

AGREEMENT
Between Canal Associations
and Aguas Andinas S.A.

Asociación de Canalistas Sociedad del Canal de
Maipo, Asociación Canales Unidos de Buin,
Asociación de Canalistas del Canal de
Pirque, Asociación Canal Huidobro,
Asociación Canales de Maipo,
Asociación de Canalistas de Lo Herrera,
Asociación de Canalistas Lonquén — La Isla,

Junta de Vigilancia Primera Sección Río Maipo

**AGREEMENT
CANAL ASSOCIATIONS**

AGUAS ANDINAS S.A.

FIRST SECTION RÍO MAIPO

In Santiago, on August ____, 2021, between /i/ Asociación de Canalistas Sociedad del Canal de Maipo, Tax Identification Number (Rol Único Tributario) No. 70.009.410-3, represented, as will be duly evidenced, by Mr. Emilio Cousiño Valdés, National Identity Card No. 8.207.402-3, and by Mr. Alejandro Gómez Vidal, National Identity Card No. 6.975.457-0, all domiciled at Calle Orinoco No. 10, 11th floor, Las Condes District, hereinafter referred to as “SCM”; /ii/ Asociación Canales Unidos de Buin, Tax Identification Number No. 70.060.000-9, represented, as will be duly evidenced, by Mr. Felipe Moreno Valdés, National Identity Card No. 8.396.558-4, and by Mr. Carlos Eugenio Castillo González, National Identity Card No. 8.426.616-7, all domiciled at Ruta 5 Sur 427, Km 35, Buin District, hereinafter referred to as “ACUB”; /iii/ Asociación de Canalistas del Canal de Pirque, Tax Identification Number No. 81.462.500-1, represented, as will be duly evidenced, by Mr. Dagoberto Bettancourt Madrid, National Identity Card No. 10.969.047-3, and by Mr. Víctor Eduardo Pino Torche, National Identity Card No. 3.351.979-6, all domiciled at Ramón Subercaseaux 194, Pirque District, hereinafter referred to as “Canal de Pirque”; /iv/ Asociación Canal Huidobro, Tax Identification Number No. 70.440.700-9, represented, as will be duly evidenced, by Mr. Sebastián Bariggi Matjasic, National Identity Card No. 7.624.599-1, both domiciled at Panamericana Sur 427, Buin District, hereinafter referred to as “Canal de Huidobro”; /v/ Asociación Canales de Maipo, Tax Identification Number No. 82.793.200-0, represented, as will be duly evidenced, by Mr. Luis Baertl Jourdé, National Identity Card No. 12.098.930-8, both domiciled at Virginia Subercaseux 5946, Pirque District, hereinafter referred to as “Canales del Maipo”; /vi/ Asociación de Canalistas de Lo Herrera, Tax Identification Number No. 70.607.900-9, represented, as will be duly evidenced, by Mr. Germán Vial Altamirano, National Identity Card No. 7.034.741-5, both domiciled at Eleodoro Yáñez 2180, San Bernardo District, hereinafter referred to as “Canal Arriagada”; /vii/ Asociación de Canalistas Lonquén – La Isla, Tax Identification Number No. 75.282.900-4, represented, as will be duly evidenced, by Mr. Miguel Galdames Quezada, National Identity Card No. 8.505.519-4, both domiciled at Pasaje Viñedo 695, Isla de Maipo District, hereinafter referred to as “Canal Lonquén – La Isla”; and all the canals jointly as the “Canal Associations”; and /viii/ Aguas Andinas S.A., Tax Identification Number No. 61.808.000-5, represented, as will be duly evidenced, by Ms. Marta Colet Gonzalo, Foreigner Identity Card No. 22.390.117-4, both domiciled at Avenida Presidente Balmaceda No. 1398, Santiago District and City, hereinafter referred to as “Aguas Andinas”; and together with the Canal Associations referred to as the “Parties”, have agreed to execute this agreement, hereinafter referred to as the “Agreement”, in accordance with the terms and conditions set forth below:

I. CONSIDERATIONS:

- a) The prolonged drought affecting Chile, and particularly the Metropolitan Region of Santiago —where the largest portion of the country's population resides— is impacting the water security of the watershed, causing agro-food activities, water supply for both urban and rural populations, and natural environment itself to become increasingly affected.
- b) The foregoing has led, since 2011, to the various water users of the First Section of the Maipo River, through its Board of Surveillance and pursuing their common interest, seeking the necessary agreements for the distribution and redistribution of the water resource, in order to ensure the population's supply and its more efficient use for the different activities carried out by the members of these user organizations, creating for such purposes the Current Account One and Two, as described below.
- c) Likewise, the continuation of the drought has prompted that, since October 2020, the Parties have decided to form a Working Group in order to collaboratively address the analysis of various sustainable alternatives to add water resources to the First Section of the Maipo River. In a first stage, work sessions were held which, through presentations made by the technical advisors invited by the Parties, allowed them to learn about the different water solutions used throughout Chile and internationally, as well as the various measures that Aguas Andinas and the Canal Associations have been implementing to face the drought situation. All of this has led to the presentation of different projects for preliminary analysis. At a more advanced stage, an agreement has been reached as recorded below, which aims to establish the basis for a permanent solution to the water stress situation that has affected the watershed—and particularly the First Section of the Maipo River—for more than ten years. The foregoing is based on the incorporation of new sources, the optimization of the operational efficiency of the First Section of the Maipo River, the definition of the minimum volumes that must be stored in the Embalse El Yeso, and the transfer of water resources between Aguas Andinas and the Canal Associations and/or among the Canal Associations themselves to meet the supply needs of Santiago's population and the needs for the development of all activities, particularly agro-food and supply activities of the Canal Associations' users, and finally, the conditions under which such actions shall be carried out.

