk matrices, analyzing new operating conditions, and implementing preventive measures. In addition, our Risk Prevention Groups constantly evaluate emerging hazards at the sites to integrate them into future planning.

Active Involvement Strategies

- Participation in incident investigations to provide valuable insights.
- Collaboration on the development of safety protocols and procedures.
- Attendance at trainings and lectures that reinforce safety culture.
- Ongoing evaluation and feedback on occupational health and wellness initiatives.

Transelec operations do not have primary health services. However, we are associated with Mutual de Seguridad, which provides us in occupational health and safety. In addition, some projects have authorized polyclinics to attend primary emergencies. Depending on the project location under bidding, we require the existence or installation of a first aid polyclinic, which is also a requirement for projects managed by contractors.

We acknowledge that there are always opportunities for improvement. This year, we enhanced our risk assessment, investigation processes, and indicator tracking to move towards even more robust and effective security management.

The challenge of creating a safe work environment is always present, but we believe that we can get closer to the goal of zero accidents through leadership, commitment, and ongoing learning. We took on this challenge with determination, integrating rigorous standards, operational leadership, and constant learning based on root cause investigation and process improvement.

Our approach to operational health and safety is based on the needs of the business and reflects our purpose of caring for people and building a sustainable work environment.

Strategies and Actions for Integrated OHS Management

Strategies and Actions		Descripción
Risk Identification and Assessment		Periodic analyses to identify hazards and apply specific controls
In Situ Interventions		Regular inspections and audits to identify and correct unsafe conditions
Contingency Plans		Effective protocols for responding to emergencies or critical events
Management Documentation and Tools	Training programs	Theoretical and practical courses on risks, PPE, and practical safety improvements
	Safety talks	Informational sessions to enhance knowledge and promote a culture of safety
	Drills	Practical training for emergency situations such as fires and evacuations
Documentation and Management Tools	Specific Protocols and Manuals	Internal documents with safety procedures and requirements
	Protocols Based on MINSAL Requirements	Compliance with psycho-social risk management standards and rules for chemical agents and surveillance
	Internal Protocols	Guidelines aligned with international standards and operational needs
Ongoing Supervision and Monitoring	Safety Indicators	Accident rate, regulatory compliance, and prevention measure effectiveness monitoring
	Audits and Protocol Reviews	Regular assessments conducted to update policies and procedures
Promoting a Culture of Safety	Employee Participation	Feedback to improve practices and solve problems in situ
	Recognition Programs	Incentives for teams that excel in their commitment to occupational safety

Occupational Health and Safety (OHS) Risk Identification and Assessment

(GRI 403-2)

We follow the "Identification and Evaluation of Hazards and Risks" procedure, which establishes the methodology for evaluation, categorization, preparation of action plans, control of their effectiveness, and associated records.

In addition, we maintain a continuous process of identification and evaluation of operational health and safety risks together with our employees, to whom we provide various tools to detect and communicate risk situations:

1. **Reportability Program:** We perform inspections and planned safety observations to control operational risks in maintenance and construction projects,implemented this year through the Prevsis platform.
2. **Labor Insurance Analysis:** This technique allows us to identify and correct possible errors or omissions in planning before starting a task.
3. **Stopwork Campaign:** Our employees are able to stop a project or job if they identify an uncontrolled risk or any other condition that affects their safety. Once the activity is stopped, we evaluate the situation with the team and implement corrective measures.
4. **Preliminary Safety Talks:** The purpose of these talks is to raise awareness, share knowledge, and review the work plan and any related risks before starting work.

The identification and assessment of health and safety risks is a dynamic process that generates key data for systematic analysis and continuous improvement in health and safety management in addition to identifying hazards and establishing controls. The process has eight stages that refer to how these results are analyzed and how they are applied to optimize the management system

More information on Appendice page 129

During 2024, we continued the Occupational Health and Safety Digitization strategy initiated in 2023. We implemented processes that facilitate the participation of our employees through web and mobile application reporting. This allows them to report risks, unsafe actions or conditions, as well as opportunities for improvement on an ongoing basis.

This year, we focused on three pillars to reinforce the identification of hazards and risk situations:

1. Development of new modules (training audits, audits, and tool control)
2. Duplication of digital reporting
3. Strengthening analytics to further reduce risk

Incident Investigation

(GRI 403-2, 403-9,-403-10)

The health and safety of our employees and contractors are fundamental priorities at Transelec. As such, we have developed a robust incident investigation process that serves as a key tool to reinforce our preventive strategy and foster a culture of continuous learning. This process is designed to identify the causes of events and to implement corrective and preventive actions to strengthen our management system, minimizing the likelihood of recurrence.

Our research model is formalized through internal procedures that establish a structured and standardized framework, guaranteeing traceability and effectiveness at each stage:

1. **Incident notification:** We ensure timely reporting through communication channels and mechanisms specifically defined for this purpose.
2. **Incident investigation:** We use recognized methodologies such as the Cause Tree and the 5 Whys to analyze the contributing factors.
3. **Identification of causes:** We identify the immediate and root causes of the event.
4. **Implementation of the action plan:** We design and implement specific measures to address and eliminate the causes identified.
5. **Efficacy evaluation:** We verify the effectiveness of the actions implemented to ensure that the incident does not happen again.
6. **Communication and dissemination:** We promote organizational learning by disseminating results internally and, when appropriate, externally.

During 2024, we recorded and managed occupational accidents, classifying them according to their impact and severity, the most relevant of which are listed below:

Main Job-Related Accidents			
Month	**Description**	**Days Lost**	**Rating**
January	Tower bolt replacement - Tool strike, finger cut.	8	Core
March	Fall at the same level – serious (fracture)	20	Core
July	Office cleaning - Fall at the same level, knee and arm contusion	2	Non-core
July	Displacement in installation - Fall to the same level, sprained ankle.	3	Non-core

Core accidents: Those directly related to our critical activities in the development of our projects.
Non-Core Accidents: Events associated with administrative or secondary activities.

In the context of our occupational health and safety management, hazard identification is an essential part of protecting our employees and contractors. Hazards are sources or situations with the potential to cause injury or health impairment, and their rigorous analysis allows us to take effective preventive measures before they can turn into incidents.

This approach complements the incident investigation process, providing a proactive vision to anticipate the hazardous conditions inherent in our operations. Through a structured identification and management system, we address the hazards most relevant in our activities, prioritizing those that pose the greatest risk to people and operational continuity.

In 2024, we focused on classifying and managing the most common hazards associated with our critical activities, thereby consolidating our preventive response capacity and fostering a safety culture based on risk control and mitigation. The following are the main categories of hazards identified in our operations:

Category	Hazards Identified
Distance Shortening	• **Accidental electrical contact:** Unsafe proximity to energized conductors. • **Insulation failure:** Short circuits or electric arcs. • **Mechanical overload:** Unexpected stresses on equipment.
Structure Collapse	• **Structural failures:** Collapses due to defective calculations or materials. • **Falling objects:** Injuries due to detached elements. • **Secondary landslides:** Affecting nearby structures.
Transportation in Vehicles	• **Traffic accidents:** Collisions or vehicles running off the road. • **Poor securing of loads:** Falling of transported materials. • **Overturning:** Instability due to overloading or uneven terrain. • **Poor ergonomic conditions:** Injuries due to prolonged travel.
Falls at the Same Level	• Slippery surfaces • Obstacles on the road • Lack of signage: dangerous areas without warnings. • Improper footwear

Between January and December 2024, there were no occupational diseases classified as work-related according to the available report.

Safety Culture Model

At Transelec, the safety of our employees is a priority. We aspire to build a Culture without Accidents that values and protects people through our Safety Culture Model. This model is based on seven fundamental pillars designed to guarantee a safe and reliable work environment.

These include the Fair Organization Strategy, which pursues the following objectives:

- Establishing a clear framework to differentiate acceptable behaviors from unacceptable ones, and identifying the actions necessary to recognize, correct, and/or sanction when appropriate.
- Implementing a reporting system to identify potentially risky situations and facilitate the timely adoption of corrective measures.
- Crafting a policy recognized and supported by all members of the organization, thus guaranteeing its legitimacy and uniform application.
- Through this strategy, we have determined that one of the main factors related to potential occupational accidents is the use of tools during field activities.

Occupational Health and Safety Training

(GRI 403-5)

We focus on training processes to foster a culture of health and safety. During 2024, we implemented a comprehensive Occupational Health and Safety (OHS) training program to strengthen our team's competencies, manage critical risks, and ensure compliance with legal and operational requirements throughout our operations.

Key Training Areas

1. **Legal Issues:** Training for all personnel and specific roles such as Area Heads, supervisors, and members of joint committees, with courses on emergency management, legal responsibilities, and exposure to occupational hazards.
2. **OHS Competencies:** Training on maneuver supervision, live work, safety in complex conditions, and standards such as NFPA70E, designed especially for technical personnel and OHS experts.
3. **Safety in High-Risk Activities:** Specialized programs for the identification and control of risks in work at heights, vegetation management and electrical risks, aimed at site managers, teachers and assistants.
4. **Physical Safety:** Training to reinforce safety both inside and outside our facilities, promoting safer and more prepared work environments.

Company Employees Trained in OHS Issues

(T10-2)

Indicator	2024
Number of health and safety courses offered to company employees	115
Hours of health and safety training delivered to company employees	4,065
Number of employees trained in health and safety *	1,266

*The reported number corresponds to the total of training sessions in which workers participated.

Joint Committees

(GRI 403-4)

At Transelec, we have seven active Joint Health and Safety Committees (Comités Paritarios de Higiene y Seguridad, CPHS). These bodies are fundamental for managing occupational risks and strengthening our safety culture. In accordance with Supreme Decree No. 54 and our ISO 45001 management system, they ensure the active participation of employees and employers in risk prevention, promoting a safe and healthy work environment.

Main Roles of Joint Committees

1. **Risk Identification and Evaluation:** We identify hazards in the work environment and evaluate their impact to implement effective control measures.
2. **Accident and Incident Investigation:** We analyze the causes of events with our employees to propose improvements and prevent their recurrence.
3. **Training and Dissemination:** We organize talks and campaigns to raise awareness of occupational health and safety among the teams.
4. **Promotion of Preventive Measures:** We recommend and apply practical solutions that minimize risks and protect our employees.
5. **Management of Substandard Conditions:** Through the reporting system and field inspections, we identify situations that could affect safety, managing timely corrective actions.

The Joint Committees meet monthly to ensure regulatory compliance, oversee the implementation of corrective measures, and promote a safety-first organizational culture. This joint effort ensures continuous improvement in our operations and reinforces our commitment to the health and safety of all employees.

4.3 Suppliers and Contractors

(GRI 2-6 b ii, 407-1)

At Transelec, we recognize that our suppliers and contractors are fundamental strategic allies in guaranteeing the continuity and excellence of our operations. Our approach focuses on establishing collaborative relationships based on trust, transparency, and compliance with high standards of quality, sustainability, and ethics.

Through responsible supply chain management, we promote sustainable practices, strengthen occupational health and safety, and foster the development of local capabilities. This commitment allows us to move towards a more efficient, resilient, and innovative operating model aligned with our strategic objectives and the values of our organization.

To this end, we have policies, procedures, and control mechanisms that regulate the selection, evaluation, and supervision of these companies to guarantee ethical and transparent performance at every stage of our operations.

In line with our commitment to continuous improvement, in 2024 we implemented several initiatives and updates to our procurement policy and process tools to strengthen contractor and supplier management, improve operational efficiency, and ensure compliance with high standards of quality and transparency.

In April 2024, we updated our General Administrative Guidelines, reinforcing our commitment to responsible management of suppliers and contractors. These guidelines, which are applicable to procurements in excess of US$ 1 million, were adjusted to align with current market requirements.

In the area of labor rights, we recognize that ensuring fair and equitable working environments in our operations is fundamental. Rights such as freedom of association and collective bargaining are essential pillars to ensure the respect and dignity of all workers. We are aware that they may face significant risks, especially in the case of projects and services suppliers. Considering this, we incorporated specific provisions in the annexes of the General Administrative Guidelines and in the Contractor Regulations, establishing clear standards to ensure fair labor practices and mitigate these risks.

We also updated the contractor registration and validation procedure to strengthen our relationships with contractors and suppliers, optimize processes, and ensure that we use a strategic approach to supply management, including a review of:

- Financial health
- Operational safety
- Regulatory compliance

These reviews are aligned with the service and supply categories available in SAP Ariba. In addition, as part of a joint initiative with IT, work is underway on a project to integrate this assessment directly into the platform. This functionality will be available by the first half of 2025.

Digitization in Supplier Management

We drive the integration of key processes that ensure more agile, accurate, and collaborative workflows through the implementation and consolidation of advanced tools. Among the initiatives developed in 2024, we highlight:

- **SAP Ariba and SAP S4HANA:** We integrated these platforms, enabling a seamless flow from requisition to purchase order in the ERP system. This change included the new “Guided Sourcing” module, improving the user experience.
- **CMS Platform (Contract Management System):** Currently used by Procurement Management, this tool manages contracts, milestones, amounts, and invoices. It will be integrated with SAP Ariba and S4HANA in 2025.
- **Meridian:** We confirmed that Meridian will be used as the official platform for document management in all areas, including Operational Projects. This tool allows the exchange of correspondence, engineering documents, warranties, reports and more, assigned by the Cost and Document Control area.

Responsible Contractor and Subcontractor Management

(CMF 5.9)

At Transelec, we have policies, procedures, and oversight mechanisms that regulate the selection, evaluation, and supervision of these companies to guarantee ethical and transparent performance in each stage of our operations.

Our policy establishes clear guidelines for the selection of contractors whose employees will work for Transelec. If a contractor considers outsourcing projects or services, prior authorization from the company is required. This process includes:

- **Identification of the subcontracted company** and description of the service to be performed.
- **Written documentation** of the basis for the subcontract that outlines the nature and scope of the work.

Authorization does not exempt the contractor from its contractual obligations and responsibilities. Contractors must comply with Transelec´s requirements and the provisions of **Law No. 20.123,** ensuring compliance with the required labor and safety standards. In addition, the contractor must provide supporting documentation, including at a minimum:

- Contract or equivalent document
- Scope of work
- Start and end dates of the services

In line with our commitment to labor rights, we also require that all contractors comply with the standards established by Chilean regulations, ensuring the protection of workers in terms of:

- Timely payment of compensation
- Compliance with social security obligations
- Safe and adequate working conditions

To ensure ongoing contractor compliance with labor standards, we have implemented a robust control system covering each stage of the contractual relationship based on three key mechanisms:

1. **Accreditation and Validation:**
   All contractor employees must be previously accredited, including the review of the documents required by Transelec for each position, ensuring that they comply with the established requirements.

2. **Labor Certification:**
   Before issuing an invoice, the contractor must certify compliance with labor obligations, by submitting documentation that supports the payment of salaries and taxes to its workers.

3. **Labor and Occupational Health and Safety (OHS) Audits:**
   Each year, we conduct 10 to 12 audits of contractors that are providing services on specific projects or operations. The purpose of these audits is to verify compliance with labor and safety obligations, identify areas for improvement and promote management in line with our policies.

Although the labor and safety standards are the same for all contractors, whether they are SMEs or large companies, the review and accreditation processes are adapted to the characteristics of each type of organization, ensuring an equitable and effective approach.

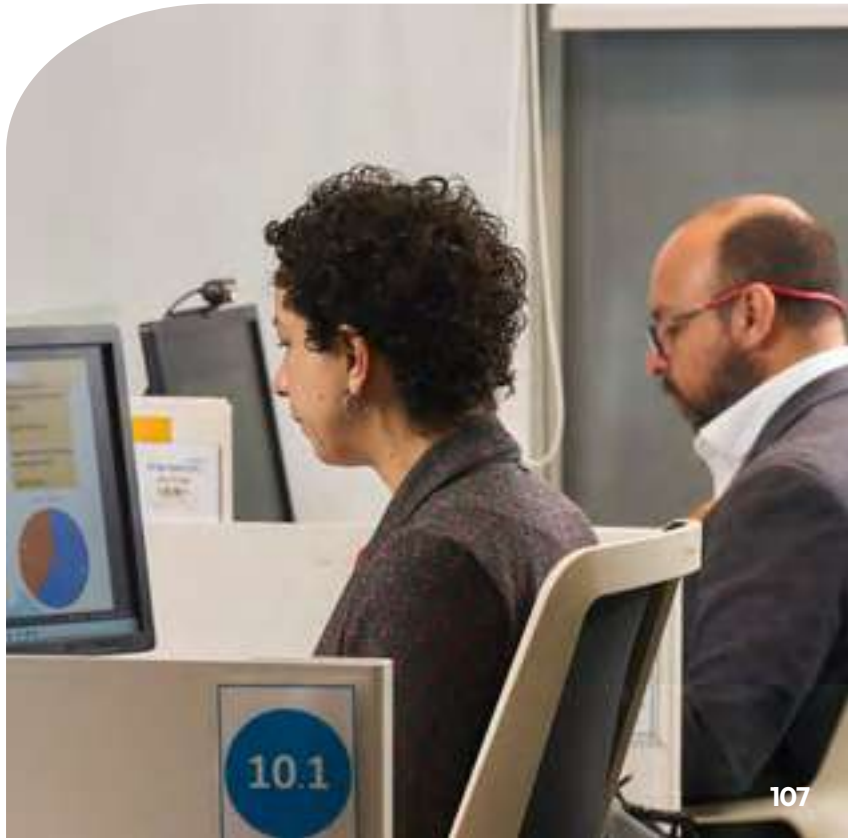
Supplier and Contractor Evaluation

(CMF 7.2)

During 2024, we conducted supplier and contractor evaluations to gather feedback from key personnel who work directly with them on projects and operations. These evaluations allow us to measure the performance of companies in services, projects, and supplies, either during their development or at the end of the work.

The purpose of this process is to update Transelec's Contractor and Supplier Registry, ensuring that our strategic partners meet the high standards required by the company.

These evaluations not only keep our database updated, but also ensure the quality of business relationships, transparency in our operations, and compliance with the highest procurement standards. This procedure reinforces our commitment to the efficient and reliable management of our suppliers and contractors.



(GRI 2-8)

	2023	2024
Total number of suppliers	1,589	2,561
SME suppliers	801	1032
Contractor suppliers	130	140
Number of female contractor employees	255	177
Number of male contractor employees	3,517	2,915
Total number of contractor employees	3,772	3,092
% of contractor employees who are women	6.8%	5.7%

Training and Courses on Occupational Health and Safety Issues

(T10-2)

During 2024, we implemented a comprehensive training program for contractors designed to strengthen their OHS competencies, effectively manage critical risks associated with their activities, and ensure compliance with legal and operational requirements in our operations.

ndicator	2024
Number of contractors trained in health and safety	65,493
Hours of health and safety training for employees	99,028
Number of health and safety courses offered to employees	4,724

Annual Meeting with Suppliers and Contractors

On May 7, 2024, Transelec successfully held the **Annual Meeting of Suppliers and Contractors** at the Novotel Hotel, bringing together 50 companies and 120 attendees. This event, which marks the return of an interrupted tradition, reaffirmed the ties between the company and its strategic partners while reflecting on future challenges and opportunities in the energy sector.

During the event, three Transelec vice presidents shared the company's perspectives on a process of transformation and growth. Jorge Vargas, VP of Operations, presented the new ways of working in the operation and the projected outlook for 2024-2031. Bernardo Canales, VP of Engineering and Project Development, highlighted the 30 projects commissioned in the last three years, as well as the work plan under development. Olivia Heuts, VP Business Development, presented the corporate strategy exploring new lines of business beyond transmission.

2023 Superlatives
The 2023 awards for contractors were announced at the event:

- **Socio-environmental Services:** Nysa, for its community relations plan for the Atacama-Esmeralda line.
- **Quality in Construction:** Ingeniería Agrosonda, for its performance in the Entre Ríos substation and the expansion in Cerro Navia for line 7 of the Santiago Metro.
- **Maintenance Quality and Timeliness:** Airpoint Telecomunicaciones, for its implementation of Starlink satellite links at Transelec.
- **Environment:** Semi Chile, for its environmental management in investment projects throughout the country.
- **Safety:** Servicios Forestales Juan Carlos Navarrete Mena, for its commitment to the safe and efficient development of activities for the electricity system.

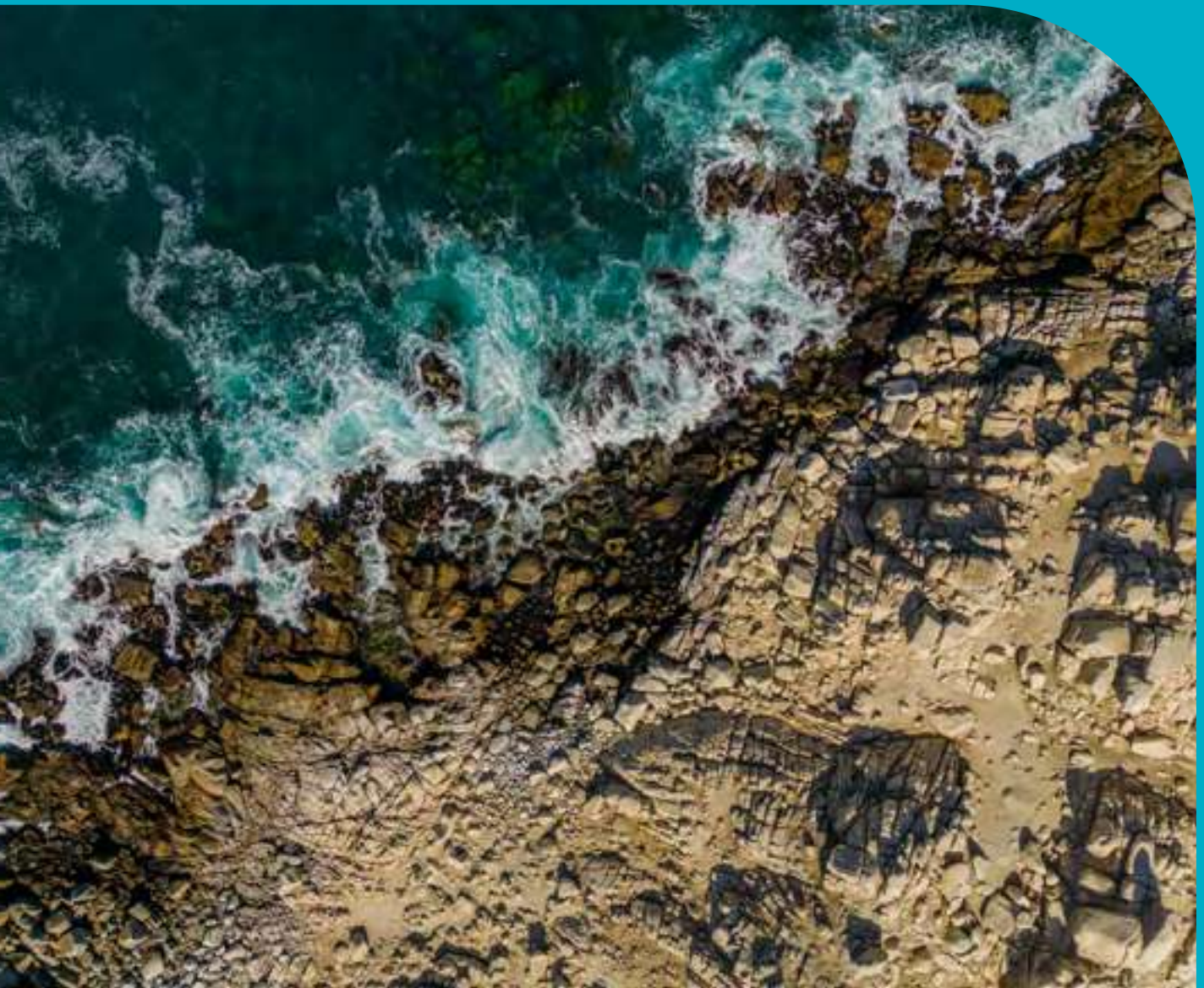
Payment Policy

(CMF 7.1, 204-1)

Our commitment to our suppliers and contractors goes beyond the implementation of good business practices, the transfer of experience, and joint development; we also recognize that their economic sustainability is fundamental to our shared success. To this end, our payment policy establishes a standard term of 30 days to comply with our obligations.

However, following the 2019 social unrest and to support SMEs, we implemented a reduced payment term of approximately seven days for all our suppliers. This approach was designed to strengthen the sustainability of our strategic partners and remained in place until 2024, enhancing our commitment to SME development and promoting more agile, supportive, and responsible business relationships.

Indicador	2023	2024
Average number of days required to pay suppliers	6.5	6.0
Amount paid to Chilean suppliers	$439,344 (thousands of Chilean pesos)	$426,788 (thousands of Chilean pesos)



05.

APPENDICES

About This Report

(GRI 2-2, 2-3, 2-4, 2-5)

We are pleased to present our third Integrated Report, which covers the period from January 1 to December 31, 2024. This document reaffirms our commitment to transparency, detailing Transelec's management and performance in the economic, social, environmental, and corporate governance areas.

We would like to express our most sincere thanks to the teams that faced the challenges of 2024 with dedication and commitment. Their work ensures operational continuity and the fulfillment of our strategic objectives and made the preparation of this Integrated Report possible.

This document has been developed in accordance with the Global Reporting Initiative (GRI) Standards and the indicators established in General Rule No. 461 of Chile's Financial Market Commission (CMF). In compliance with international best practices, we have also included Sustainability Accounting Standards Board (SASB) indicators specific to the electricity industry. It should be noted that this Report did not undergo an external verification process.

Materiality Process

(GRI 3-1, 3-2, 3-3)

In 2024, we conducted a materiality process that allowed us to review and identify the most important sustainability issues for the Group. This exercise was carried out in accordance with the guidelines established by the Global Reporting Initiative (GRI) based on the dual materiality methodology, which allows us to analyze the impacts, risks, and opportunities that Transelec generates for society and the environment, as well as those that society and the environment generate for our organization.

This process involved the following stages:

- **Analysis of the organization's context:** Based on a review of press coverage and social media activity, internal and external documents, interviews with the Group's main executives, industry benchmarks, sustainability standards, and trends in the sector, both nationally and internationally.
- **Identification of real and potential impacts:** We held a workshop to identify positive and negative impacts, risks and opportunities. Participants included the vice presidents and the Chief Executive Officer.
- **Prioritization of material aspects:** Process developed through surveys conducted by the vice presidencies in order to determine the importance of each topic for the Company's strategy. To this end, two key aspects were analyzed, considering both benefits and associated risks: the likelihood of occurrence and the potential impact.

This approach allowed us to prioritize the management of the most critical issues for the business and its stakeholders, ensuring decision-making that is aligned with Transelec's sustainability and strategic development. It also reinforces the integration of ESG (environmental, social and governance) aspects, offering a comprehensive vision of sustainability in the organization.

The impacts have been prioritized as follows:

	Impacts	Material Aspect Management
1	Contribution to decarbonization and the energy transition	
2	Improved electricity grid operational efficiency	
3	Contribution to Chile's development	
4	Facilitating access to water resources	
5	Contribution to industry rules and laws	
6	Generation of fires	
7	Contribution to the development of communities near our operations	
8	Generation of waste (batteries, brine, transformers) at the end of the useful life of assets	
9	Decrease in energy prices due to the promotion of renewable energies	
10	Visual pollution	

	Risks and Opportunities	Material Aspect Management
1	Positioning the company as a key stakeholder in the energy transition	
2	New business based on the need for water	
3	Regulatory changes (industry, sustainability, people, etc.) and their impact on revenues	
4	Permitting and increased project costs	
5	Lack of quality contractors	
6	Transmission system planning	
7	Dependence on regulated income	
8	Ensuring that new projects add value	
9	Need for quality safe electric energy service	
10	Capacity to have sufficient liquidity to meet our obligations	

Directors Alternate

Tai Cheng*
Alternate
Not independent
Profession: Others
Expertise: Others
Nationality: Foreign national
Tax ID Number: Foreign national
Start Date: 28/04/2023

Claudio Campos
Alternate
Not independent
Profession: Attorney
Expertise: Financial Industry
Nationality: Chilean
Tax ID Number: 10.266.027-7
Start Date: 26-04-2019

Jon Perry
Alternate
Not independent
Profession: Trade
Expertise: Financial Industry
Nationality: Foreign national
Tax ID Number: Foreign national
Start Date: 30-04-2021

José Miguel Bambach
Alternate
Not independent
Profession: Attorney
Expertise: ESG Sustainability, Risk Management, Financial Industry, IT and Cybersecurity
Nationality: Chilean
Tax ID Number: 7.010.468-7
Start Date: 26-04-2019

Juan Agustín Laso
Alternate
Not independent
Profession: Attorney
Expertise: Risk Management and Financial Industry
Nationality: Chilean
Tax ID Number: 7.021.933-6
Start Date: 26-04-2019

Michael Rosenfeld
Alternate
Not independent
Profession: Trade
Expertise: ESG Sustainability, Risk Management Financial Industry, IT and Cybersecurity.
Nationality: Foreign national
Tax ID Number: Foreign national
Start Date: 26-04-2019

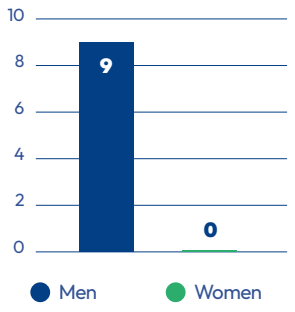
Patricio Reyes
Alternate
Not independent
Profession: Attorney
Expertise: Financial Industry
Nationality: Chilean
Tax ID Number: 10.034.607-9
Start Date: 26-04-2019

Diego Gonzalez
Alternate
Not independent
Profession: Attorney
Expertise: Risk Management, Financial Industry
Nationality: Chilean
Tax ID Number: 15.855.419-4
Start Date: 30-04-24

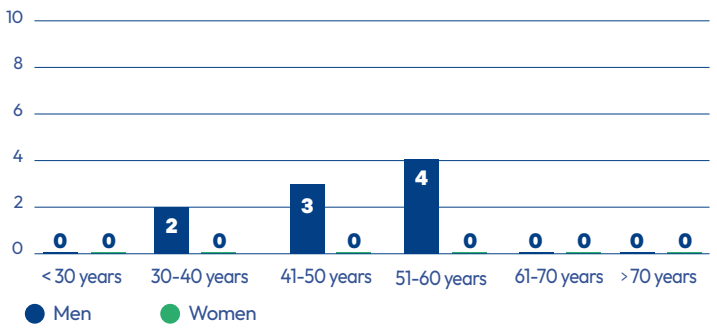
Jorge Echeverría
Alternate
Not independent
Profession: Attorney
Expertise: ESG Sustainability
Nationality: Chilean
Tax ID Number: 17.401.796-4
Start Date: 30-04-2024

* Mr. Tai Cheng resigned from his position as Alternate Director of Transelec S.A. on December 31, 2024.

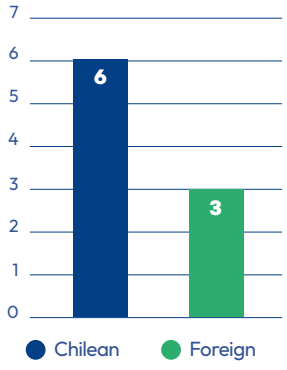
Gender



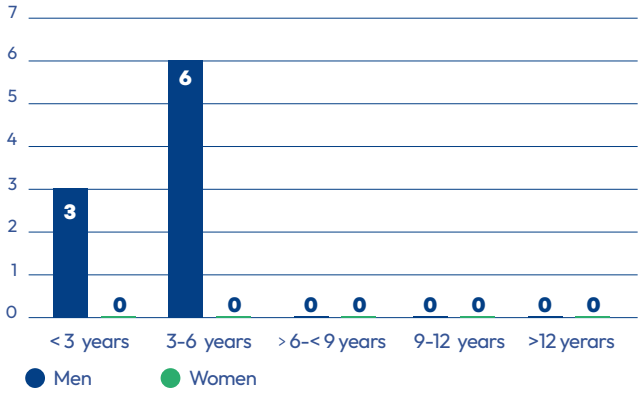
Agre group



Nationality



Years of service



Direct (Scope 1) GHG emissions 2024

(GRI 305-1)

		Scope 1 Emissions 2024		
		Amount of fuels m^3	Tons of CO_2eq emitted	Percentage of total
Compañía	Fixed sources	1,706.6	346.09	10%
	Mobile sources	2,336.06	598.77	18%
	Fugitive sources	131.7(Kg)	2,467.5	72%

Other indirect (Scope 3) GHG emissions

(GRI 305-3; SASB IF-EU-110a.2)

	Emisiones Alcance 3 2024	
Plant and/or location	Tons of CO^2eq emitted	Percentage of total
Procurement of capital goods	44,352.23	76%
Fuel and energy related activities	220.69	0.38%
Upstream transportation	1,031.36	2%
Waste treatment and disposal	750.07	1%
Business travel	1,478.82	3%
Goods and services acquired	10,633.96	18%

Energy indirect (Scope 2) GHG emissions

(GRI 305-2)

	Scope 2 Emissions 2024			
	Plant and/or location	Energía (Kwh	Tons of CO^2eq emitted	Percentage of total
Compañía	Acquisition of Electricity	11,938,729	2,964.98	2%
	Transmission and distribution losses	702,920,498	178,072.34	98%

GHG emissions 2024

(IF-EU-110a.1, IF-EU-110a.2)

GHG emissions for Scope 2023-2024		
	GHG emissions 2024 (tCO2 eq)(**)	GHG emissions 2023 (tCO2 eq)(**)
Scope 1	3,412.36	8,568
Scope 1	181,037.32	328,603
Scope 3	58,467.13	80,100
Total	**242,916.81**	**417,271**

In 2024, Transelec's carbon footprint experienced a significant reduction compared to 2023, mainly due to a decrease in transmission and distribution losses, which represent the largest percentage of its emissions. These losses fell by 37%, from 283,361 tCO_2e in 2023 to 195,166 tCO_2e in 2024, thanks to the reduction in the emission factor of the National Electric System (SEN) and a lower amount of energy lost. In addition, emissions from the purchase of capital goods fell by 40% due to a lower purchase of materials purchased by gross weight.

However, the purchased goods and services category increased by 60%, reaching 10,634 tCO_2e, reflecting higher fuel and energy consumption in projects.

Despite this increase, the overall reduction in emissions was driven by greater efficiency in the electrical system and lower purchases of capital goods, highlighting an advance in the company's carbon footprint management.

Waste generated
(GRI 306-3)

Waste generated (ton)	2024
Plastic	3.13
Paper & Cardboard	0.66
Wood	155.41
Metals (aluminum, copper, iron and steel)	868.70
Tiles and ceramic materials	875.02
Electrical and electronic equipment	85.35
Non-hazardous industrial waste	5,566.24
Hazardous industrial waste	0.57
Unclassified	-

Number of People by Gender and Job Category
(CMF 5.1.1)

	2023			2024		
Dotación por cargo:	Men	Women	Total	Men	Women	Total
Senior Leadership	7	3	10	7	3	10
Managers	37	7	44	39	14	53
Area Heads	93	15	108	84	12	96
Operators	0	0	0	0	0	0
Sales Force	0	0	0	0	0	0
Administrative Staff	10	19	29	7	21	28
Auxiliary Staff	0	0	0	0	0	0
Other Professionals	238	95	333	245	91	336
Other Technicians	65	1	66	64	1	65
Total	**450**	**140**	**590**	**446**	**142**	**588**

Number of People by Nationality

(CMF 5.1.2)

	2023				2024			
	Chilean		Foreign		Chilean		Foreign	
	Men	Women	Men	Women	Men	Women	Men	Women
Senior Leadership	7	2	-	1	7	2	-	1
Managers	36	7	1	-	38	14	1	-
Area Heads	89	13	4	2	80	10	4	2
Operators	-	-	-	-	-	-	-	-
Sales Force	-	-	-	-	-	-	-	-
Administrative Staff	10	18	-	1	7	20	-	1
Auxiliary Staff	-	-	-	-	-	-	-	-
Other Professionals	222	82	16	13	232	80	13	11
Other Technicians	61	-	4	1	60	-	4	1
Total	**425**	**122**	**25**	**18**	**424**	**126**	**22**	**16**

Number of people by age range, gender, and function category

(CMF 5.1.3)

	2024																				
	Under 30			30-40			41-50			51-60			61-70			Over 70			TOTAL		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior Leadership	0	0	0	1	0	1	2	2	4	3	1	4	1	0	1	0	0	0	7	3	10
Managers	0	0	0	7	3	10	18	7	25	8	4	12	6	0	6	0	0	0	39	14	53
Area Heads	0	0	0	30	7	37	36	2	38	10	3	13	8	0	8	0	0	0	84	12	96
Operators	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Force	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Staff	0	0	0	1	2	3	3	12	15	2	6	8	0	1	1	1	0	1	7	21	28
Auxiliary Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Professionals	31	13	44	124	54	178	63	19	82	17	5	22	10	0	10	0	0	0	245	91	336
Other Technicians	3	1	4	20	0	20	12	0	12	14	0	14	15	0	15	0	0	0	64	1	65
Total	**34**	**14**	**48**	**183**	**66**	**249**	**134**	**42**	**176**	**54**	**19**	**73**	**40**	**1**	**41**	**1**	**0**	**1**	**446**	**142**	**588**

Years of Service

(CMF 5.1.4)

No. employees by job category and years of service	2024																	
	Less than 3			3-6			6-9			9-12			Over 12			Total		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior Leadership	0	2	2	1	0	1	0	0	0	1	0	1	5	1	6	7	3	10
Managers	14	6	20	3	4	7	3	0	3	5	0	5	14	4	18	39	14	53
Area Heads	6	0	6	16	4	20	13	4	17	9	1	10	40	3	43	84	12	96
Operators	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Force	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Staff	3	7	10	0	2	2	1	2	3	1	2	3	2	8	10	7	21	28
Auxiliary Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Professionals	93	37	130	41	27	68	40	7	47	29	9	38	42	11	53	245	91	336
Other Technicians	15	1	16	10	0	10	6	0	6	6	0	6	27	0	27	64	1	65
Total	**131**	**53**	**184**	**71**	**37**	**108**	**63**	**13**	**76**	**51**	**12**	**63**	**130**	**27**	**157**	**446**	**142**	**588**

People with Disabilities
(CMF 5.1.5)

People with Disabilities				
Job Category	Gender	2024	2023	2022
Area Heads	Women	0	1	1
	Men	1	0	1
Administrative Staff	Women	1	1	1
	Men	0	1	1
Other Professionals	Women	1	1	3
	Men	3	0	4
Other Technicians	Women	0	0	1
	Men	1	0	1

* There are no people in situation of disability in the Senior Leadership and Management categories.