- d) The drought scenario described led Aguas Andinas, together with the Board of Surveillance of the First Section of the Maipo River (hereinafter also referred to as the “Board of Surveillance”), to request the declaration of a water scarcity zone for the Maipo watershed. The first decree to that effect was issued on September 10, 2019, and since that date the watershed has remained continuously under such declaration, with the latest decree in force until September 2021.
- e) Considering the commitment that the Parties have to the care of water and the natural environment, as well as to food security and the water supply for the population—which requires joint efforts toward a comprehensive approach to water resource management, combining demand-management measures with the optimization of existing resources within the water cycle, and incorporating environmental, social, economic, and legal considerations—the Parties hereby enter into this Agreement under the terms set forth below.

II. AGREEMENTS:

FIRST: COMMITMENT REGARDING NEW WATER SOURCES AND IMPROVEMENT OF EXISTING ONES.

The Parties, taking into consideration that the ultimate purpose of the agreements reached is to make water use more efficient so as to ensure a greater availability of the resource for the supply of the urban population of Santiago, as well as for the supply and agro-food activity of the First Section of the Maipo River, have agreed upon the following solutions to increase the availability of the water resource:

1. Maipo River Watershed Management Master Plan: A study shall be commissioned to analyze and propose short-, medium-, and long-term solutions for sustainable and resilient management of the Maipo River watershed, seeking to define new works or methods to increase the availability of water resources within the watershed.
2. Within the Maipo River Board of Surveillance: The Parties shall work on diagnosing the operational management of the Board of Surveillance and defining specific actions to optimize its management, particularly in view of the scarcity of resources caused by the extreme drought.
3. Exchange of Treated Wastewater for Canal Water: A project for the reuse of such water shall be implemented for its use in agro-food activities, to be exchanged with canal water from the First Section of the Maipo River intended to be treated for drinking-water distribution to the inhabitants of Santiago.

4. Construction of Wells: Within the First Section of the Maipo River there are water distribution zones located in areas with rich underground aquifers, which makes it far more efficient to supply water from this source during declared water-scarcity situations, rather than through surface conveyance subject to infiltration.
5. Aguas Andinas Investment Plan: The sanitation company is developing an investment plan aimed at maximizing the availability of water for sanitation purposes.
6. Improvement in Surface Conduction: A joint effort between Aguas Andinas and the Canal Associations shall allow the assessment and execution of the works required to improve the conduction of surface water and reduce infiltration, thereby enhancing the system's efficiency and increasing water availability.

SECOND: MASTER PLAN FOR THE SUSTAINABILITY AND RESILIENCE OF THE FIRST SECTION OF THE MAIPO RIVER.

The Parties undertake to work on the preparation and implementation of a Master Plan aimed at assessing the basin in order to develop an action plan that allows for the efficient management of both surface and groundwater resources, as well as the incorporation of new water sources.

This Master Plan shall be prepared by an engineering firm specialized in the subject, following a private tender process conducted on the basis of the terms of reference agreed upon by the Parties, as contained in Annex No. 1, which forms an integral part of this Agreement for all purposes.

The study and preparation of the Master Plan shall be financed by the Parties in proportion to their respective participation in the total number of shares they hold in the First Section of the Maipo River, and its final version shall be approved by the Parties.

The Parties undertake to make their best efforts to implement, in the shortest possible time, the solutions proposed in the Master Plan that they jointly deem appropriate to implement.

The Master Plan shall include, among others, projects for the exchange of raw water to be drawn at Aguas Andinas' Independent Intake in exchange for treated wastewater delivered at the Mapocho-Trebal Treatment Plant to the Canal Associations, which in any case shall comply with quality standards for the reuse of treated urban wastewater in agro-food activities, as set forth in Clause Four of this Agreement; the drilling, construction, and operation of wells within

the legal service easement of certain canals for use by the Canal Associations during declared scarcity periods; the maximization of the sustainable use of Aguas Andinas' groundwater resources through the operation of wells owned by the company; and the continued execution of works aimed at minimizing water losses within its distribution network.

Without prejudice to the projects mentioned above, it is also the intention of the Parties to study other initiatives, all within the framework of the Master Plan, such as additional projects for the reuse of treated wastewater and, among others, the lining of canals, aquifer infiltration, and gate automation.

THIRD: DIAGNOSIS OF THE OPERATIONAL MANAGEMENT OF THE BOARD OF SURVEILLANCE AND DEFINITION OF ACTIONS TO OPTIMIZE ITS MANAGEMENT.

The Parties agree to work on a diagnosis of the operational management of the Board of Surveillance and on the definition of specific actions to optimize its management, particularly in view of the scarcity of resources due to the extreme drought.

For the purpose of carrying out the foregoing, the Parties have agreed to engage hydraulic engineers specialized in the matter and to establish the objectives and scope of their assignment.

The diagnosis of the Board of Surveillance's management shall be financed by the Parties in proportion to their respective participation in the total number of shares they hold in the First Section of the Maipo River.

The Parties shall submit, for consideration by the Board of Directors of the Board of Surveillance, the solutions proposed in the operational diagnosis work that are deemed necessary to implement and shall make their best efforts to ensure their approval.

FOURTH: EXCHANGE OF RAW WATER TO BE CAUGHT AT THE INDEPENDENT INTAKE OF AGUAS ANDINAS FOR THE SUPPLY OF TREATED WATER FROM THE MAPOCHO-TREBAL TREATMENT PLANT TO THE CANAL ASSOCIATIONS FOR REUSE.

Aguas Andinas undertakes to develop and operate a project for the exchange of raw water to be caught at the Independent Intake in return for the delivery of treated wastewater from the Mapocho-Trebal Plant, which in any case shall meet quality standards sufficient for the reuse of urban treated wastewater in agro-food activities carried out by the irrigators of Asociación Canales del Maipo, Asociación Canales Unidos de Buin, and Asociación Canal Huidobro, or any of them, as may be most efficient and as specifically agreed with such canals. The terms and specifications of this project are detailed in Annex No. 2.

Aguas Andinas is also studying the feasibility of developing another treated-wastewater reuse project, this time involving the La Farfana bio-factory, with a view to exchanging raw water with the northern canal network of Santiago belonging to the Sociedad del Canal de Maipo.

The execution of both projects shall depend on Aguas Andinas obtaining all necessary legal authorizations, whether regulatory, environmental, sectoral, or any other required, including those necessary for the agro-food use of reclaimed water.

The specific aspects of the exchange of raw and treated water between Aguas Andinas and one or more of the above-mentioned canal networks shall be the subject of individual agreements.

FIFTH: DRILLING AND CONSTRUCTION OF WELLS IN CANAL SERVICE STRIPS FOR WATER EXCHANGE DURING PERIODS OF DECLARED WATER SCARCITY.

Aguas Andinas undertakes to develop one or more projects for the drilling and construction of wells located within the legal service strips of certain irrigation canals of the First Section of the Maipo River, to be operated by Aguas Andinas for water exchange with the Canal Associations during scarcity periods in which the demand of the First Section exceeds the river flow, in order to offset the deficits generated by the volumes of raw water redistributed by those irrigation associations in favor of Aguas Andinas.

All costs associated with pre-feasibility and feasibility studies, basic and detailed engineering, projects, drilling, commissioning, and operation, as well as any others related to these projects, shall be borne entirely and exclusively by Aguas Andinas, except where a particular work benefits a specific canal in a manner or for a purpose other than that stated in this clause.

Given that this project is currently at a preliminary development stage, the Parties declare that they shall make their best efforts to agree upon the detailed terms and specifications. The execution of such projects shall depend on Aguas Andinas obtaining all necessary authorizations, whether regulatory, environmental, sectoral, or any others required for the operation, exploitation, and irrigation use of groundwater during periods of scarcity.

The specific aspects of the exchange of raw and groundwater between Aguas Andinas and one or more of the above-mentioned canals shall be the subject of individual agreements.

SIXTH: SAFETY THRESHOLDS OF THE EMBALSE EL YESO.

While this Agreement remains in force, it is the intention and commitment of the Parties to respect and apply the water-transfer agreements aimed at optimizing water reserves for human consumption to and from the El Yeso Reservoir, as set forth in the following clauses.

The Parties establish the following supply-security objectives through the corresponding reservoir-reserve thresholds of the Embalse El Yeso:

- Objective: equal to or greater than 170 hm³ as of March 31.
- Objective: equal to or greater than 100 hm³ as of October 31.

The Canal Associations undertake to authorize the water transfers required, in accordance with the terms of this Agreement, in order to maintain the aforementioned security objectives.

SEVENTH: ACCOUNT ONE AND ACCOUNT TWO.

- 7.1. Account One. As recorded in the minutes dated April 13, 2011, the Board of Directors of the Maipo River Watershed Surveillance Board authorized Aguas Andinas to store in the El Yeso Reservoir all waters from the Yeso River, for their subsequent restitution in the proportion corresponding to their holders of permanent and consumptive water rights when such holders, acting jointly, so request. This authorization was granted in view of the extreme drought affecting the First Section of the Maipo River at that time, and due to the low accumulation levels of water volumes in the Embalse El Yeso as of that date.

At that same meeting, it was established that the River Judge would keep a record of the volumes stored for their subsequent restitution in the corresponding portions, which was referred to as the “**current account**”, hereinafter the “**Account One**”. All this was subject to prior agreement between Aguas Andinas and the hydroelectric companies that could be affected by the reduction of flows corresponding to their rights as a result of the closing of the reservoir gates. This extraordinary distribution measure covered all users holding consumptive rights under the Maipo River Watershed Surveillance Board, except for the Canal Peral y Larraín and Ms. Sara Larraín Ruiz-Tagle, whose water catchments are located in the Colorado River.

Subsequent minutes of the Board of Directors of the Watershed Surveillance Board show that the measure of closing the reservoir gates continued to be adopted in the following years under the conditions established by the same Board, in view of the prolonged drought and for the purpose of accumulating in the dam all resources contributed by the Yeso River. For such purpose, the Board determined each year a target filling level for the reservoir and based on that target, set the restitution schedules and gate-closure dates.

The restitution to the users of part of the stored resources has been carried out in October, a period in which the river users require their allocations to be supplemented due to the low temperatures that persist in the mountain range during those months, resulting in reduced river flows. All such restitutions have been made in accordance with the accounting maintained by the River Judge for the current account.

Through this mechanism, among others, the water supply for Greater Santiago has been ensured, particularly during winter seasons when the river flow is insufficient to meet the maximum flow of the sanitation company's water rights and it has been necessary to draw upon the waters stored in the reservoir.

It is hereby recorded that Account One was in effect from October 22, 2011, until October 17, 2018, and accumulated in favor of the Canal Associations the following volumes:

ASOCIATION	SCM	ACM	ACUB	ACP	ACH	ACLH	ACIL	TOTAL
Hm3	119.9	102.1	67.3	41.9	41.8	3.5	2.0	378.5

7.2. Account Two. It is recorded in the minutes dated October 17, 2018, that the Board of Directors of the Maipo River Watershed Surveillance Board agreed to freeze Account One as of October 17, 2018. This decision was made due to the water volumes accumulated by Aguas Andinas in Embalse El Yeso as a result of the application of the current account mechanism. Indeed, the accumulated volumes could not be settled through the restitutions made to the river users during the months of September and October.

In view of the foregoing, the Board accepted the proposal submitted by Aguas Andinas to freeze the amount of the water volumes accumulated under the current-account mechanism up to that date, provided that the conditions under which it had been agreed were respected — that is, that the stored water volumes would be restituted in equivalent water volumes when applicable. During that same session, it was noted that no one could have foreseen the prolonged nature of the drought, and the Board agreed to create a “new current account,” hereinafter referred to as “Account Two.”