Labor Formality
(CMF 5.2)

Workers by type of contract	2024					
	No. Men	% Men	No. Women	% Women	No. Total	% Total
Open-ended Contract	440	75%	142	24%	582	99%
Fixed-term Contract	6	1%	0	0%	6	1%
Fee	0	0%	0	0%	0	0%
Total	**446**	**76%**	**142**	**24%**	**588**	**100%**

Job Adaptability
(CMF 5.3)

Employees by type of workday	2024					
	Men	% Men	Women	% Women	Total	% of Total Staff
Regular Schedule (Full-time)	446	76%	142	24%	588	100%
Part-time Schedule	0	0	0	0	0	0%
Partial Telework	0	0	0	0	0	0%
Full Telework	0	0	0	0	0	0%
Adaptability Agreements Due to Family Responsibilities	0	0	0	0	0	0%
Hours for Individuals Caring for Children Under 12	0	0	0	0	0	0%

Employees

(GRI 2-7)

Employees By Gender and Region

Region	2023 Total Staff			2024 Total Staff		
	Men	Women	Total	Men	Women	Total
Arica y Parinacota	1	0	1	0	0	0
Tarapacá	9	0	9	9	0	9
Antofagasta	25	5	30	25	5	30
Atacama	12	1	13	12	1	13
Coquimbo	27	4	31	32	4	36
Valparaíso	4	0	4	4	0	4
Libertador Bernardo O´Higgins	0	0	0	0	0	0
Maule	28	5	33	28	5	33
Ñuble	0	0	0	6	0	6
Biobio	28	4	32	21	7	28
La Araucanía	16	2	18	15	4	19
Los Ríos	0	0	0	1	0	1
Los Lagos	5	1	6	5	0	5
Aysen	0	0	0	0	0	0
Magallanes	0	0	0	0	0	0
Metropolitan	310	123	433	314	122	436
TOTAL	**465**	**145**	**610**	**472**	**148**	**620**

Permanent Employees by Gender and Region

Región	2023 Permanent Employees			2024 Permanent Employees		
	Men	Women	Total	Men	Women	Total
Arica y Parinacota	1	0	1	0	0	0
Tarapacá	9	0	9	9	0	9
Antofagasta	22	5	27	22	5	27
Atacama	12	1	13	12	1	13
Coquimbo	27	4	31	32	4	36
Valparaíso	4	0	4	4	0	4
Libertador Bernardo O´Higgins	0	0	0	0	0	0
Maule	28	5	33	28	5	33
Ñuble	No data	No data	0	6	0	6
Biobio	28	4	32	21	7	28
La Araucanía	16	5	21	14	4	18
Los Ríos	0	0	0	1	0	1
Los Lagos	3	1	4	3	0	3
Aysen	0	0	0	0	0	0
Magallanes	0	0	0	0	0	0
Metropolitan	298	115	413	288	116	404
TOTAL	**448**	**140**	**588**	**440**	**142**	**582**

Permanent employee: An employee with an indefinite employment contract (i.e., permanent contract) for full-time or part-time work.

Temporary Employees by Gender and Region

Region	2023 Temporary Workers			2024 Temporary Workers		
	Men	Women	Total	Men	Women	Total
Arica y Parinacota	0	0	0	0	0	0
Tarapacá	0	0	0	0	0	0
Antofagasta	0	0	0	0	0	0
Atacama	0	0	0	0	0	0
Coquimbo	0	0	0	0	0	0
Valparaíso	0	0	0	0	0	0
Libertador Bernardo O´Higgins	0	0	0	0	0	0
Maule	0	0	0	0	0	0
Ñuble	0	0	0	0	0	0
Biobio	0	0	0	0	0	0
La Araucanía	0	0	0	1	0	1
Los Ríos	0	0	0	0	0	0
Los Lagos	0	0	0	0	0	0
Aysen	0	0	0	0	0	0
Magallanes	0	0	0	0	0	0
Metropolitana	2	2	2	5	0	5
TOTAL	**2**	**2**	**2**	**6**	**0**	**6**

Temporary workers: An employee with a contract for a limited period (i.e., a fixed-term contract) that ends once the specified period has elapsed or when the specific task or event with an associated time estimate is completed.

Zero-hour Employees by Gender and Region

Region	2023 Zero-hour Employees			2024 Zero-hour Employees		
	Men	Women	Total	Men	Women	Total
Arica y Parinacota	0	0	0	0	0	0
Tarapacá	0	0	0	0	0	0
Antofagasta	3	0	3	3	0	3
Atacama	0	0	0	0	0	0
Coquimbo	0	0	0	0	0	0
Valparaíso	0	0	0	0	0	0
Libertador Bernardo O´Higgins	0	0	0	0	0	0
Maule	0	0	0	0	0	0
Ñuble	0	0	0	0	0	0
Biobio	0	0	0	0	0	0
La Araucanía	0	0	0	0	0	0
Los Ríos	0	0	0	0	0	0
Los Lagos	2	0	2	2	0	2
Aysen	0	0	0	0	0	0
Magallanes	0	0	0	0	0	0
Metropolitana	10	8	18	21	6	27
TOTAL	**15**	**8**	**23**	**26**	**6**	**32**

Zero-hour Employees: An employee who is not guaranteed a minimum or fixed number of working hours per day, week, or month but may be required to be available for work as needed.

Full-time Employees by Gender and Region

Region	2023 Full-time Employees			2024 Full-time Employees		
	Men	Women	Total	Men	Women	Total
Arica y Parinacota	1	0	1	0	0	0
Tarapacá	9	0	9	9	0	9
Antofagasta	22	5	27	22	5	27
Atacama	12	1	13	12	1	13
Coquimbo	27	4	31	32	4	36
Valparaíso	4	0	4	4	0	4
Libertador Bernardo O´Higgins	0	0	0	0	0	0
Maule	28	5	33	28	5	33
Ñuble	0	0	0	6	0	6
Biobio	28	4	32	21	7	28
La Araucanía	16	5	21	15	4	19
Los Ríos	0	0	0	1	0	1
Los Lagos	3	1	4	3	0	3
Aysen	0	0	0	0	0	0
Magallanes	0	0	0	0	0	0
Metropolitana	300	115	415	293	116	409
TOTAL	**450**	**140**	**590**	**446**	**142**	**588**

Average Hours of Training per Year per Employee

(CMF 5.8 ii, iii, GRI 404-1)

Training Indicator	2023					
	No. Men Trained	Average Number of Hours of Training for Men	% Men Trained	No. Women Trained	Average Number of Hours of Training for Women	% Women Trained
Senior Leadership	7	105	100%	3	124	100%
Managers	37	62	100%	9	56	100%
Area Heads	86	51	92%	14	73	93%
Operators	-	-	-	-	-	-
Sales Force	-	-	-	-	-	-
Administrative Staff	11	22	100%	17	30	89%
Auxiliary Staff	-	-	-	-	-	-
Other Professionals	250	49	100%	102	44	100%
Other Technicians	70	44	100%	1	55	100%
Total	**461**	**50**	**99%**	**146**	**48**	**97%**

Training Indicator	2024					
	No. Men Trained	Total Training Hours Men	Average Training Hours Men	No. Women Trained	Total Training Hours Women	Average Training Hours Women
Senior Leadership	6	529	88	3	311	104
Managers	40	2,639	66	19	932	49
Area Heads	102	4,576	45	33	1,992	60
Operators	-	-	-	-	-	-
Sales Force	-	-	-	-	-	-
Administrative Staff	4	98	98	11	400	36
Auxiliary Staff	-	-	-	-	-	-
Other Professionals	305	21,417	70	91	5,937	65
Other Technicians	20	1,097	55	-	-	-
Total	**477**	**30,356**	**64**	**157**	**9,572**	**61**

Benefits
(GRI 401-2)

Benefits Plan	
Remote work (minimum of 3 days on site) and flexible work hours	Employees who qualify based on their role and job description
Promoting diversity and inclusion efforts	All employees
Benefits for direct family member with serious illness	All employees
Extending activities to Transelec relatives	All employees
Maintaining spaces for dialogue between different areas of the company	All employees
Breastfeeding facilities	All breastfeeding women
Afternoon off for birthday	All employees
Daycare support: Legal daycare benefit for children up to age 2 or specialized home care provider	Women with children up to age 2. (*) Children between 2 and 3 receive 50% coverage for this benefit
Company contribution to finance the Transelec Club: wellbeing, recreation, and entertainment	All employees with open contracts
Complementary Health Insurance (solidarity copayment)	Open contract or per project
Complementary Dental Insurance (solidarity copayment)	All employees with open contracts
Life insurance (solidarity copayment)	All employees with open contracts
Catastrophic insurance (solidarity copayment)	Open contract or per project
Holiday bonuses	All employees with open contracts
Telemedicine (Betterfly or complementary insurance)	Everyone
Vacation bonus	All employees with open contracts and only those subject to this based on their individual contract or union membership
Veterinary services (Betterfly)	All employees
Bridge days between holidays (Tuesday or Thursday holiday)	All employees

*We do not have retirement plans, but we provide pension advice to workers who are close to retirement.

Percentage of Employees Receiving Regular Performance and Professional Development Evaluations
(GRI 404-3)

Employees Evaluated	2024				
	No. of Men	% of Men	No. of Women	% of Women	Total
Senior Leadership	7	100%	3	100%	10
Managers	39	100%	14	100%	53
Area Heads	84	100%	12	100%	96
Operators	-	-	-	-	-
Sales Force	-	-	-	-	-
Administrative Staff	7	100%	21	100%	28
Auxiliary Staff	-	-	-	-	-
Other Professionals	245	100%	91	100%	336
Other Technicians	64	100%	1	100%	65
Total	**446**	**100%**	**142**	**100%**	**588**

Parental Leave

(CMF 5.7, GRI 401-3)

Type of charge	Men					Women			
	Number of people entitled to post natal leave (*)	Percentage of people who used post natal leave	Average number of days used	5-day paternal post natal leave	6-week parental post natal leave	Number of people entitled to post natal leave (*)	Percentage of persons who used post natal leave	Average days used	6-week parental post natal
Senior Leadership									
Managers									
Area Heads						3	100%	83	0
Operators									
Sales Force									
Administrative Staff									
Auxiliary Staff									
Other Professionals	7	100%	5	7	0	9	100%	55	0
Other Technicians									

(*) Employees entitled to parental leave are those employees who are covered by organizational policies, agreements or contracts that include parental leave entitlements.

OHS risk identification model stages

1	Results Collection and Organization	Data Consolidation	The results of risk assessments in different areas or processes are compiled, classifying them by type of risk, probability, severity and controls applied.
		Assessment History	A historical record is kept identifying patterns or trends in the risks detected.
2	Quantitative and Qualitative Analysis	Quantification of Residual Risks	The effectiveness of controls is measured by performance indicators, such as the decrease in incidents related to a specific risk.
		Risk Prioritization	Risks are organized according to the combination of their probability and severity, which makes it possible to define priorities for the allocation of improvement resources.
		Causas comunes	The analysis identifies recurring causes, which may be linked to systemic failures or management deficiencies.
3	Comparison of Standards and Regulations	Legal Compliance	It is verified whether the risks identified, and controls implemented comply with local and international regulations (e.g., ISO 45001).
		Industry Standards	Results are compared with industry best practices to identify opportunities for improvement.
4	Creation of Action Plans	Gap Identification	Analysis of results reveals areas where controls are insufficient or non-existent.
		Definition of Objectives	Based on the findings, specific improvement objectives are established, such as reducing critical risks or implementing more effective controls.
		Resource Allocation	Financial, technical and human resources are allocated to address the most significant risks.
5	Implementation of Changes	Updating of Procedures	Operational processes, work protocols, and training programs are adjusted according to the findings.
		Optimization of Controls	Additional or more robust controls are implemented, following the control hierarchy (disposal, substitution, engineering, Administrative Staffs, Personal Protective Equipment (PPE)).
6	Monitoring	Performance Indicators	Metrics such as accident rates, compliance with regulations and effectiveness of controls are used to measure the impact of the actions implemented.
		Periodic Reassessment	Follow-up evaluations are scheduled to verify whether risks have been effectively mitigated.
7	Feedback and Communication	Involvement of Employees	The results of the analysis and improvement actions are communicated to employees who actively participate in the implementation and provide feedback for future adjustments.
		Reports to Upper Management	Reports are submitted to the organization's leaders, ensuring their commitment to continuous improvement.
8	Culture of Continuous Improvement	Organizational Learning	The analyses allow the organization to learn from the results, adjusting its risk management system to make it more proactive and effective.
		Recognition and Lessons Learned	Successful risk control cases are shared, and lessons are documented to replicate good practices throughout the organization.

Joint Health and Safety Committees

Norte Grande Division Joint Committee	
Number of employees represented	31
Main activities last year	• Hazard identification • Facilities inspections • Training activities
Main responsible parties	Nora Ruiz Añasco (President) Adolfo Nikolay Cifuentes (Secretary)
Meeting frequency	Monthly

Norte Chico Division Joint Committee	
Number of employees represented	46
Main activities last year	• Hazard identification • Facilities inspections • Training activities
Main responsible parties	Patricio Alejandro Pizarro (President) Rodrigo Leiva Soto (Secretary)
Meeting frequency	Monthly

Central Division Joint Committee (Itahue)	
Number of employees represented	31
Main activities last year	• Hazard identification • Facilities inspections • Training activities
Main responsible parties	Gustavo Quevedo Palma (President) Freddy J. Muñoz Castillo (Secretary)
Meeting frequency	Monthly

Central Division Joint Committee (Cerro Navia)	
Number of employees represented	31
Main activities last year	• Hazard identification • Facilities inspections • Training activities
Main responsible parties	Pending due to terms ending
Meeting frequency	Monthly

Comité Paritario de Gerencia Sur Concepción	
Number of employees represented	33
Main activities last year	• Hazard identification • Facilities inspections • Training activities
Main responsible parties	Pedro Veloso Uribe (President) Elba Zapata Toloza (Secretary)
Meeting frequency	Monthly

Southern Division Joint Committee (Temuco)	
Number of employees represented	25
Main activities last year	• Hazard identification • Facilities inspections • Training activities
Main responsible parties	Nicolás Vásquez Aracena (President) Ricardo A. Valenzuela Montero (Secretary)
Meeting frequency	Monthly

Headquarters Joint Committee	
Number of employees represented	424
Main activities last year	• Hazard identification • Facilities inspections • Training activities • Mutual Bronze Certification
Main responsible parties	Benjamin Leyton Garcia (President) Sandra Muñoz Izarnotegui (Secretary)
Meeting frequency	Monthly

Occupational Health and Safety Indicators

(CMF 5.6, GRI 403-9, 403-10, SASB IF-EU-320a.1)

Safety Indicators	2024	
	Employees	Contractors
Staff included in OHS indicators	640	3,160
Number of hours worked	1,254,853	5,346,385
Accident rate per 100 employees	-	0.11
Death due to occupational accidents (excluding deaths resulting from commuting accidents and those suffered by union leaders due to or in connection with the performance of their union duties)	-	-
Number of occupational accidents with lost time	-	4
Number of days lost due to occupational accidents	-	33
Number of occupational incidents with major consequences	-	-
Number of job-related diseases	-	-
Deaths due to job-related disease	-	-
Days lost due to job-related diseases	-	-
Job-related disease rate per 100 employees	-	-
No. of accidents without lost time	-	14
No. of recordable incidents	-	4
Total Recordable Incident Rate (TRIR)	-	0.1
Fatality rate	-	-
Near Miss Frequency Rate (NMFR)	-	0.5

Payment to Suppliers

(CMF 7.1 i, ii, iii, iv)

Days to Payment for Chilean Suppliers	2023				2024			
	No. Invoices Paid	Total Amount Invoices Paid	Total Amount of Interest Due to Delay in Invoice Payments	No. of Suppliers	No. Of Suppliers Paid	Total Amount of Invoice	Total Amount of Interest Due to Delay in Invoice Payments	No. of Suppliers
Up to 30 days	21,116	$426,000	$ -	2,087	22,042	$ 376,705	$ -	2,377
31-60 days	1,385	$17,178	$ -	14	620	$ 27,749	$ -	91
Over 60 days	581	$3,227	$ -	8	60	$ 4,235	$ -	17
Total	**23,082**	**446,405**	**-**	**2,109**	**-**	**-**	**-**	**-**

Days to Payment for Foreign Suppliers	2023				2024			
	No. Invoices Paid	Total Amount Invoices Paid	Total Amount of Interest Due to Delay in Invoice Payments	No. of Suppliers	No. of Suppliers Paid	Total Amount of Invoice	Total Amount of Interest Due to Delay in Invoice Payments	No. of Suppliers
Up to 30 days	97	$3,820	$ -	68	193	$ 18,074	$ -	71
31-60 days	71	$6,814	$ -	1	4	$ 25	$ -	4
Over 60 days	98	$10,901	$ -	1	1	$ 0	$ -	1
Total	**266**	**21,535**	**-**	**70**	**198**	**18,099**	**-**	**76**

Total Days for Supplier Payments	2023				2024			
	No. Invoices Paid	Total Amount Invoices Paid	Total Amount of Interest Due to Delay in Invoice Payments	No. of Suppliers	No. of Suppliers Paid	Total Amount of Invoice	Total Amount of Interest Due to Delay in Invoice Payments	No. of Suppliers
Up to 30 days	2,155	$429,820	$ -	2,155	22,595	$ 394,779	$ -	2,448
31-60 days	15	$23,992	$ -	15	624	$ 27,774	$ -	95
Over 60 days	9	$14,128	$ -	9	61	$ 4,235	$ -	18
Total	**2,179**	**467,940**	**-**	**2,179**	**23,280**	**426,788**	**-**	**2,561**

Tax Sustainability

	Fiscal Contribution	
	2023 (CLP)	2023 (CLP)
Collected	**28,799,291,437**	**19,916,691,107**
VAT Paid	24,096,804,783	14,796,962,974
Unique Second Category Tax	4,298,554,609	4,705,154,630
Retention	403,932,045	414,573,503
Supported	**4,472,926,621**	**3,752,307,093**
Property Taxes	940,188,896	938,702,658
Additional Tax	1,533,813,245	1,301,725,635
Stamp Tax	1,998,924,480	1,511,878,800
Total (CLP)	**33,272,218,058**	**23,668,998,200**

Transelec Group
Subsidiaries and affiliates (Part 1)

FILIALES Y SUBSIDIARIAS								
Name	**TRANSMISIÓN DEL MELADO SpA**	**GEA TRANSMISORA SpA**	**ANA MARÍA S.A**	**TRANSELEC HOLDINGS RENTAS LIMITADA**	**RENTAS ELÉCTRICAS I LIMITADA**	**TRANSELEC CONCESIONES S.A.**	**TRANSMISORA DEL PACIFICO S.A.**	**TRANSMISORA PARINAS S.A.**
Type of relation with Transelec S.A (Subsidiaries and related entities) (CMF 6.5.1 i)	Filial	Subsidiary	Subsidiary	Relational	Relational	Relational	Relational	Relational
Legal Status (CMF 6.5.1 i)	SpA	SpA	S.A.	Ltda	Ltda	S.A.	S.A.	S.A.
RUT (CMF 6.5.1 i)	76.538.831-7	77.504.183-8	77.677.302-6	76.560.200-9	76.559.580-0	76.524.463-3	76.920.929-8	77.244.437-0
Domicile (CMF 6.5.1 i)	Orinoco 90, Piso 14 Las Condes, Santiago, Chile	Orinoco 90, Piso 14 Las Condes, Santiago, Chile	Orino 90, Piso 14, Las Condes, Santiago, Chile	Orinoco 90, Piso 14 Las Condes, Santiago, Chile	Orinoco 90, Piso 14 Las Condes, Santiago, Chile	Orinoco 90, Piso 14 Las Condes, Santiago, Chile	Orinoco 90, Piso 14 Las Condes, Santiago, Chile	Orinoco 90, Piso 14 Las Condes, Santiago, Chile
Subscribed and paid - in capital (CMF 6.5.1 ii)	MCLP$5,449,579	MUS$76,001	MUS$13,977	MUS$1,319,973	MUS$496,089	MUS$5,000	MUS$1	MUS$1
Corporate purpose and line of business (CMF 6.5.1 iii)	The commercialization of the transmission capacity of lines and the transformation of substations and related equipment, so that the generating plants, both domestic and foreign, can transmit the electricity they produce and reach their consumption centers; the provision of consulting services in the specialties of engineering and management of companies related to its exclusive purpose, and the development of other commercial and industrial activities related to the use of infrastructure for the transmission of electricity	The operation and development of the electrical systems of its property intended for the transport or transmission of power, being able, for such purposes, to apply for, acquire and enjoy the respective concessions and authorizations and to exercise all the rights and powers that the law confers to the electrical companies.	engage in the activity of energy transmission	To obtain income from all types of real estate and investments, payments or any other income derived from its interest, dominion, possession or ownership of any type of investment, regardless of its original denomination, including income from bonds and debentures, credit documents of any type, dividends and other benefits derived from the dominion, possession or ownership of shares in corporations or rights in partnerships, cash, deposits, among others, any other activity directly or indirectly related to the foregoing.	The corporate purpose is to obtain income from all types of real estate and investments, payments or any other income derived from its interest, dominion, possession or ownership of any type of investment, regardless of its original denomination, including income from bonds and debentures, credit documents of any type, dividends and other benefits derived from the dominion, possession or ownership of shares in corporations or rights in partnerships, cash, deposits, among others, any other activity directly or indirectly related to the foregoing.	The operation and development of the electrical systems of its property intended for the transport or transmission of power, being able, for such purposes, to apply for, acquire and enjoy the respective concessions and authorizations and to exercise all the rights and powers that the law confers to the electrical companies.	The operation and development of the electrical systems of its property intended for the transport or transmission of power, being able, for such purposes, to apply for, acquire and enjoy the respective concessions and authorizations and to exercise all the rights and powers that the law confers to the electrical companies.	To exploit and develop electricity systems of its own or third parties for the transport or transmission of electric energy through the sale of the line transport capacity and transformation of substations and equipment associated with them; to provide consulting services in the areas of engineering and the management of companies related to its exclusive purpose; and to develop other commercial and industrial activities related to the use of infrastructure meant to be used in electricity transmission.
First and last names of the director(s), senior management and, if applicable, CEO (CMF 6.5.1 iv)	Olivia Heuts Jorge Vargas Romero Francisco Castro Crichton Arturo Le Blanc Cerda (GG)	Bernardo Canales Fuenzalida Francisco Castro Crichton Arturo Le Blanc Cerda (GG)	Eduardo Tagle Gana Olivia Heuts (GG) Jorge Vargas Romero	The administrator of the company is Rentas Eléctricas I Ltda., and its general manager is Arturo Le Blanc Cerda.	Alfredo Ergas Richard Cacchione Jordan Anderson Tao He BlasTomic Errázuriz Juan Benabarre Benaiges Andrea Butelmann Peisajoff Mario Valcarce Durán Ximena Clark Núñez	Jorge Vargas Romero Francisco Castro Crichton Arturo Le Blanc Cerda (GG)	Arturo Le Blanc Cerda (GG) Jorge Vargas Romero Francisco Castro Crichton	Arturo Le Blanc Cerda (GG) Jorge Vargas Romero Francisco Castro Crichton
Total ownership interest % (CMF 6.5.1 v)	100%	100%	100%	100%	100%	100%	100%	100%

Transelec Group
Subsidiaries and affiliates (Part 2)

Name	INVERSIONES C y T LTDA.	CyT OPERACIONES SpA	POZO DOLORES S.A.	CONELSUR S.A.C.	CONELSUR SV S.A.C.	CONELSUR LT S.A.C.	PASCO TRANSMISIÓN S.A.C.	CUZCO TRANSMISIÓN S.A.C.
Type of relation with Transelec S.A (Subsidiaries and related entities) (CMF 6.5.1 i)	Relacional	Relacional	Relacional	Relacional	Relacional	Relacional	Relacional	Relacional
Legal Status (CMF 6.5.1 i)	Ltda	SpA	S.A.	S.A.C.	S.A.C	S.A.C.	S.A.C	S.A.C.
RUT (CMF 6.5.1 i)	76.137.683-7	76.248.725-K	76.736.646-9	RUC: 20600734271	RUC: 20604938300	RUC: 20601047005	RUC: 20604953147	RUC: 20604952825
Domicile (CMF 6.5.1 i)	Orinoco 90, Piso 14 Las Condes, Santiago, Chile	Orinoco 90, Piso 14 Las Condes, Santiago, Chile	Orinoco 90, Piso 14 Las Condes, Santiago, Chile	Av. Armendariz 480, Of. 201 A, Miraflores, Lima, Perú	Av. Armendariz 480, Of. 201 A, Miraflores, Lima, Perú	Av. Armendariz 480, Of. 201 A, Miraflores, Lima, Perú	Av. Armendariz 480, Of. 201 A, Miraflores, Lima, Perú	Av. Armendariz 480, Of. 201 A, Miraflores, Lima, Perú
Subscribed and paid - in capital (CMF 6.5.1 ii)	MUS$1,500	MUS$1,500	MUS$1	MUS$59,755	MSOL$1	MSOL$94,463	MUS$3.300	MUS$0.3
Corporate purpose and line of business (CMF 6.5.1 iii)	The corporate purpose is a) the investment of its own or third party resources in publicly traded securities, shares of openly- and closely-held corporations or any other type of companies, especially joint-stock companies, bonds, debentures and other commercial paper; b) the acquisition and exploitation of all types of movable or immovable, tangible or intangible goods; c) other investments related to the foregoing or related to real estate or personal property, tangible or intangible, and the receipt of the yields thereof.	The operation and development of the electrical systems of its property intended for the transport or transmission of power, being able, for such purposes, to apply for, acquire and enjoy the respective concessions and authorizations and to exercise all the rights and powers that the law confers to the electrical companies.	The operation and development of the electrical systems of its property intended for the transport or transmission of power, being able, for such purposes, to apply for, acquire and enjoy the respective concessions and authorizations and to exercise all the rights and powers that the law confers to the electrical companies.	The corporate purpose is based on the holding of all types of real estate and movable capital, whether consisting of interest, payments or any other product derived from the ownership, possession or holding of any type of movable capital, whatever its denomination and origin, also including income from bonds and debentures, debt securities of any type, dividends and other benefits derived from the ownership, possession or holding in any capacity of shares in corporations or rights in partnerships, cash deposits, among others. This purpose includes all activities that are ancillary, complementary, related, connected, necessary or that enable its fulfillment and that comply with its laws and, in particular, with the Peruvian Electric Concession Law and the regulations that regulate the activity of electric power transmission and the operation of electric power transmission systems within the National Interconnected Electric System.	To manage the activities of the companies Conelsur LT and Pasco CTNP. To render services to other companies in the power transmission sector.	To engage in electric energy transmission in any concession awarded by the Peruvian Government to the company or third parties to which the company provides operating service or maintains facilities and any energy electricity transmission system that society freely develops without the need to obtain an operating permit. The company may also plan, design, build, exploit, maintain, modify and close all manner of its own or third party facilities that comprise transmission systems and enter into electricity transmission service and transmission contracts, interconnection agreements and in the broadest sense engage in the management, operation and maintenance of electricity transmission system networks or systems	To be the lead firm in the acquisition of 100% of the shares of Compañía Transmisora Norperuana S.R.L (CTNP).	To engage in power transmission in any concession awarded by the Peruvian Government to the company or third parties to which the company provides operating service and maintains facilities and any power transmission system that society freely develops without the need to have an operating permit.
First and last names of the director(s), senior management and, if applicable, CEO (CMF 6.5.1 iv)	The administrator of the company is Rentas Eléctricas I Ltda. and its General Manager is Arturo Le Blanc Cerda.	The administrator of the company is Inv. CyT Ltda., whose administrator, in turn, is Rentas Eléctricas I Ltda., whose General Manager is Arturo Le Blanc Cerda.	Arturo Le Blanc Cerda (GG) Francisco Castro Crichton Bernardo Canales Fuenzalida	Arturo Le Blanc Cerda Olivia Heuts Jorge Vargas Romero Francisco Castro Crichton Bernardo Canales Fuenzalida Cristián Arratia Gallardo (GG)	Cristián Arratia Gallardo (GG)	Cristián Arratia Gallardo (GG)	Cristián Arratia Gallardo (GG)	Cristián Arratia Gallardo (GG)
Total ownership interest % (CMF 6.5.1 v)	100%	100%	100%	100%	100%	100%	100%	100%

GRI

GRI Standard	Indicator	Disclosure	Chapter	Observation	Pages
GRI 2: Contenidos Generales 2021	2-1	Organizational details	Back Cover		2
	2-2	Entities included in the organization's sustainability reporting	About This Report		111
	2-3	Reporting period, frequency and contact point	Back Cover About This Report		2, 111
	2-4	Restatements of information	About This Report		111
	2-5	External assurance	About This Report		111
	2-6	Activities, value chain and other business relationships	1.2 Transelec S.A		13
	2-7	Employees	4.2 People		91
	2-8	Workers who are not employees	4.3 Suppliers and Contractors		91
	2-9	Governance structure and composition	1.2.4 Corporate Governance		22
	2-10	Nomination and selection of the highest governance body	1.2.4 Corporate Governance		20
	2-11	Chair of the highest governance body	1.2.4 Corporate Governance		22
	2-12	Role of the highest governance body in overseeing the management of impacts	1.2.4 Corporate Governance		19
	2-13	Delegation of responsibility for managing impacts	1.2.4 Corporate Governance		25
	2-14	Role of the highest governance body in sustainability reporting	1.2.4 Corporate Governance		20
	2-15	Conflicts of interest	1.2.5 Ethics and Compliance Management		29
	2-16	Communication of critical concerns	1.2.5 Ethics and Compliance Management		29
	2-17	Collective knowledge of the highest governance body	1.2.4 Corporate Governance		20
	2-18	Evaluation of the performance of the highest governance body	1.2.4 Corporate Governance		20
	2-19	Remuneration policies	1.2.4 Corporate Governance		19, 24
	2-20	Process to determine remuneration	1.2.4 Corporate Governance		24

GRI Standard	Indicator	Disclosure	Chapter	Observation	Pages
	2-21	Annual total compensation ratio		Indicator not reported due to its strategic nature for the Company	
	2-22	Statement on sustainable development strategy	Letter from the Chairman of the Board and the General Manager		4, 5
	2-23	Policy commitments	2. Strategy		35
	2-24	Embedding policy commitments	2. Strategy		35
	2-25	Processes to remediate negative impacts	2.3 Sustainability		69
	2-26	Mechanisms for seeking advice and raising concerns	1.2.5 Ethics and Compliance Management		29
	2-27	Compliance with laws and regulations	1.2.5 Ethics and Compliance Management		31
	2-28	Membership associations	1.2.3 Partnerships		18
	2-29	Approach to stakeholder engagement	1.2.6 Stakeholders		33
	2-30	Collective bargaining agreements	4.2.6 Labor Relations		98
GRI 3 Material Topics 2021	3-1	Process to determine material topics	Materiality Process		111
	3-2	List of material topics	Materiality Process		111
	3-3	Management of material topics	Materiality Process		111
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	3.3 Financial Management Results		80
	201-2	Financial implications and other risks and opportunities due to climate change	4.1.4 Main Risks		86
	201-3	Defined benefit plan obligations and other retirement plans	4.2.5 Wellbeing and Work Environment		96
	201-4	Defined benefit plan obligations and other retirement plans		Indicator not reported due to its strategic nature for the Company	79
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	3.2 Transelec S.A Investment Plan		63
	203-2	Significant indirect economic impacts	2.3 Sustainability		109
GRI 204: Prácticas de abastecimiento 2016	204-1	Proportion of spending on local suppliers	4.3 Suppliers and Contractors		31

GRI Standard	Indicator	Disclosure	Chapter	Observation	Pages
GRI 205: Anticorrupción 2016	205-1	Operations assessed for risks related to corruption	1.2.5 Ethics and Compliance Management		31
	205-2	Communication and training about anti-corruption policies and procedures	1.2.5 Ethics and Compliance Management		31
	205-3	Confirmed incidents of corruption and actions taken	1.2.5 Ethics and Compliance Management		31
GRI 206: Competencia desleal 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	1.2.5 Ethics and Compliance Management		31
GRI 207: Tax 2019	207-1	Approach to tax	3.4 Tax Strategy		81
	207-2	Tax governance, control, and risk management	3.4 Tax Strategy		81
	207-3	Stakeholder engagement and management of concerns related to tax	3.4 Tax Strategy		81
GRI 301: Materials 2016	301-1	Materials used by weight or volume	2.3 Sustainability		71
	301-2	Recycled input materials used	2.3 Sustainability	None of the key inputs to the operation come from an upstream recycling process.	
	301-3	Reclaimed products and their packaging materials	2.3 Sustainability	Not applicable. Transelec's services do not involve the generation of downstream containers.	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	2.3 Sustainability		71
	302-2	Energy consumption outside of the organization		This indicator will not be reported because data for the 2024 edition is still under construction.	
	302-3	Energy intensity		For the 2024 edition, there is no energy intensity indicator.	
	302-4	Reduction of energy consumption		No energy consumption/efficiency reduction programs have been carried out.	
	302-5	Reductions in energy requirements of products and services		No programs have been carried out to reduce energy requirements of products and services.	

GRI Standard	Indicator	Disclosure	Chapter	Observation	Pages
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	2.3 Sustainability		72
	303-2	Management of water discharge-related impacts	2.3 Sustainability		72
	303-3	Water withdrawal	2.3 Sustainability	To obtain water resources, Transelec uses both groundwater extraction and third-party purchases.	
	303-4	Water discharge	2.3 Sustainability		73
	303-5	Water consumption	2.3 Sustainability	We do not have the information for 2024.	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	2.3 Sustainability		73
	304-2	Significant impacts of activities, products and services on biodiversity	2.3 Sustainability		73
	304-3	Habitats protected or restored	2.3 Sustainability		73
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Materiality Process		73
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	2.3 Sustainability		73, 114
	305-2	Energy indirect (Scope 2) GHG emissions	2.3 Sustainability		73, 114
	305-3	Other indirect (Scope 3) GHG emissions	2.3 Sustainability		73, 114
	305-4	GHG emissions intensity	2.3 Sustainability	For the year 2024, an emissions intensity indicator has not been constructed.	
	305-5	Reduction of GHG emissions	2.3 Sustainability		73
	305-6	Emissions of ozone-depleting substances (ODS)	2.3 Sustainability	No ODS used is reported for 2024	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	2.3 Sustainability		70

GRI Standard	Indicator	Disclosure	Chapter	Observation	Pages
	306-2	Management of significant waste-related impacts	2.3 Sustainability		70
	306-3	Waste generated	2.3 Sustainability		70, 115
	306-4	Waste diverted from disposal	2.3 Sustainability		70
	306-5	Waste directed to disposal	2.3 Sustainability		70
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	4.3 Supplier and Contractors	No suppliers have been screened according to environmental criteria in 2024.	
	308-2	Negative environmental impacts in the supply chain and actions taken	4.3 Supplier and Contractors	No measurement was performed	
GRI 401. Empleo 2016	401-1	New employee hires and employee turnover	4.2 People		91
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2.5 Wellbeing and Work Environment		96, 97, 126
	401-3	Parental leave	4.2.5 Wellbeing and Work Environment		98, 127
GRI 402: Relaciones trabajador-empresa 2016	402-1	Minimum notice periods regarding operational changes	4.2.6 Relaciones Laborales		98
GRI 403. Salud y Seguridad en el trabajo 2018	403-1	Minimum notice periods regarding operational changes	4.2.7 Occupational Health and Safety		99
	403-2	Hazard identification, risk assessment, and incident investigation	4.2.7 Occupational Health and Safety		101, 102
	403-3	Occupational health services	4.2.7 Occupational Health and Safety		99
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.2.7 Occupational Health and Safety		105
	403-5	Worker training on occupational health and safety	4.2.7 Occupational Health and Safety		104
	403-6	Promotion of worker health	4.2.5 Wellbeing and Work Environment		97
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.2.7 Occupational Health and Safety		99
	403-8	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.2.7 Occupational Health and Safety		99

GRI Standard	Indicator	Disclosure	Chapter	Observation	Pages
	403-9	Work-related injuries	4.2.7 Occupational Health and Safety		102, 130
	403-10	Work-related ill health	4.2.7 Occupational Health and Safety		102, 130
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	5. Additional Information		125
	404-2	Programs for upgrading employee skills and transition assistance programs	4.2.4 Talent Development		95
	404-3	Percentage of employees receiving regular performance and career development reviews	4.2.4 Talent Development		96, 126
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	4.2.3 Diversity and Inclusion		23, 92, 94, 95
	405-2	Ratio of basic salary and remuneration of women to men	4.2.3 Diversity and Inclusion		94
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	1.2.5 Ethics and Compliance Management		31
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.3 Suppliers and Contractors		106
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	2.3 Sustainability		67
	413-2	Operations with significant actual and potential negative impacts on local communities	2.3 Sustainability		69
GRI 418: Customer Privacy 2016	418-1	GRI 418: Customer Privacy 2016	1.2.5 Ethics and Compliance Management		61

CMF Indicators

(CMF 1)

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
1. Table of Contents	1	Table of Contents	NCG No. 461 Index -Financial Market Commission (Comisión para el Mercado Financiero)		141
2. Corporate Profile	2.1	Mission, Vision, Purpose, and Values	2. Strategy		35
	2.2	Historical Information	1.1 Transelec Group		12
2.3 Ownership	2.3.1	Control Status	1.1 Transelec Group		7
	2.3.2	Important changes in ownership or control	1.1 Transelec Group		7
	2.3.3	Identification of partners or majority shareholders	1.2 Transelec S.A.		19, 24
2.3.4 Shares and their characteristics and rights	2.3.4.i	Description of series of shares		Not applicable. We do not have series of shares.	
	2.3.4.ii	Dividend policy	3.5 Dividend Policy		82
	2.3.4.iii	Statistical information	1.2 Transelec S.A.		19, 82
	2.3.4.iii.a	Dividends	3.5 Dividend Policy		19
	2.3.4.iii.b	Stock market transactions		Not applicable. Transelec does not trade shares on the stock market.	
	2.3.4.iii.c	Number of shareholders	1.2 Transelec S.A.		19
	2.3.5	Other securities		Does not apply to Transelec.	
3. Corporate Governance	3.1	Governance Structure	1.2.4 Corporate Governance		19
	3.1.i	How the entity seeks to guarantee and evaluate the proper functioning of its corporate governance	1.2.4 Corporate Governance		19, 35, 62, 66
	3.1.ii	How the entity integrates sustainability into its business decisions.	2. Strategy		29
	3.1.iii	How the entity detects and manages conflicts of interest, conduct that could affect free and fair competition, and how corruption, money laundering and financing terrorism are prevented.	1.2.5 Ethics and Compliance Management	We have an annual declaration of conflicts of interest, along with a periodic update for all our collaborators. In addition, prior to each committee, a specific review is conducted to ensure that decisions are made impartially and in the best interest of the company and its stakeholders.	