It is hereby recorded that Account Two was in effect from October 18, 2018, until October 17, 2020, producing the following balances:

ASOCIACIÓN	SCM	ACM	ACUB	ACP	ACH	ACLH	ACIL	TOTAL
Hm3	54.0	46.0	30.3	18.9	18.8	1.6	0.9	170.5

EIGHTH: RESTITUTION AND COMPENSATION FOR STORED WATER VOLUMES.

The Parties agree that the debt corresponding to the water volumes stored under both current accounts indicated in Sections 7.1 and 7.2 of this Agreement shall be settled by Aguas Andinas through the annual restitution of up to a maximum of 30 cubic hectometers in total from the

Embalse El Yeso for each irrigation season (September – April), upon an independent request from each Canal Association in the month of August of each year, considering a maximum rate of 1 liter per second per river share. If circumstances permit, these maximum limits may be exceeded by mutual agreement between Aguas Andinas and the Canal Associations.

Aguas Andinas shall carry out the agreed restitution in the months individually agreed with each Canal Association. Should Aguas Andinas be unable to make the restitution in the aforementioned terms for reasons related to the safety of the drinking-water supply, restitution shall instead be made in its equivalent value in Chilean pesos at the corresponding payment date, at a rate of 390 inflation-indexed units (Hm³). The accounting of the volumes requested but not delivered in water shall take place during the month of May of the following year, and the corresponding monetary compensations shall be settled during the month of June of that same year.

The Canal Associations appearing herein, given their nature as non-profit water-user organizations, declare their intention to invest these resources primarily in operational and management improvements to their irrigation-water catchment and distribution infrastructure. The Canal Associations that choose may waive the monetary compensation and maintain the debt in water.

If, in any given year, the Canal Associations do not request restitution of the water volumes referred to, or request a volume lower than the established maximum, their right shall be cumulative and may be exercised once the final restitution period has concluded, this period being extended proportionally to the outstanding balance to be restituted, always considering the annual maximum restitution volume of 30 cubic hectometers.

Without prejudice to the foregoing, and only regarding the water volumes owed under Account Two (7.2) at the time of executing this Agreement, each Canal Association shall have, within 60 business days, the right to request from Aguas Andinas monetary compensation in Chilean pesos for all or part of the volume corresponding to it, also at a rate of 390 inflation-indexed units (Hm³). The Canal Associations appearing herein declare their intention to invest these resources primarily in operational and management improvements to their irrigation-water catchment and distribution infrastructure.

Upon the expiration of 60 business days from the execution of this Agreement, any Association that has not expressed its willingness to receive such monetary compensation for Account Two shall be deemed to have elected to maintain the debt in water, with the outstanding balance henceforth being subject to the annual restitution mechanism described above.

Annex No. 3 contains a detailed breakdown of the balances distributed between Account One and Account Two, and of the flows to be restituted under each current account, disaggregated for each Canal Association.

NINTH: TRANSFERS OF RAW WATER FROM OCTOBER 18, 2020, ONWARDS.

9.1. First Period: The Parties acknowledge that, during the period between October 18, 2020, and May 31, 2021, new transfers of raw water were carried out (as detailed in the table below), which shall be settled in accordance with the provisions set forth in Clause Tenth of this Agreement.

ASOCIACIÓN	SCM	ACM	ACUB	ACP	ACH	ACLH	ACIL	TOTAL
Hm3	44.6	38.0	25.1	15.6	15.6	1.3	0.7	140.9

9.2. Second Period: Refers to the water volumes to be transferred from June 1, 2021, onwards, on an indefinite basis, which shall be settled in accordance with the provisions set forth in the following Clause Tenth, based on the flows recorded and reported monthly by the Vigilance Board.

The Board of Directors of the Maipo River Vigilance Board shall be responsible for determining the transfer volumes, in accordance with the following schedule:

- At the end of March each year (considering reservoir levels), decisions shall be made regarding winter transfers (if applicable).
- At the end of October each year (considering reservoir levels and snowmelt projections), decisions shall be made regarding summer transfers (if applicable).

If necessary, additional Board meetings may be held should circumstances arise that significantly alter the projections agreed upon in the following point.

As stated in Clause Sixth of this Agreement, the Parties have set the following water supply security objectives for Santiago, through reservoir thresholds at Embalse El Yeso:

- Objective: equal to or greater than 170 hm³ as of March 31.
- Objective: equal to or greater than 100 hm³ as of October 31.

The Canal Associations undertake to carry out the water transfers necessary to reach the stated reservoir thresholds, in order to maintain the aforementioned security objectives, which Aguas Andinas shall have the right to acquire to the extent required by its effective operational needs, in accordance with the provisions of this Agreement.

TENTH: COMPENSATION FOR TRANSFERRED RAW WATER VOLUMES.

The Parties agree on the following thresholds of average monthly flows of the Maipo River, expressed with their probability of exceedance, based on which the flows corresponding to low and high irrigation demand shall be defined. This Maipo River flow refers to its natural flow, composed of the river flow measured at La Obra, minus the discharges from Embalse El Yeso (if such discharges are occurring), plus the flow of the Yeso River, in the event that the Yeso River is being impounded.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Flow (m3/s)	35	20	20	20	25	35	45	60	70	75	65	55
PE %	80%	95%	95%	95%	95%	80%	90%	95%	95%	85%	70%	50%

Flows below the threshold indicated in the table are defined as “high-demand” flows and, if transferred at the Independent Intake or stored in the Embalse El Yeso, shall be compensated in Chilean pesos at CLP \$47/m³ for the First Period (Clause NINTH, 9.1) and CLP \$50/m³ (both indexed to inflation-indexed units [UF] as of June 1, 2021) for the Second Period (Clause NINTH, 9.2).

Flows transferred at the Independent Intake above the threshold indicated in the table are defined as “low-demand” flows and shall be compensated in Chilean pesos at CLP \$20/m³ for the First Period (Clause NINTH, 9.1) and CLP \$25/m³ (both indexed to UF as of June 1, 2021) for the Second Period (Clause NINTH, 9.2).