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
	3.1.iv	How the entity addresses the interests of its key stakeholders, at least by identifying them and understanding how the entity directly impacts them.	1.2.6 Stakeholders		33
	3.1.v	How the entity promotes and facilitates innovation, and whether it allocates corporate resources to research and development.	2.2 Customers		57
	3.1.vi	How the entity detects and reduces organizational, social or cultural barriers that may be inhibiting the diversity of capabilities, conditions, experiences, and visions that, without those barriers, would have occurred naturally in the organization.	4.2.3 Diversity and Inclusion		92
	3.1.vii	How the entity identifies the diversity of skills, knowledge, conditions, experiences, and visions required by employees, and a description of the hiring policies that achieve and preserve that diversity.	4.2.4 Talent Development		96
3.2 Board of Directors	3.2.i	Identification of each Board member	1.2.4 Corporate Governance		22
	3.2.ii	Board compensation	1.2.4 Corporate Governance		24
	3.2.iii	Advisory Contracts	1.2.4 Corporate Governance		20
	3.2.iv	Knowledge matrix	1.2.4 Corporate Governance		22
	3.2.v	New member procedures or mechanism	1.2.4 Corporate Governance		20
	3.2.vi	Periodicity and topics addressed with others	1.2.4 Corporate Governance		20
	3.2.vii	A description of how and how frequently matters related to sustainability are reported and whether those matters are included when discussing and making strategic decisions, business plans or budgets, among other processes.	1.2.4 Corporate Governance		20
	3.2.viii	Facility visits	1.2.4 Corporate Governance		20
	3.2.ix	Board Performance	1.2.4 Gobierno Corporativo		20

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
	3.2.ix.a	Identification of areas in which its members can receive training, enhance their skills, and continue improving.	1.2.4 Corporate Governance		20
	3.2.ix.b	Identification and reduction of organizational, social or cultural barriers that may be inhibiting the natural diversity of capabilities, visions, characteristics and conditions	1.2.4 Corporate Governance		20
	3.2.ix.c	Whether potential hiring of outside experts to assess the performance and functioning of the Board of Directors is considered.	1.2.4 Corporate Governance		20
	3.2.x	Notwithstanding any legal obligations, it expressly includes the determination of the minimum number of ordinary meetings, the minimum average time of face-to-face and remote dedication to them, and the advance notice with which the notification and the necessary background for the proper conducting of such meetings must be sent, recognizing the unique characteristics of the entity and the diversity of experiences, conditions and knowledge existing in the Board of Directors based on the complexity of the matters to be discussed.	1.2.4 Corporate Governance		20
	3.2.xi	Changes in internal training and operation	1.2.4 Corporate Governance		20
	3.2.xii.a	Minutes and documents	1.2.4 Corporate Governance		20
	3.2.xii.b	Minutes or documents	1.2.4 Corporate Governance		20
	3.2.xii.c	Complaint channel or system	1.2.4 Corporate Governance		20
	3.2.xii.d	Final text of the minutes of each section	1.2.4 Corporate Governance		20
	3.2.xiii.a	Board composition by gender, listing regular or alternate status	1.2.4 Corporate Governance		23
	3.2.xiii.b	Board composition by gender and nationality, listing regular or alternate status	1.2.4 Corporate Governance		23
	3.2.xiii.c	Board composition by age range and gender, listing regular or alternate status	1.2.4 Corporate Governance		23

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
	3.2.xiii.d	Board composition by seniority and gender, listing regular or alternate status	1.2.4 Corporate Governance		23
	3.2.xiii.e	Board composition by situation of disability and gender, listing regular or alternate status	1.2.4 Corporate Governance		23
	3.2.xiii.f	Gender pay gap as a function of mean and median	1.2.4 Corporate Governance		24
3.3 Board Committees	3.3.i	Role and function of the Directors' Committee	1.2.4 Corporate Governance		25
	3.3.ii	Directors' Committee members	1.2.4 Corporate Governance		25
	3.3.iii	Directors' Committee compensation	1.2.4 Corporate Governance		25
	3.3.iv	Main Directors' Committee activities	1.2.4 Corporate Governance		25
	3.3.v	Advisory services engaged by the Directors' Committee	1.2.4 Corporate Governance		25
	3.3.vi	Where there is a Directors' Committee pursuant to Article 50 bis of Law 18,046, or a committee performing equivalent or risk management duties, the frequency that the committee meets with the risk management, internal audit and social responsibility units, or with the people responsible for the equivalent functions, and with the external auditors. A description of the main topics that are addressed at such meetings, and whether the CEO or other senior executives attend.	1.2.4 Corporate Governance		25
	3.3.vii	The frequency with which the respective committee reports to the Board.	1.2.4 Corporate Governance		25
3.4 Senior Executives	3.4.i	List of Executives	1.2.4 Corporate Governance		27
	3.4.ii	Executive compensation	1.2.4 Corporate Governance		28
	3.4.iii	Executive benefits/ compensation plans	1.2.4 Corporate Governance		28
	3.4.iv	Interest	1.2.4 Corporate Governance		28

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
	3.5	Adherence to national or international codes		Transelec does not adopt or adhere to codes issued by public or private entities. Transelec has developed corporate governance rules, internal policies, and regulations in strict compliance with applicable laws in Chile.	
3.6 Risk Management	3.6.i	General guidelines	4.1.1 Risk Management System Governance		84, 85
	3.6.ii	Risks and Opportunities	4.1.4 Main Risks		86
	3.6.ii.a	Inherent risks and opportunities	4.1.4 Main Risks		86
	3.6.ii.b	Information security risks	4.1.4 Main Risks		86
	3.6.ii.c	Risk of anti-competitive practices	4.1.4 Main Risks		86
	3.6.ii.d	Consumer health and safety risks	4.1.4 Main Risks		86
	3.6.ii.e	Other risks and opportunities derived from the impacts of the entity and its operations	4.1.4 Main Risks		86
	3.6.iii	Identification of risks	4.1.2 Risk Management Model		85
	3.6.iv	Identification, evaluation, management, and monitoring of said risks.	4.1.1 Risk Management System Governance		84
	3.6.v	Risk management unit responsible for risk detection, quantification, monitoring and communication.	4.1.1 Risk Management System Governance		84
	3.6.vi	Effectiveness and compliance	4.1.1 Risk Management System Governance		84
	3.6.vii	Code of Ethics and Conduct	1.2.5 Ethics and Compliance Management		29
	3.6.viii	Risk management outreach and training programs	4.1.5 Risk Culture		91
	3.6.ix	Complaint Channel	1.2.5 Ethics and Compliance Management		31
	3.6.x	Succession Plans	1.2.4 Corporate Governance		19
	3.6.xi	Review of executive salary structures and compensation policies by the Board	1.2.4 Corporate Governance		28

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
	3.6.xii	Additional review of executive salary structures and compensation policies by the Board		Human Resources manages such matters, but the committee members include directors appointed by Transelec shareholders.	
	3.6.xiii	Crime Prevention Model	1.2.5 Ethics and Compliance Management		29
3.7 Stakeholder engagement and public relations	3.7.i	Stakeholder Engagement	1.2.6 Stakeholders		33
	3.7.ii	Communication with Stakeholders	1.2.6 Stakeholders		33
	3.7.iii	Procedure used to elect the Board of Directors	1.2.4 Corporate Governance	We declare that shareholders do not have a procedure for electing Board members.	20
	3.7.iv	Procedures on remote participation of shareholders	1.2.4 Corporate Governance		20
4. Strategy	4.1	Timeframes	2.1 Growth		42
	4.2	Strategic Objectives	2. Strategy		35
	4.3	Investment Plans	3.2 Transelec S.A. Investment Plan		79
5. People	5.1.1	Number of employees by gender	4.2.3 Diversity and Inclusion		92
	5.1.2	Number of employees by nationality	4.2.3 Diversity and Inclusion		92, 116
	5.1.3	Number of employees by age group	5. Additional Information		117
	5.1.4	Seniority	5. Additional Information		118
	5.1.5	Number of employees with disabilities	5. Additional Information		119
	5.2	Employment Contracts	5. Additional Information		119
	5.3	Labor Adaptability	5. Additional Information		119
5.4 Pay Equity by Gender	5.4.1	Equity Policy	4.2.3 Diversity and Inclusion		94
	5.4.2	Salary Gap	4.2.3 Diversity and Inclusion		94
	5.5	Workplace and Sexual Harassment	1.2.5 Ethics and Compliance Management		30
	5.6	Work Safety	4.2.7 Occupational Health and Safety	Target accident rate: 0.2 Fatality target rate: 0 (zero) Occupational disease target rate: NA	99

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
	5.7	Parental Leave	4.2.5 Wellbeing and Work Environment		98
5.8 Training and Benefits	5.8.i	Amount invested in training	4.2.4 Talent Development		95
	5.8.ii	Total number of employees trained	5. Additional Information	Percentage of trained personnel in relation to total staff: 108% (Note: Exceeds 100% due to personnel turnover during the period).	125
	5.8.iii	Average annual hours of training	5. Additional Information		125
	5.8.iv	Topics covered by training activities	4.2.4 Talent Development		95
	5.9	Subcontracting Policy	4.3 Suppliers and Contractors		107
6. Business Model	6.1.i	Nature of the products and/or services	1.2 Transelec S.A.		13
	6.1.ii	Competition	1.2 Transelec S.A.		13
	6.1.iii	Legal or regulatory framework	1.2 Regulatory Framework		16
	6.1iv	National or foreign regulatory entities	1.2.2 Regulatory Framework		16
	6.1.v	Main Stakeholders	1.2.6 Stakeholders		33
	6.1.vi	Membership in trade associations or other organizations	1.2.3 Associations		18
6.2 Businesses	6.2.i	Goods and/or services produced	1.2 Transelec S.A.		13
	6.2.ii	Sales channels and distribution methods	2.1 Growth		13
	6.2.iii	Number of suppliers that represent over 10% of purchases		One supplier represents over 10% of purchases.	
	6.2.iv	Number of customers that represent over 10% of purchases	3.3 Financial Management Results		79
	6.2.v	Main brands	2.1 Growth		40
	6.2.vi	Patents		Does not apply to Transelec.	

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
	6.2.vii	Licenses, franchises, royalties, and/or concessions		We state that we do not hold licenses, franchises, or royalties. In regard to concessions, we state that Transelec electrical transmission lines and substations are established in accordance with the General Electrical Services Law No. 4 of 2006 (LGSE) through Final Concession Decrees issued by the Energy Ministry by order of the President of the Republic. These are indefinite in duration and offer the rights and obligations set forth in the LGSE. Their main purpose is to grant legal easements that allow the concessionaire to use the land necessary for the lines and substations.	
	6.2.viii	External factors (legal, commercial, social, other)	1.2.2 Regulatory Framework		16, 17
	6.3	Stakeholders	1.2.6 Stakeholders		33
6.4 Properties and Facilities	6.4.i	Characteristics of the main properties	1.1.1 Transelec Group Structure		9
	6.4.ii	Concession areas and/or land (Natural and renewable resource extraction companies)		Does not apply to Transelec.	
	6.4.iii	Facility ownership		Does not apply to Transelec.	
6.5 Subsidiaries and associates and investments in other companies	6.5.1	Subsidiaries and associates	5. Additional Information		133, 134
	6.5.1.i	Name, domicile and legal status.	5. Additional Information		133, 134
	6.5.1.ii	Subscribed and paid-in capital.	5. Additional Information		133, 134
	6.5.1.iii	Corporate purpose and clear explanation of business activities	5. Additional Information		133, 134
	6.5.1.iv	Full names of directors, administrators and CEO, if applicable	5. Additional Information		133, 134
	6.5.1.v	Current interest of parent company or investing entity in capital of subsidiary or associate and variations during the last year	5. Additional Information		133, 134

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
	6.5.1.vi	Percent investment in each subsidiary or associate over the total individual assets of the parent company	1.1.1 Transelec Group Structure		9
	6.5.1.vii	Full name of the director, CEO or senior executives of the parent company or investing entity who hold any of these positions in the subsidiary	1.2.4 Corporate Governance		133, 134
	6.5.1viii	Description of business relationship with subsidiaries during this fiscal year and future connection		Transelec S.A. provides technical and administrative support to all of its subsidiaries.	
	6.5.1.ix	Relationship of acts and contracts with subsidiaries and associates that influence the operations		Transelec S.A. enters into labor contracts for each of the subsidiaries as appropriate.	
	6.5.1.x	Table describing the relationships of direct and indirect ownership between the parent company, subsidiaries or associates and relationships between them	1.1.1 Transelec Group Structure		9
6.5.2 Inversiones en otras sociedades	6.5.2.i	List of said companies and legal status.		Does not apply to Transelec.	
	6.5.2.ii	Percent ownership		Does not apply to Transelec.	
	6.5.2.iii	Description of main activities		Does not apply to Transelec.	
	6.5.2.iv	Percentage of total individual assets of the company that these investments represent		Does not apply to Transelec.	
7. Supplier Management	7.1.i	Number of invoices paid	4.3 Suppliers and Contractors 5. Additional Information		131
	7.1.ii	Total amount	5. Additional Information		131
	7.1.iii	Total interest paid due to delay in invoice payment	5. Additional Information		131
	7.1.iv	Number of suppliers that represent over 10% of purchases	5. Additional Information		131
	7.1.v	Number of agreements registered in the Register of Agreements with Exceptional Payment Periods kept by the Ministry of Economy, when applicable.		Transelec S.A. is not registered with the Register of Exceptional Payment Deadline Agreements.	
	7.2	Supplier Assessment	4.3 Suppliers and Contractors	The company has evaluation processes for suppliers and contractors focused on labor, safety and field performance. Since specific sustainability criteria are not applied in these evaluations, it is not possible to report quantitative information associated with these criteria.	107, 139

Topic	Code	Subtopic indicator	Chapter and section	Observations	Pages
8. Indicators	8.1	Customers	1.2.5 Ethics and Compliance Management		31, 32
	8.2	Relating to its employees		Transelec has controls for preventing and identifying regulatory non-compliance related to the rights of its workers. These include training activities, complaint channel (for internal and external use), and salary and benefits reviews. In the case of contractors, labor and benefits obligation compliance reviews are conducted to approve payments, along with other reviews. Transelec has not been party to any labor charges in 2024.	
	8.3	Environment	Environmental Impact and Compliance Management	There were no fines for noncompliance with environmental laws and regulations in 2024. 0 compliance programs approved 2 compliance program satisfactorily implemented 0 remediation plans for environmental damage satisfactorily implemented 0 remediation plans submitted Both PdC* have been executed by Transelec, but have not been formally approved by the authority. There are pending of the final resolution of approval by the SMA**.	
	8.4	Free Competition	1.2.5 Ethics and Compliance Management		31, 32
	8.5	Other	1.2.5 Ethics and Compliance Management		31, 32
9. Sustainability	9.1	SASB Metric	SASB Content Index		151, 152
	9.2	Independent Verification			111
10. Material or Essential Facts	10	Material or Essential Facts			234, 235
11. Comments from Shareholders and Directors' Committee	11	Comments from Shareholders and Directors' Committee		Not applicable	
12. Financial Reports	12	Financial Reports			154, 236

* PdC: Compliance Program
** SMA: Superintendency of the Environment

SASB Content Index

Indicator	Contents	Section	Observations	Page
IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served7		Non-regulated customers: 66 Regulated customers: 7,919,191 Total customers: 7,919,257	
IF-EU-000.B	Total electricity supplied to: (1) residential customers, (2) commercial customers, (3) industrial customers, (4) all other retail customers, and (5) wholesale customers.		Not applicable because it is a transmission company.	
IF-EU-000.C	Length of transmission and distribution lines		10,081 km	
IF-EU-000.D	Total electricity generated, percentage by main energy source, percentage in regulated markets.		Not applicable to Transelec S.A. because it is a transmission company.	
IF-EU-000.E	Total electricity purchased wholesale10		Does not apply to Transelec S.A.	
IF-EU-110a.1	"(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations and (3) emissions notification regulations."	2.3 Sustainability		114
IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with energy supplies	2.3 Sustainability		114
IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	2.3 Sustainability		73
IF-EU-140a.1	(1) Total water extracted, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	2.3 Sustainability	The company does not have systematized information on water extraction and consumption.	
IF-EU-140a.2	"Number of incidents of non-compliance associated with water quality or quantity permits, standards, and regulations"	2.3 Sustainability		72
IF-EU-140a.3	"Description of water management risks and analysis of strategies and practices to mitigate those risks"	2.3 Sustainability		72
IF-EU-150a.1	Amount of coal combustion residuals (CCR), percentage recycled		Not applicable. No coal is burned in our operations.	
IF-EU-150a.2	Total number of coal combustion residuals (CCR) reservoirs by hazard potential classification and structural integrity assessment.		Not applicable. We do not have coal waste reservoirs at our operations.	
IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers.	2.1 Growth	The tariff for residential customers is determined by the authority. The tariff for free customers is confidential information.	

Indicator	Contents	Section	Observations	Page
IF-EU-240a.3	Number of residential customers disconnected for non-payment, percentage reconnected within 30 days3		Not applicable because this indicator is to be reported by distribution companies.	
IF-EU-240a.4	Analysis of the effect of external factors on the affordability of electricity for customers, including the economic conditions of the service territory.		Not applicable because this indicator is to be reported by distribution companies.	
IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	4.2.7 Occupational Health and Safety		130
IF-EU-420a.2	Percentage of electric load supplied with smart grid technology		Does not apply to Transelec as an energy transmission company.	
IF-EU-420a.3	Electricity saved by customers through efficiency measures by market.		Does not apply to Transelec as an energy transmission company.	
IF-EU-540a.1	Total number of nuclear power units by U.S. Nuclear Regulatory Commission (NRC) "Share Matrix" column.		Does not apply to Transelec as an energy transmission company.	
IF-EU-540a.2	Description of nuclear safety management and emergency preparedness initiatives.		Not applicable because we are not involved in nuclear energy.	
IF-EU-550a.1	Number of incidents of non-compliance with physical or cyber security standards or regulations.	2.2 Customers		61
IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), which includes the days on which serious events occur6	2.2 Customers	Transelec currently does not measure the following indicators: System Average Interruption Frequency Index (SAIFI) (IF-EU-550a.2) and Customer Average Interruption Duration Index (CAIDI), which includes the days on which they occur (IF-EU-550a.2).	

Company Indicators

Indicator	Name	Section	Observations	Page
C2-2	Emerging Risks	4.1.4 Main Risks		86
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T2-3	Investment Value	2.1 Growth		42-45
T2-4	Liquidity	3.1.2 Revolving Line of Credit		77
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T5-1	Asset Management Actions	2.2 Customers		53-54
T6-1	SAIDI	2.2 Customers		53
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T6-3	Disconnection Rate		Not covered in this report.	
T6-4	Service Interruptions		Not covered in this report.	
T6-5	Conductor Theft		Not covered in this report.	
T6-6	Percentage of Maintenance Compliance	2.2 Customers		53
T6-7	Physical and Financial Progress	2.2 Customers		53
T7-1	Innovation Initiatives and Digital Transformation	Digital Transformation and Innovation		57
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T8-1	Future Transmission System Enhancement Projects	2.1 Growth		45-48
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T9-2	MW of Renewable Energies Connected by Transelec	2.3 Sustainability		63
T10-1	T10-1 Contractor Firms Evaluated on the Basis of Their Job Performance		Not covered in this report.	
T10-2	T10-2 Contractors and Subcontractors Trained on Occupational Health and Safety Issues	4.2.7 Occupational Health and Safety		105-108

06.

CONSOLIDATED FINANCIAL STATEMENTS

TRANSELEC S.A. AND SUBSIDIARIES
Santiago, Chile
December 31, 2024 and 2023

$: Chilean pesos
ThCh$: Thousands of Chilean pesos
MCh$: Millions of Chilean pesos
UF : Unidad de Fomento or UF, is an inflation-indexed, Chilean-peso denominated monetary unit. The UF, is set daily in advance based on the changes in the Chilean Consumer Price Index (CPI) of the previous months.
US$: US Dollars
ThUS$: Thousands of US Dollars

Consolidated Statements of Financial position Transelec S.A. and Subsidiaries

As of December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

ASSETS	Note	31-12-2024 ThCh$	31-12-2023 ThCh$
CURRENT ASSETS			
Cash and cash equivalents	5	352,724,544	178,336,181
Other financial assets	9	12,570,721	1,511,087
Other non-financial assets	14	41,175,199	28,718,941
Trade and other receivables	6	141,331,295	73,627,497
Receivables from related parties	7	16,881,774	20,600,950
Inventory		1,893,420	1,184,549
Sub-Total Current assets		**566,576,953**	**303,979,205**
Non-current asses classified as held for sale	8	515,376	515,376
Total Current assets		**567,092,329**	**304,494,581**
NON-CURRENT ASSETS			
Other financial assets	9	413,030,566	379,278,952
Other non-financial assets	14	912,070	7,559,329
Receivables from related parties	7	251,764,385	249,369,998
Intangible assets other than goodwill	10	197,835,040	199,664,482
Goodwill	11	347,756,660	343,059,078
Property plant and equipment net	12	2,145,495,300	1,895,052,261
Assets for rights of use	13	12,129,562	1,048,761
Deferred tax assets	21	523,904	-
Total Non-Current assets		**3,369,447,487**	**3,075,032,861**
TOTAL ASSETS		**3,936,539,816**	**3,379,527,442**

LIABILITIES	Nota	31-12-2024 ThCh$	31-12-2023 ThCh$
CURRENT LIABILITIES			
Other financial liabilities	15	400,953,533	23,109,275
Liabilities for leases	16	1,809,010	306,759
Trade and other payables	17	135,881,422	118,822,157
Accounts payable to related entities	7	33,049,630	54,720,181
Provisions	20	1,793,628	3,445,604
Provisions for employee benefits current	22	13,728,718	11,541,042
Current tax liabilities		32,151,805	848,832
Other non-financial liabilities	14	1,003,430	789,659
Total Current Liabilities		**620,371,176**	**213,583,509**
NON-CURRENT LIABILITIES			
Other financial liabilities	15	1,870,866,474	1,891,774,131
Lease liabilities	16	11,252,866	922,581
Deferred tax liabilities	21	351,556,567	332,084,244
Provisions for employee benefits non-current	22	3,293,871	3,082,291
Other non-financial liabilities	14	5,147,281	3,559,293
Total Non-Current Liabilities		**2,242,117,059**	**2,231,422,540**
TOTAL LIABILITIES		**2,862,488,235**	**2,445,006,049**
EQUITY			
Issued and paid-in capital	24	776,355,048	776,355,048
Retained earnings		307,184,892	175,472,281
Other reserves	24	(9,488,359)	(17,305,936)
Equity attributable to owners of the parent		**1,074,051,581**	**934,521,393**
Non-controlling interest		-	-
TOTAL EQUITY		**1,074,051,581**	**934,521,393**
TOTAL EQUITY AND LIABILITIES		**3,936,539,816**	**3,379,527,442**

Consolidated Statements of Comprehensive income by Function Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

STATEMENT OF COMPREHENSIVE INCOME BY FUNCTION	Note	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$
Revenue	25	445,475,349	471,267,232
Cost of sales	26	(102,049,762)	(95,610,190)
Gross Margin		**343,425,587**	**375,657,042**
Administrative expenses	26	(39,963,826)	(35,486,931)
Other gains (losses)		413,335	189,345
Financial income	26	19,610,416	45,885,087
Financial expenses	26	(95,065,567)	(84,016,244)
Exchange differences	26	334,997	3,251,429
Income by indexed units	26	(48,282,304)	(53,732,275)
Profit Before Tax		**180,472,638**	**251,747,453**
Income tax expense	27	(48,237,850)	(72,261,827)
Profit from continuing operations		**132,234,788**	**179,485,626**
Profit from discontinued operations		**-**	**-**
Profit attributable to owners of the parent		**132,234,788**	**179,485,626**
Profit attributable to non-controlling interests		**-**	**-**
Profit		**132,234,788**	**179,485,626**
Earnings Per Share			
Basic/diluted earnings per share from continuing operations ($/s)	28	132,235	179,486
Basic/diluted earnings per share from discontinued operations ($/s)	28	-	-
Basic/diluted earnings per share ($/s)		**132,235**	**179,486**

STATEMENT OF COMPREHENSIVE INCOME	Note	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$
Profit		132,234,788	179,485,626
Components of other comprehensive income that will be reclassified to income for the period before taxes			
Exchange differences on translation			
Gains (losses) from translation	24	1,686,411	-
Remeasurements of defined benefit plans	22-24	(296,346)	(180,495)
Cash flow hedges			
Gains (losses) on cash flow hedges	24	8,695,202	7,596,053
Total other comprehensive income that will be reclassified to income for the period before taxes		**10,085,267**	**7,415,558**
Income taxes related to components of other comprehensive income that will be reclassified to the result of the period			
Income tax related to cash flow hedges of other comprehensive income	24	(2,347,704)	(2,050,935)
Income tax related to remeasurements of defined benefit plans of other comprehensive income	24	80,014	48,734
Total income tax related to components of other comprehensive income that will be reclassified to the result of the period		**(2,267,690)**	**(2,002,201)**
Total comprehensive income		**7,817,577**	**5,413,357**
Total comprehensive income		**140,052,365**	**184,898,983**
Comprehensive income attributable to			
Comprehensive income attributable to owners of the parent		140,052,365	184,898,983
Comprehensive income attributable to non- controlling interests		-	-
Total comprehensive income and expense result		**140,052,365**	**184,898,983**

Consolidated Statement of Changes in Equity Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

Movements	Note	Paid-in capital	Reserve for currency translation adjustment	Reserves for cash flow hedges	Actuarial Losses	Total reserves	Accumulated gains (losses)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
		ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Opening balance as of 01-01-2024		**776,355,048**	**-**	**(17,242,080)**	**(63,856)**	**(17,305,936)**	**175,472,281**	**934,521,393**	**-**	**934,521,393**
Changes in equity										
Comprehensive income										
Ganancia (pérdida)		-	-	-	-	-	132.234.788	132.234.788	-	132.234.788
Otro resultado integral	24.4	-	1.686.411	6.347.498	(216.332)	7.817.577	-	7.817.577	-	7.817.577
Total Resultado integral		**-**	**1.686.411**	**6.347.498**	**(216.332)**	**7.817.577**	**132.234.788**	**140.052.365**	**-**	**140.052.365**
Dividendos	24.3	-	-	-	-	-	-	-	-	-
Reconocimiento por combinación de entidades bajo control común	35	-	-	-	-	-	(522.177)	(522.177)	-	(522.177)
Total increase (decrease) in equity		**-**	**1,686,411**	**6,347,498**	**(216,332)**	**7,817,577**	**131,712,611**	**139,530,188**	**-**	**139,530,188**
Equity at the end of 12-31-2024	**24**	**776,355,048**	**1,686,411**	**(10,894,582)**	**(280,188)**	**(9,488,359)**	**307,184,892**	**1,074,051,581**	**-**	**1,074,051,581**

Movements	Nota	Paid-in capital	Reserve for currency translation adjustment	Reserves for cash flow hedges	Actuarial Losses	Total reserves	Accumulated gains (losses)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
		ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Opening balance as of 01-01-2023		**776,355,048**	**-**	**(22,787,198)**	**67,905**	**(22,719,293)**	**252,336,836**	**1,005,972,591**	**-**	**1,005,972,591**
Changes in equity										
Comprehensive income										
Profit (loss)		-	-	-	-	-	179,485,626	179,485,626	-	179,485,626
Other comprehensive income	24.4	-	-	5,545,118	(131,761)	5,413,357	-	5,413,357	-	5,413,357
Total comprehensive income		**-**	**-**	**5,545,118**	**(131,761)**	**5,413,357**	**179,485,626**	**184,898,983**	**-**	**184,898,983**
Dividends	24.3	-	-	-	-	-	(256,350,181)	(256,350,181)	-	(256,350,181)
Total increase (decrease) in equity		**-**	**-**	**5,545,118**	**(131,761)**	**5,413,357**	**(76,864,555)**	**(71,451,198)**	**-**	**(71,451,198)**
Equity at the end of 12-31-2023	**24**	**776,355,048**	**-**	**(17,242,080)**	**(63,856)**	**(17,305,936)**	**175,472,281**	**934,521,393**	**-**	**934,521,393**

Consolidated Statements of Cash Flows Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

DIRECT METHOD CASH FLOW STATEMENT	Note	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$
Cash flows provided by (used in) operating activities			
Classes of receipts from operating activities:			
Cash receipts from sales of goods and services		452,866,079	351,508,075
Cash receipts from related party for services rendered	7	7,268,505	13,146,224
Cash receipts from related parties for interest	7	8,133,328	4,391,907
Other proceeds from operating activities		789,013	405,616
Types of payments for operating activities:			
Payments to suppliers for goods and services		(10,712,057)	(4,321,708)
Payments of interest for rights of use		(513,848)	(62,985)
Other payments for operating activities		(90,648,702)	(60,140,035)
Payments to and on behalf of employees		(25,908,243)	(21,558,649)
Interest paid	15.2	(83,757,845)	(86,480,735)
Net cash flows provided by operating activities		**257,516,230**	**196,887,710**
Cash flows provided by (used in) investing activities			
Additions of property plant and equipment and Intangibles		(301,317,712)	(240,106,362)
Amounts from the sale of property plant and equipment		356,327	4,109
Payments made to related entities	7	(70,741,063)	(133,853,251)
Collections received from related entities	7	120,802,062	122,179,153
Cash flow used to adquisitions of subsidiaries	35	(17,509,149)	-
Net cash flows used in investing activities		**(268,409,535)**	**(251,776,351)**
Cash flows provided by (used in) financing activities			
Payments of lease liabilities		(2,162,168)	(1,915,092)
Dividends paid	24.3	(54,720,181)	(233,966,962)
Bonds issuance	15.2	206,158,637	245,665,285
Bond principal payments	15.2	-	(241,563,000)
Cash receipts from futures, forward, option and swap contracts		33,900,229	70,598,211
Net cash flows used in financing activities		**183,176,517**	**(161,181,558)**
Net increase in cash and cash equivalents before the effect of changes in the exchange rate		**172,283,212**	**(216,070,199)**
EEffects of changes in the exchange rate on cash and cash equivalents			
Effects of changes in the exchange rate on cash and cash equivalents		2,105,151	590,069
Net increase in cash and cash equivalents		174,388,363	(215,480,130)
Cash and cash equivalents at the beginning of the year	5	178,336,181	393,816,311
Cash and cash equivalents at the ending of the year	**5**	**352,724,544**	**178,336,181**

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

1 - GENERAL INFORMATION

Rentas Eléctricas III Limitada was formed as a limited liability company by public deed on June 6, 2006. According to public deed dated May 9, 2007, the Company acquired 100 shares owned by Transelec Holdings Rentas Limitada, corresponding to 0.01% of the share capital of Transelec S.A. (formerly Nueva Transelec S.A.), leaving the Company with 100% ownership. Thus, the merger took place by absorption, and the assets, liabilities, rights and obligations of Transelec S.A. (formerly Nueva Transelec S.A.) passed to the Company. In this way, the Company directly assumed operation of the electricity transmission business previously conducted by the aforementioned subsidiary.

On March 26, 2007, it changed its name to Rentas Eléctricas III S.A. and became a corporation and on June 30, 2007, Rentas Eléctricas III S.A. changed its name to its current name, Transelec S.A. (here and after “the Company” or “Transelec”).

On May 16, 2007, the Company was listed under number 974 in the Securities Registry of the Commission for the Financial Market (CMF in its Spanish acronym) and is subject to its supervision. Simultaneously, it registered 1,000,000 shares, which corresponds to the total number of shares issued, subscribed and fully paid.

On December 1, 2014, Transelec S.A. merged with its subsidiary Transelec Norte S.A. through an acquisition of 0.01% of the shares of Transelec Norte S.A. owned by Transelec Holdings Rentas Limitada, becoming the owner of the 100% shares.

On September 1, 2015, Transelec S.A merged with its subsidiary Inversiones Electricas Transam Chile Ltda., which on August 1, 2015, had absorbed its subsidiaries: Transmisora Huepil Ltda. Transmisora Abenor Ltda and Transmisora Araucana de Electricidad Ltda. Through the acquisition of the investment complement which completes 100% of the ownership, in the merger processes mentioned above.

On March 31, 2017, Transelec S.A acquired 100% shares of the company Transmisión Del Melado SpA.; thus, taking control of this entity during April 2017. For this reason, Transelec S.A. prepares Consolidated Financial Statements since June 30, 2017.

On May 31, 2024, Transelec S.A acquired 100% shares of Gea Transmisora SpA. from the Indirect parent company Rentas Eléctricas I, taking control of Gea Transmisora SpA, which forms part of the Consolidated Financial Statements since June 30, 2024.

On June 24, 2024, Transelec S.A. acquired 100% ownership of Ana Maria S.A., through the purchase of all 11,969,044,292 ordinary shares issued by the company. Subsequently, Transelec S.A. sold 1 share of the subsidiary to the parent company Transelec Holdings Rentas Limitada. From the purchase of shares, Transelec S.A. took control of Ana Maria S.A., including it in its Consolidated Financial Statements since of June 30, 2024.

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

At the Extraordinary Shareholders' Meeting held on June 17, 2024, it was agreed to request the voluntary cancellation of the registration of the Company's shares in the Securities Registry maintained by the Commission for the Financial Market. At the Extraordinary Shareholders' Meeting held on December 3, 2024, it was agreed to rescind the decision to request the mentioned voluntary cancellation. This was communicated to the Financial Market Commission through a Material Fact.

The Company has the exclusive objective of operating and developing electricity systems owned by the Company or by third parties designed to transport or transmit electricity and may, for these purposes, obtain, acquire and use the respective concessions and permits and exercise all of the rights and powers that current legislation confers on electric companies, Its line of business includes commercializing the transport capacity of lines and transformation capacity of substations and equipment associated with them so that generating plants, both Chilean and foreign, may transmit the electricity they produce to their consumption centers; providing engineering or management consulting services related to the company's line of business; and developing other business and industrial activities to use electricity transmission facilities. The Company may act directly or through subsidiaries or affiliates, both in Chile and abroad.

The corporate domicile of the Company is at Orinoco No. 90, 14th floor, Las Condes, Santiago, Chile.

The Company is controlled directly by Transelec Holdings Rentas Limitada and indirectly by ETC Transmission Holdings S.L.

As of December 31, 2024 and 2023, working capital amounts to ThCh$(53,278,847) and ThCh$90,911,072 respectively. The negative working capital reported at the 2024 Consolidated Financial Statements is mainly explained by the short-term classification of the Senior Notes 2nd Issuance, which matures in January 2025. Based on the current operational performance and liquidity position, the Company estimates that cash flows from future operating activities and available cash will be sufficient to finance working capital, capital investments, interest payments, dividends, and debt payment requirements in the short term and the near future.

The Consolidated Financial Statements of the Company as of December 31, 2024, were approved by the Board of Directors at its meeting N°271 held on March 7, 2025.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

The main accounting policies applied in preparing the Consolidated Financial Statements are detailed below. These policies have been based on IFRS in effect as of December 31, 2024 and applied uniformly for the periods presented.

2.1 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

These Consolidated Financial Statements consist of the statements of financial position as of December 31, 2024 and 2023, the comprehensive income of its operations for the years ended December 31, 2024 and 2023, changes in equity and cash flows for the years ended December 31, 2024 and 2023 and have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), taking into account the presentation regulations of the CMF, which are not in conflict with IFRS.

These Consolidated Financial Statements have been prepared from the accounting records maintained by the Company. The figures in these Consolidated Financial Statements and their notes are expressed in thousands of Chilean pesos.

In preparing these Consolidated Financial Statements, certain critical accounting estimates have been used to quantify some assets, liabilities, income and expenses, IFRS also requires management to exercise its judgment in the process of applying Transelec's accounting policies, Areas involving a greater degree of judgment or complexity or areas in which assumptions and estimates are significant for these Consolidated Financial Statements are described in Note 4.

The information contained in these Consolidated Financial Statements is the responsibility of the Company's management.

The accounting policies adopted in the preparation of the Consolidated Financial Statements are consistent with those applied in the preparation of the annual Consolidated Financial Statements of the Company for the year ended December 31, 2023, except for the adoption of the new standards and amendments in force as of January 1, 2024, which did not materially affect the Consolidated Financial Statements.

As of December 31, 2024, there were no accounting changes that affect the Consolidated Financial Statements.

For the convenience of the readers outside of Chile, the financial statements and their accompanying notes have been translated from Spanish into English.

2.2 BUSINESS COMBINATIONS AND BASIS OF CONSOLIDATION

The Consolidated Financial Statements comprise the financial statements of the Parent Company and its subsidiaries, including all its assets, liabilities, revenue, expenses and cash flows after carrying out the adjustments and eliminations related to the transactions between the companies that form part of the consolidation.

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

A subsidiary is a company over which Transelec S.A. exercises control in accordance with IFRS 10. In order to comply with the definition of control according to IFRS 10, three criteria must be complied with, namely: (a) an investor has the power over the relevant activities of the investee, (b) the investor is exposed, or has rights to, variable returns from the share in the investee, (c) the investor has the ability to use its power over the investee to exercise influence over the amount of income of the investor. Non-controlling interest represents the amount of net assets and profit or loss that are not property of the Parent Company, which is presented separately in the comprehensive income statement and within equity in the consolidated statement of financial position.

Acquisition of a subsidiary is recorded in accordance with IFRS 3 "Business Combinations", using the equity method. This method requires the recognition of identifiable assets (including intangible assets previously unrecognized and goodwill) and liabilities acquired at fair value on the acquisition date. The acquisition cost is measured at the fair value of the consideration transferred at the acquisition date and the amount of any non-controlling interest in the acquired entity. Non- controlling interest is recognized by the portion owned by minority shareholders on the value of recognized assets and liabilities. Costs related to the acquisition are recognized in results as incurred and are included as part of administrative expenses.

The excess of acquisition cost on the fair value of the share of the Company in the acquired identifiable net assets is recognized as goodwill. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is recognized directly in the income statement.

After initial recognition, goodwill is measured at acquisition cost less any accumulated impairment losses. For purposes of impairment testing, goodwill acquired in a business combination is allocated, as of the acquisition date, to each of the Company's cash-generating units that are expected to benefit from the combination, regardless of whether other assets or liabilities of the acquiree are assigned to such units.

The acquisition of a subsidiary that involves the combination of entities or businesses under common control is outside the scope of IFRS 3 "Business Combinations". The company understands as entities or businesses under common control any subsidiary controlled directly or indirectly by ETC Transmission Holdings S.L.

The company records the assets and liabilities of the acquired entity under common control at the book value recorded by the subsidiary on the acquisition date. The equity items of capital retained earnings and other reserves are recognized in the same items and for the same value in the Consolidated Financial Statement of the company.

The financial statements of the subsidiary have been prepared on the same date as those of the Parent Company and the accounting policies have been applied uniformly, considering the specific nature of each business unit.

The information regarding the entities in which the Company has control and that forms part of the consolidation is detailed as follows:

Tax ID	Subsidiaries	Porcentaje de participación		País origen	Moneda funcional
		31-12-2024	31-12-2023		
76.538.831-7	Transmisión del Melado SpA	100%	100%	Chile	Ch$
77.504.183-8	Gea Transmisora SpA	100%	-	Chile	US$
77.677.302-6	Ana Maria S.A.	100%	-	Chile	US$

2.3 NEW STANDARDS AND INTERPRETATIONS ACCOUNTING

The following new standards and amendments has been considered in this Consolidated Financial Statements:

Standards	New standards, amendments and interpretations	Mandatory Effective Date
IAS 1	Classification of Liabilities as Current or Non-Current	01-01-2024
IFRS 16	Lease Liability in a Sale and Leaseback	01-01-2024
IAS 1	Non-current Liabilities with Covenants	01-01-2024
IAS 7 – IFRS 7	Supplier Finance Arrangements	01-01-2024

The Company has evaluated that the application of these amendments does not have a significant effect on the amounts reported in these Consolidated Financial Statements and will evaluate their impact on future transactions or contracts.

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2.3.1 New standards

The new standards which have been issued but are not yet effective at the date of these Consolidated Financial Statements, are detailed below:

Standards	New standards	Mandatory Effective Date
IFRS 18	Presentation and Disclosure in Financial Statements	01-01-2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	01-01-2027

IFRS 18 Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB has published its new standard IFRS 18 'Presentation and Disclosures in Financial Statements' that will replace IAS 1 'Presentation of Financial Statements'.

IFRS 18 applies to all financial statements that are prepared and presented in accordance with IFRS Accounting Standards.

The main changes in the new standard compared with the previous requirements in IAS 1 comprise:

- The introduction of categories and defined subtotals in the statement of profit or loss that aim at additional relevant information and provide a structure for the statement of profit or loss that is more comparable between entities.
- The introduction of requirements to improve aggregation and disaggregation that aim at additional relevant information and ensure that material information is not obscured.
- The introduction of disclosures on Management-defined Performance Measures (MPMs) in the notes to the financial statements that aim at transparency and discipline in the use of such measures and disclosures in a single location.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The standard is applied retrospectively, with specific transition provisions, and earlier application is permitted.

Management will timely evaluate the potential impacts of adopting this new IFRS.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19 which permits an eligible subsidiary to provide reduced disclosures when applying IFRS in its financial statements.

A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS.

IFRS 19 is optional for subsidiaries that are eligible, and such subsidiaries can apply IFRS 19 in their consolidated, separate or individual financial statements.

The new standard is effective for reporting periods beginning on or after January 1, 2027 with earlier application permitted. Management will timely evaluate the potential impacts of adopting this new IFRS.

2.3.2 Enhancements and modifications

The enhancements and modifications which have been issued but are not yet effective at the date of these Consolidated Financial Statements, are detailed below:

Standards	Enhancements and Modifications	Mandatory Effective Date
IAS 21	Lack of Exchangeability	01-01-2025
SASB	Amendments to the SASB standards to enhance their international applicability	01-01-2025
IFRS 7 – IFRS 9	Amendments to the Classification and Measurement of Financial Instruments	01-01-2026
IFRS 1, IFRS 7, IFRS 9, IFRS 10 y IAS 7	Annual Improvements to IFRS Accounting Standards - Volume 11	01-01-2026

Lack of Exchangeability (Amendments to IAS 21)

In August 2023, the IASB has published amendments to IAS 21 that specify how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not.

Applying the amendments, a currency is exchangeable when an entity is able to exchange that currency for the other currency through market or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose. However, a currency is not exchangeable into the other currency if an entity can only obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose.

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When a currency is not exchangeable at the measurement date, an entity is required to estimate the spot exchange rate as the rate that would have applied to an orderly exchange transaction at the measurement date between market participants under prevailing economic conditions. In that case, an entity is required to disclose information that enables users of its financial statements to evaluate how the currency's lack of exchangeability affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are applied prospectively for annual periods beginning on or after January 1, 2025. Earlier application is permitted.

Management will timely evaluate the potential impacts of adopting these new amendments.

Amendments to the SASB standards to enhance their international applicability

On December 19, 2023, the International Sustainability Standards Board (ISSB) issued amendments to the Sustainability Accounting Standards Board (SASB) standards to enhance their international applicability.

When the ISSB inherited the SASB standards, it found that a small subset of the standards incorporated references to specific jurisdictional laws and regulations that may be globally inapplicable, introduce regional bias, increase application costs, and decrease the comparability and decision-usefulness of the resulting disclosures. The ISSB has therefore developed a methodology for enhancing the international applicability of the SASB standards and SASB standards taxonomy updates without substantially altering the standards' structure or intent. This methodology has been applied to the relevant SASB standards.

With the amendments published, the ISSB intends to make the SASB standards more internationally applicable and GAAP-agnostic. The amendments remove and replace jurisdiction-specific references and definitions, without substantially altering industries, topics or metrics.

The amendments are effective for annual periods beginning on or after January 1, 2025. Earlier application is permitted.

Management will timely evaluate the potential impacts of adopting these new amendments.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments which amend IFRS 9 and IFRS 7 and address the following topics:

- **Derecognition of a financial liability settled through electronic transfer.** It has been clarified the dates when a financial liability is derecognized when is settled through electronic transfer. The alternative permit to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if, and only if, the entity has initiated a payment instruction that: (i) has no practical ability to stop or cancel; (ii) has no practical ability to access the cash **used for the** payment; and (iii) the settlement risk associated with the electronic payment is insignificant.
- **Classification of financial assets – contractual terms that are consistent with a basic lending arrangement.** It has been clarified the requirements to assess if the contractual cash flows in a financial asset are consistent with a basic lending arrangement. The amendments clarify that contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost or if they represent a share of the debtor's revenue or profit.

- **Classification of financial assets with non-recourse features.** It is clarified the term "non-recourse". A financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specific assets.

- **Classification of financial assets contractually linked.** The characteristics of these instruments that distinguish them from other transactions are clarified. It is an instrument composed of two or more financial instruments that are contractually linked in such a way that the value, risk, and cash flows of one affects the other.

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Likewise, these modifications introduce additional disclosure requirements within IFRS 7:

- **IInvestments in equity instruments designated a fair value though other comprehensive income.** It shall be required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognized in the period and the fair value gain or loss that relates to investments held at the end of the period, as well as, to disclose any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognized during that reporting period.

- **Contractual terms that could change the timing or amount of contractual cash flows.** The disclosures include a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows as well as the gross carrying amount of financial assets and the amortized cost of financial liabilities subject to those contractual terms.

The amendments are effective for annual periods beginning on or after January 1, 2026. Earlier application is permitted.

Management will timely evaluate the potential impacts of adopting these new amendments.

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Annual Improvements to IFRS Accounting Standards — Volume 11 (amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)

The annual improvements include amendments to five Standards:

IFRS 1 First-time Adoption of IFRS

Hedge accounting by a first-time adopter. The amendment addresses a potential confusion arising from an inconsistency in wording between paragraph B6 of IFRS 1 and requirements for hedge accounting in IFRS 9 Financial Instruments.

IFRS 7 Financial Instruments: Disclosures

Gain or loss on derecognition. The amendment addresses a potential confusion in paragraph B38 of IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 Fair Value Measurement was issued.

Disclosure of deferred difference between fair value and transaction price. The amendment addresses an inconsistency between paragraph 28 of IFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of IFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance.

Introduction and credit risk disclosures. The amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 and by simplifying some explanations.

IFRS 9 Financial Instruments

Lessee derecognition of lease liabilities. The amendment addresses a potential lack of clarity in the application of the requirements in IFRS 9 to account for an extinguishment of a lessee's lease liability that arises because paragraph 2.1(b)(ii) of IFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of IFRS 9.

Transaction price. The amendment addresses a potential confusion arising from a reference in Appendix A to IFRS 9 to the definition of 'transaction price' in IFRS 15 Revenue from Contracts with Customers while term 'transaction price' is used in particular paragraphs of IFRS 9 with a meaning that is not necessarily consistent with the definition of that term in IFRS 15.

NIIF 10 Consolidated Financial Statements

Determination of a 'de facto agent'. The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.

NIC 7 Statements of Cash Flows

Cost method. The amendment addresses a potential confusion in applying paragraph 37 of IAS 7 that arises from the use of the term 'cost method' that is no longer defined in IFRS Accounting Standards.

All amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

The Company's functional currency is the Chilean peso. These Consolidated Financial Statements are presented in Chilean pesos.

2.4 FOREIGN CURRENCY TRANSLATION

2.4.1 Functional and presentation currency

The Company's functional currency is the Chilean peso. These Consolidated Financial Statements are presented in Chilean pesos.

2.4.2 Transactions and balances

Transactions carried out by each company in a currency other than its functional currency are recorded using the exchange rates in effect as of the date of each transaction. During the period, any differences that arise between the exchange rate recorded in accounting and the rate prevailing as of the date of collection or payment are recorded as exchange differences in the income statement. Likewise, as of each period end, balances receivable or payable in a currency other than each company's functional currency are converted using the period-end exchange rate. Losses and gains in foreign currency arising from settling these transactions and from converting monetary assets and liabilities denominated in foreign currency using period-end exchange rates are recorded in the income statement, except when they should be deferred in equity, such as the case of cash flow.

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2.4.3 Translation of subsidiaries with functional currency other than the Chilean Peso

The Financial Statements of the subsidiaries with functional currencies other than the Chilean Peso are translated as follows:

(a) For assets and liabilities the prevailing exchange rate on the closing date of the Financial Statements is used.

(b) For income statement items the average exchange rates of the period that approximate the exchange rates of the date of each transaction are used.

Exchange differences arising in translation of Financial Statements are recognized in the item "Reserve for currency translation adjustment" within Equity.

2.4.4 Exchange rates

As of each year end, assets and liabilities in foreign currency and UF have been converted to Chilean pesos using the following exchange rates:

Currency or indexing unit	Chilean pesos per unit	
	31-12-2024	31-12-2023
UF	38,416.69	36,789.36
US$	996.46	877.12
Euro	1,035.28	970.05

2.5 FINANCIAL REPORTING BY OPERATING SEGMENTS

The Company manages its operations and presents information in the Consolidated Financial Statements based on a single operating segment: Electricity transmission.

The source of the revenues that generates the company and its assets are located in Chile.

2.6 Property, plant and equipment

Property, plant and equipment are valued at acquisition cost, net of its corresponding accumulated depreciation and any impairment losses it may have experienced. In addition to the price paid to acquire each item, the cost also includes, where appropriate, the following items:

(a) All costs directly related placing the asset in the location and condition that enables it to be used in the manner intended by management.

b) Borrowing costs incurred during the construction period that are directly attributable to the acquisition, construction or production of qualified assets, which require a substantial period of time before being ready for use are capitalized. The interest rate used is that of the specific financing or, if none exists, the average financing rate of the company carrying out the investment.

c) Future disbursements that Transelec S.A. and its subsidiary must make to close their facilities are incorporated into the value of the asset at present value, recording the corresponding provision. On an annual basis both existences of such obligations as well as estimate of future disbursements are reviewed, increasing or decreasing the value of the asset based on the results of this estimate.

Assets under construction are transferred to operating assets once the testing period has been completed when they are available for use, at which time depreciation begins.

Expansion, modernization and improvement costs that represent an increase in productivity, capacity or efficiency or an extension of useful life are capitalized as a greater cost of the corresponding assets. Replacement or overhauls of whole components that increase the asset's useful life, or its economic capacity, are recorded as an increase in value for the respective assets, derecognizing the replaced or overhauled components. Periodic maintenance, conservation and repair expenses are recorded directly in income as an expense for the period in which they are incurred.

Property, plant and equipment, net of its residual value, is depreciated by distributing the cost of its different components on a straight-line basis over its estimated useful life, which is the period during which the companies expect to use them. The useful lives and residual values of fixed assets are reviewed on a yearly basis. The land has an indefinite useful life and is not depreciated.

The following table details the ranges of useful lives periods applied to principal classes of assets and used to determine depreciation expense:

Items	Estimated useful life (years)	
	Minimum	Maximum
Buildings and infrastructure	20	50
Machinery and equipment	15	40
Other assets	3	15

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The depreciation of these assets is recorded in the Statement of Income under the categories of Cost of Sales and Administrative expenses.

2.7 INTANGIBLE ASSETS

2.7.1 Goodwill

Goodwill represents the excess of acquisition cost on the fair value of net assets acquired in a business combination. Goodwill is not amortized, it is annually tested for impairment, regardless of the existence of any indication of impairment.

For impairment testing, goodwill acquired in a business combination is allocated from the acquisition date to the cash-generating units expected to benefit from such combination.

During the periods covered by these Consolidated Financial Statements, there were no impairment losses of goodwill.

2.7.2 Easements

Easements are presented at historical cost. These rights have no defined useful life and, therefore, are not amortized. However, these indefinite useful lives are reviewed during each reporting year to determine if they remain indefinite. These assets are tested for impairment at each year end and if there are indicator of impairment.

2.7.3 Computer software

Purchased software licenses are capitalized based on the costs incurred to purchase them and prepare them for use. These costs are amortized on a straight-line basis over their estimated useful lives that range from three to five years.

Expenses for developing or maintaining computer software are expensed when incurred. Costs directly related to creating unique, identifiable computer software controlled by the Company that is likely to generate economic benefits in excess of its costs during more than one year are recognized as intangible assets, and its amortization is included in the income statement under costs of sales and administrative expenses.

2.8 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets with an indefinite useful life, such as easements, are not amortized and are tested annually for impairment. Amortized assets are tested for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable.

An impairment loss is recognized for the difference between the asset's carrying amount and its recoverable amount.

The recoverable amount is the higher of its fair value less costs to sell and its value in use this being the present value of the expected future cash flows.

The Company has defined its only operating segment the Transmission of Electricity as a Cash Generating Unit (CGU) for the purposes of impairment tests and, therefore, both goodwill and intangible assets with an indefinite useful life existing at the date of the impairment test are completely assigned to this CGU.

The variable to which the value in use model is most sensitive is the discount rate. The main variables considered in the impairment test are:

Variable	31-12-2024	31-12-2023	Descripction
Discount rate	6.22%	6.79%	The discount rate used is the weighted average cost of capital (WACC) of the Company, measured before taxes.
Growth rate	3.00%	3.00%	The growth rate is applied to the perpetuity and is based on the estimation of the long-term inflation expectation established by the Central Bank of Chile.
Cash Flow estimation period	5 years	5 years	The estimation period is 5 years, based on the Company's internal business plan plus perpetuity.

Impairment losses from continuing operations are recognized in the income statement in the expenses categories in accordance with the function of the impaired assets. In the case of goodwill see Note 2.7.1.

Non-financial assets other than goodwill that suffered an impairment loss are reviewed at each reporting date for possible reversal of the impairment, in which case the reversal may not exceed the amount originally impaired less accumulated depreciation.

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2.9 FINANCIAL INSTRUMENTS

A financial instrument is any contract that generates, at the same time, a financial asset in an entity and a financial liability or an equity instrument in other entity.

1) Non-derivatives financial assets

The Company classifies its non-derivatives financial assets into the following categories:

a) Amortized Cost:
In this category are classified the financial assets within the Business Model of the Company whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Non-derivatives financial assets that that accomplish with the conditions stated in IFRS 9 to be classified at amortized cost are: account receivables, loans granted and cash equivalents. These assets are recorded at amortized cost, which is its initial fair value, minus the payments of principal, plus the non-collected accrued interests calculated according to the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

b) Fair value through other comprehensive income (Equity):
In this category are classified the financial assets within the Business Model of the Company whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These financial assets are recognized into the Consolidated Financial Statement at its fair value when it can be feasible determined. Changes in its fair value, net of tax effect, are recorded into the Other Comprehensive Income Statement until those financial assets are derecognized which is the moment when the accumulated effect is recycle into the Profit or Loss of the period. If the fair value of the financial assets is lower than the acquisition cost, and if there is objective evidence that the financial assets have an impairment that is not reversible, the difference has to be recorded as a loss of the period.

c) Fair value through profit or loss:
For financial assets that were defined as such at the moment of their initial recognition and those that are not measured at amortized cost or fair value through other comprehensive income.

These financial assets are measured in the Consolidated Financial Statement at its fair value and the changes on its fair value are recorded directly in profit or loss at the moment when they occurred. Purchases or sales of financial assets are recorded at the date of the transaction.

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2) Cash and Cash Equivalent

Cash and cash equivalents include cash, bank balances, time deposits and other short-term investments whose term is equal to or less than 180 days from the investment date, highly liquid investments that are easily convertible into known amounts of cash and that they are subject to negligible risk of changes in value. The balance of this account does not differ from that presented in the statement of cash flows. There is no restricted cash.

3) Impairment of financial assets

According to IFRS 9, the Company the impairment model based of expected credit losses. This model is used on the financial assets measured at amortized cost or fair value through other comprehensive income, except for the investments in equity instruments. The Company uses a simplify scope for account receivables, contractual assets and account receivables for leasing in order to ensure that any impairment recorded is made in reference to the expected losses for all the life of the asset.

4) Non-derivatives financial liabilities

Financial liabilities are initially recognized at its fair value, net of the transaction's costs. For its subsequent measurement, these liabilities are measured at amortized cost using the effective interest rate method. For the fair value of debt calculation, it has been performed using the discounted cash flows method according to the interest rate curves available in the market depending on the payment currency.

5) Derivatives and Hedge activities

The Company selectively uses derivative and non-derivative instruments, to manage its exposure to exchange rate risk (See Note 18).

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Derivatives instrument used by the Company are mainly related to hedge the interest rate/exchange rate risks. Derivatives instruments are recorded at its fair value at the date of the statement of financial position. If the fair value of the derivative instrument is positive, it is recorded into the "Other financial assets" item and in case that the fair value of the derivative instrument is negative it is recorded into the "Other financial liabilities" item. Changes in the fair value of the derivative instruments are recorded into profit or loss unless the derivative had been designated as a hedge instrument and comply with all the requirement stated in IFRS in order to use Hedge Accounting. Regarding to hedge accounting, the Company is still under the IAS 39 scope. The different types of hedge accounting that the Company perform are:

5.1) Fair value Hedge: Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, along with any change in the fair value of the hedged asset or liability that is attributable to the hedged risk. The Company has not used fair value hedges during the years presented.

5.2) Cash Flow Hedge: Changes in the fair value of the effective portion of derivatives are recorded in equity account "Reserve for cash flow hedges". The cumulative loss or gain in this account is transferred to the income statement to the extent that the underlying item impacts the income statement because of the hedged risk, netting the effect in the same income statement account. Gains or losses from the ineffective portion of the hedge are recorded directly in the income statement. A hedge is considered highly effective when changes in the fair value or the cash flows of the underlying item directly attributable to the hedged risk are offset by changes in the fair value or the cash flows of the hedging instrument, with effectiveness ranging from 80% to 125%.

Hedge accounting is discontinued when the Company revokes the hedging relationship, the hedged item expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity is retained and is recognized when the forecasted transaction is ultimately recognized in the income statement.

5.3) Hedge of a net investment in a foreign operation (hedge of a net investment): Hedges of net investments in foreign operations are accounted for to similarly to cash flow hedges. The exchange differences originated by a net investment in a foreign entity and those derived from the hedging operation must be recorded in a reserve of the Equity, under the item Other reserves until the disposal of the investment occurs.

Gains or losses relating to the ineffective portion are recognized immediately in the income statement in the line item "Other gains (losses)".

The Company has not used hedges of a net investment in foreign operation for the periods presented.

At the inception of the transaction, the Company documents the relationship existing between the hedge instruments and the hedged items, as well as its risk management objectives and its strategy for handling various hedge transactions. The Company also documents its assessment, both at inception and subsequently on an ongoing basis, of the effectiveness of the hedge instruments in offsetting movements in the fair values or cash flows of the hedged items. A derivative is presented as a non-current asset or liability if its maturity is greater than 12 months and it is not expected to be realized within 12 months. Other derivatives are presented as current assets or liabilities.

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6) Embedded derivatives

Derivatives embedded in other financial instruments or other contracts are treated as derivatives when their risks and characteristics are not closely related to the principal contracts and the principal contracts are not measured at fair value through profit and loss. In the case that they are not closely related, they are recorded separately, and any changes in value are recognized in the income statement. In the periods presented in these Consolidated Financial Statements, the Company did not identify any contracts that met the conditions for embedded derivatives.

7) Derecognition of financial assets and liabilities

Financial assets are derecognized when, and only when:

a) The contractual rights to the cash flows from the financial asset expire or, the Company retains the contractual rights to receive the cash flows but assumes a contractual obligation to pay those cash flows to one or more entities.

b) The Company has substantially transferred the risks and benefits derived from its ownership or, if it has not substantially transferred or retained them, when it does not retain control of the assets.
Financial liabilities are derecognized when the company's obligations are fulfilled, canceled or have expired. The difference between the book value of the derecognized financial liability and the consideration paid and payable, including any asset transferred other than cash or liability assumed, is recognized in income.

8) Compensation of financial assets and liabilities

The Company compensate financial assets and liabilities, presenting the net amount in its Consolidated Financial Statements, only when:

a) There is a legal right to compensated both amounts; and
b) There is an intention of settle the transaction on a net basis, or to collect the asset and pay the liability

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simultaneously.
These rights can only be legally enforceable during the normal course of the business, or in case insolvency, payment problems or bankruptcy, of any one or all the parties involved in the transaction.

2.10 INVENTORY

Inventory is valued at acquisition cost using the weighted average price or net realizable value if this is lower.

2.11 PAID-IN CAPITAL

Paid-in capital is represented by one class of ordinary shares with one vote per share, Incremental costs directly attributable to new share issuances are presented in equity as a deduction, net of taxes, from issuance proceeds.

2.12 INCOME TAX AND DEFERRED TAXES

The result for income tax for the year is determined as the sum of the current tax arising from the application of the tax rate on taxable income, after allowed deductions, plus the change in assets and liabilities for deferred tax and tax credits, both for tax losses and other deductions.

Differences between the book value and tax base of assets and liabilities generate deferred tax asset and liability balances, which are calculated using tax rates expected to be in effect when assets are realized, and liabilities are settled.

Current taxes and changes in deferred tax assets and liabilities not from business combinations are recorded in income or in equity accounts in the statement of financial position, depending on where the gains or losses originating them were recorded.

Deferred tax assets and tax credits are recognized only when it is likely that there are future taxable profits sufficient enough against which the deductible temporary differences and the carry forward of unused tax credit can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date consolidated financial statement and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities are recognized for all temporary differences, except those derived from the initial recognition of goodwill and those that arose from valuing investments in subsidiaries, associates and jointly-controlled companies in which Transelec can control their reversal and where it is likely that they are not reversed in the foreseeable future.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2.13 EMPLOYEE BENEFITS

2.13.1 Vacation

The Company recognize the vacation expense of employees by using the accrual method. This benefit is for all staff and is equivalent to a fixed amount accordingly with individual contracts.

This benefit is recorded at nominal value.

2.13.2 Severance indemnity

The Company recognize liabilities for severance indemnities for their employees, based on the benefits that are contained in collective and individual contracts with staff. If this benefit is contractual, the obligation is treated in the same way as defined benefit plans in accordance with IAS 19 and is recorded using the projected credit unit method.

Defined benefit plans define the amount of the benefit that an employee will receive upon termination of employment, which usually depends on one or more factors such as the employee's age, rotation, years of service and compensation.

The liability recognized in the statement of financial position represents the present value of the defined benefit obligation plus/minus adjustments for unrecorded actuarial gains or losses and past service costs. The present value of the defined benefit obligation is determined by discounting the estimated cash outflows using the BCU interest rates (Central Bank of Chile bond rate in Unidades de Fomento) denominated in the same currency in which the benefits will be paid, and which have terms that approximate the maturity terms of the severance indemnities obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

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2.13.3 Profit sharing

The Company recognizes a liability and an expense for profit sharing arrangements based on respective collective and individual contracts with its employees and executives, using a formula that considers the net income attributable to the Company's shareholders after certain adjustments. Transelec recognizes a provision when it has a contractual obligation or when a past practice has created a constructive obligation of agreement to IAS 19.

2.14 PROVISIONS

Provisions for environmental restoration, asset retirement, restructuring costs, onerous contracts, lawsuits and other contingencies are recognized when:

- The Company has a present obligation, whether legal or implicit, as a result of past events;
- It is more likely than not that an outflow of resources will be required to settle the obligation;
- The amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditures required to settle the obligation. The discount rate used to determine the present value reflects current market assessments, as of the reporting date, of the time value of money, as well as the specific risk related to the particular liability, if appropriate, Increases in provisions due to the passage of time are recognized in interest expense.

As of the date of issuance of these Consolidated Financial Statements, Transelec have no obligation to establish provision for environmental restoration and similar expenses.

2.15 CLASSIFICATION OF CURRENT AND NON-CURRENT BALANCES

In the statement of financial position, balances are classified based on maturity i.e., current balances mature in no more than twelve months and non-current balances in more than twelve months.

In the case that the Company have any obligations that mature in less than twelve months but can be refinanced over the long term at the Company's discretion, through unconditionally available credit agreements with long-term maturities, such obligations may be classified as non-current liabilities..

2.16 REVENUE RECOGNITION

The legal framework that governs the electrical transmission activity in Chile is regulated by DFL No. 4/2006, which establishes the Consolidated, Coordinated and Systematized Text of the Decree with Force of Law No. 1, of Mining, of 1982, General Law of Electric Services (DFL(M) No. 1/1982) and its subsequent amendments thereto, including Law 19,940 (call also the "Short Law I"), enacted on March 13, 2004, Law 20,018 ("Short Law II"), enacted on 19 May 2005, Law 20,257 (Generation with Non- Conventional Renewable Sources of Energy) enacted on April 1, 2008 and Law 20,936 (Transmission Law) enacted on July 11, 2016.

These rules are complemented by the various regulations defined in the Law, among them: the General Law of Electric Services of 1997 (Supreme Decree No. 327/1997 of the Ministry of Mining), the Coordination and Operation of the Electric System regulation (Supreme Decree No. 125/2017 of the Ministry of Energy), the Transmission Systems and Transmission Planning regulation (Supreme Decree No. 37/2019 of the Ministry of Energy), and the Qualification, Valuation, Pricing and Remuneration of the Transmission regulation (Supreme Decree No. 10/2019 of the Ministry of Energy).

In detail, the Law 20,936 created an Independent Coordinator Body for the National Electric System to replace the previous Load Economical Dispatch Centers and establishes a new Electric Transmission System where the facilities of the Trunk system, Sub-transmission and Additional system, introduced by Short Law I, were replaced by the National Transmission System, Zonal, Dedicated Transmission System, Development Poles and International Interconnection.

The law establishes that the remuneration of the transmission works will correspond to the Annual Value of Transmission per Tranche (VATT in its Spanish acronym). Facilities of the Dedicated segment, or whose origin was by agreement between private parties, set the VATT through bilateral contracts, while for facilities of the National, Zonal and Dedicated segment used by regulated customers, the VATT is determined in a regulated manner in the law (to date there are no facilities in the Poles of Development and International Interconnection segment). In this way, the Company basically distinguishes between two types of contracts with customers, one of them of a regulated nature and the other of a contractual nature. The first one is subject to regulated rates, while the second one is related to contractual agreements with the users of the transmission facilities.

In this context, the regulated income of a work will depend on whether it is the result of a bidding process or a centralized valuation process. Thus, the revenue of the new works corresponds to the VATT awarded in the bidding process for the exploitation rights; the VATT of the expansion works of existing facilities is determined based on the value of the investment awarded in the bidding processes for the construction rights, while the VATT of the rest of the works is determined based on the efficient valuation of the facilities every four years.

The centralized valuation process determines, for all existing facilities subject to price review, the investment value (VI in its Spanish acronym) of the facilities associated with an efficient process of management, acquisition, construction, assembly and commissioning. From this VI, the Annuity of the Investment Value is determined considering a discount rate defined in the regulations whose value can vary with a minimum of 7% and a maximum of 10% after taxes. To the AVI is added the Operation, Maintenance and Administration Costs (COMA in its Spanish acronym) associated with the operation of an efficient company.

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In this way, the total income generated by the use of the Company's facilities for both types of revenues, regulated and contractual, includes these two components: i) the annuity of the investment value (AVI in its Spanish acronym), plus ii) the operation, maintenance and administration costs (COMA in its Spanish acronym), Where these values are the results of bilateral contracts or regulated processes.

Finally, the revenue recognized by the company, and which it has the right to collect from its clients, corresponds to the VATT determined as the indexed values of the AVI and COMA that make up such VATT. The law establishes these charges as integral components in rendering of transmission services. Therefore, due to these services are substantially the same and they have the same pattern of transference to customers, in other words, both services are satisfied over time with a similar progress measurement, the Company has determined that there is a unique performance obligation, and it is satisfied over a period of time, therefore revenues are recognized on the same time base.

Revenues from both regulatory and contractual arrangements are recognized and billed monthly, using values stipulated in the contracts or those resulting from regulated tariffs.

The transmission service is generally billed during the months following the month in which the service was provided, and therefore the revenue recognized each month corresponds to the transmission service delivered, but not billed in such month.

2.17 LEASES

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or whether or not the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

2.17.1 The Company as lessor

The assets held under a finance lease are presented in other financial assets at an amount equal to the net investment in the lease, being the aggregate of: (i) minimum lease payments receivable and (ii) any unguaranteed residual value accruing to the Company discounted at the interest rate implicit in the lease. The income (interest) is recognized on a pattern reflecting a constant periodic rate of return on the net investment in the lease; this income is presented in the statement of income in operating revenues. Lease payments relating to the period, excluding costs for any separate services, are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.

Assets subject to operating leases are presented in the statement of financial position according to the nature of the asset. Lease income from operating leases is recognized in income on a straight-line basis over the lease term, unless another systematic basis is more representative to reflect time pattern in which use benefit derived from the leased asset is diminished.

2.17.2 The Company as lessee

Finance leases in which acts as lessee are recognized when the agreement begins, recording an asset based on the nature of the lease and a liability for the same amount, equal to the lesser of the fair value of the leased asset or the present value of the minimum lease payments.

Subsequently, the minimum lease payments are divided between finance expense and reducing the debt. The finance expense is recorded in the income statement and distributed over the period of the lease term so as to obtain a constant interest rate for each period over the balance of the debt pending amortization. The asset is amortized in the same terms as other similar depreciable assets, as long as there is reasonable certainty that the lessee will acquire ownership of the asset at the end of the lease. If no such certainty exists, the asset will be amortized over the lesser term between the useful life of the asset and the term of the lease.

2.17.3 Rights from use of lease

The company has lease agreements on several Property, Plant and Equipment items. Under IAS 17, the Company classified each of its assets on the date of origin as a finance lease or an operating lease. Leases were classified as finance leases if they substantially transferred to the company all the risks and rewards incidental to ownership of the leased asset; otherwise, they were classified as operating leases.

In adopting IFRS 16, the Company applied a single recognition and measurement approach to all leases (in which the Company acts as lessee), except for short-term leases and low-value assets. In addition, the standard provides specific transition requirements and practical solutions, which the Company has applied.

2.17.3.1 Leases previously classified as operating leases

The Company recognized assets for right of use and lease liabilities regarding leases previously classified as operating leases (in which the Company acts as lessee), except in the case of short-term leases and leases of low-value assets.

The right-of-use assets in the case of most leases were recognized based on book value as if the Standard had always been applied, except for the use of the passive rate on the date of initial application. In some leases, the right-of-use assets were recognized based on the amount equal to the lease liability, adjusted for the amount of any advance or accumulated (accrued) lease payment that has been previously recognized. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted through the use of the increasing passive rate at the date of initial application.

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The practical solutions used by the Company in the application of IFRS 16 were:

a) Single discount rate for a lease portfolio with reasonably similar characteristics.

b) Evaluation of onerous leases before the date of initial application.

c) Application of the exceptions for short-term leases (maturity less than 12 months) on the date of the initial application.

d) Exclusion of the initial direct costs of measuring the right of use asset on the date of initial application.

e) Retrospective evaluation to determine the term of the lease in those cases in which the contracts contain renewal options or termination of the lease.

2.17.3.2 Right of use assets

The Company recognizes right of use assets at the inception date of the lease (i.e., the date on which the underlying asset is available for use). The right-of-use assets are measured at cost, less any accumulated depreciation and impairment loss, and are adjusted for any new measurement of lease liabilities. The cost of the right of use assets includes the amount of the recognized lease liabilities, the initially incurred direct costs and the lease payments on or before the inception date minus any received lease incentives.

Recognized right-of-use assets are depreciated on a straight-line basis for the shortest of their estimated useful life and the term of the lease and are subject to impairment review.

2.17.3.3 Lease liabilities

On the inception date of the lease, the Company recognizes the lease liabilities at the present value of the lease payments that must be made during the term of the lease. In calculating the present value of the lease payments, the Company uses the incremental indebtedness rate at the inception date of the lease if the interest rate implicit in the lease cannot be determined. After the inception date, the amount of lease liabilities is increased to reflect the accrued interest and is reduced as per the lease payments made. In addition, the book value of the lease liabilities is remeasured if there is a revision, a change in the term of the lease, a substantial change in the fixed lease payments or a change in the evaluation of the purchase of the underlying asset.

2.17.3.4 Short-term leases and leases of low-value assets

The Company applies the exception for recognition of short-term leases to its leases that have a term of 12 months or less from the inception date and that do not contain a renewal option. The lease recognition exception also applies for contracts that involve low value assets (less than US$5,000). Short-term lease payments and leases of low-value assets are recognized as expenses on a straight-line basis over the term of the lease.

Significant judgment in determining the lease term for contracts with renewal options. The Company determines the lease term as the non-cancelable term of the lease, along with any period covered by an option to extend the lease if there is reasonable assurance that it will be exercised, or any period covered by an option to terminate the lease, if there is reasonable assurance that it will not be exercised.

The Company includes the renewal period as part of the term of the lease in the case of leases of assets of significant importance for its operations. These leases have a short non-cancelable period (i.e., three to five years) and there would be a significant negative effect on production if a replacement is not available.

At the time of initial recognition, right of use assets and lease liabilities (net of deferred interest) were recognized.

2.18 DISTRIBUTION OF DIVIDENDS

Dividends payable to the Company's shareholders are recognized as a liability in the Consolidated Financial Statements in the period in which they are approved by the Company's shareholders.

Company makes a provision at the end of each year for the 30% of the profit of the year, in accordance with Law N° 18,046. See note 24.

On the Company's Board meeting No. 57 held on December 31, 2010, the policy used for the determination of distributable net profit was approved. This policy does not contemplate adjustments to the "Profit (Loss) attributable to Holders of Equity Participation instruments of the Controlling Company".

The distribution of dividends as of December 31, 2024 and 2023 is reported in Note 24.3.

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2.19 NON-CURRENT ASSES CLASSIFIED AS HELD FOR SALE

On the Company classifies as non-current assets (or group of assets for disposal) held for sale, property, plant and equipment, intangibles and groups subject to divestment (group of assets to be sold together with their directly associated liabilities), for which, on the closing date of the Statement of Financial Position, active efforts have been made for their sale, and it is estimated that it is highly probable that the operation will be materialize during the period of twelve months following said date.

Assets or groups subject to divestment classified as held for sale are valued at the lower of their book value or their fair value less costs to sell and are no longer amortized from the moment, they acquire this classification.

Assets that are no longer classified as held for sale, or no longer form part of a group of alienable items, are valued at the lower of their book value prior to their classification, less any depreciation, amortization or revaluation that would have been recognized if they had not been classified as such, and the recoverable value on the date on which they will be reclassified to Non-current assets.

Non-current assets held for sale and the components of the groups subject to divestiture classified as held for sale or as held for distribution to owners are presented in the Consolidated Statement of Financial Position as follows: Assets in a single line called Non-current assets or groups of assets for disposal classified as held for sale and liabilities also on a single line called Liabilities included in groups of assets for disposal classified as held for sale.

In turn, a discontinued operation is a component of the Group that has been sold or otherwise disposed of, or that has been classified as held for sale, and represents a line of business or a geographical area, which it is significant and can be considered separate from the rest; it is part of an individual and coordinated plan to have a line of business or a geographic area of operation that is significant and can be considered separate from the rest; or is a subsidiary entity acquired solely for the purpose of resale.

The results after taxes of discontinued operations are presented in a single line of the income statement called Profit (loss) from discontinued operations, also including the gain or loss after taxes generated by the divestment operation once it is completed, has materialized.

3 - RISK MANAGEMENT POLICY

3.1 FINANCIAL RISK

Transelec is exposed to the following risks as a result of the financial instruments it holds market risk stemming from interest rates, exchange rates and other prices that impact market values of financial instruments, credit risk and liquidity risk. The following paragraphs describe these risks and how they are managed.

3.1.1 Market risk

Market risk is defined for these purposes as the risk of changes in the fair value or future cash flows of a financial instrument as a result of changes in market prices. Market risk includes the risk of changes in interest and exchange rates, inflation rates and variations in market prices due to factors other than interest or exchange rates such as commodity prices or credit spread differentials, among others.

Company policy regulates investments and indebtedness, in an attempt to limit the impact of changes in the value of currencies and interest rates on the Company's net results by:

(a) Investing cash surpluses in instruments maturing within no more than 180 days.

(b) Entering into forward derivative contracts and other instruments to maintain a balanced foreign exchange position.

(c) Entering into fixed rate long-term debt indebtedness thus limiting risk from variable interest rates.

3.1.1.1 Interest rate risk

Significant changes in fair values and future cash flows of financial instruments that can be directly attributable to interest rate risks include changes in the net proceeds from financial instruments whose cash flows are determined in reference to floating interest rates and changes in the value of financial instruments with fixed cash flows.

The Company´s assets are primarily fixed and long-lived intangible assets. Consequently, financial liabilities that are used to finance such assets consist primarily of long-term liabilities at fixed rates. This debt is recorded in the balance sheet at amortized cost.

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The objective of interest rate risk management is to achieve a balanced debt structure, decrease the impact on costs due to interest rate variations and, reduce volatility in the income statement.

A comparative table of the Company's debts is shown below, in which it can be seen that all of the Company's debt as of December 31, 2024 and 2023 was at a fixed rate until maturity. In addition, in the case of UF and Dollar indexed debt, variations in inflation and exchange rate could potentially impact the Company's financial expenses, which is mitigated by indexed income to inflation and exchange rate.

Debt	Currency or Index	Interest rate	Type of rate	Amount in Original Currency (thousand)	
				31-12-2024	31-12-2023
D Bond	UF	4.25%	Fixed	13,500	13,500
H Bond	UF	4.80%	Fixed	3,000	3,000
K Bond	UF	4.60%	Fixed	1,600	1,600
M Bond	UF	4.05%	Fixed	3,400	3,400
N Bond	UF	3.95%	Fixed	3,000	3,000
Q Bond	UF	3.95%	Fixed	3,100	3,100
V Bond	UF	3.30%	Fixed	3,000	3,000
X Bond	UF	3.20%	Fixed	4,000	4,000
Y Bond	UF	3.80%	Fixed	1,500	-
AB Bond	UF	3.90%	Fixed	3,500	-
Senior Notes	US$	4.250%	Fixed	375,000	375,000
Senior Notes	US$	3.880%	Fixed	350,000	350,000
Revolving Credit Facility	US$	SOFR	Floating (*)	-	-

(*) The floating interest rate of the committed line of credit is broken down into SOFR rate plus a margin of 1.60%. At December 31, 2024 and 2023, the Company has no amounts drawn under this facility.

The objective of interest rate risk management is to achieve a balanced debt structure, decrease the impact on costs due to interest rate variations and, reduce volatility in the income statement.

A comparative table of the Company's debts is shown below, in which it can be seen that all of the Company's debt as of December 31, 2024 and 2023 was at a fixed rate until maturity. In addition, in the case of UF and Dollar indexed debt, variations in inflation and exchange rate could potentially impact the Company's financial expenses, which is mitigated by indexed income to inflation and exchange rate.