“Low demand” flows transferred to the Embalse El Yeso are considered “optimization of use” and shall be compensated at a preferential monetary value of CLP \$10/m³ (indexed to UF as of June 1, 2021) for both the First and Second Periods indicated in Clause NINTH.

The Parties agree that the computation of transferred water volumes shall be performed daily by the Vigilance Board. For each day of transfer, the corresponding compensation value shall be associated with the transferred volume in accordance with the formula described above. The settlement of daily compensations shall be carried out on a cumulative basis once per month.

At the request of Aguas Andinas, the Canal Associations undertake to transfer the flows that cannot be taken due to canal closures or any other operational contingency, which shall be considered “low demand” flows. Also regarded as “low demand” are the flows that may be transferred without affecting the users (for instance, canal closures during rainfall events, early fulfillment of irrigation demands, or any other circumstance allowing voluntary cession of

Flows). The Parties express their intention to minimize transfers under high-demand conditions and therefore undertake to make their best management efforts to maximize the opportunities for transfers with low or no impact, including the coordination of canal and intake closures and maintenance, the reallocation of flows during rainfall events, or any other measure that may contribute to this purpose.

It is hereby recorded that, for the determination of the agreed prices, the Parties have taken into account the Raw Water Value from the Seventh Tariff Process of Aguas Andinas, and that the “high demand” price has been established based on the average operating cost of a deep well.

The Parties undertake to carry out a study to review the grounds for determining the flows required to satisfy the permanent water rights.

ELEVENTH: MAIPO RIVER FIRST SECTION VIGILANCE BOARD.

Appearing herein is the Vigilance Board of the First Section of the Maipo River, Tax Identification No. 82.617.700-4, represented by Mr. Harry Fleege Tupper, National Identity Card No. 4.224.733-2, both domiciled at Luis Thayer Ojeda 0115, Office 306, Municipality of Providencia, hereinafter referred to as “JVRM,” who acknowledges this Agreement.

Likewise, the Parties declare their understanding that certain agreements contained herein require the approval of the JVRM Board of Directors for their implementation, such as those referred to in Clauses Third, Sixth, and 9.3 of Clause Ninth.

TWELFTH: TERM.

This Agreement shall have an indefinite duration and shall be reviewed upon the expiration of each five-(5)-year period by the Operational Committee referred to in Clause Thirteenth, in order to evaluate the fulfillment of the objectives set forth in Clause First of this Agreement.

Upon the expiration of each five-(5)-year period, the Canal Associations and/or Aguas Andinas shall be entitled to terminate this Agreement unilaterally, without cause, whenever they deem it appropriate, by giving written notice to the other Party at least one (1) year in advance. The foregoing shall be without prejudice to the fulfillment of obligations undertaken by the Parties, whether those arising from additional agreements executed between them or from Aguas Andinas’ obligation to return and/or pay the balances owed under the current accounts established or to be established.

Aguas Andinas undertakes to periodically report to the Operational Committee, at least once every six months, on the progress of its most relevant projects, such as those identified in Clauses Fourth and Fifth above. Should there be no material and necessary progress for the implementation of said projects within their respective timelines, the Canal Associations shall be entitled to unilaterally terminate this Agreement by giving written notice to Aguas Andinas at least one (1) year in advance.

Without prejudice to the foregoing, the Parties express their intention to grant this Agreement a permanent character, insofar as long-term solutions are achieved in both water infrastructure and resource management, with the purpose of ensuring sustainability, stability, and resilience of the First Section of the Maipo River in the face of climate change and prolonged drought.

THIRTEENTH: OPERATIONAL COMMITTEE.

This Agreement is the result of the work of a committee composed of members designated by the Parties, and it is the intention of the Parties that said committee remain in place to oversee the proper implementation of the Agreement, compliance with its objectives, and due coordination among the Parties.

Henceforth, the Operational Committee shall be composed of six (6) members, three (3) appointed by Aguas Andinas and three (3) appointed by the Canal Associations.

The Operational Committee shall adopt its resolutions by absolute majority and shall meet at such times and in such manner as its members may agree.

If no agreement is reached on any fundamental aspect or other relevant matter, the dispute shall be submitted to the procedure established in Clause Sixteenth of this Agreement.

FOURTEENTH: INVALIDITY OR INAPPLICABILITY OF CLAUSES.

The invalidity or inapplicability of any term or provision of this Agreement to any circumstance or Party shall not affect the validity of the remainder of this Agreement, nor the validity of the remaining terms or provisions, nor the application of such term or provision to other circumstances or Parties, all of which shall remain valid and enforceable to the extent permitted by law.

FIFTEENTH: NO WAIVER.

Failure by any Party to report or notify another Party of any breach of the obligations arising from this Agreement shall not, in any case, be construed as a waiver of such right or as acceptance of such breach.

SIXTEENTH: DISPUTE RESOLUTION.

Any disputes arising between the Parties in connection with this Agreement — whether concerning interpretation, validity, application, or any other matter — shall first be submitted to mediation by the Operational Committee referred to in Clause Thirteenth.

If no agreement or solution can be reached among the Parties, which shall be deemed to occur upon a written request by any of the Parties for the appointment of an arbitrator, any difficulty or controversy between the Canal Associations and Aguas Andinas regarding the application, interpretation, duration, validity, or enforcement of this Agreement, or for any other reason, shall be submitted to arbitration in accordance with the Procedural Arbitration Rules of the Arbitration and Mediation Center (CAM) of the Santiago Chamber of Commerce (CCS) in effect at the time of the request.

The Parties grant an irrevocable special power of attorney to the Santiago Chamber of Commerce A.G. (CCS) to designate, at the written request of any of them, an arbitrator empowered as an arbitrator in procedure and as a de jure arbitrator in decision, chosen from the members of the CAM Santiago's panel of arbitrators.