Serie	Position in UF	Annual Effect on income (MCh$)		
		Inflation (3%)	Inflation (4%)	Inflation (2%)
D Bond	(13,462,782)	(15,730)	(21,368)	(10,585)
H Bond	(3,000,466)	(3,506)	(4,763)	(2,359)
K Bond	(1,599,252)	(1,869)	(2,538)	(1,257)
M Bond	(1,480,472)	(1,730)	(2,350)	(1,164)
M1 Bond	(1,872,915)	(2,188)	(2,972)	(1,472)
N Bond	(2,897,340)	(3,385)	(4,598)	(2,278)
Q Bond	(3,077,304)	(3,596)	(4,884)	(2,420)
V Bond	(2,944,017)	(3,440)	(4,673)	(2,315)
X Bond	(3,912,984)	(4,572)	(6,210)	(3,076)
Y Bond	(1,529,179)	(1,788)	(2,428)	(1,203)
AB Bond	(3,915,589)	(4,577)	(6,217)	(3,080)
Total	**(39,692,300)**	**(46,381)**	**(63,001)**	**(31,209)**

3.1.1.2 Exchange rate risk

Transelec's exposure to the risk of exchange rate variations is due to the following:

- Transelec carries out several types of transactions in U.S. dollars (certain construction contracts, import purchases and other).
- Transelec maintains accounts receivable in Dollars.
- Transelec maintains Cross Currency Swap contracts, which offset exchange rate risks of international emissions made in 2014 and 2016, for notional amounts equivalent to US$23.5 million and US$200 million, respectively (Long-term position).
- Maintains lease contracts that generate income indexed to US dollars.

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The exposure to exchange rate risk is managed through an approved policy that includes fully covering the net balance sheet exposure, which is carried out through various instruments such as positions in US dollars, forward contracts and cross currency swaps.

The amounts of assets and liabilities denominated in dollars and Chilean pesos, in the periods indicated below, are as follows:

Concepts	Liabilities		Assets	
	31-12-2024 MCh$	31-12-2023 MCh$	31-12-2024 MCh$	31-12-2023 MCh$
U.S. dollar (amounts associated with balance sheet items)	736,655	654,736	737,273	653,646
Balance sheet items in Chilean pesos	3,199,885	2,723,271	3,199,267	2,724,361

The semi-annual indexation formulas incorporated in toll contracts and subtransmission tariffs, as well as those of monthly application for regulated trunk revenues, allow to reflect variations in the value of facilities and operational, maintenance and administration costs. In general, these indexation formulas take into account variations in international equipment prices, material prices and domestic labor.

3.1.1.2.1 Sensitivity analysis

The following chart shows the sensitivity analysis of various items to a 10% increase or decrease in exchange rates (US Dollar) and their effect on income or equity. This exchange rate sensitivity (10%) is used to internally report the Company's foreign exchange risk to key management personnel and represents management's valuation of the possible change in US Dollar exchange rate. The sensitivity analysis includes asset and liability balances in currencies other than the Company's functional currency. A positive number indicates an increase in income or other comprehensive income when the Chilean peso is weakened with respect to the foreign currency. A negative percentage implies a strengthening of the Chilean peso with respect to the foreign currency, which negatively impacts the income statement or in other comprehensive income.

Item (Currency)	Position	Net income (gain)/loss		Position	OCI	
	Long (Short) MCh$	Change (-10%) MCh$	Change (+10%) MCh$	Long (Short) MCh$	Change (-10%) MCh$	Change (+10%) MCh$
Cash (US$)	725	(1)	1	-	-	-
Accounts Receivable (US$)	150,298	(168)	168	-	-	-
Leasing (US$)	362,389	(404)	404	-	-	-
Forwards (liabilties) (US$)	-	-	-	-	-	-
Senior Notes (US$)	(736,655)	821	(821)	-	-	-
Swaps (US$)	222,709	(248)	248	-	-	-
Intercompany Loans (US$)	1,152	(1)	1	-	-	-
Total	**618**	**(1)**	**1**	**-**	**-**	**-**

3.1.2 Credit risk

With respect to credit risk related to accounts receivable from the electricity transmission activity, this risk is historically very low in the industry given the nature of business of the Company's customers and the short-term period of collection of receivables from clients leads to the situation in which they do not accumulate significant amounts.

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However, revenues are highly concentrated in major customers as shown in the following table:

Concept	31-12-2024 ThCh$	31-12-2023 ThCh$
Enel Group	129,794,486	138,598,569
CGE Group	52,521,567	46,243,165
Colbun Group	38,902,135	38,050,044
AES Group	35,498,307	33,952,340
Engie (E-CL) Group	32,227,705	29,342,884
Quebrada Blanca TECK	24,925,050	48,929,167
SAESA Group	14,393,438	11,814,390
Others	117,212,661	124,336,673
Total	**445,475,349**	**471,267,232**
Concentration % of top customers	**73.69%**	**73.62%**

One-time charges. Tolls and tariff revenues that these companies must pay to use the transmission system will generate a significant portion of the future cash flows of Transelec and a substantial change in their assets, financial conditions and / or operational income could adversely affect to the Company.

Regarding the credit risks associated with financial assets of the Company other than accounts receivable (time deposits, mutual funds, bonds, covenants, active position derivative), the policy of the Treasury establishes limits on exposure to a particular institution, and this limit depends on the risk classification and capital of each institution. Additionally, in the case of investments in mutual funds, only the ones having risk classification qualify.

3.1.3 Liquidity risk

Liquidity risk is the risk of the Company not satisfying a need for cash or debt payment upon maturity. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price

(a) Risk associated to Company's management

To guarantee that it is able to respond financially both the investment opportunities and to the timely payment of its obligations. Transelec has apart from its cash availabilities and short-term accounts receivable, a committed credit line of the revolving type (RC) for the use of working capital for an amount equivalent to US$250 million. This line has been in force since July 2012 and the current conditions according to the last renewal are as follows:

(a)	Amount committed:	MMUS$250
(b)	Cost for unused amount (Commitment Fee):	0.30% annual
(c)	The margin or spread per amount used:	1.60%

This committed credit line was contracted on July 9, 2012, initially granted for a period of 3 years by Scotiabank, Bank of Tokyo-Mitsubishi and DnB NOR. It was renegotiated and extended on October 15, 2014, with a new expiration date on October 15, 2017. Subsequently, a new extension was made with the group of banks Scotiabank, Banco Estado. The bank of Nova Scotia, Bank of Tokyo-Mitsubishi, DnB Bank and Export Development Canada due on August 3, 2020. In July 2020 the line was renewed until July 31, 2021, with the group of banks The Bank of Nova Scotia, Bank of China, Santander, Bank of Tokyo- Mitsubishi, BNP Paribas, JP Morgan Bank and China Construction Bank. In May 2021, the line was renewed until May 28, 2024, with The Bank of Nova Scotia, Bank of China, Santander, Bank of Tokyo-Mitsubishi, JP Morgan Bank and Sumitomo Mitsui Banking Corporation. In January and February of 2023, Sumitomo Mitsui Banking Corporation novated its stake to Barclays and Banco de Sabadell, respectively. In February 2024, the line was renewed until February 8, 2027 with the group of banks The Bank of Nova Scotia, Bank of China, Bank of Tokyo-Mitsubishi, Bank of America and BBVA.

The Company is exposed to risks associated with indebtedness, including refinancing risk when its debt matures. These risks are mitigated by using long-term debt and appropriately structuring maturities over time.

The following table presents the capital amortizations and estimated interest payments corresponding to the Company's financial liabilities (debt), according to their maturity date, as of December 31, 2024 and 2023.

Debt maturity (equity and interest)	Less than 1 Year ThCh$	1 to 3 Years ThCh$	3 to 5 Years ThCh$	5 to 10 Years ThCh$	More than 10 years ThCh$	Total ThCh$
12-31-2024	455,761,292	666,921,817	502,111,082	565,958,611	717,567,773	2,908,320,575
12-31-2023	76,821,616	461,594,583	601,453,129	734,197,302	613,781,255	2,487,847,885

El The maturity of derivatives is presented Note 18.3.

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(b) Risk associated with transmission payments with regulated revenues

The law establishes that transmission facilities with regulated revenues have the right to receive the VATT associated with those facilities on an annual basis. This revenue materializes according to the collection instructions issued by the National Electrical Coordinator (CEN in its Spanish Acronym), which the transmission companies must bill their customers following the regulatory rules established for that purpose.

Transmission facilities are classified into two groups based on how their VATT is allocated to users. The facilities ascribed to the permanent payment regime are all those associated with the SIC and SING Systems and the facilities whose origin comes from the expansion plans developed as governed by Law 20,936 and whose entry into operation is after December 31, 2018. For these facilities, the revenue from VATT is invoiced for the concept of Tariff Income and Unique Transmission Charge.

In turn, existing facilities prior to the publication of Law 20,936 or that come from expansion plans prior to the aforementioned law, and whose entry into operation is prior to December 31, 2018, are governed by a transitory payment regime, defined in transitory article 25 of the same legal body. For these works, the VATT revenue is invoiced according to the payment rules that such law repealed, that is, Tariff Revenue and Toll, incorporating to the latter, the criteria for exempting payments to generating plants and final clients that are not identified by the National Energy Commission (CNE in its Spanish Acronym) as responsible for payment. These exempt toll amounts are billed to end users for Unique Exemption Charge concepts defined by the CNE.

Tariff revenues correspond to the valuation of energy and power transfers by transmission facilities. The tolls correspond to the complement of the tariff revenue such that they allow completing the VATT and the unique transmission charges are unit amounts of $/kWh that final customers must pay based on their energy consumption.

This last component, the unique transmission charges, is defined every six months by the CNE using expected values. For these reasons, they are subject to deviation with respect to the real values of demand, macroeconomics and commissioning of facilities. That is why, regardless of the payment system of a facility, whether permanent or transitory, there is a difference between the recognition of revenues (VATT) and billing, generating surpluses or billing deficits during the semester of application of the unique charges, which are adjusted by the CNE in setting the unique charges for the following semester.

As a result of the foregoing, in the event that transmission charges are greatly deviated from the values that are actually verified, there could be a liquidity risk for the Company. However, the risks should not deepen beyond the typical deviation of a six-month estimate of charges.

4 - CRITICAL ESTIMATES, JUDGMENTS OR CRITERIA EMPLOYED BY MANAGEMENT

The estimates and criteria used by the Company are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered reasonable based on the circumstances.

The Company makes estimates and assumptions about the future. By definition, the resulting accounting estimates will rarely be equal to the real outcomes. Estimates and assumptions with a significant risk of causing an important risk to the Company during the upcoming year are detailed below:

- The estimates of recoverable values of assets and goodwill to determine potential existence of impairment losses;
- Useful lives of property, plant and equipment and intangible assets;
- The assumptions used to calculate the fair value of financial instruments;
- The actuarial assumptions used to calculate obligations with employees;
- Future tax results for the purposes of determining the recoverability of deferred tax assets,
- Contingent assets and liabilities,
- Determination of existence and classification of financial or operating leases based on the transfer of risks and rewards of the leased assets (IFRS16), considerate the following:

• Identification of whether a contract (or part of a contract) includes a lease.
• Estimate the lease term,
• Determine if it is reasonably true that it is an extension or termination option will be exercised,
• Determination of the appropriate rate to discount lease payments,

Although the estimates mentioned above were made according to the best information available at the date of issuance of these Consolidated Financial Statements, it is possible that future events oblige modify them (upside or downside) in further periods, those modifications to each estimate will be recorded prospectively and recognized on the respective Consolidated Financial Statements.

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5 - CASH AND CASH EQUIVALENTS

As of December 31, 2024 and 2023, this account is detailed as follows:

Cash and Cash Equivalents	31-12-2024 ThCh$	31-12-2023 ThCh$
Bank and cash	42,844,728	11,072,720
Short term deposits	154,921,144	16,495,464
Mutual funds	154,958,672	150,767,997
Total	**352,724,544**	**178,336,181**

Cash and cash equivalents included in the statement of financial position as December 31, 2024 and 2023 does not differ from those presented in the statement of cash flows.

The following table details the balance of cash and cash equivalents by type of currency:

Detail	Currency	31-12-2024 ThCh$	31-12-2023 ThCh$
Cash and cash equivalents	U.S. dollars	203,237,707	7,095,644
Cash and cash equivalents	Euros	12,580	11,787
Cash and cash equivalents	Chilean pesos	149,474,257	171,228,750
Total		**352,724,544**	**178,336,181**

Fair values are not significantly different from book values due to the short maturity of these instruments and there are not restrictions.

6 - TRADE AND OTHER RECEIVABLES

The detail as of December 31, 2024 and 2023 is as follows:

Concept	31-12-2024 ThCh$	31-12-2023 ThCh$
Invoiced trade debtors	30,662,932	25,374,348
Provisioned trade debtors	110,300,512	47,927,839
Other accounts receivable	367,851	325,310
Total trade and other receivables	**141,331,295**	**73,627,497**

The aging analysis for non-impaired debtors as December 31, 2024 and 2023 is as follows:

Concept	Invoiced trade debtors	Provisioned trade debtors	Other accounts receivable	12-31-2024
Non past due	24,650,456	110,300,512	367,851	135,318,819
1-30 days	3,364,143	-	-	3,364,143
31-60 days	1,599,325	-	-	1,599,325
61-90 days	396,089	-	-	396,089
91-180 days	399,150	-	-	399,150
181-365 days	29,657	-	-	29,657
365 days or more	224,112	-	-	224,112
Total	**30,662,932**	**110,300,512**	**367,851**	**141,331,295**

Concept	Invoiced trade debtors	Provisioned trade debtors	Other accounts receivable	12-31-2023
Non past due	21,551,415	47,927,839	325,310	69,804,564
1-30 days	2,318,151	-	-	2,318,151
31-60 days	332,634	-	-	332,634
61-90 days	69,850	-	-	69,850
91-180 days	218,470	-	-	218,470
181-365 days	143,137	-	-	143,137
365 days or more	740,691	-	-	740,691
Total	**25,374,348**	**47,927,839**	**325,310**	**73,627,497**

Fair values do not differ significantly from book values due to the short-term maturity of these instruments. ieren significativamente de los valores contables debido al corto plazo de vencimiento de estos instrumentos.

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7 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

7.1 BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The balance of accounts receivables and payables between the company and its unconsolidated related companies are as follows:

Accounts receivable from related companies

Tax ID Number	Company	Relation	Country	Description	Curr.	Start Date	End date	Interest payment	Principal Payment	Interest rate	Current		Non-current	
											31-12-2024 ThCh$	31-12-2023 ThCh$	31-12-2024 ThCh$	31-12-2023 ThCh$
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent Company	Chile	Loan	UF	09-21-2015	09-21-2025	Semi-annual	At maturity	3.07%	8,771,685	-	-	8,270,346
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent Company	Chile	Loan	UF	03-23-2023	03-23-2033	Semi-annual	At maturity	3.20%	2,058,873	1,971,660	251,764,385	241,099,652
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent Company	Chile	Current account	Ch$	-	-	-	-	-	-	17,318,000	-	-
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent Company	Chile	Current account	US$	-	-	-	-	-	-	78,337	-	-
B87674974	ETC Transmission Holdings SL	Indirect parent	Spain	Current account	US$	-	-	-	-	-	142,631	84,993	-	-
B87674974	ETC Transmission Holdings SL	Indirect parent	Spain	Current account	EUR	-	-	-	-	-	844,734	517,404	-	-
B87674974	ETC Transmission Holdings SL	Indirect parent	Spain	Current account	Ch$	-	-	-	-	-	16,554	16,554	-	-
76.524.463-3	Transelec Concesiones S.A.	Indirect	Chile	Monthly services	Ch$	-	-	-	-	-	348,917	135,421	-	-
76.920.929-8	Transmisora del Pacifico SA	Indirect	Chile	Monthly services	Ch$	-	-	-	-	-	161,400	129,757	-	-
76.248.725-K	CyT Operaciones SpA	Indirect	Chile	Monthly services	Ch$	-	-	-	-	-	374,200	163,464	-	-
77.504.183-8	Gea Transmisora SpA*	Indirect	Chile	Current account	Ch$	-	-	-	-	-	-	25,679	-	-
20604938300	Conelsur SV	Indirect	Peru	Monthly services	US$	-	-	-	-	-	131,366	115,633	-	-
20601047005	Conelsur LT SAC	Indirect	Peru	Monthly services	US$	-	-	-	-	-	-	19,183	-	-
20511721912	Compañia Transmisora Norperuana S.A.C	Indirect	Peru	Monthly services	US$	-	-	-	-	-	16,694	24,865	-	-
77.244.437-0	Transmisora Parinas S.A.	Indirect	Chile	Monthly services	Ch$	-	-	-	-	-	4,014,720	-	-	-
Totals											**16,881,774**	**20,600,950**	**251,764,385**	**249,369,998**

* The current account with Gea Transmisora SpA is eliminated in the consolidation process as of December 31, 2024.

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Accounts payable to related companies

Tax ID Number	Company	Relation	Country	Description	Curr	Start Date	End date	Interest payment	Principal Payment	Interest rate	Current		Non-current	
											31-12-2024 ThCh$	31-12-2023 ThCh$	31-12-2024 ThCh$	31-12-2023 ThCh$
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent Company	Chile	Dividends payable	Ch$	-	-	-	-	-	-	54,714,708	-	-
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent Company	Chile	Current account	US$	-	-	-	-	-	28,980,615	-	-	-
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent Company	Chile	Current account	Ch$	-	-	-	-	-	4,069,015	-	-	-
76.559.580-0	Rentas Eléctricas I Limitada	Parent Company	Chile	Dividends payable	Ch$	-	-	-	-	-	-	5,473	-	-
Totals											**33,049,630**	**54,720,181**	**-**	**-**

* The balance includes a current account between Gea Transmisora SpA and Transelec Holdings Rentas Ltda, which was incorporated in the acquisition of the company.

Most significant transactions and their effect on income

Tax ID Number	Company	Relation	Country	Description	31-12-2024		31-12-2023	
					Amount ThCh$	Effect on income ThCh$	Amount ThCh$	Effect on income ThCh$
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent company	Chile	Interest earned	8,274,285	8,274,285	8,235,307	8,235,307
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent company	Chile	Interest collected	8,133,328	-	4,391,907	-
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent company	Chile	Exchange difference	-	-	9,606,070	(9,606,070)
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent company	Chile	UF readjustment	11,112,328	11,112,329	8,560,404	8,560,404
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent company	Chile	Current account granted	69,677,023	-	133,119,327	-
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent company	Chile	Current account collected	87,073,360	-	121,843,212	-
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent company	Chile	Current account received	33,073,481	-	-	-
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent company	Chile	Current account paid	23,851			
76.560.200-9	Transelec Holdings Rentas Ltda.	Parent company	Chile	Dividend paid	54,714,708	-	233,943,565	-

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Tax ID Number	Company	Relation	Country	Description	31-12-2024		31-12-2023	
					Amount ThCh$	Effect on income ThCh$	Amount ThCh$	Effect on income ThCh$
B87674974	ETC Transmission Holdings SL	Indirect parent	Spain	Current account granted	384,968	-	386,080	-
77.504.183-8	Gea Transmisora SpA	Indirect	Chile	Current account granted	-	-	11,903	-
77.826.905-8	Aguas Esperanza SpA	Indirect	Chile	Current account granted	655,221	-	-	-
77.826.905-8	Aguas Esperanza SpA	Indirect	Chile	Current account collected	655,221	-	-	-
77.826.905-8	Aguas Esperanza SpA	Indirect	Chile	Monthly services	11,923	11,923	-	-
77.826.905-8	Aguas Esperanza SpA	Indirect	Chile	Amounts collected	11,923	-	-	-
77.565.191-1	Aguas Horizonte SpA	Indirect	Chile	Monthly services	15,236	15,236	-	-
77.565.191-1	Aguas Horizonte SpA	Indirect	Chile	Amounts collected	15,236	-	-	-
76.524.463-3	Transelec Concesiones S.A.	Indirect	Chile	Monthly services	3,314,363	3,314,363	3,430,541	3,430,541
76.524.463-3	Transelec Concesiones S.A.	Indirect	Chile	Amounts collected	3,100,867	-	3,433,866	-
76.920.929-8	Transmisora del Pacífico S.A.	Indirect	Chile	Monthly services	936,590	936,590	5,999,598	5,999,598
76.920.929-8	Transmisora del Pacífico S.A.	Indirect	Chile	Amounts collected	904,947	-	5,969,073	-
76.920.929-8	Transmisora del Pacífico S.A.	Indirect	Chile	Current account granted	-	-	335,941	-
76.920.929-8	Transmisora del Pacífico S.A.	Indirect	Chile	Current account collected	-	-	335,941	-
76.248.725-K	CYT Operaciones SpA	Indirect	Chile	Monthly services	2,391,704	2,391,704	2,313,749	2,313,749
76.248.725-K	CYT Operaciones SpA	Indirect	Chile	Amounts collected	2,180,968	-	2,313,523	-
77.244.437-0	Transmisora Parinas S.A.	Indirect	Chile	Monthly services	4,016,841	4,016,841	-	-
77.244.437-0	Transmisora Parinas S.A.	Indirect	Chile	Amounts collected	2,120	-	-	-
20604938300	Conelsur SV	Indirect	Peru	Monthly services	757,540	757,540	665,847	665,847
20604938300	Conelsur SV	Indirect	Peru	Amounts collected	741,807	-	663,044	-
20601047005	Conelsur LT	Indirect	Peru	Monthly services	8,872	8,872	190,455	190,455
20601047005	Conelsur LT	Indirect	Peru	Amounts collected	28,055	-	184,511	-
20511721912	Compañia Transmisora Norperuana S.A.C	Indirect	Peru	Monthly services	274,411	274,411	607,072	607,072
20511721912	Compañia Transmisora Norperuana S.A.C	Indirecta	Peru	Amounts collected	282,582	-	582,207	-

These operations are in accordance with the provisions of Articles No. 44 and 49 of Law No. 18,046, on Corporations.

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7.2 BOARD OF DIRECTORS AND MANAGEMENT

In accordance with the Company's bylaws, the Board of Directors is composed of nine members appointed by the shareholders at the respective Shareholders' Meeting, who remain in office for two years, with the possibility of being reelected. For each Board Member there is an alternate Board Member

The current Board of Directors was elected at the Ordinary Shareholders' Meeting held on April 30, 2024, which was made up as follows: Mr. Alfredo Ergas Segal as regular director and Mr. Diego Alonso González Leiva as his respective alternate director, Mr. Tao He as principal conductor and Mr. Cheng Tai as his respective deputy conductor, Mr. Richard Cacchione as principal conductor and Mr. Michael Rosenfeld as his respective deputy conductor; Mr. Jordan Anderson as principal director and Mr. Jon Perry as his respective alternate director; Mr. Mario Valcarce Durán as regular director and Mr. José Miguel Bambach Salvatore as his respective alternate director; Mr. Radomiro Blas Tomic Errázuriz as regular director and Mr. Patricio Reyes Infante as his respective alternate director; Mr. Juan Benabarre Benaiges as regular director and Mr. Jorge Agustín Echeverría Bambach as his respective alternate director; Ms. Ximena Clark Núñez as regular director and Mr. Claudio Campos Bierwirth as her respective substitute director and Ms. Andrea Butelmann Peisajoff as regular director and Mr. Juan Agustín Laso Bambach as her respective substitute director.

In the Board meeting held on May 15, 2024, Mr. Alfredo Ergas Segal was elected Chairman of the Board of Transelec.

On December 31, 2024, Mr. Cheng Tai submitted his resignation as alternate director of Transelec S.A.

The Board of Directors of Transelec S.A. It has a fixed monthly calendar that considers all the ordinary sessions to be held during the current year. This administrative body has met systematically from January to December 2024 and has had an extraordinary session in the first semester.

7.2.1 Board of Directors' compensation

As established in Article No. 33 of Law No. 18,046 on Corporations, at the Ordinary Shareholders' Meeting of Transelec S.A., held on April 30, 2024, it was agreed to maintain the annual remuneration of directors in US$90,000, gross value, regardless of the number of sessions actually attended or carried out. Per diems are paid quarterly.

The Directors, Mr. Alfredo Ergas, Mr. Richard Cacchione, Mr. Jordan Anderson and Mr. Tao He waived their respective allowances for the years 2024 and 2023.

At the year 2024 Ordinary Shareholders' Meeting, it was decided that alternate directors will not receive remuneration.

The per diem received by the members of the Board of Directors for the years ended December 31, 2024 and 2023 were as follows:

Director	31-12-2024 ThCh$	31-12-2023 ThCh$
Alfredo Ergas Segal (President)*	-	-
Radomiro Blas Tomic Errázuriz	83,269	75,229
Mario Alejandro Valcarce Durán	83,269	75,229
Juan Ramon Benabarre Benaiges	83,269	75,229
Andrea Butelmann Peisajoff	83,269	75,229
Jordan Anderson*	-	-
Tao He*	-	-
Richard Cacchione*	-	-
Ximena Clark Núñez	83,269	75,229

* Mr. Alfredo Ergas (Chairman), Richard Cacchione, Jordan Anderson and Tao He resigned their respective allowances for the period 2024 and 2023.

7.3 BOARD EXPENSES

During 2024 a complimentary training session were conducted for the Board of Directors on compliance matters. The first session covered the Economic Crimes Law and the new Workplace Harassment Law.

7.4 AUDIT COMMITTEE

In April 2007, the Company approved creation of an Audit Committee, separate from that established in the Corporations Law. Its functions include, among others, reviewing the reports of the auditors as well as the Company's balance sheets, other Consolidated Financial Statements and internal systems.

Transelec's Audit Committee is composed of five Directors, all of whom are qualified in financial matters and apply their specialized knowledge to diverse topics of interest to the Company. Committee members are appointed by the Board of Directors, and they hold their positions for two years and may be re-elected. The Committee appoints a chairman from among its members and a secretary, who may be one of its members or the Secretary of the Board. The Audit Committee held four sessions during 2024.

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Through a mandate from the Board, Mr. Director Mario Valcarce Durán, who is also its President, was elected as member of the Audit Committee, and the Directors, Mr. Juan Ramón Benabarre Benaiges, Mr. Alfredo Ergas Segal, Mr. Richard Cacchione and Mr.Tao He are also members of the Audit Committee.

As of the date of these Consolidated Financial Statements, the Audit Committee is maintained. At the Ordinary Shareholders' Meeting of Transelec S.A., held on April 30, 2024, it was agreed to keep as compensation of the members of the Committee, the gross amount of US$10,000 per year regardless of the number of meetings that they actually attend or that are actually held.

The compensation received by members of the Audit Committee for the years ended December 31, 2024 and 2023 are as follows:

Director	31-12-2024 ThCh$	31-12-2023 ThCh$
Mario Alejandro Valcarce Duran (President)	8,771	8,559
Juan Ramón Benabarre Benaiges	8,771	8,559
Alfredo Ergas Segal	-	-
Richard Cacchione	-	-
Tao He	-	-

7.5 COMPENSATION OF KEY MANAGEMENT THAT ARE NOT DIRECTORSS

Members of key management	
Arturo Le Blanc Cerda	Chief Executive Officer
Eduardo Tagle Gana	Vice-President of Legal and Territorial Affairs
Claudia Carrasco Arancibia	Vice-President of Regulatory and Revenue Manager
Olivia Heuts Goen	Vice-President of Business Development
Francisco Castro Crichton	Vice-President of Finance
Bernardo Canales Fuenzalida	Vice President of Engineering and Project Development
Claudio Aravena Vallejo	Vice-President of Human Resources
Jorge Vargas Romero	Vice-President of Operations
Paola Basaure Barros	Vice-President of Corporate Affairs and Environment
Alejandro Rehbein Oroz	Vice-President of Innovation and Information Technology

The Company has established an incentive plan for its executives based on meeting certain individual goals that contribute to the Company's results, which are structured in a minimum and maximum of gross remuneration. The details of remuneration of key management personnel for years ended December 31, 2024 and 2023, is as follows:

Concept	31-12-2024 ThCh$	31-12-2023 ThCh$
Salaries	2,757,731	2,274,301
Other short-term employee benefits	1,035,009	884,242
Other long-term employee benefits	536,081	835,254
Total compensation received by key management personnel	**4,328,821**	**3,993,797**

8 - NON-CURRENT ASSETS OR DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE

The non-current assets or disposal groups classified as held for sale as of December 31, 2024 and 2023 are as follows:

Concept	31-12-2024 ThCh$	31-12-2023 ThCh$
Land	515,376	515,376
Total	**515,376**	**515,376**

The balances are presented at the lowest of their book value and fair value less cost of sale. The fair value of the assets was determined based on valuations in active markets for a similar class of assets.

These assets were reclassified from Property, Plants and Equipment to non-current assets or disposal groups classified as held for sale.

The sale of these assets is considered highly probable and the Company's intention to sell is expected to materialize over the course of the next twelve months.

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9 - OTHER FINANCIAL ASSETS

As of December 31, 2024 and 2023, this account is detailed as follows:

Concept	31-12-2024		31-12-2023	
	Current ThCh$	Non-Current ThCh$	Current ThCh$	Non-Current ThCh$
Finance lease receivables	2,669,230	359,719,635	1,511,087	317,750,329
Swap Contracts (see note 18)	9,901,491	53,269,179	-	61,486,871
Other financial assets	-	41,752	-	41,752
Total Other financial assets	**12,570,721**	**413,030,566**	**1,511,087**	**379,278,952**

9.1 FINANCE LEASE RECEIVABLES

Within current and non-current other assets receivable, the Company includes assets that have been constructed at the express request of the lessee. Therefore, substantially all risks and benefits have been transferred when the assets are commissioned. Nominal value (gross investment in the lease) and present value of the minimum lease payments to be received are presented in the following tables:

Maturities	31-12-2024			31-12-2023		
	Present Value ThCh$	Interest receivable ThCh$	Gross investment ThCh$	Present Value ThCh$	Interest receivable ThCh$	Gross investment ThCh$
Up to 90 days	716,896	8,189,292	8,906,188	227,855	7,195,972	7,423,827
From 90 days to 1 year	1,952,334	22,522,912	24,475,246	1,283,232	19,848,723	21,131,955
Total current	**2,669,230**	**30,712,204**	**33,381,434**	**1,511,087**	**27,044,695**	**28,555,782**
From 1 to 2 years	3,390,956	30,488,098	33,879,054	2,328,367	26,911,304	29,239,671
From 2 to 3 years	4,163,458	30,189,409	34,352,867	2,960,648	26,717,047	29,677,695
From 3 to 4 years	4,689,064	29,860,209	34,549,273	3,637,427	26,457,519	30,094,946
From 4 to 5 years	5,597,356	29,494,896	35,092,252	4,098,590	26,171,267	30,269,857
More than 5 years	341,878,801	338,691,226	680,570,027	304,725,297	323,045,646	627,770,943
Total non-current	**359,719,635**	**458,723,838**	**818,443,473**	**317,750,329**	**429,302,783**	**747,053,112**

Movements of financial leases:

Concept	31-12-2024 ThCh$	31-12-2023 ThCh$
Opening balance	**319,261,416**	**43,733,616**
Additions	1,337,201	253,022,239
Amortization	(1,656,943)	68,914
Exchange difference	43,447,191	22,436,647
Closing balance	**362,388,865**	**319,261,416**

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10 - INTANGIBLE ASSETS OTHER THAN GOODWILL

The following tables detail the balances within this account as of December 31, 2024 and 2023:

Intangible assets, net	31-12-2024 ThCh$	31-12-2023 ThCh$
Easements	190,711,950	189,536,719
Software	7,123,090	10,127,763
Total identified intangible assets	**197,835,040**	**199,664,482**

Gross intangible assets	31-12-2024 ThCh$	31-12-2023 ThCh$
Easements	190,711,950	189,536,719
Software	32,544,195	32,514,440
Total intangible assets	**223,256,145**	**222,051,159**

Accumulated amortization and impairment	31-12-2024 ThCh$	31-12-2023 ThCh$
Software	(25,421,105)	(22,386,677)
Total accumulated amortization	**(25,421,105)**	**(22,386,677)**

The easements of Transelec S.A. represent intangible assets with an indefinite useful life.

The movements of intangible assets as of December 31, 2024 and 2023 are as follow:

Movements	Easements ThCh$	Software ThCh$	Net intangible assets ThCh$
Opening balance as of 01-01-2024	**189,536,719**	**10,127,763**	**199,664,482**
Additions	1,175,231	29,754	1,204,985
Amortization (see note 26.3)	-	(3,034,427)	(3,034,427)
Closing balance as of 12-31-2024	**190,711,950**	**7,123,090**	**197,835,040**

Movements	Easements ThCh$	Software ThCh$	Net intangible assets ThCh$
Opening balance as of 01-01-2023	**184,449,744**	**8,098,551**	**192,548,295**
Additions	5,086,975	4,483,232	9,570,207
Amortization (see note 26.3)	-	(2,454,020)	(2,454,020)
Closing balance as of 12-31-2023	**189,536,719**	**10,127,763**	**199,664,482**

Based on estimates made by Management, projections of cash flows attributable to intangible assets allow the carrying value of these assets recorded as of December 31, 2024 and 2023 to be recovered.

The balance of items fully amortized and in use as of December 31, 2024 and 2023 is as follows:

Intangible assets concept	31-12-2024 ThCh$	31-12-2023 ThCh$
Total gross value	15,590,212	14,817,755

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11 - GOODWILL

Goodwill represents the excess of the acquisition cost over the fair value of the group's identifiable net assets acquired.

The Company has defined its only operating segment of Electric Power Transmission as the Cash Generating Unit (CGU) for the purpose of performing the impairment tests and therefore the surplus value at the date of the impairment test is fully assigned to this CGU.

11.1 MEASUREMENT OF THE RECOVERABLE VALUE OF GOODWILL

The breakdown of this item as of December 31, 2024 and 2023 is as follows:

Detail	31-12-2024 ThCh$	31-12-2023 ThCh$
Goodwill	347,756,660	343,059,078
Total	**347,756,660**	**343,059,078**

11.2 MOVEMENT OF GOODWILL IN THE CONSOLIDATED FINANCIAL STATEMENTS

The goodwill movements as of December 31, 2024 and 2023 are as follow:

Concept	31-12-2024 ThCh$
Opening balance as of 01-01-2024	343,059,078
Acquisition of Ana Maria S.A. (see note 35)	4,697,582
Closing balance as of 12-31-2024	**347,756,660**

Concept	31-12-2023 ThCh$
Opening balance as of 01-01-2023	343,059,078
Closing balance as of 12-31-2023	**343,059,078**

11. 3 IMPAIRMENT TEST

Management considers that the value in use approach, determined by the discounted cash flow model, is the most reliable method for determining the recoverable values of the CGU (The variables used by the Company are found in Note 2.8 Impairment of non-financial assets).

The result of the impairment test which includes a sensitivity analysis of its main variables, showed that the calculated recoverable values exceed the book value of the net assets of the respective cash- generating unit, and therefore no impairment was detected.

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12 - PROPERTY, PLANT AND EQUIPMENT

12.1 DETAIL OF ACCOUNTS

The composition corresponds to the following detail:

Property, plant and equipment, net	31-12-2024 ThCh$	31-12-2023 ThCh$
Land	21,768,878	21,768,878
Buildings and infrastructure	940,624,512	899,205,334
Work in progress	574,273,863	419,194,253
Machinery and equipment	602,429,168	548,487,791
Other property, plant and equipment	6,398,879	6,396,005
Total Property, plant and equipment, net	**2,145,495,300**	**1,895,052,261**

Accumulated depreciation of property, plant and equipment	31-12-2024 ThCh$	31-12-2023 ThCh$
Buildings and infrastructure	(444,241,659)	(416,325,253)
Machinery and equipment	(359,807,356)	(334,043,685)
Total accumulated depreciation of property, plant and equipment	**(804,049,015)**	**(750,368,938)**

Property, plant and equipment, gross	31-12-2024 ThCh$	31-12-2023 ThCh$
Land	21,768,878	21,768,878
Buildings and infrastructure	1,384,866,171	1,315,530,587
Work in progress	574,273,863	419,194,253
Machinery and equipment	962,236,524	882,531,476
Other property, plant and equipment	6,398,879	6,396,005
Total property, plant and equipment, gross	**2,949,544,315**	**2,645,421,199**

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
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12.2 RECONCILIATION OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT

The following table details the reconciliation of changes in property, plant and equipment as of December 31, 2024 and 2023:

Movement	Land	Buildings and infrastructure	Machinery and equipment	Work in progress	Other property, plant and equipment	Property, plant and equipment, net
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Opening balance as of 01-01-2024	**21,768,878**	**899,205,334**	**548,487,791**	**419,194,253**	**6,396,005**	**1,895,052,261**
Additions	-	10,382,893	-	300,336,932	484,389	311,204,214
Withdrawals	-	(1,132,660)	(1,430,602)	(1,554,079)	-	(4,117,341)
Transfers	-	60,143,557	82,349,511	(142,011,553)	(481,515)	-
Depreciation expense (see note 26.3)	-	(27,974,612)	(26,977,532)	-	-	(54,952,144)
Other decrements	-	-	-	(1,691,690)	-	(1,691,690)
Closing balance as of 12-31-2024	**21,768,878**	**940,624,512**	**602,429,168**	**574,273,863**	**6,398,879**	**2,145,495,300**

Movement	Land	Buildings and infrastructure	Machinery and equipment	Work in progress	Other property, plant and equipment	Property, plant and equipment, net
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Opening balance as of 01-01-2023	**21,555,525**	**891,752,106**	**496,975,958**	**533,291,165**	**6,176,143**	**1,949,750,897**
Additions	-	-	-	243,498,822	235,442	243,734,264
Withdrawals	-	(477,471)	(761,273)	(1,016,620)	-	(2,255,364)
Transfers	213,353	35,119,302	76,697,926	(112,015,001)	(15,580)	-
Depreciation expense (see note 26.3)	-	(27,188,603)	(24,424,820)	-	-	(51,613,423)
Other decrements	-	-	-	(244,564,113)	-	(244,564,113)
Closing balance as of 12-31-2023	**21,768,878**	**899,205,334**	**548,487,791**	**419,194,253**	**6,396,005**	**1,895,052,261**

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

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12.3 ADDITIONAL INFORMATION ON PROPERTY, PLANT AND EQUIPMENT

Additions consider assets acquired in the business combination of Ana Maria S.A. for ThCh$15,079,512 (see note 35), corresponding to Works in progress for ThCh$5,230,667 and Buildings and infrastructure for ThCh$9,848,844.

Transelec has insurance policies to cover possible risks subject to various items of property, plant and equipment and possible claims that might be filed by exercising its activities, understanding that such policies cover sufficiently the risks to which they are taken,

The Company held as of December 31, 2024 and 2023 commitments to purchase items of property, plant and equipment arising from construction contracts under EPC (Engineering-Procurement- Construction) in the amount of ThCh$343,094,581 and ThCh$225,535,297 at the end of each period, respectively.

The following table details capitalized interest costs in property, plant and equipment:

Concepts	12-31-2024	12-31-2023
Capitalization rate (Annual basis)	4.43%	4.67%
Capitalized interest costs (ThCh$)	12,609,229	8,877,045

Work in progress balances as of December 31, 2024 and 2023, amounts to ThCh$574,273,863 and ThCh$419,194,253, respectively.

The balances of fully depreciated items in use as of December 31, 2024 and 2023 are as follows:

Property, plant and equipment concept	31-12-2024 ThCh$	31-12-2023 ThCh$
Total gross value	103,671,586	82,960,782

13 - ASSETS FOR RIGHT OF USE

The composition of assets for rights of use as of December 31, 2024 and 2023, corresponds to the following detail:

Assets for right of use	31-12-2024 ThCh$	31-12-2023 ThCh$
Right of use Land	13,074	27,148
Right of use Buildings	10,549,381	867,471
Right to use Vehicles	1,567,107	154,142
Total assets for right of use, net	**12,129,562**	**1,048,761**

Assets for right of use, gross	31-12-2024 ThCh$	31-12-2023 ThCh$
Right of use Land	101,788	101,788
Right of use Buildings	17,265,606	6,358,941
Right to use Vehicles	4,228,966	2,206,628
Total Assets for right of use, gross	**21,596,360**	**8,667,357**

Accumulated depreciation of assets for rights of use	31-12-2024 ThCh$	31-12-2023 ThCh$
Right of use Land	(88,714)	(74,640)
Right of use Buildings	(6,716,225)	(5,491,470)
Right to use Vehicles	(2,661,859)	(2,052,486)
Total Accumulated depreciation of assets for rights of use	**(9,466,798)**	**(7,618,596)**

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

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13.1 MOVEMENTS IN ASSETS FOR RIGHTS OF USE

The book values of assets for right-of-use and their movements as of December 31, 2024 and 2023 are detailed below:

Movement	Right of use Land ThCh$	Right of use Buildings ThCh$	Right of use Vehicles ThCh$	Assets for right of use ThCh$
Opening balance as of 01-01-2024	**27,148**	**867,471**	**154,142**	**1,048,761**
Additions	-	10,906,943	2,022,339	12,929,282
Depreciation (see note 26.3)	(14,074)	(1,225,033)	(609,374)	(1,848,481)
Closing balance as of 12-31-2024	**13,074**	**10,549,381**	**1,567,107**	**12,129,562**

Movement	Right of use Land ThCh$	Right of use Buildings ThCh$	Right of use Vehicles ThCh$	Assets for right of use ThCh$
Opening balance as of 01-01-2023	**41,222**	**1,869,853**	**94,636**	**2,005,711**
Additions	-	428,399	462,425	890,824
Withdrawals	-	(303,181)	-	(303,181)
Depreciation	(14,074)	(1,127,600)	(402,919)	(1,544,593)
Closing balance as of 12-31-2023	**27,148**	**867,471**	**154,142**	**1,048,761**

14 - OTHER NON-FINANCIAL ASSETS AND LIABILITIES

14.1 OTHER NON-FINANCIAL ASSETS

The composition of the Other non-financial assets as of December 31, 2024 and 2023 is as follows:

Concept	31-12-2024		31-12-2023	
	Current ThCh$	Non-Current ThCh$	Current ThCh$	Non-Current ThCh$
Funds for yielding easements and land	2,055,018	-	2,049,829	-
Advances to suppliers	26,557,460	-	10,319,586	6,698,710
Advance insurance	3,567,430	-	3,081,599	-
Consignments and guarantees	-	-	114,082	-
Tax credit (VAT)	476,004	-	12,108,303	-
Other non-financial assets	8,519,287	912,070	1,045,542	860,619
Total other non-financial assets	**41,175,199**	**912,070**	**28,718,941**	**7,559,329**

14.2 OTHER NON-FINANCIAL LIABILITIES

The composition of the Other non-financial liabilities as of December 31, 2024 and 2023 is as follows:

Concept	31-12-2024		31-12-2023	
	Current ThCh$	Non-Current ThCh$	Current ThCh$	Non-Current ThCh$
VAT payable	302,546	-	34,247	-
Deferred income	-	4,932,649	-	3,344,661
Other non-financial liabilities	700,884	214,632	755,412	214,632
Total other non-financial liabilities	**1,003,430**	**5,147,281**	**789,659**	**3,559,293**

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

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15 - OTHER FINANCIAL LIABILITIES

The details of current and non-current financial liabilities as of December 31, 2024 and 2023 are as follows:

Concept	31-12-2024		31-12-2023	
	Current ThCh$	Non-Current ThCh$	Current ThCh$	Non-Current ThCh$
Bonds payable	399,408,913	1,870,866,474	20,584,667	1,891,774,131
Swap contract (see note 18)	1,298,188	-	2,184,022	-
Forward contract (see note 18)	246,432	-	340,586	-
Total Other financial liabilities	**400,953,533**	**1,870,866,474**	**23,109,275**	**1,891,774,131**

15.1 BONDS PAYABLE

The obligations with the public by series, currency, effective rate and expiration date as of December 31, 2024 and 2023 are as follows:

Taxpayer ID number	Debtor name	Country	Creditor	Placement in Chile or abroad	Instrument registration number	Series	Curr.	Effective interest rate	Nominal interest rate	Principal payment	Interest payment	Final maturity	31-12-2024 ThCh$	31-12-2023 ThCh$
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	480	D	UF	4.19%	4.25%	At maturity	Semiannual	12-15-2027	518,317,683	495,874,582
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	599	H	UF	4.79%	4.80%	At maturity	Semiannual	08-01-2031	117,525,881	112,550,911
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	599	K	UF	4.61%	4.60%	At maturity	Semiannual	09-01-2031	62,400,768	59,752,501
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	599	M	UF	4.26%	4.05%	At maturity	Semiannual	06-15-2032	57,020,821	54,480,310
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	599	M-1	UF	4.23%	4.05%	At maturity	Semiannual	06-15-2032	72,142,881	68,913,700
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	599	N	UF	4.29%	3.95%	At maturity	Semiannual	12-15-2038	111,662,141	106,499,368
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	744	Q	UF	4.02%	3.95%	At maturity	Semiannual	10-15-2042	119,390,506	114,260,233
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	1142	X	UF	3.45%	3.20%	At maturity	Semiannual	03-01-2034	152,781,811	145,917,378
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	1142	V	UF	3.37%	3.30%	At maturity	Semiannual	03-01-2048	115,258,830	110,261,046
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	1182	Y	UF	3.12%	3.80%	At maturity	Semiannual	08-01-2028	59,724,087	-
76.555.400-4	Transelec S.A.	Chile	Bondholders	Chile	1183	AB	UF	3.10%	3.95%	At maturity	Semiannual	08-01-2048	150,455,644	-
76.555.400-4	Transelec S.A.	Chile	Bondholders	Foreign	2nd issuance	Sr N	US$	4.66%	4.25%	At maturity	Semiannual	14-01-2025	381,285,295	334,848,544
76.555.400-4	Transelec S.A.	Chile	Bondholders	Foreign	3rd issuance	Sr N	US$	4.31%	3.88%	At maturity	Semiannual	12-01-2029	352,309,039	309,000,225
Total													**2.270.275.387**	**1.912.358.798**

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The fair value of current and non-current bonds payable, both secured and unsecured, amounts to ThCh$2,291,890,705 and ThCh$1,932,137,038 as of December 31, 2024 and 2023, respectively (it does not include other current and non-current liabilities such as swap agreements which are presented in the Consolidated Financial Statements at fair value). The fair value of the bonds is estimated by discounting future cash flows using discount rates available for debt with similar terms of credit risk and similar maturities. This value is categorized as level 2 according to the hierarchy of fair value.

Debtor taxpayer ID number	Debtor Name	Instrument registration number	Maturities								
			Current			Non-current					
			Maturity less than 90 days ThCh$	Maturity more than 90 days ThCh$	Total Current 12-31-2024 ThCh$	Maturity 1 to 2 years ThCh$	Maturity 2 to 3 years ThCh$	Maturity 3 to 4 years ThCh$	Maturity 4 to 5 years ThCh$	Maturity more than 5 years ThCh$	Total Non-current 12-31-2024 ThCh$
76.555.400-4	Transelec S.A.	480	-	958,784	958,784	-	-	517,358,899	-	-	517,358,899
76.555.400-4	Transelec S.A.	599	2,258,177	-	2,258,177	-	-	-	-	115,267,704	115,267,704
76.555.400-4	Transelec S.A.	599	934,467	-	934,467	-	-	-	-	61,466,301	61,466,301
76.555.400-4	Transelec S.A.	599	-	101,567	101,567	-	-	-	-	56,919,254	56,919,254
76.555.400-4	Transelec S.A.	599	-	128,652	128,652	-	-	-	-	72,014,229	72,014,229
76.555.400-4	Transelec S.A.	599	-	198,167	198,167	-	-	-	-	111,463,974	111,463,974
76.555.400-4	Transelec S.A.	744	-	985,466	985,466	-	-	-	-	118,405,040	118,405,040
76.555.400-4	Transelec S.A.	1142	1,630,696	-	1,630,696	-	-	-	-	151,151,115	151,151,115
76.555.400-4	Transelec S.A.	1142	1,260,935	-	1,260,935	-	-	-	-	113,997,895	113,997,895
76.555.400-4	Transelec S.A.	1182	901,925	-	901,925	-	-	58,822,162	-	-	58,822,162
76.555.400-4	Transelec S.A.	1183	2,185,038	-	2,185,038	-	-	-	-	148,270,606	148,270,606
76.555.400-4	Transelec S.A.	2nd issuance	381,285,295	-	381,285,295	-	-	-	-	-	-
76.555.400-4	Transelec S.A.	3rd issuance	6,579,744	-	6,579,744	-	-	-	345,729,295	-	345,729,295
Total	**397,036,277**	**2,372,636**	**399,408,913**	**-**	**-**	**576,181,061**	**345,729,295**	**948,956,118**	**1,870,866,474**	**948.956.118**	**1.870.866.474**

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Debtor taxpayer ID number	Debtor Name	Instrument registration number	Maturities								
			Current			Non-current					
			Maturity less than 90 days ThCh$	Maturity more than 90 days ThCh$	Total Current 12-31-2023 ThCh$	Maturity 1 to 2 years ThCh$	Maturity 2 to 3 years ThCh$	Maturity 3 to 4 years ThCh$	Maturity 4 to 5 years ThCh$	Maturity more than 5 years ThCh$	Total Non-current 12-31-2023 ThCh$
76.555.400-4	Transelec S.A.	480	-	913,154	913,154	-	-	494,961,428	-	-	494,961,428
76.555.400-4	Transelec S.A.	599	-	2,162,521	2,162,521	-	-	-	-	110,388,390	110,388,390
76.555.400-4	Transelec S.A.	599	-	889,966	889,966	-	-	-	-	58,862,535	58,862,535
76.555.400-4	Transelec S.A.	599	-	96,733	96,733	-	-	-	-	54,383,577	54,383,577
76.555.400-4	Transelec S.A.	599	-	122,529	122,529	-	-	-	-	68,791,171	68,791,171
76.555.400-4	Transelec S.A.	599	-	188,736	188,736	-	-	-	-	106,310,632	106,310,632
76.555.400-4	Transelec S.A.	744	-	938,564	938,564	-	-	-	-	113,321,669	113,321,669
76.555.400-4	Transelec S.A.	1142	-	1,553,046	1,553,046	-	-	-	-	144,364,332	144,364,332
76.555.400-4	Transelec S.A.	1142	-	1,200,882	1,200,882	-	-	-	-	109,060,164	109,060,164
76.555.400-4	Transelec S.A.	2nd issuance	-	6,726,808	6,726,808	328,121,736	-	-	-	-	328,121,736
76.555.400-4	Transelec S.A.	3rd issuance	-	5,791,728	5,791,728	-	-	-	-	303,208,497	303,208,497
Total			**20,584,667**	**328,121,736**	**-**	**494,961,428**	**-**	**1,068,690,967**	**1,891,774,131**	**1.068.690.967**	**1.891.774.131**

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15.2 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The movement of other financial liabilities as of December 31, 2024 and 2023 is as follows:

Movements	Opening balance as of 01-01-2024	Changes representing cash flow					Changes that do not represent cash flow					Final balance as of 12-31-2024
		New liabilities	Payments of principal	Payments of interests	Payments of withholding tax	Borrowing costs	Interests accrued	Amortization of Borrowing Costs	Revaluation	Changes in Fair Value	Other movements	
Bonds payable												
US$ Bonds	643,848,769	-	-	(26,968,899)	(1,152,983)	-	29,112,879	1,520,805	87,233,761	-	2	733,594,334
UF Bonds	1,268,510,029	189,027,400	-	(52,138,392)	-	15,444,799	55,051,685	859,414	59,926,853	-	(735)	1,536,681,053
Total	**1,912,358,798**	**189,027,400**	**-**	**(79,107,291)**	**(1,152,983)**	**15,444,799**	**84,164,564**	**2,380,219**	**147,160,614**		**(733)**	**2,270,275,387**
Financial instruments												
Swap contract	2,184,022	-	-	(4,650,554)	-	-	3,764,720	-	-	-	-	1,298,188
Forward	340,586	-	-	-	-	-	-	-	-	(94,154)	-	246,432
Total	**2,524,608**	**-**	**-**	**(4,650,554)**	**-**	**-**	**3,764,720**	**-**	**-**	**(94,154)**	**-**	**1,544,620**
Total	**1,914,883,406**	**189,027,400**	**-**	**(83,757,845)**	**(1,152,983)**	**15,444,799**	**87,929,284**	**2,380,219**	**147,160,614**	**(94,154)**	**(733)**	**2,271,820,007**

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Movements	Opening balance as of 01-01-2023	Changes representing cash flow					Changes that do not represent cash flow					Final balance as of 12-31-2023
		New liabilities	Payments of principal	Payments of interests	Payments of withholding tax	Borrowing costs	Interests accrued	Amortization of Borrowing Costs	Revaluation	Changes in Fair Value	Other movements	
Bonds payable												
US$ Bonds	888,819,729	-	(241,563,000)	(32,578,988)	(1,243,458)	-	29,806,454	1,336,300	(610,875)	-	(117,393)	643,848,769
UF Bonds	965,263,302	249,865,560	-	(45,978,621)	-	(4,397,452)	48,609,302	1,052,768	54,095,170	-	-	1,268,510,029
Total	**1,854,083,031**	**249,865,560**	**(241,563,000)**	**(78,557,609)**	**(1,243,458)**	**(4,397,452)**	**78,415,756**	**2,389,068**	**53,484,295**		**(117,393)**	**1,912,358,798**
Financial instruments												
Swap contracts	4,070,487	-	-	(5,578,932)	-	-	3,692,467	-	-	-	-	2,184,022
Forward	-	-	-	-	-	-	-	-	-	340,586	-	340,586
Total	**4,070,487**	**-**	**-**	**(5,578,932)**	**-**	**-**	**3,692,467**	**-**	**-**	**340,586**	**-**	**2,524,608**
Total	**1,858,153,518**	**249,865,560**	**(241,563,000)**	**(84,136,541)**	**(1,243,458)**	**(4,397,452)**	**82,108,223**	**2,389,068**	**53,484,295**	**340,586**	**(117,393)**	**1,914,883,406**

15.3 OTHER ASPECTS

As of December 31, 2024 and 2023, Transelec has a credit line of US$250 million, which as of that date has no outstanding drafts.

Various debt contracts of the Company include the obligation to comply with certain financial ratios (see Note 24.5), customary in contracts of this nature.
There are also affirmative and negative obligations that require monitoring of these commitments.

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16 - LEASE LIABILITIES

The details of this item as of December 31, 2024 and 2023, are as follows:

Concept	31-12-2024		31-12-2023	
	Current ThCh$	Non-Current ThCh$	Current ThCh$	Non-Current ThCh$
Lease liabilities land	20,042	121,013	18,760	135,079
Lease liabilities buildings	1,102,399	10,179,599	126,881	787,502
Lease liabilities vehicles	686,569	952,254	161,118	-
Total Lease liabilities	**1,809,010**	**11,252,866**	**306,759**	**922,581**

16.1 MOVEMENTS IN LEASE LIABILITIES

The book values of lease liabilities and their movements as of December 31, 2024 and 2023 are detailed below:

Movement	Lease obligations Land ThCh$	Lease obligations Buildings ThCh$	Lease obligations Vehicles ThCh$	Total lease obligations ThCh$
Opening balance as of 01-01-2024	**153,839**	**914,383**	**161,118**	**1,229,340**
Lease obligations	-	10,906,943	2,022,339	12,929,282
Interest expenses	3,195	459,136	51,517	513,848
Payments	(21,953)	(1,497,920)	(642,295)	(2,162,168)
Other movements	5,974	499,456	46,144	551,574
Closing balance as of 12-31-2024	**141,055**	**11,281,998**	**1,638,823**	**13,061,876**

Movement	Lease obligations Land ThCh$	Lease obligations Buildings ThCh$	Lease obligations Vehicles ThCh$	Total lease obligations ThCh$
Opening balance as of 01-01-2023	**38,668**	**1,691,477**	**89,453**	**1,819,598**
Lease obligations	-	428,397	462,425	890,822
Withdrawals	-	(451,100)	-	(451,100)
Interest expenses	942	50,791	11,252	62,985
Payments	(20,272)	(1,464,539)	(430,281)	(1,915,092)
Other movements	134,501	659,357	28,269	822,127
Closing balance as of 12-31-2023	**153,839**	**914,383**	**161,118**	**1,229,340**

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16.2 DETAILS OF FUTURE OBLIGATIONS FOR LEASE LIABILITIES

Lease obligations	Maturities								
	Current			Non Current					
	Less than 90 days ThCh$	More than 90 days ThCh$	Total Current 12-31-2024 ThCh$	More than 1 up to 2 years ThCh$	More than 2 up to 3 years ThCh$	More than 3 up to 4 years ThCh$	More than 4 up to 5 years ThCh$	More than 5 years ThCh$	Total Non-current 12-31-2024 ThCh$
Land	18,476	1,566	20,042	16,825	17,213	17,610	6,247	63,118	121,013
Buildings	271,513	830,886	1,102,399	1,147,014	1,215,780	1,197,844	1,211,842	5,407,119	10,179,599
Vehicles	169,196	517,373	686,569	713,257	238,997	-	-	-	952,254
Total	**459,185**	**1,349,825**	**1,809,010**	**1,877,096**	**1,471,990**	**1,215,454**	**1,218,089**	**5,470,237**	**11,252,866**

Lease obligations	Maturities								
	Current			Non Current					
	Less than 90 days ThCh$	More than 90 days ThCh$	Total Current 12-31-2023 ThCh$	More than 1 up to 2 years ThCh$	More than 2 up to 3 years ThCh$	More than 3 up to 4 years ThCh$	More than 4 up to 5 years ThCh$	More than 5 years ThCh$	Total Non-current 12-31-2023 ThCh$
Land	17,586	1,174	18,760	19,192	16,113	16,484	16,864	66,426	135,079
Buildings	31,229	95,652	126,881	132,254	137,857	143,696	85,493	288,202	787,502
Vehicles	120,589	40,529	161,118	-	-	-	-	-	-
Total	**169,404**	**137,355**	**306,759**	**151,446**	**153,970**	**160,180**	**102,357**	**354,628**	**922,581**

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16.3 DETAILS OF LEASE LIABILITIES

Lease obligations	31-12-2024		31-12-2023	
	Current ThCh$	Non-Current ThCh$	Current ThCh$	Non-Current ThCh$
Lease obligations	2,289,127	12,983,232	346,642	1,051,903
Deferred interest for lease obligations	(480,117)	(1,730,366)	(39,883)	(129,322)
Total Lease obligations	**1,809,010**	**11,252,866**	**306,759**	**922,581**

16.4 ADDITIONAL INFORMATION ON LEASE OBLIGATIONS

The following is the detail of the incremental discount rates for contracts subject to the adoption of IFRS16 Leases:

Currencies	5 Years		10 Years	
	Min	Max	Min	Max
Rate in UF	3.80%	4.33%	2.30%	4.07%

17 - TRADE AND OTHER PAYABLES

Trade and other payables as of December 31, 2024 and 2023, are detailed as follows:

Trade and other payables	31-12-2024 ThCh$	31-12-2023 ThCh$
Trade payable billed	17,628,698	19,519,388
Trade payable unbilled	118,252,724	99,302,769
Total	**135,881,422**	**118,822,157**

As of December 31, 2024 and 2023, the average payment period to suppliers is lower than 30 days, therefore the fair value of these liabilities does not differ significantly from their book value.

The expiration date of commercial lenders billed as of December 31, 2024 and 2023 is as follows:

Trade payable billed	Suppliers up to date		Suppliers overdue	
	31-12-2024 ThCh$	31-12-2023 ThCh$	31-12-2024 ThCh$	31-12-2023 ThCh$
Up to 30 days	8,522,724	17,083,458	-	1,889,117
31 to 60 days	-	-	341,982	231,353
61 to 90 days	-	-	837,127	59,227
91 to 120 days	-	-	283,358	1,334
121 to 365 days	-	-	1,011,273	142,497
More than 365 days	-	-	6,632,234	112,402
Total Trade payable billed	**8,522,724**	**17,083,458**	**9,105,974**	**2,435,930**

18 - DERIVATIVE INSTRUMENTS

In adhering to its risk management policy, Transelec enters primarily into exchange rate derivatives (see Note 3).

18.1 DESCRIPTION OF DERIVATIVES

As of December 31, 2024, the Company maintains the following derivative instruments:

a) Four Cross Currency Swaps for a total notional amount of ThUS$223,500 (associated with the bonds issued on July 14, 2014 and July 12, 2016) to cover exchange rate variations. These instruments have been designated as cash flow hedge accounting. The counterparties of these financial instruments are: Banco de Crédito e Inversiones, MUFG Bank, Ltd., Goldman Sachs Bank and Santander Chile. As of December 31, 2024, the fair value recorded for these derivatives corresponds to a net asset of ThCh$61,872,482.

   During November and December 2024, the Company unwound two Cross Currency Swaps held with Banco Santander for a total notional amount of ThUS$150,000, monetizing the market value of said instruments for a total net amount of ThUS$33,900,229.

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b) One USD-CLP currency sale forwards for a total notional amount of ThUS$3,000 in the short term with Banco de Chile. These instruments have not been designated as hedge accounting, so changes in their fair value are recorded in the net income of the year. As of December 31, 2024, the fair value recorded for these derivatives corresponds to a net current asset of ThCh$246,432.

As of December 31, 2023, the Company maintains the following derivative instruments:

a) Six Cross Currency Swaps for a total notional amount of ThUS$373,500 (associated with the bonds issued on July 14, 2014 and July 12, 2016) to cover exchange rate variations. These instruments have been designated as cash flow hedge accounting. The counterparties of these financial instruments are: Banco de Crédito e Inversiones, MUFG Bank, Ltd., Goldman Sachs Bank and Santander Chile. As of December 31, 2023, the fair value recorded for these derivatives corresponds to a net asset of ThCh$59,302,849.

   During the month of April 2023, the Company unwound two Cross Currency Swaps held with Banco Santander and Goldman Sachs for a total notional amount of ThUS$300,000, monetizing the market value of such instruments for a total of ThUS$75,000.

   During the month of June 2023, the Company carried out the partial unwound of the Cross Currency Swap held with Goldman Sachs for a total notional amount of ThUS$51,500, monetizing the market value of said instrument for a total of ThUS$13,108.

b) Three US$-CLP currency sale forwards for a total notional amount of MUS$6,100 in the short and long term with Banco Estado, Banco Itaú and Banco Santander. These instruments have not been designated as hedge accounting, so changes in their fair value are recorded in the net income of the year. As of December 31, 2023, the fair value recorded for these derivatives corresponds to a net current liability of ThCh$340,586.

18.2 DERIVATIVES ASSETS AND LIABILITIES

Concept	31-12-2024				31-12-2023			
	Assets		Liabilities		Assets		Liabilities	
	Current ThCh$	Non- Current ThCh$	Current ThCh$	Non- Current ThCh$	Current ThCh$	Non- Current ThCh$	Current ThCh$	Non- Current ThCh$
Currency hedge swap	9,901,491	53,269,179	1,298,188	-	-	61,486,871	2,184,022	-
Forward (non-hedge)	-	-	246,432	-	-	-	340,586	-
Total	**9,901,491**	**53,269,179**	**1,544,620**	**-**	**-**	**61,486,871**	**2,524,608**	**-**

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18.3 OTHER INFORMATION

The detail of the derivatives contracted by the company as of December 31, 2024 and 2023, their fair value and breakdown by maturity are as follow:

Derivative Instruments	Maturities									
	Less than 90 days ThCh$	More than 90 days ThCh$	Total current as of 12-31-2024 ThCh$	More than 1 up to 2 years ThCh$	More than 2 up to 3 years ThCh$	More than 3 up to 4 years ThCh$	More than 4 up to 5 years ThCh$	More than 5 years ThCh$	Total non-current as of 12-31-2024 ThCh$	Fair value as of 12-31-2024 ThCh$
Currency hedge swap	8,516,547	(1,209,054)	7,307,493	(2,331,632)	(2,218,088)	(2,119,860)	61,234,569	-	54,564,989	61,872,482
Forward contracts (non-hedge)	(246,432)	-	(246,432)	-	-	-	-	-	-	(246,432)

Derivative Instruments	Maturities									
	Less than 90 days ThCh$	More than 90 days ThCh$	Total current as of 12-31-2023 ThCh$	More than 1 up to 2 years ThCh$	More than 2 up to 3 years ThCh$	More than 3 up to 4 years ThCh$	More than 4 up to 5 years ThCh$	More than 5 years ThCh$	Total non-current as of 12-31-2023 ThCh$	Fair value as of 12-31-2023 ThCh$
Currency hedge swap	(2,334,307)	(2,229,881)	(4,564,188)	2,674,229	(3,909,070)	(3,750,992)	(3,610,562)	72,463,432	63,867,037	59,302,849
Forward contracts (non-hedge)	(227,416)	(113,170)	(340,586)	-	-	-	-	-	-	(340,586)

The contractual notional amount of these contracts does not represent the risk assumed by Transelec as it is only in response to the basis with which derivative settlements are calculated. In the periods presented as of December 31, 2024 and 2023, Transelec had not recognized any gains or losses for ineffectiveness of cash flow hedges.

Derivatives are valued considering valuation techniques which include observable data, the most commonly used valuation techniques include swap valuation models using present value calculations. The models include several inputs including the credit risk of the counterparty, foreign exchange spot rates and interest rate curves (pesos and dollar).

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18.4 FAIR VALUE HIERARCHIES

Financial instruments recognized at fair value in the statement of financial position are classified based on the following hierarchies:

Level 1: Quoted (unadjusted) price in an active market for identical assets and liabilities

Level 2: Inputs other than quoted prices included in Level 1 that are observable for assets or liabilities, either directly (i.e. as a price) or indirectly (i.e., as a derivative of a price) and

Level 3: Inputs for assets or liabilities that are not based on observable market information (non-observable inputs).

The following table details financial assets and liabilities measured at fair value as of December 31, 2024 and 2023:

Financial instrumental measured at fair value	Fair value measured at the end of the reporting period using			
	31-12-2024 ThCh$	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Currency hedge swap	61,872,482	-	61,872,482	-
Forward Contract	(246,432)	-	(246,432)	-
Total net derivative	**61,626,050**	**-**	**61,626,050**	**-**

Financial instrumental measured at fair value	Fair value measured at the end of the reporting period using			
	31-12-2023 ThCh$	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Currency hedge swap	59,302,849	-	59,302,849	-
Forward Contract	(340,586)	-	(340,586)	-
Total net derivative	**58,962,263**	**-**	**58,962,263**	**-**

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19 - FINANCIAL INSTRUMENTS

The classification of financial assets in the categories described in Note 2.9 is detailed below:

Concepts		Financial Assets to Fair Value		Derivative Instruments		Total
	Financial Assets to Amortized Cost ThCh$	Through profit or loss ThCh$	Through Other Comprehensive Income ThCh$	Hedge ThCh$	No Hedge ThCh$	31-12-2024 ThCh$
Cash and cash equivalents	197,765,872	154,958,672	-	-	-	352,724,544
Other financial assets, current	2,669,230	-	-	9,901,491	-	12,570,721
Trade and other receivables	141,331,295	-	-	-	-	141,331,295
Receivables from related parties, current	16,881,774	-	-	-	-	16,881,774
Other financial assets, non-current	359,719,635	41,752	-	53,269,179	-	413,030,566
Receivables from related parties, non-current	251,764,385	-	-	-	-	251,764,385
Total	**970,132,191**	**155,000,424**	**-**	**63,170,670**	**-**	**1,188,303,285**

Concepts		Financial Assets to Fair Value		Derivative Instruments		Total
	Financial Assets to Amortized Cost ThCh$	Through profit or loss ThCh$	Through Other Comprehensive Income ThCh$	Hedge ThCh$	No Hedge ThCh$	31-12-2023 ThCh$
Cash and cash equivalents	27,568,184	150,767,997	-	-	-	178,336,181
Other financial assets, current	1,511,087	-	-	-	-	1,511,087
Trade and other receivables	73,627,497	-	-	-	-	73,627,497
Receivables from related parties, current	20,600,950	-	-	-	-	20,600,950
Other financial assets, non-current	317,750,329	41,752	-	61,486,871	-	379,278,952
Receivables from related parties, non-current	249,369,998	-	-	-	-	249,369,998
Total	**690,428,045**	**150,809,749**	**-**	**61,486,871**	**-**	**902,724,665**

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The classification of financial liabilities in the categories described in Note 2.9 is detailed below:

Concepts		Financial Liabilities to Fair Value		Derivative Instruments		Total
	Financial liabilities to Amortized Cost ThCh$	Through profit or loss ThCh$	Through Other Comprehensive Income ThCh$	Hedge ThCh$	No Hedge ThCh$	31-12-2024 ThCh$
Other financial liabilities, current	399,408,913	-	-	1,298,188	246,432	400,953,533
Lease liabilities, current	1,809,010	-	-	-	-	1,809,010
Trade and other payables	135,881,422	-	-	-	-	135,881,422
Accounts payable to related entities, current	33,049,630	-	-	-	-	33,049,630
Other financial liabilities, non-current	1,870,866,474	-	-	-	-	1,870,866,474
Lease liabilities, non-current	11,252,866	-	-	-	-	11,252,866
Total	**2,452,268,315**	**-**	**-**	**1,298,188**	**246,432**	**2,453,812,935**

Concepts		Financial Liabilities to Fair Value		Derivative Instruments		Total
	Financial liabilities to Amortized Cost ThCh$	Through profit or loss ThCh$	Through Other Comprehensive Income ThCh$	Hedge ThCh$	No Hedge ThCh$	31-12-2023 ThCh$
Other financial liabilities, current	20,584,667	-	-	2,184,022	340,586	23,109,275
Lease liabilities, current	306,759	-	-	-	-	306,759
Trade and other payables	118,822,157	-	-	-	-	118,822,157
Accounts payable to related entities, current	54,720,181	-	-	-	-	54,720,181
Other financial liabilities, non-current	1,891,774,131	-	-	-	-	1,891,774,131
Lease liabilities, non-current	922,581	-	-	-	-	922,581
Total	**2,087,130,476**	**-**	**-**	**2,184,022**	**340,586**	**2,089,655,084**

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

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20 - PROVISIONS

The detail of the provisions as of December 31, 2024 and 2023 is as follows:

Provisions	31-12-2024 ThCh$	31-12-2023 ThCh$
Fines and lawsuits	1,793,628	3,445,604
Total	**1,793,628**	**3,445,604**

The detail of fines and lawsuits are presented in note 34.

The movements of the provisions as of December 31, 2024 and 2023 is as follows:

Movement	31-12-2024 ThCh$	31-12-2023 ThCh$
Opening balance	**3,445,604**	**6,677,736**
Increase (decrease) in existing provisions	214,812	141,672
New provisions	-	1,866,788
Provisions used	(1,866,788)	(5,240,592)
Closing balance	**1,793,628**	**3,445,604**

21 - DEFERRED TAXES

21.1 Detail of deferred tax liabilities

The origin of deferred taxes recorded as of December 31, 2024 and 2023 is detailed below:

Temporary Difference Assets	Net deferred taxes	
	31-12-2024 ThCh$	31-12-2023 ThCh$
Tax losses	1,918,089	-
Depreciable fixed assets	(1,394,185)	-
Total deferred tax assets	**523,904**	**-**

Temporary Difference Liabilities	Net deferred taxes	
	31-12-2024 ThCh$	31-12-2023 ThCh$
Depreciable fixed assets	(280,009,457)	(253,556,689)
Leased assets	(85,112,672)	(65,529,044)
Materials and spare parts	589,388	557,334
Tax losses	797,513	875,629
Staff severance indemnities provision	(82,528)	(118,191)
Deferred income	1,331,815	903,058
Obsolescence provision	2,503,259	2,044,683
Work in progress	(23,702,075)	(29,891,596)
Vacation provisions	951,497	832,771
Intangible assets	12,138,447	9,146,297
Adjustment of effective interest rate	(2,378,844)	(1,672,608)
Land	4,539,255	4,114,316
Provision for tariff review	16,877,835	-
Tax Goodwill	-	209,796
Total deferred tax liabilities	**(351,556,567)**	**(332,084,244)**

Presentation in the Statement of Financial Position:		
Deferred tax Assets	523,904	-
Deferred tax Liabilities	(351,556,567)	(332,084,244)
Deferred taxes, net assets / (liabilities)	**(351,032,663)**	**(332,084,244)**

Accumulated tax losses balance classified as deferred tax assets as of December 31, 2024 correspond to Gea Transmisora SpA for ThCh$645,515 (US$647,808) and Ana María SA for ThCh$6.458.515. This companies were acquired in 2024, so its tax losses as of December 31, 2023 are not presented in the Consolidated Financial Statements of Transelec S.A.. Accumulated tax losses balance classified as deferred tax liabilities as of December 31, 2024 correspond to Transmision del Melado SpA for ThCh$2,953,755 (ThCh$3,243,069 - as of December 31, 2023). Recovery of deferred tax assets will depend on whether sufficient tax profits are obtained in the future. Based on its projections the Company believes that its future profits will allow these assets to be recovered.

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21.2 DEFERRED TAX MOVEMENTS

The movements of balances of "deferred taxes" in the statement of financial position for the periods as of December 31, 2024 and 2023 are as follows:

Concepts	Assets ThCh$	Liabilities ThCh$	Net Assets/ (Liabilities) ThCh$	Impact of the period			
				Income ThCh$	Equity ThCh$	Acquisitions ThCh$	Total Variation ThCh$
Depreciable fixed assets	-	280,009,457	(280,009,457)	(26,453,467)	-	-	(26,453,467)
Depreciable fixed assets Ana Maria	-	-	-	-	-	215,716	215,716
Leased assets	-	85,112,672	(85,112,672)	(19,583,628)	-	-	(19,583,628)
Materials and spare parts	589,388	-	589,388	32,054	-	-	32,054
Tax losses	2,715,602	-	2,715,602	3,892,646	-	-	3,892,646
Tax losses - Cash flow hedge reserve	-	-	-	-	(2,347,704)	-	(2,347,704)
Tax losses- Actuarial profit (loss) reserve for benefit plans	-	-	-	-	80,014	-	80,014
Severance indemnities provision	-	82,528	(82,528)	35,663	-	-	35,663
Deferred revenue	1,331,815	-	1,331,815	428,757	-	-	428,757
Obsolescence provision	2,503,259	-	2,503,259	458,576	-	-	458,576
Work in progress	-	25,096,260	(25,096,260)	4,795,336	-	-	4,795,336
Vacation provisions	951,497	-	951,497	118,726	-	-	118,726
Intangible assets	12,138,447	-	12,138,447	2,992,150	-	-	2,992,150
Adjustment of effective interest rate of bonds	-	2,378,844	(2,378,844)	(706,236)	-	-	(706,236)
Land	4,539,255	-	4,539,255	424,939	-	-	424,939
Provision for tariff review	16,877,835	-	16,877,835	16,877,835	-	-	16,877,835
Tax Goodwill	-	-	-	(209,796)	-	-	(209,796)
Total as of 12-31-2024	**41,647,098**	**392,679,761**	**(351,032,663)**	**(16,896,445)**	**(2,267,690)**	**215,716**	**(18,948,419)**

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Concepts	Assets ThCh$	Liabilities ThCh$	Net Assets/ (Liabilities) ThCh$	Impact of the period			
				Income ThCh$	Equity ThCh$	Acquisitions ThCh$	Total Variation ThCh$
Depreciable fixed assets	-	253,556,689	(253,556,689)	(31,324,909)	-	-	(31,324,909)
Leased assets	-	65,529,044	(65,529,044)	(56,639,314)	-	-	(56,639,314)
Materials and spare parts	557,334	-	557,334	(9,069)	-	-	(9,069)
Tax losses	875,629	-	875,629	(34,536,473)	-	-	(34,536,473)
Tax losses - Cash flow hedge reserve	-	-	-	-	(2,050,935)	-	(2,050,935)
Tax losses- Actuarial profit (loss) reserve for benefit plans	-	-	-	-	48,734	-	48,734
Severance indemnities provision	-	118,191	(118,191)	(70,679)	-	-	(70,679)
Deferred revenue	903,058	-	903,058	(107,345)	-	-	(107,345)
Obsolescence provision	2,044,683	-	2,044,683	-	-	-	-
Work in progress	-	29,891,596	(29,891,596)	58,858,968	-	-	58,858,968
Vacation provisions	832,771	-	832,771	40,793	-	-	40,793
Intangible assets	9,146,297	-	9,146,297	2,657,858	-	-	2,657,858
Adjustment of effective interest rate of bonds	-	1,672,608	(1,672,608)	337,706	-	-	337,706
Land	4,114,316	-	4,114,316	461,787	-	-	461,787
Provision for tariff review	-	-	-	(10,878,125)	-	-	(10,878,125)
Tax Goodwill	209,796	-	209,796	(208,777)	-	-	(208,777)
Total as of 12-31-2023	**18,683,884**	**350,768,128**	**(332,084,244)**	**(71,417,579)**	**(2,002,201)**	**-**	**(73,419,780)**

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22 - PROVISIONS FOR EMPLOYEE BENEFITS

22.1 DETAIL OF PROVISIONS

The breakdown of this item as of December 31, 2024 and 2023 is as follows:

Detail	31-12-2024		31-12-2023	
	Current ThCh$	Non-Current ThCh$	Current ThCh$	Non-Current ThCh$
Severance indemnities	805,121	3,293,871	846,843	3,082,291
Accrued vacations	3,524,062	-	3,084,335	-
Annual benefits	9,399,535	-	7,609,864	-
Total	**13,728,718**	**3,293,871**	**11,541,042**	**3,082,291**

22.2 PROVISION MOVEMENTS

The movement of provisions as of December 31, 2024 and 2023 is as follows:

Movements	Severance indemnities ThCh$	Annual benefits ThCh$	Accrued vacations ThCh$	Total ThCh$
Opening balance as of 01-01-2024	**3,929,134**	**7,609,864**	**3,084,335**	**14,623,333**
Provisions during the year	682,968	9,293,107	2,438,924	12,414,999
Payments	(513,110)	(7,503,436)	(1,999,197)	(10,015,743)
Balance as of 12-31-2024	**4,098,992**	**9,399,535**	**3,524,062**	**17,022,589**

Movements	Severance indemnities ThCh$	Annual benefits ThCh$	Accrued vacations ThCh$	Total ThCh$
Opening balance as of 01-01-2023	**3,842,261**	**6,183,369**	**2,933,253**	**12,958,883**
Provisions during the year	961,974	8,926,290	2,220,778	12,109,042
Payments	(875,101)	(7,499,795)	(2,069,696)	(10,444,592)
Balance as of 12-31-2023	**3,929,134**	**7,609,864**	**3,084,335**	**14,623,333**

The maturity of these provisions is detailed in the table below:

Detail	31-12-2024			
	Less than 1 year ThCh$	More than 1 year up to 3 years ThCh$	More than 3 years up to 5 years ThCh$	More than 5 years ThCh$
Staff severance indemnities	805,121	812,049	1,063,284	1,418,538
Accrued vacations	3,524,062	-	-	-
Annual benefits	9,399,535	-	-	-
Total	**13,728,718**	**812,049**	**1,063,284**	**1,418,538**

Detail	31-12-2023			
	Less than 1 year ThCh$	More than 1 year up to 3 years ThCh$	More than 3 years up to 5 years ThCh$	More than 5 years ThCh$
Staff severance indemnities	846,843	1,023,412	304,829	1,754,050
Accrued vacations	3,084,335	-	-	-
Annual benefits	7,609,864	-	-	-
Total	**11,541,042**	**1,023,412**	**304,829**	**1,754,050**

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22.3 PROVISION FOR EMPLOYEE BENEFITS

Severance indemnities

The Company has constituted a provision to cover the obligation of severance indemnity to be paid to its employees, in accordance with the collective contracts signed with the latter. This provision represents the entire accrued provision (see note 23).