No appeals shall be admissible against the arbitrator's decisions, except for motions for reconsideration, clarification, or correction, and those that are non-waivable under the law. The arbitrator is expressly empowered to rule on all matters relating to his or her own jurisdiction and/or competence.

SEVENTEENTH: GOVERNING LAW.

The Parties agree to submit the interpretation and/or performance of this Agreement to Chilean law.

EIGHTEENTH: ANTI-CORRUPTION MANAGEMENT SYSTEM, CRIMINAL OFFENSE PREVENTION MODEL, AND LAW NO. 20.393.

Regarding Aguas Andinas S.A.

Aguas Andinas declares that it has implemented a Criminal Offense Prevention Model (available at www.aguasandinas.cl) in accordance with Articles 3 and 4 of Law No. 20.393, published on December 2, 2009, which establishes the criminal liability of legal entities for the offenses of bribery, money laundering, terrorist financing, receiving stolen goods, dishonest administration, conflict of interest, private-to-private corruption, misappropriation, the crimes set forth in Articles 136, 139, 139 bis, and 139 ter of the General Law on Fisheries and Aquaculture, and any other offenses subsequently incorporated into the catalog contained in Article 1 of said Law and its amendments, which shall be deemed an integral part of this Agreement.

It further declares that it has implemented an Anti-Corruption Policy (available at www.aguasandinas.cl) in accordance with ISO 37001, which specifies the requirements for establishing, implementing, maintaining, reviewing, and improving an anti-bribery management system.

Likewise, Aguas Andinas declares that it has implemented a Whistleblowing Channel for its employees, clients, suppliers, and third parties, available on its website (www.aguasandinas.cl), through which any conduct that violates Law No. 20.393, the Criminal Offense Prevention Model, and/or the Anti-Corruption Policy of Grupo Aguas, as well as any breaches of the policies and procedures that form part of the Company's integrity and corporate ethics framework, may be reported.

Regarding the Canal Association Sociedad del Canal de Maipo:

One. The Parties acknowledge that the Canal Association Sociedad del Canal de Maipo has implemented a Criminal Offense Prevention Model in accordance with Articles 3 and 4 of Law No. 20.393, which establishes the criminal liability of legal entities for the offenses of bribery, money laundering, terrorist financing, receiving stolen goods, and any other offenses subsequently incorporated into the catalog set forth in Article 1 of said Law and its amendments.

Two. Furthermore, the Parties undertake not to engage in any activity that could constitute an offense and, in particular, to fully comply with the supervisory and management obligations imposed by Law No. 20.393 on their employees, contractors, subcontractors, and collaborators.

Three. Likewise, the Parties declare that they have established the necessary control and supervisory mechanisms to prevent the commission of such acts by their employees, contractors, subcontractors, or collaborators.

NINETEENTH: RATIFICATION.

The Canal Associations appearing herein shall submit this Agreement, in its entirety, to the approval or ratification of their respective governing bodies.

TWENTIETH: DECLARATION OF THE PARTIES.

The Parties declare their understanding that no provision of this Agreement shall imply any waiver of the water rights owned or held by them, under any title, or conducted through their infrastructure, nor of the manner in which such rights have been exercised to date, nor shall it entail any waiver of any other rights held by the Parties.

TWENTY-FIRST: COUNTERPARTS.

This Agreement is executed in as many counterparts as there are appearing Parties, all of which shall be equally valid, with one original retained by each Party.

POWERS OF ATTORNEY:

The authority of Mr. Emilio Cousiño Valdés and Mr. Alejandro Gómez Vidal to represent the Canal Association Sociedad Canal de Maipo is evidenced by a public deed dated February 8, 2012, executed before the Notary Public of Santiago, Mr. Eduardo Avello Concha.

The position of President held by Mr. Felipe Moreno Valdés is evidenced by a public deed executed before the Notary Public of Buin, Ms. Myriam Escobar Díaz, on July 26, 2021, and the authority of Mr. Carlos Eugenio Castillo González to represent the Canal Association Canales Unidos de Buin is evidenced by a public deed dated June 1, 2011, executed before the same Notary Public of Buin, Ms. Myriam Escobar Díaz.

The authority of Mr. Dagoberto Bettancourt Madrid and Mr. Víctor Eduardo Pino Torche to represent the Canal Association Canal de Pirque is evidenced by a public deed dated December 27, 2019, executed before the Notary Public of Puente Alto, Mr. Eugenio Camus Mesa.

The authority of Mr. Sebastián Bariggi Matjasic to represent the Canal Association Canal Huidobro is evidenced by a public deed dated October 9, 2019, executed before the Notary Public of Buin, Ms. Myriam Escobar Díaz.

The authority of Mr. Luis Baertl Jourdé to represent the Canal Association Canales del Maipo is evidenced by a public deed dated September 4, 2020, executed before the Notary Public of Santiago, Mr. Francisco Javier Leiva Carvajal.

The authority of Mr. Germán Vial Altamirano to represent the Canal Association Canalistas de Lo Herrera is evidenced by a public deed dated May 31, 2017, executed before the Notary Public of Santiago, Mr. Cosme Fernando Gomila Gatica.



The authority of Mr. Miguel Galdames Quezada to represent the Canal Association Canalistas Lonquén – La Isla is evidenced by a public deed dated September 24, 2018, executed before the Notary Public of Santiago, Mr. Álvaro David González Salinas.

The authority of Ms. Marta Colet Gonzalo to represent Aguas Andinas S.A. is evidenced by a public deed dated April 17, 2019, executed before the Notary Public of Santiago, Mr. Andrés Rieutord Alvarado.



The authority of Mr. Harry Fleege Tupper to represent the Vigilance Board of the First Section of the Maipo River is evidenced by a public deed dated March 30, 2006, executed before the Notary Public of Santiago, Mr. Patricio Raby Benavente.