Vacation accrual

This obligation corresponds to the expense for accrued and not used vacations by the Company's employees, whose benefit is specified in individual contract of each employee.

Annual benefits

This provision primarily includes allowances for employee participation in the Company's income, which are mostly paid within the first quarter of the next year
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23 - OBLIGATIONS FOR SEVERANCE INDEMNITIES

23.1 DETAIL OF ACCOUNT

Employee benefit obligations	31-12-2024 ThCh$	31-12-2023 ThCh$
Severance indemnities – current	805,121	846,843
Severance indemnities non – current	3,293,871	3,082,291
Total Employee benefit obligations current and non-current	**4,098,992**	**3,929,134**

23.2 MOVEMENT OF OBLIGATIONS FOR SEVERANCE INDEMNITIES

The movement of the obligation in the period ended December 31, 2024 and 2023 is as follows:

Movements	31-12-2024 ThCh$	31-12-2023 ThCh$
Present value of defined benefit plan obligations, opening balance	**3,929,134**	**3,842,261**
Current service	198,181	221,931
Interest cost	188,440	171,920
Actuarial Gain/Loss on Hypotheses	148,345	(110,175)
Experience Actuarial Gain/Loss	148,002	290,669
Settlements defined benefit plan obligation	(513,110)	(487,472)
Present value of defined benefit obligations, ending balance	**4,098,992**	**3,929,134**

23.3 BALANCE OF OBLIGATIONS FOR SEVERANCE INDEMNITIES

Concepts	31-12-2024 ThCh$	31-12-2023 ThCh$
Present value of defined benefit obligations, ending balance	4,098,992	3,929,134
Present obligation with defined benefit plan funds	4,098,992	3,929,134
Balance of defined benefit obligations, ending balance	**4,098,992**	**3,929,134**

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23.4 EXPENSES RECOGNIZED IN INCOME STATEMENT

Cost	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$	Income statement line item where recognized
Current service defined benefit plan	198,181	221,931	Cost of sales and administrative expenses
Interest defined benefit plan	188,440	171,920	Cost of sales and administrative expenses
Total expense recognized in profit or loss	**386,621**	**393,851**	

23.5 ACTUARIAL HYPOTHESIS

The following are the parameters used as assumptions in determining the actuarial calculations:

Detail	Actuarial hypothesis	
	31-12-2024	31-12-2023
Discount rate used	2.18%	2.33%
Inflation rate	3.00%	3.00%
Future salary increases	1.23%	0.50%
Mortality table	RV-2020	RV-2020
Disability table	30% RV-2020	30% RV-2020
Rotation table	3.16%/0.49%	3.44%/0.34%

Assumptions regarding the mortality rate are set on the basis of actuarial data in accordance with published statistics and accumulated experience.

23.6 SENSITIVITY ANALYSIS

The table below shows the sensitivity analysis of the significant hypotheses as of December 31, 2024:

Level of Sensitivity	Discount rate used		Inflation rate		Future salary increases	
	Increase 1% ThCh$	Decrease 1% ThCh$	Increase 1% ThCh$	Decrease 1% ThCh$	Increase 1% ThCh$	Decrease 1% ThCh$
Impact on current and non- current employee benefit obligation	(186,713)	208,515	-	-	208,411	(190,152)

To evaluate impact, the sensitivity analysis has been determined based on the extrapolation method obtaining reasonable results in terms of the changes in the significant hypotheses used as of December 31, 2024.

The payments of expected employee benefit obligation are presented below:

Concepts	31-12-2024 ThCh$	31-12-2023 ThCh$
During the upcoming 12 month	805,121	846,843
Between 2 to 5 years	1,875,333	1,328,241
Between 5 to 10 years	624,839	977,301
More than 10 years	793,699	776,749
Total Expected Payments	**4,098,992**	**3,929,134**

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24 - EQUITY

24.1 SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2024 and 2023 authorized, subscribed and paid-in capital amounts to ThCh$776,355,048.

24.2 NUMBER OF SHARES SUBSCRIBED AND PAID

Shares	Number of shares subscribed	Number of shares paid	Number of shares with voting rights
Unique series, without nominal value	1,000,000	1,000,000	1,000,000

No shares have been issued or redeemed in the years covered by these financial statements.

24.3 DIVIDENDS

As of December 31, 2024, the Company made a final dividend payment to Transelec Holdings Rentas Ltda. for the results of the 2023 period, which was recognized in December of that year, amounting to M$54,720,181. This dividend payment made in June 2024 does not represent a change in equity during this period.

As of December 31, 2023, the Company made a final dividend payment for the results of the 2022 period, which was recognized in December of that year, amounting to M$32,336,962. This dividend payment made in May 2023 does not represent a change in equity during that period.

In August 2023, the Company distributed and paid dividends amounting to M$201,630,000 against the Company's accumulated earnings.

As of January 17, 2025, the Board of Directors has unanimously agreed not to distribute as a dividend the 30% of the net profits for the fiscal year ending December 31, 2024. This decision is made in compliance with the provisions of Article 79 of Law 18.046.

24.4 OTHER RESERVES

The detail of other reserves as of December 31, 2024 and 2023 is as follows:

Concepts	31-12-2024 ThCh$	31-12-2023 ThCh$
Reserve for currency translation adjustment	1,686,411	-
Gains (losses) from cash flow hedges	(14,924,085)	(23,619,287)
Gain (loss) on other reserves	(383,820)	(87,474)
Income tax related to cash flow hedges	4,029,503	6,377,207
Income tax related to other reserves	103,632	23,618
Other Comprehensive Income	**(9,488,359)**	**(17,305,936)**

The movements of other reserves as of December 31, 2024 and 2023, are presented below:

Movements	Reserve for currency translation adjustment ThCh$	Cash flow hedges reserve ThCh$	Other Reserves ThCh$	Total ThCh$
Opening balance as of 01-01-2024	**-**	**(17,242,080)**	**(63,856)**	**(17,305,936)**
Reserve for currency translation adjustment	1,686,411	-	-	1,686,411
Cash flow hedge	-	8,695,202	-	8,695,202
Actuarial losses	-	-	(296,346)	(296,346)
Deferred tax	-	(2,347,704)	80,014	(2,267,690)
Other comprehensive income/(loss)	**1,686,411**	**6,347,498**	**(216,332)**	**7,817,577**
Closing balance as of 12-31-2024	**1,686,411**	**(10,894,582)**	**(280,188)**	**(9,488,359)**

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Movements	Reserve for currency translation adjustment ThCh$	Cash flow hedges reserve ThCh$	Other Reserves ThCh$	Total ThCh$
Opening balance as of 01-01-2023	**-**	**(22,787,198)**	**67,905**	**(22,719,293)**
Cash flow hedge	-	7,596,053	-	7,596,053
Actuarial losses	-	-	(180,495)	(180,495)
Deferred tax	-	(2,050,935)	48,734	(2,002,201)
Other comprehensive income/ (loss)	**-**	**5,545,118**	**(131,761)**	**5,413,357**
Closing balance as of 12-31-2023	**-**	**(17,242,080)**	**(63,856)**	**(17,305,936)**

24.5 CAPITAL MANAGEMENT

Capital management refers to the Company's administration of its equity.

The capital management policy of Transelec S.A. and subsidiary is aimed at maintaining adequate capitalization levels to sustain operations and provide sensible leverage, thus optimizing shareholder returns and maintaining a solid financial position.

Capital requirements are determined based on the Company's financing needs, taking care to maintain an adequate level of liquidity and complying with financial covenants established in current debt contracts. The Company manages its capital structure and makes adjustments based on prevailing economic conditions in order to mitigate risks from adverse market conditions and take advantage of any opportunities that may arise to improve its liquidity position.

The main financial covenants established in current debt contracts related to capital requirements are:

1) Maintain individual and indebtedness levels (Total debt / Total capitalization ratio) no greater than 0.7 times based on the definitions of these terms in the respective contracts of local bond series D, H, K, M, N and Q.

2) Maintain a minimum equity of fifteen million UF equivalent to ThCh$576,250,350 as of December 31, 2024 as that term is defined in the respective contracts of local bond series D, H, K, M and N.

3) Maintain all the time during the validity period of the bond issuance a minimum Equity of ThCh$350,000,000; as this term is defined in the respective contracts of local bond Series Q, V, X, Y and AB.

4) Maintain a debt leverage at which the Net Debt / Ebitda ratio does not exceed 7 times, as these terms are defined in the respective contracts of local bond Series V, X, Y and AB local bond contract.

The test of distribution of restricted payments (net cash flow of the operations / financial costs) must be greater than 1.5 times, as those terms are defined in the respective prospectuses D, H, K, M and N.

The following tables present the calculation of the aforementioned covenants as of December 31, 2024 and 2023, as well as the distribution test.:

Covenant N° 1	Total debt / Total capitalization	31-12-2024	31-12-2023
	Less or equal to 0.70	MCh$	MCh$
A	Other financial liabilities, current	400,954	23,109
B	Account payables to related parties, current	33,050	54,720
C	Other financial liabilities, non-current	1,870,866	1,891,774
D	Account payables to related parties, non-current	-	-
E=A+B+C+D	**Covenants debt**	**2,304,870**	**1,969,603**
G	Debt with guarantees	-	-
DT=E+G	**Total debt**	**2,304,870**	**1,969,603**
H	Non-controlling interest	-	-
P	Equity attributable to owners of the parent	1,074,052	934,521
I	Accumulated amortization of goodwill (as of the transition date to IFRS)	24,970	24,970
CT=DT+H+I+P	**Total capitalization**	**3,403,892**	**2,929,094**
DT/CT	**Total debt / Total capitalization ratio**	**0.68**	**0.67**

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Covenant N° 2	Minimum equity	31-12-2024	31-12-2023
	Greater than or equal to UF 15 million/ Greater than or equal to MCh$350,000	MCh$	MCh$
P	Equity attributable to owners of the parent	1,074,052	934,521
I	Accumulated amortization of goodwill (as of the transition date to IFRS)	24,970	24,970
P+I	**Equity (in MCh$)**	**1,099,022**	**959,491**
UF	UF value	38,417	36,789
(P+I)/UF	**Equity (in UF millions)**	**28.61**	**26.08**

Covenant N° 3	Restricted payments test*	31-12-2024	31-12-2023
	Cash flow from operations / Financial costs > 1.5	MCh$	MCh$
FO	Cash flow from operating activities	257,572	196,888
CF	Absolute value of financial costs	95,066	84,016
IG	Absolute value of income tax expense	48,238	72,262
FNO=FO+CF+IG	**Cash flow from operations (FNO in its Spanish Acronym)**	**400,876**	**353,166**
FNO/CF	**Cash flow from operations / Financial costs**	**4.22**	**4.20**

* This distribution test is calculated with values corresponding to the last twelve months.

Covenant N° 4	Total net debt / Adjusted EBITDA	31-12-2024	31-12-2023
	Lower or equal to 7.0	MCh$	MCh$
A	Other financial liabilities, (current and non-current)	2,271,820	1,914,883
B	Total rights of use	-	-
C	Cash and cash equivalents	352,725	178,336
D	Other financial assets (current and non-current)	425,601	380,790
E	Finance leases receivable (current and non-current)	362,389	319,261
DN=A-B-(C+D-E)	**Net debt**	**1,855,883**	**1,675,018**
G	Revenues	445,475	471,267
H	Cost of sales	(102,050)	(95,610)
I	Administrative expenses	(39,964)	(35,487)
J	Depreciation and Amortization	60,648	57,435
K	Other gains	413	189
L	Finance lease amortization	1,657	(69)
EA = G+H+I+J+K+L	**Adjusted EBITDA***	**366,179**	**397,725**
DN/EA	**Net debt /Adjusted EBITDA**	**5.07**	**4.21**

* Adjusted EBITDA is calculated with values corresponding to the last twelve months.

As of the date of issuance of these Consolidated Financial Statements, the Company was in compliance with all financial covenants established in its current debt contracts.

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25 - REVENUE

The breakdown of operating revenue for the years ended December 31, 2024 and 2023, is as follows:

Type of ordinary revenue	01-01-2024 31-12-2024 MCh$	01-01-2023 31-12-2023 MCh$
Regulated revenues	349,477,346	335,533,503
Contractual revenue	65,264,745	85,953,074
Leasing revenues	30,733,258	49,780,655
Total revenues	**445,475,349**	**471,267,232**

Type of ordinary revenue	01-01-2024 31-12-2024 MCh$	01-01-2023 31-12-2023 MCh$
Regulated revenues:	**349,477,346**	**335,533,503**
National Transmission System	271,716,881	270,154,753
Zonal Transmission System	76,584,270	64,342,548
Dedicated Transmission System	650,117	553,207
Complementary services	526,078	482,995
Contractual revenue:	**65,264,745**	**85,953,074**
Transmission facilities	55,580,569	77,188,146
Construction and engineering services	20,753	17,187
Others	9,663,423	8,747,741
Leasing revenues:	**30,733,258**	**49,780,655**
Leasing interest earned	29,396,057	26,863,093
Initial leasing recognition	-	21,527,447
Indexing leasing contracts	1,337,201	1,390,115
Total	**445,475,349**	**471,267,232**

Type of ordinary revenue	01-01-2024 31-12-2024 MCh$	01-01-2023 31-12-2023 MCh$
Transferred services over a period of time	445,475,349	471,267,232
Total	**445,475,349**	**471,267,232**

26 - RELEVANT INCOME STATEMENT ACCOUNTS

26.1 EXPENSES BY NATURE

The composition of cost of sales and administrative expenses for the years ended December 31, 2024 and 2023, is as follows:

Concepts	01-01-2024 31-12-2024 MCh$	01-01-2023 31-12-2023 MCh$
Cost of sales		
Personnel expenses	16,762,453	15,177,503
Operating expenses	11,411,632	11,001,808
Maintenance expenses	16,560,389	13,864,274
Depreciation, amortization and write-offs	57,058,108	54,992,197
Other	257,180	574,408
Total	**102,049,762**	**95,610,190**
Administration Expenses		
Personnel expenses	17,951,178	17,258,956
Operating expenses	11,538,653	13,085,891
Maintenance expenses	1,402,424	196,457
Depreciation, amortization and write-offs	3,589,857	2,442,771
Other	5,481,714	2,502,856
Total	**39,963,826**	**35,486,931**
Total	**142,013,588**	**131,097,121**

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26.2 PERSONNEL EXPENSES

The composition of personnel expenses for the years ended December 31, 2024 and 2023 is as follows:

Concepts	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$
Salaries and wages	30,715,710	29,314,352
Short-term employee benefits	4,696,416	2,345,041
Severance indemnity	386,621	393,851
Other long-term benefits	2,129,422	2,284,150
Other personnel expenses	12,179,601	12,776,425
Personnel expenses capitalized on construction in progress	(15,394,139)	(14,677,360)
Total	**34,713,631**	**32,436,459**

26.3 DEPRECIATION, AMORTIZATION AND WRITE-OFFS

The detail of this item in the income statement for the years ended December 31, 2024 and 2023, is as follows:

Concepts	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$
Depreciation (PP&E)	54,952,144	51,613,423
Amortization (Intangible)	3,034,427	2,454,020
Amortization (Rights of use)	1,848,481	1,544,593
Losses from withdrawal and damages*	812,913	1,822,932
Total	**60,647,965**	**57,434,968**

* The losses for the withdrawal and damages are a replacement of equipment by technical conditions, not significantly affecting the deterioration of the Cash Generating Unit.

26.4 FINANCIAL RESULTS

The detail of the financial result for the years ended December 31, 2024 and 2023, is as follows:

Concepts	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$
Financial income:	**19,610,416**	**45,885,087**
Commercial interest earned	481,967	80,941
Bank interest earned	10,854,164	37,568,849
Interest earned from related parties	8,274,285	8,235,297
Financial expenses:	**(95,065,567)**	**(84,016,244)**
Interest and expenses on bonds	(73,950,824)	(72,984,890)
Interest rate Swap	(16,634,480)	(10,112,884)
Other expenses	(4,480,263)	(918,470)
Gain (loss) from indexation units	**(48,282,304)**	**(53,732,275)**
Gain (loss) from indexation of bonds	(59,925,590)	(54,095,166)
Gain (loss) from indexation of loans to related parties	11,069,910	8,539,239
Other Gain (loss) from indexation of UF	573,376	(8,176,348)
Foreign exchange gains (losses), net	**334,997**	**3,251,429**
Obligations with public	(87,233,761)	611,011
Intercompany Loan	162,638	(9,432,744)
Financial instruments	39,839,897	(12,860,316)
Finance lease	43,447,191	22,436,647
Other	4,119,032	2,496,831
Total financial result, net	**(123,402,458)**	**(88,612,003)**

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27 - INCOME TAX

The income tax for the years ended December 31, 2024 and 2023 is as follows:

Concepts	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$
Current tax expense	31,341,405	844,248
Deferred tax expense relating to origination and reversal of temporary differences	16,896,445	71,417,579
Income tax expense	**48,237,850**	**72,261,827**

The following table reconciles income taxes resulting from applying statutory tax rate to the "Profit before Taxes" to the income tax expense recorded in the income statement for the years ended December 31, 2024 and 2023:

Concepts	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$
Tax expense using the legal rate	**48,727,612**	**67,971,812**
Price-level restatement tax capital	288,535	1,268,168
Price-level restatement of Investment	252,551	150,340
Expenses not accepted	(318,734)	993,162
Price-level restatement of tax loss	(58,585)	(1,635,404)
Other differences	(653,529)	3,513,749
Total adjustments to tax expense using statutory rate	**(489,762)**	**4,290,015**
Tax expense using effective tax rate	**48,237,850**	**72,261,827**

Concepts	01-01-2024 31-12-2024 ThCh$	01-01-2023 31-12-2023 ThCh$
Tax expense using the legal rate	**27.00%**	**27.00%**
Price-level restatement tax capital	0.16%	0.50%
Price-level restatement of Investment	0.14%	0.06%
Expenses not accepted	(0.18%)	0.39%
Price-level restatement of tax loss	(0.03%)	(0.65%)
Other differences	(0.36%)	1.40%
Total adjustments to tax expense using statutory rate	**(0.27%)**	**1.70%**
Tax expense using effective tax rate	**26.73%**	**28.70%**

The tax rate used for the years 2024 and 2023 reconciliations corresponds to 27%, a corporate tax rate that entities should pay on taxable profits based on current tax regulations.

28 - EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit attributable to the Company's shareholders by the weighted average number of common shares in circulation during the year excluding, if any, common shares purchased by the Company and maintained as treasury shares.

Basic Earnings per Share	31-12-2024 ThCh$	31-12-2023 ThCh$
Profit Attributable to Holders of Equity Participation Instruments of the Parent Company	132,234,788	179,485,626
Earnings available to common shareholders, basic	132,234,788	179,485,626
Total basic shares	1,000,000	1,000,000
Basic earnings per share (Ch$)	**132,235**	**179,486**

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

29 - SEGMENT REPORTING

The Company engages exclusively in providing services related to electricity transmission. To provide such services, they possess assets throughout the country that form the Transelec transmission system, stretching 10,117 kilometers from the Arica y Parinacota Region to the Los Lagos Region.

Electricity transmission service falls under the legal framework that governs the electricity sector in Chile. This framework defines transmission systems and classifies transmission facilities into the national transmission system, the zonal system and dedicated (in replacement of the Trunk, Sub transmission and Additional systems, defined in the Short Law I), establishing an open access scheme for the first two systems and allowing additional lines that use easements and have national assets for public use along their paths to be used by third parties under non-discriminatory technical and economic conditions. The law also sets criteria and procedures for determining compensation that transmission facility owners are entitled to receive.

Transelec's revenue from the national system, Zone systems and Dedicates systems used by users subject to price regulation, consists of the "annual transmission value per segment" (VATT for its Spanish acronym), which is calculated every 4 years based on the "annual investment value" (AVI for its Spanish acronym), plus "operating, maintenance and administrative costs" (COMA for its Spanish acronym) for each segment that forms such systems.

Revenue from transport on dedicated systems is established in private contracts with third parties, which are mainly generators and users that are not subject to price regulation. The main purpose of Dedicated systems is to allow generators to inject their production into the electrical system and withdraw it for large customers.

The law distinguishes between the different systems in order to ensure that tariffs are appropriate for each case. However, the facilities in a certain voltage (220 KV, for example) are of the same type, be it National, Zonal or Dedicated. Thus, a 220 KV facility requires a given type of maintenance, fundamentally because of its geographic location, its proximity to the ocean, the climate, etc., but in no case does this maintenance depend on whether that facility is National, Zonal or Dedicated. In relation with the operation, which is carried out by the National Electrical Coordinator, except for minor operational restrictions in the National segment, there is no difference in the generality of the operation of the facilities of the National, Zonal or Dedicated segments. Thus, for Transelec, the classification of a facility as National, Zonal or Dedicated turns out to be just a separation for pricing purposes, not distinguishing other consequences in that classification.

The Company's management analyzes its business as a set of transmission assets that enables it to provide services to its customers. As a result, resource allocation and performance measurements are analyzed in aggregate.

Internal management takes into account this classification criterion for revenue and costs merely for descriptive purposes but in no case for business segmentation.

Consequently, for the purposes of applying IFRS 8, the entire business already described is defined as the only operating segment for the Company.

Information about products and services

Concept	31-12-2024 ThCh$	31-12-2023 ThCh$
Transmission services	445,475,349	471,267,232

Information about sales and principal customers

Information about the main customers of the Company is contained in note 3.1.2 Credit risk.

30 - THIRD-PARTY GUARANTEES, OTHER CONTINGENT ASSETS AND LIABILITIES AND OTHER COMMITMENTS

As of December 31, 2024, the Company has received performance guarantees from contractors and third parties, primarily to guarantee performance of construction and maintenance works, amounting to ThCh$56,665,459 (ThCh$58,541,210 as of December 31, 2023).

As of December 31, 2024, the Company has issued Guarantee Certificates for government entities and commercial counterparts, mainly to guarantee the fulfillment of works, the seriousness of offers in new tenders and/or asset purchases for an amount of ThCh$59,782,223 (ThCh$52,244,286 as of December 31, 2023).

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

31 - DISTRIBUTION OF PERSONNEL

As of December 31, 2024 and 2023, personnel employed by Transelec S.A. are detailed as follows:

Concept	Managers and Executives	Professionals	Technical personnel and other	Total	Average of the year
Total as of 12-31-2024	18	477	93	588	588
Total as of 12-31-2023	18	476	96	590	590

32 - ENVIRONMENT

Transelec, in compliance with current environmental regulations and in line with its sustainability policy have undergone environmental assessment projects or amendments thereto to the environmental authority through the Environmental Evaluation System (SEIA). To this end, several studies were conducted to substantiate the presentations that have allowed environmental documents. These documents are an Environmental Impact Statement (EIS for Spanish acronym) or an environmental impact study concerned, met the requirements of Law No. 19,300 on General Environment, amended by Law No. 20,417, and its regulations of SEIA. For projects that have started their implementation the Company has been following the conditions and measures imposed by environmental authorities in the respective resolutions of environmental qualification.

For the years ended December 31, 2024 and 2023, the Company has made the following environmental disbursements:

Company making disbursement	Proyect	31-12-2024 ThCh$	31-12-2023 ThCh$
Transelec	Environmental management, elaboration of DIA and EIA and the follow up of environmental matters (includes environmental permissions for sectors)	3,472,872	1,850,086
Gea Transmisora SpA		2,979	-
Total		**3,475,851**	**1,850,086**

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

33 - ASSETS AND LIABILITIES IN FOREIGN CURRENCY

a) Current assets and liabilitiess

Classification	Headings	Foreign Currency	Functional Currency	31-12-2024		31-12-2023	
				Up to 90 days ThCh$	Up to 90 days ThCh$	Up to 90 days M$	Up to 90 days M$
Current Assets	Cash and cash equivalents	US Dollar	Ch$	203,237,707	-	7,095,644	-
		Other Currency	Ch$	12,580	-	11,787	-
Current Assets	Other financial assets	US Dollar	Ch$	716,896	1,952,334	227,855	1,283,232
Current Liabilities	Other financial liabilities	US Dollar	Ch$	387,865,039	-	-	12,518,536

b) Non-current assets and liabilities

Classification	Headings	Foreign Currency	Functional Currency	31-12-2024					31-12-2023				
				More than 1 up to 2 years ThCh$	More than 2 up to 3 years ThCh$	More than 3 up to 4 years ThCh$	More than 4 up to 5 ThCh$	More than 5 years ThCh$	More than 1 up to 2 years ThCh$	More than 2 up to 3 years ThCh$	More than 3 up to 4 years ThCh$	More than 4 up to 5 ThCh$	More than 5 years ThCh$
Non-current assets	Other financial assets	US Dollar	Ch$	3,390,956	4,163,458	4,689,064	5,597,356	341,878,801	2,328,367	2,960,648	3,637,427	4,098,590	304,725,297
Non-current liabilities	Other financial liabilities	US Dollar	Ch$	-	-	-	345,729,295	-	328,121,736	-	-	-	303,208,497

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

34 - SANCTIONS

The Company maintains the following fines and lawsuits:

Fines and lawsuits

1. With regard to delays in two of the important milestones of Nogales-Polpaico project, the Ministry of Energy proceeded in June 2016 to collect two guarantees for a total of US$2,960,000. In 2016, the CDEC-SIC (currently CEN) settled the fine for delays to start the operations of the Project and reported that Transelec was obliged to pay the maximum fine, that is, US$1,800,000. Transelec filed an appeal for protection against the CDEC-SIC (currently CEN) and the Ministry of Energy, since there are requests for extension of time they have not been resolved by the Ministry, so it is entirely inappropriate to act CDEC-SIC (currently CEN) and the failure of the Ministry of Energy. The Court of Appeals declared admissible and ordered injunction. By judgment dated December 13, 2016, the Court of Appeals rejected the protection. The Supreme Court rejected the appeal presented. Up to date, this fine has not been informed to the General Treasury of the Republic.

   As of December 31, 2024, the Company maintains a provision for this obligation in the amount of ThCh$1,793,628, equivalent to US$1,800,000.

2. As of December 31, 2024, the Company has reversed a provision of ThCh$1,866,788, equivalent to US$1,873,412, corresponding to the potential fine and performance guarantee collection by the Government authority in relation to a project awarded. The above, because the Ministry of Energy partially accepted the request for an extension of certain milestones associated with said project.

35 - BUSINESS COMBINATIONS

Acquisition of Gea Transmisora SpA

On May 31, 2024, the Company acquired 1,000 shares corresponding to 100% of the share capital of Gea Transmisora SpA, which until that date was owned by Rentas Eléctricas I Limitada, indirect parent of Transelec S.A. The consideration paid for these shares is ThCh$918 (ThUS$1). Since that date, Transelec S.A. took control of Gea Transmisora SpA and therefore the latter has been considered its subsidiary in these Consolidated Financial Statements.

As it is a business combination of entities under common control, this acquisition is outside the scope of IFRS 3 “Business Combinations”.

The Company recognized the book value of the assets and liabilities recorded by Gea Transmisora SpA on the date of acquisition.

On the other hand, Transelec S.A. recognized in the accumulated result of its Consolidated Financial Statements the value of the accumulated loss recorded by Gea Transmisora SpA on the date of the acquisition corresponding to ThCh$522,177 (ThUS$586).

The Statement of Financial Position at book value presented by Gea Transmisora SpA at the date of acquisition is as follows:

Statement of Financial Position at book value	ThUS$	ThCh$
Cash and cash equivalents	1	917
Other financial assets	7	6,328
Total current assets	**8**	**7,244**
Deferred tax assets	213	194,859
Total non-current assets	**213**	**194,859**
Total Assets	**220**	**202,103**
Trade and other payables	12	10,954
Accounts payable to related entities (T. Holdings Rentas)	754	691,393
Accounts payable to related entities (Transelec S.A.)	28	25,679
Total current liabilities	**794**	**728,027**
Total Liabilities	**794**	**728,027**
Issued and paid-in capital	1	918
Retained earnings	(586)	(522,177)
Profit	11	10,500
Reserve for currency translation adjustment	-	(15,165)
Total Equity	**(574)**	**(525,924)**

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

Acquisition of Ana Maria S.A.

On June 24, 2024, Transelec S.A. acquired the 100% of the share capital of Ana Maria through the acquisition of the 11,969,044,292 shares issued by this company. As such and in accordance with the requirements established in IFRS 10 "Consolidated Financial Statements", Transelec S.A. obtained the control of Ana Maria S.A. The consideration paid by the Company amounted to ThCh$17,574,420 (ThUS$18,749).

Ana Maria S.A. is located in the Antofagasta Region (northern Chile). Its main assets are a substation with a 220kV transmission line and a substation expansion project.

The Company applied the requirements of IFRS 3, "Business Combinations" under which assets acquired and liabilities assumed should be recognized at their fair values at the date of acquisition.

This business combination was accounted for using the acquisition method at the date on which control was transferred to the Transelec S.A. Given that, the acquisition was completed on June 24, 2024, thus, as of June 30, 2024, Management has used its best estimate to determine the fair value of assets acquired and liabilities assumed.

The Company measured the assets acquired and liabilities assumed at their fair values at the date of acquisition and proceeded to record as goodwill the differences between the consideration transferred and fair value of the net assets acquired determined in these Consolidated Financial Statements.

The estimated fair values of the identifiable assets and liabilities of Ana Maria S.A as at the date of acquisition are as follows

Recognized amounts of identified assets acquired and liabilities assumed	ThUS$	ThCh$
Cash and cash equivalents	69	65,271
Other financial assets	542	512,277
Trade and other receivables	76	71,343
Total current assets	**687**	**648,891**
Property, plant and equipment	15,968	15,079,512
Total non-current assets	**15,968**	**15,079,512**
Total Assets	**16,655**	**15,728,403**
Trade and other payables	3,015	2,847,303
Total current liabilities	**3,015**	**2,847,303**
Deferred tax liabilities	5	4,262
Total non-current liabilities	**5**	**4,262**
Total Assets	**3,020**	**2,851,565**
Total identifiable net assets	**13,636**	**12,876,838**

Total consideration transferred	**17.574.420**
Estimated fair value of net assets acquired	**12.876.837**
Preliminarily estimated goodwill arising on acquisition	**4.697.583**

As presented in the table above, Transelec S.A. determined the goodwill on acquisition of ThCh$4,697,583 as a difference between the aggregate of the fair value of the consideration transferred and the net recognized amount of the identifiable assets acquired, and the identifiable liabilities assumed.

Acquisition-related costs of ThCh$132,532, related to external legal fees and due diligence costs, were expensed as incurred and included in administrative expenses.

Notes to the Consolidated Financial Statements Transelec S.A. and Subsidiaries

For the years ended December 31, 2024 and 2023
Expressed in thousands of Chilean pesos (ThCh$)

36 - SUBSEQUENT EVENTS

On January 14, 2025, the Company made the payment of the principal of "Senior Notes – Maturity 2025" Bond for a total of ThCh$378,450,000 (MUS$375,000) together with the last installment of interest, which amounted to M$8,042,063 (MUS$7,969).

On January 13, 2025, the Company unwound the Cross Currency Swap maintained with Goldman Sachs for a notional amount of MUS$23,500, monetizing the market value of said instrument for a total net amount of ThCh$9,966,611.

On Tuesday, February 25, 2025, a power supply interruption occurred affecting the national territory from the Arica-Parinacota to the Los Lagos regions. It is within the authority of the regulatory bodies to investigate the causes and responsibilities of the mentioned events, and thus, both the Superintendency of Electricity and Fuels and the National Electric Coordinator will audit the facilities of the Company and other participants in the electric industry as part of the evaluation of the events that caused the failure.

Between December 31, 2024, closing date of these consolidated financial statements and their issuance date, there has been no others significant financial and accounting events that may affect the equity of the Company or the interpretation of these consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) OF THE CONSOLIDATED FINANCIAL STATEMENTS

TRANSELEC S.A. AND SUBSIDIARIES
Santiago, Chile
December 31, 2024 & 2023

SUMMARY

As of December 31, 2024, cash and cash equivalents totaled MCL$352,725, nearly doubling the previous period's balance (MM$178,336), allowing the company to comfortably meet its obligations, daily operations and investments throughout the year, while also ensuring a solid cash reserve to cover the maturity of its international debt in January 2025.

The company's revenues have remained stable over time, exceeding MCL$400,000 for the past three years. When comparing 2024 to the previous year, Revenues from Ordinary Activities reached MCL$445,475, representing a 5.5% decrease compared to the same period in 2023 (MCL$471,267), a year in which a higher income was recorded (in the first quarter of 2023) under IFRS 16, related to a lease contract for a dedicated project that was commissioned (one-time effect, non-cash effect). In 2024, revenues were positively benefited from macroeconomic variables, the valuation of assets not included in the 2020-2023 tariff process, and commissioning of new projects, and negatively affected by contract renegotiations with Enel and other operational provisions. For the December financial statements of both periods, regulated revenues are determined in accordance with Supreme Decree 7T (DS7T), published on February 16, 2023.

As of December 31, 2024, Transelec obtained an EBITDA[1] of MCL$366,180, a 2.7% lower than the one obtained in the same period of 2023 (MCL$376,336), mainly due to the revenue effects mentioned above, with an EBITDA Margin[2] of 82.2%. For comparison purposes, EBITDA as of December 31, 2023, has excluded the income associated with a one-time effect of the accounting effect of the leasing contract, so that the EBITDA better reflects cash.

The loss in Non-Operating Income as of December 2024 was MCL$122,989, while in 2023 it was MCL$88,423. This result is mostly explained by a lower financial income (in 2023 the company had a higher balance of cash) and higher financial costs, partially offset by lower loss for indexed assets and liabilities.

Net Income recorded by the Company as of December 31, 2024, was MCL$132,234, and MCL$179,486in 2023.

During 2024, the Company incorporated the equivalent of ~US$73 million of facilities, which corresponds to upgrades in the Zonal (3) and National systems (1), two expansions in the Dedicated system and four acquisitions.

[1] EBITDA= Operating Revenues + Operating Costs + Administrative Expenses + Other Income (Losses) + Finance Leases Amortization - One-time events. Operating Costs and Administrative Expenses do not include Depreciation and Amortization.
[2] EBITDA Margin= EBITDA/Revenues

Relevant events of the period:

- **In January,** Feller Rate ratified Transelec's local risk rating of AA, with a stable outlook.
- **In February,** the Revolving Credit Facility (RCF) was renewed until February 2027. The terms remained the same, just adjusting the spread.
- **In April,** both the 2023 Financial Statements and 2023 Integrated Annual Report were approved by the shareholders meeting.
- **In June,** MCL$54,720 were distributed as 2023 definitive dividend, equivalent to 30% of 2023 Net Income.
- **On September 5th,** Transelec S.A. carried out a successful issuance of bonds in the local market.
  - Series Y, for UF 1.5 million, 4-year bullet, was placed at a rate of 2.99% (UF)
  - Series AB, for UF 3.5 million, 21-year bullet, was placed at a rate of 3.20% (UF)
- **In December,** Transelec unwound currency swaps totaling MMUS$150. The company received MMUS$35 in compensation and recorded an impact of MMUS$-13 in P&L. This operation was carried out as part of its balance sheet hedging policy, considering that in January 2025, one of its USD-denominated bonds (MMUS$375) was maturing.
- Transelec S.A.'s credit rating was reaffirmed in December 2024:
  - Local Rating: Feller, Humphrey's, and Fitch at AA.
  - International Rating: S&P and Fitch at BBB, and Moody´s at Baa1.
- **Throughout the year,** the company added two subsidiaries to its portfolio: Ana María S.A., associated with the acquisition of assets from a third party, and Gea Transmisora SpA, as part of a reorganization. In this process, Gea Transmisora SpA, which previously had no assets, was transferred from being a sister company to a subsidiary, and the recently awarded projects for synchronous condensers and batteries were subsequently incorporated into it.

1. INCOME STATEMENT ANALYSIS

ITEMS	December 2024 MCL$	December 2023 MCL$	Variation 2024/2023 MCL$	Variation 2024/2023 %
Revenues	**445,475**	**471,267**	**-25,792**	**-5.5%**
Sales	432,278	462,502	-30,224	-6.5%
Services	13,198	8,765	4,433	50.6%
Operation Costs and Expenses	**-142,014**	**-131,097**	**-10,917**	**-8.3%**
Sales Costs	-44,992	-40,618	-4,374	-10.8%
Administrative Expenses	-36,374	-33,044	-3,330	-10.1%
Depreciation and Amortization	-60,648	-57,435	-3,213	-5.6%
Operating Income	**303,461**	**340,170**	**-36,709**	**-10.8%**
Financial Income	19,610	45,885	-26,275	-57.3%
Financial Costs	-95,066	-84,016	-11,050	-13.2%
Foreign exchange differences	335	3,251	-2,916	-89.7%
Gain (loss) for indexed assets and liabilities	-48,282	-53,732	5,450	10.1%
Other gains (losses)	413	189	224	118.3%
Non-Operating Income	**-122,989**	**-88,423**	**-34,566**	**-39.1%**
Income before Taxes	**180,472**	**251,748**	**-71,276**	**-28.3%**
Income Tax	-48,238	-72,262	24,024	33.2%
Net Income	**132,234**	**179,486**	**-47,252**	**-26.3%**
EBITDA[1]	**366,180**	**376,336**	**-10,156**	**-2.7%**
EBITDA Margin[2]	**82.2%**	**79.9%**	**2.3%**	

[1] EBITDA= Operating Revenues + Operating Costs + Administrative Expenses + Other Income (Losses) + Finance Leases Amortization-One-Time Revenues. Operating Costs and Administrative Expenses do not include Depreciation and Amortization.

[2] EBITDA Margin= EBITDA/(Revenues-One-Time Revenues).

a) Operating Income

The company's revenues have remained stable over time, exceeding MCL$400,000 for the past three years. When comparing 2024 to the previous year, Revenues from Ordinary Activities reached MCL$445,475, representing a 5.5% decrease compared to the same period in 2023 (MCL$471,267), a year in which a higher income was recorded (in the first quarter of 2023) under IFRS 16, related to a lease contract for a dedicated project that was commissioned (one-time effect, non-cash effect). In 2024, revenues were positively benefited from macroeconomic variables, the valuation of assets not included in the 2020-2023 tariff process, and commissioning of new projects, and negatively affected by contract renegotiations with Enel and other operational provisions. For the December financial statements of both periods, regulated revenues are determined in accordance with Supreme Decree 7T (DS7T), published on February 16, 2023.

During March 2024, the Final Interperiod Report was published (the first time that this process has been carried out), which approves the price of facilities that to date only had a reference value to the current decree and includes an inventory of old assets that had not initially been considered in the 2020-2023 rates. This considers a retroactive effect of higher revenues from 2020.

It should be noted that the financial statements as of December 31, 2024, consider the regulated income in accordance with the Supreme Decree (DS7T), published on February 16, 2023.

Total Transelec Operational Costs and Expenses as of December 31, 2024, were MCL$142,014, a 8.3% higher than the comparison period in 2023 that reached MCL$131,097. Total Costs and Expenses are composed by the following main items.

Sales Costs during the analysis period amounted to MCL$44,992, 10.8% higher than the same period of 2023 (MCL$40,618). The increase is explained by higher maintenance and personnel costs.

Administrative Expenses amounted to MCL$36,374 in December 2024, 10.1% higher than those in the same period in 2023 (MCL$33,044). The increase is mainly explained by higher advisory costs and other costs associated with project write-offs.

Total Depreciation and Amortization as of December 31, 2024, reached MCL$60,648, a 5.6% higher than the same period in 2023 (MCL$57,435). The increase is mainly explained by new projects put into service, which increased the depreciation associated with machinery and equipment.

b) Non-Operating Income

The Non-Operating Income at the end of December 2024, was a loss of MCL$122,989, while in 2023 it was MCL$88,423. This is mainly explained by lower financial income (in 2023 the company had a higher balance of cash and higher rates) and higher financial costs, partially compensated by a lower loss for indexed assets and liabilities.

The Financial Income registered until December 2024 amounted to MCL$48,282. The amount registered in the same period of 2023 was MCL$38,765. This decrease is mainly due to lower bank interest earned in 2024 in local currency (lower cash and rates).

The loss for Indexed Assets and Liabilities was MCL$32,254 as of December 31, 2024. This is due to a 4,42% variation in the value of the UF in 2024, which primarily impacts our UF-denominated bonds, along with other effects. In the same period of 2023, the loss was MCL$53,732, associated with a 4,78% variation in UF value.

The Exchange Differences as of December 2024 resulted in a profit of MCL$335, while during the same period of 2023, the balance was a profit of MCL$3,251. The Exchange Differences remain limited, associated with the foreign currency hedging policy.

Financial Costs registered as of December 2024 reached MCL$95,066, increasing by 13.2% compared to the same period of 2023 (MCL$84,016). The increase is mainly due to the termination of some exchange rate hedging contracts, higher bank fees and commissions, partially compensated by higher interest capitalized by projects in progress.

Other Income, as of December 2024, were a profit of MCL$413, while in December 2023 were MCL$189. This difference is mainly due to the sale of scraps, equipment and vehicles.

c) Income tax

Income Tax as of December 31, 2024, was MCL$48,238, while in the same period of 2023 was MCL$72,262, which represents a difference of 33.2%.

2. BALANCE SHEET ANALYSIS

ITEMS	December 2024 MCL$	December 2023 MCL$	Variation 2024/2023 MCL$	Variation 2024/2023 %
Current assets	**567,092**	**304,495**	**262,597**	**86%**
Non-current assets	3,369,447	3,075,033	294,414	10%
Total Assets	**3,936,540**	**3,379,527**	**557,013**	**16%**
Current liabilities	620,371	213,584	406,787	190%
Non current liabilities	2,242,117	2,231,423	10,694	0%
Equity	1,074,052	934,521	139,531	15%
Total Liabilities & Equity	**3,936,540**	**3,379,527**	**557,013**	**16%**

The increase in Assets between December 2024 and 2023 is mainly explained by an increase in the balance of cash and cash equivalent (due to the bonds issuance in the local market) and property, plant and equipment.

The increase in Liabilities and Equity is mainly due to an increase in other financial liabilities and in equity as a consequence of an increase in accumulated earnings. The variation in current and non-current financial liabilities corresponds mainly to the reclassification in the short term of the MMUS$ 375 senior bonds maturing in January 2025 in the international market and to the bonds issuance in the local market for a total of UF5 million.

Value of the Main PP&E in Operation

ASSETS	December 2024 MCL$	December 2023 MCL$	Variation 2024/2023 MCL$	Variation 2024/2023 %
Land	21,769	21,769	0	0%
Building and Infraestucture	1,384,866	1,315,531	69,335	5.3%
Work in progress	574,274	419,194	155,080	37.0%
Machinery and equipment	962,237	882,531	79,706	9.0%
Other fixed assets	6,399	6,396	3	0.0%
Right of use	21,596	8,667	12,929	149.2%
Depreciation (less)	-813,516	-757,988	-55,528	-7.3%
Total	**2,157,625**	**1,896,101**	**261,524**	**13.8%**

Current Debt

					Amount in original currency (million) (unpaid capital)	
Debt	**Currency or index**	**Interest rate**	**Type of rate**	**Maturity Date**	**December 2024**	**December 2023**
Series D bond	UF	4.25%	Fixed	15-Dec-27	13.50	13.50
Series H bond	UF	4.80%	Fixed	01-Aug-31	3.00	3.00
Series K bond	UF	4.60%	Fixed	01-Sep-31	1.60	1.60
Series M bond	UF	4.05%	Fixed	15-Jun-32	3.40	3.40
Series N bond	UF	3.95%	Fixed	15-Dec-38	3.00	3.00
Series Q bond	UF	3.95%	Fixed	15-Oct-42	3.10	3.10
Series V bond	UF	3.30%	Fixed	01-Mar-48	3.00	3.00
Series X bond	UF	3.20%	Fixed	01-Mar-34	4.00	4.00
Series Y bond	UF	3.80%	Fixed	01-Aug-28	1.50	0.00
Series AB bond	UF	3.90%	Fixed	01-Aug-45	3.50	0.00
Series Senior Notes bond @2025	USD	4.25%	Fixed	14-Jan-25	375.00	375.00
Series Senior Notes bond @2029	USD	3.88%	Fixed	12-Jan-29	350.00	350.00
Revolving Credit Facility[1]	USD	SOFR	Floating	08-Feb-27	-	-

[1] Revolving Credit Facility of US$250 million: The floating rate breaks down in SOFR plus a margin. As of December 31, 2024, the Company maintains this line fully available. This facility was renegotiated for 3 additional years in February 2024.

Although increases in inflation may have an impact on the costs of debt denominated in UF and therefore on the Company's financial expenses, these impacts are partially offset by inflation-indexed revenues.

In February 2024, the company renewed the revolving credit facility, maturing in February 2027.
In September, 2024, the company carried out a successful bond issuance in the local market, Series Y and Series AB.

3. CASH FLOW ANALYSIS

ITEMS	December 2024 MCL$	December 2023 MCL$	Variation 2024/2023 MCL$	Variation 2024/2023 %
Cash flows provided by (used in) operating activities	257,516	196,888	60,628	30.8%
Cash flows provided by (used in) investing activities	-268,410	-251,776	-16,634	-6.6%
Cash flows provided by (used in) financing activities	183,177	-161,182	344,359	N/A
Net increase (decrease) of cash and cash equivalent	**172,283**	**-216,070**	**388,353**	**N/A**
Effect of changes in the exchanges rate	2,105	590	1,515	256.8%
Net increase (decrease) of cash and cash equivalent	**174,388**	**-215,480**	**389,868**	**N/A**
Cash and cash equivalent at the begining of the period	178,336	393,816	-215,480	-54.7%
Cash and cash equivalent at the end of the period	**352,725**	**178,336**	**174,389**	**97.8%**

As of December 31, 2024, cash flow from activities of the operation reached MCL$257,516, which increased by 30,8% compared to the same period of 2023 (MCL$196,888). The increase is mainly due to higher revenue from the sale of goods and the provision of services.

During the same period of 2024, cash flow used in investment activities was MCL$268,410. As of December 31, 2023, the cash flow used in investment activities was MCL$251,776. The increase is mainly due to increased purchases of property, plants and equipment, and flows that were required for the purchase of 2 subsidiaries (GEA Transmisora SpA y Ana María S.A.).

As of December 2024, the cash flow from financing activities was MCL$183,177, while as of December 2023 it was used a MCL$161,177. The difference is mainly explained by the bond payment in the international market in 2024 and the dividend payment for retained earnings in the same year.

It should also be noted that, to ensure the immediate availability of funds to cover working capital needs, as of December 31, 2024, the company has the following revolving credit facility for an amount of US$ 250 million (this revolving credit facility was renegotiated and extended during February 2024 for three additional years).

Bank	"Amount (up to)"	Maturity	Type of Credit
The Bank of Nova Scotia, MUFG Bank Ltd, Bank of China Ltd, Banco Bilbao Vizcaya Argentaria S.A., Bank of America	US$250,000,000	08-Feb-27	Working Capital

4. INDICATORS

Financial restrictions contained in the company debt agreements are presented in the next table:

Covenants	Debt Contract	Limit	December 2024	December 2023
Capitalization Ratio[1]	D, H, K, M ,N & Q local Bonds	< 0.70	0.68	0.67
Shareholder's Equity[1] MMUF	D, H, K, M & N local Bonds	> 15.00	28.61	26.08
Shareholder's Equity[1] MM$	Q, V, X, Y & AB local Bonds and Revolving Credit Facility	> 350,000	1,099,021.50	959,491.31
Net Debt/Ebitda*	V,X, Y & AB local Bonds and Revolving Credit Facility	< 7.0x	5.07	4.21

Test	Bonds	Limit	December 2024	December 2023
Distribution Test[2] FNO[3]/Financial Expenses	D, H, K, M and N local Series	> 1.50	4.22	4.20

[1] PEquity= Total equity attributable to owners of the parent plus accumulated amortization of Goodwill. The accumulated amortization of Goodwill between June 30, 2006, and December 31, 2024, amounted to MCL$24.970.

[2] Test to distribute restricted payments such as dividends.

[3] FNO= Cash flow from operating activities plus the absolute value of finance costs, plus the absolute value of the expenditure for Income Taxes.

* EBITDA= Operating Revenues + Operating Costs + Administrative Expenses + Other Income (Losses) + Finance Leases Amortization. Operating Costs and Administrative Expenses do not include Depreciation and Amortization.

* In the case of the revolving credit facility, the limit is 8.0x.

Rates of profitability, liquidity and indebtedness of the company are presented in the next table:

RATIOS		December 2024	December 2023	Variation 2024/2023
Profitability[1]				
Shareholders' Equity profitability[2]	(%)	20.3%	22.6%	-230 pbs
Assets profitability[3]	(%)	5.5%	6.2%	-70 pbs
Operating assets profitability[4]	(%)	10.1%	11.1%	-100 pbs
Earnings per share[5]	($)	218,177	211,003	3.4%
Liquidity & Indebtedness				
Current Ratio	(times)	0.91	1.43	-36.4%
Acid-Test Ratio	(times)	0.91	1.43	-36.4%
Debt to Equity	(times)	2.67	2.62	1.9%
Short term debt/Total debt	(%)	21.7%	8.7%	1300 pbs
Log term debt/Total debt	(%)	27.0%	28.0%	-100 pbs
Financial expenses coverage	(times)	3.85	4.48	-14.1%

[1] Profitability ratios are presented under last twelve months criteria.

[2] Shareholders' Equity profitability is calculated as Net Income over Equity.

[3] Asset's profitability is calculated as Net Income over Total Assets.

[4] Operating assets profitability is calculated as Net Income over total value of the Main PP&E.

[5] Earnings per share is calculated as Net Income over total shares.

5. THE TRANSMISSION MARKET

5.1. THE TRANSMISSION ACTIVITY AND ITS REGULATION

Transelec develops its activities in Chile in the electricity market, which has been divided into three sectors: generation, transmission, and distribution. The generation sector includes companies that are dedicated to produce electricity that will subsequently be used throughout the country by end users. In the other hand, the primary goal of the transmission sector (the only sector in which it participates Transelec) is to transport the generated electricity from where it is produced (electrical power plants) to the 'points of entry' of the distribution companies' networks or of the large end users. Finally, the purpose of the distribution sector is to carry electricity to the physical location where each end user will use this electricity.

The transmission system of Transelec which stretches between 'Arica y Parinacota' Regions to 'Los Lagos' Region, encompasses most of the transmission lines and substations in the National Electrical System. This transmission system transports the electricity that supplies approximately 98.5% of Chile's population. The Company owns 28% of all the 500 kV electricity transport lines, 40% of the 220 kV lines, 90% of the 154 kV lines and 10% of the 110kV and 66kV lines.

The legal framework that governs the electrical transmission business in Chile is contained in DFL No. 4/2006, which establishes the modified, coordinated, and systemized text of Decree with Force of Law No. 1 from the Ministry of Mining, issued in 1982, and the General Electricity Services Law. (DFL No. 1/82), hereafter LGSE, and its subsequent modifications, including Law 19,940 ('Ley Corta I') published on March 13, 2004, and the Law 20.936 issued on July 20, 2016, which stablishes a new electric transmission system and creates an independent coordinator of the National Electric System "The Transmission Law". Additionally, those who explodes and operates transmission facilities must comply at every time with the provisions of the Regulations of Law N°20.936, and in its Technical Standards, highlighting the Current Technical Standard for Safety and Service Quality, as well as their respective Technical Annexes.

The last reform to the LGSE for the Transmission segment was the enactment of Law N°20.936 / 2016, which introduced the following relevant modifications:

- A single Coordinator of the National Electric System independent of the market players, replacing the Economic Load Dispatch Centers, CDEC-SIC and CDEC- SING.
- The redefinition of the transmission systems qualifying them as the National Transmission System (formerly trunk), the Zonal Transmission Systems (formerly sub-transmission), the Dedicated Systems (formerly additional), and will incorporate two new segments: Transmission Systems for Development Poles and International Interconnection Systems.
- The incorporation of energy and transmission planning with a long-term horizon, which considers gaps in the systems and where it seeks to achieve a more robust and secure system.
- Preliminary definition of routes for new works, through a procedure of Strip Study by the Ministry for the routes of new power transmission works of public interest.
- Universal open access to regulated Transmission Systems and dedicated Transmission Systems when technical capacity is available.
- Regulates the pricing and remuneration of National, Zonal Transmission Systems for Development Poles and payment for use of Dedicated Transmission System facilities by users subject to price regulation, among other matters.
- Establishes a scheme that regulates the definition, determination, and implementation of the Complementary Services that the electrical system requires to maintain the quality and safety of the electrical supply.

Additionally, to date, various regulations associated with Act No. 20.936 have been published, stablishing the necessary provisions for the regulation of issues related to: (i) The National Electrical Coordinator, (ii) Panel of Experts, (iii) energy planning, (iv) preliminary strips, (v) international exchanges, (vi)compensation for supply unavailability, (vii) the issuance of Technical Standards (viii) Coordination and Operation of the National Electrical System; (ix) Qualification, Valuation, Tariff and Remuneration of transmission facilities, (x) Transmission and Transmission Planning Systems; (xi) Facilities safety; (xii) Complementary services; (xiii) Distributed generation for self-consumption; (xiv) small-scale generating facilities.

Regarding Transelec' s business, it is focused on the economic retribution for the transport service delivered by its facilities, aligned to the security and quality service standards previously established by the regulations in force. Transelec has the right to annually receive the annual transmission value (VATT) for its facilities belonging to the National and Zonal Transmission Systems, defined in the tariff processes or in the Decree for the award of expansion works, as the case may be. In the case of the installations of the Dedicated Transmission System, Transelec agrees private transport contracts with the respective users, to define the payment for the use of this type of facilities.

5.2. VALUATION AND PRICING OF FACILITIES

Revenues associated to transmission activity are determined by the Commission every four years by conducting internationally tendered studies for transmission assets valuation, and processes that include the participation of companies, users and interested institutions and the Panel of Experts in the event of any discrepancies.

The owners of regulated transmission facilities must receive the Annual Value of Transmission per Section (VATT), made up of the sum of the real tariff income and the single charge associated with the section, which will depend on the transmission segment to which the installation belongs, the latter applied directly to the corresponding end users.

VATT of the existing facilities is calculated on an Annuity of the Value of Investment (AVI) that recognizes the efficient acquisition and installation costs according to market values (except land-use rights, expenses and compensation, which recognize what has actually been paid), which are annualized considering the assets life determined every three tariff periods and whit a variable discount rate, which will not be less than 7% or higher than 10%, plus the Costs of Operation, Maintenance and Administration (COMA), adjusted by income taxes.

The Transmission Law establishes a transitory payment regime for using national facilities that would become effective as of January 1, 2019 starting on that date and a transitory period that will extend until December 31, 2034, period during which the payments of the generating companies for the associated use to the supply agreements for free and regulated customers and that were concluded prior to the publication of enactment of the law N°20.936, year 2016, will apply the same general rules for calculating the payment of the trunk transmission with some adjustments. These adjustments provide for a progressive reduction in the injection tolls paid by generators to the transmission companies, according to a proportion defined in the Transitional Article 25 of the Transmission Law, with the aim that these amounts will gradually be transferred to the single charge of transmission, which is paid by the end customers of the system.

For the National System, decree 23T of the Ministry of Energy is issued on February 3, 2016, and for the Zonal system, Decree 6T is issued on October 5, 2018, both decrees end their validity on December 31, 2019. However, until the Decree of the valuation process of the 2020-2023 four-year period is issued, they continue to apply, and the corresponding differences must be incorporated in the determination of the Single Charge of the corresponding semester.

Through Exempt Resolution No. 815 of December 26, 2019, the CNE established that, from January 2020 and until such time as the final values that are established in the valorization decree of the facilities of National and Zonal transmission corresponding to the 2020-2023 four-year period, the Commission will fix the single charges for the use of the transmission based on those established in the semi-annual resolution in force in the second half of 2019 (stabilization of Transmission Charges). For the above, the CNE took into consideration that: i) the process of valorization of the transmission facilities that is currently underway will have a validity (retroactive) to January 1, 2020, and ii) that in said process a reduction of charges, among other reasons, due to the decrease in the discount rate calculated in accordance with the provisions of article 118 of the General Law of Electric Services. In accordance with the provisions of Exempt Resolution No. 815, the CNE decided to make these adjustments to the charges transferable to final customers "in order to preserve the principle of procedural economy established in Article 9 of Law No. 19,880, according to the which, the Administration must respond to the maximum economy of means effectively, avoiding delaying procedures ", since not doing it" the charges to the final clients should suffer an increase, to later originate a reduction, giving rise to re-liquidations when they come into force the new process of valorization ". The CNE indicates that the above has the final objective of reducing the risk of affection to end customers. Once the valorization decree for the period 2020-2023 has been published, the calculations for the corresponding Single Charge, established in article 113 and 115 of the Law must be carried out and, therefore, the companies that own the transmission facilities will receive the remuneration (VATT) in accordance with the provisions of Article 114 of the same, in order to ensure that the transmission companies receive an annual value of the transmission per section (VATT) that constitutes the total of their remuneration.

The tariff valuation process 2020 – 2023 was delayed by over 3 years but the corresponding decree was published in El Diario Oficial (Official Gazette) On February 16th, 2023.

The National Energy Commission issued the exempt Resolution No. 199 dated March 25, 2022, approving the Final Technical Report with the valorization of transmission systems facilities for the quadrennium 2020-2023, which was reviewed by the Office of the General Comptroller of the Republic, and subsequently the Ministry of Energy promulgated Decree 7T of 2022.

In the other hand, in relation to the state of catastrophe due to COVID19, on Saturday, August 8, 2020, Law 21,249 was published in the Official Gazette, which exceptionally provides for measures in favor of end users of health services, electricity and network gas (Basic Services Law).

Then, on January 5, 2021, Law No. 21,301 was published in the Official Gazette, by means of which the effects of Law No. 21,249 were extended, increasing the scope for suspension of payment of basic services affected from 90 days from its publication to 270 days and extending the proration months for the payment of debts from 12 months to 36 months.

Subsequently, on May 22, 2021, Law No. 21,340 was published in the Official Gazette, by means of which the measure of not cutting off supply due to debts and the possibility of postponing the payment of debts until December 31, 2021. The number of installments to pay the debt is extended from 36 to 48, and the reach of vulnerable users is increased from 60% to 80%, for the purpose of postponing the payment of debts.

Finally, on February 11, 2022, Law 21.423 was published, regulating the apportionment and payment of debts for health and electrical services generated during the pandemic by COVID-19 and providing for subsidies to vulnerable customers to pay them. Said fiscal charge subsidies will be to contribute to the payment of debts for drinking water consumption and for the payment of debts for electricity consumption. The benefited users will correspond to those who are delinquent in the debt generated by the postponement in the payment of basic services and have an average electricity consumption of no more than 250 kilowatt hours per month. The subsidies will be deducted monthly by the sanitation service companies and the electricity distribution companies and cooperatives to the beneficiary users.

On the other hand, the debts contracted will be paid in 48 monthly installments, counted from the month of entry into force of this law, where each installment may not exceed 15% of the collection associated with the average consumption of the year 2021. Once the 48 installments, if there is a balance of debt, it will be extinguished through agreements entered by the Ministry of Energy with the electric companies and cooperatives, respectively, which must be approved by the corresponding administrative act.

The 2024 – 2027 tariff valuation process has a delay of more than 2 years. However, the Facilities Qualification Report associated with this process was published through Exempt Resolution No. 461 issued by the CNE on August 30, 2024.

6. MARKET RISK FACTORS

Due to the characteristics of the Chilean electricity market and strict standards regulating the sector, Transelec S.A. is not exposed to substantial risk while operating its main line of business.

Transelec manages its risks through a corporate program, including the vision and information from the board of directors and employees in direct contact with the risks, with in the company strategy, workshops are utilized to analyzed past and potential risks. Conducting concrete actions to prevent and / or mitigate them, to lower their probability of occurrence or its impact.

At project level, the company develop the process of Stages and Decisions, which ensures that projects are guided by stablished protocols from develop of a business idea, going through the proposal presentation, adjudication and later construction or acquisition, even its launch, to ensure that the decision makers have the necessary information available and mitigate the risks in the different parts of the projects.

The main risks of the company are presented and discussed quarterly in the Board of Directors. However, the following risk factors should be mentioned and taken into consideration:

6.1. REGULATORY FRAMEWORK

Power transmission tariffs are established by law for 4-year periods and include an indexation to guarantee actual annual profitability for operators. The nature of this industry means that power transmission company revenue is stable over the long term. This revenue is complemented by revenue from private contracts with large customers.

However, the fact that these tariffs are revised once every four years in the National and Zonal Power Transmission Studies could mean new tariffs that could be less attractive for the Company in terms of investment made. There is no guarantee that the previous tariff level will be maintained in subsequent tariff cycles. Tariffs are based on each company's asset inventory and the updated prices of those assets. Therefore, errors in these databases or in the determined prices could result in incorrect tariffs, potentially requiring retroactive adjustments.

6.2. OPERATING RISKS

Although the Company's management believes it has adequate risk coverage, in line with industry practices, including a full annual exercise of Enterprise Risk Management, it is not possible to ensure that the preventive actions and mitigations implemented (asset management, safety fringe management, insurance policies, etc.) will be sufficient to cover certain operating risks, including forces of nature, fires, damages to transmission facilities, on-the-job accidents, equipment failures, and failures in monitoring and control systems (SCADA).

6.3. ENVIRONMENTAL INSTITUTIONALISM AND THE APPLICATION OF ENVIRONMENTAL STANDARDS AND/OR POLICIES

Transelec projects are subject to Law N° 19,300/1994 on General Environmental Guidelines ("Environmental Law") and its subsequent amendments. Transelec may run the risk of environmental permit lobbying taking longer than expected, which would delay project construction and open the possibility of fines being applied. Preventive and mitigative measures have been identified and defined for all risks related to the environment and communities surrounding the company's facilities.

6.4. CONSTRUCTION DELAYS FOR NEW TRANSMISSION FACILITIES

Success of the upgrades and expansion program for the power transmission network will depend on several factors, including the cost and availability of financing. Although Transelec has experience with large-scale construction projects, the construction of new facilities could be hampered by factors commonly associated with projects, including delays for the approval of regulatory authorizations such as power concessions, lack of equipment, materials or labor, or price variation, adverse weather conditions, natural disasters or unforeseen circumstances or difficulties when it comes to taking out loans under favorable conditions and at reasonable rates. Any of the aforementioned factors could lead to delays in the partial or total completion of the capital investment program, while increasing the cost of the projects considered in this program.

6.5. TECHNOLOGICAL CHANGES

Transelec is compensated for investments that makes in electrical transmission facilities through an annual valuation of the existing facilities (AVI), which is performed every four years using current market prices and periodically recalculated according to the process established in the current regulation. Any significant technological advance in the equipment that are part of Transelec' facilities could lower this valuation, which would prevent partial recovery of the investments made.

6.6. FOREIGN EXCHANGE RISK

Transelec has Chilean peso as its functional currency, therefore the following factors expose Transelec to foreign exchange risk:

- Transactions in U.S. dollars (construction contracts, import purchases, etc.).
- Leasing contracts that generate income indexed to US dollars.
- Accounts payables in US dollars associated to debt issued in U.S. America.
- Accounts receivables in US dollars associated to intercompany loans.
- Cross Currency Swap contracts that compensate the risks of exchange rates on the international issuances.

Exchange rate exposure is managed using a policy that involves fully hedging the Company's net balance sheet exposure using diverse instruments such as foreign exchange, forward contracts, and cross currency swaps.

The following table details the amounts of monetary assets and liabilities denominated into dollar and Chilean pesos in the periods indicated below:

Foreign Exchange Risk

			December 2024	December 2023
In million pesos	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Dollar (amounts associated with balance sheet items)	737,273	736,655	653,646	654,736
Chilean peso	3,199,267	3,199,885	2,724,361	2,723,271

Below are the exchange rates (Observed Dollar) in Chilean pesos to the United States dollar; in the periods indicated.

MONTH	Average 2024 ($)	Last Day 2024 ($)	Average 2023 ($)	Last Day 2023 ($)
		884.59		859.51
January	907.99	932.66	826.34	810.37
February	963.44	980.19	798.26	831.24
March	967.93	982.38	809.50	789.32
April	960.14	943.62	803.84	801.61
May	917.88	917.98	798.64	803.94
June	926.08	951.02	799.87	802.68
July	937.56	956.58	813.40	827.84
August	929.90	917.38	855.66	854.22
September	926.21	896.25	884.40	906.84
October	933.81	950.89	926.35	910.28
November	971.60	977.32	886.61	867.86
December	981.84	992.12	874.67	884.59
Average of the period	**943.70**	**949.87**	**839.80**	**840.90**

The income that Transelec is entitled to receive for its facilities belonging to the national and zonal transmission systems (VATT) and for the installations of the dedicated systems (toll contracts), are indexed to maintain their real values during the period of validity of these rates or tolls. These revenues are expressed in accordance with their base value, in dollars, and are updated according to components whose cost variation over time correlates with national or international economic indicators, considering the availability and stability of the source that issues it.

However, it cannot be ensured that Transelec will be fully protected by maintaining hedging contracts for the exchange rate. In addition, cross currency swaps and forwards contain counterparty credit risk, cash requirements on maturity dates or recouponing clauses (if any) and other associated risks.

6.7. CREDIT RISK

Regarding the credit risk associated with accounts receivable from the electricity transmission business, this risk is systematically incredibly low given the limited number of customers, their risk classification, and the short collection period.

However, revenues are highly concentrated on few customers that make up a large part of Transelec' s future cash flow. A substantial change to the assets, financial condition and/or operating results of these particular companies could adversely affect the Company.

The following table shows the top five customers and their comparison with to the previous year:

REVENUES	December 2024 MCL$	December 2024 %	December 2023 MCL$	December 2023 %
Enel Group	129,794	29.1%	138,599	29.4%
Grupo CGE	52,522	11.8%	46,243	9.8%
CGE Group	35,498	8.0%	38,050	8.1%
Colbún Group	38,902	8.7%	33,952	7.2%
AES Gener Group	24,925	5.6%	29,343	6.2%
Engie Group	32,228	7.2%	48,929	10.4%
Others	117,213	26.3%	124,337	26.4%
Total	**445,475**		**471,267**	
% Concentration	**73.69%**		**73.62%**	

The toll agreements signed with these clients, including its subsidiaries, will generate a large part of the Company's future cash flows and, therefore, a substantial change in their assets, financial condition and/or operating income could negatively affect the Company. This risk is compensated by the excellent credit level of these clients, together with the "take or pay" type of payment of the Transelec transmission income.

In terms of the Company's credit risk associated with financial assets (time deposits, fixed-return mutual funds and sell-back agreements), its treasury regulations establishes limits on a particular institution's exposure.

6.8. LIQUIDITY RISK

Liquidity risk is the risk of the Company not satisfying a need for cash or debt payment upon maturity. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price.

To guarantee that Transelec can quickly react financially to investment opportunities and pay its obligations by their maturity dates, the company has a stable and predictable remuneration over time, associated with the "take or pay" income, i.e., the company has income associated with its installed capacity of assets, and not with the volume transported. in addition, it has short-term receivables and a committed line of credit for working capital of US$250 million. This committed line of credit was first contracted on July 9, 2012, being renegotiated, and extended in 2014, 2017, 2020, 2021 and 2024. This line does not include any material clause of adverse change.

The Company is exposed to risks associated with its indebtedness, including refinancing risk when its debt matures. These risks are mitigated by using long-term debt and appropriately structuring maturities over time.

The following table presents the capital amortizations corresponding to the Company's financial liabilities, according to their maturity date, as of December 31, 2024, and December 31, 2023.

Debt Maturity (capital and interests) MCL$	0 to 1 year	0 to 3 years	3 to 5 years	5 to 10 years	More than 10 years	Total
December 31, 2024	455,761	666,922	502,111	565,959	717,568	2,908,321
December 31, 2023	76,822	461,595	601,453	734,197	613,781	2,487,848

6.9. INTEREST RATE RISK

Significant changes in fair values and future cash flows of financial instruments that can be directly attributable to interest rate risks include changes in the net proceeds from financial instruments whose cash flows are determined in reference to floating interest rates and changes in the value of financial instruments with fixed cash flows.

The Company's assets are primarily fixed and long-lived intangible assets. Consequently, financial liabilities used to finance such assets consist primarily of long-term liabilities at fixed rates. This debt is recorded in the balance sheet at amortized cost.

The objective of interest rate risk management is to achieve a balanced debt structure, decrease the impact on costs due to interest rate variations and, reduce volatility in the income statement.

All the debt as of December 31, 2024, and as of December 31, 2023, was at a fixed rate. However, in the case of UF indexed debt, variations in inflation rates could potentially affect the Company's financial expenses.

UF Values

MONTH	Average 2024 ($)	Last Day 2024 ($)	Average 2023 ($)	Last Day 2023 ($)
		36,789.36		35,110.98
January	36,805.73	36,733.04	35,227.24	35,287.50
February	36,750.98	36,856.50	35,382.14	35,509.68
March	36,984.32	37,093.52	35,579.62	35,575.48
April	37,187.51	37,261.98	35,666.65	35,838.55
May	37,349.91	37,438.91	35,969.53	36,032.89
June	37,514.77	37,571.86	36,069.31	36,089.48
July	37,591.38	37,578.95	36,079.89	36,049.05
August	37,638.55	37,754.47	36,068.70	36,130.31
September	37,849.91	37,910.42	36,175.90	36,197.53
October	37,950.09	37,971.42	36,273.59	36,388.07
November	38,078.21	38,247.92	36,489.40	36,489.40
December	38,367.69	38,416.69	36,669.38	36,789.36
Average of the period	**37,505.75**	**37,569.64**	**35,970.95**	**36,031.44**

6.10. RISK OF COMMITTING OFFENSES

Companies are exposed to the risk of committing offenses. Transelec has a risk matrix that outlines risk factors and preventive actions, along with ongoing training for its employees. With the enactment of the Economic Crimes Law, these prevention measures have been further strengthened.

6.11. OTHER RISKS

In addition to the previously mentioned, the company faces other risks, such as operational risks (fires and vandalism), cybersecurity, climate change, taxes, environmental and related permitting, and reputational risks.

7. SUBSEQUENT EVENTS

On January 14, 2025, the Company made the payment of the principal of "Senior Notes – Maturity 2025" Bond for a total of ThCh$378,450,000 (MUS$375,000) together with the last installment of interest.

On January 13, 2025, the Company unwound the Cross Currency Swap maintained with Goldman Sachs for a notional amount of MUS$23,500, associated with the bond maturing in the same month, monetizing the market value of said instrument.

On Tuesday, February 25, 2025, a power supply interruption occurred affecting the national territory from the Arica-Parinacota to the Los Lagos regions. It is within the authority of the regulatory bodies to investigate the causes and responsibilities of the mentioned events, and thus, both the Superintendency of Electricity and Fuels and the National Electric Coordinator will conduct audits of various participants in the electricity industry (including Transelec) as part of the assessment of the incident's root causes.

Between December 31, 2024, the closing date of these consolidated financial statements and their issuance date, there have been no others significant financial and accounting events that may affect the equity of the Company or the interpretation of these consolidated financial statements.

Consolidated Essential Facts Transelec S.A.

ESSENTIAL FACTS

In compliance with the provisions of Article 9 and the second paragraph of Stock Market Law N° 18.045 Article 10, the following essential facts issued during the fiscal year between January 31 and December 31, 2024, are reported:

1) On April 30, 2024, the following essential fact was reported:

At a meeting held on April 30, 2024, the Transelec S.A. Board of Directors submit to the knowledge and approval of the shareholders, the following matters:

1. Annual Report, Balance Sheet, Financial Statements and Report of the External Auditors, corresponding to the period ended on December 31, 2023.
2. Final dividend distribution. In this regard, the Transelec S.A. Board of Directors, agreed to propose to the shareholders the distribution of the amount of CLP$54.720 MM as a final dividend corresponding to the 2023 fiscal year.
3. Renew members of the Board of Directors.
4. Board of Directors and Audit Committee salaries.
5. Appointment of External Auditors.
6. The newspaper to be used to announce shareholder meetings.
7. Agreements reached by the Board of Directors regarding issues contained in Articles 146 and following of the Corporations Law.
8. Other issues of interest for the corporation and for consideration by the Board of Directors.

2) On May 3, 2024, the following essential fact was reported:

Dividend Distribution of the amount of CLP$54.720 MM.

3) On May 15, 2024, the following essential fact was reported:

The Transelec S.A. Board of Directors elected Mr. Alfredo Ergas Segal as Chairman of the Board.

4) On June 3, 2024, the following essential fact was reported:

The Transelec S.A. Board of Directors agreed to report as an essential fact the call to an extraordinary shareholders' meeting for June 17, 2024, in order to submit to the knowledge and approval of the shareholders, the following matters:

i. The cancellation of the registration of Transelec S.A. shares in the CMF securities registry.
ii. Additional matters necessary for the implementation of the agreements of the aforementioned meeting.

5) On June 18, 2024, the following essential fact was reported:

The Transelec S.A. extraordinary shareholders' meeting held on June 17, 2024, agreed to report as an essential fact, among other matters, to request and process the voluntary cancellation of the registration of the Company's shares in the CMF Securities Registry.

The aforementioned meeting was attended by 100% of the Company's issued voting shares, and the request was approved unanimously by said shares.

6) On August 14, 2024, the following essential fact was reported:

On August 13, 2024, an extraordinary shareholders' meeting was held, which by the registration of two bond lines in the CMF Securities Registry (Registro de Valores) was approved and authorized. These bonds lines will to be placed on the local market, one line with a maturity term of up to 10 years and the other line with a maturity term of up to 30 years, each line shall have a maximum total capital amount of 10,000,000 Unidades de Fomento. Both bonds' lines shall have a combined issuance limit of 10,000,000 Unidades de Fomento.

7) On August 14, 2024, the following essential fact was reported:

The Transelec S.A. Board of Directors, in the session held on August 28, 2024, agreed to report as a essential fact the approval of its new General Policy of Regular Transactions with Relates Parties under the company's usual business, which is available to all its shareholders on the company's website.

8) On September 5, 2024, the following essential fact was reported:

The company reported has essential fact the placement in the local market the following dematerialized series bonds: /i/ "AB" Series for a total amount of 3,500,000 Unidades de Fomento, with a maturity term on August 1, 2045, annually placement rate of 3.2%, issued under the registered bond line No. 1,182 of the CMF Securities Registry; /ii/ "Y" Series for a total amount of 1,500,000 Unidades de Fomento, with a maturity term on August 1, 2028, annually placement rate of 2.99%, issued under the registered bond line No. 1,183 of the CMF Securities Registry.

The capitals obtained from the placement of the bonds will be assigned by the Company approximately 50% to general corporate purposes, including the financing of its investments, and approximately 50% to the refinancing of the Company's long-term liabilities, regardless of whether they are denominated in national or foreign currency."

9) On November 19, 2024, the following essential fact was reported:

The Transelec S.A. Board of Directors held on November 18, 2024, agreed to report as an essential fact the call to an extraordinary shareholders' meeting for December 03, 2024, in order to submit to the knowledge and approval of the shareholders, the following matters:

i. To rescind the decision of cancel the registration of Transelec S.A. shares in the CMF securities registry, which was agreed in the shareholders' meeting held on June 17, 2024.
ii. Additional matters necessary for the implementation of the agreements of the aforementioned meeting.

10) On December 3, 2024, the following essential fact was reported:

On December 03, 2024, was held the Transelec S.A. extraordinary shareholders' meeting, by which was agreed, among other matters, to rescind the decision to request and process the voluntary cancellation of the registration of the Company's shares in the CMF Securities Registry, which was agreed in the shareholders' meeting held on June 17, 2024.

RESPONSIBILITY STATEMENT

Both the Directors and the CEO of Transelec S.A., which are signing this declaration, are responsible, under oath, regarding the accuracy of the information provided in this 2024 Annual Integrated Report, pursuant to General Norm No. 461, issued by the Commission for the Financial Market.

Alfredo Ergas
Chairman
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Director
Foreign

Jordan Anderson
Director
Foreign

Tao He
Director
Foreign

Mario Valcarce Durán
Director
ID.: 5.850.972-8

Blas Tomic Errázuriz
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