Emilio Cousiño Valdés Alejandro Gómez Vidal
Asociación de Canalistas Sociedad Canal del Maipo



Felipe Moreno Valdés Carlos Eugenio Castillo González
Asociación Canales Unidos de Buin



Dagoberto Bettancourt Madrid Víctor Eduardo Pino Torche
Asociación de Canalistas del Canal de Pirque

Sebastián Bariggi Matjasic
Asociación Canal Huidobro



Luis Baert Jourde
Asociación Canales del Maipo



Germán Vial Altamirano
Asociación de Canalistas de Lo Herrera

Miguel Galdames Quezada
Asociación de Canalistas Lonquén — La Isla



Marta Colet Gonzalo
Aguas Andinas S.A.



Harry Fleege Tupper
Junta de Vigilancia de la Primera Sección del Río Maipo

ANNEX N°1
TERMS OF REFERENCE FOR THE MASTER PLAN TENDER



TERMS OF REFERENCE

STUDY

"MASTER PLAN FOR A ASUSTAINABLE AND RESILIENT MAIPO WATERSHED"

May 2021

TERMS OF REFERENCE

STUDY

“MASTER PLAN FOR A SUSTAINABLE AND RESILIENT MAIPO WATERSHED”

INDEX

1	BACKGROUND	2
1.1	CONTEXT	2
1.2	MEGA DROUGHT	2
2	OBJECTIVES, SCOPE AND STUDY ACTIVITIES.....	3
2.1	OBJECTIVES	3
2.2	SCOPE.....	3
2.3	ACTIVITIES	4
3	AVAILABLE INFORMATION.....	4
4	STUDY DEADLINES AND SCHEDULE	5
5	COORDINATION OF WORKS	5
6	DELIVERY OF STUDY.....	6

TERMS OF REFERENCE

STUDY

“MASTER PLAN FOR A SUSTAINABLE AND RESILIENT MAIPO WATERSHED”

1 BACKGROUND

1.1 Context

The Maipo watershed has historically enjoyed a natural regime of abundant rainfall and flow levels aligned with seasonal demand. However, over the past decade—and as in the rest of central Chile—it has been immersed in a deep and persistent drought.

What was initially understood as a natural and temporary phenomenon, consistent with the region’s climatic variability and observed in previous historical periods, has, over the years, become a warning sign of a problem that appears to be more structural than circumstantial.

Both the observed trends and future simulations —considering the effects of climate change— consistently show a gradual transition of the Maipo watershed toward drier conditions, reinforcing this assumption and requiring the study of solutions to address this new hydrological reality.

In addition, urban water consumption is expected to continue increasing, driven by Santiago’s sustained population growth, the country’s economic development, and rising temperatures.

1.2 Mega Drought

The so-called Mega Drought placed the water supply for Santiago’s drinking water production and for agricultural and food production at risk. As the provision of sanitation water is a first-necessity service, it became necessary to implement water transfers from the Canal Associations of the First Section of the Maipo River to Aguas Andinas.

What could initially be managed through the transfer of relatively small water volumes during the winter reached a turning point in the extremely dry 2019–2020 season, as the severe drought recorded forced water transfers in the summer, supported by various scarcity decrees issued by the General Water Directorate.

Given the seriousness of the situation, the different consumptive users of the First Section of the Maipo River gathered in what was called the Technical Water Board to reflect on the potential infrastructural and management solutions required to enhance the watershed’s sustainability and resilience.

As a result of this work, several measures were identified that enjoyed broad consensus — by way of example and not limitation— such as the reuse of treated wastewater, emergency wells, aquifer infiltration, and new storage capacities in reservoirs, among others. These measures are to be further assessed in greater detail and within a comprehensive watershed-level approach.

2 OBJECTIVES, SCOPE AND STUDY ACTIVITIES

2.1 Objectives

The general objective of the study is the development of a Master Plan aimed at advancing the sustainability and resilience of water management in the Maipo watershed, enabling the organization and prioritization of actions intended to enhance water security in the short, medium, and long term for the main consumptive users of the First Section of the Maipo River, while taking into account the impact on non-consumptive rights.

2.2 Scope

The following shall be considered:

The study is intended to have a simplified scope, focusing on profile-level solution analysis and prioritization.

The study area corresponds to the upper Maipo watershed, with emphasis on the First Section.

The work shall be based on available information sources concerning water supply, demand, and potential solutions.

The required analyses must reach a sufficient level of detail for the preparation of a Master Plan with short-term (2025), medium-term (2030), and long-term (2045) horizons.

2.3 Activities

The main activities to be developed under the study are as follows.

1. Balance Preparation of a hydrological balance at the watershed level, including its medium- and long-term projections.
2. Diagnosis of water deficit for the main consumptive users of the First Section of the Maipo River under different exceedance probabilities.
3. Evaluation at profile level of proposed infrastructure and management initiatives.
4. Identification of additional initiatives to be included in the Plan, considering the study's scope and time frame.
5. Prioritization of actions according to the following criteria:

Feasibility of alternatives based on a multi-criteria analysis that technically evaluates their complexity (construction, environmental and community, operational, and other complexities).

Investment and operation costs of the alternatives, expressed as unit values per cubic meter contributing to the balance.

Project implementation timelines considering all stages.

Effectiveness of the alternatives in terms of water resource contribution and reduction of the projected deficit.

6. Proposal of a roadmap for the implementation of prioritized measures, identifying the stages to be developed and detailing the required short-term actions (e.g., preliminary studies) that will allow the initiatives to advance from the "Profile" stage to the "Investment Decision" stage.

3 AVAILABLE INFORMATION.

The Client shall make available to the Consultant the following information and documentation:

Studies previously conducted regarding water balance within the watershed.

Studies conducted regarding infrastructure and/or management solutions.

Current demands and future projections, both for irrigation and drinking water supply.

In addition, the Consultant shall review and include in its analyses, at least, the following publicly available studies:

Updated National Water Balance, General Water Directorate (DGA).

Strategic Water Management Plan for the Maipo Watershed, DGA.

Water Scenarios 2030, Fundación Chile (FCH).

4 STUDY DEADLINES AND SCHEDULE

The total duration established for the completion of the study shall be three (3) months.

The bidder shall submit, together with its proposal, an initial Gantt Chart detailing all activities and timeframes required to comply with the conditions set forth in these Terms of Reference.

5 COORDINATION OF THE WORKS

Aguas Andinas shall appoint a Project Coordinator Engineer, who shall act as the liaison with the Consultant for purposes of direction, monitoring, and control of the study. To perform these duties, the Project Coordinator may at any time request data and documents being prepared by the Consultant, regardless of their stage of development. The Consultant and the Project Coordinator shall agree upon the meetings required to address issues, define criteria, and present progress and results.

Furthermore, the consumptive users of the First Section of the Maipo River shall appoint a Technical Committee, composed of three (3) representatives of the Canal Associations, three (3) representatives of Aguas Andinas, and one (1) representative of the Water Users' Association (Junta de Vigilancia). The Technical Committee shall ensure that the study's approach and proposed developments are consistent with the operational reality of the First Section of the Maipo River. The Consultant is expected to hold at least four meetings with the Technical Committee: one prior to the start of the study, two monthly follow-up meetings, and one final meeting to present the results.

6 DELIVERY OF STUDY

The study shall be delivered in digital format files, which must include, together with the main report, the corresponding Excel spreadsheets, PowerPoint presentations, shape-format drawings, and all model files and related scenarios generated during the study.

ANNEX No. 2

EXCHANGE OF RAW WATER TO BE CAPTURED AT THE AGUAS ANDINAS INDEPENDENT INTAKE IN RETURN FOR THE DELIVERY TO THE CANAL ASSOCIATIONS OF TREATED WATER FROM THE MAPOCHO-TREBAL WASTEWATER TREATMENT PLANT FOR REUSE

Introduction

This project consists of reusing treated wastewater from Aguas Andinas' Biofactory Trebal-Mapocho, by conducting part of the plant's effluent flow to a point located in the lower area of the First Section of the Maipo River, where it shall be captured and distributed through the canal network, ultimately destined for the agro-food activities of the members of the Canal Associations. This extraordinary water contribution to the lower part of the First Section will enable the redistribution of flow within the section, ensuring that the water demand of the city of Santiago can be met during the driest years.

General Characteristics of the Project

The main purpose of Aguas Andinas' initiative to reuse treated wastewater (ASD) is to efficiently ensure the supply of drinking water for the city of Santiago in the coming decades. Within the current drought context, this solution can provide new water resources to the First Section of the Maipo River in the short term. In particular, this reuse project will help alleviate water stress for irrigators in the First Section of the Maipo River, without materially affecting downstream users of the biofactories. In this regard, Aguas Andinas is developing a treated wastewater reuse project from the Mapocho-Trebal Biofactory, in collaboration with the Canal Associations located in the lower section of the Maipo River: Asociación de Canales del Maipo, Asociación Canales Unidos de Buin, and Asociación Canal Huidobro. Under this scheme, Aguas Andinas shall deliver treated wastewater into the canals of these irrigator associations, and in exchange, these associations shall transfer to Aguas Andinas an equivalent flow from the Maipo River to be extracted in the upper section of the river —at the Independent Intake in the Pirque district— for drinking water treatment and distribution.

Since these three irrigator associations are located relatively close to the treated wastewater discharge point, they represent the most immediate potential for an exchange between treated wastewater and surface water resources.

The Project Includes:

- A reuse flow of 3.0 m³/s.
- Stepwise elevation through Wastewater Pumping Stations (WWPS).
- A pipeline with a DN1500 mm diameter, running from the Biofactory to a discharge point into the canals of these associations (to be determined).

ANNEX No. 3

DISTRIBUTION OF ACCOUNT ONE AND ACCOUNT TWO

Based on the number of shares, Account 1 and Account 2 are redistributed among the Canal Associations.

INFORMACIÓN BASE	SCM	PIRQUE	ACUB	ACH	ACM	ACUH	ACIL	AA - ANGLO	Volumen Total [Hm3]
CUENTA CORRIENTE 1 [Hm3]	162,2	42,1	67,4	41,9	107,9	3,5	2,0	2,1	429,0
CUENTA CORRIENTE 2 [Hm3]	73,1	19,0	30,4	18,9	46,6	1,6	0,9	1,0	193,3
TOTAL DEUDA EN AGUA [Hm3]	235,3	61,0	97,8	60,8	156,5	5,0	2,8	3,1	622,3

Based on the previous volume, a fraction equivalent to the Grupo Aguas participation percentage in each Canal Association shall be deducted.

ASOCIACIÓN	SCM	PIRQUE	ACUB	ACH	ACM	ACUH	ACIL	AA - ANGLO	G. AGUAS
ACC TOTALES	2.508,4	650,5	1.042,3	647,7	1.668,1	53,7	30,3	33,0	1.471,7
% C/R A REGANTES	37,8%	9,8%	15,7%	9,8%	25,1%	0,8%	0,5%	0,5%	
ACC AA EN REGANTES	653,7	2,1	1,7	1,0	89,8	-	-	33,0	-
% AA EN REGANTES	26,1%	0,3%	0,2%	0,2%	5,4%	0,0%	0,0%	100,0%	

CÁLCULO DE SALDOS POR ASOC.	SCM	PIRQUE	ACUB	ACH	ACM	ACUH	ACIL	AA - ANGLO	TOTAL
SALDO EFECTIVO CTA 1 [Hm3]	119,5	41,9	67,3	41,8	102,1	3,5	2,0	-	378,5
SALDO EFECTIVO CTA 2 [Hm3]	54,0	18,9	30,3	18,8	46,0	1,6	0,9	0,0	170,5
TOTAL DEUDA EN AGUA [Hm3]	174,0	60,8	97,6	60,7	148,0	5,0	2,8	0,0	549,0